Recognizing enterprising individuals who are helping Americans realize their full potential as citizens and members of society
The Manhattan Institute Award for Social Entrepreneurship honors nonprofit leaders who have found innovative, private solutions to address some of America’s most pressing social problems. Up to five Social Entrepreneurship Award winners are selected each year to honor organizations ten years old or less that have demonstrated both effectiveness and the promise of significant impact. A prize of $25,000 is presented to the organization founded or led by the award winner. In addition, a lifetime achievement award and a $100,000 prize are presented to the leader of an organization at least 20 years old that has been both demonstrably effective and widely influential.

What Is a Social Entrepreneur?

Throughout our history, the United States has been distinguished by the capacity of citizens to address social problems through new organizations established through their own initiative. From Clara Barton and the American Red Cross to Millard Fuller and Habitat for Humanity, Americans have consistently come forward, without prompting or assistance from government, to organize nonprofit action to improve American society by providing services to those in need. It is those who follow in such footsteps whom the Manhattan Institute Social Entrepreneurship Award seeks to recognize.

The characteristics of winning organizations have included:

- Energetic founding leaders with a strong vision;
- Provision of specific services to a clearly-targeted group of those in need;
- Creative, entrepreneurial ways to meet the organization’s goal;
- Significant earned income and a diverse base of donors;
- Clear and measurable results; and
- Use of volunteers.

The Social Entrepreneurship Award program is supported by funds from the J. M. Kaplan Fund, William E. Simon Foundation, Nick Ohnell, and Carol F. and Joseph H. Reich. Howard Husock, vice president for policy research at the Manhattan Institute, is director of the program.

For both the annual award and the Simon Prize, nominations may be submitted by anyone familiar with a person’s or group’s activities except for a current employee of that person or group. Award applications for 2009 are available online at www.manhattan-institute.org/se after January 23, 2008, and will be accepted until March 20 of that year. Winners are selected by the Manhattan Institute with the assistance of the following selection committee: Howard Husock, vice president, Manhattan Institute, and director, Social Entrepreneurship Initiative; Anne Marie Burgoyne, portfolio director, Draper Richards Foundation, San Francisco, CA; Cheryl Keller, foundation consultant, Rye, New York; Leslie Lenkowsky, professor of public affairs and philanthropic studies, Indiana University, Bloomington; IN; Adam Meyerson, president, the Philanthropy Roundtable, Washington, D.C.; Lawrence Mone, president, Manhattan Institute; William Schambra, director, Bradley Center for Philanthropy and Civic Renewal, Hudson Institute, Washington, D.C.; and Donn Weinberg, vice president and trustee, Harry and Jeanette Weinberg Foundation, Owings Mills, Maryland.
Recognition is reserved for those organizations whose guiding purpose and function stem from private initiatives and ideas, but acceptance of some government funding does not, in itself, preclude consideration. This award recognizes the creative energy of the nonprofit sector by highlighting new ideas and approaches even by mature organizations.

Any nonprofit organization that provides a direct service within the continental United States to address a public problem can be nominated for this award. Examples of such organizations include:

- Private social-services groups that assist the poor and disadvantaged with services designed to improve their prospects for success and upward mobility in American society;
- Reformative organizations that help people cope with moral or psychological problems, such as drug addiction and criminal behavior;
- Education groups that through mentoring, counseling, or other after-school programs improve children’s educational achievement and possibilities;
- Community groups that improve the quality of life in their neighborhoods; and
- Conservancies that use private donations from corporations or individuals to purchase land and preserve it from development.

As many as ten organizations may qualify for site visits, the impressions and information from which will augment that provided by written nominations. Nonprofit organizations that engage in political advocacy or that bring legal actions, or whose primary activities are in response to government grants are not eligible for this award. Individual schools are not considered for the award, but novel approaches to education may be considered.

A complete list of award winners, 2001–08, can be found at http://www.manhattan-institute.org/html/se_winners.htm.

The William E. Simon Prize for Lifetime Achievement in Social Entrepreneurship

The William E. Simon Prize recognizes individuals who have founded and led organizations that have been clearly effective in their work and who have emerged as prominent public leaders in their field. Past winners include Wendy Kopp, founder of Teach for America, which has successfully drawn some of America’s best and brightest college graduates into teaching in some of its most challenging school districts; Eunice Kennedy Shriver, whose key role in the Special Olympics helped change the way that the developmentally disabled are viewed; Peter Flanigan, whose commitment to inner-city students and Student Sponsor Partners has been changing lives for many years; and the 2007 winner, Daniel Biederman, founder of the Bryant Park Corporation, 34th Street Partnership, and Grand Central Partnership, whose vision and use of private, non-profit management and finance has restored and maintained some of New York City’s greatest public spaces.

Nominations are accepted for the Simon Prize, but potential winners are not limited to those nominated.
2008 William E. Simon Lifetime Achievement Award Winner

The Doe Fund, Inc.
George T. McDonald

2008 Social Entrepreneurship Award Winners

Careers through Culinary Arts Program (C-CAP)
Richard Grausman

Girls Educational & Mentoring Services (GEMS)
Rachel Lloyd

Beacon Hill Village
Susan McWhinney-Morse

St. Bernard Project
Zack Rosenberg and Liz McCartney

Center for Neighborhood Enterprise:
Violence-Free Zone Program
Robert L. Woodson, Sr.

Past Social Entrepreneurship Award Winners
When George McDonald first set out to help the homeless who thronged Grand Central Terminal during New York’s dark days of the early 1980s, he had no intention of founding a new organization. He simply wanted to provide the most direct sort of assistance—giving food to the hungry. He did just that at Grand Central for more than 700 consecutive nights. But McDonald set off in a new direction after some of those he had helped died, abandoned to the winter cold. The organization McDonald would establish, the Doe Fund, would have as its guiding premise that the homeless were neither victims nor enemies but human beings with “the potential to be contributing members of society.”

In the eighteen years since its founding, the Doe Fund has graduated more than 3,500 of the hardest-to-help from the streets to work, changing the face of New York City in the process. The organization McDonald founded has reached a scale that few nonprofits ever do. Its annual operating budget of $63 million is predicated on two elements that combine McDonald’s compassion with his pragmatism: shelter and jobs. The Fund’s Ready, Willing and Able program is the manifestation of McDonald’s straightforward philosophy, shared by the Manhattan Institute, that “work works.” That is to say, those who have hit bottom can be helped to rebuild their lives through the structure and sense of accomplishment that employment provides.

Drug testing, saving, and bank accounts are required in the shelters that the Fund runs, and work is demanded of those who show themselves to be “ready, willing and able” to take the supervised short-term jobs provided by the Fund. In these jobs, the formerly homeless, almost all of whom have criminal records, prepare for the world of private employment. Residents acquire cooking skills and prepare meals at shelters in Harlem and...
Brooklyn. Others collect and resell cooking oil for fuel, exterminate pests, and, most famously, help clean the streets—over 161 miles of them—throughout New York, from midtown Manhattan to Forest Hills to Bushwick, picking up 2.8 million bags of trash last year and re- storing a sense of social order. McDonald established these businesses not only to provide “transitional” jobs but to generate revenues that now cover a portion of the Fund’s operating expenses.

Like the best social entrepreneurs, George McDonald understands that good programs cannot rely on the same government grants or foundation supporters, year after year. To help ensure the long-term sustainability of the organization he founded, he has built a base of more than 50,000 private donors, who gave a record $7.4 million last year. McDonald has been creative not only in conceiving programs but in monitoring and managing them. The Doe Fund requires shelter supervisors to track trainees’ performance—and that performance has been impressive. Some 62 percent of the 1,000 trainees in the Ready, Willing and Able program can be expected to “graduate” from the program and into a job, shelter, and an independent life. Those who know how difficult it is to rehabilitate men with a history of drug abuse, violent crime, and mental illness understand what a triumph that percentage is.

The Doe Fund has gone on to set up shop in Jersey City, N.J., and Philadelphia. Programs inspired by McDonald’s work, but entirely independent of it, abound. Thanks to his efforts, we now understand that the cure for homelessness is more than just the provision of shelter; it is a renewal of individuals’ usefulness and self-respect.
Richard Grausman, a graduate of Le Cordon Bleu culinary school in Paris and a highly decorated culinary instructor and cookbook author, founded the Careers through Culinary Arts Program (C-CAP) in 1990. For years, Grausman traveled throughout the United States as an ambassador of the Le Cordon Bleu School. During these years of teaching, Grausman began to notice a troubling anomaly: restaurants in big cities like New York were in need of well-trained kitchen staff, and young people in inner-city communities were in need of jobs. Like a true social entrepreneur, he decided to put these two worlds together.

