

THE SORENSON IMPACT FOUNDATION'S LASTING IMPACT THROUGH SYSTEMS CHANGE GRANT PROGRAM

In 2020, The Sorenson Impact Foundation launched the Equitable & Resilient Recovery grant program to help 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 crisis. Through that program, we selected five organizations to support in launching game-changing innovations in the areas of workforce development, diverse founder and entrepreneur support, and financial products for underserved communities.

As we move forward in 2021, this year's grant program is focused on how we can reimagine a better future. The *Lasting Impact Through Systems Change* grant program and is focused on supporting innovations that have the power to create sustainable, positive change by improving one of the most critical underlying systems in the US: the financial system. We view systems change as the key to lasting impact as, through improving the systems that underly the way we live, we can improve society as a whole. Our goal through this year's grant program is to contribute to creating financial systems that work better, and for more people. Our specific areas of focus, including example project areas for illustration, are listed below. Please note that the example projects are directional only; as a Foundation that values scalable innovation, we are eager to see proposals for game-changing, new solutions.

SIF is seeking proposals for projects addressing the following areas:

- 1) **Innovations in Community Investing for Underserved Areas:** The financial system is perhaps one of the largest and most critical systems in the US but has not worked for everyone. Many communities lack basic banking services. We are seeking innovative proposals for initiatives to strengthen community investing in underserved communities. The goal for this focus area is to answer the question "How do we get functioning financial services to a broader range of communities in order to support their economic growth potential?"

Example Proposal Topics:

- Projects designed to fortify Community Develop Financial Institutions (CDFIs) and ensure they have the capital and capacity needed to support the communities they serve; educating philanthropists on how to support these organizations and creating pipelines and mechanisms to do so efficiently
- Innovations that can help to close funding gaps in underserved communities that do not have broad access to traditional banking services in the areas of both individual and business loans
- Innovations that drive investment in underserved communities by private investors

- 2) **Democratizing Access to Investment Capital:** Investment capital plays a critical role in launching new ideas and businesses that can have far reaching impact from building wealth in underserved communities to creating game-changing innovations that improve

whole industries. However, investment capital is historically difficult to access and limited to a select few, in a select few regions across the country. The goal of this focus area is to answer the question “How can we connect entrepreneurs to investors and capital so that they can launch potentially game-changing solutions and create economic growth in their communities?”.

Example Proposal Topics:

- Solutions designed to connect venture capital (VC) and angel investors with diverse entrepreneurs in a high engagement format
- Projects that create connected entrepreneur and investor ecosystems in underserved areas so that entrepreneurs can more easily keep the economic growth that they create in their communities
- Entrepreneur mentor programs that focus on fundraising strategies and how to overcome historical barriers to access
- Innovative financing tools and products that empower investment in small and medium sized businesses (SMBs) who are not a fit for VC but also not large enough for a traditional bank loan or line of credit
- Training and education for investors that can serve as a catalyst to reduce some of the historical barriers to democratized access
- Solutions that reduce barriers to inclusive and equitable investing, solving root cause issues

PROCESS

The RFP submission period will open on Monday, May 3, 2021 and close on July 30, 2021 at 5:00pm Eastern Time. To be considered, submissions must be uploaded through the online submission form (link below).

<https://forms.gle/9JSCTZuJ1mjktTZFA>

Submissions will be read by SIF’s staff and board of directors over four rounds of analysis (evaluation, semi-finalists, finalists, awardees):

- Solutions can be focused on the United States or globally
- Solutions must be targeting underserved and underrepresented communities
- Strength and readiness of applicant organization and team
- Potential for high impact
- Alignment 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 consider how they’d disseminate learnings to expand their impact
- Innovation and incorporation of learnings from the attempts of others to tackle similar problems in the past

- Strength of partnerships and network within the industry to grow and expand
- Strategy's focus on coordination and collaboration as well as an ability to leverage existing solutions and progress
- Please note that we wish to fund specific projects, pilots and innovations, not organizational operating budgets for this grant program

Proposals should be submitted in the following format:

- 7 page maximum, pdf, in either written or presentation format
- Begin with a high level, one-sentence statement summarizing the solution and its ideal goal (the elevator pitch)
- Include an explanation of the specific problem the solution solves and how it aligns with the foundation's aforementioned focus area(s)
- Include an overview of the solution and its "secret sauce" or how it will "win"
- Provide a project roadmap detailing what has already been completed and the timeline and resources needed for completing the future required steps
- Include an overview of the project and implementing team's experience and qualifications, including each person's allocation of time to the project
- Include an assessment of preliminary risks and mitigating factors
- Include a preliminary list of KPIs and impact metrics with corresponding goals and achievement targets
- A detailed budget showing the total project funding requirement, other potential funding sources, and a break-out of how grant funding will be used (eg. % to salaries, admin, comms, development etc)
- A summary of any complementary or competitive solutions in market or in development that you know of as well as how you will work with those organizations to scale your impact

In addition, submissions must include the following (outside of the 7-proposal):

- Summary of proposing organization's senior management team and board member biographies
- The organization's articles of incorporation or equivalent
- If not a current SIF partner or previous recipient, please provide two letters of reference from previous funders or partners

If selected as a finalist, applicants will be notified via email by the end of October. Final awards will be made starting in November 2021 on a milestone basis. Awards will range in size from \$25,000 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 impact investing field overall and crowding in new investors who can using 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.