

Outcomes that Matter

Impact Report 2023

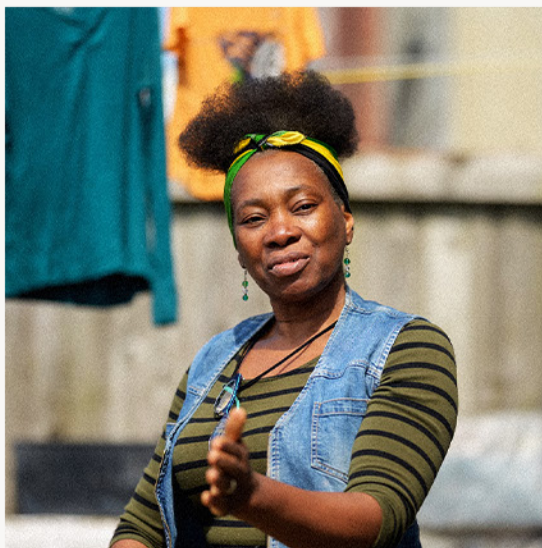


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A message from President & CEO Rey Ramsey



[Watch the video on our website](#) 

VISION

We envision a future where all people, in body and spirit, breathe freely; care for each other; and flourish in just, regenerative, and loving communities.

MISSION

We are a multigenerational family foundation honoring the Jewish tradition of social justice. We support movements, change-makers, and social innovators who are crafting solutions advancing racial, economic, and environmental justice.

VALUES

- Justice + Equity
- Interdependence
- Learning + Listening
- Courageous Transformation
- Integrity

WHAT WE DO

NCF partners with organizations working at the intersections of racial, economic, and environmental justice.

Racial Justice

Civic Engagement

We support efforts to ensure marginalized communities have the access and capacity to participate freely in shaping the policies, practices, and institutions that impact their everyday lives.

Racial Wealth Gap

We support efforts to repair harm from centuries of racial wealth inequality, build wealth, and address the root causes of the racial wealth gap.

Racism + Oppression

We support efforts to build the infrastructure and capacity necessary to create systems that are free from racism and oppression and allow us all to thrive.

Economic Justice

Economic Security

We support efforts that systemically mitigate economic precarity and secure a path to a more stable future for poor and low-income people.

Access to Capital

We support efforts to provide more access to capital for historically excluded entrepreneurs and to cultivate an ecosystem in which they can prosper.

Monopoly Power

We support efforts to decrease corporate power and create a level playing field for workers, marginalized communities, and small businesses.

Environmental Justice

Environmental Harm

We support systemic efforts to prevent and repair environmental disparities and ensure affected communities can meaningfully engage in developing solutions.

Inclusive Participation in the Green Economy

We support efforts to ensure that BIPOC-led environmental organizations and diverse companies can take full advantage of the investments, benefits, and opportunities of the Green Economy.

Regenerative Economic Models

We support social innovators who are building regenerative projects and models based on sustainability, ecological restoration, and community-wealth-building and resilience.

Israel-Palestine

Our work in the Israel-Palestine region, like our work in the United States, seeks to advance racial, economic, and environmental justice.

