



Eric Green / N.C. Poverty Project

Policymaking and Poverty in North Carolina— Who's On First?

by Jack Betts

A quarter century after the federal government launched its War on Poverty, North Carolina has developed a large administrative and services delivery system to deal with the more than 800,000 Tar Heels in poverty. Local governments spend nearly \$457 million on poverty programs, the state spends nearly \$432 million, and the federal government spends more than \$2 billion each year in North Carolina to fight poverty and to assist those near the poverty line. What programs are in place to help the poor? What is the specific mission of each of these programs, and how much money do they channel to the poor? This article examines each state agency and program with responsibility for dealing with the state's poor.

Like an Abbott and Costello routine, North Carolina's poverty and policymaking apparatus sometimes seems to be a complex, overlapping, and duplicative machine full of confusion about who's on first and what's on second.

Consider:

■ More than \$3 billion is spent on government programs for the poor in North Carolina each year, with the vast majority of that (\$2.1 billion) coming from federal funds. Federal programs thus are the most important part of the public assistance delivery system in the state. But local governments spend more than does the state government—\$457 million, compared to the state's \$432 million—on poverty programs.

■ The state of North Carolina administers most of those funds, and often sets policy on how much money the poor get—such as the main income poverty program, Aid to Families with Dependent Children (AFDC). But North Carolina doesn't pass on nearly as high a level of AFDC payments as do most other states. If you're poor in North Carolina and if you have children, AFDC will provide barely one-third of the official federal poverty income level.

■ The state's own administrative system spreads responsibility

for poverty over a number of different agencies. For instance, many think of the Division of Social Services in the Department of Human Resources as the prime delivery service for poverty programs. But the Division of Medical Assistance administers nearly a billion dollars worth of poverty services—nearly a third of the total spent in the state. And the Division of Economic Opportunity in the Department of Natural Resources and Community Development has major responsibility for ridding the state of poverty. NRCD's Division of Community Assistance also has a role in the poverty war. So does NRCD's Division of Employment and Training.

And the list goes on, with major responsibilities shared by the Department of Public Instruction, the Department of Community Colleges, the

Department of Commerce, the Department of Administration, the Department of Agriculture—the list seems endless. There also are nine different boards and commissions with direct or indirect responsibilities for poverty policy, and three private agencies set up by law to deal at least in part with poverty problems.

Examining each state agency's responsibility for poverty problems would give researchers a good idea of what the table of organization looks like, but a more vivid picture would examine how tax funds are spent, and in what areas, to attack poverty. So instead of looking at poverty policymaking on an agency-by-agency basis, the Center for Public Policy Research examined state poverty programs by dividing them into eight key categories: income programs, housing and utilities programs, education programs, job training programs, food and nutrition programs, health programs, programs for the elderly, and all other programs that defy categorization in one of the other seven areas. The Center researched each program administered by state agencies (and a few key ones administered only by the federal government) and asked the agencies for spending data for the most recent fiscal year, July 1, 1987, to June 30, 1988, broken down by local, state, and federal sources.

The Center also sought to determine whether each of these programs was primarily a sustenance program—that is, one designed to provide the poor with services they needed to remain alive—or whether it was designed to lift the poor out of poverty—that is, to give them skills or training or improve their circumstances so that in the future they could become self-sufficient.

This examination has identified 69 separate poverty programs at work in North Carolina, which spend \$3 billion each year to help the estimated 884,000 persons in poverty and many thousands more who are not officially below the pov-

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*"This administration, today,
here and now, declares
unconditional war on poverty
in America."*

—Lyndon B. Johnson
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Jack Betts is editor of North Carolina Insight. Center interns Richard Leddon, Kim Kebschull and Kurt W. Smith assisted in the research for this article.

erty line but who are involved in housing, education and training, or medical programs. Of these 69 programs, the majority—44—are sustenance programs designed to help the poor maintain themselves and their families. Only 25 of these programs are designed specifically to help the poor reach the point that they can care for themselves without the public's assistance (see summary below). *By percent of spending, programs designed to lift people out of poverty account for just 10 percent of the total spent on poverty in North Carolina.*

By far the most money for poverty programs is channeled through health programs—\$967.3 million in 1987-88 (See summary, below, and Table 6, page 36, for more). Of that amount, the

largest sum is the \$933.6 million spent on Medicaid, including \$42.4 million by local governments, \$253 million by the state, and \$638 million by the federal government. The federal government provides two-thirds of the funding for Medicaid while state and local governments underwrite the remaining one-third.

The next largest spending area is on income programs—and here again, the federal government provides the vast majority of the money. As Table 1 on page 24 indicates, governments spend nearly \$759 million for various kinds of income programs. Supplemental Security Income for the aged, the disabled, and the blind, provides nearly half that—about \$350 million, including some state funds. The next largest sum is spent for the

Summary of Governmental Spending on Poverty Programs in North Carolina, 1987-1988

Program Area	Number of Programs	Sustenance Programs	Lift Out of Poverty	Spending in 1987-1988 (in thousands)				% of Total
				Local	State	Federal	Total	
Income	5	5	0	\$35,909.8	\$40,074.8	\$682,884.5	\$758,869.1	25%
Housing/ Utilities	8	6	2	0	5,355.7	78,072.3	83,428.0	3%
Education	12	1	11	5,849.0	51,751.9	110,997.7	168,598.6	6%
Job Training	11	1	10	806.0	20,664.0	109,087.3	130,557.3	4%
Food/ Nutrition	9	9	0	313,772.0	11,607.0	428,877.5	754,256.5	25%
Health	14	14	0	42,600.0	274,732.3	649,985.6	967,317.9	32%
Elderly	6	6	0	29,349.8	27,626.9	19,715.4	76,692.1	2%
Other	4	2	2	28,269.0	0	51,009.1	79,278.1	3%
Total	69	44	25	\$456,555.6	\$431,812.6	\$2,130,629.4	\$3,018,997.6	100%

