



## Phone Link Ups

# Understanding Child Care Management System (CCMS)

## Disclaimer

This information is based on information provided by DEEWR, our research and our expertise as service providers and users of CCB at this current time. You will need to ensure that you adapt it to your local needs and to stay up to date with current changes.

## Who is Who?

**Child Care Management System (CCMS)** is being implemented by the Australian Government for all Australian Government Approved Child Care Services. Implementation is being done by the **CCMS Taskforce**. This taskforce was initially established by the Department of *Families, Community Services and Indigenous Affairs (FACSIA)* but after the election the taskforce moved to the *Department of Education, Employment and Workplace Relations (DEEWR)*. DEEWR is now the Commonwealth Government Department responsible for child care services and is the Department that from now on you will have the most contact with about all elements of **Child Care Benefit (CCB)**.

Around 600 services in NSW have already transitioned to CCMS (As at the end of June 2008)

## Key Questions

- 🎨 **What is CCMS?**
- 🎨 **Will it change how my service will operate?**
- 🎨 **What do I need to be aware of in relation to cash flow in my service?**
- 🎨 **How do I choose the right software provider?**
- 🎨 **Where do I get the information I need about CCMS?**

**It is strongly advised that at least two staff members at your service are trained in CCMS and CCB requirements in case the admin assistant/co-ordinator or director is away.**

## Key Information Sources

There are a range of key information sources you can use to ensure you have all the information you need about CCMS.

**In the lead up to transition services are sent a learning pack from DEEWR.** This includes:

### Introduction to the Child Care Management System Booklet

The primary aim of this booklet is to provide a starting point for staff, managers or owners of child care services to assist them understand what CCMS is and what is involved in transitioning from current operating procedures to those under CCMS.

### Quick Start Guides entitled “Getting started with ....”

The guides are designed to provide a basic level of process and policy detail and enable staff in child care services to quickly grasp the fundamentals of CCMS and commence work. The guides to be included are as follows:

- Getting Started with Enrolments
- Getting Started with Attendances
- Getting Started with Child Care Benefit and Other Payments

### Child Care Management System, Child Care Service Reference Manual

The reference manual provides comprehensive detail regarding all aspects of CCMS. It is designed to compliment the information provided in the Child Care Service Handbook.

### Child Care Management System, Child Care Service Workbook

A workbook has been included in the learning package to enable staff in child care services to review/consolidate their learning. The workbook contains CCMS related scenario based questions, with a mixture of text-based and multiple choice questions and a self assessment section.

**All of this material can also be downloaded from the DEEWR website at:**

[http://www.dest.gov.au/sectors/early\\_childhood/programmes\\_funding/child\\_care\\_management\\_systems\\_ccms.htm](http://www.dest.gov.au/sectors/early_childhood/programmes_funding/child_care_management_systems_ccms.htm)









In addition **Children’s Services Central** with **Community Child Care Co-operative** have a **DVD** of a **CCMS briefing session** that was run for Long Day Care centres last year. Although this was specifically geared to long day care services, other services may also find it a helpful overview of the CCMS system.

➔ **To purchase a copy (\$22) please call 02 8922 6420.**

## What changes under CCMS?

Many things that often frustrate services about the whole CCB process have been alleviated under CCMS.

These include:

-  Bulk Listing
-  Statement of Child Care Usage
-  Backdating
-  Supplementary Claims
-  The FAO Call Centre
-  Calculating CCB for families and Gap fees
-  Absences (30 Allowable Absences)
-  Reporting attendance to the Hotline each week

## What assistance will services get?

All services are eligible for certain transition payments to help transfer to CCMS. Everyone gets a set transition payment and additional assistance is also available to services. Depending on your service type or what stage you are up to in the transition process you may have already received these payments.

### Set Transition Payment

The amount of the Set Transition payment is \$1000 per service capped at \$15,000 for organisations that have multiple services. It can be used for any costs associated with transition to new system. (Spot checks will be made.) DEEWR have not specified what this means so can include things such as training **and importantly it can be used to hire extra admin help!**

### Additional Funding

Up to \$2100 per service – must be applied for. Applications are available on the DEEWR website.

This **CAN** be spent on essential computer upgrade, computer and software if you don't have them, and installing broadband internet. This **CANNOT** be spent on increased administration, non essential computer upgrades, ongoing costs such as monthly broadband.

**REMEMBER THAT YOU MUST KEEP RECEIPTS OF ALL EXPENDITURE!**

## CCMS Isn't a Software Program









There is a misconception that CCMS is a software program that people will need to do CCB on. CCMS is the new way that payment of CCB fee reduction will be managed by the Government. The important thing to know is that services have to move over onto CCMS in order to get CCB on behalf of families in their services.

