



Meeting of the Board of Trustees

October 24, 2019

2 p.m.

Graduate Columbia, 1619 Pendleton Street, Columbia, SC 29201

AGENDA

- I. Call to Order and Approve Agenda (Julie Hussey)
Motion: To adopt the agenda as submitted.

Motion: To adopt the August 15, 2019 minutes as submitted.
- II. Public Comment Period
The public is invited to provide comments relevant to the SC Early Childhood Advisory Council and/or South Carolina First Steps during this period. Members of the public wishing to speak must submit a speaker card prior to the meeting's commencement.
- III. Special Presentation: Overall Evaluation of SC First Steps to School Readiness, FY13-18
University of South Carolina, Institute for Families in Society

Question & Answer and Discussion
- IV. Executive Committee (Julie Hussey)
Attachments: Committee Report and Minutes, Agency Budget Request, Pledge Card, 2020 SC First Steps Board and Early Childhood Advisory Council Calendar

Motion: To adopt the 2020 SC First Steps Board of Trustees and Early Childhood Advisory Council Calendar
- V. Program and Grants Committee (Jennifer McConnell)
Attachments: Committee Report and Minutes, Grant Application and Review Process Feedback Survey, FY2020 Formula Funding Grant Application Minimum Qualifications, Horry County Match Report
- VI. Finance and Administration Committee (Walter Fleming)
Attachments: Committee Report and Minutes, Financial Audit Summary Letter, FY2019 Financial Audit, FY2020 Financial Status Report as of September 30, 2019, Donations Report as of September 30, 2019

Motion: To receive the 2018-19 Financial Audit as presented.
- VII. Strategic Planning and Evaluation Committee (Dr. Amy Williams)
Attachments: Committee Report and Minutes



Motion: To adopt the following as SC First Steps' Mission, Vision and Values:

Mission: South Carolina First Steps works collaboratively to ensure that all children start school ready to reach their highest potential with engaged support from their parents, caregivers, and communities.

Vision: We will be successful when all children reach their highest potential.

Values: High Quality, Equity, Results, Children, Relationships

VIII. Executive Director's Report (Georgia Mjartan)

Attachments: Executive Director's Report, South Carolina First Steps 4K by the Numbers, FY2021 Budget Request

IX. Adjourn

Motion: To adjourn the meeting of SC First Steps Board of Trustees



**Board of Trustees Meeting
August 15, 2019**

**Immediately following the Early Childhood Advisory Council Meeting
Conference America – Phone Meeting / GotoWebinar Screening
SC First Steps, 1300 Sumter Street, Columbia, SC**

1-888-537-7715

DRAFT MINUTES

Members Present (16):

Julie Hussey, Vice Chair
Senator Greg Hembree
Representative Rita Allison
Senator Gerald Malloy
Shelley Canright
Walter Fleming Jr.
Representative Jerry Govan
Tim Holt
Mary Lynne Diggs
Angel Johnson-Brebner
Jennifer McConnell
Roger Pryor
Mike Leach
Sue Williams
Mary Poole
David Mathis

Members Absent (4):

Rick Toomey
Alexia Newman
Amy Williams
Josh Baker

Others Present:

Georgia Mjartan	Sharon Thomas
Samantha Ingram	Leigh D'Amico
Zack Catoe	Megan Finneran
Mark Barnes	Alexis Pipkins
Debbie Robertson	Rosemary Patterson
Chelsea Richard	Pierce McNair
Pat West	Delores Rock
Jim Riddle	Vasanthi Rao
Christina Davis	Jon Artz
Betty Gardiner	Janet Richard
Cassie Barber	Dorothy Priestler
Beth Moore	



Call to Order/Quorum Call

Due to technical difficulties, Ms. Julie Hussey appointed Dr. Shelley Canright to preside over the meeting. Dr. Canright called the meeting to order at 3:21 p.m.

Ms. Angel Johnson-Brebner introduced a motion to approve the meeting agenda as written. Dr. David Mathis provided a second and the motion was unanimously approved.

Ms. Sue Williams made a motion to approve the June 20, 2019 minutes as written. Senator Greg Hembree provided a second and the motion was unanimously approved.

Ms. Jennifer McConnell presented the Executive Committee report and briefly discussed information presented at the Executive Committee meeting.

Ms. Julie Hussey briefed the board on the results of the Agency Head Evaluation and called for a motion to approve the 2018-2019 Agency Head Evaluation as submitted.

Representative Jerry Govan made the motion to approve the 2018-2019 Agency Head Evaluation as submitted. Sen. Hembree provided a second and the motion unanimously approved.

Ms. Georgia Mjartan thanked the board for her performance review.

Ms. Mjartan reminded the group about the 20th Anniversary Celebration on September 10 and of the board meeting scheduled for October 24, 2019. Ms. Mjartan stated that the Five-Year External Evaluation will be presented at the next meeting.

Ms. Debbie Robertson briefed the board on the initial review and the final analysis processes of the evaluation.

Rep. Govan stated that soliciting public input during evaluation of services is very critical and it gives constituents the opportunity to provide local feedback.

Ms. McConnell gave the Program and Grants Committee report and discussed the need to issue Corrective Action Plans to 10 local partnership offices. After discussion, Dr. Canright presented the motion from the committee and stated that the Program and Grants Committee recommends that the State Board issue Corrective Action Plans to 10 Local Partnerships in order to document progress towards compliance by local board and staff in meeting the minimum qualifications specified in each plan.

Upon a second by Sen. Hembree, the motion was unanimously passed.

Ms. McConnell brought forth another motion from the committee regarding the addition of Triple P-Positive Parenting Program to the evidence-based programs list.

Dr. Canright stated that the Program and Grants Committee recommends that the program, Triple P-Positive Parenting Program: Multi-level Implementation, be designated as Evidence Based and added to the State Board list of Evidence Based Programs.

Upon a second by Dr. Mathis, the motion was unanimously approved.



It is noted that Ms. Sue Williams abstained from the vote.

Mr. Walt Fleming asked Mr. Mark Barnes to present the Finance and Administration Committee report.

Ms. Mjartan commended Mr. Barnes and Mr. Fleming on their work in closing out the Early Head Start grant and reported that the agency did not receive any audit findings from the \$35M federal grant.

Ms. Mjartan noted that Mr. Barnes was eligible for retirement and the agency will post for the position upon his retirement announcement. Ms. Mjartan stated that Mr. Barnes expressed a desire to work for the agency again and would re-apply for the Chief Finance Officer/Chief Operating Officer vacancy.

Mr. Barnes gave an update on the end of the year financial status report for Fiscal Year 2019. Mr. Barnes stated that the new budget planning process proved to be successful and the agency had good fiscal outcomes and exceeded expectations in First Steps 4K by spending down \$3M in carry-forward with all of the funds being used for direct services to children.

Mr. Barnes then gave an update on the Fiscal Year 2020 budget and presented the Fiscal Year 2019 Donation Report.

Ms. Mjartan thanked BB&T, the SC Head Start Collaboration Office, and Children's Trust for their donations towards the 2019 Summit on Early Childhood.

Ms. Johnson-Brebner gave the Strategic Planning and Evaluation Committee report and stated that the committee, along with Ms. Mjartan, were making progress with the agency's strategic plan.

Ms. Mjartan said the board can expect a document at the next meeting with a draft mission, vision and value statement set for a vote. Ms. Mjartan asked the board to provide any additional input about the agency's strategic plan as soon as possible.

Ms. Mjartan gave the Executive Director's report and introduced new staff members.

With no further business, Sen. Hembree made a motion to adjourn the meeting which was seconded by Rep. Govan. The meeting was adjourned at 4:26 p.m.



To: SC First Steps Board of Trustees
From: Julie Hussey, Acting Chair
Date: October 7, 2019

Re: Executive Committee Report

The Executive Committee of the Board of Trustees of South Carolina First Steps met on October 7, 2019 at 11:30 am. At the meeting, a variety of matters were discussed including the mission statement, the Early Childhood Study Committee and the role of the Early Childhood Advisory Council, the external evaluation, and the agency's upcoming annual report.

Executive Director Georgia Mjartan presented the agency's budget request, noting that this request had also been sent to the Governor's staff and would be presented formally later in the month by Ms. Mjartan and Mr. Mark Barnes. The budget request is included in the board packet for review.

No items came out of Executive Committee requiring a vote. There was discussion about an annual campaign and the importance of board giving. Please note the pledge cards presented for end-of-year giving. Thank you to the board members who have already given in calendar year 2019. We appreciate everyone's support.

Attached:

- Minutes from Executive Committee Meeting
- 2020 SC First Steps Board of Trustees and Early Childhood Advisory Council Calendar
- Agency Budget Request
- Pledge Card



Executive Committee Meeting Minutes

October 7, 2019, 11:30 am

Present: Julie Hussey, Jennifer McConnell, Walt Fleming, Amy Williams (phone)

Absent: Sen. Gerald Malloy

The Executive Committee of South Carolina First Steps met on October 7, 2019. The meeting convened at 11:30 am. There was extensive discussion about a proposed mission statement. At the conclusion of the discussion, a mission statement was recommended for consideration by the Strategic Planning and Evaluation Committee. It was decided that the Strategic Planning and Evaluation Committee should make the final committee level recommendation for the full board to consider. Thus, the Executive Committee did not take a vote on a proposed mission statement.

Next, there was lengthy discussion about the Early Childhood Study Committee and the role of the Early Childhood Advisory Council as it is offered as an alternative pathway toward early childhood system collaboration in contrast with a single early childhood agency proposed by some legislators. The Executive Committee weighed in on the pros and cons of various strategies and options as it relates to early childhood system integration and the role of the ECAC, a children's cabinet, or a single agency.