Total spending by programs to lift the poor out of poverty: \$ 276.7 million, or 10 percent of all poverty spending
Total spending by programs to sustain those in poverty: \$2,737.7 million, or 90 percent of all poverty spending

+ 9 Boards & Commissions

+ 3 Private, tax-supported agencies which spend an additional \$10.4 million

Table prepared by Nancy Rose and Jack Betts



5 on page 34 indicates, much of the food spending is distributed to the poor in the form of food stamp coupons worth nearly \$218 million. Another \$50.1 million in food coupons provided by the federal government through the WIC (Women, Infants and Children) program, and still another \$41 million in surplus commodities, are channeled to the poor through the state Department of Agriculture. Many of the same types of commodities are provided to WIC recipients and to surplus food program recipients. But local governments provide a whopping \$313.7 million, mostly through the school lunch program.

Those areas are by far the biggest spending items in the delivery of services to the poor. The next closest spending areas are education, at \$168.6 million (see Table 3, page 28), and job training, at \$130.6 million (see Table 4, page 30). But the figures for job training are somewhat misleading, because as the article on job training on page 64 points out, far less than half that \$130.6 million—or \$53.9

Aid to Families with Dependent Children program, which is funded mostly by the federal government (two-thirds) with equal shares (one-sixth each) supplied by local and state governments. AFDC, usually thought of as the major public assistance program for the poor, really reaches only those families with dependent children. It pumps more than \$199 million into the state, including \$31.2 million each by local and state governments, and \$136.8 million by the federal government.

Food and nutrition for the poor is the next largest spending area, and almost all the money comes from federal tax funds. Of the total \$754 million spent on food and nutrition, only about \$11.6 million comes from state sources. As Table

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"People forget that when Jesus said 'Man does not live by bread alone,' he was talking to the devil. When Jesus came into contact with the poor people, he fed them."

—Parker Palmer
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Major Lobbyists for the Poor in North Carolina

Lobbyist	Group Represented
Bonnie Allred	Division of Social Services, N.C. Department of Human Resources
Jim Gulick	Consumer Protection Section, N.C. Department of Justice
Collins Kilburn	N.C. Council of Churches
Sister Evelyn Mattern	N.C. Council of Churches
Margot Saunders	N.C. Legal Services Resource Center
Don Saunders	N.C. Legal Services Resource Center
Pam Silberman	N.C. Legal Services Resource Center
Roslyn Savitt	State Council for Social Legislation
Elisa Wolper	N.C. Fair Share
(Position Vacant)	N.C. Social Services Assn.

million—is spent strictly on job training and job preparation programs. The bulk is spent on programs related to job training, including such items as day care programs (nearly \$28 million) and the N.C. Employment Service (\$36 million) run by the N.C. Employment Security Commission, which seeks to match workers with jobs.

The three smallest area of spending on the poor are housing programs (\$83.4 million, although this figure does not include millions more spent by local housing agencies), \$76.7 million for the low-income elderly, and nearly \$80 million for other poverty programs that do not fall within the previously mentioned categories. Spending on housing programs has declined steadily since 1981, when federal budget cuts took a bite out of the resources available for housing programs. The other category includes such items as the Social Services Block Grant, a small portion of the Community Development Block Grant program, and the Community Services Block Grant.

The state also deals with problems of poverty through 9 boards and commissions, ranging from the Social Services Commission and the Job Training Coordinating

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"It is one of the cruelest ironies of social life in advanced countries that the dispossessed at the bottom of society are unable to speak for themselves. The people of the other America do not, by far and large, belong to unions, to fraternal organizations, or to political parties. They are without lobbies of their own; they put forward no legislative program. As a group, they are atomized. They have no face; they have no voice."

—from *The Other America*
by Michael Harrington

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The Single Portal of Entry: Streamlining the Maze

As the accompanying article on government poverty agencies and programs indicates, the huge administrative structure is a complex and confusing one—so much so that many professionals who deal with poverty worry that the poor often do not get help because they don't know where to go, or they get discouraged by the difficulty of applying for benefits. Compounding the problem is limited access to transportation to get to the right assistance office, and so is having to go to several different offices to fill out different types of forms—some of which are hard to read.

In April 1988, United Way of North Carolina sought to solve that problem by proposing that the state create or designate a single agency in each community to serve as the public's contact on services for the poor and for others in need of assistance from both government and private agencies. This idea, called the Single Portal of Entry, would provide a place where a

citizen could make one application and receive all services available to meet that client's needs.

Charles Dunn, assistant director of the State Bureau of Investigation and chairman of the United Way of North Carolina's government relations division, said the agency believed "that the citizen in need of assistance would be more effectively and more efficiently served if the system in all of its programs were more readily accessible, if services were better integrated between agencies and departments, and if human service policy and service delivery were planned and coordinated from a common perspective—from a Single Portal of Entry."

The proposal was generally supported by candidates for governor in the 1988 election—including Gov. James G. Martin—and could become an issue before the 1989 General Assembly.

