

North Carolina  
Workforce Development Inventory

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FISCAL RESEARCH DIVISION  
A Staff Agency of the North Carolina General Assembly

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## Preface

The Fiscal Research Division has compiled this Workforce Development Inventory to provide an overview of the State's workforce development programs. It seeks to provide legislators and other interested parties with answers to the following questions:

- What agencies provide workforce development programs?
- What funding sources support these services?
- How are funds being spent on workforce development programs?
- Who is being served by these programs?

This document is divided into two sections: 1) Summary Information and 2) Program Details. The first section provides an overall picture of the workforce development landscape in North Carolina. The second provides additional detail about the purpose, authorized budget<sup>1</sup>, expenditures, and service population for individual programs. Funding and expenditure tables include data for the five previous fiscal years in addition to the current fiscal year. Note that in many cases one State agency may contract with or provide grants to another State agency. To avoid "double counting," this inventory shows these funds in the agency that actually provides the service.

There are many different ways to define workforce development. This inventory focuses on education, employment, and job-training efforts primarily designed to help employers obtain a skilled workforce as well as help individuals succeed in the workplace. Programs that promote these goals, but designed for other purposes, are beyond the scope of this inventory. For instance, higher education programs clearly contribute to the State's educated workforce. However, since many of these programs have multiple purposes, programs administered by the University of North Carolina and associate degree programs provided by the NC Community College System are not included.

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<sup>1</sup>To provide information about the extent to which funds are utilized, the inventory includes the authorized budgets as of June 30<sup>th</sup> for each of the five previous fiscal years and as of December 31<sup>st</sup> for the current fiscal year.

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# Summary Information

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## Summary

North Carolina has many workforce development programs to help employers obtain a skilled workforce and help individuals succeed in the workplace. Despite sharing common goals, these programs are operated by multiple agencies, are supported by several funding streams, and focus on serving different populations. To better understand this complex array of programs, it is important to identify the agencies involved, funding sources, spending levels, and populations served.

### **State Agencies Involved in Workforce Development**

Seven State agencies are involved in workforce development as defined by this inventory: Department of Administration (DOA), Department of Commerce, NC Community College System (NCCCS), Employment Security Commission (ESC), Department of Health and Human Services (DHHS), Department of Labor, and Department of Public Instruction (DPI). While these agencies collaborate in many instances, they do not collectively function as a single workforce development system.

A significant portion of the State's workforce development efforts focus on education programs. DPI allocates funds to public K-12 schools to provide career and vocational education programs to secondary students. By law, the NC Community College System Office "is designated as the primary lead agency for delivering workforce development training, adult literacy training, and adult education programs in the State."<sup>2</sup> In addition to a variety of programs that train adults for jobs in skilled crafts and trades or technical occupations, NCCCS provides general employability skills training and basic literacy instruction.

Four additional State agencies provide a variety of other workforce development services. The ESC's Employment Service Division serves as a statewide labor exchange that seeks to fill job openings with occupationally qualified workers and to help workers locate employment opportunities suited to their skills and knowledge. The Department of Labor works with employers to develop apprenticeship training programs, which combine on-the-job training with related theoretical and practical classroom instruction. DOA and DHHS programs focus on providing workforce development services for specific populations. For instance, DHHS's vocational rehabilitation programs focus on people with disabilities.

In contrast, the Department of Commerce does not provide direct workforce development services; rather it oversees the State's implementation of the federal Workforce Investment Act (WIA) provisions and coordinates the Rapid Response Team. In this capacity, Commerce is the State agency through which federal WIA funds are distributed to the State's 24 local workforce development boards. Commerce's Division of Workforce Development also staffs the Commission on Workforce Development, the State-level entity tasked with recommending policies and strategies for creating a comprehensive, streamlined workforce development system that will meet the goals outlined in federal and State workforce development legislation.

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<sup>2</sup> G.S. 115D-1

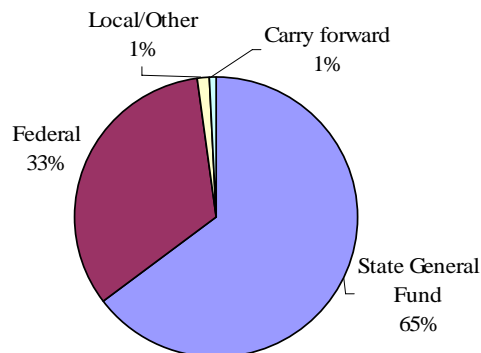
## Funding for Workforce Development Programs

A total of \$1.0 billion is authorized for workforce development programs in FY 2007-08.<sup>3</sup> Figure 1 shows the breakdown by funding source. The State General Fund provides 65% of the total funding for workforce development this fiscal year. Ninety-five percent of this General Fund appropriation is for career and vocational/technical education programs in the public schools and community colleges. Federal funds provide 33% of total funding. Over 80% of these funds support activities provided by State agencies outside of education. Likewise, over 90% of the local and other funding is used to support these non-education programs. Local funds are generally provided to satisfy federal matching requirements.

Since FY 2002-04, funding for workforce development programs has grown from \$818 million to \$1.0 billion, an increase of 24% or 4.3% per year on average (see Summary Table A, page 8). This growth has been driven by increases in General Fund appropriations for education programs. General Fund support for workforce development has

increased by 32% over the last five years. Federal funds have fluctuated from year to year, but have increased by only 14% over this same time period. Consequently, the proportion of workforce development funding supported by State General Fund appropriations is increasing.

**Figure 1: FY 2007-08 Authorized Funding for Workforce Development Programs**



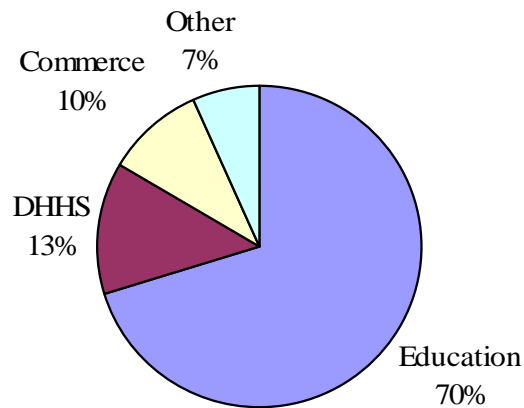
## Workforce Development Expenditures

In FY 2006-07, workforce development expenditures totaled \$906.4 million. As Figure 2 shows, approximately 70% of those expenditures supported education programs in public schools and community colleges. Thirteen percent supported services provided by DHHS. Ten percent were expended by Commerce, while the remaining 7% supported services provided by other agencies. These proportions have remained relatively constant over the last five years.

Workforce development expenditures have increased from \$732.2 million in FY 2002-03 to \$906.3 million in FY 2006-07 (see Summary Table B, page 9). This is a 24% over four years, or an average of 5.5% annually. While the majority of this growth was driven by education expenditures, education programs are not the fastest growing. Trade Adjustment Education Assistance expenditures have grown most rapidly, increasing by 369% between FY 2002-03 and FY 2006-07 (see Summary Table C, pages 10-11). This increase reflects the growing number of North Carolina workers laid off due to trade policies. Overall DHHS workforce programs are

<sup>3</sup> Note that this figure excludes the Work First County Block Grants, because the program does not have a specific budget for workforce development activities. Workforce development is just one of several authorized uses of these funds.

**Figure 2: FY 2006-07 Workforce Development Expenditures by Agency**



growing the most slowly. Indeed the amount of Work First County Block Grant money spent on workforce development activities has decreased by almost 50% since FY 2002-03.

### **Populations Served by Workforce Development Programs**

The workforce development programs included in this inventory serve a variety of populations. Most of the State's investment, however, supports programs designed to serve the general public. In FY 2006-07, almost 80% of workforce development expenditures supported either 1) general coordination and oversight activities or 2) programs available to anyone seeking to upgrade their skills or needing assistance with a job search. The general public can access many of these services through their local educational institutions, ESC offices, and JobLink One-Stop Career Centers.

The remaining 20% of expenditures supported programs that target specific groups. For example, dislocated workers receive targeted assistance through a variety of agencies. The Governor's Rapid Response Team coordinates services to employers and workers impacted by business closures and mass layoffs. A portion of WIA funds distributed to local workforce development boards are dedicated to dislocated worker initiatives. ESC's Trade Adjustment Act program supports workers laid off due to trade policy, helping them with job searches and connecting them to training opportunities. NCCCS offers entrepreneurial training specifically targeted at dislocated workers and provides special services at certain locations for individuals that have been adversely impacted by the changes in the tobacco industry.

Four workforce development programs are specifically focused on employers. The Department of Labor works directly with businesses to develop apprenticeships which offer skilled training and progressive wages. NCCCS's New and Expanding Industry Training program provides customized training to the employees of eligible businesses that create at least 12 new jobs. Community colleges also provide incumbent worker training through their Focused Industrial Training and Customized Industrial Training programs.

A variety of other groups also receive targeted services. DHHS's Vocational Rehabilitation and Services for the Blind programs focus on people with disabilities. DHHS also partners with ESC and NCCCS to assist the economically disadvantaged (i.e. TANF and Food Stamp recipients). Other programs aid displaced homemakers, Native Americans, older workers, and veterans.

**Summary Table A**  
**North Carolina Workforce Development Programs Authorized Funding**

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	<b>495,384,887</b>	<b>488,898,753</b>	<b>536,734,575</b>	<b>572,058,444</b>	<b>624,424,904</b>	<b>653,529,268</b>
<b>Federal*</b>						
WIA Title I - Workforce Inv. Sys.	113,916,529	167,536,925	178,863,979	156,922,209	167,199,625	126,232,114
WIA Title II - Adult Literacy & Ed.	12,944,224	11,657,317	11,668,581	11,430,561	11,378,662	11,500,113
WIA Title III - Wagner/Peysner	21,491,672	19,095,940	22,972,526	23,329,662	20,389,315	19,175,559
Carl D. Perkins	43,473,729	45,545,111	45,979,756	45,738,372	46,084,146	48,652,358
Federal Rehabilitation Act	87,036,803	87,531,205	98,263,770	99,092,902	97,877,986	103,492,113
Federal - Other	16,307,980	19,778,497	24,775,399	27,823,928	29,680,057	27,632,124
<b>Federal Subtotal</b>	<b>295,170,937</b>	<b>351,144,995</b>	<b>382,524,011</b>	<b>364,337,634</b>	<b>372,609,791</b>	<b>336,684,381</b>
<b>Local/Other</b>	<b>12,143,623</b>	<b>10,856,368</b>	<b>18,310,212</b>	<b>16,902,986</b>	<b>14,522,958</b>	<b>11,946,771</b>
<b>Carry Forward</b>	<b>15,319,732</b>	<b>15,370,623</b>	<b>15,482,968</b>	<b>18,348,615</b>	<b>14,480,422</b>	<b>9,525,087</b>
<b>Total Authorized Budget</b>	<b>\$ 818,019,179</b>	<b>\$ 866,270,739</b>	<b>\$ 953,051,766</b>	<b>\$ 971,647,679</b>	<b>\$ 1,026,038,075</b>	<b>\$ 1,011,685,507</b>
<b>Less Actual Expenditures</b>	<b>\$ (732,221,805)</b>	<b>\$ (759,568,709)</b>	<b>\$ (845,429,534)</b>	<b>\$ (894,619,386)</b>	<b>\$ (906,370,409)</b>	
<b>Unexpended Balance</b>	<b>\$ 85,797,375</b>	<b>\$ 106,702,030</b>	<b>\$ 107,622,233</b>	<b>\$ 77,028,293</b>	<b>\$ 119,667,666</b>	

\*Federal funds shown here include federal carry forward amounts. These funds are not shown in the Carry Forward row because they are not drawn down from the federal government until they are actually expended. Note also that these figures exclude the authorized budget for Work First County Block Grants, as there is no specific budget for workforce development activities.

