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PHILANTHROPY

Investing and Social Impact

Practices of Private Foundations

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MISSION

To provide data and create insight so philanthropic funders can better define, assess, and improve their effectiveness—and, as a result, their intended impact.

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This research is based on CEP's independent data analyses, and CEP is solely responsible for its content. The report does not necessarily reflect the individual views of the funders, advisers, or others listed throughout this report.

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INTRODUCTION

In March 2015, the investing practices of the Bill & Melinda Gates Foundation were highlighted in two separate articles in major newspapers within a single week. The first, in the *New York Times*, discussed the Gates Foundation's program-related investments (PRIs), now totaling $1.5 billion, "to invest directly in companies that could advance its goals."[1] The second, in the *Guardian*, the UK newspaper, reported that the foundation has more than $1.4 billion in endowment assets invested in fossil fuel companies—arguing that such investments were in direct tension with the foundation's programmatic work.[2]

Clearly, much attention is being paid to foundation investing practices—both foundation efforts to pursue programmatic goals through impact investing, and whether foundations are investing endowment assets in ways that may be at odds with their missions, values, or goals. To better understand foundation practices in these areas, the Center for Effective Philanthropy (CEP) collected data on the prevalence of impact investing and negative screening, as part of a larger operational benchmarking study with large private foundations.

We found that a sizeable percentage of responding foundations report engaging in impact investing, but tend to commit very small percentages of their endowment and/or program/grant budget, to the effort. In addition, most foundations that responded to our survey report having no negative screens on their endowment investments.

We found that a sizeable percentage of responding foundations report engaging in impact investing, but tend to commit very small percentages of their endowment and/or program/grant budget, to the effort.

[1] Sarah Max, "From the Gates Foundation, Direct Investment, Not Just Grants," *New York Times*, March 12, 2015, http://www.nytimes.com/2015/03/13/business/from-the-gates-foundation-direct-investment-not-just-grants.html?_r=2.

[2] Damian Carrington and Karl Mathiesen, "Revealed: Gates Foundation's $1.4bn in Fossil Fuel Investments," the *Guardian*, March 19, 2015, http://www.theguardian.com/environment/2015/mar/19/gates-foundation-has-14bn-in-fossil-fuels-investments-guardian-analysis.

BACKGROUND

Although the terminology in the field may have evolved, aligning investing practices with social impact goals is not a new idea. As Antony Bugg-Levine and Jed Emerson note, "The idea that our investment decisions can have an impact on the wider world beyond financial return" has its roots in "a centuries-old tradition that held the owners of wealth responsible for the welfare of their broader community."

> *It is a story that goes back at least to the Quakers in seventeenth-century England who sought to align their investment and purchase decisions with their values. It is linked as well with the Shaker congregations in the 1800s that launched business in alignment with social values and to fund religious communities. It traces its arc through the environmental movement of the 1970s, the anti-apartheid divestment campaigns of the 1980s, and the modern fair trade consumer and socially responsible investing movements.*[3]

For at least four decades, the Ford Foundation, the John D. and Catherine T. MacArthur Foundation, the Rockefeller Foundation, and other foundations have invested hundreds of millions of dollars through PRIs in issues such as housing, healthcare, education, and international development.[4] Yet there has recently been a mushrooming of interest in the concept of "impact investing."

Media interest in impact investing has intensified, and philanthropy conference sessions on the topic have become commonplace. A number of books by prominent leaders in the field have defined and explored this practice.[5] Many have promoted the benefits of impact investing for both investors and society, and some foundations have even created staff roles dedicated specifically to the activity. Susan Phinney Silver, PRI program manager at the David and Lucile Packard Foundation, describes PRIs as "a great tool for spurring new innovations and attracting private capital to support the activities [foundations] care about."[6]

Impact Investing

A WORD ON DEFINITIONS

We defined impact investing in our survey as it is defined by the Global Impact Investing Network (GIIN), which is considered "the closest thing the field has to a trade association."[7] The definition we provided is: "investments that are made into companies, organizations, and funds *with the intention* to generate social and environmental impact alongside a financial return."[8] When explaining this definition to respondents, we cited mission investments and program-related investments as two examples of impact investing (see Appendix B).

