

## POVERTY IN NORTH CAROLINA

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### *How North Carolina's Counties are Addressing Poverty in a Difficult Economic Era*

PREPARED BY THE WESTERN CAROLINA UNIVERSITY PUBLIC POLICY INSTITUTE  
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#### EXECUTIVE SUMMARY

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Each year, the Public Policy Institute at Western Carolina University (WCU) creates, conducts and evaluates a survey of local governments on relevant topics affecting governance in North Carolina. In 2012, in conjunction with the WCU Poverty Project, the Public Policy Institute conducted a survey of North Carolina counties to determine the effects of the economic downturn on local budgets and what steps counties had taken to address poverty-related problems in their communities.

Knowing that North Carolina's challenges present a unique set of problems to state and local agencies, PPI staff designed the survey to assess both the root causes of poverty and the methods used to address its consequences. The survey focused on key areas of concern, including economic development, unemployment, environmental issues, crime and safety, healthcare, and education. Each respondent was encouraged to detail ways in which his or her county was or was not addressing poverty-related problems via local government agencies, nonprofit and community groups, and state-funded programs.

With more than 60% of counties responding to the survey, the final data has been compiled in this report with key findings, themes, and recommendations for counties and cities that are managing responses to poverty. This survey was supplemented by a forum held in March 2012, which brought together key members of poverty-related agencies and local governments to discuss innovative partnerships and solutions to address the consequences and causes of poverty in Western North Carolina. Both final reports are available online (<http://www.wcu.edu/9355.asp>) and are intended as a resource for local governments and community partners.

The survey results indicate that economic development and unemployment are overwhelmingly the most important issues currently faced by North Carolina counties. In response, most counties have taken significant steps to address the related social and economic problems caused by stalled economic development and high unemployment rates, although most of these are state or federally funded programs. However, the survey also shows that the effectiveness of these programs, and the level of communication among agencies and the general public, often suffers from both the magnitude of the problem being addressed and the continuing pressure on local budgets.

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From 2006-2010, North Carolina's poverty rate has averaged 15.5%, nearly 2% higher than the national average (US Census Bureau, 2011). The state is one of the only areas in the country in which high poverty rates are found in both rural and suburban metropolitan areas, and faces additional challenges from higher rates found in tribal reservation lands and counties which are home to federally protected wilderness areas.

In 2012, North Carolinians and their local governments face a variety of poverty-related problems: 16% lack health insurance, 27% claim an income under \$25,000, and 21% of households are food insecure. Over half of North Carolina households below the poverty line are single-parent households run by female heads of household. Rural areas often face higher levels of poverty (20%) and 21% of rural residents lack a high school education. More than 1.1 million families in North Carolina still earn less than they need to achieve a basic standard of living – just as they did a century ago.

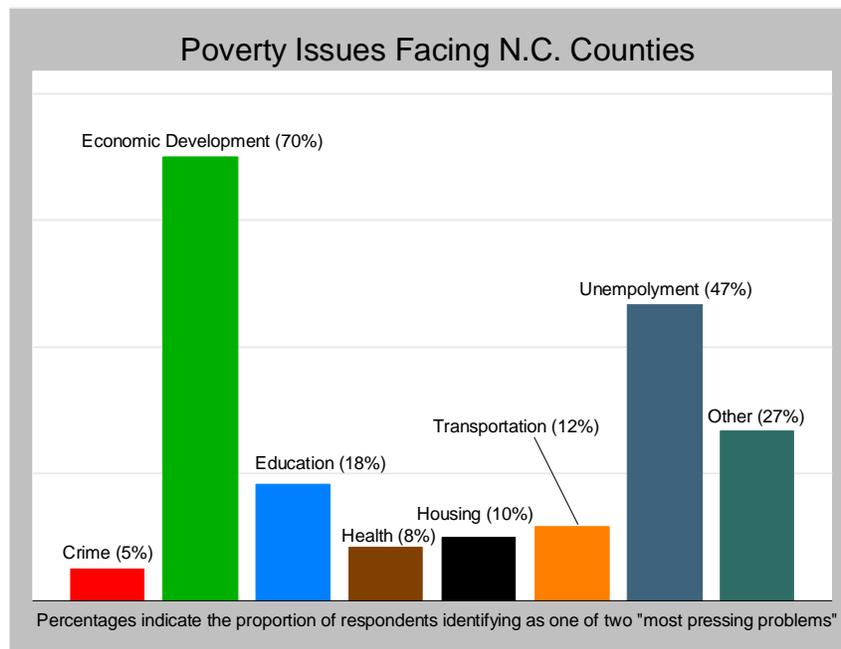
Counties are experiencing growing poverty rates for a variety of reasons: globalization; economic competition; the decline of traditional industries such as manufacturing, textiles, furniture, and tobacco; worker dislocation; natural disasters; and other reasons. Responses to the challenges presented – both economically and socially – have varied across geographic regions, but all local governments appear to place the problem near the top of their most pressing issues and to rate current solutions as somewhat effective, at best.