**Summary Table B**  
**Workforce Development Expenditures by Agency**

<b>Fiscal Year</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>	<b>% of FY 2006-07 Total</b>
<b>Education WFD Programs</b>						
NC Community College System	177,118,320	186,261,906	211,536,125	230,072,859	245,280,390	27.1%
Department of Public Instruction	329,311,555	327,285,467	345,784,686	362,684,793	392,635,967	43.3%
<b>Education Subtotal</b>	<b>506,429,875</b>	<b>513,547,372</b>	<b>557,320,811</b>	<b>592,757,652</b>	<b>637,916,357</b>	<b>70.4%</b>
<b>Other WFD Programs</b>						
Department of Administration	1,195,560	1,306,830	1,503,393	2,444,712	2,727,745	0.3%
Department of Commerce	65,365,493	77,629,850	100,949,780	110,792,039	90,259,356	10.0%
Department of Health and Human Services	110,773,698	113,273,136	124,364,417	126,932,338	117,358,965	12.9%
Department of Labor	1,213,872	848,510	1,177,487	1,561,114	1,659,363	0.2%
Employment Security Commission	47,243,307	52,963,011	60,113,646	60,131,531	56,448,624	6.2%
<b>Other Programs Subtotal</b>	<b>225,791,930</b>	<b>246,021,337</b>	<b>288,108,723</b>	<b>301,861,734</b>	<b>268,454,053</b>	<b>29.6%</b>
<b>Total Expenditures</b>	<b>\$ 732,221,805</b>	<b>\$ 759,568,709</b>	<b>\$ 845,429,534</b>	<b>\$ 894,619,386</b>	<b>\$ 906,370,409</b>	<b>100.0%</b>

**Summary Table C**  
**Workforce Development Expenditures by Program**

<b>Fiscal Year</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
<b>Department of Administration</b>					
Displaced Homemakers Programs	1,005,739	1,099,789	1,088,935	1,983,803	2,322,291
Indian Affairs' WD Programs	189,821	207,041	414,458	460,909	405,454
<b>Agency Subtotal</b>	<b>1,195,560</b>	<b>1,306,830</b>	<b>1,503,393</b>	<b>2,444,712</b>	<b>2,727,745</b>
<b>Department of Commerce</b>					
Division of Workforce Development	3,659,674	3,648,365	4,403,158	4,694,370	5,716,967
Workforce Investment Act (WIA)	61,705,819	73,981,485	96,546,622	106,097,669	84,542,389
<b>Agency Subtotal</b>	<b>65,365,493</b>	<b>77,629,850</b>	<b>100,949,780</b>	<b>110,792,039</b>	<b>90,259,356</b>
<b>NC Community College System</b>					
Economic and Workforce Development Division	1,277,248	1,398,822	2,154,560	3,249,315	3,661,932
Focused Industrial Training (FIT)	3,552,714	3,356,524	3,682,040	3,748,560	3,916,821
New and Expanding Industry Training (NEIT)	4,324,263	4,156,409	5,864,351	8,703,156	9,473,788
Customized Industry Training (CIT)	-	-	-	101,127	1,113,156
Small Business Center Network (SBCN)	3,858,410	4,162,271	4,508,476	5,343,047	5,658,468
BioNetwork	-	-	2,245,767	6,554,567	6,458,094
Basic Skills	52,478,047	57,166,594	63,344,160	65,971,413	70,205,318
Compensatory Education	919,784	946,130	1,042,670	1,005,324	1,082,995
Vocational and Workforce Continuing Education	110,348,819	113,078,699	124,651,842	130,071,871	139,765,618
Career Start	-	315,166	2,320,999	2,623,919	2,872,103
Project Skill-UP	-	-	-	-	152,943
Workforce Investment Act (WIA)	-	1,485,228	1,482,763	2,362,109	619,154
NC REAL	359,035	196,063	238,497	338,451	300,000
<b>Agency Subtotal</b>	<b>177,118,320</b>	<b>186,261,906</b>	<b>211,536,125</b>	<b>230,072,859</b>	<b>245,280,390</b>

**Summary Table C (Continued)**  
**Workforce Development Expenditures by Program**

<b>Fiscal Year</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
<b>Employment Security Commission</b>					
Wagner/Peysner	21,491,672	19,095,940	22,972,526	23,329,662	20,389,315
Local Office Operations - Supplemental Funding	16,873,034	21,649,512	20,920,630	16,385,425	15,535,488
Common Follow-Up System	255,813	247,735	300,000	300,000	300,000
Training and Employment Account	1,130,772	1,065,743	1,056,089	936,891	-
Disabled Veterans Outreach	1,741,284	1,336,322	1,069,219	1,157,841	1,171,399
Local Veteran Employment Representatives	2,457,292	3,100,788	3,715,439	3,704,401	3,618,258
Trade Adjustment Assistance - Education	3,293,440	6,466,971	10,079,743	14,317,311	15,434,164
<b>Agency Subtotal</b>	<b>47,243,307</b>	<b>52,963,011</b>	<b>60,113,646</b>	<b>60,131,531</b>	<b>56,448,624</b>
<b>Department of Health and Human Services</b>					
Work First - County Block Grants	2,702,250	1,910,660	2,086,498	2,385,112	1,469,786
Food Stamp Employment and Training Program	711,952	753,106	699,537	801,799	826,303
Services for the Blind	11,371,338	13,736,765	13,119,760	13,531,492	14,312,762
Vocational Rehabilitation Program	93,511,806	94,419,407	106,042,238	107,943,930	98,275,002
Senior Community Service Employment Program	2,476,352	2,453,198	2,416,384	2,270,005	2,475,112
<b>Agency Subtotal</b>	<b>110,773,698</b>	<b>113,273,136</b>	<b>124,364,417</b>	<b>126,932,338</b>	<b>117,358,965</b>
<b>Department of Labor</b>					
Apprenticeship Training Bureau	1,213,872	848,510	1,177,487	1,561,114	1,659,363
<b>Agency Subtotal</b>	<b>1,213,872</b>	<b>848,510</b>	<b>1,177,487</b>	<b>1,561,114</b>	<b>1,659,363</b>
<b>Department of Public Instruction</b>					
Career and Technical Education	329,311,555	327,285,467	345,784,686	362,684,793	392,635,967
<b>Agency Subtotal</b>	<b>329,311,555</b>	<b>327,285,467</b>	<b>345,784,686</b>	<b>362,684,793</b>	<b>392,635,967</b>
<b>Total Expenditures</b>	<b>\$ 732,221,805</b>	<b>\$ 759,568,709</b>	<b>\$ 845,429,534</b>	<b>\$ 894,619,386</b>	<b>\$ 906,370,409</b>

# **Program Details**

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Department of Administration  
**Council for Women: Displaced Homemakers Program**

**Statutory Citation:** G.S. 143B-394.10 North Carolina Fund for Displaced Homemakers

**Description:** The program provides men and women with the skills needed to enter or re-enter the workplace. The Council for Women defines a displaced homemaker as "an adult who has worked primarily without remuneration to care for the home and family and who, therefore has few or no marketable skills."

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	314,995	322,995	304,639	310,912	235,940	314,204
<b>Federal</b>	-	-	-	-	-	-
<b>Local/Other*</b>	690,744	783,070	770,059	1,708,964	2,127,287	
<b>Carry Forward</b>		10,440	14,240	37,730	66,603	-
<b>Total Authorized Budget</b>	<b>\$ 1,005,739</b>	<b>\$ 1,116,505</b>	<b>\$ 1,088,938</b>	<b>\$ 2,057,606</b>	<b>\$ 2,429,830</b>	<b>\$ 314,204</b>
<b>Less Actual Expenditures</b>	<b>\$ (1,005,739)</b>	<b>\$ (1,099,789)</b>	<b>\$ (1,088,935)</b>	<b>\$ (1,983,803)</b>	<b>\$ (2,322,291)</b>	
<b>Unexpended Balance</b>	<b>\$ -</b>	<b>\$ 16,716</b>	<b>\$ 3</b>	<b>\$ 73,803</b>	<b>\$ 107,539</b>	

\*Divorce Filing Fee Receipts; note that while receipts for divorce filing fees will help support the program's budget in FY 2007-08, there is not an authorized budget for this funding source.

**Funding:** The General Assembly authorized funds from the State General Fund for program support in 1993. An additional source of revenue was approved through S.L. 1998-219, which dedicated a \$20 increase in divorce filing fees to the North Carolina Fund for Displaced Homemakers. Using an application process, funds are granted to local non-profits. A 20% locally acquired match is required. Authorized uses for the funds include staff salaries and benefits, operating expenses, travel, repairs and maintenance to agency-owned property, and insurance or bonding fees. Funds may not be used for entertainment or fundraising expenses, membership dues, petty cash, debt or mortgage payments, capital improvements, or lobbying expenses.

**Population Served:** Grant funds are used to support services intended to enable displaced homemakers to become economically self-sufficient through on-site services. In FY 2007-08, 42 non-profit programs have applied for and have been authorized to receive grant funds. These programs serve citizens in 47 counties.

