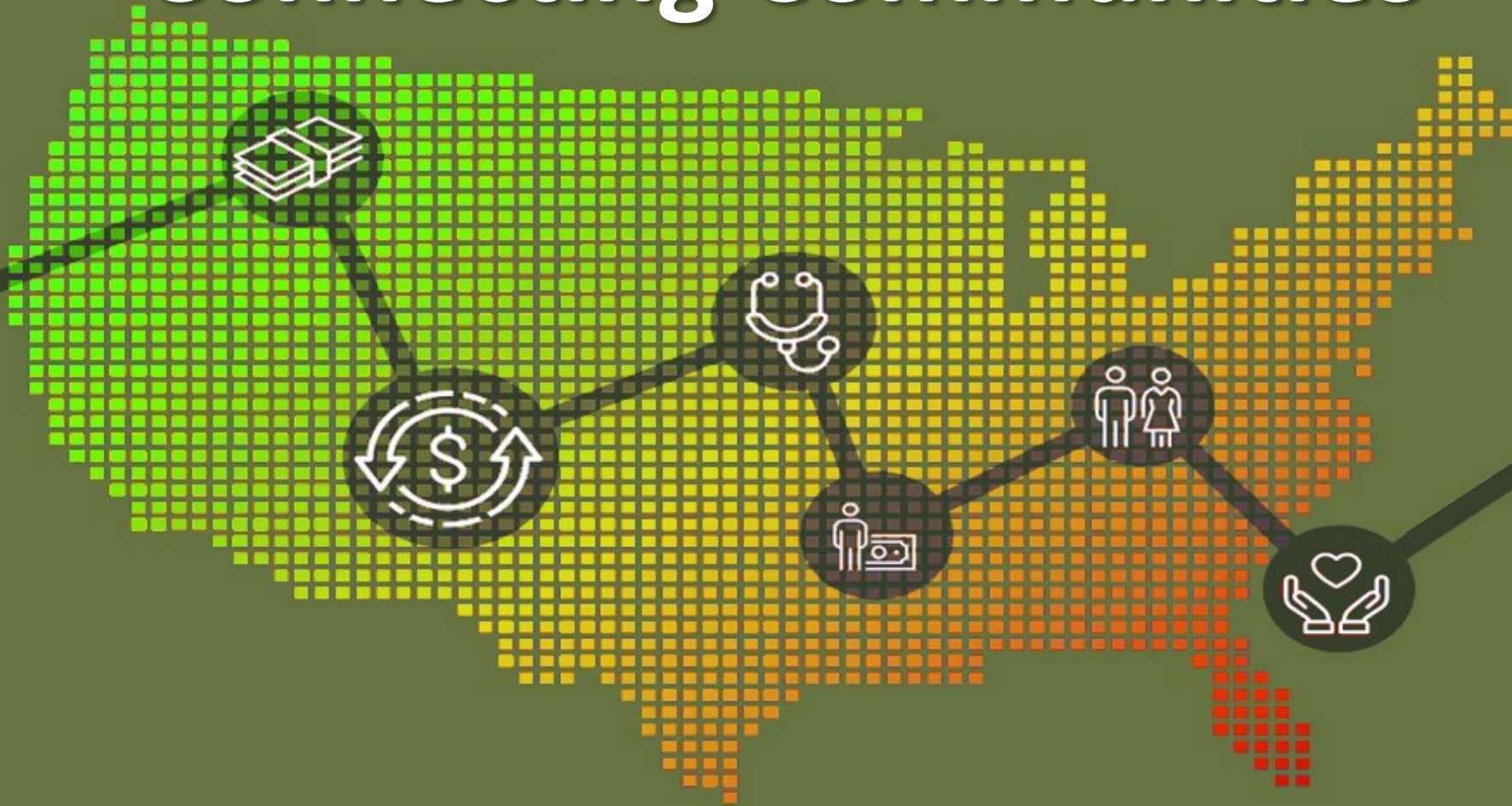


Connecting Communities



Enterprise Capital: A New Way Forward for Effective Philanthropy

January 13, 2022

Organized by the Federal Reserve Bank of St. Louis

Welcome



Andrea Levere
Yale School of
Management &
Prosperity Now



Lem White
Possibility Labs



Abigail Suarez
Global Philanthropy at
JPMorgan Chase & Co.

