



# **The State of North Carolina**

## **Integrated State Workforce Plan for Title I of the Workforce Investment Act and the Wagner-Peyser Act and Agricultural Outreach Plan as required by the US Department of Labor**

**Program Years 2012-2016  
July 1, 2012 – June 30, 2017**

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# 2012-2016 NORTH CAROLINA INTEGRATED STATE WORKFORCE PLAN

## U.S. Department of Labor Workforce Programs: Workforce Investment Act, Wagner-Peyser Act, Agricultural Outreach Plan

### Section I. State Workforce Strategic Plan

#### Governor's Strategic Vision

Governor Bev Perdue's top priority is creating new and sustaining existing jobs. Achieving this objective will require a strong workforce development system to provide education and training necessary to support a skilled workforce, especially as the nation recovers from one of the worst economic downturns since the Great Depression. During Governor Perdue's administration, which began in 2009, Recovery Act funds have been used to expand the state's economy and put North Carolinians back to work. The Governor's visions and goals are embodied in her JobsNOW initiative and other economic development and education efforts. The JobsNOW initiative focuses all available economic development and training resources to create jobs, train and retrain the state's workforce and lay the foundation for a strong and sustainable economic future. At the time of this Plan, more than 105,000 jobs have been created since the start of the administration.

During the past few decades, North Carolina has been transitioning from a traditional economy based on tobacco, furniture and textiles – to a global economy that is driven by knowledge-based enterprises. The NC Department of Commerce (the agency which houses North Carolina's workforce development programs) identified employment trends in key industries that will be increasingly important to long-term job growth for the state. These industries are: Education and Health Services; Trade, Transportation and Utilities; Professional and Business Services; Manufacturing; and Leisure and Hospitality. (See section on Economic and Workforce Information and Analysis, page 9.)

The Governor's overarching vision for North Carolina is a state with a growing economy in which the highest quality of services are provided to North Carolina citizens. Governor Perdue's top priorities to achieve this vision are helping businesses create jobs, enhancing the state's education network and making post-secondary education accessible for all students, and helping citizens get back to work through improved workforce development service delivery.

#### Governor's Strategic Vision - Initiatives

Governor Perdue is pursuing a number of initiatives designed to stimulate economic growth and help businesses create jobs for North Carolinians. Those initiatives are focused on workforce development efforts, helping small businesses, and fostering innovation and entrepreneurship. Two of the main economic tools are the Job Development Investment Grant and the One NC Fund. These grants require companies to meet job creation and investment targets to receive payments. No money is paid up front by

North Carolina. Through the use of these two grant programs, more than 110,000 jobs and more than \$20 billion in corporate investments have been pledged since 2001.

Biz Boost was an initiative launched by Governor Perdue as a pilot program in the Charlotte area during the economic struggles of the financial service sector. The pilot was so successful that the Governor expanded the initiative statewide in 2010. Since then, more than 10,000 jobs have been created and retained and more than 1,900 businesses have been served. The program has also resulted in also been \$110 million in total capital formation with more than 2,000 government contracts awarded totaling more than \$506 million. About a third of the businesses served are small and medium sized manufacturing firms.

Small businesses were also at the heart of a 2010 JobsNOW Small Business package that included \$34 million in tax relief for small businesses, as well as funds to promote tourism, support small family farms and strengthen North Carolina's efforts in the biotechnology, ag-biotech, and biofuels industries and for green business jobs.

Governor Perdue has been focused on strengthening North Carolina's already highly-ranked business climate for innovators and entrepreneurs. She has worked on an initiative to increase access to capital for businesses and to provide early seed money in some cases. The One NC Small Business Fund provides early stage funding for small, high-growth, high-tech businesses across the state. This initiative leverages federal Small Business Innovation Research and Small Business Technology Transfer funds with matching state funds to enhance the successes of NC small Businesses.

One major workforce development effort as part of the JobsNOW initiative involved charging community colleges with developing new and/or modified courses that can fast-track workers into careers in high-growth industries. The program would provide unemployed citizens with new jobs skills needed to get back to work. Particular challenges included closing the skills gap that exist among the current workforce and the workforce needed by employers, and helping unemployment insurance claimants to get back to work. To date, more than 14,000 students enrolled in the fast-track courses with nearly 8,000 students completing courses and nearly 6,000 career readiness certificates being issued. The North Carolina Department of Commerce and the Community College System jointly recommended that participating community colleges be allocated \$10 million for the initiative.

In addition, Governor Perdue has pushed the Opportunity North Carolina (ONC) initiative. ONC strives to serve those who would like to volunteer for a training opportunity of up to six weeks offered by a North Carolina employer. It gives businesses greater hiring confidence as a result of being able to train and observe program participants. After the training period, businesses have a potential employee ready to function at a much higher level.

Governor Perdue also understands that economic development and education are inextricably linked. You can't do economic development without a strong education network. Education has always been a core priority for the Governor starting in pre-K through North Carolina's excellent community college and

university system. The result of the legacy of commitment to education is the state's highest high school graduation rate in history.

The Governor continues to stand up for early childhood learning. She created 2,000 new slots in the state's nationally recognized NC Pre-K program. The new slots will allow children across the state to take advantage of the program's proven ability to prepare 4-year-olds for success in kindergarten and beyond.

One of the main education initiatives for Governor Perdue is "Ready, Set, Go!" The initiative consists of three overarching goals and will be achieved with the help of improved digital technology and diagnostic assessments.

1. Ready – Increase the number of students who can read, write and do math at the end of the third grade
2. Set – Increase the number of students performing at or above grade level
3. Go – Increase the number of students taking college credit courses while in high school; graduating from high school; going to college; and completing a degree from community college, colleges and universities.

Governor Perdue is also committed to helping every qualified student gain access to an affordable college education or to ensure they are ready for a career or college after high school. Career & College Promise is designed to remove financial barriers for access to higher education. In today's global economy, successful careers could require a two- or four-year degree, diploma or nationally recognized job credential.

Career & College Promise offers North Carolina high school students a clear path to success in college or in a career. The program is free to all students who maintain a "B" average and meet other eligibility requirements.

Career & College Promise is Governor Perdue's commitment to helping every qualified student gain access to an affordable college education and is ready for a career or college after high school. Eligible high school students can begin earning credit at a community college campus at no additional cost.

Students can earn:

- College credit completely transferrable to all UNC System Institutions and many of NC's Independent Colleges and Universities
- A credential, certificate or diploma in a technical career
- A high school diploma and two years of college credit in four to five years through innovative cooperative high schools (limited availability).

### **Governor's Strategic Vision - Aligning Efforts among Workforce Development Partners**

Governor Perdue understands the need to align efforts among workforce partners to achieve accessible, seamless, integrated, comprehensive service. As such, in 2011 she initiated the consolidation of services delivered through Workforce Investment Act, Trade Adjustment Assistance, and Wagner-Peyser Act

programs. With the goal to more efficiently and effectively serve the public, the former North Carolina Employment Security Commission was merged into the North Carolina Department of Commerce.

The main objectives of this merger are to: improve customer service for workers and employers, implement the merger with minimum negative impact on customers, consolidate and improve workforce development efforts, and maximize savings in state and federal resources.

Merger activities have been set in motion to:

- Develop new integrated technology including a new labor exchange system and new tracking system for performance measurement.
- Develop a new One-Stop system brand and marketing strategy to promote an improved system under a common identity and message impacting on customer service.
- Develop new policies and strategies to reorganize and improve our customer service delivery approach.
- Develop a strategy for system-wide staff development and training that complements the system changes and improvements

It is Governor Perdue's expectation that all state agencies with workforce investment responsibilities work together to eliminate barriers and maximize the use of all funds, including federal dollars. Government efficiency is both expected and necessary.

The North Carolina Commission on Workforce Development (the state WIB) is responsible for putting into practice the Governor's vision for a workforce development system that responds to North Carolina's economic needs by providing a seamless system of services operating within a common infrastructure at the state, regional, and local levels. It is charged with implementing any plans, policies, and strategic initiatives that would involve multiple agency programs and resources and has proven to be an effective means of establishing clearer lines of communication among state and local agencies with the One-Stop network. It also serves as the program management level line of communication between state and local agencies and the State Board of Education, the State Economic Development Board, and the Governor's Office.

North Carolina legislation designed to reform the state's laws governing the workforce development system passed in 2012 which expands the NC Commission's oversight authority of workforce initiatives within six state agencies. Previous state law gave only review responsibilities with no authority to set and enforce performance standards.

The new legislation helps to streamline joint planning efforts and the coordination of workforce programs and activities. Under the new law, the Commission will work closely with partner organizations such as the NC Community College System, the NC Department of Health and Human Services, and the NC Department of Public Instruction to develop and implement an improved workforce development performance measurement system. The Commission will lead the charge to develop and evaluate performance measures for all workforce programs in the state.

## **Supporting Economic Development and Employment and Training Needs**

In order for businesses to grow, they need qualified workers. Delivering high quality, affordable post - secondary education to the state's population is a must. Workforce development is a long term investment in the future of North Carolina. In the short-term, the state faces an historical set of economic challenges which must be addressed. The state continues to attract people and businesses, and the productivity of its labor force continues to improve. North Carolina's economic success is evident in the increase of the state's real gross domestic product, its ability to create new businesses (small and large), and its expanding export market. North Carolina will continue to strengthen its human capital through basic education and workforce development. Also, economic opportunity for all North Carolinians, regardless of income level or geographic location, will continue to be an essential goal of the state's economic and workforce development policies.

Labor exchange services, which include job placement, unemployment insurance, veterans' employment and training, Trade Adjustment Act (TAA) reemployment services, as well as other employer services, meet the needs of the customers served. In addition, partner staff located in most One-Stop Centers have been cross-trained and have a thorough understanding of the roles, responsibilities and services available through partner agencies enabling them to refer customers for service, disseminate information and/or provide services, as permitted.

## **Joint Planning and Coordination**

North Carolina continues to build on and enhance its history of a collaborative approach to workforce development. Current practices begin with the Governor's directive to make jobs a top priority and a serious buy in to that goal by all relevant state agencies. The Governor's leadership in aligning workforce partners resulted in a new Division of Workforce Solutions and a new Division of Employment Security. Beginning in 2011, under specific directive from the Governor and with bi-partisan support in the N.C. General Assembly, the Employment Security Commission of North Carolina was integrated into the N.C. Department of Commerce effective November 2011.

This effort to address North Carolina's response to the economic downturn and a state unemployment rate that has consistently been over the national rate for the past several years brought even more opportunity for interaction. Working across departmental lines are the N.C. Department of Commerce's Division of Workforce Solutions (Workforce Investment Act and Wagner-Peyser) and Division of Employment Security (Unemployment Insurance), N.C. Community College System (58 campuses), N.C. Department of Labor (apprenticeship), University of North Carolina System (16 campuses), N.C. Commission on the Status of Women, N.C. Department of Health and Human Services' Division of Vocational Rehabilitation and Division of Social Services. The N.C. Commission of Workforce Development serves as a mainstay of coordination for the state's workforce community. The Commission's membership provides comprehensive representation at the Executive level of the partners and stakeholders needed for true workforce planning. The Commission's Policy Committee and Operations Committee provide on-going attention between the Commission's formal meetings.

Specific to planning and coordination of the Program Year 2012-2016 State Plan, a detailed annotated calendar was developed by the Division of Workforce Solutions as the lead agency responsible. Review and analysis of U.S. Department of Labor's Integrated Plan requirements and array of resources began months in advance. A Plan workgroup of senior level subject matter experts was appointed. Careful attention to development of a Responsibility and Assignment matrix was established with interaction points incorporated. Particular focus was on the Economic and Workforce Information Analysis component provided by the N.C. Department of Commerce's Labor and Economic Development Division. Elements of the State Plan flow from this data. Formal and informal communications amongst the Workgroup and their constituent contacts resulted in a truly integrated State Plan.

North Carolina's long-standing commitment to integrated planning and results oriented coordination continue and was significantly increased during this recent plan period. Factors contributing to this come from both broad-based multi-partner interest and the physical merger into one Division of WIA and Wagner-Peyser services. The Commission on Workforce Development (North Carolina's state WIB) has reviewed, discussed and approved this plan on August 22, 2012 as well.

A strong planning initiative of the Division of Workforce Solutions' Assistant Secretary, was the appointment of five workgroups charged with specifically making the integration of WIA and W-P successful for customers; both business and individuals. Formal reports from these groups greatly assisted in joint planning. The Workgroups were charged with research, planning and recommendations in the following areas:

1. Programs and Policy Integration
2. Delivery System Brand Development
3. Technology Integration
4. Workforce Investment Act and Trade Adjustment Act Integration Training

### **Economic and Workforce Information and Analysis**

Currently, North Carolina is dealing with a prolonged period of high unemployment and slow job growth. In June 2012, North Carolina's unemployment rate (not seasonally adjusted) stood at 9.9 percent representing 463,123 unemployed North Carolinians. This does not include under-employed and discouraged workers not included in the 9.9 percent. As of June 2012, 200,000 more individuals are unemployed in North Carolina compared to December 2007. Despite some improvement, there are still significantly fewer people employed than there were at the start of the recession. Between December 2007 and May 2012, North Carolina's total non-farm jobs decreased nearly 6 percent. Most of the decreases in employment since the recession have been attributable to goods producing industries (23 percent) compared to smaller declines to those industries providing services (1.6 percent). At the macro level, consumers continue to limit spending, and therefore, the private sector has been slow to grow production and increase hiring of additional workers.

The persistent long-term unemployment rate in the United States and North Carolina has stressed the state’s regular unemployment reserve funds. Since the start of the Great Recession (December 2007) until April of 2012, on average, North Carolina’s initial claimant demographics have been:

- 53% male
- 58% Caucasian, 34% African-American, and 5% Hispanic
- 26% 25 to 34 year-old, 24% 35 to 44 year-old, 21% 45 to 54 year-old, 12% 20 to 24 year-old, and 12% 55 to 64 year-old
- 42% High School or GED, 28% some college, 14% less than college, and 11% bachelor’s degree
- 24% professional, technical & managerial occupations, 14% clerical, and 10% structural

In February 2008, North Carolina employment peaked with just over 4 million persons employed in the state. By February 2010, just two years later, the employment figures had bottomed out with 3.8 million persons employed. The North Carolina labor force did not begin to recover until eight months after the national recession had officially ended (June 2009).

As the North Carolina labor market continues its slow rebound from the Great Recession, the overall economy remains in transition. Employment trends show Education and Health Services as the driver of today’s economy, making up almost a quarter of the total covered employment in the state. Since 1991, the Professional and Business Services sector has increased its share of employment. Exploring which industries are growing or contracting can help plan resource allocations for infrastructure improvement and workforce development, and this knowledge may be used for developing targeted economic development strategies.

2011 Top Five Industries Share of Employment		
Industry	Average Employment	Share of Jobs
Education and Health Services	922,101	24%
Trade, Transportation, and Utilities	754,387	20%
Professional and Business Services	518,181	14%
Manufacturing	434,698	11%
Leisure and Hospitality	404,094	11%

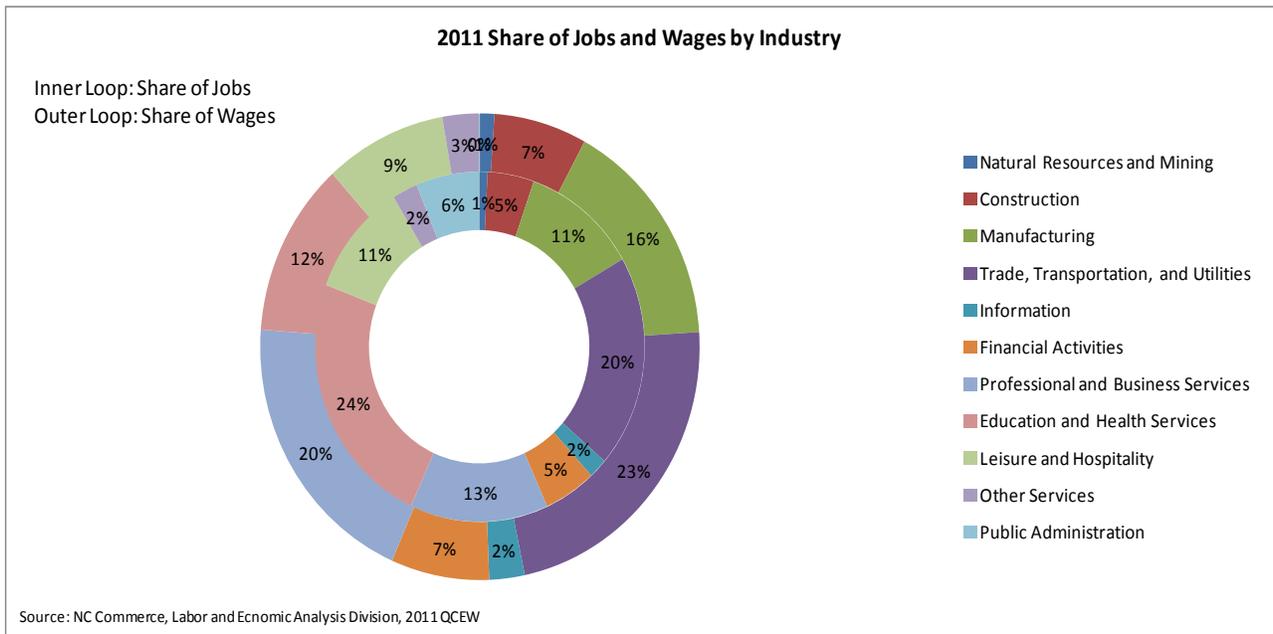
1991 Top Five Industries Share of Employment		
Industry	Average Employment	Share of Jobs
Manufacturing	783,566	26%
Trade, Transportation, and Utilities	643,622	21%
Education and Health Services	508,618	17%
Professional and Business Services	238,113	8%
Leisure and Hospitality	236,420	8%

Source: QCEW, NC Department of Commerce, Labor and Economic Analysis Division

The transition of North Carolina’s economy from labor-intensive, traditional industries to knowledge-based or service related industries, such as healthcare and technical services, suggest the need to maintain workforce training opportunities for displaced workers. The shift in overall industry composition has persisted since 1991, with service and knowledge-based industries growing at a faster rate (or shrinking at a slower rate), than traditional industry sectors. Still, the state’s traditional labor-intensive industries will likely have a place in the state’s economy for years to come as global wages rise and on-shoring of U.S. manufacturing continues. Rather than disappearing, North Carolina’s traditional manufacturing industries

are likely to take on higher value added or more technologically advanced activities to ensure competitiveness in the global economy.

North Carolina employment is concentrated in five industries. Ranked by employment size, North Carolina’s five largest industries are: Education and Health Services; Trade, Transportation and Utilities; Professional and Business Services; Manufacturing; and Leisure and Hospitality. These industries account for almost 80 percent of employment covered by Unemployment Insurance in the state. Like most of the country, employment in manufacturing is significantly declining. In North Carolina, the manufacturing industry has lost approximately 97,000 workers since December 2007.



North Carolina's increased employment in several industry sectors will likely continue in the long term. Current projections for 2020 show growth in traditional service industries such as Educational Services, Administrative & Support Services, and Professional, Scientific, & Technical Services. Those three industries are projected to grow by over 45,000 jobs each over the next decade. Other former mainstay industries for the state, such as Apparel, Furniture, and Textile manufacturing, are anticipated to lose 3,000 or more jobs over the same timeframe. Over the next 2 years, Educational Services, Professional, Scientific, & Technical Services, and Food Services & Drinking Places are projected to be North Carolina’s growth industries. Each of those industries is estimated to add more than 11,000 jobs each.

Healthcare has been a growth industry for North Carolina over the last 10 years and will continue that trend for the next decade as reflected in the projected occupational growth for the state. Healthcare Support Occupations are projected to add nearly 50,000 positions from 2008 to 2018. The following occupations: Healthcare Practitioners & Technical; Personal Care & Service; Legal; and Life, Physical & Social Science

round out the top 5 growth occupations for the state. It is important to note that occupations that vary with population tend to have higher occupational projections as reflected in food service and retail positions.

In January 2010 the North Carolina economy began to record employment gains for the first time since the recession began. Since then, most major industrial sectors in North Carolina have reported job growth. Employment gains have been led by the Professional & Business Services sector, which gained nearly 45,000 jobs from January 2010 to January 2012. Trade, Transportation, & Utilities gained 24,400 jobs in the same time frame. Only the Construction, Mining & Logging, and Government sectors have lost jobs over this period. The state's Goods Producing industries added 4,300 jobs, while the Service Providing Industries added 94,200 jobs.

### **North Carolina Demographics**

North Carolina currently ranks as the 10<sup>th</sup> largest state in the country with a population of 9,535,483 according to the 2010 U.S. Census. Since the 2000 Census, the state experienced a population growth of over 18 percent. A major reason for the state's population growth is the significant increase in people migrating from other regions of the United States or foreign countries. According to the U.S. Census Bureau, major trends in the geographic shifts of population have all been southerly since 1920. The national movement west is slowing and the South, including North Carolina, continues to see significant population gains. This migration has had significant impact on the North Carolina labor force, as well the overall economy.

North Carolina has seen a substantial shift in the population sub-groups of in-migrants since 1965. Data from the U.S. Census shows North Carolina losing substantial populations of young, single, college educated persons, from 1965-1980, and large gains in the same population from 1985-2000. This additional population brings several benefits in terms of skilled labor, but also places high demands on the state's infrastructure and services.

The state's racial and ethnic minority groups, particularly Hispanics, are growing more rapidly than the non-Hispanic white population. Data from the 2010 Census shows that North Carolina ranked 10<sup>th</sup> nationally in the total Hispanic and Latino population and experienced growth in excess of 100 percent. This development has been going on for decades and is fueled by both immigration and births. In 2010, the Census announced that non-Hispanic whites now account for a minority of births in the United States.

North Carolina also ranks 9<sup>th</sup> in the size of the population age 60 and older and has yet to fully reach the crest of the Baby Boomer generation. Since the economic recession began, many state legislatures have struggled to maintain balanced budgets and meet the increased service needs of an aging and growing population. North Carolina is no exception.

In addition to the standard population changes, North Carolina is home to eight U.S. military bases. The military population can cause the "true" population of the state to fluctuate. Thousands of highly skilled and educated military personnel are transitioning to civilian life each year. Over the period 2006-2010, more than 700,000 veterans called North Carolina home. In the past, the U.S. military maintained large

numbers of active duty members and their families overseas in foreign countries. Today's trend is to "home base" troops in the U.S. and deploy units overseas to meet the world-wide military operational demands. This shift places more responsibilities on families to use community support systems. Five Transition Assistance Program (TAP) sites in North Carolina (Camp Lejeune, New River, Cherry Point, Fort Bragg, and Seymour Johnson Air Base) assisted over 14,000 transitioning military personnel in 2011.

Over the past 20 years, North Carolina has transitioned from a traditional economy based on tobacco, furniture and textiles—to a global economy that is driven by knowledge-based enterprises. Employers in these industries demand a highly skilled and educated workforce to prepare them to successfully compete in a global economy. The state is expected to see continued growth in business, liberal arts and health knowledge in the next five years.

The Bureau of Labor Statistics reports that more than half (*BLS Occupational Employment Projections to 2012* <http://www.bls.gov/opub/mlr/2012/01/art5full.pdf> (p.16)) of the nation's top 30 fastest growing occupations will require an associate's degree or higher. In North Carolina, nearly 36,000 annual average job openings will call for an associate's degree or higher. Increasing high school graduation rates and moving higher percentages of the population into college or at least some other route to additional postsecondary education is one of the critical elements for the economic growth in the state.

While credentials (degrees and certificates) are important, more and more companies have also recognized that soft skills or basic workplace skills (those that are more social than technical) are important to developing a strong, vibrant workforce. These skills include communication, critical thinking, problem solving, leadership, professionalism, work ethic, teamwork, collaboration, adaptability and flexibility. A large percentage of young people preparing to enter the workforce are significantly lacking these skills that will help them become effective employees and managers, such as resource management. These skills are not just important for first-time employees; many soft skills have become more important for the experienced professionals. The need for all workers to have exposure to training focusing on job seeking and workplace basic skills should be addressed. Training for these skills can be incorporated into current programs and curricula.

Technical skills are also in high demand as computers and technology become integrated into most work environments. Competencies in computer operations, word processing, spreadsheets, database management, networking, telecommunications and multimedia integration are becoming a standard for jobs related to the growing service industries.

## Regional Knowledge Overview

Knowledge Distribution		Location Quotient (2017)	Growth (2012-2017)
Health	8% 	1.01	8%
Manufacturing	14% 	1.01	5%
Science	11% 	1.00	6%
Liberal Arts	26% 	1.00	7%
Business	27% 	1.00	7%
Technical	14% 	0.99	7%

## Regional Skills Overview

Skills Distribution		Location Quotient (2017)	Growth (2012-2017)
Technical	15% 	1.01	4%
Social	23% 	1.00	7%
Resource Management	11% 	1.00	7%
Basic	37% 	1.00	7%
Complex Problem Solving	4% 	1.00	7%
System	10% 	1.00	7%

Source: Economic Modeling Specialists, Inc., NC Department of Commerce, Class of Worker 1-4 2012.3

North Carolina's workforce development system partners provide a wide variety of employment and training services to a diverse customer base. During Program Year 2010, North Carolina's education and workforce development partner agencies provided services to over 2.4 million unique individuals. Workforce program customers often encompass high-need, under-served, under-employed, and/or low-skilled subpopulations. Examples of such customers include: unemployment insurance claimants and those with a history of long term unemployment, employment services applicants, Workforce Information Act program participants, transitioning military veterans, Temporary Assistance for Needy Families (TANF) and Food and Nutritional Services program recipients, high-school drop outs, ex-offenders, and individuals with mental and substance abuse problems. Between July 1, 2010 and June 30, 2011, Wagner Peyser served 883,544 registered applicants total, down from 1.1 million the year prior.<sup>1</sup> A total of 25,945 North Carolinians were served by WIA between July 1, 2010 and June 30, 2011<sup>2</sup>:

- Over 5,300 were youth participants.
- Nearly 8,000 were adult participants.
- Over 11,400 were considered dislocated workers.

### Aging Population

The state's workforce consists of over 700,000 citizens age 55 and older, representing 18 percent of the total workforce. Between now and 2030, the State's population age 65 and older will increase from 1.2 million to 2.1 million. However, aging in our state is not uniform: by 2030, 71 of the 100 counties are projected to have more people over age 60 than under age 18. Older workers continue to demand education as technology changes, transportation and housing needs. Of all North Carolinians age 65 and older, 19 percent are members of ethnic minority groups, but unlike many other states, most are African-American, with only 3 percent belonging to other groups including American-Indians, Hispanic and Asians. Among those citizens age 65 and older, 30 percent did not graduate from high school and another 32 percent have only a high school diploma, GED or alternative.

### Poverty

North Carolina's poverty rate was 17.9 percent in 2011, relatively unchanged from the rate in 2010<sup>3</sup>. The state's poverty rate rose more than 25 percent since the beginning of the Great Recession. Nearly 1.7 million North Carolinians were officially in poverty in 2011, and more than 737,000 lived in deep poverty. The child poverty rate was estimated to be 25.6 percent in 2011, compared to 9.7 percent for seniors. Poverty continues to impact specific demographic populations. In 2011, 28 percent of African-Americans, 34.9 percent of Latinos, and 27 percent of American Indians in the state lived in poverty. Even more disturbing are the 728,842 North Carolinians who lived in deep poverty—which equates to an annual income of roughly \$11,100 for a family of four. In fact, the deep poverty rate for North Carolina is a full percentage point above the national rate of 6.8 percent. There are only nine states with a higher deep poverty rate than North Carolina's deep poverty rate.

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<sup>1</sup> Donna Tutor, Division of Employment Services & Workforce Research and Evaluation, NC Commerce

<sup>2</sup> WIA PY10 Annual Report & NC Commerce Performance Metrics from Michael Hoskins

<sup>3</sup> The State of Working America, 12<sup>th</sup> Edition, September 2012, The Economic Policy Institute.

As of March 2012, 774,362 North Carolina households were participating in the Food and Nutritional Services Program, a federal food assistance program that helps low-income families.<sup>4</sup> Healthy economies generate opportunities for individuals and households to increase incomes. North Carolina's median household income is 88 percent of the U.S. average<sup>5</sup>. North Carolina's Temporary Assistance for Needy Families (TANF) program, called Work First, provides parents with the opportunity to get short-term training and other services to help them become employed and self-sufficient. Since the start of 2012, this program averages over 40,000 individuals on active cases per month.<sup>6</sup>

### Persons with Disabilities

One critically important subgroup that presents a unique set of challenges includes individuals with disabilities. The Division of Workforce Development works in close collaboration with its' JobLink system partners in the provision of services to individuals with disabilities. Two of these partners include the Division of Vocational Rehabilitation Services (DVR) and the North Carolina Division of Services for the Blind (DSB). During the 2011 program year the Division of Vocational Rehabilitation Services provided services to over 60,000 individuals and the Division of Services for the Blind provided services to over 3,500 individuals.

Over the five year period July 1 2006- June 30, 2011; North Carolina's education and workforce development partner agencies provided services to over 4.2 million individuals. This includes over 119,800 individuals who received services through DVR and over 7,000 individuals who received services through DSB, combined these two partners provided employment and rehabilitative services to over 126,500 unique individuals with disabilities. Of the more than 126,500 individuals provided services through DSB and DVR, 54% received employment and training related services through the Division of Workforce Development.

In 2010, the Division of Vocational Rehabilitation Services completed a comprehensive statewide needs assessment. Part of this assessment included a demographic analysis of the prevalence of disabilities among North Carolinians as well as an analysis of stakeholder input regarding the challenges and opportunities in serving individuals with disabilities.

Utilizing information from the American Community Survey analyses revealed that approximately 13.5% of North Carolina's non-institutionalized population aged 16 to 65 reported having some type of disability while 7.9% reported having a disability that limited their ability to work. Among racial groups, 7.7%, of Whites, 10.3% of African Americans and 3.0% of Latino/Hispanics reported having a disability that limited their ability to work. Analyses by gender revealed that 8.5% of females and 7.4% of males reported having a disability that limited their ability to work. Among age groupings, 17.0% of those aged 55 to 65, 11.6% of those aged 45 to 54, 5.0% of those aged 24 to 44 and 3.0% of those aged 16 to 23, reported having a disability that limited their ability to work. In addition, analyses revealed that individuals living in more rural areas of North Carolina were more likely to have a disability that limited their ability to work with 11.0% of those living in the least urbanized areas and 5.7% of those living in the most urbanized area reported having a disability that limited their ability to work.

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<sup>4</sup> [http://www.ncdhhs.gov/dss/stats/docs/ME\\_Reports/ME%20Report%2003-12.pdf](http://www.ncdhhs.gov/dss/stats/docs/ME_Reports/ME%20Report%2003-12.pdf)

<sup>5</sup> U.S. Census Quick Facts, Median House Hold Income 2006-2010

<sup>6</sup> <http://www.ncdhhs.gov/dss/stats/docs/WFCM/WFCM0612.pdf>

Through input gathered from stakeholders the needs assessment identified several key service delivery challenges. These challenges included educating employers regarding hiring and working with individuals with disabilities; providing education and training services to disabled customers and helping customers with motivational issues. Additional challenges that were identified included the unique transportation related needs of disabled customers and the challenges of helping disabled individuals find employment opportunities during the economic downturn.

In addition to the established well established methods listed in the State Plan to ensure that a full range of employment and training services are provided to individuals with disabilities, the Division's strategy to improve outcomes has been to have a representative from the Division of Vocational Rehabilitation Services on the management team of each One-Stop Center. Management teams regularly meet to discuss monthly to discuss service delivery in the One-Stop Center. This would include any programmatic or accessibility barriers for persons with disabilities. The Vocational Rehabilitation Representative ensures close coordination of disability services between appropriate service providers for persons with disabilities seeking services from the One-Stop Centers. The Vocational Rehabilitation Representative, along with the Disability Specialist for the One-Stop Center, coordinates yearly disability training for One-Stop Staff. The type of disability training depends upon staff needs. All One Stops Centers have been provided disability awareness CDs such as "The Ten Commandments of Serving Persons with Disabilities". As new staff are hired, they meet with the Disability Specialist for orientation.

## Challenges

The challenges of the economic recession have been felt throughout all geographic areas of North Carolina. Each of the state's 23 Workforce Development Board (WDB) Areas have had to face the burdens brought about by a prolonged period of high unemployment, significant job losses and slow job growth. In January of 2008, North Carolina's not seasonally adjusted unemployment rate was 5.5%, while the unemployment rates of the state's 23 Workforce Development Boards ranged from a low of 3.9% in the Capital Area WDB area to a high of 7.5% in the Northeastern WDB area. By January of 2009, the state's not seasonally adjusted unemployment rate climbed to 9.5%, while unemployment rates in 12 of the 23 WDB areas climbed into double digits. Capital Area's unemployment rate was still the lowest of the WDBs but it too had risen to 7.6%.

