

AGENCY NAME:	First Steps to School Readiness		
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AGENCY'S DISCUSSION AND ANALYSIS

South Carolina First Steps: Working Together So Every Child Reaches Their Highest Potential

In South Carolina, there are close to 300,000 children birth through age five, and 41% of them are eligible for Medicaid and First Steps services¹. In fiscal year 2024-25 (FY25), First Steps celebrated its 26th anniversary and continues to serve as a national model for public-private partnership, providing programs that work and are backed by decades of research, and leveraging millions annually from federal, state, and local resources to serve young children, their families, and their communities to ensure all children reach their highest potential.

Established in state law on June 28, 1999, South Carolina First Steps is the state's only dedicated, comprehensive early childhood initiative focused on getting children ready for success in school and life. As both a state agency and a 501(c)(3) nonprofit, First Steps works with families, early educators, and organizational partners across the state to support children and close the gap on student's preparedness for success in school. To have the greatest impact on young children requires collaboration across public agencies, community-based entities, and the private sector at both the local and state level. First Steps local partnership boards include a cross section of key early childhood stakeholders who assess local early childhood needs and provide services to young children and their families. First Steps 4K is a partnership between the South Carolina First Steps and private and faith-based child care centers, charter schools and private schools. At the state level, First Steps operates the Early Childhood Advisory Council (ECAC), the statutorily authorized structure for coordinating all of South Carolina's public investments in early childhood services. This collaborative approach ensures efficient use of federal, state and local funds, and builds a cohesive system of services. Our trustees serve concurrently as ECAC members and our staff coordinates their efforts.

During FY25, First Steps:

- Enrolled 4,278 students in in-person, full-day 4K in 358 classrooms within private, non-profit, and faith-based First Steps 4K providers through the 180th day of school
- Retained 88% of First Steps 4K students from Day 45 through Day 135
- Enrolled 9% of children in need in First Steps Local Partnerships high intensity programs and served 46% of children in need across all First Steps programming
- Increased the number of parenting program participants who showed improvement in parent-child interactions from 40% to 60%

Expanded and Enhanced Services to Children and Families: Local Partnerships

SC First Steps takes a holistic approach to accomplishing its mission of ensuring that all children start school ready to reach their highest potential. Through the Local Partnerships' programming available in each of the 46 counties, we offer services that improve children's health, strengthen families, expand access to quality early care and education, increase participation in three- and four-year-old preschool, and help transition rising kindergartens into school.

- **Programming Growth:** Local Partnership programming served approximately 62,540 students with notable growths in the following areas over the previous year's enrollment:
 - ParentChild+ served 162 children and 160 families (+18% over the previous year)
 - HIPPY served 244 children and 242 families (+27% over the previous year)
 - Countdown to Kindergarten served 1,735 children (+19% over the previous year)
 - Family Connects served 2,029 children (+26% over the previous year)
 - HealthySteps served 5,713 children (+19% over the previous year)

¹ Data from American Community Survey 5-year Estimates (2019-2023). Table B17024. US Census Bureau. Eligible for First Steps funded services defined as children under age 6 living in households <185% federal poverty level (140,003 of 340,320 estimated children)

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- READY Funds:** First Steps receives \$3 million recurring annually from the General Assembly in General Funds to be distributed to local partnerships through competitive and targeted grants through program called, Resources for Early Acceleration and Development in Youth (READY). These funds prioritize evidence-based programs for children birth through age three, who live in rural communities and in communities where kindergarten readiness scores are consistently below the state rate. FY25 marked the third year of READY grants to local partnerships, including
 - Year 3 of 3 of funds to create or expand child care technical assistance programs: \$1,484,916 committed over 3 years to Berkeley, Colleton, Dillon, Dorchester, Spartanburg, and York counties.
 - Year 2 of 2 of funds to sustain and expand effective programs serving children and families: \$1,901,344 committed over 2 years to Allendale, Bamberg, Charleston, Chesterfield, Darlington, Dillon, Greenville, Greenwood, McCormick, Orangeburg, Pickens, Spartanburg, Williamsburg, and York counties.
 - Sustaining effective programs expanded with one-time COVID relief funding: \$2,430,232 in FY25 funding to Abbeville, Bamberg, Beaufort, Berkeley, Calhoun, Charleston, Cherokee, Chester, Chesterfield, Clarendon, Colleton, Darlington, Dorchester, Edgefield, Fairfield, Florence, Georgetown, Greenwood, Hampton, Jasper, Kershaw, Lancaster, Lee, Lexington, Marion, Marlboro, McCormick, Newberry, Oconee, Orangeburg, Pickens, Richland, Sumter, Union, Williamsburg, and York counties.
 - Year 3 of 3 of funds to build infrastructure and capacity: \$2,375,234 over 3 years committed to Anderson, Bamberg, Barnwell, Beaufort, Berkeley, Calhoun, Cherokee, Chesterfield, Colleton, Darlington, Dillon, Edgefield, Greenville, Greenwood, Hampton, Jasper, Kershaw, Laurens, Lee, McCormick, Newberry, Orangeburg, Pickens, Richland, Saluda, Spartanburg, Sumter, Williamsburg, and York counties.
 - Funding to continue piloting innovative approaches to reaching underserved populations: \$686,200 committed over 2 years to fund program innovations in Lee, Pickens, and York counties through the Carolina Collaborative for Early Childhood Innovation.
- First5SC:** South Carolina First Steps also continued to provide a streamlined eligibility and application process for families enrolling in local partnership programs by including every local partnership program on [First5SC.org](https://www.first5sc.org), establishing a uniform process for eligibility and enrollment, making programs and services more accessible to the families who benefit most from our programs (infants and toddlers) and reducing the administrative burden for families. The number one application completed by families on the First5SC common application was for First Steps local partnership programs. Many First5SC visitors are accessing the site when government offices are typically closed (i.e., outside of Monday through Friday 9AM-5PM) indicating the initiative significantly benefits families' access to services.

