

THE
FAMILIES &
WORKERS
FUND

2021

Annual Report



Photo credits¹

IN THIS REPORT

Overview

Welcome	03
2021 Highlights	05

Impact

Spotting an Opportunity	06
Impact Goals	09
Lessons Learned	10
Grantee and Partner Spotlight	12

Governance & Operations

Funder Collaborative	16
Values	17
Financial Highlights	18
Governance	19
Appendix	20

WELCOME

A Note From Our Co-Chairs and Executive Director

Friends of the Families and Workers Fund:

In early 2021, as the world was coming to terms with the realities of a prolonged pandemic, the Families and Workers Fund began grappling with what might come next. After operating in 2020 primarily to support trusted, frontline organizations to provide emergency financial relief to some 215,000 struggling workers and families, we brought together our funders and grantee partners to consider the pressing, longer-term needs facing the country—and what role our philanthropic collaborative should play.

Before long, two possible directions emerged: Either we end our rapid response mission and close the Fund at the end of the year, or we transition to focusing on the unique opportunities of the recovery period and laying the groundwork for advancing economic security and mobility for all. With trillions of dollars of federal investments in the pipeline, the business community stepping up to address racial and gender inequities, and essential workers front and center in the pandemic story, we concluded that the time was right for philanthropy to come together and go big to address these longer-term needs. After all, a profound lesson of history is that change doesn't happen incrementally, but in big leaps forward. This is a once-in-a-generation shot for transformational change in our economy, and it requires bold, far-reaching, and collaborative action.

Within just a few months, the Families and Workers Fund revised its strategy to focus on two primary programs and goals: Recover Up, to advance good jobs and career pathways for all; and 21st Century Benefits, to help repair and reimagine the public benefits system for working people—in particular, unemployment insurance. We were fortunate to quickly raise \$40 million from a diverse range of partners to get started—quadruple the amount of our original funding and a strong vote of confidence in our new strategy—and made nearly \$13 million in grant commitments.

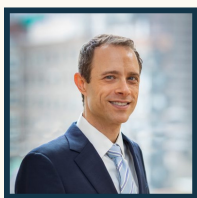
WELCOME

A Note From Our Co-Chairs and Executive Director

We are energized by this exciting and rapid growth and grateful to all of you who have made this vision a reality.

We hope you enjoy learning more about the Fund's activities over the past year and join us in the critical work to strengthen the systems that fuel economic mobility and prosperity in this country.

With gratitude,



Eric Braverman
Chief Executive Officer
Schmidt Futures

A handwritten signature in black ink, appearing to read "E. Braverman".



