



## Four Key Tips on Contracts and Policies

Here are some basic rules that can help providers communicate clearly with parents and reduce potential conflicts:

- 1) Providers can set whatever rules they want for their program. You can run a highly structured or un-structured program. You can use any curriculum you want or design your own. You are the boss of your own program. The only exception to this is that you cannot discriminate based on race, sex, religion, national origin, or disability. Your state may have further limitations on discrimination rules.
- 2) Your contract is a legal document that spells out the hours and days you will provide care in exchange for money paid by the parent. Your policies contain all the rules for how your program will operate (sick policy, meal policy, activities, behavior guidance, etc.). We recommend that your contract and policies be two separate documents. Any change to a written contract must be in writing and signed by both parties. You can make any change in your policies at will.
- 3) Although providers are free to adopt any rules they want, we strongly recommend that providers put these two rules in their contract:
  - Client will pay at least one week in advance
  - Client will pay in advance for the last two weeks of care

If you enforce these two rules, you will never have a parent leave your program owing you money. These two rules are reasonable and affordable; if the parent can't pay this full amount in advance, you can allow parents to pay a little extra each week over time. **For parents who receive state financial assistance you may or may not be able to adopt these rules.**

- 4) Do not be hesitant to enforce your rules if a parent violates them. The way to enforce your rules is to give parents a consequence for not following them. If a parent is late, charge a late fee. If a parent refuses to pay you on time, give the parents a fair warning and then terminate if their behavior doesn't change. Parents who are given clear rules to follow and understand the consequences of not following them are less likely to cause problems.

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