

Setting Tuition Rates for TEFA Students

Pre-k programs accepting TEFA in the 2026-2027 school year are required to set tuition rates and receive approval from parents by July 31st, 2026. This document provides a written example of how programs can calculate TEFA tuition and wraparound care. No need for paper and pen: **the [TEFA Tuition Calculator](#) conducts these equations automatically and is customizable to fit your program.**

TEFA can only be charged for the educational portion of the day. Before and after care (wraparound hours) must be parent- or CCS-paid. While a student **may not** be charged a different total amount of tuition and fees simply because they receive a TEFA award, the TEFA instructional block can be weighted to cover the cost of providing high-quality pre-k instruction, as this is the time period when a certified or qualified lead teacher is in the classroom, delivering curriculum, conducting progress monitoring, and the program overall meets the [required components of High-Quality Pre-K](#). The wraparound hours are considered supervisory, as they do not require educational instruction or credentialed staff to be present, and therefore present a lower expense.

To demonstrate how to adequately charge for the difference in costs between educational time and wraparound time, this document assumes TEFA pre-k hours cost 50% more than wraparound hours. However, **you should weigh this time according to your program's true cost of high-quality pre-k instruction.**

1. Set a Base Tuition Rate

Calculate your full-time monthly tuition for all students. Be sure to account for the total cost of providing care for each child, including administrative and teacher expenses. All students should generate equivalent revenue for the same level of care.

Example: Weekly rate is \$237. Weeks per month is 4.3.

- Total monthly tuition = $\$237 \times 4.3 = \mathbf{\$1,020}$.

2. Establish Weighting Factors

Determine how much you will need to weigh your TEFA portion of the day. Consider the percent increase in the cost of care during these hours. The cost of your wraparound hours may decrease as a result, or there may be no change.

Example: Standard hours cost \$500 to operate. TEFA hours (High quality pre-k) cost \$1,000 to operate. TEFA costs 50% more. The cost of wraparound care did not change.

- TEFA Weight = **1.5** and Wraparound Weight = **1.0**.

3. Calculate the Weighted Base Rate

The weighted base rate is a way of finding a fair hourly starting point so you can charge more for the higher-cost TEFA instructional hours, less for wraparound care, and still end up with the same total tuition revenue. We recommend [using the calculator](#) to get this number automatically.

Weighted Base Rate = Monthly Tuition $\div$ ((Monthly TEFA Hours $\times$ TEFA Weight) + (Monthly Wraparound Hours $\times$ Wraparound Weight)).

Example: Monthly tuition is \$1,020, TEFA hours are 40/week, wraparound hours are 10/week, and weeks per month are 4.3.

- Monthly TEFA hours = $40 \times 4.3 = 172$
- Monthly wraparound hours = $10 \times 4.3 = 43$.
- Weighted Base Rate = $\$1,020 \div ((172 \times 1.5) + (43 \times 1.0)) = \mathbf{\$3.39}$.

4. Set TEFA Pricing

TEFA Hourly Rate = Weighted Base Rate $\times$ TEFA Weight.

Example: $\$3.39 \times 1.5 = \$5.08/\text{hour}$.

- Monthly TEFA Tuition = Monthly TEFA Hours $\times$ TEFA Hourly Rate = $172 \times \$5.08 = \mathbf{\$874.29}$.

5. Set Wraparound Pricing

The wraparound pricing is what the parent pays out of pocket (not with TEFA funds) or with CCS (see below). Wraparound Hourly Rate = Weighted Base Rate $\times$ Wraparound Weight.

Example: $\$3.39 \times 1.0 = \$3.39/\text{hour}$.

- Monthly Wraparound Tuition = $43 \times \$3.39 = \mathbf{\$145.71}$.

6. Ensure Tuition Equals the Full Cost of Care

TEFA Tuition + Wraparound Tuition should always equal the full monthly tuition.

Example: $\$874.29 + \$145.71 = \$1,020$.

Additional Considerations

Use Discounts Carefully

TEFA does not require you to adjust your tuition rate. Students with a TEFA account must be treated like any other student. This means TEFA students must be charged the same tuition rate as other students (your posted tuition rate), and they [must receive generally applicable discounts](#), including sibling and employee discounts. For discounts related to income, you may

consider TEFA funds as part of the household's income. If a discount is applied to wraparound tuition, document the methodology and apply it consistently.

Documentation Requirements

Programs should maintain a written tuition allocation policy that includes:

- TEFA and wraparound weights used
- Discount policy with clear rules and applicability to TEFA students.
- A daily schedule showing the instructional and wraparound blocks.

Considerations for CCS

[According to TWC](#), TEFA and CCS can be braided to cover the cost of full-day care. TEFA funds the pre-k day, while CCS covers the wraparound hours. Regardless of the amount of TEFA pre-k hours delivered, students will be dropped to the **blended-day CCS rate** for the standard school year. (Note that the blended rate is based on your posted, full-day tuition rate, not solely the TEFA or wraparound rate. Check with your local workforce board to determine the current maximum blended rate.) During the summer, students will receive the **full-day rate** if enrolled in full-time care. This applies to both 3 and 4 year old students.

Your program has the flexibility to determine its TEFA school year calendar. For each day that you are providing High Quality Pre-K instruction, you may charge tuition to a student's TEFA account. If your program chooses not to provide instruction during the summer months, tuition must be parent-paid or CCS-paid and **may not** be charged to a student's TEFA account.

Always check with your Local Workforce Development Board for final guidance on CCS.