

## Commission Policy Statement (CPS) 04-2025 Local Workforce Development Board (WDB) Q&A

### Summary

North Carolina Governor Josh Stein signed [Executive Order No. 11](#) on March 25, 2025, setting a goal for 6% of the state's federal Workforce Innovation and Opportunity Act (WIOA) Title I funds to be spent on pre-apprenticeship and apprenticeship programs.

The order directs the NCWorks Commission to develop an accountability measure regarding apprenticeship, as part of the state's WIOA plan. The goal is to ensure that beginning in Program Year 2025, 6% of Title I Youth and Adult funds are allocated toward pre-apprenticeship and apprenticeship programs.

On August 13, 2025, the NCWorks Commission adopted [Commission Policy Statement \(CPS\) 04-2025](#), which mandates that Workforce Development Boards (WDBs) must spend at least 6% of their non-administrative WIOA Title I Adult and Youth funds on pre-apprenticeship and registered apprenticeship-related activities annually, starting with Program Year 2025 funds. The goal of this policy, implemented by the North Carolina Department of Commerce's Division of Workforce Solutions (DWS), is to integrate registered apprenticeship programs into the state's workforce development efforts.

### **Calculating the 6%**

This policy directs local Workforce Development Boards (WDBs) to spend 6% of their non-administrative WIOA Title I Adult and Youth funds annually on pre-apprenticeship and registered apprenticeship-related activities, beginning with Program Year 2025 funding. **The 6% expenditure may be comprised of Adult funds, Youth funds, or a combination of both.**

1. *Can the 6% be just Youth if there is more youth interest than adult?*

A. **Yes, the 6% can be just youth.**

2. *Is the 6% outside of admin the allocation to the Board or 6% of the budget to the subrecipient?*

A. **The 6% is outside of admin and based on the non-administrative total of Adult and Youth funds.**

3. *How will this be measured at the state level to know if the 6% is reached?*

- A. The 6% will be based on the non-administrative portions of the Adult and Youth allocations. For example: if the PY 2025 Adult allocation is \$100,000 and the PY 2025 Youth allocation is \$50,000, add these amounts together and multiply the total by 6%. The 6% requirement would be \$9,000 for PY 2025 Adult and Youth funds. The Board must spend this amount by June 30, 2027. The Board may expend (and report in WISE) the total from Youth or Adult funds, in any combination.**

### ***How to plan for the 6%***

4. *Can we update our Priority of Service Policy Statement to designate apprentices and pre-apprentices as populations identified by the Governor or Local Area WDB for Priority of Service #4, or does the priority have to be tied to a barrier to employment?*

- A. It is permissible for local boards to include this population under the fourth level of Priority of Service, if they do not meet any of the criteria within levels 1 through 3. However, it is important to note that the established order of priority must still be followed. This means individuals who fall within levels 1 through 3 must be served before those in level 4. If you should decide to update your Policy, please be sure to provide it to your Planner. Reference the [Change 1: Priority of Service for Adults Operational Guidance 27-2021](#).**

5. *This priority of service would apply to populations who are entering or already participating in an apprenticeship or pre-apprenticeship and could benefit from WIOA services. If this were approved, does this enable us to provide WIOA services to those that may not meet the definition of recipients of public assistance, other low-income individuals, or individuals who are basic skills deficient?*

- A. Yes, as long as the individuals meet either the WIOA Adult or Youth eligibility criteria. WIOA participants do not all have to be recipients of public assistance, other low-income individuals, or those who are basic skills deficient. However, it is important to note that the established order of priority must still be followed. This means individuals who fall within levels 1 through 3 must be served before those in level 4. Reference the [Change 1: Priority of Service for Adults Operational Guidance 27-2021](#).**

6. *How does the new 6% apprenticeship requirement impact the Youth WBL 20% requirement?*

**A. The 6% Pre-apprenticeship/Apprenticeship Youth expenditures count toward the 20% Work-Based Learning (WBL) expenditure.**

