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# BENEVOLENT, CROWDFUNDING SITE FOR LOW-INCOME

## PEOPLE IN NEED, TO EXPAND TO 3 CITIES WITH FUNDING

## FROM KNIGHT FOUNDATION AND THE MARJORIE S. FISHER FUND

Groundbreaking service to expand to Silicon Valley, Charlotte, and Detroit

Chicago, IL (May 6, 2013) – Following a successful pilot launch in Chicago, Benevolent (www.benevolent.net), a crowdfunding site that lets anyone make small donations to help low-income individuals overcome one-time economic hurdles, has received \$285,000 in grants from the John S. and James L. Knight Foundation and the Marjorie S. Fisher Fund of the Community Foundation for Southeast Michigan for an expansion into three new cities – Detroit, Charlotte, North Carolina, and San Jose/Silicon Valley.

Launched in December 2011, Benevolent aims to transform the way people provide and receive support, bringing dignity and self-determination to both sides of the giving equation. The site uses a crowdfunding model to enable individuals to make micro-donations to help cover smaller, one-time needs that often fall through the gaps in the social safety net, such as eyeglasses, work uniforms, security deposits, computers and transit passes. Reflecting Benevolent's potential impact, founder Megan Kashner was invited to present at last year's White House Forum on Philanthropy Innovation, where the keynote speaker, Jean Case of the Case Foundation, hailed it as one of the most innovative programs discussed at the forum.

The Charlotte and Silicon Valley programs are supported by a \$200,000 grant from the Knight Foundation, which supports transformational ideas that promote quality journalism, advance media innovation, engage communities and foster the arts. The Detroit program is supported by an \$85,000 grant from the Marjorie S. Fisher Fund, founded by Mrs. Fisher to support families in need.

Benevolent establishes partnerships with local nonprofit organizations to identify individuals with a specific need, then provides each person with a profile page where they can use stories, photos, and videos to describe the challenge they face as they pursue their goal of work, education, or personal sustainability. All funds raised through Benevolent are sent as a grant to the nonprofit which then fulfills their client's needs. Individuals' profiles are regularly updated to show donors the immediate impact of their contributions.

Benevolent was founded by <u>Kashner</u>, an accomplished nonprofit leader and social worker, who recognized digital media's potential to capitalize on the fact that people are twice as willing to help individuals in need when presented with a single person's name, image and story rather than an anonymous appeal.

Benevolent's pilot program in Chicago raised more than \$35,000 for more than 70 individuals over the course of fifteen months, with recipients ranging from a homeless man whose new waiter's uniform allowed him to get a job and move out of a shelter, to a single dad who needed welding gear to pursue a skilled trade, to a 20-year-old trying to provide her little sisters with clothes and school supplies while their mother was in jail. The average individual donation is \$50, while the average amount of a funded need is \$470.

"The Benevolent model can help low-income people everywhere get on the road to self-sufficiency by letting small-dollar donors lend a hand with critical one-time needs," said Kashner. "We are proud to have the support of forward-thinking organizations like the Knight Foundation and Mrs. Fisher in bringing this game-changing, proven approach to the communities of Charlotte, Silicon Valley, and Detroit."

"Through proven results and rich stories of success, Benevolent is showing that people can overcome problems when people come together to offer a hand," said Damian Thorman, Knight Foundation director of national programs. "By expanding the program we are advancing the potential for individuals to become more engaged, productive members of their community, while at the same time building social capital."

"I am honored to partner with Benevolent to help families in Detroit support the hard work of other families as they reach their goals," said Mrs. Fisher. "This is not charity, it is neighbors helping neighbors."

Kashner said the three new cities were chosen for the unique challenges they pose for lowincome residents:

- In <u>Detroit</u>, the median household income decreased by more than one-third from 1999 to 2011, and half the city's households reported less than \$25,000 annual income in 2011.
- Though located in the heart of prosperous Silicon Valley, the tech industry has brought a
  high influx of transient workers to <u>San Jose</u>, many of whom earn below-average wages
  while struggling to meet a cost of living that is more than 50% higher than the national
  average.
- In Charlotte, according to the US Census, the percentage of families living in poverty nearly doubled from more than 7% in 2000 to more than 13% in 2010.

#### **About Benevolent**

Founded in 2011 by Megan Kashner, Benevolent aims to provide crowdfunded support to the 104 million Americans living in low-income households. Benevolent works with local non-profits, from social service providers to religious organizations, to verify users, their stories and their one time, needs. Benevolent is headquartered in Chicago, Illinois. For more information, visit the Benevolent Press Center at <a href="https://www.benevolent.net/About/Press-Room.html">www.benevolent.net/About/Press-Room.html</a>.

### About the John S. and James L. Knight Foundation

Knight Foundation supports transformational ideas that promote quality journalism, advance media innovation, engage communities and foster the arts. We believe that democracy thrives when people and communities are informed and engaged. For more information, please visit knightfoundation.org.