In January of 2010, the state's not-seasonally adjusted unemployment rate peaked at 12.0% and all but two workforce development board areas, Durham County and Capital Area, were faced with double digit unemployment rates. The unemployment rate in the Region C WDB area reached a high of 16.2%. By January of 2011, North Carolina's not seasonally adjusted unemployment rate had declined to 11.1% and all but three of the 23 WDB's continued to struggle with double digit unemployment rates. By January of 2012, North Carolina's not seasonally adjusted unemployment rate had dropped to 10.5% but 19 of the 23 WDB's were still facing double digit unemployment.

**Not Seasonally Adjusted Unemployment Rates**

Area	January 2008	January 2009	January 2010	January 2011	January 2012
Cape Fear WDB	5.3	10.0	12.2	11.7	11.7
Capital Area WDB	3.9	7.6	9.6	8.7	8.3
Centralina WDB	5.4	10.6	13.4	11.7	10.4
Charlotte Works WDB	5.0	9.2	11.8	10.7	10.1
Cumberland County WDB	5.6	8.4	10.0	10.3	10.3
DavidsonWorks WDB	6.0	11.6	14.4	12.4	11.4
Durham County WDB	4.1	7.0	9.0	8.5	8.2
Eastern Carolina WDB	5.2	9.4	10.6	10.3	10.1
Gaston County WDB	6.2	12.6	14.8	12.4	11.5
Greensboro/High Point/Guilford WDB	5.0	9.3	11.8	10.9	10.3
High Country WDB	6.0	10.9	13.4	13.1	12.1
Kerr-Tar WDB	6.4	11.0	12.9	11.9	11.4
Lumber River WDB	7.3	11.2	13.1	13.8	13.6
Mountain Area WDB	4.1	8.1	10.0	9.4	8.5
Northeastern WDB	7.5	11.7	12.9	13.1	13.5
Northwest Piedmont WDB	5.3	9.6	11.8	11.3	10.3
Region C WDB	6.2	14.0	16.2	13.7	12.6
Region Q WDB	5.6	9.7	11.4	11.3	10.9
Regional Partnership WDB	4.7	8.9	11.1	10.3	9.4
Southwestern WDB	6.5	11.8	13.7	13.6	12.8
Triangle South WDB	5.0	9.8	11.3	10.8	10.8
Turning Point WDB	6.8	12.2	14.3	13.9	13.6
Western Piedmont WDB	6.5	12.9	15.6	13.6	12.2
<b>North Carolina</b>	<b>5.5</b>	<b>9.5</b>	<b>12</b>	<b>11.1</b>	<b>10.5</b>

North Carolina Department of Commerce, Labor and Economic Analysis Division, Local Area Unemployment Statistics

**Average Quarterly Employment**

Area	Quarter 1 2008	Quarter 1 2009	Quarter 1 2010	Quarter 1 2011	Quarter 1 2012
Cape Fear WDB	159,286	149,998	145,041	145,578	145,176
Capital Area WDB	493,921	476,936	461,661	475,524	486,883
Centralina WDB	290,280	273,120	259,117	261,360	268,109
Charlotte Works WDB	567,676	547,944	528,473	541,459	558,475
Cumberland County WDB	118,876	118,618	116,784	117,969	118,714
DavidsonWorks WDB	43,389	39,984	37,846	38,594	40,557
Durham County WDB	181,586	182,018	174,816	177,559	181,591
Eastern Carolina WDB	211,780	205,395	200,201	200,628	204,396
Gaston County WDB	70,707	64,597	62,813	64,224	65,289
Greensboro/High Point/Guilford WDB	280,103	264,807	254,641	258,797	260,324

Average Quarterly Employment					
Area	Quarter 1 2008	Quarter 1 2009	Quarter 1 2010	Quarter 1 2011	Quarter 1 2012
High Country WDB	72,904	69,101	66,048	65,321	66,399
Kerr-Tar WDB	66,163	62,888	61,226	61,870	62,402
Lumber River WDB	78,538	74,865	71,922	71,090	69,058
Mountain Area WDB	164,942	157,209	152,403	154,140	155,322
Northeastern WDB	56,634	53,269	52,104	51,166	50,339
Northwest Piedmont WDB	273,325	261,808	250,321	248,432	253,014
Region C WDB	78,226	70,139	67,041	67,386	70,395
Region Q WDB	116,164	112,250	108,527	108,513	109,644
Regional Partnership WDB	170,117	163,355	156,847	159,236	162,429
Southwestern WDB	62,516	58,036	56,126	56,513	56,359
Triangle South WDB	88,025	81,087	79,505	79,158	78,613
Turning Point WDB	127,768	120,775	116,473	116,073	115,211
Western Piedmont WDB	155,677	143,324	136,790	139,194	138,671
<b>North Carolina</b>	<b>4,044,923</b>	<b>3,864,283</b>	<b>3,726,124</b>	<b>3,778,706</b>	<b>3,843,915</b>
<i>North Carolina Department of Commerce, Labor and Economic Analysis Division, Quarterly Census of Employment and Wages</i>					

Between the 1<sup>st</sup> Quarter of 2008 and the 1<sup>st</sup> Quarter of 2010, North Carolina experienced a significant decline in total covered employment and similar declines were experienced across all 23 WDB areas. During this same time period, six of the state's 23 WDB areas - Centralina, DavidsonWorks, Gaston County, Region C, Southwestern and Western Piedmont - experienced employment declines over 10.0%. An additional two WDB areas, Triangle South and High Country, experienced a decline of over 10.0% by the 1<sup>st</sup> Quarter of 2011. While the state experienced slight job growth between the 1<sup>st</sup> Quarter of 2011 and the 1<sup>st</sup> Quarter of 2012, seven WDB areas continued to experience employment declines during this time period.

All of North Carolina's economic development regions experienced a decline in employment during the recession. On average, the state's regions were at peak employment in December 2007 and reached their lowest level in January 2010. Over this time frame the Charlotte Regional Partnership lost the greatest number of employed workers, falling from 1,050,946 to 975,079. The NorthEast Partnership experienced the largest percent decline, losing 9.0 percent of their employed workers over the 2 year period. Since January 2010, all of North Carolina's regions have seen employment growth except the NorthEast Partnership. The Charlotte and Research Triangle Regional Partnerships have added 48,000 workers each. The Advantage West, Eastern, SouthEast, and Piedmont Triad Partnerships have added 48,000 jobs combined. The NorthEast Partnership lost 1,700 jobs in the same timeframe.

North Carolina's regional partnerships, workforce boards, workers and employers continue to face challenges brought about by the economic recession.

Workforce program customers often face employment barriers<sup>7</sup> in addition to required educational levels, which either impedes returning to work or maintaining current employment. Examples of obstacles include:

<sup>7</sup> <http://www.ncsl.org/issues-research/labor/barriers-to-employment.aspx>

Lack of skills or education, limited or no work history, low income, child care, transportation, health conditions, substance abuse, criminal history, homelessness, language barriers among diverse populations, and disabilities.

As a result of such needs, North Carolina experienced increased numbers of customers visiting JobLink and Employment Services offices, increased enrollments in Community Colleges, increased enrollments in WIA programs, increased participation in Food Stamp Employment and Training and TANF Program, increased claims for unemployment insurance benefits, and increased requests for information. Nearly 2.5 million unique individuals received services to address barriers such as these between July 1, 2010 and June 30, 2011.<sup>8</sup>

One substantial challenge facing North Carolina was the need to borrow money from the federal government to meet unemployment insurance benefit obligations during the recession. The state is now facing the requirement to pay back the borrowed funds. However North Carolina decides to fund the effort, either through bonds, higher taxes, and/ or reduced benefits, these measures will surely have effects on business, workers, the state budget's and the state's overall economy.

The goal of the Workforce Development System is to overcome the challenges the state's population faces attaining the education, skills, and training needed to obtain employment. However, according to the 2011 State of the North Carolina Workforce report, as businesses recover from the recession they are unlikely to bring low-skilled jobs back to North Carolina, but instead seek more highly skilled workers. This shift has implications for workers, businesses and workforce development professionals.

For workers, those with low skills are competing for fewer jobs, many of which pay lower wages than the manufacturing jobs of the past. In order to compete for better paying jobs, many individuals, especially the long-term unemployed, must upgrade their skills to find work. For businesses, the shift has created a skills gap, meaning employers are having a hard time finding workers with the skills required to fill current jobs for the wages that they are paying.

Currently, middle-skill jobs (defined as jobs that require education and training beyond high school, but not a four-year degree) represent a large and growing proportion of jobs. However, even at the height of the recession, employers in North Carolina and across the country stated they had difficulty finding skilled workers despite high unemployment. The 2003 National Assessment of Literacy Survey estimates that 14 percent of people 16 and over in North Carolina lack the basic prose literacy skills.

A recent report by the United States Department of Labor found that two-thirds of workers in the Trade Adjustment Assistance program lacked any postsecondary education credential and a quarter did not even have a high school diploma. Many workforce development agencies and researchers across the nation

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<sup>8</sup> North Carolina's Common Follow-Up System tracks users across various state agencies: Department of Corrections, Department of Labor, Department of Public Instruction, Commerce's Division of Workforce Solutions, Department of Health and Human Services, Division of Services for the Blind, Department of Health and Human Services, Division of Social Services, Department of Health and Human Services, Division of Vocational Rehabilitation Services, Commerce's Division of Employment Security, North Carolina Community College System, University of North Carolina System, and JobLink Career Center System.

concur that the educational attainment and skills needed for employment in the recovering economy are changing. New evidence suggests a skills mismatch may be related to the long term unemployment as opposed to the lack of skills.

In order for businesses to grow they need qualified workers. Delivering high quality, affordable post-secondary education to the state's population is therefore foremost among its challenges. In addition to standard education needs, the retooling of older workers is vital to their continued employability. As the state's residents age, there are projected skill and labor shortages in various industries, including the direct care workforce. A well-qualified, diverse direct care workforce is essential to maintaining the health, well-being and quality of life of North Carolina's older adults..

North Carolina is a predominantly rural state, with concentrations of people along the interstate highway corridors. As younger adults migrate to work and live along these corridors, this leaves many rural areas with increasingly elderly populations. These counties may experience a shrinking tax base which impacts resources and access to services is further limited by the cost and reduced availability of transportation<sup>9</sup>.

Workforce development is a long term investment in the future of North Carolina. In the short-term, the state faces an historical set of economic challenges the Department of Commerce and its strategic partners must move to address. However, to remain competitive, North Carolina must not lose sight of its long-term strengths, challenges and opportunities. The state continues to attract people and businesses, and the productivity of its labor force continues to improve. North Carolina's economic success is evident in the increase of the state's real gross domestic product, its ability to create new firms (small and large), and its expanding export market. These successes are significant, but challenges remain. Despite significant historical investment in education, North Carolina must continue to strengthen its human capital through basic education and workforce development. Also, economic opportunity for all North Carolinians, regardless of income level or geographic location, should continue to be an essential goal of the state's economic and workforce development policies.

Workers employed in low-skilled, middle-wage jobs are competing for fewer good-paying jobs, while opportunities offering similar wages (i.e., "new middle" jobs) demand higher skills. Seeking good-paying jobs, workers must increase their skills by accessing and completing education beyond high school or by earning industry-recognized credentials. Lower-skilled workers accounted for most of the unemployed population and required significantly greater social services during the recession. The North Carolina workforce has a large population of individuals with skills in the Office and Administrative Support occupations, with over 100,000 job seekers with skills in this area, and far fewer job seekers with skills in the science and legal occupations.

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<sup>9</sup> North Carolina Division of Health and Human Services  
[http://www.ncdhhs.gov/aging/stplan/NC\\_Aging\\_Services\\_Plan\\_2011-2015.pdf](http://www.ncdhhs.gov/aging/stplan/NC_Aging_Services_Plan_2011-2015.pdf)

Job seekers at the state’s One-Stop Centers indicate their job experience and job preference on initial information forms. The job experience indicated by job seekers is coded to O\*NET occupations. The following table indicates the experience, by occupation, of applicants, as well as the occupational area of preference indicated by job seekers in their future employment.

<b>Job Seekers by Onet Occupation Group</b>			
<b>ONET Group</b>	<b>ONET Group Title</b>	<b>Indicated Experience</b>	<b>Indicated Experience and Preference</b>
11	Management Occupations	40,035	33,722
13	Business and Financial Operations Occupations	16,431	13,070
15	Computer and Mathematical Occupations	8,184	6,876
17	Architecture and Engineering Occupations	6,216	5,269
19	Life, physical, and Social Science Occupations	3,668	2,893
21	Community and Social Services Occupations	10,619	8,739
23	Legal Occupations	1,970	1,642
25	Education, Training, and library Occupations	17,955	14,852
27	Arts, Design, Entertainment, Sports, and Media Occupations	7,361	5,850
29	Healthcare Practitioners and Technical Occupations	11,296	9,652
31	Healthcare Support Occupations	24,318	21,469
33	Protective Service Occupations	12,509	10,408
35	Food Preparation and Serving Related Occupations	60,853	53,768
37	Building and Grounds Cleaning and Maintenance Occupations	30,726	26,894
39	Personal Care and Service Occupations	17,139	14,232
41	Sales and Related Occupations	71,947	62,290
43	Office and Administrative Support Occupations	105,870	94,543
45	Farming, Fishing, and Forestry Occupations	5,076	4,323
47	Construction and Extraction Occupations	47,184	42,781
49	Installation, Maintenance, and repair Occupations	29,951	26,182
51	Production Occupations	106,873	96,481
53	Transportation and Material Moving Occupations	82,341	74,364
55	Military Specific Occupations	2,430	1,776

Source: NC JobConnector Database, Labor & Economic Analysis Division, NC Commerce

In 2011, North Carolina’s Commission on Workforce Development released a report, *The State of the North Carolina Workforce*, to describe and analyze the ongoing, structural shifts in the state’s economy. The report, and a similar analysis from 2007, also assessed North Carolina’s readiness to meet current and future workforce challenges. Findings from these reports were helpful in assessing the skills and education gaps present in the state’s workforce.

The report found that the most severely impacted industries of economic change in North Carolina are those businesses competing based on relative cost advantages. These businesses, such as manufacturing and construction, have historically contributed the most to the state’s low-skilled middle class. Today, communities where these business types were most prevalent, especially rural and micropolitan areas, are suffering the most from economic dislocation and transition.

The report also found that concurrent with widespread economic dislocation is a widening skills gap, particularly among those populations served by the Workforce Investment Act. It is expected that the types of industries that will become replacement employers for North Carolina workers are increasingly part of

the “knowledge-based economy,” depending on deeper and broader skill levels to create competitive advantage. Yet for many low-skilled, dislocated workers, “knowledge-based” skills may be beyond their reach without a significant investment of time and resources in education and training.

The U.S. Bureau of Labor Statistics business surveys suggest that many of the occupations that require the highest and lowest skills are projected to add jobs, while many with lower- to middle-skill requirements are projected to lose jobs. North Carolina is not an exception; the 2007 *State of the Workforce* report showed significant job losses were occurring in the state’s low-skill, medium-wage or middle jobs. The 2011 *State of the Workforce Report* showed that, as job losses are occurring in this subgroup, new middle-wage jobs are more likely to require education beyond high school, often in the form of some post-secondary credential. The fastest growth in new job creation is likely to be among jobs requiring an associate’s degree or higher.

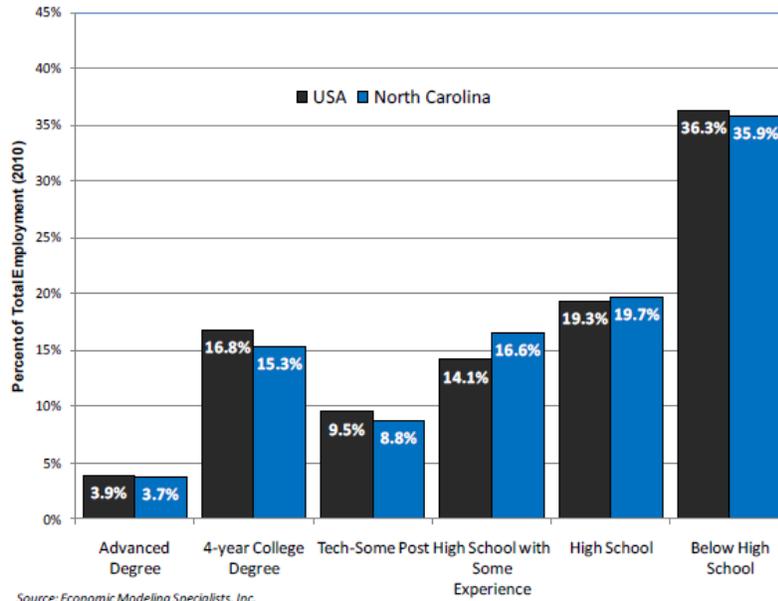
These trends are summarized in the “Educational Attainment in North Carolina” chart from the 2011 *State of the Workforce* report.

<b>Educational Band</b>	<b>Emp 2010</b>	<b>Net New Jobs (10-20)</b>
Advanced Degree	150,103	38,494
4-year College Degree	615,400	111,523
Tech Degree-Some Post	353,273	81,105
High School with Some Exp.	667,049	59,980
High School Degree	793,478	94,882
Below High School	1,442,115	169,167
<b>Total*</b>	<b>4,021,418</b>	<b>555,151</b>

Source: Economic Modeling Specialists, Inc.

North Carolina has a somewhat smaller proportion of jobs that require at least a 4-year degree than the rest of the nation, as shown in the “North Carolina vs. the Nation in Degree Attainment as a Percent of Total Employment” from the *2011 State of the Workforce* report.

**North Carolina versus the Nation in Degree Attainment as a Percent of Total Employment\***



The *2011 State of the Workforce* report found that companies expect more than 55 percent of current jobs will require a minimum education of a high school degree or less. This pattern in North Carolina is similar to the rest of the United States. As the graph above depicts, North Carolina has a larger share of its workforce in occupations that require only a high school degree plus experience than the nation as a whole. However, employers are not necessarily restricting their hiring for these occupations to just those with high school degrees.

### Industry & Occupational Trends

In January 2000, North Carolina’s Goods Producing Industries (Manufacturing, Construction and Natural Resources, and Mining) accounted for 1,001,400 or 25.8 percent of all jobs. By January 2012, Goods Producing Industries comprised 437,400 or 15.7 percent of all jobs. Manufacturing experienced a decline of 327,100 jobs, a 74.8 percent decrease over the eleven year-period. In January 2000, Manufacturing accounted for 19.7 percent of all jobs, compared to January 2012, when it accounted for just 11.1 percent. Some of the largest decreases were experienced in North Carolina’s traditional manufacturing industries including Textiles, Apparel and Furniture. Job losses in Manufacturing were somewhat offset by growth in the state’s Construction industries (21,400 jobs or a 9.4% increase). National manufacturing employment fell from 24.6 million to 18.3 million from January 2000 to January 2012, a 25.9 percent decrease. The 5.4 million job decline from January 2000 to January 2012 represented a 31.4 percent decline. Manufacturing

made up 13.2 percent of national employment in 2000. In 2012 manufacturing made up 9 percent of total employment.

While North Carolina's Manufacturing Industries have experienced significant job losses, the state's Service Providing Industries (Trade, Transportation, Warehousing and Utilities; Information; Finance; Professional and Business Services; Education and Health Services; Leisure and Hospitality Services; Other Services and Government) were experiencing significant job growth. Service Providing Industries added 259,400 jobs between January 2000 and January 2012, representing an increase of 11.1 percent. Educational and Health Services had the largest net and percent increase, with 175,300 jobs (an increase of 46.3%). Professional and Business services added 96,700 jobs (a 23.1 percent increase). Government added 101,100 jobs (a 16.9% increase). Leisure and Hospitality added 74,700 jobs (a 22.9% increase); Trade Transportation, Warehousing and Utilities lost 12,500 jobs (a 1.7% decrease); Information lost 4,400 jobs (a 6.0 percent decrease); Finance added 14,800 jobs (a 7.8% increase) and Other Services 3,800 jobs (a 2.5% increase).

Since January 2010 most major industrial sectors have reported job growth. Employment gains have been led by the Professional & Business Services sector, which gained nearly 45,000 jobs from January 2010 to January 2012. Trade, Transportation, & Utilities gained 24,400 jobs in the same time frame. Only the Construction, Mining & Logging, and Government sectors have lost jobs over this period. The state's Goods Producing industries added 4,300 jobs, while the Service Providing industries added 94,200 jobs.

Within the Service Providing industries, only the Government sector lost employment. Government employment fell 0.4 percent, from 703,200 to 700,100. As previously noted, Professional & Business Services experienced the largest net and percentage increase from January 2010 to January 2012. Trade, Transportation, & Utilities experienced the second largest increase, followed by Leisure & Hospitality with 13,000 jobs (a 3.2 percent increase) and Education & Health Services with 11,600 jobs (a 2.1 percent increase). Within Goods Producing industries, Manufacturing gained 6,600 jobs (a 1.5 percent increase). The growth in manufacturing overcame losses in Construction (2,100 jobs lost, a 1.2 percent decline) and Mining & Logging (200 jobs lost, a 3.6 percent decline).

### **Long-term Projections**

North Carolina's increased employment in several industry sectors looks to continue in the long term. Current long term projections for 2020 show growth in traditional industries such as Educational Services, Administrative & Support Services, and Professional, Scientific, & Technical Services. Those three industries are projected to grow by over 45,000 jobs each over the next decade. Other former mainstay industries for the state, such as Apparel, Furniture, and Textile manufacturing, are anticipated to lose 3,000 or more jobs over the same timeframe. Over the next 2 years, Educational Services, Professional, Scientific, & Technical Services, and Food Services & Drinking Places are projected to be our high employment growth industries. Each of those industries is estimated to add more than 11,000 jobs each.

Health care has been a growth industry for North Carolina over the last 10 years and looks to continue that trend for the next decade. That growth is reflected in the projected occupational growth for the state.

Health Diagnosing and Treating Practitioners, a group that includes Registered Nurses, Therapists, and Physicians, are projected to add nearly 34,000 positions over the next 10 years. Registered Nurses alone account for nearly 22,000 of those workers. Health Aides are also a projected to be a growing occupational sector, possibly adding 27,000 positions in the next decade. Most health aide growth will likely be in Home Health Aides, adding 20,000 of the projected workers. Food and Beverage Serving Workers, Retail Sales Workers, and Military Occupations round out the top 5 growth occupations for the state. It is important to note that occupations that vary with population tend to have higher occupational projections, reflected in food service and retail positions.

While North Carolina has a number of growing occupations, some traditional positions will see declines in the next decade. Textile Machine Setters, Operators, & Tenders, for example, is projected to lose over 8,000 positions in the next 10 years. Hand Laborers & Material Movers, Sewing Machine Operators, and Miscellaneous Agricultural Workers will all lose over 3,000 positions, respectively. The majority of lost workers over the next 10 years will be a result of declining industries in the state and technology improvements. An interesting declining occupation will be Computer Programmers, which is projected to lose 900 positions in the next 10 years. Outsourcing is the most likely reason for the marginal decline over the longer term.

### **Short-term Projections**

In the short term, North Carolina will continue to see growth in service industries as the state recovers for the recent recession. The primary growth industries and occupations for the state are generally services, which are population dependent. From 2011 to 2013, the state is projected to add more than 100,000 workers, with the top 5 employment growth industries being in the service sector. Health Care, Education, Retail Trade, Accommodation and Food Services, and Professional, Scientific, and Technical Services are projected to add nearly 70,000 jobs from 2011 to 2013. Goods producing industries will add just over a thousand workers, mainly constrained by overall declines in the manufacturing sector. In particular, textiles, furniture, tobacco, and paper related industries are projected to lose nearly 10,000 jobs from 2011 to 2013, the most of any industry groups. Transportation equipment is estimated to be the largest growing manufacturing industry in this timeframe, adding nearly 1,000 jobs. Primary metal manufacturing will be the fastest growing industry, increasing 2.8 percent from 2011 to 2013.

Looking at occupations, positions with lower experience and educational requirements tend to lead growth categories, such as food and serving workers, retail salespersons, customer service representatives, cashiers, and waiters and waitresses. Health professions are also expected to be high employment growth occupations, particularly Registered Nurses and Home Health Aides. Both occupations are a part of the top 5 employment growth positions for the state from 2011 to 2013, adding over 8,000 positions. Among positions requiring a Bachelor's Degree or higher, Teachers, Accountants, Software Developers, and Market Research Analysts are the largest growth occupations. Occupations associated with textiles and agriculture make up the majority of the declining occupations in the state, by number of jobs and speed of decline, from 2011 to 2013. Sewing machine operators, Farmworkers, and Textile machine operators will lose over 2,000 positions in the 2 year period. Biomedical Engineers are the fastest growing occupation, expecting to grow

14 percent from 2011 to 2013. They are followed by Carpentry Helpers, Radio, Cellular, & Tower Equipment Installers and Repairers, and Veterinary Technologists and Technicians as projecting higher than 10 percent growth.

### **Occupational Analysis – Key Sectors**

The top 5 industries by share of employment in 2012 were initially identified by NAICS Supersectors. For purpose of occupational analysis, the following key sectors (in 2-digit NAICS) have been identified within these Supersectors that we deem important to North Carolina’s economy.

1. NAICS 62: Health Care and Social Assistance
2. NAICS 31-33: Manufacturing
3. NAICS 54: Professional and Technical Services
4. NAICS 48: Transportation and Warehousing
5. NAICS 22: Utilities

### **Health Care and Social Assistance**

The Health Care and Social Assistance sector comprises establishments providing health care and social assistance for individuals. The services provided by establishments in this sector are delivered by trained professionals. Many of the industries in the sector are defined based on the educational degree held by the practitioners included in the industry. Occupations in this sector range from high-wage surgeons and dentists to low-wage personal care aides and childcare workers. The majority of occupations in the sector require some type of trainings and/or certifications as well as an associate’s degree.

There are 452 occupations in the Health Care and Social Assistance sector in North Carolina. Registered Nurses account for the largest share in the industry employment while Home Health Aides will add the largest number of workers in the next five years. The following table provides an overview of key occupations (which were selected using share of total industry employment equal or greater than 1%) and their respective employment size, growth, industry share and median hourly wages. Healthcare jobs are expected to grow faster than any other industry jobs, especially occupations in the allied health sector (such as Personal Care Aides and Radiologic Technicians). As baby boomers age and affordable Healthcare Reform Act takes place, healthcare professionals will become more in-demand than ever.

## Projected Employment by Key Occupation - Healthcare and Social Assistance Sector

Source: Economic Modeling Specialists, Inc., NC Department of Commerce

Occupational Description	Employment 2012	Employment 2017	Change	% Change	% Total Industry Employment (2012)	Median Hourly Earnings
Registered Nurses	60,055	70,070	11,507	20%	13.0%	\$27.99
Home Health Aides	49,659	61,851	12,593	26%	10.8%	\$9.04
Nursing Aides, Orderlies, and Attendants	37,250	41,269	4,084	11%	8.1%	\$10.64
Receptionists and Information Clerks	13,199	15,713	2,658	20%	2.9%	\$11.94
Licensed Practical and Licensed Vocational Nurses	12,598	14,563	2,028	16%	2.7%	\$19.62
Childcare Workers	12,080	12,876	172	1%	2.6%	\$8.89
Medical Assistants	11,902	13,899	2,131	18%	2.6%	\$13.71
Personal Care Aides	11,783	17,854	6,356	55%	2.6%	\$9.11
Preschool Teachers, Except Special Education	9,394	10,084	144	1%	2.0%	\$10.66
Medical Secretaries	9,301	11,675	2,612	29%	2.0%	\$13.92
Dental Assistants	7,855	9,326	1,422	18%	1.7%	\$17.48
Radiologic Technologists and Technicians	5,827	6,781	1,108	20%	1.3%	\$25.63
Dental Hygienists	5,722	6,907	1,179	21%	1.2%	\$31.02
Social and Human Service Assistants	5,121	6,124	941	18%	1.1%	\$13.03
Healthcare Support Workers, All Other	4,879	5,519	712	15%	1.1%	\$12.86
Medical and Health Services Managers	4,833	5,655	913	19%	1.0%	\$40.69
Physicians and Surgeons, All Other	4,763	5,550	882	19%	1.0%	\$90.00

### Manufacturing

The Manufacturing sector comprises establishments engaged in the mechanical, physical, or chemical transformation of materials, substances, or components into new products. Establishments in the Manufacturing sector are often described as plants, factories, or mills with employees working on power-driven machines and materials-handling equipment as well as maintaining production machinery. Since more factories turn to automation, workers in the Manufacturing sector are frequently required to acquire skills in mathematical reasoning, computer and technology and to constantly, consistently upgrade their skills. Occupations in this sector range from high-wage industrial engineers to low-wage team assemblers. While education requirements for occupations in the sector vary by job duty, most occupations need some type of on-the-job trainings and high school diploma or equivalent.

There are 495 occupations in the Manufacturing sector. Petroleum Engineers enjoy the highest pay while Meat, Poultry, and Fish Cutters and Trimmers account for the highest numeric employment growth. The following table presents an overview of the key occupations (which were selected using share of total industry employment equal or greater than 1%) and their respective employment size, growth, industry share and median hourly wages. Manufacturing jobs will continue to experience decline due to slow economic growth worldwide and uncertainties in the market place. In addition, more manufacturers are able to produce high output levels with fewer workers as a result of increased reliance on technology and automation.

## Projected Employment by Key Occupation – Manufacturing Sector

Source: Economic Modeling Specialists, Inc., NC Department of Commerce

Occupational Description	Employment 2012	Employment 2017	Change	% Change	% Total Industry Employment (2012)	Median Hourly Earnings
Team Assemblers	28,735	25,276	(2,708)	(10%)	6.5%	\$13.11
First-Line Supervisors of Production and Operating Workers	16,536	13,848	(2,614)	(16%)	3.8%	\$23.93
Inspectors, Testers, Sorters, Samplers, and Weighers	12,820	10,797	(1,937)	(15%)	2.9%	\$14.01
Laborers and Freight, Stock, and Material Movers, Hand	12,119	10,381	(1,701)	(14%)	2.8%	\$11.03
Helpers--Production Workers	11,464	9,733	(1,784)	(15%)	2.6%	\$10.19
Machinists	9,347	8,558	(416)	(5%)	2.1%	\$17.86
Packaging and Filling Machine Operators and Tenders	9,289	8,254	(945)	(10%)	2.1%	\$12.76
Packers and Packagers, Hand	8,904	7,614	(1,327)	(15%)	2.0%	\$9.17
Maintenance and Repair Workers, General	8,461	7,221	(1,210)	(14%)	1.9%	\$17.08
Sewing Machine Operators	8,151	5,343	(3,124)	(37%)	1.9%	\$10.31
Slaughterers and Meat Packers	7,503	7,600	39	1%	1.7%	\$10.21
Meat, Poultry, and Fish Cutters and Trimmers	7,390	7,851	481	7%	1.7%	\$10.52
General and Operations Managers	6,979	5,681	(1,298)	(19%)	1.6%	\$50.01
Shipping, Receiving, and Traffic Clerks	6,952	5,572	(1,388)	(20%)	1.6%	\$13.72
Industrial Truck and Tractor Operators	6,708	5,854	(780)	(12%)	1.5%	\$13.66
Textile Winding, Twisting, & Drawing Out Machine Setters, Operators & Tenders	5,898	2,852	(3,403)	(54%)	1.3%	\$11.75
Industrial Machinery Mechanics	5,407	4,960	(277)	(5%)	1.2%	\$20.34
Molding, Coremaking, & Casting Machine Setters, Operators & Tenders, Metal & Plastic	5,055	4,519	(467)	(9%)	1.2%	\$13.33
Electrical and Electronic Equipment Assemblers	4,770	4,284	(331)	(7%)	1.1%	\$14.31
Welders, Cutters, Solderers, and Brazers	4,682	4,312	(160)	(4%)	1.1%	\$16.92
Cutting, Punching, & Press Machine Setters, Operators, & Tenders, Metal & Plastic	4,548	4,090	(326)	(7%)	1.0%	\$13.02
Textile Knitting & Weaving Machine Setters, Operators & Tenders	4,547	1,885	(2,968)	(61%)	1.0%	\$11.64
Mixing and Blending Machine Setters, Operators, and Tenders	4,437	3,872	(567)	(13%)	1.0%	\$14.75
Industrial Engineers	4,352	3,957	(277)	(7%)	1.0%	\$35.89
Heavy and Tractor-Trailer Truck Drivers	4,248	4,291	0	0%	1.0%	\$17.68

### Professional and Technical Services

The Professional, Scientific, and Technical Services sector comprises establishments that specialize in performing professional, scientific, and technical activities for others. Activities performed by workers in the sector include but are not limited to the following; accounting and payroll services; architectural and engineering; computer and information services. These activities require workers with a high degree of expertise and training as well as certifications. Occupations in this sector range from high-wage computer information system managers to low-wage receptionists. Education levels for the occupations in this sector vary widely – most of the in-demand and high-wage occupations require at least a bachelor's degree.

