

FREQUENTLY ASKED QUESTIONS: North Carolina Local Workforce Board/Area Realignment

What is realignment?

- In this context, “realignment” refers to changing or updating the boundaries of local workforce development areas in North Carolina, primarily in order to better support economic development activities.

What are local workforce development areas?

- In accordance with [federal law](#), local areas are sets of one or more counties that local officials and the Governor have agreed will be considered one area for the purposes of using federal workforce development funds. Local elected officials within the area work together to appoint a local workforce development board (with a majority representing the private sector), which oversees the administration of certain workforce development activities.

Is the state forcing local workforce areas to realign?

- No. The [NCWorks Commission](#) is providing its recommendations to local elected officials, with principles to guide them in making decisions regarding local workforce development areas and how those areas can become more closely aligned with economic development activities. The NCWorks Commission is not mandating realignment or dictating that the state have a specific number of local workforce development areas.
- With the shifting economic and workforce climate, it is imperative that local governments and local workforce boards have the tools, knowledge, and guidance from the state workforce board (NCWorks Commission) and the [N.C. Division of Workforce Solutions](#) to alter their boundaries as needed for the benefit of their own local areas and the state’s economic well-being.

What are Prosperity Zones?

- [Prosperity Zones](#) are a method for dividing the state into regions for the purposes of supporting economic development, and of enhancing collaboration and cooperation across state agencies and between the state and local governments, businesses, and residents. The North Carolina General Assembly created eight Prosperity Zones in 2014: the Western, Northwest, Southwest, Piedmont Triad (Central), North Central, Sandhills (South Central), Northeast and Southeast regions.
- Prosperity Zones are used for various administrative purposes by the N.C. Department of Commerce, the Economic Development Partnership of North Carolina, the N.C. Department of Public Instruction, the N.C. Community College System, the N.C. Department of Health & Human Services, and other agencies.
- The boundaries of Prosperity Zones currently are not aligned geographically with those of local workforce board areas. Several boards’ service areas fall into two prosperity zones. Two of them fall into *three* zones.

How many local workforce board areas does North Carolina have now?

- 23. This number is set to decrease to 22 when the Triangle South Workforce Development Board ceases operations in the summer of 2022. The process of dissolving the Triangle South

Workforce Development Board was set in motion prior to the completion of the NCWorks Commission study of realignment.

- These 23 boards serve local areas that range in scope from as few as one county to as many as 10 counties.

How many local workforce boards will North Carolina have in the future?

- That is up to local elected officials. Realignment only happens with the agreement of local elected officials, who will continue to help determine the structure and makeup of their local workforce boards, in accordance with federal law.¹

What does the NCWorks Commission recommend regarding alignment?

- After a careful study, the NCWorks Commission (the majority of which consists of representatives of the business community from across the state) voted to recommend a realignment of the existing service areas of local workforce development boards, in order to promote alignment with economic development activities in the state. This is a recommendation for local elected officials to consider.
- Furthermore, the NCWorks Commission provides eight guiding principles to support local leaders in making their decisions. These are:
 1. **Seek to better the lives of North Carolinians through realignment:** Support changes to the workforce development board system that will prioritize access to services for jobseekers and employers, efficient use of available resources, and responsiveness to local and regional needs.
 2. **Expand local workforce development board access:** Reduce the number of single-county workforce development boards to better reflect labor market and commuting patterns.
 3. **Decrease redundancy among local workforce development boards within economic development areas:** Minimize the overlap of workforce development boards across multiple Prosperity Zones and, as applicable, Councils of Government, to better promote alignment with economic development activities.
 4. **Better align community college and workforce development board service areas:** Minimize the overlap of workforce development boards across multiple community college service areas.
 5. **Match local workforce development board outreach to area jobseeker and business customer needs:** Maximize the average percentage of individuals who live and work in the same region to be more reflective of current labor and commuter patterns.
 6. **Ensure consistent service, strong visibility, and sufficient capacity among local workforce development boards:** Support policies that will strengthen the visibility and capacity of workforce development boards as well as partnerships between workforce and economic development entities to make certain that employers and jobseekers receive consistent service and response across the state.

¹ This presumes the absence of particular conditions, such as a failure to comply with certain federal requirements (WIOA Sec. 184(b)(1)(B)(iv)), to maintain fiscal integrity, or to perform successfully as defined by federal regulations (20 C.F.R. § 679.260). These conditions do not currently exist in North Carolina.

7. **Allow flexibility for administrative entities:** Support existing administrative entities, including Councils of Government (COG), non-profits, and city/county governments, to remain in their administrative role, even if newly redrawn workforce area boundaries are different from previous boundaries.
8. **Consider further review of the broader workforce system:** While the role of workforce boards is central in workforce development, they are part of a broader system which may benefit from additional changes to further promote alignment and efficiency.

When did the NCWorks Commission take this action?

- On March 30, 2022, during a special meeting.
- Read [the memorandum on alignment that the Commission voted to approve](#) at that time.

Why realign?

