

STATE BOARD OF COMMUNITY COLLEGES
Legislative Report for Short Term Workforce Development Grant Program

Request: At the request of staff, the State Board of Community Colleges is asked to approve the Short-Term Workforce Development Grant Program Annual Report.

Background:

The General Assembly established evaluation criteria for the Short-Term Workforce Development Grant Program. The State Board is required to submit an annual report on the Program to the Joint Legislative Education Oversight Committee and the Fiscal Research Division by April 1, 2026. This report details the amount of grant funds disbursed and the number of eligible students supported, ensuring transparency and accountability in the program's implementation.

The State Board adopted rules for grant disbursement. Eligible programs were determined in collaboration with the Department of Commerce, aligning with high-demand occupations in the State. These programs include architecture, health sciences, information technology, electrical line worker training, and manufacturing, among others, addressing local workforce needs. Award amounts for the grants were set at up to seven hundred fifty dollars (\$750.00) to support students pursuing short-term, noncredit State and industry workforce credentials. The State Board established eligibility criteria, including residency qualifications, as outlined in G.S. 116-143.1.

Rationale:

Reviewing and evaluating the Short-Term Workforce Development Grant Program ensures continued program effectiveness and responsible stewardship of State funds.

This year's report provides:

- The total amount of grant funds disbursed
- The number of eligible students served
- A breakdown of participation by workforce sector

The report demonstrates ongoing demand for short-term workforce training and the program's continued alignment with North Carolina's economic and workforce priorities.

Contact:

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AVP, Workforce Strategies



SHORT-TERM WORKFORCE DEVELOPMENT GRANT PROGRAM

FINAL REPORT
FISCAL YEAR 2025-26

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Short-Term Workforce Development Grant Program

Background

Session Law 2021-180 Section 6.6.(a) established the Short-Term Workforce Development Grant Program and directed the State Board to collaborate with the Department of Commerce. The purpose was to determine the occupations in highest demand across the State and adopt rules for the disbursement of grants, linking the program to these occupations. Grants could be awarded for up to seven hundred fifty dollars (\$750) per course to students pursuing short-term, noncredit State and industry-recognized workforce credentials. The legislation stipulated that eligible students had to qualify as residents for tuition purposes under the criteria outlined in G.S. 116-143.1 and follow the centralized residency determination process administered by the State Education Assistance Authority.

This program and approach built upon the work of the N.C. Workforce Credentials and the State Board's strategic plan objectives. Eligible programs include courses and pathways leading to family-sustaining and in-demand credentials identified on the N.C. Workforce Credentials list and aligned with the State's labor-market priorities. Consistent with the Propel NC workforce sector framework, these pathways span key sectors of the economy, including Healthcare, Engineering and Advanced Manufacturing, Trades and Transportation, Information Technology, Public Safety, Business and Management, and other high-demand occupational areas. This alignment ensures that State investments support programs directly connected to workforce demand, economic mobility, and regional industry needs. In 2023, the General Assembly allocated \$1,000,000 to the North Carolina Community College System (NCCCS) for the Short-Term Workforce Development (STWD) Grant Program.

Administration:

Under this program, each college was eligible for an allocation determined by the college's Budget Full-Time Equivalency (BFTE) in Tiers 1A, 1B, and 2 (excluding Tier 3) as detailed in Appendix I. For program monitoring, funds were allocated and tracked through the college's monthly 112 financial reports using purpose code 554 and vocational code 80. Student awards were disbursed through the financial aid module of the colleges' student information system, Ellucian's Colleague, facilitating comprehensive data collection on awardees and program outcomes.

Reporting Plan:

The NCCCS was required to provide an annual report on the Short-Term Workforce Development Grant Program to the Joint Legislative Education Oversight Committee, the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, and the Fiscal Research Division on the administration of the STWD Grant Program for the prior academic year by April 1, 2026.

Data collected for this report each academic year was to include, at minimum, the amount of grant funds disbursed and the number of eligible students receiving funds by each program.