**CCMS is the system under which services provide information to the Government about what care has been provided to which children and when. DEEWR notify you how much CCB payments they will give you on behalf of families. Rather than telling DEEWR after the fact by quarterly CCB returns, you tell them weekly via the internet.**

Children's Services Central is the Professional Support Co-ordinator in NSW and is an initiative funded by the Australian Government under the Inclusion and Professional Support Program. Children's Services Central is managed by a consortium of key organisations that resource and support the sectors of children's services in NSW.

## Major Changes

Lots of things change ... but lots stay the same! The major changes are:

-  When you get CCB payments
-  When you tell the Government about who you have cared for
-  How you create an enrolment
-  Marking rolls or entering attendance details into your computer
-  Absences
-  Submitting information to DEEWR
-  Who you deal with
-  A new payment – enrolment advances.





### When you get CCB payments

In the current system, services get CCB quarterly in advance, with payments being made at the beginning of each month on a 40%/30%/30% basis, based on the centres' activity 2 quarters prior.

Now services' will receive payment weekly, based on the previous weeks attendances. This is similar to the way people get paid by employers. (You provide the care, then you get the payment).

Services will receive payments based on **ACTUAL** attendance records submitted for each child for that week. The timing and frequency of payments will depend upon when you submit but for most services this will be weekly or fortnightly in arrears.

### When to tell the Government about who you have cared for

-  A CCB week runs from Monday to Sunday.
-  Previously services would submit a Statement of Child Care Usage by disk, online or on paper quarterly .
-  You need to tell DEEWR which children you have cared for weekly (or fortnightly) rather than quarterly.
-  Now you will use your child care software to submit attendance records over the internet to DEEWR.

Rather than doing a quarterly return as services do under current CCB arrangements, services will be informing DEEWR who they have cared for after that week.

Services must record details of the attendance, including absences and fees charged, for each child in an attendance record. This attendance record is then submitted to DEEWR using their child care software and submitted after the end of the week. Attendance records are used to calculate the amount of CCB a service gets on behalf of their families.



How each child care service manages this process will be up to them and will depend a large part on what software they use.

**The process should be like this:**

On Monday you can enter attendances for the previous week and check all data. Then you must double check all data/entries. A good practice is for someone else to check the entries. You will then submit the data using your software package.

This can be done fortnightly if required but most services will probably elect to do it weekly as one lot.

When a child comes into your service you need to create an electronic enrolment for them. You can do this in two main ways, by creating an **INFORMAL** or a **FORMAL** enrolment.

-  A **FORMAL** enrolment is an enrolment where both the parents' and the child's CRNs have been provided to your service and the enrolment records have been matched to a CCB eligibility record provided to DEEWR by the FAO.
-  An **INFORMAL** enrolment is an enrolment where the CRN'S have not been provided or where the family have not tested their eligibility for CCB with the FAO. **NO CCB is paid for informal enrolments.**

**How to create an enrolment**

When a family comes in to enrol in your service, you need to find out if the parents have CRNs for both themselves and their child/ren. You must also ensure that you have the **birth dates of both the child/ren and the parents**. This is a new mandatory government requirement.

You can create an informal enrolment and formalise it later when you have received all the necessary information. IT IS NOT COMPLETELY FORMAL TILL YOU GET CONFIRMATION FROM DEEWR. This will be an almost instant response via the CCMS system from DEEWR.

You will need to remind parents that full fees will be charged until confirmed.

You will need to change enrolment forms to ask for the birth dates of parents.

Prior to transition over to CCMS, you will need to create a formal enrolment for every child/parent who wishes to claim CCB. You will need to think about how you are going to gather the necessary information required for a formal enrolment.

**Marking rolls and entering attendance details into your computer**

Marking rolls and entering attendance details into the software will need to be done **ACCURATELY** otherwise it may result in having to re-submit attendance information.

This will probably be done on a weekly basis; however some services may elect to do this daily. Remember you must ensure that all information is double checked.

You need to ensure that all rolls and sign in sheets match the information you have entered into your software. Ensure all absences have been entered and all data matches.

## Absences

Previously, children with CCB had 30 Allowable absences i.e. absences that could be taken for any reason.

They also had Approved absences which they could use in addition to the 30 days for specified reasons such as illness as long as they provided documentary evidence.

Under CCMS, children are now allowed 42 absences, (regardless of whether they are full time or part time children) which can be taken for any reason (Roughly this equates to 20 days holiday, 12 public holidays and 10 sick days but can be used however families need.)