7. *What date does the 6% policy become effective?*

**A. This initiative is effective for PY 2025 (beginning July 1, 2025).**

8. *Can prior PY funding be used toward the 6% expenditures?*

**A. This initiative is for PY 2025 and beyond. It does not include any funds prior to PY 2025.**

9. *How does the transfer of funds impact the calculation of the 6%?*

**A. The 6% is based on the final allocation amounts, after any transfers have occurred.**

**As an example, if the WDB's PY 2025 Adult allocation is \$815,472 and the WDB transferred \$100,000 to Dislocated Worker, the new allocation amount is \$715,472. 6% of that amount is \$42,928. Because funds were transferred from the original allocation, the 6% amount decreased.**

**In a separate example, if the WDB's PY 2025 Adult allocation is \$815,472 and the WDB received a transfer of \$100,000 to the adult allocation, the new allocation amount is \$915,472. 6% of that amount is \$54,928. Because funds were added to the original allocation, the 6% amount increased.**

10. *PY25 funds have been bid out, approved by the board, and obligated. Will we need to break our current contracts and submit our programs for RFP with this new objective?*

**A. Contracts would need to be amended or modified to ensure subrecipients can be held to the expenditure requirements. There is no need to do another RFP to meet the requirement.**

### ***How to Operationalize the 6%***

11. *What is the definition of "registered" pre-apprenticeship and apprenticeship?*

**A. A registered apprenticeship is one recognized by either USDOL or ApprenticeshipNC. A pre-apprenticeship is a program in preparation for a registered apprenticeship and is directly tied (formally through documentation) to at least one registered apprenticeship.**

12. *Can pre-apprenticeships and apprenticeships be registered by an employer or organization other than ApprenticeshipNC?*

- A. **The employer can be the registered apprenticeship sponsor, but to be a registered apprenticeship, it must be recognized by USDOL or ApprenticeshipNC.**

13. *It has been said that employers may have their own apprenticeship programs—would this count?*

- A. **The employer can be the registered apprenticeship sponsor, but to be a registered apprenticeship, it must be recognized by USDOL or ApprenticeshipNC.**

14. *Please clarify the difference between a pre-apprenticeship and a WEX?*

- A. **A pre-apprenticeship (PAP) is a structured training program designed to help an individual prepare for success in a registered apprenticeship (RAP). A pre-apprenticeship must be directly tied to a RAP to qualify as a recognized PAP. Pre-apprenticeship can include a WEX or can be classroom/simulation-related training that prepares the individual for the RAP. A WEX can be a standalone activity (not tied to PAP or RAP) but would not count toward the 6% requirement.**

15. *Does a regular WEX count as a pre-apprenticeship?*

- A. **It can, if it is associated with a qualified pre-apprenticeship program. However, there are other types of WEX that are not pre-apprenticeships and therefore would not count.**

16. *Does it count when younger students in high school or getting a GED enter a WEX? Do adults who are enrolled in a WEX activity count?*

- A. **Whether Youth or Adult, if the program is identified as a Registered Apprenticeship or Pre-Apprenticeship, then it would count.**

17. *The classroom piece of a pre-apprenticeship being offered by the provider is approximately 2 weeks where they complete a series of mini trainings. How do we key the related instruction/classroom piece?*

- A. **Refer to the keying guidance recently issued, which is located on the Staff Online Resources Page in NCWorks.gov. The service activity codes are program-specific.**

18. *When enrolling participants for wage reimbursement related to their required job training hours/work experience, how do we key this correctly?*

**A. Refer to the keying guidance recently issued, which is located on the Staff Online Resources Page in NCWorks.gov and the Operational Guidance related to OJTs.**

19. *Are there similar activity codes for both Adult and Youth?*

**A. Yes, there are codes for both Adult and Youth. Please refer to keying guidance, which is located on the Staff Online Resources Page in NCWorks.gov.**

