An Introduction to a Unified Investment Strategy for Impact

An ImpactAssets issue brief exploring critical concepts in impact investing

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Over recent years a growing number of investors have sought to maximize the impact of their capital through the practice of a unified investment strategy wherein their grantmaking is coordinated with impact investments generating financial performance with social and environmental returns. This Brief explores three levels of capital investing: Capital structured to generate a blend of social and financial return, requiring a minimum of a market-rate risk-adjusted financial return; Capital structured to generate a blend of social and financial return, but accepts financial returns lower than the risk adjusted market rate, in exchange for greater social returns; and capital that generates a core mission aligned social return, but no financial return to the investor (other than, arguably, the tax deduction value at the front end). Examples of how these approaches work in practice are also presented.

A UNIFIED INVESTMENT STRATEGY FOR IMPACT

Traditionally, financial investing and the creation of economic value have been viewed as activities separate and distinct from efforts to create social value and positive environmental impacts. Perhaps best promoted by Milton Friedman of the University of Chicago, the conventional wisdom has been that the social responsibility of companies and investment managers is fulfilled by simply generating the greatest amount of financial return to investors possible—leaving it to each individual investor to then decide how best to “do good” with wealth thereby created. This notion of economic primacy has served to create vast economic wealth over more than two centuries.

While frameworks separating the practice of doing well from that of doing good have been effective in creating economic value, they have also failed us in substantial ways. Social and environmental impacts of investment decisions have historically been considered ‘externalities,’ superfluous to the investment
decision equation. In truth, the goal of creating economic wealth is seldom pursued in the abstract. Rather, it is a means to an end. We seek to be “wealthy” in order to have choices with regard to how we live our lives and pursue our goals. We seek wealth to provide for our immediate families and ourselves. We attempt to build thriving economic systems in order to assure we live in communities and societies that can provide, at a minimum, economic support for all members and, ideally, economic opportunity that will allow each individual to provide for themselves and achieve their greatest potential. In sum, we use economic strategies and financial tools to achieve not simply financial returns and economic vitality in a vacuum, but as means to an end—an end that includes social well being for our community and personal fulfillment for ourselves.

We have, therefore, a fundamental problem:

Our economic tools often conflict with our ultimate purpose

In truth, investors do not just generate financial returns. They participate in a complex system of investing and value creation that generates multiple returns with financial, social and environmental implications. In recognition of this reality, the investor has before her many options. And, indeed, from both a fiduciary and ethical standpoint, increasing numbers of investors are confronting the need to define investment returns as a proposition that blends economic and social value creation.

If investors engage in asset management strategies to achieve a variety of outcomes (financial return and maintenance of corpus, social and personal well-being in the future, generation of funds in order to support future causes of interest to the investor, an interest in leaving wealth for a new generation of the family and so on), would it not also follow that investors should consider how best to leverage their full assets in pursuit of their ultimate goals?

This challenge is one all investors must address, but is perhaps most stark in terms of foundation or donor advised fund asset management whereby the traditional practice is to use as little as 5% of the corpus to support grant making activities, while as much as 95% of the assets are managed with little to no consideration of the overall goals of the endowment. The outcome? Five percent of the assets are driving 100% of the mission, while 95% of assets are at best neutral with regard to supporting overall goals and often are actually invested in strategies that directly contradict the mission of the donor.

This is akin to an iceberg with the vast majority of its mass submerged below the water line and only an icy 5% ‘tip’ visible. The rest of the iceberg—the majority of assets—is lurking below the waterline, undoing the value—and values—investors strive to create above the water, in the light of day. It is hard to argue that leaving such a huge portion of one’s assets “below the waterline” maximizes the ability to attain investor long-term goals;
whether for foundations or donor advised funds to fulfill the fiduciary responsibility of their charitable charter, or for all investors who wish to have all their assets in line with their social goals.

But it is possible to overcome the “capital chasm” between long-term investor goals and short-term investment practices—to develop and pursue strategies that balance financial returns with the creation of positive social and environmental value. Such investors understand portfolio performance is not simply a function of financial return, but multiple returns generated through the effective management of a variety of investment instruments providing a balanced, integrated return over time.

Whether ready to make use of them or not, each and every investor has a large body of financial assets at work in society, with a wide range of potential deployment possibilities. When viewed in aggregate, each instrument of asset management (from equity investments to low-interest loans to grants) generates value in pursuit of investor goals. And each investment should be managed as part of a single, unified whole.

