



FEES POLICY

Mandatory – Quality Area 7

Rowen Street Kinder Inc. has made the decision to opt in to the Victorian Government's Free Kinder scheme for 2023. This fees policy should be read with the conditions of this scheme in mind.

Details of the Fees and Voluntary donations sought for 2023 can be found in Attachment 1

Details of the Free Kinder scheme can be found in Attachment 2

PURPOSE

This policy will provide clear guidelines for:

- the setting, payment and collection of fees
- ensuring the viability of Rowen Street Kindergarten Inc., by setting appropriate fees and charges
- the equitable and non-discriminatory application of fees across the programs provided by Rowen Street Kindergarten Inc.

POLICY STATEMENT

Values

Rowen Street Kindergarten Inc. is committed to:

- providing responsible financial management of the service, including establishing fees that will result in a financially viable service, while keeping user fees at the lowest possible level
- providing a fair and manageable system for dealing with non-payment and/or inability to pay fees/outstanding debts
- ensuring there are no financial barriers for families wishing to access an early childhood program for their child/children
- maintaining confidentiality in relation to the financial circumstances of parents/guardians
- advising users of the service about program funding, including government support and fees to be paid by parents/guardians
- providing equitable access for families eligible for the Kindergarten Fee Subsidy and/or Early Start Kindergarten.

Scope

This policy applies to the Approved Provider, Person with Management and Control, Nominated Supervisor, Person in Day-to-Day Charge, educators and parents/guardians with an enrolled child, or who wish to enrol a child at Rowen Street Kindergarten Inc.

RESPONSIBILITIES	Approved provider and persons with management or control	Nominated supervisor and persons in day-to-day charge	Early childhood teacher, educators and all other staff	Parents/guardians
Reviewing the current budget to determine fee income requirements	√	√		
Developing a fee policy that balances the parent's/guardian's capacity to pay, with providing a high-quality program and maintaining service viability	√	√		
Implementing and reviewing this policy in consultation with parents/guardians, the nominated supervisor and staff, and in line with the requirements of DET's The Kindergarten Funding Guide	√	√		
Considering any issues regarding fees that may be a barrier to families enrolling at Rowen Street Kindergarten Inc. and removing those barriers wherever possible	√	√		
Reviewing the effectiveness of the procedures for late payment and support	√	√		
Providing communication to families explaining their access to one funded kindergarten program per child, per year.	√	√		
Considering options for payment when affordability is an issue for families	√	√		
Ensuring that the <i>Fees Policy</i> is readily accessible at the service (<i>Regulation 171</i>)	√	√		
Providing all parents/guardians with fee information	√	√		
Providing all parents/guardians with a statement of fees and charges upon enrolment of their child	√	√		
Providing all parents/guardians with a fee payment agreement	√	√		
Ensuring fees are collected and receipted	√	√		
Collecting all relevant information and maintaining relevant documentation regarding those with entitlement to concessions	√	√		√
Complying with the service's <i>Privacy and Confidentiality Policy</i> regarding financial and other information received, including in relation to the payment/non-payment of fees	√	√		
Notifying parents/guardians a minimum of 14 days of any proposed changes to the fees charged or the way in which the fees are collected (<i>Regulation 172(2)</i>), and ideally providing one term's notice.	√	√		
Addressing any complaints or concerns that have been raised regarding fees at the service in a timely manner	√	√		
Reading the Rowen Street Kindergarten Inc fee information for families, the Fee Payment Agreement and the Statement of Fees and Charges				√
Signing and complying with the Fee Payment Agreement				√
Notifying the approved provider if experiencing difficulties with the payment of fees				√
Providing the required documentation to enable the service to claim the Kindergarten Fee Subsidy and/or Early Start Kindergarten, if eligible				√

Background and legislation

Background

The Department of Education and Training (DET) (refer to Definitions) provides funding for each child who is enrolled and attending a funded kindergarten program two years before school. Income from other sources, primarily fees, is required to meet all the additional costs incurred by Rowen Street Kindergarten in the delivery of the program. In addition, the **Kindergarten Fee Subsidy** enables eligible children to attend a funded kindergarten program free or at low cost for two years before school.