Expanded Access to Quality Early Education: First Steps 4K

First Steps 4K continued the commitment to providing free, full-day four-year-old kindergarten to qualifying children in South Carolina in FY25. Through sustained partnership with licensed centers and schools across the state, the First Steps 4K model served approximately 4,278 children in 358 classrooms, and allowed families to select between the private, community-based, and faith-based programs that best meets their needs. Other distinctive achievements for FY25 where as follows:

- 4K Retention and Satisfaction:** In a survey, 88% of families enrolled in First Steps 4K said they would "highly recommend" the program to a friend or family member. Families' invested engagement in 4K also showed up in the program's retention efforts. Approximately 88% of students enrolled on Day 45 remained enrolled through Day 135 of the school year.
- Slot Utilization:** On Day 45 of the FY25 school year, 68% of licensed and approved slots were utilized by students. However, when examining rates of utilization for children attending at least 120 days of school, only 58% of slots were being used. In future years, we seek to increase utilization rates across all indicators.
- First Steps 4K+:** This partnership between DSS and First Steps 4K completed its fourth year, which provides an extended day, extended year or sibling voucher for children ages 0-12. For First Steps 4K

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providers to participate in this partnership, they must participate in the voluntary child care quality rating and improvement system called ABC Quality. It has been a longstanding goal to increase participation in this program, and in FY25, the percentage of First Steps 4K providers enrolled in ABC Quality and, therefore, able to accept the additional support through First Steps 4K+ rose to 86%.

- **Aim4Excellence:** First Steps funded, staffed, and supported a cohort of leaders to participate in the national director’s credentialing program through National Louis University’s McCormick Center for Early Childhood Leadership. Expanding this program beyond First Steps 4K providers to also incorporate early childhood leaders participating in First Steps Local Partnership child care quality programs was an indicator of the way we are bringing knowledge and opportunities from one part of the organization (First Steps 4K) into another, breaking down internal silos and maximizing resources.

Aligned and Strengthened the State’s Early Childhood System: Early Childhood Advisory Council

South Carolina’s Early Childhood Advisory Council (ECAC) is a collaborative body representing the state’s early childhood system. Established in state statute, the ECAC includes the directors of state agencies, elected officials, state-level early childhood leaders, members of the business and medical communities, parents, and early childhood educators. SC First Steps coordinates the activities of the ECAC. The ECAC’s notable achievements for FY25 included:

- **South Carolina’s Early Childhood Integrated Data System (ECIDS):** The initial data governance infrastructure for the EC ECIDS initiatives was completed in December 2024. To support the completion of the data governance infrastructure, a Strategic Data Fellow, funded by the Bill and Melinda Gated Foundation in partnership with the Harvard Strategic Data Project, was hired in the summer of 2024.
- **First Five SC:** In FY25, working together with partner agencies across the early childhood system, the ECAC continued to add to the common application for South Carolina’s publicly funded early childhood programs, harnessing technology to dramatically improve the way families with young children get the services they want, need and deserve. In FY25, applications were received for child care scholarships, WIC, First Steps Local Partnership Programs, and First Steps 4K.
- **Ready for Kindergarten: A Guide for South Carolina Families** was released and mailed out to school districts across the state. Honored with a Notable State Document Award in 2025, this guide provides families with tools for easing the transition from PreK to Kindergarten, a time of significant changes and opportunity for children and their parents that sets the stage for a successful start to school.
- **Professional Development Events:** The Palmetto PreK Jamboree event provided training and professional development to attendees across two events, representing teaching and professionals serving three- and four-year-olds from Head Start, public school, and child care including First Steps 4K providers. The 2024 SC Summit on Early Childhood engaged early childhood professionals, community leaders, policymakers and state leaders from across the early childhood system in a day-long professional development and field-building opportunity.

