NC Department of Commerce
Division of Workforce Solutions

American Rescue Plan Act (ARPA)
Business Work-Based Learning (BWBL)
Grant Guidelines

Introduction

The American Rescue Plan Act (ARPA) was enacted on March 11, 2021, to provide relief to address the continued impact of COVID-19 on the economy, public health, state and local governments, individuals, and businesses. The State Fiscal Recovery Fund (SFRF) is a component of ARPA, which provides $5.4 billion to North Carolina to help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery.

The N.C. General Assembly appropriated SFRF in Session Law 2021-180. The N.C. Pandemic Recovery Office (NCPRO) is responsible for overseeing and monitoring the use of the SFRF, as well as reporting to the U.S. Treasury on behalf of state agencies.

The Division of Workforce Solutions (DWS) has been allocated $2 million in ARPA funds to focus on Work-Based Learning (WBL) opportunities to assist small- and micro-businesses (e.g., businesses with fewer than twenty-five [25] employees), as well as expand funding for On-the-Job Training (OJT), Work Experience (WEX), Incumbent Worker Training (IWT), or short-term training that leads to an industry-recognized certification or credential. These programs are in keeping with the spirit of both North Carolina's "First in Talent" Plan and Governor Cooper's NC Job Ready initiative.

Each grant provides DWS an opportunity to engage with new partners or provide innovative and enhanced services that are not easily administered through current Workforce Innovation and Opportunity Act (WIOA) guidelines. Local Workforce Development Boards (WDBs) are not eligible for this grant. The grants are available to non-profits and state agencies during the period of February 13, 2023 through December 31, 2026.

These additional resources will have a positive impact on jobseekers and small businesses, particularly in underserved communities.

Business Work-Based Learning Grant:
The goal of this grant initiative is to establish WBL opportunities targeting small- and micro-businesses (e.g., businesses with fewer than twenty-five [25] employees) to bridge the gap for business retention and expansion with funding for OJT, WEX, and IWT. This initiative will focus on Historically Underutilized Businesses (HUB), industries most impacted by the pandemic, including manufacturing and hospitality, priority industries with substantial occupational skills gaps, and other risk indicators.

In addition to HUBs and industries significantly impacted by the pandemic, emphasis should also be placed on non-profits and state agencies located in economically distressed Tier 1 or Tier 2 counties. This funding will also assist with marketing and technology expenses to develop and maintain the training platform and to market and promote the training.

Work-Based Learning Activities and Supportive Services:
On-the-Job Training (OJT) provides an opportunity for the business to train an individual that has little to no work experience performing an occupation. Small businesses are reimbursed wages paid to the participant at a threshold not to exceed 75 percent. The duration of the training usually lasts up to 6-months or once a participant has completed no more than 1040 hours of work. With the OJT component, there is a reasonable expectation that the participant will be retained by the business after completion of training.

The WEX includes paid internships or mentorships. WEX provides the opportunity for participants to learn about an industry, or occupation, and gain valuable skills while working. Participants are paid wages directly through the grant. Non-profits and state agencies must have a mechanism in place to pay participants on the same pay-schedule as regular employees of the business – weekly, bi-weekly, or monthly. The duration of WEX training usually lasts up to 6-months or once a participant has completed no more than 1040 hours of work.

The IWT helps small businesses remain competitive by increasing the skillsets of their current workforce. Employees learn new skills and the business benefits from more knowledgeable and productive employees. IWT is usually capped at $10,000 per business.

Short-term training that leads to an industry-recognized credential or certification is acceptable. Training can be provided in a traditional classroom setting, virtual, or onsite at the participants' place of work.

Supportive services are allowable costs for participants enrolled in a work-based learning component. Supportive services are temporary and may include but are not limited to the purchase of work boots, gloves, uniforms, tools, and transportation assistance.

Grants were reviewed and rewarded based on the strength and viability of the conceptual framework, substantive involvement of strong partnerships, and indications that projects are expansive in nature from regular work duties with measurable outcomes and clarity of budget. Selection criteria considered may include alignment with the North Carolina Department of Commerce's "First in Talent" strategic plan, the targeting of job seekers in underserved communities, and the prioritization of HUB vendors. Non-profits and state agencies may utilize program funds for staffing, provided that they implement set criteria for duties and established goals.

Grant Reporting

Regular Reporting:
Grant recipients will be required to submit monthly and quarterly status reports and quarterly financial updates during the life of the grant. Reports will cover areas such as partnership updates, solutions implemented, challenges encountered, participants enrolled, demographics of participants, expenditures, and other subjects.

Monitoring/Follow-up/Fiscal and Final Report: Monitoring and grant follow-up will occur on a quarterly basis, and as needed, through December 31, 2026.

Project Evaluation:
Upon closeout of the grant, all grant recipients must provide a final evaluation and summary of the project to include an analysis of the project's challenges, successes, expenditures, promising practices, and a template about how the project could be sustained locally and replicated in other regions if deemed a success. The evaluation will also identify each goal and whether the measures were met, exceeded, or not, and an explanation of successes and failures.

Resources

WorkforceGPS (https://strategies.workforcegps.org) provides a library of promising practices and workforce system strategies that can be browsed for resources by clicking the tabs. Items listed with numbers next to them indicate the number of resources tagged with that term.