There are 526 occupations in the Professional, Scientific, and Technical Services sector. Accountants and Auditors represent the largest share of employment in the industry and Software Developers and Management Analysts are expected to add more than 1,600 jobs in the next five years. The following table provides an overview of the key occupations (which were selected using share of total industry employment equal or greater than 1%) and their respective employment size, growth, industry share and median hourly

wages. Jobs in this sector are expected to grow in the next few years, especially the in-demand occupations such as information technology-related positions.

### Projected Employment by Key Occupation – Professional and Technical Services

Source: Economic Modeling Specialists, Inc., NC Department of Commerce

Occupational Description	Employment 2012	Employment 2017	Change	% Change	% Total Industry Employment (2012)	Median Hourly Earnings
Accountants and Auditors	9,074	10,258	1,052	11%	4.7%	\$28.86
Paralegals and Legal Assistants	7,316	7,835	748	11%	3.8%	\$18.57
Lawyers	6,974	7,163	447	7%	3.6%	\$45.92
Software Developers, Applications	5,793	7,508	1,659	28%	3.0%	\$41.49
Bookkeeping, Accounting, and Auditing Clerks	5,516	6,096	579	10%	2.8%	\$15.96
Computer Support Specialists	4,817	5,865	893	18%	2.5%	\$24.34
Computer Systems Analysts	4,269	5,336	977	22%	2.2%	\$38.35
Management Analysts	4,007	5,440	1,642	43%	2.1%	\$35.20
Civil Engineers	3,745	4,469	767	21%	1.9%	\$32.94
Software Developers, Systems Software	3,732	5,157	1,469	40%	1.9%	\$46.41
Veterinary Technologists and Technicians	3,483	4,260	1,305	44%	1.8%	\$12.97
Computer Programmers	3,253	3,860	465	14%	1.7%	\$35.10
Market Research Analysts and Marketing Specialists	2,767	3,666	1,100	43%	1.4%	\$27.89
Information Security Analysts, Web Developers, & Computer Network Architects	2,741	3,447	676	24%	1.4%	\$38.23
Veterinary Assistants and Laboratory Animal Caretakers	2,660	2,783	454	19%	1.4%	\$10.34
Computer and Information Systems Managers	2,369	2,886	479	20%	1.2%	\$56.78
Medical Scientists, Except Epidemiologists	2,368	2,921	779	36%	1.2%	\$38.89
First-Line Supervisors of Office and Administrative Support Workers	2,306	2,627	404	18%	1.2%	\$22.00
Veterinarians	1,961	2,318	658	40%	1.0%	\$40.22

## Transportation and Warehousing

The Transportation and Warehousing sector includes industries providing transportation of passengers and cargo, warehousing and storage for goods, scenic and sightseeing transportation, and support activities related to modes of transportation. Employees in the transportation-related occupations usually need some type of training involving both on-the-job experience and informal training with experienced workers. Education requirements range from a high school diploma to a college degree or higher; median hourly earnings vary widely based on job function - from \$48.40 for airline pilots to \$9.20 for packers and packagers.

There are 356 occupations in the Transportation and Warehousing sector. Heavy and Tractor-Trailer Truck Drivers make up one quarter of the industry employment and will continue to add more jobs. The following table provides an overview of the key occupations (which were selected using share of total industry employment equal or greater than 1%) and their respective employment size, growth, industry share, and median hourly wages. Most occupations in this sector will experience a moderate growth with some exceptions. As the economy recovers from recession, demand for transportation-related occupations is expected to keep rising.

### Projected Employment by Key Occupation – Transportation and Warehousing

Source: Economic Modeling Specialists, Inc., NC Department of Commerce

Occupational Description	Employment 2012	Employment 2017	Change	% Change	% Total Industry Employment (2012)	Median Hourly Earnings
Heavy and Tractor-Trailer Truck Drivers	27,401	27,317	685	3%	25.2%	\$17.68
Laborers and Freight, Stock, and Material Movers, Hand	12,766	13,235	667	5%	11.8%	\$11.03
Light Truck or Delivery Services Drivers	6,334	6,200	(200)	(3%)	5.8%	\$13.43
Reservation and Transportation Ticket Agents and Travel Clerks	3,852	3,886	40	1%	3.5%	\$14.40
Industrial Truck and Tractor Operators	2,985	3,008	80	3%	2.7%	\$13.66
First-Line Supervisors of Transportation & Material-Moving Machine & Vehicle Operators	2,582	2,618	75	3%	2.4%	\$22.56
Aircraft Mechanics and Service Technicians	2,395	2,478	128	5%	2.2%	\$24.30
Shipping, Receiving, and Traffic Clerks	2,388	2,384	(7)	0%	2.2%	\$13.72
Flight Attendants	2,360	2,427	82	3%	2.2%	\$17.00
Airline Pilots, Copilots, and Flight Engineers	1,944	2,033	110	6%	1.8%	\$48.43
Packers and Packagers, Hand	1,941	1,993	90	5%	1.8%	\$9.17
First-Line Supervisors of Helpers, Laborers, and Material Movers, Hand	1,801	1,905	133	8%	1.7%	\$20.30
Bus and Truck Mechanics and Diesel Engine Specialists	1,797	1,819	62	4%	1.7%	\$18.70
Dispatchers, Except Police, Fire, and Ambulance	1,732	1,793	117	7%	1.6%	\$16.44
Cargo and Freight Agents	1,710	1,816	187	11%	1.6%	\$19.31
Stock Clerks and Order Fillers	1,628	1,637	29	2%	1.5%	\$10.56
First-Line Supervisors of Office and Administrative Support Workers	1,354	1,399	72	5%	1.2%	\$22.00
Bus Drivers, Transit and Intercity	1,256	1,393	113	9%	1.2%	\$13.58
Office Clerks, General	1,254	1,315	111	9%	1.2%	\$12.25
Bus Drivers, School or Special Client	1,102	1,236	124	11%	1.0%	\$11.95

## Utilities

The Utilities sector comprises establishments engaged in the provision of the following utility services: electric power, natural gas, steam supply, water supply, and sewage removal. Specific activities related to the utilities sector vary greatly. Key occupations range from steam plant management to sewage treatment. Most occupations in this sector require training in vocational schools, related on-the-job experience, or an associate's degree. In general, employees with college training in advanced technology will have the best opportunities in the Utilities sector. Network systems and data communications analysts are expected to be among the fastest growing occupations as plants emphasize automation and productivity. Many office and administrative support workers, such as utilities meter readers and bookkeeping, accounting, and auditing clerks, are among those adversely affected by increasing automation and outsourcing.

There are 247 occupations in the Utility sector. The following table presents an overview of the key occupations (occupations were selected using share of total industry employment equal or greater than 1%) and their respective employment size, growth and median hourly wages. Though occupational employment change varies by the industry segment, occupations in the electric power and natural gas segment is expected to decline due in part to increased size and efficiency of new power plants. However, occupations in sewage and sewage systems segment will likely to grow due to the increasing population in the state leading to expansion of these systems.

### Projected Employment by Key Occupation – Utilities

Source: Economic Modeling Specialists, Inc., NC Department of Commerce

Occupational Description	Employment 2012	Employment 2017	Change	% Change	% Total Industry Employment (2012)	Median Hourly Earnings
Electrical Power-Line Installers and Repairers	1,049	945	(109)	(10%)	8.7%	\$23.80
Power Plant Operators	797	709	(101)	(12%)	6.6%	\$30.87
First-Line Supervisors of Mechanics, Installers, and Repairers	489	437	(59)	(12%)	4.0%	\$26.41
Meter Readers, Utilities	436	418	(22)	(5%)	3.6%	\$13.90
Control and Valve Installers and Repairers, Except Mechanical Door	351	351	1	0%	2.9%	\$24.53
First-Line Supervisors of Production and Operating Workers	320	301	(22)	(7%)	2.6%	\$23.93
Water and Wastewater Treatment Plant and System Operators	319	405	97	31%	2.6%	\$17.54
Electrical and Electronics Repairers, Powerhouse, Substation, and Relay	284	282	2	1%	2.4%	\$29.37
Electrical Engineers	277	248	(30)	(11%)	2.3%	\$39.38
Maintenance and Repair Workers, General	239	231	(10)	(4%)	2.0%	\$17.08
Industrial Machinery Mechanics	216	228	15	7%	1.8%	\$20.34
Gas Plant Operators	203	205	1	0%	1.7%	\$24.76
Nuclear Engineers	189	161	(30)	(16%)	1.6%	\$47.39
Nuclear Technicians	180	164	(15)	(8%)	1.5%	\$32.62
Power Distributors and Dispatchers	161	149	(15)	(9%)	1.3%	\$29.77
Electrical and Electronics Engineering Technicians	140	125	(16)	(11%)	1.2%	\$25.24
Nuclear Power Reactor Operators	134	125	(9)	(7%)	1.1%	\$32.61
Electricians	128	119	(9)	(7%)	1.1%	\$18.27
Bookkeeping, Accounting, and Auditing Clerks	125	126	1	1%	1.0%	\$15.96

## Cross-Program Strategies

Many of the state's strategies for addressing the identified gaps and needs of the population have been discussed under the Governor's Vision, and there are still more tactics that will be utilized. The North Carolina Community College System maintains strong ties with private employers to ensure that the skills employers demand will be met by the state's workforce and educational providers. The main channel for this effort is the NCCCS's Curriculum Improvement Project (CIP), which occurs every two years. The typical process involves selection of an educational program area of focus.

North Carolina has also established a science and technology training consortium known as the N.C. STEM Learning Network. This collaboration brings together the University of North Carolina System, public schools, and community colleges along with state government and industry to work together to ensure alignment of education with the critical STEM skills required by the state's private employers. Each of the 58 community college campuses form industry advisory boards for key programs of study offered at those campuses in the STEM verticals. These boards proactively help keep the community college program curricula relevant to needs of locally served industries.

The foundation of North Carolina's Integrated Plan is the economic and labor market data researched and analyzed through N.C. Department of Commerce's Labor and Economic Analysis Division (LEAD) and research on national and global trends. Specific information of current and projected labor force needs shape the design of WIA and W-P programs. Close consultation and direct partnering with the N.C. Community College System results in demand occupation training. For example, healthcare training and efforts to expand clinical experience options are addressing demand occupation needs.

Likewise, North Carolina's Local Workforce Development Boards partner with their local community colleges to design and train in occupations to address employers' actual vacancies and hiring practices. Local Workforce Board Directors and the area community colleges consult prior to announcement of course listings to assist in making identified occupations available. Local Workforce Boards coordinate with community college curriculum review committees to make suggestions, based on local labor market research, to make specific courses of benefit to WIA participants. An example is the Region Q Workforce Development Board's experience with offering class size training in Emergency Medical Technician (EMT), for a growing profession in this area. Another example is the Eastern Carolina Workforce Development Board's work with the aerospace industry. Regional partnerships to address skill needs have strengthened through sector strategy efforts and will be continued. An example of the sector strategy efforts is the three-year project for sustainable energy occupations. This is an initiative of two Workforce Development Boards and four Community Colleges in partnership with the Division of Workforce Solutions.

North Carolina's renewed emphasis to promote and provide quality On-the-Job Training (OJT) is a strategy to address employers' skill needs. The state's very successful OJT National Emergency Grant experience refined best practices that are being continued. Positive response from the business community confirms the OJT Program is a direct means of closing gaps. As appropriate, OJT is coupled with education in advance of OJT or concurrent as evening or weekend training (classroom and/or online) to further contribute to skills

development important to employers. Input from Workforce Development Boards, Community Colleges, employer advisory groups, personal associations (ex., Society for Human Resource Management local chapters), organized labor, industry and trade associations, and Chambers of Commerce are integral to good local program decisions and are used throughout the state.

North Carolina has numerous large and small examples of regional strategies. Several specific examples are illustrative of current initiatives. Six of North Carolina's Workforce Development Boards, Northeastern, Region Q, Lumber River, Western Piedmont, Region C, and High Country, are active in the State's Energy Sector Partnership (SESP) providing training opportunities in the energy field. Another project is the Competitive Workforce Alliance formed by Centralina, CharlotteWorks and Gaston Workforce Development Boards that facilitates a regional strategy to address Workforce needs and solutions in the allied health sector 'TriadWorks', is a collaborative of the following Workforce Development Boards: Greensboro-High Point-Guilford; DavidsonWorks; Regional Partnership; Kerr-Tar; and, Northwest Piedmont.

TriadWorks collaborates on many regional initiatives across county lines and involving various employment sectors. One specific example is working with Guilford Technical Community College to develop curriculum and encouraging participation in training to maintain and grow the aviation sector in the Triad region.

### **Policy Alignment**

A primary goal of the merger of what was formerly the Employment Security Commission and the Division of Workforce Development is to improve customer service, with an enhanced focus on business customers. The development of a Business Services Section within the new Division of Workforce Solutions offers the structure for enhancing the engagement of employers, economic developers and other business-related stakeholders. The *2011 State of the Workforce Report*, published by the state's Commission on Workforce Development, speaks to the continued loss of middle jobs and worker skill gaps that keep individuals from obtaining or moving into self-sustaining jobs. The Commission on Workforce Development reviewed key trends indicated in the report, collected input from key workforce stakeholders and professionals, and made recommendations for enhancement of services. These recommendations center on four recurring themes noted in the feedback:

- Creating a more demand-driven system through employer engagement and involvement
- Strengthening the service delivery system for all
- Developing more flexible and innovative training and education options
- Investing in common staff development and technology.

The merger of WIA and Wagner-Peyser services and the Commission's recommendations will lead to better alignment of business services and build upon existing collaborations with the business community at both the state and local levels. Cross-program strategies will continue to include the North Carolina Community College system, the local workforce system, the economic development community and other key workforce stakeholders.

North Carolina was recently awarded a U.S. Department of Labor Expanding Business Engagement grant. Participation in the Expanding Business Engagement Initiative will be a key technical assistance opportunity to thoughtfully align and improve business services in a manner that moves to a more business-based service delivery model, not one that is agency-, or silo-based. A quality, business-driven approach will result in services that:

- Expand the array of business-valued services offered;
- Increase the satisfaction of employers using the One-Stop system services;
- Increase the number of employers accessing services for the first time; and,
- Increase the number of repeat employer customers.

The “No Adult Left Behind” is yet another North Carolina initiative which sets out to increase to 40% the percentage of North Carolinians who earn associate degrees, other two-year educational credentials and baccalaureate degrees. This initiative calls on the North Carolina Commission on Workforce Development to work with the Community College system and the University system to provide evening-weekend certificate and degree programs designed specifically for working adults and other non-traditional students.

North Carolina has taken the following actions in an effort to assure program integration and alignment within the workforce development system:

- **Technology:** The Division of Workforce Solutions has created a Technology Integration Workgroup which is in the process of developing a single system to replace the multiple systems currently in existence. The group is working on a Request for Proposal (RFP) to secure a system that is off the shelf-- already in use by multiple states that requires only minimal programming with specific reconfiguration. The plan is to select a vendor, modify an existing system to meet the state’s needs and have that system operational by July, 2013. In addition, the Commission on Workforce Development (Commission) has formed a Technology Task Force which will provide oversight to the Technology Integration Workgroup as it identifies the necessary technology requirements, selection of a vendor, and implementation of the integrated system.
- **Performance:** The Commission has created the Performance and Evaluation Task Force which will be responsible for assessing the effectiveness of the workforce system by developing performance measures. Specifically, this task force will work with Commerce to develop ways to assess issues such as actual performance and costs of workforce development programs; expected performance levels based on attainment of program goals and objectives; as well as program outcomes, levels of employer participation, and satisfaction with employment and training services. The task force is in the process of selecting a consultant to mine through the various data sources from the state’s multiple workforce systems in order to select common baseline criteria for the performance measures.
- **Customer Service Delivery:** The Commission has also created the Memorandum of Understanding Task Force which has been charged with developing criteria and requirements for the One-Stop

(JobLink Career Center) Workforce Delivery System, as well as reviewing and revising the system's Memorandum of Understanding for workforce development in North Carolina. The Task Force's primary focus is on establishing criteria that yields quality customer service. To date, the task force has developed a tentative timeline of activities into 2013 to determine what MOUs are needed, determine the general buckets of criteria and/or standards for the system, and to garner feedback on the criteria before implementation and then after.

### **Leveraging Resources**

In North Carolina, Wagner-Peyser Act funds are used to deliver the full spectrum of labor exchange services, as well as to enhance services to special populations. For example, some funds are used to complement other resources in the Division of Workforce Solutions that support the development, maintenance and dissemination of labor market information via the Human Resource Information System (HRIS), and the State and Area Research Analysis System (SARAS). These funds have extended the Division's capability to produce and maintain quality labor market information systems. Other resources are allocated in support of the administration of a Migrant and Seasonal Farm Worker Outreach Program (MSFW) and a placement program for youthful and adult ex-offenders.

Wagner-Peyser services, coupled with those available through WIA, provide the foundation of Core Services offered through One-Stop Centers. Resource centers within each One-Stop Center are equipped with labor market and other information, as well as publications that inform customer choice and enable customers to choose the level of service which best meets their needs. Excluding self-service opportunities, One-Stop staff perform labor exchange functions. Customers may use touch-tone telephones to file continued claims for weekly unemployment benefits or to inquire about the status of their claim and/or benefit payments. To further enhance services, an application has been developed to provide unemployed customers with the capability to file an initial claim for unemployment insurance benefits through the Internet. Other Wagner-Peyser services, available in varying degrees in all One-Stop Centers, include the Trade Adjustment Assistance Act (TAA), Work Opportunity Tax Credits, Veterans' Employment Services, Services to Migrants and Seasonal Farm Workers, Rural Manpower Services, and more.

**Table 1 North Carolina Performance Indicators**

**Table for State WIA/W-P Performance Indicators and Goals**

<b>WIA Requirement at Section 136(b)</b>	<b>Previous Year Performance (Program Year 2010)</b>	<b>Performance Goal</b>
<b>Adults:</b>		
Entered Employment Rate	62.8	62.9
Employment Retention Rate	83.7	83.6
Average Six-Months Earnings	\$10,773.70	\$10,766.30
Certificate Rate	n/a	n/a
<b>Dislocated Workers:</b>		
Entered Employment Rate	73.2	73.3
Employment Retention Rate	89.4	89.9
Average Six-Months Earnings	\$14,093	\$14,009.90
Certificate Rate	n/a	n/a
<b>Youth, Aged 19-21:</b>		
Entered Employment Rate	n/a	n/a
Employment Retention Rate	n/a	n/a
Six-Months Earnings Change	n/a	n/a
Certificate Rate	n/a	n/a
<b>Youth, Aged 14-18:</b>		
Skill Attainment Rate	n/a	n/a
Diploma or Equivalent Attainment Rate	n/a	n/a
Retention Rate	n/a	n/a
<b>Youth Common Measures*:</b>		
Placement in Employment or Education	59.2	61.2
Attainment of a Degree or Certificate	58.7	58.8
Literacy and Numeracy Gains	43.3	42.9
Participant Customer Satisfaction	n/a	n/a
Employer Customer Satisfaction	n/a	n/a
Additional State-Established Measures	n/a	n/a
<b>W-P Requirement at Section 13(a)</b>	<b>Previous Year Performance</b>	<b>Performance Goal</b>
Entered Employment Rate	52	60
Employment Retention Rate	72	80
Average Six-Months Earnings	\$10,809	\$11,000

*\*Goals are negotiated for these measures by states reporting common performance measure outcomes only.*

## Section II. State Operational Plan

### System Overview

**System:** *an assembly of things arranged in a series that conforms to a plan. A group of interacting, interrelated, or interdependent elements forming a complex whole...*

North Carolina is striving to have a workforce system that truly reflects the definition. The workforce system is characterized by many moving parts that are interactive, interrelated and interdependent. By recognizing this connectivity, North Carolina maximizes potential for success for individuals and businesses. State leaders are cognizant that while each part can stand alone and deliver viable services, workforce efforts that are a “system” can be more effective and maximize resources. Each component is dependent on all other components to be the robust economic and employment driver desired.

The North Carolina Workforce Development System includes, but is not limited to, the following programs and agencies:

- Workforce Investment Act, Employment Services (Wagner-Peyser), Unemployment Insurance, American Job Center Network locations, *N.C. Department of Commerce (state and local offices)*
- Workforce Investment Act, *23 Local Workforce Development Boards and American Job Center Network locations*
- American Indian Workforce Development, Displaced Homemakers, *N.C. Department of Administration*
- Community Services Block Grant, Food and Nutrition Services, Long-term Vocational Support, Senior Community Service Employment, Services for the Blind, Vocational Rehabilitation, Work First, *N.C. Department of Health and Human Services*
- Apprenticeship, *N.C. Department of Labor*
- K-12, Career and Technical Education, *N.C. Department of Public Instruction, Local Public and Private Schools*
- Certificate and Degree programs, and special training offerings, *N.C. Community College System with 58 local Community Colleges, proprietary schools*
- Certificate and Degree programs, and special training offerings, *University of North Carolina System with 16 universities, private colleges*
- Training and employment offerings, job search activities, job placement, *Private non-profit and community-based organizations (including N.C. Rural Center, Goodwill), faith-based organizations, trade associations.*

Governor Beverly Perdue is committed to creating jobs in North Carolina; it is a top priority. This commitment to job creation is shared by every inter-related agency within the state that forms the North Carolina Workforce System. The lead role in this commitment is delivered through the Department of Commerce’s mandate to bring together resources that individuals, employers and workforce professionals can use to create jobs and prosper in today’s and tomorrow’s economy. In December 2010, Governor Perdue announced her vision for a more streamlined state government for North Carolina. The Governor’s plan included a merger of the North Carolina Employment Security Commission into the North Carolina

Department of Commerce. This consolidation became effective November 1, 2011, with the creation of the Division of Employment Security (Unemployment Insurance operations); the Division of Labor and Economic Analysis; and the Division of Workforce Solutions, combining Workforce Investment Act, Wagner-Peyser services, and staffing to the N. C. Commission on Workforce Development. Components of the new Division of Workforce Solutions continue to work toward common policies and procedures, while looking for more efficient and innovative ways to serve North Carolina's citizens. The goals of this merger include: to achieve a level of consistency across the organization, to provide efficient services to all customers in the state, and to effectively combine talent to reinforce job creation and training services delivery.

The North Carolina Workforce System includes many organizations that are represented on the N. C. Commission on Workforce Development. These agencies are committed to align their work and organizational structure with the mission and goals to create an environment where North Carolina has good jobs with good employees for all. North Carolina continues to build a reputation as a top state for business by investing strategically in things that matter such as innovative training and education programs that prepare thousands of North Carolinians for the workplace. Training programs and jobs in high-growth sectors include life sciences, energy/green technology, aerospace, automotive and advanced manufacturing. A strong workforce equals a brighter economic future.

The North Carolina Workforce System also includes twenty-three Local Workforce Development Areas covering the state. Using federal Workforce Investment Act Title I funds and other leveraged resources, the local workforce development areas 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. The goal of these activities is to prepare workers to meet the job demands of new and existing businesses, thereby, increasing employment, providing higher earnings, improving educational and occupational skills, and promoting a more competitive business market.

The state agency partnerships are mirrored in the local workforce development areas. The Workforce Development Boards, Community Colleges, public secondary schools, four-year colleges, county social services, community-based organizations, vocational rehabilitation and job services practitioners work closely on both strategic planning and the actual operational service delivery in their communities. With over 9,500,000 citizens, thousands of employers and 100 counties, North Carolina's workforce system supports local decision-making and response to needs. The local aspects of the workforce system success are a result of Workforce Development Boards offering the forum for bringing critical partners to the same table and North Carolina's strong emphasis on relationship building. Even in the largest metro areas, knowing the workforce entities' program and service offerings, coupled with actually connecting with people within organizations, is frequently cited when sharing 'best practices'.

A goal in North Carolina is to continue to maintain the successful elements of the workforce system, including collaborative planning, information and resource sharing, while striving to move further toward true inter-operability. This means invisible lines of funding services for customers. North Carolina also seeks to improve the workforce system through obtaining and using upgraded technology with safe and better

sharing of data to system components. Improvements in technology lend promise to help bond the system and offer faster and more knowledgeable service to customers. North Carolina is moving beyond the discussion stage to investing time and fiscal resources to accomplish this goal. A formal request for proposal for the new system is planned for September 2012.

An on-going example of the state's commitment to bringing the system together is this year's 25<sup>th</sup> North Carolina Workforce Development Partnership Conference. All partner agencies, including front-line and senior management staff, elected officials, federal agency representatives and local and national economic and workforce experts participate in active exchange. Throughout the year, the N.C. Workforce Development Training Center also serves as an important point of connectivity to the components of the system with offerings of both subject-specific courses and professional development seminars and exchanges. North Carolina promotes involvement in the Southeastern Employment and Training Association, National Association of Workforce Development Professionals, National Association of State Workforce Agencies, International Association of Workforce Professionals, workforce affiliates of the National Governors' Association, National Association of County Commissioners and U.S. Conference of Mayors, veterans' staff associations and other professional organizations.

The creation of the new Division of Workforce Solutions and integration of Workforce Investment Act and Wagner-Peyser is still a work in progress. It offers challenges and opportunities that relate directly to North Carolina's workforce system. As changes occur and enhancements proceed, North Carolina will provide updates.

### **Coordination, Delivery, and Organization**

A tremendous amount of work has taken place since the initial development of North Carolina's One-Stop Center System. The following areas were addressed during the last five years:

One-Stop Centers' resource centers have Internet-connected personal computers that provide a self-service application, job seeker access, career planning and occupational information, listings of employers by county and industry, interview tips and assistance in the preparation of resumes through the N.C. Job and Career Navigator.

*N.C. JobConnector* provides access to the state's job matching system, encouraging job seekers to conduct their own job search with a minimum of staff intervention. Staff assistance is readily available to those customers who may require it in the use of the self-service systems.

The commitment of various state and local partners to a vision of improved service delivery for the state's workforce customers greatly facilitates the ability of North Carolina to continue efforts in building a customer-focused, results-oriented system.

The Employment Service Division of the former North Carolina Employment Security Commission merged with the North Carolina Division of Workforce Development November 2011, to improve the standard of service to customers. Integrated Services are seamless to the customer, eliminate the lines between programs, and are essential to the overall success of this effort. With the launch of *N.C. JobConnector*, the

state's job matching system, North Carolina strengthened the connection between responding to employer needs and providing qualified job applicants. North Carolina is also addressing customers' expectations that access to jobs and qualified applicants can be convenient and user friendly. *N.C. JobConnector* is an internet-based job matching system that customers can use to search for jobs, access labor market information, list and manage job openings, and ask for information about any service.

North Carolina's One-Stop Centers provide integrated services. Partner agency staff are cross-trained to conduct different functions and to communicate across agency lines in service to customers. Information about the services that a customer receives is shared electronically to avoid duplication. Staff have the same access to *N.C. JobConnector* to make assessments, provide case management, make employer contacts and manage in-house reports to track outcomes.

North Carolina is in the process of building a new Integrated Technology System which will allow tracking and reporting outcome measures for WIA, Wagner-Peyser and TAA services that should be launched July 2013.

### Partnerships

North Carolina continues to build on and enhance its history of a collaborative approach to workforce development. Current practices begin with the Governor's directive to make jobs a top priority and a serious buy-in to that goal by all relevant state agencies. This effort to address North Carolina's response to the economic downturn and a state unemployment rate that has consistently been over the national rate for the past several years brought even more opportunity for interaction. Working across departmental lines are the N.C. Department of Commerce's Division of Workforce Solutions (Workforce Investment Act and Wagner-Peyser), Division of Employment Security (Unemployment Insurance), N.C. Community College System (58 campuses), N.C. Department of Labor (apprenticeship), University of North Carolina System (16 campuses), N.C. Commission on the Status of Women, N.C. Department of Health and Human Services' Division of Vocational Rehabilitation and Division of Social Services. The N.C. Commission of Workforce Development serves as a mainstay of coordination for the state's workforce community. The Commission's membership provides comprehensive representation at the Executive level of the partners and shareholders needed for true workforce planning. The Commission's Policy Committee and Operations Committee provide on-going attention between the Commission's formal meetings. In addition, four Commission Task Forces have recently been appointed covering: Technology; One-Stop System Memoranda of Understanding; Performance Evaluation; and Skills Gap.

Specific to planning and coordination of the Program Year 2012-2016 State Integrated Plan, a detailed annotated calendar was developed by the Division of Workforce Solutions as the lead agency responsible. Review and analysis of U.S. Department of Labor's Integrated Plan requirements and array of resources began months in advance. A plan workgroup of senior level subject matter experts was appointed. Careful attention to development of a Responsibility and Assignment matrix was established with interaction points incorporated. Particular focus was on the Economic and Workforce Information Analysis component provided by the N.C. Department of Commerce Labor and Economic Analysis Division. Elements of the State

Integrated Plan flow from this data. Formal and informal communications amongst the Workgroup and their constituent contacts resulted in a truly integrated State Plan.

North Carolina's long-standing commitment to integrated planning and results oriented coordination continue and was significantly increased during this recent plan period. Factors contributing to this come from both broad-based multi-partner interest and the physical merger into one Division of WIA and Wagner-Peyser.

A strong planning initiative of the Division of Workforce Solutions' Assistant Secretary, was the appointment of five workgroups charged with specifically making the integration of WIA and W-P successful for customers; both business and individuals. Formal reports from these groups greatly assisted in Plan development. The workgroups were charged with research, planning and recommendations in the following areas:

1. Programs and Policy Integration
2. Delivery System Brand Development
3. Technology Integration
4. Workforce Investment Act and Trade Adjustment Act Integration
5. Training

### Key State Personnel

- Governor Beverly Perdue ([www.governor.state.nc.us](http://www.governor.state.nc.us))
- Department of Commerce ([www.nccommerce.com](http://www.nccommerce.com))
  - North Carolina Secretary of Commerce Keith Crisco
    - Deputy Secretary and Chief Operating Officer Dale Carroll
      - Assistant Secretary for Workforce Development Roger Shackelford
        - Manfred Emmrich, Director of Employment Service
        - Danny Giddens, Director of Grants Management
        - Beth Lucas, Director of Governance and Strategic Planning
        - Graham Watt, Director of Administrative Services
      - Assistant Secretary for Employment Security Dempsey Benton
      - Assistant Secretary for Labor and Economic Analysis Stephanie McGarrah

The 2012-2014 Strategic Plan of the Commission on Workforce Development, adopted in early 2012, calls for the restructuring and streamlining of the One-Stop Career Center service delivery system for both job seekers and employers. Goals include: creating a new framework and operational guidelines for a more integrated One-Stop delivery system, measuring how well the system delivers quality service, and assessing the efficiency and effectiveness of data collection tools for tracking and planning purposes. North Carolina is cognizant of and will be incorporating coordination with the U.S. Department of Labor's American Job Center Network brand efforts.

Current Commission membership reflects a state level workforce development management team established by the Governor, comprised of leadership from the following state level entities:

- Department of Health and Human Services
- Department of Public Instruction
- Community College System
- Department of Labor
- Department of Commerce

In North Carolina, the leadership of the various agencies that comprise the workforce development system has a mutual respect and working relationship that ensures accountability, collaboration and effectiveness of the services provided by the system. The Secretary of the N.C. Department of Health and Human Services sits on the Commission and serves to represent Vocation Rehabilitation. Vocation Rehabilitation services in North Carolina are provided through the Department of Health and Human Services. These leaders communicate on a regular basis in developing strategies for implementing new initiatives and in dealing with crises such as major layoffs, natural disasters and in delivering ongoing services.

Effective January 1, 2013, State law will reconfigure and reduce membership of the state WIB from 38 to 25 members appointed by the Governor. By virtue of their offices, the following department or agency heads will serve:

- Secretary of the Department of Administration
- Secretary of the Department of Health and Human Services
- Superintendent of Public Instruction
- President of the N.C. Community College System
- Commissioner of the Department of Labor
- Secretary of the Department of Commerce

The reduction of members keeps the original departments/agency heads with one change: the Secretary of the Department of Administration is added, while the head of the former North Carolina agency responsible for Wagner-Peyser Act programs is removed since this agency merged into (and is now represented by) the N.C. Department of Commerce. The Governor appoints the remaining 19 members, maintaining a majority of members (13) representing business and industry.

### **Local Workforce Development Board Areas**

Appendix D provides a current listing and map of North Carolina's 23 local workforce investment areas. North Carolina's current 23 Local Areas meet the performance and fiscal accountability criteria of WIA.