It is clear that what makes sense in concept also makes sense in practice to an increasing number of asset owners. Indeed, a growing number of investors are executing strategies that intentionally seek financial and social/environmental value:

• The socially responsible investment (SRI) market has grown from $40 billion in 1984 to over $3.07 trillion in 2009, reaching more than 12.2% of all professionally managed assets, as pension funds, institutional investors and others have taken a more active stance toward shareholder involvement or introduced one or more social screens into their investment selection process.\(^5\)

• Community development investment in the US has increased to $41.7 billion

• The Social Investment Forum in 2010 found that $37.8 billion was under management in more than 177 different socially- or environmentally-screened alternative investment vehicles, including hedge funds, social venture capital, private equity and real estate funds, with the risk and growth capital portions only a thin slice of this market.

• The Hope Consulting and JP Morgan Chase reports found $120 billion of pent up demand for impact investing.\(^6\)

While this growth has been impressive, most investors continue to struggle with how best to fulfill responsibilities of financial stewardship while at the same time promoting the social and environmental interests of the investor, whether an individual or institution. To successfully direct a portfolio of investments to achieve its full potential investors must do two things:

- **First, they and their wealth managers must re-conceive overall investment strategy to allow for consideration of more than simple financial performance.**

- **Second, investors need a more comprehensive understanding of, and access to, the array of investment instruments available to them to construct their portfolios.**
While the universe of investment firms, funds and products offering financial returns with social and environmental impacts has grown significantly over the past decade, so too has the rise in the use of the terms “impact,” “sustainable,” and “green” investing. Finding one’s way through this dynamic and shifting set of terms, concepts and investment opportunities can be a real challenge—even for those familiar with this category of investment! Fortunately, new resources are also increasingly available. ImpactAssets 50 is a pre-screened roster of the top firms offering impact investment strategies within the debt and private equity categories. The IA50 focuses on assessing the track record and commitment to impact investing at the firm level and is a solid starting place for investors and their advisors who are looking for firms across thematic areas of impact investing. GIIRS (the Global Impact Investing Reporting System) and ImpactBase are two additional resources investors may use to do additional research on the impact investment universe.

To be most effective, an investor’s strategy must be founded upon the knowledge that the most effective approach is one which seeks to identify an investor’s full array of available assets (both financial and extra financial) and assertively deploy those assets in support of the individual or institution’s mission. In this way, investors may simultaneously create the blended value of the financial, social and environmental goals they seek to achieve. For individual investors, this practice may be thought of as Integrated Wealth Management, while for institutions it is referred to as a Unified Investment Strategy.

A CONTINUUM OF IMPACT INVESTMENT INSTRUMENTS

For the purposes of this discussion, we consider financial assets in three general categories:

- Capital that is intentionally structured to generate a blend of social and financial return, requiring a minimum of a market-rate risk-adjusted financial return.
- Capital that is structured to generate a blend of social and financial return, but accepts financial returns lower than the risk adjusted market rate, in exchange for greater social returns.
- Capital that generates a core mission aligned social return, but no financial return to the investor (other than, arguably, the tax deduction value at the front end).

Each of these types of capital is invested by making use of different instruments that, when considered in total, make up the portfolio of any given unified investor (whether individual or institutional). For example, capital in the third category (generating social return, but no financial return) is a grant or other unrecoverable expenditure of funds, capital in the second could take the form of a loan to an affordable housing development at concessionary rates, while capital in the first category (full market rate) is more likely to be public.
equity or fixed income holdings in mainstream companies, or other traditional market-rate investments. What is interesting to note is that there are also an increasing number of impact investment options which also offer competitive, market rate returns as well. Therefore, the most effective investment strategies are those that seek to maximize the full contribution value of all investments made by the investor. Financial returns are understood to exist side-by-side with human capital development and environmental stability.⁹

These investment instruments and strategies may be understood as follows:

> **Capital that generates a blend of social and financial return, requiring a market-rate risk-adjusted financial return. Under this category, there are two general classes of assets:**

