

PROGRAM EVALUATION DIVISION

NORTH CAROLINA GENERAL ASSEMBLY

June 2014

Report No. 2014-07

Follow-up Report: Workforce Development System

The Joint Legislative Program Evaluation Oversight Committee's 2011–12 Work Plan directed the Program Evaluation Division (PED) to evaluate the workforce development system and recommend administrative and organizational improvements. PED found the complexity of North Carolina's workforce development system compromised its effectiveness. The particular services and level of integration offered were inconsistent across local JobLink centers, and technology was not being fully harnessed. State and local program coordination had failed to create an integrated, effective workforce development system, and despite investments in a data system to track participants, there were no statewide performance measures for the system.

Based on these findings, PED recommended the General Assembly streamline the workforce development system, enhance accountability, strengthen the JobLink system, require increased use of technology, and create a legislative oversight committee to oversee the reforms.



Based on PED's report recommendations, the General Assembly enacted Session Law 2012-131, which

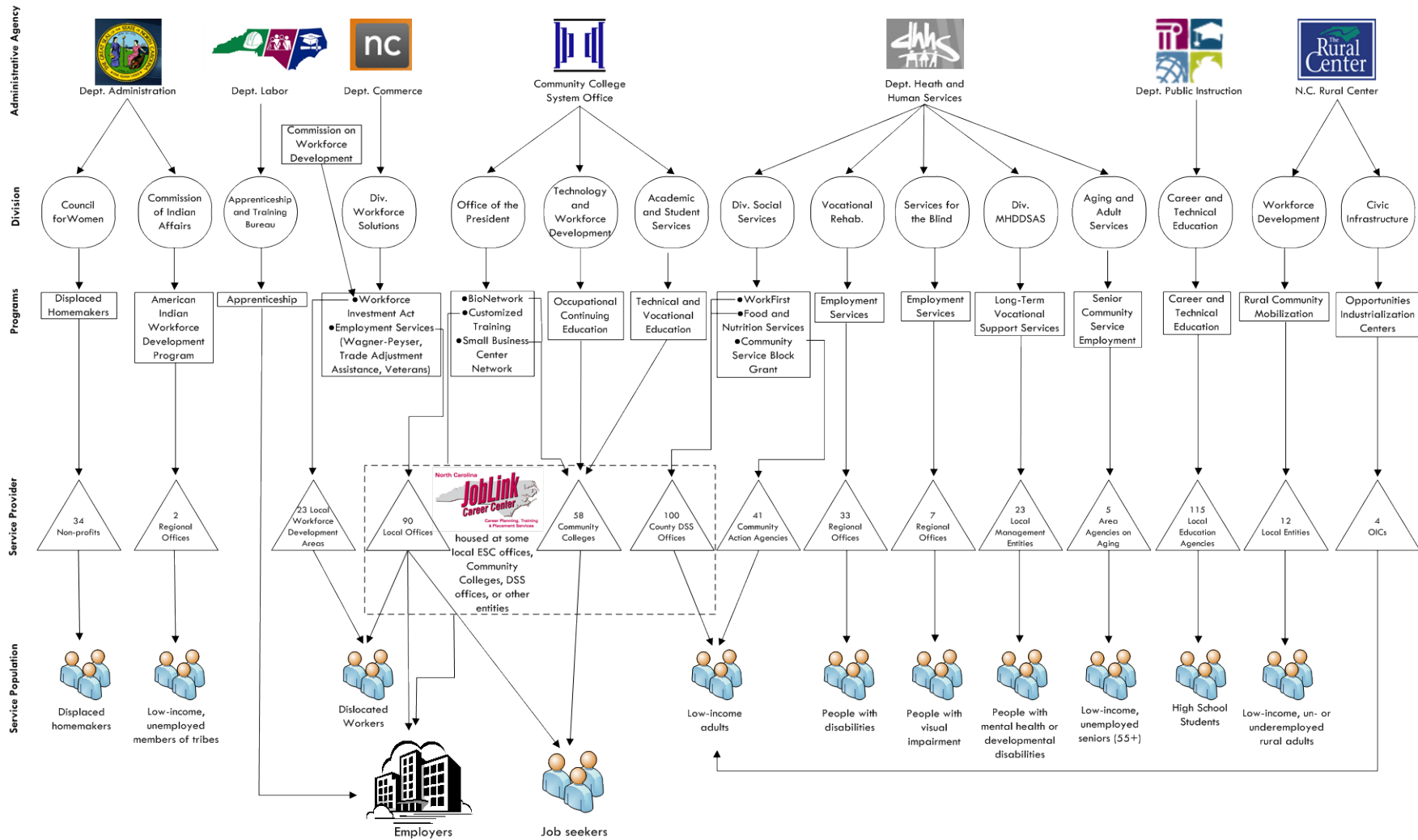
- streamlined the workforce development system (eliminating the Workforce Initiatives program);
- enhanced accountability by requiring statewide performance measures;
- strengthened the NCWorks Career Centers;
- directed agencies to use technology to integrate and improve access to services; and
- created the Joint Legislative Workforce Development System Reform Oversight Committee to oversee reform.