We recognize that some define the term impact investing more broadly to also encompass negative screening, while others use different language entirely, such as socially responsible investing. We did not use the latter term in our survey in part because it is used in so many different ways.

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[3] Antony Bugg-Levine and Jed Emerson, *Impact Investing: Transforming How We Make Money While Making a Difference* (San Francisco: Jossey-Bass, 2011), 5–6.

[4] Cynthia Muller, "3 Indications That Impact Investing is More than a Trend," Arabella Advisors, March 20, 2013, http://www.arabellaadvisors.com/2013/03/20/three-indications-that-impact-investing-is-more-than-a-trend.

[5] See Antony Bugg-Levine and Jed Emerson, *Impact Investing: Transforming How We Make Money While Making a Difference*; Cathy Clark, Jed Emerson, and Ben Thornley, *The Impact Investor: Lessons in Leadership and Strategy for Collaborative Capitalism* (San Francisco, Jossey-Bass, 2015); Judith Rodin and Margot Brandenburg, *The Power of Impact Investing: Putting Markets to Work for Profit and Global Good* (Philadelphia: Wharton Digital Press, 2014).

[6] "Four Leading Foundations Launch New Legal Training Module for the Philanthropic Community," Gordon and Betty Moore Foundation, February 10, 2015, http://www.moore.org/newsroom/in-the-news/2015/02/10/four-leading-foundations-launch-new-legal-training-module-for-the-philanthropic-community.

[7] Sean Greene, "A Short Guide to Impact Investing," *The Case Foundation* (September 2014), http://www.casefoundation.org/wp-content/uploads/2014/11/ShortGuideToImpactInvesting-2014.pdf.

[8] Italics were added for emphasis; "About Impact Investing," Global Impact Investing Network, 2014, http://www.thegiin.org/cgi-bin/iowa/resources/about/index.html.

CEP's Foundation Practices Benchmarking Initiative

The data described here on impact investing and negative screening were collected as part of a larger survey that also explored foundations' governance practices and their decision of whether to have a limited life or exist in perpetuity. In late 2014 and early 2015, a survey about these topics was administered to CEOs of private foundations giving at least $10 million annually. This initiative is funded by the S.D. Bechtel, Jr. Foundation. The survey was co-sponsored by BoardSource and Mission Investors Exchange (MIE).

GATHERING DATA ON THE STATE OF FOUNDATION PRACTICE

Despite the proliferation of books and articles, little data is available on what foundations are currently doing in the areas of impact investing or negative screening. After consulting with MIE, GIIN, and Nonprofit Finance Fund (NFF), we sought to capture data to answer some basic questions:

- Are foundations engaging in impact investing and to what degree?
- In what areas and through what means are they making these investments?
- Are foundations screening out certain investment options that do not align with their mission or values?
- What factors are important to the decisions foundations make about investing?

To answer these questions, CEP surveyed 230 CEOs of U.S.-based private foundations providing $10 million or more in annual giving.[9] We received completed surveys from 73 respondents for a response rate of 32 percent. Of these respondents, 64 reported working as full-time CEOs and were included in our analyses (see Appendix A). It is important to keep in mind that all findings reported here are based on no more than 64 large foundations.[10]

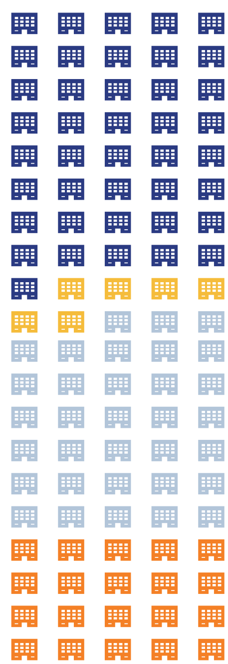
We asked CEOs a number of questions about their foundations' investing practices and the factors that are important to their foundations' investing decisions (see Appendix B). MIE served as a co-sponsor of the investing portion of the survey and advised us on its content. Analysis of the data, and the interpretation and write-up of the results, was handled solely by CEP.

