

- 12 Financial Policies
 - 12.1 Fees and Charging
 - 12.2 Debt recovery
 - 12.3 Financial Security Policy
 - 12.4 Acceptable Use Policy
 - 12.5 Reserves Policy

12 Financial Policies

Alongside associated documents in 12.1-12.5, this policy was adopted by Isleham Under Fives Association on 12th October 2022.

12.1 Fees and Charging Policy

Introduction

This policy has been compiled in line with DFE requirements, County Council provider agreement and in accordance with s457 of the Education Act, 1996.

At the Preschool the Manager and Core committee work together to manage the Preschool's budgets.

All charges levied will be to ensure the Preschool meets the costs of additional services offered.

Additional Hours of Childcare over and above the funded hours.

All funded entitlement is free at the point of deliver but we will make charges for any additional hours taken up by parents or carers over and above the funded entitlements. All additional costs are detailed and published on our website

Meals, consumables and snacks

White the preschool does not currently charge for meals, consumable and snacks it reserves the right to do so in the future. 1 term notice will be given to any changes to charges.

Government funding is intended to deliver 15 or 30 hours a week, over 38 weeks of the year, high quality, flexible childcare. It is not intended to cover the costs of meals, snacks, other consumables, additional hours or additional activities. Parents can therefore expect to pay for any consumables including meals and snacks offered by the Integrated Preschool. Cost of meals and consumables will be invoiced separately from additional hours and services.

Preschool Outings

Preschool outings where children go with Family Workers to local areas of interest or family outings where parents are encouraged to accompany their children and join in the learning experience. Where these are curriculum based trips the Preschool will endeavour to cover all or part of the cost of the children's transport and activity/entrance fees. Parents may be asked for a contribution to cover some of the cost for their children. Parents will be asked to cover the cost of their own transport and activities/entrance fees on these days. Where insufficient contributions are received outings may have to be cancelled.

Damage/Loss to Property

A charge will be levied in respect of wilful damage, neglect or loss of Preschool's property or property belonging to a third party where the cost has been recharged (including premises, furniture, equipment, books or materials). The charge will be the cost of replacement or repair, or such lower cost as the Preschool may decide.

Additional charges

The Preschool may levy charges for miscellaneous services up to the cost of providing such services e.g. for providing a copy of a publication or journal article.

Universal entitlement

From the term following a child's third birthday parents are entitled to a maximum of 570 hours funded child care per year. This is spread across three funding blocks, with a maximum of 15 hours a week. No charge will be levied for parents claiming their funded entitlement only.

Parents can request additional childcare hours outside the universal funded sessions at a charge.

Parents may claim their entitlement from more than one provider at the same time but may not exceed 570 hours over 3 funding periods. Where parents have claimed at a different setting the Preschool reserve the right to charge the parent for any funding shortfall.

Extended entitlement

Some parents and carers of three and four year olds may also be eligible to claim for extended hours up to 1140 hours a year, spread across three funding blocks.

Further information on qualifying criteria can be found at Gov.uk

2 Year olds

From the term following a child's second birthday parents in receipt of certain benefits may be entitled to a maximum of 570 hours funded child care per year. This is spread across three funding blocks, with a maximum of 15 hours a week over 38 weeks per year.

Where parents have claimed at a different setting, the Preschool reserve the right to charge the parent for any funding shortfall

Annual Review of Charges

The Preschool will review charges on an annual basis. Wherever possible where changes to the charges have been made these will come into effect in the September of that year; where funding levels change at the beginning of the financial year this may not always be possible. However, 1 term notice will be given to any changes to charges.

Levy of Charges

Parents of children within the Preschool will be invoiced every week for meals and any additional childcare sessions over and above their funded entitlement. Charges made to parents/carers for any additional services or hours of childcare over and above the funded hours will be clearly explained and itemised on invoices.

Parents will be charged full fees for child's sickness, personal holidays and unplanned Preschool closure due to adverse weather or conditions beyond its control for no more than 3 consecutive days.

Payments

We strive to be a cashless organisation and parents are asked to pay invoices by either setting up a standing order or by making an on-line banking transfer. When a payment is not made, parents must meet with the preschool to negotiate a payment plan. If the payment plan is not adhered to, possible actions may range from immediate withdrawal of the additional hours offered to agreement and that siblings who attend the Preschool in the future will not be offered the opportunity to increase their hours beyond their funded entitlement. This is to ensure that parents do not get themselves further into debt.

Please also refer to the Debt Recovery policy.

12 Financial Policies

12.2 Debt Recovery Policy

Policy Intention

The intention of this policy is to achieve the prompt collection of all sums of money due to the Preschool, whilst ensuring that a fair and consistent approach is taken to the recovery of sums that are not paid when due.

Debt recovery process

Parents of children within the Preschool will be invoiced for additional childcare sessions over and above their funded entitlement. We are aiming to be a cashless organisation and parents are encouraged to pay these invoices by either setting up a standing order or by making an on-line banking transfer. Any non-payment of invoices will be identified two weeks after issue with no other contact.

