

STATE BOARD OF COMMUNITY COLLEGES
Allocation for 2026 High-Cost Workforce Start-Up Grant
FY 2026-2027 through FY 2027-2028

Request: The State Board of Community Colleges is requested to approve an allocation of \$3,876,850 in High-Cost Workforce funding to support the start-up of 13 new programs at 15 community colleges, including workforce continuing education (WCE) and curriculum (CU) programs.

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

Background: Session Law 2026-41, Section 6.6(a), directs the Community Colleges System Office (System Office) to establish the Fund for High-Cost Workforce Programs (Fund) using nonrecurring funds appropriated to the System Office. The Fund shall be used to help community colleges start new programs in high-demand career fields that require significant start-up funds. Only programs aligned with the PropelNC workforce sectors are eligible for an award. Funds remaining in the Fund at the end of a fiscal year do not revert to the General Fund. Each award made to a college, however, is available for two fiscal years, as described under Method of Allocation.

Rationale: North Carolina is committed to meeting the workforce needs of today and the future. This allocation provides eligible colleges with start-up funding for new programs and course offerings and builds training capacity in high-demand occupations with unmet employer demand. The recommended awards span all five PropelNC workforce sectors: Health Care, Engineering and Advanced Manufacturing, Information Technology, Public Safety and First Responders, and Trades and Transportation.

Method of Allocation: Per Session Law 2026-41, Section 6.6(b), a community college may only apply for funds to support one new program per fiscal year. Colleges may also participate in one regional partnership application. Per Section 6.6(c), each award is available for two fiscal years. Community colleges receiving 2026-2027 allocations have until June 30, 2028, to expend these funds.

In accordance with Session Law 2026-41, colleges receiving start-up funds must match a percentage of the total cash cost of the program with non-State funds. The required match is based on each college's total full-time equivalent (FTE) enrollment as follows. For regional partnership awards, each participating college provides its match at its own respective rate.

(1) Community colleges with a total FTE of greater than 6,500 shall be required to match fifteen percent (15%) of the cost.

(2) Community colleges with a total FTE between 2,500 and 6,500 shall be required to match ten percent (10%) of the cost.

(3) Community colleges with a total FTE below 2,500 shall be required to match five percent (5%) of the cost.

The System Office released the Request for Proposals (RFP) for High-Cost Workforce funding on July 14, 2026, with applications due September 4, 2026.

A System Office review team scored each application using the rubric in the RFP grant instructions packet and awarded bonus points for regional collaborations and for projects involving rural colleges in Tier 1 counties.

Final funding recommendations considered reviewer scores, funding priorities, PropelNC priority workforce sectors, NC Star Jobs ratings, and the strength of each applicant's plan to start the program within the project period.

Participation was broad across the System: 38 of the 58 community colleges submitted or participated in at least one application. Five regional partnership applications involved 10 colleges. The applicant pool also had a strong rural footprint, with 31 of the 39 applications involving a college service area that includes at least one rural county. Applications were concentrated in three PropelNC workforce sectors (Trades and Transportation, Health Care, and Engineering and Advanced Manufacturing), which together accounted for approximately 87 percent of the applicant pool. Table 1 outlines funding recommendations for 13 new start-up programs at 15 colleges, including two regional partnerships.

Table 1 –Start-Up Funds Allocation and Matching Requirement

College	PropelNC Sector	Occupational Pathway	Allocation	Matching %	Required Match	Star Jobs Rating
Blue Ridge CC	Trades and Transportation	Agricultural Mechanic Technician	\$250,000	10%	\$25,000	3
Brunswick CC & Southeastern CC	Trades and Transportation	Heavy Equipment Operator	\$600,000	10%	\$60,000	3
Craven CC	Engineering and Advanced Manufacturing	Military Industrial Manufacturing Technician	\$250,000	10%	\$25,000	4
College of the Albemarle	Trades and Transportation	Electrical Line Worker Technician	\$250,000	10%	\$25,000	5
Fayetteville TCC & Bladen CC	Trades and Transportation	Fleet Maintenance Technician	\$598,158	15%	\$89,724	3
Guilford TCC	Engineering and Advanced Manufacturing	BioWorks Process Technician	\$250,000	15%	\$37,500	3
Johnston CC	Trades and Transportation	Electrical Line Worker Technician	\$250,000	10%	\$25,000	5
Lenoir CC	Information Technology	Cybersecurity	\$231,848	10%	\$23,185	5
McDowell TCC	Trades and Transportation	Powersports Technology	\$250,000	5%	\$12,500	3
Piedmont CC	Health Care	Cardiovascular Sonography	\$208,362	5%	\$10,418	3
Randolph CC	Public Safety and First Responders	Advanced Emergency Medical Technician	\$250,000	10%	\$25,000	2
Sampson CC	Public Safety and First Responders	Agricultural Rescue Training	\$250,000	5%	\$12,500	2
Sandhills CC	Trades and Transportation	Electromechanical Systems Technology	\$238,482	10%	\$23,848	3
Total			\$3,876,850		\$394,675	

Note: Star Jobs Rating reflects the 2026 statewide NC Star Jobs rating (scale of 1 to 5) published by the NC Department of Commerce on NCcareers.org for the occupation that most closely aligns with each pathway.

Impact Assessment & Legislative Report:

Per Session Law 2026-41, Section 6.6(f), a report shall be submitted to the Joint Legislative Education Oversight Committee by December 1, 2027, and annually thereafter. The report will include:

- a) the community colleges that received funds, the amount of funds, and the types of workforce programs started,
- b) the uses of funds by community colleges receiving awards, including costs associated with student instruction, faculty salaries, instructional supplies, related instructional equipment, and accreditation costs, and
- c) an evaluation of the success of the new community college workforce programs receiving funds, including enrollment, persistence rates, completion, credential attainment, and program sustainability as these become available; employment and labor market outcomes; and how the program meets local, regional, and statewide workforce demands.

Fund Source and Availability: Funding is available through General Fund appropriation authorized by Session Law 2026-41.

Allocation Period: October 1, 2026, through June 30, 2028

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