If the 42 days are all used, families must provide a medical certificate or some other evidence in order to claim additional absences, otherwise full fees will be charged for the extra absent days.

**NOTE:** Once you transition, all children will receive a new lot of 42 absences to use till the end of the first financial year i.e. any absences they have used to date are disregarded.

Services will need to receive a medical certificate **straight away** from a family if their child has used all of their 42 absent days, and they have another day off. If the medical certificate comes through **after** the service has submitted their data to DEEWR for that week, the family will not receive CCB for the absent days unless they cancel the attendance record and resubmit it.

## Submitting information to DEEWR

Rather than reporting your services' attendance details to DEEWR via disk or paper, you now do it via the internet every week.

Once you have transitioned, your software program will let DEEWR know how many children attend your centre each day. There is no longer a need to report vacancies to the Hotline by the phone or computer....but you will need to do a report through your software each week.

**NOTE: you must continue to do your weekly vacancy reporting to the hotline until you have transitioned over to CCMS.**

In lots of ways the system is set up so that weekly billing in arrears makes sense. After your service submits it's attendance details to DEEWR, you will find out what you are being paid for each child. Your service can then bill families for the difference between the CCB **actually** received and the **full fees**. But most centres currently bill two weeks in advance. So can they continue to do this?

Regardless of your billing system, your service will have to submit attendance records weekly to DEEWR, and fee reductions will be paid weekly by DEEWR to services. Whether services decide to bill in advance or arrears will remain a business decision for each service under CCMS. To some extent it depends on how your software handles it.

If a service chooses to estimate fee reductions, and bill in advance, fees will need to be adjusted each week against the fee reduction amounts paid by DEEWR. Any such estimates by services are **estimates only** and both the service and the family need to be aware that the fee reduction amount will not be known until it is paid by DEEWR.

## Who you deal with

Under current CCB system, the Family Assistance Office (FAO) /Centrelink is responsible for putting all payments into services accounts and running the call centre. Services can ring to check the CRN's and CCB percentages etc.

Under CCMS, services will deal with DEEWR only; however families will still deal with FAO to get CRNs etc.

To receive CCB a service needs to submit attendance records weekly or fortnightly to DEEWR via the CCMS. DEEWR then works with FAO to determine payments and you will be paid by DEEWR.

 **PARENTS:** Parents can contact FAO for enquiries/problems regarding CCB and requests for CRNs.

 **SERVICES:** Services only go to FAO for Special Child Care Benefit.

Services will go to DEEWR for everything else.

Once you have transitioned over to CCMS, families will be able to view online statements on the FAO website which will tell them how much CCB your service has been paid for on their behalf for any period.

## Enrolment Advances

Under the CCMS a new payment known as an enrolment advance will be introduced.

An enrolment advance is a payment which your service can elect to receive for each new formal enrolment. DEEWR says:






“These funds will be recovered once an enrolment has ended or has been deemed exited.”

You will need to elect each time you enrol a child whether you wish to receive an enrolment advance.

**Remember this advance is not your money!** You can use it, but (for those who understand accounting) it can be a liability to account for when a child ceases care at the service.

You can decide for each enrolment whether you will claim the enrolment advance or not; however it is probably easier and less confusing in the long run to opt in or out of the system totally.

### Enrolment Advance amounts for each service type:

-  Long Day Care = \$125
-  Family Day Care = \$125
-  In Home Care = \$125
-  Before School & After School Care = \$34
-  Vacation Care = \$125

When you transition to CCMS and create formal enrolments for your current enrolments you may also elect to receive this amount for each child.

## Finishing off under the old system

Once your service transitions to CCMS, you still need to do last quarter's statements of Child care usage using your existing system.

Services can still put in a supplementary statement for any period at this time.

**It would be a good idea to reconcile at this time. If you have not reconciled before there is information about this on the CS Central website ([www.cscentral.org.au](http://www.cscentral.org.au)).**

You need to keep old records for 3 years from the end of the financial year after a child leaves.

Once you have moved to the new system, you still need to provide final statements of usage to the FAO at the end of the quarter.

If at this stage, you are owed money, you will get it. If you owe money then the debt will be recovered from future payments.

**If you don't put in a final return, DEEWR will class all of the last quarter's advances as a debt so you need to ensure final returns are submitted.**

Where your service has an existing debt with FAO at the time you transfer to CCMS or when you have one as a result of an over advance for the last two quarters, do not panic when you get an invoice for the full amount from DEEWR.





DEEWR has indicated that "Repayments of these debts will be facilitated by reducing the payments due to your service under CCMS over a set period."

There is a lot of detail in the training material you will get from DEEWR about how debts will be handled so if you discover you owe them money when you put in your last claim or if you already have a debt you will need to tell them.