Outcomes:

Data collected for this report each academic year includes the amount of grant funds disbursed

and the number of eligible students receiving funds by each program.

FY 2024–25 Student Participation by Workforce Sector

- **Grant Funds Disbursed:** \$917,121
- **Total Students Awarded:** 1,645

Table 1: Student Participation by Workforce Sector

Workforce Sector	Students Served
Healthcare	1,017
Trades & Transportation	247
Personal Services	208
Business & Management	115
Engineering & Advanced Manufacturing	75
Public Safety	53
Information Technology	48
Professional Development	73
Total Students Served	1,645

Current Fiscal Year Status (FY 2025–26)

As of January 31, 2026, program expenditures total \$494,135.01, representing 49.41 percent of the \$1,000,000 annual appropriation.

Current enrollment trends indicate continued demand across Healthcare, Trades and Transportation, and Public Safety sectors. Participation levels are consistent with prior fiscal years, and expenditures are progressing in alignment with historical award cycles. The System Office continues to evaluate program utilization in the context of forthcoming Workforce Pell implementation to ensure continued alignment and complementary support.

Program Evaluation:

During Fiscal Year 2024–25, the Short-Term Workforce Development Grant Program disbursed \$917,121 and provided financial assistance to 1,645 students enrolled in short-term, noncredit workforce training programs across North Carolina’s community colleges.

Workforce Sector and Healthcare Alignment

Healthcare-related programs represented the largest share of participation. This concentration reflects sustained statewide demand for entry-level clinical, allied health, and emergency services credentials. Programs such as Nursing Assistant, Phlebotomy, Emergency Medical Services, and Medical Assisting continue to serve as primary workforce entry points and remain among the most accessible on-ramps into the healthcare workforce.

This participation trend aligns with the State’s recent investment in high-cost healthcare program start-up and expansion efforts. Through those investments, community colleges expanded instructional capacity, hired additional faculty, modernized simulation laboratories, purchased specialized clinical equipment, and launched or scaled programs in nursing, EMS, surgical technology, dental assisting, respiratory therapy, and related fields. These structural investments addressed longstanding barriers such as limited lab space, accreditation requirements, equipment costs, and clinical placement constraints.

As healthcare programs expanded capacity and increased available seats, the Short-Term Workforce Development Grant Program helped ensure that students could access those opportunities. While start-up and expansion funding strengthened institutional infrastructure, the STWD Grant Program reduced financial barriers for individual students. Together, these efforts created a coordinated strategy that both increased program availability and improved student affordability. This layered approach expanded immediate entry pathways through short-term credentials while also strengthening long-term healthcare workforce pipelines.

Workforce Pell Considerations

Although federal Workforce Pell is expected to expand financial aid eligibility for certain short-term programs, not all programs supported through the STWD Grant Program will qualify under federal criteria. Workforce Pell eligibility is subject to minimum instructional hour requirements, program duration thresholds, institutional participation standards, and student-level federal financial aid eligibility.

Several program types commonly supported through STWD may fall outside Workforce Pell parameters, including short-duration workforce courses below federal hour thresholds. In addition, some students may not meet federal financial aid eligibility criteria.

For these reasons, the STWD Grant Program continues to serve as an essential access mechanism. It preserves flexibility and ensures continued support for students pursuing workforce credentials that are aligned with employer demand but may not meet federal aid definitions.

Appendix I: State Board Action

STATE BOARD OF COMMUNITY COLLEGES
Allocation for Short-Term Workforce Development Grant Program
July 1, 2024 – June 30, 2025

Request:

The State Board of Community Colleges is requested to approve the allocation of \$1,000,000 in State funds to continue the Short-Term Workforce Development Grant Program. The program will provide financial assistance of up to \$750 per course for resident students who enroll in noncredit, short-term workforce training programs that lead to an industry-recognized credential in fields with employer demand and competitive wages.

Strategic Plan References:

Goal 4: Economic and Workforce Development Provide education, training, and credentials to develop the most competitive workforce in the nation.