Grausman’s idea for C-CAP was to model standard home-economics classes on vocational-training programs of old: first, by teaching high school students to appreciate fine cooking; and then, if they were interested, training them for careers in the restaurant and hospitality industry. Grausman approached schools and school systems, first in New York and then elsewhere, and created a program that today encompasses teacher training, cooking contests, scholarships, and prestigious placements. He also assembled a high-powered board of directors that includes many top names in the restaurant and hospitality industry. They help raise money and open doors for C-CAP students.

In the 2007–08 school year, C-CAP offered specialized training to 249 public school teachers in 185 schools in New York, Washington, Philadelphia, Chicago, and Los Angeles, as well as in Virginia and Arizona. The program has reached 12,450 students, mostly in inner-city high schools. Of that number, 1,450 enrolled in C-CAP-organized training programs outside school, including summer programs that offer both culinary-arts training and classes to help students become acculturated to the world of work, including “Being There on Time,” “Attitude,” and “Writing a Résumé.” At the successful conclusion of these classes, students are placed in seven-week paid internships at some of the country’s finest restaurants.

For top students, identified in part through organization-sponsored competitions, C-CAP also provides generous scholarships to thirty-six colleges and culinary institutes. For 2007–08, the value of scholarships totaled $2.9 million. Scholarships were divided among 220 students and ranged from $1,000 to $80,000. Since its founding, C-CAP has awarded students a total of $25 million in scholarships and donated $2.5 mil-
lion worth of supplies and equipment to school classrooms. Much of C-CAP’s $2 million annual budget comes from an annual benefit, a grand, walk-around six-course tasting prepared by New York’s top chefs. TV personality Al Roker, a C-CAP board member, serves as master of ceremonies. Each chef at the event is assisted by a C-CAP student, to their mutual benefit.

In Philadelphia (where C-CAP has ties to seventeen high schools) in June 2008, the city’s Daily News featured an article about a C-CAP participant who was living in a homeless shelter and another who was inspired to become the first person in her family to attend college. One C-CAP student profiled in the New York Restaurant Insider article, twenty-one-year-old Harlem native Kelvin Fernandez, is the executive sous chef at the venerable Café des Artistes. He went through the C-CAP program and received a $20,000 scholarship to attend the Culinary Institute of America. C-CAP alum Anesha George, who is working in the kitchen of Danny Meyer’s Tabla, says, “I could not have gotten through the front door if it weren’t for C-CAP. They know everyone in the business!”

Since its founding in 1990, C-CAP has blossomed into a nationwide organization that is also the largest high school culinary scholarship program in the United States. C-CAP estimates that some 193,000 students have been enrolled in classes run by C-CAP-trained teachers—an impressive record of accomplishment, which Richard Grausman hopes to build on in the years ahead.
Webster’s defines gem as “an object of great beauty and worth.” And that is exactly how Rachel Lloyd, the founder and executive director of the Girls Educational & Mentoring Services, views the sexually exploited girls who come to her looking for a way out of “the life.”

Lloyd is a former victim of sexual exploitation. Her difficult life began in Portsmouth, England, where she dropped out of school at age thirteen to support her alcoholic mother and was quickly lured into the fast-cash world of drugs. At seventeen, she moved to Germany, hoping for a fresh start, but found herself “penniless and desperate.” The deep scar across the palm of her right hand is a physical reminder of a beating from a crack-addled pimp; the emotional scars run deep as well.

Lloyd’s road to recovery began when she took refuge at a small church in Germany, where she found “not only spiritual counsel, but also a job, a home, and unconditional love and support—and I began a slow journey back to health.” She embraced Christianity and began to work as a nanny for an American family living on a U.S. Army base in Germany. From there, she moved on to missionary work in New York, where she had been sent by her church to work with a group that had recently been formed to help former prostitutes serving time. The group ultimately folded, but Lloyd had found her calling.

She conceived of GEMS at her kitchen table and incorporated it in 1999. At that time, she was taking girls into her apartment, sharing her clothes and food with them. GEMS received its first two grants in 2000, and after hiring a social worker (Lloyd herself did not draw a salary), it opened a proper office in 2001 and started working with girls in correctional facilities on Rikers Island, with girls still on the street, and with homeless kids at Covenant House. The GEMS mission now, as it was then, is to empower young females, aged twelve to twenty-one, to exit the sex industry and realize their full potential.

The GEMS program consists of three direct-service components: prevention and outreach (visiting women and girls in known prostitution locations, juvenile detention centers, and other facilities to make them aware of the services available to them); direct intervention (a wide range of services, including court advocacy, alternatives to incarceration, crisis housing, and transitional housing); and youth development (recreational,
educational, and therapeutic programs designed to address developmental, social, and emotional needs). In addition, a new youth-fellowship program provides training and employment for a select number of girls, and a new educational initiative provides tutoring and college/vocational counseling.

As the only organization in New York State designed to serve young women with this set of issues, GEMS provides comprehensive services to about 250 clients per year. Some 90 percent of GEMS’s direct-service clients have been sexually or physically abused as children, 80 percent have a family member who has been or is currently incarcerated, and 26 percent have attempted suicide. GEMS’s outreach programs touch 1,000 additional girls (many not in “the life” but at risk for it). An assessment conducted in 2005 found that 85 percent of the females enrolling in GEMS programs were involved in the sex industry, but only 28 percent were involved in it six months later.

GEMS also trains social-services providers, clergy, law enforcement, and community groups to identify and help victims of sexual exploitation, and it brings public attention to the issue. GEMS successfully lobbied to make April 20 New York State Day to End Child Sexual Exploitation and called for recently enacted legislation that will end the practice of charging girls under the age of eighteen with prostitution.

Aside from building a vital organization, Rachel Lloyd has brought attention to sexual exploitation by sharing her own story. She is under contract to write a book and has helped produce an award-winning documentary, Very Young Girls.
Beacon Hill Village originated ten years ago from the desire of a group of longtime residents of Boston’s Beacon Hill to continue enjoying urban life, but also from an awareness that they might not be able to do so as they got older. So they created a vehicle that would help keep them physically, socially, and intellectually active by forming alliances with community partners.

Susan McWhinney-Morse, founder of BHV and still an active board member, brought a background in advertising and experience chairing the Beacon Hill Civic Association. After conversations with taxi drivers, property developers, business owners, and neighbors, the group developed a range of possible community services. The Village was incorporated in 2001.

BHV connects community members over the age of fifty to services in four broad areas: health care (help in locating in-home, hospital, and assisted-living arrangements; and referrals for geriatric care through a special Massachusetts General Hospital program nearby); preventive services such as exercise groups and gyms; member services (concierge referrals to vetted and insured discount providers of virtually any service, to be paid for as used); and community-building (lectures, dinner outings, singles club, travel groups). The Village maintains an active list of volunteers, including local college students, and provides some free services such as visits to the elderly or taking them on walks. Other services are moderately priced (for example, a car service that charges $20 per hour for rides to the doctor). Members describe these supports as like having an adult child nearby who doesn’t live with you.

BHV founders learned that 20 percent of their neighborhood population lives on less than $20,000 per year and made provision for discounted membership for the financially needy. Regular membership is $600 per year for individuals, and $850 for a household. The Membership Plus program, supported by donations, offers reduced-price memberships costing individuals only $100 and households $150, and it includes a $250 credit toward Village services. Some 40 percent of the current 450 members use some service during the year, but membership provides peace of mind even for those who don’t use the services. Staff members will also make geriatric referrals for elderly relatives of BHV members who may not even live in Boston.

The total budget for BHV is $460,000, with 60 percent coming from member.
fees and the remainder from gifts on behalf of Membership Plus and the group’s annual appeal. The membership renewal rate is 85 percent. The Village benefits from an active local board and program committee. The executive director, Judy Willett, has twenty years of experience and degrees in many geriatric areas. Twelve locations across the country and two in other parts of Massachusetts have established their own “villages,” and five more are expected to open this year. Groups from other countries are interested. The first national conference on the Village concept convened last year in Boston, with 250 attendees. The proceeds from the sale of a hundred copies of a printed manual, the Village Concept, at $300 each, went toward an endowment fund. Willett spends much time answering e-mail inquiries, which often result in the sale of the manual. A consulting arrangement is possible when more complicated questions on fee structures, outside income, range of services, and board development arise.

BHV does not aim to grow any larger within Boston. It sees its role as one of equipping other communities to start their own villages. The concept behind its national outreach is to inspire the formation of other villages that have their own shape and identity. Being a member-centered service organization remains BHV’s primary purpose.

BHV’s board plans to start a trade association for village-style groups that would sponsor a website, teaching modules, and an online version of the manual, all aimed at compiling “best practices” within village life. The board believes that national funders will support this effort.