**FRD Contact:** Anna Niles

Department of Administration  
**Indian Affairs' Workforce Development Programs**

**Statutory Citation:** P.L. 105-220, Section 166 Workforce Investment Act of 1998 - Native American Programs (for WIA program only)

**Description:** The federal funds are used to support the Workforce Investment Act (WIA) program, which provides job search, training, and placement services to the Native American population. State General Fund money is appropriated on a non-recurring basis to the North Carolina Indian Economic Development Initiative, which is aimed at spurring economic development and creating jobs in rural Indian communities.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>Beginning Cash Balance*</b>	454	(140)	(3,981)	1,018	51,585	(54,669)
<b>State General Fund</b>	-	-	160,000	325,000	117,411	150,000
<b>Federal</b>	189,227	203,198	259,457	186,478	181,789	-
<b>Local/Other</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	<b>\$ 189,681</b>	<b>\$ 203,058</b>	<b>\$ 415,476</b>	<b>\$ 512,496</b>	<b>\$ 350,785</b>	<b>\$ 95,331</b>
<b>Less Actual Expenditures</b>	<b>\$ (189,821)</b>	<b>\$ (207,041)</b>	<b>\$ (414,458)</b>	<b>\$ (460,909)</b>	<b>\$ (405,454)</b>	
<b>Unexpended Balance</b>	<b>\$ (140)</b>	<b>\$ (3,983)</b>	<b>\$ 1,018</b>	<b>\$ 51,587</b>	<b>\$ (54,669)</b>	

\*The Indian Economic Development Initiative is funded through the State's General Fund. The WIA program is funded through federal receipts. The Beginning Cash Balance line is a combination of \$55,370 in General Fund dollars authorized to be carried forward from FY 2005-06 to FY 2006-07 and cash balances carried forward each year by the WIA program. These cash balances may be positive or negative depending on the fiscal year.

**Funding:** The table above only reflects funding for Indian Affairs' workforce development programs. It does not reflect the total amount of funding provided to the Commission of Indian Affairs. Federal funds for the WIA program do not require a match. Any statutory or regulatory requirements that are found to be inconsistent with the specific needs of the targeted population may be waived by the U.S. Secretary of Labor. Funds are used to increase academic, occupational, and literacy skills, increase workers' competitiveness in the work place, and to promote social and economic development through classroom training, work experience, and job search and placement services. Funds for the nonprofit Indian Economic Development Initiative do not have spending restrictions. The majority of State funds are used on staffing.

**Population Served:** WIA funds support programs that target enrolled members of State or federally recognized tribes. Located in Fayetteville, the Indian Economic Development Initiative seeks to create and preserve jobs in Indian communities and to increase individual tribal member's ability to create capital assets. The Initiative provides business development services to assist individuals and businesses to identify financing opportunities and to develop the skills necessary to run a business.

**FRD Contact:** Anna Niles

Department of Commerce  
**Division of Workforce Development**

**Statutory Citation:** G.S. 143B-438.10 Commission on Workforce Development

**Description:** The Division of Workforce Development provides financial and administrative oversight of Workforce Investment Act (WIA) activities for dislocated workers, adults, youth and incumbent workers. In this capacity, it oversees the chartering and operation of the State's JobLink One-Stop Career Centers. These centers combine a variety of State and local agencies in one location to provide job seekers and businesses with information, recruitment, job placement, and training opportunities. The Division also assists the State's 24 local workforce development boards and serves as staff to the State's workforce development board - the Commission on Workforce Development. Created in 1999 (S.L. 1999-237), the Commission on Workforce Development recommends policies and strategies for creating a comprehensive, streamlined workforce development system that will meet the goals outlined in federal and State workforce development legislation. The Commission has 38 members. Thirty-two members are appointed to four-year terms by the Governor; the remaining six serve by virtue of their office.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	-	-	-	-	-	-
<b>Federal*</b>	4,172,995	4,493,789	5,884,764	6,292,418	7,396,937	6,514,346
<b>Local/Other**</b>	370,730	269,146	332,689	400,376	415,237	381,085
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	<b>\$ 4,543,725</b>	<b>\$ 4,762,935</b>	<b>\$ 6,217,453</b>	<b>\$ 6,692,794</b>	<b>\$ 7,812,174</b>	<b>\$ 6,895,431</b>
<b>Less Actual Expenditures</b>	<b>\$ (3,659,674)</b>	<b>\$ (3,648,365)</b>	<b>\$ (4,403,158)</b>	<b>\$ (4,694,370)</b>	<b>\$ (5,716,967)</b>	
<b>Unexpended Balance</b>	<b>\$ 884,051</b>	<b>\$ 1,114,570</b>	<b>\$ 1,814,295</b>	<b>\$ 1,998,424</b>	<b>\$ 2,095,207</b>	

\*WIA funds may be carried forward for up to three years. Federal funds shown here include federal carry forward amounts. These funds are not shown in the Carry Forward row because they are not drawn down from the federal government until they are actually expended.

\*\*Other funds are generated through intergovernmental transfers, registration receipts, and sale of surplus property.

**Funding:** The majority of the Division's funding comes from WIA. Fifty-four percent of the funds are used for personal services. The remainder is used for purchased services, supplies, and equipment.

**Population Served:** Not applicable

**FRD Contact:** Kristine Leggett

Department of Commerce  
**Workforce Investment Act (WIA)**

**Statutory Citation:** P.L. 105-220, Title I B Workforce Investment Act of 1998 - Statewide and Local Workforce Investment Systems, as amended; G.S. 143B-438.12 Federal Program Administration

**Description:** Administered by the Department of Commerce's Division of Workforce Development, Workforce Investment Act (WIA) funds support programs and activities that upgrade the skills of existing workers, prepare youth and other emerging workers to enter the labor force, and reconnect dislocated workers and economically disadvantaged persons to the workforce.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	-	-	-	-	-	-
<b>Federal*</b>	103,174,720	147,911,771	158,196,645	140,366,611	154,246,375	114,130,231
<b>Local/Other</b>	-	-	-	-	-	-
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	<b>\$ 103,174,720</b>	<b>\$ 147,911,771</b>	<b>\$ 158,196,645</b>	<b>\$ 140,366,611</b>	<b>\$ 154,246,375</b>	<b>\$ 114,130,231</b>
<b>Less Actual Expenditures</b>	<b>\$ (61,705,819)</b>	<b>\$ (73,981,485)</b>	<b>\$ (96,546,622)</b>	<b>\$ (106,097,669)</b>	<b>\$ (84,542,389)</b>	
<b>Unexpended Balance</b>	<b>\$ 41,468,901</b>	<b>\$ 73,930,286</b>	<b>\$ 61,650,023</b>	<b>\$ 34,268,942</b>	<b>\$ 69,703,986</b>	

\*WIA funds may be carried forward for up to three years. Federal funds shown here include federal carry forward amounts. These funds are not shown in the Carry Forward row because they are not drawn down from the federal government until they are actually expended.

**Funding:** WIA provides grant funds by way of three separate funding streams – Youth, Adults and Dislocated Workers. Fifteen percent of each of the three funding streams may be retained by the Department of Commerce to oversee and administer the programs. For both the Youth and Adult funds, at least 85% must be allocated to the 24 local Workforce Development Boards to develop programs to serve their job seekers and business customers. Sixty percent of the Dislocated Worker funds must be allocated to the local Boards to provide for training needs of dislocated workers. The remaining 25% of Dislocated Worker funds is used for the Governor's Rapid Response team, which coordinates services to employers and workers impacted by business closures and mass layoffs.

**Population Served:** Dislocated worker, job seekers, and employers, as well as youth are served by WIA. Youth must be 14 to 21 years old, be economically disadvantaged, and have at least one barrier to employment. In FY 2006-07, 23,078 individuals were served by local Workforce Development Boards in WIA-funded activities.

**FRD Contact:** Kristine Leggett

NC Community College System  
**Economic and Workforce Development Division**

**Statutory Citation:** G.S. 115D-1 Community Colleges Statement of Purpose, G.S. 115D-3 Community College System Office

**Description:** The Economic and Workforce Development Division in the NC Community College System Office supports community colleges to 1) provide high quality, accessible training and services that enable North Carolinians to acquire knowledge and skills to obtain and maintain prosperous career opportunities and enhance their quality of life, and 2) provide North Carolina businesses and industries with a world-class workforce and a competitive. In addition to providing general leadership for the System's workforce development programs, Division employees provide leadership, planning, and coordination for the following programs: BioNetwork; Continuing Education, including Human Resources Development and Career Start; Emergency Services; Workforce Initiatives, including Career Readiness Certification; and the Small Business Center Network. The Division also includes six regional Customized Training Managers.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	1,055,078	1,075,031	1,122,469	2,910,823	3,127,160	3,206,969
<b>Federal*</b>	385,055	569,230	676,279	1,266,742	1,053,451	741,356
<b>Local/Other**</b>	-	1,196,453	1,801,786	913,132	119,356	33,222
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	<b>\$ 1,440,133</b>	<b>\$ 2,840,714</b>	<b>\$ 3,600,534</b>	<b>\$ 5,090,697</b>	<b>\$ 4,299,967</b>	<b>\$ 3,981,547</b>
<b>Less Actual Expenditures</b>	<b>\$ (1,277,248)</b>	<b>\$ (1,398,822)</b>	<b>\$ (2,154,560)</b>	<b>\$ (3,249,315)</b>	<b>\$ (3,661,932)</b>	
<b>Unexpended Balance</b>	<b>\$ 162,885</b>	<b>\$ 1,441,892</b>	<b>\$ 1,445,974</b>	<b>\$ 1,841,382</b>	<b>\$ 638,035</b>	

\*Federal WIA funds. \*\*Golden L.E.A.F. Foundation & Tobacco Trust Fund grants

**Funding:** Funds support employee salaries, benefits, travel, and other operating expenses. Funds also support a media campaign focused on raising the awareness about the BioNetwork initiative among potential companies, incumbent workers, and prospective students.

**Population Served:** Not applicable

**FRD Contact:** Jennifer Haygood

NC Community College System  
**Focused Industrial Training (FIT)**

**Statutory Citation:** G.S. 115D-5.1 Workforce Development Programs

**Description:** Created in 1981, the Focused Industrial Training (FIT) program (originally called “cooperative skills training”) provides customized training and services for North Carolina businesses to help them become more productive and competitive. FIT is directed toward workers who need to update their skills and technical knowledge because of technological changes. In addition to incumbent worker training, FIT centers assist with training needs assessment and the development of company- or industry-specific training plans.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	1,962,032	1,962,032	3,964,471	3,964,471	3,964,471	3,964,471
<b>Federal*</b>	-	599,684	-	-	-	-
<b>Local/Other**</b>	1,450,000	-	-	-	-	-
<b>Carry Forward</b>	1,829,481	1,729,190	839,746	1,122,177	783,246	783,246
<b>Total Authorized Budget</b>	<b>\$ 5,241,513</b>	<b>\$ 4,290,906</b>	<b>\$ 4,804,217</b>	<b>\$ 5,086,648</b>	<b>\$ 4,747,717</b>	<b>\$ 4,747,717</b>
<b>Less Actual Expenditures</b>	<b>\$ (3,552,714)</b>	<b>\$ (3,356,524)</b>	<b>\$ (3,682,040)</b>	<b>\$ (3,748,560)</b>	<b>\$ (3,916,821)</b>	
<b>Unexpended Balance</b>	<b>\$ 1,688,799</b>	<b>\$ 934,382</b>	<b>\$ 1,122,177</b>	<b>\$ 1,338,088</b>	<b>\$ 830,896</b>	

\*Workforce Investment Act (WIA); \*\*Worker Training Trust Fund (WTTF)

**Funding:** Each community college either has a FIT center or is part of a FIT consortia. In FY 2007-08, funds were allocated to 36 FIT Centers and 9 FIT Consortia. Colleges with greater than or equal to 10,000 manufacturing jobs in their service areas receive \$75,000 base funding. Colleges with less than 10,000 manufacturing jobs in their services areas each receive a base of \$55,000. They also receive additional funds per job. A minimum of one-third of the total allotment must be used for instructional purposes; remaining dollars may support the administration of the FIT program.