- **Assets more actively aligned with an investor’s goals:**
  - Positively socially screened portfolios of securities seeking competitive financial returns, by proactively seeking out companies that create value in accordance with the investor’s goals such as job creation in a particular region or community, alternative energy products, etc.
  - Engagement in proxy voting and shareholder advocacy around proactive positive issues of social change or value creation
  - Positively screened social venture capital and private debt in pre-IPO companies
  - Market-rate certificates of deposit in Community Development Banks or Credit Unions, other debt instruments such as Fannie Mae and Freddie Mac agency paper and certain municipal bond offerings that are aligned with investor’s goals
  - Market-rate real estate with a mission-related purpose

Though the range of market-rate risk-adjusted investment activity may be viewed as falling into these two buckets, instruments are organized around the intention of the investor, rather than the actual characteristic of the vehicle. For this reason some investors will find it easier to simply conceptualize their market-rate activity as a continuum ranging from “issue screening” (for social or environmental factors) to proactively aligned investment.
In examining the broad spectrum of market-rate investment vehicles, we begin with the understanding that all business practice has the potential to maximize economic and social/environmental performance—yet many companies do not operate with the intent of advancing corporate policies in a manner that will assure full performance of each of its areas of value creation.

**Socially responsible investment (SRI)** portfolios seeking competitive financial returns remain the standard form of what has traditionally been referred to as SRI and are clearly worth exploring as one component of a Unified Investment Strategy. Some trustees raise questions regarding both the potential financial performance of SRI funds and whether it is within the fiduciary duty of a trustee to take non-financial factors into account when outlining an investment approach. In a recent report released to its clients by Cambridge Associates, it was stated that, “...most studies conclude that socially screened index portfolios have attained risk-adjusted returns roughly equivalent to those of unscreened portfolios...” and later in the same report the statement is made that, “At a minimum, these examples (of global financial risk exposure), suggest that it might be prudent for long-term investors to become familiar with and engaged in consideration of a broader set of issues other than those conventionally regarded as purely financial.”

**Social Angel and/or Venture Capital Funds** are funds that invest directly in early stage, small to medium enterprises. A study by McKinsey and Company, found that “...over the ten year period we examined, a portfolio of investments defined as socially responsible generated returns of 8 to 14 percent. That is lower than the rate typically earned by “angel” investors...but comparable to capital market returns.”

**Screening depository institutions for cash management practices** along the lines of the Community Reinvestment Act performance presents another component of the value chain—providing a basic negative screening stance to ‘do no harm’. For more proactive and targeted value creation, placing investor assets in federally insured accounts with community development banks and credit unions provides depository options for foundations and others seeking to preserve assets. The yields on these deposits, however, may not be as aggressive as found elsewhere.

**Real Asset Investments**: Additionally, market-rate risk-adjusted returns in real estate provide a flexible strategy for diversifying into alternative asset classes, while maintaining alignment with investor goals. Land, watershed or historic preservation and development zone retail or manufacturing activities are just a few of the obvious alignments that can also provide for considerable appreciation potential if responsibly managed over time.

**Proxy Voting and Shareholder Advocacy.** Finally, any investor in public equities may play a role in raising issues and concerns regarding corporate practices through the use of proxy voting rights. This may significantly contribute to the overall goal of many impact investors: building companies that thrive economically...
and meet their obligations to larger stakeholder groups. But, in the end many investors “sign over” their voting rights to fund managers who exercise those rights with no reference to other considerations of value creation aside from simple economic performance. A booklet, Unlocking the Power of the Proxy: How Active Proxy Voting Can Protect Endowments and Boost Philanthropic Missions, provides guidance on developing policy and engaging in direct management of proxy voting as a tool to advance total investor mission.¹²

**Capital generating a blend of social and financial return, but that accepts financial returns lower than the risk adjusted market rate, in exchange for greater social returns. This category of investment includes such products as:**

- Community development investment notes, loan guarantee funds and other fixed-rate investments in microfinance and CDFI entities
- Community Development Venture Capital
- Deposits in community development banks and credit unions at below market rates
- Other direct lending to nonprofit facilities or enterprises, or real estate (e.g. land preservation), at below market rates
- Equity-like long term recoverable grants into nonprofits to provide risk capital