There was discussion about the 2020 legislative session, including a presentation by Georgia Mjartan of the budget request submitted to the Governor's staff. Ms. Mjartan noted that this is the largest budget request in many years, a request necessitated by the projected significant spend-down and depletion of 4K carry forward funds resulting from program expansion and growth in participation. Also discussed were plans to request a lifting of the geographic restrictions on CERDEP, codifying into law proviso changes if the opportunity arises, specifically the ability to offer 4K for extended day and extended year, and the effort to maintain a mixed delivery system for 4K through SDE and SCFS.

After these two lengthy discussions, Ms. Mjartan provided information about the following:

- External evaluation and plan for sharing the evaluation with the public and key stakeholders
- Plan to make use of the evaluation in program planning
- Annual report – progress and plan
- Board updates, including discussion about vacancies
- Planned agenda for board meeting

The committee reviewed year-to-date board giving, noting the importance of board members' personal contributions to the organization.

Last, Ms. Mjartan referenced the board discussion about the hope for First Steps to gain a national profile through various national platforms. Mjartan noted the following examples of staff engagement in national forums and fellowships:

- Aspen Institute (Georgia Mjartan)
 - o Ascend Fellowship (2019/2020)
 - o ThinkXChange: Family Prosperity



- Early Childhood and Health
- Ounce of Prevention / Bill and Melinda Gates (Georgia Mjartan)
- Hunt Institute State Team (Georgia Mjartan)
- Alliance for Early Success
 - Cassie Barber and Betty Gardner (ECAC focus)
- BUILD State Team and Diversity, Equity and Inclusion Fellowship
 - Debbie Robertson

Also noted were examples of state collaboration:

- DSS Advisory Board (Georgia)
- Commission on Higher Education Advisory Committee (Georgia)
- Education and Economic Development Act (EEDA) Coordinating Council (Georgia)
- Strategic Approach to Staff Involvement on Committees and Collaborative Groups

The meeting concluded at 3:15 pm.



**2020
Board of Trustees and
Early Childhood Advisory Council
Meeting Dates**

Meetings will be held at 2 p.m.

FEBRUARY 20, 2020	BOARD OF TRUSTEES EARLY CHILDHOOD ADVISORY COUNCIL
APRIL 23, 2020	BOARD OF TRUSTEES RETREAT EARLY CHILDHOOD ADVISORY COUNCIL
JUNE 18, 2020	BOARD OF TRUSTEES EARLY CHILDHOOD ADVISORY COUNCIL
AUGUST 20, 2020	BOARD OF TRUSTEES EARLY CHILDHOOD ADVISORY COUNCIL
OCTOBER 22, 2020	BOARD OF TRUSTEES EARLY CHILDHOOD ADVISORY COUNCIL
*DECEMBER 3, 2020	BOARD OF TRUSTEES ANNUAL MEETING EARLY CHILDHOOD ADVISORY COUNCIL
DECEMBER 4, 2020	2020 SC SUMMIT ON EARLY CHILDHOOD



To: First Steps Board of Trustees
From: Jennifer McConnell, Chair, Program and Grants Committee
Date: October 24, 2019
RE: Report of the Program and Grants Committee

The Program and Grants Committee met on October 3, 2019 to discuss the formula funding grant application and the process used for reviewing and providing feedback to Local Partnerships. The committee reviewed results of an Executive Director (ED) survey regarding the grant application and review process (see attachment-“Grant Application& Review Process Feedback Survey”). 61% of directors responded to the survey. Overall results were positive, with 95% agreeing that they received timely responses from their Program Officers.

The committee also reviewed the list of local partnerships submitting a Corrective Action Plan as required by the grant review process (11) and will receive a progress report on all plans at their next meeting in order to provide an update to the State Board in December.

The committee then considered the current list of 46 Minimum Qualifications used in the application review process (see attachment-“FY20 Formula Funding Grant Application Minimum Qualifications”). Recognizing that not all minimum qualifications have the same impact on partnership and program functioning, we suggested a possible point system or rubric could be established (see Minutes of the Program and Grants Committee Meeting 10-3-19)

Now that the Finance Manager has closed out the FY19 local partnership accounts, final reports were generated for fiscal requirements.

- All counties met the **administrative limit of 13%** and **core functions limit of 12%** based on expenditure of state funds.
- Newberry First Steps missed the requirement that **75% of state funds for programs be for evidence based** by 1% and have submitted a Corrective Action Plan.
- Horry First Steps was the only county not meeting the **15% match requirement**. As per State Board policy, their FY20 grant allocation will be reduced by the amount of match they were short in meeting the 15% requirement based on their final expenditures at the close of FY19 (see attached Horry County Match Report).
- As per adopted State Board Policy, the FY20 grant allocation amount for Horry will be reduced by \$7,632.63. These funds will be reserved for distribution to the local partnerships as part of a competitive grant process once the distribution fund amount reaches a minimum of \$10,000.
- The committee discussed how long these funds should be reserved. The hope is that more private funds will be raised in the coming months to reach an amount suitable for a competitive grant process to take place.

Attachments:

- Grant Application& Review Process Feedback Survey
- FY20 Formula Funding Grant Application Minimum Qualifications
- Minutes of the Program and Grants Committee Meeting 10-3-19
- Horry County Match Report



Board of Trustees

Program and Grants Committee Meeting

October 3, 2019
First Steps Small Conference Room and via
Conference Call
1-888-537-7715, code-52045398#
2:00 PM –3:30 PM

Meeting Minutes

Committee Members: Jennifer McConnell (chair), Julie Hussey, Roger Pryor, Dr. Shelley Canright

Staff to Committee: Debbie Robertson, Zack Catoe

1. Information item: Local Partnership Formula Funding grant application and review process

The committee received information collected from First Steps executive directors and program officers regarding the grant application and the process for reviewing and providing feedback to Local Partnerships. Program officers have acknowledged and are responding to the specific requests for state office support gathered during the grant application process (see attachment - "Statewide Needs-FY20"). The committee reviewed results of an Executive Director (ED) survey regarding the grant application and review process (see attachment-"Grant Application & Review Process Feedback Survey"). 61% of directors responded to the survey. Overall results were positive, with 95% agreeing that they received timely responses from their Program Officers.

Regarding any difficulty with the application itself, the appendix (H) requiring board membership and attendance information was recognized as a problem. The format for this appendix will be changed next year to make it easier to complete. Discussion regarding the request for Local Partnerships to submit contact information for all local board members ensued. In the past only Board Chair contact information was requested. Some ED's felt this was time consuming and unnecessary. A suggestion by the committee was made that if local board information could be placed on a password protected site that was available to all ED's, and the contact information entered and maintained by the Local Partnership, then it may not be considered as time consuming or intrusive. In addition it would be easier to keep all membership information up to date. Another suggestion from ED's shared with the committee was that space be added to the review template for a response from the Local Partnership once their board had received their official review so that this could be documented as part of the final review process.

2. Information item: Grant application minimum requirements –tiered approach Performance incentives / consequences for non-compliance

The committee reviewed the list of local partnerships who have submitted a Corrective Action Plan as required by the grant review process. There are 10 original partnerships who are currently working on compliance issues as outlined in their submitted corrective action plans. One additional local partnership has been added due to missing the fiscal requirement that 75%



of their program funding be for evidence based programs. Newberry First Steps missed this requirement by 1% when final expenditures for FY19 were verified and Newberry has submitted a Corrective Action Plan to ensure compliance in the next fiscal year. The Program and Grants Committee will review progress on all the Corrective Action Plans at their next meeting and report this to the State Board in December.

The committee then considered the current list of 46 Minimum Qualifications used in the application review process (see attachment-“FY20 Formula Funding Grant Application Minimum Qualifications”). It was recognized that not all minimum qualifications have the same significance regarding how they impact partnership and program functioning. The committee suggested a possible point system or rubric could be established based on how much each qualification impacts optimum program functioning. They also expressed an interest in tracking trends regarding which minimum qualifications are not being met and by whom. This would allow for a more comprehensive approach to incentivizing high performing partnerships. The committee also discussed how the areas of governance, finance and program implementation all impact each other in terms of local partnership success.

3. Information Item: Final outcomes for all fiscal requirements

Now that the Finance Manager has closed out the FY19 accounts, final reports were generated for fiscal requirements. All counties met the administrative limit of 13% and core functions limit of 12% based on expenditure of state funds. Newberry First Steps missed the requirement that 75% of state funds for programs be for evidence based by 1% and have submitted a Corrective Action Plan. Horry First Steps was the only county not meeting the 15% match requirement. As per State Board policy, their FY20 grant allocation will be reduced by the amount of match they were short in meeting the 15% requirement based on their final expenditures at the close of FY19 (see attached Horry County Match Report). Their FY20 grant allocation amount will be reduced by \$7,632.63. These funds will be reserved for distribution to the local partnerships as part of a competitive grant process once the distribution fund amount reaches a minimum of \$10,000. The committee discussed how long these funds should be reserved. The hope is that more private funds will be raised in the coming months to reach an amount suitable for a competitive grant process to take place.

4. Other business

The committee discussed a next meeting date and decided on November 21st.