The leaders of BHV have demonstrated tenacity, marketing skill, flexibility, and real enterprise in creating an organization that makes a big difference in its members’ lives. The attention that BHV has received in the United States and around the world testifies to its impact.
In February 2006, six months after Hurricane Katrina struck, Zack Rosenberg, a lawyer, and Elizabeth McCartney, a manager of a nonprofit that focused on bringing computer savvy to the disadvantaged, came to New Orleans from Washington, D.C. for what they thought would be a brief period of teaching computer literacy to the disadvantaged. Shocked by the huge swathes of still-abandoned, ruined homes and businesses they encountered, they resolved to stay.

Nearly three years later, these two newcomers to a city where roots run deep run a $2.3 million organization that they built from the ground up. The St. Bernard Project, named for the district adjacent to the notorious Lower Ninth Ward on which its efforts are focused, has, with the help of thousands of volunteers, rebuilt more than 135 houses (with thirty more in process) at a bare-bones cost. In an area in which a wide variety of rebuilding efforts is ongoing, the president of the metropolitan New Orleans United Way singled out the St. Bernard Project as especially innovative, entrepreneurial, and effective.

The St. Bernard Project assists homeowners in the stable, blue-collar St. Bernard parish who lost everything after floodwaters reaching ten feet and higher engulfed their homes. Federal assistance came with important conditions: recipients had to use the money received to pay off their mortgage before spending it on anything else, often leaving them next to nothing to make habitable the homes they now owned outright. So hundreds in St. Bernard had no choice but to continue living in trailers in their front yards. The Project provides a combination of skilled construction supervision, volunteer labor—7,500 individuals to date—materials, and a few hired professionals (plumbers and electricians) to make flooded homes habitable again, for an average of $12,000 each.

Without experience in construction or in heading a major nonprofit, Rosenberg and McCartney figured things out...
as they went along: finding faith-based partners (notably, the Mennonite-linked Church of the Brethren) to provide skilled help; raising money from a long list of individuals and corporations (from General Electric to Procter & Gamble); and negotiating bulk discounts on drywall and tile with St. Bernard’s reopened Home Depot. They got their start by persuading New Orleans United Way to take a chance on them before they had accomplished much of anything.

Although its mission is a moral one, the Project is a hard-nosed organization. Those who seek assistance must go through an extensive screening process to determine whether they really lack the funds to pay for renovations to their homes. Homeowners are all asked to pay a share of the cost. For 2008, some $200,000 of $2.7 million in revenue will come from the assisted homeowners themselves. The Project also shows commonsense flexibility. While a requirement for federal aid is a utility bill as proof of address, St. Bernard recognizes that people fleeing rising water probably didn’t grab a gas or an electric bill on their way out.

Rosenburg has arranged to take title to a number of abandoned homes, turning them into subsidized rentals for the elderly. The Project also plans a mental health clinic staffed by Louisiana State University’s medical school. Whatever the future holds for Rosenburg and McCartney, they have already made a huge difference in a city they visited not so long ago as strangers.
I
n 2005, the Harper-Archer Middle School in Atlanta’s Collier Heights was considered the worst in Georgia—at the bottom academically and at the top in the number of fights and suspensions. The cafeteria walls bore the signs of frenzied food fights, and marijuana smoke was so thick on the back stairs that “you could get high just by being out there,” according to the superintendent. The students, mostly from two of Atlanta’s worst public housing projects, regularly attacked teachers, cut class, and congregated in the hallways.

T
oday, Harper-Archer is clean and orderly. After a long hard climb from the bottom, the school just barely missed the 2007–08 test-score goals mandated by the state. Among the factors responsible for the improvements are adults from the community circulating through the halls and cafeteria, though they’re not school employees. Formally known as Youth Advisors, the Red Shirts, so-called for the garb they wear, come to Harper-Archer under the auspices of the Washington-based Center for Neighborhood Enterprise and its fast-growing Violence-Free Zone program, which operates in twenty-eight schools in eight cities.

The Violence-Free Zone, along with a local organization in each city, works with public school officials to identify student troublemakers. The Red Shirts, who are given their own classroom, work individually with such students—even going to their homes, getting to know their families, and taking them on weekend outings. They also serve as role models in neighborhoods where two-parent families are few. The results of an outside evaluation show a trend in the right direction. Violations of the disciplinary code as well as suspensions at Harper-Archer were fewer in the second semester of 2007–08 school year than they were in the first, the former
having gone from 1.6 to 1.4 incidents per student and the latter from 1.7 to 1.4 per student. At another Atlanta school, the Ben Carson Middle School, the declines were sharper—from 2.1 per program participant during the first semester, to just 0.4 incidents in the second.

From its start in Washington, D.C., in 2004, the Violence-Free Zone program has expanded rapidly. It has won funding from the Marcus and Bradley Foundations on top of support from school districts (e.g., Dallas) and police departments (e.g., Richmond), yielding a budget of $2.8 million this year.

Bringing non-school employees into public schools has required legally complex memoranda of understanding because of liability issues. In at least one city, Milwaukee, unionized school security guards have fought the program. Nevertheless, the Center for Neighborhood Enterprise aims to expand to more cities.

Overall academic test scores for Harper-Archer have, almost without exception, been rising over the past three years. The percentage of sixth-grade students who were not adequate readers fell from 39 percent in 2005–06 to just 23 percent in 2007–08. Math has proved more challenging. The number of poorly performing math students declined from 72 percent to 70 percent over the same three years. Similar results were observed among eighth-graders, with the percentage of inadequate readers falling from 31 percent to 27 percent, but the number of poorly performing math students rose, from 54 percent to 69 percent. Creating a more secure learning environment appears to have helped—but only so much.

Establishing Violence-Free Zones is helping to stabilize troubled schools so that disadvantaged students can stop worrying about getting into fights and start working on their lessons. The extent of violence in poor, minority communities is such that even modest improvements must be celebrated and encouraged.
The work of William E. Simon Prize winner Daniel Biederman, founder of the Bryant Park Corporation, 34th Street Partnership, and Grand Central Partnership, is known to virtually all New Yorkers. Mr. Biederman has used private, non-profit management and finance to restore and maintain some of New York City’s—and the world’s—greatest public spaces. The rescue of Bryant Park from crime and degradation sparked and symbolized the renaissance of New York.

In 1980, Bryant Park was a dismal and dangerous space. Despite its central location, the park had become an open-air drug market and a place avoided by shoppers, midtown employees, and tourists alike. But Biederman developed insights about the potential of Bryant Park and how that potential could be realized.

Doing so required a long series of steps: gaining permission from the city for a non-profit to manage the space; recruiting area business interests to provide financial support; and using a relatively untested new vehicle, the Business Improvement District, to channel contributions. Once the funds were raised and the stage set, success at Bryant Park was not inevitable. Biederman recruited talented employees from top business schools. He chose benches, lights, kiosks, skating rink design and other elements to redefine Bryant Park as an oasis of safety and beauty. He also established protocols for maintaining the park after its reconstruction.

To generate revenue, Biederman became an impresario, using the revivified Bryant Park as a site for all sorts of events, from weekly movie nights and product promotions to “fashion week,” a high-profile annual showcase of top designers. Bryant Park today attracts over three-and-one-half million visitors annually. Although the budget is $7 million, its upkeep costs the city nothing.

Bryant Park’s success set the stage for his similarly successful work in two other Business Improvement Districts—the 34th Street and Grand Central Partnership—cleaning up, beautifying, and securing further important urban areas.

Like other winners of the Simon Prize, Biederman has combined an original vision with creative and innovative methods. The result is a square at the heart of bustling Manhattan that offers respite and a touch of Gallic elegance. Thousands who enjoy lunch, attend shows, ice skate, or simply walk through Bryant Park owe Dan Biederman a debt.

The Past Social Entrepreneurship Award Winners

Over the eight years that we’ve presented our award, more than 35 organizations and their founders have been recognized. We sought to find organizations with the potential to grow—and, in many cases, we have found them. Updates on the award winners from 2001 to 2007 follow. As with all entrepreneurs, some have encountered new challenges. But we are pleased to note that many of the organizations that we’ve recognized have already grown in scale substantially. The Year Up job-preparation program for inner-city high school graduates, for example, has expanded from Boston to New York and Washington; the College Summit college application guidance initiative for disadvantaged secondary school students today includes 11 high schools in Oakland, California, 20 in New York City, and every public high school in St. Louis and Denver. And Working Today’s health-insurance program is currently available in 31 states, with 50,000 members taking advantage of its various programs.

