



PRI Institute: Building Healthy Communities

Agenda

November 9 - 11, 2011

Hosted by the Robert Wood Johnson Foundation
College Road East and Route 1
Princeton, NJ 08543

This PRI Institute brings together experts and representatives from health, community and place-based foundations to focus on the use of program-related investments (PRIs) and broader impact investing tools to build healthy communities. Participants will hear how these tools can be used to drive social innovation, enhance the sustainability of mission-driven organizations, and create social and physical environments that promote healthy development and quality of life for all. Presenters are from private and community foundations, and other experts.

Wednesday, November 9

8:30 a.m. INSTITUTE REGISTRATION AND CONTINENTAL BREAKFAST

9:00 a.m. WELCOME AND VISION FOR BUILDING HEALTHY COMMUNITIES

Speakers:

Dr. James Marks, MD, Robert Wood Johnson Foundation
Katherine Merrow, New Hampshire Charitable Foundation

9:30 a.m. PRI FUNDAMENTALS: UNDERSTANDING THE TOOLS IN THE TOOLKIT
Impact investing offers a range of investing styles and vehicles to drive and reinforce a foundation's mission and programs. Understand the language and evolving practices of the field. Hear how foundations are using program- and mission-related investing to support the goal of building healthy communities.

Speakers:

Lisa Richter, GPS Capital Partners
Jasmine Hall Ratliff, Robert Wood Johnson Foundation

10:15 a.m. BREAK

10:30 a.m. INSTITUTE OVERVIEW

Understand the learning objectives tied to Building Healthy Communities and the similarities and differences in impact investing among various types of foundations—health-focused, community, place-based, large and small, urban and rural. Meet Institute participants and hear about their impact investing programs and particular learning objectives and questions. From this discussion (and a pre-conference online survey), identify several programmatic areas of interest for which participants will later work in facilitated small groups to develop impact investing strategies.

11:45 a.m. LUNCH

- 12:15 p.m. **PLANNING AND IMPLEMENTING A PRI PROGRAM**
What are the critical steps to take to create a successful PRI program? What is the relationship of a PRI program to a foundation's mission and grant program? How do foundations move from plan to action? What are the roles of staff, external partners and advisors?
- Moderator:
Peter Berliner, PRI Makers Network
- Speakers:
Nancy Barrand, Ed Ghisu and Peggi Einhorn, Robert Wood Johnson Foundation
Terry Simonette, NCB Capital Impact
- 1:30 p.m. **BREAK**
- 1:45 p.m. **INTRODUCTION TO PRI UNDERWRITING:
HOW TO IDENTIFY, ASSESS AND ANALYZE A POTENTIAL PRI**
PRI making requires going beyond traditional grantmaking skills to assess the financial and business feasibility of a project or organization. To manage a PRI process, PRI makers must confidently assess creditworthiness using information in the form of financial statements, including statements of financial position and statements of activities. We will learn how to use key financial documents and ratios to understand the potential risks and returns of PRI opportunities in various asset classes. How liquid, secure or qualified your potential investment is can mean the difference between strong and weak financial and social performance.
- Speakers:
Norah McVeigh, Nonprofit Finance Fund
- 3:15 p.m. **BREAK**
- 3:30 p.m. **INTERMEDIARY INVESTING (CDFI CASE STUDY)**
Using a case study approach, participants will practice each of the steps of making PRIs: from sourcing to underwriting, structuring, documenting, closing and monitoring a deal. In this session, participants will perform due diligence to analyze and structure a PRI investment in a Community Development Financial Institution (CDFI) intermediary that lends to a range of entities that enhance community health.
- Speaker:
Lisa Richter, GPS Capital Partners
- 4:30 p.m. **CHECK IN**
Participants will dialogue and note on a worksheet what they've learned and what still needs clarification in coming sessions.
- 5:00 p.m. **RECEPTION**
Informal networking for participants and speakers.

6:30 p.m. DINNER ON YOUR OWN
Participants may choose to dine together at local restaurants.

PRI Makers Network is happy to assist Institute participants in organizing optional, topical roundtables during meals on such topics as PRIs for real estate, health institutions, rural, or international communities.

Thursday, November 10

8:00 a.m. CONTINENTAL BREAKFAST

8:30 a.m. CHECK IN
What challenges, questions or issues have surfaced that relate to specific issues or deals you are working on? What points from yesterday need clarification?