**Population Served:** FIT services are available to manufacturing industries and companies whose main product is the design and programming of computers and telecommunication systems. Eligible trainees include the employees of such companies that are skilled or semi-skilled production workers, computer programmers, industrial maintenance workers, and front-line supervisors. In FY 2006-07, 563 companies were served and 10,728 workers received training.

**FRD Contact:** Jennifer Haygood

NC Community College System  
**New and Expanding Industry Training (NEIT)**

**Statutory Citation:** G.S. 115D-5.1 Workforce Development Programs

**Description:** Created in 1958, the New and Expanding Industry Training (NEIT) program provides customized training assistance in support of new, full-time production positions created in the State of North Carolina. Resources may support training assessment, program development, instructional costs, and training delivery. The training is provided through community college faculty, third party contract instructors, and qualified company employees.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	6,028,541	6,033,126	6,028,541	6,028,541	6,028,541	6,028,541
<b>Federal</b>	-	-	-	-	-	-
<b>Local/Other</b>	-	-	-	-	-	-
<b>Carry Forward*</b>	9,989,181	9,053,569	10,930,286	11,094,476	8,399,976	4,954,728
<b>Total Authorized Budget</b>	<b>\$ 16,017,722</b>	<b>\$ 15,086,695</b>	<b>\$ 16,958,827</b>	<b>\$ 17,123,017</b>	<b>\$ 14,428,517</b>	<b>\$ 10,983,269</b>
<b>Less Actual Expenditures</b>	<b>\$ (4,324,263)</b>	<b>\$ (4,156,409)</b>	<b>\$ (5,864,351)</b>	<b>\$ (8,703,156)</b>	<b>\$ (9,473,788)</b>	
<b>Unexpended Balance</b>	<b>\$ 11,693,459</b>	<b>\$ 10,930,286</b>	<b>\$ 11,094,476</b>	<b>\$ 8,419,861</b>	<b>\$ 4,954,729</b>	

\*Includes carry forward of both General Fund dollars and funds made available through HB275 prior to FY 2002-03.

**Funding:** NEIT resources are applied to projects for eligible private, for-profit businesses by the Vice President for Economic and Workforce Development upon recommendation of the Regional Customized Training Director and the local community college NEIT director. The local community college may retain 5% of the project's cost, not to exceed \$60,000 per year, as an administrative allowance to develop and manage the project. While the length of projects may vary, the maximum time that an NEIT project can last is 36 months.

**Population Served:** Companies creating 12 or more production jobs in excess of their previous 3-year maximum employment level are eligible for assistance through NEIT. Eligible trainees include new front-line personnel involved in the direct production of goods and services and their first-line supervisors. In FY 2006-07, there were 208 NEIT projects: 97 for new and 111 for expanding companies. A total of 19,380 workers received training that fiscal year at an average cost of \$463 per trainee.

**FRD Contact:** Jennifer Haygood

NC Community College System  
**Customized Industry Training (CIT)**

**Statutory Citation:** G.S. 115D-5.1 Workforce Development Programs

**Description:** Created in 2006, the Customized Industry Training (CIT) program helps existing businesses and industries improve their productivity and profitability by providing incumbent worker training. The program augments the services provided by the New and Expanding Industry Training (NEIT) and Focused Industrial Training (FIT) programs, when their current guidelines do not apply.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>				2,625,000	2,750,000	2,750,000
<b>Federal</b>				-	-	-
<b>Local/Other</b>				-	-	-
<b>Carry Forward</b>				-	-	-
<b>Total Authorized Budget</b>				\$ 2,625,000	\$ 2,750,000	\$ 2,750,000
<b>Less Actual Expenditures</b>				\$ (101,127)	\$ (1,113,156)	
<b>Unexpended Balance</b>				\$ 2,523,873	\$ 1,636,844	

**Funding:** CIT resources are committed at the discretion of the NC Community College System President upon the recommendation of the Vice President for Economic and Workforce Development to projects on behalf of eligible private for-profit business/industry. While projects vary, the maximum length allowed for a specific project is 18 months.

**Population Served:** CIT services are available to existing North Carolina private, for-profit businesses where the company:

1. Has made an appreciable capital investment that involves the use of new technology;
2. Requires the enhancement of workforce skills to utilize the new technology; and
3. Will be a more productive or profitable, and as a result, will more likely remain a viable North Carolina corporate citizen.

Employees of selected North Carolina companies receive training provided by the partner community college. In FY 2006-07, funds were allocated to 19 projects, resulting in the training of 1,253 workers. The average cost per trainee was \$888.

**FRD Contact:** Jennifer Haygood

NC Community College System  
**Small Business Center Network (SBCN)**

**Statutory Citation:** No specific authorization; workforce development programs in general are authorized under G.S. 115D-1 and G.S. 115D-5.1.

**Description:** The objective of the SBCN is to increase the small business success rate by providing high quality, readily-accessible assistance to prospective and existing small business owners and their employees. Each Small Business Center (SBC) is a community-based provider of education and training, counseling, information, and referral. Confidential counseling services and access to resource libraries are free of charge. Some seminars and workshops require a minimal registration fee. The first 13 SBCs were established in 1984. The program was expanded, and by 1995 SBCs were located at all 58 community colleges.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	3,861,109	4,228,396	4,590,562	5,405,033	5,689,882	5,748,707
<b>Federal</b>	-	-	-	-	-	-
<b>Local/Other</b>	-	-	-	-	-	-
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	<b>\$ 3,861,109</b>	<b>\$ 4,228,396</b>	<b>\$ 4,590,562</b>	<b>\$ 5,405,033</b>	<b>\$ 5,689,882</b>	<b>\$ 5,748,707</b>
<b>Less Actual Expenditures</b>	<b>\$ (3,858,410)</b>	<b>\$ (4,162,271)</b>	<b>\$ (4,508,476)</b>	<b>\$ (5,343,047)</b>	<b>\$ (5,658,468)</b>	
<b>Unexpended Balance</b>	<b>\$ 2,699</b>	<b>\$ 66,125</b>	<b>\$ 82,086</b>	<b>\$ 61,986</b>	<b>\$ 31,414</b>	

**Funding:** Each year \$3,000 is distributed to each college to support professional development of SBC staff and program enhancement. An additional \$650,000 is distributed among colleges on a weighted basis using an SBC ratings system. A college's rating is based on the number of clients counseled, number of seminar/course attendees, number of businesses with 0-99 employees in its service area, and number of SBC locations operated by the college. The remaining funding is distributed equally among the 58 colleges, with the exception of Asheville-Buncombe Technical Community College which receives additional funding for tourism. Funding supports college SBC personnel, operations, and resource center materials.

**Population Served:** Anyone in North Carolina interested in entrepreneurship can access SBC services. In FY 2006-07, SBCs served a total of 70,448 clients, including 55,526 seminar/workshop participants, and 5,333 counseling clients.

**FRD Contact:** Jennifer Haygood

NC Community College System  
**BioNetwork**

**Statutory Citation:** No specific authorization; workforce development programs in general are authorized under G.S. 115D-1 and G.S. 115D-5.1.

**Description:** Started in FY 2004-05 with a grant from the Golden L.E.A.F. Foundation, BioNetwork is a statewide initiative that connects community colleges across North Carolina, providing specialized training, curricula and equipment to develop the workforce for the biotechnology, pharmaceutical and life sciences industries. The BioNetwork program seeks to act as an economic development catalyst by providing a continuous supply of trained workers. The initiative also seeks to give dislocated workers new skills, allow career changers to enter the biotechnology field, and upgrade the skills of incumbent workers at all levels.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>			-	3,480,435	7,144,781	6,577,758
<b>Federal</b>			-	-	-	-
<b>Local/Other*</b>			5,995,477	4,271,293	1,254,201	609,299
<b>Carry Forward</b>			-	2,115,382	876,418	-
<b>Total Authorized Budget</b>			\$ 5,995,477	\$ 9,867,110	\$ 9,275,400	\$ 7,187,057
<b>Less Actual Expenditures</b>			\$ (2,245,767)	\$ (6,554,567)	\$ (6,458,094)	
<b>Unexpended Balance</b>			\$ 3,749,710	\$ 3,312,543	\$ 2,817,306	

\*Golden L.E.A.F. Foundation grant

**Funding:** Funding is provided to five Centers at community colleges across the state. The Centers - each with an area of specialization - share information, innovations and resources with all the other BioNetwork Community Colleges so that they can remain at the cutting edge of workforce training and development. A sixth center, the BioNetwork Capstone Center - is based at NCSU's Centennial Campus, and houses a dedicated community college aseptic process suite to train our students, and workers from all over the state. In this specialized suite, workers undergo capstone hands-on training on commercial scale equipment. Funds also support Equipment and Innovation grants, which are awarded to community colleges based on a competitive grant process. Colleges use these funds to purchase equipment, laboratory supplies as well as support curriculum development, outreach initiatives, and student retention strategies.

**Population Served:** Adults who are currently employed or are interested in future employment in the biotechnology sector can take advantage of community college training that is supported and enhanced by the BioNetwork initiative.

**FRD Contact:** Jennifer Haygood

NC Community College System  
**Basic Skills**

**Statutory Citation:** P.L. 105-220, Title II Workforce Investment Act of 1998 - Adult Education and Literacy, as amended; G.S. 115D-1 Community Colleges Statement of Purpose

**Description:** The mission of the Basic Skills program is to assist adults to become literate and obtain the knowledge and skills necessary for employment and self-sufficiency, to assist adults who are parents to obtain the educational skills necessary to become full partners in the educational development of their children, and to assist adults in the completion of a secondary school education. Adults can improve their reading, writing, mathematics, and communication skills through five major program components: Adult Basic Education, General Educational Development, Adult High School, English as a Second Language, and Compensatory Education.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	44,381,105	47,010,667	54,260,832	57,239,314	61,704,892	66,274,578
<b>Federal*</b>	12,944,224	11,657,317	11,668,581	11,430,561	11,378,662	11,500,113
<b>Local/Other</b>	-	-	-	-	-	-
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	<b>\$ 57,325,329</b>	<b>\$ 58,667,984</b>	<b>\$ 65,929,413</b>	<b>\$ 68,669,875</b>	<b>\$ 73,083,554</b>	<b>\$ 77,774,691</b>
<b>Less Actual Expenditures</b>	<b>\$ (52,478,047)</b>	<b>\$ (57,166,594)</b>	<b>\$ (63,344,160)</b>	<b>\$ (65,971,413)</b>	<b>\$ (70,205,318)</b>	
<b>Unexpended Balance</b>	<b>\$ 4,847,282</b>	<b>\$ 1,501,390</b>	<b>\$ 2,585,253</b>	<b>\$ 2,698,462</b>	<b>\$ 2,878,236</b>	

\*Workforce Investment Act (WIA) - Adult Education and Literacy Funds

**Funding:** State funding is provided to each community college through a formula that provides a base amount of \$20,000 and distributes the remaining State funds based on target population, the number of GED and Adult High School Diplomas awarded, the college's level of effort, and number of full-time equivalent (FTE) students. Federal funds are provided to Community-Based Organizations (i.e. literacy council, etc.) through an application process and to community colleges based on the number of FTE students. At least 82.5% of federal funds must be awarded to these eligible service providers. No more than 5% may be used for State administration, and no more than 12.5% of federal funds may be used for State leadership activities (i.e. staff development, technical assistance, etc.). To receive federal funds, the State must provide a match equal to 25% of the total amount of funds expended for adult education and literacy and maintain fiscal effort with regards to State expenditures per student.

