

Appendix B

Glossary of Key Workforce Development Terms

Aid to Families with Dependent Children (AFDC)	The former federal welfare entitlement program. It was repealed and replaced with a block grant to states (the TANF program) in 1996.
Block grant	A consolidated grant of federal funds, formerly allocated for specific programs, that a state or local government may use at its discretion to support social welfare programs.
Caseload reduction credit	A credit granted to qualifying states by the HHS that reduces the work participation rate that the state must meet for a fiscal year in its TANF program.
Common measures	A policy to standardize outcome measures across multiple federal job training and education programs. The three common measures are: entered employment, employment retention, and six-month earnings change. DOL began implementing the policy in mid-2005 (the beginning of Program Year 2005).
Community-based organization (CBO)	Private nonprofit, faith-based, or tribal organization that works within a community to improve some aspect of it.
Core services	Services under WIA that are available to all job seekers. They include self-service access to job listings, information about careers and the local labor market, and limited staff assistance with job search activities.
Credential	A certificate or diploma that certifies that a student has met the training requirements of a particular career, job, or skill.
Customized training	Training that is designed to meet the needs of a specific employer or group of employers.
Dislocated workers	Workers served under WIA who have been laid off or have received notice of termination from employment, who are eligible for or have exhausted unemployment compensation, who are self-employed but unemployed as a result of general economic conditions, or who are displaced homemakers.
Eligible training providers (ETP)	Organizations or institutions that provide training services to WIA participants. They must be post-secondary institutions eligible to receive funding under Title IV of the Higher Education Act, institutions that provide a program leading to an associate degree, baccalaureate degree, or certificate, entities that carry out programs under the National Apprenticeship Act, or another public or private provider of a program of training services, as defined by criteria set by each state.
Employment Service (ES)	A nationwide system of public employment offices established by the Wagner-Peyser Act of 1933 as part of the New Deal. The Workforce Investment Act (WIA) integrated Wagner-Peyser Act services into the one-stop system in the late 1990s.
Expected family contribution (EFC)	The amount of money that a family is expected to be able to “reasonably” contribute to a student’s education under the Pell Grant program. The figure is calculated based on a family’s income and the number of students in the family receiving post-secondary education.
Federal Poverty Guideline	Revised each year by HHS, the Federal Poverty Guideline is used for administrative purposes, such as determining financial eligibility for certain federal programs, with the guideline varying by family size.

Fiscal year	The yearly accounting period. For the federal government the period runs from October 1 to September 30.
General Equivalency Diploma (GED)	A nationally recognized high school equivalency certificate program administered by the Educational Testing Service.
Health care tax credit (HCTC)	A tax credit available to participants in the Trade Adjustment Assistance program who are eligible for income support under the program. HCTC pays up to 65 percent of their monthly health insurance premium.
Individual training account (ITA)	A voucher for attaining training services from an eligible provider under WIA.
Intensive services	WIA services available to individuals who have not obtained employment through core services. Intensive services include life-skills workshops, case management, and comprehensive assessments that lead to the development of an individual employment plan.
Job-readiness training	Training that is provided to help clients get and keep jobs. Services include developing job-getting skills (such as interviewing, grooming, and resume writing) and job-keeping skills (such as attendance, punctuality, and “people skills”).
Local workforce investment area	The administrative region for a workforce investment board under WIA, it is designated by the governor or requested by local officials.
Maintenance of effort (MOE)	A minimum amount that a state must spend to be eligible to receive federal funds for certain programs.
Mandatory partner	A program under a federal agency that is required to make core services available to participants in the one-stop system, use a portion of its funds to support the one-stop system, enter into a Memoranda of Understanding with local WIBs for these activities, and provide representation on local WIBs. Current mandatory partners are Titles I and II of WIA, Wagner-Peyser, Vocational Rehabilitation, the Older American Community Service Employment Program, post-secondary vocational education activities under Perkins, Trade Adjustment Assistance, veteran employment and training programs, CSBG, HUD training programs, and programs under state unemployment compensation laws.
Memorandum of understanding (MOU)	An agreement describing the terms of cooperation between two agencies or programs.
Merit staff	Unionized staff administering Wagner-Peyser services, whose salary and promotion status are determined by a set merit schedule.
National Emergency Grants (NEG)	Grants funded under WIA and provided by the federal government to states that apply for supplemental dislocated worker funds to respond to the needs of dislocated workers and their community in areas affected by major economic dislocations and other dislocation events that cannot be met with formula allotments.
Non-assistance	TANF funds used for purposes other than direct cash or in-kind assistance to families.
One-stop center	A single site, required under WIA, where job seekers and employers have ready access to a range of workforce development resources available in a local area.
On-the-job training	A type of vocational training in which the trainee learns skills at the work site while earning a wage. Employers are often offered some reimbursement for this type of training.
Post-secondary educational institution	A two- or four-year school that provides formal instructional programs with a curriculum designed for students who have completed the required training for a high school diploma or GED.
Program year (PY)	For many DOL programs, the period of administration and funding lasting from July 1 to June 30.

