



Minnesota Council on Foundations (MCF)

Mission Investing Primer

Background: Evolving from its early days in the 1980's as "socially responsible investing," mission investing (MI) is rapidly growing and becoming mainstream. There are many ways for foundations to get involved and a wide spectrum of experience, expertise and interest. Some Minnesota foundations have publicly committed a significant portion of assets to mission investing including, The McKnight Foundation (10% or \$200 million), Northwest Area Foundation (10% or \$40 million) and Sundance Family Foundation (90%, or \$4 million). Others are exploring ways to increase their involvement and tie it to programmatic strategies (The Saint Paul Foundation, The Minneapolis Foundation and Blandin Foundation, to name a few). Still other foundations are curious about the developments in the field and want to learn more.

In addition, mainstream financial institutions, investment advisors and asset managers are entering the field.¹ In fact, there are \$77.4 billion in assets under management with an additional \$15.2 billion committed in 2015 according to the Global Impact Investing Network. Some industry leaders believe that ESG investing (environmental, social and governance) will become standard for all investors. We've certainly come a long way from the complete segregation of mission and financial return that was commonplace 20 years ago.

MCF's Role: Responding to member interest, MCF featured mission investing as one of three main topics at its 2014 annual conference. Members responded enthusiastically and MCF decided to formally create the MCF Mission Investing Network (MI Network), which grew out of an informal ad hoc MCF interest group. Now in its third full official year, the MI Network is an active and engaged group with a charter, meeting schedule and active steering committee of foundation leaders.

Executive in Residence: To build on the momentum, MCF created a new Executive in Residence (EIR) program, which enables a seasoned expert to focus on deepening their body of work on a topic, contribute thought leadership to the field locally, nationally and internationally, build philanthropic community connections and turn concepts into opportunity for collaboration and action.

¹ See attached "A New Inning For Impact Investing", by Jean Case, Contributor, Forbes 4/27/2015

Executive Talent: As the first executive in residence, Susan Hammel, CFA, brings cutting-edge ideas, financial expertise, and an ability to communicate effectively and engage diverse stakeholders. She is respected in the philanthropic community, the nonprofit arena and in the financial industry. As a philosophy major who went to Wall Street, Susan's unique background positions her as a translator able to connect the many disparate initiatives happening in the philanthropic and financial sectors. As a life-long Minnesotan, Susan is dedicated to the entire community and brings professional experience from New York, Washington, D.C., and Chicago to our region. A dynamic speaker in person and on video, Susan led mission investing initiatives for MCF, speaking at the 2014 annual conference and co-leading the MI Network. (See MCF's Role, above.)

Working collaboratively, Susan is elevating the discussion on mission investing in the philanthropic community through a variety of strategies, including thought leadership, effective communication, productive convenings and opportunities to invest.

To learn more, contact Susan at shammel@mcf.org or tweet her at @susan_hammel.