Often referred to in general terms as **Program Related Investments** (PRIs), or concessionary investments, this category is composed of a broad array of below market-rate loans or other investments made to nonprofit or for-profit entities with measurable social value creation. In the case of foundation investors, the loans themselves may be credited against the foundation’s 5% grant payout requirement and can take any number of forms with regard to the actual terms and structure of the investment. By definition, the intent of a program related investment must be to further the mission of the foundation and such PRI decisions cannot be taken in order to maximize financial return. Although there is no cap on the maximum financial return that may be earned on a PRI, such investments fall outside the ‘prudent investor’ considerations—defined as an investment any prudent investor would not make due to either increased risk or low market returns. For the impact investor this means the investment may not be made with the sole intent of making a profitable return, but that one may indeed make a profitable return as a by-product of both increased risk and the generation of real social/environmental impacts. Solid background information on how investors can develop a PRI strategy and structuring such investments may be found at the Council on Foundations and the PRI Makers Network.¹⁶

**Community development investment notes and bonds** provide a way for investors to place funds directly in aligned social and economic value creation, while benefiting from diversification, professional management and, in some cases, security enhancement. CDFI intermediaries that are demonstrating...
an increasing track record of successful deployment of assets offer such notes or bonds. For example, Calvert Social Investment Foundation has been successfully offering its Community Investment Note, and Community Reinvestment Fund has offered its bonds for many years. 

In addition to these types of pooled vehicles, **direct investment at a fixed-rate into any number of community development loan funds or community development venture capital funds** afford a more limited diversification strategy. Many investors have sought investment opportunities specific to their community and value the direct social impact attained.

**Deposits into community development banks and credit unions** at concessionary rates also fall into this category. Many foundations hold a variety of CDs as a part of their overall asset management strategy—yet many are unaware that many community development banks offer insured Certificates of Deposit to investors, and that foundations may apply those investments against their 5% payout requirement. Many foundations hold certificates of deposit in mainstream banking institutions as part of their traditional cash management strategy. Foundations might also work with regional development banks to pursue this under-utilized approach.

**Loan guarantee funds** are an additional avenue for fund managers seeking to leverage the impact of their assets, but also generate some financial returns. Pledged assets may either remain within the investor’s financial institutions or are held at a designated bank, while continuing to pay interest to the investor. A like amount (or leveraged amount) is then made available for community development entities that otherwise would not have access to capital on reasonable terms. As an example of this approach, Unitus is an organization investing in high-potential microfinance institutions with the goal of increasing the number of individuals reached through microfinance. The Clara Foundation has provided a $1 million loan guarantee to Unitus that collateralizes a line of credit that is then used to underwrite debt financing offered by Unitus.

It is important to note that relatively subtle variables can delineate an asset belonging to this category rather than from the former market-rate category. This may simply be a question of instruments carrying a **longer, non-traditional time horizon or a greater degree of risk**. The financial return may be comparable to certain market rate instruments on the surface, but when carefully matching risk and/or term to other market-rate instruments it becomes apparent that the return may not be fully risk adjusted. Such investments may have a longer term time horizon in order to allow the organization (whether nonprofit or for-profit) an extended period of time to payoff the loan, or higher risk may be expressed as subordination of the investment to other senior obligations or other factors such as non-compensated country risk. Why would investors take on this risk? Increased leverage and social impact are the answer!
The final category of capital generates a core mission aligned social return, but no financial return (other than the tax deduction value at the front end) for the asset owner; and includes:

- General operating support and capacity building grants
- Project specific grants
- Seed grants, research and development grants
- Venture philanthropy funds
- Grants made to intermediary funds which then re-grant or loan those funds to other social entrepreneurs
- Other programmatic expenditures

As numerous other papers have thoroughly explored the broad spectrum of grant making, this paper’s discussion will be limited on this category. Suffice it to say that financial asset deployment that does not generate direct financial returns to the investor, even in a concessionary manner, is a critically important aspect of a Unified Investment Strategy.

Taken in total, these various forms of instruments and strategies fit together within a Unified Investment Strategy that spans investments in for profits and nonprofits, from market rate, to concessionary terms, to philanthropy.

The Unified Investor, with this methodology in hand, may over time build a carefully constructed portfolio fully aligned with the goals of an individual or institution—financial, social and environmental. And, as with traditional portfolio theory and financial management, the impact investor executing a Unified Investment approach will factor in a number of issues and constraints; risk tolerance, appreciation/income needs, diversification and many others.

The next stage of development of these ideas will require a marked increase in the sophistication of a new generation of wealth managers and investment options centered especially squarely upon the blended middle category of social purpose investments, between grants and more conventional instruments.