FINDINGS

IMPACT INVESTING

Of the CEOs who responded to our survey, 41 percent, or 26 of 64 CEOs, say their foundation engages in impact investing. (See Figure 1.) Almost as many CEOs report that their foundations either plan to engage in impact investing (six percent of CEOs) or are not sure of their plans for the future (33 percent). Only one in five CEOs report that their foundation does not plan to engage in impact investing.

FIGURE ONE.
Does Your Foundation Engage in Impact Investing?



Percentage of Foundations

41%
Yes

6%
No, but we plan to engage in impact investing in the future

33%
No, and we are not sure whether we will engage in impact investing in the future

20%
No, and we do not plan to engage in impact investing

N = 64

[9] The sample was based on these criteria to ensure that the foundations among which we compared benchmarking data were similar in size and type.

[10] There was little response bias in this study. We examined response bias for region of the United States in which responding and non-responding foundations were located, annual giving amount, annual asset amount, and whether or not the foundation has used a CEP assessment tool. Information on region, giving, and assets was provided to us by Foundation Center in September 2014. The only response bias we were able to locate was that CEOs of foundations who have been CEP assessment tool users were more likely to respond to our survey than CEOs of foundations who have not used a CEP assessment tool. This statistically significant difference is of a moderate effect size.

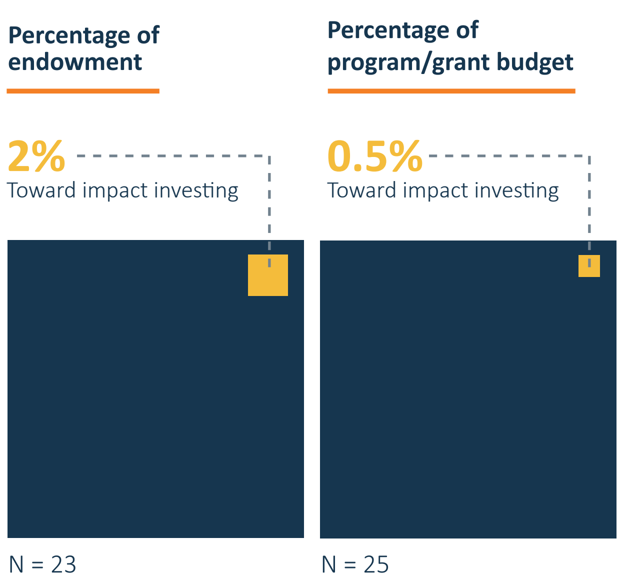
The most common areas in which CEOs say their foundations make these investments are

- community development: 46 percent of foundations;
- employment/economic development: 42 percent of foundations;
- education: 38 percent of foundations.

There seems to be a relatively even distribution in the geographic focus of foundations' impact investments: 21 percent of CEOs say the geographic focus of their impact investing is local, 29 percent say regional, 29 percent say national, and 21 percent say international. The majority of CEOs report that their foundations' impact investments are made through private equity or loans.

Despite these findings, CEOs report that small percentages of their foundations' endowments or program/grant budgets went toward impact investing in the most recently completed fiscal year. (See Figure 2.)

FIGURE TWO.
Typical Percentages Allotted to Impact Investing



The median percentage of foundation endowments that went toward impact investing in the most recent fiscal year was two percent.[11] The median percentage of foundations' program/grant budgets that went toward impact investing in the most recent fiscal year was even lower, just 0.5 percent.[12] Of the 23 foundations engaging in impact investing, 10 dedicate money to the practice from both the endowment and program/grant budget.