The original process of local area designation included the State Board's 1998 review of the provisions of the Workforce Investment Act relative to sub-state areas, including all factors noted in the sections referenced above. The Governor accepted the State Board's recommendation that existing Local Service Delivery Areas continue as the Local Areas for WIA. The response from chief elected officials was unanimously affirmative

and the original WIA Local Areas were maintained. During the course of WIA, the State Board has been and will continue to be responsive to local elected officials on configuration of local areas. For example, when the local elected officials of the former Pee Dee Workforce Development Board voted to dissolve as constituted and re-align member counties with different local workforce boards, the State went from 24 to 23 Local Areas. The State Board will monitor any changes to designation criteria that may be included in WIA reauthorization and relevant changes to labor market areas and other considerations and re-visit re-designation as appropriate.. There are no other designated intrastate or interstate regions.

### **Data Collection**

In North Carolina, multiple management information systems are used to manage data collection and reporting for multiple programs. In order to submit wage data reports, all programs access the wage data in the Unemployment Insurance database and access multi-state data from the WRIS system. Some of the data fields in the Trade Adjustment Participant Report (TAPR) submission come from the WIA database to assist in data accuracy.

The State also currently has a longitudinal data system that collects and reports education and employment outcome data from multiple partners including Workforce and K-12 education and post-secondary education among others. The Common Follow-up System is a requirement of the N.C. General Assembly to produce a yearly report.

Beginning in January 2012, North Carolina assembled a team of staff and other interested parties to investigate options for an integrated system of all partner programs. A recommendation to procure a replacement system for WIA, WP and TAA and other related partners was approved. The Division's Request for Proposal (RFP) to procure a Commercial Off-the-Shelf (COTS) system that will be a fully integrated workforce development system for job matching, case management, and data collection to allow North Carolina to meet U.S. Department of Labor reporting requirements is scheduled for a September 2012 release. This system will allow for interfaces to existing systems and the ability to easily expand to allow for the inclusion of additional programs. By procuring a single integrated solution, the Division will ensure that individual job seekers, employers and staff have the best access to services that will assist them in their current needs.

When the Division creates quarterly reports for WIA, WP, or TAA, data is matched with the State's Unemployment Insurance Database and the national WRIS database in order to obtain the wage data. Once this data is matched, data is then used to create the measures needed for the quarterly reports that are submitted to USDOL. Every quarter, these reports help determine additional technical assistance that is needed or identify problem areas. For WIA reports, this same data is used to create the Local Performance Report that is sent to each Local Workforce Development Board to help determine areas that need improvement before the end of the program year.

For Wagner-Peyser services, there are a number of processes and outcomes that constitute a performance management system – a system used by local and state level management to track performance, enhance services, and identify areas needing corrective action. North Carolina utilizes a mainframe-based

management information system that generates activity counts on a monthly basis for the statewide Wagner-Peyser system and for local offices.

To establish standards for measuring performance, local and regional managers develop annual activity goals for each local center and office. The State establishes goals for categories of service such as referral to employment and referral to training, and develops outcome goals for categories such as individuals placed in jobs and entered employment. Each quarter, local management is provided a computer-generated report which provides information on the accomplishments of plan goals by staff in each center and office. This information is used as a management tool to recognize staff for their accomplishments and identify areas of service where correction is needed.

In addition, for specific applicant groups, such as veterans and migrant and seasonal farmworkers, the State produces monthly electronic reports which provide the information needed to ensure that members of these target groups are provided preferential services.

Several of North Carolina's workforce development system partners, including WIA and Wagner-Peyser service providers, participate in a coordinated data collection system, the Common Follow-up System (CFS). CFS is utilized to collect demographic and programmatic information on participants of state and federally-funded education, employment, and training programs. Participant and program information can then be linked to information stored in North Carolina's UI wage files. Information from this system is utilized to track customer participation in workforce development system services and to determine levels of performance in achieving employment outcomes.

The newly integrated system will create a "common Intake" process by being able to interface in real time to the Unemployment Insurance system maintained by the Department of Commerce's Division of Employment Services (DES) to pull in common fields. This would allow staff to not have to key in contact information for UI Claimants. The Division will also be able to send data back to the UI system to show the individual is looking for a job as appropriate. The DES is in the process of replacing the current mainframe based UI system with the regional UI system called SCUBI.

When the Division creates quarterly reports for WIA,WP, or TAA, the Division matches data with the state's Unemployment Insurance Database and with the national WRIS database in order to obtain the wage data.

The State Plan references the "Special payments system" which is an internet based system to collect data. It interfaces with the current JobConnector system for Wagner-Peyser. It also connects to the mainframe based UI and FARS system. TRA is paid as part of the UI system. North Carolina is in the process of developing a "new" Participant Data Tracking system for all workforce programs including Wagner-Peyser.

### **One-Stop Career Centers**

The State's leadership has long supported the provision of workforce services to a universal population through North Carolina's One-Stop System. One-Stop Career Center staff are organized to serve customers regardless of their barriers to employment, level of need, or degree of career development. The

requirement to make core services available to all customers is included in the Memorandum of Understanding (MOU) signed by the heads of the state agencies that provide workforce services. WIA and Wagner-Peyser-funded services must be provided for the universal population in all chartered One-Stop Centers. In addition, a variety of labor market information and career development tools are available to the universal population at all Centers to include ‘mySkills myFuture’ and ‘MyNextMove’.

The One-Stop System has always focused its efforts on enhancing the level of services for special applicant groups and improving the employability of these individuals. Proven strategies to address individual needs include literacy and basic skills programs, occupational skills training, job accommodations, assistive technologies, disability awareness training, and other activities that may address barriers and support achievement of positive employment outcomes. Each year, during the month of October, the Disability Specialist in each office coordinates with local government and other service entities, “Disabilities Awareness Month.” Each area showcases month-long activities in recognition of the contributions made to the workforce by persons with disabilities. This emphasis serves to highlight awareness throughout the year.

In addition, a key goal of the newly formed Division of Workforce Solutions and the NC Commission on Workforce Development is a rebranding initiative for North Carolina’s One-Stop delivery system. The announcement to encourage assimilation of the American Job Center Network brand throughout states’ delivery systems comes at an opportune time for North Carolina. As the state works this year and next to re-brand the JobLink Career system, North Carolina will consider the American Job Center Network brand in order to identify all workforce development services as part of a single network.

### Services to State Targeted Populations

As of July 2012, there were 669,914 active job seekers in the state’s Job Connector database.<sup>10</sup> This population includes unemployed and underemployed job seekers, as well as job holders seeking alternative employment. The unemployed and underemployed populations tend to overlap with the target population of the Workforce Investment Act.

Total Statewide Job Seekers in 2012 Year to Date by Gender and Age Group									
Males	Females		Age 16-19	Age 20-24	Age 25-34	Age 35-44	Age 45-54	Age 55-64	Age 65+
348,047	321,867		28,535	96,039	170,965	148,105	135,946	73,930	16,204
52%	48%		4%	14%	26%	22%	20%	11%	2%

Source: NC JobConnector Database, Labor & Economic Analysis Division, NC Commerce

The following table summarizes the educational attainment of the active population of job seekers in the Job Connector system. As shown in the table below, about half of the total job seeking population has a high school degree or less.

<sup>10</sup> This count represents the number of job seekers that were active at some point during PY 2011 (July 1, 2011 - June 30, 2012). This number includes job seekers registered in prior years, but active sometime during PY 2011. In addition, some job seekers who were active in PY 2010 are "carried in" and remain active for some period of time during PY 2011.

Statewide Educational Attainment for Registered Applicants (Unique)										
Not HS Grad	HS Grad	GED	Col 1-2 Yrs	Assoc Deg	Col 3 Yrs	4 Yr Deg	Masters	Post Mstrs	PHD	Edu Unspec
170,641	172,067	51,992	122,118	49,045	18,183	67,577	14,704	1,581	1,992	14
25.47%	25.68%	7.76%	18.23%	7.32%	2.71%	10.09%	2.19%	0.24%	0.30%	0.00%

Source: NC JobConnector Database, Labor & Economic Analysis Division, NC Commerce

In addition to examining those currently seeking work, North Carolina’s long-term unemployment insurance claimants (those unemployed over 26 weeks) are an important subpopulation. Long term unemployed claimants are fairly representative of all active job seekers in the state in terms of educational attainment – with the exception of more high school degreed and fewer without a high school degree. Employers’ perceptions of the long-term unemployed, as being generally undesirable to other potential employers or as lacking up-to-date skills, may be a greater factor than these claimants’ educational degrees.

Percentage of Long-Term (over26 weeks) Unemployment Claimants by Educational Attainment <sup>11</sup>			
No High School Degree	High School Degree	Associate's or Some College	Bachelor's Degree or Higher
12.9%	44.7%	29.1%	12.6%

In North Carolina, like in most states, there is a real and direct correlation between one’s educational attainment and their ability to find work. In 2011, the unemployment rate for someone without a high school degree was nearly four times higher than someone who had at least a Bachelor’s degree.<sup>12</sup>

2011 Rate of Unemployment	
No High School Degree	18.7%
High School Graduate	12.7%
Some College or Associate's Degree	10.2%
Bachelor's Degree or Higher	4.8%

Educational attainment has made a large difference in job status during the recession and recovery. In the first quarter of 2008 there were 1,042,745 workers with a high school or equivalent degree in North Carolina, compared to 978,164 in the State in the first quarter of 2011 according to the Quarterly Workforce Indicators data. The 64,581 worker decline represented a drop of 6.2 percent in employment. Workers with

<sup>11</sup> NC Department of Commerce, Division of Employment Security. UI Benefits System.

<sup>12</sup> US Census American Community Survey. 3-Year Average, 2009-2011.

a Bachelor's degree or higher, however, fell from 841,036 in the first quarter of 2008 to 815,346 in the first quarter of 2011. The 25,690 worker decline represented a 3.1 percent decline, half the percent seen in the high school or equivalent category.

This phenomenon is similar for most North Carolina counties – both urban and rural. While there has been a lot of anecdotal evidence of the employability of credentialed individuals – particularly in the skilled trades industries – there is strong support that advances in educational attainment would help improve the job prospects for North Carolinians.

The North Carolina Workforce Development System has well established methods to ensure that a full range of employment and training services are accessible to persons with disabilities and older workers. Disability Specialists are located at many One-Stop Centers to serve as primary service providers for persons with disabilities. These Specialists coordinate with partner agency staff to provide an array of specialized services to these customers. At each One-Stop Center, persons with disabilities and older workers are provided a full range of services through self-help, staff-assisted and intensive service methods. Over the years, existing One-Stop Centers have been verified by the Division of Vocational Rehabilitation, or appropriate partner agency, as being accessible to disabled individuals and will continue to make physical and/or technological changes or improvements. New locations will be similarly assessed.

In addition, new legislation designed to reform workforce development in the state has tasked the Commission on Workforce Development to revisit the criteria for quality One-Stop Centers and also develop a revised Memorandum of Understanding (MOU) among workforce partner agencies to be effective July 1, 2013.

Through the accomplishment of these new objectives, the State seeks to better serve unemployment compensation claimants, the long-term unemployed, the under-employed, dislocated workers, low-income individuals, and other individuals with multiple challenges to employment.

One example of enhanced service is the Opportunity North Carolina (ONC) initiative; helping individuals currently receiving unemployment insurance benefits get back to work quicker. ONC strives to serve those who would like to volunteer for a training opportunity of up to six weeks offered by a North Carolina employer. It gives businesses greater hiring confidence as a result of being able to train and observe program participants. After the training period, businesses have a potential employee ready to function at a higher level.

North Carolina adheres to the guidelines provided in the Jobs for Veterans Act (P.L. 107-288) which requires that North Carolina have the Local Veterans Employment Representatives (LVERs) and Disabled Veterans Outreach Specialists (DVOS) strategically assigned to service delivery points throughout the One-Stop System to ensure accessibility to all veterans with employment or training needs. LVER/DVOS staff has frequent contact with other One-Stop partners to keep them informed of current veteran's employment and training issues and to assist in providing direct services to veterans. Once a veteran's employment and

training needs have been identified, the staff of One-Stop partners ensures that appropriate services are provided.

The Division of Workforce Solutions has statewide responsibility for serving Migrant and Seasonal Farm Workers (MSFWs) and agricultural employers. Numerous service delivery tools are provided in Spanish. Bilingual staff are available statewide to assist in delivering services to individuals with limited English-speaking proficiency. The State cultivates relationships with local community-based organizations that focus on serving non-English-speaking customers to assist them in overcoming barriers to employment.

To better assist customers with barriers to employment, North Carolina administers tax credit programs in One-Stop Centers and other partner agency facilities. The Work Opportunity Tax Credit and the Welfare-to-Work Tax Credit programs reduce the taxes of employers who hire members of special populations including individuals with disabilities, veterans, and long-term welfare recipients.

The State used WIA statewide activities funds for the availability of a mobile unit, operational since early 2007, that enhances the One-Stop Center System and Rapid Response initiatives. The JobLink Mobile Unit (JLMU) is designed to meet multiple workforce needs.

The JLMU affords workforce agencies a service delivery medium designed to meet the State's continual rapid response work place assessment, to provide services to workers impacted by layoffs and deliver on-site incumbent worker training needs. The JLMU also is used to provide on-site service during the aftermath of natural disasters. With priority given to those agencies with specific employment and training initiatives, the JLMU also serves as a mechanism to provide awareness of the State's One-Stop Centers and services.

The JLMU has generated numerous requests and dispatches. The use of the unit has ranged from Rapid Response related Job Fairs, informational tours for Chambers of Commerce, faith-based organizations, veterans, partner agencies and request for incumbent and displaced worker enrollment/training activities. In many cases, the JLMU has served as an additional resource room with computers to serve customers in very high volume One-Stop Centers.

### **Services to Business Customers**

The State will meet the needs of the business customers of the One-Stop Delivery System by:

- Improving outreach to business customers through an appealing, consistent brand and message that identifies services and products that are of high value to them;
- Developing and communicating policies and guidelines around business services, using business language, for economic development and other purposes;
- Partnering with local Workforce Development Boards to coordinate local business services;
- Creating and deploying a Business Services Team that is ready to meet with employers to identify the workforce skill gaps, and development and implement solutions to meet the business customers' needs;

- Working with the N.C. Community College System, other post-secondary institutions, the business community and other key partners to strategically develop and implement systemic changes that increase access to, and support success of, adult workers and non-traditional students;
- Continuing participation with workforce development partners in determining the training needs of, and delivering services to, businesses locating or expanding in the state;
- Supporting collaborative approaches to serve businesses through sector strategy partnerships, incumbent worker training, on-the-job training, and regional collaborations among local workforce development boards as they determine businesses' needs;
- Collaborating with the N.C. Community College System to identify and focus training opportunities that consistently address validated employer needs;
- Growing the involvement of businesses in the Opportunity North Carolina initiative, allowing the unemployed a training opportunity at a business with job opportunities;
- Broadening human resource assistance and providing real-time labor market information for business use and decisions;
- Providing a more robust job matching/career development portal;
- Ensuring that the One-Stop System includes common information and resources that support entrepreneurship as an employment option for unemployed and dislocated workers, as well as youth.

The State will use program funds to expand the participation of business in the statewide workforce investment system through the provision of:

- On-the-Job Training support and technical assistance – at the local and state levels;
- Expansion of Opportunity North Carolina
- Incumbent Worker Training to avert lay-offs by building relevant skills and certifications
- Technology development that is user- and business-friendly
- Outreach tools that are user- and business-friendly
- Staff development around business services
- Participation in the Expanding Business Engagement Initiative

The Re-Employment Services (RES) Program is designed to expedite an early return to work for North Carolina wage earners who have become unemployed. Claimants who receive a first pay and are deemed most likely to exhaust their unemployment insurance benefits are referred to reemployment services to promote a faster transition to new employment. The benefits of providing this early intervention are numerous. Job seeker participants develop valuable job search skills that result in a shorter and smoother transition from unemployment to reemployment. The shorter duration of unemployment precipitates customer's quick return to wage earner status with limited financial impact. By reducing the total number of weeks that customers claim unemployment insurance benefits, the RES Program results in savings to the Unemployment Insurance Trust Fund and may, in turn, result in tax savings to employers. The program also

pays dividends for employer customers by identifying suitable potential workers to help meet staffing needs.

Participants in the RES Program are required to attend Job Seeking Skills workshops that teach new and more efficient job search skills. The content in these workshops varies throughout the State and is tailored to local labor market conditions and to the needs of the job seeker customer. Participants learn how to develop a job search plan targeted toward individual job interest(s) and take part in intensive job search activities and follow-up procedures. Program participants have frequent contact with One-Stop staff that develop jobs and refer the enrolled job seekers to employers to aid them in becoming reemployed.

Re-employment Programs are a significant component of the Division of Workforce Solutions' initiative to improve the quality and quantity of individualized services provided to job seekers. Unemployment Insurance job seekers are linked with job openings, training opportunities and reemployment services on a continuous basis once registered in the workforce system.

After American Recovery and Reinvestment Act (ARRA) funding for the RES Program ended on September 30, 2010, a commitment was made to continue to operate the RES Program. The program has since been expanded to include "volunteers." This means that staff can provide specialized, intensive reemployment services to any claimant at any point in their claims series. This practice is especially beneficial to the long-term unemployed.

Efforts to ensure that special populations receive much needed services are achieved through the use of the "specialist model" approach. The specialist model assigns resource persons in each One-Stop Center. These resource persons are knowledgeable of specific program(s) they have responsibility for such as Reemployment Eligibility and Assessment (REA) and RES in addition to working with older workers, persons with disabilities, former offenders and customers with limited English Speaking Proficiency. One-Stop Center Specialists receive specific training to be able to provide one-on-one assistance for special populations. Program Specialists are assigned in each One-Stop Center.

One-Stop Centers are housed in buildings that are ADA compliant. Centers are complete with ramps, wide aisles; wide bathroom stalls with rails, and lowered-handle/easy-open doors. Partners, such as the Division of Vocational Rehabilitation, the Division of Services for the Blind, the Governor's Advocacy Council for Persons with Disabilities, the Department of Corrections and other agencies at the state level, as well as with community and faith-based organizations, ensure that programs such as employment counseling, résumé assistance and preparation, labor market information, job referral, placement assistance, follow-up and supportive-service referrals are in place to provide services to older workers, ex-offenders, low income individuals, and persons with disabilities. The Division of Workforce Solutions provides interpreters for the hearing impaired and makes other accommodations, as necessary, to serve persons with impairments. Enhanced working relationships with key partners of the workforce system and community allow all agencies to better meet the needs of customers.

In addition, One-Stop Centers offer services to former offenders. The Former Offenders Initiative provides direct, employment-related services to those with criminal records. It also reaches out to the employer community to emphasize both the tangible and intangible benefits of hiring former offenders to fulfill their staffing requirements.

The Limited English Proficiency Program is tasked with ensuring equal service offerings to those of limited English-speaking capabilities compared against the general population. In particular, this program seeks to provide equal employment and job seeking services to customers.

The One-Stop System has integrated the Food and Nutrition Services Employment and Training Program in 10 counties to assist eligible food and nutrition (Supplemental Nutrition Assistance Program (SNAP)) recipients, who volunteer for employment assistance, in their efforts to obtain employment. This program is a collaborative effort of many One-Stop partners, including the Division of Social Services, Community Colleges, Workforce Investment Act, Vocational Rehabilitation, Literacy Council, Occupational Industrial Commission and local agencies.

The Trade Adjustment Assistance (TAA) Program provides services for workers who have become unemployed or underemployed due to increased foreign imports. This program is to help workers, including trade-impacted, dislocated workers and displaced homemakers, obtain gainful employment. Benefits offered are funded for a maximum of two years of training and include funds to support workers while attending training and funds for job search and relocation. In order to reduce training costs, approximately 98% of the training is conducted through the N.C. Community College System. Curricula to obtain nursing certifications or criminal justice degrees are among the most popular training courses.

The Division of Workforce Solutions provides employment, re-employment, and training needs to veterans in One-Stop offices across the state. Veterans are initially assessed and provided other core services by Wagner-Peyser staff. More specialized services, if needed, are provided by the 66 Local Veteran Employment Representatives (LVERs) and 26 Disabled Veteran Outreach Program Specialists (DVOPs) assigned to the local One-Stop offices throughout the state. Those veterans who are identified as having barriers to employment at their initial assessment, or those who are having difficulty finding employment after receiving core services, are referred to the DVOP for a comprehensive assessment to determine whether intensive services are needed. If the DVOP does provide intensive services and determines the veteran to be "job ready," the veteran can be referred to a LVER for job development services. The staff is funded by a DOL/VETS Grant and ensures that Wagner-Peyser and One-Stop partner staff are aware of and provide priority of service to all veterans and eligible persons. Services include enrollment in training and referrals to employment opportunities and programs. Veterans identified as having significant barriers to employment receive intensive services via case management.

North Carolina participates in several national programs designed to assist unemployed and long-term unemployed veterans. The first of the two programs is the Gold Card. The Gold Card initiative is available to Post 9/11 era Veterans that offers: job readiness assessment, including testing and interviews; development

of an Individual Development Plan (IDP); career guidance via group or individual counseling; labor market, occupational, and skills transferability information; referral to job banks, job portals, job openings, employers, and apprenticeship programs; referral to WIA-funded training program; and Case Manager follow-up for up to 6 months.

The second program is the Veterans Retraining Assistance Program (VRAP). Veterans who meet eligibility requirements for retraining assistance can receive \$1,564 per month up to 12 months. Veterans must meet the following eligibility requirements:

- Be at least 35, but no more than 60 years old;
- Unemployed;
- Have an “other than dishonorable” discharge;
- Not eligible for any other VA education benefit program;
- not enrolled in a federal or state job training program at any time during the previous 180-day period as of the date of application; and
- Not in receipt of VA compensation due to individual un-employability.

Veterans who express an interest in the VRAP Program and meet the eligibility requirements for the VRAP Program are referred to the Veteran’s Administration. Upon successful program completion case management services are offered by One-Stop staff until employment is secured.

North Carolina is one of four states participating in a pilot project aimed at developing reemployment strategies for the Unemployment Compensation for Ex-Military (UCX) Claimants Initiative. The project has two fundamental components: an examination of available data and how best to enable effective data sharing amongst the participating entities; and developing strategies that maximize the leveraging of available assets and resources for reemployment services. The goals are to improve outreach, create both the availability of and effectiveness of re-employment services available to UCX recipients, and reduce the duration of benefits to UCX recipients, where possible.

This is a collaborative effort including the Army, the U.S. Department of Labor’s Veterans Employment and Training Services and Employment and Training Administration, the National Association of State Workforce Agencies, and other participant states (Georgia, Illinois, and Texas). This initiative will serve as a “proof of concept” and roadmap for a possible national model.

Currently, business customers work with One-Stop staff to find qualified workers and information about customized training, literacy programs or hiring incentives such as Work Opportunity Tax Credits. The One-Stop Center is also the primary focus point for information about Unemployment Insurance and labor market trends. Employers who anticipate layoffs or business closings depend on the One-Stop Centers for rapid response services to develop worker assistance and transition programs. Staff can assist employers develop policy and hiring manuals and conduct turnover and exit surveys.

The employer community is heavily involved in workforce development activities through participation on the many boards, committees, and commissions that advise stakeholder agencies/organizations. Their

advice and counsel is invaluable in helping the system understand worker and employer needs at the state and local levels.

As a One-Stop partner and in its role as the public labor exchange, the Division of Workforce Solutions, the Wagner-Peyser administrative entity, currently uses *N.C. JobConnector* system to address employer needs in the One-Stop System. Employer visitation and promotional telephone contacts by management and staff on a regularly scheduled basis is central to employer services outreach. In addition, an annual two-week job order surge outreach event to contact as many employers as possible is conducted. This effort keeps employers aware of services available through the system and provides information concerning the employers' need for workers. New listings for the *N.C. JobConnector* system result from these contacts. Recognition of the employers' need for information and other services, such as, unemployment insurance labor market information, tax credit assistance, positive recruitment needs, employee surveys, and wage and benefit studies also occur. Similarly, other One-Stop partners have engaged the employer community to secure input for planning purposes and to promote the placement of their clients/graduates. To minimize duplicative and unnecessary employer contacts, One-Stop Center partners will participate in a collaborative approach to marketing. An employer outreach effort in each One-Stop Center is responsible for developing relationships with local employers to ensure they utilize One-Stop Centers and that services meet employer needs.

The following additional services are offered via the One-Stop Center system by DWS to address employer needs and expedite service to the employer community:

**Electronic Job Listing Services:** Provides employers with options for listing available jobs at their convenience through the use of fax machines, a toll-free telephone line or the Internet. Job listings may be added to the *N.C. JobConnector* system from any location.

**Self-Service Job Referral:** Employers may post job openings on the *N.C. JobConnector* system (available in DWS local offices, One-Stop Centers with any Internet capable computer and at many other off-site locations, such as, community colleges, county Social Service Offices and military installations) in an "unsuppressed" format. This format, which includes the employer's name, address and telephone number, allows job seekers to apply for employer vacancies without staff intervention.

**Tax Credits:** Disseminates information to employers about the Work Opportunity Tax Credit (WOTC). This program provides tax credits to businesses that employ individuals targeted by the program. DWS staff process tax-credit certifications for the entire state.

## Youth Services

North Carolina youth programs focus on long-term, comprehensive youth services providing the education, skills, work experiences and supports that youth need to successfully transition to career and productive adulthood. This comprehensive approach blends youth development activities with those of the traditional employment and training system. The youth program targets youth from certain categories that include:

school dropouts; deficient in basic literacy skills; homeless, runaway, or foster child; pregnant or parenting; offender; or are individuals (including a youth with a disability) who requires additional assistance to complete an educational program, or to secure and hold employment.

Youth Councils play a critical role as catalyst in bringing together WIA-funded youth programs and other youth activities and services in the community to provide a network of services. An awareness of and linkages to community programs and resources, enable local programs to minimize duplication of services and maximize community resources. Youth Councils maintain a current inventory of youth services available in the community so that limited WIA funds may be used to fill gaps and minimize duplication. Further, Youth Councils will continue to develop/enhance relationships with local agencies and service providers to ensure a program of comprehensive services are available to eligible youth in the Local Workforce Development Areas.

A local program of comprehensive services includes:

- Tutoring, study skills training and instruction leading to a secondary school completion, including dropout prevention strategies;
- Alternative secondary school offerings;
- Summer employment opportunities directly linked to academic and occupational learning;
- Paid and unpaid work experiences, including internships and job shadowing;
- Occupational skill training;
- Leadership development opportunities, which may include such activities as positive social behavior soft skills, decision making, and teamwork;
- Supportive services;
- Adult mentoring;
- Follow-up services; and
- Comprehensive guidance and counseling.

The delivery of comprehensive youth services is a coordinated effort including a variety of agencies, such as education, juvenile justice, law enforcement, foster care, Job Corps, vocational rehabilitation, and public assistance. Many agencies providing youth services are represented on the local Youth Councils, providing a forum for information exchange and establishment of local coordination strategies.

While local WDBs are not expected to have WIA funding sufficient to provide all of these services. They will, through their Youth Councils, determine the extent to which these services already exist in their communities and develop linkages to access these services.

North Carolina issues planning guidelines requiring local Workforce Development Boards develop a strategic plan for youth services. This includes: a description of the local framework of youth program design and how a program of comprehensive services will be delivered and identification of the at-risk youth populations in the Local Area, existing community resources, as well as high demand, high growth occupations.

At the local level, North Carolina encourages Youth Councils to continue their work in developing broader roles within the community — roles beyond that of just WIA employment and training — roles that embrace a youth development perspective and take into account a wide range of community issues. These far-reaching issues can have a huge impact on the success of youth, especially those at risk, in the labor market. One example of reaching out is reflected by local Youth Councils including members from emerging and in-demand occupations.

The economic recession and slow recovery period has had significant impacts on all of North Carolina’s demographic subpopulations. While the unemployment rates of all demographic subpopulations increased during the economic downturn and still continue to exceed pre-recessionary levels, unemployment rates among 16 to 19 year olds skyrocketed to 32% in 2011 while the unemployment rate of those aged 20 to 24 years reached 19.6% in 2011.

<b>North Carolina Annual Average Unemployment Rates by Age</b>					
Age Group	2007	2008	2009	2010	2011
16-19 years	14.7	24.0	25.7	27.0	32.0
20-24 years	8.3	9.6	18.3	18.4	19.6
25-34 years	4.7	7.1	12.1	10.6	11.2
35-44 years	3.4	5.0	8.9	8.9	8.5
45-54 years	3.1	4.8	8.0	8.6	8.8
55-64 years	3.3	3.7	5.6	7.2	6.0
65 years and over	2.2	3.1	7.6	8.9	5.3
<i>Source: Bureau of Labor Statistics, Geographic Profile of Employment and Unemployment</i>					

Substantial differences exist in the patterns of unemployment among the various racial ethnic youth subpopulations. In 2011 the annual average unemployment rate of African Americans aged 16 to 19 was 47.8%, while the annual average unemployment rate for African Americans aged 20 to 24 years was 29.6%. As a comparison the annual average unemployment rate for Whites aged 16 to 19 was 26.2%, while the annual average unemployment rate for Whites aged 20-24 years was 15.3%.

North Carolina has made significant strides in reducing its high school dropout rate. During the 2010-2011 school year, the North Carolina Department of Public Instruction reported a 3.43% high school dropout rate. This was a 0.32 percentage point decrease and an 8.5% reduction from the prior year’s 3.75%. The number of high school dropouts declined from 16,804 in the 2009 – 2010 school year to 15,342 in the 2010 – 2011 school year. This was the fewest number of dropouts ever recorded. While dropout rates declined in each

of the demographic subgroups, the dropout rate for Hispanic students was the highest of all of the racial ethnic subgroups at 4.68%, while the dropout rate for Blacks was 4.29% and for Whites 2.86%.

In addition to the dropout rate, the North Carolina Department of Public Instruction publishes information on cohort graduation rates. Of those 2008-2009 entering 9th graders, 80.4% graduated high school during the 2011-2012 school-year or earlier. This compares to a 77.9% 4-year cohort graduation rate for those entering students entering 9th grade in 2007-2008 and graduating in the 2010-2011 school-year or earlier.

While North Carolina has made significant strides in decreasing its high school dropout rate and graduation rates, challenges still exist. North Carolina's rural and low wealth counties have some of the highest dropout rates in the state and have several schools that are on the state's list of low-performing schools. While the North Carolina's 4-year cohort graduation rate reached 80.4% the rate for economically disadvantaged students was 74.7% and the 4-year cohort graduation rate for Limited English Proficient students was just 50.0%. North Carolina must continue to work to eliminate barriers for workers with limited English proficiency. In addition, the rate for Black Males was 68.1% compared to 81.4% for Black Females and 68.4% for Hispanic Males compared to 77.7% for Hispanic Females.

It is important for workforce professionals to train younger generations in the key industries and the related occupations in order to prepare for future employment. Some of that are the industries thriving in North Carolina and critical to the state economy include advanced manufacturing, aerospace and aviation, defense, automotive, biotechnology and pharmaceuticals, energy, financial services, software and information technology. For North Carolina's workforce to remain competitive, efforts to increase education and skills of the younger populations through secondary, post-secondary, and training must continue.

North Carolina will continue to respond the demand-driven models of business and industry by working collaboratively with the workforce investment system and education partners to develop strategies for bringing youth successfully into the workforce pipeline with the right skills through its involvement with Career Readiness Certificate program. North Carolina's Career Readiness Certification (CRC) is designed to meet the needs of both employers and job seekers in this transitioning economy. For employers, the CRC offers a reliable means of determining whether a potential employee has the necessary literacy, numeracy, and problem solving skills to be "job ready." For job seekers, the CRC serves as a portable credential that can be more insightful to employers than a high school degree or a resume citing experience in a different job setting. The CRC is a product of the N.C. Community College System, the local Workforce Development Boards, and other partners. This system identifies current skill levels and identifies gaps to help determine a comprehensive approach to serving these youth.

North Carolina will investigate demand-driven models with business and industry to make available opportunities to youth wishing to pursue employment/careers in targeted high growth occupations. Along these lines, the State has supported and promoted business services representatives as part of each local area after consultation with local Workforce Development Boards. Local Area business services representatives and dedicated youth leads have the opportunity to develop demand-driven models with

business and industry working collaboratively with the workforce investment system and education partners to develop strategies for bringing youth successfully into the workforce pipeline with the right skills.