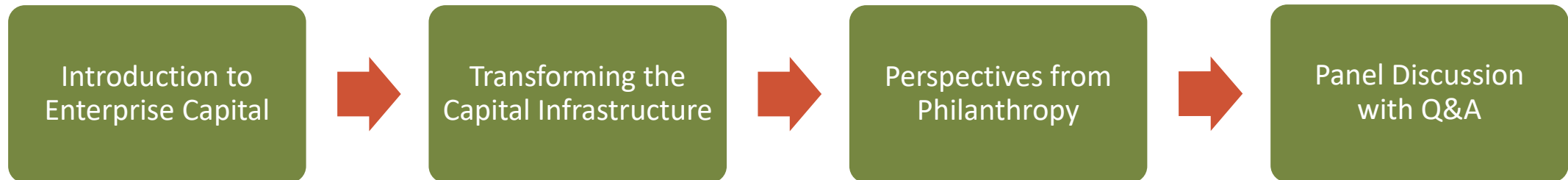


Rev. Cory Anderson
Winthrop Rockefeller
Foundation



Sarah Simms
Federal Reserve Bank
of San Francisco

Agenda for this webinar



Join

- Call-in number **888-625-5230**
- Conference Code: **417 346 20#**
- Webinar link: <https://www.webcaster4.com/Webcast/Page/584/43615>

Questions

- Email us at: communities@stls.frb.org.
- Type your question into the chat box of the webinar

Website

- Please visit <https://bsr.stlouisfed.org/connectingCommunities>
- This session will be recorded and available.

Fed
Communities

- Additional resources on this topic available at www.fedcommunities.org.
- We encourage you to browse through this site and contact your regional office.

The **Connecting Communities**[®] audio conference series is a Federal Reserve System initiative intended to provide timely information on emerging and important community and economic development topics with a national audience. The audio conference series complements existing Federal Reserve Community Development outreach initiatives that are conducted through our regional Reserve Bank offices and at the Federal Reserve Board of Governors in Washington, D.C.

