

Child Care Benefit Acquittals: What are They? What Do I Do With Them? Are You Losing Money?

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Childcare Sales Australia is proud to publish yet another article from Succeed Consultancy. This article, supplied by Erin Allen of Succeed Consultancy, is a follow up from September's article "Child Care Benefit: The Importance of a strong system". Again it is sound practical information for owner operators, investors and new buyers alike. You can contact Erin Allen on the numbers provided below or visit the Succeed Consultancy website for more information at:

www.succeedconsultancy.com.au

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The Australian Government funds Long Day Care Services to provide care mostly for children not yet attending school, whose parents are working, undertaking vocational study, training or looking for work. The Government funds Child Care Centres through Child Care Benefit. On a quarterly basis Centres lodge a Child Care Benefit claim to their appointed Family Assistance Office (FAO).

The primary claim is processed by the FAO. At the completion of the claim being processed, each Service is forwarded a "Statement Acquittal Report" from FAO. This "Statement Acquittal Report" highlights errors in your primary claim. These errors can result from centre errors to FAO errors. The errors mostly reflect a lesser payment to you and your Service, resulting in loss of income in the initial Primary Claim.

As a Consultant I frequently see a lack of understanding in this part of Child Care Benefit. With a lack of understanding I find that the majority of Centres simply put the "Statement Acquittal Report" aside for that day..... "when I'm caught up and have time to find out what this all means". As we all know in the Child Care industry that day rarely is found. Hence the "Statement Acquittal Reports" keep coming after every quarter and continue to be filed away. Before too long it is even more of a mammoth task and becomes just too hard to even comprehend starting them.

The flow on effect is you will be losing money that you are entitled too, serious money especially if you do not have a clear system in place for your Child Care Benefit obligations. Are you throwing money away?

So what do all the headings mean on the Statement Acquittal Report?

Statement Indicator = Represents the year and the quarter the “Statement Acquittal Report” is for.

Customer = Parent Name and their CRN number

Child = Child’s Name and their CRN Number

Week end = Week end date the error occurs

Elig CCB Hrs = Eligible Hours of CCB the child/family is entitled to claim.

Elig Non Std Hours = Eligible Non Standard Hours

Part Time % = Reflects if the child is a child not attending school or not. A child not attending school is entitled to 100%, school aged children are entitled to 85% of the CCB hourly rate.

CCB% = The percent of Child Care Benefit the child is entitled to

Stand FR = Standard Fee Reduction

Non Std FR = Non Standard Fee Reduction

Special Child Care Benefit = Indicates if Special Child Care Benefit has been claimed for

Incrs elig-hrs = Increase in eligible hours

Total fee for CCB hrs \$ = Total fee for CCB hours in dollars.

Total Fee incl. CCB excl JFA = Total fees including Child Care Benefit excluding Jet

No. of JFA std Hrs = Number of Jet standard hours

No. of non std JFA Hrs = Number of non standard Jet Hours

Total Fee for JFA Hrs \$ = Total fee for Jet hours in dollars

JFA Claimed \$ = Jet claimed in dollars

\$ Paid = Dollars paid

When you look at your Statement Acquittal Report, take note off.....

- Look at the first line under the headings horizontally across the page. This first line represents the information you have claimed for.
- The second line reflects the information FAO has changed in relation to your claim.
- Under the second line the Statement Acquittal Report will state “due to the following”, FAO then reports the reason to why the information has changed.
- To confirm what the errors are you should compare the first line with the second line, as well as read the comments that are recorded.
- For every week there is an error for a child there will be an error report in your Statement Acquittal Report, **e.g. you have claimed 50 hours CCB and the family is entitled to 24 hours CCB, the Statement Acquittal Report will report 13 weeks of errors if the child attended during the whole quarter for 40 hours per week.**

Common examples of “Comments” on your Statement Acquittal Report

- Your claimed JFA amount differs from the system calculation. We have paid you the calculated JFA amount.
- This customer is not eligible for JETCCFA. We have paid you the lesser amount.
- Our calculations differ from yours. We have paid you the lesser amount.

- The data supplied is incorrect. This customer has been excluded from the report.
- The customer has accrued 30 days allowable absences. We have paid you the lesser amount.
- The hours claimed differ from our records. We have paid you the lesser amount.
- The JFA hours exceed the approved JFA hours. We have paid you only the CCB amount.
- CCB has been cancelled for this family. We have paid you nil CCB.