North Carolina's 23 local Workforce Development Boards, as specified in the Workforce Investment Act, design, structure and implements youth services across all 100 N.C. counties. The State requires, through annual Local Area Plans, a description of planned service strategies including specificity regarding at-risk youth and significant barriers to employment. The State reviews, provides technical assistance as warranted, and ultimately approves these Local Area Plans prior to the Local Areas accessing WIA youth funds. These 23 local Plans reflect local environments and needs. Representative services in N.C. include:

- Local Areas use their Youth Councils, which frequently represent targeted youth, to provide work experience sites for these identified youth. Outreach is also made through the faith-based community to receive and make appropriate referrals of targeted youth.
- Local Areas use their Youth Councils, Board members and One-Stop Career Centers to provide youth with linkages throughout and across the community to include training, employment, education, and supportive service functions and resources.
- Local Areas also ensure that youth staff are provided appropriate required and necessary training on common issues and trends for working with this youth population.
- Local Areas also strive to design programs based on their youth population's specific needs that contain the 10 Program Elements, life skills training, and more and strive to focus on the whole youth to include mental health, physical health, education, training, and employment skill needs.

A team-oriented strategy that North Carolina will continue to use is that of the Local Area Youth Leads Team supported by the 23 Local Workforce Development Boards and Directors. Representing North Carolina's 23 Youth Councils, this active group meets to identify strategies for improving coordination and collaboration. Each session is an opportunity for team members to share up-to-date information on best practices, state level updates, and emerging issues. This information sharing includes input from those who serve youth. In addition, a Youth Leads e-mail group has been established so that members can quickly and easily discuss questions or issues of the day. A two-day training event established around emerging issues and technical assistance needs to include the attendance of Youth Council Chairs and Workforce Development Board Directors is held annually.

Another resource to guide an integrated vision for serving youth in North Carolina is the *N.C. Youth in Transition Collaborative*. The *N.C. Youth in Transition Collaborative* is a group of concerned representatives from public and private agencies who work together to promote successful transitions to adulthood for youth who are or have been served by public agencies. Many of these youth, without adequate supports, could easily become disconnected from opportunities, networks, supports and services that will enable these youth to thrive.

The *N.C. Youth in Transition Collaborative* members share relevant information and promote the collaboration of services which are provided at the local area level. For example, N.C. Department of Social

Services/LINKS youth, or foster care youth, share information about the North Carolina Education and Training Voucher Program. This is a federally-funded, state-administered program designed to help youth who were in foster care. Such cross-communication allows both local workforce WIA system staff along with local Social Service and other youth-involved staff to know about potential funding opportunities for some of North Carolina's neediest youth. The *N.C. Youth in Transition Collaborative* does not, as group, undertake specific direct service delivery.

In addition to the federal funding information, local staff shares information about NC Reach. NC Reach is a state funded scholarship offered for up to 4 years for eligible youth. NC Reach provides comprehensive student support, including Virtual Mentors, Care Packages, and internships to eligible youth. North Carolina students are eligible for NC Reach if they are legal residents of North Carolina, eligible for in-state tuition rates, adopted from North Carolina Division of Social Services (DSS) foster care after age 12, or aged out of NC foster care at age 18, (must have been in NC DSS foster care on 18<sup>th</sup> birthday) and are enrolled in one of the 74 North Carolina Public colleges, universities, or community colleges. This funding is a vital resource to the eligible special, targeted, needy youth population.

In addition to the state agencies, community/non-profits are an important part of the *N.C. Youth in Transition Collaborative*. SaySo (Strong Able Youth Speaking Out) is a statewide association, of youth aged 14 to 24, who are or have been in the out-of-home care system, that is based in North Carolina to include all types of substitute care, including foster care, group homes, and mental health placements. SaySo works to improve the substitute care system by educating the community, speaking out about needed changes, and providing support to youth who are or have been in substitute care and shares useful information among Youth in Transition Collaborative members and serves as a resource to many of the Collaborative's customers and clients. The *N.C. Youth in Transition Collaborative* works successfully to maintain awareness of existing programs offered through their own agencies, organizations, and the state through monthly meetings and their active listserv weekly regular postings.

Members of this collaborative include N.C. Administrative Office of the Courts, Communities in School, N.C. Department of Commerce, N.C. Department of Health and Human Services, N.C. Department of Juvenile Justice and Delinquency Prevention, N.C. Department of Public Instruction, N.C. Division of Vocational Rehabilitation Services, N.C. Division of Social Services, N.C. Guardian ad Litem Program, North Carolina Community College System, and Strong Able Youth Speaking Out (SaySo), Inc. (foster care advocates).

### **Rapid Response**

The former Division of Workforce Development and the Employment Services Division of the Employment Security Commission consolidation into the North Carolina Department of Commerce Division of Workforce Solutions (DWS) on November 1, 2011 brought opportunities for further coordination of Rapid Response services. The Dislocated Worker Unit (DWU) for the State of North Carolina resides within the Division of Workforce Solutions' Grants Management Section. The DWU is the designated State entity which receives written notification from businesses, industries, or any entity subject to the Worker Adjustment and Retraining Notification (WARN) Act. The DWU staff members provide Rapid Response services to the State. Additionally, the DWU leads the state's Rapid Response initiatives and training, supports the development of

policies, procedures and strategies for effective rapid response service delivery, and addresses the needs of dislocated workers throughout North Carolina.

North Carolina's Rapid Response Team includes state and local partners and is responsible for providing early intervention and transitional assistance for any worker being dislocated by mass layoffs or company closures within the state, regardless of the reason for the dislocation. Assistance provided is a collaborative effort involving representatives from 23 local Workforce Development Boards (WDBs), One-Stop Centers, North Carolina Community College System (NCCCS) and the newly formed Division of Employment Security (DES). In some situations, economic development, social services, and other community agencies partner with state and local officials to deliver Rapid Response early intervention services to employers and their impacted workers. The Rapid Response Team coordinates the scheduling of an initial Rapid Response meeting with the employer and Chief Union Official, if applicable, as well as a representative from the local WDB and the DES. When appropriate, local and state Chief Elected Officials are notified of scheduled initial Rapid Response meetings. Rapid Response support for dislocations affecting fewer than 100 workers are coordinated by the Local Area team after initial employer contact is made by the state's Dislocated Worker Unit.

Rapid Response funds are utilized at the state level and aid in staffing the DWU. Although local workforce development areas are strategically involved in the initial Rapid Response meeting, local WDBs do not receive a Rapid Response funding allocation. However, Rapid Response Contingency Funds are available to WDBs to assist with a dislocation event when local dislocated worker formula funds have been expended or are obligated.

WARN legislation requires employers to provide formal written notification to affected employees, a Chief Union Official in the event workers are represented by a collective bargaining unit, the local government Chief Elected Official, and the State Dislocated Worker Unit. Additionally, the DWU conducts daily research, using news articles and a number of printed and on-line resources of business trends and activities which may result in plant closures or layoffs. The DWU also maintains close contact with Local Area representatives and the State and local DES. Through these additional measures, early intervention planning and service strategies are often provided to employers and affected workers, well in advance of official company required WARN filings.

Upon receipt of WARN, the State DWU provides notification to a host of agencies for capacity building purposes and research. Agencies include the University System, Labor and Economic Analysis Division of Department of Commerce, local WDBs, as well as DES. The State Rapid Response Team makes initial contact with the employer within 48 hours of WARN acknowledgement. The initial contact includes providing an overview of the workforce development infrastructure, available employment and training opportunities and assistance, as well as information on other resources which can address the specific needs of the employer and their affected workers. In addition, the State Rapid Response Team confirms with the WDB Director as to the capacity to handle the closure/layoff and determines if local workforce funds are available to serve impacted workers.

The employer is strongly encouraged to utilize early intervention measures by hosting an initial meeting for members of their management team followed by employee orientation sessions. The initial meeting allows the employer and the management team to effectively plan for the impending dislocation. Early intervention meetings and on-site services ensure that workers remain productive and continue to meet the business needs of the employer, while also providing them with job transition planning tools and training resources. These tools and resources can be utilized immediately to decrease the duration of Unemployment Insurance (UI) Benefits and enhance affected workers employability for the future. One-Stop Centers, NCCCS, and DES offer and often provide, group UI application sessions, enrollment and training services on-site at the company facility. Consideration is given to worker production schedules including day, evening or night shifts. Emphasis is placed on ensuring that workers remain productive until their last day of work by addressing their post-employment needs on an ongoing basis throughout the remainder of their employment.

In the event of a sudden company dislocation, a natural or man-made disaster that makes early intervention impossible, or if an employer is not interested in hosting employee orientation sessions prior to a closure or mass layoff, the DWU with assistance from One-Stop Centers and DES promotes available Rapid Response transitional support and services through public service announcements, advertisements or written communication to affected workers. Further assessment and referral services are provided from partner agencies at the time a worker accesses services at their local One-Stop Centers.

The purpose of the Rapid Response initial management meeting is to provide early intervention planning and assistance to dislocated workers through a collaborative effort of state and local level partners, with the goal of quickly transitioning workers into new employment. It is an information-sharing session to discuss available products, programs and services offered to dislocated workers at no cost to the employer or affected worker. Rapid Response services include an initial Rapid Response meeting with company officials and key members of the local workforce development community. The meeting is facilitated by a member of the State Rapid Response Team. Additional members of the initial team include representatives from the local Workforce Development Board, One-Stop Centers, Community College System and Division of Employment Security. When appropriate, State and local Elected Officials, Economic Development, and other state and local agencies participate in the initial meeting.

The Rapid Response Team facilitator provides company officials with an employer folder and the available products, programs and services contained within are explained. If the dislocation is not deemed by the employer to be trade related, the benefits available under the Trade Adjustment Assistance (TAA) Act are omitted from the folder and the meeting agenda. The folder includes information regarding WARN, Rapid Response, WIA Services for Dislocated Workers, TAA petition, One-Stop Centers, Pension/Health Care Coverage, Employee Survey, Dislocated Worker Transitional Tool Kit, How to Survive Financially After a Job Loss, Fight N.C. Foreclosure, So What's Next, and Facing a Layoff. Trade Adjustment Assistance, Trade Readjustment Allowances (TRA), Alternative Trade Adjustment Assistance, and Health Coverage Tax Credit information is provided, as applicable. Alternatives to COBRA and financial planning assistance are also shared with the employer. Information to support entrepreneurship and older workers is included as well.

The Local Workforce Development Board representatives provide more specific information on One-Stop Centers and Community College programs; remedial training, continuing education, basic skills training, college curriculum courses, human resources development and starting your own business. Information and literature are also provided on the WIA program for dislocated workers, which includes core, intensive and training services. The employer is strongly encouraged to utilize career/job fairs, community resource fairs or a combination of the two, as well as job-seeking skills workshops facilitated by the local Rapid Response Team. DES provides an orientation to Unemployment Insurance and/or TRA benefits if the company is certified for Trade Adjustment Assistance. All representatives offer the employer flexible options in the delivery of available supportive services to their dislocated workers, including on-site employee-orientation sessions, one-on-one information sessions and benefit enrollments.

In advance of the initial meeting, the State Rapid Response Team gathers demographic data from the employer to determine the partner agencies which should comprise the initial team. Additional data is requested at the meeting to ensure that the members of the team are well acquainted with the affected workforce. An employee survey, available in two languages, is provided to employers at the initial meeting and serves as a planning tool for effective rapid response service strategies. Company officials are informed that North Carolina has incorporated the employee survey on-line and through "Google Translate," the survey may be translated into any language. The surveys are provided to the employer for distribution to the affected workers prior to the initial Rapid Response meeting, and when returned, assist the local Rapid Response Team in determining the specific needs and concerns of dislocated workers. The surveys allow the local team to assess the education and marketable skill sets of the workers impacted, as well as assess workers' interests and the services they would like to receive. Data compiled is used to tailor Rapid Response services specific to the employer's affected workforce. Surveys often indicate the need for additional supportive services in areas such as stress management, financial management, job readiness and remedial training. Based upon workers' interests, workshops can be customized and provided on-site at the company facility.

The local team may choose to utilize the mobile One-Stop Center to facilitate workshops, as well as provide other on-site transitional services. The mobile One-Stop Center is essentially a "classroom on wheels" that consists of 10 individual workstations with Internet access. This customized motor coach containing printed materials can display services and training videos and host video conferencing. The coach is frequently used at job fairs and provides ample, private space to accommodate employer interviews of candidates for new job vacancies.

Employee orientations sessions conducted by the Local Area include a representative from the local One-Stop Centers to help ensure a seamless transition between Rapid Response services and the affected workers. Affected workers are informed of the WIA core, intensive, and training services available through One-Stop Centers. Local Areas provide notice to One-Stop Centers, alerting them of mass layoffs or plant closings in the area.

The N.C. Dislocated Worker Unit Rapid Response Team evaluates employee orientation sessions for consistency in the delivery of products, programs and services and provides technical assistance and

meeting-enhancement recommendations. A template was developed by the State's DWU and provided to all WDBs to ensure consistency in each of the 23 Local Areas. Orientation sessions are evaluated by the state on verbal and written content provided by individual partner-presenters. Upon conclusion of the employee orientation session, the state convenes a customer focus group to gather additional feedback from workers impacted. Recommendations along with feedback from customer focus-groups are summarized in an enhancement report and provided to the local WDB Director.

For companies that announced permanent closure and own the facility and grounds, Rapid Response collects pertinent data at the initial management meeting and subsequently provides this data to the State Economic Development entity. Data gathered and provided includes a description of the facility and square footage, number of loading docks, train rails, and other details. Economic Development can assist the company in marketing their facility to potential buyers which may result in layoff aversion, or minimize the impact of layoff, if a buyer is located.

North Carolina's Incumbent Workforce Development Training Program provides funding to established North Carolina businesses to assist educational and occupational skills training for current workers. It is designed to benefit businesses by enhancing the skills of employees, thereby increasing employee productivity and the potential for company growth. Training in portable skills results in a more highly skilled and versatile workforce that contributes to North Carolina's ability to attract new business, and creates an environment conducive to expansion. Through a U.S. Department of Labor waiver, Local Areas may also offer Incumbent Workforce Training utilizing up to 10% of their Adult funds and 10% of their Dislocated Worker funds.

The Rapid Response Team makes every effort to match the skill sets of affected workers to companies that are hiring. Through the establishment of On-the-Job Training (OJT) partnerships with employers, Local Areas provide employers with skilled and well-trained workers. The OJT program has been successful in demonstrating how the local One-Stop Centers meet the needs of the business community, in addition to responding to layoffs and plant closings. A business liaison function was established within each Local Workforce Development Area. The business liaison promotes a full range of business services to employers in every stage of the economic development cycle, through the resources of One-Stop Center and partner agencies.

The Rapid Response Team partners with local WDBs, economic development entities, the State Board, N.C. Community College System, North Carolina Rural Center, and the N.C. Department of Health and Human Services, including the Division of Vocational Rehabilitation, to provide a wide range of dislocation support information and services for affected workers and to develop an effective early layoff warning network.

Members of the Rapid Response Team attend and actively participate in local, state, and regional Workforce Development and Trade conferences and roundtables to keep abreast of trends and best practices in the workforce development arena.

North Carolina is currently working on developing a comprehensive, integrated management information System that will include WIA, WARN, Rapid Response, Trade Act Programs, National Emergency Grants, One-Stop activities, as well as a host of other functions.

The State DWU currently maintains a WARN database which tracks the receipt of WARN documents for the State of North Carolina. The database indicates employer acceptance of Rapid Response intervention support and services, the date of the initial Rapid Response Meeting, and distinguishes a state facilitated meeting from meetings coordinated by the Local Area. Dislocations of fewer than 100 workers are coordinated by the local WDB. The status of Trade petitions filed with USDOL and the DWS are tracked in the WARN databases, as well. Upon request, monthly and yearly WARN reports are compiled and provided to state and local Chief Elected Officials, Governor's Office, research institutions, legal representatives, WDBs, partner agencies and other interested parties.

National Emergency Grant (NEG) files are maintained within the DWU. Case Management professionals enter client information and activity into WorkforcePlus™; a web-based data collection system that tracks NEG participation.

The Rapid Response Team and DWU provide a number of services to the State's 23 local Workforce Development Boards, North Carolina employers and dislocated workers through state Rapid Response contingency funds and NEGs. Services include: additional assistance to Local Areas affected by natural or man-made disasters, mass layoffs and plant closings or other unforeseen events which substantially increase the population of unemployed workers; additional assistance and funding to Local Areas in need of supplemental resources for worker readjustment and retraining services, and a provision for supportive services and temporary income support to enable participants to remain in training; and technical assistance to Local Areas to increase the coordination of other available resources including TAA entitlements (if workers are Trade-certified) and Pell Grants.

### **Trade Adjustment Assistance Act**

The Division of Workforce Solutions administers the State's Trade Adjustment Assistance Act (TAA) services. Early intervention strategies and services will play a critical role with worker groups, as well as affected employers and businesses, while the Trade Adjustment Assistance petitions are being submitted for potential approval to the U.S. Department of Labor. The State leverages Wagner-Peyser funds, WIA Title I funds, and if necessary, WIA National Emergency Grant (NEG) funds to provide an array of workforce program services, supportive services, as well as information on how to navigate the One-Stop Center system.

The initial early intervention services are provided through the State Rapid Response Team visit to the affected employer or business, with subsequent worker group informational sessions or orientation led by Wagner-Peyser, and WIA Title I funded One-Stop Center staff. Worker groups will be provided a comprehensive and expansive list of readjustment services, minimal retraining opportunities, re-employment services, occupational assessment, and other workforce services. The immediate access to these types of services, as well as how to best use the workforce system is a part of the Dislocated Worker

Toolkit offered in the One-Stop Centers. The State will follow-up with the U.S. Department of Labor on an ongoing basis to determine the status of the TAA petition submission, and the potential petition certification.

The State leverages Wagner-Peyser funds, WIA Title I funds, and as necessary, WIA National Emergency Grant (NEG) funds to expand local One-Stop Center staff capacity on a temporary basis to provide early intervention strategies and services to worker groups, as well as affected employers and businesses. Local One-Stop Center staff strive to serve worker groups through additional contracts with the local business community and looks for opportunities to expand the employment marketability for the worker groups with innovative and special projects. The State includes opportunities to leverage supporting activities with faith-based, community-based, and non-profit groups. These partnerships will strengthen the early intervention strategies and services to worker groups until the more liberally funded TAA petition is certified.

The State seeks every opportunity in a trade-impacted lay-off situation to implement early intervention strategies and services. With the State One-Stop Center system playing a major role, transitioning worker groups with the marketability and occupational upgrade of skills and abilities will be the priority, with the opportunity for additional training and re-employment services provided through the TAA program, if a petition is certified by the U.S. Department of Labor.

Prior to enrolling a participant in Trade Adjustment Assistance Training (TAA), a thorough assessment is conducted that includes work search assistance and assistance with resume preparation. A request for training also consists of the worker's past education, assessment of their math and reading scores / employment interests, employment history, type of training requested (remedial, prerequisite, occupational or On the Job training (OJT), barriers to the employment goal, funding sources and certification of the six approval criteria listed below.

Trade Adjustment Assistance (TAA) coordinates with Workforce Investment Act and Wagner-Peyser to provide core and intensive services to Trade Adjustment Assistance participants, especially where TAA-funded case management services are not available by allowing state level TAA staff to inform and educate local staff of the services that TAA participants are potentially eligible. Assessments are utilized to identify participants' service needs, including whether participants need training according to the six criteria for TAA-approved training. A comprehensive assessment includes an initial assessment by entering or updating the One-Stop Center Participant Data System application for employment assessing the worker's education, skills, employment history, etc. After a basic assessment of the worker's education, skills and abilities is evaluated, it can be determined if the worker has marketable skills or if training would meet the worker's employment goal. An interest in training should be followed with the administering of the Adult Basic Learning Examination (ABLE), which measures the worker's basic aptitude for math and reading. A worker's interest in occupations may be narrowed by taking the College Foundation of North Carolina online "Interest Profiler", an interest inventory test. Labor Market Information is used to consider determining occupations in demand. A selection of occupations by the worker should be compared to the employment opportunities and potential salaries in the labor market to assure the worker gains successful employment upon the completion of training. The worker is encouraged to seek a training provider that may provide training based

on the worker's occupational interest. After a comprehensive assessment of the worker's work history, education, skills, and abilities, an Individual Employment Plan (IEP) is developed which leads the worker to a specific occupational goal. A summary of the occupational goal through the O\*NET provides the tasks, tools, technology, knowledge, skills, abilities, national trends, etc., of the worker's employment goal. The development of the IEP may identify other employment barriers which need to be resolved. An approval of an IEP completes the assessment and documents that all TAA guidelines have been taken into consideration including the six eligibility criteria for the approval of training at the state level.

North Carolina's Trade Adjustment Assistance Program has developed and managed resources (including electronic case management systems) to integrate data provided through different agencies administering benefits and services, such as TAA, Trade Readjustment Allowances, Unemployment Insurance, Employment Security, and WIA, in order to ensure consistent program administration while ensuring a reliable fiscal integrity and supporting system using a system named the Special Payment System (SPS). SPS refers to the intranet application used to process and maintain the data regarding TAA/TRA participants.

The State will leverage Wagner-Peyser funds, WIA Title I funds, and Trade Adjustment Assistance (TAA) funding to provide seamless service for customers where the dislocated workers are impacted by foreign imports. The majority of North Carolina's One-Stop Career Centers provide all services available to a trade-impacted worker. The Division of Workforce Solutions, North Carolina's administrative entity for Wagner-Peyser, WIA Title I funds, as well as Trade Adjustment Assistance (TAA) funding are co-located in the One-Stop Career Centers.

Over the last year the State of North Carolina's Workforce system has been in a state of transition. The former Employment Security Commission has been divided into several parts. The Division of Employment Security is now responsible for the administration of the Unemployment Insurance program. The Employment Service (Wagner-Peyser funds, Trade Adjustment Assistance funding), as well as other workforce services are now the new Division of Workforce Solutions. In addition, the Department of Commerce Division of Workforce Development, that administers Title I WIA funds have merged with the Employment Service Wagner-Peyser funds and TAA funds to establish the new Division of Workforce Solutions.

Along with the Wagner-Peyser, and TAA administrative functions, the merger includes over 80 Employment Service offices that will soon become One-Stop Career Centers. This merger will allow seamless services for all workers, and potential workers in the One-Stop Career Center workforce system.

This co-location of workforce services will assist North Carolinians now, and in the future. This co-location provides the opportunity for TAA funding, as well as Wagner-Peyser funds, and WIA Title I funds to be offered to customers to ease the burden of "navigating NC's workforce system". The State will also look for opportunities to provide additional services offered by faith-based, community based, and non-profit groups, thus completing a well-rounded Career Center system.

The Special Payment System (SPS) corresponds with the mainframe to communicate Wagner-Peyser, Unemployment Insurance (UI), Financial Accounting Reporting System (FARS), Trade Readjustment Assistance (TRA) and TAA training. The SPS is a wage tracking system for the Trade Readjustment Assistance (TRA) payments, approved training plans, and case management information to be shared at the local and state levels.

Unemployment Insurance (UI) is aligned with other programs both within and outside of the Division of Workforce Solutions (DWS). The provision of UI is, in most cases, the focal point of contact with many individuals that attend other agency-sponsored programs. Claimants who visit the local Division of Workforce Solutions offices to inquire about their eligibility and benefits afford staff the opportunity to offer various services and training that otherwise may not be known to individuals. It also provides opportunities to make them aware of employer recruitment and special programs for which they might qualify such as TAA, RES, and REA.

Most of the training programs identify individuals who lack the skills needed to find suitable work and who qualify for retraining either within the agency or through partner agencies such as the local community colleges. Some of the local Community colleges and schools base grant-funded scholarships on the receipt of "unemployment benefits." One current program offers retraining to individuals who have exhausted their 26 weeks of regular unemployment.

Other programs that utilize the UI function are those offered by the NC Department of Health and Human Services. Their staff has access to the UI screens that list the amount of benefits received by their program participants so that assistance is not duplicated from one agency to another.

Claimants currently do not have "work requirements" while filing for UI. They are expected to make a minimum of 2 work search contacts per week and attend a "Career Readiness Workshop" at one of the local offices. They are also encouraged to obtain full or part-time work as soon as possible. An individual can benefit by working part-time by extending the length of their claim since they are not receiving the full weekly benefit. This opportunity may also lead to full-time employment with their "part-time" employer.

If claimants exhaust their regular UI (and federal extensions— if in effect), they are allowed to file a new claim once the benefit year ends. The claimants must have returned to work during the "benefit year which just ended" in order to qualify for a second claim of unemployment. They must have earned at least \$4,816.85 to qualify for another claim.

Low income individuals are assessed by staff to identify needed services. Depending on the results of the assessment, low income individuals receive an array of core, staff-assisted, and/or intensive services. Traditionally, low income individuals have required a higher rate of referral to supportive care services for assistance with transportation, child-care, and other basic-need aid. Staff provide assistance in scheduling calls and/or visits with supportive care services to aid low income individuals in their ability to begin receipt of such aid. Once basic needs are met, individuals are referred back to local DWS offices for employment or re-employment services.

FARS is a financial tracking system of each participant’s financial obligation, expenditures and de-obligations of TAA training funds for each fiscal year. It identifies expenditures by vendor/training provider or participant account information. Based on the accounting entry, FARS has the capability of issuing payments through the check writing system to vendors/training providers and participants. FARS provides statistical activity reports by cost center, project code, fiscal year, vendor, training provider and participant. North Carolina is currently designing a system that will replace the current multiple program tracking system.

## **Wagner-Peyser Agricultural Outreach**

### **I. Assessment of Need**

Assessment of Need is detailed in Appendix A.

### **A. Outreach Plan**

The Agricultural Employment Services staff of the North Carolina Division of Workforce Solutions continues to promote an aggressive outreach program for migrant and seasonal farmworkers. Migrant and Seasonal Farmworkers (MSFW) will be contacted throughout the State and offered a full range of employment and supportive services to the extent that staff funding will allow.

Services to the farm worker community will continue to be delivered with particular outreach priority in local office areas with high concentrations of migrant workers.

The following offices have been designated as MSFW significant for PY 2012:

Clinton	Hendersonville	*Mt. Airy
Edenton	Kenansville	*Lincolnton
Elizabethtown	Goldsboro	
Dunn	Oxford	
Rocky Mount	Kinston	

*NOTE: Two offices receiving outreach workers but are not designated as MSFW Significant.*

The outreach efforts to be undertaken by staff in each of these local offices, as required by 20 CFR 653.107 (b) (2), are described in Appendix B of this document.

All of the offices selected to receive outreach workers have been designated as bilingual. Managers of these offices will be encouraged to recruit and employ Outreach Workers who speak fluent Spanish and have a migrant or seasonal farm worker background to provide outreach services on an intermittent basis. Qualified candidates have been identified.

Additionally, there are approximately 52 permanent employees who speak Spanish fluently. These employees are strategically located to serve all Division of Workforce Solutions offices, especially those offices that have been designated by the U.S. Department of Labor as significant in serving Migrant and Seasonal Farmworker clients. An up-to-date listing of interpreters is available through the office of the Employment Services Deputy Director. Offices also have pamphlets concerning employment services and the “Department of Labor’s Protection for Farmworkers” printed in Spanish and English.

North Carolina is a farm labor demand state primarily for the period from April through November. DWS local offices are committed to serving the agricultural industry in the state by recruiting North Carolinians for agricultural job openings, with the goal of full utilization of all local and intrastate (within North Carolina) workers who desire agricultural employment. As needed, interstate or migrant farm workers and H-2A temporary foreign guest workers are brought in to supplement the existing workforce in agriculture.

Local seasonal and year-round farm workers are permanent customers who are served throughout the year. Migrant and H-2A workers will be in North Carolina in varying numbers much of the year, primarily for harvest operations. Additionally, migrant and H-2A workers are brought in to supplement local workers in transplanting operations. Due to high unemployment rates in many rural areas of North Carolina, it is anticipated that more local and intrastate workers will be interested in farm work. Therefore, migrant farm workers and H-2A workers should comprise a smaller percentage of the agricultural workforce during 2012 and beyond due to the economic downturns in the State’s non-agricultural job sectors.

Division of Workforce Solutions will continue working with One-Stop partnering service providers and adhering to the requirements of the Workforce Investment Act the Wagner-Peyser Act (WIA/W-P) at sections 20 CFR Parts 660-671 for WIA, and 20 CFR, Parts 651,652, 653, 655, and 658 for Wagner-Peyser. As such, Migrant and Seasonal Farm Workers are offered and provided the full array of employment and training services equitably and quantitatively comparable to that offered and provided to non-MSFWs. Outreach activity is conducted statewide by 24 Agricultural Employment Consultants, as well as 12 temporarily funded MSFW Outreach staff. All 12 temporarily funded MSFW Outreach staff members are bi-lingual English/Spanish speaking staff. These 12 MSFW Outreach staff are co-funded through an ongoing, successful Cooperative Outreach Services Agreement between the Division of Workforce Solutions and the N.C. Telamon Corporation.

## **B. Assessment of Available Resources**

Outreach plans will be accomplished using 12 outreach positions during the harvest season (for a total of six full-time equivalent positions to be funded from Wagner-Peyser resources) to supplement 24 permanent Agricultural Employment Consultants who conduct activity year-round. The four Agricultural Field Supervisors, who are the functional supervisors of the outreach program, will train temporary outreach staff and will provide technical support to all staff involved in outreach activity. Any intermittent positions will be filled with individuals who have MSFW backgrounds and/or who are ethnically representative of the MSFWs in the local office area and/or who speak Spanish fluently.

The total of six full-time equivalent positions will direct \$544,013 of Wagner-Peyser funds to outreach activities for MSFWs. These positions will be funded in accordance with the following from '7(a)' and '7(b)' Wagner-Peyser resources.

	<u>W-P 90%(2050)</u>	<u>W-P 10%(1930)</u>	<u>Total</u>
	'7(a)'	'7(b)'	
Full-Time Equivalent (FTE)	5.52	0.48	6.00
Personal Services	\$261,883	\$12,144	\$274,027
Personnel Benefits	\$88,712	\$1,056	\$89,768
Non-Personal Services	\$125,177	\$11,499	\$136,676
Indirect (AS&T)	\$41,902	\$1,639	\$43,542
<b>TOTAL</b>	<b>\$517,674</b>	<b>\$26,338</b>	<b>\$544,013</b>

If the need should arise for additional services to meet immediate needs of MSFWs, the situation will be addressed and additional resources will be made available if at all possible.

Telamon Corporation and the Division of Workforce Solutions have worked together in earnest for many years to provide quality services to MSFW clients. As a partner in the State's WIA One-Stop system, Telamon Corporation, the National Farmworkers Jobs Program (NFJP) operator, provides/offers basic core services to the greater population and a wide variety of education and job training programs that are developed for migrant and seasonal farmworkers, adults and youth according to their needs, interests and experience. Telamon Corporation provides WIA employment and training services to eligible migrant and seasonal farmworkers, adults and youth. All Telamon staff are co-located in the local offices in the service areas. This collaboration ensures the universal access for farmworkers to the workforce system. Telamon is the operator of the One-Stop Center in Clayton, North Carolina. Being a partner with Telamon allows local area One-Stop Centers, including all other local partnering service providers, the opportunities for enhancing One-Stop core services of recruitment, referrals, and job placements. Equally important, the bilingual English/Spanish speaking abilities and expertise of full time co-located Telamon staff in seven of the local offices is essential to providing an array of intensive services. In particular, at least 3,000 MSFWs and their families in the state benefit annually from the following multiple areas of expertise afforded by Telamon staff, including credentialed professionals, thorough career counseling, work experience, classroom training with needs-related and financial assistance, On-the-Job Training, job search, placement assistance, case management, emergency assistance, supportive services, English as a Second Language, financial literacy, leadership development, youth development, building skills, institutional capacity, translation and interpretation services, and follow-up services.

**C. Numerical Goals**

Each year, DWS staff serves approximately 13,000 individual MSFWs providing around 30,000 total MSFW outreach contacts. Approximately 15,000 of the 30,000 total MSFW outreach contacts will be accomplished by One-Stop Centers through the twelve co-located MSFW Outreach staff that is co-funded annually through the Cooperative Agreement with Telamon Corporation. These same 15,000 MSFWs contacted through outreach staff are offered the full range of employment and training and supportive services including being apprised of employment-related law protections and the right-to-file apparent violations and complaints with DWS staff. For instance, in PY 2010 ending June 30, 2011, the approximately 30,000 MSFW Outreach contacts performed by local offices resulted in 11,943 total MSFW job placements statewide. Accordingly, last year’s nine co-funded outreach staff accounted for local offices placing an estimated 6,000 additional MSFWs in both agricultural and non-agricultural jobs.