NEGATIVE SCREENING

Last year, the decision of the Rockefeller Brothers Fund (RBF) to divest from fossil fuel companies generated significant attention.[13] It was noteworthy, of course, not only because John D. Rockefeller's fortune was built on oil, but also because it was a major foundation joining a movement that had spread across college campuses. As the *New York Times* put it, "In the 1980s, it was South Africa. In the 1990s, it was tobacco. Now fossil fuels have become the focus of those who would change the world through the power of investing."[14]

But our data suggest that, today, divestment from fossil fuels is a rarity among larger foundations, at least according to our survey respondents. While RBF's decision may have spurred discussion in other foundation boardrooms, just three foundations in our sample screen out endowment investments in fossil fuels. The fossil fuel divestment movement appears, from publicly available lists, to include a number of foundations, but mainly ones that are smaller than the foundations in our sample.[15]

Moreover, our data show that most foundations are not employing any negative screening to exclude particular companies from their investment portfolios. Of CEOs who responded about this issue, 83 percent, or 50 of 60, say their foundation does not engage in this practice. Among the few foundations that do use negative screening, most exclude tobacco. Of the 10 foundations that screen out investments, seven do so in this area. No CEOs selected adult entertainment, animal testing, nuclear power, or private prisons as being areas for exclusion (to see all areas asked about in the survey, see Appendix B).

[11] The top quartile in the sample dedicates five percent or more of its endowment toward impact investing.

[12] The top quartile in the sample dedicates 8.5 percent or more of its program/grant budget toward impact investing.

[13] John Schwartz, "Rockefellers, Heirs to an Oil Fortune, Will Divest Charity of Fossil Fuels," *New York Times*, September 21, 2014, http://www.nytimes.com/2014/09/22/us/heirs-to-an-oil-fortune-join-the-divestment-drive.html.

[14] Randall Smith, "A New Divestment Focus on Campus: Fossil Fuels," *New York Times*, September 5, 2013, http://dealbook.nytimes.com/2013/09/05/a-new-divestment-focus-fossil-fuels/.

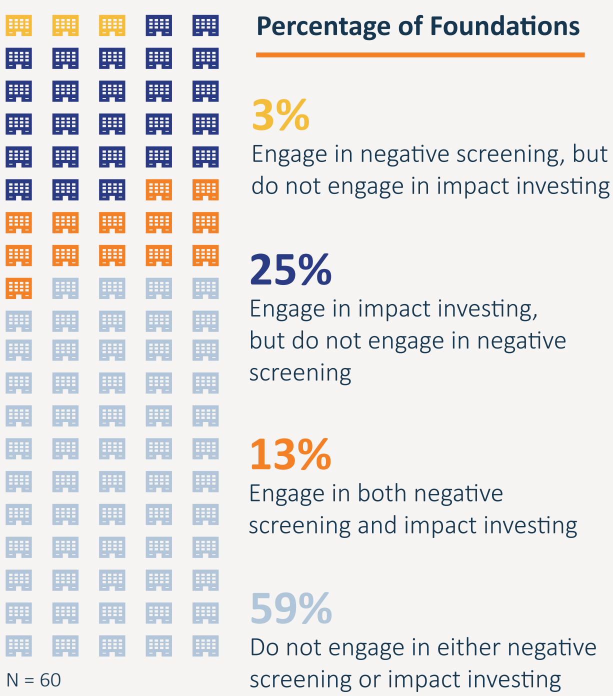
[15] See "Divestment Commitments," Fossil Free, 2015, http://gofossilfree.org/commitments/; "Signatories," DivestInvest Philanthropy, 2015, http://divestinvest.org/philanthropy/signatories/.

Negative Screening and Impact Investing

We differentiated between the practices of negative screening and impact investing in our survey. To collect data on the use of negative screening, CEOs were asked to answer the question, “Does your foundation use negative screening to exclude particular companies and/or organizations from its investment portfolio?” Later in the survey, respondents were provided the GIIN’s definition of impact investing and asked, “Does your foundation engage in impact investing?” (See Appendix B.)