**Population Served:** Basic Skills services are eligible to individuals who 1) have attained 16 years of age, 2) are not enrolled or required to be enrolled in secondary school under State law, and 3) lack sufficient mastery of basic educational skills to function effectively in society, do not have a secondary school diploma or its equivalent, or are unable to speak, read, or write the English language. In FY 2006-07, 131,519 people enrolled in Basic Skills programs.

**FRD Contact:** Jennifer Haygood

NC Community College System  
**Compensatory Education – Special Project Funds**

**Statutory Citation:** G.S. 115D-1 Community Colleges Statement of Purpose

**Description:** Compensatory Education (CED) is a program designed specifically for adults with developmental disabilities who have not received an adequate education in a formal setting, or who desire to continue learning beyond secondary schools. The Compensatory Education Program provides students with the opportunity to develop skills needed to achieve independence, productivity, integration, and inclusion in communities in which they live. It is the intent of this program to make available to students the necessary supports and learning experiences to make informed choices regarding where they live, work, and socialize.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	1,007,419	1,012,883	1,076,412	1,019,027	1,118,619	1,355,764
<b>Federal</b>	-	-	-	-	-	-
<b>Local/Other</b>	-	-	-	-	-	-
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	<b>\$ 1,007,419</b>	<b>\$ 1,012,883</b>	<b>\$ 1,076,412</b>	<b>\$ 1,019,027</b>	<b>\$ 1,118,619</b>	<b>\$ 1,355,764</b>
<b>Less Actual Expenditures</b>	<b>\$ (919,784)</b>	<b>\$ (946,130)</b>	<b>\$ (1,042,670)</b>	<b>\$ (1,005,324)</b>	<b>\$ (1,082,995)</b>	
<b>Unexpended Balance</b>	<b>\$ 87,635</b>	<b>\$ 66,753</b>	<b>\$ 33,742</b>	<b>\$ 13,703</b>	<b>\$ 35,624</b>	

**Funding:** This funding supplements resources provided through the Basic Skills program. Funding is distributed to all 58 community colleges to support compensatory education programs. Each college receives a base allocation of \$10,000; remaining funds are distributed based a college's headcount of CED students.

**Population Served:** Adults with developmental disabilities may access educational services at their local community college.

**FRD Contact:** Jennifer Haygood

NC Community College System  
**Technical and Vocational/Workforce Continuing Education**

**Statutory Citation:** P.L. 109-270 Carl D. Perkins Career and Technical Education Act of 2006, as amended; G.S. 115D-1 Community Colleges  
 Statement of Purpose

**Description:** Community colleges provide a variety of programs that train adults for jobs in skilled crafts and trades or technical occupations as well as increase their general employability skills. Students can earn technical and vocational credentials through: 1) certificate programs, which range from 12 to 18 semester hours and can usually be completed within one semester for a full time student and 2) diploma programs, which range from 36 to 48 semester hours credits and can usually be completed within two semesters and one summer term. Short-term courses are also provided for workers seeking to upgrade technical skills or train for a new job. Some courses are designed and taught at the request of the employer or other group. The Human Resources Development (HRD) program offers employability skills training to unemployed and underemployed adults.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	106,430,470	105,514,409	119,762,369	124,281,916	135,431,256	138,780,824
<b>Federal*</b>	11,252,854	11,378,053	11,556,197	11,249,742	11,286,898	13,435,296
<b>Local/Other</b>	-	-	-	-	-	-
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	<b>\$ 117,683,324</b>	<b>\$ 116,892,462</b>	<b>\$ 131,318,566</b>	<b>\$ 135,531,658</b>	<b>\$ 146,718,154</b>	<b>\$ 152,216,120</b>
<b>Less Actual Expenditures</b>	<b>\$ (110,348,819)</b>	<b>\$ (113,078,699)</b>	<b>\$ (124,651,842)</b>	<b>\$ (130,071,871)</b>	<b>\$ (139,765,618)</b>	
<b>Unexpended Balance</b>	<b>\$ 7,334,505</b>	<b>\$ 3,813,763</b>	<b>\$ 6,666,724</b>	<b>\$ 5,459,787</b>	<b>\$ 6,952,536</b>	

\*Carl D. Perkins Act funds

**Funding:** Funds are used to support vocational and technical education programs, services, or activities. State funds are distributed to community colleges based on the number of full-time equivalent (FTE) students served in technical/vocational and workforce continuing education programs. At least 85% of the funds must be distributed to eligible institutions. A college's allocation is based on its percentage of system-wide Pell Grant recipients. No more than 5% may be used for administrative costs, and administrative funds must be matched dollar for dollar. Ten percent of federal funds are to be used for State leadership activities. Of this amount, 1% must be used for correctional institutions and no more than \$150,000 expended on nontraditional training. State must maintain fiscal effort with regards to State expenditures each fiscal year. Under certain circumstances, the Secretary of Education may waive the requirements for one year only.

**Population Served:** The general population can enroll in technical/vocational and workforce continuing education courses.

**FRD Contact:** Jennifer Haygood

NC Community College System  
**Career Start**

**Statutory Citation:** P.L. 95-113, Title XIII Food and Agriculture Act of 1977 – Food Stamp and Commodity Distribution Systems, as amended

**Description:** Career Start is a program for Food and Nutrition Services (Food Stamp) Employment and Training participants. The program has two components: 1) an educational component, which is administered by the NC Community College System (NCCCS), and 2) a job search component, which is administered by ESC. The main objective of the educational component is to better prepare individuals for the workforce by providing pre-employment skills training through the local community colleges. Career Start is planned to be an eight-week process. All participants attend an orientation/skills workshop where they learn about writing a resume and cover letter, completing a job application and interviewing skills. Participants may also take personality and skill inventories to discover career interests and understand personal strengths and weaknesses for job preparedness. After this initial orientation, each participant is evaluated for job readiness. If the individual is determined to be job ready, he/she is referred directly to ESC for the job search component. If not job ready, an individual must participate in up to four weeks of community college Human Resources Development training, followed by an additional four weeks in the job search component at ESC.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>		268,753	1,319,505	2,636,593	1,518,050	1,451,559
<b>Federal</b>		278,022	1,389,430	137,118	1,525,220	1,454,767
<b>Local/Other</b>		-	-	-	-	-
<b>Carry Forward</b>		-	-	-	-	-
<b>Total Authorized Budget</b>		<b>\$ 546,775</b>	<b>\$ 2,708,935</b>	<b>\$ 2,773,711</b>	<b>\$ 3,043,270</b>	<b>\$ 2,906,326</b>
<b>Less Actual Expenditures</b>		\$ (315,166)	\$ (2,320,999)	\$ (2,623,919)	\$ (2,872,103)	
<b>Unexpended Balance</b>		<b>\$ 231,609</b>	<b>\$ 387,936</b>	<b>\$ 149,792</b>	<b>\$ 171,167</b>	

**Funding:** The number of colleges contracted by the NC Department of Health and Human Services - Division of Social Services (DSS) to provide the Career Start program varies each year. In FY 2007-08, DSS contracted with NCCCS to provide educational services at 26 community colleges across North Carolina.

**Population Served:** Food and Nutrition Services (formerly Food Stamp) recipients are referred to their local community college by DSS.

**FRD Contact:** Jennifer Haygood

NC Community College System  
**Project Skill-UP**

**Statutory Citation:** G.S. 143-720 Benefits and administration of (Tobacco Trust) Fund for compensatory programs

**Description:** The Project Skill-UP training program provides 1) outreach and recruitment activities to individuals, communities, businesses, and/or agencies that have been adversely impacted by the changes in the tobacco industry; 2) skills assessment and short-term occupational skills training to affected workers; and 3) student financial assistance to meet their educational goals.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>					-	
<b>Federal</b>					-	
<b>Local/Other*</b>					160,000	240,000
<b>Carry Forward</b>					-	
<b>Total Authorized Budget</b>					\$ 160,000	\$ 240,000
<b>Less Actual Expenditures</b>					\$ (152,943)	
<b>Unexpended Balance</b>					\$ 7,057	

\*Tobacco Trust Fund grant

**Funding:** This program is supported through grant funds awarded by the Tobacco Trust Fund Commission. In FY 2006-07, this initiative was successfully implemented at four colleges – Forsyth Technical CC, Lenoir CC, Southeastern CC and Vance-Granville CC. Each site received \$40,000. In FY 2007-08, these four sites received \$30,000. In addition three new sites – Johnston CC, Rowan-Cabarrus CC, and Wilkes CC– received \$40,000.

**Population Served:** Project Skill-UP provides services to workers and businesses adversely impacted by the changes in the tobacco industry within the service areas of the host colleges. In FY 2006-07, the four host colleges collectively served 372 students who received counseling and financial assistance to enroll in a variety of curriculum and continuing education courses.