9:00 a.m. PRI DEALS: STRUCTURE AND DOCUMENTATION
Participants will focus on how to work with PRI attorneys to address such issues as intended charitable outcomes, recipient core capacities and challenges, and the range of alternative PRI deal structures, terms and documentation requirements. With examples for reference, participants will focus on the legal aspects of structuring, negotiating, documenting and closing different types of deals at different foundations.

Speaker:
Tomer J. Inbar, Patterson Belknap Webb & Tyler LLP

10:30 a.m. BREAK

10:45 a.m. EQUITY INVESTING (CASE STUDY)
When is a PRI equity investment most appropriate to fulfill mission objectives including healthy communities? Hear from an experienced equity fund manager about key factors to consider when investing in equity funds or for-profit entities. Participants will explore the details of equity investment opportunities and work through all aspects of implementation, including structuring, valuation and safeguarding mission after investment exit.

Speaker:
Mark Perutz, DBL Investors

12:15 p.m. BREAK

12:30 p.m. LUNCH: MAKING THE MOST OF YOUR INVESTMENTS—THE ROLE OF ORGANIZATIONAL CAPACITY BUILDING
PRIs can help nonprofit organizations and small businesses to achieve scale and sustainability, but what does it take to be ready for a PRI, and how does capacity building continue, once an organization has taken on a loan or investment? While some funders assess and manage the capacity building process in-house, many partner with intermediaries that deliver technical assistance along with financing to enable social sector organizations to sustain and expand services and jobs that support healthy communities.

Moderator:
Jamie Bussel, Robert Wood Johnson Foundation

Speakers:
Margaret Laws, California HealthCare Foundation
Mark Perutz, DBL Investors
Allison Coleman, Capital Link

1:30 p.m. BREAK

1:45 p.m. WORKOUTS
What happens when a deal goes south? Participants will hear from an expert using actual cases of PRI deals requiring workouts and learn about the range of options for responding in different types of circumstances. Through examination of workout options, participants will explore procedures and outcomes and review how to anticipate and avoid complications from the outset. This session may be the most important for grantmakers serious about making successful PRIs.

Speaker:
Jennifer Pryce, Calvert Social Investment Foundation

3:15 p.m. BREAK

3:30 p.m. CRAFTING IMPACT INVESTING SOLUTIONS
This interactive session will offer participants an opportunity to work in facilitated small groups to develop impact investing strategies for one of several programmatic goals of interest that participants suggest in a pre-conference online survey and the introductory discussion on November 9. Each group will present its strategy to the full group for a facilitated discussion of pros, cons, risk management, and potential next steps.

5:00 p.m. ADJOURN FOR THE DAY

6:30 p.m. DINNER
Participants are invited to join a special dinner with nationally recognized healthy school food social entrepreneur, Chef Kate Adamick. RSVP required.

Friday, November 11

8:00 a.m. CONTINENTAL BREAKFAST

8:30 a.m. MARKET-RATE IMPACT INVESTING
At a time when private and community foundations are focused on doing more with less, hear how foundations are working with managers and within traditional investment discipline to find “double” (social and financial) and “triple bottom line” (social, environmental and financial) investment opportunities. What kinds of investments allow for traditional diversification across asset classes—cash and equivalents, fixed-income, equities, and alternatives? How have these investments performed, how is performance correlated with overall markets and how is social impact measured?

Moderator:
David Wood, More for Mission

Speakers:
Sted Garber, The Annie E. Casey Foundation
Stuart Comstock-Gay, The Vermont Community Foundation
Dana Pancrazi, The F. B. Heron Foundation

10:00 a.m. BREAK

10:15 a.m. CREATING A PLACE-BASED IMPACT INVESTING STRATEGY
What are the models for leveraging the opportunities and managing the challenges of a place-based or community foundation impact investing strategy? Some of the issues are shared by all place-based foundations, and some are unique for community foundations. Hear how a range of foundations have identified priority areas and partners for impact investing, and vetted strategies through the governance process and tracked their success. Hear about the ways in which community foundations are using impact investing as a means for greater partner and donor engagement.

Moderator:
Brinda Ganguly, The Rockefeller Foundation

Speakers:
Robin Hacke, Living Cities
Melinda Tuan, Independent Consultant
John Weiler, The F.B. Heron Foundation

11:45 a.m. CLOSING REMARKS AND INSTITUTE ADJOURNED