20. *What happens if 6% policy isn't achieved?*

**A. PY 2025 is a baseline year, and technical assistance will be provided. You should document any challenges that arise and share with the appropriate staff.**

21. *Can incentives be provided to both youth and adults? Do incentives count toward the 6% expenditure requirement?*

**A. Yes, incentives can be issued based on adherence to local area policy for adults and youth. These incentives could count toward the 6% requirement.**

22: *Can PY25 funds be expended before PY24 funds if they are in support of Pre-Apprenticeships/ Registered Apprenticeships?*

**A. Yes, PY 2025 funds can be expended prior to PY 2024 funds.**

23: *What staff time may be counted towards the 6%? Can staff time attending training count? If staff time is the only source or large majority of expenditure counting towards the 6% requirement, is that a problem? There is time involved with meetings on getting activities started.*

**A. Staff time that is an allowable expenditure to count towards the 6% is detailed under the "Allowable Expenditures" section of CPS 04-2025. The expenditure amount towards staff time vs. expenditures on participants is something to be mindful of. Any staff time counted towards the 6% must be consistent with allowable expenditures detailed in CPS 04-2025 and must be permissible/ justified with documentation.**

24. *Since the 6% is based on the PY allocation, WDBs would have two years to meet the 6% requirement. Similar to how the 20% requirement for Youth is applied. Correct?*

**A. Correct. WDBs will have two years to meet the 6% requirement, similar to the youth requirement.**

25. *Understanding the 6% goal will change if funds are shifted between Adult and DW during the year. Will a monthly report be provided to directors to track progress, similar to the Youth 20% WBL report?*

**A. Finance already sends out a monthly financial expenditure report to all directors and finance directors for WIOA Youth, Adult, and Dislocated Workers. We are not planning on making any modifications to this form. Planning will be sending out a 6% report, that will be pulled from WISE, that is similar to the 20% report. Additional details are forthcoming.**

26. *Is staff mileage reimbursement related to PAP/RAP allowed to be counted toward the 6% requirement?*

**A. No, mileage is not an allowable expense.**

27. *Please clarify what constitutes a defined apprenticeship activity that would make staff time an allowable expense under WBL. This question stems from the Note under WBL in CPS 04-2025.*

**A. Allowable expenditures include related instruction; Work-Based Learning (WEX, OJT, Customized Training, Incumbent Worker Training); supportive services and incentive payments; staff time spent working to develop and establish WBL opportunities, including time spent with employers; staff time spent evaluating OJT or WEX; and staff time spent working with a specific apprenticeship program. General outreach, planning, training or activities not tied to a specific apprenticeship program will not qualify as allowable expenditures.**

28. CPS 04-2025 defines “supportive services that enable participation in work experience.” Are there limitations on what can be classified as a supportive service? For example, if a participant enrolled in a PAP report that their power was disconnected for non-payment—impacting their ability to cook, wash clothing, and maintain basic living conditions—would restoring power be considered an allowable expense under PAP/RAP? Under some WDBs’ current supportive services policy, this may qualify as an allowable expense.

**A. Yes, there are limitations. WDB’s must have a policy in place detailing the supportive services they provide. These services should align with those in the WIOA Final Rule 20 CFR 680-900-970 and 681.570. Per the example, services may include assistance with housing and utilities, provided the participant is enrolled in career or training services, and unable to obtain such services through other programs. It is important to note that late fees and penalties cannot be paid.**

**However, if the request is framed as a needs-related payment, then additional criteria apply:**

- **The participant must be enrolled in training (not just career services).**
- **The participant must be unemployed and not eligible for unemployment compensation or have exhausted those benefits.**
- **The local workforce development board (WDB) must have a policy in place that allows for needs-related payments.**

**The scenario could qualify under either general supportive services or needs-related payments, depending on the participant’s status and the local WDB’s policies.**