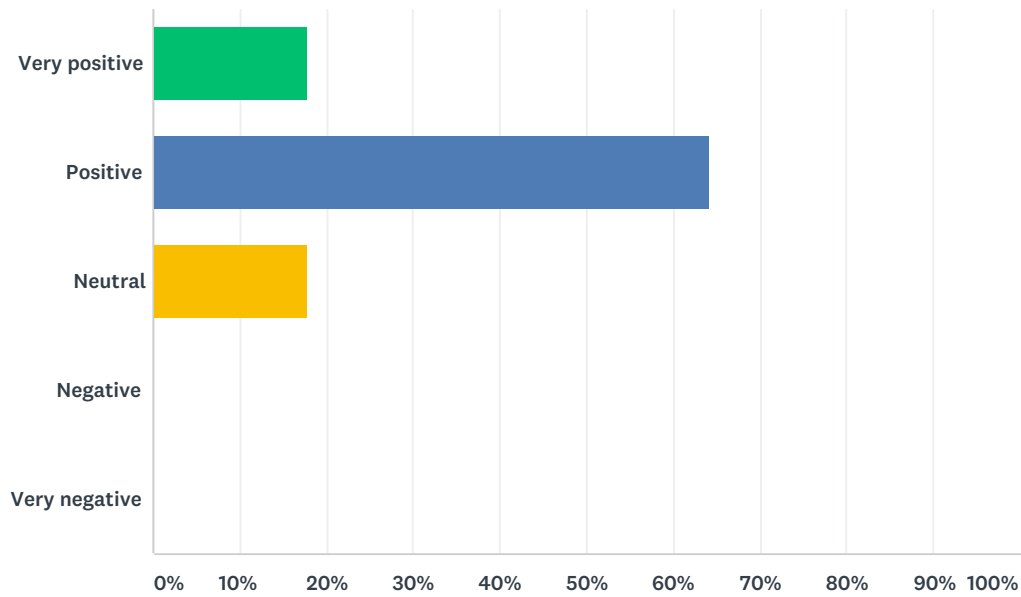
There being no further business the meeting was adjourned at 3:30 PM.

Attachments:

- Statewide Needs-FY20
- Grant Application & Review Process Feedback Survey
- FY20 Formula Funding Grant Application Minimum Qualifications
- Horry County Match Report

Q1 As compared to previous years, how would you rate your overall satisfaction with the Formula Funding Grant Application Process?

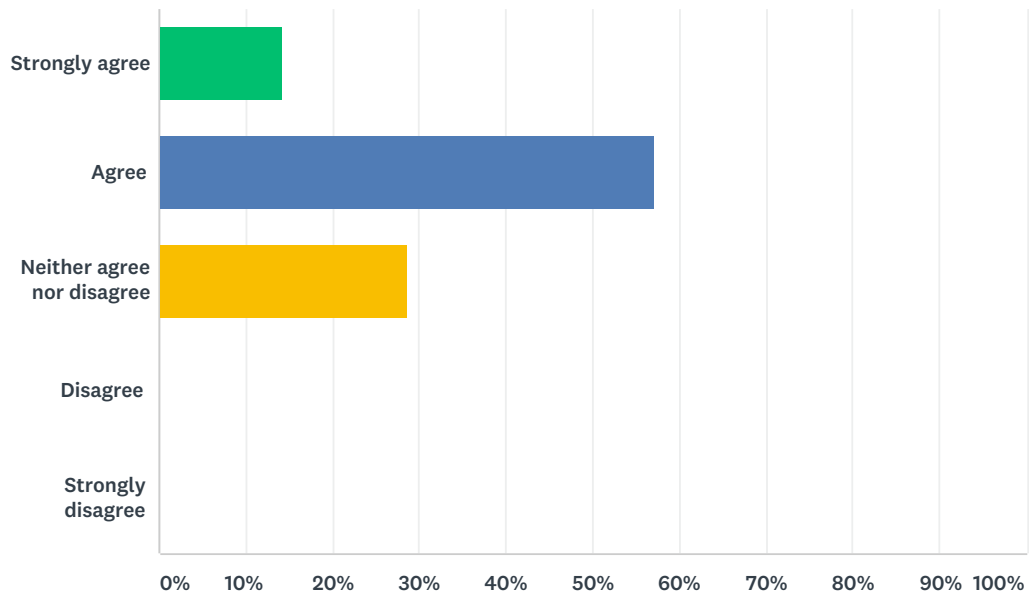
Answered: 28 Skipped: 0



ANSWER CHOICES	RESPONSES	
Very positive	17.86%	5
Positive	64.29%	18
Neutral	17.86%	5
Negative	0.00%	0
Very negative	0.00%	0
TOTAL		28

Q2 The format of the grant application was more user-friendly than in previous years.

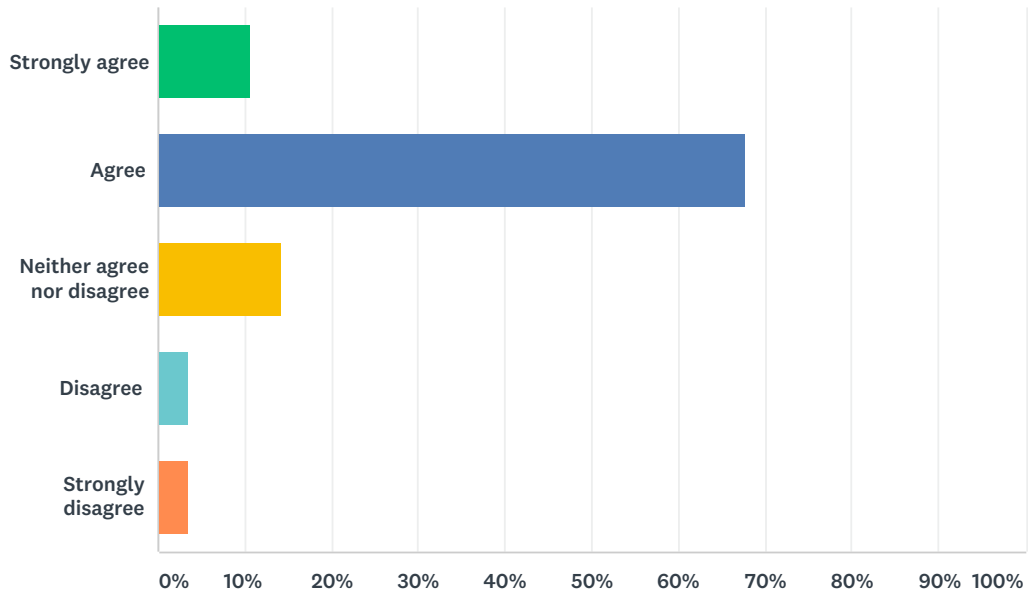
Answered: 28 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly agree	14.29%	4
Agree	57.14%	16
Neither agree nor disagree	28.57%	8
Disagree	0.00%	0
Strongly disagree	0.00%	0
TOTAL		28

Q3 I had only minor or no problems completing the grant application.

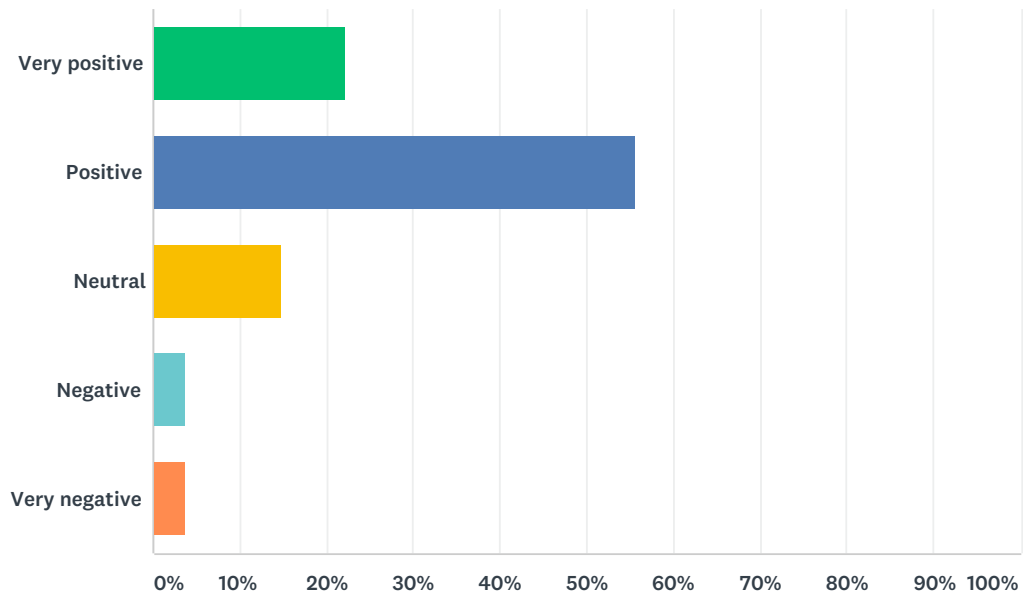
Answered: 28 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly agree	10.71%	3
Agree	67.86%	19
Neither agree nor disagree	14.29%	4
Disagree	3.57%	1
Strongly disagree	3.57%	1
TOTAL		28

Q6 How would you rate your overall satisfaction with the Grant Review Process?

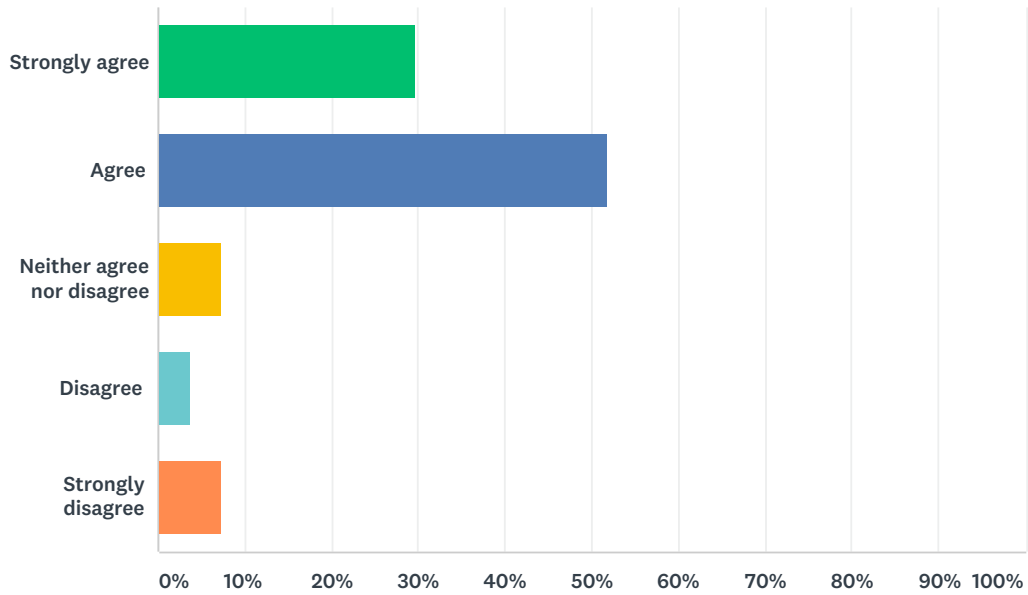
Answered: 27 Skipped: 1



ANSWER CHOICES	RESPONSES	
Very positive	22.22%	6
Positive	55.56%	15
Neutral	14.81%	4
Negative	3.70%	1
Very negative	3.70%	1
TOTAL		27

Q7 I received feedback on my grant application in a timely fashion.