**FRD Contact:** Jennifer Haygood

NC Community College System  
**Workforce Investment Act (WIA)**

**Statutory Citation:** P.L. 105-220, Title I B Workforce Investment Act of 1998 - Statewide and Local Workforce Investment Systems, as amended

**Description:** A portion of WIA funds provided by the federal government to the NC Department of Commerce may be used for statewide workforce initiatives. Commerce's Division of Workforce Development grants a portion of these funds to the NC Community College System (NCCCS) for specific projects. Currently, funds are used in four primary areas: 1) WIA coordination between Commerce, NCCCS, and the 24 local Workforce Development Boards, 2) NC STARS, a federally mandated database of eligible training providers, 3) Career Readiness Certification (CRC), a program that provides an individual with a portable employability credential that reflects his/her attainment of certain core employability skills required across many industries and occupations, and 4) New Opportunities for Workers (NOW) program, a joint effort between the Small Business Center Network and NC Rural Center to provide entrepreneurial training for dislocated workers who may want to start a micro-enterprise.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	-	-	-	-	-	-
<b>Federal*</b>	1,690,278	3,484,751	3,085,819	891,618	542,091	-
<b>Local/Other</b>	-	-	-	-	-	-
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	<b>\$ 1,690,278</b>	<b>\$ 3,484,751</b>	<b>\$ 3,085,819</b>	<b>\$ 891,618</b>	<b>\$ 542,091</b>	<b>\$ -</b>
<b>Less Actual Expenditures</b>	<b>\$ (1,485,228)</b>	<b>\$ (1,482,763)</b>	<b>\$ (2,362,109)</b>	<b>\$ (619,154)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Unexpended Balance</b>	<b>\$ 205,050</b>	<b>\$ 2,001,988</b>	<b>\$ 723,710</b>	<b>\$ 272,464</b>	<b>\$ -</b>	<b>\$ -</b>

\*Workforce Investment Act (WIA)

**Funding:** The NC Department of Commerce's Division of Workforce Development grants federal WIA funding to NCCCS each year. Funding varies from year to year based on funds available and project objectives.

**Population Served:** The general population can obtain a Career Readiness Certificate by taking WorkKeys assessment at a participating site. The NOW targets dislocated workers in selected counties that rank highest in the State in terms of manufacturing layoffs and unemployment.

**FRD Contact:** Jennifer Haygood

NC Community College System - Pass Through Funding to Non-Profit  
**NC REAL**

**Statutory Citation:** None

**Description:** NC REAL is a non-profit organization that provides educational programs and support for adults or youth interested in entrepreneurship. Its mission is to develop entrepreneurial talent through action learning and to foster the creation of sustainable enterprises throughout North Carolina, with special emphasis on rural communities.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	-	-	-	249,999	250,000	250,000
<b>Federal</b>	-	103,492	88,500	88,500	50,000	50,000
<b>Local/Other*</b>	359,035	120,000	150,000	-	-	-
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	<b>\$ 359,035</b>	<b>\$ 223,492</b>	<b>\$ 238,500</b>	<b>\$ 338,499</b>	<b>\$ 300,000</b>	<b>\$ 300,000</b>
<b>Less Actual Expenditures</b>	<b>\$ (359,035)</b>	<b>\$ (196,063)</b>	<b>\$ (238,497)</b>	<b>\$ (338,451)</b>	<b>\$ (300,000)</b>	
<b>Unexpended Balance</b>	<b>\$ -</b>	<b>\$ 27,429</b>	<b>\$ 3</b>	<b>\$ 48</b>	<b>\$ -</b>	

\*Worker Training Trust Fund

**Funding:** NC REAL receives pass-through funding through the NC Community College System. For the past three fiscal years, funding has been provided each year on a non-recurring basis from the General Fund. Previously, funding had been made available from the Worker Training Trust Fund. However, that fund has not had any available funds in recent years. Funds are intended to provide entrepreneurial skills training in cooperation with community colleges. NC REAL provides in-service seminars to community college faculty, preparing them to teach the REAL Entrepreneurship curriculum.

**Population Served:** Members of the general population may access entrepreneurial skills training provided by community colleges and other NC REAL sites.

**FRD Contact:** Jennifer Haygood

Employment Security Commission  
**Wagner/Peyser**

**Statutory Citation:** P.L. 105-220, Title III, Subtitle A Workforce Investment Act of 1998 – Wagner Peyser Act; G.S. 96-20 Duties of Division; conformance to Wagner-Peyser Act; organization; director; employees

**Description:** Wagner-Peyser is the federal law which establishes a public employment service in each state. Funds are provided from the Federal Unemployment Taxes (FUTA). G.S. 96-20 authorizes the Employment Service Division of ESC to carry out the Wagner-Peyser provisions in North Carolina.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	-	-	-	-	-	-
<b>Federal</b>	21,491,672	19,095,940	22,972,526	23,329,662	20,389,315	19,175,559
<b>Local/Other</b>	-	-	-	-	-	-
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	<b>\$ 21,491,672</b>	<b>\$ 19,095,940</b>	<b>\$ 22,972,526</b>	<b>\$ 23,329,662</b>	<b>\$ 20,389,315</b>	<b>\$ 19,175,559</b>
<b>Less Actual Expenditures</b>	<b>\$ (21,491,672)</b>	<b>\$ (19,095,940)</b>	<b>\$ (22,972,526)</b>	<b>\$ (23,329,662)</b>	<b>\$ (20,389,315)</b>	
<b>Unexpended Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	

**Funding:** Wagner-Peyser is the primary funding source for the Employment Service (ES) Division of ESC. Funds are allotted to each state in accordance with the formula set forth in section 6 of the Wagner-Peyser Act (29 U.S.C. 493). They are based on monthly averages for each state's share of the civilian labor force and unemployment based on the last calendar year data. Each state must reserve 10% of its total allotment for use by the Governor to provide performance incentives for public ES offices, services for groups with special needs, and for the extra costs of exemplary models for delivering job services. The remainder is allocated to State and local offices for various employment service programs. There are no matching requirements.

**Population Served:** Ninety-three local offices in 90 counties across the State provide job placement and re-employment services and unemployment claims benefit assistance to both employers and jobseekers. Local office services are available at no cost to anyone needing assistance. During FY 2006-07, local offices registered over 231,000 new jobseekers and listed 287,000 job openings across the State.

**FRD Contact:** Kristine Leggett

Employment Security Commission  
**Local Office Operations - Supplemental Funding**

**Statutory Citation:** G.S. 96-24 Local offices; cooperation with United States service; financial aid from United States

**Description:** Local Office Operations funds are used to provide employment services at local offices throughout the State. In addition to federal funds and contracts with other agencies, the General Assembly authorizes the use of funds from the ESC Reserve to offset federal reductions to Wagner Peyser appropriations.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	-	-	-	-	-	-
<b>Federal*</b>	5,994,532	11,965,483	10,273,583	5,635,641	3,379,455	4,254,090
<b>Local/Other**</b>	6,300,000	5,000,000	6,000,000	6,000,000	7,000,000	7,000,000
<b>DHHS Food Stamp Contract</b>	3,386,954	3,473,994	3,447,212	3,572,205	3,954,460	3,760,899
<b>Work First/First Stop Contracts</b>	1,191,548	1,210,035	1,199,835	1,177,579	1,201,573	1,139,753
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total</b>	<b>\$ 16,873,034</b>	<b>\$ 21,649,512</b>	<b>\$ 20,920,630</b>	<b>\$ 16,385,425</b>	<b>\$ 15,535,488</b>	<b>\$ 16,154,742</b>
<b>Less Actual Expenditures</b>	<b>\$ (16,873,034)</b>	<b>\$ (21,649,512)</b>	<b>\$ (20,920,630)</b>	<b>\$ (16,385,425)</b>	<b>\$ (15,535,488)</b>	
<b>Unexpended Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	

\*Federal funds are WIA funds transferred from Commerce. They do not include Wagner-Peyser funds (accounted for on the previous page) or contracts with local Workforce Development Boards that may be paid with WIA funds (shown under Commerce - Workforce Investment Act).

\*\* FY 2002-03 and FY 2003-04 Worker Training Trust Fund; FY 2004-05 Special Employment Security Administration Fund; FY 2005-06 to present ESC Reserve Fund.

**Funding:** Funds are allotted to local offices on a formula basis that takes into account match requirements for the food stamp program, the size of the local labor force, and employment statistics within a specific area.

**Population Served:** Ninety-three local offices in 90 counties across the State provide job placement and re-employment services and unemployment claims benefit assistance to both employers and jobseekers. Local office services are available at no cost to anyone needing assistance. During FY 2006-07, local offices registered over 231,000 new jobseekers and listed 287,000 job openings across the State.

**FRD Contact:** Kristine Leggett

Employment Security Commission  
**Common Follow-Up System**

**Statutory Citation:** G.S. 96-32 Common follow-up information management system created

**Description:** The Common Follow-up System tracks former participants in State education and training programs. The system is also used to evaluate the effectiveness of job training, education, and placement programs in the State.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	-	-	-	-	-	-
<b>Federal</b>	-	-	-	-	-	-
<b>Local/Other*</b>	255,813	247,735	300,000	300,000	300,000	300,000
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	\$ 255,813	\$ 247,735	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
<b>Less Actual Expenditures</b>	\$ (255,813)	\$ (247,735)	\$ (300,000)	\$ (300,000)	\$ (300,000)	
<b>Unexpended Balance</b>	\$ -	\$ -	\$ -	\$ -	\$ -	

\* FY 2002-03 and FY 2003-04 Worker Training Trust Fund; FY 2004-05 Special Employment Security Administration Fund; FY 2005-06 to present ESC Reserve Fund.

**Funding:** Funds are used by the State office for administration, personnel, computer equipment, software, and data storage for the Common Follow-up System.

**Population Served:** N/A

**FRD Contact:** Kristine Leggett

Employment Security Commission  
**Training and Employment Account**

**Statutory Citation:** G.S. 96-6.1 Training and reemployment contribution

**Description:** H.B. 275 of the 1999 General Assembly created the Training and Employment account to fund non-recurring expenditures for re-employment services (e.g. building or equipment upgrades, temporary staff) for the Community Colleges or ESC. The statutory authorization for this program expires January 1, 2011. No contributions have been made to the account since 2001. ESC also received federal funds from the US Department of Labor to identify claimants who will likely exhaust their benefits and who will need reemployment assistance services to make a successful transition to new employment.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	-	-	-	-	-	-
<b>Federal*</b>	1,130,772	1,065,743	1,056,089	971,533	-	-
<b>Local/Other</b>	-	-	-	-	-	-
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	\$ 1,130,772	\$ 1,065,743	\$ 1,056,089	\$ 971,533	\$ -	\$ -
<b>Less Actual Expenditures</b>	\$ (1,130,772)	\$ (1,065,743)	\$ (1,056,089)	\$ (936,891)	-	-
<b>Unexpended Balance</b>	\$ -	\$ -	\$ -	\$ 34,642	\$ -	-

\*Funds from US Department of Labor

**Funding:** The account is funded through a surcharge on unemployment insurance contributions. The contribution does not apply in a calendar year if, as of August 1 of the preceding year, the amount in the Unemployment Insurance Fund equals or is less than \$900 million, or if at any time during the 12 months preceding August 1, the State unemployment rate rises above 4.3%. No contributions have been made to the account since 2001. Federal funding was discontinued in 2005.

**Population Served:** Federal funds were used to provide extensive reemployment services, such as career counseling, job orientation, and skills assessments for individuals identified as likely to exhaust their benefits.

