

Creating Jobs and Reducing Recidivism REDF and the Center for Employment Opportunities

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Presentation

- About REDF's work in California
- About the Center for Employment Opportunities
- Questions and Discussion

ABOUT REDF

What is REDF?

- **Founded in SF in 1997 by George and Leanne Roberts as The Roberts Enterprise Development Fund (REDF)**
 - Los Angeles office opens in 2011
 - Provides capital (grants) and business assistance to a ‘portfolio’
 - Tests innovative ideas, replicates successful strategies
 - Supported by philanthropy/public capital
 - *Inaugural recipient of the federal Social Innovation Fund (\$6M over 4 years)*
- **Supports “social enterprises”**
 - Nonprofit-run businesses that “create jobs and pathways to employment.”
 - Focus: men and women, young people and adults who face homelessness, incarceration, addiction, mental illness
- **2011-2015 focus is expansion in California toward scaling of national model**
 - Build the evidence base
 - Demonstrate what works

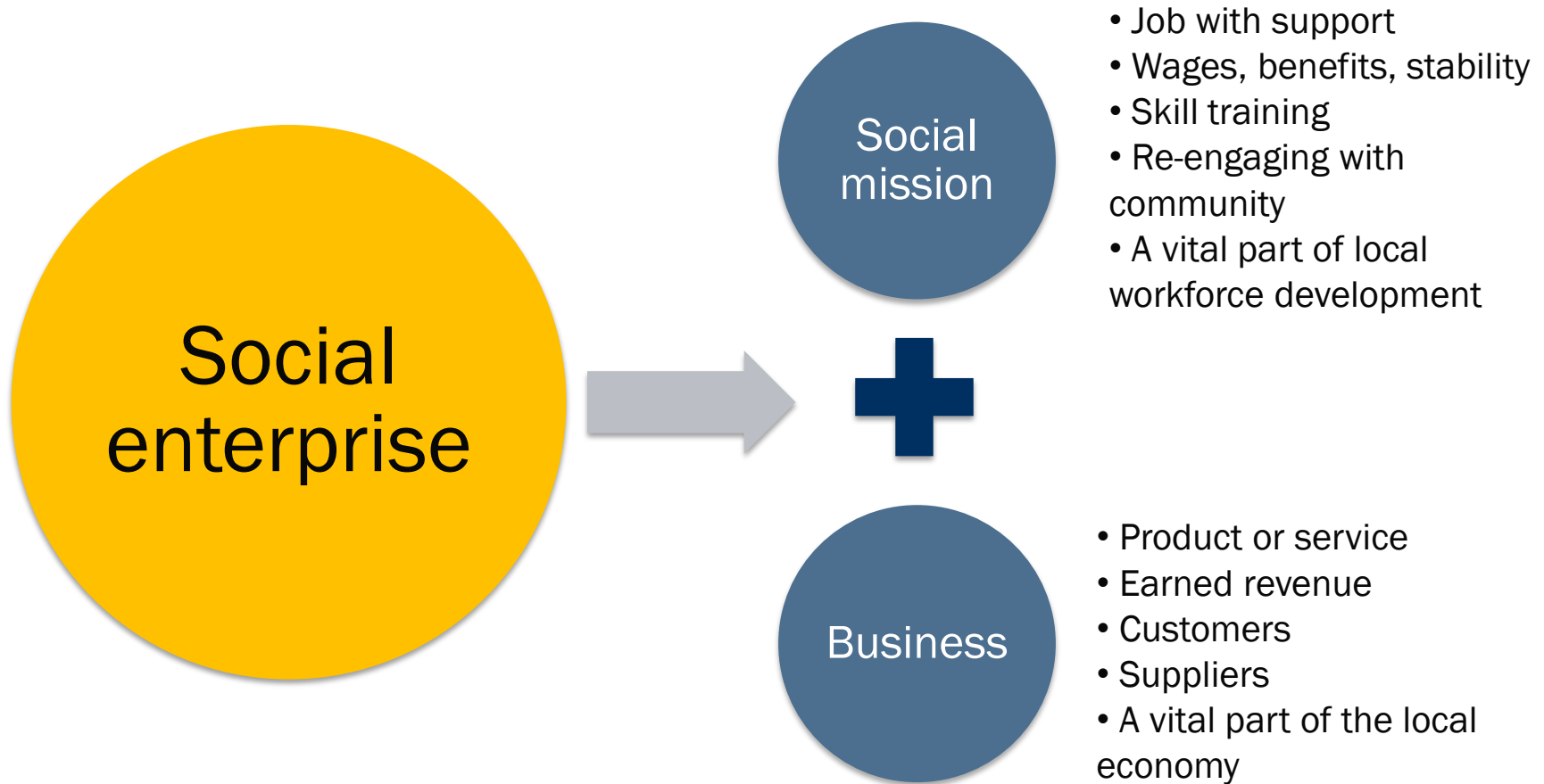
Mission...

REDF creates job opportunities for people with the greatest barriers to work.