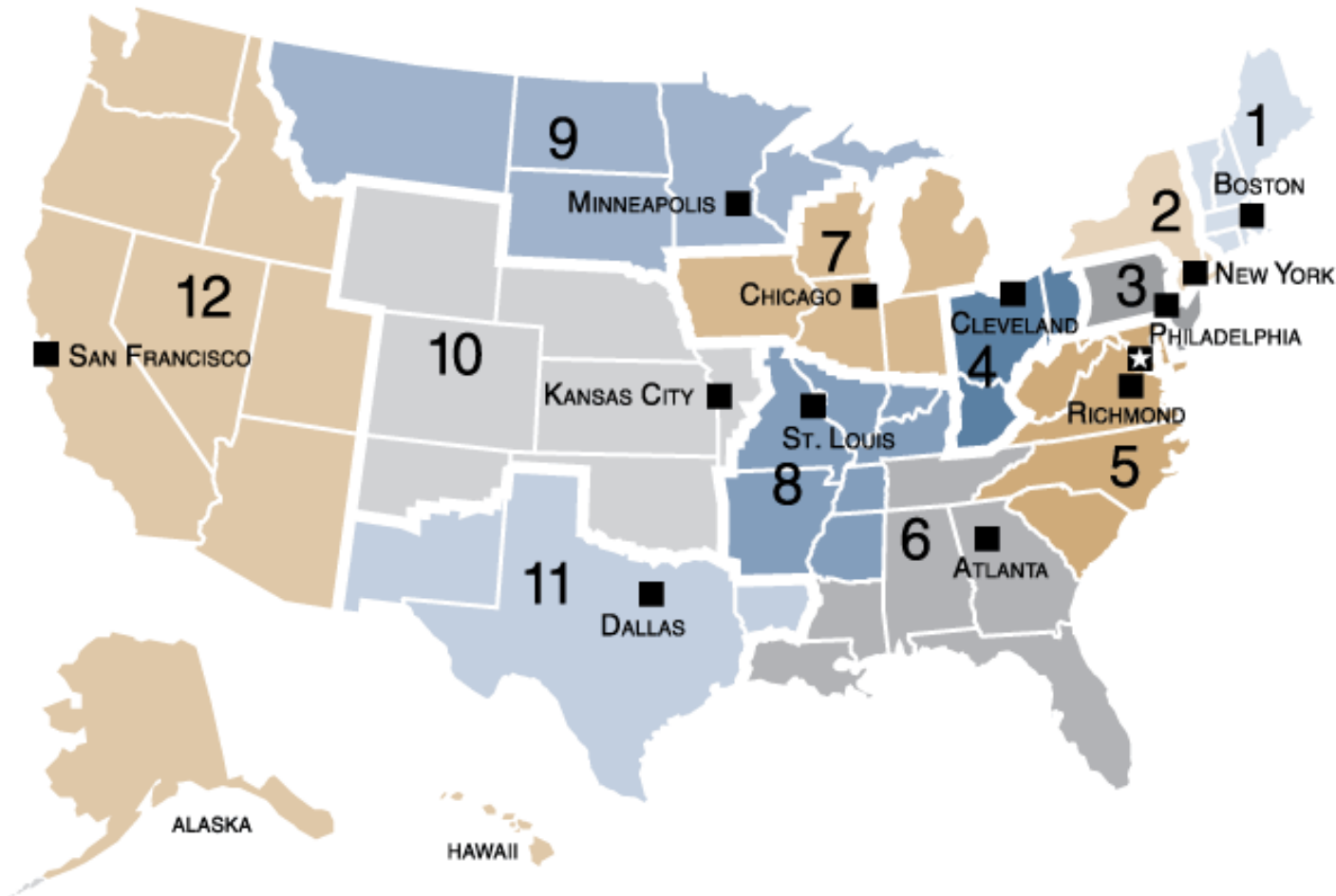
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The information, analyses, and conclusion set forth are those of the presenters and do not necessarily indicate concurrence by the Board of Governors of the Federal Reserve System, the Federal Reserve Banks, or members of their staffs.

Community Development

The mission of the Federal Reserve's community development function is to promote the economic resilience and mobility of low- to moderate-income and underserved individuals and communities.



Opening Remarks



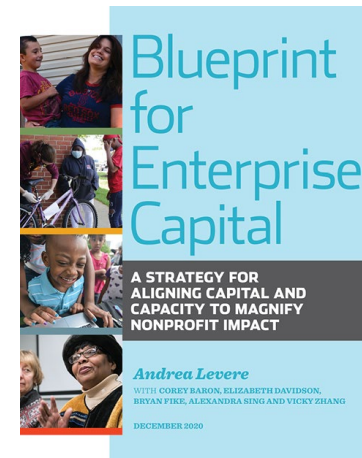
Sarah Simms
Community Development Finance Manager

● **Federal Reserve Bank
of San Francisco**

Enterprise Capital: All Money Is Not Equal



Andrea Levere
Executive Fellow at Yale School of
Management &
President Emerita, Prosperity Now



What is Enterprise Capital?

- Long-term, flexible capital that targets the balance sheet, not the income statement (also known as philanthropic equity)
- Used to build the enduring infrastructure—people, products, systems or innovation—that fuels an organization’s vision and mission
- Can fund the **launch, stabilization or scaling of an organization**—or recovery from the pandemic
- Investment to address the racial wealth gap in the nonprofit sector and serve as an equity funder

Why Enterprise Capital Matters

- Provides capital that can directly pursue the mission with the security of both planning for today and tomorrow—eliminates operating risks of “reverse engineering”
- Matches sources to uses of funds to build financial strength and resilience
- Provides the net assets necessary to leverage debt and a larger capital stack
- Creates an alignment of interest between organizations and funders like seed and venture investors with the delivery of aligned capacity-building services

