2021 Nonprofit Finance Fund Logic Model

INPUTS

We start with a set of shared resources & supports.

- · Clients' & partners' expertise
- Our organizational values of Equity in Action, Generosity of Spirit, Rigor without Attitude, Responsiveness, & Leading by Doing
- A commitment to racial equity and inclusive diversity
- Staff composed of 65% people of color
- Board of Directors composed of 75% people of color
- A Social Innovation and Equity Council with eight staff members of varying tenures, levels, departments, races, ethnicities, sexual orientations, and genders.
- The NFF Equity Framework and Toolkit to help embed equity considerations in our work
- A newly-developed Social Justice Onboarding curriculum for all NFF staff
- Infrastructure, technology, & processes that supported a new, hybrid way of working together (virtually and in person) through the pandemic
- Unrestricted net assets
- Loans & grants, including resources for responsive and flexible loan funds
- Client data, market knowledge & sector research
- Our unique models of service delivery
- Relationships and reputation, including a national reach

ACTIVITIES

Each year, we conduct essential activities with nonprofits, funders, investors, government officials, & other stakeholders in the mission-driven sector.

- Raise capital to provide responsive and flexible support to nonprofits across the US
- Tailor loans & provide on-going support for US nonprofit borrowers who serve low-income communities with a strategic focus on nonprofits led by and serving people of color
- Contribute New Markets Tax Credits (NMTC) to projects
- Lead & participate in collaborative financing initiatives that draw in capital from other investors for nonprofit projects
- Provide intermediate capital such as loans, pass-through funding & grants
- Provide financial guidance, tools and support to organizations responding to ongoing impacts of the pandemic
- Conduct customized strategic and financial consulting to support leaders of nonprofits & foundations, including multiyear initiatives with cohorts of nonprofits, with a strategic focus on those led by and serving people of color
- Create new loan funds specifically for BIPOC-led and -serving organizations, targeting those that previously faced barriers to accessing capital; the special loan funds come with optional free technical assistance to support organizations through the lending process and beyond
- Advocate for full cost contracts and long-term, flexible capital for nonprofits
- Conduct, analyze & share research about sector financial dynamics & needs
- Drive conversations & provide thought leadership by publishing reports & articles, web content, social media & other communications
- Hold monthly internal NFF Equity in Action Forums facilitated by NFF's Social Innovation and Equity Council

CHITPHIES

In 2021, clients, the sector, & stakeholders received these quantifiable services.

- Raised \$12.6 million from a range of philanthropic investors for flexible and responsive, no interest financing
- Closed \$76 million in financing to 82 organizations, including:
 - \$43.5 million in facility financing to 19 organizations, plus \$12.5 million in NMTC financing to 3 organizations
 - \$2 million in traditional working capital loans to 3 organizations
 - \$18.1 million in no interest, unsecured financing to 58 organizations
- Implemented Catalyzing Finance for Racial Equity (CFRE) with Capital Impact Partners (CIP) to engage staff, communitycentered organizations, and CDFIs in identifying new ways that CDFIs can advance health justice and racial equity
- Created 3 special loan funds specifically for BIPOC-led and -serving organizations:
- Intermediated \$1.84 million in pass-through or Change Capital funding to 87 organizations
- Provided 1:1 customized financial consulting support or training to 230 nonprofits & foundations; 120 were nonprofits led by people of color
- 78 virtual capacity-strengthening group workshops and seminars with nonprofit finance insights for 5,235 individuals from nonprofits, foundations, government, other stakeholders

(OUTPUTS continued)

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- Offered free tools and resources for nonprofits and funders to help navigate the continued impacts of the pandemic, including a resource page featuring NFF's 12-part nonprofit financial management webinar series in English and Spanish, which had 1483 combined page views
- Sector insights shared with 24K via email, 42.4K via Twitter, Linkedln, & Facebook, & 34.3K average monthly page views on our websites including Invest in Results and NFF.org
- 66 percent of NFF's advocacy promoted more racially equitable funding practices and centered clients' insights
- Continued to publish Where We Go From Here video series featuring conversations with 10 social sector leaders of color

SHORT-TERM OUTCOMES

NFF's work creates employment opportunities & strengthens clients through equitable access to financial knowledge & capital...

- Through building facilities or scaling-up services, nonprofits create temporary & permanent job opportunities
- Our commitment to racial equity and our ongoing CFRE work is leading to changes in how NFF and CIP are providing their services – resulting in more community-centered organizations, particularly those led by and serving people of color, gaining access to:
- NFF's facility financing, which helps clients improve quality and quantity of space to deliver services
- NFF's working capital, which helps clients manage cash flow and maintain or grow services
- NFF's zero-interest loan funds, which helped clients maintain critical operations during the ongoing pandemic
- NFF consulting, which helps clients hone their financial management and better advocate for their own goals within an inequitable funding system
- NFF coaching or guidance, including actionable advice & tools to manage the ongoing impacts of the pandemic and specific dynamics related to PPP loans
- At the systems level, foundations, government funders, and other stakeholders have increased awareness of systemic resource disparities and needs & how to support greater racial equity in funding for nonprofits led by people of color

MEDIUM-TERM OUTCOMES

...and improving the services & opportunities mission-driven organizations can provide...

- NFF clients have the resources to successfully respond, adapt, & pivot to environmental shifts, enabling them to:
- better serve their clients (e.g., by adding staff capacity, changing their programming, upgrading their facility, etc.)
 better compensate their staff
- At the systems level, funders & investors increasingly provide flexible, responsive financing & funding with less restrictions, which allows mission-driven organizations led by and serving people of color to focus on their clients & providing communitycentered services

LONG-TERM OUTCOMES

... and ultimately the lives & communities of the people who provide and receive these services.

- Nonprofit organizations are better able to support the aspirations of their communities and serve their individual clients
- At the systems level, the nonprofit sector becomes stronger and more equitable

IMPAC1

NFF contributes to a society where money and knowledge come together to support equitable, vibrant communities.

 More financial resources flow with less restrictions to organizations led by and serving communities of color, enabling communities that have historically been denied access to realize their aspirations