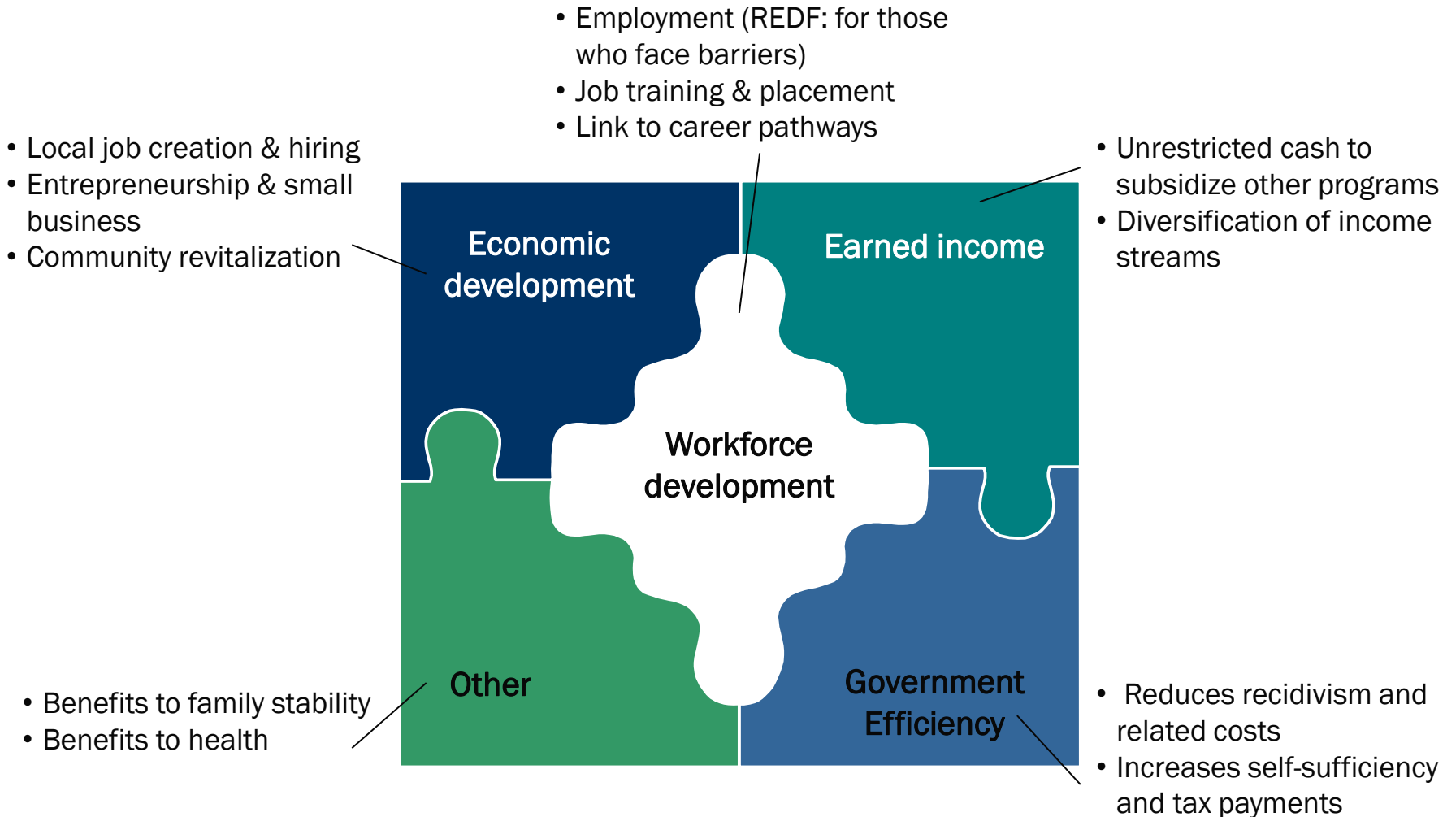
Vision...

Jobs transform lives and communities. We believe the opportunity to work should be available to everyone, everywhere.

REDF's Approach: Nonprofit Social Enterprises Employing Target Population of Individuals Who Face Barriers



Framework: what are the goals of social enterprise?