—Jack Betts

Council to the Governor's Commission on Literacy, and the Employment Security Commission (see Table 10, page 46, for a list of these boards). The state also has created two private agencies to work on poverty solutions. They are the not-for-profit N.C. Rural Economic Development Center, which works on economic development of rural

areas, and the N.C. Enterprise Corporation, a for-profit corporation set up to make loans to developing businesses in rural areas. The latter agency gets no direct state appropriations, but has received \$20 million in investments from the State Treasurer. In addition, the federal government funds Legal Services of North Carolina, which

Table 1. State-Administered Programs Providing Income to the Poor

Department	Division and Program	Responsibilities and Activities
Human Resources	<i>Division of Social Services</i>	
	<i>Public Assistance Section</i>	
	Aid to Families With Dependent Children (AFDC)	Public assistance program providing cash benefits to families with children below age 18 whose monthly income falls below legislatively established maximums for each size family.
	AFDC-Emergency Assistance	Grants made directly to individuals providing help with rent and utility bills (other than those for heating or cooling). Payment made only once within a 12-month period, and limited to \$300.
	Child Support Enforcement Program	Collects money from absent parents for the support of their minor children. Service is free for AFDC households.
Commerce	<i>Employment Security Commission</i>	
	N.C. Unemployment Insurance Program	Provides benefits to workers unemployed through no fault of their own. Determines benefit eligibility and makes payment to eligible claimants.
U.S. Department of Health and Human Services	<i>Social Security Administration</i>	
	<i>Local Social Security Administration Offices</i>	
	# Supplemental Security Income	Basic federal cash assistance grant to the low-income elderly, disabled, and blind.

This is not a state-administered program, but the benefit is a major source of public assistance.

represents the poor in legal affairs.

Although the state, local, and federal governments pump an enormous amount of money into the fight against poverty, these tables make clear that the two mostly widely known—and most often criticized—poverty programs provide a relatively small amount of money. Out of the total of

\$3 billion, AFDC accounts for \$199.2 million, and food stamps account for another \$217.9 million, or a total of little more than \$417 million—less than 14 percent of the sum total spent by government on eradicating poverty in North Carolina.



Statutory or Regulatory Authority	Expenditures in NC FY 1987-88 (in 1000s)			
	Local	State	Federal	Total
G.S. 108A-27	\$31,200.0	\$31,200.0	\$136,834.0	\$199,234.0
G.S. 108A-39.1	1,007.8	1,007.8	2,015.5	4,031.1
G.S. 110-130	3,702.0	3,537.0	15,382.0	22,621.0
G.S. 96-12	0	0	183,053.0	183,053.0
G.S. 96-13	(Note: Money is raised through unemployment taxes on N.C. employers and collected and distributed by the federal government. These figures are actual benefits paid.)			
20 CFR 416.101 -416.227	0	4,330.0	345,600.0	349,930.0
Totals:	\$35,909.8	\$40,074.8	\$682,884.5	\$758,869.1

Table 2. State-Administered Programs Dealing with Housing and Utilities for the Poor

Department	Division and Program	Responsibilities and Activities
Human Resources	<i>Division of Social Services</i>	
	<i>Public Assistance Section</i>	
	Low-Income Home Energy Assistance Program (LIHEAP)	Funded by the federal Low Income Energy Assistance Block Grant
	1. Low-Income Energy Assistance Payments Program	Provides a one-time direct payment to eligible low-income households to assist in heating costs.
	2. Crisis Intervention Program	Provides funds to assist low-income eligible households in a heating- or cooling-related crisis.
Natural Resources and Community Development	3. Weatherization	Administered by the N.C. Dept. of Commerce; funds are used to repair dwellings of low-income individuals to make them more energy-efficient.
	<i>Division of Community Assistance</i>	
	Emergency Shelter Grants Program	Provides funds for the rehabilitation and operation of emergency shelter to house the homeless.
	Community Development Block Grants (CDBG)	Funds allocated to local governments which apply for grants on behalf of particular projects to improve housing and neighborhood conditions, promote innovation in providing housing, and provide interim assistance in financing on short-term basis for eligible housing projects.
	<i>Division of Economic Opportunity</i>	
	* Community Services Block Grants	Provides program services for the poor in the areas of housing, but money spent is shown in Table 8, page 42.
Administration	* Emergency Community Services Homeless Grant Program	Provides shelter and services to the homeless and helps them become self-sustaining
	<i>Governor's Office</i>	
	N.C. Housing Finance Agency	Created to provide affordable housing for low- and moderate income families. Operates housing rehabilitation tax-exempt bond program; multi-family rent subsidy programs, and single family housing ownership program; operates Mortgage Credit Certificate Program; administers Rental Rehabilitation Grant program, Low-Income Housing Tax Credit program, and Housing Trust Fund. Much of the agency's funds come from private sources, including the sale of bonds. Figures listed include <i>only</i> public funds, and do not reflect millions of dollars spent each year by local housing authorities on low-income housing.

* An asterisk denotes programs designed to lift people out of poverty; others are maintenance programs.

