

	<b>NORTH CAROLINA DEPARTMENT OF COMMERCE DIVISION OF WORKFORCE SOLUTIONS</b>
	<b>DWS Operational Guidance Number: OG 07-2025</b>
	<b>Date: September 19, 2025</b>
	<b>Subject: Work-based Learning Comprehensive Guidance</b>
	<b>From:</b>  <b>Andrea L. DeSantis, Ph.D.</b> <b>Assistant Secretary for Workforce</b>

**Purpose:** This guidance establishes consistent guidelines and procedures for North Carolina's Local Area Workforce Development Boards (WDBs) to implement, manage, and sustain work-based learning (WBL) and training opportunities. This guidance aligns the types of WBL efforts identified by the U.S. Department of Labor (USDOL) into a single, comprehensive work-based learning framework. It also enhances the collection and tracking of data related to employers participating in WBL, including the sources of funding used to support wages, wage reimbursements, and training costs.

In alignment with the USDOL's Training and Employment Guidance Letter (TEGL) 21-22 and the Work-Based Learning Training Programs and Grants Commission Policy Statement (CPS), North Carolina is advancing efforts to improve data collection and tracking related to employer engagement in WBL. Strengthening data systems will allow the state to better assess the effectiveness of WBL strategies across key dimensions, including employer participation by size, industry, and location. This data-driven approach supports the state's strategic goals - outlined in Governor Stein's Executive Order No. 11 Directing North Carolina's Progress on Workforce Development, and the NCWorks Commission's Strategic Plan - such as expanding employer involvement in WBL and aligning workforce services with labor market demand. The WDBs should be able to provide accurate data and information on expenditures for Workforce Innovation and Opportunity Act (WIOA) training programs, including work-based training programs.

This Operational Guidance (OG) rescinds OG 22-2021, Change 1, OG 02-2021, and OG 24-2021. The procedures herein supersede all previous policies, procedures, and guidelines regarding On-the-Job (OJT) Training, Incumbent Worker Training (IWT), and Work Experience (WEX).

**Background:** Work-Based Learning (WBL) is a foundational strategy in North Carolina's workforce system, designed to bridge the gap between education and employment by allowing individuals to gain hands-on experience while developing in-demand skills. These opportunities benefit employers by connecting them with a trained, work-ready talent pipeline that reflects the needs of industry.

The WIOA requires states to enhance employer services by offering work-based training models. The categories of WBL supported by WIOA - Adult, Youth, Dislocated Worker, Statewide Activities, and Rapid Response - are codified in Sections 3, 122, and 134 of WIOA Public Law 113-128. This guidance adopts a standardized definition of WBL, as identified in the USDOL's WIOA Desk Reference (Attachment 1), to guide implementation statewide.

Work-based learning can include OJT, customized training, IWT, and registered apprenticeships. These services, outlined in 20 CFR 680.200, are critical for many adults and dislocated worker participants to secure employment and engage on a career pathway that leads to self-sufficiency.

The WIOA also envisions other WBL opportunities which allow participants to develop employability skills, acquire basic job-specific knowledge, and gain work experience, all of which prepare them for unsubsidized employment. These WBL activities include work experiences, internships, transitional jobs, job shadowing and pre-apprenticeship programs.

This framework reinforces North Carolina's Certified Career Pathways and Sector Partnership strategies by promoting seamless, industry-driven education and training models that prepare individuals for in-demand careers. WBL is a vital component of this ecosystem, offering paid, progressive learning experiences that align with employer needs and support jobseekers in advancing through clearly defined career pathways toward higher-skill, higher-wage opportunities. Through strong collaboration with sector partnerships, WBL helps ensure that training is relevant, demand-driven, and contributes to a sustainable talent pipeline for key industries across the state.

The state's commitment to WBL was reaffirmed through Executive Order No. 11. The Executive Order created the Governor's Council on Workforce and Apprenticeships. The Work-Based Learning Training Programs and Grants CPS calls for a statewide increase in employer engagement in WBL and stronger data systems to measure outcomes, impact, and alignment with labor market needs.

The WDBs are an integral piece of this strategy. They are responsible for managing WIOA formula funding to support WBL Training Grants and must assess both employer and participant eligibility in accordance with 20 CFR 680.810. The WDBs are encouraged to use WBL tools flexibly, adapting or combining them with other services to meet employer needs while retaining a focus on quality and compliance. Additional flexibility may be granted through other funding sources,

as outlined in 20 CFR 682.210(b), with related guidance issued by the Division of Workforce Solutions (DWS) via OG notices.

Standardizing WBL definitions and enhancing employer data collection ensures the state’s ability to evaluate WBL effectiveness based on geography, industry, and employer size. These insights are crucial to aligning programs with current and projected workforce needs, closing skills gaps, and ensuring that every North Carolinian has the opportunity to succeed in a dynamic labor market.

**Action:** To support the statewide alignment of WBL with USDOL, the NCWorks Commission Policy Statement, and Executive Order No. 11, WDBs must follow the integrated guidance provided in this guidance for all WBL activities.

WDBs are required to:

- Adhere to the standardized WBL definitions and procedures outlined in this guidance and referenced in the attached USDOL WIOA Desk Reference.
- Enter required data in NCWorks Online and Workforce Information System Enterprise (WISE) reporting systems. Specific data required can be found in each section of the guidance. Data entry in the Salesforce system is strongly encouraged for WIOA funded WBL PY 25, and will be required for PY 26. Additional guidance will be forthcoming in advance of PY26.
- Employers are strongly encouraged to complete the enhanced wage record information in the Department of Employment Security website – NCSUITS (North Carolina State Unemployment Insurance Tax System).
- Use the standardized OJT forms provided by DWS—including the Pre-Award Analysis, Employer Agreement, Training Plan, and Mid-point/Final Assessment templates—when delivering WIOA-funded OJT services. Example WEX forms are optional; however, any forms used at the local area must comply with the guidelines provided in Attachment 7.
- Ensure local WBL policies comply with federal and state requirements; local policies may be more restrictive than the state guidance but not less. In cases where local policies are more restrictive, WDB staff must adhere to the local standard.
- Coordinate WBL implementation across core partners to support co-enrollment, career pathway development, and employer engagement strategies, in alignment with WIOA Section 108 and 20 CFR 679.560(2).

**Effective Date:** Immediately

**Expiration:** Indefinite

**Contact:** Industry & Talent Development Unit

- Attachments:**
1. USDOL WIOA Desk Reference
  2. OJT Eligibility and Requirements Guidance
  3. OJT Forms
  4. Customized Training Eligibility and Guidance
  5. Incumbent Worker Training Eligibility and Guidance
  6. Registered Apprenticeship Eligibility and Guidance
  7. WEX Eligibility and Guidance
  8. WEX Forms