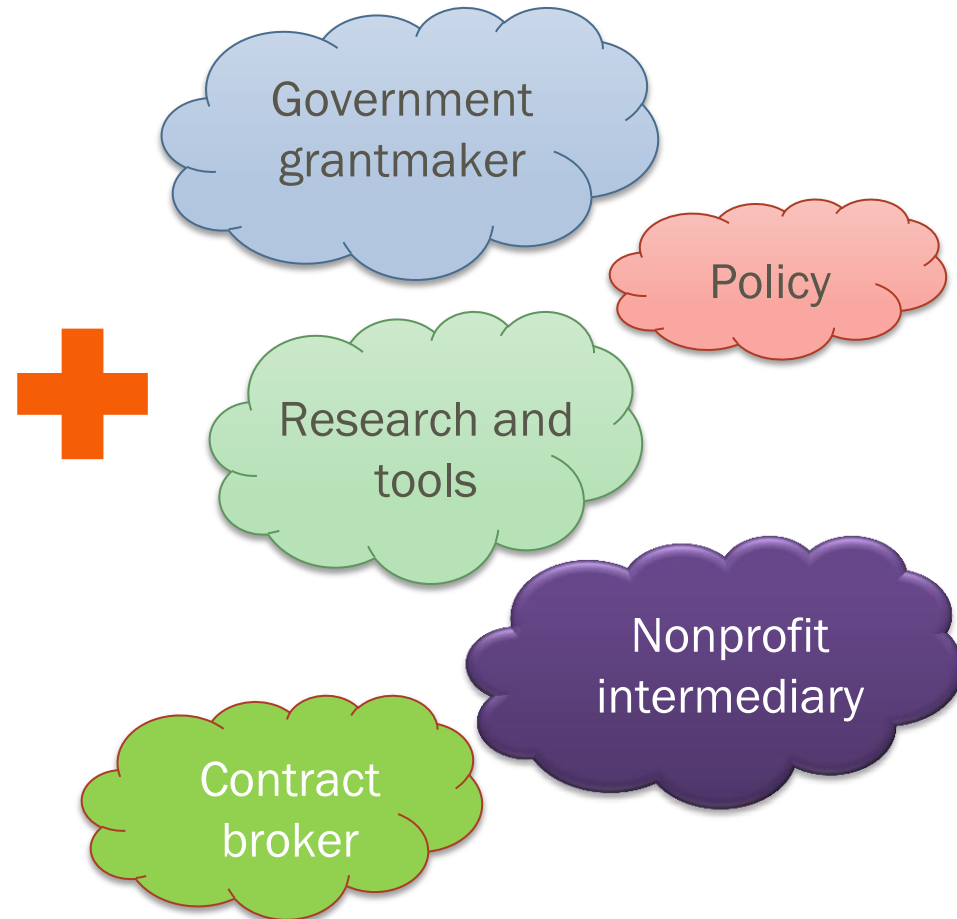
REDF's portfolio approach: "Venture Philanthropy" *Plus*

"Venture Philanthropy"

Grantmaking similar to investing in a startup business

- Intensive due diligence
- Performance-based grants
- Tailored assistance
- Long-term relationship (3-5 years)
- Building a business with effective supports
- Hands-on, trust-based relationship
- Facilitating networks

Plus a few other roles:



Results to date



- Success for People: 7,500+ people in jobs
 - 77% of those interviewed still employed two years later
 - 31% average wage increase
 - 90% average monthly income increase



- Success for Nonprofits: \$135+M in earned revenue
- Success for Society: Net costs reduced
 - Wage-earners now pay taxes; reduction in public assistance
 - Reduction in recidivism rates long-term

REDF's current and past portfolio of social enterprises

Current Portfolio



PEOPLE'S HARVEST
Janitorial
Café
Fresh-cut Produce

BLUE SKIES
CLEANING SERVICE



SOLUTIONS SF
Desk clerk staffing
Maintenance
Bedbug remediation



GREEN STREETS
BERNAL HAYES PLAZA
Multifamily housing
recycling, janitorial,
property mgt.



CEO CENTER FOR EMPLOYMENT OPPORTUNITIES
change that works
Maintenance
work crews



GOODWILL
of Silicon Valley
Thrift stores,
contract assembly,
e-commerce,
mattress recycling



COALITION RESPONSIBLE COMMUNITY DEVELOPMENT
Neighborhood and
Community
Beautification