Sixty CEOs responded to both of these questions. Of these CEOs, only 13 percent engage in both negative screening and impact investing. The majority of respondents, 59 percent, say their foundation does not engage in either practice. (See Figure 3.)

FIGURE THREE.
Practices in Negative Screening and Impact Investing



FOUNDATION ATTITUDES

Our survey data also help reveal some of the factors that are important to foundation decision-making in the areas of impact investing and negative screening. Only eight percent of CEOs say investing in companies that align with the foundation’s values and/or mission is very important to the decisions their foundation makes about its investing. Eight percent of CEOs also state that avoiding companies or organizations that do not align with the foundation’s values and/or mission is a very important factor to the decisions their foundation makes about its investing.[16] About a third, 36 percent of CEOs, say achieving philanthropic goals is a very important factor to their foundation’s investing decisions. In comparison, 86 percent of CEOs say achieving a financial return is a very important factor to these decisions. (See Figure 4.)

FIGURE FOUR.
How Important is Each of The Following Factors to The Decisions Your Foundation Makes About Its Investing?

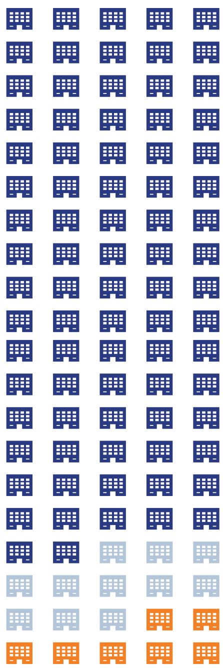
N varies from 61 to 63 across the items represented in this figure.

[16] There was hardly any overlap in the CEOs who say investing in companies that align with the foundation’s values and/or mission is a very important factor and the CEOs who say avoiding companies or organizations that do not align with the foundation’s values and/or mission is a very important factor. Only two CEOs say both of these factors are very important to the decisions their foundations make about their investing.

Moreover, 82 percent of CEOs say their board interprets its fiduciary responsibility as focusing on the financial return on the foundation's investments. (See Figure 5.)

FIGURE FIVE.

Which of The Following Statements Best Describes Your Board's Interpretation of Its Fiduciary Responsibility?



Percentage of CEOs

82%
To focus on the financial return on the foundation's investments

11%
Neither the financial return nor the social and/or environmental return receives a greater focus

7%
To focus on the social and/or environmental return on the foundation's investments

N = 61

Foundation CEOs seem to agree—89 percent of CEOs say they and their foundation's board are quite a bit or very much aligned when it comes to making investing decisions.[17]

Concern about compromising financial returns may help explain the relatively small sums—as a proportion of grant budgets or endowments—foundations are allocating toward impact investing. The foundations that say they are engaging in impact investing also say they are receiving lower returns on their impact investments: 77 percent of CEOs say returns on their foundations' impact investments are either somewhat or significantly lower than returns on other types of investments.[18] Of course, in many cases, foundations making impact investments may not be expecting or trying to get mainstream returns on those investments. For example, PRIs are, by definition, below-market investments.[19]

Additionally, some CEOs indicate that impact investing has only recently been introduced at their foundation, and therefore has not yet had an influence on foundation policies or practices. One CEO states, "[Impact investing] is somewhat new for us, and we are still ramping up." Another CEO notes that impact investing has had "very little [influence] so far because the investment is brand new."

A few respondents to our survey indicate that efforts to engage in impact investing could increase in the future. One CEO comments on how the foundation has developed "a policy...to set aside [almost two percent] of the corpus to invest in a mix of MRI/PRI, and the board is going to be making a decision to double that amount later this year." Another CEO describes a new strategy already underway that will expand the foundation's impact investment efforts, tripling them in size in the coming years.

Our current data only provide a snapshot in time: we cannot say how much impact investing is likely to increase at the foundations we surveyed.

Our current data only provide a snapshot in time: we cannot say how much impact investing is likely to increase at the foundations we surveyed.

