A daycare tuition increase letter parents can accept

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How to tell daycare families tuition is going up: the notice your contract promises, the new rate and start date, one honest reason, and a free letter you print.

A tuition increase letter parents can accept is short and plain: the new weekly rate, the date it starts, what it is now, one honest sentence on why, and the notice your contract promised. Send it on paper, at least as early as your agreement says (four weeks is common), and offer to talk. Peabody's contract builder prints one from your own terms, free through the end of 2026, with a line on every page to check your state's rules.

Raising tuition is one of the hardest letters a provider writes. Most families understand that food, supplies and insurance cost more each year. What upsets them is a surprise, a vague reason, or a letter that sounds like a bill. This post is about the letter that avoids all three.

What the letter needs

Five things, in this order:

1. The new rate and the date it starts. "Starting January 5, tuition will be $260 a week."
2. What it is now. Families compare. Saying it yourself ("it is $245 now") reads as honest.
3. One reason. One sentence, true, about the program: costs, a new staff member, a longer day. Not three paragraphs.
4. The notice. "This is the four weeks' notice our agreement promises."
5. An open door. "Please ask me if you have questions."

Then your name and the program's name.

That's the whole letter. Peabody's builder writes exactly those lines. With no reason typed, it says: The cost of food, supplies and insurance has gone up, and this keeps the program going with the care your child gets now. Type your own reason and it uses yours instead.

What to leave out

- Apologies. "I'm so sorry, I hate to do this" invites a negotiation. A calm letter is kinder to read.
- Your household budget. True, but not the family's to carry.
- Comparisons with other programs. Families can look those up, and you don't want the letter to be about someone else's prices.
- Threats. Nothing about ending care if a family can't pay. If a family comes to you worried, that is a conversation, not a line in a letter.

How much notice

Check your own contract first. Your agreement is the promise families signed, and the letter should keep it. Peabody's contract builder starts with We will give at least 4 weeks' written notice before tuition changes, and you can change the number. Some states have their own rules about notice of fee changes for licensed programs, so read your state's licensing rules too (Childcare.gov's state resources link each one).

Sending it around the same time every year helps. Families in a program that goes up a little each January plan for it; a program that waits three years and then jumps is harder to hear.

How to make it in Peabody

1. Open the contract builder and fill in your terms once: your program's name, your name, the weekly rate, and the notice you give for a rate change.
2. Choose Letters, then Tuition increase.
3. Type the new weekly rate, the start date, and a reason if you want your own.
4. Print it, one copy per family, or save it as a PDF from the print dialog and send it yourself.

Your terms stay in this browser. Nothing is sent to Peabody, and no family's name goes into the letter: it opens "Dear families," so one print works for the whole room. Every page carries the line A starting draft from Peabody Teach, not legal advice. Check your state's child care rules, and have a lawyer review it before you use it.

The same page prints a welcome letter for a new family and a closed-day letter for holidays and your own vacation.

A sample

Dear families,

Starting January 5, tuition will be $260 a week (it is $245 now). The cost of food, supplies and insurance has gone up, and this keeps the program going with the care your child gets now.

This is the 4 weeks' notice our agreement promises. Please ask me if you have questions.

With thanks, Ms. Rivera Little Acorns Family Child Care

The names and numbers here are made up; yours come from your own terms.

After you send it

Hand the letter out at pick-up rather than leaving it in a cubby, so you can say one sentence in person: "There's a letter about next year's tuition in there. Ask me anything." Most questions come in the first two days. Answer each one the same way, and write the new rate into your contract for families who are just starting.

If you also send a weekly newsletter, keep the tuition news out of it. A letter of its own says

you take it seriously; the newsletter stays about what the children did. The newsletter post has a one-page template for that.

For the children, nothing changes. If a family asks what their child can read at home, the open library has short stories to read together, free.

Free at peabody.kids/blog/daycare-tuition-increase-letter