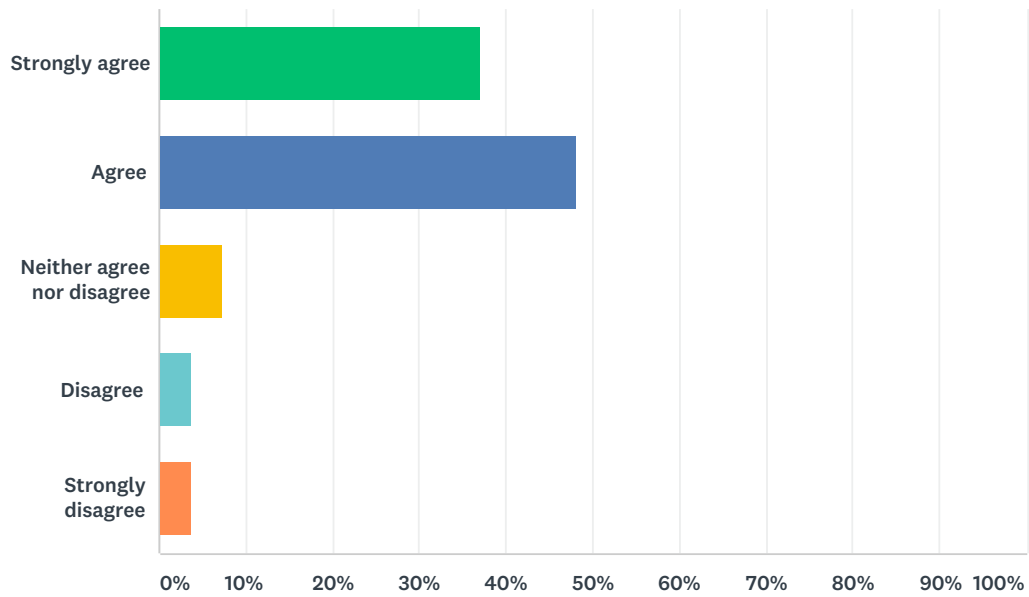
Answered: 27 Skipped: 1



ANSWER CHOICES	RESPONSES	
Strongly agree	29.63%	8
Agree	51.85%	14
Neither agree nor disagree	7.41%	2
Disagree	3.70%	1
Strongly disagree	7.41%	2
TOTAL		27

Q8 I can easily understand the feedback I received on my grant application.

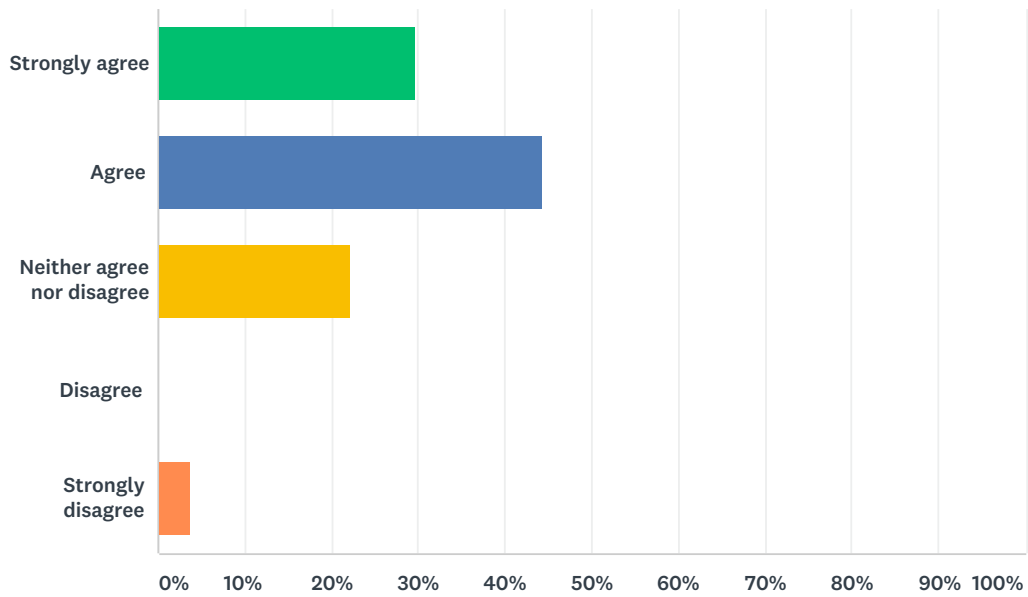
Answered: 27 Skipped: 1



ANSWER CHOICES	RESPONSES	
Strongly agree	37.04%	10
Agree	48.15%	13
Neither agree nor disagree	7.41%	2
Disagree	3.70%	1
Strongly disagree	3.70%	1
TOTAL		27

Q9 The feedback I received on my grant application will be helpful with future grant applications I submit.

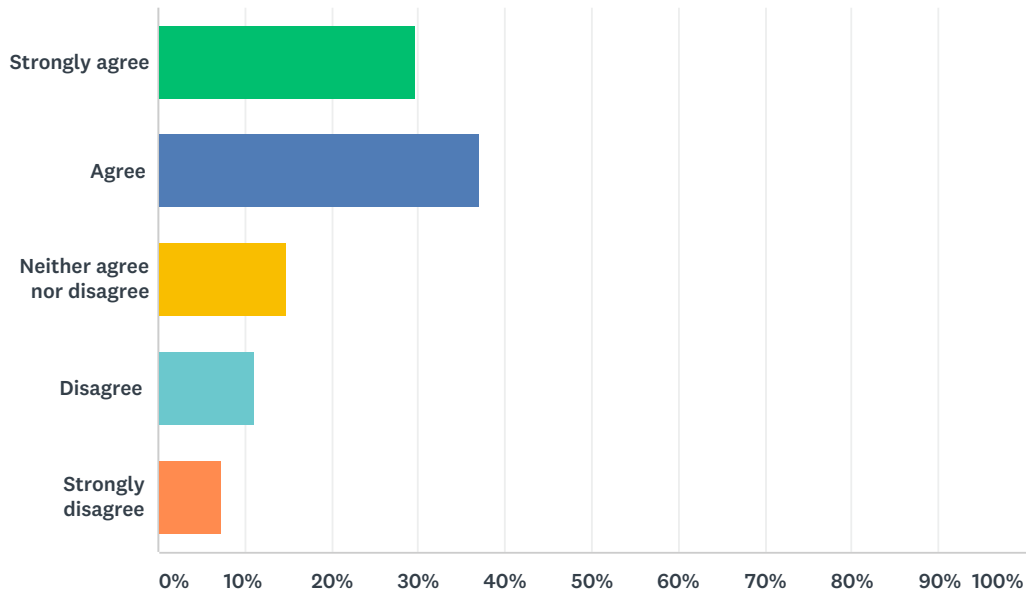
Answered: 27 Skipped: 1



ANSWER CHOICES	RESPONSES	
Strongly agree	29.63%	8
Agree	44.44%	12
Neither agree nor disagree	22.22%	6
Disagree	0.00%	0
Strongly disagree	3.70%	1
TOTAL		27

Q10 The feedback I received on my grant application will be helpful to me and my local partnership board for improving performance and reaching our goals.

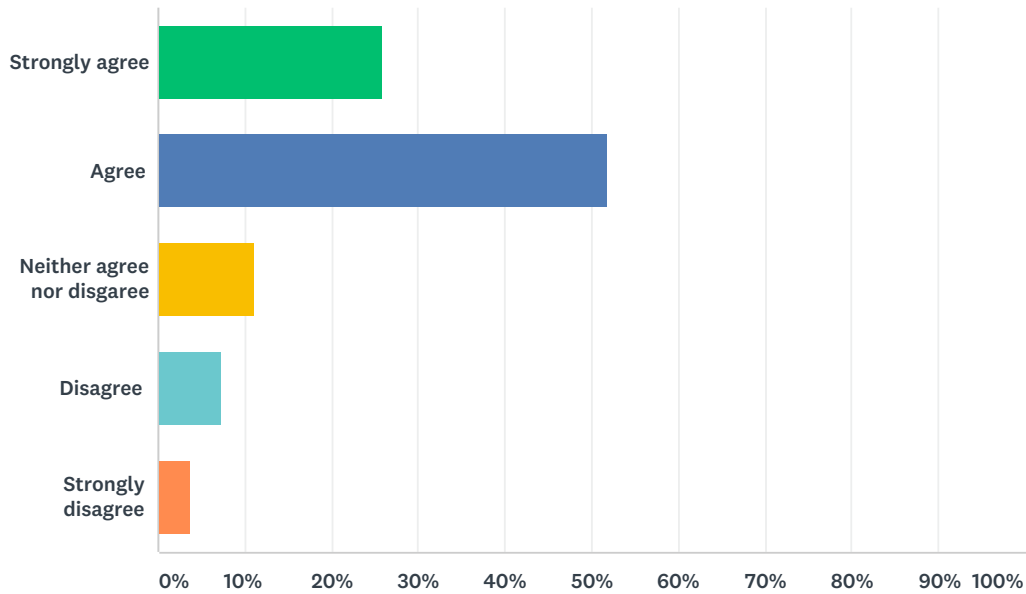
Answered: 27 Skipped: 1



ANSWER CHOICES	RESPONSES	
Strongly agree	29.63%	8
Agree	37.04%	10
Neither agree nor disagree	14.81%	4
Disagree	11.11%	3
Strongly disagree	7.41%	2
TOTAL		27

Q11 The documents I received for the Grant Review Process were helpful (Grant Application Review Form, Continuous Quality Improvement Rubric, quarterly data checks).

