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\$50 Million Workforce Initiative Being Launched by Foundations, Business and U.S. Department of Labor

*New national fund will help local initiatives move low-wage workers
into careers and meet employers' needs for skilled employees*

Ten Sites to Receive Funding, including: **Baltimore, Boston, Chicago, Los Angeles,
New York City, Pennsylvania, Rhode Island, San Diego, San Francisco, Washington, D.C.**

WHAT: Labor Day week announcement of major new workforce development initiative

WHEN: Thursday, Sept. 6, 2007, 12 noon to 1:30 p.m.

WHERE: National Press Club, 529 14th St. N.W., 13th Floor, Washington, D.C. 20045

EDITORS NOTE: Reporters who are unable to attend event can use conference call-in service.
Call-In Number: 1-800-952-3470, No passcode needed

WASHINGTON, D.C. – Moving to build a stronger workforce and create new career opportunities for workers, a group of top national foundations, the U.S. Department of Labor and other key supporters will announce the launch of the National Fund for Workforce Solutions, a \$50 million 5-year effort to strengthen and expand effective workforce initiatives around the country.

The Fund already has \$15 million invested by the Annie E. Casey, Ford and Hitachi Foundations and the U.S. Department of Labor. Leaders of the Fund are also recruiting additional commitments from foundations, business and the public sector to reach the \$50 million goal.

The Fund expects to work with local initiatives to place at least 50,000 people in career-oriented jobs, leverage more than \$200 million in local funding and provide services to at least 1,000 employers to help them recruit, train and move employees into family-supporting jobs. The Fund has also made it a goal to expand resources and improve the efficiency of workforce development systems in more than 30 regions across the country.

Announcement of the Fund will come during a briefing at the National Press Club soon after Labor Day to highlight the importance of developing a strong American workforce during a time of rapid economic transformation. The Fund seeks to advance two key goals: create new opportunities for lower-wage workers to move into better-paying jobs and careers and meet employers' critical needs for skilled employees. The Fund will support local workforce initiatives through grants, technical assistance, evaluations and other services.

The September 6 event will include Steve Gunderson, president and CEO of the Council on Foundations, Emily Stover DeRocco, assistant secretary for employment and training at the U.S. Department of Labor, and leaders from several national foundations.

"The programs and initiatives that this fund supports will help people develop the skills they need to be economically successful, and that's good for American families, for the economy and for the nation as a whole," said Susan Berresford, president of the Ford Foundation. "The fund seeks to nurture these innovations and to build partnerships in the private and public sectors that reach people in need."

At the event, the Fund will also announce grants of \$450,000 over three years for ten sites, totaling \$4.5 million in funding; six of these grants will go to expand existing projects, with four grants being awarded to new cities. In the now-concluding pilot phase, national foundations supplemented more than \$50 million in local investments in projects that have demonstrated strong results for communities and businesses. Moving forward, the Fund will continue to spur significant investments by local and regional funders to improve and expand local workforce partnership initiatives.

As part of the pilot phase, the Fund provided funding to six projects, each of which will receive renewal grants. The six original sites include: **SkillWorks: Partners for a Productive Workforce, Boston; the Bay Area Workforce Funding Collaborative, San Francisco; Job Ready Pennsylvania; Skill Up Rhode Island; the Baltimore Workforce Collaborative; and the New York Workforce Innovation Fund.**

Each of these sites received investments from the private, philanthropic and public sectors and demonstrate how innovative approaches will meet the needs of both workers and employers. In doing so, these new workforce initiatives are creating opportunities for workers to move into jobs and careers that provide family-supporting wages and benefits.

Innovative new funding collaboratives made up of government, business, foundations, employers and other organizations provide financing and strategic guidance for these workforce partnerships.

The Fund, which anticipates assisting as many as 30 sites over five years, will award new grants to the following four organizations to help them expand their workforce partnerships:

- **The Partnership for New Communities/ Opportunity Chicago**
- **San Diego Workforce Funders Collaborative**
- **Los Angeles Workforce Funder Collaborative**
- **The Greater Washington (D.C.) Workforce Development Collaborative**

“Throughout the country we see employers in growing job sectors such as health care and construction struggling to find qualified workers. At the same time, there are many workers who are eager to improve their skills and move into better jobs that will allow them to support their families,” said Paul S. Grogan, president and CEO of the Boston Foundation, a key participant in the SkillWorks initiative. “We know from experience that public-private collaboratives, like the one we have with the City of Boston and the State of Massachusetts, are key to bringing together workforce partnerships that meet the needs of workers and employers.”

Such high-quality workforce partnerships are needed because the nation faces a shortage of well prepared workers. During the next 20 years, the American workforce is expected to grow by only half of its earlier pace, and the nation will see no growth in the number of native-born workers in their prime working years. In particular, the number of workers with two-year degrees and skill certificates will fall far short of the economy’s needs, while the number of graduates of four-year colleges is expected to remain stagnant. Such a shortage of needed workers will constrain the nation’s economic growth.

Compounding the problem, the nation has a fragmented set of workforce development systems that at times fail to provide services that meet the needs of both low-wage workers and the employers who hire them. One key goal of the Fund is to support regional initiatives that strive to improve public workforce development systems and policies.

“These foundations and others who will join with them in the future are providing major support and a new approach to a pressing societal problem, in partnership with government and business,” said Steve Gunderson, president of the Council on Foundations, an active partner in the Fund. “It is unprecedented that all of these sectors are coming together on such an important project, a partnership I am confident will lead to a stronger workforce system.”

Among the Fund’s partners is United Way of America, which will work to help develop new sites that will be eligible for funding support. Jobs for the Future, a national leader in improving education and workforce training, will assist in implementation, providing fiscal and grant management as well as design, research and technical assistance services to the initiative.

A National Investors Board comprised of representatives of major funders will decide which sites receive future assistance from the Fund. Sites that will be considered must have

strong leadership and the ability to attract significant new funding, and show that they could benefit from additional investments.

“In Boston, we have seen impressive results from our participation in SkillWorks with other hospitals, community colleges, foundations and other organizations,” said Dr. Gary Gottlieb, president of Brigham and Women’s Hospital in Boston, a key employer participating in SkillWorks. “The collaboration has helped us find and hire better qualified workers, and it has given many of our employees the critical skills they need to advance on the career ladder.”

Through SkillWorks, hundreds of employees of Partners HealthCare, the health system that includes Brigham and Women’s Hospital, have received career counseling, graduated from pre-employment training or moved into jobs that will place them on a career track for advancement.

For more information about the National Fund for Workforce Solutions, visit www.nfwsolutions.org.

For media inquiries about the Fund, contact Ed Hatcher, The Hatcher Group, 301-656-0348 (ed@thehatchergroup.com).

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