
	NORTH CAROLINA DEPARTMENT OF COMMERCE DIVISION OF WORKFORCE SOLUTIONS
	DWS Operational Guidance Number: OG 02-2025
	Date: March 27, 2025
	Subject: Hurricane Helene Business Edge Fund
	From:  <hr style="width: 30%; margin: auto;"/> Andrea L. DeSantis Assistant Secretary for Workforce

Purpose: To provide guidance on how Local Area Workforce Development Boards (WDBs) can apply for the Hurricane Helene Business Edge Fund.

Background: The Business Edge Hurricane Helene Layoff Aversion Fund was established by the North Carolina Department of Commerce’s Division of Workforce Solutions (DWS) to support small businesses and Community-Based Organizations (CBOs) facing financial impacts from Hurricane Helene. It will be funded entirely by the Workforce Innovation and Opportunity Act (WIOA) Rapid Response Program through the United States Department of Labor (USDOL) Employment and Training Administration (ETA) and will provide grants to Workforce Development Boards (WDBs) to assist small businesses and/or CBO’s experiencing economic distress to mitigate potential layoffs or closures resulting from the disaster. The DWS has \$500,000 available for applications for the following WDBs servicing western NC counties most impacted by Hurricane Helene: Foothills, High Country, Mountain Area, Southwestern, and Western Piedmont WDBs. The amount available may increase based on the use of these funds.

The Rapid Response Program is flexible and designed to respond to the needs of businesses, CBOs, and affected workers. It includes the delivery of layoff aversion strategies intended to prevent or minimize the duration of unemployment. Each WDB operating in the impacted region may apply for funds and may have an opportunity to request additional funds once 50% of the initially awarded funds have been spent. This grant is based on availability, and additional funds are not guaranteed.

Action: **A. ELIGIBILITY**

Foothills, High Country, Mountain Area, Southwestern, and Western Piedmont WDBs may use the funding to provide up to a \$10,000 grant per eligible business or CBO applicant. Eligible businesses and CBOs are those who:

- Have a location in one of the critical business disruption counties identified in OSBM's Hurricane Helene Recovery Revised Damage and Needs: Ashe, Avery, Burke, Buncombe, Caldwell, Haywood, Henderson, Madison, McDowell, Mitchell, Polk, Rutherford, Transylvania, Watauga, and Yancey.
- Have been in operation for at least two years.
- Have current Unemployment Insurance (UI) taxes.
- Are in good standing with the Internal Revenue Service, with no current tax liens.
- Have a W-9 form, if applicable.
- Have demonstrated a need for layoff aversion support.

Preferences

Preferences will be given to businesses with:

- owners in underserved populations: individuals with disabilities, women, minorities, and veterans; and
- between 3 and 250 employees.

B. USE OF FUNDS

Allowable Uses

Participating businesses and/or CBOs must utilize funds to mitigate layoffs, prevent closures, and reimburse costs that prevent a layoff or closure. Additionally, funds may be used to support employees returning to work after a layoff or closure. Requests must be reasonable, necessary, and directly related to the purpose of the Hurricane Helene Business Edge fund. All applications will be received and reviewed by the local WDBs.

Examples of permissible activities include, but are not limited to:

- Costs associated with feasibility studies, business coaching, conducting analyses and risk assessments, business consulting¹ in numerous disciplines including identifying opportunities for potential economic transition and training needs for growth or pivoting;
- Incumbent Worker Training;

¹ Consulting that meets USDOL's definition may be subject to a limitation on fees. For example, for PY 2023 it was \$815/day representing an 8-hour workday.

- Installation of internet and communications equipment essential for business accessibility and functioning;
- Purchasing remote access tools, supplies, or software that allows employees to work from home while damage is repaired or new building arrangements are made (e.g. computers, printers, telephones, headsets, video conferencing software, etc.). Note: single items over \$5,000 are considered capital expenditures and are not allowed;
- Paying for services or tools for restaurants or retail establishments to convert to online sales or delivery of orders while damage is being repaired, or new establishments are progressing;
- Purchasing cleaning/sanitation supplies and/or services that will allow a business to maintain an on-site workforce by reducing exposure to mold, mildew, or other hazards associated with Hurricane Helene Disaster damage/flooding; or
- Other creative approaches and strategies to reduce or eliminate the need for layoffs.