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As the previous discussion illustrates, a vision of what the Unified Investor might look like begins to take shape. All assets may be aligned to pursue and attain the goals of the investor. In recent years, a variety of research papers have been issued profiling some of the best practices by foundation investors to link their asset management strategies with their institutional missions. Most recently, the MISTRA Foundation of Stockholm released an excellent report offering detailed profiles of leading examples from Europe\(^2\) and Rockefeller Philanthropy Advisors have also published several reports of interest documenting developments among U.S.-based impact investors. For our purposes, we will briefly review one of the better known U.S. examples of investors methodically experimenting with unified investment strategies: The F.B. Heron Foundation.

F.B. Heron Foundation,\(^2\) with $110 million of $241 million total assets in specific pursuit of what could be described as a unified investment strategy, has one of the most significant commitments to impact investing of any foundation in the United States when measured as a percentage of assets (at 45.7%). These investments directly track to one of Heron’s four programmatic areas of interest—the same program areas that their grant making is directed toward: increasing access to capital, supporting enterprise development, advancing home ownership and reducing the barriers to full participation in the economy by providing quality child care. Their unified investment portfolio consists of the following assets:

- $89 million of these assets are in the first capital category of market-rate investments aligned with program, committed to invest in a range of affordable housing agency paper, real estate and venture capital economic development oriented funds;
- $6 million are in market-rate insured deposits with community development banks and credit unions, which also fall in the first category of market-rate, yet mission aligned, investments;
- $21 million of assets are program related investments—concessionary investments, mostly loans, directly into nonprofit intermediaries and development corporations, each managing a portfolio of community-based investments.

When added to its $11 million in annual strategic grants also aligned to its four program impact areas, Heron has gone a long way toward lifting up the ‘iceberg’ (of which we wrote earlier) to the light of day. This becomes a model illustration of the exponential leverage that the corpus of recoverable investment assets can have for the nearly 5% payout of program grants.

Importantly, Heron Foundation is moving toward a time when they may truly become a ‘private community investment trust’ (a conceptual term only)—one that maximizes the...
best use of all their financial assets “to get the Foundation substantially or fully invested in mission.” Based upon its annual reports, the percentage of assets Heron Foundation dedicates to mission-related investing in 2009 is nearly 2.5 times that of 2002. How has Heron fared in its pursuit of positive financial value that leverages greater social returns? In a recent annual report, the Foundation states, “Many readers are no doubt asking themselves, “What about financial return and risk?” The Foundation has established performance benchmarks for each asset class in its mission-related portfolio. For example, the benchmark for deposits is the national average for two-year jumbo deposits as reported by BanxQuote. In 2003, our mission deposits earned a weighted average return of 2.27% compared to 1.53% for the benchmark. The benchmark for fixed-income securities is the Lehman Brothers Aggregate Bond Index, the broadest measure of the US fixed-income market. In 2003, our mission-related fixed-income portfolio produced a total return of 4.04% compared to 4.10% for the benchmark.”

The report goes on to state that, “it is worth noting what has not changed. We have not relaxed in any way our responsibilities as fiduciaries and stewards of the Foundation’s assets and we have not changed the Foundation’s asset allocation.” And yet, this is a foundation that has invested almost 50% of its portfolio in a strategy to gain greater leverage of social value through the management of its financial assets.

The growth in use of program-related investment by foundations has remained relatively flat over recent years, with less than 1/10th of 1% of assets in such concessionary mission aligned activity. Similarly, the growth of market-rate aligned investment strategies has not changed radically within foundations. Nonetheless, as the Heron Foundation’s model illustrates, not to mention the history of Ford and MacArthur Foundations, as well as the international impact investing experience of the IFC, MISTRA and other investors—when combined with other innovations in impact investing, there is meaningful experience in this arena—experience upon which other investors may increasingly build.
CAPITAL CONCLUSIONS

This discussion has sought to demonstrate how, through re-conceiving the nature of capital and value, investors may draw upon a variety of instruments in pursuit of building portfolios capable of generating multiple returns. In concluding this exploration, it is important to state yet again that there is no “off the shelf” application or strategy that is “one size fits all.” Rather than allowing investors and their managers to invest capital for simple financial returns, the engaged investor in pursuit of multiple returns will need to be directly involved in working with his or her asset managers to ensure funds are structured in a manner that is reflective of their overall, unified strategy and goals. And, managers in their turn will increasingly provide leadership to the field in constructing solutions that meet this emerging client appetite.