When PED conducted its evaluation in 2012, the workforce development system consisted of 22 programs administered by seven state agencies (see Exhibit 1). Currently, the system has 17 programs administered by five state agencies (see Exhibit 2).

In streamlining the workforce development system, the General Assembly eliminated state funding for workforce development programs provided by the Rural Economic Development Center and eliminated state funding for the Displaced Homemakers Program provided by the Department of Administration.

Meanwhile, the Governor transferred the Apprenticeship Program from the Department of Labor to the Division of Workforce Solutions in the Department of Commerce. PED had recommended transferring the Apprenticeship Program from the Department of Labor to the Community College System Office, but the Joint Legislative Program Evaluation Oversight Committee did not accept this recommendation.

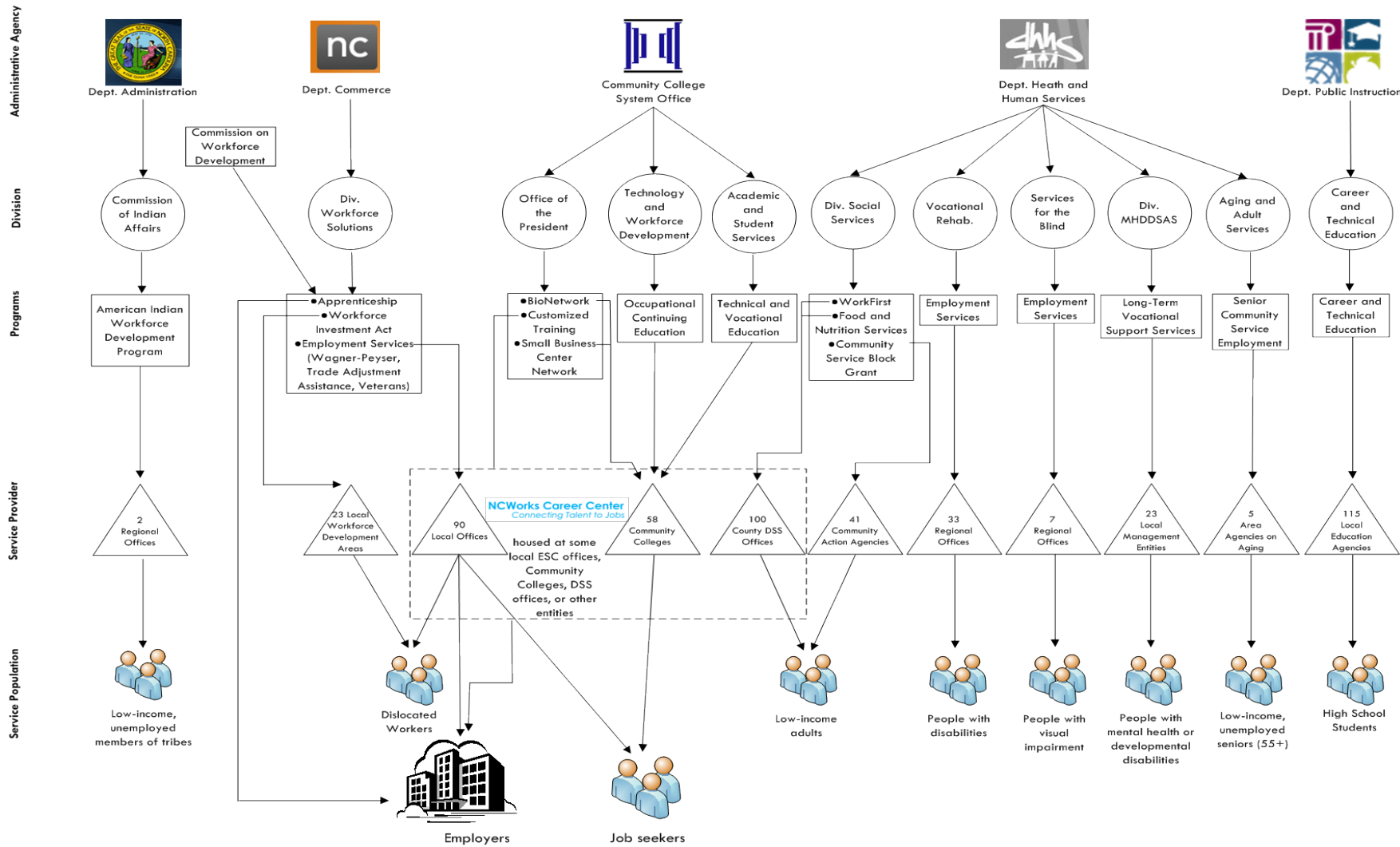
Exhibit 1: Former Workforce Development System (2012)