Integrating Enterprise Capital into Your Portfolio

- **Simplify:** provide more flexible and less restricted capital at the enterprise level for multi-year term
- **Integrate:** Align sources of funds, uses of funds and capacity-building by assessing the organization's business and financial model to determine the content and delivery method for services
- **Collaborate:** Reduce reporting requirements, create common metrics and covenants, and fund collectively when possible

Transforming the Capital Infrastructure



Lem White
Co-CEO

**POSSIBILITY
LABS**

Activating Power of **Self-Determination**

- Possibility Labs is the **only BIPOC*-led philanthropic platform** at all senior levels.
- Platform offers **options to invest** in **BIPOC-led community-governed funds and loan guarantees**.
- Ecosystem of **BIPOC advisors and community leaders** to partner on **integrated capital strategies** for racial justice.
- Trust-based, multi-year giving **commitments** to transition **power and self-determination** to BIPOC communities.

*Black, Indigenous, and People of Color

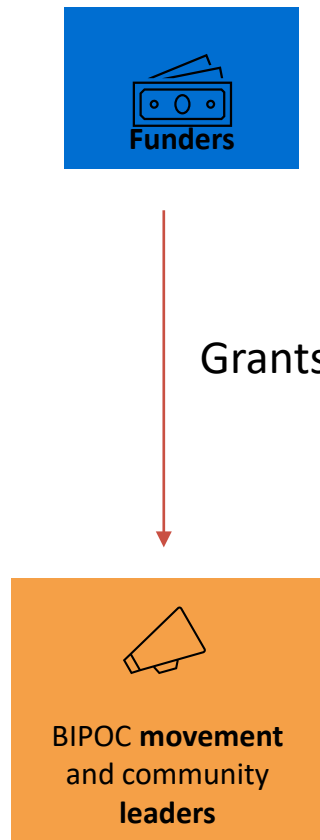


Possibility Labs' Philanthropic Approach

We are **disrupting** the field by building a platform that is focused on impact in every aspect, from enabling funders to activate their **whole philanthropic portfolios** to making the process of receiving funds easier for communities.