Darren Walker
President
Ford Foundation

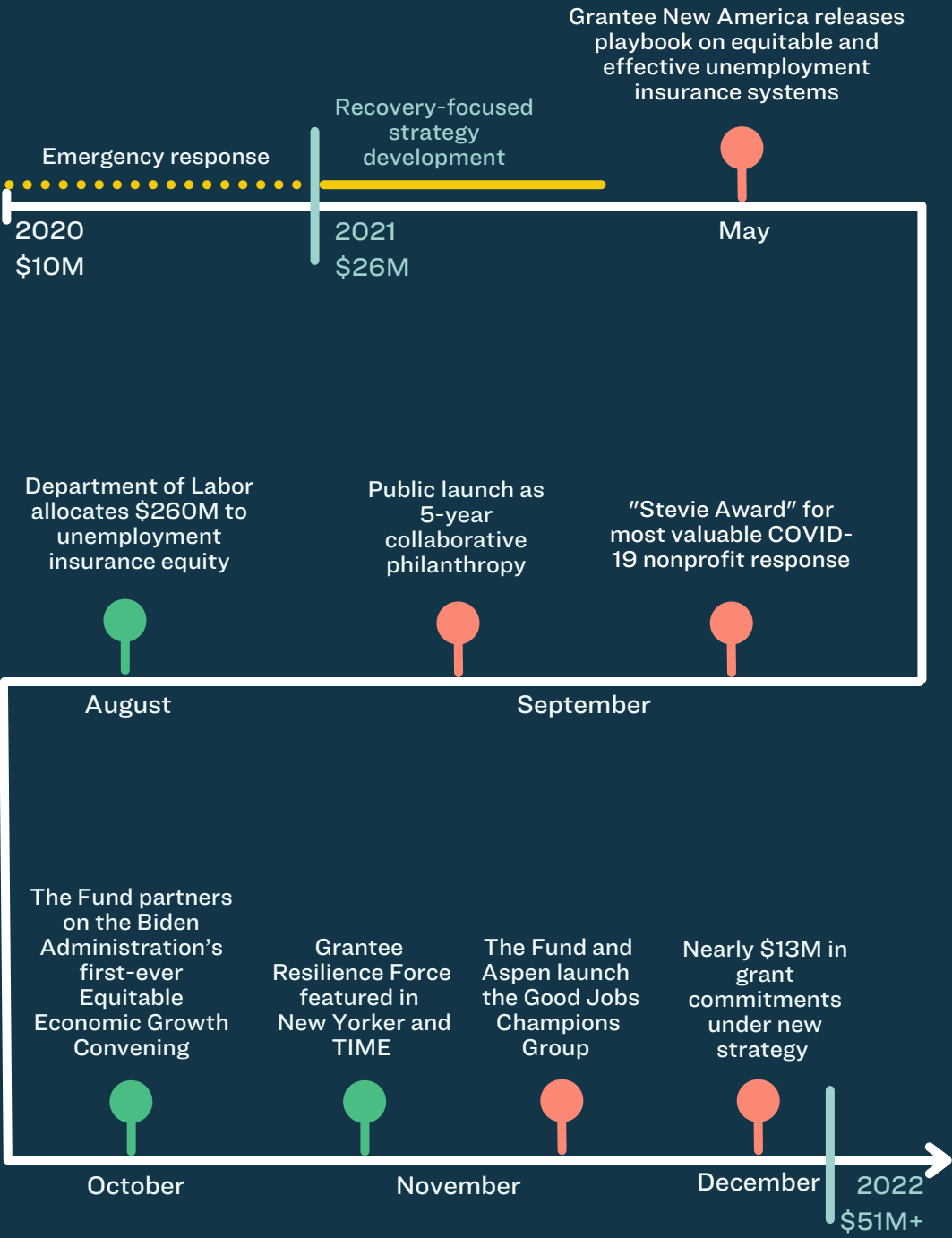
A handwritten signature in black ink, appearing to read "Darren Walker".



Rachel Korberg
Executive Director & Co-Founder
The Families and Workers Fund

A handwritten signature in black ink, appearing to read "Rachel Korberg".

2021 HIGHLIGHTS



- External activity
- Internal activity

SPOTTING AN OPPORTUNITY

A Once-in-a-Generation Opening for Change

As the COVID-19 pandemic tightened its grip on the United States in April 2020, a small group of funders created the Families and Workers Fund to fulfill the immediate goal of helping those trying to stay afloat. With unemployment soaring and incomes falling, essential workers risking their lives every day, and families struggling to pay the rent and put food on the table, we mobilized quickly to support grassroots and frontline organizations to deliver emergency cash relief to those hardest hit by the crisis and most likely to be locked out of existing social safety nets: for example, BIPOC,² immigrants, youth, and women. And as the crisis eventually began to ease, we came to the realization that the national economic recovery represented a unique opportunity to shift the Fund's work from emergency relief to addressing longer-term change, in order to build a more equitable economy that uplifts all.

“

The recovery from COVID-19 is a once-in-a-lifetime shot to rewrite the wrongs that have been hardwired into our economy and workforce. If we can work together now to lay the groundwork for good quality jobs and racial, gender, and economic equity, then on the other side of this pandemic where we have lost so much, we have a chance at emerging in an economy that better uplifts us all.

- Otis Rolley, Senior Vice President, The Rockefeller Foundation
Executive Committee Member, The Families and Workers Fund

”

The Forces of Change

This once-in-a-generation opening is the result of several factors. First, trillions of dollars in federal funding have been allocated for relief and recovery efforts—an unprecedented New Deal-level commitment that has strengthened the role of government as a central force in advancing economic opportunity and equity. The private sector, responding to a nationwide racial reckoning, is making sweeping commitments to diversity, equity, and inclusion (DEI) in nearly every aspect of business, including hiring, board and C-suite representation, and investing and procurement practices.