DET also funds **Early Start Kindergarten** for three-year-old Aboriginal and Torres Strait Islander children, children from refugee or asylum seeker background and children known to Child Protection, to access kindergarten programs as outlined in The Kindergarten Funding Guide.

Regulation 168(2)(n) of Education and Care Services National Regulations 2011 requires that funded kindergarten services have a comprehensive written fees policy, and the content of this policy must be communicated to families. The policy must include a written statement about the fees to be charged and the payment process. All families must be informed of applicable term and annual fees at the time of enrolment. Services must also advise eligible families of the Kindergarten Fee Subsidy and/or Early Start Kindergarten arrangements. The fees charged must comply with the Kindergarten Fee Subsidy requirements and/or Early Start Kindergarten and be responsive to the local community and the viability of the service. The Kindergarten Funding Guide outlines the criteria to be covered in the policy.

Legislation and standards

Relevant legislation and standards include but are not limited to:

- *Charter of Human Rights and Responsibilities 2006* (Vic)
- *Child Wellbeing and Safety Act 2005* (Vic)
- *Disability Discrimination Act 1992* (Cth)
- *Education and Care Services National Law Act 2010*
- *Education and Care Services National Regulations 2011: Regulation 168(2)(n)*
- *Equal Opportunity Act 1995* (Vic)
- *National Quality Standard*, including Quality Area 7: Governance and Leadership

Definitions

Children/families experiencing vulnerability and/or disadvantage: children are vulnerable if the capacity of parents and family to effectively care, protect and provide for their long-term development and wellbeing is limited. Some factors which may contribute to a child experiencing vulnerability include: a child with a disability; living in a family with a low income, or one which is experiencing problems with housing, domestic violence, substance abuse, or mental health; known to child protection; in statutory out-of-home care; Aboriginal and/or Torre Strait Islander, having a culturally and linguistically diverse background; having a young or sole parent, or a parent with a disability.

Concession: A Commonwealth Government entitlement providing concessions for low-income earners and other eligible people. This includes one of the following:

- a Commonwealth Health Care Card
- a Commonwealth Pensioner Concession Card
- a Department of Veterans Affairs Gold Card or White Card
- Refugee or Asylum Seeker visa (200-204, 786 or 866)
- Bridging visas for any of the above Refugee or Asylum Seeker visas
- Multiple Births (triplets or more)

Early Start Kindergarten (ESK): Early Start Kindergarten provides eligible children with 15 hours of free or low-cost kindergarten each week led by a qualified Victorian Institute of Teaching (VIT) registered teacher. ESK is available to children who are at least three years old by 30 April in the year they are enrolled to attend the program and are:

- from a refugee or asylum seeker background, or
- Aboriginal and/or Torres Strait Islander, or
- known to child protection.
- These children can also access free year-before-school kindergarten through the ESK Extension Grant regardless of whether they have accessed ESK in the previous year.

Early Start Kindergarten Extension Grants: provides a free or low cost year-before-school kindergarten program for children:

- not eligible for the Kindergarten Fee Subsidy
- who participated in Access to Early Learning in the previous year or are from a refugee or asylum seeker background, or Aboriginal and/or Torres Strait Islander, or known to child protection. A child is not required to access ESK in the previous year to access the ESK extension grant.

High priority families: as defined in the Kindergarten Guide this includes:

- Children at risk of abuse or neglect, including children in Out-of-Home Care
- Aboriginal and/or Torres Strait Islander children
- Asylum seeker and refugee children
- Children eligible for the Kindergarten Fee Subsidy
 - A child or parent holds a Commonwealth Health Care Card, Pensioner Concession Card, Veteran's Affairs Card, or multiple birth children (triplets, quadruplets)
- Children with additional needs, defined as children who:
 - require additional assistance in order to fully participate in the kindergarten program
 - require a combination of services which are individually planned
 - have an identified specific disability or developmental delay

Excursion/special event charge: An additional charge required to meet the cost of special events or excursions that occur in response to emerging children's program needs.

Fees: A charge for a place within a program at the service. This fee is paid in advance prior to the start of each term.