Note: MHDDSAS stands for Mental Health, Developmental Disabilities, and Substance Abuse Services. ESC stands for Employment Security Commission. DSS stands for Division of Social Services. OIC stands for Opportunities Industrialization Centers. The Workforce Initiatives program in the Community Colleges System Office and the Labor Market Information program in the Department of Commerce do not provide direct services and are not shown in this exhibit.

Source: Program Evaluation Division based on organizational data from workforce development programs.

Exhibit 2: Current Workforce Development System (2014)



Note: MHDDAS stands for Mental Health, Developmental Disabilities, and Substance Abuse Services. ESC stands for Employment Security Commission. DSS stands for Division of Social Services.

Source: Program Evaluation Division based on organizational data from workforce development programs.

PED Recommendation	Legislative Actions from Session Law 2012-131	Status of Legislative Actions
1. Streamline the workforce development system	<ul style="list-style-type: none"> • Eliminated Workforce Initiatives Program • Reduced membership of the Commission on Workforce Development from 38 to 25 	<ul style="list-style-type: none"> • Workforce Initiatives Program was eliminated • New Commission with reduced membership was appointed in 2013
2. Enhance accountability by requiring statewide performance measures	<ul style="list-style-type: none"> • Required Commission on Workforce Development to develop performance measures for the workforce development system and report annually on the performance of workforce development programs • Directed state agencies and local workforce development programs to report information to the Commission on Workforce Development • Directed Department of Commerce to strengthen the common follow-up management information system 	<ul style="list-style-type: none"> • Commission developed initial performance measures and issued first annual report on January 15, 2014 • Commission is receiving information from state agencies and local workforce development programs • Department of Commerce is working on strengthening the common follow-up management information system
3. Strengthen the JobLink Career Center system	<ul style="list-style-type: none"> • Directed Commission on Workforce Development to strengthen charter requirements for JobLink Career Centers • Directed state agencies to revise memorandum of understanding for the JobLink Career Center system 	<ul style="list-style-type: none"> • Commission strengthened charter requirements for NC Works Career Centers (formerly known as JobLink Career Centers), and centers are utilizing the revised standards • Revised memorandum of understanding effective July 1, 2013
4. Use technology to integrate programs and improve access to services	<ul style="list-style-type: none"> • Required Department of Commerce to create a unified web portal for workforce development system • Directed Department of Commerce to develop a plan to accommodate programs administered by Department of Administration and Department of Health and Human Services in the common intake and to report to the oversight committee on implementation timeline, process, and costs 	<ul style="list-style-type: none"> • NC Works Online, the unified Web portal for the workforce development system, is operational • Department of Commerce submitted the plan to the Fiscal Research Division on July 1, 2013
5. Create a legislative oversight committee to oversee reform	<ul style="list-style-type: none"> • Created Joint Legislative Workforce Development System Reform Oversight Committee, which will dissolve after issuing its final report to the 2015 session of the General Assembly • Charged committee with oversight of workforce development reform 	<ul style="list-style-type: none"> • Reform Oversight Committee was appointed in 2013 • Reform Oversight Committee is overseeing implementation of workforce development system reforms