NCF OVERVIEW

Our Journey to Impact

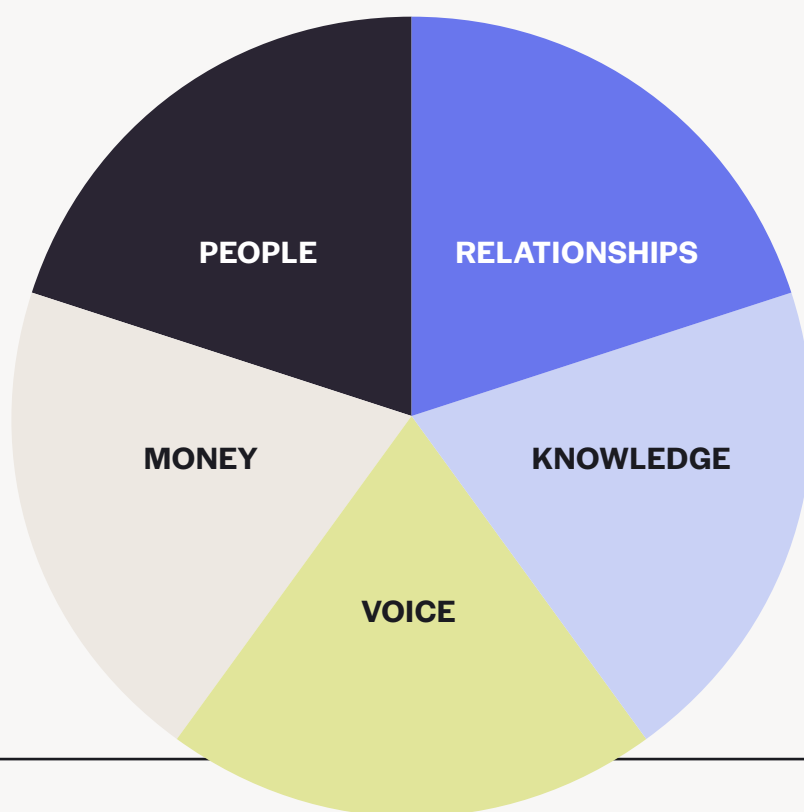
2018

All in on Mission-Aligned Investing

NCF commits

100%

of its endowment to mission-aligned investing. This marks its evolution from a traditional grantmaking institution into an impact investor.



NOVEMBER 2022

Racial, Economic, & Environmental Justice

NCF sets a [five-year strategic plan](#), committing to focus solely on advancing racial, economic, and environmental justice (REEJ) and dedicating [the totality of its assets](#) – including its endowment and

beyond – for impact. As part of the plan, NCF creates a \$22 million program-related investment (PRI) fund, led by Bob Bancroft, and a place-based focus in the U.S. South and Israel-Palestine.



JANUARY 2023

Aligning Infrastructure

NCF aligns its infrastructure and operations with its strategic plan, breaking down organizational silos and fostering collaboration across asset types (e.g., grants, endowment, shareholder advocacy). Highlights include:

- To break down silos between departments and leverage all our assets in pursuit of social impact, NCF launches three Solutions Teams, one for each of the issues under the REEJ umbrella.
- NCF welcomes a Chief Impact Officer, [Kristi C. Whitfield](#).
- NCF introduces Asset Management function, led by [Janet Disla](#), to optimize and analyze the foundation's diverse portfolio of assets.
- NCF refocuses its finance team on "mission investing," led by [Bob Bancroft](#). The team oversees program-related investments (PRIs) and strategies for impact investments in NCF's endowment.
- NCF reimagines human resources as "people and culture," led by [Shelly Harper](#). NCF creates a cross-departmental committee to strengthen internal culture.

SEPTEMBER 2023

Ethos of Learning

NCF makes an all-in organizational commitment to measurement and learning, with impact indicators to be developed in 2024 to help us understand and be accountable to our impact goals.