**FRD Contact:** Kristine Leggett

Employment Security Commission  
**Disabled Veterans Outreach**

**Statutory Citation:** P.L. 93-618 Trade Act of 1974, as amended; G.S. 96-21 Duties concerning veterans and worker profiling

**Description:** Disabled Veterans Outreach develops jobs and job training opportunities for disabled and other veterans; provides outreach to veterans through all community agencies and organizations; and provides employability development and vocational guidance to eligible veterans, particularly disabled veterans.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	-	-	-	-	-	-
<b>Federal</b>	1,741,284	1,336,322	1,069,219	1,157,841	1,171,399	1,254,350
<b>Local/Other</b>	-	-	-	-	-	-
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	<b>\$ 1,741,284</b>	<b>\$ 1,336,322</b>	<b>\$ 1,069,219</b>	<b>\$ 1,157,841</b>	<b>\$ 1,171,399</b>	<b>\$ 1,254,350</b>
<b>Less Actual Expenditures</b>	<b>\$ (1,741,284)</b>	<b>\$ (1,336,322)</b>	<b>\$ (1,069,219)</b>	<b>\$ (1,157,841)</b>	<b>\$ (1,171,399)</b>	
<b>Unexpended Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	

**Funding:** Federal funds are appropriated for one disabled veteran specialist for every 7,400 veterans between the ages of 20 and 60 residing in the State. Funds may only be used for salaries and expenses and reasonable support of the program.

**Population Served:** All disabled veterans living in the State are eligible for services. In 2007, 9,268 veterans registered with the Disabled Veterans Outreach Program.

**FRD Contact:** Kristine Leggett

Employment Security Commission  
**Local Veteran Employment Representatives**

**Statutory Citation:** Ch. 268, 58 Stat. 284 Serviceman's Readjustment Act of 1944, Title IV Section 602, as amended; G.S. 96-21 Duties concerning veterans and worker profiling

**Description:** Local Veteran Employment Representatives (LVER) provide job development, placement, and support services directly to veterans, and ensure that there is local supervision of State Employment Agencies' compliance with federal regulations, performance standards, and grant agreement provisions in providing veterans with maximum employment and training opportunities.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	-	-	-	-	-	-
<b>Federal</b>	2,457,292	3,100,788	3,715,439	3,704,401	3,618,258	3,307,000
<b>Local/Other</b>	-	-	-	-	-	-
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	\$ 2,457,292	\$ 3,100,788	\$ 3,715,439	\$ 3,704,401	\$ 3,618,258	\$ 3,307,000
<b>Less Actual Expenditures</b>	\$ (2,457,292)	\$ (3,100,788)	\$ (3,715,439)	\$ (3,704,401)	\$ (3,618,258)	
<b>Unexpended Balance</b>	\$ -	\$ -	\$ -	\$ -	\$ -	

**Funding:** Federal regulations require that, as nearly as practicable, each State Employment Service attempt to fund one full-time Local Veteran Employment Representative (LVER) assigned to each local office with 1,100 or more registered veterans. One additional full-time LVER should be funded for every 1,500 registered veterans above 1,100. Local offices with at least 350 but less than 1,100 registered veterans should have a half-time LVER.

**Population Served:** All veterans are eligible for services with LVER. In 2007, 67,035 veterans registered with ESC.

**FRD Contact:** Kristine Leggett

Employment Security Commission  
**Trade Adjustment Assistance – Education**

**Statutory Citation:** P.L. 93-618 Trade Act of 1974 and P.L. 103-182 North American Free Trade Agreement Implementation Act, as amended

**Description:** Funded with federal funds through the Trade Act, Trade Adjustment Assistance (TAA) provides job training and assistance to workers laid off due to trade policy.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	-	-	-	-	-	-
<b>Federal</b>	3,293,440	6,466,971	10,079,743	14,317,311	15,434,164	13,700,919
<b>Local/Other</b>	-	-	-	-	-	-
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	<b>\$ 3,293,440</b>	<b>\$ 6,466,971</b>	<b>\$ 10,079,743</b>	<b>\$ 14,317,311</b>	<b>\$ 15,434,164</b>	<b>\$ 13,700,919</b>
<b>Less Actual Expenditures</b>	<b>\$ (3,293,440)</b>	<b>\$ (6,466,971)</b>	<b>\$ (10,079,743)</b>	<b>\$ (14,317,311)</b>	<b>\$ (15,434,164)</b>	
<b>Unexpended Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	

**Funding:** Funding for TAA is based on federally approved petitions within a State. Fifteen percent of the funds may be used for administration. The remaining 85% must be used for training. TAA funds are paid directly to the training institution since ESC offers no direct training of individuals.

**Population Served:** A TAA beneficiary must:

- 1) Be found by the US Department of Labor to have been adversely affected by increased imports;
- 2) Be certified by the Secretary of Labor as eligible to apply for adjustment assistance; and
- 3) Meet the following individual requirements:
  - a. Unemployment or underemployment must have begun on or after the impact date specified in the Secretary's certification as the beginning of the import-impacted unemployment or underemployment; and
  - b. Unemployment must begin before the expiration of the 2-year period beginning on the date on which the Secretary issued the certification for his or her group or before the termination date, if any, specified in the certification.

**FRD Contact:** Kristine Leggett

Department of Health and Human Services  
**Work First - County Block Grants**

**Statutory Citation:** P.L. 104-193, Title I Personal Responsibility and Work Opportunity Reconciliation Act of 1996 – Block Grants for Temporary Assistance for Needy Families, as amended; G.S. 108A-27 through G.S. 108A-27.16 Work First Program

**Description:** Work First is North Carolina's Temporary Assistance for Needy Families (TANF) program, which provides time-limited assistance to needy families with children. As a result of the 1996 welfare reform legislation, it replaced the Aid to Families with Dependent Children (AFDC), Job Opportunities and Basic Skills Training (JOBS), and Emergency Assistance (EA) programs by consolidating them into a single block grant administered at the county-level. Job training and other workforce development activities are authorized uses of the funds.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	3,929,053	2,406,840	1,945,922	1,945,922	1,948,863	1,945,922
<b>Federal*</b>	76,731,616	80,041,923	80,037,029	80,262,663	82,242,062	77,820,000
<b>Local/Other**</b>	86,567,501	80,681,064	80,630,670	80,630,670	80,881,525	80,630,670
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Block Grant</b>	<b>\$ 167,228,170</b>	<b>\$ 163,129,827</b>	<b>\$ 162,613,621</b>	<b>\$ 162,839,255</b>	<b>\$ 165,072,450</b>	<b>\$ 160,396,592</b>
<b>Less Actual WFD Expenditures</b>	<b>\$ (2,702,250)</b>	<b>\$ (1,910,660)</b>	<b>\$ (2,086,498)</b>	<b>\$ (2,385,112)</b>	<b>\$ (1,469,786)</b>	
<b>Balance spent on non-WFD services or carried forward</b>	<b>\$ 164,525,920</b>	<b>\$ 161,219,167</b>	<b>\$ 160,527,123</b>	<b>\$ 160,454,143</b>	<b>\$ 163,602,664</b>	

\*Federal TANF funds. \*\*County funds. Note: The figures above show the total authorized block grant budget. There is no specific budget for workforce development, since counties have the flexibility to spend funds as needed. Federal funds shown here include federal carry forward amounts. These funds are not shown in the Carry Forward row because they are not drawn down from the federal government until they are actually expended. Expenditures listed above are specifically for workforce development activities, excluding contracts with the ESC and Community Colleges.

**Funding:** The Work First Block Grant is administered by counties, who decide how to spend funds within certain parameters. The block grant contains an allocation of federal funds used for services that meet the requirements for TANF, and state and county funds that are used to guarantee that state expenditures for allowable benefits and services for needy families in each fiscal year are at least 80% of a historic state expenditure level. Federal TANF funds may be spent as follows: cash assistance; child care; supportive services, including, but not limited to work-related expenses and transportation; educational activities intended to increase self-sufficiency, job training, and work; and administrative costs.

**Population Served:** Eligible families must meet two criteria: 1) include a child under age 17 living with his or her custodial parent or other adult caretaker relative; and 2) be financially eligible according to the appropriate income/resource standards established by the State in its TANF plan. The Work First caseload for FY 2006-07 was 684,165 individuals.

**FRD Contact:** Michele Alishahi

Department of Health and Human Services  
**Food Stamp Employment and Training Program**

**Statutory Citation:** P.L. 95-113, Title XIII Food and Agriculture Act of 1977 – Food Stamp and Commodity Distribution Systems, as amended

**Description:** The Employment and Training (E &T) Program is a mandatory component of the Food and Nutrition Services (FNS) Program. The purpose of the E&T Program is to provide training and employment opportunities for able-bodied FNS recipients. Training and employment services are provided by contracted agencies.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	-	-	-	-	-	-
<b>Federal*</b>	460,564	520,283	520,283	500,487	512,739	500,487
<b>Local/Other**</b>	360,978	420,697	420,697	400,900	413,152	400,900
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	<b>\$ 821,542</b>	<b>\$ 940,980</b>	<b>\$ 940,980</b>	<b>\$ 901,387</b>	<b>\$ 925,891</b>	<b>\$ 901,387</b>
<b>Less Actual Expenditures</b>	<b>\$ (711,952)</b>	<b>\$ (753,106)</b>	<b>\$ (699,537)</b>	<b>\$ (801,799)</b>	<b>\$ (826,303)</b>	
<b>Unexpended Balance</b>	<b>\$ 109,590</b>	<b>\$ 187,874</b>	<b>\$ 241,443</b>	<b>\$ 99,588</b>	<b>\$ 99,588</b>	

\*Federal FNS E&T funds. \*\*County funds. Note: The budget and expenditures listed above do not include contracts with the ESC and Community Colleges. Federal funds shown here include federal carry forward amounts. These funds are not shown in the Carry Forward row because they are not drawn down from the federal government until they are actually expended.

**Funding:** Funds are used for transportation and employment-related costs. These activities are funded by a 50/50 match of county and federal funds. Funds are administered by local Division of Social Services (DSS) offices. Only 56 counties currently meet the required criteria to be designated a Employment and Training County. Funds that support contracts with the Employment Security Commission and NC Community College System to provide job search training and activities to food stamp recipients who are required to participate in employment and training are *not* included in the above table, as they are reported under the ESC and NCCCS portions of this inventory.

**Population Served:** Unless exempt from work requirements, Food and Nutrition Services Unit (FNSU) members ages 16 through 59 must register and participate in the Career Start work program. In 56 counties, individuals are only referred to the Employment Security Commission (ESC) for eight weeks of job search activities. In 26 counties, individuals are referred to the local community college for four weeks of job seeking skills training before going to ESC for four weeks of job search activities.

