

JANNALI EAST BEFORE AND AFTER SCHOOL CARE PROGRAM INC

BAD DEBTS POLICY

AIM

For the Centre to have minimal monies owing to them. For accounts to go out on time and for the families to pay their accounts by the due date stipulated. For any bad debts to be followed up on and the centre's procedure for reclaiming fees is followed.

PROCEDURE

It is required that all families pay their child care fees either weekly or fortnightly in advance, unless prior arrangements have been made with the Centre Management in writing.

Definitions

An account is overdue when:

- The amount owing is greater than two weeks of the families' weekly fees.

An account is outstanding when:

- The amount paid in any four week period is less than 50% of the total due; or
- No payment has been made for a period of four weeks; or
- There is money owing after the child has left the Centre

Overdue/Outstanding Accounts

The following procedure will apply to **ALL** overdue/outstanding accounts:-

Step 1 – Accounts that are two weeks overdue will have URGENT ACTION REQUIRED in the notices section at the end of the emailed statement.

Step 2 – Fees that are three weeks overdue will result in the parent/guardian being sent a letter of request for immediate payment with intention to cancel care.

Step 3 – If the account remains outstanding for seven (7) days from date of Letter of Request, a formal letter will be sent to notify the parent/guardian that care will be cancelled in 2 weeks and the outstanding account will be forwarded to our collection agency.

Debt Collection

Where a family had failed to comply with requests for payment as noted above, the account will be placed in the hands of our collection agency.

The Management Committee reserves the right to implement legal proceedings in the cases where fees still remain outstanding. The Management Committee will pursue all outstanding debts to the fullest. Any administration/court costs involved will be the sole responsibility of the enrolling parent/guardian.

Right to Refuse Care

The Centre Management has the right to cancel care immediately where the family has failed to comply with the centre's request for outstanding fees to be paid. This will be done via a formal letter.

If child/children are excluded from care at the Centre and they appear at the Centre for care, they will be escorted to the school office. The school will then contact the parents to arrange immediate collection of the children.

The Centre Management reserves the right to cancel care at Christmas closure if accounts are not at a nil balance one week after end of term. Unless discussed with the Management previously.

If care has been cancelled and the outstanding account has been paid, the enrolling parent/guardian may apply for care at the Centre again. They will be placed on the waiting list until vacancies become available, however a four week Fees Bond will be required before care can commence. This Fees Bond will be equivalent to the current fees with child care benefit included (Full rate).

Financial Hardship

Where a family is experiencing financial difficulties it is requested that the Centre management be contacted and informed regarding the problems. The Management Committee acknowledges that on occasions events can cause families to have difficulties in paying their fees. Please speak to us to organise a payment plan, which will be set out in writing, and signed by both parties.

Christmas Closure

As we are a not for profit, community based organisation we require ALL accounts to be paid in full by the last day of the Centre's operational year. End of year accounts will be done in advance for all permanent booked care. Casual days will be added on and accounts will be adjusted as required. Centre Management reserves the right to cancel care for the following year if fees remain outstanding, one week after Centre closure, unless prior arrangements have been made in writing to the management committee.

Evaluation

This policy is viewed to be working effectively when:

- Fees are paid on time
- We have minimal bad debts
- The Centre has minimal outstanding amounts owing.