Will the creation and application of unified investment strategies soon become the mainstream approach used by a majority of investors? We think so. It is clear that increasing numbers of investors (both individual and institutional) are building viable, high-performing portfolios capable of generating multiple returns across the financial, social and environmental areas.

It is the authors’ hope that this paper has been of use to the reader in introducing not simply the idea of a unified investment strategy, but the potential promise of each investor to participate in the creation of full, blended value that provides not only financial returns, but real, sustainable wealth for people and planet.

This ImpactAssets Issue Brief was authored by Jed Emerson, IA’s Executive Vice President for Strategic Development and Tim Freundlich, IA’s President. As part of ImpactAssets' role as a nonprofit financial services group, Issue Briefs are produced to provide investors, asset owners and advisors with concise, engaging overviews of critical concepts and topics within the field of impact investing. These Briefs will be produced by various ImpactAssets staff as well as collaborators and should be considered working papers—you’re feedback on the ideas presented and topics addressed in IA Issue Briefs are critical to our development of effective information resources for the field. Please feel free to offer your thoughts on this Issue Brief, as well as suggestions for future topics, to Jed Emerson at JEmerson@impactassets.org. Additional information resources from the field of impact investing may be found at the IA website: www.ImpactAssets.org. We encourage you to make use of them.
FOOTNOTES

1 The authors would like to acknowledge that this IA Issue Brief is an updated revision of “The Investor's Toolkit” and “Where Money Meets Mission” published in May 2007 by the same authors, along with Shari Berenbach, then Executive Director of Calvert Foundation and currently Director of Microenterprise Development, USAID.

2 The term “Unified Investment Strategy” was first presented in A Capital Idea: The Unified Investment Strategy and Total Foundation Asset Management (2000), is outlined in the new book, Impact Investing: Transforming the Way We Make Money and Change the World (Bugg-Levine/Emerson, 2011), and also explored in related papers the reader may find at www.blendedvalue.org.


4 It is less than five percent for some foundations since they are allowed to charge off all administrative and operating expenses of the foundation against this federally mandated 5% payout requirement.


7 For an expanded discussion of the array of assets available to organizations, please see both The 21st Century Foundation: Building Upon the Past, Creating for the Future and An Essay in Two Parts: Total Foundation Asset Management—Exploring Elements of Engagement within Philanthropic Practice, both of which are available at www.blendedvalue.org. The reader may also find Blended Value Investing, which provides case examples of alternative investment approaches and was published by the World Economic Forum, of interest. That paper is also available at the Blended Value web site.

8 The authors find utility in this framework, but readers may correctly observe that a quasi-continuum exists, with the line between one or the other category blurring as the instruments available in the emerging “social capital market” become increasingly numerous and complex.

9 For an expanded discussion of this “blended value proposition,” please see www.blendedvalue.org.


11 “A Halo for Angel Investors,” by Steven Carden and Olive Darragh, The McKinsey Quarterly, 2004, Number 1. Also, see Investors Circle for information on these types of funds and investment groups.

12 The booklet, published by Rockefeller Philanthropy Advisors and the As You Sow Foundation, is available as a free PDF download both at: at www.rockpa.org and www.asyousow.org.

13 CDFIs are Community Development Financial Institutions, as defined by the Dept. of the Treasury's CDFI Fund. See www.cdfifund.gov.


15 It should be noted, however, that this term has specific reference within IRS tax code and such loans have a set of specific requirements they must meet to be officially considered as such.


18 www.unitus.org.

19 Please see www.blendedvalue.org for an overview of Strategic Grantmaking practices, resources and leadership examples.

20 Please see ImpactAssets Issue Brief Number Two for more on these considerations.

21 Please see 360-Degrees of Impact, 2011.

22 See http://www.fbheron.org/about_heron/at_a_glance.html for a full discussion of Heron's ‘Mission Related Investment’ methodology, which includes commitments and is as of YE 2009.

23 Ford Foundation has a long-standing PRI portfolio of $173 million, out of $10.5 billion in assets (1.6%) currently, and MacArthur Foundation has cumulatively made $299 million in grants and PRIs out of what is currently a $5.2 billion corpus.