Statutory or Regulatory Authority				
	Local	State	Federal	Total
P.L. 97-35; G.S. 108A-25	\$0	\$0	\$19,956.5	\$19,956.5
	0	0	4,983.7	4,983.7
	0	0	1,984.4	1984.4
G.S. 143B-276	0	0	1,071.0	1,071.0
G.S. 143-323				
G.S. 143B-276	0	0	29,227.7	29,227.7
G.S. 143-323				
P.L. 97-35; G.S. 143B-276; G.S. 143B-277 G.S. 143-323(d) P.L. 100-77 G.S. 143B-276; G.S. 143B-277	(Included in Community Services Block Grants, Table 8, 42)			
	0	0	999.1	999.1
G.S. 122A-5 -5.7	NA	5,355.7	19,849.9	25,205.6
	(Local housing agencies spend millions of dollars each year on housing for the poor. These sums do not reflect local spending)			
Totals:	0	\$5,355.7	\$78,072.3	\$83,428.0
NA: Not Available				

Table 3. State-Administered Programs Dealing With Education for the Poor

Department	Division and Program	Responsibilities and Activities
Human Resources	<i>Division of Social Services</i>	
	<i>Preventive and Support Services Branch Program Support Unit</i>	
	* Adolescent Parenting Program	Serves low-income first-time parents aged 16 and younger through 8 county departments of social services. Program's goals are to provide services leading to personal self-sufficiency and economic self-support, and to enhance parenting skills and delay subsequent pregnancies.
U.S. Department of Health and Human Services	<i>Office of Human Development Services</i>	
	<i>Administration for Children, Youth and Families</i>	
	# * Head Start	Federal child development program for disadvantaged 3- and 4-year-olds providing educational, nutritional, medical, and social services. Funds are allocated by the federal government directly to local-level grantees, which provide a 20% match.
Public Instruction	<i>Division of Support Programs</i>	
	* Migrant Education Programs	Programs designed to serve the special needs of children of migrant laborers from preschool through age 20. Provides technical and consultant services to school units; supporting services such as medical, dental, nutritional, and social programs; and supplementary programs of instruction promoting the active involvement of migrant parents.
	<i>Compensatory Education Section</i>	
	* Chapter I, Education Consolidation and Improvement Act	Compensatory education programs serving children and youth from ages 4 to 21. Funds are provided to local school units and state agencies to meet the special reading and math needs of educationally and economically deprived children.
	<i>Dropout Prevention Section</i>	
	Dropout Prevention Program	Provides leadership and services in the development and implementation of intervention and prevention programs for low-income students at risk of dropping out of school.
Administration	<i>N.C. Commission of Indian Affairs</i>	
	* Community Services Program	Serves children aged 2-5 in 4 regions of N.C. Program provides for 4 child day care centers for children meeting Title XX income guidelines; teaching curriculum, lunch, and afternoon snack provided by the state.
	* Educational Talent Search	Serves persons aged 12-27 in 11 N.C. counties. For programs to receive funds, at least 2/3 of all participants must meet economic (low income) or cultural criteria. Program helps N.C. Indians by providing educational and career counseling and financial aid for post-secondary education.

Statutory or Regulatory Authority	Expenditures in NC FY 1987-88 (in 1000s)			
	Local	State	Federal	Total
G.S. 153A-255	\$73.0	\$0	\$188.0	\$261.0
P.L. 88-452	5,776.0	0	23,064.0	28,840.0
P.L. 93-380 G.S. 115C-409	0	0	2,621.3	2,621.3
P.L. 97-35 G.S. 143A-42	0	0	82,454.8	82,454.8
G.S. 143A-42	0	20,864.0	0	20,864.0
G.S. 143B-404	0	71.9	54.2	126.1
P.L. 96-374 G.S. 143B-404	0	0	85.4	85.4

—continued on page 30

Table 3. State-Administered Programs Dealing With Education for the Poor, continued

Department	Division and Program	Responsibilities and Activities
Community Colleges	<i>Division of Adult and Continuing Education</i>	
	* Adult Basic Education Program	Provides instruction for the poor in basic literacy skills at 58 community colleges.
	* General Educational Development Program	Provides instruction at 58 community colleges to help low-income students pass the General Educational Development test.
	* Adult High School Program	Series of courses sponsored jointly by 40 community colleges and public high schools; offers programs leading to a high school diploma for low-income students.
	* Continuing Education Program	Program open to high school graduates and other adults at 58 community colleges; targeted to low-income individuals; features educational and skills training to help adults obtain jobs or advance to better ones; provides literacy training if needed.
	* State Board of Community Colleges Child Care Grants	Funds used to provide affordable day care to community college students who are single parents or home-makers, freeing them to pursue training for jobs.

* An asterisk denotes programs designed to lift people out of poverty; others are maintenance programs.

Not a state-administered program, but it is an integral part of the public assistance system.

Table 4. State-Administered Programs Dealing With Job Training for the Poor

Department	Division and Program	Responsibilities and Activities
Human Resources	<i>Division of Social Services</i>	
	<i>Public Assistance Section</i>	
	* Work Incentive Program (WIN)	Federal program for AFDC recipients providing skills, job training, and employment services.
	* Community Work Experience Program (CWEP): "Workfare"	State counterpart to the federal WIN program, operated by 41 county departments of social services. Program requires participants (AFDC recipients) to work a prescribed number of hours without pay at a public or non-profit agency. Education, training, work experience, and supportive casework services are provided.
	* Child Day Care Services for CWEP participants	Program funded by Social Services Block Grants to assist a parent's employment efforts.