CHRYSALIS ENTERPRISES
Street cleaning
Staffing services



360 SOLUTIONS
Pest control services



HOPE BUILDERS
Hammers, Hinges, and Hope
General contracting/
construction



community resource center
Thrift stores

Past Portfolio



new door ventures
Bicycle shop
Screen printing



SAN FRANCISCO CONSERVATION CORPS
Special events
recycling
Light construction



SP
Electronic
waste
recycling



RUBICON PROGRAMS
Wholesale bakery
Landscaping



Juma VENTURES
Ballpark and
stadium
concessions



COMMUNITY GATEPATH OF NORTHERN CALIFORNIA
Landscaping
Assembly

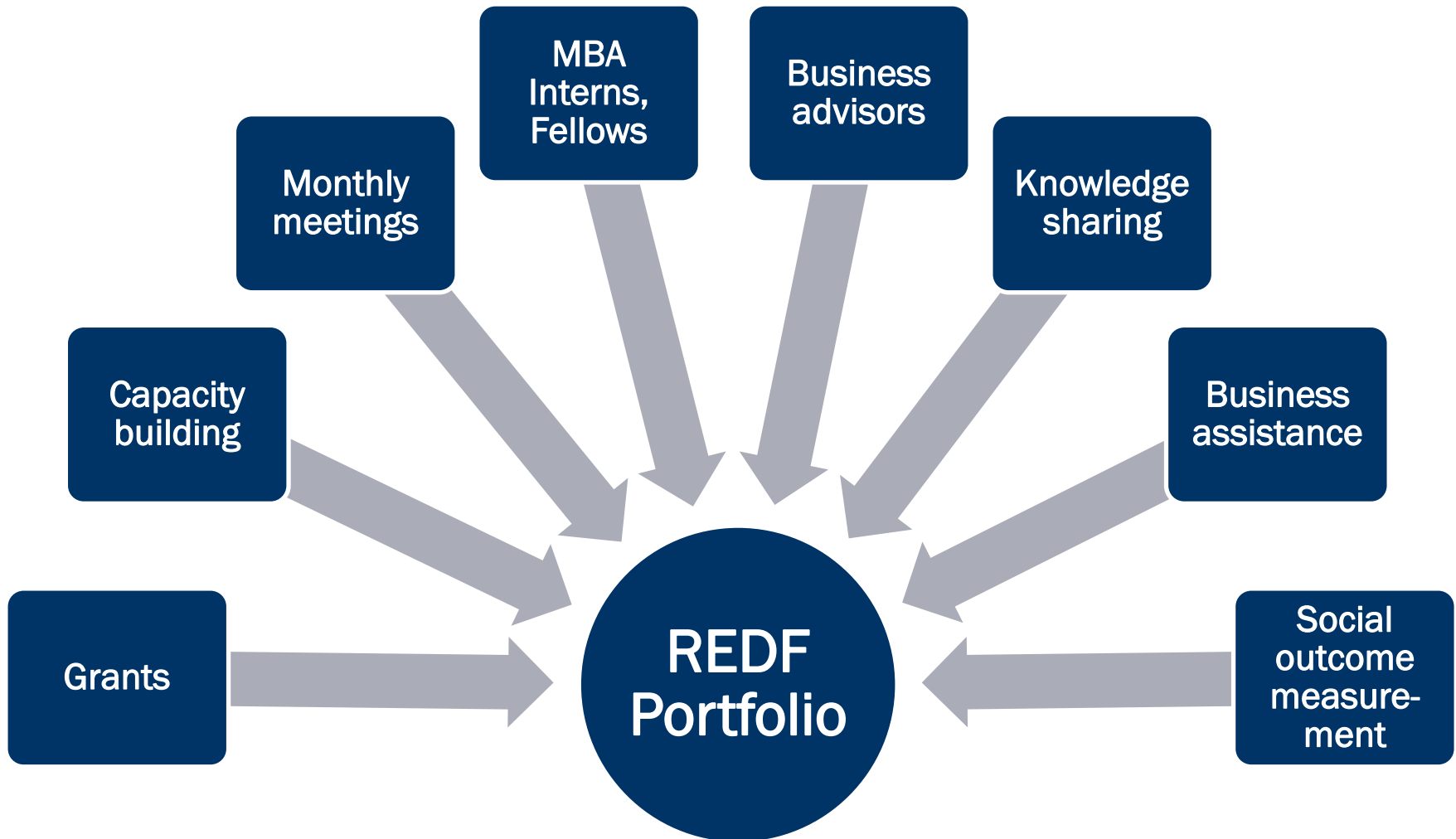


cve
Janitorial
Clerical services
Café and catering



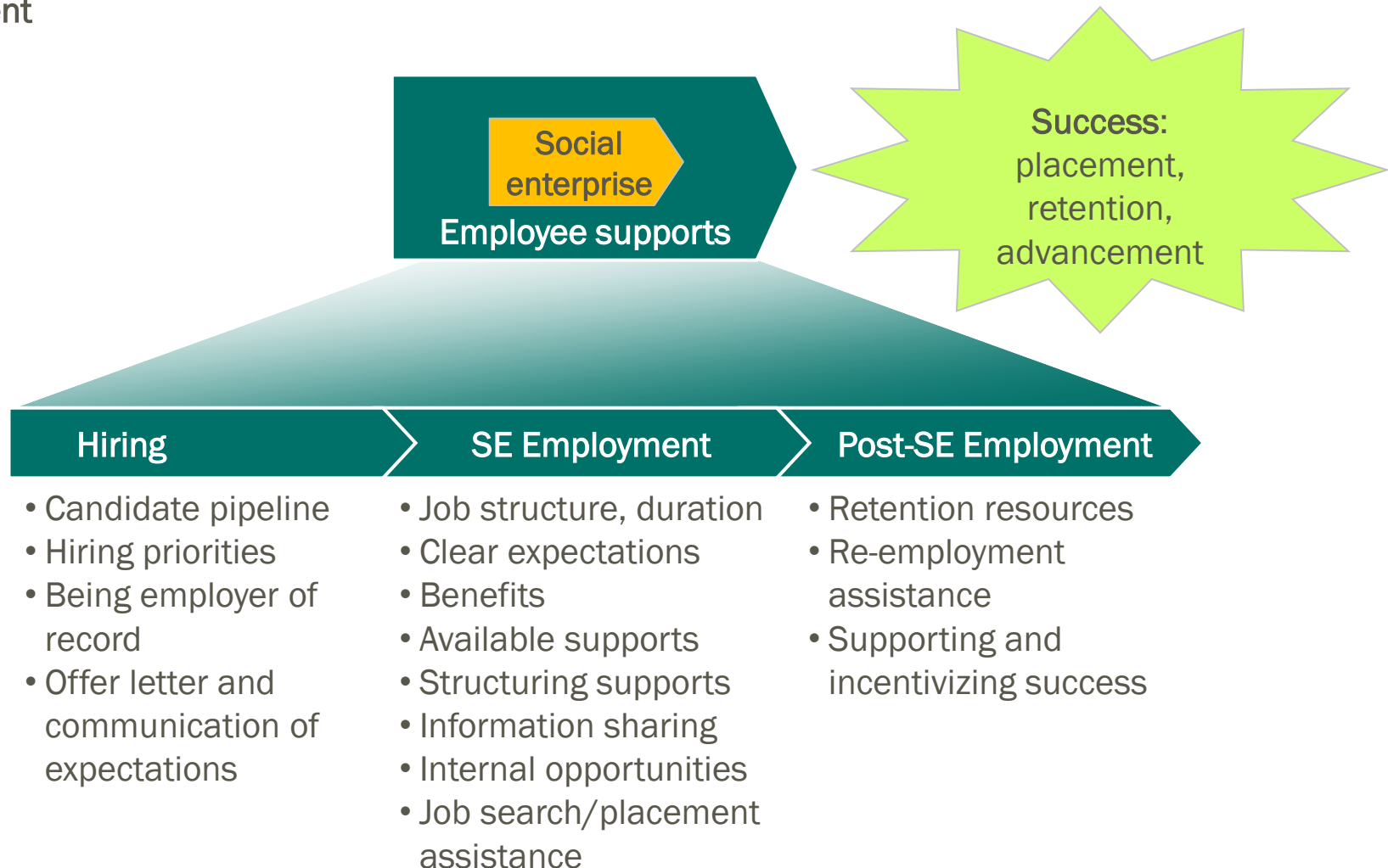
CLEAN CITY
Street cleaning
Graffiti removal