We’ve recognized these organizations, in part, to draw attention to their missions and to the fact that major social problems can be addressed from a starting point outside government. But we also hope to bring them to the attention of donors who might provide the operating funds and growth capital that they need. The descriptions that follow will, we hope, assure readers that these are organizations well worth betting on.

Bryant Park Corporation & 34th Street Partnership, 2007

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Buying a car can be the most important financial decision in a person’s life, crucial to holding down a job. For those without means, auto purchase and financing are often problematic. Bonnie CLAC (Cars, Loans, and Counseling) brings loan costs and new cars within reach of the working poor, who might otherwise pay high finance charges and repair costs for unreliable older vehicles.

Robert Chambers and a partner started Bonnie CLAC to help the working poor arrange the purchase of new cars that come with not only reasonable monthly loan charges but modest maintenance costs and economical fuel costs. The organization provides instruction and counseling, helps with negotiations, and offers loan guarantees, even temporary transportation.

CLAC’s financial-literacy course covers the basics: opening a checking account; tracking expenditures; creating a cash balance sheet; and improving bad credit scores. “We don’t give things away—we give a hand up,” Chambers says. “[Clients] have to work hard to achieve the rest.”

Chambers created an indirect lending program with a local bank, which gains Community Reinvestment Act credits by participating. CLAC guarantees a portion of the loan. Most of the cars purchased through the program are bare-bones models sold by a network of cooperating dealers. The amount of the loan reflects CLAC’s fee, the dealer’s profit, and the cost of an extended warranty to protect the car’s value and pre-fund most repairs. CLAC hopes to fund its operations with program revenue alone.

All clients pay a basic entry-fee plus a fee per car purchased. In 2007, 872 clients used CLAC services, and 301 clients received counseling.

The results are impressive. CLAC’s loan failure rate is 4 percent, well below commercial averages. Struggling clients obtain better jobs and ultimately better lives. Negotiations are underway to extend the program to Maine, Vermont, and Massachusetts.

With his business background, New England frugality, and big heart, Robert Chambers is a nonprofit entrepreneur who has discovered the perfect niche for his philanthropy.

As a clinical psychology intern, Toni Heineman saw the special psychological problems of foster children. There was no continuity in their care, and awful things happened to them. She determined to help. When she became a prominent clinical psychologist, Heineman founded A Home Within, whereby volunteers provide high-quality therapy to current as well as former foster children. Some 400 clinicians are already members, with the goal of serving fifty foster-child patients in each of fifty communities. The program is now in 20 locations throughout the country.

This foster-care population—a subset of disorganized underclass families often headed by single parents and substance abusers—is “at risk.” Half of those who age out of foster care don’t graduate from high school, and a third wind up unemployed, homeless, or in prison. In the foster-care system children are shifted frequently and traumatically among a large number of foster homes. Often they are declared mentally ill only to gain Social Security (SSI) payments for the foster parents. With few, if any, around them who know their story or care, these young people need to acquire coping skills and receive the kind of advice good parents provide.

A Home Within provides long-term care—“for as long as it takes.” It also enlists individual therapists in private practice by offering an opportunity for professional development and networking with top medical school faculty, who are part of the group. Courts and social-services agencies match these volunteers with foster children in the program. The therapists chosen become part of an ongoing “consultative group” that provides advice on dealing with individual patients.

The annual budget of A Home Within is $850,000. Staff arranges the accreditation process, screens potential additions to the network, and works with the chapters. Six hundred kids have been helped thus far, and a program focused on infants and their care givers in foster care was recently added.

The organization has not yet systematically evaluated its long-term effectiveness, but the clinicians themselves report making progress with their patients and clearly are filling a void in many young people’s lives.
Reclaim a Youth of Illinois stands out among youth intervention nonprofits for the commitment of its black middle-class volunteers, who have been able to persuade low-income black children from single-parent families that with the right habits and decisions they can have a bright future. RAY is run from the basement of the home of its founder, Addie Mix.

Reclaim a Youth began in 1992 as a small college scholarship and recreation program established by local families in response to the murder of Mix’s son, a college student. RAY today is different. A group of younger volunteers from the south suburbs of Chicago brings new energy and ambition. With “intervention” programs, church-going, middle-class African-American families seek to dispel the unhealthy influences present in their area.

The organization runs school programs for middle-school students and their parents, and evening events at which successful local black professionals (pharmacists, psychologists, college teachers, engineers, insurance agents, and entrepreneurs) can connect with children who dream only of becoming rap singers or basketball players. RAY also hosts Saturday Career Days.

RAY’s volunteers bring a pointed message to pre-teens throughout the area, following Bill Cosby’s advice to provide the underclass with a better system of values. They discuss the odds against achieving success as entertainers or athletes and provide direction often lacking in single-parent households. Classes for parents are attended by many single mothers, desperate for advice on guiding their children. Grateful letters from school administrators note a decline in fighting and an increase in studiousness among children exposed to these new influences.

RAY’s scholarship program is directed at students with difficult family lives. Up to nine $1,000 college scholarships a year are funded by board members and the proceeds of an annual banquet. Recipients must maintain a B average. Thirty-four out of forty-three recipients have completed two- or four-year schools—a 79 percent completion rate, far better than the 43 percent rate for black college students nationally.

RAY is an example of sincere commitment and meaningful intervention by the black middle class, one deserving of support and approbation.

Catherine Rohr visited a Texas prison with Chuck Colson’s Prison Fellowship ministry, quit her Wall Street job, moved to Texas, and founded the Prison Entrepreneurship Program to help criminals rebuild their lives. She believed many inmates, like business executives, have entrepreneurial impulses and strong personalities. Her goal was to channel those qualities into “productive, legal activities.”

With 2.2 million inmates in state and federal prisons and 700,000 to be released in 2008, PEP meets a major public policy need. Sixty-seven percent of them will be rearrested within three years, according to the U.S. Department of Justice.

Ex-offenders may be released with only a bus ticket back to their old communities—and the activities that got them imprisoned. PEP attempts to break this cycle by focusing on men six to nine months away from release who are motivated to improve their prospects. Many such inmates apply for the program. Acceptance is based on an intensive application process that looks for a commitment to personal transformation, a strong work ethic, and entrepreneurial ability. PEP staff, volunteer business executives, and MBA students teach business concepts, etiquette, writing and grammar, interview technique, team dynamics, even how to offer a firm handshake. Before graduation, inmates must make a thirty-minute presentation to a panel of executives.

PEP works with these men after release. A case manager, usually a former PEP student, meets a released prisoner at the gate. Halfway houses in Houston and Dallas provide supervised support. PEP also provides clothes for job interviews as well as medical and dental care. PEP has a network of employers and job-placement agencies and helps with the whole interview process. Within four weeks of release, 97 percent of graduates have found employment. PEP also offers weekly seminars on personal finance and business development in Houston and Dallas.

No active graduate in good standing with PEP has returned to prison, and Rohr believes the program can spread nationwide. Entrepreneurship training teaches valuable skills and is a means by which every inmate in the program can prove his intrinsic value. “This is my calling in life,” Rohr says.
Volunteers in Medicine (VIM) was started by retired physician Jack McConnell in 1994 in South Carolina, where seasonal unemployment left many people without health insurance. Executive director Amy Hamlin, a former nurse practitioner from Vermont, has been the entrepreneurial chief executive for over a decade and now oversees a network of 60 clinics in 25 states.

VIM provides consulting services for local groups to start their own volunteer-based centers. The model varies. Some have no paid staff. Most provide care through volunteers, retired doctors, or practicing medical professionals willing to donate time. They emphasize primary care and substitute for expensive emergency-room service, providing referrals to hospitals with which they have established relationships. Clinics do not require a fee, but some charge for prescription drugs. Local charitable support provides virtually all the operational funds, and some receive small state and local government grants.

Retired medical personnel are key. Many of the 160,000 retired physicians, 350,000 nurses, and 40,000 dentists in the U.S. are looking for a meaningful way to spend their retirement years. Serving is therapeutic for both caregiver and care recipient. Hamlin believes that there will always be a need for VIM clinics.

VIM helps groups decide if their community is a good place to start a clinic, choosing to work with only one in four of groups that apply. VIM provides resource materials, legal documents, job descriptions, and advice on management issues, and insists on the establishment of a local organizing committee. And VIM provides these services with a staff of only three and an annual budget of $260,000. Hamlin is ambitious for VIM and is assembling a larger board for fund-raising, public visibility, and national reach.

VIM offers fledgling clinics a quality designation but not formal accreditation. Local boards are the guarantors of quality service, but VIM helps the clinics to be managed efficiently. A culture of caring ensures that services are offered professionally and that all clients are treated with dignity. Whatever health-care reform may emerge in coming years, these are standards that we would do well to uphold.
The Taproot Foundation (TF), founded in San Francisco in 2001, delivers support to organizations through a structured volunteer management process. TF provides “service grant” awards of teams of prescreened volunteers with specific roles. Five volunteers work together for about five hours per week for six months on each project. A Taproot volunteer manager directs the team with a detailed blueprint to deliver a specific product.