SPOTTING AN OPPORTUNITY

And more than ever before, there is growing public awareness of and appreciation for the essential workers who have shouldered much of the burden of getting us through the pandemic—alongside the recognition that many of them are having a hard time getting by on low wages and facing job insecurity.

Identifying Areas of Impact

By early 2021, as hope grew that vaccines would help to reduce the harm of COVID-19, we were already working with our co-funders and grantee partners to formulate a new direction for the Fund targeting two critical areas with the potential for advancing system change.

Insecure Livelihoods and Lack of Career Pathways

The pandemic and economic downturn were challenging for everyone, but they were a wrecking ball for the lowest-paid workers, with nearly half rendered jobless at some point in 2020.³

This profound dislocation also underscored how unstable and precarious many of these jobs had been even before the pandemic.

For people who did eventually find employment again during the recovery, they were not guaranteed higher real wages, job security, voice, or a career pathway. BIPOC, youth, and women—who already face disproportionately higher levels of unemployment and underemployment—were and continue to be particularly impacted.

Limited, Inequitable Access to Unemployment Insurance

The surge in unemployment during the pandemic starkly revealed both the inefficiencies and inequities that are baked into our public benefits systems—especially when it comes to accessing unemployment insurance (UI). All-too-common problems facing those trying to get benefits, both before the pandemic and persisting today, include lengthy delays, poorly functioning technology, and the exclusion of categories of work disproportionately done by women, immigrants, and BIPOC (e.g., domestic work and agriculture).

SPOTTING AN OPPORTUNITY

These roadblocks are a result of chronic underinvestment in government; an unfair policy framework that dates back to 1935; harmful, patronizing narratives that stoke mistrust of people in need of UI; and limited feedback mechanisms to improve civic technology.

And while fewer than 30 percent of unemployed people actually get the UI benefits they're due,⁴ white people still receive twice as much as Black people.⁵ For those trying to make ends meet after a job loss, this failure to secure unemployment benefits can make a winter without heat or the delay of necessary medical care a tragic reality, or it can force you to not take the necessary time for a job search and to instead accept a job that may be a dead-end for your career or a pay cut.

Harnessing Collective Wisdom

With these realities in mind, the Fund engaged co-funders, grantees, frontline leaders, and other experts to discuss strategies for building a more equitable economy for all during this unique recovery period. We reviewed existing data and best practices, convened working sessions, and conducted more than 100 interviews with a range of policymakers, leaders in government and business, investors, activists, and experts in economic opportunity. By identifying areas of significant need where short-and medium-term investments would have the most impact, we developed two programs aimed at achieving systemic change.

“

In the early months of the pandemic, Ford Foundation and diverse partners seeded the Families and Workers Fund to rapidly respond to the COVID-19 emergency. In that process we ended up also building an incredible table of funders who worked together in extraordinary ways—pooling dollars, sharing insights, and making joint decisions—to achieve impact at speed and scale. This is the type of collective action that true recovery requires, and that's why Ford felt strongly that we should continue our work together by creating a five-year fund to help build a more equitable economy for all.

- Sarita Gupta, Vice President for US Programs, The Ford Foundation
Executive Committee Member, The Families and Workers Fund

”

IMPACT GOALS: 2021-2025

In 2021, we developed and launched two new program areas—Recover Up and 21st Century Benefits—which have already been supported by an additional \$40 million in funding. By leveraging the historic opportunities presented by the pandemic recovery and building on the strong track record for funder collaboration we developed in 2020, we were able to transition the Fund’s impact goals to address some of the root causes of economic insecurity and inequity.

Recover Up: Jobs that Sustain and Uplift

Make grants and build strategic partnerships with government, investors, employers, and workers to advance jobs that offer family-sustaining pay, benefits, career progression, and respect—and thereby enable economic security and mobility—with a focus on those who have been locked out of the country’s prosperity.

21st Century Benefits: Equitable, Accessible Benefits

Reimagine and repair the public benefits systems that working people rely on—in particular, UI—by supporting the introduction of new technologies, delivery models, and capabilities to improve efficacy and access and end racial, gender, and other disparities.

