

1200 FOUNDATION

WORKING FOR THE WORKING POOR

NEWSLETTER

Fall 2008

1200 Foundation Awards Grants to EARN and Operation Access

The 1200 Foundation recently awarded \$5,000 grants to two new recipients: EARN and Operation Access, both Bay Area-based non-profit organizations.

EARN

EARN is a nationally-recognized organization engaging low-wage workers, businesses, policy-makers and other non-profits in its efforts to empower low-wage workers in the Bay Area to escape poverty through asset building products and services.

EARN offers money management training, access to financial services, and 401(k)-like matched accounts. It is the nation's second-largest (and the single fastest-growing) provider of Individual Development Accounts (IDAs). Families can save up to \$2,000 in their IDAs and receive a \$2-for-\$1 match of \$4,000, for a total of \$6,000 that can be invested only in a first home, post-secondary education, or to start or grow a small business.

With access to EARN's financial services, low-wage, working families are transforming their lives. Averaging less than \$18,000 in annual income, EARN families are saving over \$75 a month, about 5% of their income.



Duane and Helen Greene purchased their first home through EARN.



OA patient recovers under the watchful eye of Dr. Barker at Kaiser Permanente San Francisco Super Surgery Session. Photo credit: Richard Tenaza

Operation Access

Operation Access (OA) was founded in 1993 by two prominent surgeons to increase access to care and promote medical volunteerism. Now celebrating its 15th year anniversary, the organization has arranged for around 3,800 surgical and specialty care services, donated at no cost to uninsured patients – saving an estimated \$22 million in waived medical fees.

OA's mission is to mobilize a network of medical volunteers, hospitals, and referring community clinics to provide low-income, uninsured people access to donated outpatient surgeries and specialty care that improves their health, ability to work, and quality of life.

Patients are typically adults working in the service sector with no health benefits. They do not earn enough to pay for their own health insurance, and do not qualify for government insurance programs.

Around 600 medical professionals donate care through Operation Access at 22 partner hospitals throughout the Bay Area. Patients receive timely, top-quality care that can restore their ability to work and support their families.

Basic Living Costs Skyrocket In Alameda and Contra Costa

In both Alameda and Contra Costa counties, a family of two adults and two children needs to earn more than \$58,000 annually to meet their most basic living expenses.

These are the 2008 findings by The Insight Center for Community Economic Development and Californians for Economic Security (CfES).* The last study was done in 2003.

This \$58,000 figure is in stark contrast to the \$17,600 Federal Poverty Level (FPL) number used to determine income eligibility for many public programs. The FPL, developed in the early 1960s, fails to take into account geography as well as housing, child care and transportation costs, all of which have become increasingly more expensive.

The main areas of increase since 2003 include:

- Food costs up 15%
- Health care costs up 30%
- Transportation costs up 93% in Alameda and 62% in Contra Costa

The Family Economic Self-Sufficiency Standard developed by the Insight Center

Basic Living Expenses for Family of Four (two adults, one preschooler, one school age child)		
Expense	Alameda	Contra Costa
Housing	\$1,216	\$1,282
Child Care	1,283	1,254
Food	903	903
Transportation	232	194
Health Care	333	333
Miscellaneous	397	396
Taxes	757	753
Child Care Tax Credit	-100	-100
Child Tax Credit	-167	-167
Monthly Cost	\$4,854	\$4,848
Total Annual Cost	\$58,251	\$58,174
Self-sufficiency hourly wage needed per adult	\$13.79	\$13.77

measures how much income is needed for a family of a certain composition living in a particular county to adequately meet its minimal basic needs.

Working full time at the state’s minimum hourly wage of \$8.00 per hour, a worker would earn only \$16,640 – far below the federal and state poverty levels. It would require the family to work 3.5 full-time minimum wage jobs to meet the self-sufficiency standard for these two East Bay counties.

* <http://www.insightcced.org/>

How Important Is the Self-Sufficiency Standard in Helping the Poor *A conversation with Alissa Friedman, Executive Director of Opportunity Junction*

Recently, Alissa Friedman, Executive Director of Opportunity Junction, and Lester Ellis, Founder of the 1200 Foundation, attended a seminar focusing on the Insight Center’s Economic Self-Sufficiency Standard. Following the seminar, Alissa made the following comments.

At Opportunity Junction, we’ve been using the Self-Sufficiency standard for years – mostly to

“The standard focuses on what it takes to support yourself rather than some arbitrary definition of poverty.”

communicate how important it is to get people into careers where they can advance. What’s difficult is how big the gap is between the standard and the reality for many families.

And really, when you think that a single mother of two would need to earn more than \$25 an hour just to hit self-sufficiency – well, there are a LOT of people who don’t earn that much. It can be daunting.