Kindergarten security deposit: A full term fee is charged to secure a place that has been offered in a program at the service prior to the commencement at the service. This is deducted from the first term fees of the year. This deposit should not act as a barrier for enrolment of vulnerable families.

Kindergarten Fee Subsidy (KFS): A state government subsidy paid in addition to per capita grants to subsidise the costs of parent fees and enable eligible children to attend a funded kindergarten for up to 15 hours free of charge in the two years before school.

Sources and related policies

Sources

- *The Kindergarten Funding Guide (Department of Education and Training):* www.education.vic.gov.au
- The constitution of Rowen Street Kindergarten Inc.

Service policies

- *Complaints and Grievances Policy*
- *Delivery and Collection of Children Policy*
- *Enrolment and Orientation Policy*
- *Excursions and Service Events Policy*
- *Inclusion and Equity Policy*
- *Privacy and Confidentiality Policy*

EVALUATION

In order to assess whether the values and purposes of the policy have been achieved, the Approved Provider will:

- regularly seek feedback from everyone affected by the policy regarding its effectiveness, particularly in relation to affordability, flexibility of payment options and procedures for the collection of fees
- monitor the implementation, compliance, complaints and incidents in relation to this policy
- investigating what measures can be taken to reduce any barriers to access the program, especially for vulnerable and disadvantaged children
- monitor the number of families/children excluded from the service because of their inability to pay fees
- keep the policy up to date with current legislation, research, policy and best practice
- revise the policy and procedures as part of the service's policy review cycle, or as required
- notify parents/guardians at least 14 days before making any changes to this policy or its procedures (*Regulation 172(2)*) unless a lesser period is necessary because of a risk.

ATTACHMENTS

- Attachment 1: *Fee Information for Families 2023*
- Attachment 2: *Free Kinder: guidelines for services*

AUTHORISATION

This policy was adopted by the Committee of Management of Rowen Street Kindergarten Inc. on 10 October 2022

Review date: MAY 2023

ATTACHMENT 1
Fee information for families
Rowen Street Kindergarten Inc. 2023



1. General information

The Department of Education and Training (DET) has given services the option to opt into the Free Kindergarten Initiative for 2023. Rowen Street Kindergarten Inc. has decided to opt into this program for 2023.

Under this initiative, Rowen Street Kindergarten Inc. will charge no fees for all programs up to 15 hours per week. A gap fee will be charged for the extra hours in the Dragonflies group.

2. Fee Structure for 2023

3-year-old Beetles (10 hours per week), 3-year-old Butterflies (15 hours per week) and 4-year-old Ladybugs (15 hours per week) will be charged no fees for 2023

Under the Free Kinder scheme, services are permitted to charge for hours over and above 15 hours per week, provided that attendance for these hours is optional.

4-year-old Dragonflies 18 hours per week (fees for the 3 hours above 15 hours per week)	Term Fees	Kindergarten Fee Subsidy (KFS)
Term 1	\$200	\$200
Term 2	\$200	\$200
Term 3	\$200	\$200
Term 4	\$200	\$200
Total	\$800	\$800

3. Voluntary donations requested

In order to cover the gap between Free Kinder funding and kindergarten expenses, Rowen Street Kindergarten Inc. will request donations from families for the following amounts in order to ensure the ongoing financial viability of the service. These amounts are a voluntary contribution and are not required to be paid in order for an enrolled child to attend the service.

Note that Rowen Street Kindergarten Inc. is not authorised to receive tax deductible donations

3-year-old Beetles 10 hours per week	Donation
Annual total	\$720

3-year-old Butterflies 15 hours per week	Donation
Annual total	\$1,100

4-year-old Ladybugs 15 hours per week	Donation
Annual total	\$1,100

4-year-old Dragonflies 18 hours per week	Donation
Annual total	\$1,100

4. How fees are set

As part of the budget development process, the Committee of Management sets fees each year for the programs of the service to ensure the balance is achieved between the financial viability of the service and the affordability to parents/guardians, taking into consideration:

- the financial viability of the service
- the level of government funding provided for the program, including the Kindergarten Fee Subsidy
- the availability of other income sources, such as grants and fundraising
- the fees charged by similar services in the area
- the capacity of parents/guardians to pay fees
- reasonable expenditure in meeting agreed program quality standards
- requirements of The Kindergarten Funding Guide (Department of Education and Training) available from the DET website: www.education.vic.gov.au

5. Fundraising

Not all operating costs are covered by DET funding and fees. Fundraising may be undertaken to pay for additional items for the service. While participation in fundraising is voluntary, the support of every family is encouraged. Fundraising activities are also an opportunity for families and the Rowen Street Kindergarten Inc. communities to come together.