Target Outcomes

- 1 million people in good jobs and/or career pathways that enable economic security and mobility
- \$500 million leveraged in external funds to advance good jobs and workforce equity
- Proof points for business demonstrate the value of job quality and workforce equity
- Reduced racial and other disparities in UI benefits access
- Tested innovations offer scalable ways to improve public benefits for working people
- Anti-poor narratives blocking progress on benefits access and equity are challenged

LESSONS LEARNED

We learned four major lessons in 2021 that continue to inform our strategy and guide the way we work.

1 Policies are only successful if they truly benefit people's lives.

Over the past two years, legislators have advanced a historic policy agenda, such as expanding UI to gig workers and investing billions in infrastructure development. But the real work is implementing these policies equitably and effectively. For its part, philanthropy tends to focus more on policy innovation and development, and less on how to actually deliver these policies to benefit people.

By collaborating with government agencies, the Fund plays a critical role in putting good policies into practice—thereby advancing economic security, and at the same time building trust in government and strengthening our democracy.

2 Traditional measures of economic success don't tell the full story.

Evaluating the success of the economic recovery using the typical measures of GDP growth or the unemployment rate reveal little about whether the recovery is ultimately working for everyone. These economic benchmarks do not indicate, for example, whether those looking for work are finding good jobs that both enable them to support their families and offer career pathways. Or how that GDP growth is distributed by race, gender, income, and other key variables. Through grants and partnerships with researchers, government, business, and the media, we can demonstrate the more relevant ways to evaluate the impact of a changing economy on people's lives, such as measuring job quality, or the demographic breakdown of unemployment—to see exactly where gains are being made.

LESSONS LEARNED

3 False narratives have an outsized influence on policy—and on progress.

Last year was noteworthy not only for being a year when many smart, evidence-based policies and programs were introduced but also for the countless examples of toxic narratives that persisted and ultimately held back progress. For example, despite a substantial body of evidence debunking the notion that UI discourages people from working—based on longstanding, harmful stereotypes that people living in poverty are lazy or want to take advantage of “entitlements”—this falsehood was used as a pretext to cut UI benefits at a critical time for millions. Such narratives have racist, sexist origins, and they can stymie the potential for policy change. If we are to be successful in fighting economic inequity, philanthropy must also support efforts to change these toxic, not evidence-based narratives.

4 The pandemic and economic recovery brought funders together.

Our more than 20 co-funders have different perspectives, interests, and areas of expertise. For example, some focus on inclusive capitalism and the business and financial practices that deliver opportunity and sustainability. Others target skills, training, and workforce development; are concerned with advancing racial and gender justice; or seek to expand workers’ rights and power. And while we might speak about these issues using different lexicons, there is significant common ground to take collective action on creating an equitable economy in which every person can thrive at a time when the country has a unique opportunity to achieve these goals.



2021 GRANTEE AND PARTNER SPOTLIGHT

To implement our new strategy, we opted for a blended approach that includes both grantmaking and more hands-on coordination and partnerships. Our approach to grantmaking is trust-based, and many of our grants are structured as multi-year general operating support. We focus on organizations whose goals are aligned with one or both of the Fund's two impact areas and score highly against evaluation criteria we developed with our co-funders. These criteria include putting equity and people first; providing viable pathways to scale; and being evidence-based. We identify grantees through our close relationships with frontline leaders, extensive outreach, and open calls for proposals.

Our impact goals sometimes require additional tools beyond grantmaking. To that end, we also leverage our unique position as a collaborative—backed by some of the largest, most diverse funders in the U.S.—to facilitate partnerships with leaders in government, business, and the social sector and/or serve as a convener or coordination hub to address urgent needs or fast-moving opportunities.

In 2021 under our new strategy, the Families and Workers Fund made nearly \$13 million in grant commitments to 13 organizations or initiatives. This builds on the Fund's nearly \$10 million in rapid response grants in 2020, with some of the work supported by those grants still ongoing. We developed strong, collaborative relationships with the government agencies leading key parts of the national recovery agenda and laid the groundwork to do the same with a range of investors and employers interested in advancing good jobs and career pathways.



Photo Credit: The Workers Lab

2021 GRANTEE AND PARTNER SPOTLIGHT

NEW AMERICA 21ST CENTURY BENEFITS GRANTEE

Help government agencies better deliver UI to increase access, reduce racial and other disparities, and increase economic security.