The following Division of Workforce Solutions local offices have been designated as MSFW Significant Offices for PY 2012: Hendersonville, Dunn, Oxford, Edenton, Goldsboro, Kenansville, Rocky Mount, Clinton, Kinston and Elizabethtown. Throughout North Carolina, MSFWs generally live in rural, isolated areas of the state. They have several barriers to employment to include transportation, childcare, limited English speaking abilities, limited education, and job training problems. All of these barriers are major reasons for their lack of economic mobility. The State’s estimated 100,000 farm workers (during peak harvest season) reveals that approximately 95% are of Hispanic/Latino origin and many are primarily monolingual in Spanish. Division of Workforce Solutions and Telamon staff plan to continue assisting farm workers and their families by consolidating outreach programs that provide crucially needed core and intensive services in mostly rural areas where the majority of farm workers live and work.

**Registrations**

Dunn.....	650
Clinton.....	800
Edenton.....	650
Elizabethtown.....	1,700
Oxford.....	700
Hendersonville.....	600
Kenansville.....	1,900
Goldsboro.....	900
Rocky Mount.....	1,300
Kinston.....	500
Mountain Region (excluding Hendersonville).....	800
Piedmont Region (excluding Oxford).....	1,100
Coastal Plains Region (Excluding Clinton, Edenton, Elizabethtown, Kenansville, Dunn, Goldsboro,	

Rocky Mt., Kinston) .....	1,400
<b>Total</b>	<b>13,000</b>

*NOTE: The planned level of activity represents the number of MSFWs that will be served through the use of Wagner-Peyser resources only.*

The number of staff days (based on eight hour days) to be utilized for outreach, listed by local office where outreach staff is assigned is detailed in Appendix C.

**D. Proposed Outreach Activities**

Outreach workers report to local office managers who have primary responsibility for ensuring accomplishment of outreach goals. Through improved reporting practices, better local office coordination of time and more flexibility by management in assignment of outreach duties, an achievement of an average of 16 contacts per staff day is planned.

Agricultural Employment Consultants (AECs) perform outreach intermittently with employer relations and placement duties. Cost effectiveness will, therefore, be maximized through staff travel and time savings. Other local office staff will perform outreach primarily during periods of migrant entry into the local office area and during peak placement periods for AEC staff.

Valid statistical data will be maintained by applying the proper interpretation of the outreach contact definition and by entering all MSFW contacts and services in the Daily Outreach Log. Also, each staff person assigned outreach duties will be identified by a station and desk number for DWS reporting so that management may monitor activity to ensure that outreach responsibilities are being performed.

In compliance with Federal Regulations 20 CFR 653.107, 653.113, 655 Subpart B and 658 Subpart B, training for outreach worker activities will be provided by the following Wagner-Peyser funded staff: Agricultural Field Supervisors, placement supervisory staff, the Monitor Advocate and other local office management staff. Training will consist of basic orientation to the full range of employment services, application and order-taking, recruitment and referral procedures, complaint processing procedures, recognition of apparent violations, farm workers’ rights, supportive services, coordination of outreach efforts with other community-based organizations, completion of outreach logs and reports, and MSFW outreach contacts. Outreach staff will also receive training in personal computer usage so that they will be able to access DWS automated services via desktop or notebook computers. The Monitor Advocate will perform a general review of the training provided, with special emphasis on the portion of the training that deals with processing complaints and apparent violations.

All Agricultural Field Supervisors attend local migrant council meetings in their administrative area. They will participate in the recruitment and selection of AECs and outreach workers. They will also be involved in continuous recruitment efforts for local, interstate and intrastate farmworkers. The Monitor Advocate will

participate in the Farm Worker Advocacy Committee, recently started by farmworker advocates in North Carolina.

Staff members also closely monitor the movement of farmworkers to prevent underemployment and unemployment. They will monitor the activities of the Agricultural Outreach Specialists and AECs to assist in resolving worker complaints/violations to ensure that all outreach activities conform with the requirements as specified in 20 CFR, 653.107 of the Federal Register.

Outreach will be conducted through personal contact. State laws and U.S. Department of Labor's Employment and Training Administration (ETA) policy on right-of-access will be adhered to in making contacts. Outreach workers, as well as other staff, visit living areas, work sites, and local labor centers to explain the full range of services provided by the Division of Workforce Solutions and other agencies. Unemployed and underemployed farmworkers will be advised of agricultural and non-agricultural job opportunities.

Outreach workers meet migrant crews upon arrival in the area to prepare crew manifests and to escort them to assigned camps. Outreach workers also provide information on and refer MSFWs to supportive services, as well as assist in securing aid such as Supplemental Nutrition Assistance Program, clothing, blankets, health supplies, and migrant shelter when needed.

All media, including Spanish-language radio, TV, and newspapers, will be utilized, as funds allow, ensuring positive recruitment of agricultural workers and to ensure enhanced outreach services. Pamphlets will be distributed in Spanish and English at churches and other public gathering places.

The Division of Workforce Solutions works closely with other agencies concerned with the needs of MSFWs to coordinate the provision of referral services to these agencies. Copies of the Agricultural Plan will be provided, upon request to agencies concerned with the needs of MFSWs.

## **II. Wagner-Peyser Act Services Provided to MSFWs through the One-Stop Delivery System**

### **A. Plan Data for the Upcoming Year**

North Carolina's One-Stop Delivery System currently has 90 chartered centers, of which the Division of Workforce Solutions hosts 58. In the Centers that DWS hosts, AECs, outreach workers and other staff provide Wagner-Peyser Act services to MSFWs. When Wagner-Peyser staff is co-located at other Centers, on a full or part-time basis, staff serve the needs of MSFWs.

Within some One-Stop Centers, AECs and other Wagner Peyser staff will provide services to the agricultural community through the use of electronic connectivity.

AECs place emphasis on contacting community-based organizations and other service providers who can help MSFWs obtain supportive services such as classes in English as a second language, school programs for children, etc.

All One-Stop Centers provide core, intensive and training services. One-Stop Center staff determine the service needs of the MSFW customers and either provide those services or direct these customers to One-Stop Center staff who can provide the needed services.

Continuing emphasis on electronic connectivity and access to services through the Internet will enable DWS staff to more efficiently provide services within the one-stop system. Increased electronic access makes services more readily available to workers, including MSFW customers, by extending information to a variety of workforce development agencies.

Federal Regulations at 20 CFR 653.112 require the establishment of performance indicators reflecting equity and the measurement of minimum levels of service. North Carolina does not anticipate any difficulty in achieving compliance levels for equity indicators, minimum service levels, or planned levels of activity for the current Program Year. North Carolina intends to achieve compliance with the equity factors and performance indicator levels during the current Program Year and the planning period. Monthly monitoring by Agricultural Employment Consultants, the Monitor Advocate, and local office corrective actions through the self-appraisal process should help ensure attainment of these goals.

## **B. Significant MSFW Local Office Affirmative Action Plans**

Since North Carolina is not designed as an Affirmative Action Plan State, no affirmative action plan is required.

## **III. Wagner-Peyser Act Services Provided to Agricultural Employers through the One-Stop Delivery System**

Agricultural Employment Consultants (AEC) and temporary Agricultural Outreach Specialists are strategically assigned to Division of Workforce Solutions local offices for the purpose of providing labor exchange services to agricultural employers. Many of these staff are stationed at DWS offices that function as One-Stop Centers. In other instances, agency staff provide services at non-DWS hosted One-Stop Centers, receive job orders from agricultural employers, and provide appropriate job matching services. Collectively, this staff reaches out to agricultural employers and workers in rural areas throughout North Carolina, assisting employers in their pursuit of agricultural workers and helping workers in their search for jobs.

Agricultural employers who are expected to utilize MSFWs are identified through coordination with various providers of workforce development services, Agricultural Soil Conservation Service offices, Agricultural Extension Service offices, the North Carolina Farm Bureau, and various growers' associations. Services to these employers will be marketed by performing the following activities: (a) approximately 9,000 employer visits, (b) promotional telephone contacts, and (c) staff participation in grower's meetings and training seminars.

In 2011, North Carolina H-2A employers made 10,307 requests for foreign labor certifications. The Division of Workforce Solutions continues to increase efforts to recruit and refer U.S. workers in 2012. These extensive, positive recruitment efforts include: (a) providing annual H-2A training of local office staff, (b) posting farm work available posters in English and Spanish, (c) performing local office file searches and call-ins, (d) listing jobs in newspapers and on the radio where applicable, (e) and performing outreach.

Emphasis continues to be placed on the Agricultural Services staff to conduct local area field checks in accordance with the specific regulation sections at 20 CFR 653.503. Records of these field checks are kept for at least one year in the local office file, and copies are sent to the DWS Agricultural Services Program Supervisor. These random, unannounced field checks are conducted on 100 percent of the H-2A work sites to which U.S. workers have been referred and placed through the intrastate or interstate clearance system. This is above the USDOL requirement that field checks be conducted on at least 25 percent of all clearance orders to which U.S. workers are referred and placed through the clearance system. These field check follow ups allow for North Carolina to verify placement activity and ensure that the conditions and guarantees in the job orders are being met.

The following data analysis provides information on prior program year Agricultural Activity and prior calendar year Interstate Clearance Activity. Also included are projected Agricultural Activity and projected Interstate Clearance Activity for Program Year 2011.

**DATA ANALYSIS**

<b>1. Prior Year Agricultural Activity</b>	<b>PY 2011</b>
Job Orders Received	791
Job Openings Received	33,597
Job Openings Filled	11,943
<b>*Fill Rate</b>	<b>36%</b>

*NOTE: North Carolina does not collect data on job orders filled. Information provided concerning the fill rate is based on job openings received and filled.*

<b>Prior Year Interstate Clearance Activity</b>	<b>PY 2011</b>
H-2A Job Orders Received	115
H-2A Job Openings	10,307
H-2A Employers	1,269
H-2A Referrals	759
Field Checks Conducted	30
<b>2. Projected Program Year Agricultural Activity</b>	<b>PY2011</b>
Job Orders Expected to be Received	800
Job Openings Expected to be Filled	12,000
<b>Projected Interstate Clearance Activity</b>	
H-2A Job Orders Expected to be Received	120

*NOTE: The prior year accomplishments and the projected level of agricultural activity represents activity funded through the use of Wagner-Peyser resources only.*

Job openings received during the budget year will approximate the following, by percentage, in each of the three broad geographic areas of North Carolina.

Mountain	10%
Piedmont	10%
Coastal Plain	80%
<b>Total</b>	<b>100%</b>

#### **IV. Agricultural Plan Development, Clearance and Submittal**

##### **Input From Agricultural Agencies**

Comments, feedback, and suggestions will be requested from the following agencies:

N.C. Department of Labor Agricultural Safety and Health Bureau  
N.C. Migrant Education  
“167 Grantee” (Telamon Corporation)  
Farm Bureau Federation of North Carolina  
N.C. Rural Economic Development Center  
Governor’s Council for Hispanic/Latino Affairs  
N.C. Cooperative Extension Services  
Legal Services of N.C., Farmworker Unit  
Farmworker Advocacy Network (FAN)  
N.C. Agromedicine Institute  
U.S. Department of Labor, Wage and Hour Division

##### **Input from the Monitor Advocate**

The DWS Monitor Advocate’s prior input was provided in draft form in the updated 2011 Agricultural/MSFW Services Plan. Accordingly, the current State Integrated Plan does include this extensive prior input for improving services and establishing ongoing/enhanced Best Practices.

There is one recommendation area for the Agricultural/MSFW Plan. There needs to be one or more statewide Annual Training Conferences for all Agricultural Services and Outreach Services staff. This training is for keeping up-to-date and being properly trained for overall improvement of services to agricultural employers and farm workers. Regarding this need for training, the focus should also include involvement from employers, workers, and service providers throughout the state.

##### **Agency’s Response to Monitor Advocate**

The Monitor Advocate has provided valuable suggestions and they will be considered for improving services.

Wagner-Peyser Agricultural Outreach Appendix A

Assessment of Need for Agricultural Services

Crop Activities	Month(s)	Agricultural Reporting Area	MSFW Labor Force CY 2011	MSFW Labor Force CY 2012 Projections
Tobacco Transplanting	April, May	NorthEast	2000	1900
		SouthEast	1500	1200
		Piedmont	2100	1900
		Western	300	200
Sweet Potato Transplanting	May, June	Northeast	1200	1400
		Southeast	2200	2200
Pickle Cucumber Harvest	June, July, Sept, Oct.	Northeast	1900	1700
		Southeast	1000	900
Blueberry Harvest	May, June, July	Northeast	600	500
		Southeast	5000	5500
Cabbage Harvest	June, July, Oct, Nov, Dec	Northeast	1500	1300
		Southeast	400	400
Tobacco Suckering & Topping	June, July, Aug	Northeast	2500	2400
		Southeast	1800	1800
		Piedmont	2100	1900
		Western	300	200
Squash Harvest	May, June, July, Sept, Oct	Southeast	500	500
Long Green Cucumber Harvest	June, July, Sept, Oct	Northeast	500	500
		Southeast	1000	1000
Pepper Harvest	June, July, Sept, Oct	Northeast	200	200
		Southeast	1200	1200

<b>Crop Activities</b>	<b>Month(s)</b>	<b>Agricultural Reporting Area</b>	<b>MSFW Labor Force CY 2011</b>	<b>MSFW Labor Force CY 2012 Projections</b>
Tobacco Harvest	July, Aug, Sept, Oct	Northeast	4500	4400
		Southeast	3500	3500
		Piedmont	4000	3500
		Western	900	800
Eggplant Harvest	July, August	Southeast	300	300
String Bean Harvest	June, July	Northeast	250	200
		Southeast	200	100
Peach Harvest	July, August	Piedmont	230	230
		Western	100	100
Tomato Harvest	July, Aug, Sept, Oct	Piedmont	200	200
		Western	1000	1000
Apple Harvest	Sept, Oct, Nov	Western	2000	2000
Sweet Potato Harvest	Aug, Sept, Oct, Nov	Northeast	3400	3600
		Southeast	4100	4100
		Piedmont	100	100
White Potato Harvest	June, July	Northeast	1100	1000
		Southeast	200	200
Christmas Tree Harvest	Nov, Dec	Western	2800	2800
Horticultural Activities	Jan thru Oct	Northeast	3200	3400
		Southeast	2500	2500
		Piedmont	4500	4500
		Western	2500	2500

## Wagner-Peyser Agricultural Outreach Appendix B

### Assignment of Outreach Workers

Office	Employment Dates		Number of Weeks
	Start	End	
Clinton	May 14	August 20	15
Edenton	May 14	August 20	15
Elizabethtown	May 7	August 13	15
Rocky Mt.	May 21	August 27	15
Hendersonville	July 16	October 22	15
Kenansville	May 7	August 13	15
Dunn	May 14	August 20	15
Goldsboro	May 21	August 27	15
Oxford	June 4	September 10	15
Kinston	May 21	August 7	15
*Mt. Airy	June 4	September 10	15
*Lincolnton	June 4	September 10	15

**\*Not considered MSFW Significant**

**Not all outreach offices are considered MSFW Significant Offices, but all have been designated as bi-lingual.**

**Wagner-Peyser Agricultural Outreach Appendix C**

<b>OUTREACH RESOURCES AND PROJECTED NUMBER OF INDIVIDUALS TO BE CONTACTED</b>			
<b>Local Office</b>	<b>MSFWs Contacted</b>	<b>Staff Days</b>	<b>Full-Time Equivalent Positions</b>
Asheboro	300	39	0.15
Boone	300	39	0.15
Spruce Pine	300	39	0.15
Burlington	300	39	0.15
Clinton	741	96	0.37
Dunn	300	39	0.15
Edenton	300	39	0.15
Elizabeth City	300	39	0.15
Mt. Olive (Goldsboro)	741	96	0.33
Greenville	741	96	0.37
Henderson	300	39	0.15
Hendersonville	600	82	0.3
Kenansville	721	94	0.36
Kinston	300	39	0.15
Laurinburg	300	39	0.15
Lincolnton	300	39	0.15
Elizabethtown (Lumberton)	721	94	0.36
Mount Airy	300	39	0.15
New Bern	721	94	0.36
Oxford	300	39	0.15
Raleigh	300	39	0.15
Reidsville	300	39	0.15
Roanoke Rapids	300	39	0.15
Rocky Mount	300	39	0.15
Sanford	300	39	0.15
Smithfield	721	94	0.36
Statesville	300	39	0.15
Washington	721	94	0.36
Whiteville	300	39	0.15
Burgaw (Wilmington)	721	94	0.36
Williamston	300	39	0.15
Wilson	721	94	0.36
Winston-Salem	300	39	0.15
<b>TOTAL</b>	<b>14471</b>	<b>1884</b>	<b>7.19</b>

## WIA Waiver Requests

### 1. Waiver title/purpose: Adult-Dislocated Worker Funds Transfer

### 2. Statutory Regulations to be waived:

Amending Federal Regulations, Part II, Department of Labor, Employment and Training Administration, 20 CFR Part 652, et al., Workforce Investment Act, Final Rules, Section 667.140 and Public Law 105-220, Section 133(b)(3), the Consolidated Appropriations Resolution, 2003, Public Law 108-7, increased the limit on fund transfers between the adult and dislocated worker programs to 30%.

North Carolina requests continuation of a waiver to the above mentioned law to allow an increase in the State's transfer authority to permit 50% transfers between Adult and Dislocated Worker funding. Such a waiver will empower individuals' access to needed services. In addition, such a waiver will ensure universal access to core, intensive, and training services to a broader spectrum of the population.

### 3. State or Local Statutory or Regulatory Barriers:

There are no North Carolina state or local regulatory barriers to implementing the waiver.

### 4. Description of the goals of the waiver and the expected programmatic outcomes:

North Carolina has experienced significant job loss coupled by the effects of the recent recession. A waiver allowing for up to a 50% transfer of funds between the Dislocated Worker and Adult programs will give Local Workforce Areas that have fewer dislocations opportunity to serve their adult population more efficiently and effectively by having more options to address workforce and economic development concerns and the same is true for transferring from Adult to Dislocated Worker funds where the opposite situation occurs.

Expected outcomes include:

- Ability of Local Workforce Development Boards to better respond to ongoing changes within their local areas will continue.
- Increased local control over program delivery will continue.
- Collaboration between industry needs and worker training will continue to improve as WIA opportunities are increased in the Local Areas.
- Increased accountability for delivery of needed services at the state, local and service provider levels will continue.
- Improvements in designing and implementing WIA programs and in meeting employer and participant needs will be realized by having increased resources available.
- The waiver will continue to benefit all local Workforce Development Boards and their customers (the businesses and job seekers of North Carolina).
- North Carolina will continue to enhance effective, efficient use of resources resulting in more customers served.

- Local Boards will have the flexibility to move funds where they are most needed and can provide the greatest benefit.

Local Workforce Development Areas are reminded that appropriate services to both Dislocated Workers and Adult customers are required when transferring funds. For requests exceeding 40% of the Local Area's base allocation, Local Areas are required to give detailed rationales and explanation of how service to both Adults and Dislocated Workers will be maintained.

##### **5. Description of individuals affected by the waiver:**

The waiver will benefit all local Workforce Development Boards and their customers – the businesses and job seekers of North Carolina. The positive impacts will include: program participants will have program choices based on local needs; North Carolina will increase effective, efficient use of resources resulting in more customers served; and local boards will have the flexibility to move funds where they are most needed and can provide the greatest benefit.

North Carolina continues to have layoffs and business closings that exceed some Local Areas' available Dislocated Worker formula funding. From January 2012 to October of 2012, North Carolina Employment Service mailed over 451,000 (1099) Unemployment Insurance documents as required by the ***State Reporting Requirements for Information Return*** throughout North Carolina. This number includes extended and exhausted unemployment compensation claimants. An example of unemployment rates throughout North Carolina include Graham County, located in the western part of the state, with an unemployment rate of 14.7% with 571 people unemployed as compared to Cleveland County's unemployment rate of 9.8% with 4,973 people unemployed; and the contiguous county of Polk with 7.1% unemployment rate with 660 people unemployed. The metropolitan county of Wake has a 7.0 unemployment rate yet there are 34,203 unemployed people as compared to Durham County, contiguous to Wake, with an unemployment rate of 7.4% with 10,716 unemployed people. This information is from the N.C. Department of Commerce as of September, 2012.

The population mix for the State of North Carolina as it relates to business and people is quite different throughout the state with pockets of higher numbers of unemployed people in various counties. Not only is the 50% waiver for transfer of funds from Adult to Dislocated Worker or from Dislocated Worker to Adult a necessity, the State of North Carolina further addresses the need for funds through policy for a voluntary transfer of funds from one Local Area to another.

During Program Year 2011 and Program Year 2012 the State has processed fourteen requests to transfer funds from Adult to Dislocated Worker or Dislocated Worker to Adult program using the waiver to transfer up to 50% of funds to or from these programs. The State also has available Dislocated Worker Contingency Funds from (Statewide Rapid Response funds) that Local Areas can access to address critical needs as necessary.

##### **6. Description of the processes that will be used to monitor the progress in implementing the waiver:**

The North Carolina Division of Workforce Solutions will be responsible for providing guidance to Local Areas in implementing this waiver as well as monitoring the goals established in this request.

Monitoring will include regular review of expenditure reports and quarterly reviews of performance reports, site visits and other direct contacts will be done throughout the year.

**7. Opportunity for Local Board and Public Comment on Waiver Request:**

The Division solicits public input concerning this waiver request through notification to state and local partners by posting the request on the NC Department of Commerce's website.

All Local Areas were informed and had opportunity to provide feedback and input regarding this waiver at time of initial concept. In addition, all local areas' input was sought during the public comment period of this Plan submission. E-mail notification was provided to each of North Carolina's 23 local Workforce Development Boards regarding the content of this waiver.

**1. Waiver title/purpose: Use of Local Funds for Incumbent Worker Training**

**2. Statutory Regulations to be waived:**

Waiver to enable local Workforce Development Boards to expand statewide training activities by allowing up to 10% of local adult funds and up to local 10% dislocated worker formula funds, as described by WIA Section 133 (b) (2), to be expended on Incumbent Workforce development activities in accordance with statewide activities described by WIA Section 134 (a) (3) as part of a layoff aversion strategy. Use of Adult funds may be used to focus on low-income adults.

**3. State or Local Statutory or Regulatory Barriers:**

There are no North Carolina state or local regulatory barriers to implementing the waiver.

**4. Description of the goals of the waiver and the expected programmatic outcomes:**

The option of using Local Workforce Development Area funds for Incumbent Workforce Development Training will advance North Carolina's ability to assist citizens and businesses in partnership with Local Workforce Development Areas and strengthen both Local Workforce Development Areas and the state workforce system. The intent of Local Incumbent Workforce Development Training is to provide services for current workers in established North Carolina businesses. Participating businesses must be current on all tax obligations. The Local Workforce Development Area Incumbent Workforce Training policy is designed to enhance the skills and earnings of employees and position employers to realize increased competitiveness and profitability, thereby increasing the retention of existing jobs. Local Area Workforce Development Boards must develop a local Incumbent Workforce Development Training policy and submit it to the Division of Workforce Solutions for review and approval prior to implementing a local program.

As a reference, the State's most recent Incumbent Workforce Development Policy is available as a template/guideline. The Local Workforce Development Area Incumbent Workforce Training Policy must address, at minimum, the following elements:

- Provide amount designated as available with Local Area funds must be identified (Not to exceed 10 percent of local Adult and Dislocated Worker allocated formula program funds each).
- Maximum funding allowed per grant; indicate maximum lifetime per company;
- Local Program Focus/Priorities Narrative (examples, certain industry sectors, size of business);
- Program Outcome Measures;
- Application Process;
- Applicant Criteria: qualifications, eligibility and any restrictions for the business and employees;
- Project Requirements (examples, description of training to be provided, duration of training, eligibility for individuals-age, citizenship, Selective Service registration);
- Reimbursable and Non-reimbursable costs; and
- Evaluation Procedures.

Additional goals of the waiver include:

- To provide more funding flexibility to meet the workforce demands and challenges North Carolina encounters.
- To enhance the skills and earnings of employees and position employers to realize increased competitiveness and profitability, thereby increasing the retention of existing jobs.
- Target industries: The relevant sectors are determined at the Local Workforce Development Board level; the business determines the necessary skills, training and certifications needed to avert layoffs. North Carolina believes its partners and local workforce boards are ready to embrace incumbent worker training as an activity integrated into the state's industry sector / layoff aversion strategies. The state expects incumbent worker training funds to benefit key industries and local economies by providing a means to upgrade the skills critical to employers. By building business partnerships within regions and within industry sectors, the state expects that there will also be substantial savings in training expenses. Local Boards will be required partners at the regional level. The partnerships of Sector Strategies Initiatives across North Carolina's Local Areas will ensure that critical skills within key industries will be upgraded. If granted, this waiver will allow Local Areas to utilize IWT funding for a variety of industries and sectors that will be determined by labor market information as well as employer identification of needed skills. In recent years sectors have included manufacturing, healthcare, and information technology. Having more flexibility within WIA regulations through this waiver is critical to this effort.
- To serve as a bridge between the workforce development community and economic development community.
- Layoff aversion: Layoff aversion is a key component of the IWT training program. An applicant business must justify how the requested training will avert eminent layoffs. Layoff aversion is when a worker's job is saved with an existing employer that is at risk of downsizing or closing or when a worker at risk of dislocation transitions to a different job with the same employer or a new job with a different employer and experiences little or no unemployment. If granted the waiver, Local Workforce Areas will be able to utilize the IWT program to provide businesses and individual with needed resources to train existing employees in an effort to retain them. Also the program will benefit individuals as they will receive additional training that will help them retain employment and not be on unemployment compensation. If granted, this waiver will ultimately enhance the state's efforts at job retention, thereby avoiding layoffs. The state and national economy will benefit from the increased productivity and upward mobility of workers. The State of North Carolina knows from experience that there is a deep reservoir of demand for incumbent worker training. This waiver will provide additional resources for a key state initiative to boost creativity and innovation in incumbent worker training and to supply the skills that challenge North Carolina employers.

##### **5. Description of the individuals affected by the waiver:**

The waiver will benefit all local Workforce Development Boards and their customers – the businesses and job seekers of North Carolina. The positive impacts will include: program participants will have program choices based on local needs; North Carolina will increase effective, efficient use of resources

resulting in more customers served; and, local workforce development boards will have the flexibility to move funds where they are most needed and can provide the greatest benefit.

**6. Description of the processes that will be used to monitor the progress in implementing the waiver:**

The North Carolina Division of Workforce Solutions will be responsible for providing guidance to Local Areas in implementing this waiver, as well as monitoring the goals established in this request. There will be monthly review of expenditure reports and quarterly reviews of performance reports, site visits and other direct contacts will be done throughout the year.

Quarterly reports are due from all participating Local Workforce Development Areas with active grants 30 days after the end of the calendar quarter. A final Report is due 45 days after the end of the training or at the end of the contract between the local board and the business. The Division of Workforce Solutions Field Services section includes IWT monitoring when it conducts annual monitoring visits to all Local Workforce Development Areas.

**7. Opportunity for Local Board and Public Comment on Waiver Request:**

The Division solicits public input concerning this waiver request through notification to state and local partners by posting the request on the NC Department of Commerce's website.

All local areas were informed and had opportunity to provide feedback and input regarding this waiver at time of initial concept. In addition, all local areas' input was sought during the public comment period of this Plan submission. E-mail notification was provided to each of North Carolina's 23 local Workforce Development Boards regarding the content of this waiver.

**1. Waiver title/purpose: Use of Rapid Response for Statewide Activities—Incumbent Worker Training**

To use up to 20% of Rapid Response Funds for Incumbent Worker Training as part of a layoff aversion strategy. All training would be restricted to skill attainment activities.

**2. Statutory Regulations to be waived:**

To waive the regulatory requirements found in 20 CFR 665.310 and 665.320 that limit the use of statewide Rapid Response funds.

**3. State or Local Statutory or Regulatory Barriers:**

There are no North Carolina state or local regulatory barriers to implementing the waiver.

**4. Description of the goals of the waiver and the expected programmatic outcomes:**

When workers lack needed training and businesses experience skill gaps, the company's ability to compete, expand, and retain workers can be compromised. North Carolina's Incumbent Workforce Development Training Program (IWDP), funded by the federal Workforce Investment Act (WIA), addresses such needs. The purpose of the program is to help established North Carolina businesses provide training and education for current workers, which may result in improved employee productivity, reduced employee turnover and increased business competitiveness. The specific objectives of the IWDP include upgrading employee skills, increasing employee wages, providing training in portable (transferable) skills and promoting business retention and competitiveness efforts. North Carolina has extensive guidelines and policies to address the selection criteria. Some of the guideline criteria are as follows:

- Maximum funding allowed per grant; indicate maximum lifetime per company;
- Local Program Focus/Priorities Narrative (examples, certain industry sectors, size of business);
- Program Outcome Measures;
- Application Process;
- Applicant Criteria: qualifications, eligibility and any restrictions for the business and employees;
- Project Requirements (examples, description of training to be provided, duration of training, eligibility for individuals-age, citizenship, Selective Service registration);
- Reimbursable and Non-reimbursable costs;
- Evaluation Procedures; and
- Layoff aversion: Layoff aversion is a primary focus of IWT since the changes in guidelines during PY 2009. An applicant business must explain how the proposed training will avert eminent layoffs.

**5. Description of the individuals affected by the waiver:**

The waiver benefits all local Workforce Development Boards and their customers – the businesses and job seekers of North Carolina. The positive impacts include: program participants will have program choices based on local needs; North Carolina will increase effective, efficient use of resources resulting in more customers served; and, local workforce development boards will have the flexibility to move funds where they are most needed and can provide the greatest benefit in their regions.

The State collaborates with the Local Workforce Boards in administering the IWT. The industries are determined at the regional level; the business determines the skills, training and certifications needed to avert layoffs at the company and the Local Workforce Development Area reviews and concurs or declines.

**6. Description of the processes that will be used to monitor the progress in implementing the waiver:**

The North Carolina Division of Workforce Solutions will be responsible for providing guidance to Local Areas in implementing this waiver as well as monitoring the goals established in this request. There will be monthly review of expenditure reports and quarterly reviews of performance reports, site visits and other direct contacts will be done throughout the year.

Quarterly reports are due from all participating Local Workforce Development Areas with active grants 30 days after the end of the calendar quarter. A final Report is due 45 days after the end of the training or at the end of the contract between the local board and the business. The Division of Workforce Solutions Field Services section includes IWT monitoring when it conducts annual monitoring visits to all Local Workforce Development Areas.

**7. Opportunity for Local Board and Public Comment on Waiver Request:**

The Division solicits public input concerning this waiver request through notification to state and local partners by posting the request on the NC Department of Commerce's website.

All Local Areas were informed and had opportunity to provide feedback and input regarding this waiver at time of initial concept. In addition, all local areas' input was sought during the public comment period of this Plan submission. E-mail notification was provided to each of North Carolina's 23 local Workforce Development Boards regarding the content of this waiver.

**1. Waiver title/purpose: On-the-Job Training (OJT) Employer Reimbursement Waiver: Sliding Scale**

To provide a sliding scale of reimbursement to the employer based on employer size. Under the waiver, the following sliding scale will be implemented: up to 90% reimbursement for employers with 50 or fewer employees; up to 75% reimbursement for employers with 51 - 250 employees; and for employers with more than 250 employees, the statutorily defined 50% limit will continue to apply. This waiver request has been developed in accordance with the WIA guidelines in Section 189(i) (4) (B) and the WIA Federal regulations at 20 CFR 661.420.

The waiver is for use with WIA Adult and Dislocated Worker formula funds, and Statewide Activities funds. The U.S. Department of Labor approved a similar scale per Training and Employment Guidance Letter (TEGL) No. 38-09 for the American Recovery and Reinvestment Act of 2009 On-the-Job Training (OJT) National Emergency Grant (NEG).

**2. Statutory Regulations to be waived:**

WIA Section 101(31)(B) and the accompanying regulations as promulgated at 20 CFR Subpart G 663.710(b) state that employers may be reimbursed up to 50 percent of the wage rate of an OJT participant for the extraordinary costs of providing the training and additional supervision related to the OJT.

**3. State or Local Statutory or Regulatory Barriers:**

There are no state or local statutory or regulatory barriers.

**4. Description of the goals of the waiver and the expected programmatic outcomes:**

As North Carolina continues to be negatively impacted by the lagging economy, the statewide unemployment rate remains above the national rate. This creates an urgent need to increase the ability to implement additional programs and services that best serve unemployed workers. The waiver allows North Carolina's workforce system to continue to more effectively market WIA-funded OJT to support job creation while providing training and transitional employment opportunities for the unemployed. The waiver increases business usage of the local workforce system by providing added incentives for businesses, especially small businesses, to hire and train new workers.

The sliding scale is needed to increase business usage of the local workforce system by providing added incentives for businesses to hire and train new workers. The sliding scale will provide an additional marketing tool by providing attractive cost-effective financial incentives to offset training costs, especially helpful to the small and mid-size employers. Companies will be able to hire employees sooner than planned; thereby stimulating the local, and ultimately, the national economy. The sliding scale is also needed to provide an added incentive to employers to hire long term unemployed persons who have exhausted unemployment benefits.

