



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: October 1, 2026

**RE: First Steps 4K Quarterly Report Pursuant to Provisos 1.46D and 1A.26**

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Provisos 1.46D and 1A.26 of the Fiscal Year (FY) 2026-27 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 26, Q4 expenditures that were reported in July 2026; these numbers were adjusted after the final reconciliations were completed.

|                  | FY26      | FY27      |    |    |    |
|------------------|-----------|-----------|----|----|----|
|                  | Q4        | Q1*       | Q2 | Q3 | Q4 |
| <b>Quarterly</b> | 1,048,241 | 1,137,509 |    |    |    |
| <b>YTD</b>       | 4,029,990 | 1,137,509 |    |    |    |

*\* Prior quarter expenditures may be adjusted after the final reconciliations are complete.*

As of September 30, 2026, SC First Steps 4K is currently serving 4,262 students and has contracted with 304 providers for 377 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  
Molly Tuck, Interim Chief of Early Learning, SC First Steps  
Elliott Epps, Legislative Liaison, SC First Steps