Statutory or Regulatory Authority	Expenditures in NC FY 1987-88 (in 1000s)			
	Local	State	Federal	Total
G.S. 115D-1	0	11,563.0	2,530.0	14,093.0
G.S. 115D-1	0	4,333.0	0	4,333.0
G.S. 115D-1	(Included in General Educational Development Funds, above)			
G.S. 143A-42	0	14,510.0	0	14,510.0
G.S. 143A-42	0	410.0	0	410.0
Totals:	\$5,849.0	\$51,751.9	\$110,997.7	\$168,598.6

Statutory or Regulatory Authority	Expenditures in NC FY 1987-88 (in 1000s)			
	Local	State	Federal	Total
G.S. 108A-30	\$59.0	\$0	\$531.0	\$590.0
G.S. 108A-39.2	747.0	747.0	1,494.0	2,988.0
G.S. 108A-39.2	0	190.5	143.7	334.2

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Table 4. State-Administered Programs Dealing With Job Training for the Poor, *continued*

Department	Division and Program	Responsibilities and Activities
Human Resources <i>continued</i>	<i>Division of Facility Services</i>	
	<i>Child Day Care Section</i>	
	* Day Care Programs	Regulates all child day care centers and family day care homes in state, and administers publicly subsidized day care programs for eligible children.
	<i>Job Corps Section</i>	
	* Job Corps Outreach and Screening Program	Federal program providing training, education, and counseling in residential centers for economically disadvantaged young people between the ages of 16 and 21.
Natural Resources and Community Development		
	<i>Division of Economic Opportunity</i>	
	* Community Services Block Grants	Provides programs and services for the poor in the areas of job training, but money spent is shown in Table 8, page 42.
	<i>Division of Employment and Training</i>	
	* Job Training Partnership Act (JTPA)	Provides job and skills training and other employment-related assistance to economically disadvantaged persons through private industry and governmental cooperation. Includes Summer Youth employment program as well as targeted programs for the elderly.
	<i>Division of Community Assistance</i>	
	Community Development Block Grants	Funds allocated to local governments who apply for grants for economic development projects designed to create or retain jobs for low- and moderate-income persons.
Labor	<i>Division of Pre-apprenticeship</i>	
	* Skill Job Training	Division contracts with local Service Delivery Areas to provide skilled job training for permanent job placement. On-the-Job trainees and classroom training participants must meet JTPA economically disadvantaged criteria.
Commerce	<i>Employment Security Commission</i>	
	* N.C. Employment Service	Provides job placement services including testing, job development, and referral; also involved in the administration of the federal WIN and JTPA programs.
Community Colleges	<i>Division of Adult and Continuing Education</i>	
	* Human Resources Development	Provides pre-employment training in 45 community colleges for the long-term unemployed and under-employed adults, and provides intensive follow-up efforts to help participants remain employed

* An asterisk denotes programs designed to lift people out of poverty; others are maintenance programs.

Statutory or Regulatory Authority	Expenditures in NC FY 1987-88 (in 1000s)			
	Local	State	Federal	Total
G.S. 143B-153 G.S. 110-85 -106.1	0	15,826.5	11,791.5	27,618.0
P.L. 97-300	0	0	563.7	563.7
P.L. 97-35 G.S. 143B-276; G.S. 143B-277; G.S. 143-323(d)	(Included in Community Services Block Grants, Table 8, page 42)			
P.L. 97-300 G.S. 143B-344.11	0	0	51,100.0	51,100.0
G.S. 143B-276 G.S. 143-323	0	0	7,370.4	7,370.4
P.L. 97-300 G.S. 94-2	(Funds included in total spent for JTPA, above)			
G.S. 96-3 -4	0	0	36,093.0	36,093.0
	(Note: Money for this programs comes from taxes on N.C. em- ployers and is collected and disbursed by the federal government)			
G.S. 115D-1	0	3,900.0	0	3,900.0
Totals:	\$806.0	\$20,664.0	\$109,087.3	\$130,557.3

Table 5. State-Administered Programs Dealing With Food and Nutrition for the Poor

Department	Division and Program	Responsibilities and Activities
Agriculture	<i>Food Distribution Division</i>	
	Surplus Commodity Distribution Program	<p>Receives and distributes agricultural commodities to public and private schools; to charitable institutions; to summer camps; and also provides commodities through:</p> <ul style="list-style-type: none"> — Commodity Supplemental Food Program for women, infants, and children; — Food Distribution Program for Cherokee Indian Reservation — Temporary Emergency Assistance Food Program for the needy. — Nutrition Program for the Elderly.
Human Resources	<i>Division of Social Services</i>	
	<i>Public Assistance Section</i>	
	Food Stamps	USDA-funded public assistance program providing coupons for the purchase of food to individuals and families whose income falls below 130% of federal poverty guidelines.
	<i>Division of Health Services</i>	
	<i>Maternal and Child Care Section</i>	
	<i>Nutrition and Dietary Services Branch</i>	
	Special Supplemental Food Program for Women, Infants, and Children (WIC)	Program covering pregnant, breastfeeding, and post-partum women, and children up to age 5. Participants must be at nutritional risk and have a gross income below 185% of federal poverty guidelines. WIC provides for nutritional education and the distribution of supplemental food.
	Title XX Support for Nutrition Program-Health Support Services	Nutrition services are provided to clients of all ages with chronic problems; administered by local health departments, which determine eligibility for low-income participants.
Public Instruction	<i>Division of Child Nutrition</i>	
	Child Care Food Program (CCFP)	USDA-funded program serving children up to age 12; operated by participating local child care centers and family day care homes. The sponsoring agency is reimbursed for a maximum of 2 meals and 1 supplemental snack per child per day.
	School Breakfast Program	USDA-funded program serving children in grades K-12 in a public or non-profit school.
	National School Lunch Program	USDA's largest school nutrition program; same criteria as school breakfast program.