Qualified work activities	Twelve activities that count toward a state's work participation rate under TANF: unsubsidized employment; subsidized private sector employment; subsidized public sector employment; work experience if sufficient private sector employment is not available; on-the-job training; job search and job readiness assistance (for up to six weeks, or 12 weeks in a state where the unemployment rate is at least 50 percent greater than the national unemployment rate); community service programs; vocational educational training (for up to 12 months); job skills training directly related to employment; education directly related to employment for recipients who have not received a high school diploma or GED; satisfactory attendance at secondary school or in a course of study leading to a GED for recipients who have not completed secondary school or received a GED; and the provision of child care services to individuals participating in a community service program.
Rapid response funds	The governor can set aside up to 25 percent of WIA dislocated worker funds to assist workers who are facing job loss due to a permanent closure or mass layoff or a natural or other major disaster that results in job dislocation.
Sectoral initiatives	Sectoral initiatives are targeted to a specific industry and regional industry context; provide training strategies that benefit low-income individuals; and promote systemic change to benefit employers, low-wage workers, and job-seekers.
State Basic Grants	Grants that provide resources to secondary and postsecondary institutions under the Perkins Act.
State Rehabilitation Council	A board that provides oversight and advice on the operations of rehabilitation services agencies in collaboration with the state WIB. Each state is required to have one council but may also have a separate council advising on services provided to the blind.
Subsidized employment	Employment for which the government reimburses an employer for employing and/or training the employed individual. It is also known as transitional employment.
Supported employment	Competitive work in integrated work settings for those who could not achieve competitive employment due to a severe disability and who need ongoing support services to complete that work.
Supportive services	Assistance provided by an agency to help participants in training programs overcome barriers to employment. Common examples include childcare and transportation vouchers.
Tech Prep	A combined secondary and post-secondary program that leads to a specific postsecondary educational outcome and provides vocational/technical training in one or more occupational fields.
Trade Readjustment Allowance (TRA)	Income support available to Trade Adjustment Assistance program participants while they are enrolled in approved training, generally for up to 78 weeks.
Training and Employment Guidance Letter (TEGL)	An advisory letter issued by DOL to the states with interpretations, regulations, and definitions of federal statutes.
Training services	WIA services that are available to individuals who have not obtained or maintained viable employment through core and intensive services. Services include employer-linked programs and classroom-based skills training that lead to a specific occupation.
Unemployment Insurance (UI)	A federal program that provides eligible unemployed persons with cash benefits for a specified period of time. Funds are derived from payments to the government from employees and employers, plus a government contribution.
"Work first"	A philosophy and concept used under TANF and WIA that assumes that the best way for individuals to succeed in the labor market is to join it first and that new workers develop work skills and essential experience on the job.

Workforce development	A term used to describe various efforts to improve the academic and occupational skills of all citizens.
Workforce Investment Board (WIB)	The administrative body for WIA programs, existing at both the local and state levels. WIBs must have representatives from business and labor, as well as from other community groups at the local level. The boards provide planning and oversight of the WIA system.