

STATE BOARD OF COMMUNITY COLLEGES
Allocations for Expansion of Apprenticeship Programs
June 1, 2022 through December 31, 2024

Request: The State Board of Community Colleges is requested to approve an allocation of up to \$11,600,000 from the State Fiscal Recovery Funds to establish a temporary program to expand apprenticeship opportunities for high school apprentices and non-high school apprentices between the ages of 16 and 25 for 50 eligible colleges serving Tier 1 and Tier 2 counties in accordance with the 2020 Department of Commerce designation.

Strategic Plan Reference:

Theme: Economic and Workforce Impact

Goal #1: Increase the percentage of North Carolinians, particularly within underserved populations, pursuing and easily accessing education or training through North Carolina Community Colleges.

- Objective 1.2: Increase student interest and success in industries experiencing skills gap.
 - Strategy 1.2.1: Market the value of technical education and workforce training for jobs/careers.

Goal #3: Ensure the educational pipeline prepares a workforce possessing the interest, knowledge, skills, and abilities to meet the needs of employers, now and into the future.

- Objective 3.1: Collaborate with stakeholders to promote a workforce system that fosters innovation and establishes seamless connections among community colleges, K-12 education, universities, workforce and economic development partners, and business and industry.
 - Strategy 3.1.1: Identify and engage employers and relevant sources of data to determine high-demand occupations, program demand within the current labor market, and expected occupational earnings.
 - Strategy 3.1.2: Partner with high schools, universities, and workforce development entities and engage with employers and industry associations at the regional/local levels to identify workforce needs and establish educational and training programs collaboratively and comprehensively.
 - Strategy 3.1.3: Collaborate with workforce partners to benchmark successful state and national workforce systems.

Background: The purpose of the program shall provide for small businesses to participate in apprenticeships to meet business needs, assist with financial challenges and employment demands in their local communities, and provide opportunities for apprenticeships that will lead to certifications, licensing, or an associate degree in a career field and full-time employment.

Session Law 2021-180, Section 6.14(a) appropriates funds to be used to award grants to reimburse employers for the cost associated with new apprentices within a Registered Apprenticeship with ApprenticeshipNC and for tuition, fees, and cost of books for curriculum

programs and short-term workforce credentials for small businesses in high-demand fields and careers, including, but not limited to, surveying, engineering, design, and all construction trades, as well as welding, pipe fitting, and engine mechanics.

Session 2021-180, Section 6.14(b) Use of Funds - Recipients of grants may be reimbursed for up to two thousand dollars (\$2,000) each fiscal year in program expenses, including costs for purchasing program equipment and for costs associated with payroll, mentor stipends, insurance, training, uniforms, and safety equipment. For apprentices enrolled in curriculum degree programs and short-term workforce courses, up to two thousand five hundred dollars (\$2,500) in grant funds may be used each fiscal year to cover the cost of tuition, fees, and books for apprentices enrolled at community colleges. Grant funds may also be used to cover the costs of the salary of apprentices participating in the program by providing the grant recipient with matching State funds limited to an hourly rate of pay of fifteen dollars (\$15.00) for non-high school students and fourteen dollars (\$14.00) for high-school students. Funds made available to grant recipient for the salary costs of apprentices shall be matched on the basis of one dollar (\$1.00) in non-State funds for every one dollar (\$1.00) in State funds.

Session 2021-180, Section 6.14(c) Time-Limited Position – From the funds provided to the System Office, the System Office may contract for a new, time-limited position through the deadline established for the expenditure of federal funds under federal law and guidance to coordinate and overs deliverables, daily operations of the grant program, financial management, monitoring and accountability of budget accuracy, and the validity of disbursements.

Rationale: The System Office shall administer the grant program established for applicants that are small business employers located in development Tier 1 and development Tier 2 areas as designated in the annual ranking performed by the Department of Commerce pursuant to G.S. 143B-437.08 for the 2020 calendar year.

The list below indicates the county tier ranking, and college in the service area.

- Tier 1 – AB Tech*, Beaufort County, Bladen, Caldwell, Cleveland, Coastal Carolina, College of the Albemarle*, Edgecombe, Fayetteville Tech, Halifax, Isothermal, James Sprunt, Lenoir, Martin, Mayland, Nash, Piedmont, Pitt, Richmond, Roanoke-Chowan, Robeson, Rockingham, Sampson, South Piedmont*, Southeastern, Southwestern, Tri-County, Vance-Granville, Wayne, Wilkes and Wilson
- Tier 2 – Alamance, Blue Ridge*, Carteret, Catawba Valley*, Central Carolina, Craven, Davidson-Davie*, Forsyth Tech, Gaston*, Guilford Tech, McDowell Tech, Montgomery, Pamlico, Randolph, Rowan-Cabarrus*, Sandhills*, Stanly, Surry and Western Piedmont

*For colleges serving multiple counties, funds can only be used for Tier 1 & 2 counties.

Method of Allocation: The System Office will allocate the funds to one of the fifty (50) colleges serving Tier 1 and Tier 2 counties based on the following criteria:

- New apprentices between the ages of 16 and 25.
- Small businesses within tier one and two counties with no more than 500 employees.
- High-demand careers with the 2-digit occupational code listed below
 - Computer and Mathematical (15-0000)
 - Architecture and Engineering (17-0000)
 - Education (25-0000)
 - Healthcare Technicians (29-0000)
 - Healthcare Support (31-0000)
 - Protective Service (33-0000)
 - Food Preparation and Service (35-0000)
 - Office and Administrative Support (43-0000)
 - Construction and Extraction (47-0000)
 - Installation, Maintenance, and Repairs (49-0000)
 - Production (51-0000)
 - Transportation (53-0000)

The System Office will allocate the entire amount of funds for the new apprentice to the college. To receive the allocation, the college will submit an apprentice agreement to the System Office program staff. Upon review, the System Office program staff will notify both the college representative and System Office finance that the college is eligible to receive the allocation. The funds will be applied to the student's account to cover certain costs of enrollment, as well as certain expenses paid directly by the apprentice's employer as they pertain to costs incurred to train the apprentice.

Fund Source and Availability: Funding is available from the State Fiscal Recovery Fund as authorized by Session Law 2021-180, Section 6.14. Funds must be obligated by December 31, 2024 and expended by December 31, 2026.

Contact:

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