How it Works

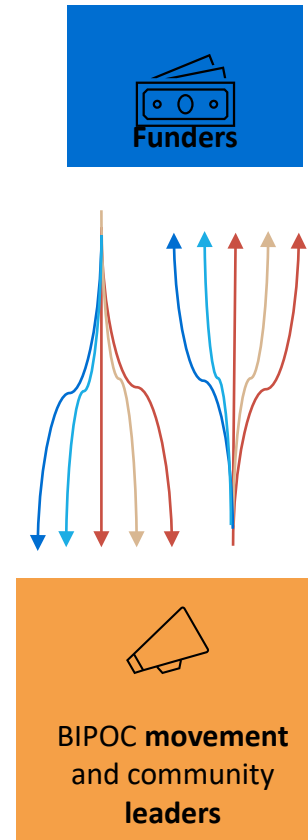
Traditional Models



Grants

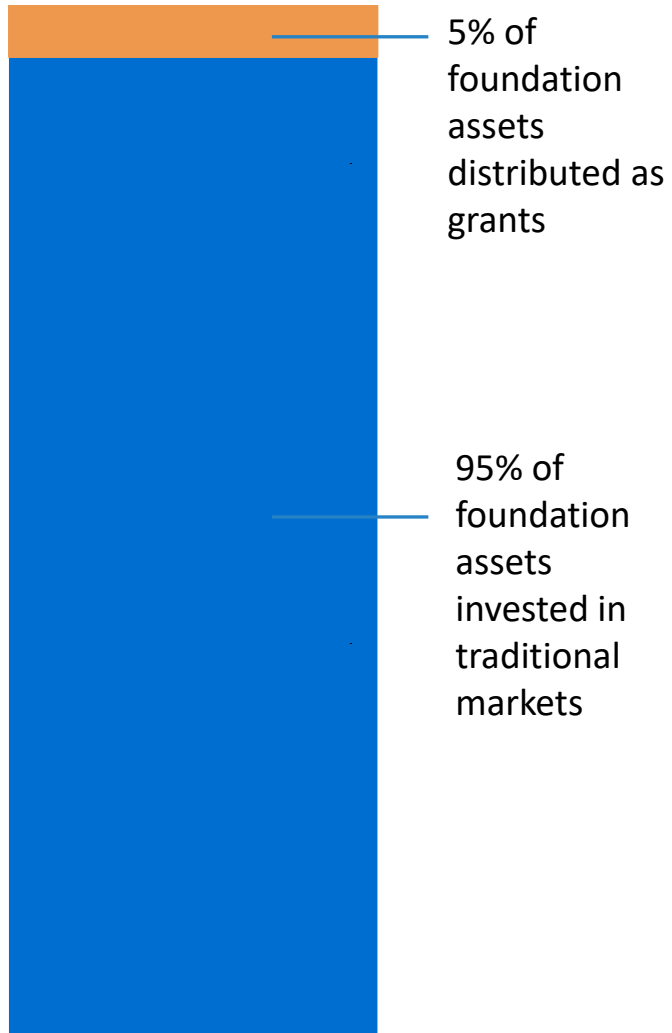
Possibility Labs Platform

Integrated capital:
loans, grants (non-profit
+ for-profit), recoverable
grants, loan guarantees,
multi-year grants, etc.

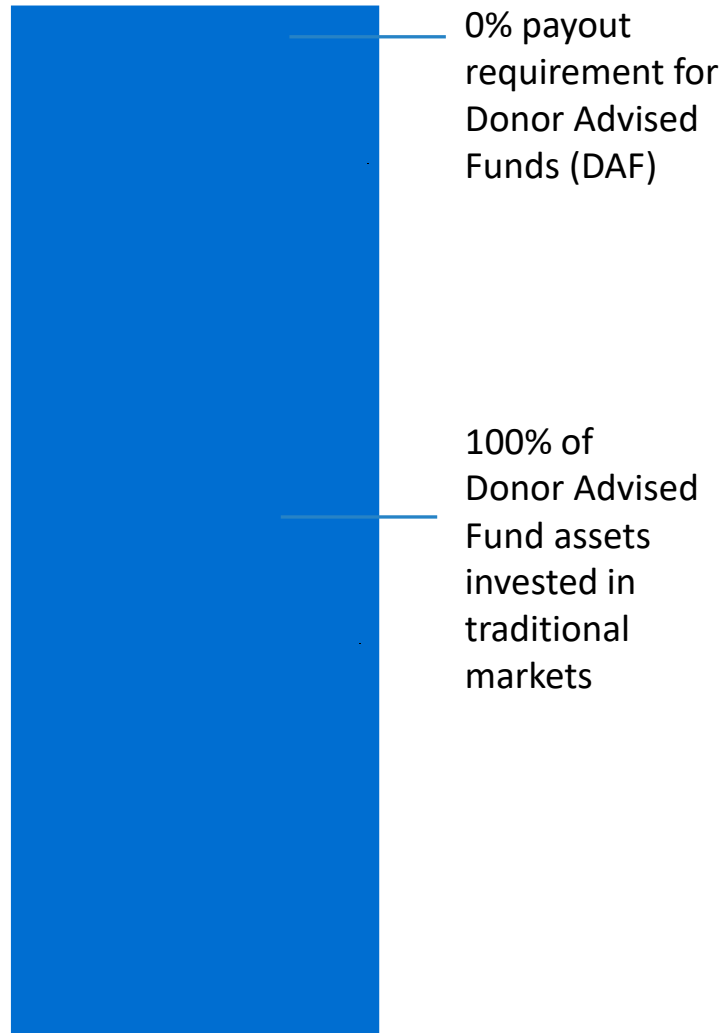


AND: Community-
designed metrics,
strategic and tactical
exchanges,
community-oriented
resourcing processes,
etc.

