

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: Ann Vandervliet, Executive Director, South Carolina First Steps

Date: December 30, 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. For the school year starting August 19, 2024, SC First Steps 4K increased its annual reimbursement rate for the traditional 6.5 hour 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.

| State Fiscal Year 2025 | | | | | |
|------------------------|-----------|-------------|----|----|--|
| | Q1 | Q2* | Q3 | Q4 | |
| Quarterly | \$574,146 | \$755,288 | | | |
| YTD | \$574,146 | \$1,329,434 | | | |

| State Fiscal Ye | ar 2025 |
|-----------------|---------|
|-----------------|---------|

**Quarter 2 expenditures may be adjusted after the final reconciliations are complete.*

As of December 27, 2024, SC First Steps 4K has served 4,109 students for at least one day and has contracted with 297 providers for 366 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

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