Taproot’s founder, Aaron Hurst, aims to strengthen nonprofits through improved infrastructure. Local offices in New York, Chicago, Seattle, Boston, and soon Los Angeles and Washington, D.C., focus on program delivery, including awarding and managing service grants. The national office provides back-office and human-resources services. Volunteers are recruited through websites such as Monster.com, Craigslist, VolunteerNYC, and professional, trade, and college alumni websites.

Volunteers are asked to help in areas where their skills are needed. Volunteers who do a good job are considered for project manager. A volunteer account director provides oversight. Nonprofits applying for a service grant must have annual budgets of $350,000–$5 million, no religious or political focus, and demonstrate an organizational readiness with a reasonable strategic plan. Most focus on community needs.

TF raises support from foundations and corporations and estimates that each $5,000 contribution delivers $30,000 to $50,000 of pro bono services. Taproot has awarded more than 500 service grants using volunteer services of 6,000 professionals, providing $20 million in services. The overall budget is $2.4 million.

TF brought its model to Time Warner and has similar programs at Lehman Brothers, Wells Fargo, and Deloitte, using specific talents of senior professionals and making a new set of skills available to nonprofits. At the end of each project, volunteers and grantees complete assessments with identified goals and indicators of success. Ninety-seven percent of volunteers want to volunteer again. TF will have an impressive database on what works.

The professional volunteers recruited and utilized by TF will be strong candidates for board and staff positions as the next generation of nonprofit leaders, developing a nonprofit sector more equipped to execute larger tasks in an accountable and effective way.

Founding benefactor and CEO Richard Liebich established Project Lead the Way in 1997. The mission: to create dynamic partnerships with schools to prepare a diverse group of students for success in science, engineering, and engineering technology.

PLTW offers a middle school program to explore math, science, and technology; and a high school program to develop better problem-solving skills. Both programs are taught with a rigorous academic curriculum. The biomedical sciences program provides training related to the human body, preparing students for work and study in nursing, medical research, and related fields.

PLTW trains master teachers for summer teacher-training programs and offers free courseware to school districts. Curriculum experts regularly develop and revise course work, offering schools a purchasing program to acquire technology and teaching aids. Over 90 percent of PLTW schools opt into the purchasing program, and the proceeds now cover the organization’s operating costs.

Growth has been astonishing: 3,000 high schools and middle schools are in the program; 7,000 teachers have gone through the summer training; 5,000 guidance counselors studied the basics of engineering and technology; 500,000 students have taken at least one course; and 250,000 are currently enrolled in some part of the program. The number of female, Hispanic, and African-American students is noteworthy.

With a small staff in upstate New York and local representatives for regional areas, PLTW is cost-efficient and innovative. A new initiative with six teachers’ colleges and 30 community colleges aims to improve teacher preparation in the sciences; a joint venture with the Museum of Science in Boston will result in a new elementary school textbook; and, with the support of the Gates Foundation, PLTW is teaming up with the National Academy of Minorities in Engineering to work with 500 urban high schools. Over time, the middle schools channelling students into these high schools will also join.

PLTW has focused on training students for jobs, scaling up their academic and practical training, and attracting regular math and science teachers into the program. Those who don’t study engineering or attend a four-year college have various career options. PLTW is a fine example of leveraging targeted philanthropic dollars to change an ineffective bureaucratic educational system from the inside out.
When Hurricane Katrina exposed poor disaster response and planning by government agencies, Paige Ellison-Smith was one of the heroes who made a difference. A saleswoman for GlaxoSmithKline in Mobile, Alabama, with a long career in child-care administration, Ellison-Smith worried about the children left without reliable supervision and potable water, playing amid a great deal of danger.

In a remarkable feat of organization and leadership, Ellison-Smith created the first Project KID “Playcare” site, pieced together from the wildly disorganized items donated after the storm. Through persistence and word of mouth, Ellison-Smith located volunteers, toys, snacks, and water. For parents consumed with survival, finding a place to live, and applying for aid and employment, the Playcare site was the only safe place to leave their children.

Eventually, a dozen Playcare sites in coastal Mississippi, Alabama, and Louisiana provided more than babysitting. Ellison-Smith created them with lots of toys and outlets for creative expression and emotional comfort for children’s and families’ recovery. From September 2005 to January 2006, the sites served 5,600 children, utilizing 220 volunteers. Ellison-Smith used $60,000 in cash from the proceeds of the sale of her own house, Department of Labor emergency grants, individual donations, and a grant from the Department of Health and Human Services. Most volunteers paid their own expenses. In-kind support was $130,000. Project KID board chairman Ealy filed for nonprofit status and helped find donors and support.

Ellison-Smith subsequently became a child-care resource leader, traveling to five hurricane-prone states to organize community groups in disaster planning. Board chairman Ealy is now the leader, and Ellison-Smith is on personal leave. Ealy, a scholar with the Mercatus Center at George Mason University, reports that Project KID is focusing on serving as a clearinghouse for emergency disaster response planning, education efforts regarding child-care disasters, and developing and assembling Playcare kits for quick shipment to disaster relief organizations.

In the wake of Hurricane Katrina, it is heartening to see that social entrepreneurs, responding quickly, did make a difference in alleviating one component of the suffering.

The Inner-City Neighborhood Art House is an impressive program founded by an exceptional woman, Sister Mary Lou Kownacki, a nun in the Order of Saint Benedict who is a former Catholic elementary school literature teacher and published poet.

In 1994, Sister Mary Lou planned a neighborhood center to bring arts to the poor. Today, classes in writing, music, dance, art, and pottery are offered, and 60 children attend daily. At the Art House, these children study the masters with accomplished art teachers, have access to a library of art history, and sell their works in galleries. They study violin with a refugee graduate of a Moscow conservatory, and write poetry and stories under Sister Mary Lou’s direction. There are field trips to the Erie Philharmonic, Playhouse, and Art Museum.

This former tire garage has enrolled 3,000 children over the past ten years, the majority from a neighboring elementary school where 97 percent of the students qualify for the free and reduced lunch program, one of 27 schools and social-services organizations referring children.

The funding base is civic. The $500,000 annual budget comes from local foundations and individual donations (98 percent). The average cost per child per year is about $850; volunteers (2,000 to date) help keep that cost down. Local businesses donate at an annual fund-raiser, and there are 600 in-kind donors of goods and services. Most volunteers paid their own expenses. In-kind support was $130,000. Project KID board chairman Ealy filed for nonprofit status and helped find donors and support.

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In the wake of Hurricane Katrina, it is heartening to see that social entrepreneurs, responding quickly, did make a difference in alleviating one component of the suffering.
Jose-Pablo Fernandez, with the Houston public schools and the Monterrey (Mexico) Institute of Technology, created a program that helped hundreds of recent immigrants, some barely literate in Spanish, become computer-literate. Through school computer rooms and distance learning, graduates get jobs and start their own businesses. The community learning center program draws immigrants into American life, brings them to their children’s schools, and motivates them for higher education.

This year, Fernandez established a freestanding, nonprofit organization to take the program to scale. He is planning for affiliates in every major city with a substantial Hispanic population. The new CCA Alliance, based in Houston, is building a network of nonprofit organizations to collaborate with public schools and the Monterrey Institute of Technology.

The CCA program consists of three parts: the life-skills course covers the obligations and rights of citizens and anyone living in the United States; a 72-hour online course teaches students basic computer programs (taught in Spanish, but using English-language versions of programs); and an online certificate course increases parents’ employment opportunities. Courses may be taken at a CCA location or at home. Most courses require a fee, and some qualify for college credits.

Since 2002, more than 8,400 adults—80 percent of them mothers—learned computer basics. More than 4,000 Hispanic adults received a certificate from Monterrey Tech, their first diploma ever. The dramatic increase in community learning centers and the growing number of adults who join the program each year reflect the huge need for education in the community.

Parental involvement is a major benefit of the CCA program. When parents attend school, their children do, too. Latino parents interact daily with teachers, parents, and school officials, and begin to volunteer. In 2006, Houston offered the CCA program district-wide to all Spanish-speaking parents. As CCA looks to San Jose, Chicago, and Miami, building partnerships with Mexican consulates, community colleges, and Spanish media outlets, one sees the makings of a national organization to deal with the assimilation of Latino immigrants and the education of their children.