6. Excursions and Special Events

One off Excursions and Special Events may be charged separately under the Free Kindergarten Initiative. These will be communicated to families well in advance and be charged separately.

7. Payment of fees (only applies to Dragonflies for 2023)

Fees are payable for all enrolled days, including any absences due to illness, holidays or public holidays. The Committee of Management will regularly review payment options and procedures to ensure that they are inclusive and sensitive to families' cultural and financial situations.

7.1 Procedures for fees collection.

Fees will be invoiced to parents/guardians directly and must be paid in full by the date indicated on the invoice. Each invoice will be accompanied by payment instructions. The first term's fees must be received in full prior to the child commencing at the service.

For children enrolled after the commencement of a term, a full-term invoice for the following term will be issued and must be paid in full prior to the child commencing at the service to secure the spot. A pro rata catch-up invoice will be issued after commencement and must be paid in full by the date indicated on the invoice. Fees for the remaining year will be invoiced as set out below.

Fees will be invoiced to parents / guardians directly as follows:

- On acceptance of a place, the Kindergarten Security Deposit (full payment of Term 1 fees) is payable. A receipt will be issued prior to commencement.
- The Kindergarten Security Deposit will be deducted from the first term (Term 1) fees of the year.
- Term 2, 3 and 4 will be invoiced four weeks prior to the end of the previous term. Invoices must be paid by the due date, prior to the start of the term.
- All families, including those eligible for the Kindergarten Fee Subsidy, will receive an invoice detailing the charges for the period invoiced and the amount owing (if any).

Parents/guardians experiencing difficulty in paying fees are requested to contact the Treasurer to arrange a suitable alternative payment plan. The Privacy and Confidentiality Policy of the service will be complied with at all times in relation to a family's financial/personal circumstances.

7.2 Method of payment

Payments can be made by Electronic Direct Debit Request (EDDR) and debit card payment through the Payrix service. Alternatively, Rowen Street Kindergarten Inc. also offers bank transfer as a payment method.

8. Unpaid fees

If fees are not paid by the due date, the following steps will be taken.

- An initial reminder will be issued stating fees are overdue, giving 10 working days for payment. A copy of this will be kept on file. It will include information on a range of support options available for the family.
- If payment has not been received by the specified date, the parents/guardians will be invited to attend a meeting to discuss alternative payment options and to develop an agreed payment plan. Minutes of this meeting will be kept on file. If a payment plan is agreed upon both parties will sign the agreed plan and a copy will be kept on file.
- If the parents/guardians fail to attend the meeting and/or if payment is still not received, the Committee of Management will issue a final written request for full payment within 10 working days. The letter will notify the family that, if payment is not received, the child's place at the service may be cancelled.
- The Committee of Management will continue to offer support to families experiencing difficulties in meeting fee invoices.
- If a decision is made to cancel the child's place at the service, the parents/guardians will be provided with 14 days' notice in writing.
- No further enrolments of children from the parents/guardians will be accepted until all outstanding fees have been paid.
- Rowen Street Kindergarten Inc. may engage the services of debt collection agencies if outstanding balances are not paid following the cancellation of the child's place at the service.