NCF by the Numbers

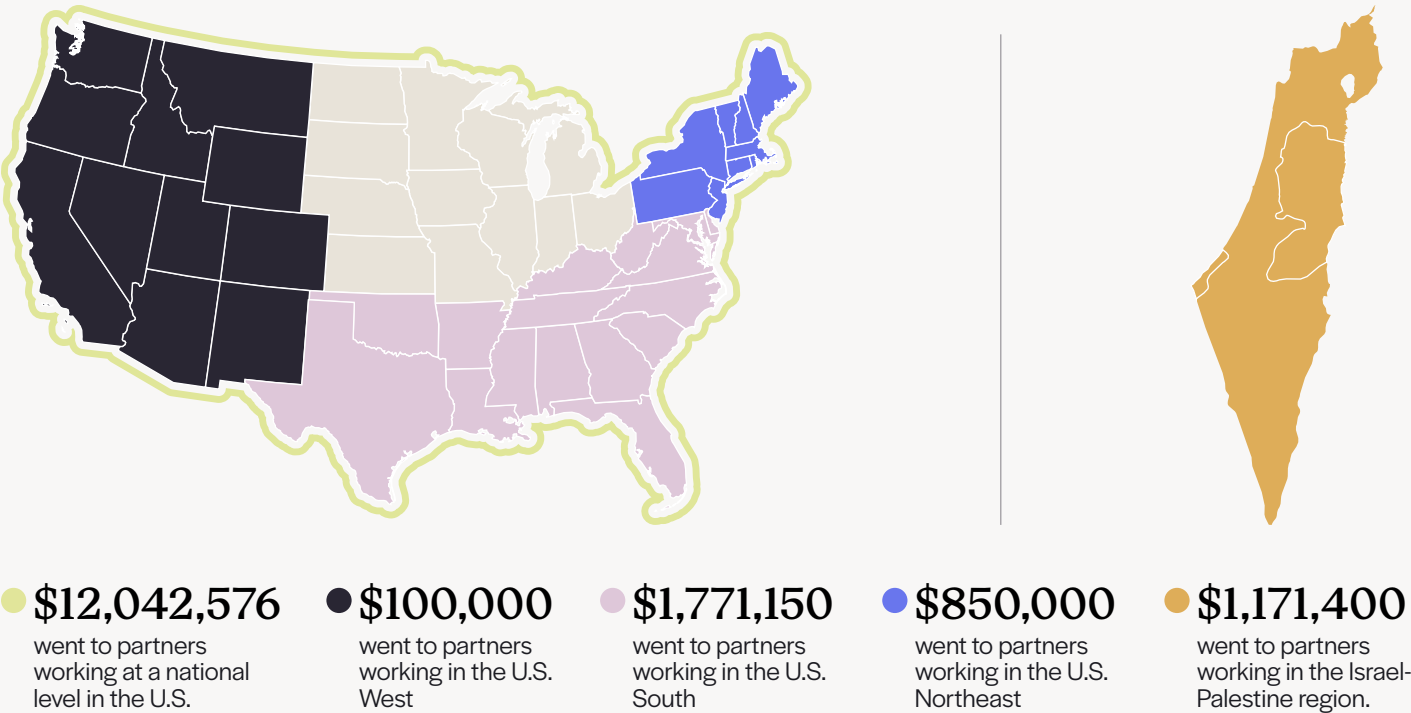
GRANTMAKING SNAPSHOT 2023

163 grants paid, totaling: \$16,186,500

Average grant size: \$161,455

Total grantee partners: 150

NCF’s made grants across the U.S. and in Israel-Palestine:



Footnotes:

- In 2023, NCF made no grants to organizations in the U.S. Midwest.
- In 2023, NCF funded grantee partners in the Israel-Palestine region via an intermediary, the New Israel Fund.

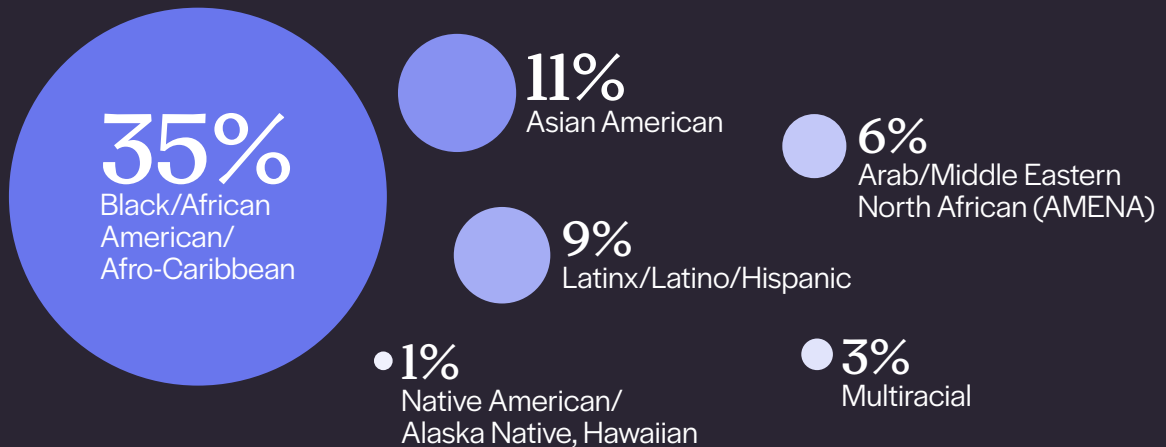
DEMOGRAPHIC SNAPSHOT OF GRANTEE PARTNERS 2023