Strategy: 4.3.1

Background:

Session Law 2021-180 Section 6.6.(a) established the Short-Term Workforce Development Grant Program and directed the State Board to collaborate with the Department of Commerce to determine the occupations in highest demand across the State and adopt rules for the disbursement of grants linking the program to these occupations. Grants may be for up to seven hundred fifty dollars (\$750) per course to students pursuing short-term, noncredit State and industry-recognized workforce credentials. At a minimum, the legislation requires eligible students to qualify as residents for tuition purposes under the criteria outlined in G.S. 116-143.1 and following the centralized residency determination process administered by the State Education Assistance Authority. This program and approach build on the work of the N.C. Workforce Credentials and the State Board's strategic plan objectives. Eligible programs will include courses and pathways leading to family-sustaining and in-demand credentials identified on the N.C. Workforce Credentials list. Identified pathways include credentials across all sectors in the State economy, including architecture and construction, health sciences, information technology, electrical line worker, manufacturing programs, and other programs that meet workforce needs.

Rationale:

North Carolina must have a well-trained workforce in critical high-demand fields to recover from the COVID-19 pandemic and continue to grow our economy. Additionally, data shows many North Carolinians are seeking more stable, better-paying careers, and recent polling data from the Strada Center for Consumer Insights noted that 59% of adults considering enrolling in an education or training program prefer non-degree programs. Community colleges are essential to North Carolina's continued economic recovery as we upskill, reskill, and graduate our workforce. However, unlike traditional academic programs of study, federal financial aid is unavailable for these programs. The Short-Term Workforce Development Grant Program addresses this unmet need for the NCCCS and the State of North Carolina.

For the 2021-23 biennium, the General Assembly allocated \$3,000,000 (\$1,000,000 recurring and \$2,000,000 nonrecurring) each year to the NC Community College System (NCCCS) to establish the Short-Term Workforce Development (STWD) Grant Program. The program aimed to serve eligible community college students pursuing high-demand workforce training programs within workforce pathways identified in collaboration with the Department of Commerce, leading to a State or industry-recognized credential. These funds are intended to remove access barriers to high-quality, in-demand, sustaining wage careers for North Carolinians. Each college will determine grant award amounts based on student needs, local industry needs, number of eligible students, and cost of the course/pathway, up to a maximum award of \$750 per course. The grants will help cover the cost of tuition, fees, books, supplies, credentialing tests, transportation, childcare, and any other components of the total cost of attendance. At a minimum, eligible students applying for this scholarship must:

- 1) Resident of North Carolina
 - a) As required by Session Law 2021-180, eligible students must establish residency under the criteria outlined in G.S. 116-143.1 following the coordinated and centralized residency determination process administered by the State Education Assistance Authority.
- 2) Students enrolling in Workforce Continuing Education (WCE) pathways/courses leading to a N.C. Workforce Credential identified as either Essential or Career level. These pathways may consist of a single WCE course or a series of courses.

The System Office developed a funding process which requires colleges to submit a request for funding that acknowledges agreement to meet program rules, reporting requirements, and student coding requirements. Each college is eligible for an allocation determined by the college's Budget Full-Time Equivalency (BFTE) in Tiers 1A, 1B, and 2 (excluding Tier 3) as presented in Table 1. The System President will have the authority to reallocate funds as needed during the program year to ensure full utilization of funds through a process developed by the System Office.

Appendix I: Allocation Memo

L. SHORT-TERM WORKFORCE DEVELOPMENT

Purpose: The purpose of the funding is to provide financial assistance for resident students who enroll in noncredit, short-term workforce training programs that lead to an industry-recognized credential in fields with employer demand and competitive wages.

Please see the table on the following page for allocation detail by college.

Allocation Authority: Funding is available from the FY 2024-25 State General Fund appropriations as authorized by Session Law 2023-134, Section 6.5.

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

Required Budget Code(s): 1) Voc code: 80 2) Purpose code: 554

Budget Posting Instructions: Please post this allocation to your college's budget prior to transmitting the September 2024 electronic files.

