

Agency Name:	First Steps		
Agency Code:	H620	Section:	1



**Fiscal Year FY 2024-2025**  
**Agency Budget Plan**

**FORM A - BUDGET PLAN SUMMARY**

<b>OPERATING REQUESTS</b>  <i>(FORM B1)</i>	<b>For FY 2024-2025, my agency is (mark "X"):</b>	
	<input checked="" type="checkbox"/>	Requesting General Fund Appropriations.
	<input checked="" type="checkbox"/>	Requesting Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.

<b>NON-RECURRING REQUESTS</b>  <i>(FORM B2)</i>	<b>For FY 2024-2025, my agency is (mark "X"):</b>	
	<input type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input checked="" type="checkbox"/>	Not requesting any changes.

<b>CAPITAL REQUESTS</b>  <i>(FORM C)</i>	<b>For FY 2024-2025, my agency is (mark "X"):</b>	
	<input type="checkbox"/>	Requesting funding for Capital Projects.
	<input checked="" type="checkbox"/>	Not requesting any changes.

<b>PROVISOS</b>  <i>(FORM D)</i>	<b>For FY 2024-2025, my agency is (mark "X"):</b>	
	<input checked="" type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
<b>PRIMARY CONTACT:</b>	Mark Barnes	(803) 734-8079	mbarnes@scfirststeps.org
<b>SECONDARY CONTACT:</b>	Lavinia Tejada	(803) 734-2716	ltejada@scfirststeps.org

I have reviewed and approved the enclosed FY 2024-2025 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	<u>Agency Director</u>	<u>Board or Commission Chair</u>
<b>SIGN/DATE:</b>	<small>DocuSigned by:</small> <i>Georgia Mjartan</i> 9/22/2023	<small>DocuSigned by:</small> <i>David Morley</i> 9/22/2023
<b>TYPE/PRINT NAME:</b>	Georgia Mjartan	David Morley

*This form must be signed by the agency head – not a delegate.*

Agency Name:	First Steps
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Section:	1

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Unfunded Personnel Cost Increases (EIA)	362,089	0	0	0	362,089	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	Classification, Compensation and Capacity Study	304,824	0	0	0	304,824	2.00	0.00	0.00	0.00	2.00
3	B1 - Recurring	SC First Steps Separation from State Department of Education	279,724	0	0	0	279,724	0.00	0.00	0.00	0.00	0.00
4	B1 - Recurring	SC First Steps Local Partnerships	4,769,076	0	0	0	4,769,076	4.00	0.00	0.00	0.00	4.00
5	B1 - Recurring	Early Childhood Advisory Council	244,272	0	0	0	244,272	2.00	0.00	0.00	0.00	2.00
6	B1 - Recurring	Full-Day 4K	9,064,714	0	0	0	9,064,714	2.00	0.00	0.00	0.00	2.00
7	B1 - Recurring	Budget Authorization Request	0	3,627,070	14,056,540	0	17,683,610	0.00	0.00	0.00	0.00	0.00
TOTALS			15,024,699	3,627,070	14,056,540	0	32,708,309	10.00	0.00	0.00	0.00	10.00

Agency Name:	First Steps		
Agency Code:	H620	Section:	1

## **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	1
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>Unfunded Personnel Cost Increases (EIA)</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$362,089</b> <b>Federal: \$0</b> <b>Other: \$0</b> <b>Total: \$362,089</b>
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*What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	0.00
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input checked="" type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<input checked="" type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

<b>ACCOUNTABILITY OF FUNDS</b>	<p>These funds would support all agency strategies. The increases in personnel and fringe costs affected all parts of our agency.</p>
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*What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?*

<b>RECIPIENTS OF</b>	SC First Steps
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**FUNDS**

*What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?*

**JUSTIFICATION OF REQUEST**

A majority of SC First Steps personnel costs are funded from Education Improvement Act Funds. SC First Steps did not receive incremental funds associated with the FY 2023-24 state-approved cost increases in health insurance, retirement and mandated across-the-board increases. These increases have caused a deficit in our personnel accounts. The result is that previously funded positions have become unfunded. We are requesting recurring EIA funds to cover these costs. These include **\$203,566** in Personnel, **\$39,434** in retirement costs, and **\$119,089** in health insurance. The total amount is **\$362,089**. There are no salary increases or changes in salaries associated with this request.

*Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.*

Agency Name:	First Steps		
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## **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	2
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>Classification, Compensation and Capacity Study</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<p><b>General: \$304,824</b></p> <p><b>Federal: \$0</b></p> <p><b>Other: \$0</b></p> <p><b>Total: \$304,824</b></p>
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*What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	2.00
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input checked="" type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<input checked="" type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

<b>ACCOUNTABILITY OF FUNDS</b>	<p>These funds would support all agency strategies. The increases in personnel and fringe costs will affect all parts of the agency.</p>
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*What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?*

<b>RECIPIENTS OF</b>	SC First Steps
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## FUNDS

*What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?*

## JUSTIFICATION OF REQUEST

First Steps management team has been working with the states Office of Human Resources to analyze all positions in the agency over the last 6 months. This analysis included a review of every position and employee to ensure that they are classified and paid appropriately based on each job function and role. It compared our employees' salaries to the salaries of other state employees in like roles and functions. This request is the result of that work and includes the recommendations of staff from the Office of Human Resources. While completing this analysis, two additional positions were identified based on the needed capacity for the workload and growth in the agency over the last 5 years. Due to the results there are two components to this request. The first is additional funds to cover needed reclassifications and salary adjustments for current employees based on the study. The second request is for two FTE's. They include a Procurement Manager I with a salary of \$64,885 and an Accounting/Fiscal Manager II with a salary of \$95,327. The agency's budget has more than doubled in size and there has been an increase in the number of staff in the last 5 years. In addition, numerous federal and private grants have been received. This has resulted in significant funding complexity and administrative burdens that cannot be met with existing staff. These two positions meet the management needs of this larger agency and to provide the capacity to manage it appropriately. The personnel cost for part 1, the Classification and Compensation study personnel cost is \$55,975, with \$22,950 for fringe for a subtotal of **\$78,925**. For part 2, the personnel cost is \$160,212, with fringe of \$65,687 for a subtotal cost of **\$225,899**. There would be no operating cost for this request which makes the total cost of this request **\$304,824**.

*Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.*

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## **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	<b>3</b>
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>SC First Steps Separation from State Department of Education</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$279,724</b> <b>Federal: \$0</b> <b>Other: \$0</b> <b>Total: \$279,724</b>
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*What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	<b>0.00</b>
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<input checked="" type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

<b>ACCOUNTABILITY OF FUNDS</b>	<p>These funds would support all agency strategies.</p>
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*What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?*

<b>RECIPIENTS OF</b>	SC First Steps
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**FUNDS**

*What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?*

**JUSTIFICATION OF REQUEST**

In Proviso 1.97 of the FY 2023-24 State Budget, the General Assembly supported an analysis and possible separation of SC First Steps from the State Department of Education. This request is the result of that study and consists of funding for a contract with Shared Services under the Department of Administration. The amount was developed through an analysis of the current staffing and requirements necessary for SC First Steps to operate independently from the Department of Education. It consists of two parts. The first is the cost of Human Resource capacity and support for Benefits Administration, Employee Relations, Payroll and other HR functions. This would be a contractual amount of \$201,487. In addition, contractual costs of \$78,237 would be needed to cover additional Budgets, Finance, and Procurement capacity and support. The total Operating cost would be **\$279,724**.

*Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.*



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## **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	4
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>SC First Steps Local Partnerships</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$4,769,076</b> <b>Federal: \$0</b> <b>Other: \$0</b> <b>Total: \$4,769,076</b>
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*What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	4.00
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input checked="" type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<input checked="" type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
	<input type="checkbox"/>	Government and Citizens

<b>ACCOUNTABILITY OF FUNDS</b>	1.1.2 High intensity parenting program improvements in parent child interactions 1.2.1 Percent of children in need served directly by Local Partnerships 1.2.2 Percent of children served directly in high intensity programs from Local Partnerships 1.3.1 Distribution of Profile of the Ready Kindergartner – Copies Distributed 1.3.2 Increase followers of web portals, SC First Steps, Palmetto PreK, First5SC, and ECAC 2.2.1 Increase % of children in child care centers where quality enhancement and training is provided 2.2.2 Increase the hours of onsite technical assistance provided to childcare centers 3.1.1 Proportion of service targets reached 3.1.2 Number of AmeriCorps members recruited 3.2.1 Reduce the racial/ethnic gap of children ready for kindergarten (KRA)
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3.2.2 Increase the % of children ready for kindergarten (KRA) total and by demographic breakdown

Funds would be used to support funding for needed staffing and program costs due to loss of federal funds and reduction in services to families, additional formula funding to offset the reduction in services due to increasing cost and to incentivize the regionalization of local partnerships.