The Treasurer, Committee of Management members and staff involved in fee discussions will comply with the Privacy and Confidentiality Policy of Rowen Street Kindergarten Inc. Staff may be consulted on a child's attendance rates and any other information required for the Treasurer to fulfill their role

9. Refund of fees

1. If a child leaves before the end of the term, no pro-rata refund will be available for that term. 4 weeks written notice of departure / withdrawal is required prior to the commencement of the following term.
2. The Committee may consider a partial refund in exceptional circumstances. Applications for a refund must be in writing and must clearly outline the reasons why the child ceased to attend the kindergarten. Any refund will be at the discretion of the Committee and will be assessed on a case-by-case basis. An administration fee may be applied.
3. Refunds may be provided when the child's place is filled within two weeks of the child leaving the kindergarten. This is at the discretion of the Committee of Management.

Once a place has been accepted, there will be no refund of fees in the following circumstances:

- a child's short-term illness
- public holidays
- family holiday during operational times
- closure of the service for one or more days when a qualified educator is absent and a qualified reliever is not available
- closure of the service for staff training days
- closure of the service due to extreme and unavoidable circumstances.

In addition, there will be no refund where a family chooses not to send their child to the program for the maximum number of hours for which they are enrolled (i.e. no pro rata fees).

10. Support services

Families experiencing financial hardship often require access to family support services. Rowen Street Kindergarten Inc. can provide information on these services or alternatively families may contact the local council.

ATTACHMENT 2

Free Kinder – Guidelines for Services

<https://www.education.vic.gov.au/childhood/providers/funding/Pages/Free-kinder-guidelines-for-services-2023.aspx>

INTRODUCTION:

The Best Start, Best Life reform will help all Victorian children dream even bigger through increased access to quality early childhood education and care. A critical part of the reform is Free Kinder, which will support access to two years of high-quality kindergarten programs for all Victorian children by making this free.

Free Kinder will be available for both 3 and 4-year-old kindergarten programs from 2023.

The Department of Education and Training (DET) will provide communications materials to support you promoting Free Kinder to families in your community, and help you answer questions about Free Kinder for 2023. Translated resources to assist conversations with families are also available.

KEY INFORMATION:

Free Kinder supports families to access a funded kindergarten program by:

- providing a free 15-hour program to four-year-old children enrolled at a sessional service
- providing a free 5-to-15-hour program to three-year-old children enrolled at a sessional service (subject to the length of funded program offered)
- offsetting the funded kindergarten program component of parent fees for three and four-year-old children enrolled at a long day care service.

Service eligibility:

All early childhood education and care providers that deliver a funded kindergarten program in Victoria are eligible to receive Free Kinder funding from 2023, subject to meeting specified terms and conditions.

To receive Free Kinder funding, service providers will be required to opt in to provide Free Kinder and accept the terms and conditions of funding via the process detailed below.

Service providers may elect not to opt in to Free Kinder, in which case other funding streams (e.g. per capita) will continue as normal and parent fees may be charged.

Child eligibility:

All children enrolled in a funded kindergarten program at a participating service are eligible for Free Kinder from 2023.

In line with existing policies for per capita funding, children must only receive Free Kinder funding at one service (see process for duplicate enrolments below). If a child attends more than one service that offers a funded kindergarten program (e.g. a sessional service for some days and a long day care service on other days), the family must nominate which service they will receive their funded kindergarten program and therefore their Free Kinder funding.

Funding process:

DET will make Free Kinder payments to participating service providers, not directly to families. These payments will be made through the Kindergarten Information Management System (KIMS) as regular payments to ensure participating services can offer a free program.

Funding rates:

Free Kinder payments for 2023 for a 15-hour program are as follows:

- integrated long day care programs (i.e. where enrolled children also attract Commonwealth Childcare Subsidy (CCS) payments) will attract \$2,000 per child enrolled
- Sessional (standalone) services will receive \$2,500 per child enrolled
- Services that offer a Three-Year-Old Kindergarten program of less than 15 hours, will receive a pro-rata amount.

Where a long day care service offers both an integrated program as well as a sessional program for which children do not attract CCS, the above rates and the different sets of terms and conditions outlined below will apply to each program respectively.

Free Kinder funding is an additional payment to services to cover the parent fee component and will be paid on top of other kindergarten funding streams (excluding Kindergarten Fee Subsidy (KFS), KFS Ratio Supplement and Early Start Kindergarten (ESK)).

The Free Kinder payment will replace KFS and the KFS Ratio Supplement for participating services, and the ESK rate will be increased to reflect the move from KFS to Free Kinder for most services.