Approval: Approved by the North Carolina State Board of Community Colleges (SBCC) on July 19, 2024 (FC 06). Please see the aforementioned attachment(s) for additional details regarding this allocation.

Other: Colleges will process funding through Financial Aid. After Financial Aid has awarded the student funding, they will notify the college Business Office, and the business office will cut a check from the state disbursing account using state purpose code 554 and vocational code 80 made payable to the college. The check should then be receipted into the colleges applicable institutional fund account to cover student awards. It is the responsibility of the college business office to make sure all expense reporting requirements are met.

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
SHORT-TERM WORKFORCE DEVELOPMENT PROGRAM
FY 2024-25
PURPOSE CODE: 554
VOC CODE: 80

College	Continuing Education 2024-25 BFTE Tiers 1 and 2	Allocation Percentage	Allocation Amount
Alamance CC	398.1	1.54%	\$15,450
Asheville-Buncombe TCC	363.3	1.41%	14,098
Beaufort County CC	401.7	1.56%	15,588
Bladen CC	138.0	0.54%	5,355
Blue Ridge CC	312.3	1.21%	12,119
Brunswick CC	311.3	1.21%	12,080
Caldwell CC and TI	662.1	2.57%	25,693
Cape Fear CC	961.5	3.73%	37,311
Carteret CC	238.4	0.93%	9,251
Catawba Valley CC	654.3	2.54%	25,390
Central Carolina CC	395.5	1.53%	15,348
Central Piedmont CC	479.0	1.86%	18,588
Cleveland CC	577.3	2.24%	22,402
Coastal Carolina CC	419.1	1.63%	16,263
College of The Albemarle	269.3	1.05%	10,450
Craven CC	490.5	1.90%	19,034
Davidson Davie CC	288.8	1.12%	11,207
Durham TCC	583.3	2.26%	22,635
Edgecombe CC	279.7	1.09%	10,854
Fayetteville TCC	2,538.5	9.85%	98,508
Forsyth TCC	497.1	1.93%	19,290
Gaston College	191.6	0.74%	7,435
Guilford TCC	876.8	3.40%	34,025
Halifax CC	61.6	0.24%	2,390
Haywood CC	188.4	0.73%	7,311
Isothermal CC	158.2	0.61%	6,139
James Sprunt CC	572.4	2.22%	22,212
Johnston CC	516.2	2.00%	20,031
Lenoir CC	1,156.5	4.49%	44,878
Martin CC	151.5	0.59%	5,879
Mayland CC	139.0	0.54%	5,417

Attachment PROG 02

McDowell TCC	207.8	0.81%	8,064
Mitchell CC	316.5	1.23%	12,282
Montgomery CC	76.5	0.30%	2,969
Nash CC	289.7	1.12%	11,242
Pamlico CC	38.0	0.15%	1,475
Piedmont CC	436.5	1.69%	16,939
Pitt CC	330.5	1.28%	12,825
Randolph CC	230.8	.90%	8,956
Richmond CC	611.4	2.37%	23,726
Roanoke Chowan CC	190.3	0.74%	7,385
Robeson CC	871.7	3.38%	33,827
Rockingham CC	186.5	0.72%	7,237
Rowan-Cabarrus CC	739.0	2.87%	28,677
Sampson CC	360.6	1.40%	13,993
Sandhills CC	442.3	1.72%	17,164
South Piedmont CC	456.8	1.77%	17,726
Southeastern CC	244.7	0.95%	9,496
Southwestern CC	348.5	1.35%	13,524
Stanly CC	435.3	1.69%	16,892
Surry CC	320.1	1.24%	12,422
Tri-County CC	135.2	0.52%	5,246
Vance-Granville CC	311.3	1.21%	12,080
Wake TCC	1,859.9	7.22%	72,174
Wayne CC	320.8	1.24%	12,449
Western Piedmont CC	122.1	0.47%	4,738
Wilkes CC	454.4	1.76%	17,633
Wilson CC	160.5	0.62%	6,228
Total FTE	22,100.5	100%	\$ 1,000,000



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