Philadelphia Futures prepares students from low-income families to enter and succeed in college, providing mentoring, academic enrichment, college guidance, and financial incentives. The goal is to increase the percentage of Philadelphia graduates prepared for higher education and to reduce the institutional barriers to their academic success. Corporate attorney Joan Mazzotti took charge in 1999.

The Sponsor-A-Scholar (SAS) program is the core of Philadelphia Futures. Open to every ninth-grade student in the Philadelphia public school system, SAS requires applicants to complete a written questionnaire, an essay, and an interview (along with their parents). Those selected agree to guidelines regarding attendance, after-school and summer programs, grades, and attitude and are provided with one-on-one mentors, academic support, funds for college-related expenses, and staff support through high school and college. Many mentors sponsor students, providing $7,500 annually for college-related expenses.

Philadelphia Futures produces two resource guides, updated annually, for high school and middle school students in Philadelphia, addressing the importance of a college degree and providing resources and practical information for college admission. More than 125,000 free copies are distributed to schools and community organizations.

Philadelphia Futures’ students often have academic, family, and financial problems. Yet 97 percent of the 710 students who completed the program enrolled in college, and the overall retention rate is 83 percent. Currently, 200 SAS students attend college, and 246 have completed undergraduate degrees. Some 200 participate in the high school SAS program, and more than 700 mentors have volunteered.

Mazzotti also runs a three-day summer institute for Philadelphia Futures students who will be attending community colleges; it focuses on the practical aspects of college, including time management and goal setting. A second initiative targeted at young black men addresses the male dropout issue.

Funding for Philadelphia Futures, $1.6 million per year, comes from corporations, banks, and foundations. Two Pennsylvania colleges, Gettysburg and Dickinson, provide virtually full scholarships to the Futures students they accept. Most attend Penn State and community colleges. Philadelphia Futures helps a group of students who surely would not be headed to college without this intensive assistance.
Grady “Mack” McCarter, a minister without a congregation, revived Jane Addams’s early settlement-house movement in the black neighborhoods of Shreveport and neighboring Bossier, building eight “Friendship Houses” in some of the poorest neighborhoods in America. Some 24,000 people have joined Shreveport-Bossier Community Renewal’s (SBCR) “We Care Team,” paying $2 a year and wearing an SBCR button. Block leaders unite these members and help them become friends as well as neighbors.

The Friendship Houses provide after-school help, classes for adults, pediatric health care via a mobile van, and more. Resident married couples, almost all African-American, oversee programs. The Friendship House program, with 1,525 volunteers, has reached 1,700 children and teens.

McCarter’s vision of community renewal is that black and white people of all social classes will feel part of a better Shreveport. The board includes leaders from local Catholic schools, Protestant pastors, and businesspeople. McCarter sees himself as completing work left undone after the passage of civil rights laws and the subsequent end to Jim Crow. He envisions 60 Friendship Houses, eventually serving 72,000 people and a larger We Care Team of 125,000 neighbors and 5,000 block leaders, all concerned with Shreveport’s culture and community.

SBCR created a large national center for programs, training, and dorms/hotel space for guests. The goal is to expand SBCR to Austin, Abilene, and much farther. A national fund-raising campaign aims to raise $72 million for training-center programs. McCarter will increasingly spend his time running the center.

Some of the results of SBCR: Students stay in school. Adult dropouts return to school. Enemies become friends. Streets don’t seem so dangerous. Church groups’ “mission trips” go to struggling areas in their own city. Partnerships form to strengthen inner-city neighborhoods. Adults who were unemployed go to work. Children play safely where drug dealers once stood. Hope is restored.
Bridges to Life believes that understanding the impact of crime will spark remorse in criminals and lessen the chance that, released from prison, they will commit new crimes. The entrepreneur behind this program is 59-year-old John Sage, a former Louisiana State football all-American and Merrill Lynch broker whose sister was murdered during a car theft.

Bridges is a 14-week project conducted in prison led by trained volunteers. The curriculum includes victim-impact panels and small-group discussions, typically with five inmates, two victims, and a lay facilitator. The facilitators ask key questions and promote real listening to the answers, allowing each group member to express his most personal concerns.

The groups include prayer, tough questions, self-disclosure, and honest letters written (but undelivered) by the inmates to their victims and their families. Inmates must admit their crime, tell about their criminal activity, and accept responsibility for their actions. Inmates confess that they had never before considered the impact of their crimes on the victims’ families.

The Bridges program has grown dramatically from a single Texas prison in 1999 to 21 prisons today. The program will top 1,400 in 2007, with 320 volunteer facilitators. Bridges has “graduated” 3,700 inmates since its inception, with 3,100 released from prison. With a national recidivism rate of 50 percent, Bridges’ rate of 25 percent—with 11 percent of those returned to jail for technical (or parole) violations and only 14 percent for new crimes—is encouraging.

Sage does not aspire to create a large, national program, although he has developed a licensing procedure to enable groups in other states to apply the Bridges program locally. It is being employed in one prison in Louisiana and two in Colorado. Sage focuses his efforts in Texas and hopes to expand from 21 prisons to 25 without sacrificing the program’s quality and goals. His personal story of recovery from the shock of his sister’s murder and of finding the path to forgiveness inspires his volunteers to deliver a program that helps heal wounds and open up lives to new possibilities.

The Center for Teaching Entrepreneurship (CTE) was founded 15 years ago in Milwaukee’s East Side black neighborhood by ReDonna Rodgers as an effort to revive the tradition of self-reliance and business skills that she was fortunate to learn as a child. CTE comprises an introductory workshop program and a series of more specialized programs for those who are serious about starting businesses. Fundamental to the program philosophy is the “CEO of me”: punctuality, self-discipline, business etiquette, perseverance, motivation, leadership, and money management.

The programs involve youths aged nine to 21 and often result in business plans and home-based businesses. Classes are offered on savings and investment, how to develop businesses out of hobbies, youth investment clubs, introductions to minority business owners, and parent networking. Rodgers’s polite, well-dressed, and well-spoken students attend events for young entrepreneurs throughout the upper Midwest, frequently as the only black participants. A new program is under way to offer participants a chance to intern with small businesses and to earn a stipend.

By encouraging young people to take charge of their lives, Rodgers believes that she can lead them away from passivity and fatalism and toward a future of employment and good citizenship. She thinks that individual choices and actions dictate how people live. It is not anyone’s destiny to stay poor, she says: “We can live a good life and live it honestly.”

Most of CTE’s funding comes from 12 Milwaukee foundations, including the Bradley Foundation, and an annual fund-raising dinner. The board is wrestling with finding new revenue sources, perhaps the introduction of program fees, because CTE receives more requests for services than it can handle at its current staffing level. Like any good entrepreneur, Rodgers will likely find a creative solution.
The Reading Excellence and Discovery Foundation (READ) was founded in 2000 to help children learn to read. The READ model pairs kindergarten, first- and second-grade poor readers with academically successful teenagers, to tutor them in and after school or in an intensive summer program. The program is also designed to provide jobs and encourage teaching careers.

READ’s programs, during the school year provide 45 minutes of one-on-one tutoring four times a week. READ tutoring sessions employ research-based curriculum for beginning readers and focus on building phonemic awareness, text decoding, fluency, and comprehension skills. Tutors in READ’s programs are volunteers: older students from the same school or from local high schools. READ recruits and trains tutors and provides materials, evaluation, and ongoing support to sites. Teen tutors volunteer during the school year but are candidates for paid summer positions and are trained in reading instruction and positive behavior management techniques. Many work with READ for several years.

Since its inception with 24 teens tutoring 37 students in two schools, the program has grown dramatically. In 2006, READ served 1,112 students in 40 schools with 800 volunteer tutors. The results in 2006 were particularly impressive: 67 percent of students achieved a full grade-level increase in reading (compared with an average of 56 percent for the past five years). The average grade-level increase was 1.1. The older the student when READ intervenes, the more difficult it is to close the reading gap. Thus, READ emphasizes working with children in kindergarten and first grade. READ has served almost 4,000 students and 3,000 teens since its inception.

READ clearly has a positive impact in New York City and will continue to focus its efforts there until the right support and staff are found in other locales as well. Early reading achievement is vital to academic and life success; poor reading skills show a strong correlation with poverty, crime, and unemployment. READ strives to prevent the academic and economic difficulties that lead to many social problems.

Vitaliy Vysotskiy immigrated to the United States with a Ph.D. in applied mathematics and ten years’ experience as a statistician, but the only work he could find was part-time in a self-service laundry. Upwardly Global (UpGlo) helped him improve his résumé and cover letters, trained him for interviews, and introduced him to professionals in his field. Vysotskiy is now a software engineer with the Hyperion Solutions Corporation.