KFS will continue to be available for currently eligible services that elect not to opt in to Free Kinder.

Funding for hours of Three-Year-Old Kindergarten:

The pro-rata approach for Three-Year-Old Kindergarten will be applied regardless of whether the program is delivered in a long day care or sessional (standalone) setting.

Three-Year-Old Kindergarten programs delivering 15 hours per week, per child, will receive the full \$2,000 or \$2,500 per enrolled child, based on delivery setting. Examples of pro-rata funding amounts are:

Service type	5 hours	7.5 hours	10 hours	15 hours
Sessional	\$833.33	\$1,250	\$1,666.67	\$2,500
Long day care	\$666.67	\$1000	\$1,333.33	\$2,000

Opt-in process:

Service providers will be advised by DET via email that the opt-in process has opened. There will be a date by which services will be expected to confirm they are opting into Free Kinder, including acceptance of relevant terms and conditions, to ensure they receive funding from the commencement of the year.

Services that commence delivery of funded kindergarten during the kindergarten year will be able to opt in to Free Kinder.

Confirmation of funded kindergarten program

Services must make clear to families that they can only access a funded kindergarten program, at one service at a time in line with normal kindergarten funding guidelines. This includes requiring that a parent / carer for all enrolled children sign a form (provided by DET) to confirm that this is their funded kindergarten program.

If this procedure is not followed and an enrolment is subsequently cancelled because the child is enrolled at another service, DET may seek to recoup Free Kinder payments that have already been made.

Monitoring

DET will actively monitor compliance with the terms and conditions that service providers agree to when opting into Free Kinder. DET, or an organisation engaged to monitor compliance on behalf of DET, may seek information and documents from service providers as part of an assurance process to ensure the full benefits are being passed on to parents and that all Free Kinder funding is being used appropriately and conditions are being met.

OPERATIONAL ADVICE FOR SESSIONAL (STANDALONE) SERVICES:

Eligibility criteria for sessional services

Funded sessional kindergarten service providers accessing this funding are required to:

- offer a free 15-hour kindergarten program for four-year-old enrolments and a free kindergarten program of between 5 and 15 hours for three-year-old enrolments
- not charge any compulsory out-of-pocket fees or levies to families, except for cost recovery for one-off excursions (i.e. entry and transport costs) for children not eligible for KFS
- refund any parent fees that have already been paid for 2023 (excluding any agreed voluntary donations)
- maximise use of licensed capacity as required to meet demand for three- and four-year-old enrolments
- spend all additional funding in line with acceptable uses of kindergarten funding, including to promote increased participation and/or enhance program quality.

Sessional services with programs over 15 hours

As a condition of opting in, services providing a sessional program must offer all families a free 15-hour

program (or the relevant length of the funded Three-Year-Old Kindergarten program up to 15 hours per week). This applies to all funded sessional programs. Where longer program hours are offered these additional hours must be optional.

For example, if a 20 hour four-year-old kindergarten is offered, all families must be given the choice to take up 15 hours only (as a free program) with the additional 5 hours being entirely optional.

Sessional services that accept the Free Kinder funding and offer additional hours can charge parents for program hours over and above the 15 funded hours per week (600 hours per year) and / or 'wrap around' care. The fees for these additional hours can be set at the service's discretion, in consultation with their community, and are not subject to funded kindergarten fee policies.

Before electing to either commence or continue to offer additional program hours above 15 per week, service providers should consider what impact this will have on access to funded three- and four-year-old kindergarten programs in the local area.

Incursions and excursions

If a service conducts occasional special events (e.g. once a term excursions), then a charge may be made to families for the cost recovery for this event (e.g. entry and transport costs). These charges should not be required of families who would be eligible for KFS (as set out in the Kindergarten Funding Guide).

Families cannot be charged for incursions or regular excursions (including Bush Kinder) that are a core part of the kindergarten program.

Payment information for sessional kindergarten services

Free Kinder payments will be made monthly via KIMS. As per normal kindergarten payments, Free Kinder funding is calculated and paid pro-rata from a service's funding start date.