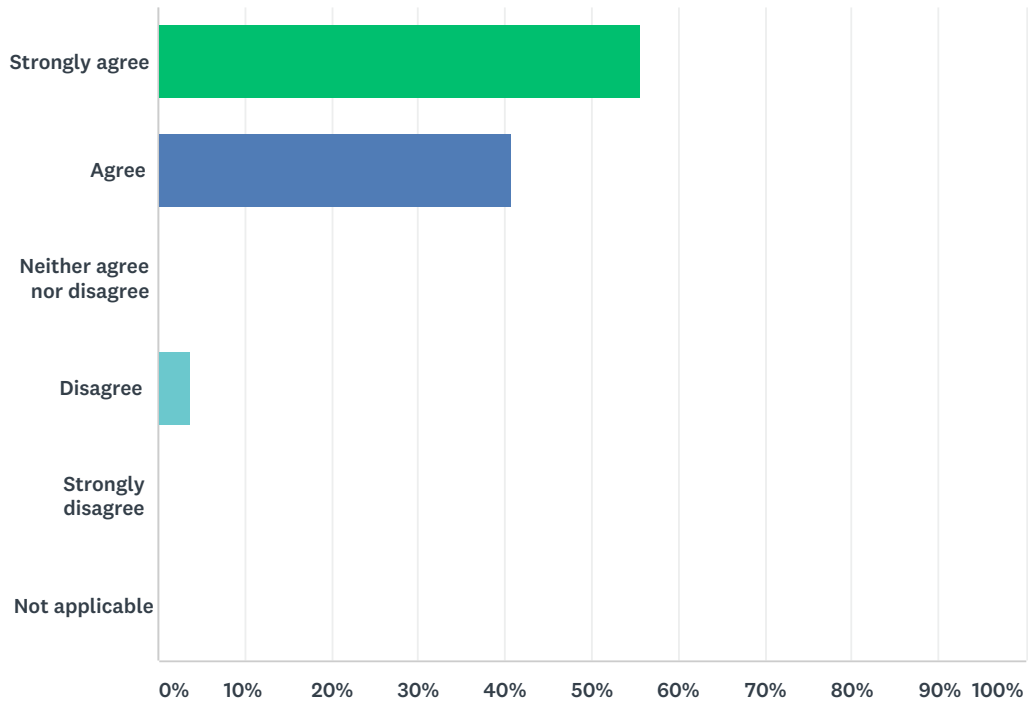
Answered: 27 Skipped: 1



ANSWER CHOICES	RESPONSES	
Strongly agree	25.93%	7
Agree	51.85%	14
Neither agree nor disagree	11.11%	3
Disagree	7.41%	2
Strongly disagree	3.70%	1
TOTAL		27

Q12 It is easy to get timely responses from my Program Officer.

Answered: 27 Skipped: 1



ANSWER CHOICES	RESPONSES	
Strongly agree	55.56%	15
Agree	40.74%	11
Neither agree nor disagree	0.00%	0
Disagree	3.70%	1
Strongly disagree	0.00%	0
Not applicable	0.00%	0
TOTAL		27

FY20 FORMULA FUNDING GRANT APPLICATION

MINIMUM QUALIFICATIONS

GOVERNANCE

Composition

Board Count: Board Membership between 12-30 board members

Elected Member Majority: Elected and appointed members constitute majority of board membership

Designated Members: Designated membership includes one member from: County DSS, County Library, County DHEC, Each School District in the county, Head Start or Early Head Start

Membership Diversity: Board membership includes no more than 4 elected members from any one category

Board Officers: Officers include a Chair, Vice Chair and Secretary

Board Term Limits

Member Limits: No members have served more than 8 consecutive years (two 4-year-terms)

Board Chair Limits: Board Chair has not served in this office for more than 4 consecutive years (four 1-year terms)

Board Vice Chair Limits: Board Vice Chair has not served in this office for more than 4 consecutive years (four 1-year terms)

Board Meetings

Board Convening Requirement: Meetings held at least quarterly, including a designated Annual Meeting

Board Attendance: Attendance policy (no more than 3 consecutive unexcused absences) enforced and, if necessary, members in violation of attendance policy were removed/replaced

Submission of Minutes: Board Minutes for the prior fiscal year must be submitted as part of the year-end report due July 15

Legal and Ethical Requirements

FOIA: Board meetings follow FOIA requirements

Conflict of Interest: Board follows the COI Policy contained in the current year's grant agreement, including COI recusals reported in board minutes

OPERATIONS & ACCOUNTABILITY

Resources Assessment: Submit every 3 years a local (county level) needs and resources assessment. *Deadline: December 31*

Comprehensive Strategic Plan: Submit for publication to the SCFS website a local partnership comprehensive strategic plan, based on local needs and resources *Upcoming Deadline: December 31, 2020*

Independent Evaluation: Participate and fully cooperate with all internal and independent evaluations of the First Steps initiative. *Upcoming deadline for external evaluation of the First Steps initiative and child care prevalent programs: November 1, 2019*

Grant Application: Submit a complete and accurate Formula Funding Grant Application by the published deadline.

Data Collection: Enter data in First Steps Data Collection system for each required strategy, following the data requirements and deadlines contained in the First Steps Partnership and Program Accountability Standards *Deadline: July 31*

Annual Report: Submit for publication to the SC First Steps website a complete and accurate partnership Annual Report *Deadline: October 1*

Meeting Attendance: Regularly attend Partnership Director meetings and webinars hosted by SC First Steps.

HR Practices: Be familiar with and comply with all federal and state laws and First Steps policies pertaining to hiring, discrimination, workplace policies, nepotism, dual employment, conflict of interest, whistleblower, and confidentiality of client information.

Insurance Requirement: Maintain continuous Directors and Officers (D&O) liability insurance. *Liability should be added beginning FY20*

FISCAL & RESOURCE DEVELOPMENT

Stewardship: Exercise appropriate fiscal stewardship at the staff and board level, including adhering to policies and procedures outlined in the SC First Steps Operations Manual and SC First Steps legislation.

Administrative Overhead: Do not exceed the maximum administrative overhead rates for local partnerships, set by the SC First Steps Board of Trustees effective July 1, 2017 as 13% of expenditures of state funds allocated to the local partnerships by SC First Steps. Per the South Carolina First Steps to School Readiness Act § 59-152-70(A): *"Once the overhead rates are established, the rates may not be amended or revised for at least five years, and the board may not grant a waiver from this provision to the local partnership. Local partnerships that are not part of a multicounty partnership and exceed the overhead cost rate are ineligible to receive state funds."*

Core Function: Limit expenditures of state funds for Core Functions to no more than 12% of total state fund expenditures within a fiscal year.

Evidence-Based Programming: Within expenditures of state funding for programs, a minimum of 75% is spent for programs designated by the SC First Steps Board of Trustees as evidence-based.

Match Requirement: Document a minimum 15% match (cash and/or in-kind) to state funds appropriated to the partnership by SC First Steps.

Carry Forward: Limit carry forward percentage of state funds to 15% or less.

Compliance with Deadlines: Comply with fiscal year-end deadlines for obligating funds (June 30), submitting invoices and reallocations (July 31), and documenting in-kind match (July 31).

Audit Review: Receive no audit findings from the contracted independent auditors.

Contract Stewardship: Exercise appropriate stewardship and due care in the selection, implementation, and monitoring of all contractors, including competitive bidding for all contracts of \$10,000 or more and no bid awards exceeding a total of 5 years.

School District Resource Agreement: Use of local school district resources is approved by the school district's board of trustees, via a signed letter submitted annually either as part of the partnership's grant application or upon receipt, prior to any services provided.

Time Allocation Study: Submit a completed Time Study for a minimum 12-week period to SC First Steps by June 30 annually. Cost allocation percentages should align with the partnership's Time Study on file with SC First Steps

PROGRAM STRATEGIES (when applicable)

Clients Served: All strategies must serve at least 75% of projected clients or offer at least 75% of projected training hours. Service slots that are purchased in advance (i.e., scholarships operated through SCDSS) must be used to a) renew a slot for an existing client, or b) serve a new client for the majority of the program year.

Targeting Clients at Risk for Early School Failure: Min. 100% 1 risk, 60% 2+ risks (exceptions: Family Literacy 100% 1 risk, 80% 2+ risks; Scholarships: 100% 2+ risks unless a waiver is granted by SCFS)

Staff Qualifications: Staff must be certified in the program model and all required screenings and assessments. These certifications must be entered in the FSDC system. Quality Enhancement staff must be a certified TA Provider with CCCC.

Service Delivery (frequency) of client visits, group meetings or trainings): Average home visits per client: min. 1.8 per month (exception: Parent-Child Home min. 6 visits per month).

Home visit duration: min. 30 minutes PCH, 45 minutes all other models.

Child Care TA visits: min. 2.0 per month for each active provider.

Group meetings and trainings: program must offer the min. required by the model or as outlined in the partnership's Child Care Training Plan.

Connections to Other Services (serving as a local portal for client families): Intensive parenting support, family literacy, EI&R, and scholarship programs: min. 50% of clients must have at least one connection or attempted connection entered in the FSDC system. Connections can include participation in additional programs offered by the partnership or services provided to the child and/or caregiver by outside organizations.