Initial reminders

Initial reminders may be informal and made either in person when the parent comes to collect/drop off their child or by email.

First reminder letter

If payment is not received within 4 weeks from the invoice due date, and no request is received to consider a payment plan, a first reminder letter will be sent, either electronically or by post. At this stage we will have to consider whether we can continue to offer your child any sessions over and above their funded entitlement.

Second reminder letter

A second reminder letter will be sent 4 weeks after the first reminder letter, either electronically or by post. This letter will be sent out after a discussion with the chair which will remain confidential at this point but may include:

- An accurate history of the origin of the debt and of the attempts made to recover it,
- Details of any other debts owed by the same debtor,
- Information about any other disputes in respect of the debt,
- An assessment of the prospects of recovering the debt by other means in reasonable timescale,
- Consideration of whether the debtor's personal circumstances warrant them being protected from the consequences of recovery action,

- Details of attempts made to contact the debtor and of the outcome of the attempts.

Failure to respond to reminders/settle a debt

If no response is received from the reminders issued, with authorisation from the chair, a letter will be sent to the parent/carer advising them that any sessions over and above their funded entitlement will be withdrawn and that the matter will be pursued through a claim through the Small Claims Court.

Cost of debt recovery

Where the Preschool incur material additional costs in recovering a debt then the committee will decide whether to seek to recover such costs from the parent/carer. The parent/carer will be formally advised that they will be required to pay the additional costs incurred'

12 Financial Policies

12.3 Acceptable Use Policy

The Preschool's intentions for publishing an Acceptable Use Policy are not to impose restrictions that are contrary to the organisation's established culture of openness, trust and integrity. The Preschool is committed to protecting the employees, partners and the organisation from illegal or damaging actions by individuals, either knowingly or unknowingly.

- Staff/committee should take all necessary steps to prevent unauthorized access to confidential data which includes card holder data.
- Keep passwords secure and do not share their account details. Authorized users are responsible for the security of their passwords and accounts.
- All laptops should be secured with a password-protected screensaver with the automatic activation feature.
- Employees must use extreme caution when opening e-mail attachments received from unknown senders, which may contain viruses, e-mail bombs, or Trojan horse code.

Disciplinary Action

Violation of the standards, policies and procedures presented in this document by a member of staff/committee may result in disciplinary action, from warnings or reprimands up to and including termination of employment. Claims of ignorance, good intentions or using poor judgment will not be used as

excuses for not complying with the Policy.

Protect Stored Data

All sensitive cardholder data stored and handled by staff/committee must be securely protected against unauthorised use, at all times. Any sensitive card data that is no longer required by the company for business reasons must be discarded in a secure and irrecoverable manner.

It is strictly prohibited to store:

1. The contents of the payment card magnetic stripe (track data) on any media whatsoever.
2. The CVV/CVC (the 3 or 4 digit number on the signature panel on the reverse of the payment card) on any media whatsoever.
3. The PIN or the encrypted PIN Block under any circumstance

1. Information Classification

Data and media containing data must always be labelled to indicate sensitivity level:

Official Sensitive Confidential data - Confidential data includes cardholder data. Any information relating to cardholder data, i.e. receipt books showing last 4 digits must be kept stored securely at all times.

Official Internal Use data – Use of information and data to be used in the financial reconciling of bank accounts.

2. Access to the sensitive cardholder data

All access to sensitive cardholder will be controlled and authorised.

- Access to sensitive cardholder information personal information and business data is restricted to staff/committee that have a legitimate need to view such information.
- No other employees should have access to this confidential data.
- Cardholder data is not to be shared with any 3rd party.

3. Physical Security

Access to sensitive information in both hard and soft media format must be physically restricted to prevent unauthorised individuals from obtaining sensitive data.

- Media is defined as any printed or handwritten paper, received faxes, computer hard drive, etc.
- Media containing sensitive cardholder information must be handled and distributed in a secure manner.
- All computers that store any sensitive cardholder data must have a password protected screensaver enabled to prevent unauthorised use.

4. Protect Data in Transit

All sensitive cardholder data must be protected securely if it is to be transported physically or electronically.

- Card holder data must never be sent over the internet via email, instant chat or any other end user technologies.
- The transportation of media containing sensitive cardholder data to another offsite location must be authorised by management.

5. Disposal of Stored Data

- All data must be securely disposed of when no longer required by the organisation, regardless of the media or application type on which it is stored.
- An automatic process must exist to permanently delete on-line data whilst on-site, when no longer required, the required HMRC time period for all financial matters is 7 years from date of production.
- All hard copies of cardholder data must be manually destroyed on-site after the required period. An annual process must be in place to confirm that all non-electronic cardholder data has been appropriately disposed of in a timely manner. All hardcopy materials are crosscut shredded, incinerated or pulped so they cannot be reconstructed.