With an extraordinary \$2 billion available in the American Rescue Plan to improve UI delivery, the country needed an in-depth understanding of the problems affecting this critical lifeline to people when they lose their jobs—as well as potential solutions. FWF partnered with New America's New Practice Lab to rapidly develop a key resource—[A Playbook for Improving Unemployment Insurance Delivery](#)—which catalogs the types of challenges people face when trying to access UI and identifies actionable innovations and improvements, many of which have already been piloted and tested in states but not scaled nationally.

“

New America's playbook has been a go-to resource for New Jersey, helping to inform our approach as we modernize the unemployment insurance program with the knowledge of best practices and lessons learned across the country.

- Giuseppe Morgana, Digital Director, State of New Jersey

”

The New Practice Lab has disseminated and continues to share these best practices with government and nonprofit leaders, many of whom are now implementing a number of improvements. For example, an equitable identity verification tool is helping people who may have been denied benefits due to their identity documents or who may have triggered red flag for potential fraud simply due to a history of housing insecurity. New Practice Lab also developed an equitable names test to help applicants—most often, immigrants, women, and BIPOC—who might be automatically rejected by biased algorithms because their names are too short, too long, or contain hyphens.

2021 GRANTEE AND PARTNER SPOTLIGHT

RESILIENCE FORCE RECOVER UP GRANTEE

Build support for vitally needed resilience workers to ensure they have secure livelihoods, professional status, and career pathways.

“

In the era of climate change, mayors across America have become elected emergency managers. After floods and fires, city leaders need help keeping their tax base, which means homes and schools need to be rebuilt and made resilient for the next disaster. Resilience is an urgent political imperative.

- Saket Soni, Executive Director, Resilience Force

”

The increased frequency of climate-change-related disasters such as severe hurricanes and wildfires has made us acutely aware of the work of “second responders,” or “resilience workers,” who take on grueling, physical labor in the aftermath of such events. Yet, all too often, these desperately needed workers—who might be found mucking out damaged homes or helping homeowners prepare for wildfires—are unable to fully support their own families due to low wages and may lack pathways to developing more sustainable, upwardly-mobile careers.

Resilience workers, the demand for whom will only grow in the years and generations to come, deserve the same respect and secure livelihoods white-collar employees enjoy. To that end, the nonprofit Resilience Force, which emerged from post-Katrina New Orleans, is helping these workers emerge from the shadows and attain professional status as a vital part of the workforce. Resilience Force recently earned groundbreaking coverage in media outlets such as [TIME](#) and [The New Yorker](#), highlighting the importance of these workers to the U.S. economy, and is helping to ensure that they are respected and properly compensated and trained as the country mobilizes resources to fight climate change.



2021 GRANTEE AND PARTNER SPOTLIGHT

CONVENING ON EQUITABLE ECONOMIC GROWTH WITH THE DEPARTMENT OF COMMERCE RECOVER UP PARTNERSHIP

Support the federal government to advance good jobs and racial and gender equity as a key part of a national economic recovery.

“

A competitive and equitable economy runs on good jobs. When diverse workers, families, and communities thrive, the American economy thrives.

- Don Graves, Deputy Secretary, U.S. Department of Commerce

”

In November 2021, we partnered with the Department of Commerce and key investors and philanthropic partners to help organize the Biden Administration’s first major conference on equitable economy issues. This event served to reposition equity not simply as a concern for social services, but also as a central goal for the economy as well as the private sector and all government partners.

The summit received widespread media coverage and built momentum for leaders within government who are working to advance an equity agenda and reposition job quality as a critical component corporate DEI strategy. It also catalyzed a number of promising, new initiatives, such as the Good Jobs Champions Group—a new, cross-sector coalition working to advance quality jobs and career pathways, as well as workforce equity.



BUILDING OUR MUSCLE AS A FUNDER COLLABORATIVE

As a philanthropy collaborative, we strive to work closely with our co-funders to shape strategy and impact goals, as well as grow the total resources dedicated to building a more equitable economy that uplifts all. We are proud that more than half of our 2021 funding—more than \$20 million—came from funders that are new to working on economic opportunity, worker, and equity issues.

