

# REDF

Investing in Employment and Hope

## To build a more inclusive society, start with a job.



### GRANTEE PROFILE

**AGENCY:** Center for Employment Opportunities (CEO)

**FOUNDED:** Created by the Vera Institute of Justice in the late 1970s, CEO has been operating as an independent corporation since 1996.

**LOCATION(S):** California, New York (NYC headquarters), Oklahoma, Pennsylvania

**SOCIAL ENTERPRISES:** Maintenance and custodial services social enterprise.

**TARGET POPULATION:** Men and women under criminal justice supervision

**JOINED REDF PORTFOLIO:** 2011

**PEOPLE EMPLOYED:** 1,322 (San Diego, Oakland and San Bernardino)

### CEO's Mission and Vision

Center for Employment Opportunities' vision is that anyone with a recent criminal history who wants to work has the preparation and support needed to find a job and to stay connected to the labor force. Advancing this vision through its mission, CEO provides immediate, effective and comprehensive employment services to men and women with recent criminal convictions to help participants regain the skills and confidence needed for successful transitions to stable, productive lives. Serving over 4,000 participants annually, CEO has expanded over the past seven years and currently operates 11 offices across four states: Albany, Binghamton, Buffalo, New York City, and Rochester, New York; Tulsa, and Oklahoma City, Oklahoma; Philadelphia, Pennsylvania; Oakland, San Bernardino, and San Diego, California.

In a random assignment evaluation conducted by the independent research firm MDRC, after three years of follow-up, CEO was shown to create statistically significant reductions in all measures of recidivism for individuals recently released from prison, including arrests, convictions, and incarceration. The findings showed a 20% reduction in reconvictions and returns to incarceration. In addition, the study also found that CEO created total taxpayer benefits of up to \$3.85 for every \$1.00 spent, primarily in the form of reduced criminal justice expenditures.

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people in jobs and a new life.

## PERSONAL SUCCESS STORY:

At 15, Michael was incarcerated for a gang-related murder. He spent 17 years in prison. When he came out, he didn't have much hope of finding a job, until he walked through the doors of CEO. There, he got the training and support he needed to succeed. "A job is so much more than a paycheck. It's a door back into society. Work helped me overcome the obstacles I faced coming out of prison. Employers should know, when you give someone who was incarcerated a second chance, they will be some of the best employees you can ever hire." After working as a customer service supervisor, having been promoted after only 3 months, Michael is now a case manager for a nonprofit working for juvenile and criminal justice reform. He's also working toward his BA, is an advocate in the anti-recidivism movement, and regularly visits the CA Senate to tell his story and urge support for prison reform legislation.

## About REDF

REDF is the only venture philanthropy in the U.S. that invests exclusively in the growth of social enterprises — double bottom-line businesses that provide jobs and support to people who want to work, but who face formidable barriers to employment.

Since 1997, REDF has provided seed and growth capital and specialized advisory services to over 60 social enterprises in California, which have earned and reinvested in their businesses more than \$163 million in revenue and employed over 11,000 people, helping spending for government programs go further while improving lives and communities.

Now REDF is expanding the impact of its work nationally, building the field, deepening the evidence base to demonstrate the value of social enterprise, and partnering with some of the most effective and innovative social enterprises around the country to strengthen their business, scale their impact, and help tens of thousands more people transform their lives and futures.

## REDF's Investment in CEO

**CAPITAL:** More than \$1.39 million over 5 years to support CEO's expansion into California and demonstrate the viability of using an existing program in new locations.

**MARKETS:** REDF has actively partnered with CEO to expand into California, enabling them to create hundreds of jobs for people coming out of the criminal justice system, demonstrating the scalability of social enterprise and the CEO model. Leveraging our California business and government contacts and know-how, REDF brokered a \$1.5M contract between CEO and CalTrans, allowing CEO to expand and open their first California office in Oakland. The expansion continued and CEO opened offices in San Diego and San Bernardino, CA, with plans to open offices in San Jose and Los Angeles in 2016. REDF continues to work with CEO to explore and develop new business and financing opportunities in California to further demonstrate the positive benefits and cost savings of social enterprise employment for people coming out of incarceration.

**KEY SUCCESSSES:** Coupled with the capital investment, REDF has helped CEO build their capacity by providing over 16 business assistance projects, including:

- Provided resources to assist with the business development and outreach required to prepare for the pending launch of the Santa Clara office.
- Assisted in creating an economic advancement framework for CEO's strategic plan which aims to enhance CEO's core services with career pathway and skill building opportunities alongside financial empowerment services. Support included development of new Economic Opportunities Manager position, as well as assistance in successfully obtaining the first two California Workforce Investment Board grants in CEO California's history.
- Facilitated connections to local government officials to assist CEO in laying the groundwork for a Los Angeles office.

**IMPACT SNAPSHOT:** Since joining our portfolio in 2011, REDF's work has helped CEO employ nearly 900 more people, and open up three additional offices.