The above examples demonstrate errors in your system and loss of **YOUR INCOME**. Well that's great now that I have a better understanding but what do I do about the **MONEY I'M LOSING?**



It's not just a matter of oh well, I've made a mistake and I've lost money..... you are able to retrieve the loss of your money in two ways;

- 1) Make a supplementary claim or
- 2) Adjust your errors and your families will owe you further money.

DON'T JUST FILE IT AWAY AND FORGET ABOUT IT.

Belief it or not the FAO system is not without its own faults and just like us are open to system and human error. First and foremost go back to your Child Care Benefit Statement and cross match your records with your Statement Acquittal Report, keep looking until you find the latest CCB information prior to the "week end error" in your Statement Acquittal Report.

I've found the relevant information and my Centre records are correct and FAO appears to have made a system error. What do I do now?

Highlight the relevant weeks the errors are reflected in your Child Care Program and your Statement Acquittal Report and lodge a "Supplementary Claim". You can now resubmit a claim, an adjustment will be made by the FAO and you will be entitled to receive the **MONEY OWED TO YOU**. I recommend that you contact your Child Care Program provider if you require assistance in lodging a "Supplementary Claim".

I've found the relevant information and my Centre records are incorrect and FAO appears to be correct. What do I do now?

Update your Child Care program to reflect the errors that have been made at the Centre level. Updating your records will in the majority of cases increase the family gap fee owed by the family. If this occurs I recommend that you contact the family prior and warn them that their account has increased. The easiest way to upset any parent is to

adjust a family's account and not advise them. Learn from your mistakes and tighten your systems to ensure you never re make the same error.



Easy Strategies to ensure you don't lose thousands and thousands of \$\$\$, keep your families happy and save your valuable time in processing supplementary claims.

- Take time and care in your data entry. Especially with CCB being cancelled, eligible hours, JFA hours.
- Enter your absences on a regular and consistent basis.
- Retrieve external absences form from new families. (Absences from other Centres)
- Check your data entry.
- Conducting an audit from your paper reports to your child care program.
- Ask for a third party to check your paper records to your child care program
- Enter information in non busy periods of the day e.g. between the times of arrival and departure 10.00am to 3.00pm. Times such as arrival and departure creates numerous distractions, which you will lose your attention and make mistakes.
- Enter your Child Care Benefit Statements as you receive them.
- File your Child Care Benefit Statement in chronological order for easy access at later dates.
- Participate in training
- Access support through Succeed Consultancy, FAO and your Child Care Program team.
- DON'T IGNORE your Statement Acquittal Report.

It's all about a clear consistent system to ensure all your responsibilities are upheld and you are claiming what you are entitled to, as well as keeping your families content with little to no errors. A system of accountability and cross referencing should occur, check yourself and get a third party to check again. I guarantee if you do follow the above recommendations your system will improve, enabling you to receive income that you are entitled to. Through streamlining the process you will save time and money.

For Further Support

- Succeed Consultancy
- www.succeedconsultancy.com.au
- www.facsia.gov.au
- **"Child Care Service Handbook" 2006-2007.**
- Have Child Care Program provider **number** for Child Care Program **support** at hand in the office, the providers staff are very knowledgeable and are happy to assist in answering any queries.

- Have FAO's **number** for your area at hand for **support** in the office, the FAO staff are very knowledgeable and are happy to assist in answering any queries.

Sourced

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FACSCIA www.facsia.gov.au

Child Care Service Handbook 2006-2007.

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Proudly brought to you my industry expert Erin Allen from **Succeed Consultancy**.

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What We offer in Terms of Contracts

Long Term Management

Entails a minimum of a twelve month contract covering all operational requirements. Long Term Management packages are tailored to suit your Centres specific needs and individuality. Together we work to develop your Management Plan

Short Term Management

Is available to Services that require assistance for less than a twelve month period, ranging from a month onwards. You may require a focus purely on accreditation for two months in preparation for validation.

Periodical Management

Can range from one day to a month. You may require an induction pack, support with a staff issue, self study preparation. What ever you need, every Centre is unique.

Who Do We Cater To?

Directors
Long Day Care
Preschools
Investors
Private Based Centres
Community Based Organisations Small and Large
Council Based Centres
Management Committee's

Co-ordinators
After School Care
Family Day Care
Owner operators

Group Leaders

Carer's

Assistants

Support Staff

Architects