Upwardly Global acculturates immigrants to succeed in America and helps employers understand the skills of the immigrant workforce. Founded in San Francisco, UpGlo recently opened a second office in New York. It serves immigrants of less than five years who have permanent work authorization, a university degree, good English and computer skills but who are unemployed or underemployed because they don’t know how to apply for work in America. UpGlo also enlists corporate partners seeking workplace diversity and immigrants’ job skills.

Through individual and group sessions, UpGlo teaches such lessons as a firm handshake and the need to look interviewers in the eye. Clients come from around the world and learn how American culture differs from that of their home countries and also learn the skills they’ll need to succeed. UpGlo also signs on with large companies that want access to the immigrant talent pool and to UpGlo’s assistance. Clients such as JPMorgan Chase are provided training on interviewing, recruiting, and hiring immigrant applicants. Network partners include Google, Cisco, Clorox, Safeway, Gap, Pacific Gas and Electric, and Merrill Lynch. UpGlo expects to place 350 immigrants in 2007 on a budget of $880,000 and a staff of 16 people.

The Internet, a great source for finding people, features job-search sites and ethnic media outlets that have helped UpGlo target its clientele. As UpGlo signs on more corporate partners, more immigrant professionals are identified through improved corporate recruiting efforts. UpGlo is shaping a next-generation model that utilizes the talents of those who come to the U.S. from around the world with much to contribute to our economic well-being.
Life in foster care is arduous for children whose parents cannot adequately raise them. A continued concern is the fate of these children as they “age out” of foster care at age 18. These teenagers are handed their possessions and sent out into the world with poor academic skills, few life skills, and much psychological damage. Amy Lemley, cofounder of the First Place Fund for Youth in Oakland, created an organization that helps with housing, reading skills, and health care, and prepares these teenagers for self-reliance and independent living.

Lemley built on her experience as a former caseworker to help applicants make the transition to independent adulthood, providing reduced-rate housing in private apartments and insisting on appropriate behaviors. Over time, First Place Fund clients assume responsibility for getting to work, opening checking accounts, making rent payments, and acquiring the social skills required to live with roommates.

In 2005, Lemley joined the John Burton Foundation for Children Without Homes, working directly with policymakers on foster-care issues to implement a California statute incorporating many of the program components from the First Place Fund. State welfare employees need to be retrained with a client orientation to reach the kids who need it. Lemley has helped the State Department of Social Services implement an evaluation system to track outcomes of the children served, but behavioral guidelines and program quality will take years to implement in a state as large as California.

In the meantime, the First Place Fund continues to provide housing and other support services that were the model for the California legislation, and outcome data indicate that this model has a positive impact on the lives of former foster youth. With federal policymakers also looking at the First Place Fund model for legislation, it is to be hoped that the California program will have a similar impact and that more needy teens will be the beneficiaries.

Since his impulse as a 22-year-old to clean up the banks of the Mississippi, Chad Pregracke has taken his Living Lands and Water (LL&W) throughout the country to clean up America’s greatest waterways, relying entirely on volunteer help. Ten years later, Pregracke is poised to become a celebrity.

LL&W is a floating recycling center visiting a long list of river towns once a year. The organization has grown from three barges a year (with a fourth for crew quarters and office) to using six or seven barges, visiting nine states in the Midwest and collecting four million pounds of garbage annually from the Mississippi, Ohio, Illinois, and Missouri Rivers. Lashed to the barges are small boats for carrying volunteers and trucks to transport trash to landfill sites and recycling centers. LL&W estimates it has enlisted 40,000 volunteers for cleanup work, including one-month each year on the Anacostia River in Washington, D.C., where 600–1,000 Capitol Hill staffers participate. LL&W has trained 1,300 teachers in educational workshops on the history and ecology of the rivers.

The Riverbottom Restoration project is another recent effort. LL&W volunteers have planted 21,000 river-bottom hardwood trees to improve the river ecosystem as a habitat for wildlife. These native trees (oaks and hickories) tolerate flood and drought better than the faster-growing vegetation. LL&W plants 4’- to 6’-tall trees to improve root growth for better uptake of nutrients and water and stability on the ground. The project expects to take on prairie and wetland restoration as well.

Pregracke is the organizational visionary, fund-raiser, crew chief, and motivational speaker at local schools and on cleanup days. He has raised funds from seventy corporate sponsors to support his organizational budget of about $700,000 a year. Pregracke has written a book, From the Bottom Up: One Man’s Crusade to Clean America’s Rivers, published by National Geographic, and has been featured in the national media. Talks for his own TV show are under way. The story of how an idealistic high school student took on the cleanup of America’s rivers is a great testimony to American enterprise, creativity, and pluck.
Mike Tenbusch and Dan Varner founded Think Detroit in 1997. These two University of Michigan law school graduates remembered their own sports teams as children and started a baseball league in a Detroit housing project, appealing to local merchants for funds to renovate the nearby city-owned baseball diamond. By 2003, their nonprofit organization Think Detroit enrolled 4,000 kids in baseball and soccer leagues with 500 volunteers as coaches. They raised over a million dollars to renovate five more baseball diamonds, and Tenbusch was named to the city’s board of education.

For Tenbusch and Varner, Think Detroit was about more than just sports. It required parental involvement, coaches trained in character development, and community spirit. A weeklong sleepaway summer camp offered help with academic subjects and assisted in developing leadership skills.

Tenbusch remains on the Think Detroit board but left the staff in 2005 for a charter school in Detroit. In 2006, Think Detroit merged with the Police Athletic League (PAL) to form Think Detroit PAL, which brought increased enrollment in sports activities and additional financial and administrative support. Now serving 13,000 kids a year with 1,500 volunteers, Think Detroit PAL is one of the largest urban sports leagues in the country.

Many challenges face a program with different sports, traditions, and cultures. One of the organization’s key leaders died suddenly in January 2007. And as always, there are financial challenges. Think Detroit PAL operates on an annual budget of about $2.5 million.

While Think Detroit PAL has grown in size and, along the way, made a convincing case for the role of sports and character development in kids’ lives, there are still 160,000 kids in Detroit, aged 5–18, who are not involved in any sort of after-school activity. As the city of Detroit struggles, the sports and community development aspects of Think Detroit PAL are more important than ever.
Gerald Chertavian was successful in the software industry and is equally successful training minority youth (aged 18–24) for an economy with little demand for unskilled labor. There are some four million “disconnected” youth without the skills to work or to continue their education. And 40 percent of high school students who do graduate are unprepared for anything beyond entry-level work. This is the “opportunity divide.”

Chertavian’s Year Up (YU) combines high expectations with marketable job skills, stipends, apprenticeships, college credit, and a behavior management system to place young adults on a path to economic self-sufficiency. YU places participants in information technology (IT) help desks and other behind-the-scenes computer-dependent jobs. Applicants for the program don’t need good grades but must have a positive attitude, a willingness to work, and be drug-free. The goal is an entry-level job with benefits, often including tuition reimbursement. With those benefits and YU’s support, about half the participants can attend college while they work. The average wage level is $15/hour. It is estimated that YU boosts a graduate’s lifetime income by $423,000 in net present-value terms, and produces an additional $134,000 in tax revenues.

In 2003, YU served 200 students from offices in Boston and Providence, Rhode Island. Now, along with Washington, D.C. and New York, they reach 650 students a year. YU enlisted sixty corporate partners for these hiring efforts and promotes urban youth as an untapped source of high-quality, entry-level employees. By screening and training every student (for a placement fee), Year Up saves companies time and resources.

The annual operating budget grew from $700,000 in 2001 to $8.3 million in 2006 with plans to raise funds for seven metro offices servicing 1,600 students by 2011. Local offices will be sustained by corporate apprenticeship fees and local donors, with student support from government job-training programs. By 2016, YU plans for programs in 25 cities serving 5,000 students.

Chertavian points out that the country’s fastest-growing demographic groups are receiving the least amount of education; he has devised an innovative, high-growth, well-managed response to this urgent social problem.

In 1996, the Reverend William Barnes, pastor of Saint Luke’s United Methodist Church of Orlando, Florida, felt compelled to help the working men and women in Orlando who had no access to health care. Thinking that some medical professionals in his congregation might be interested in helping, he could not have imagined the network of volunteers that would become Shepherd’s Hope, a consortium of local churches that treats patients free of charge. As of 2007, more than 19 churches provide 2,100 volunteers to staff nine sites for nonemergency medical care. To date, the organization has assisted 70,000 patients.

It’s not surprising that a tourist city like Orlando is home to many low-wage service employees with no health insurance. What is surprising is the large community response to this problem. Each of the nine health centers is a partnership between a faith community, a facility, and a hospital. The faith community is the primary resource for volunteer doctors, nurses, and staff who provide administrative support. A local school or church houses the health center by donating space. Area hospitals accept referrals without compensation for routine laboratory and radiology services. County health agencies provide follow-up services for patients in need of more advanced care.

