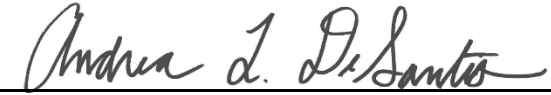
	<b>NORTH CAROLINA DEPARTMENT OF COMMERCE DIVISION OF WORKFORCE SOLUTIONS</b>
	<b>DWS Operational Guidance Number: OG 06-2025</b>
	<b>Date: September 10, 2025</b>
	<b>Subject: Pathway Home 6 Grant</b>
	<b>From:</b>  <b>Andrea L. DeSantis, Ph.D.</b> <b>Assistant Secretary for Workforce</b>

**Purpose:** To announce that the North Carolina Department of Commerce, Division of Workforce Solutions (DWS), will serve as the lead agency for the Pathway Home 6 Grant initiative. The DWS will provide oversight, financial management, reporting, monitoring, and technical assistance to all subgrantees. The purpose of the grant is to deliver comprehensive wraparound services to individuals incarcerated in State facilities who are between 20 and 270 days from release. The initiative will actively focus on both pre-release and post-release support, with special emphasis on the critical first 72 hours after release.

The goals of the initiative are to:

- Improve work readiness at the time of release,
- Increase placement into sustainable wage employment, and
- Reduce recidivism through a structured, two-stage program approach.

**Background:** The Pathway Home 6 Grant Program is a 100% federally funded initiative awarded to the North Carolina Department of Commerce by the U.S. Department of Labor (USDOL), Employment and Training Administration (ETA). Approximately \$4,000,000 in grant funds were authorized under the Further Consolidated Appropriations Act, 2024 (Pub. L. 118-47) and Section 169 of the Workforce Innovation and Opportunity Act (WIOA). This initiative is designed to provide targeted reentry programming for eligible incarcerated individuals, beginning while they are still in custody at State correctional facilities or county and local jails, and continuing seamlessly after their release. By launching reentry services during incarceration and extending them post-release, the program aims to eliminate the critical time gap between release and entry into a workforce development program.

The grant is focused on preparing participants for skills-based employment, improving their transition back into the community, and reducing the likelihood of recidivism. Programming will include comprehensive services such as job readiness, training, and support that are aligned with the specific labor market needs of the communities to which participants will return. While incarcerated individuals reenter communities across all 100 counties in North Carolina, this program focuses specifically on participants from eight correctional facilities (Marion, Rutherford, Foothills, Caldwell, Alexander, Catawba, Gaston institutions, and Mecklenburg County Detention Center), with post-release reentry services concentrated in nine target counties: Alexander, Cleveland, Burke, Caldwell, Catawba, McDowell, Mecklenburg, Polk, and Rutherford.

These counties were targeted based heavily on information shared from Department of Adult Correction, input from Workforce Development Boards, their proximity to the correctional facilities, and their significant economic challenges. In North Carolina, there is a classification system that designates counties as Tier 1, most economically distressed, Tier 2, moderately distressed, or Tier 3, least distressed. There are five tier 3 counties, three tier 2 counties and one tier 1 county that will be included in this grant. The poverty rates range from 11% in Mecklenburg County to 18.4% in Cleveland County. The DWS is committed to ensuring North Carolina's workforce system is equipped to meet both the needs of individuals returning from incarceration and the demands of local employers. By collaborating with partners and engaging businesses open to offering second chances, the initiative seeks to bridge the gap between unemployed justice-involved individuals and meaningful employment opportunities.

**Action:**

The North Carolina Division of Workforce Solutions (DWS) will award subgrants to Charlotte Works, Foothills, and Western Piedmont Local Area Workforce Development Boards (WDBs) to implement the Pathway Home 6 Grant Program. Funding will be disbursed in two increments. The initial distribution will be provided upon the execution of the Grant Administration Agreement Amendment. The initial distribution will be 50% of the award and will be provided to each WDB upon the execution of the Grant Administration Agreement. Once DWS receives and approves an Additional Fund Request form, verifying WISE reflects more than 60% of the initial 50% has been expended, drawn down, or accrued, the second distribution of the remaining awarded funds will be released.

Because WDBs may progress at different rates, second allocations will be released at different times depending on each board's expenditure level. If it becomes clear that a WDB will not meet the 60% threshold, DWS will de-obligate the unspent funds and re-obligate them to one or more of the other subgrantee WDBs with demonstrated need and capacity. This process ensures

the timely use of available funding and maximizes the impact of services provided.

Collectively, the WDBs will serve 133 participants annually, for a total of 400 individuals over the life of the grant. The WDBs will utilize REO GPMS, NCWorks Online, and Salesforce to case manage participants and employers to ensure timely and accurate performance reporting.

The program will be delivered in two stages. Stage one begins 20 to 270 days before release from incarceration. During this phase, WDBs will build upon facility-based risk and needs assessments to deliver job readiness training, industry-recognized credentialing, and assistance with obtaining vital documents (e.g., IDs, Social Security cards), as well as the coordination of mental, medical, and behavioral health services. Stage two is activated within 72 hours of release and involves intensive post-release case management, occupational skill development, and job placement services. To enhance access and flexibility, WDBs will offer asynchronous training modules, virtual motivational groups, and technology bootcamps. Following job placement, WDBs will provide monthly follow-up for a minimum of six months, ensuring job retention, wage gains, and continued career progression. Case managers will maintain regular contact to address any employment-related barriers, guided by each participant's Individualized Employment Plan (IEP).

Additional information regarding reporting and enrollment processes will be issued by the DWS.

<b>Effective Date:</b>	Immediately
<b>Expiration:</b>	December 31, 2028
<b>Contact:</b>	Industry and Talent Development Unit