As North Carolina continues to be negatively impacted by the lagging economy, the statewide unemployment rate continues to be above the national average. This creates an urgent need to increase the ability to implement additional programs and services that best serve unemployed workers.

The sliding scale waiver will allow North Carolina's workforce system to more effectively market WIA-funded OJT to support hiring while providing training and transitional employment opportunities to the unemployed. The waiver increases awareness of the likelihood of success of the OJT program with employers.

**5. Description of the individuals affected by the waiver:**

The waiver augments North Carolina's ability to more effectively direct resources to individuals and businesses where need is greatest. It will benefit eligible WIA adults and dislocated workers, seeking employment and new and improved skill levels. The waiver has increased training options for participants. Local Workforce Development Areas are able to offer more OJT opportunities to WIA eligible adults and dislocated workers.

Small to mid-sized businesses also benefit from the waiver. By providing attractive cost-effective financial incentives, the sliding scale for reimbursement will persuade small and mid-sized businesses to participate in the program. Companies will be able to hire employees sooner than planned, thereby stimulating the local, and ultimately the national economy.

The waiver will be used to target small and mid-size businesses with North Carolina's fastest growing jobs. Skills training will be based upon specific high growth jobs in each local area. North Carolina's high growth industries will be targeted including: Ambulatory Health Care Services, educational services, professional and technical services, nursing and residential care facilities. Certification will depend upon the targeted area for on-the-job training. Career Readiness Certification will be encouraged for all On-the-Job training participants.

Small and mid- size employers in high growth industries will be targeted for use of the OJT sliding scale reimbursement. They will be selected if they meet the criteria as outlined on the On-the-Job training Pre-Award Analysis and successful completion of the employer agreement. General business practices in terms of working conditions (safety, health), the availability of health benefits, sustainable wage structure, turnover rates, adequate staff and equipment to carry out the training, and the employer is compliance with federal, state, and local laws, are factors that will be considered while completing the OJT Pre-Award Analysis form.

**6. Description of the processes that will be used to monitor the progress in implementing the waiver:**

The Division of Workforce Solutions will monitor progress and ensure accountability for federal funds in connection with this waiver by reviewing monthly expenditures, performance and other reports submitted by local Workforce Development Boards; by meeting with local Workforce Development Board Directors; through regular contact with ETA Regional Office liaisons; and through its monitoring and performance accountability system.

The sliding scale waiver has been used in the past using WIA formula funds and funds made available under the American Recovery and Reinvestment Act of 2009. The Division of Workforce Solutions has and will continue to monitor progress and ensure accountability for federal funds in connection with this waiver by reviewing monthly expenditures, performance and other reports submitted by local Workforce Development Boards. The Division will also meet periodically with local Workforce

Development Board Directors, will communicate on an as needed basis with ETA Regional Office liaisons and monitor the waiver through its monitoring and performance accountability system.

Programmatic and fiscal monitoring of this waiver is done at least on a scheduled formal basis yearly and on an as needed basis at other times during the year.

The sliding scale waiver has been used in the past for WIA adult and dislocated workers seeking employment and new and improved skill levels. This waiver has allowed Local Workforce Development Areas to offer more OJT opportunities to WIA eligible adults and dislocated workers. It has also been used as an effective marketing tool to small and mid-size employers to consider OJT as a cost effective financial incentive to offset costs of training new workers.

**7. Opportunity for Local Board and Public Comment on Waiver Request:**

The Division solicits public input concerning this waiver request through notification to state and local partners by posting the request on the NC Department of Commerce's website.

**1. Waiver title/purpose:** To implement the new nine common measures outlined in TEGL 17-05, effective July 1, 2007.

**2. Statutory Regulations to be waived:**

WIA Section 136(b) and (c) and accompanying Regulations §666.100(a) and §666.300(a) that specify the state and local performance measures currently required for WIA Title I programs.

**3. State or Local Statutory or Regulatory Barriers:**

There are no State or local statutory or regulatory barriers to implementing the requested waiver. Nothing in this waiver is intended to prevent the State or any local workforce board from implementing additional measures to assess performance.

**4. Description of the goals of the waiver and the expected programmatic outcomes:**

This waiver allows North Carolina to renew its performance focus and will facilitate system integration across partner programs. The common measures provide a simplified and streamlined performance measurement system that is more cost effective and understandable to the Local Workforce Investment Boards. Case Management, customer service, and operational effectiveness will be enhanced through implementation of this waiver.

This waiver is viewed as a continuous improvement measure that has the following far-reaching benefits and outcomes:

- Facilitates the goal of a fully integrated workforce system;
- Provides clear and understandable information to stakeholders concerning the use of public funds and return on investment;
- Improves case management integration, service coordination and information sharing;
- Assists in the realignment of youth program designs to better implement DOL's Youth Vision and targeting of out-of-school youth;
- Uses a single set of measures for youth, thus, eliminating the need to track younger versus older youth;
- Reduces labor intensive data collection.

**5. Description of individuals impacted by the waiver:**

All customers of the workforce system will benefit from this waiver. The quality and quantity of services to participants will be enhanced by focusing on fewer targeted outcomes. State and local program administrators will benefit as the State progresses toward a fully integrated workforce system that concentrates on demand-driven accountability measures.

**6. Description of the processes that will be used to monitor the progress in implementing the waiver:**

The Division of Workforce Solutions will monitor the implementation and impact of the waiver, as well as progress toward meeting expected outcomes. This is accomplished as follows:

- North Carolina's WorkforcePlus™ participant database is an on-line system used for case management, tracking of services, follow-up and reporting. WorkforcePlus™ will be used to monitor the data collection and reporting of the Common Measures at both the state and local levels. WorkforcePlus™ presently accommodates the new reporting requirements and allows for specialized reports to ensure the accuracy of data. This enables state and local staff to identify technical assistance needs.
- The Division reviews applicable policies, procedures and manuals and modify them accordingly.
- The Division reports performance on the Common Measures to USDOL quarterly and annually via the WIA Performance System.
- The Division monitors the implementation of the waiver through quarterly reports and meetings with Local Workforce Board Directors. These reports and meetings will serve as opportunities to address implementation issues.

**7. Opportunity for Local Board and Public Comment on Waiver Request:**

The Division solicits additional public input concerning this waiver request through notification to state and local partners by posting the request on the Department's website.

All Local Areas were informed and had opportunity to provide feedback and input regarding this waiver at time of initial concept. In addition, all local areas' input was sought during the public comment period of this Plan submission. E-mail notification was provided to each of North Carolina's 23 local Workforce Development Boards regarding the content of this waiver.

**1. Waiver title/purpose: A waiver of the requirement to provide incentive grants for exemplary performance by local areas on the local performance measures.**

**2. Statutory Regulations to be waived:**

To waive the provisions of WIA (Section 134 (a) (2) (B) (iii)) and accompanying Regulations 665.200 (e) (3).

**3. State or Local Statutory or Regulatory Barriers:**

There are no state or local statutory or regulatory barriers to implementing the requested waiver.

**4. Goals to be achieved by the waiver and expected programmatic outcomes:**

The Congressional reduction to five percent for Statewide Workforce Investment Activities funds limits State's ability to effectively fund incentive grants. The State no longer has sufficient funds to make award of performance incentives.

*How statewide funds are being used (for both required and allowable statewide activities).*

In addition to ongoing, daily requirements of administrative oversight and management of NC WIA funds which are \$3,800,470 annually, NC is now entering a phase of replacing two antiquated statewide technology management systems. The systems are over 12 years old and are both insufficient to meet current and projected state needs and are such outdated technology as to make support and changes non-existent in some cases and cost prohibitive for others. The first system is the Integrated Workforce System which includes all WIA participant tracking features and management accountability. This system is currently under bid review with installation estimated at \$3,000,000 and annual fees in the range of \$200,000. WIA's pro-rated share is over half of these costs. This system will accommodate North Carolina's recent merger of WIA and Employment Security Commission functions and personnel. It will combine several legacy systems for better functionality and service to individuals, employers and local Workforce Development Boards in the state. The second system is the Grants Management Information System which includes all fiscal management information and tracking and will be very beneficial for local and state WIA operations. This system is currently under construction with costs estimated at \$135,000 to purchase and \$55,000 per year to maintain, all of which are WIA costs. The annual 5% WIA allotment, even when combined with previous year carry forward funds, does not provide opportunity for the annual \$1 million in incentive funds that NC has previously made available for award to the 23 local workforce development areas who qualify for performance incentives.

As noted above, North Carolina is pursuing and in the midst of development and replacing both a new fiscal management accountability system along with the integrated participant and workforce management system. This is a necessary and high priority.

NC's governor has also chosen to keep innovative incumbent worker training programs a priority for NC businesses and their employees. Without 10% funds available, in Program Years 2011 and 2012 it has been necessary for NC to only use Rapid Response Funds for Incumbent Worker Training. North

Carolina awarded \$360,600 to assist businesses in NC. In Program Year 2012, NC has set aside \$300,000 using the same funding source for future awards.

Finally, NC is in the midst of restructuring and rebranding its One-Stop Center system to reflect and incorporate changes and influences of the state level merger with the former Employment Security Commission and to be responsive to current economic and labor market realities. These high level, long-term improvements and changes have begun and the continued lack of statewide activity funding has led to a prioritization of activities. Technology changes and improvements for financial and participant management have reached a critical level of need and will be costly in either direction – continue with planned change or more costly by continuing to support the existing outdated and limited systems.

The extent to which the funding levels are insufficient to cover the activity for which a waiver is requested are as follows: The annual 5% allotment of \$3,984,562, even when combined with previous carry forward funds as noted above, cannot cover annual WIA operating costs of over \$3,800,000 along with the integrated and financial system costs. Required and necessary activities of oversight and monitoring of a large state with annual WIA allocations of nearly \$80 million, along with an additional \$1 million for incentives per year to recognize the 23 local workforce development areas for performance is not feasible. While not possible at this time, NC hopes to reinstate performance incentives in future years if funds are available.

**5. Description of individuals impacted by the waiver:**

- *PY2012 Governor's 5% Set Aside: \$3,984,562*
- *Amount of Carry Over Funds from prior years : \$3,684,323 (includes reserve for new systems noted below)*
- *The estimated costs to carry out the required activity for which the waiver is needed: \$1,000,000*

While the State is disappointed that there are not available financial Incentives for Performance, there will not be a lack of commitment to reach Performance Goals. Local Workforce Development Areas meeting and exceeding performance goals will be acknowledged through recognition in NC Department of Commerce publications and receipt of congratulatory letters.

There is no expectation that there will be a direct impact on WIA Participant services or a lack of commitment to reach Performance Goals.

**6. Description of the process to monitor progress:**

The Division of Workforce Solutions will continue to monitor local area performance. The Division will also be aware of Congressional changes that might increase statewide activities funds so that Incentive Grants for Performance may be reinstated.

**7. Opportunity for Local Board and Public Comment on Waiver Request:**

The Division solicits public input concerning this waiver request through notification to state and local partners by posting the request on the NC Department of Commerce's website.

**Waiver title/purpose: Time Limit on the Period for Initial Eligibility for Training Providers**

The State was granted a waiver in January 2000 of the time limit on the period of initial eligibility of training providers provided at 20 CFR 663.530. This waiver has been granted in each subsequent Plan and Plan Modification submitted by North Carolina. Under this waiver, the State has been allowed to postpone the determination of subsequent eligibility of training providers. The waiver allows the State to provide an opportunity to re-enroll and be considered enrolled as initial eligible providers. Continuation of this waiver is requested.

**2. Statutory Regulations to be waived:**

Workforce Investment Act (WIA) Section 122 (c)(5) and (d)(1) and 20 CFR Section 663.530-550 – WIA Regulations.

North Carolina requests continuation of a waiver to the above mentioned law to allow the State to permit training providers to operate under initial eligibility period granted them and to continue the initial eligibility process that has served customers well for the past 12 years.

**3. State and Local Statutory or Regulatory Barriers:**

There are no North Carolina state or local regulatory barriers to implementing the waiver.

**4. Describe the goals of the waiver and the expected programmatic outcomes:**

North Carolina's goal is to continue the effective and successful use of the processes for eligible training providers that have served to increase customer choice and the number of eligible training providers while still ensuring accountability for quality providers.

Expected outcomes include:

- Provide more efficient use of information by customers and staff by reducing unneeded data.
- Increased accountability for delivery of needed services at the state, local and service provider levels will continue by reducing large amounts of time and resources that would be expended on implementing the eligibility process in place after initial eligibility process.
- The waiver will continue to benefit all local Workforce Development Boards and their customers.
- North Carolina will continue to enhance effective, efficient use of resources resulting in more customers served.

North Carolina was granted this waiver in January 2000 and it has been granted in each subsequent Plan and Plan Modification submitted by North Carolina. Under this waiver, the State has been allowed to postpone the determination of subsequent eligibility of training providers. The waiver allows the state to provide an opportunity to re-enroll and be considered as enrolled as initial eligible providers.

**5. Describe the individuals affected by the waiver:**

The waiver will benefit all local Workforce Development Boards and their customers – the businesses and job seekers of North Carolina. WIA participants will have more options and customer choice. Data provided on training providers will be more relevant and clearer for customers.

**6. Describe the processes that will be used to monitor the progress in implementing the waiver:**

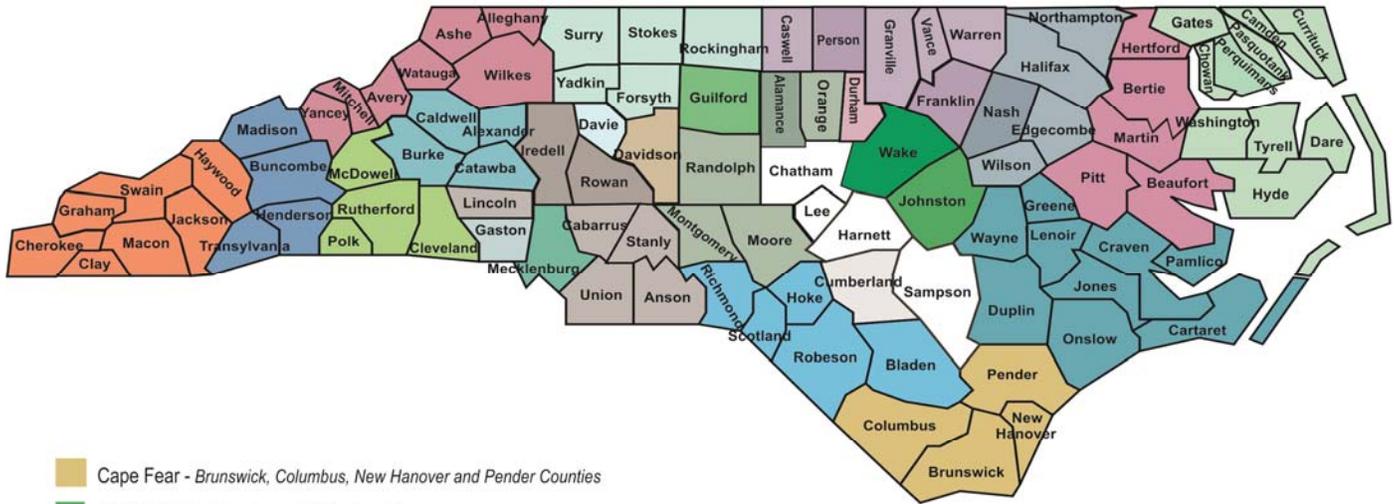
The North Carolina Division of Workforce Solutions will be responsible for providing guidance to Local Areas in implementing this waiver as well as monitoring the goals established in this request. Monitoring includes regular review of enrollment reports, site visits, and other direct contacts will be done throughout the year.

**7. Opportunity for Local Board and Public Comment on Waiver Request:**

The Division solicits public input concerning this waiver request through notification to the state and local partners by posting the request on the NC Department of Commerce’s website.

All Local Areas were informed and had opportunity to provide feedback and input regarding this waiver at time of initial concept. In addition, all local areas’ input was sought during public comment period of this plan submission. E-mail notification was provided to each of North Carolina’s 23 local Workforce Development Boards regarding the content of this waiver.

# Appendix D North Carolina Local Workforce Development Board Areas



- Cape Fear - Brunswick, Columbus, New Hanover and Pender Counties
- Capital Area - Johnston and Wake Counties
- Centralina - Anson, Cabarrus, Iredell, Lincoln, Rowan, Stanly and Union Counties
- Charlotte/Mecklenburg - Mecklenburg County
- Cumberland County - Cumberland County
- DavidsonWorks - Davidson County
- Durham - Durham County
- Eastern Carolina - Carteret, Craven, Duplin, Greene, Jones, Lenoir, Onslow, Pamlico and Wayne Counties
- Gaston County - Gaston County
- Greensboro/High Point/Guilford County - Guilford County
- High Country Workforce Development Consortium - Alleghany, Ashe, Avery, Mitchell, Watauga, Wilkes and Yancey Counties
- Kerr-Tar - Caswell, Franklin, Granville, Person, Vance and Warren Counties
- Mountain Local Area - Buncombe, Henderson, Madison and Transylvania Counties
- Lumber River - Bladen, Hoke, Richmond, Robeson and Scotland Counties
- Northeastern - Camden, Chowan, Currituck, Dare, Gates, Hyde, Pasquotank, Perquimans, Tyrrell and Washington Counties
- Northwest Piedmont - Davie, Forsyth, Rockingham, Stokes, Surry and Yadkin Counties
- Region C - Cleveland, McDowell, Polk and Rutherford Counties
- Region Q - Beaufort, Bertie, Hertford, Martin and Pitt Counties
- Regional Partnership - Alamance, Montgomery, Moore, Orange and Randolph Counties
- Triangle South - Chatham, Harnett, Lee and Sampson Counties
- Turning Point - Edgecombe, Halifax, Nash, Northampton and Wilson Counties
- Southwestern - Cherokee, Clay, Graham, Haywood, Jackson, Macon and Swain Counties
- Western Piedmont - Alexander, Burke, Caldwell and Catawba Counties

NC Department of Commerce  
 Division of Workforce Development  
 January 2012 v.4

## North Carolina Commission on Workforce Development

**June Atkinson** *Ex-Officio*  
NC Department of Public Instruction  
**State Superintendent**

**Cherie Berry** *Ex-Officio*  
NC Department of Labor  
**Commissioner**

**Kip Blakely** *Business*  
TIMCO Aviation Services  
**VP Industry & Gov. Relations**

**Ken Boham** *Education*  
Caldwell Community College and  
Technical Institute  
**President**

**Ronnie Bugnar** *Education*  
Person County Schools  
**Retired**

**Sherry Carpenter** *Community Org*  
Goodwill Industries of Northwest NC,  
Inc.  
**VP/Workforce Development**

**Craig Chancellor** *Community Org*  
United Way of the Greater Triangle  
**President & CEO**

**Scott Clark** *Business*  
SolTherm Energy  
**VP - Chief Strategy Officer**

**Paul Combs** *Education*  
Paul Combs Enterprises  
**Owner**

**Lisa Conger** *Education*  
Cabarrus County Schools  
**CTE Director**

**Keith Crisco** *Ex-Officio*  
NC Department of Commerce  
**Secretary**

**Victor Dau** *Education*  
SBTDC @ NC A&T University  
**Business Counselor**

**Lewis Dishmon** *Labor*  
Workers United Local 294-T  
**President**

**Bill Downey** *Business*  
L.A. Downey and Son  
**President**

**Ed Drescher** *Labor*  
UA Local 421 Plumbers and Pipefitters  
**Business Agent/Representative**

**Sandy Drum** *Education*  
Nash-Rocky Mount Public Schools  
System  
**Executive Director - Public Relations**

**Phrantceena Halres** *Business*  
Total Protections  
**Chairman/CEO**

**Scott Hamilton** *Business*  
AdvantageWest  
**President & CEO**

**Susan Jackson** *Business*  
WakeMed Physician Practices  
**Exec. Dir., Network Development**

**Earl Jagers** *Labor*  
AFL-CIO (BCT-317-T)  
**Labor Representative**

**Martha Matthews** *Business*  
Purdue Pharmaceuticals  
**Associate Director, GXP Training**

**Don McCorquodale, Chairman** *Business*  
SAS Institute  
**Director of State Relations**

**MaryBe McMillan** *Labor*  
NC State AFL-CIO  
**Secretary-Treasurer**

**Keith Norwood** *Business*  
Armacell, LLC  
**Dir. HR - North America**

**Priscilla Nunn** *Business*  
Eisai  
**Sr. Manager, Employee Dev.**

**Mike Okun** *Labor*  
NC AFL CIO  
**General Counsel**

**Virginia Parker** *Business*  
Wake Tech Foundation

**Associate Executive Director, Strategic  
Partne**

**Bill Ragland** *Business*  
Steve Owen & Associates  
**Broker/Realtor**

**Scott Ralls** *Ex-Officio*  
NC Community Colleges System  
**President**

**Alex Rankin** *Business*  
Concord Engineering and Surveying  
**President**

**Jerri Tryon** *Business*  
The Coca-Cola Company  
**Sales & Marketing Executive**

**Jerry Walters** *Business*  
Littler Mendelson, P.C.  
**Attorney**

**Chuck Wood** *Business*  
Volvo Construction Equipment  
**VP- HR Management and  
Administration**

### Section III. Integrated Workforce Plan Assurances and Attachments

#### **North Carolina 2012-2016 State Integrated Workforce Plan Requirements for Workforce Investment Act Title I/Wagner-Peyser Act and U.S. Department of Labor Workforce Programs**

This section provides a "check-the-box" table of assurance statements and a single signature sheet to certify that the information provided by the State, and submitted to the Department, in the following table is accurate, complete, and meets all legal and guidance requirements. The table below contains the assurances, the legal reference that corresponds to each assurance, and a column for the State to provide a reference to the document(s) that it believes meets the stated assurance or where the statute requires documentation of a policy or procedure. Such a reference may be a hyperlink to an on-line document or it may be an attachment. Not all assurances require documents to be attached or referenced. Where an approved special exemption, waiver, or an approved alternate structure makes an assurance not applicable to your State, please insert the words "Not Applicable" in the reference column.

By checking each assurance, attaching the proper documentation or links, and signing the certification at the end of the document, the State is certifying it has met each of the legal planning requirements outlined in WIA law and regulations and in corresponding Departmental guidance. By checking each box and signing the certification, the State is also indicating that its supporting documentation meets all applicable Federal and state laws and regulations and is available for review. Any deficiencies in the documentation attached to each assurance identified during the state plan review process may result in additional technical assistance and a written corrective action as part of the Department's conditional approval of the State's Integrated Workforce Plan. Assurances that are part of the State's grant agreement are not duplicated here.

**ASSURANCES AND ATTACHMENTS – PLANNING PROCESS AND PUBLIC COMMENT**

	<b>STATEMENT</b>	<b>REFERENCE</b>	<b>DOCUMENTATION and COMMENTS</b>
1.	<input checked="" type="checkbox"/> The state established processes and timelines, consistent with WIA Section 111(g) – and, where appropriate, 20 CFR 641.325 (g) – to obtain input into the development of the Integrated Workforce Plan and to give opportunity for comment by representatives of local elected officials, local workforce investment boards, businesses, labor organizations, other primary stakeholders, and the general public.	WIA Sections 112(b)(9), 111(g) 20 CFR 661.207 20 CFR 661.220(d) 20 CFR 641.325(f), (g), (h), 20 CFR 641.335	Yes. Specifics contained within Sections I and II of this Plan.
2.	<input checked="" type="checkbox"/> The state afforded opportunities to those responsible for planning or administering programs and activities covered in the Integrated Workforce Plan to review and comment on the draft plan.	WIA Sections 112(b)(9), 111(g) 20 CFR 661.207 20 CFR 661.220(d)	Yes.
3.	<input checked="" type="checkbox"/> The final Integrated Workforce Plan and State Operational Plan are available and accessible to the general public.		Yes. <a href="http://www.nccommerce.com/workforce/about-us/plans-policies-reports-initiatives/plans">http://www.nccommerce.com/workforce/about-us/plans-policies-reports-initiatives/plans</a>
4.	<input checked="" type="checkbox"/> The state afforded the State Monitor Advocate an opportunity to approve and comment on the Agricultural Outreach Plan. The state solicited information and suggestions from WIA 167 National Farmworker Jobs Program grantees, other appropriate MSFW groups, public agencies, agricultural employer organizations, and other interested organizations. At least 45 days before submitting its final outreach, the State provided a proposed plan to the organizations listed above and allowed at least 30 days for review and comment. The State considered any comments received in formulating its final proposed plan, informed all commenting parties in writing whether their comments have been incorporated and, if not, the reasons therefore, and included the comments and recommendations received and its responses with the submission of the plan.	WIA Sections 112(b)(9), 111(g) 20 CFR 661.207 20 CFR 661.220(d) 20 CFR 653.107 (d) 20 CFR 653.108(f)	Yes.  (William.Grant@nccommerce.com, (919) 814-0461 and Billy.Green@nccommerce.com, (919) 707-1905)
5.	<input checked="" type="checkbox"/> In the development of the plan, the state considered the recommendations submitted by the State Monitor Advocate in the annual summary of services to Migrant and Seasonal Farmworkers.	20 CFR 653.108(t)	Yes. (William.Grant@nccommerce.com, (919) 814-0461 and Billy.Green@nccommerce.com, (919) 707-1905)
6.	<input checked="" type="checkbox"/> The state established a written policy and procedure to ensure public access (including people with disabilities) to board meetings and information regarding board activities, such as board membership and minutes.	WIA Sections 111(g), 112(b)(9), 117(e) 20 CFR 661.207	Yes. <a href="http://www.nccommerce.com/workforce/about-us/commission-on-workforce-development">http://www.nccommerce.com/workforce/about-us/commission-on-workforce-development</a>

7. <input checked="" type="checkbox"/>	Where SCSEP is included in the Integrated Workforce Plan, the state established a written policy and procedure to obtain advice and recommendations on the State Plan from representatives of the State and area agencies on aging; State and local boards under the WIA; public and private nonprofit agencies and organizations providing employment services, including each grantee operating a SCSEP project within the state, except as provided under section 506 (a)(3) of OAA and 20 CFR 641.320(b); Social service organizations providing services to older individuals; Grantees under Title III of OAA, Affected Communities, Unemployed older individuals, Community-based organizations serving older individuals; business organizations and labor organizations.	20 CFR 641.315(a)(1-10), 641.325 (f), (g), (h)	Not Applicable. The N.C. 2012 SCSEP is a stand-alone Plan.
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**ASSURANCES AND ATTACHMENTS - REQUIRED POLICIES AND PROCEDURES**

	STATEMENT	REFERENCE	DOCUMENTATION or COMMENTS
8. <input checked="" type="checkbox"/>	The state made available to the public state-imposed requirements, such as statewide policies or guidance, for the statewide public workforce system, including policy for the use of WIA title I statewide funds.	WIA Sections 112(b)(2), 129, 134  20 CFR 665.100	Yes. <a href="http://www.nccommerce.com/workforce/workforce-professionals/local-area-issuances">http://www.nccommerce.com/workforce/workforce-professionals/local-area-issuances</a>
9. <input checked="" type="checkbox"/>	The state established a written policy and procedure that identifies circumstances that might present a conflict of interest for any state or local workforce investment board member or the entity that s/he represents, and provides for the resolution of conflicts. The policy meets the requirements of WIA Sections 111(f) and 117(g).	WIA Sections 112(b)(13), 111(f), 117(g)	Yes. State Commission By-Laws, Article IV, Section 5, " <u>Conflict of Interest</u> : Members of the Commission shall not cast a vote on any matter (policy, procedure, contract, grant or award) which has a direct bearing on services to be provided by that member or by an immediate family member, any organization which such member or an immediate family member directly or indirectly represents, any matter which would financially benefit such member or an immediate family member or any organization such member or an immediate family member represents"; and <a href="#">Section 5 Executive Order 34 attached</a> .

10. <input checked="" type="checkbox"/>	The state has established a written policy and procedure that describes the state's appeals process available to units of local government or grant recipients that request, but are not granted, designation of an area as a local area under WIA Section 116.	WIA Sections 112(b)(15), 116(a)(5)  20 CFR 661.280  20 CFR 667.700	Yes and NC State Law 1999-237: <a href="http://www.ncga.state.nc.us/sessions/1999/bills/house/html/h168v7.html">www.ncga.state.nc.us/sessions/1999/bills/house/html/h168v7.html</a> Any unit of local government or consortium of local governments with a population of 200,000 or more that requests designation as a local workforce investment area and is denied designation may appeal the recommendation of the Commission on Workforce Development (State Board) to its Executive Committee. If the appeal does not result in designation of the area, the unit(s) of local government may appeal to the Governor. Should the unit(s) of local government with 200,000 or more population be denied designation by the Governor, the unit(s) may appeal to the U. S. Secretary of Labor in accordance with Section 661.280 of 20 CFR Part 652 et al., Workforce Investment Act Final Rule (August 11, 2000).
11. <input checked="" type="checkbox"/>	The state established written policy and procedures that describe the state's appeal process for requests not granted for automatic or temporary and subsequent designation as a local workforce investment area.	20 CFR 667.640  20 CFR 662.280	Yes and NC State Law 1999-237, <a href="http://www.ncga.state.nc.us/sessions/1999/bills/house/html/h168v7.html">www.ncga.state.nc.us/sessions/1999/bills/house/html/h168v7.html</a> Any unit of local government or consortium of local governments with a population of 200,000 or more that requests designation as a local workforce investment area and is denied designation may appeal the recommendation of the Commission on Workforce Development (State Board) to its Executive Committee. If the appeal does not result in designation of the area, the unit(s) of local government may appeal to the Governor. Should the unit(s) of local government with 200,000 or more population be denied designation by the Governor, the unit(s) may appeal to the U. S. Secretary of Labor in accordance with Section 661.280 of 20 CFR Part 652 et al., Workforce Investment Act Final Rule (August 11, 2000).

