



To: The Honorable Henry McMaster, Governor of South Carolina
 The Honorable Harvey S. Peeler, Jr., Chairman of the Senate Finance Committee
 The Honorable Bruce W. Bannister, Chairman of the House Ways and Means Committee

From: Mark Barnes, Interim Executive Director, South Carolina First Steps

Date: October 1, 2024

RE: First Steps 4K Quarterly Report Pursuant to Provisos 1.47 and 1A.26

Provisos 1.47 and 1A.26 of the FY 2024-25 State Budget for South Carolina specify that:

First Steps and the Department of Education must provide an equitable distribution above the minimum between public and private providers. First Steps and the Department of Education must provide a quarterly report beginning October 1 detailing funding above the minimum made to any provider to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee.

Pursuant to the terms of the proviso, we are writing to provide an update on the funding above the minimum made to any SC First Steps 4K provider. Additionally, we are providing an update on FY 24, Q4 expenditures that were reported on in June 2024; these numbers were adjusted after the final reconciliations were completed.

For the school year starting August 19, 2024, SC First Steps 4K increased its annual reimbursement rate for the traditional 6.5 full day four-year-old kindergarten for private providers from \$5,500 to \$5,700. This amount was increased for all providers as of the same school start date.

FY 2024 Update	State Fiscal Year 2025			
Q4	Q1*	Q2	Q3	Q4
\$515,321	Quarterly \$587,545			
\$1,916,106	YTD \$587,545			

**Quarter 1 expenditures may be adjusted after the final reconciliations are complete.*

As of September 30, 2024, SC First Steps 4K has served 3,971 students and has contracted with 302 providers for 372 classrooms.

cc: David Morley, Chair, SC First Steps Board of Trustees
 Melanie Barton, Senior Education Advisor, Office of the Governor
 Grant Gibson, Senate Finance Committee
 Stephanie Meetze, House Ways and Means Committee
 Martha Strickland, 4K State Director, SC First Steps
 Kaitlyn Richards, Government Affairs Liaison, SC First Steps