NCF invests with a
racial-equity-and-inclusion lens.

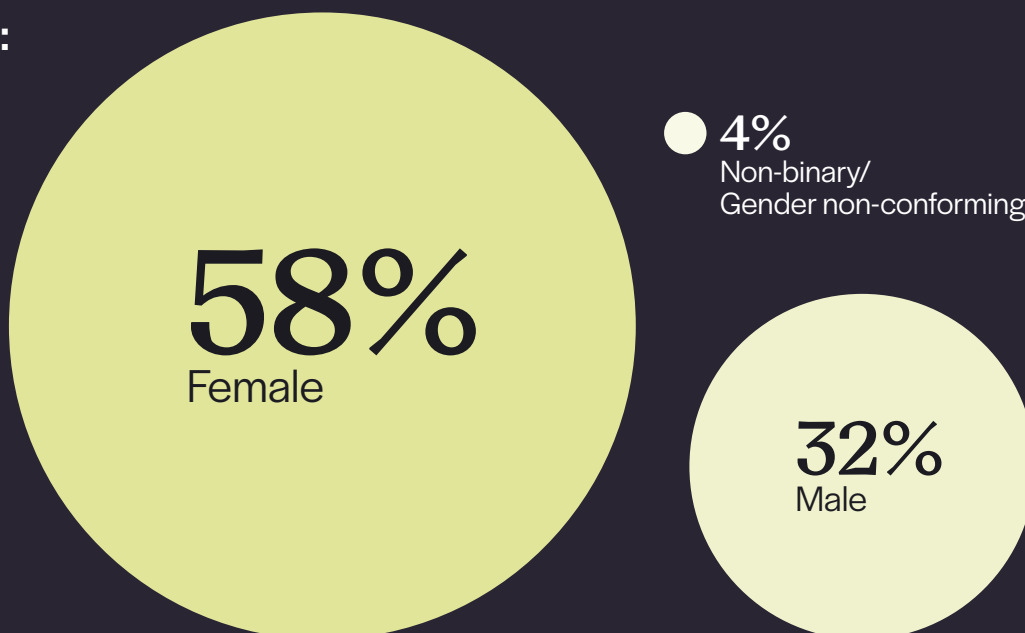
62% of our grants support BIPOC-led organizations.

Leadership Demographics:

By race:



By gender:

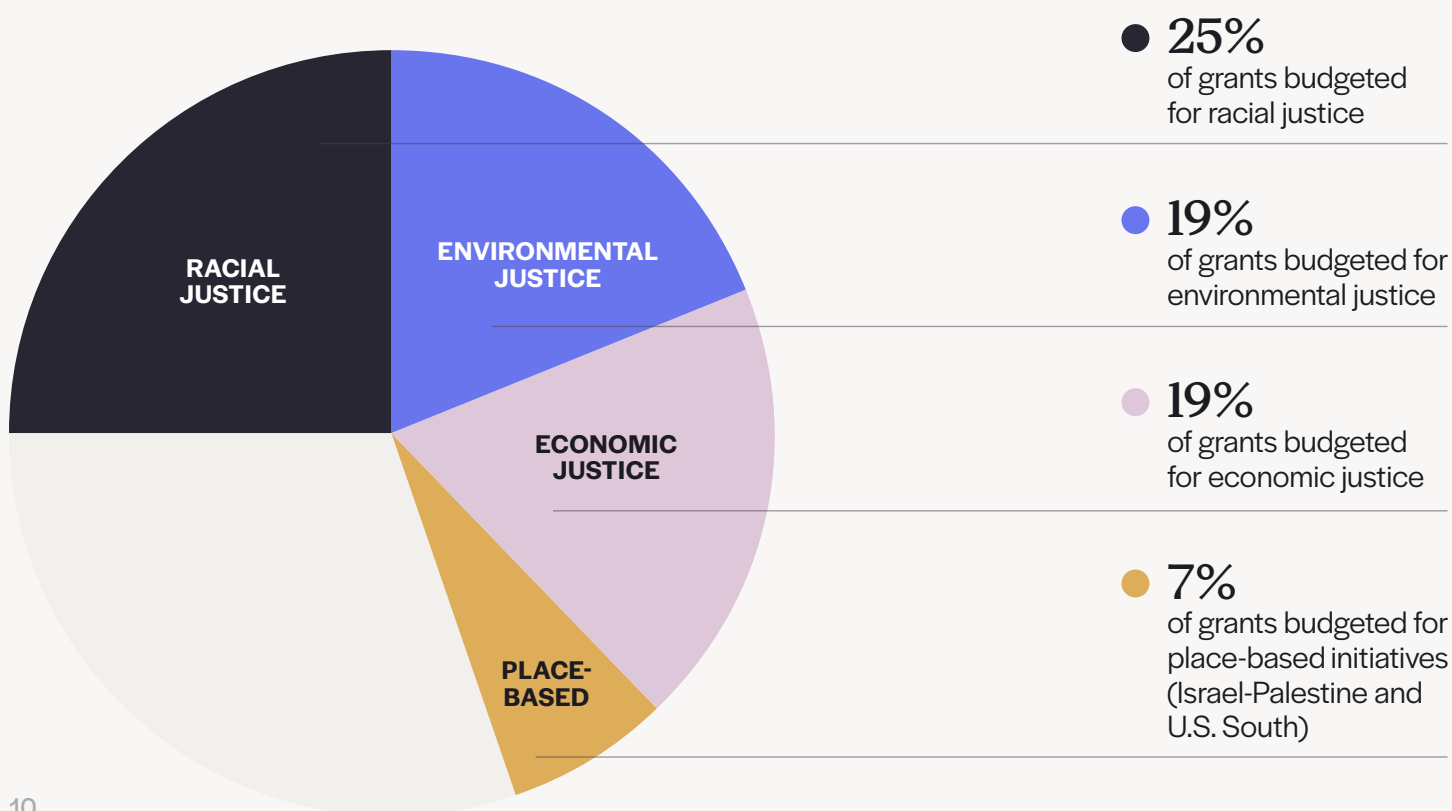


Footnotes:

- Some partners did not ask staff members to self-report on gender or did not identify with the options provided in NCF's DEI table template, so the figures do not add up to 100%.
- These figures represent the makeup of the organizations' senior leadership and boards.



NCF was still implementing its new grant portfolios focused on racial, economic, and environmental justice in 2023. But looking ahead to 2024, here is how our grant resources will be allocated across our focus areas:



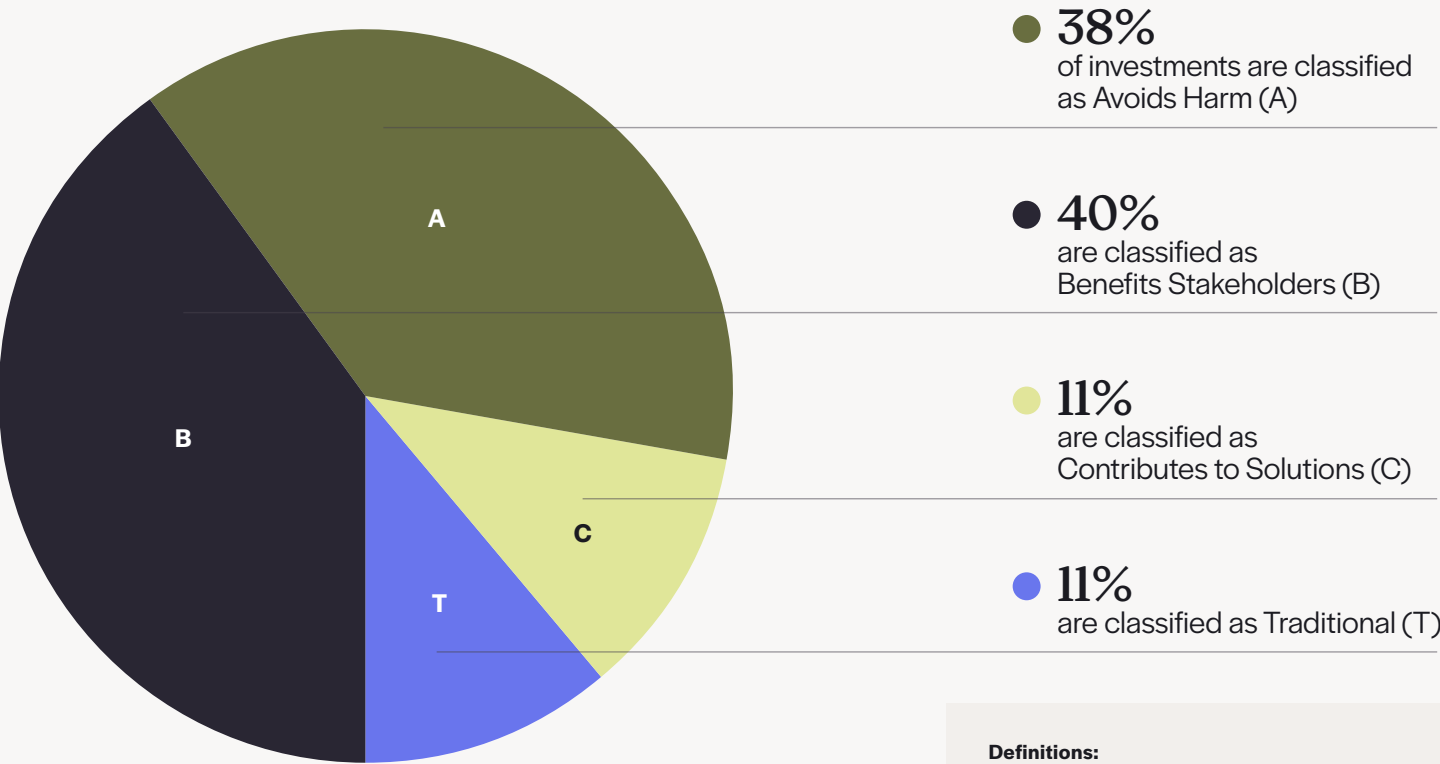
INVESTMENT SNAPSHOT 2023

Endowment

(as of December 2023)

\$462M total endowment, **5.0%** real return

89% of the endowment is mission-aligned*



FUND MANAGER DIVERSITY

51% of fund managers are majority-owned by women or people of color.

Definitions:

- **[A]cts to Avoid Harm:** screened to avoid harmful behaviors, such as industries or practices at odds with our mission.
- **[B]enefits Stakeholders:** screened to seek positive behaviors, such as companies who manage their environmental impacts toward sustainable levels.
- **[C]ontributes to Solutions:** investments in companies that directly advance positive social and environmental outcomes, particularly for marginalized communities.
- **[T]raditional:** neutral or unclassified investments, such as cash, and some misaligned investments we are in the process of exiting.