REDF works with portfolio in various ways



In addition to business assistance, REDF provides guidance on employee supports program design

Employee Supports: The supports and services that help workers secure, succeed and advance in employment



REDF's 2011-2015 strategy

Goal 1: Employ Thousands of Californians Facing the Greatest Barriers to Work

- 2,500 people employed by 2015
- 70% remain employed one year later
- Expand to new California communities



1997-2010
Bay Area portfolio



2011-2015
California portfolio

Goal 2: Develop a Nationally Scalable Social Enterprise Model

- Demonstrate in CA what works
- A national market for social enterprise
- Measure social return on investment
- Refine and share tools and knowledge



2011-2015 and beyond
National social enterprise model

A social enterprise that reduces recidivism

CENTER FOR EMPLOYMENT OPPORTUNITIES



Mission. The Center for Employment Opportunities (CEO) is dedicated to providing immediate, effective and comprehensive employment services to men and women with recent criminal convictions

Vision. CEO's vision is that anyone returning from prison who wants to work has the preparation and support needed in order to find a job and stay attached to the labor force

Evidence based practice. CEO has been proven to reduce recidivism through a 3 year random assignment trial

Outcomes. In the past decade, CEO has made over 15,000 job placements for people under criminal justice supervision

THE CEO MODEL: OVERVIEW AND OUTCOMES



JOB READINESS TRAINING

3,300+ Enrolled
Annually

TRANSITIONAL EMPLOYMENT

Average 275
Participants
Working Every Day
On 45+ Work Crews

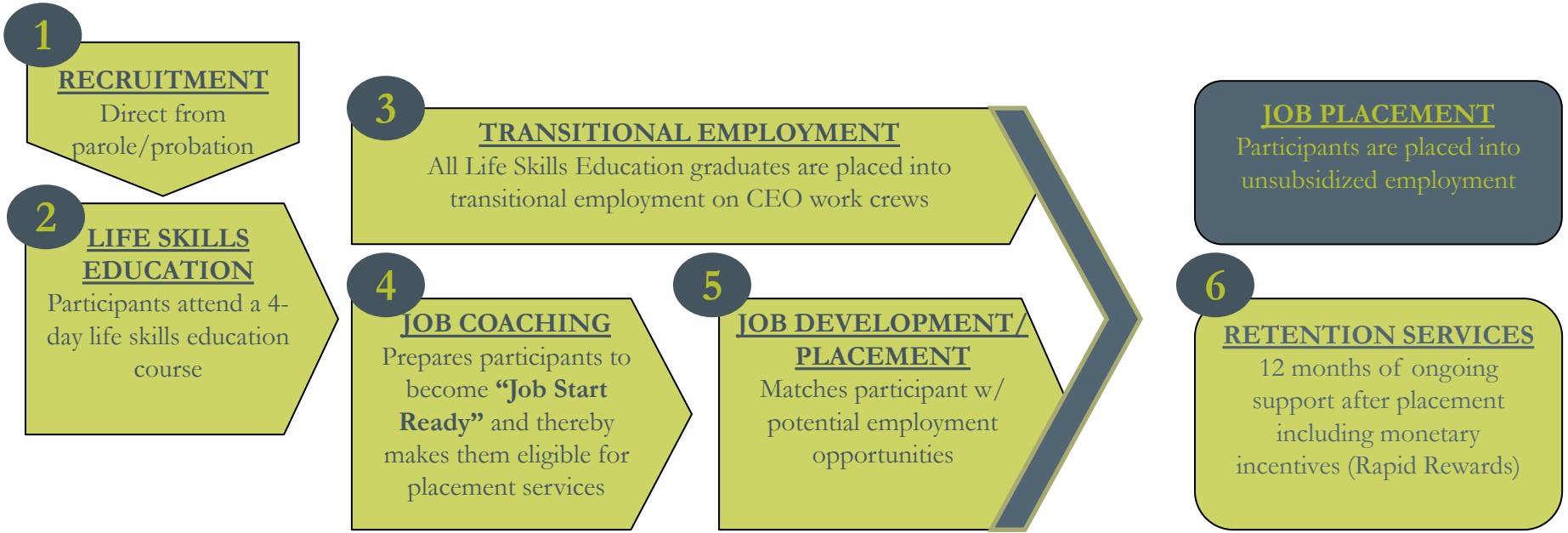
FULL-TIME PLACEMENT

1,666 Placements
In FY 2012

ONE YEAR FOLLOW UP

Up to \$500 in
Retention Incentives
available to
participants

CEO PROGRAM MODEL: Meets Immediate and Long term needs



“Honestly, if I didn’t come here, I’d probably end up going back to prison ...Not only did it put money in my pocket, but the job kept me balanced and gave me something to look forward to.”

- Juan Cortez, CEO-Oakland

CEO EVALUATION RESULTS

In 2012, MDRC released the results of a three-year random assignment evaluation of CEO, sponsored by the US Department of Health and Human Services

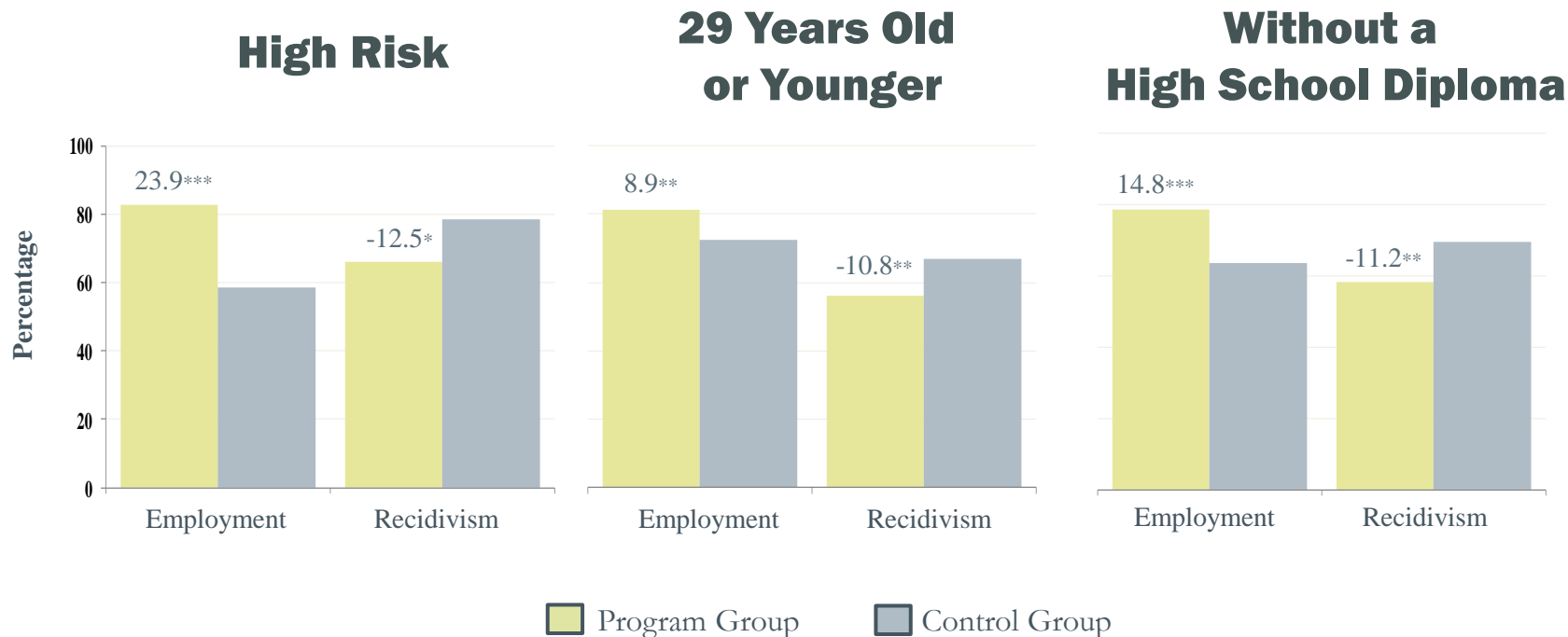
CEO's Impact on...	Finding	Outcomes
Public Safety	Statistically significant reductions on all measures of recidivism	Over 20% reduction in reconviction and returns to incarceration
Employment	Substantial increase in employment early on & some positive impacts on long term employment for some populations	1 st year improvements were substantial (44%), but faded over time
Public Spending	Nearly 4:1 Benefit: Cost Ratio	Up to \$3.85 saved for every tax payer dollar spent

BEST RESULTS WITH HIGHER RISK CLIENTS

These results were driven by those recently released from incarceration.