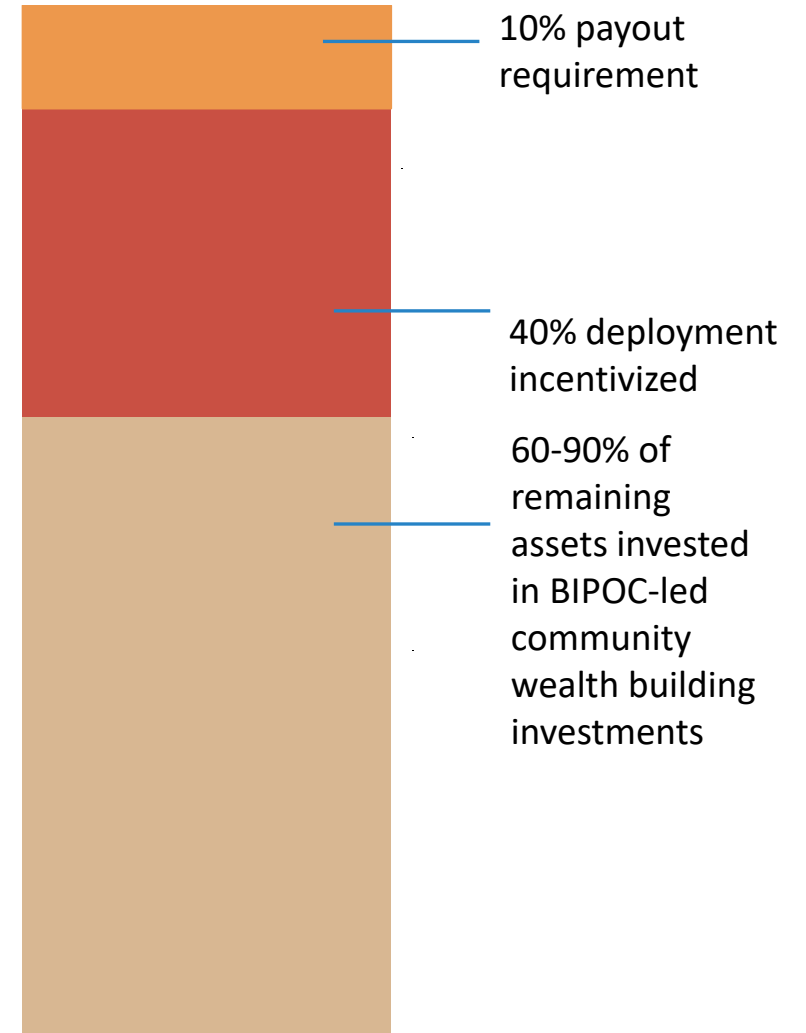
What it Looks Like



Traditional Philanthropy



Traditional DAF



Possibility Labs DAF

Perspectives from Philanthropy



Abigail Suarez
Program Officer
Community Development in Global
Philanthropy
JPMORGAN CHASE & CO.

Perspectives from Philanthropy



Rev. Cory Anderson
Chief Innovation Officer



The Winthrop Rockefeller Foundation exists to relentlessly pursue economic, educational, social, ethnic, and racial equity for all Arkansans.

Building pathways to opportunity requires broad systemic change. This comprehensive approach may take longer to prove impact, but it has a greater chance to be impactful and sustainable. We look for levers that offer the greatest promise to increase prosperity from one generation to the next.