*What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?*

## RECIPIENTS OF FUNDS

The Local Partnerships would receive the majority of the funds through grants to offset the loss of federal funds which will reduce services to children, and a further reduction in services funded through state funds due to increasing costs of services. Some of the funds would be used to incentivize the regionalization of local partnerships. These incentives would be provided based on a plan to regionalize approved by the SC First Steps Board of Trustees. SC First Steps would receive the funding for staffing to support the Local Partnerships.

*What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?*

## JUSTIFICATION OF REQUEST

Prior to the pandemic, First Steps was serving, on average, about 30,000 children directly each year. Over the last two years, this has increased to, on average, about 55,000 children directly each year - an increase of 83%. To be responsive to this increased demand, First Steps obtained short-term, time limited philanthropic and government funding. With these funding streams ending around the same time (within FY2024-25), it is our duty to ensure that we meet the increased demand for First Steps services.

This request includes **\$1.5 million** in funding in our evidence based Parenting and Home Visiting Programs so that children will not lose access to these services. This request also includes **\$500,000** in funding for the Countdown to Kindergarten and Countdown to 4K programs. These programs close the gap in children's academic skill and home-school relations. Without adequate funding, we will not be able to sustain our gains, and almost 2,000 children will not be able to receive these services.

Over the last eight years, the cost for providing services through the local partnerships has increased at least 27%, while the formula funding from the state has not increased. During this time, SC First Steps has worked to provide time limited grants in order to increase the number of services that can be provided. In addition, \$3 million in READY Grants were provided by the state for infrastructure and capacity, as well as to increase the number of services that can be provided in the most recent fiscal year. This has helped but has not solved the problem of having too few funds to meet the needs of early education in our state. With the addition of the READY funds and the philanthropic and federal grants we were able to obtain, we are still only able to directly serve less than half of the children in need. The upcoming loss of this outside funding leaves the local partnerships grossly underfunded to meet the needs of the children in our state that need help in getting ready for school. In order to both provide a steady base funding for the local partnerships to cover their increases in cost and to keep from further decreasing funding for services, we are requesting **\$2,263,714** in recurring general funding.

In addition, we are planning to obligate some of these recurring funds to incentivize the local partnerships to regionalize in areas that add economic efficiencies.

While a significant amount of federal funds are being reduced, the complexity of the various funding sources and grants is increasing. With 45 out of 46 of local partnerships implementing parenting or home visiting programs, it is imperative that First Steps provides oversight, training, and program model support to ensure model fidelity and maximum impact. We are requesting 2 full time positions to do this. Our second largest program focus is improving the quality of child care. We are requesting 1 full time position to provide support, evaluation and accountability to this area. These three positions would be Program Coordinator IIs. Additionally, to ensure compliance with the rigorous standards outlined in the law, we are requesting 1 full time position for a Research and Planning Administrator. All positions would be band 6 positions. The grant funding that is ending also covered operating costs and portions of other staff who provide support for program implementation. The smaller portions split between 4 other staff persons make up personnel costs of \$81,249, plus fringe of \$33,312. Since these are currently filled positions in FTE's, no additional FTE's would be needed for the split funded staff. The personnel cost for the 4 full time positions would be \$259,540, with fringe of \$106,411, for a total personnel cost of \$480,513. The operating cost would include Travel, for three staff of an average of

350 miles per month, for \$7,749, lease space cost for 4 at 90 ft each at \$17.50 per foot for \$6,300, necessary training for each of \$1,500 for a total of \$6,000 and \$1,200 in supplies for each at \$4,800. Total operating of \$24,849 and the total cost of the personnel request would be **\$505,362**.

This brings the total of this request to **\$4,769,076**.

*Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.*

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Agency Code:	H620	Section:	1

## **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	5
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>Early Childhood Advisory Council</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$244,272</b> <b>Federal: \$0</b> <b>Other: \$0</b> <b>Total: \$244,272</b>
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*What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	2.00
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input checked="" type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
<input type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<input checked="" type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

<b>ACCOUNTABILITY OF FUNDS</b>	<p>All strategies. Funds would be used to meet statutory requirements for the Early Childhood Advisory Council which has initiated a number of ground breaking efforts to support the Early Childhood System in the state.</p>
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*What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?*

<b>RECIPIENTS OF</b>	SC First Steps, the agency responsible for supporting the ECAC.
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**FUNDS**

*What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?*

**JUSTIFICATION OF REQUEST**

South Carolina's Early Childhood Advisory Council is the statutorily authorized entity for coordinating all of South Carolina's public investments in early childhood services, ensuring effective and efficient use of state and federal funds, and building a cohesive system that ensures young children are healthy and safe, ready for school and actively supported by their families and communities. The ECAC has established ground-breaking joint efforts to develop the early childhood system in SC. These include creating joint agency web-based eligibility and application portals, integrated data sharing and visualization initiatives, interagency collaboration, statewide early childhood needs assessments including parent surveying and focus groups, a unified early childhood state plan, two-generation initiatives focused on education and economic stability and a family voice council. Due to the great success of these initiatives, and the increase in support needed to continue and build these public facing models, we need two additional staff members. The 2 positions included here are critical for additional needed support for coordinating all partners use and referrals of the public portals, providing data governance for the multiple systems, as well as ensuring the existing work being provided by the federal Statewide Longitudinal Data System Grant, which is not being renewed, continues to move forward. One of the positions would be a BB40 Research and Planning Administrator, and one would be a AM62 IT Customer Support Specialist III. The personnel cost for these would be \$118,842, with fringe of \$48,725, total personnel cost **\$167,567**. The operating cost would include Travel, for one person of an average of 834 miles per month, for \$6,155, travel associated with two national conferences, \$7,000, lease space cost for 2 at 90 ft each at \$17.50 per foot for \$3,150, necessary training for each of \$1,500 for a total of \$3,000, contractual funds for a national consultant to provide guidance and support for data efforts such as SC's Statewide Longitudinal Data System of \$55,000, and \$1,200 in supplies for each at \$2,400. Total operating of **\$76,705** and the total cost of this request would be **\$244,272**.

*Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.*

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Agency Code:	H620	Section:	1

## **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	<b>6</b>
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>Full-Day 4K</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<p><b>General: \$9,064,714</b></p> <p><b>Federal: \$0</b></p> <p><b>Other: \$0</b></p> <p><b>Total: \$9,064,714</b></p>
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*What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	<b>2.00</b>
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input checked="" type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input checked="" type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input checked="" type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<input checked="" type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
	<input type="checkbox"/>	Government and Citizens

<b>ACCOUNTABILITY OF FUNDS</b>	<p>This funding supports the following strategies: 1.1.1, 1.2.1, 1.3.2, 1.3.3, 2.1.1, 2.1.2, 2.1.3, 2.2.1, 2.2.2, 3.2.1, 3.2.2, 4.1.1. This amount would provide for the full implementation on a recurring basis for state wide expansion of 4K through First Steps. The funds would be used to cover the tuition costs for the children to be served. These services are evaluated annually by multiple assessments including pre and post services, as well as the Kindergarten Readiness Assessment, annual Education Oversight Committee evaluations, and regular 3rd party independent program evaluations.</p>
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*What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?*

<b>RECIPIENTS OF</b>	<p>SC First Steps with over 97% of the funds going to fund full day 4K tuition for 4 year old children in 4K classrooms.</p>
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**FUNDS**

*What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?*

**JUSTIFICATION OF REQUEST**

The number of students in the First Steps Full-Day 4K Program for the 2023-24 school year has started at an all time high. Over 3,600 students are actively enrolled which is an increase of more than 30% over last year. In addition to requesting funding to cover this increase, we are also requesting the following items which are needed for the 2024-25 school year.