To see the full report visit: <http://www.acf.hhs.gov/news/press/2012/NYEmployExPrisoner.html>

THREE YEAR IMPACTS: INCREASED EMPLOYMENT, REDUCED RECIDIVISM

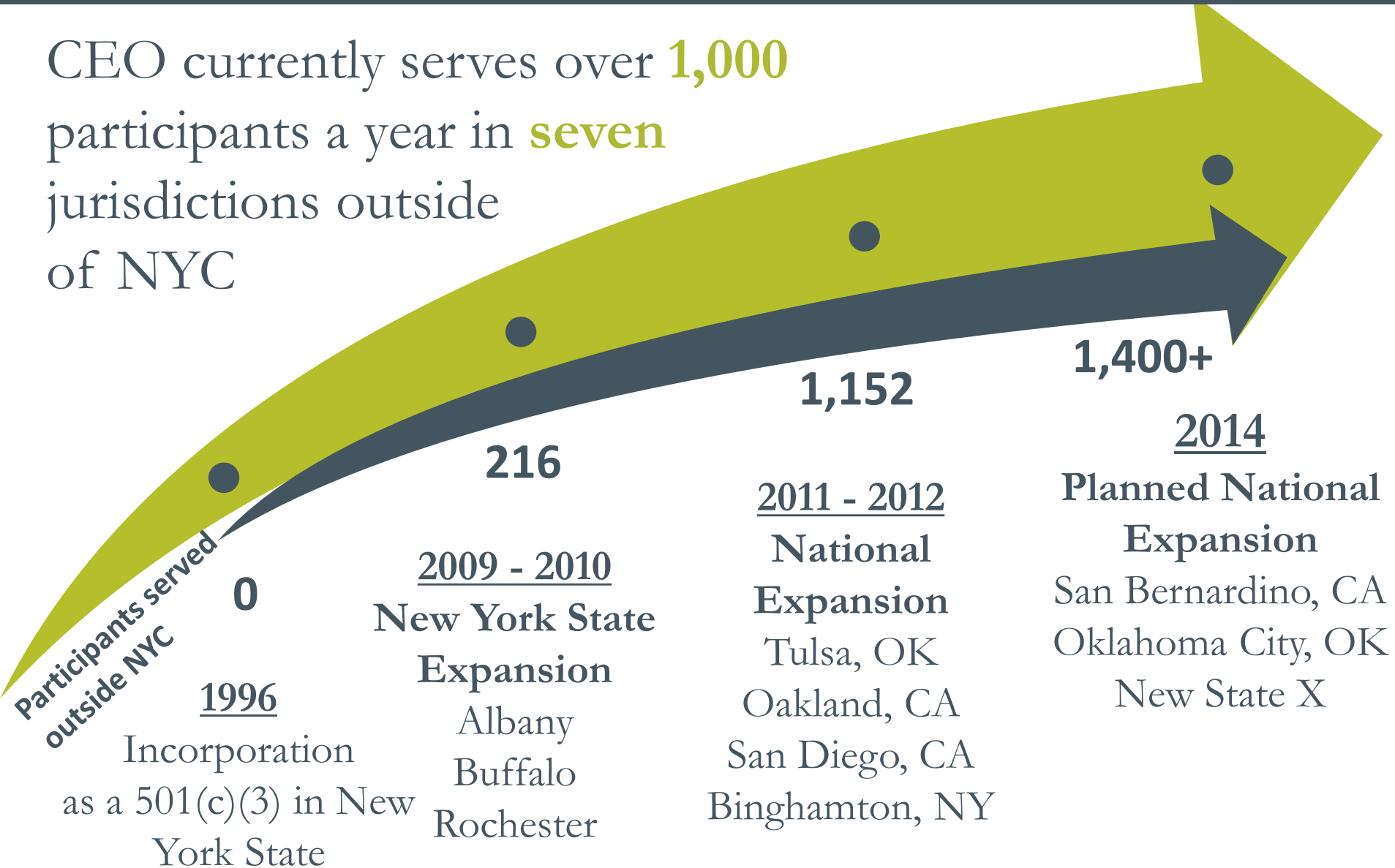


Employment outcomes for participants who had any employment (subsidized or unsubsidized).
Recidivism outcomes for participants who have ever been incarcerated.