Screenings: Programs that require developmental screenings (ASQ3, ASQ:SE2) must screen at least 80% of active clients (exception: EI&R strategies must screen all clients with the ASQ3). PAT programs must also document Health Screenings and Well-Child Visits.

Assessments (per the Program Standards): Per the assessment schedule outlined in the program standards, HV programs (PAT, PCH, Early Steps) must assess at least 75% of active, eligible clients for changes in parenting skills (KIPS). PAT and PCH programs must assess at least 75% of active, eligible clients for changes in interactive literacy skills (ACIRI). PAT programs must also administer the LSP to at least 75% of active clients. Quality Enhancement programs must assess using the ERS at least 90% of classrooms targeted for TA visits during the program year, or at least 1/3 of all 0-5 classrooms if providing TA center-wide. The ERS assessor cannot be the TA.

Provider Quality: Child care providers serving scholarship children must be rated B or higher by ABC Quality or participate in the partnership's QE strategy, unless a waiver is obtained by SCFS.

Dolly Parton Imagination Library: 1) At least 87% of strategy funds must be spent on the purchase of books. 2) At least 25% of strategy funds must be non-state funding.

Countdown to Kindergarten: At least 50% of parents, home visitors and 5K teachers must complete program surveys.

CORE FUNCTIONS

Comprehensive Plan: The partnership's Comprehensive Plan includes objectives, success metrics, and action items for Core Functions.

Numbers Served: The partnership documents numbers served for Core Functions reported in the Numbers Served Spreadsheet submitted as part of the partnership's Annual Report.

KRA Results: The partnership shares local school district Kindergarten Readiness Assessment (KRA) results with stakeholders, including teachers and parents of programs supported with First Steps funds, each year.

Horry County First Steps

FY19 Expenditure	Match Raised	Percentage*
\$603,922.50	\$82,955.74	13.736%
*Legislative Requirement mandates 15% minimum match		
\$603,922.50	\$90,588.38	15%

Recommended Amount for recapture **\$7,632.63**

Check by percentage measures

\$603,922.50	\$7,632.64	1.264%
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To: SC First Steps Board of Trustees
From: Walter Fleming, Chairman, Finance and Administration Committee
Date: October 02, 2019

RE: Finance and Administration Report

The Finance and Administration Committee met via conference call on October 2, 2019 to receive the Annual Financial Report and associated audit along with updates from staff. Detailed meeting minutes are attached. The committee brings forward one action item, and the following updates.

ACTION: Receive the 2018-19 Financial Audit Report

Emily Sobczak, CPA with Greene Finney, LLP presented the Annual Financial Reports and associated audit. She mentioned that the firm gave an unqualified opinion, which is the best opinion you can receive and that the agency had no findings or discuss with management issues again this year.

She mentioned the current fund balance is strong. The revenue for the year decreased from the prior year due to the transfer of the Early Head Start Program to another organization. The 4K funding managed at the Financial Manager was changed to a special revenue account this year, which better reflected the status of those funds. This simplifies reporting and is more transparent. The pension and OPEB liabilities, that were added to the report in the last few years, dropped significantly due to the transition of the BabyNet Program to DHHS and will see another drop due to the Early Head Start transfer. These reductions are due to a delayed reaction and the way they are calculated.

She has presented her report, which every board member has received in their packet, and we make the following motion.

Motion: To receive the 2018-19 Financial Audit as presented.

First Steps State Office

Financial Report

The YTD financial report is attached. The agency's financial position is strong.



State Budget Update

Staff gave an update on the State Budget Request that was submitted to the Governor. The request includes the following:

1. \$5 Million for competitive grants for the Local Partnerships
2. \$6.4 Million for the 4K Program. This is the first operational funding request we have made in recent years and is due to increased number of children being served, and the extended day and extended year for the program services. We anticipate that the number of children will have to be reduced if we don't get the additional funds.
3. \$267,384 to fund the support and operational activities of the Early Childhood Advisory Council (ECAC).
4. \$142,448 in recurring funds, and \$595,000 in one time funds to purchase the Outcome and Accountability Data System.

Several minor changes to several provisos.

One new proviso which would allow publicly funded child care centers to participate in the SC State Employee Health Insurance Program. In addition, they would be able to purchase transportation vehicles for children from state transportation contracts.

Legislative Update

Staff mentioned that the new Early Childhood Study Committee has met once to evaluate moving programs from various state agencies and combining them into one new agency for children. They have scheduled an additional meeting late in October. The committee is expected to have their work completed by December.

Local Partnerships

New Financial Management System for the Local Partnerships

The solicitation for the New Financial Management System was awarded to Blackbaud on May 31, 2019. This includes the financial management system as well as a Donor Management system. Staff at the State Office as well as Manley Garvin, the Finance Manager for the Local Partnerships, have started working on training and setup information. Super user training will start in early November, and local partnership staff and Board members will follow. We are working to set up the training schedule so that we can achieve a go live date of January 1, 2020. Training will take place through January of 2020.



4K Program

4K Fiscal Manager

We are pleased to announce that Angelic Coppin has taken on the role of the 4K Fiscal Manager. She has had more than 5 years of experience with fiscal management and operations with her most recent position included working with Price Waterhouse Cooper. Angelica will be working as a part of the 4K Team, as well as the Fiscal Team and will be responsible for ensuring proper procedures and controls are in place to manage the fiscal component of the program.

Preschool Development Grant

Update on Progress

Work continues for the Preschool Development Grant. The Data Analyst hired through the grant is working hard to analyze our data needs and is expected to complete her work by early November.



Minutes from Finance and Administration Committee Meeting

October 2, 2019

Members present: Walter Fleming, Chairman, Tim Holt, Julie Hussey

Members not present: N/A

Nonmembers present: Mark Barnes, COO/CFO; Lavinia Tejada, CPA

Meeting was called to order by Walter Fleming at 10:00 am.

First Steps State Office

Annual Financial Audit Report

Emily Sobczak, CPA with Greene Finney, LLP presented the Annual Financial Statements and associated audit. She mentioned that the firm gave an unqualified opinion, which is the best opinion you can receive and that the agency had no findings again this year.

She talked about the current fund balance which is strong, as well as the revenues and expenses for the year. The revenue for the year decreased from the prior year due to the transfer of the Early Head Start Program to another organization. In addition, the 4K funding that is being used to pay the child care centers in the program through the financial manager, Manley Garvin LLC, was changed to be listed as a special revenue fund. This change simplifies the reporting and is more transparent. The pension and OPEB liabilities, which are for liabilities for future payments for pensions and insurance which are now required to be reported in our financial statements, had a significant drop this year. This is a reflection of the delayed reaction, the reporting uses prior years for estimates which shows the transfer of the BabyNet Program, and its associated staff. There was a corresponding reduction in the capital assets with the transfer of the Early Head Start Program.

After her report, Tim Holt motioned, with Walter Fleming seconding, to receive the Annual Financial Report. The vote was unanimous to receive the report.

Emily mentioned the good work that has been done during the last year with Russell Brown retiring, and Mark and Lavinia Tejada maintaining good operations. Mark Barnes mentioned Lavinia taking a lead role in supporting the work of the agency and ensuring that we had our financial operations in good shape.

Financial Report

2019-20: The YTD financial report was reviewed by the committee with general discussion. The agency's financial position of the organization is strong and the expenditures are on track with projections. Any variance in projected expenses and the actual is related to the timing of the cash payments to the Local Partnerships and the child care centers for the 4K Program.

State Budget Update

Mr. Barnes talked about the State Budget Request for SFY 2020-21, that was submitted recently to the Governor's Office. He mentioned there are four requested funding items. We are requesting \$5 million in funding for competitive grants for the Local Partnerships. \$6.4 million for the 4K Program, which is the first



request for 4K funding in more than 5 years, which would fund the current level of children's services which has increased over the last three years and would prevent reducing services for children. \$267,384 to fund the ongoing cost of supporting the ECAC, and funding for both the start-up, \$595,000 and the ongoing cost \$142,448 of the Outcome and Accountability Data System.

In addition to some minor tweaks in current proviso's, we are requesting a new proviso that would allow any publicly funded child care centers to participate in the State Health Insurance Program, and state contracts for the purchase of transportation vehicles for children.

The group discussed the cash situation at the beginning of each fiscal year, in particular this upcoming year as the amount of 4K cash will be greatly diminished, if not eliminated. The State Department of Education ended up having to borrow funds to give us our first distribution which did not happen until late in August. Funds have to be available at the beginning of the year to cover 4K, and the Local Partnerships operating costs. There were several options listed as possible solutions. Staff will work with the Governor's Office, the House Ways and Means Committee, and the Senate Finance Committee to come up with solutions.

Legislative Update

In the 2019-20 budget a new proviso was passed that created an Early Childhood Study Committee. This proviso created the Committee that would look at evaluating the creation of a new Children's Services agency. This would include taking programs from existing state agencies and combining them. Their work would have to be completed by early December of this year and they will produce a report for the General Assembly. They have had one meeting to date, which did not allow any public input. The only presenter at that meeting was Brian Burroughs, from the Institute for Child Success. The next meeting will be later in October.

Local Partnerships

Update on New Local Partnership Financial Management System

The solicitation for the New Financial Management System was awarded to Blackbaud on May 31, 2019. This includes the financial management system as well as a Donor Management system. Staff at the State Office as well as Manley Garvin, the Finance Manager for the Local Partnerships, have started working on training and setup information. Super user training will start in early November, and local partnership staff and Board members will follow. We are working to set up the training schedule so that we can achieve a go live date of January 1, 2020. Training will take place through January of 2020.

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We are pleased to announce that Angelica Coppin has taken on the role of the 4K Fiscal Manager. She has had more than 5 years of experience with fiscal management and operations with her most recent position included working with Price Waterhouse Cooper. Angelica will be working as a part of the 4K Team, as well as the Fiscal Team and will be responsible for ensuring proper procedures and controls are in place to manage the fiscal component of the program.