- To be clear, the state is encouraging local elected officials to consider realignment, not requiring it. The NCWorks Commission is providing guidance to local officials if they are considering any realignment. Local officials must determine why their local workforce development service areas should, or should not, change to meet their community or region's needs.
- Local officials can consider realignment in order to follow the guidance of the federal law that governs the public workforce system (WIOA), which encourages alignment between workforce development and economic development regions.
- In addition, local officials can consider how to enhance workforce services to customers, particularly employers, during the current tight labor market and in response to economic changes. With a few exceptions, the current map of local workforce areas has been in place since the 1990s, and much of it actually dates back to the 1980s.
- Workforce development services can help businesses find and train workers (for example, through On-the-Job Training and Incumbent Worker Training). Many businesses don't just operate in one county. They operate across an entire region or across a state. When employers are required to work with multiple workforce development stakeholders operating across different geographical boundaries, it can create challenges for them to engage as partners with the workforce system. Realignment can significantly reduce the instances of businesses having to work across local workforce development area lines. Many people today live in a different county than the one in which they work, and most businesses look not to just one county, but to an entire region, to recruit workers.
- North Carolina's [First in Talent strategic plan](#), released in 2021, emphasizes the leading role that the workforce plays in economic development. With closer alignment, the workforce development system can have an increased capacity to craft strategic solutions from a regional level.
- Businesses involved in economic development projects are growing, which means they generally also need some workforce services (recruiting, training, etc.). Realignment with economic development can therefore help the workforce development system put a stronger focus on business engagement.

What would realignment aim to accomplish, if an area chooses to realign?

- Foster better coordination/partnership among economic, educational, and governmental agencies (which benefits all customers and residents);
- Enhance services to customers (particularly employers) so that they are more consistent from place to place;
- Use resources more efficiently; and
- Strengthen the state's economy by more closely aligning workforce development with economic development.

When will realignment happen?

- This is primarily up to local elected officials, who can make decisions regarding alignment (and then send their requests to the NCWorks Commission) at any time. Logistically, it makes the most sense to realign at the beginning of a new fiscal year/program year, which is July 1 of any year. The state is targeting the date of **July 1, 2023** for any new local areas to become effective following the current process. Based on that target date, the state is asking local elected officials to consider making decisions and completing necessary procedures prior to August 1, 2022, so that, if local officials choose to realign, the state could provide technical assistance simultaneously to multiple areas and have ample time for transition.

Is this initiative about saving money?

- As our NCWorks system is 100% federally-funded, the purpose of realignment is not to save money. We do anticipate administrative efficiencies over time, and the ability to take advantage of economies of scale. We anticipate that administrative dollars will be spent more efficiently and effectively, allowing the system to focus even more on serving customers. Certain processes or efforts will not need to be done as many as 23 times, in a realigned system, thus saving time and energy. There will not be a reduction in services, resulting from realignment. Funding allocations to counties will not change as a result of realignment.

Will this change the workforce funds directed to serve my county?

- No, a realignment does not entail any change in allocations of dollars per county. The N.C. Department of Commerce administers 100% federally-funded workforce programs - so there *are* funding changes each year based on the dollars made available by the U.S. Department of Labor. Those changes are not related to how many local area boards North Carolina has - and they are not related to what board a particular county is served by. Federal formulas determine the amounts of money dedicated to serve each county.
- Customers of NCWorks Career Centers will still be served in any event, regardless of the workforce board area map.
- Each local workforce board, regardless of size or alignment, must seek to make sure workforce services are provided throughout its entire region. Local elected officials must work together to appoint workforce board members who will represent the various parts of the local area.

Will realignment hurt rural counties?

- No. Realignment can benefit rural counties, because they can gain strategic partnerships and connections to larger metropolitan areas by working together. Rural areas also need economic development support, and realignment can serve to strengthen these areas' ability to fill jobs and train the workforce.
- Many rural counties are already tied economically to their urban neighbors, as they are often in the same labor market. Rural residents often commute to work in nearby cities.

Will realignment cause local NCWorks Career Centers to close?

- No. The number and locations of NCWorks Career Centers are not tied to how many local workforce development areas the state has. Local workforce development boards have general operational control over local NCWorks Career Centers and make decisions on their locations, operating hours, etc.
- Realignment, in and of itself, does not mean that customers will have to drive farther to an NCWorks Career Center. Decisions about Career Centers are complex and must take into account the availability of funds, the expenses of various locations, the level of customer traffic, and other factors.

Will realignment cause layoffs of workforce staff?

- Since services must still be provided regardless of alignment, the state does not anticipate significant job losses among the staff of the various agencies and providers involved in federally-funded workforce development services. Certainly, over time, there will likely be efficiencies gained, involving small numbers of job cuts, and/or workforce staff changing roles.

Have the local workforce areas of another state realigned in a manner such as this?

- Yes, Tennessee reduced their number of local area boards from 13 to 9, in 2018. This effort increased their alignment with their state Department of Economic and Community Development and other state agencies/initiatives. Tennessee officials reported to North Carolina that this change produced greater coordination of business services to regional employers and strengthened business recruitment through closer alignment of planning by workforce and economic development agencies.

Who should I contact if I have questions?

- Assistant Secretary [Chet Mottershead](#).

Note: Jobseekers and employers should continue to contact local NCWorks Career Centers for workforce services. Contact information for each career center is found at www.ncworks.gov.