**FRD Contact:** Michele Alishahi

Department of Health and Human Services  
**Services for the Blind**

**Statutory Citation:** P.L. 93-112 Federal Rehabilitation Act of 1973, as amended

**Description:** Workforce development services provided by the Division of Services for the Blind provides specialized personal, social, and vocational guidance and training to enable individuals who are blind, deaf-blind, or multi-disabled to enter, maintain, or regain employment.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	2,589,441	2,397,690	2,710,216	2,748,957	3,232,360	3,375,864
<b>Federal</b>	10,123,594	10,847,266	10,841,866	11,663,121	12,287,346	13,499,618
<b>Local/Other*</b>	150,490	538,102	224,114	407,644	93,187	277,782
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	<b>\$ 12,863,525</b>	<b>\$ 13,783,058</b>	<b>\$ 13,776,196</b>	<b>\$ 14,819,722</b>	<b>\$ 15,612,893</b>	<b>\$ 17,153,264</b>
<b>Less Actual Expenditures</b>	<b>\$ (11,371,338)</b>	<b>\$ (13,736,765)</b>	<b>\$ (13,119,760)</b>	<b>\$ (13,531,492)</b>	<b>\$ (14,312,762)</b>	
<b>Unexpended Balance</b>	<b>\$ 1,492,187</b>	<b>\$ 46,293</b>	<b>\$ 656,436</b>	<b>\$ 1,288,230</b>	<b>\$ 1,300,131</b>	

\*County funds. Federal funds shown here include federal carry forward amounts. These funds are not shown in the Carry Forward row because they are not drawn down from the federal government until they are actually expended.

**Funding:** Funds support services provided by both State-level rehabilitation staff and various purchase of service agreements with vendors. Federal funds require a 21.3% State match.

**Population Served:** Eligibility for services is based on the presence of a vision loss that constitutes or results in a substantial impediment to employment. The individual must be able to benefit from services that would help in achieving employment and requires services in order to prepare for, secure, retain, or regain employment.

**FRD Contact:** Denise Harb

Department of Health and Human Services  
**Vocational Rehabilitation Program**

**Statutory Citation:** P.L. 93-112 Federal Rehabilitation Act of 1973, as amended

**Description:** The Vocational Rehabilitation Program provides employment guidance and counseling, training, job placement, and post-employment support to people with disabilities.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	26,527,382	23,986,362	23,171,880	24,736,854	25,418,606	26,232,451
<b>Federal</b>	76,913,209	76,683,939	87,421,904	87,429,781	85,590,640	89,992,495
<b>Local/Other*</b>	1,940,084	2,023,244	2,059,482	2,255,824	2,396,081	2,436,346
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	<b>\$ 105,380,675</b>	<b>\$ 102,693,545</b>	<b>\$ 112,653,266</b>	<b>\$ 114,422,459</b>	<b>\$ 113,405,327</b>	<b>\$ 118,661,292</b>
<b>Less Actual Expenditures</b>	<b>\$ (93,511,806)</b>	<b>\$ (94,419,407)</b>	<b>\$ (106,042,238)</b>	<b>\$ (107,943,930)</b>	<b>\$ (98,275,002)</b>	
<b>Unexpended Balance</b>	<b>\$ 11,868,869</b>	<b>\$ 8,274,138</b>	<b>\$ 6,611,028</b>	<b>\$ 6,478,529</b>	<b>\$ 15,130,325</b>	

\* NC Third Party School Agreements. Federal funds shown here include federal carry forward amounts. These funds are not shown in the Carry Forward row because they are not drawn down from the federal government until they are actually expended.

**Funding:** The federal funds require a 21.3% State match. The scope of services includes assessment, counseling and guidance, physical and mental restoration, training, and job-related supports and placement. Job-related supports can include rehabilitation technology services and support services determined necessary to assist the individual with an employment outcome, including placement in a supported employment program. Program services are accessed through 32 unit offices and two Vocational Rehabilitation facilities strategically located throughout the State.

**Population Served:** Eligibility is based on the presence of a physical and/or mental impairment that impedes employment and the need for vocational rehabilitation services. In FY 2006-07, 50,959 individuals received one or more of the following services: diagnostic and assessment services; training; restoration services; modifications to home, work or vehicles or the provision of assistive technologies or services; auxiliary services, e.g., interpreter services for deaf and hard of hearing, and support services, e.g., transportation, maintenance (shelter, clothing, etc.).

**FRD Contact:** Denise Harb

Department of Health and Human Services  
**Senior Community Service Employment Program**

**Statutory Citation:** P.L. 89-73 Federal Older Americans Act of 1965, Title V, as amended

**Description:** The Senior Community Service Program serves persons who are aged 55 years and older with poor employment prospects and whose income is at or below 125% of the federal poverty level. Participants are employed part-time in community service assignments and receive job training and opportunities for job placement.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	6,001	7,460	9,414	10,206	10,055	11,191
<b>Federal</b>	2,251,126	2,326,339	2,298,149	2,285,453	2,262,244	2,513,949
<b>Local/Other</b>	242,630	251,021	245,260	243,733	241,306	268,137
<b>Carry Forward</b>	-	-	-	-	-	-
<b>Total Authorized Budget</b>	\$ 2,499,757	\$ 2,584,820	\$ 2,552,823	\$ 2,539,392	\$ 2,513,605	\$ 2,793,277
<b>Less Actual Expenditures</b>	\$ (2,476,352)	\$ (2,453,198)	\$ (2,416,384)	\$ (2,270,005)	\$ (2,475,112)	
<b>Unexpended Balance</b>	\$ 23,405	\$ 131,622	\$ 136,439	\$ 269,387	\$ 38,493	

**Funding:** Funds are from the US Department of Labor and require a 10% State match. The Division of Aging and Adult Services awards the funds through five of the Area Agencies on Aging based on the available slots within the area.

**Population Served:** Individuals have incomes at or below 125% of the federal poverty level and work 20 to 25 hours per week. In FY 2005-06, 267 people received services through the program; in FY 2006-07 another 239 people received services.

**FRD Contact:** Melanie Bush

Department of Labor  
**Apprenticeship Training Bureau**

**Statutory Citation:** G.S. 94-1 Apprenticeship Purpose

**Description:** Begun at the national level in 1937, Apprenticeship is a training program that combines on-the-job training with related theoretical and practical classroom instruction. The purpose of Apprenticeship is to provide young people the opportunity to obtain training that will equip them for profitable employment and skills in over 1,000 apprenticeable occupations. The Apprenticeship Bureau works with business and industry to promote and provide apprenticeships which offer skilled training and progressive wages.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	880,678	844,088	1,238,047	1,569,545	1,694,258	1,771,536
<b>Federal</b>	395,000	-	-	-	-	-
<b>Local/Other*</b>	23,119	6,900	10,648	1,120	3,151	-
<b>Carry Forward</b>	19,779	-	-	7,946	-	-
<b>Total Authorized Budget</b>	<b>\$ 1,318,576</b>	<b>\$ 850,988</b>	<b>\$ 1,248,695</b>	<b>\$ 1,578,611</b>	<b>\$ 1,697,409</b>	<b>\$ 1,771,536</b>
<b>Less Actual Expenditures</b>	<b>\$ (1,213,872)</b>	<b>\$ (848,510)</b>	<b>\$ (1,177,487)</b>	<b>\$ (1,561,114)</b>	<b>\$ (1,659,363)</b>	
<b>Unexpended Balance</b>	<b>\$ 104,704</b>	<b>\$ 2,478</b>	<b>\$ 71,208</b>	<b>\$ 17,497</b>	<b>\$ 38,046</b>	

\*Sale of surplus property and registration fees.

**Funding:** Funding is used for Apprenticeship Bureau employee salaries, travel expenses, and equipment.

**Population Served:** Apprenticeship is available to all manner of industries - from law enforcement to manufacturing to public administration. Employers are required to have an approved apprenticeship program developed by the Apprenticeship Bureau which includes an on-the-job training plan, a progressive wage scale, and required technical instruction. The apprentice must be employed by the employer and must be receiving progressive wages. In FY 2006-07, a total of 1,944 employers were served, and 19,974 apprentices participated.

**FRD Contact:** Kristin Walker

Department of Public Instruction  
**Career and Technical Education**

**Statutory Citation:** P.L. 109-270 Carl D. Perkins Career and Technical Education Act of 2006, as amended; G.S. 115C-151 through G.S. 115C-158 Vocational and Technical Education Programs

**Description:** Program funds support the development of the academic, career, and technical needs of public school secondary students who elect to enroll in career and technical education programs that will prepare them for occupations requiring preparation other than a baccalaureate degree.

Fiscal Year	2002-03	2003-04	2004-05	2005-06	2006-07	<i>Budgeted</i> 2007-08
<b>State General Fund</b>	300,340,636	294,234,861	317,015,218	332,515,818	364,988,622	385,284,851
<b>Federal*</b>	32,220,875	34,167,058	34,423,559	34,488,630	34,797,248	35,217,062
<b>Local/Other</b>	-	-	-	-	-	-
<b>Fed C'Fwd From Prev Yr</b>	3,480,837	4,577,564	3,702,677	3,969,886	4,302,594	3,841,782
<b>Total Authorized Budget</b>	<b>\$ 336,042,348</b>	<b>\$ 332,979,483</b>	<b>\$ 355,141,454</b>	<b>\$ 370,974,334</b>	<b>\$ 404,088,464</b>	<b>\$ 424,343,695</b>
<b>Less Actual Expenditures</b>	\$ (329,311,555)	\$ (327,285,467)	\$ (345,784,686)	\$ (362,684,793)	\$ (392,635,967)	
<b>Unexpended Balance</b>	\$ 6,730,794	\$ 5,694,017	\$ 9,356,768	\$ 8,289,541	\$ 11,452,498	

\*Carl D. Perkins Act funds. Note: Federal funding above does not include funds allocated to the NC Community College System.

**Funding:** State career and technical education funds are provided to local education agencies (LEAs) via two separate allotments. One allotment provides teaching positions to LEAs which are used to hire career and technical educators. The other allotment provides funding for the modernizing, expansion, and development of district-level programs. Both funding streams provide every LEA with a base allotment and additional support based on a measure of student attendance in grades 8-12.

Federal career and technical education funds are provided to the Department of Public Instruction (DPI) and are allocated as follows: (1) Five percent (5%) for State Administration; (2) Ten percent (10%) for State Leadership Activities; and (3) Eighty five percent (85%) to eligible secondary education programs (LEAs). One-third (1/3) of each of these portions is further allocated to the North Carolina Community Colleges. The remaining two-thirds (2/3) of the 85% to eligible LEAs is allotted as follows: (1) Thirty percent (30%) based on individuals aged 5-17 who resided in the school district served by the LEA; and (2) Seventy percent (70%) based on individuals aged 5-17 who reside in the school district served by the LEA from families with incomes below the poverty line. Funds are used to strengthen local career and technical education programs. Federal funds must be matched on a dollar-for-dollar basis using non-Federal funds. In addition, non-federal expenditures for career and technical education during a fiscal year must be equal to or greater than the non-federal expenditures from the prior year.

**Population Served:** Secondary students who elect to enroll in career and technical education programs.

**FRD Contact:** Brian Matteson