Statutory or Regulatory Authority	Expenditures in NC FY 1987-88 (in 1000s)			
	Local	State	Federal	Total
P.L. 74-320 P.L. 98-8	\$0	\$0	\$41,089.0	\$41,089.0
	(Value of commodities distributed)			
G.S. 108A-25	0	0	217,913.0	217,913.0
P.L. 95-627 G.S. 130A-361	0	5.0	50,099.5	50,104.5
G.S. 130A-361	0	102.0	0	102.0
7 CFR Part 226	0	0	12,937.0	12,937.0
7 CFR Part 220	0	0	19,650.0	19,650.0
7 CFR Part 210	313,772.0	11,500.0	84,499.0	409,771.0

—continued on page 36

Table 5. State-Administered Programs Dealing With Food and Nutrition for the Poor, *continued*

Department	Division and Program	Responsibilities and Activities
Public Instruction <i>continued</i>	Special Milk Program for Children	Provides milk to students up to age 18 in institutions which do not participate in the meal programs; milk is served free to children whose family income falls within specified levels.
	Summer Food Service Program for Children	Designed to accommodate childrens' nutritional needs during summertime when school is not in session; serves free meals at approved sites or in residential camp settings to economically disadvantaged children up to 18 years of age.

Table 6. State-Administered Programs Dealing With Health Care for the Poor

Department	Division and Program	Responsibilities and Activities
Human Resources	<i>Division of Social Services</i>	
	State-funded abortion program	Service provided to indigent individuals and AFDC recipients; abortion must be performed within first 135 days of pregnancy, and the individual must either be an eligible minor, a victim of rape or incest, mentally retarded, have her health impaired by pregnancy, or be carrying a deformed fetus.
	<i>Division of Health Services</i>	
	Preventive Health Services Block Grant	Federal grant allocating funds to local health departments to provide basic public health services for economically disadvantaged recipients.
	<i>Maternal and Child Care Section</i>	
	Adolescent Pregnancy and Prematurity Prevention Projects	Counseling and educational programs designed to reduce the number of unintended adolescent pregnancies among low-income women and to improve the health of pregnant adolescents and their infants.
	Child Health Program	Program designed to evaluate and monitor the health of eligible low-income children by a public health nurse at Well Child Clinics run by local health departments.

Statutory or Regulatory Authority	Expenditures in NC FY 1987-88 (in 1000s)			
	Local	State	Federal	Total
7 CFR Part 215	0	0	121.0	121.0
7 CFR Part 225	0	0	2,569.0	2,569.0
Totals:	\$313,772.0	\$11,607.0	\$428,877.5	\$754,256.5

Statutory or Regulatory Authority	Expenditures in NC FY 1987-88 (in 1000s)			
	Local	State	Federal	Total
G.S. 14-45.1 (Program authorized by biennial appro- priations bills passed by General Assembly)	\$0	\$924.5	\$0	\$924.5
None	0	4,624.3	2,040.7	6,665.0
P.L. 90-21.5 Chapter 479, 1985 Session Laws	NA	933.4	481.7	1,415.1
G.S. 143B-142	(NA	4,242.9	4,191.6	8,434.5)
	(These funds included in overall Medicaid program spending)			

—continued on page 38

NA: Not Available

Table 6. State-Administered Programs Dealing With Health Care for the Poor, *continued*

Department	Division and Program	Responsibilities and Activities
Human Resources <i>continued</i>	<i>Epidemiology Section</i>	
	<i>Environmental Epidemiology Branch</i>	
	Lead Screening Program	Available to patients aged 1-2 years from poor families. Screening tests are done at local health departments to determine the level of lead in the blood; if elevated, the home and child are evaluated for sources of lead toxicity requiring further treatment.
	<i>Division of Health Services</i>	
	<i>Maternal and Child Care Section</i>	
	<i>Maternal and Child Health Branch</i>	
	Maternal Health	Serves pregnant women, and infants up to 28 days old, who have low incomes. Activities are run by local hospitals, high-risk clinics, and health departments.
	Perinatal Program	
	<i>Developmental Disabilities Branch</i>	
	Children's Special Health Services Program	Services designed to provide health care for children and youth through age 21 who are financially eligible and who have certain chronic diseases or conditions hindering normal development. Program includes a network of specialty clinics, treatment services, and reimbursement to medical and health care providers for services.
	<i>Dental Health Section</i>	
	Dental Public Health Program	Service available to children from 5-12 years of age who are also eligible for free school lunches. Provides educational and preventive dental services, and clinical services to eligible children in counties with public health dentists.
	<i>Division of Medical Assistance</i>	
	Medicaid	Pays for health services for qualified financially needy aged, blind, and disabled citizens as well as for poor children, pregnant women, and those who receive AFDC. The program covers a full range of medical services, including hospitalization, physician visits, medications, dental care, and long-term institutional care.
	<i>Medical Policy/Utilization Control Unit</i>	
	Baby Love Medical Assistance Program	Medicaid program for women, and children up to age 2, who are at or below 100% of the federal poverty level. Program aims to remove financial barriers which prevent poor pregnant women and infants from gaining access to medical care; aims to ensure early and continuous prenatal care for low-income pregnant women.
	Healthy Child and Teens Program	Preventive health care program available to all Medicaid-eligible children and youth up to age 21. Provides diagnostic care, health screening, and treatment.