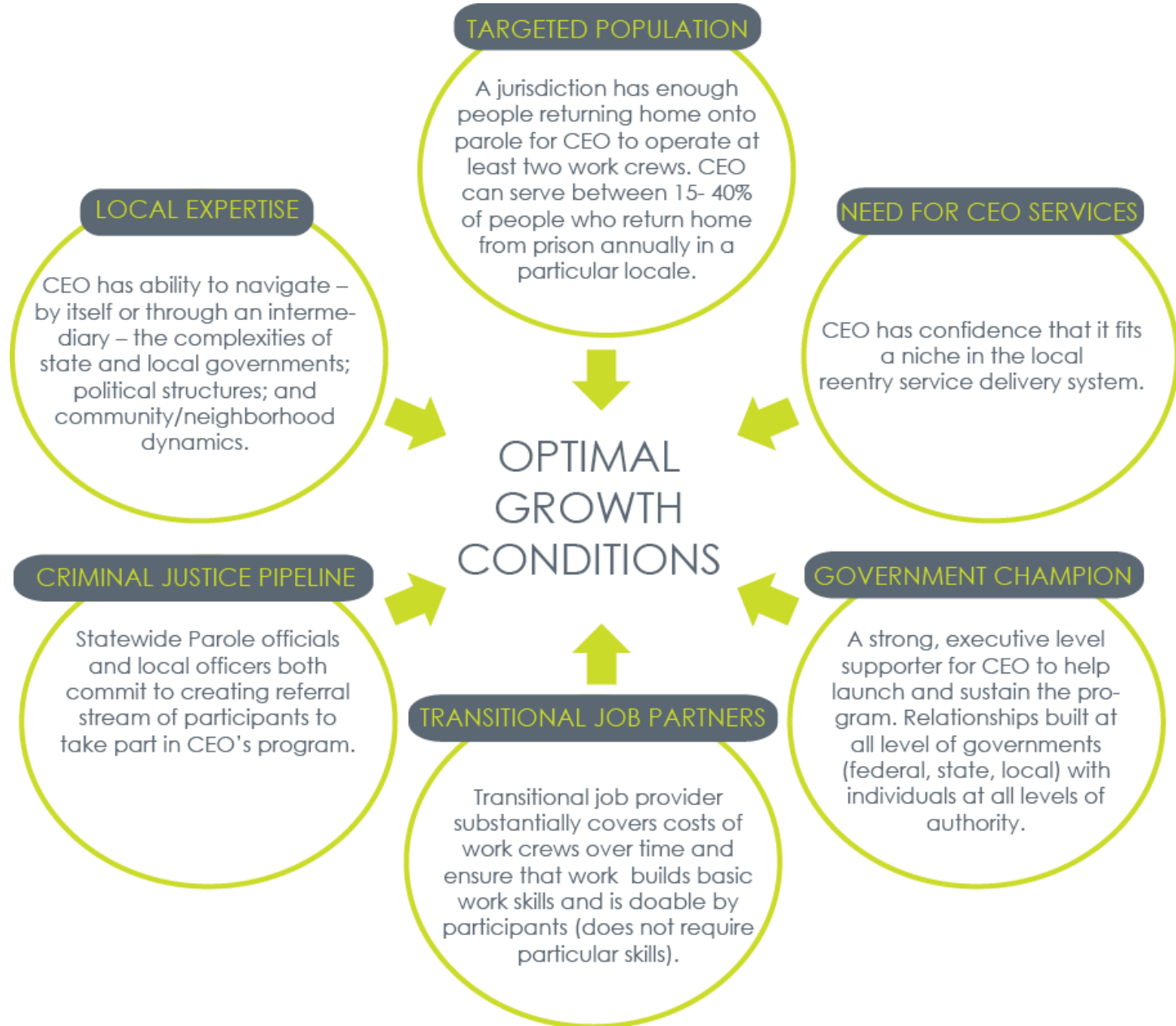
Statistical significance levels are indicated as: *** = 1 percent; ** = 5 percent; * = 10 percent.

CEO EXPANSION TIMELINE

CEO currently serves over **1,000** participants a year in **seven** jurisdictions outside of NYC



KEY CRITERIA FOR GROWTH



CASE STUDY: CEO SAN DIEGO PROGRAM ACCOMPLISHMENTS

Since CEO San Diego opened in December 2011, the office has:

– Served high need participants:

- **90%** had no work experience
- **62%** had no HS Diploma
- **25yrs** median age



– Enrolled **189** participants

– Provided paid transitional work to **175** participants

– Made **79** full-time job placements



CEO Work Crew Customers In California



CEO CALIFORNIA GROWTH PLAN

GOING TO SCALE: After establishing an initial footprint in three high impact counties, CEO will focus on expanding the capacity of these offices by increasing the number of transitional work crews in each location.



Goal: Secure sustainable customers in each location to enable social and business objectives

Position CEO well to build diverse customer base and pursue seasonal work and more project based opportunities

Achieving greater impact may require building off existing presence and expanding into new jurisdictions such as Los Angeles

CEO-CA Annual Service Capacity

	2013	2015
Alameda	150	375
San Bernardino	Launch	375
San Diego	150	375
Total Annual Capacity		1,125

**If people don't have a job, they don't have hope.
And if you don't have hope,
what do you really have?**

George R. Roberts