1. Funding to cover the current deficit in recurring funds.  
**\$3,000,000**
2. Funding to cover the expected 7% increase in students for 24-25  
**\$1,927,854**
3. Funding to cover a \$200 increase per student in tuition rate  
**\$813,200**
4. Funding to cover an additional 299 students based on the requested eligibility change to 300% of the federal poverty guidelines  
**\$2,167,023**
5. Continuation of Language and Literacy Improvements based on the science of reading **\$590,000**
6. Continuation of 4K Teacher Recruitment and Retention stipends  
**\$325,000**
7. Using the projected growth for this year and assuming the program continues to grow for the next year, we will need at least two additional FTE's to provide oversight, training, support and accountability for the additional classrooms for FY 2024-25. These positions will be critical to ensuring quality in the classrooms. Both of the positions would be CB05 Education Associates which are band 7. The personnel cost for these would be \$156,686, with fringe of \$64,241, and total personnel cost **\$220,927**. The operating cost would include Travel, for two staff of an average of 834 miles per month, for \$12,310, necessary training for each of \$1,500 for a total of \$3,000, required annual conferences of \$3,000, and \$1,200 in supplies for each at \$2,400. Total operating of **\$20,710** and the total cost of this request would be **\$241,637**.

The total cost of this request is **\$9,064,714**.

*Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.*

Agency Name:	First Steps		
Agency Code:	H620	Section:	1

## **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	7
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>Budget Authorization Request</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<p><b>General: \$0</b></p> <p><b>Federal: \$3,627,070</b></p> <p><b>Other: \$14,056,540</b></p> <p><b>Total: \$17,683,610</b></p>
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*What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	0.00
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input checked="" type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input checked="" type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input checked="" type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<input checked="" type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
	<input type="checkbox"/>	Government and Citizens

<b>ACCOUNTABILITY OF FUNDS</b>	<p>This request covers all of the strategic goals and objectives in our strategic plan and accountability report.</p>
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*What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?*

<b>RECIPIENTS OF</b>	<p>These funds would come to SC First Steps from various grants and fund sources, including existing cash balances and fundraising. The majority of these funds, 92%, would be distributed to our Local Partnerships and 4K providers for direct services to</p>
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**FUNDS**

children and families throughout the state.

*What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?*

**JUSTIFICATION OF REQUEST**

SC First Steps has received a number of private and federal grants and contracts that will be in place for the 2024-25 fiscal year. In addition, we have cash balances and are active in fundraising and these funds will need to be used to pay for services for the fiscal year. The total amount of authorization requested is broken out below.

	<b>Federal</b>	<b>Earmarked</b>	<b>Total</b>
<b>Total</b>	3,627,070	14,056,540	17,683,610
<b>Classified</b>	466,118	659,851	1,125,969
<b>Employer Contributions</b>	94,987	222,145	317,132
<b>Other Operating</b>	3,065,965	13,174,544	16,240,509

*Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.*

Agency Name:	First Steps		
Agency Code:	H620	Section:	1

## **FORM D – PROVISO REVISION REQUEST**

<b>NUMBER</b>	1.47:1A.26 <i>Cite the proviso according to the renumbered list (or mark "NEW").</i>
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<b>TITLE</b>	SDE: Full-Day 4K <i>Provide the title from the renumbered list or suggest a short title for any new request.</i>
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<b>BUDGET PROGRAM</b>	VIII, Education Improvement Act, I First Steps to School Readiness, XIII First Steps to School Readiness <i>Identify the associated budget program(s) by name and budget section.</i>
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<b>RELATED BUDGET REQUEST</b>	First Steps Full-Day 4K <i>Is this request associated with a budget request you have submitted for FY 2024-2025? If so, cite it here.</i>
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<b>REQUESTED ACTION</b>	Amend <i>Choose from: Add, Delete, Amend, or Codify.</i>
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<b>OTHER AGENCIES AFFECTED</b>	State Department of Education <i>Which other agencies would be affected by the recommended action? How?</i>
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<b>SUMMARY &amp; EXPLANATION</b>	<p>Proviso specifies the requirements and limitations on the expenditure of funds for the Full-Day 4K Program. (CERDEP).</p> <p>Requested changes include adding two items to the proviso.</p> <ol style="list-style-type: none"> <li>1. Add the ability for First Steps to develop recruitment and retention stipends for 4K teachers. This is to improve the recruitment of teachers for the classrooms which is a challenge for centers, especially in competitive markets. It would also provide a incentive to teachers who stay in the classroom.</li> <li>2. Implement efforts to improve language and literacy instructional practices in the 4K classrooms based on the science of reading. This would provide advanced learning for teachers and additional supplies above the standard supplies in the classrooms.</li> </ol> <p>Both of these items were implemented using federal ESSER Funds and have proven to be highly effective. The ESSER funds will be ending in September of 2024.</p>
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*Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.*

## FISCAL IMPACT

The fiscal impact for item 1 would be a maximum of an additional \$325,000, based on the current number of classroom teachers and the current methodology. The fiscal impact for item 2 would be a maximum of \$590,000 based on the number of classrooms participating. Together the total potential fiscal impact would be \$915,000.

*Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.*

**1.47 & 1A.26** (SDE: Full-Day 4K) Eligible students residing in any school district or attending any charter school authorized by the South Carolina Public Charter School District or an approved institution of higher education may participate in the South Carolina Early Reading Development and Education program (CERDEP) pending the availability of space and funding. Student eligibility as defined by Section 59-156-130 of the 1976 Code is an annual family income of one hundred eighty-five percent or less of the federal poverty guidelines as promulgated annually by the United States Department of Health and Human Services or a statement of Medicaid eligibility.

A parent or guardian may choose to enroll their child in a public school participating in the program and approved by the Department of Education pursuant to Section 59-156-210 or in a private provider participating in the program and approved by the Office of First Steps pursuant to Section 59-156-200. A private provider includes, but is not limited to, a child care center, a military child care facility regulated by the United States Department of Defense, or a non-profit independent school. State funds appropriated for the provision of CERDEP services in military child care facilities may not be used to supplant existing federal child care funds. No school district can be denied participation in CERDEP or be denied CERDEP funding pursuant to the terms of this provision.

4K programs in public schools and non-profit independent schools participating in CERDEP are not required to be approved, registered, or licensed by the Department of Social Services in order to participate in CERDEP. Instead, the Department of Education and the Office of First Steps are responsible for ensuring that providers deliver high-quality educational programs pursuant to Section 59-156-160.

Public and private providers shall be funded for instructional costs at a minimum rate of \$5,100 per student enrolled. Eligible students enrolling during the school year or withdrawing during the school year shall be funded on a pro rata basis determined by the length of their enrollment. Private providers transporting eligible children to and from school shall also be eligible for reimbursement at a minimum of \$620 per eligible child transported. 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. All providers who are reimbursed are required to retain records as required by their fiscal agent. New providers participating for the first time in the current fiscal year and enrolling between one and six eligible children shall be eligible to receive at a minimum of \$1,000 per child in materials and equipment funding, with providers enrolling seven or more such children eligible for funding at a minimum of \$10,000. The Department of Education and the Office of First Steps Readiness are authorized to utilize carry forward funds and federal funds to supplement the amount expended for materials and equipment. Providers receiving equipment funding 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 equipment allocation at a level determined by the Department of Education and the Office of First Steps to School Readiness. Funding to providers is contingent upon receipt of data as requested by the Department of Education and the Office of First Steps. The Department of Education shall only provide funding for public school students whose complete records have been entered into PowerSchool based on the one hundred and

**PROPOSED  
PROVISO TEXT**

thirty-five day student average daily membership. For the current fiscal year, providers may enroll pay-lunch children who score at or below the twenty-fifth national percentile on two of the three DIAL-3 subscales by July 1 if at least seventy-five percent of the total number of children eligible or the Child Early Reading Development and Education Program in a district or county are projected to be enrolled in that program, Head Start, or ABC Child Care Program as determined by the Department of Education and the Office of First Steps, Child Early Reading Development and Education Program. Providers may receive reimbursement for these children if funds are available. The Department of Education is required to offer waivers allowing students with disabilities to be served in multi-categorical classroom settings based on similar cognition and abilities. Funding appropriated for CERDEP may be carried forward and expended for the same purpose.

Annually, the Department of Education is directed to audit the annual allocations to public providers to ensure that allocations are accurate and aligned to the appropriate pro rata per student allocation, materials, and equipment funding. In the event the department, during the audit process determines that the annual allocations of the prior fiscal year are not accurate, the department must adjust the allocations for the current fiscal year to account for the audit findings. The department must provide the results of the annual audit findings to the General Assembly no later than December first. Likewise, in the event the Office of First Steps determines that the annual allocations of the prior fiscal year to private providers are not accurate, the Office of First Steps must adjust the allocations for the current fiscal year to account for the findings.