12. <input checked="" type="checkbox"/>	The state established a written policy and procedure that set forth criteria to be used by chief elected officials for the appointment of local workforce investment board members.	WIA Sections 112(b)(6), 117(b)  20 CFR 661.300(a), 20 CFR 661.325	<p>Yes. North Carolina received approval in its initial WIA Strategic Five Year State Plan to allow chief elected officials the opportunity to retain current local boards or appoint new boards. Chief elected officials submitted signed certification packages for their local WDBs based on the option selected. All WDBs opted for continuation and were required to be in compliance with the nomination and appointment process used under Section 102 of the JTPA, including subsequent appointments. Appointments from the private sector must be in compliance with the intent of WIA and ensure that private sector representation is reflective of the local labor market. North Carolina will monitor changes to local WDB composition requirements that may occur in WIA reauthorization and, as appropriate, make requests for amendments to update this plan. The Commission on Workforce Development issued a memorandum to the local workforce areas on April 19, 1999 establishing the policies and guidelines for “grandfathering” of current boards and establishment of new boards. The chief elected officials were asked to submit a letter of intent to “grandfather” their current board or appoint a new board. Following the letter of intent, the chief elected officials completed, signed and submitted a certification package for their local board, based on local option taken.</p> <p>The guidelines for “grandfathering” require that the local board be in compliance with the nomination and appointment process used under section 102 of the Job Training Partnership Act. The board’s structures currently match those structures in place on December 31, 1997.</p> <p>The nomination and appointment process for new board members require that a single slate of nominees be given to the chief elected official and that the chief elected official appoint individuals from the list as members of the board. Nominations from the private sector shall be in such number as to demonstrate compliance with the intent of the Workforce Investment Act and to ensure that private sector representation is reflective of the local labor market.</p>
13. <input checked="" type="checkbox"/>	The state established written policy and procedures to ensure local workforce investment boards are certified by the governor every two years.	WIA Sec 117(c)  20 CFR 661.325	<p><a href="#">Local Area Issuance 2008-08</a>, To certify NC Workforce Development Boards in compliance with WIA Section 117(c)(2) 'Certification'.</p> <p><a href="#">LA 2012-02</a>, Local Area Plan Instructions for Program Year 2012 under the Workforce Investment Act (WIA) of 1998 (Public Law 105-220).</p>

14. <input checked="" type="checkbox"/>	Where an alternative entity takes the place of an SWIB, the state has written policy and procedures to ensure the alternative entity meets the definition under section 111(e) and the legal requirements for membership.	WIA Sections 111(e), (b) 20 CFR 661.210	Not Applicable.
15. <input checked="" type="checkbox"/>	Where the alternative entity does not provide representative membership of the categories of required SWIB membership, the state has a written policy or procedure to ensure an ongoing role for any unrepresented membership group in the workforce investment system. (Only applicable in cases where a state uses an alternative entity as its SWIB, and that entity does not provide for representative membership by individuals in the categories required by WIA sec. 111(b).)	WIA Sections 111(b), (e) 20 CFR 661.210(c)	Not Applicable.
16. <input checked="" type="checkbox"/>	When applicable, the state takes any action necessary to assist local areas in developing and implementing the One-Stop system.	WIA Sections 112(b)(14), 134(c)  W-P Section 8(c)	Yes.  <a href="#">2010 North Carolina JobLink Career Center System Interim Chartering Criteria and Chartering Process Guide</a>  LA 2012-02, Local Area Plan Instructions for Program Year 2012 under the Workforce Investment Act (WIA) of 1998 (Public Law 105-220)

17. <input checked="" type="checkbox"/>	The state established procedures for determining initial and subsequent eligibility of training providers.	WIA Sections 112(b)(17)(A)(iii), 122, 134(d)(4)  20 CFR 663.515, 663.535	<p>North Carolina State Training Accountability and Reporting System (NCSTARS), <a href="http://eslmi01.esc.state.nc.us/default.asp">http://eslmi01.esc.state.nc.us/default.asp</a></p> <p>The Commission developed a partnership between the State administrative entity for WIA, the former ESC, the North Carolina Community College System, the Local Areas, and the local Workforce Development Boards to develop an on-line, PC-based statewide system for Eligible Training Providers. This system, called NC STARS, is the North Carolina State Training, Accountability, and Reporting System.</p> <p>NC STARS is an Internet-based, interactive application used by training providers to submit applications to provide WIA-funded training, local WDBs when reviewing and certifying eligible training providers, and by individuals seeking training in a particular area of the State or in a specific occupation. Information in this system is available to all citizens of the State without regard to WIA eligibility. In developing a training provider list, the State, along with its partners, determined that list could serve a broader population than WIA participants; therefore NC STARS was built to allow any training provider to directly enter its training-related information. The State determines minimum performance indicators for providers' programs. The NC STARS Web site displays data that indicates whether training providers' programs meet the minimum State performance measures. Local WDBs may approve only those training providers' programs that meet the minimum State performance measures.</p> <p>NC STARS serves these important functions:  Eliminates the need for paper forms and massive centralized data entry efforts;  Allows real time entry and update of vendor data and board certifications; and  Allows almost instantaneous viewing of the most current information for all customers. The Web address for NC STARS is <a href="http://www.ncstars.org">www.ncstars.org</a> and oversight is now maintained within the Division of Workforce Solutions.</p>
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18.	<input checked="" type="checkbox"/>	All partners in the workforce and education system described in this plan will ensure the physical, programmatic, and communications accessibility of facilities, programs, services, technology, and materials for individuals with disabilities in One-Stop Career Centers.	WIA Section 188 W-P Section 8(b) 29 CFR part 37 20 CFR 652.8(j)	Yes. <a href="#">OneStop Chartering Criteria and Chartering Process Guide</a> ,
19.	<input checked="" type="checkbox"/>	The state ensures that outreach is provided to populations and sub-populations who can benefit from One-Stop Career Center services.	WIA Section 188 29 CFR 37	Rapid Response Team Form, <a href="#">see attached Assurance #19</a>  <a href="#">LA 2012-02</a> , Local Area Plan Instructions for Program Year 2012 under the Workforce Investment Act (WIA) of 1998 (Public Law 105-220)
20.	<input checked="" type="checkbox"/>	The state implements universal access to programs and activities to all individuals through reasonable recruitment targeting, outreach efforts, assessments, services delivery, partnership development, and numeric goals.	WIA Section 188 29 CFR 37.42	Yes.  <a href="#">LA 2012-02</a> , Local Area Plan Instructions for Program Year 2012 under the Workforce Investment Act (WIA) of 1998 (Public Law 105-220)

21. <input checked="" type="checkbox"/>	The state complies with the nondiscrimination provisions of section 188, including that Methods of Administration were developed and implemented.	WIA Section 188 29 CFR 37.20	<p>Yes. LA2011-01, Workforce Investment Act (WIA) Non-discrimination/Equal Opportunity Standards and Complaint Procedures.  <a href="http://www.nccommerce.com/workforce/workforce-professionals/workforce-investment-act/equal-opportunity">http://www.nccommerce.com/workforce/workforce-professionals/workforce-investment-act/equal-opportunity</a>  The State assures that it will comply with the nondiscrimination provisions of section 188, including an assurance that a Methods of Administration has been developed and implemented (§ 188).</p> <p>As a condition to the award of financial assistance from the Department of Labor under title I of WIA, the grant applicant assures that it will comply fully with the nondiscrimination and equal opportunity provisions of the following laws:</p> <ul style="list-style-type: none"> <li>-Section 188 of the Workforce Investment Act of 1998 (WIA), which prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex, national origin, age, disability, political affiliation or belief, and against beneficiaries on the basis of either citizenship/status as a lawfully admitted immigrant authorized to work in the United States or participation in any WIA title I— financially assisted program or activity;</li> <li>-Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the bases of race, color and national origin;</li> <li>-Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities;</li> <li>-The Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age; and</li> <li>-Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in educational programs.</li> </ul> <p>-The grant applicant also assures that it will comply with 29 CFR Part 37 and all other regulations implementing the laws listed above. This assurance applies to the grant applicant’s operation of the WIA title I, financially assisted program or activity, and to all agreements the grant applicant makes to carry out the WIA title I, financially assisted program or activity. The grant applicant understands that the United States has the right to seek judicial enforcement of this assurance.</p>
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22. <input checked="" type="checkbox"/>	The state collects and maintains data necessary to show compliance with nondiscrimination provisions of section 188.	WIA Section 185	Yes.  <a href="#">Element 6 of the Methods of Administration</a>  The State assures that it will collect and maintain data necessary to show compliance with the nondiscrimination provisions of section 188. (§ 185).
23. <input checked="" type="checkbox"/>	For WIA Single-Area States only, the state has memorandums of understanding between the local workforce investment board and each of the One-Stop partners concerning the operation of the One-Stop delivery system in the local area.	WIA Sections 112(b)(5), 116(b), 118(b)(2)(B), 20 CFR 661.350(a)(3)(ii)	Not applicable

**ASSURANCES AND ATTACHMENTS - ADMINISTRATION OF FUNDS**

	STATEMENT	REFERENCE	DOCUMENTATION and COMMENTS
24. <input checked="" type="checkbox"/>	The state established written policy and procedures that outline the methods and factors used in distributing funds, including WIA Adult, Dislocated Worker, and Youth formula and rapid response funds. The policy establishes a process for funds distribution to local areas for youth activities under WIA Section 128(b)(3)(B), and for adult and training activities under WIA Section 133(b), to the level of detail required by Section 112(b)(12)(a). In addition, the policy establishes a formula, prescribed by the governor under Section 133(b)(2)(B), for the allocation of funds to local areas for dislocated worker employment and training activities.	WIA Sections 111(d)(5), 112(b)(12)(A), (C), 128(b)(3)(B), 133(b)(2)(B), 133(b)(3)(B)  20 CFR 661.205(e)	<a href="#">LA 2012-02</a> , Local Area Plan Instructions for Program Year 2012 under the Workforce Investment Act (WIA) of 1998 (Public Law 105-220), Attachment P

24a. <input checked="" type="checkbox"/>	For Dislocated Worker funding formulas, the state’s policy and procedure includes the data used and weights assigned. If the state uses other information or chooses to omit any of the information sources set forth in WIA when determining the Dislocated Worker formula, the state assures that written rationale exists to explain the decision.	WIA Section 133(b)(2)(B) 20 CFR 667.130(e)(2)(i)-(ii)	<a href="#">LA 2012-02</a> , Local Area Plan Instructions for Program Year 2012 under the Workforce Investment Act (WIA) of 1998 (Public Law 105-220), Attachment P
25. <input checked="" type="checkbox"/>	The state established a written policy and procedure for how the individuals and entities represented on the SWIB help to determine the methods and factors of distribution, and how the state consults with chief elected officials in local workforce investment areas throughout the state in determining the distributions.	WIA Sections 111(d)(5), 112(b)(12)(A), 128(b)(3)(B), 133(b)(3)(B), 20 CFR 661.205(e)	The Commission on Workforce Development (State Board) consulted with local WDBs, local elected officials, and Local Area Directors in a detailed evaluation of the original WIA formulas and alternative methodologies. Consultation occurred in meetings between the Commission members, the Commission staff, and interested parties including Local Areas. As noted, North Carolina will involve Commission members and Local Area Chief Elected officials in studies of any distribution revisions.  After reviewing the available elements under sections 128 (b)(3) and 133(b)(3) of the Workforce Investment Act, North Carolina has elected to allocate funds using the basic formula. Information regarding alternatives was presented to the Local Workforce Area Planning and Program Delivery Committee of the Commission on Workforce Development and to the full Commission.
26. <input checked="" type="checkbox"/>	The state established written policy and procedures for any distribution of funds to local workforce investment areas reserved for rapid response activities, including the timing and process for determining whether a distribution will take place.	WIA Sections 133(a)(2), 134(a)(2)(A) 20 CFR 667.130(b)(2), (e)(4), 665.340	<a href="#">Local Area Issuance 2007-12</a> , Dislocated Worker Contingency Funds Availability  <a href="#">LA2011-05</a> , Incumbent Workforce Development Program  <a href="#">LA2011-09</a> , Program Year (PY) 2011 On-the-Job Training Initiative (OJT) for Dislocated Workers Funds Available from North Carolina's Workforce Investment Act (WIA) State Rapid Response Allocation

27. <input checked="" type="checkbox"/>	The state established written policy and procedures to competitively award grants and contracts for WIA Title I activities.	WIA Section 112(b)(16)	<p>In accordance with Article 3, Chapter 143 of the North Carolina General Statutes and the North Carolina Administrative Code at Title I, Chapter 5, the Secretary of the Department of Administration is responsible for administering the State's program for the purchasing personal property and contractual services. The purchasing program is based on sound competitive purchasing procedures and organized as a centralized purchasing system. The State Purchasing Officer is responsible for all aspects of purchasing commodities and contractual services by agencies, either directly or indirectly. The State Purchasing Officer has direct responsibility for all acquisitions that occur through statewide term contracts.</p> <p>Competition is the cornerstone around which public contracting is built. North Carolina's purchasing program is built on the principle of fair and open competition. Where fair and open competition is not sought or obtained, the reason for such action must be valid and must be documented. All required advertisements shall be placed through the Department of Administration's Purchase and Contract Division via its home page on the Internet. Solicitation shall be advertised at least once and at least 10 days prior to the date designated for bid opening.</p>
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28. <input checked="" type="checkbox"/>	The state established written criteria to be used by local workforce investment boards in awarding grants for youth activities, including criteria that the governor and local workforce investment boards will use to identify effective and ineffective youth activities and providers of such activities.	WIA Sections 112(b)(18)(B), 123, 129	<p>North Carolina's Youth Councils play a significant role in developing programs and services for youth. In accordance with WIA regulation at 661.340, Youth Council responsibilities include developing portions of the local plan related to eligible youth and making recommendations to the local WDBs regarding youth service providers.</p> <p>Each Local Area develops criteria to identify effective and ineffective youth activities and providers. Criteria including ability to:</p> <ul style="list-style-type: none"> <li>-Develop relationships between youth and caring adults;</li> <li>-Involve family members;</li> <li>-Build youth responsibility;</li> <li>-Develop youth citizenship and leadership skills;</li> <li>-Place high expectations on youth and staff;</li> <li>-Provide appropriate services based on age and needs of each youth;</li> <li>-Demonstrate involvement of the business/employer community;</li> <li>-Provide accommodations for special needs populations;</li> <li>-Demonstrate prior successes in providing employment and training services to youth;</li> <li>-Prepare youth for success in employment;</li> <li>-Provide high support for youth;</li> <li>-Demonstrate the connection between work and learning;</li> <li>-Provide opportunities for community service;</li> <li>-Provide comprehensive guidance and counseling;</li> <li>-Demonstrate coordination and collaboration with community partners; and</li> <li>-Connect with the JobLink Career Center system.</li> </ul> <p>In addition, local WDBs are bound by local procurement procedures.</p>
29. <input checked="" type="checkbox"/>	The state established written criteria for a process to award a grant or contract on a competitive basis for Summer Youth Employment Opportunities element of the local youth program, where a provider is other than the grant recipient/fiscal agent.	WIA Sections 123, 129(c)(2)(C) 20 CFR 664.610.	Not Applicable.
30. <input checked="" type="checkbox"/>	The state distributes adult and youth funds received under WIA equitably throughout the state, and no local areas suffer significant shifts in funding from year-to-year during the period covered by this plan.	WIA Section 112(b)(12)(B)	<p>The State assures that the adult and youth funds received under the Workforce Investment Act will be distributed equitably throughout the State, and that no Local Areas will suffer significant shifts in funding from year to year during the period covered by this Plan. (§ 112(b)(12)(B)).</p> <p>The Commission on Workforce Development (State Board) consulted</p>

		<p>with local WDBs, local elected officials, and Local Area Directors in a detailed evaluation of the original WIA formulas and alternative methodologies. Consultation occurred in meetings between the Commission members, the Commission staff, and interested parties including Local Areas.</p> <p>As noted, North Carolina will involve Commission members and Local Area Chief Elected officials in studies of any distribution revisions. After reviewing the available elements under sections 128 (b)(3) and 133(b)(3) of the Workforce Investment Act, North Carolina has elected to allocate funds using the basic formula.</p>	
31. <input checked="" type="checkbox"/>	<p>The state established written fiscal-controls and fund-accounting procedures and ensures such procedures are followed to ensure the proper disbursement and accounting of funds paid to the state through funding allotments made for WIA Adult, Dislocated Worker, and Youth programs, and the Wagner-Peyser Act.</p>	<p>WIA Sections 112(b)(11), 127, 132, 184</p> <p>W-P Sections 9(a), (c)</p> <p>20 CFR 652.8(b), (c)</p>	<p><a href="#">Local Area Issuance 2005-08</a>, The current Division of Workforce Solutions Financial Management policies.</p> <p>The State assures that it will establish, in accordance with section 184 of the Workforce Investment Act, fiscal control and fund accounting procedures that may be necessary to ensure the proper disbursement of, and accounting for, funds paid to the State through the allotments made under sections 127 and 132. (§ 112(b)(11).)</p>
32. <input checked="" type="checkbox"/>	<p>The state ensures compliance with the uniform administrative requirements in WIA through annual, onsite monitoring of each local area.</p>	<p>WIA Sections 184(a)(3), (4)</p> <p>20 CFR 667.200, .400(c)(2), 667.410</p>	<p>The State assures that it will comply with section 184(a)(6), which requires the Governor to, every two years, certify to the Secretary, that</p> <ul style="list-style-type: none"> <li>-The State has implemented the uniform administrative requirements referred to in section 184(a)(3);</li> <li>-The State has annually monitored Local Areas to ensure compliance with the uniform administrative requirements as required under section 184(a)(4) using a standard monitoring guide; and</li> <li>-The State has taken appropriate action to secure compliance with section 184 (a)(3) pursuant to section 184(a)(5). (§ 184(a)(6)).</li> </ul>
33. <input checked="" type="checkbox"/>	<p>The state follows confidentiality requirements for wage and education records as required by the Family Educational Rights and Privacy Act of 1974 (FERPA), as amended, WIA, and applicable Departmental regulations.</p>	<p>WIA Sections 136(f)(2), (f)(3), 122, 185(a)(4)(B)</p> <p>20 USC 1232g</p> <p>20 CFR 666.150</p>	<p>Preservation of client confidentiality, as required by partner agencies' legislation and regulations, requires consideration of legal ramifications concerning data sharing between agencies. Since 1992, several partner agencies have been participating in the Common Follow-up System (CFS) to provide employment, earnings, education, and training data to member agencies across workforce development programs. The Department of Commerce is the designated agency for data collection, matching, and dissemination. Use of</p>

		20 CFR part 603	unemployment quarterly wage record files for employment and earnings of agencies' clients plays a large part in CFS. The system has been used as a foundation upon which to build a data sharing policy between member agencies to meet State and WIA reporting and performance criteria requirements.
34. <input checked="" type="checkbox"/>	The state will not use funds received under WIA to assist, promote, or deter union organizing.	WIA Section 181(b)(7) 20 CFR 663.730	The State assures that no funds received under the Workforce Investment Act will be used to assist, promote, or deter union organizing. (§ 181(b)(7)).

#### ASSURANCES AND ATTACHMENTS - ELIGIBILITY

	STATEMENT	REFERENCE	DOCUMENTATION and COMMENT
35. <input checked="" type="checkbox"/>	Where the SWIB chooses to establish them, the state established definitions and eligibility documentation requirements regarding the "deficient in basic literacy skills" criterion.	WIA Sections 101(13)(C)(i)  CFR 664.205(b)	Yes. <a href="#">LA2010-01 Change 1</a> , Side-by-side comparison of Workforce Investment Act (WIA) Participant Eligibility and Data Validation Documentation Sources  <a href="#">LA2011-06</a> , Workforce Investment Act (WIA) Data Element Validation and Participant File Structure  <a href="#">2009-12 Change 2</a> , WorkforcePlus™ Definitions and Instructions  <a href="#">Local Area Issuance 2008-09</a> , Basic Skills for In-School Younger Youth, Number: LA2008-09  <a href="#">Youth Deficient Basic Literacy Skills</a> , Youth Deficient in Basic Literacy Skills, Number: 2000-04

36. <input checked="" type="checkbox"/>	Where the SWIB chooses to establish them, the state established definitions and eligibility documentation requirements regarding “requires additional assistance to complete and educational program, or to secure and hold employment” criterion.	WIA Sections 101(13)(C)(iv) 20 CFR 664. 200(c)(6), 664.210	Yes. <a href="#">LA2009-18</a> , To provide North Carolina’s definition for "requires additional assistance to complete an education program, or to secure and hold employment" as it relates to eligibility for youth at Federal Register Workforce Investment Act Final Rules Section 664.200(c)(6)  <a href="#">LA2010-01 Change 1</a> , Side-by-side comparison of Workforce Investment Act (WIA) Participant Eligibility and Data Validation Documentation Sources  <a href="#">LA2011-06</a> , Workforce Investment Act (WIA) Data Element Validation and Participant File Structure
37. <input checked="" type="checkbox"/>	The state established policies, procedures, and criteria for prioritizing adult title I employment and training funds for use by recipients of public assistance and other low-income individuals in the local area when funds are limited.	WIA Section 134(d)(4)(E) 20 CFR 663.600	Yes. <a href="#">LA 2012-02</a> , Local Area Plan Instructions for Program Year 2012 under the Workforce Investment Act (WIA) of 1998 (Public Law 105-220)

38. <input checked="" type="checkbox"/>	<p>The state established policies for the delivery of priority of service for veterans and eligible spouses by the state workforce agency or agencies, local workforce investment boards, and One-Stop Career Centers for all qualified job training programs delivered through the state's workforce system. The state policies:</p> <ol style="list-style-type: none"> <li>1. Ensure that covered persons are identified at the point of entry and given an opportunity to take full advantage of priority of service; and</li> <li>2. Ensure that covered persons are aware of: <ol style="list-style-type: none"> <li>a. Their entitlement to priority of service;</li> <li>b. The full array of employment, training, and placement services available under priority of service; and</li> <li>c. Any applicable eligibility requirements for those programs and/ or services.</li> </ol> </li> <li>3. Require local workforce investment boards to develop and include policies in their local plan to implement priority of service for the local One-Stop Career Centers and for service delivery by local workforce preparation and training providers.</li> </ol>	<p>WIA Sections 112(b)(17)(B), 322</p> <p>38 USC Chapter 41</p> <p>20 CFR 1001.120-.125</p> <p>Jobs for Veterans Act, P.L. 107-288</p> <p>38 USC 4215</p> <p>20 CFR 1010.230, 1010.300-.310</p>	<p>Yes. <a href="#">LA 2012-02</a>, Local Area Plan Instructions for Program Year 2012 under the Workforce Investment Act (WIA) of 1998 (Public Law 105-220), page 7</p> <p><a href="#">LA2009-14</a>, Priority of Service for Veterans and Spouses</p>
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**ASSURANCES AND ATTACHMENTS - PERSONNEL AND REPRESENTATION**

	STATEMENT	REFERENCE	DOCUMENTATION and COMMENTS
39. <input checked="" type="checkbox"/>	<p>The state assures that Migrant and Seasonal Farmworker (MSFW) significant office requirements are met.</p> <p>Note: The five states with the highest estimated year-round MSFW activities must assign full-time, year-round staff to outreach activities. The Employment and Training Administration designates these states each year. The remainder of the top 20 significant MSFW states must make maximum efforts to hire outreach staff with MSFW experience for year-round positions and shall assign outreach staff to work full-time during the period of highest activity.</p> <p>If a state proposes that its State Monitor Advocate work less than full-time, the state must submit, for approval by the Department, a plan for less than full-time work, demonstrating that the state MSFW Monitor Advocate function can be effectively performed with part-time staffing.</p>	<p>WIA Section 112(b)(8)(A)(iii), 112(b)(17)(A)(iv)</p> <p>W-P Sections 3(a), (c)(1)-(2)</p> <p>20 CFR 653.107(a), 107(i), 653.112(a), 653.108(d)(1)</p>	<p>Yes, see <a href="#">State Integrated Agricultural Outreach Plan Section</a> in this Plan.</p>
40. <input checked="" type="checkbox"/>	<p>Merit-based public employees provide Wagner-Peyser Act-funded labor exchange activities in accordance with Departmental regulations.</p>	<p>W-P Sections 3(a), 5(b)</p> <p>20 CFR 652.215</p> <p>Intergovernmental Personnel Act, 42 USC 4728(b)</p>	<p>Yes, see <a href="#">State Integrated Agricultural Outreach Plan Section</a> in this Plan.</p>
41. <input checked="" type="checkbox"/>	<p>The state has designated at least one person in each state or Federal employment office to promote and develop employment opportunities, job counseling, and placement for individuals with disabilities.</p>	<p>W-P Section 8(b)</p> <p>20 CFR 652.211</p>	<p>Yes, Persons with Disabilities Coordinator, James Korth, <a href="mailto:james.korth@ncommerce.com">james.korth@ncommerce.com</a> .</p> <p>Yes, local offices utilize a Disability Specialist.</p>

42. <input checked="" type="checkbox"/>	If a SWIB, department, or agency administers state laws for vocational rehabilitation of persons with disabilities, that board, department, or agency cooperates with the agency that administers Wagner-Peyser services.	W-P Section 8(b) 20 CFR 652.211	Yes, Persons with Disabilities Coordinator, James Korth, <a href="mailto:james.korth@nccommerce.com">james.korth@nccommerce.com</a> .  Yes, local offices utilize a Disability Specialist.
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## JobLink Career Centers

**JobLink Career Centers offer a variety of employment and training services that can help job seekers find a new or better job.**

Looking for a job? JobLink Career Centers offer a variety of employment and training services that can help job seekers find a new or better job.

Local workforce development professionals from diverse partner agencies work together under one roof to help provide these services. JobLink Career Centers also serve businesses.

Adults age 18 or older are eligible to receive services through JobLink Career Centers and the majority of services are free. Many JobLink Career Centers provide services to youth.

Services available at JobLink Career Centers:

- Free computer access
- Career guidance
- Resume preparation
- Help with job search
- Information on the job market
- Training classes and workshops
- Information on training and education
- Access to resources for training
- Unemployment insurance claims
- Veterans' services

Visit [www.nccommerce.com](http://www.nccommerce.com) for the locations nearest you.

# NC Mobile JobLink

Welcome To NCMJL.com



*A service provided by the Division of Workforce Solutions of the NC Department of Commerce.*

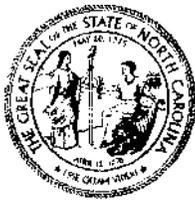
## *Driving to a street near you!*

The Governor's Rapid Response Team is charged with assisting North Carolina businesses during hardships that may lead to the displacement of workers. The North Carolina Mobile JobLink website provides a look into this proactive approach to help the business community avert and even prevent future layoffs.

If layoffs are imminent, the Governor's Rapid Response Team can assist those workers earmarked to lose their job by providing transitional services early on. Services include job seeking skills workshops, job skills assessment, retraining and job placement activities.

NC Mobile JobLink may also be available for your transition needs. Please contact your local Workforce Development Board Chair for details.





STATE OF NORTH CAROLINA OFFICE OF THE GOVERNOR  
20301 MAIL SERVICE CENTER • RALEIGH, NC 27699-0301

BEVERLY EAVES PERDUE  
GOVERNOR

**MEMORANDUM**

**TO:** All Gubernatorial Appointees to Boards and Commissions  
Board Contacts

**FROM:** Edwin M. Speas, Jr., General Counsel  
Kendra D. Hill, Chief Ethics Officer/Deputy General Counsel

**DATE:** January 6, 2010

**RE:** Executive Order No. 34, Ethics and Attendance Standards for Gubernatorial Appointees to Boards

Pursuant to Executive Order No. 34 issued December 9, 2009, Governor Perdue has established ethics and attendance standards for all members of boards and commissions who were appointed by the Office of the Governor. A copy of Executive Order No. 34 is enclosed for your information.

Under Executive Order No. 34, all gubernatorial appointees are required to comply with the following standards:

1. Conflict of interest standard - Requires appointees to always act in the public's best interest, without regard to their own financial interests, and to recuse themselves from voting on any matter in which the appointee has a financial interest. For purposes of Executive Order No. 34, appointees may use the following standard to determine if they have a financial interest in a matter before the board:

A member derives a financial benefit from a matter under consideration if the person or his or her spouse (i) has an ownership interest in an entity that is directly affected by the matter under consideration; (ii) will derive any income or commission as a direct result of action on the matter under consideration; or (iii) will acquire property as a direct result of action on the matter under consideration.

LOCATION: 116 WEST JONES STREET • RALEIGH, NC • TELEPHONE: (919) 733-5811

[WWW.GOVERNOR.STATE.NC.US](http://WWW.GOVERNOR.STATE.NC.US)

January 6, 2010

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2. Gift ban – Prohibits appointees from accepting gifts from any contractors of the appointee's board, but allows for exceptions for gifts that would otherwise be allowed under the State Ethics Act, regardless of whether the appointee is covered by the Ethics Act. Appointees should seek assistance from the board's attorney if they have concerns about accepting any gift.
3. Removal for indictment or failure to cooperate – Provides that indictment for a felony or failure to cooperate in a state or federal investigation constitutes grounds for removal from a board.
4. Attendance – Requires appointees to attend at least 75 percent of the board's regularly scheduled meetings and provides that failure to meet the standard constitutes grounds for removal from a board. Each board contact will be requested to provide an annual report of board members' attendance.

Any questions concerning Executive Order No. 34 may be directed to the Governor's Office of Legal Counsel at 919-733-9080.

EMSjr:KDH:mr1

Enclosure

c: Jackie Kohler, Director of Boards and Commissions, Office of the Governor



BEVERLY EAVES PERDUE

GOVERNOR

**EXECUTIVE ORDER NUMBER 34**

**ETHICS AND ATTENDANCE STANDARDS FOR  
GUBERNATORIAL APPOINTEES TO BOARDS**

WHEREAS, the Governor appoints members to various boards, commissions, committees, councils, and similar entities (hereinafter "boards"); and

WHEREAS, it is essential for the public and the Governor to have confidence in the members of boards and the work done by such boards; and

WHEREAS, gubernatorial appointees to boards must maintain the highest ethical and board attendance standards; and

WHEREAS, the failure of appointees to maintain high ethical standards erodes public confidence in the actions of boards; and

WHEREAS, the excessive absences of appointees from board meetings diminishes the effectiveness of the entire board.

**NOW, THEREFORE**, by the power vested in me as Governor by the Constitution and laws of the State of North Carolina, **IT IS ORDERED:**

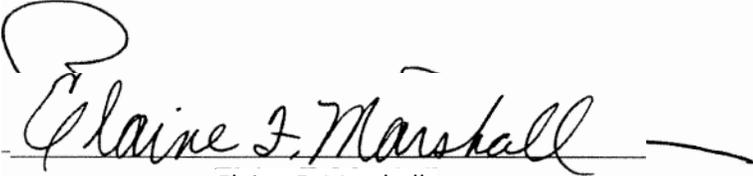
1. In transacting board business, each person appointed by the Governor shall act always in the best interest of the public without regard for her or his financial interests. To this end, each appointee must recuse herself or himself from voting on any matter on which the appointee has a financial interest.
2. No person appointed by the Governor to serve on a board shall accept a gift from any contractors, subcontractors, or suppliers of the appointee's board. This provision does not

prohibit an appointee from accepting a gift that would be permitted under the State Ethics Act, regardless of whether the appointee is covered by the State Ethics Act.

3. If any person appointed by the Governor to serve on a board is indicted for a felony by a state or federal grand jury or fails to fully cooperate in an investigation conducted by a state or federal agency pursuant to law, such action shall constitute grounds for removal from the board for misfeasance, malfeasance, or nonfeasance pursuant to N.C. Gen. Stat. § 143B-13(d), N.C. Gen. Stat. § 143B-16, or other applicable statutes or regulations.
4. All persons appointed by the Governor to serve on a board shall attend at least 75 percent of all regularly scheduled meetings of the board during the board's calendar year. Failure of a board member to attend board meetings in a manner consistent with this Order shall constitute grounds for removal from the board for misfeasance, malfeasance, or nonfeasance pursuant to N.C. Gen. Stat. § 143B-13(d). N.C. Gen. Stat. § 14313-16, or other applicable statutes or regulations.

This Executive Order shall be effective immediately and shall remain in effect until rescinded. **IN WITNESS WHEREOF**, I have hereunto signed my name and affixed the Great Seal of the State of North Carolina at the Capitol in the City of Raleigh, this ninth day of December in the year of our Lord two thousand and nine, and of the Independence of the United States of America the two hundred and thirty-fourth.



  
Elaine F. Marshall  
Secretary of State

## Statement of Assurances Certification

The State of North Carolina certifies on the 10 day of September in 2012 that it complied with all of required components of the Workforce Investment Act and Wagner-Peyser Act. The State also assures that funds will be spent in accordance with the Workforce Investment Act and the Wagner-Peyser Act and their regulations, written U.S. Department of Labor guidance implementing these laws, and all other applicable Federal and state laws and regulations.



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(Signature)

Beverly Eaves Perdue, Governor

State of North Carolina

9.10.12

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Date

## Attachment A

### Program Administration Designees and Plan Signatures

**Name of WIA Title I Grant Recipient Agency:** North Carolina Department of Commerce – Division of Workforce Solutions

Address: 4316 Mail Service Center, Raleigh, North Carolina 27699-4316

Telephone Number: (919) 814-0400

Facsimile Number: (919) 814-0365

E-mail Address: [roger.shackleford@nccommerce.com](mailto:roger.shackleford@nccommerce.com)

**Name of State WIA Title I Administrative Agency** (if different from the Grant Recipient):

same

**Name of WIA Title I Signatory Official:** Roger Shackleford, Assistant Secretary of Commerce, Division of Workforce Solutions

Address: 4316 Mail Service Center, Raleigh, N.C. 27699-4316

Telephone Number: (919) 814-0315

Facsimile Number: (919) 814-0365

E-mail Address: [roger.shackleford@nccommerce.com](mailto:roger.shackleford@nccommerce.com)

**Name of WIA Title I Liaison:** Roger Shackleford, Assistant Secretary of Commerce, Division of Workforce Solutions

Address: 4316 Mail Service Center, Raleigh, N. C. 27699-4316

Telephone Number: (919) 814-0315

Facsimile Number: (919) 814-0365

E-mail Address: [roger.shackleford@nccommerce.com](mailto:roger.shackleford@nccommerce.com)

**Name of Wagner-Peyser Act Grant Recipient/State Employment Security Agency:**

North Carolina Department of Commerce – Division of Workforce Solutions

Address: 4316 Mail Service Center, Raleigh, N. C. 27699-4316

Telephone Number: (919) 814-0400

Facsimile Number: (919) 814-0365

E-mail Address: roger.shackleford@nccommerce.com

**Name and Title of State Employment Security Administrator (Signatory Official):**

Roger Shackleford, Assistant Secretary of Commerce, Division of Workforce Solutions

Address: 4316 Mail Service Center, Raleigh, N. C. 27699-4316

Telephone Number: (919) 814-0315

Facsimile Number: (919) 814-0365

E-mail Address: roger.shackleford@nccommerce.com

**As the governor, I certify that for the State of North Carolina, the agencies and officials designated above have been duly designated to represent the State in the capacities indicated for the Workforce Investment Act, title I, and Wagner-Peyser Act grant programs. Subsequent changes in the designation of officials will be provided to the U.S. Department of Labor as such changes occur.**

**I further certify that we will operate our Workforce Investment Act and Wagner-Peyser Act programs in accordance with this plan and the assurances herein.**

**Typed Name of Governor: Beverly Eaves Perdue**

Signature of Governor \_\_\_\_\_



Date 9.10.12