[17] CEOs were asked to rate the extent to which they and their foundation's board of directors are aligned when it comes to making investing decisions on a 5-point scale, where 1 indicates "Not at all" and 5 indicates "Very much." Thirty-six percent of CEOs rated a 4 and 53 percent rated a 5.

[18] CEOs were asked to rate how the returns on their foundation's impact investments compare to returns on their foundation's other investments on a 5-point scale, where 1 indicates "Significantly lower" and 5 indicates "Significantly higher." Forty-five percent of CEOs rated a 1 and 32 percent rated a 2.

[19] "Below-market Mission Investments," Mission Investors Exchange, 2015, https://www.missioninvestors.org/mission-investing/below-market-mission-investments.

Why Are Many Foundations Not Engaging in Impact Investing?

Of CEOs who responded to our survey, 59 percent, or 38 of 64 CEOs, indicate they are currently not engaging in impact investing. Of these CEOs, 29 responded to our open-ended question, "Please explain why your foundation has not engaged in impact investing."

THE TOP THREE REASONS CEOs PROVIDE ARE THE FOLLOWING:

1. The foundation does not believe impact investing will help it achieve its goals.

- "We believe we are better at achieving our aims through our giving programs."
- "We believe we can have greater impact [by] investing for returns and using the returns as grants."
- "[We are] not convinced of its value to a foundation like ours."

2. The foundation does not have the right expertise, skills, or staff to engage in impact investing.

- "We don't feel we have the skills or competencies to do [impact investing] well."
- "We do not know enough about for-profit companies that aspire to have impacts on issues we care about.... Given our lack of expertise [in this area], we would prefer to get solid economic returns that allow us to invest in organizations we do understand to optimize our impacts."
- "[There is a] lack of expertise/staffing."

3. The foundation prioritizes or focuses exclusively on achieving a financial return in its investing practices.

- "[We] do not believe we can have a significant impact and do not want to reduce returns."
- "[Our] focus is purely on return."
- "We find investing for financial return to be complicated enough without mixing motives."

"We believe we can have greater impact [by] investing for returns and using the returns as grants."

CONCLUSION

Our data, although limited to the subset of larger, private foundations that responded to our survey, suggest that the considerable rhetoric about aligning impact and investments has, so far, outpaced the reality. The proportion of dollars allocated to impact investing is small, and the overwhelming majority of foundations are not screening out investment options.

Foundation CEOs and boards view their primary fiduciary responsibility as maximizing financial returns, and do not generally take into account mission, values, or programmatic goals when considering endowment investments.

That said, what we do not know is how hardened these views are, or how much these issues are a source of active debate and discussion in boardrooms.

For now, the story appears to be one of few investment dollars allocated with considerations other than financial returns in mind. With many foundations unsure of their future plans, however, the story is likely still being written.

The considerable rhetoric about aligning impact and investments has, so far, outpaced the reality.

APPENDIX A: METHODOLOGY

SAMPLE

Specific criteria were used to determine eligibility for this research study. Foundations were considered for inclusion in the sample if they:

- were based in the United States;
- were an independent (private) foundation, including health-conversion foundations, or another type of foundation operating similarly to an independent foundation, as categorized by Foundation Directory Online and internal CEP staff knowledge;
- provided $10 million or more in annual giving, according to information provided to CEP from Foundation Center in September 2014.

The sample was limited to private foundations giving $10 million or more annually so benchmarking comparisons with foundations of similar type and size could be made.

Individuals leading eligible foundations were included in the sample if they:

- had a title of president, CEO, executive director, or equivalent, as identified through the foundation's website, 990 form, a phone call to the foundation, or internal CEP staff knowledge;
- had an e-mail address that could be accessed through the foundation's website, a phone call to the foundation, or internal CEP staff records (generic or assistant e-mail addresses were not included).

In December 2014, the 246 CEOs who met both sets of criteria were sent an invitation to complete the survey. Later, 16 foundation CEOs were removed from the sample: two individuals were removed because they no longer served as CEOs of the included foundations, one individual was removed because the organization at which she worked is a service provider and not a funder, one individual asked to be removed from the sample, and 12 individuals were removed because the e-mail invitations were not delivered after three or more attempts.