Of the funds appropriated, \$300,000 shall be allocated to the Education Oversight Committee to conduct an annual evaluation of the South Carolina Child Development Education Pilot Program and to issue findings in a report to the General Assembly by March first of each year. To aid in this evaluation, the Education Oversight Committee shall determine the data necessary and both public and private providers are required to submit the necessary data as a condition of continued participation in and funding of the program. This data shall include developmentally appropriate measures of student progress. Additionally, the Department of Education shall issue a unique student identifier for each child receiving services from a private provider. The Department of Education shall be responsible for the collection and maintenance of data on the public state funded full day and half-day four-year-old kindergarten programs. The Office of First Steps to School Readiness shall be responsible for the collection and maintenance of data on the state funded programs provided through private providers. The Education Oversight Committee shall use this data and all other collected and maintained data necessary to conduct a research based review of the program's implementation and assessment of student success in the early elementary grades along with information, recommendations, and a timeline for how the state can increase the number of students served in high-quality programs.

For eligible children residing in school districts that do not participate in CERDEP, the Department of Education is required to develop and implement inter-district transfer policies that give parents or guardians the option of their eligible child attending an out-of-district school that participates in CERDEP.

For the current fiscal year, the Office of First Steps may expend: (1) up to \$2,000,000 to pilot a program to provide higher reimbursement rates to high-quality providers. The reimbursement rate for students enrolled by child care providers rated B or higher in the ABC Quality System operated by the Department of Social Services may be increased by up to 10% of the per-student base following guidelines developed by the Office of First Steps; and (2) up to \$250,000 to provide one-time supplemental, needs-based incentive grants in an amount not to exceed \$30,000 for newly created and/or newly approved private providers proposing to expand service to ten or more CERDEP eligible children in communities unable to enroll all eligible students in a public, private, or Head Start setting during the prior fiscal year. These grants are 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 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 shall be 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 shall 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.

If by August first, the Department of Education or the Office of First Steps determines that appropriations will exceed expenditures, available funds may be used to fund an extended program and to increase the length of the program to a maximum of eight and a half hours per day or two hundred and twenty days per year or to fund summer programs. If a district chooses to fund summer enrollment, the program funding shall conform to the funding in this act for full year programs; however, it shall be reduced on a pro rata basis to conform with the length of the program. A summer program shall be no more than eight and a half hours per day and shall be not more than ten weeks in length. The per pupil allocation and classroom grant must conform with the appropriated

amount contained in this act and end of year adjustments shall be based on the one hundred and thirty-five-day student average daily membership or later student average daily membership for districts choosing to extend the program past one hundred and eighty days. Funds may also be used to provide parent engagement, professional development, ~~and~~ quality evaluations of programs, **recruitment and retention stipends for teachers, and Language and Literacy enhancements**. No later than April first, the Department of Education and the Office of First Steps shall report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee on the expenditure of these funds to include the following information: the amount of money used and specific steps and measures taken to enhance the quality of the 4K program and the amount of money used for professional development as well as the types of professional development offered and the number of participants. The Office of First Steps is directed to determine if the provision of extended programs in private centers improves the ability of parents to enter the workforce or to pursue postsecondary training or industry credentials.

On or before November 15, the Department of Education and the Office of First Steps shall share data that identifies the total number of children enrolled in CERDEP in both public and private providers. If available appropriations exceed the instructional costs of serving children enrolled in the program and if a waiting list of eligible children can be documented by the Department of Education and by the Office of First Steps, then the Executive Budget Office may authorize the transfer of funds between the Department of Education and the Office of First Steps.

The Office of First Steps and the Department of Education shall collaborate with the South Carolina Head Start State Collaboration Office to inform parents of all publicly funded full-day 4K programs including Head Start by participating in PalmettoPreK and First5SC.

*Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.*

Agency Name:	First Steps		
Agency Code:	H620	Section:	1

## **FORM D – PROVISO REVISION REQUEST**

<b>NUMBER</b>	1.90
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*Cite the proviso according to the renumbered list (or mark "NEW").*

<b>TITLE</b>	SDE:First Steps Transfer Plan
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*Provide the title from the renumbered list or suggest a short title for any new request.*

<b>BUDGET PROGRAM</b>	VIII, Education Improvement Act, I First Steps to School Readiness, XIII First Steps to School Readiness
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*Identify the associated budget program(s) by name and budget section.*

<b>RELATED BUDGET REQUEST</b>	SC First Steps Separation from State Department of Education
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*Is this request associated with a budget request you have submitted for FY 2024-2025? If so, cite it here.*