PRI SNAPSHOT 2023

NCF has committed **\$22 million** for PRIs over the next five years with a target budget of **\$3 million** for the first year (2024).

Past Pilot investments:



1863 Ventures Fund



Southern Bancorp Community Partners



South Carolina Community Loan Fund

SHAREHOLDER-ACTIVISM SNAPSHOT 2023

NCF filed **four shareholder proposals** during the 2023 proxy season:

AT&T

Issue

Civil Rights/Racial-Equity Audit

Result:

The proposal received the highest vote (22%) of any new racial-equity proposal filed last year.

Before the vote, AT&T committed to an independent racial-equity audit of its largest charitable project (broadband in underserved communities). Though this outcome was not a direct result of the 2023 vote, we believe that strong votes on similar proposals in previous years laid the groundwork for AT&T's actions.

Alphabet

Issue

Civil Rights/Racial-Equity Audit

Result:

We withdrew the proposal because the company conducted and published a civil rights audit, which covered the company's products, practices, and policies.

Read the full case study on [page 15](#).

Elevance Health

Issue

Transparent Political Spending

Result:

The proposal, the first of its kind with the company, received an 8% vote, clearing the threshold for resubmission. We plan to resubmit the proposal in 2024.

Disney

Issue

Retention, Recruitment, and Promotion

Result:

We withdrew the proposal because the company agreed to break down recruitment, retention, and promotion data by race and gender.

NCF leverages proxy voting as an important shareholder tool. Through voting proxies, we provide boards and management with input on a wide range of issues, from the appropriateness of executive compensation to the importance of strategic efforts to address climate change.

[A summary of votes cast in 2023 can be found here.](#)

Behind the Numbers



CASE STUDY

Opening Doors + Accessing Capital: Our Partnership with Bivium Westfuller

Two years into our journey to implement a mission-aligned investing strategy, we conducted [field research](#) to understand the extent that our social justice mission could be authentically reflected in every facet of our investing. Through it, we learned there is tremendous talent that is not given the opportunity to scale because they don't have access to capital. As we designed the search for our next investment advisor, we wanted to ensure we were opening every possible door to find the best partner to advance the mission and goals in our investment strategy.

One of the things we did differently in our search process was to welcome proposals from smaller firms, including joint proposals. This allowed firms to combine their talents and capacities so they could meet the threshold to participate. That's what led us to our partnership with [Bivium Westfuller](#) (BWF), a joint venture

between [Bivium Capital](#) and [Westfuller Advisors](#), which are both Black-owned and BIPOC-led firms.

Because we had so much confidence in the BWF team, and wanted to help them grow, we structured our fees to provide more resources upfront to scale and build their team. And scale they did. **At the beginning of our partnership, BWF had approximately \$1.98B in assets under management (AUM). By the end of 2023, that number skyrocketed to \$5.1B in AUM.** Moreover, the majority of these new clients share a similar mission and focus on social justice impact.

In just a couple years, the partnership with BWF has already made a real difference. Notably, they collaborate deeply with our staff, including grantmaking staff, to bring a clear mission lens to their investment strategies. And they made some other bold moves out of the gate:

- They hired a slate of 25 new managers (totaling \$320M as of 12/31/23). **68% are majority-owned by people of color and/or women.** Furthermore, **64%** have at least 50% of their key leadership roles held by women and/or people of color.
- They helped us expand our shareholder activism and engage public companies more expansively. By implementing our public-equity strategies as separately managed accounts (SMAs), they put us in control of our votes.

"Guided by our values, we sought to remove barriers and open new doors in our search for the best investment team. We are excited to partner with Bivium Westfuller on our journey toward greater impact."

