

THE SORENSON IMPACT FOUNDATION REGENERATIVE IMPACT GRANT PROGRAM

In 2022, The Sorenson Impact Foundation continued the “Lasting Impact Through Systems Change” grant program to provide access to capital, entrepreneur support, and jobs for underserved communities across the US in the heat of a global pandemic and concurrent economic, labor, and health crises. Through that program, we selected five organizations to support the development of financial systems that work better and for more people.

As we move forward in 2023, the Sorenson Impact Foundation’s grant program will continue the theme for systems change by zeroing in on the need to push the field of impact investing beyond sustainability and towards embracing a “regenerative” paradigm.

Our goal is to support the foundation of an impact investing ecosystem where financial returns are driven by outsized social and environmental impact outcomes. Our specific areas of focus are listed below, including example projects for illustration. Please note that example projects are *directional examples only* and provided as a guide. As a foundation that values scalable innovation, we are eager to see proposals for systems-level, game-changing solutions where our limited capital can serve as a catalyst to drive impact.

SIF is seeking proposals for projects addressing the following areas, with the intention to release between 4-6 grants, totaling up to \$1.5m:

- **Regenerative Impact** - What we mean by this term is sustainable approaches which seek to stop or reverse the exploitation of inequities which are often inherent in our social systems, through solutions that incorporate impact investing as a means to restore and/or build self-reinforcing ways that reduce or eliminate these inequities. The Sorenson Impact Foundation seeks to support such approaches, initiatives, research, and organizations that are pushing the field of impact investing beyond sustainability and into the realm of regenerative impact.
Example proposals could include:
 - Initiatives or projects that expand capacity to build and reinvest wealth locally through innovations like worker ownership support models, cooperative ownership of real estate to address gentrification, and community-empowered development *at scale* (ie: not just within one community).
 - Research projects or initiatives that seek to define, popularize, and organize powerful ideas and leaders around regenerative development as a concept in order to push the field of impact investing to its next level of development.
 - Tools, platforms, or technologies that can capture, facilitate and quantify the impact of business activities on the equitable development of economic, social, and environmental systems that shape our communities and livelihoods.
- **Innovative Finance** - The outcomes that impact investing seek to support are often driven by companies that face significant capital challenges, including a lack of flexible capital for VC or early-stage companies because they lack traditional exit opportunities for the investor, a dearth of impact-focused growth-stage capital, and fewer opportunities for public markets to align their investments with their values. The Sorenson Impact Foundation seeks to

support approaches, products, and organizations that help to address key gaps in the capital stack to provide financing to impact companies at all stages of their development.

Example proposals could include:

- Supporting the development of funds, networks, initiatives, and processes that address solutions for companies with growth profiles or in geographies that aren't a good fit for traditional equity-based investments to attract capital in a sustainable way;
- Supporting research of innovative new financial structures or investment vehicles that enable multiple sources of capital and/or financial resources to blend together to facilitate common goals for impact and return.
- Education for the field of innovative finance.

- **The Wealth Gap** – Millions of people in our society have fewer opportunities to generate wealth during their lifetime. Wealth inequality is escalating tensions between the “haves” and “have-nots”. The ever-accelerating gap and economic divide is clear: while the top 10% of income earners in the United States receive almost 30% of the nation’s income, the wealthiest 10% own 76% of the country’s wealth, this means that less than a quarter of the nation’s wealth is left for the bottom 90% of the American population. If the wealth divide continues to accelerate, the economic conditions will have an increasingly adverse impact on the economy at large because the majority of U.S. households will no longer have enough wealth to reach the American middle class or higher. The foundation seeks to support innovative programs, policy initiatives, or ground-breaking research in which market solutions and impact investing could play a catalytic role in reducing the wealth gap.

Example proposals could include:

- Solutions that might involve socio-economic research, public policy, or new economic models to help remove barriers or increase opportunities for:
 - more inclusive wealth building for the lower and middle class who have been left behind;
 - improved access to life-long wealth building opportunities that systemically remove barriers to wealth creation;
 - owning wealth-building assets like home ownership for existing and new generations that find home ownership out of reach; or
 - building and reinvesting wealth locally — through innovations like worker ownership, cooperative ownership, minority-focused investment, community-empowered development.
- **Elevating the Narrative** – The terms “Impact Investing” and “ESG investing” are often misunderstood. Despite significant growth in the field of impact investing, there is a pervasive myth in the broader field of finance that impact investing always compromises financial return, and or the field is merely impact washing to promote it’s investments. The Sorenson Impact Foundation seeks to support organizations contributing to the narrative that impact investing and ESG or sustainable investing can drive outsized financial returns while generating social and environmental positive impact.

Example proposals could include:

- Research, data, publications or case studies that facilitate a better understanding of the long-term societal benefit that impact investing can have for society at large. Success stories of impact investing that can impact investing more widely, contributing to a larger shift in the investment landscape.

- Research, data, publications, cases studies and initiatives that help educate the general public by providing an accurate portrayal ESG (sustainable) investing and address misconceptions and skepticism surrounding sustainable investing.