Prohibited Use of Funds

Resources from the Hurricane Helene Business Edge Fund may not be used for the following:

- Products or services covered by insurance;
- Hazard pay;
- Rent;
- Employee wages/benefits;
- Supportive services such as childcare, transportation costs, lodging expenses, or meals;
- Equipment that contributes to the capital assets (single items over \$5,000) of a business; or
- Improvements or upgrades that contribute to the capital assets of a business.
- Capitalization of Businesses (for example, purchasing supplies or materials that will go into the final product sold or provided by the business)

Funding Cap

Eligible businesses and/or CBOs may receive up to \$10,000.00 in Hurricane Helene Business Edge Fund grant funds. The DWS' Business Edge workforce and partnering WDBs will assist businesses on a first-come, first-served basis, looking for the largest impact to layoff aversion in the workforce, and considering the above

preferences.

The DWS and partnering WDBs may consider proposals that exceed this cap if extenuating circumstances warrant, as determined by The Business Edge Program, in its sole and absolute discretion.

Grant Agreement

Upon execution of the grant agreement, small businesses and/or CBOs shall submit an itemized invoice with all copies of receipts to their local WDB.

Note: All associated costs must comply with the cost principles contained in [2 CFR 200](#), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

C. APPLYING TO HURRICANE HELENE BUSINESS EDGE FUND

Application Submission

Eligible businesses, CBOs, and/or partner agencies should submit completed applications through their local WDB. Individual WDBs will determine their application submission process.

At a minimum, a completed application includes:

- The amount of funds requested and a brief itemized description of all costs;
- The number of employees affected, and jobs saved through funding;
- The average salary of the affected employees;
- A brief profile of the business including name, address, and contact information;
- A brief narrative describing the layoff aversion plan and need for funds or a description of the services needed to develop a viable plan; and
- All supporting documentation.

Applications will be accepted in the two-year period following the disaster designation or until funds are exhausted, whichever occurs first.

Application Approval/Denial

Within two business days of receiving an application, the local WDB shall inform applicants, via email, that the application has been received, and if applicable, will request any additional documentation that is needed. Once all required documentation is submitted, the application will be processed, and a determination will be given

within the WDB-determined timeline. Upon approval, execution of an agreement, and receipt of the appropriate supporting documentation, the WDB shall directly reimburse the business or CBO.

D. REPORTING, MONITORING, & RECORD RETENTION

Administrative, Fiscal, and Programmatic Reporting

Participating small businesses, or CBOs are responsible for providing accurate and truthful documentation, while WDBs will verify that authenticity. Monthly reports will be completed by the WDBs and submitted to DWS utilizing the provided report format.

Monitoring

As the Hurricane Helene Business Edge Fund is federally funded, USDOL may conduct fiscal and/or programmatic monitoring of this initiative. Additionally, entities receiving an award may be subject to local, state, and federal monitoring and auditing. The DWS will communicate the monitoring/auditing results and findings to the entities through an official written report and may require corrective action by the WDBs, small businesses, and/or CBOs. The WDBs, small businesses, and/or CBOs must rectify all deficiencies cited within the period of time specified in the report. If such deficiencies are not corrected within the specified timeframe, the DWS may suspend payments, recoup payments, or immediately terminate the agreement and/or take any other action permitted by 2 CFR 200.

Other Reporting

To maintain support for the coordination of the Business Edge Program, success stories may be shared with various state and federal agencies, as well as with the media.

Record Retention

In accordance with federal and state law, DWS requires participating WDBs, businesses, and/or CBOs to retain Hurricane Helene Business Edge Fund records for the latter of five years following the final expenditure or until any related litigation is complete.

E. FAIR PRACTICES AND ACCESSIBILITY

It is the DWS policy that all persons have equal opportunity and access to services and facilities without regard to race, religion, color, sex, age, national origin or ancestry, marital status, parental status, sexual orientation, disability, or veteran status.

References:

- WIOA, Section 134(d)(1)(A)(ix)(II)(cc).
- WIOA Final Rule, 20 CFR 682.320.
- WIOA Final Rule, 20 CFR 682.340.
- Training and Employment Guidance Letter (TEGL) 19-16: Guidance on Services provided through the Adult and Dislocated Worker Programs and
- The Wagner-Peyser Act Employment Services (March 1, 2017).
- Training and Employment Notice (TEN) 9-12: Layoff Aversion in Rapid Response Systems (August 31, 2012).
- NC OSBM's Hurricane Helene Recovery Revised Damage and Needs Assessment (December 13, 2024).

Effective Date: Immediately

Expiration: September 29, 2026

Contact: Industry & Talent Development Unit

Attachments:

1. Hurricane Helene Business Edge Fund Grant Funding Request Form
2. Hurricane Helene Recovery Revised Damage and Needs Assessment