## Reconciling under CCMS

Your service needs to ensure they reconcile CCB as they go. Community Child Care Co-operative often goes into services facing financial difficulties, and finds large amounts of money owing from DEEWR that the service did not know about because they had never reconciled CCB.

Your service will receive information with each payment which will provide details of what is included in the payment. This may include:

-  Payments for CCB;
-  Enrolment Advances;
-  Payments taken out for enrolment advances recovered; and
-  Cancelled attendance recoveries.

Services need to ensure they can reconcile the final CCB claim with what you have requested.

## In and Out Times

This was a huge issue in the first round of CCMS consultations as DEEWR initially wanted services to record in and out times for all children daily.

DEEWR heard the field's complaints and have now adjusted this to being a requirement for 4 weeks a year only.

How services do this will be dependent on which software program they are using.

Some services may use systems such as swipe cards or pin card systems but most commonly services will just need to enter times in and out manually for those 4 weeks.

We do not yet know when the four weeks will be in the year but it will not be straight after transition. You will be notified by DEEWR of these dates.

## Cash flow

There may be a once-off gap in a service's cash flow when they first transition to CCMS, as a service moves from monthly payments in advance to weekly or fortnightly payments in arrears. In addition, because CCB payments came to the service monthly, some services arranged for their larger bills (insurance, rent, salaries etc) to be paid monthly when the CCB income was received. Payment patterns may need to change or sufficient provision may need to be made to ensure enough cash is accumulated as needed.

Cash flow problems are one of the major causes of small business failure. Cash flow is not the same as profit as a centre can be profitable but may run out of cash to pay necessary expenses like rent and wages if the stream of income in cash does not match the payments stream.

A cash flow forecast should be used to plan two elements of a service's performance at transition:

1. the timing of when you intend to spend money based on when you estimate money will be coming in, and
2. the cash balances for your service at the end of each week.

This forecast can be used to plan and monitor your financial operations during the transition period to ensure that you do not run out of money. Identify any weeks where you don't have enough money coming in and ensure you have money in the bank to cover this time or an overdraft facility sufficient to cover the shortfall.

## Computer Requirements

Whether you are looking at the capabilities of your current equipment to run CCMS or are looking at purchasing new equipment, it can be a minefield of technical jargon that will confuse and tempt you to buy the first system the sales person recommends out of sheer desperation.

**STOP!** Before you rush out to spend all of your **Transition Payment** we have put together the following information to help defuse the technology minefield.

## Software

The software you choose will need to be Registered CCMS Software. For a list of registered CCMS software got to:

[http://www.dest.gov.au/sectors/early\\_childhood/programmes\\_funding/list\\_of\\_software\\_providers\\_using\\_ccms\\_solutions.htm](http://www.dest.gov.au/sectors/early_childhood/programmes_funding/list_of_software_providers_using_ccms_solutions.htm)

All software is different in the way it presents and its specific system and operating requirements. As a helpful tool the attached checklist provides a general overview of specifications that should support most CCMS Registered Software, however we strongly advise that you check the specific requirements of the software that you choose.

## Computer

When buying a new computer you need to decide what capabilities you need, then find a system to match. To avoid confusion familiarize yourself with current tech terms such as:

**CPU:** The Central Processing Unit, this effectively the brains of your computer and does the most of the processing of information. **Hard Drive:** The main storage area of your computer. Don't underestimate your hard drive storage requirements. Computers should come with at least 80 GB hard drive space, however most new computers will come with 160GB or 250GB hard drive. **RAM:** or Random Access Memory is the computer's temporary memory and having enough of it is crucial to getting the most out of your computer.

**Operating System:** performs basic tasks, such as recognizing input from the keyboard, sending output to the display screen, keeping track of files and directories on the disk, and controlling peripheral devices such as disk drives and printers.

**Browser:** Short for Web browser, used to locate and display Web pages. The two most popular browsers are Netscape Navigator and Microsoft Internet Explorer. The other consideration when purchasing a computer is Macintosh (Mac) versus Windows. This is a purely personal preference, however one that needs careful consideration when getting ready for CCMS. Many of the Registered CCMS Software programs will not run on Mac so check with your software provider if it is compatible with Mac's.

## Internet

When looking at your internet requirements there are 2 types to choose from, Dial Up and Broadband. Broadband is considered to be the better choice for services running CCMS software as it is faster and more reliable. However there are 4 types of broadband connection to choose from:

**ADSL:** is delivered to your home via your existing telephone line. A filter on the telephone plug is used to separate the Broadband signals from the normal voice signals going to your phone. This filter allows you to use your phone and internet at the same time. ADSL Broadband can usually be installed without professional assistance as long as you have an operational telephone line. **Wireless:** has no land based connection and delivers Broadband to your computer via radio signals similar to a mobile phone, this means the performance is dependent on the strength of the radio signal. No landline is required for Wireless Broadband so is ideal for any services that do not have access to a landline.

