



Welcome

This week, we have devoted a page to the essential details you must know about End of Financial Year processing and the impact that the reconciliation of families' CCB entitlements can have on your cash flow. Please take a few minutes to read this material carefully and make sure you understand it.

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In this edition:

- June CCMS changes installed successfully
- Information from FAO to parents
- End of financial year processing
- Reminder about FAO reconciliation

June CCMS changes installed successfully

The June changes were installed over the weekend. With any IT change as big as this, despite thorough testing, there is a risk of unexpected problems cropping up. If you have any trouble using the CCMS, please call the Helpdesk to let us know about it, so that we can investigate and get it fixed as quickly as possible.



Fact sheets

The CCMS fact sheets are now available on the Providers page of www.mychild.gov.au.

Software registration

Three software providers have already been registered as compatible with the new Version 1.3 of the CCMS. Another 20 products are booked in for registration tests between now and 20th August. Your software provider will let you know how to upgrade your package. When you have done that, you will be able to access the new features released last weekend. Remember, you must be using upgraded software by 1st September at the latest or you will not be able to send your data to the CCMS.

Information from Family Assistance Office to parents

Parents are sometimes given information by the Family Assistance Office (FAO) that is misunderstood, misleading or incomplete and this can cause arguments with their child care service about what is the correct situation. When this happens, we need details about the source of the information so that we can do something about it. Please tell us:

- How and when was the information given?
 - o if by phone, what was the receipt number for the call?
 - o if at a Centrelink or Medicare office, where was it and who did the family speak to?
- What questions did the family ask?
- What advice did the FAO give the family?

Armed with these details, we can work with FAO to ensure staff learn more about CCB and improve the quality of advice they give to people in the future.



End of financial year processing

The financial system that supports the CCMS will close for the 2009/10 financial year at 8am on Tuesday 29 June. To ensure you receive payments prior to the financial year cut off, please submit your attendance data to the CCMS before 6pm AEST on Monday, 28 June 2010. No payments will be created after 8am on 29 June until the financial system is re-opened for the 2010/11 financial year on Thursday 1 July.

For CCB purposes, the 2009/10 financial year ends on Sunday 4 July 2010

You need to submit all data for the 2009/10 year by Sunday 18 July

The Family Assistance Office begins CCB & CCR reconciliation processing on Monday 26 July

Reminder about FAO reconciliation

During the financial year, a family's CCB fee reductions are a provisional entitlement based on their estimated annual family income. At the end of the financial year, the FAO compares the family's *provisional* entitlement with their *actual* entitlement, based on their taxable income for the year. This process is called 'reconciliation' or 'balancing' of the family's payments.

Reconciliation is done progressively as families lodge tax returns with the Australian Taxation Office. Some families don't have to lodge a tax return and their payments are reconciled automatically. Reconciliation can result in the family receiving a top-up payment or repaying CCB they should not have received. Once a family has had their CCB entitlement reconciled for a financial year, any further payments and adjustments for the year are managed directly between the family and the FAO. **CCB for that financial year can no longer be paid to the service on behalf of the family.**

If your service estimates CCB fee reductions in advance and only charges families the gap fee, you need to understand **you will not receive CCB for attendances submitted or cancelled and resubmitted after reconciliation has occurred.** If a family owes you money for the care you have provided during the year, you will have to bill the family for that money. You can avoid this by not trying to estimate fee reductions in advance. Instead, when a child enters care, consider charging full fees up front and applying the CCB fee reductions when the exact amount is calculated by the FAO and given to you through the CCMS.

The June CCMS changes include a new feature that shows whether a family's CCB has been reconciled when you submit attendance reports for a previous financial year. See Fact Sheet 3 for more details about this feature.

After Family Reconciliation

