



March 26, 2026

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, Agency Director, South Carolina First Steps

RE: First Steps 4K Quarterly Report Pursuant to Provisos 1.48 and 1A.26

Provisos 1.48 and 1A.26 of the FY 2025-26 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 4, 2025. 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 \$5,700 to \$5,839. This amount was increased for all providers as of the same school start date.

State Fiscal Year 2026

	Q1	Q2	Q3*	Q4
Quarterly	\$1,014,184	\$918,562	\$1,067,954	
YTD	\$1,014,184	\$1,932,746	\$3,000,700	

**Quarter 3 expenditures may be adjusted after the final reconciliations are complete.*

As of March 15, 2026 SC First Steps 4K has served 4,109 students for at least one day and has contracted with 305 providers for 369 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
David O'Kelly, SC First Steps Chief Financial Officer
Elliott Epps, Legislative Liaison, SC First Steps