Maximized First Steps’ Investment in Early Childhood

- **Permanent Authorization:** FY25 was the second year dedicated to developing guidance and implementing Act 81, which was signed into law on June 19, 2023.
 - Following permanent authorization and separation from the SC Department of Education to become a standalone agency, SC First Steps received a new agency code, H620, which has also impacted our state appropriation codes. As a result, we have updated the state appropriation codes throughout this year’s data sheet to align with our new state agency code.
- **Diversified Funding Streams:** In FY25, South Carolina First Steps once again secured and successfully leveraged state, federal, private and philanthropic dollars – diversified funding streams – to ensure long-term sustainability of programs and services offered to infants, toddlers, young children and their families by South Carolina First Steps.

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- **Fundraising:** SC First Steps made full use of its nonprofit status by raising contributions from private donors, including the Duke Endowment, Doris Duke Charitable Foundation, and Enterprise Holdings Foundation, which allowed SC First Steps to deliver non-state funds to local partnerships, and the Bill and Melinda Gates Foundation, which allowed SC First Steps to hire a Strategic Data Fellow to focus on the completion of ECIDS data governance infrastructure through their work with the Strategic Data Project Fellowship at Harvard University.
- **Welcomed a new Executive Director:** Ann Vandervliet joined South Carolina First Steps as its permanent agency director on October 17, 2024. Vandervliet brings over 20 years of executive leadership experience in the nonprofit and public sectors, with a strong focus on early childhood education and service delivery. Most recently, she served as executive director of the Guilford County Partnership for Children (GCPC) in North Carolina, where she spearheaded a collaborative effort among federal, state, and local agencies to meet the needs of the county’s early childhood workforce. More information about Ann can be found [here](#).

Accountability and Transparency

- **Next Five-Year Strategic Plan Development:** FY25 was marked by the close out of the agency’s current five-year strategic plan and the development of the next five-year strategic plan. Over the course of eight months, we engaged stakeholders across the state to inform every stage of the plan’s development. The plan was adopted unanimously by the Board of Trustees at their meeting on June 19, 2025, goes in to effect on July 1, 2025, and culminates in one bold goal: at least 75% of South Carolina’s children are ready for kindergarten by 2030.
- **Local Partnership Leadership Convening:** First Steps hosted a two-day, in-person event in June 2025 for local partnership board members and executive directors. “Collaborating to Lead: Creating Brighter Futures,” was focused on fellowship, learning, and building board members’ capacity for effective board service for their local First Steps partnership.
- **Legislatively Mandated Evaluation:** In FY25, First Steps completed the first legislatively mandated local partnership evaluations with their new commissioned external evaluator, Child Trends, who has deep expertise in research and early childhood programming. The first evaluation submitted to the General Assembly by the February 2025 deadline looked at the local partnerships holistically and can be found [here](#). Key findings include:
 - Children who enrolled in programs funded by SC First Steps local partnerships in FY20 were significantly more likely to achieve higher Kindergarten Readiness Assessment scores and were significantly less likely to be chronically absent in kindergarten compared to non-participants who would otherwise be eligible. These findings are consistent with results from a previous external evaluation of SC First Steps local partnership programs (FY14-FY18). However, these effects were not observed for those enrolled in FY19 or the three post-pandemic years.
 - Families participating in the Parents as Teachers (PAT) program, the most prevalent local partnership program, showed meaningful improvements in their parenting practices, seen through significant gains on Keys to Interactive Parenting Scale and Healthy Families Parenting Inventory assessments.
 - Families reported receiving services that supported their children’s physical, developmental, and learning needs. Survey and focus group findings confirmed that local partnerships connect families to community resources, provide two-generation services, and foster lasting relationships and social supports.

Our New Strategic Plan: The Future of South Carolina First Steps

Throughout the spring of 2025, inclusive feedback on the needs of families, providers, and the community was solicited and incorporated into the new Strategic Plan. The overarching theme that emerged from this collaborative effort was the ongoing concern raised over the current rates of kindergarten school readiness. In the fall of 2024, approximately only 39% of all children in South Carolina demonstrated school readiness by meeting or exceeding the benchmark on the Kindergarten Readiness Assessment (KRA). In response to

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this finding, SC First Steps committed to an overarching goal of at least 75% of children demonstrating school readiness by 2023. This position supports and aligns with the South Carolina Department of Education’s goal of at least 75% of students performing at or above grade level by 2030.