The benefits of our collaborative structure include connecting directly with frontline leaders and social innovators, as well as accessing a network of both seasoned and new funders to jointly explore the rapidly changing context and strategize about how to use our combined resources and relationships to advance shared goals. In addition, the Fund's dedicated team that oversees grantmaking and analyzes key policy, business, and social movement developments offers invaluable insight, especially to funders with lean teams or those that lack full-time staff in this issue area. We also offer new funders support tailored to their specific interests and goals.

The Skoll Foundation's newly-launched inclusive economies priority aims to support social innovators in driving a transition to a more equitable, longer-term version of capitalism that meaningfully incorporates the needs of traditionally marginalized stakeholders in our economy.

By partnering with the Families and Workers Fund, we have been able to come together with other funders, share information and ideas, and pool resources to invest in key organizations in the U.S. that are working to drive a systems shift to a more equitable and inclusive economic future by centering the needs and priorities of workers, families, and communities who have been left behind for far too long.

- Liz Diebold, Managing Director, Skoll Foundation
Executive Committee Member, The Families and Workers Fund



VALUES

The Families and Workers Fund is guided by a set of core values that influence our overall strategy, grantmaking, and operations.

Committed to Equity

We focus on people who were hardest hit both during the pandemic and overall, with a lens on race, gender, age, disability, LGBTQ+ identity, and immigration status, as well as job stability and income.

Nimble & Strategic

We ensure flexibility and adaptability in our grantmaking so we can address urgent needs while also achieving shared impact goals.

Champion Funder and Grantee Diversity

We continue to pursue diversity among our funders and leverage the unique strengths of the tech, corporate, policy, family, and social justice funders comprising our collaborative. We also embrace diversity in our grantees, whose strategies range from policy innovation and advocacy to employer and investor partnerships.

People and Data-Driven

We aim to be people-informed and data-driven to ensure that grantmaking is guided by both the lived experiences and vision of frontline workers and communities, and rigorous, robust economic data and analysis.

2021 FINANCIAL HIGHLIGHTS

\$51.5 million

Total funds pledged or paid since inception

\$23 million

Total grants pledged or paid since inception

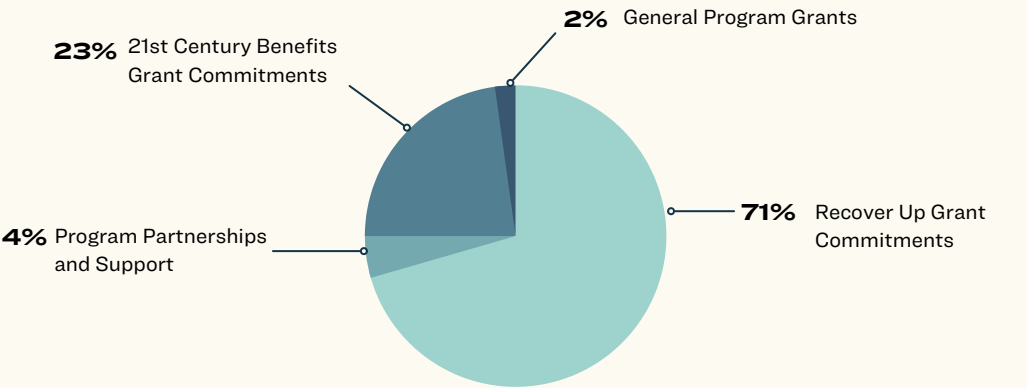
\$40 million

Funds pledged or paid in 2021 (of total funds)

\$12.8 million

Grants pledged or paid in 2021 (of total grants)

2021 PROGRAM EXPENSE BREAKDOWN



*Total operations costs, including our administrative fee to Amalgamated Foundation, range from 4-10% on an annual basis given fluctuations in fundraising and grantmaking.

GOVERNANCE

FUND PARTNERS

Receives regular updates on outcomes

Invited to events for learning and networking

ADVISORY BOARD

Participates in meetings and weighs in

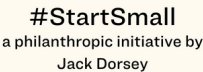
Provides counsel on strategy and grantmaking

EXECUTIVE COMMITTEE

Oversees key decisions and operations

Shapes fund strategy, impact and success

MAJOR CO-FUNDERS



The Families and Workers Fund is a pooled fund housed at Amalgamated Foundation.⁶



APPENDIX

2021 GRANTEES AND INITIATIVES

Recover Up

Better Builder (an initiative of Workers Defense Project)

Improve job quality, including pay and safety, for tens of thousands of immigrant workers in low-paying construction jobs in the U.S. by partnering with local governments to incentivize businesses to adopt worker-developed good jobs standards, impacting thousands of jobs and billions of dollars in construction deals.

