Agency Name:	First Steps		
Agency Code:	H620	Section:	2

Fiscal Year FY 2026-2027
Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS (FORM B1)	For FY 2026-2027, my agency is (mark "X"):
	Requesting General Fund Appropriations.
	Requesting Federal/Other Authorization.
X	Not requesting any changes.

NON-RECURRING REQUESTS (FORM B2)	For FY 2026-2027, my agency is (mark "X"):
X	Requesting Non-Recurring Appropriations.
	Requesting Non-Recurring Federal/Other Authorization.
	Not requesting any changes.

CAPITAL REQUESTS (FORM C)	For FY 2026-2027, my agency is (mark "X"):
	Requesting funding for Capital Projects.
X	Not requesting any changes.

PROVISOS (FORM D)	For FY 2026-2027, my agency is (mark "X"):
	Requesting a new proviso and/or substantive changes to existing provisos.
	Only requesting technical proviso changes (such as date references).
X	Not requesting any proviso changes.

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

	Name	Phone	Email
PRIMARY CONTACT:	Ann Vandervliet	(803) 734-0391	avandervliet@scfirststeps.org
SECONDARY CONTACT:	David O'Kelly	(803) 734-8079	dokelly@scfirststeps.org

I have reviewed and approved the enclosed FY 2026-2027 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	Agency Director	Board or Commission Chair
SIGN/DATE:	Ann Vandervliet 9-22-2025	
TYPE/PRINT NAME:	Ann Vandervliet	

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

Agency Name:	First Steps
Agency Code:	H620
Section:	2

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B2 - Non-Recurring	Innovation Investments	5,000,000	0	0	0	5,000,000	0.00	0.00	0.00	0.00	0.00
TOTALS			5,000,000	0	0	0	5,000,000	0.00	0.00	0.00	0.00	0.00

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FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	1

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Innovation Investments

Provide a brief, descriptive title for this request.

AMOUNT	$5,000,000

What is the net change in requested appropriations for FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST

Mark "X" for all that apply:

	Change in cost of providing current services to existing program audience
	Change in case load/enrollment under existing program guidelines
X	Non-mandated change in eligibility/enrollment for existing program
X	Non-mandated program change in service levels or areas
	Proposed establishment of a new program or initiative
	Loss of federal or other external financial support for existing program
	Exhaustion of fund balances previously used to support program
	IT Technology/Security related
	Consulted DTO during development
	HR/Personnel Related
X	Request for Non-Recurring Appropriations
	Request for Federal/Other Authorization to spend existing funding
	Related to a Recurring request – If so, Priority #

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

Mark "X" for primary applicable Statewide Enterprise Strategic Objective:

X	Education, Training, and Human Development
	Healthy and Safe Families
	Maintaining Safety, Integrity, and Security
	Public Infrastructure and Economic Development
	Government and Citizens

ACCOUNTABILITY OF FUNDS

Additional Innovation Investment funding would support the following strategic priorities. The overarching goal is to ensure at least 75% of South Carolina's children demonstrate readiness on the Kindergarten Readiness Assessment by 2030.

Innovation Investments have been proven to strengthen collaboration between Local Partnerships, achieve administrative efficiencies, and collectively serve more children and families. This in turn increases access and utilization of programs that are both evidence-based and high-intensity.

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

These funds would be used to expand Innovation Investments through Local Partnerships willing to work together to reduce administrative costs and collectively serve more children with evidence-based programs.

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	New funding provided for Innovation Investments in FY2025-26 increased collaboration between twenty counties, resulting in decreased administrative burden and a significant increase in the number of economically vulnerable children receiving high intensity and evidence-based services. In the first quarter alone the number of children served increased by 11%. Innovation Investments are competitive, with no geographic cap, and they only support programs with substantial and measurable impact. Due to the success of the approach during FY2025-2026, we are asking to maintain and expand programs and services funded this way.

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:	2

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

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan

AMOUNT	$616,180

What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.

ASSOCIATED FTE REDUCTIONS	No FTEs would be reduced. Any general fund reductions for staffing would be covered by other sources of funds.

How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM / ACTIVITY IMPACT	The cuts would include the following reductions: The agency would identify $210,000 in media purchases and other marketing activities charged to the General Fund and either reduce these purchases through vendor contract renegotiations or change the funding to consume other funds instead of general funds. The CDEPP (4K) Program would be reduced by $406,180, which could result in a reduction of as many as 53 low-income children in the program. Total reduction in Funding of $616,180.

What programs or activities are supported by the General Funds identified?

SUMMARY	3% of the recurring General Funds would be $20,539,334 X .03 = $616,180 and would be broken down as follows. $210,000 – Reduction in General Fund media purchases and other marketing expenditures $406,180 – Reduction in CDEPP (4K) payments for full day, 4-year-old kindergarten in private providers throughout the state. $616,180 - Total Funding Reduction

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	N/A

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?