PROCESS

The RFP submission period will open on April 24, 2023 and close on June 1, 2023 at 11:59pm Eastern Time. To be considered, submissions must be uploaded through the online submission form.

Submissions can be focused on the United States or globally and will be read by staff and board members over four rounds of analysis (initial evaluation, semi-finalists, finalists, awardees) and will be evaluated based on the following criteria:

- Alignment of the proposed project with the foundation's stated grant priorities
- Potential to be a sustainable solution after grant funding has been used
- Scale and reach potential including potential number of people impacted over the next five and ten years. The Foundation does consider pilots that could be a model for scale as long as those pilots include stated plans to disseminate lessons learned to the field.
- Innovation and incorporation of lessons from the attempts of others to tackle similar problems in the past
- Strength of partnerships and network within the industry to grow and expand
- Strength and readiness of applicant organization and team

Please note that our organization expects reporting on specific lines of work, but will provide funding in a format that empowers nonprofit leaders to allocate their funding as necessary to achieve desired outcomes.

Please note that the Sorenson Impact Foundation will be following a staged application process in response to feedback on the burden of the application process for organizations in previous years. This process is designed to relieve the burden of onerous requests from organizations or projects that are not a fit for the goals of the grant process. We encourage your feedback as an applicant on this process to develop the best possible applicant experience.

[Phase I Application Available here.](#)

The proposal process will be as follows:

- **Initial evaluation survey:** A brief survey that will be composed of short answers and ensure overall alignment with themes of the RFP and organizational viability. This survey will include requests for:
 - **Brief text responses** to questions designed to determine eligibility for and alignment with the goals of this grant program.
 - **Basic organizational information**, including:
 - The applicant organization's mission and vision statement(s).

- The applicant organization’s FY2022 and FY2023 operating and estimated budgets.
 - The applicant organization’s articles of incorporation or equivalent documentation.
 - NOTE: Organizations utilizing a fiscal sponsorship will be required to submit their documentation, as well as a signed statement from their fiscal sponsor acknowledging the sponsor’s ability to act as a fiduciary.
- **Detailed project survey:** Eligible applicants will be invited to submit a short slide deck (7-10 slides) and/or complete a survey that will include the following information:
 - **Project Overview** - A high-level overview of the project and its ideal goal;
 - **Problem Statement** - A description of the problem and how it aligns with one or more the foundation’s aforementioned focus areas;
 - **Solution Outline** - A description of the solution and how it will achieve its goals;
 - **Project Roadmap** - A project roadmap detailing what has been completed and the timeline and resources required for completing future steps;
 - **Success Metrics** - A brief overview of what will be tracked to communicate success of this project;
 - **Project Team** - A brief description of why this team is the one to lead this project, including skills and experience;
 - **Risks and Mitigations** - A short table of key project risks and approaches to mitigate that risk;
 - **State of the Field** - An outline of existing complementary and competitive solutions and how this project fits into or leverages existing activities in the field;
 - **The Ask** - A clear statement of the total desired funding amount, what it will be used for, and how it will be leveraged against existing funding; as well as any strategic/non-funding asks for the Sorenson Impact Foundation as a funder;
 - **Outcomes and Sustainability** - A statement on the end goals of the project and how this funding will support those goals, including a plan for project sustainability without depending on future Sorenson Impact Foundation funding.
- **Semi-Finalist Interviews:** Semifinalists will be interviewed by Foundation staff in advance of finalist presentations to address missing information or diligence questions ahead of finalist selection. Semi-finalists will also provide:
 - **Team and Board Biographies:** Short biographies on each senior/C-Suite team member (as defined by applicant) and members of the organization’s Board.
 - **Two letters of reference:** Signed statements from existing funders or partners attesting to the organization’s ability and impact (only if the organization has not previously received funding from the Sorenson Impact Foundation)
- **Finalist presentation:** Finalists will be invited to present their deck to the Sorenson Impact Foundation’s staff and Board for final consideration.

If selected as a finalist, applicants will be notified via email by September 15, 2023. The anticipates final awards to be made starting October, 2023. Awards will range in size from \$100,000 to \$250,000.

ABOUT THE SORENSON IMPACT FOUNDATION

The Sorenson Impact Foundation invests in innovative, scalable solutions to the world's most pressing issues. As an impact investor, SIF seeks to simultaneously support social entrepreneurs while also building the impact investing field overall and crowding in new investors who can use their investment dollars to "do good". The Sorenson Impact Foundation has investments on five continents and across asset classes and sectors.

TERMS & CONDITIONS

SIF reserves the right to reject any or all responses submitted if it is deemed to be in the best interest of the foundation. SIF reserves the right to check the accuracy of all information and to request supporting documents. All accepted responses shall become the property of SIF and will not be returned. SIF shall not be liable to any respondent, person or entity for any losses, expenses, costs, claims or damages of any kind arising out of, by reason of, or attributable to, your response to this RFP.