SC First Steps has identified three core strategies to support this goal as we plan for a future where at least 75% of students enter kindergarten ready to learn. First, we will strengthen the First Steps 4K model. This can be achieved through multiple tactics, including a reduction in chronic absenteeism in preschool classrooms as well as the utilization of the research-based Classroom Assessment Scoring System (CLASS) to strengthen the consistency of high-quality teacher-child interaction, classroom environment, and instructional support. Next, we will increase access and utilization of programs that are both evidence-based and high-intensity through First Steps Local Partnerships. As we seek to increase the percentage of eligible children served by these programs to at least 20% over the next five years, we also will strive to strengthen local and regional collaboration to achieve administrative efficiencies and collectively serve more children and families. We also will work to increase retention rates across all Local Partnership services to ensure that young children receive a continuum of care from birth until their first day of kindergarten. Our last strategy is to strengthen collaboration and alignment between all state-funded organizations serving young children and their families. To support an increase in utilization rates for all early childhood services, we will strategically partner with others in the field to expand the reach of important programs such as home-visiting models and all forms of publicly funded preschool. This important work will be emphasized through the collaboration efforts of the ECAC and systems-building work that allows for state agencies to share data and resources. Thus, SC First Steps is committed to using internal and external data sources to drive decision-making and evaluate these efforts. As a result of the ECAC’s Early Childhood Integrated Data Systems (ECIDS) initiatives, our agency’s access to young children’s longitudinal data allows for a better understanding of what works, for who, and in what context.

In addition to implementing and supporting programs that seek to enhance school readiness across the state, SC First Steps also has a responsibility as a fiscal steward of state and private funds. To ensure our agency’s commitment to supporting young children and their families, we are refining fiscal and operational policies, program guidelines, and documenting our robust processes and procedures related to data management. In the next fiscal year, we plan to further leverage funding sources to innovate approaches to early childhood care and education and implement pilot activities. These innovations and pilots will focus on addressing gaps in the continuum of care, identifying promising practices, and encouraging collaboration among local partnerships to achieve lower administrative cost burdens and increase the number of eligible children we are serving. The agency is also committed to internal evaluation of processes, procedures, and organization to ensure we are operating efficiently and effectively. For instance, to strengthen the strategic impact across the SC First Steps organization, a Research and Evaluation team has been created and will be led by executive level leadership. Prior to the start of FY26, evaluation staff was spread across programmatic teams, such as First Steps 4K and Local Partnerships, resulting in disjointed activities. A similar approach has also been taken with staff members on the communication team. All communications functions are now consolidated within an Engagement Team, also led by executive leadership. This approach means First Steps will operate with a better alignment of effort, increased utilization of specific skillsets, and expert-level leadership.

Risk Assessment and Mitigation Strategies

The work of South Carolina First Steps is not only advancing the long-term success and prosperity of its young children and their families but reducing the potential taxpayer burdens associated with a lack of school readiness across all communities and counties statewide. To promote success and mitigate against these negative outcomes, First Steps requires the ongoing support of its public and private partners, Governor Henry McMaster, and the SC General Assembly.

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To better ensure the success of South Carolina’s children at-risk for early school failure, policymakers might consider expanding the continued support made available to First Steps Local Partnerships – which continues to allow for the expansion of evidence-based early childhood interventions proven to impact the long-term success and prosperity of their participants and allow the implementation of interventions aimed at supporting 4K teachers and students, such as the agency’s recent commitment to the CLASS assessment.

During FY25, First Steps experienced significant funding loss that began with the ending of two competitively awarded federal fund sources. The American Rescue Plan funding through ESSER III via SC Department of Education ended September 30, 2024 and in April 2025, the AmeriCorps Service grant’s funding abruptly ended. First Steps has obtained recurring and non-recurring funds from the General Assembly for FY26, enabling a more collaborative regional approach to early childhood education and care, and continues to leverage its public-private partnership status to mitigate the impact of this funding cliff. In Spring 2025, the Leon Levine Foundation approved our proposal for a 2.25-million-dollar investment in a comprehensive early childhood systems-building pilot that will be implemented starting in FY26.

First Steps’ success is also dependent its partners, as underscored by the work of the ECAC. First Steps cannot improve kindergarten readiness alone, and it is incumbent upon the early childhood system to work together to move the needle for young children. Recurring, targeted investment in rural communities and communities with historically low Kindergarten Readiness Assessment scores is one tool to help close these achievement gaps that can persist well into later school and life, but this work requires both our agency and our state to go all in for South Carolina’s young children.