**Cable:** is delivered via Fibre Optic Cable networks installed in the streets of major metropolitan areas. The connection is separate from your telephone line. A professional installer is required to connect to the Broadband signal to your computer.

**Satellite:** is suitable for remote locations where other types of broadband are not available and requires a satellite dish to be professionally installed.

For more information on Broadband and choosing a plan go to:

-  <http://broadbandguide.com.au/>
-  <http://bc.whirlpool.net.au/>, or
-  [http://www.dcita.gov.au/communications\\_for\\_consumers/internet/broadband\\_for\\_consumers](http://www.dcita.gov.au/communications_for_consumers/internet/broadband_for_consumers)

### Computer Requirements Checklist

The checklist below is a guide only on general computing requirements and average costs. Although the information provided is based on the average overall specifications provided by the registered software providers, we strongly urge you to talk to your software provider directly and confirm your specific requirements. The right hand side of the table has been included for you to record the requirements of your chosen software to assist you when purchasing your computer.

	Recommended minimum requirements		Approx cost	<input checked="" type="checkbox"/>	Chosen System Requirements	Actual Cost
<b>Software</b>	Registered CCMS software	For a list of Registered CCMS software go to <a href="http://www.dest.gov.au">www.dest.gov.au</a>		<input type="checkbox"/>		
	<b>Computer</b>					
	CPU	800 MHz Pentium				
	Hard Drive	160 GB				
	RAM	1GB	\$1,500	<input type="checkbox"/>		
	Operating System	Windows 2003				
	Browser	Internet Explorer 6				
<b>Internet</b>	Connection	Broadband Connection (ADSL, Cable, Wireless or Satellite) ADSL (Satellite broadband where ADSL is not available) To check the availability of ADSL go to <a href="http://www.dcita.gov.au">www.dcita.gov.au</a>	\$100 \$30pm	<input type="checkbox"/>		
	Speed	256/64kbps				
	Data (usage)	Up to 3GB				
<b>Security</b>	Flash Drive	A flash drive is the recommended way of backing up computer files.	\$25	<input type="checkbox"/>		
	Virus Protection	There is a large variety of virus protection software available some can even be downloaded free. Talk to your software provider.	\$75			
<b>Total Set up cost</b>			<b>\$1,700</b>		<b>Total Set up Cost</b>	
<b>Ongoing costs</b>			<b>\$30pm</b>		<b>Ongoing costs</b>	

## WHERE TO GO TO GET WHAT HELP

### Help with funding, knowing when you are going to transition, general CCMS information:

Contact the **CCMS** helpline on **1300 667 276**, or email the helpdesk [ccmshelpdesk@deewr.gov.au](mailto:ccmshelpdesk@deewr.gov.au)

### Help with your software, understanding how to enrol children, etc.

Contact your software supplier.

### General understanding of CCMS

Get the DVD of one of the CCMS training events held last year. See [www.cscentral.org.au](http://www.cscentral.org.au) or call **1800 157 818**












Consult the training material that the CCMS Task Force sends you at transition. You can also look at this online at:

[http://www.dest.gov.au/sectors/early\\_childhood/programmes\\_funding/child\\_care\\_management\\_systems\\_ccms.htm](http://www.dest.gov.au/sectors/early_childhood/programmes_funding/child_care_management_systems_ccms.htm)

### Support with getting your service ready to transition

Contact **Children's Services Central**, **1800 157 818**.

## ARE YOU READY - HAVE YOU?

-  Arranged for the internet access?
-  Purchased or upgrade childcare software?
-  Organised hardware upgrades or purchases?
-  Set up your software?
-  Organised training for administration staff and the director/co-ordinator/manager/owner?
-  Received the Set Transition payment?
-  Applied for additional transition funding?
-  Collected additional information from families (for example, parent's birth date and CRNs)?
-  Received your transition date?
-  Enrolled children into the system?
-  Completed Outstanding Child Care Usage Statements under the old system?

*Prepared by Carolyn Arlette for Community Child Care in conjunction with Contact Inc, 2009*

**Program for Isolated Children, Families and Communities**



Children's Services Central is the Professional Support Co-ordinator in NSW and is an initiative funded by the Australian Government under the Inclusion and Professional Support Program. Children's Services Central is managed by a consortium of key organisations that resource and support the sectors of children's services in NSW.