

STATE BOARD OF COMMUNITY COLLEGES
Allocation for Common Digital Credential Pilot Program Funds
FY 2024-25

Request: The State Board of Community Colleges is requested to approve an allocation of \$1,000,000 to support a pilot program for digital credentials.

Strategic Plan Reference: Goal 4: Economic and Workforce Development
 Provide education, training, and credentials to develop the most competitive workforce in the nation.
 Strategies: 4.1.1 and 4.2.2

Background: In 2024, the General Assembly appropriated up to \$1,000,000 in non-recurring funds through **Session Law 2024-57, Section 3J.21** to conduct a digital credential pilot program. The funds will enable the Community Colleges System Office to collaborate with at least one community college currently enrolling students in a digital credential program for the fall semester of the 2024-2025 academic year.

The selected lead community college, Cape Fear Community College, in consultation with the System Office, and the digital credential provider will report on the pilot program's implementation and outcomes to the **Joint Legislative Education Oversight Committee** by **June 15, 2025**.

Rationale: This pilot program represents North Carolina's commitment to enhancing student experiences, supporting transfer pathways, and expanding workforce opportunities through innovative credentialing systems. Digital credentials provide streamlined, portable, and verifiable proof of learners' achievements, enabling alignment with employer needs while simplifying credit transfer between academic institutions.

Method of Allocation: Based on a qualifying evaluation process, Cape Fear Community College was selected to lead the pilot program, demonstrating readiness and alignment with program goals. To ensure success and scalability, Cape Fear Community College may collaborate with other community colleges or educational partners, such as local schools or universities, as needed. The System President may review and approve allocation memos to distribute the remainder of the funds to the lead college and/or to any additional colleges based on eligibility in accordance with the law. The System Office may also use up to 10% of the total funds for project support. **Table 1 –Allocation**

College	Allocation
Cape Fear CC	\$500,000

Impact Assessment & Legislative Report:

In accordance with **Session Law 2024-57, Section 3J.21**, a comprehensive report on the pilot program's implementation and outcomes will be submitted to the **Joint Legislative Education Oversight Committee** by **June 15, 2025**.

Fund Source and Availability: Funding is available through the state budget allocation authorized by **Session Law 2024- 57 Section 3J.21**

Allocation Period: July 1, 2024-June 30, 2025

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