6. Security Awareness and Procedures

The policies and procedures outlined below must be incorporated into practice to maintain a high level of security awareness. The protection of sensitive data demands regular training of all employees and contractors.

- Distribute this security policy document to all company employees to read. It is required that all employees confirm that they understand the content of this security policy document by signing an acknowledgement form (see Appendix A)
- All employees that handle sensitive information will undergo background checks (such as criminal and credit record checks, within the limits of the local law) before they commence their employment with the company.
- All third parties with access to credit card account numbers are contractually obligated to comply with card association security standards (PCI/DSS).
- Company security policies must be reviewed annually and updated as needed.

Employees of the company will be expected to report to the treasurer for any security related issues.

Incident Response Plan

1. In the event of a suspected security breach, alert the Treasurer immediately.
2. The Treasurer, or delegated manager, will carry out an initial investigation of the suspected security breach.
3. Upon confirmation that a security breach has occurred, the Treasurer, or delegated manager, will alert and begin informing all relevant parties that may be affected by the compromise.

If the data security compromise involves credit card account numbers, implement the following procedure:

- Shut down any systems or processes involved in the breach to limit the extent and prevent further exposure.
- Alert all affected parties and authorities such as the Merchant Bank (your Bank), Visa Fraud Control, and the law enforcement.
- Provide details of all compromised or potentially compromised card numbers to Visa Fraud Control within 24 hrs.
- For more Information visit:
http://usa.visa.com/business/accepting_visa/ops_risk_management/cisp_if_compromised.html.

7. Vulnerability Management Policy

As part of the PCI-DSS Compliance requirements, the Preschool will run internal and external network vulnerability scans at least quarterly and after any significant change in the network (such as new system component installations, changes in network topology, firewall rule modifications, product upgrades).

8. Password Policy

All staff/committee with access to the Preschool's electronic financial systems, are responsible for taking the appropriate steps, as outlined below, to select and secure their passwords.

- Users will be allocated appropriate access to systems, passwords must not be shared or written down under any circumstances.
- The use of strong passwords, which contain at least six characters and are a mixture of alphabetical characters, numeric characters and lower and upper case for example: 7ove@ppIEs NB. **This example must not be used.**

12 Financial Policies

12.4 Financial Security Policy

Introduction

This Policy Document encompasses all aspects of security surrounding confidential financial information and must be distributed to all staff/committee who are involved in the use of the organisation's financial systems. All staff/committee responsible for the undertaking of transactions, storing of transactional data and financial reconciling are required to read this document in its entirety and sign the form confirming they have read and understand this policy fully. This document will be reviewed and updated on an annual basis, or when relevant, to include newly developed security standards into the policy and inform staff/committee accordingly of any changes.

Information Security Policy

The Preschool handles sensitive information daily. Sensitive Information must have adequate safeguards in place to protect them, to protect privacy and to ensure compliance with various regulations.

The Preschool is committed to respecting the privacy of all its customers and to protecting any data about customers from outside parties. To this end the Preschool is committed to maintaining a secure environment in which to process cardholder information so that we can meet these promises.

Those staff/committee handling sensitive data should ensure:

- They handle Preschool and personal information in a manner that fits with their sensitivity.
- They protect sensitive information.
- They keep passwords and accounts secure.
- They always leave desks clear of sensitive cardholder data and lock computer screens when unattended.
- That any information security incidents must be reported, without delay, to the individual responsible for incident response which is the Committee Treasurer.

We each have a responsibility for ensuring our organisation's systems and data are protected from unauthorised access and improper use. If you are unclear about any of the policies detailed herein you should seek advice and guidance from the preschool Manager.

12.5 Reserves Policy

Policy statement

Preschool aims to hold sufficient financial reserves to sustain the Preschool if our income falls below expected levels, and to meet our redundancy obligations in the unlikely event that the Preschool has to close. This policy aims to ensure that we manage our finances responsibly, budget for predictable fluctuations in income and hold reserves to cover expenses due to other eventualities.

We will hold the equivalent of 8 weeks running costs in reserve, to provide cashflow and to sustain the Preschool through any unexpected eventualities. This includes sufficient reserves to pay redundancy payments to all staff as required by law, according to the number of complete years' service with Preschool.

The amount held in reserve is reviewed annually to ensure that sufficient funds are available to cover redundancy payments, and any increases in the running costs of the setting.

In the event of reserves falling significantly below the target level, the Preschool will aim to restore the reserves as soon as possible by increasing fundraising, increasing earned income, or reducing expenditure.

Similarly, if reserves are significantly above the target level, the Preschool will put in place a plan aiming to eliminate the excess within four years by spending money to enhance the quality of Preschool provision, or otherwise further the aims of the Preschool.

The Committee will not, however, take any steps that might call into question the ability of the Preschool to continue as a financially viable operation in the long term. In particular, it will not plan to use excess reserves to cover essential running cost