Preschool Development Grant

Work continues for the Preschool Development Grant. The Data Analyst hired through the grant is working hard to analyze our data needs and is expected to complete her work by early November.

The meeting was adjourned at 11:00 AM.



Greene Finney, LLP

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

September 25, 2019

Mr. George L. Kennedy, CPA
State Auditor
Office of the State Auditor
Columbia, South Carolina
and
Members of the Board of Trustees
South Carolina First Steps to School Readiness
Columbia, South Carolina

We have audited the financial statements of the governmental activities and each major fund of South Carolina First Steps to School Readiness (“First Steps”) for the year ended June 30, 2019 (“2019”). Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 19, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by First Steps are described in Note 1 to the financial statements.

No new significant accounting policies were adopted and the application of existing policies was not significantly changed during 2019. We noted no transactions entered into by First Steps during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant sensitive estimates affecting First Steps’ financial statements were:

Management’s estimate of the useful lives of capital assets and the resulting depreciation expense is based on historical data and industry standards. Management’s estimates of the other postemployment benefit and pension balances are based on actuarial valuations (the assumptions used in the actuarial valuations are based on accounting requirements, actuarial standards, historical data, and industry trends) prepared and certified by independent actuaries. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. For purposes of this communication, professional standards define a significant audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on First Steps' financial reporting process (that may or may not cause future financial statements to be materially misstated). We did not propose any significant audit adjustments.

In our judgment, there were no material known unrecorded and uncorrected misstatements, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 25, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to First Steps' financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as First Steps' auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, budgetary comparison schedules, schedule of proportionate share of the net pension liability – South Carolina Retirement System, schedule of contributions – South Carolina Retirement System, schedule of proportionate share of the net OPEB liability – South Carolina Health Insurance Trust Fund, and schedule of contributions – South Carolina Health Insurance Trust Fund, which are required supplementary information ("RSI") that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Office of the State Auditor, Board of Trustees, and management of First Steps and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

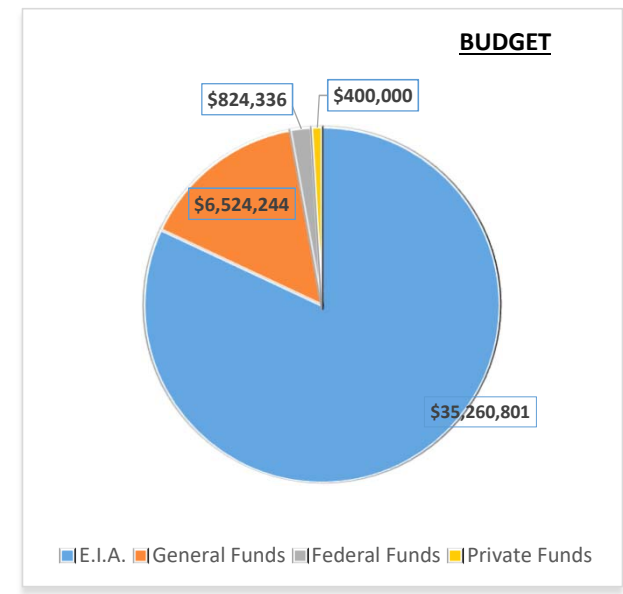
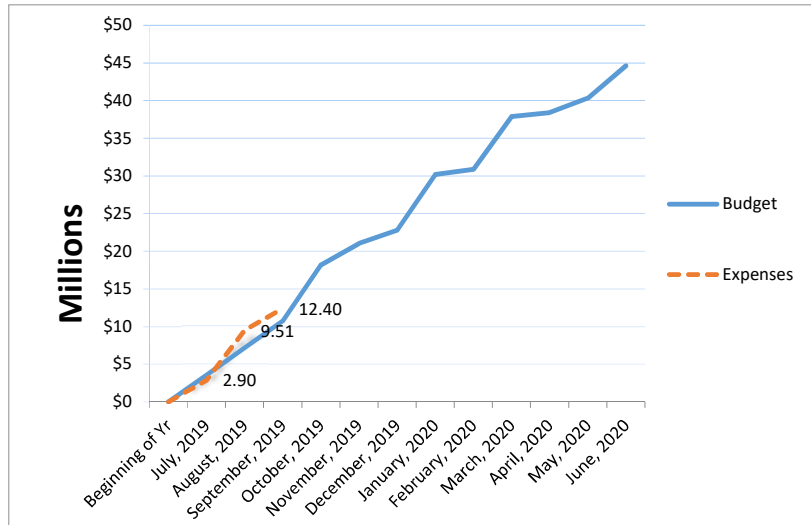
Greene Finney, LLP

Greene Finney, LLP
Certified Public Accountants

FY 2020 FINANCIAL STATUS REPORT

**As of
September 30, 2019**

Spending Rates	
Projected	25%
Actual	29%



PROGRAMS / OPERATIONS	EIA APPROPRIATIONS			GENERAL FUNDS & FEDERAL GRANTS			PRIVATE FUNDS			GRAND TOTAL			
	Description	Budget	Expenses	Balance	Budget	Expenses	Balance	Budget	Expenses	Balance	Budget	Expenses	Balance
LOCAL PARTNERSHIPS	14,657,728	3,608,807	11,048,921								14,657,728	3,608,807	\$ 11,048,921
LOCAL PARTNERSHIPS SUPPORT & TECH ASST.	2,518,440	371,178	2,147,262				272,000	250.00	271,750		2,790,440	371,428	\$ 2,419,012
PRIVATE 4-K	15,692,633	1,445,076	14,247,557	6,524,244	6,435,926	88,318			-		22,216,877	7,881,002	\$ 14,335,875
PRESCHOOL DEVT. GRANT				824,336	245,434	578,902					824,336	245,434	\$ 578,902
POLICY & ACCOUNTABILITY	2,392,000	287,791	2,104,209				128,000	5,630	122,370		2,520,000	293,421	\$ 2,226,579
GRAND TOTAL:	35,260,801	5,712,852	29,547,949	7,348,580	6,681,360	667,220	400,000	5,880	394,120		43,009,381	12,400,092	\$ 30,609,289

Notes:

1) Local Partnerships:

- a. Funding Sources: Education Improvement Act (EIA) Funds
- b. Formula allocation cash advances are disbursed on a quarterly basis.
- c. Expenditures reflect disbursements from SC First Steps (state-level)
- d. Does not include local-level actual expenses to staff and vendors

2) Private budgets based on income & prior year cash.

35,260,801	E.I.A.
6,524,244	General Funds
824,336	Federal Funds
400,000	Private Funds

3) LP Support & Technical Assistance

- a. Contracted accounting firm(Manley Garvin, LLC)
- b. Accounting Software network support & Data Housing
- c. Programmatic data housing & network support
- d. Workers' compensation insurance coverage
- e. External programmatic evaluation
- f. Financial audits-annually each LP

3) LP Support & Technical Assistance (cont.)

- g. Does not include local-level actual expenses to staff and vendors
- h. OFS program & finance staff (payroll, rent, contractual, supplies, travel, etc.
- i. Includes LP Countdown to Kindergarten program
- 4) 4K E.I.A Appropriations includes proviso authorized carry over cash for quality and technology.**
- 5) 4K E.I.A. Appropriations includes \$5.9 million of Carry Forward cash.**



**Strategic Planning and Evaluation Committee Minutes and Report
September 9, 2019
Present: Amy Williams, Alexia Newman, Angel Johnson-Brebner
Staff: Georgia Mjartan**

The Strategic Planning and Evaluation Committee had a meeting by conference call on September 9, 2019 at 12 p.m. During the meeting, committee members reviewed and discussed the Agency Accountability Report, noting that this is the state-mandated document that captures progress toward goals outlined in the strategic plan.

Ms. Mjartan also provided an update on the external evaluation process. The meeting was brief and concluded after 15 minutes.

**Strategic Planning and Evaluation Committee Minutes and Report
October 16, 2019
Present: Amy Williams, Alexia Newman, Angel Johnson-Brebner
Staff: Georgia Mjartan**

The Strategic Planning and Evaluation Committee met by conference call on October 16, 2019 at 1:30 pm. The committee members discussed a proposed mission statement, vision statement and five values derived from a year-long strategic planning process involving board, staff, local partnerships and other key stakeholders.

The committee unanimously approved the following motion, to be brought to the full board:

To adopt the following as SC First Steps' Mission, Vision and Values:

Mission: South Carolina First Steps works collaboratively to ensure that all children start school ready to reach their highest potential with engaged support from their parents, caregivers, and communities.

Vision: We will be successful when all children reach their highest potential.