Equitable Food Initiative

Improve wages and working conditions for farmworkers—who typically work in low-paying, precarious, and at times unsafe jobs—through a new training and credentialing model, demonstrating to large employers the business value of improving job quality.

Good Jobs Champions Group (Aspen Institute and diverse partners)

Cross-sector champions group develops and publishes a shared framework for good jobs and advocates for its adoption by governments, employers, and investors.

Results for America

Support a cohort of state and local governments to advance good jobs and workforce equity by leveraging the recent influx of federal recovery dollars.

National Domestic Workers Alliance

Test and scale new employer-worker partnership models to improve job quality—including pay, benefits, and voice—for thousands of domestic workers, who are predominantly women of color.

Resilience Force

Improve livelihoods and career pathways for workers in the rapidly growing resilience industry through employer and government partnerships and worker-led narrative change and policy advocacy.

Worker Financial Wellness Initiative (a partnership between JUST Capital, Financial Health Network, and Good Jobs Institute)

Build employer momentum and support for improving worker financial security, beginning with a cohort of large employers that together employ nearly 500,000 people.

21st Century Benefits

New America (New Practice Lab)

Identify and widely share best practices for states to leverage \$2 billion in federal funding to deliver unemployment insurance more effectively and equitably.

UI Equity Small Grants Initiative

Provide grants to up to twelve state and community-based nonprofits to improve equity in the UI system, leveraging \$260 million in one-time federal funding.

2021 GRANTEES AND INITIATIVES

21st Century Benefits (continued)

US Digital Response

Provide civic tech support to states to improve effective and equitable delivery of unemployment insurance, helping to improve the economic security and career pathways for working people and reduce racial disparities in benefits access.

The Workers Lab

Pilot a new innovation to help gig workers and those working in precarious jobs to better access the public benefits for which they are eligible but too often locked out.

General Program/Both Impact Goals

Brookings Institute

Advance worker-informed policy development and innovation for the pandemic and economic recovery.

The Workshop

Support community and worker nonprofits in developing actionable recommendations and new policy impact strategies.

ENDNOTES

1. Cover page photo credits: Resilience Force, The Workers Lab, The Brookings Institution.

2. BIPOC refers to Black, Indigenous, and People of Color.

3. Gallup, Inc. How COVID-19 Affected the Quality of Work (November 20, 2021). <https://www.gallup.com/education/267590/great-jobs-report.aspx>.

4. Eliza Forsythe, University of Illinois, Urbana-Champaign. Understanding Unemployment Insurance Coverage in Early 2021 (February 1, 2021). <http://publish.illinois.edu/elizaforsythe/files/2021/02/understanding-unemployment-insurance-coverage-in-early-2021-version-feb-1-2021.pdf>.

5. Ava Kofman and Hannah Fresques, Propublica. Black Workers are More Likely to be Unemployed but Less Likely to Get Unemployment Benefits (August 24, 2020). <https://www.propublica.org/article/black-workers-are-more-likely-to-be-unemployed-but-less-likely-to-get-unemployment-benefits>.

6. Amalgamated Foundation is a founding partner and serves as the home for the Families and Workers Fund. As a funding platform dedicated to advancing social change, it brings together individual donors, private foundations, social entrepreneurs, corporations of conscience, and activists & advocates to move resources to the frontlines of the escalating and intersecting crises of climate change, rising economic inequality, demands for racial justice, attacks on democracy, and the COVID pandemic. The Foundation operates in partnership with the Amalgamated Bank, the nation's largest socially responsible bank, founded nearly 100 years ago by the members of the Amalgamated garment workers union.



Photo Credit: Resilience Force

THE
**FAMILIES &
WORKERS**
FUND

Thank you for partnering with us to help build
a more equitable economy that uplifts all.



info@familiesandworkers.org