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## SURVEY RESULTS

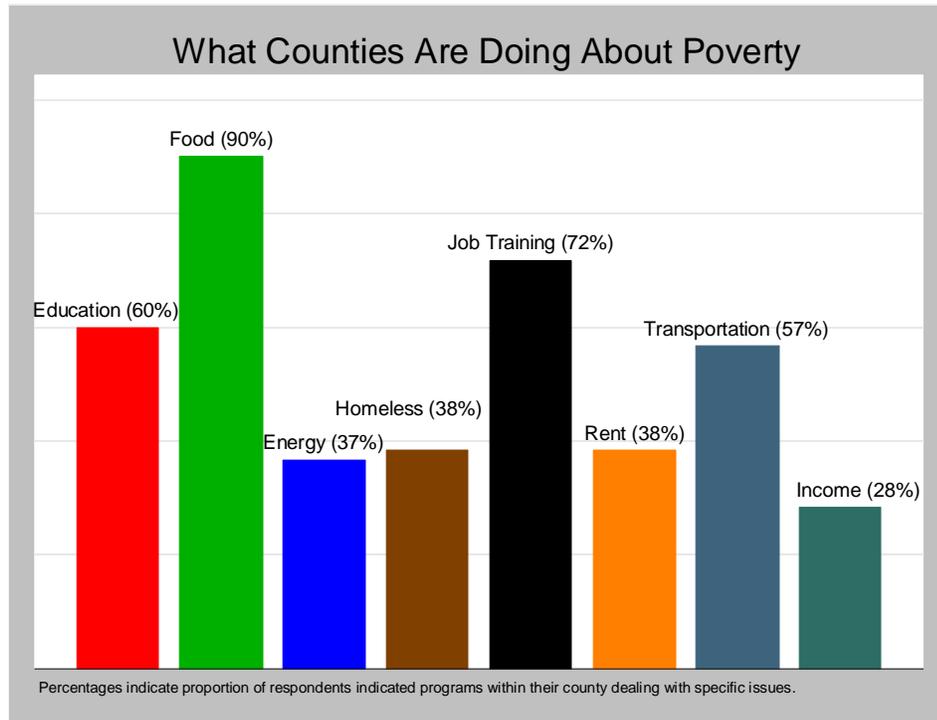
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- All survey respondents indicated poverty was a concern, with 25% placing it as their highest concern and 75% naming it as one of several pressing issues.
- As to specific issues, economic development (70%) and unemployment (47%) are the two biggest problems that most counties in North Carolina say they are currently facing.
- Less concern was indicated for problems of environmental issues (1.7%), crime (5%), or health care (8%)



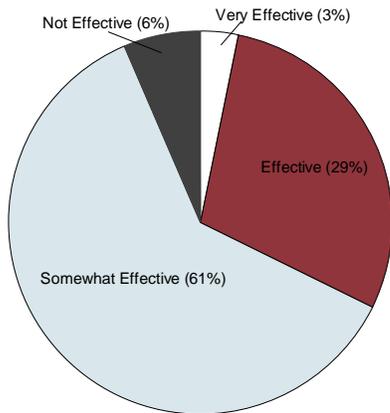
- Nearly all respondents (98%) indicated that the local government offers specific programs to assist people in need. Almost all of these programs, however, were identified as being state or federally funded, and the majority are mandated programs.

- The most prevalent of these programs included those for aging (90%), food assistance (90%), childcare for the poor (83%), drug/alcohol assistance (76%), transportation assistance (57%), and job training (72%).
- County programs which showed a low level of funding or support included energy/fuel assistance (37%), homelessness (38%), and supplemental income (28%).

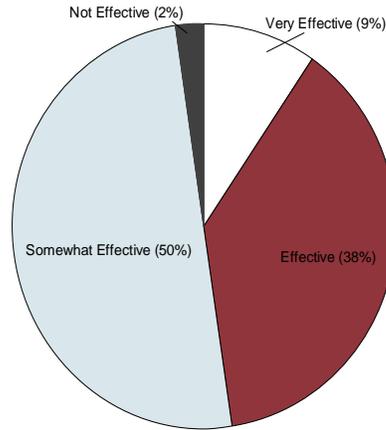


- While 56% of county governments reported having an anti-poverty task force, most respondents (61%) indicated that these groups were only “somewhat effective.” Of greater concern, perhaps, is the fact that nearly 23% of respondents were not sure whether such a task force existed in their county.
  - Of these poverty tasks forces and related groups, the majority (72%) were made up of both government and non-government organizations which made recommendations to the county board of commissioners (68%).
- Of the county officials that reported having private organizations which provide assistance services related to poverty, 88% of respondents indicated that the organizations were either effective (38%) or somewhat effective (50%) in delivering their services.