Surveys were received from 73 CEOs for a response rate of 32 percent. Screening questions were included in the survey to verify that respondents held the title of president/CEO/executive director, and that they served in this position full-time (defined as working in the role for 35 hours or more per week). Nine of the 73 respondents were removed from our sample based on these screening questions. We conducted analyses with a final sample of 64 CEOs.

METHOD

The data shared in this report are part of a larger study that was conducted to benchmark certain practices and operations at private foundations. The survey was fielded online during a four and a half week period from the middle of December 2014 to the middle of January 2015. CEOs were sent a brief e-mail including a description of the purpose of the survey, a statement of confidentiality, and a link to the survey. CEOs who had not yet responded to the survey were sent up to eight reminder e-mails before its close.

The survey consisted of 60 items, some of which contained several sub-items. The survey included items about 1) background information about the CEO and his or her foundation; 2) information about whether the foundation plans to exist in perpetuity or have a limited life; 3) policies and attitudes regarding the foundation's financial investing practices, including impact investing; and 4) information about a foundation's governance structure. Only the items about policies and attitudes regarding the foundation's financial investing practices were analyzed for this report (see Appendix B).

RESPONSE BIAS

Foundations with CEOs who responded to this survey did not differ from non-respondent organizations by region of the United States in which the foundation is located, annual giving amount by median giving, or annual asset amount by median asset size. Information on region, giving, and assets was provided to us by Foundation Center in September 2014. CEOs of foundations that have used any of CEP's assessment tools were more likely to respond to the survey than CEOs of foundations who have not used a CEP assessment tool.[20]

[20] A chi-square analysis was conducted between whether or not foundation CEOs responded to our survey and whether or not those foundations have used a CEP assessment tool. A statistical difference of a moderate effect size was found.

SAMPLE DEMOGRAPHICS

The median asset size for foundations in the sample was $462,687,400 and the median annual giving level was $22,049,042. The median number of full-time equivalent staff working at foundations in this study was 24. Thirty-nine percent of respondents had been the CEO of their foundation for 10 years or longer. The number of full-time equivalent staff and the tenure of CEOs were based on self-reported data.

QUANTITATIVE ANALYSIS

To analyze the quantitative survey data, descriptive statistics were examined. We were limited in what we were able to test statistically because of the small size of our sample. Only descriptive information, including means and percentages, are shared in this report.

QUALITATIVE ANALYSIS

Thematic and content analysis was conducted on responses to the following open-ended survey item: "Please explain why your foundation has not engaged in impact investing."

A coding scheme was developed for the open-ended item by reading through all responses to recognize recurring ideas, creating categories, and then coding each respondent's ideas according to the categories.

A codebook was created to ensure that different coders would be coding for the same concepts, rather than their individual interpretations of the concepts. One coder coded all responses to the question, and a second coder coded 15 percent of those responses. At least an 80 percent level of inter-rater agreement was achieved for each code for the open-ended items.

Selected quotations are included in this publication. These quotations were selected to be representative of the themes seen in the data.

APPENDIX B: FINANCIAL INVESTING SURVEY ITEMS[21]

In this section, we will ask about your foundation's financial investing, by which we mean your foundation's use of its financial assets to create a return that funds its operations and grantmaking.