<b>REQUESTED ACTION</b>	Delete
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*Choose from: Add, Delete, Amend, or Codify.*

<b>OTHER AGENCIES AFFECTED</b>	State Department of Education, Department of Administration, Executive Budget Office
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*Which other agencies would be affected by the recommended action? How?*

<b>SUMMARY &amp; EXPLANATION</b>	<p>Proviso would allow the Office of First Steps to work with various departments to evaluate and develop a plan to operate independently from the Department of Education. It requires a report to be submitted to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee and the Governor.</p> <p>Report and activity will happen during the 2023-24 fiscal year and will be complete by July 1, 2024. Therefore this proviso should be deleted for the new 2024-25 fiscal year.</p>
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*Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.*

**FISCAL IMPACT**

The deletion of the proviso will have no fiscal impact. There is an associated budget request for the actual separation if approved by the General Assembly and the Governor's Office.

*Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.*

**PROPOSED  
PROVISO TEXT**

~~**1.90.** (SDE: First Steps Transfer Plan) The Office of First Steps shall work with the Department of Administration, Executive Budget Office, in consultation with the Department of Education, to develop a plan to operate independently from the Department of Education. The plan should include, but is not limited to, proposed program structure, the amount of personal services, operating expenses, employer contributions funding which shall be transferred from the Department of Education, and personnel required to perform human resource and accounting functions. A report shall be submitted to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Governor by December 1, 2023.~~

*Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.*

Agency Name:	First Steps		
Agency Code:	H620	Section:	1

## **FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION CONTINGENCY PLAN**

<b>TITLE</b>	SC First Steps
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<b>AMOUNT</b>	\$446,946
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*What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.*

<b>ASSOCIATED FTE REDUCTIONS</b>	No FTE's would be reduced. Any general fund reductions for staffing would be covered by other sources of funds.
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*How many FTEs would be reduced in association with this General Fund reduction?*

<b>PROGRAM / ACTIVITY IMPACT</b>	<p>The cuts would include the following reductions:</p> <p>Personnel \$12,436 with associated fringe of \$3,764. These cuts would be offset from other funds. Operating funds would be reduced by \$20,552, which would reduce the support for the ECAC and would result in reductions of the development and promotion of the portals for parents trying to get access to services for their children. The CDEPP (4K) Program would be reduced by \$320,194 which could result in a reductions of as many as 44 low income children in the program. The remaining amount, \$90,000 would be reduced from the READY Grants to the Local Partnerships, which could result in the reduction of as many as 100 children from various services being provided to low income children.</p> <p>Total reduction in Funding of \$446,946.</p>
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*What programs or activities are supported by the General Funds identified?*

<b>SUMMARY</b>	<p>3% of the recurring General Funds would be <math>\\$14,898,206 \times .3 = \\$446,946</math> and would be broken down as follows. The Classified personnel are staff members at SC First Steps in various programs.</p> <ol style="list-style-type: none"> <li>1. Classified \$12,436</li> <li>2. Fringe \$3,764</li> <li>3. CDEPP (4K) \$320,194 Full day 4 year old kindergarten in private providers throughout the state.</li> <li>4. READY Local Partnership Grants \$90,000 Grants provided to Local Partnerships for direct evidence based services along with capacity and infrastructure.</li> </ol> <p>Total Funding Reduction: \$446,946</p>
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*Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.*

**AGENCY COST  
SAVINGS PLANS**

None at this time.

*What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?*

Agency Name:	First Steps		
Agency Code:	H620	Section:	1

## **FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS**

<b>TITLE</b>	SC First Steps
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*Provide a brief, descriptive title for this request.*

<b>EXPECTED SAVINGS TO BUSINESSES AND CITIZENS</b>	SC First Steps does not assess finds or fees associated with its services. First Steps has no regulations on businesses or members of the public.
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*What is the expected savings to South Carolina's businesses and citizens that is generated by this proposal? The savings could be related to time or money.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<input type="checkbox"/>	Repeal or revision of regulations.
	<input type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.
	<input type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.
	<input type="checkbox"/>	Other

<b>METHOD OF CALCULATION</b>	N/A
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*Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.*


<b>REDUCTION OF FEES OR FINES</b>	N/A
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*Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?*

<b>REDUCTION OF REGULATION</b>	N/A
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*Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?*

<b>SUMMARY</b>	N/A
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*Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?*