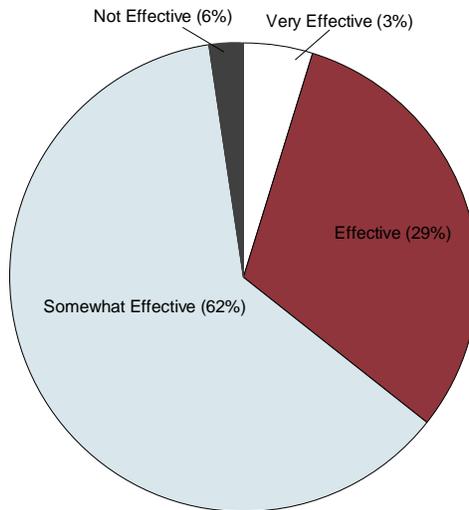
How Effective Are Poverty Task Forces?



How Effective Are Nonprofit/Private Poverty Agencies?



How Effective Are Federal/State Poverty Programs?



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## RECOMMENDATIONS

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Local government leaders and their community partners in North Carolina are aware of the causes and consequences of poverty which negatively affect several other important areas of life, including employment, food security, housing, healthcare, education, and human services. While efforts have been made to create new solutions in communities across the state, the two most significant barriers to success have been identified as a lack of communication and a lack of effectiveness.

Internal communication among departments and policymakers seemed to be a key element in both the evaluation of a county's programs and an awareness of what programs were available. External communication, to the general public and to potential private partners, was only mentioned by a few

respondents. A combination of better internal and external communication about poverty-related programs and responses could help increase the effectiveness of local agencies.

A lack of effectiveness was seen as a problem for county advisory boards or task forces, for the agencies providing county services, and for government-assisted community organizations. The lack of self-confidence shown in the survey in the programs conducted by counties suggests that even local employees are rating their own programs mediocre, at best. In a difficult economic time, with increased pressure to trim budgets while simultaneously managing higher poverty rates due to unemployment and depressed development, the clarity and effectiveness of poverty-related programs becomes significantly more important.

Some specific recommendations (which may or may not be already happening in your county) that can help address these issues might include:

1. Create a “services inventory” for the county. This can help you:
  - Bring together government leaders, nonprofit organizations, and other service providers (or better utilize existing task forces)
  - Identify what services are provided and by whom
  - Identify overlapping services and areas of duplication
  - Create a database of services provided, including responsible agencies or departments, and make this information readily available internally and externally
  - Detect shortcomings in the system, including needed services not being provided
2. Create a “needs assessment” for the county. This can help you:
  - Build on the shortcomings identified in the service inventory
  - Gather input from community service providers and service users as to specific needs and gather input on how to fulfill those needs (often through surveys and/or focus groups)
  - Identify barriers to providing services through existing programs and make recommendations to local leaders on overcoming those barriers
3. Prioritize needs and goals.
  - Create a criteria to rank and then identify the most pressing needs in the community
4. Create and implement an “action plan” for your county.
  - Based on the prioritized needs, identify a strategy for resolving these issues
  - Identify departments, agencies, and individuals responsible for implementing the goals of the plan
  - Set benchmarks to be completed by specific dates
  - Set a time to review the action plan’s progress
5. Provide existing poverty task forces or related groups more influence in policy creation and implementation
  - Provide more assistance with capacity building and effectiveness training
  - Schedule regular meetings for these task forces

- Explore grant-funded trainings, programs, and workshops to help volunteer boards increase their capacity and efficiency
- Provide boards with clear expectations, timelines and goals
- Ensure that task force members represent a broad range of service providers and those involved with poverty issues
- Allow task force findings and recommendations to be made public and open for comment
- Provide sufficient time during county commissioners' meetings to discuss task force findings and recommendations, including budgetary proposals

While none of these activities may “cure” poverty, conducting these types of activities will allow county officials to more clearly identify potential issues and areas for improvement. If you would like additional help with implementing these or other programs, the Public Policy Institute has contracted with many local and state government agencies, both public and private, to complete tasks such as surveys and assessments. Please feel free to contact us to discuss ways that we may assist your community further.

Thank you to all of the county officials who participated with this project. We encourage you to participate in future activities conducted through the Public Policy Institute at Western Carolina University, including next year's Local Government Survey (*LoGoS*).