Values: High Quality, Equity, Results, Children, Relationships



To: SC First Steps Board of Trustees
From: Georgia Mjartan
Date: October 24, 2019

Re: Executive Director's Report

South Carolina First Steps 4K: 2019 – 2020 School Year

- Record enrollment – 2756 children (Day 45)
- 33.5% growth in enrollment over 5 years (Day 45)
- Record center participation – 221 approved First Steps 4K Centers
- 86.6% of child care centers offering First Steps 4K are quality-rated

Legislative Matters

- FY2021 Budget Request
- Senate Oversight Report, Adopted by Senate Oversight Committee and Published on SC First Steps and SC State House websites
- Early Childhood Study Committee, Wed., October 30, 2019, 10 am, Room 433, Blatt Building

Personnel

- Samantha Ingram, 4K Outreach Coordinator (new position)
- Angelica Coppin, 4K Fiscal Manager (new position)
- Mark Barnes, Director of Administration
- Beth Moore, Communications Director
- Zack Catoe, Administrative Coordinator (Local Partnerships)

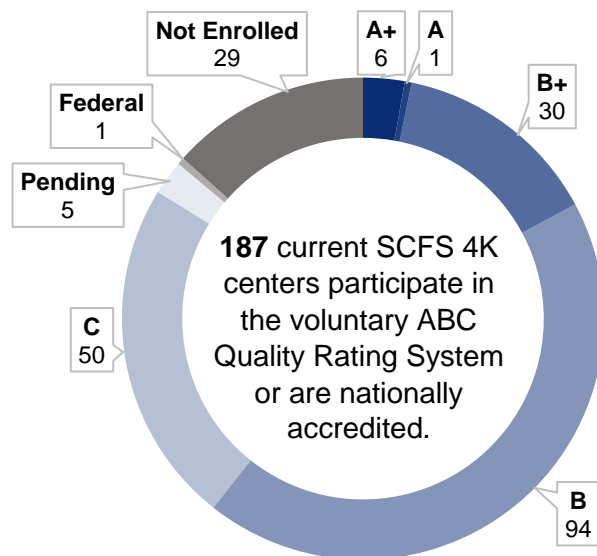
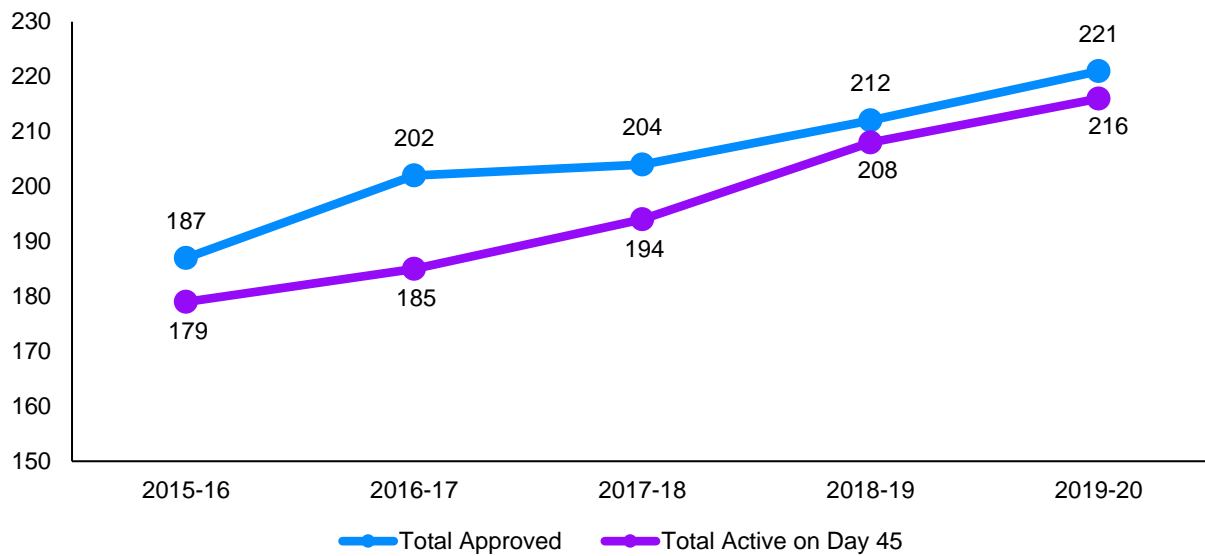
Current Vacancies

- Communications Coordinator (Local Partnerships)
- Executive Assistant
- Fiscal Technician
- Information Resource Manager
- Program Officer (Local Partnerships)

Attached

- South Carolina First Steps 4K by the Numbers
- FY2021 Budget Request

The number of participating providers has increased every year.



86.6%

current SCFS 4K centers participate in the voluntary ABC Quality Rating System or are nationally accredited.

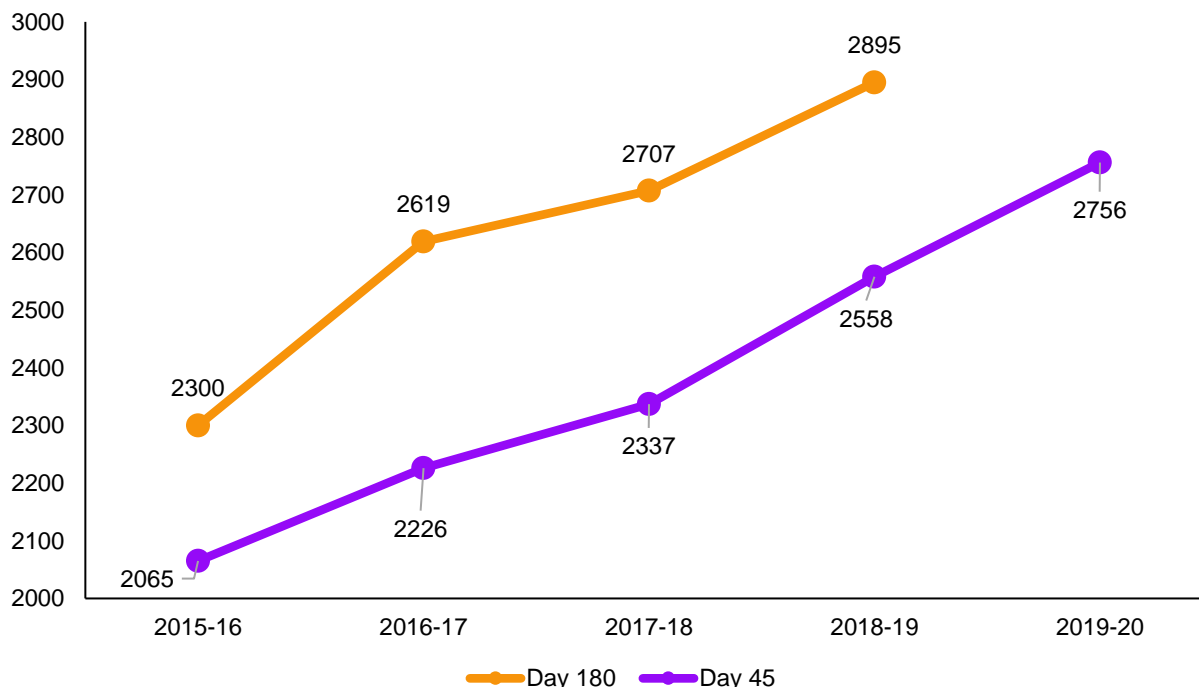


60.1%

current SCFS 4K centers rated B or higher.

+33.5%
 Day 45 Enrollment
 in SCFS 4K over 5 years

Enrollment in SCFS 4K has increased every year from day 45 to day 180 and from year to year.



Data Table. SCFS 4K Data Summary										
	SCFS 4K Students					SCFS 4K Providers				
	Total Enrolled				Total Active on Day 45		Total Approved		Total Active on Day 45	
Term	Day 45	% Change from Previous Year	Day 180	% Change from Previous Year	Count	% Change from Previous Year	Count	% Change from Previous Year	Count	% Change from Previous Year
2015-16	2065		2300				187		179	
2016-17	2226	+7.8%	2619	+13.9%			202	+8.0%	185	+3.4%
2017-18	2337	+5.0%	2707	+3.4%	2312		204	+1.0%	194	+4.9%
2018-19	2558	+9.5%	2895	+6.9%	2437	+5.4%	212	+3.9%	208	+7.2%
2019-20	2756	+7.7%			2636	+8.2%	221*	+4.3%	216	+3.9%

*Subject to change as centers can be approved throughout the school term



FY2021 Budget Request Summary

Early Childhood Innovation Grants **\$5,000,000** **Recurring**
 To expand and enhance high-quality early childhood services statewide for children birth through age five and their families including parenting support, home visiting, child care quality enhancement and scholarships, health and early intervention, and other activities that lead to positive educational, health, and family outcomes. Grants are awarded competitively to local First Steps partnerships and reward demonstrated outcomes, strengthen accountability, and expand the reach of First Steps, which currently serves less than 10% of children birth through five statewide.

Full Day 4K (First Steps) **\$6,371,474** **Recurring**
 To provide eligible children with free, high-quality, full-day 4-year-old kindergarten in private, community and faith-based child care centers. Due to steady growth in enrollment in the First Steps 4K program, carry forward cash-balance will be depleted substantially requiring additional funding to meet a conservative estimate of projected 2020-2021 enrollment with no geographic expansion nor changes to eligibility. This request ensures the number of children in First Steps 4K does not decrease.

Early Childhood Advisory Council **\$267,384** **Recurring**
 To partially fund the operation and activities of the Early Childhood Advisory Council, including the execution of 10 functional areas outlined in statute 63-11-1725. The Early Childhood Advisory Council is responsible for coordinating and integrating the early childhood state system across eight agencies and connecting the system to local communities, parents and providers. Activities are currently funded with a temporary, federal grant that expires on December 31, 2019. No state funding has ever been allocated for the Early Childhood Advisory Council.

Outcomes and Accountability Data System **\$595,000** **Recurring**
\$142,228 **Non-Recurring**
 To establish and maintain a comprehensive outcomes and accountability data system capable of being used as a case management system, county and state-level integrated data system, and with the ability to link to other state systems to enable longitudinal data collection and analysis. The current data system used by First Steps was created 19 years ago and is antiquated and insufficient.

Total Budget Request: \$12,376,306



Provisos:

Tuition and Transportation Increase: Inflation

- 2.2% tuition and transportation increase for 4K providers based on inflation

Military Child Care Centers

- Clarifies eligibility for facility participation

Unexpended Funds (4K)

- Eliminates \$1 million transfer to EOC
- Removes the cap on use of carry forward funding for quality incentive
- Adds NAEYC accreditation as an option for quality incentive (in addition to ABC Quality)

4K Underserved Communities

- Clarifies eligibility for participation in expansion grants program

Publicly-Funded Child Care Centers

- Allows publicly-funded child care centers to participate in the SC State Employee Health Insurance Program (at 100% cost to the center) and to purchase vehicles for transportation of children in child care services through the State of SC procurement contracts.