Services should ensure their enrolment data in KIMS is up to date to ensure accurate payments each month.

Enrolment deposits

Services can ask for families to pay an enrolment deposit to secure a place in a kindergarten program, but this must be refundable upon taking up the place.

Communicating with parents

Sessional kindergarten services must ensure that they advise families that:

- offer a free 15-hour kindergarten program for four-year-old enrolments and a free kindergarten program of between 5 and 15 hours for three-year-old enrolments
- where applicable, any hours offered above the required 15 hours are optional and be clear about any fees attached to accepting these additional hours.

OPERATIONAL ADVICE FOR LONG DAY CARE PROVIDERS/SERVICES:

Eligibility criteria for long day care programs

In addition to other requirements outlined in these guidelines, long day care service providers that opt into Free Kinder are required to do the following for integrated (CCS funded) programs:

- apply standard fees across the service for all kindergarten age enrolments (three- and four-year-old) to ensure that children enrolled in a kindergarten program are not charged higher fees in comparison to children that are not attracting kindergarten funding
- directly offset the full \$2,000 payment from the fees of parents with children receiving their funded kindergarten program at the centre (service providers are not required to separately calculate and record the cost of the kindergarten hours separately for integrated programs)
- apply the fee offset regularly (e.g., fortnightly or monthly) and clearly indicate the offset amount (labelled Victorian Government Free Kinder offset) on parent invoice statements
- use any surplus funding on improvement efforts for the funded kindergarten program, such as improving quality and supporting engagement of families for the minority of cases where parents are charged less than \$2,000 in out-of-pocket fees for the duration of the kindergarten year.

Interactions with Commonwealth Childcare Subsidy

The Victorian Government is finalising arrangements with the Commonwealth to confirm Free Kinder payments is an allowable third-party payment under Commonwealth funding rules, as they were in 2021, to maximise the financial benefits for families. Long day care service providers are therefore required to apply the Free Kinder offset to each families' fees after CCS has been applied.

Payment information for long day care services

Free Kinder payments will be made monthly via KIMS. As per normal kindergarten payments, Free Kinder funding is calculated and paid pro-rata from a service's funding start date.

Services should ensure their enrolment data in KIMS is up to date to ensure accurate payments each month.

Communicating with parents

Long day care services must ensure that families are informed:

- when the Free Kinder fee offsets will commence and the frequency at which they will be applied
- that Free Kinder offsets will not impact their CCS payments.

FREQUENTLY ASKED QUESTIONS

Q: What happens if a child moves from one service to another in the kindergarten year?

A: Some children move from one service to another during the kindergarten year. In these cases, the Free Kinder will move with the child, with the regular payments made to the new service for the rest of the year (or the duration of time that the child remains at that service). The service the child moves to must also be a participating service to continue receiving Free Kinder.

Q: Do I need to enrol children eligible for Early Start Kindergarten?

A: Yes, it is important that you continue to enrol eligible children in Early Start Kindergarten (ESK) at your service. This ensures that service providers receive all funding entitlements and that these children have access to 15 funded hours of kindergarten across Victoria. ESK enrolments contribute to School Readiness Funding (SRF) calculations for service providers. It also allows the Department to continue to monitor efforts to engage the most vulnerable children in kindergarten across Victoria and provide additional targeted support where required through SRF or Early Childhood LOOKOUT.

Q: How does Free Kinder funding relate to families who would usually receive KFS?

A: All children are eligible to receive Free Kinder, and KFS criteria does not apply to access this funding. Families won't be required to show their health care or pension card to receive Free Kinder, however providers should still collect this information and record this in the KIMS system. This is important for monitoring participation for vulnerable and disadvantaged children.

Q: Can a service charge a maintenance fee?

A: Parents cannot be charged a compulsory maintenance fee / levy regardless of whether they attend a working bee or not. Any parent contribution must be completely voluntarily.

If fees have already been paid, the full amount should be refunded in a timely way.

Q: Can a service seek voluntary donations or fundraise?

A: All services may receive voluntary parent payments or conduct other fundraising activities, as well as receiving Free Kinder payments, if all terms and conditions are met.