Panel Discussion



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Yale School of
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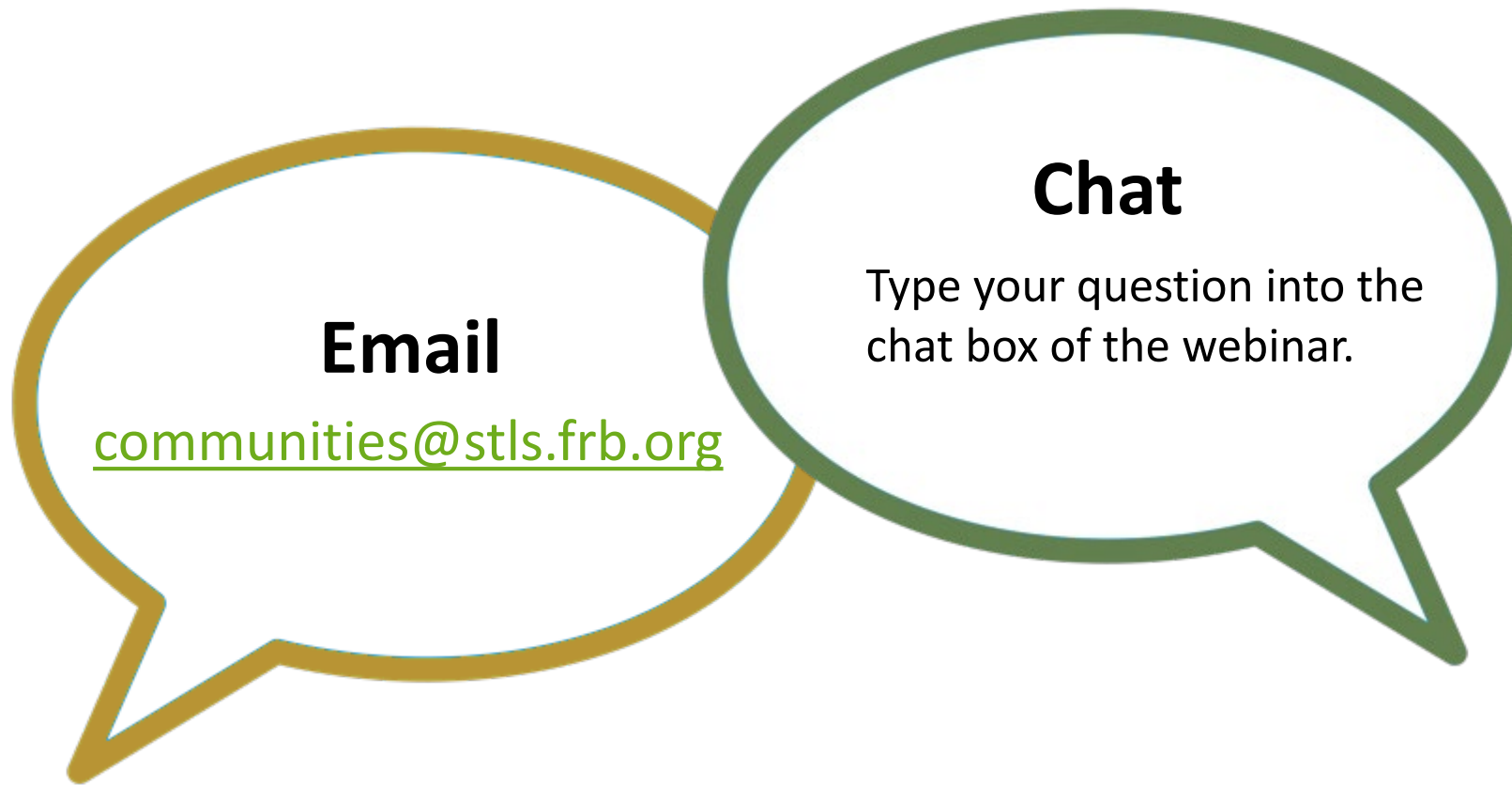


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Questions



Next Steps

- All session materials are available on our website, and in the next few days, we will post a video archive of today's session.
- If you have topical suggestions for future sessions, or any questions about this program, please feel free to contact us at communities@stls.frb.org.
- Information about future sessions will be posted on our website along with archived materials from past sessions: <https://bsr.stlouisfed.org/connectingcommunities>.



Related Resources

- In connection with this session, you can find a variety of additional resources on this topic, available at www.fedcommunities.org.
- It provides an array of practical resources to help you in your role as a community development professional, whether your work involves supporting people, places, the policy and practice of community development, or small business development.