



Investing in Employment and Hope

**FOR IMMEDIATE RELEASE**

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**REDF RECEIVES \$7 MILLION FEDERAL GRANT TO EXPAND SOCIAL ENTERPRISE SOLUTIONS FOR PEOPLE FACING GREATEST EMPLOYMENT BARRIERS**

***Unprecedented social enterprise investment will enable evidence-based workforce development program to reach underserved people across the U.S.***

- New grant represents largest U.S. government investment to date in social enterprise for those facing the greatest employment barriers and brings total funding since 2010 to \$22 million – with an additional \$7 million to come from private sources.
- Independent research shows that every \$1 social enterprises spend returns \$2.23 in benefits to society.
- One year after starting work, the income of people employed by these social enterprises increased 268%, income from government benefits dropped from 71% to 24% and housing stability tripled.

SAN FRANCISCO (August 11, 2015) – Today, REDF announced that it has received a federal grant from the Social Innovation Fund (SIF) program, totaling \$7 million over the next two years which it will match with \$7 million in private funding. These funds will mobilize public and private support to invest in social enterprise solutions to create jobs for those facing the greatest employment barriers, like young people who are disconnected from school or work, people who've been in prison or experienced homelessness and those who live with mental health disabilities.

This new award is in addition to \$7.5 million that the SIF invested in social enterprise from 2011-2015. The total of \$14.5 million is the largest federal investment ever in U.S. social enterprise. REDF will match it dollar for dollar with private support, and the enterprises it funds will also provide a match. Through this additional SIF funding, REDF will develop even more rigorous evidence of the results of social enterprise for the people employed and for taxpayers, and will expand the funding and business advice it delivers in California and to other parts of the country to put thousands more people to work.

An [independent study by the widely respected organization Mathematica Policy Research](#) of seven social enterprises supported by REDF shows that every \$1 social enterprises spend returns \$2.23 in benefits to society. One year after starting work in a social enterprise, the income of people employed by these social enterprises increased 268%, income from government benefits dropped from 71% to 24%, and housing stability tripled.



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“With the support of the Social Innovation Fund, REDF has been able to expand and conduct rigorous research on social enterprises demonstrating it as a cost-effective solution that delivers results,” said Damian Thorman, director of the Social Innovation Fund. “The Social Innovation Fund is proud to support the scaling and further evaluation of this impactful solution to locations in California, as well as in the West, Midwest, and South.”

“Social enterprises earn and reinvest their revenue to provide more people with jobs so that they participate in the economy and contribute to their community while building skills. This is a financially sustainable model that includes business as a core part of the solution, helping government spending achieve impact and go farther by leveraging private resources,” said Carla Javits, REDF president & CEO. “It is time to scale up the effort throughout California and in other parts of the country.”

“This investment reinforces an American ideal that is central to our collective identity and sense of dignity, hope and belonging – that every person should have an equal opportunity to achieve success and prosperity through hard work, determination and initiative.” said Javits.

The Social Innovation Fund is a powerful approach to transforming lives and communities, an approach that positions the federal government to be a catalyst for impact – mobilizing private resources to find and grow community solutions with evidence of results. As part of the SIF program, REDF must match the federal funds dollar-for-dollar and again by the organizations they select to receive grants. To date, REDF has received Social Innovation Fund matching investments from private funders including Bank of America, the Kresge, Weingart, Annie E. Casey, Woodcock, California Wellness, F.B. Heron, Kellogg, San Francisco and California Community Foundations, The California Endowment, JP Morgan Chase, and many other foundations and individual donors.

“Our partnership with REDF on the Social Innovation Fund program exemplifies the power of partnership when we as business leaders can join forces with innovators in social enterprise and government to address a long-term unemployment challenge facing communities across the country,” said Kerry Sullivan, president, Bank of America Charitable Foundation.

“The SIF awards to REDF represent an unprecedented U.S. government investment in social enterprise as a powerful and proven workforce development solution,” said Jim Schorr, president & CEO of the Social Enterprise Alliance. “Through its leading work, REDF continues to add rigor and scale to the social enterprise community.”

In the next several months, REDF will hold an open competition to select community-based organizations to receive sub-grants of at least \$100,000 per year for periods of three to five years. The selected organizations will expand their reach to impact more people and will participate in evaluations to continue learning about what works and continue to build the evidence base for greater investment.

REDF’s current portfolio of nonprofit organizations includes: [Center for Employment Opportunities](#), [Chrysalis](#), [Coalition for Responsible Community Development](#), [Community Housing Partnership](#), [Goodwill of Silicon Valley](#), [Taller San Jose](#) and [Weingart Center for the Homeless](#). To learn more about REDF’s current portfolio visit <http://redf.org/what-we-do/invest/>.

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# REDF

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REDF creates jobs and employment opportunities for people facing the greatest barriers to work – like young people who are disconnected from school or work, people who’ve been homeless or in prison, and people with mental health disabilities. Founded in 1997 by George R. Roberts (KKR), REDF provides funding and business expertise to mission-driven organizations in California to launch and grow social enterprises, which are businesses with a “double bottom line” that make money in order to employ people with multiple barriers to employment. REDF has helped thousands of people in California get jobs and find hope. Now REDF is taking best practices learned from 18 years of experience to grow their impact nationally and put hundreds of thousands of people to work. For more information, follow REDF on Twitter at [@REDF\\_CA](#) or visit <http://redf.org/>.



The [Social Innovation Fund](#) is a program of the [Corporation for National and Community Service](#), a federal agency that engages more than 5 million Americans in service through its AmeriCorps, Senior Corps, Social Innovation Fund, and Volunteer Generation Fund programs, and leads the President's national call to service initiative, United We Serve.