

**MINUTES OF THE BOARD OF DIRECTORS OF
SOUTH CAROLINA FIRST STEPS TO SCHOOL READINESS
BOARD OF TRUSTEES
A SOUTH CAROLINA NONPROFIT CORPORATION**

August 17, 2006

MINUTES

Voting Directors Present: Mr. Lewis Smoak, Vice-Chair
Senator Michael L. Fair
Senator John W. Matthews
Mr. Lee Cory
Ms. Lisa Van Riper
Ms. Sabine Lang
Ms. Inez Tenenbaum
Dr. Thaddeus Bell
Ms. Linda O'Quinn
Ms. Judith Aughtry
Rev. Reece Yandle

Voting Directors Absent: Representative Shirley Hinson (excused)
Representative Bessie Moody-Lawrence (excused)
Ms. Kristin Hook (excused)
Mr. Henry Parr, Jr. (excused)
Ms. Doris Santanello (excused)
Ms. Marileen Chapman (excused)
Ms. Katherine Davis (excused)

Non-Voting Directors Present: Ms. Beverly Hunter (designee for Kim Aydlette,
Director, SC DSS)
Ms. Angela Flowers (designee for John Connery,
Director, SC DMH)
Ms. Hope Rivers (designee for Dr. Barry Russell,
S.C. Technical College System)
Ms. Cindy Sweigart (designee for C. Earl Hunter,
Director, SC DHEC)
Mr. Bobby Bowers, S.C. Budget & Control Board,
Office of Research & Statistics
Mr. Tim Ervolina, President/CEO, United Way
Association of S.C.
Ms. Nancy Freeman, Regulatory Advisory Cmte.
Ms. Susan Jones (designee for Elizabeth Mabry,
SC DOT)
Ms. Melody McLaughlin (designee for Dr. Stan Butkus,
SC DDSN)

Non-Voting Directors Absent: Mr. Robert Kerr, Director, SC DHHS
Mr. Lee Catoe, Director, SC DAODAS
Mr. Jim Griffith, Trans. Assn. of SC
Executive Director, SC
Commission on Higher Education
Dr. Paul Krohne, Director, SC School Board
Association

Others Present: Dr. Don Schunk, Moore School of Business, USC

Ms. Susan DeVenny, Director, SC First Steps
Ms. Charmeka Bosket, Education Advisor,
Governor Mark Sanford
Mr. Dan Wuori, SC First Steps
Mr. Rodney Jenkins, SC First Steps
Mr. Leon Love, SC First Steps
Dr. Baron Holmes, SC Budget & Control Board,
Office of Research and Statistics
Ms. Catherine Haselden, SC DSS
Mr. Jim Riddle, Director, Lexington County First Steps
Mr. Rick Noble, Director, Richland County First Steps
Ms. Mary Payson, SC Budget & Control Board,
Office of Research and Statistics
Ms. Robin McCants, Director, SC Office
Of Early Childhood Education, SC SDE
Ms. Betty Gardiner, SC First Steps
Ms. Betsy Coleman, SC First Steps
Ms. Meghan McGuire, SC First Steps
Ms. Gladys Carter, SC First Steps
Mr. Jason Gilbert, SC First Steps
Mr. Russell Brown, SC First Steps
Ms. Nikki West, SC First Steps

Call to Order

Mr. Lewis Smoak, Vice Chair, welcomed everyone and called the meeting to order.

Approval of Minutes

Upon a motion by Mr. Lee Cory and a second to the motion, the minutes of the June 15, 2006 meeting were approved as written.

Strategic Planning and Administration Committee

Mr. Cory, Chair, reported that the committee had reviewed the adjustment to the current year's budget as a result of funds appropriated by the General Assembly to First Steps as a one-time allocation of \$9,858,576. He stated the funds would be used to fund the South Carolina Child Development Education Pilot Program (4K Expansion) and Centers of Excellence models in the eight trial districts and with any remaining funds available, the pilot would be expanded to the remaining plaintiff school districts listed in Judge Cooper's ruling.

Mr. Cory reported that the committee is in the process of conducting a performance review for the First Steps Executive Director and members would be contacted prior to September 18. He advised members if they were not contacted to feel free to contact him for comments or suggestions.

Mr. Smoak, Vice-Chair, took a moment to welcome new designees, Ms. Melody McLaughlin, SC DDSN and returning designee, Ms. Cindy Sweigart, SC DHEC and.

