



To: The Honorable Hugh K. Leatherman, Sr., Chairman of the Senate Finance Committee  
The Honorable W. Brian White, Chairman of the House Ways and Means Committee  
From: Georgia Mjartan, Executive Director, SC First Steps to School Readiness  
Date: March 15, 2018

**RE: First Steps 4K Underserved Communities Report Pursuant to Proviso 1.86**

Proviso 1.86 of the General Appropriations Act for FY18 specifies that:

*1.86. (SDE: First Steps 4K Underserved Communities) Using funds appropriated for the Child Early Reading and Development Education Program, South Carolina First Steps shall develop a pilot program to expand four-year-old kindergarten enrollment within underserved communities eligible for participation during the most recent fiscal year. Newly-created and/or newly-approved private providers proposing to expand service to ten or more CERDEP eligible children in communities enrolling less than 80% of eligible students in a public, private, or Head Start setting during the prior fiscal year, may apply for up to \$30,000 in one-time supplemental, needs-based incentives designed to address building renovations, documented as necessary to bring proposed classrooms into compliance with licensing regulations, materials and staffing costs, and/or other obstacles currently preventing their participation in the First Steps 4K program. The First Steps Board of Trustees shall develop and approve an application process that incorporates formal review and fiscal safeguards designed to ensure grant funds are used solely to address documented barriers to program participation. Providers receiving this one-time supplement are expected to participate in the program and provide high-quality, center-based programs as defined herein for a minimum of three years. Failure to participate for three years will require the provider to return a portion of the supplemental allocation at a level determined by the Office of First Steps to School Readiness. First Steps shall submit a report detailing its process, expenditures and expanded enrollment to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee by March 15, 2018.*

Pursuant to the terms of the proviso, I am writing to provide an update on First Steps implementation to date.

Following ratification of the General Appropriations Act for FY18, the First Steps Board of Trustees developed, reviewed, and approved the required center application at its meeting on June 16, 2017. SC First Steps used the SC Education Oversight Committee's FY2015 - 16 & 2016 - 17 State-Funded Full-Day 4K Evaluation (published January 18, 2017) to identify the counties including school districts with less than 80% of eligible 4-year-olds enrolled in public, private or Head Start settings (as per the proviso). 17 counties included school districts that fit the eligibility criteria articulated in the proviso. The final, board-approved, application was promoted to local partnerships and centers in these eligible counties throughout the summer of 2017. While a number of potential partners expressed interest in grant funding, all agreed that the 6-week timeframe prior to the start of the school year was too short to apply, complete building modifications (for example), hire staff, and recruit children for an August 2017 start. While programs could have applied and come onboard with First Steps 4K mid-year, none chose to do so.

Accordingly, no such funds were expended for use during the 2017-2018 school year (or have been spent to date).

With the benefit of additional lead time, we do anticipate associated expenditures in advance of the 2018-2019 school year. First Steps is currently in discussion with a number of prospective partners who hope to create expansion classrooms with the benefit of grant funding and has received its first grant application. This request - linked to an emerging collaboration between Northeastern Technical

College and Chesterfield County First Steps - would help support the creation of new classroom space for 20 children on the campus of NETC in Cheraw, SC.

The building in question does not currently meet DSS regulations or fire codes for a licensed child care facility. Architectural plans and cost estimates have been submitted to SC First Steps, with necessary renovations including firewalls, adequate bathrooms, and food preparation facilities. The cost of these renovations (approximately \$80,000) well exceeds the requested grant amount (\$30,000), with roughly \$50,000 in additional cost proposed to be borne by the project partners.

We will be happy to provide an updated report at the end of the fiscal year, detailing final expenditures and associated expansion of student enrollment.

Independent of the resources made available under Proviso 1.86, we are pleased to report that we have already approved ten additional schools for the 2018-2019 school year, with additional applications currently under review. We are confident that the First Steps 4K program – which now serves 18% of all CERDEP students - will continue its multi-year pattern of expansion and growth.

We are grateful for the General Assembly's continued emphasis on creating opportunities for the state's at-risk preschoolers.

cc: Ken Wingate, Chair, SC First Steps to School Readiness Board of Trustees  
Dan Wuori, Deputy Director, SC First Steps School to Readiness  
Mark Barnes, Chief Financial/Operating Officer, SC First Steps to School Readiness  
Martha Strickland, 4K Director, SC First Steps to School Readiness  
Kenzie Riddle, House Ways and Means Grant  
Gibson, Senate Education