Statutory or Regulatory Authority	Expenditures in NC FY 1987-88 (in 1000s)			
	Local	State	Federal	Total
G.S. 130A-5 G.S. 143B-202	0	0	86.6	86.6
G.S. 130A-124 G.S. 143B-142	NA	5,504.3	4,810.8	10,315.1
G.S. 130A-124	0	7,599.8	1,250.8	8,850.6
G.S. 130A-366	0 (Figures are estimates)	0	525.0	525.0
P.L. 89-97 G.S. 108A-54	42,400.0	253,100.0	638,100.0	933,600.0
P.L. 99-509	(600.0 (These funds are included in overall Medicaid program spending)	3,200.0	8,200.0	12,000.0)
P.L. 89-97	(100.0 (These funds are included in overall Medicaid program spending)	600.0	1,500.0	2,200.0)

NA: Not Available

—continued on page 40

Table 6. State-Administered Programs Dealing With Health Care for the Poor, *continued*

Department	Division and Program	Responsibilities and Activities
Human Resources <i>continued</i>	<i>Division of Mental Health, Mental Retardation, and Substance Abuse Services</i>	
	CAP-Mental Retardation Program	Medicaid-funded program open to Medicaid-eligible persons (both children and adults) with developmental disabilities. Funds provide for purchase of medical equipment, home mobility aids, respite care, homemaker services, and case management.
	Mental Health Services for the Homeless Block Grant	Federal grant used to provide outreach, mental health, and case management services to homeless people who are chronically mentally ill.
	<i>Division of Services for the Blind</i>	
	<i>Medical Services Unit</i> Medical Services	Program provides for eye examinations, glasses, treatment, surgery, and screening for vision defects for economically eligible clients.

Table 7. State-Administered Programs Dealing With the Elderly Poor

Department	Division and Program	Responsibilities and Activities
Human Resources	<i>Division of Aging</i>	
	Foster Grandparents Program	Program for older adults below the poverty level; provides for activities with economically and socially disadvantaged youth.
	Older Americans Act Programs	Locally-administered programs to serve socially and economically disadvantaged citizens over 60.
	1. Title III Programs	Access, in-home, legal, senior-center, nutrition and other services to persons over 60, targeting socially and economically disadvantaged elderly and low-income minorities.
	2. Title V Programs	Provides subsidized part-time community service employment for low-income persons 55 and older.

Statutory or Regulatory Authority	Expenditures in NC FY 1987-88 (in 1000s)			
	Local	State	Federal	Total
P.L. 97-35	200.0	900.0	2,400.0	3,500.0
P.L. 100-77	0	0	290.0	290.0
G.S. 111-8	0	1,146.0	0	1,146.0
Totals:	\$42,600.0	\$274,732.3	\$649,985.6	\$967,317.9

Statutory or Regulatory Authority	Expenditures in NC FY 1987-88 (in 1000s)			
	Local	State	Federal	Total
G.S. 143B-181.1	\$68.0	\$0	\$320.4	\$388.4
P.L. 100-75	2,526.6	1,042.9	17,634.0	21,203.5
P.L. 100-75	130.8	0	1,478.6	1,609.4

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Table 7. State-Administered Programs Dealing With the Elderly Poor
continued

Department	Division and Program	Responsibilities and Activities
Human Resources <i>continued</i>	<i>Division of Aging, continued</i>	
	Social Services Block Grant for Respite Care Programs	Programs based on a sliding fee scale providing respite support to families of infirm persons over age 60.
	<i>Division of Social Services</i>	
	<i>Public Assistance Section</i> State-County Special Assistance for Adults	Provides monthly payments to eligible residents in family care homes and pays for care of older adults. Payment is made on an income-based formula and provides up to \$721 per month per individual.
U.S. Department of Health and Human Services	<i>Social Security Administration</i>	
	<i>Local Social Security Administration offices</i> # Supplemental Security Income (SSI)	Basic federal cash assistance grant to low-income elderly persons.

Not a state program, but the benefit is an integral part of the public assistance system.

Table 8. Other State-Administered Poverty Programs

Department	Division and Program	Responsibilities and Activities
Human Resources	<i>Division of Social Services</i>	
	Social Services Block Grant	Federal funds allocated to the 100 county departments of social services to provide 12 mandated and 18 optional services for the disadvantaged and for at-risk children and adults.
Natural Resources and Community Development	<i>Division of Community Assistance</i>	
	Community Development Block Grants (CDBG)	Funds allocated to local government agencies who apply for grants on behalf of particular planning projects designed to assist local government in preparing CDBG applications.
	<i>Division of Economic Opportunity</i> * Community Services Block Grants	Provides services for the poor in the areas of employment, education, housing, emergency assistance, and community involvement to assist them in moving above the poverty level.

Statutory or Regulatory Authority	Expenditures in NC FY 1987-88 (in 1000s)			
	Local	State	Federal	Total
G.S. 143B-202	40.4	0	282.4	322.8
G.S. 143B-153 G.S. 108A-40	26,584.0	26,584.0	0	53,168.0
20 CFR 416.101 -416.2227	0	0	(81,926.4) (estimates) (Payments included in Social Security entry, Table 1)	(81,926.4)
Totals:	\$29,349.8	\$27,626.9	\$19,715.4	\$76,692.1

Statutory or Regulatory Authority	Expenditures in NC FY 1987-88 (in 1000s)			
	Local	State	Federal	Total
None	\$28,269.0	\$0	\$41,559.7	\$69,828.7
G.S. 143B-276 G.S. 143-323	0	0	50.6	50.6
P.L. 97-35 G.S. 143B-276; G.S. 143B-277; G.S. 143-323(d)	0	0	8,412.2	8,412.2

—continued on page 44

Table 8. Other State-Administered Poverty Programs, *continued*

Department	Division and Program	Responsibilities and Activities
Natural Resources and Community Development, <i>continued</i>	* Community Action Partnership Program	Provides funds to supplement Community Services Block Grant funds for services to the poor in employment, education, housing, emergency assistance, and community involvement to assist them in moving above the poverty level.

* An asterisk denotes programs designed to lift people out of poverty; others are maintenance programs.