Program/Grants Committee

Ms. Judith Aughtry reported the following items to the Board as information only. The state office has approved the reallocation of funds greater than 15% to Abbeville, Chester, Colleton, Dorchester, Lancaster, Orangeburg and Union counties. She reported that the State Office had approved the allocation of funds for Abbeville, Aiken, Anderson, Berkeley and Lancaster counties.

In addition, the committee recommended approval for Newberry County's request to implement Childcare Quality Enhancement programs using \$25,086 in E.I.A. funding to improve the quality of care and education in 10 participating centers and Lancaster County's request to implement the Childcare Quality Enhancement program using \$62,515 in State Funding to provide a quality-mentoring program to teach child care providers best practices to 29 facilities.

After a brief discussion, the motion to approve Newberry and Lancaster County's implementation of the Childcare Quality Enhancement Programs were approved.

Evaluation & Accountability Committee

Ms. Lisa Van Riper distributed the committee's "High/Scope Recommendations and Proposed Action Plan" to the board and reported that the High/Scope evaluation contract was to give First Steps an analysis showing if First Steps is moving from impact to implementation. She stated that The High/Scope Recommendations and Proposed Action Plan as submitted would require work sessions to achieve a full understanding of where data was obtained, shortcomings and desired outcomes prior to submitting it to the board for action. Ms. Van Riper reported that the Evaluation Committee had set aside September 6, 2006, as a meeting date to begin these work sessions. She asked every one in attendance to participate or send a representative or information regarding concerns and/or comments.

Early Childhood Education Program Committee

Ms. Linda O'Quinn reported that the committee had held several conference calls regarding First Steps 4K Expansion Lead Teacher Qualifications. Ms. O'Quinn asked Dan Wuori to present information to the board regarding an adjustment to these qualifications. Mr. Wuori reported that the committee had approved the 4K Expansion Guidelines, included in the board packets, and approved by the Executive Committee. He reported that in the conference calls it was determined that one of the possible Lead Teacher Qualifications which would be appropriate in the list of approved teacher qualifications had been left out. He reported that since the board had already approved the 4K Guidelines, he felt it necessary to bring this back to the board for information and approval. He directed the board's attention to Appendix B, included in the board packet, and informed the board that Appendix B is from the 4K Guidelines. Mr. Wuori reported that the proviso requires that the lead teacher in the 4K classrooms have completed a four-year or graduate teacher education program or have a two-year degree in early childhood and working towards completion of the teacher education program. He informed the board the proposed addition to Appendix B, First Steps 4K Expansion Lead Teacher Qualification is as follows: Active enrollment in a four-year teacher education program at the junior level or higher, with documentation of six or more credit hours in early childhood education and/or child development.

Mr. Wuori then directed the board's attention to the Lead Teacher Education Agreement included in the board packet. He informed the board that the proviso requires each lead teacher in a 4K expansion classroom either possess or be demonstrating progress toward the completion of a four-year (or graduate level) teacher education degree with an anticipated graduation date no later than August 15, 2010. The committee proposes this Lead Teacher Education Agreement be used by

applicant program directors and their proposed lead teacher candidates attesting to one of the three options on the agreement.

After a brief discussion the motion to approve Appendix B, First Steps 4K Expansion Lead Teacher Qualification addition and the Lead Teacher Education Agreement was approved.

Director's Report

Ms. Susan DeVenny introduced two speakers to the board to present recent reports released in South Carolina, 1) The Economic Impacts of the Child Care Industry in South Carolina and; 2) The Kids Count 2006 Databook. She welcomed and introduced Mr. Rick Noble, Executive Director, Richland County First Steps Partnership.

Mr. Noble presented background on The Economic Impacts of the Child Care Industry in South Carolina and introduced Dr. Donald L. Schunk, Assistant Professor of Economics and Research Economist, Moore School of Business, USC, who prepared the Economic Impact study.

Dr. Donald L. Schunk reported the purpose of the report is to analyze the many economic impacts of the child care industry in South Carolina and to provide a background for considering quality child care and early education in an economic development context. Dr. Schunk reported that overall, the child care industry in South Carolina has an estimated \$787.2 million impact on the state's economy. In terms of direct impact this is comparable to: 1) the newspaper publishing industry; 2) the TV/radio industry; and 3) the poultry and egg industry in SC. He stated that child care providers are a necessary piece of the economic infrastructure of South Carolina.