I have this nagging issue with the standard, which is that you cannot use it to create wage policy. The fact that self-sufficiency depends so much on how many kids you’re supporting means that you cannot expect employers to look at it for guidance on wages.

What I like most about the standard is that it focuses on what it takes to support yourself, rather than some arbitrary (and incredibly low) definition of poverty – that paradigm shift of looking at how we can empower people to do for themselves.

Foundation Awards \$10,000 Third-time Grant to Opportunity Junction

In March, the 1200 Foundation presented a grant of \$10,000 to Opportunity Junction, an Antioch-based non-profit that helps low-income adults get the skills and confidence they need to support themselves and their families. This was the third year the group received a 1200 Foundation grant.

The story of Xochil Rodriguez is typical of the graduates of Opportunity Junction. Laid off from her retail position of five years, Xochil seized the opportunity to get the confidence she needed to open the door to a real career.

Once she was accepted into the Opportunity Junction program, Xochil was overwhelmed by the support and assistance of everyone who worked there. Not long after she started, her

“It is so important and gratifying to have the support of local donors.”

family had a housing crisis when the house she was renting went into foreclosure. “(Opportunity Junction) helped me find lists of homes to rent while also connecting me to other resources,” Xochil said. In addition to the informal housing assistance, Xochil was also able to build her self-confidence “by learning and then helping to



teach things on the computer. I am so much more confident speaking in front of people, and I love to show people new skills,” she said.

Most recently, Xochil used her new poise to earn a position as an Administrative Assistant with an insurance agency. Responsible for more than traditional administrative duties, Xochil is also learning and practicing multiple aspects of the insurance field such as working with customers and practicing quotes.

“I love this opportunity and independence my new career has helped my family gain,” Xochil stated.

Jesse Golden, Deputy Director of Opportunity Junction, said, “For a local organization like ours, it is so important and gratifying to have the support of local donors.”

Wardrobe for Opportunity Receives \$7,500 Grant in 2nd Year Award

A second year 1200 Foundation renewal grant of \$7,500 was awarded in June to Wardrobe for Opportunity (WFO).

Michelle Augenstein, Executive Director of WFO, said “We appreciate your deep understanding of the work we do, your willing ear when there is an issue to explore, and the ways we are encouraged to collaborate with you to strengthen both your efforts and ours. It’s a unique and special funding relationship.”

“The 1200 Foundation’s continued support encourages others to increase their support,” said Michelle. “In fact, we just received a generous matching grant from the Morris Foundation; your investment is equal to \$15,000. Wow!”

WFO is an East Bay-based nonprofit organization that provides professional clothing

and career support to low-income jobseekers in the Bay Area.

In 2007, WFO provided professional clothing and career advancement training to over 1,600 low-income jobseekers. The clients, who are referred from more than 75 qualified partner programs, are qualified as low-income and ready to work. They are women and men of all ages and abilities from diverse ethnic, educational and cultural backgrounds.

“Because of your grant, we received a generous matching grant”

Founded in 1995, WFO provides its clients with the tools they need to project the positive image, self-confidence, and self-esteem necessary to find and maintain employment and achieve economic self-sufficiency.

1200 FOUNDATION

1200 Foundation
2079 Oakland Avenue
Piedmont, CA 94611
510-595-4203
www.1200foundation.org

A Matching Donation from Your Employer Will Increase Your Gift to Our Grantees

Just as the 1200 Foundation and our grantees strive to find donors who will contribute an amount equal to other donations, you, as a donor, can also participate by checking with your employer.

Many corporations and organizations encourage their employees to donate to 501(c)(3) tax-exempt organizations by offering to match to a certain maximum or sometimes double the donation of their employees. It is an excellent way to extend the impact of your donation and benefit the working poor.

The program application is usually available on the company Internet or Intranet site. It can also be obtained from the Human Resources department. You'll complete the donor section of the form and mail it with your donation to the 1200 Foundation. In some organizations you can complete the form directly on the company's website.

When we receive the form, we'll complete the section required by nonprofit organizations and returns the form to your employer, along with the required legal documents. In turn, your employer will send a matching donation.

1200 Foundation Board of Directors

Lester Ellis, Founder

Ann Frizell, President

Peg Kemper, Vice President

Carlos Cardenas, Treasurer

Valerie Matzger, Secretary

Directors:

Michael Bruck

Kendra Ellis

H. Todd Harmon

David Large, Ph.D.

Marcia Shrago

The 1200 Foundation is a 501(c)(3) tax-exempt organization, tax ID number 94-6070996. Your donation is tax deductible to the full extent allowed by law.