Shepherd’s Hope recently celebrated its tenth anniversary, and $250,000 was raised to start an endowment for the continued operation of the program. Reverend Barnes’s church bought a home and is renting it to Shepherd’s Hope on a ten-year lease for administrative offices. The ministry operates with a paid executive director and fewer than ten other paid staff. Reverend Barnes has stepped back from leadership, becoming a board member emeritus so that a new generation can take the project forward.

Reverend Barnes explains why the doctors and nurses enjoy this volunteer commitment: they receive an immediate reward from their help with no paperwork or administrative burdens, and the clients are profuse in their thanks and appreciation. Reverend Barnes is planning to start another nonprofit and continue employing his formidable social entrepreneurship skills to improve life for the less fortunate in his community.
The New Jersey Orators is the labor of love of its unpaid executive director, James Hunter, one of the original six black professionals who, concerned about the poor interviewing skills they saw in young black job candidates, founded the Orators in 1985. The organization improves the public speaking skills of New Jersey students between seven and 18 years of age, increasing their self-confidence and leadership skills, and maximizing their career choices and academic success.

Weekly sessions are held in donated facilities on Saturdays throughout the school year. Volunteer coaches—successful professionals—not only lead the Saturday sessions but also select appropriate literary and historical materials for oratorical course work. Working closely with parents who commit to the program’s demands, the Orators prepare students for regional speaking competitions, help with homework and writing skills, and expose students to discussions of current events. The goal is overall language mastery and confidence in verbal expression, skills to help each child be more successful in school and in life.

Since winning the MI Social Entrepreneurship Award in 2002, the Orators have continued on their path of success and growth. They have grown from eight chapters serving 300 students to 15 chapters serving 500 students a year. Students’ small annual membership fees and a modest amount of corporate support help the organization reach its $85,000 annual budget. Dozens of volunteers enlist as coaches and as judges for the competitions. The program has grown primarily through word of mouth, especially parents’ referrals to other parents. Hunter’s “day job” in a prosecutor’s office in New Jersey is a particularly good recruiting ground for well-spoken professional volunteers.

Some coaches have been with the Orators for 20 years, and Hunter is certain that there are some among them with the demonstrated commitment to eventually succeed him and continue the operation into the next generation. The Orators’ motto is: A Generation That Learns to Listen, Reason, and Persuade Can Shape the Future. Surely, a positive future lies ahead for the children who devote the time, energy, and effort called for by this remarkably effective organization.
John Dixon, a retired army sergeant, knew that the legions of fatherless and undisciplined kids in his neighborhood could benefit from a structured military-style program run by former military officers, although he anticipated that only a few kids and parents might attend. Within months, however, hundreds were attending. The program was staffed by a corps of volunteer officers who led military drills, followed by homework help provided by suburban and retired public school teachers on their own time. The program included classes on sexual abstinence and controlling anger. Neighborhood residents came to talk about work and about what their own jobs were like.

Dixon and his wife, Catherine, charged only small fees (not always collectible) but were rewarded by the improvement that they saw in the behavior of individual children. Faced with the city’s problems, they had a daunting task. But the impact of JUMP was such that the Buffalo News called it one of the “good programs, the ones making a difference.”

Sadly, John Dixon has passed away, and JUMP is no longer in operation. His legacy lives in the many lives he touched in Buffalo.

Mark Levine, a former New York City teacher, was concerned about those outside of the mainstream financial system. Starting with $85,000 in seed money from the Echoing Green Foundation, he established Credit Where Credit Is Due, a nonprofit organization that promotes economic empowerment in upper Manhattan by increasing low-income people’s access to, understanding of, and control over financial services. CWCID runs a bilingual financial education program and in 1997 opened a community development credit union called Neighborhood Trust Federal Credit Union (NTFCU). This was the first community-owned and -controlled financial institution to serve the upper Manhattan communities of Washington Heights and West Harlem.

Levine left CW CID in 2002, but served as president of NTFCU. Neighborhood Trust has 4,294 members with access to an array of affordable financial services and who contribute to the credit union’s $6.2 million in assets. Since 1997, Neighborhood Trust has given $6 million in personal, micro-enterprise, and co-op mortgage loans. NTFCU boasts a 98 percent repayment rate with most loans averaging $5,000. With an average per-capita income of only $10,000, nearly half of NTFCU members are unbanked when they join Neighborhood Trust, having relied instead upon check-cashing stores and loan sharks.

NTFCU has consolidated the West Harlem branch into its upper Broadway office.

CWCID remains active in financial education. Partnering with other nonprofits in New York, programs in personal financial literacy, youth education, entrepreneur training, and homeownership education are offered in upper Manhattan at the Port Authority, in jails and homeless shelters, and to immigrants all over the city. A school banking program is active in six schools, in which tellers take deposits weekly and teach students and their parents about interest and savings.

Levine’s full-time job is with the Center for After-School Excellence, which focuses on the education and training of after-school teachers. The NTFCU that he was instrumental in founding continues to prosper, helping low-income families enter the economic mainstream and promoting neighborhood revitalization.
Eric Adler and fellow management consultant Rajiv Vinnakota built and manage a boarding school in an impoverished area of southeast Washington, D.C., providing underserved students with a college-prep education. The SEED School opened in 1998, admits all students by lottery, and is the only urban public boarding school in the nation. SEED has a rigorous academic program in a safe and structured environment.

SEED built four buildings (including two dormitories) on property leased by the D.C. Public Schools and reached capacity in 2004: 320 students from grades seven through 12. All SEED’s high school students have graduated, and 97 percent have been admitted to college. Comparable students in D.C. have a 40 percent graduation rate. Ninety percent of all SEED students do graduate high school, even if not the SEED school itself. Success is based on a college-prep academic focus (including intensive remediation), individualized attention, peer-based support, and a strong life-skills curriculum including budgeting, time management, mentoring skills, and community service. School runs year-round, five days per week, with eight-hour days and academic tutorials, extracurricular activities, sports, and cultural enrichment experiences.

SEED prepares students for college-level academics and helps them with college applications, financial aid, and college selection. Two full-time support staff help shepherd graduates through college, often visiting to help students deal with various problems. They locate mentors near the college and offer career counseling for summer and post-graduation jobs.

The SEED founders financed the school with $25 million in donations plus a series of bank loans. In 2004, they reached their capital and fund-raising goals, enabling the school’s basic program to sustain itself on the public funds that it receives. They would like to start similar schools in Milwaukee, San Francisco, and Baltimore and possibly a second campus in Washington, D.C.

SEED has received numerous honors since winning the MI award in 2001: the Social Capitalist Award from Fast Company / Monitor Group, 2007; the Innovations in American Government Award from the Harvard Kennedy School of Government, 2005; and the Washingtonians of the Year Award from The Washingtonian, 2003.

Former teacher Michael Danziger wanted to improve the education of poor children and provide them with a “life-transforming experience.” He believed that with an intensive and rigorous academic program, after school and on Saturdays during the school year and over the summer, students selected could qualify for top private schools or very competitive academic middle and high schools.

Steppingstone is the result. Founded in 1990, Steppingstone develops and implements programs that prepare urban schoolchildren for educational opportunities leading to college. The program began in Boston and Philadelphia and recently expanded to Hartford. Currently, 850 students are enrolled in Boston, 200 in Philadelphia, and 30 in Hartford. Steppingstone “Scholars” participate in a 14-month program, from fourth to seventh grade. Classes meet after school, on Saturdays, and over two summers in preparation for the challenging academic environments at top schools. Steppingstone staff work closely with the students and their families on the school exam application process. After the 14-month program, Steppingstone provides counseling, academic support, and college guidance to ensure that Scholars thrive personally and academically in their new schools.

Its track record is impressive: since 1991, 91 percent of Steppingstone students have been admitted to a placement school, 96 percent of those admitted have graduated, and 95 percent have gone on to a four-year college. Of those admitted to a private, independent high school, 100 percent have gone on to four-year colleges, including Harvard, Yale, Bowdoin, Williams, Spelman, Columbia, Dartmouth, MIT, RPI, and Johns Hopkins. More than 300 Steppingstone alumni participate in reunion events, mentor younger students, attend family information meetings to help them prepare for college, and help in fund-raising.

Steppingstone is now a $4 million organization, and Michael Danziger’s role is evolving as the organization grows. He is the founder, first executive director, and was originally the organization’s largest financial supporter. He is now executive chairman of this complex organization, the bridge between board and staff, and will continue to lead strategic planning and fund-raising and direct efforts toward national expansion.