Table 9. Private Agencies Established by Statute to Deal with Poverty

Department	Division and Program	Responsibilities and Activities
Independent	<i>N.C. Rural Economic Development Center</i>	Private, nonprofit corporation established by the General Assembly in 1986 to carry out research, demonstration projects, and policy analyses. Mission is to improve economic conditions in the state's rural areas and to ensure that poor and working people benefit from improved economic conditions.
Independent	<i>N.C. Enterprise Corporation</i>	Private, for-profit corporation established by the General Assembly in 1988 to provide loans to help businesses get started in rural counties in order to provide jobs for low-income residents.
Independent	<i>Legal Services of North Carolina, Inc.</i>	Private, non-profit corporation organized in 1976 by the N.C. Bar Association to administer a system of programs delivering legal services to the poor. LSNC is a confederation of 15 geographically based field programs; three special client programs addressing problems of migrant farmworkers, prisoners, and persons with mental handicaps; a Resource Center which undertakes state-level policy advocacy; the N.C. Clients Council; and a central administrative office.

Statutory or Regulatory Authority	Expenditures in NC FY 1987-88 (in 1000s)			
	Local	State	Federal	Total
G.S. 113-28.21	0	0	986.6	986.6
Totals:	\$28,269.0	0	\$51,009.1	\$79,278.1

Statutory or Regulatory Authority	Expenditures in NC FY 1987-88 (in 1000s)			
	Local	State	Federal	Total
G.S. 55A-1	\$0 (Private funds added \$100,000 to total)	\$2,000.0	\$0	\$2,000.0
G.S. 55A-1	(No direct appropriations involved, but State Treasurer has invested \$20 million in public funds in the N.C. Enterprise Corporation)			
P.L. 93-355 42 USC 2996 et. seq.	114.0	0	\$8,339.9	\$8,453.9 (Legal Services also receives other funds from private sources, including the N.C. Bar Association and United Way, that raise funding up to \$9.6 million)
Totals:	\$114.0	\$2,000.0	\$8,339.9	\$10,453.9

Table 10. Boards, Commissions, and Councils Dealing with Poverty

Department	Division and Program	Responsibilities and Activities
Human Resources	<i>Governor's Advisory Council on Aging</i>	Makes recommendations on improvement of services to the elderly (including those with low incomes) and on coordination of programs with other state agencies to provide these services.
	<i>Social Services Commission</i>	Establishes standards and adopts rules and regulations for public assistance and social services programs.
Natural Resources and Community Development	<i>Job Training Coordinating Council</i>	Serves as policy adviser to the Governor on issues relating to job training in the state; has overall responsibility for all JTPA programs, and reviews plans and activities to see that they are moving toward goals and objectives.
Administration	<i>Indian Housing Authority</i>	Provides improved housing for low-income Indians throughout the state.
	<i>Governor's Advocacy Council on Children and Youth</i>	Acts as advocate for children and youth (including those who are economically deprived); assists in developing and coordinating child advocacy systems on regional and local levels; identifies needs and makes program recommendations.
	<i>N.C. Human Relations Council</i>	Enforces the N.C. Fair Housing Law, which prohibits discrimination in most housing on the basis of race, color, gender, or national origin. The Council also works to provide equal opportunities in the areas of employment, education, public accommodations, and governmental services.
	<i>N.C. Farmworkers Council</i>	Studies and evaluates existing systems of delivery of services to migrant workers; seeks methods to improve their living and working conditions.
	<i>Governor's Commission on Literacy</i>	Studies ways to coordinate literacy training programs currently available through the state's community colleges, literacy councils, community action agencies, and libraries.
Commerce	<i>Employment Security Commission</i>	Plans and implements programs to reduce and prevent unemployment, assists in vocational training, and provides reserves for high-unemployment periods.

Tables prepared by Kim Kebschull, Kurt W. Smith, Nancy Rose, and Jack Betts

Statutory or Regulatory Authority	Number of Members
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G.S. 143B-181	33
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G.S. 143B-153	11
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G.S. 143B-344.14	17
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G.S. 157-66	9
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G.S. 143B-414	17
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G.S. 143B-391	20
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G.S. 143B-426.25	11
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Executive Orders: 32 on Feb. 16, 1987; and 38 on March 12, 1987	17
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G.S. 96-3	7
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Environmental Agency Consolidation Bill To Affect N.C. Poverty Program Administration

Legislation designed to restructure the state's environmental management machinery to enhance environmental protection will directly affect the organizational structure of agencies that administer four key North Carolina poverty programs. Sen. Russell Walker (D-Randolph) and Rep. Joe Hackney (D-Orange) have proposed legislation creating the Department of Environment, Health, and Natural Resources to replace the Department of Natural Resources and Community Development (NRCD) and to assume some of the health functions of the existing Department of Human Resources (DHR). Both NRCD and DHR have major responsibilities for state poverty programs.

If the General Assembly approves Walker's and Hackney's proposal (SB 354 and HB 480), three agencies and several boards with poverty responsibilities in NRCD and one agency in DHR will move to other state departments. The list includes:

The *Community Assistance Division* in NRCD, which will move to the Department of Commerce; the *Economic Opportunity Division* in NRCD, which will move to the Department of Human Resources; the *Employment and Training Division*, the *Job Training Coordinating Council*, and the *Rural Service Delivery Area's Private Industry Council*, all in NRCD, which will move to the Department of Commerce; and the *Division of Health Services* in DHR, which will move to the new Department of Environment, Health, and Natural Resources.

The restructuring thus lets the Governor retain control of four divisions (Community Assistance, Economic Opportunity, Employment and Training, and Health Services) in agencies whose heads the Governor appoints (the Departments of Commerce and of Human Resources).