Dr. Schunk reported that the child care industry would appear to be meeting the needs of the current labor force, at least in terms of quantity of child care available. The geographic distribution of child care however is very uneven and in many communities demand exceeds supply. He stated while the "supply" of child care might seem sufficient there are still very important issues of affordability, quality, or flexibility of care, which do need to be addressed.

Dr. Schunk advised the board that the report provided a profile of the child care industry in South Carolina and discussed both the short-term and the long-term economic benefits of the industry as it stands today, focusing on the importance of making high quality care available. He stated the major themes of this analysis can be summarized as follows: Child care supports the regional economy and working families. High Quality Child Care enables children to succeed in school and life.

Dr. Schunk presented a synopsis of the report recommendations: 1) To incorporate high quality child care into South Carolina's economic development plan; 2) To recognize that publicly-funded child care spending leverages federal funds; 3) To give consumers the means, and economic incentives, to differentiate between child care options; 4) To link South Carolina tax incentives to improvements in high quality child care; 5) To encourage all public and private entities that fund child care and early education to focus on strengthening the quality of the current child care industry

rather than creating new program options; and, 6) To increase access to capital to help existing child care programs improve the quality of their facility and program.

Dr. Schunk then accepted questions from everyone in attendance.

Ms. DeVenny thanked everyone that participated in the study and asked if everyone would spend time focusing on the recommendations.

Ms. DeVenny welcomed and introduced Dr. Baron Holmes, SC Kids Count Director and asked him to present the 2006 Kidscount Data Book and “First Steps to Success” Kids Count Data to the board.

Dr. Baron Holmes reported that South Carolina ranks 47th among the 50 states in child well being according to the 2006 national Kids Count Databook. The Databook indicators point out many areas preventing South Carolina’s children from achieving their highest potential. Dr. Holmes reported that legislators have made important progress during the 2006 session in addressing the need for early learning by expanding South Carolina’s 4K program. However, the benefits of quality early learning must begin at birth. Dr. Holmes advised the board that in order for young children to reach their potential, their health, family, economics, and safety would have to improve by at least 20% on the Kids Count indicators.

Dr. Holmes went over the top ten reasons why young children are “not ready” in South Carolina and the top ten reasons to make young children a priority if South Carolina wants to be competitive.

Ms. DeVenny asked the board to reflect on the data that had been presented and to begin thinking about the responsibility of the State as we move forward.

Dr. Holmes accepted questions from those in attendance.

Mr. Dan Wuori briefed the board on the First Steps 4K Expansion Pilot. Mr. Wuori reported that Proviso 1.75 charges South Carolina First Steps with overseeing the expansion of 4K programming to eligible children within non-school district setting. This historic expansion creates a new system of 4K provisions in which funding follows the child to the parent’s choice of approved, accountable providers within either the public or private sector. He reported that First Steps is pleased with the progress of the expansion process. He informed the board that in three weeks First Steps has received 40 applications from private providers throughout the state. He directed the board’s attention to a map in the board packet showing where the 40 applications were from and reported they were mostly from the trial/plaintiff districts. He advised that 8 – 10 applications were being received per day at the state office and that the state office has hired a team of 4K experts traveling the state to provide monitoring, assistance, and to help make approval and eligibility visits.

Operations and Accountability

Mr. Rodney Jenkins, Chief Financial Officer, directed the board’s attention to the Budget Summary and Financial Statement FY 06-07, in their board packets. He reported that the total OFS current administration/program FY 06-07 are within that year to date budget. He reported that funds had been sent out to Partnerships for their

first quarter allocations. Mr. Jenkins reported that \$14.5 million are already obligated with a large portion of funds not obligated being the supplemental appropriation, which Mr. Wuori is working on with the 4K Expansion Pilot Program and Centers of Excellence. Ms. Jenkins added that the final end of the year report for FY 05-06 would be given at the September board meeting.

Mr. Smoak encouraged everyone to stay the course and continue working towards the task at hand. He advised the board that the next meeting would be September 21, 2006 and encouraged everyone's attendance. Mr. Smoak informed the board that the November board meeting would be more extensive data dialogue and encouraged attendance.

Adjournment

There being no further business, the meeting was adjourned.

Lisa Van Riper, Secretary
South Carolina First Steps to School Readiness
Board of Trustees, a South Carolina Nonprofit
Corporation

Lewis T. Smoak, Vice-Chair
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