

Preschool Funding Model Guides and Checklists Enrolment Policy Guide

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This guide responds to the DEC Preschool Funding Model and is intended to work with the Enrolment Policy checklist.

Introduction

Policies create the cornerstone for service delivery, planning and evaluation. They outline the operation of the service and provide a guide for staff and management committees in their everyday actions and decision-making.

An effective policy will address the following five elements in relation to the action or activity it covers:

- Why (it is necessary)
- What (is to be achieved and done)
- How (it is to be done and resources required)
- When (it is to be done and completed)
- Who (are the individuals or positions involved in the doing)

A policy should also identify any source documents used to inform the implementation and/or development of the policy or provide additional information to promote understanding.

The Agreement

The Department of Education and Communities (DEC) expectation is that an enrolment policy exists¹ and reflects the Program Guidelines as identified in the Grants Program Terms and Conditions (Clause 4.2.4). The formula applied in the funding model encourages services to develop and apply a policy that enables as many children in the year before school to benefit from a preschool program-

“Service provision is generally aimed at children in the year before full-time school, although enrolment of younger children is not prohibited.” (Grants Program Guidelines)

It also preferences enrolment of children from an Aboriginal background and those from low-income families (known as equity groups).

A preschool’s enrolment policy also has a direct relationship with the budget, which itself should aim to ensure the sustainability of the preschool. Budget development should consider and project the financial position for the next two years and be informed by enrolment trends and patterns over at least the previous two years. This approach takes into consideration the possible rise and fall in funding that will result from any fluctuating patterns of enrolments as a result of current children’s ages and equity status. Enrolment structures and patterns are interrelated and interdependent with the budget.

The policy document

The enrolment policy document should clearly outline the foundation for the decisions made about the structure and patterns of enrolment that are provided to the community. That is, the number of days and hours offered across the week and to what age/s of children. This will also relate to the Universal Access requirements (15 hours)² to ensure budget income is maximised.

This will enable the preschool to either:

- demonstrate how it is meeting the terms and conditions or
- identify clearly why there is some deviation that ensures sustainability.

The latter approach still aligns with the terms and conditions which require the preschool to be ‘properly managed’ and ‘financially solvent’ (Clause 5.1). However, any decisions made for this purpose must be valid and based on reliable information (refer to CCSA’s other PFM tools). This forms the basis for the policy’s rationale (why statements).

In general the funding agreement requires that preschools –

“provide reasonable access to all people in the identified client group subject to the degree of priority to be provided to groups recognised as needing priority of care as outlined in the Program Guidelines” (Clause 5A1).

Preschools that decide they need to deviate from the expectations in the guidelines would be well advised to discuss their particular situation with DEC and be ready to provide the information that supports such a decision (the why).

¹ DEC Terms & Conditions Clause 4.2.4 “..... written policies for the provision of.....”

² DEC FAQ’s Q17 & q18, www.det.nsw.edu.au/media/downloads/what-we-offer/regulation-and-accreditation/early-childhood-education-care/useful-links/ecec-faqproviders-24oct.pdf



As with other preschool policies the management committee has responsibility for making decisions regarding enrolment patterns and structure. This ensures validity under the Incorporations Act and that the committee meets its responsibility under the DEC agreement. Policy decisions are not delegated to the Director but the development work is generally carried out by them. It is important that effective collaboration occurs, as the Director is responsible for ensuring the management committee is properly informed and understands the implications of decisions made. The Director's knowledge and experience as the 'expert in the field' needs to be recognised and utilised together with that of the committee as community representatives and acceptors of the funding agreement.

Whether the policy matches the DEC agreement or deviates from it, the reasons should be stated in the 'why' statements (rationale). This is also very important to provide guidance and information for the next management committee or Director if personnel changes occur.

It also important that the policy outline a timeline for enrolments to be offered that enables:

- the Director to consider prospective numbers against the current structure,
- the effect of the Preschool Funding Model (PFM) funding cap and Universal Access 15 hour requirement on funding and overall income to be known,
- a date for placements to be determined,
- the Director to consider projected vacancies and possible promotion & marketing actions,
- the Director to consider the effect of projected enrolment/vacancies in budget preparation (including income modeling),
- a draft budget to be prepared based on actual/projected numbers,
- the committee to approve adjustment of the structure/attendance patterns if necessary, and
- families to be informed and formal enrolment to commence in good time prior to the next year.

Whilst administration staff will often assist the process, the responsibility sits with the Director on a day-to-day basis to ensure the responsibilities to DEC and the preschool are met on behalf of the committee.

Enrolment Policy and the Budget

Planning should include the effect of proposed enrolments on the overall income of the preschool in both the coming year and at least the following one. In the PFM it is important that the effect enrolments have on the income of the following year is known when developing the budget. This is because the funding for the following year is determined by the prior years' enrolments. Under the PFM funding income is 'variable' rather than 'fixed' and so must be managed year to year. It responds to enrolments which need to be monitored on a continuing basis throughout the year.

Some preschools experience a rolling cycle of three and four year old enrolments over a two year period. This means higher numbers of fours one year followed by higher numbers of threes the next. This is not an uncommon pattern particularly in regional areas. In this case it is even more important to ensure budget planning considers the next two years as these fluctuations result in significant variations in funding levels that have a direct effect on fees. Significant fluctuations in fees charged year on year (up and down) is likely to have a negative effect on future enrolment numbers which may not recover following a jump to a 'high fee' year.

Funding for the following year can be projected from the time enrolment numbers are reported to DEC through the census (currently August). Reported numbers can be entered into funding calculators (DEC or CCSA). Budget and enrolment planning can commence any time from this point.