1. Does your foundation employ staff whose job responsibilities focus on investing your foundation's assets?

   □ Yes
   □ No *(skip question 2)*

2. How many FTE staff members are dedicated to investing?

   ____

3. Does your foundation use any outside firms or advisors to assist with aspects of its investing?

   □ Yes
   □ No

4. How important is each of the following factors to the decisions your foundation makes about its investing?

	Not at all important	Not very important	Somewhat important	Very important
Achieving a financial return	1	2	3	4
Achieving philanthropic goals	1	2	3	4
Avoiding companies or organizations that do not align with the foundation's values and/or mission	1	2	3	4
Investing in companies or organizations that align with the foundation's values and/or mission	1	2	3	4

5. To what extent are you and your foundation's board of directors aligned when it comes to making investing decisions?

1	2	3	4	5
Not at all	A Little	Somewhat	Quite a bit	Very much

6. Which of the following statements best describes your board's interpretation of its fiduciary responsibility?

   □ To focus on the financial return on the foundation's investments
   □ To focus on the social and/or environmental return on the foundation's investments
   □ Neither the financial return nor the social and/or environmental return receives a greater focus

[21] Items excerpted from CEP's 60-item operational benchmarking survey.

7. Does your foundation use negative screening to exclude particular companies and/or organizations from its investment portfolio?

    - ☐ Yes
    - ☐ No *(skip question 8)*

8. Which of the following areas of focus are grounds for excluding a company or organization from your foundation's investment portfolio? *(Please select all that apply)*

    - ☐ Adult entertainment
    - ☐ Alcohol
    - ☐ Animal testing
    - ☐ Fossil fuels
    - ☐ Gambling
    - ☐ Military weapon production
    - ☐ Nuclear power
    - ☐ Private prisons
    - ☐ Tobacco
    - ☐ Other *(please specify)*: ____________________

> In the following questions, we will use the term impact investing as it is defined by the Global Impact Investing Network: investments that are made into companies, organizations, and funds *with the intention* to generate social and environmental impact alongside a financial return. Examples of these investments include mission investments and program-related investments.

9. Does your foundation engage in impact investing?

    - ☐ Yes
    - ☐ No, but we plan to engage in impact investing in the future *(skip to question 20)*
    - ☐ No, and we do not plan to engage in impact investing *(skip to question 20)*
    - ☐ No, and we are not sure whether we will engage in impact investing in the future *(skip to question 20)*

10. In its most recently completed fiscal year, what percentage of your foundation's endowment went toward impact investing? If none of the endowment went toward impact investing, please type "0."

    __________%

11. In its most recently completed fiscal year, what percentage of your foundation's program/grant budget went toward impact investing? If none of the program/grant budget went toward impact investing, please type "0."

    __________%

12. Through what means does your foundation make impact investments? *(Select all that apply)*

- □ Fixed income
- □ Insured deposits (cash)
- □ Loans
- □ Private equity
- □ Publicly traded equity
- □ Other *(please specify)*: ________________________________

13. Typically, how do returns on your foundation's impact investments compare to returns on your foundation's other investments?

Typically, returns for the foundation's impact investments are…

1	2	3	4	5
Significantly lower	Somewhat lower	About the same	Somewhat higher	Significantly higher

14. What is the main geographic focus of your foundation's impact investing?

- □ Local
- □ Regional
- □ National
- □ International

15. In which of the following areas does your foundation make impact investments? *(Please select all that apply)*

- □ Arts/culture/humanities
- □ Children/youth/family
- □ Civic/philanthropy
- □ Community development
- □ Employment/economic development
- □ Education
- □ Environment
- □ Financial services (excluding microfinance)
- □ Health
- □ Human services
- □ Information and communication technologies
- □ Infrastructure
- □ Justice/public policy
- □ Manufacturing
- □ Microfinance
- □ Other *(please specify)*: _________________

16. Does your foundation monitor the social and/or environmental returns of its impact investments?

- □ Yes
- □ No *(skip question 17)*

17. How does your foundation monitor the social and/or environmental returns of its impact investments?

____
____
____
____

18. Does your foundation report to its board on the social and/or environmental returns of its impact investments?

- ☐ Yes
- ☐ No

19. What influence has impact investing had on policies or practices at your foundation?

____
____
____
____

20. Please explain why your foundation has not engaged in impact investing. *(Only displayed to those who answered "No" in question 9)*

____
____
____
____

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$500,000 OR MORE

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Ford Foundation

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The James Irvine Foundation

The Rockefeller Foundation

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UP TO $19,999

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