Where do we start?

The enrolment process is a sequence of planned tasks that should respond to a proposed timeline to ensure the best opportunity to fill all the available places.

The process generally begins by estimating the number of children that will return from the previous year and the attendance preferences of those families. This will determine the vacancies that will exist. The earlier this step is completed the better (understanding that families are projecting their preferences and these may change). A process and closing date for this is helpful. Some families will also be undecided as to whether 'to send, or not to send' their children to school. An internal process for dealing with these in a planned manner is helpful to the overall enrolment process.

The next step is to identify families from the waiting list that meet the priority of access guidelines as they will need to be addressed first. Some services prefer to have a separate policy for this but it can reasonably be dealt with as part of a broader enrolment policy. Some confirmation of the status low-income families' on the waiting list may need to be determined as this may have changed. It is a good idea for your waiting list application process to inform families to contact the preschool if their circumstances change.

The process

This can be viewed as a flow of actions at predetermined times. It also assists to identify who will be involved and what tasks they will contribute to or complete. It is interdependent with budget planning process which is integral to determining the places to be offered.

An example process is set out below -



A timeline should be attached to assist planning.

A note about enquiries

Careful consideration should be given to the 'first contact' with prospective or new families, which is often a phone enquiry. A clear procedure for answering the phone (including the manner) should be developed that includes all the information necessary to 'make the sale' which might include a visit to experience the preschool, sending an information package or directing the family to an area on your website.

A visit is a great opportunity to start to build a relationship that will help families choose you. You can identify a time for a visit that will have the most impact, and while this may not be a time that seems most convenient for the preschool, you want to get the best result. Adjustments may be made to allow for planned or spontaneous visits.

Identifying who will be conducting the enrolment process is helpful for families particularly in the situation where it might be more than one person. For example, administrative staff may handle taking details and sending out information packages, whereas the Director or a room leader may conduct an interview, information sharing and orientation tasks.

Offering places

Any timeline for managing enrolments needs to work in step with a timeline for budget development as they are interdependent.

DEC does not determine when placements are offered or set a 'closing date'. However, the timing of the offer needs to reflect the requirements of the agreement and the priorities it sets. The earlier places are 'finalised', the less opportunity there may be to meet the requirements of the agreement.

A preschool does have the option to offer a place and inform a family that, should a higher priority child subsequently seek enrolment, the offer may be withdrawn. Though this is not desirable and may have some negative consequences for future enrolments, there is no barrier to a preschool taking this action. This decision would usually reflect the need for the preschool to increase funding in the following year which, in turn, assists to ensure the sustainability of the preschool in the future.

It can be very useful to keep the waiting list as a data base on the preschool computer. This enables it to be manipulated (sorted) according to particular groups such as age, priority and date received. It can also provide a quick way to get a demographic profile of families using (or interested in using) the preschool to compare to the demographic profile of the community and identify any gaps that can be addressed. Like other files, regular back-ups and security processes should be applied.

The preschool should also have information as to how many places might not be taken up, often expressed in numbers or percentages. A waiting list is not necessarily a true indicator of how many children are available to fill vacancies. Previous trends over at least the past two years should be identified in this regard to inform the process.

Tracking and Reporting

It is useful to have a process for tracking applications to the completion of the enrolment procedure. A cover sheet can be used that identifies the steps to be followed, the contacts made, and dates for calls and appointments. It is particularly useful when more than one person is involved in the process and contributes to effective sharing of the tasks to be carried out. It provides a good snapshot of contacts made and work completed.

It is also useful to develop a master sheet (which could be electronic) to capture the broad view of enrolments as they progress through each step. This also supports effective reporting of progress to the committee, which should occur as part of regular formal reporting. The progress of enrolments needs to be considered along with budget planning and projections. Enrolment numbers should also be reported as part of regular reporting throughout the year because of their direct effect on income.

Fees

It is preferable to be able to project a likely fee level as soon as possible as it helps families to make early decisions as to their intentions. This conversation would include confirming eligibility for fee assistance or additional support. This is also why the enrolment process and budget development work 'hand in glove'.

Providing an overview of all fees and charges, together with their purpose and benefit, is also helpful to families. It is also important to inform families that regular fee payments are for the 'place' rather than 'attendance' no matter what frequency of payment and timing is required.

DEC Audits

Under the agreement DEC has an obligation to ensure the agreement is met. Audits assist this process. Audits are not necessarily about money and how funding is used. An audit covers the broad terms of the agreement including whether the priorities outlined in the Grants Program Guidelines through the PFM are being met.

DEC audits also assist DEC to gather valuable information about the issues and circumstances that have an impact on preschools. Policies that deal specifically with enrolment and fee setting provide a good source of information in for this.

Relevant Documents *that can help shape your policy*

DEC Grants Program Guidelines (including Priority of Access)

<https://www.det.nsw.edu.au/media/downloads/what-we-offer/regulation-and-accreditation/early-childhood-education-care/funding/grants-program/preschool-grants-guidelines.pdf>

DEC Grants Program Terms & Conditions (available through ECCMS)

DEC Funding Specification (available through ECCMS)

CCSA Funding tool: <http://www.ccsa.org.au/training/preschool-funding.html>

DEC Funding Calculator: <http://www.dec.nsw.gov.au/what-we-offer/regulation-and-accreditation/early-childhood-education-care/funding/community-preschool-funding/providers-preschool-funding/providers-calculate-allocations>

DEC Community Preschool Funding Model: <http://www.dec.nsw.gov.au/what-we-offer/regulation-and-accreditation/early-childhood-education-care/funding/community-preschool-funding/providers-preschool-funding>