– **BOB BANCROFT**
VICE PRESIDENT OF MISSION INVESTING
AND FINANCE, NCF

The Washington Post

Google releases civil rights review, caving to years of pressure

Advocacy groups have long called on the tech giant to follow companies like Meta and Apple and vet its products for racial biases

CASE STUDY

Leveraging our Standing as an Investor to Advance Racial Justice

NCF has used its voice as investor and active owner for more than 22 years. We leverage our standing as an investor to shift markets and change corporate behavior by filing shareholder resolutions on issues at the intersection of our grantmaking interests and long-term shareholder value. As part of that work, we are among a growing number of investors filing resolutions to end systemic racism and oppression within corporations.

One such resolution, led by NCF in consultation with our grantee partners at [Open MIC](#), helped prompt the release of a report on an independent civil rights audit at tech giant Google. This development follows ongoing pressure from Members of Congress, civil rights organizations (e.g., NCF grantee partner [Color of Change](#)), and investors.

Civil rights audits, also referred to as racial-equity audits, are important tools to help companies uncover and begin to remedy harm tied to people's race, ethnicity, sex, and other protected characteristics. The foundation's 2022 proposal calling for a racial-equity audit received the support of roughly 64% of shares not controlled by the company's officers or directors. Our 2023 proposal was withdrawn contingent on the publication of a report on the audit.

The report shared key insights regarding racial equity in Google's workplace practices, products, economic-opportunity programs, and philanthropic efforts. Recommendations included the development of a civil rights infrastructure to review and provide expertise on policies, processes, and product changes across the business and mandating

the use of best practices for inclusive hiring. These and other recommendations in the report are an important first step, but companies must view these audits as the beginning of a process of improvement and growth, not the end.

“Racial-equity audits can yield benefits for society and enhance long-term shareholder value. We hope that more investors call on companies to conduct these audits.”

— **LAURA CAMPOS**
SENIOR DIRECTOR OF ECONOMIC JUSTICE, NCF

CASE STUDY

Jobs to Move America is Equitably Driving the Green Economy



“Our collaboration with NCF propelled our growth, enabling us to extend our reach far beyond the South, bringing about meaningful change for communities across the nation. In joining forces, we’ve become a formidable force for justice, tackling systemic injustices and paving the way for a more equitable future for not only Black workers but families in general,”

— ERICA IHEME, CO-EXECUTIVE DIRECTOR, JOBS TO MOVE AMERICA

As part of our focus on inclusive participation in the Green Economy, NCF grantee partner Jobs to Move America (JMA) takes an industry-specific, clean-manufacturing approach. This approach is driving the green transition forward, creating high-road jobs and opportunities with a racial-equity and economic-justice lens. JMA advocates for [Inclusive Public Procurement](#) programs that enable U.S. state and local agencies to reshape how billions in public dollars are spent in the clean manufacturing sector. By embedding racial- and economic-justice practices into community benefits agreements (CBAs), public procurement policies, and subsidies, JMA also creates access to careers in clean manufacturing, technology, and infrastructure for people of color, women, and returning citizens. The organization uses a range of tactics to achieve its goals, including research, communications, legal

strategies, shareholder engagement, policy advocacy and collaborative organizing campaigns.

NCF support has helped JMA grow its capacity to scale impact—from its first CBA with electric bus manufacturer BYD to the successful inclusion of many of its policy recommendations (developed in partnership with the [Local Opportunities Coalition](#)) into the Office of Management and Budget’s (OMB) Uniform Grants Guidance. These new OMB rules eliminated a nearly 40-year-old prohibition on all geographic preferences for recipients of federal funds. As a result, local governments can incorporate local-hire policies and inclusive procurement practices that create concrete benefits for communities and workers.

Additionally, NCF helped connect JMA to investors to bring New Flyer Industries, the largest EV bus manufacturer in North America, to

the negotiating table with proposed measures to improve long-term shareholder value and conditions for workers. On May 24, 2022, JMA and its community partners in Alabama and Mississippi secured a landmark CBA with New Flyer mandating at least 45% of new hires and 20% of promotions would be given to women, minorities, and U.S. military veterans. These hiring goals are backed by apprenticeship programs designed to guarantee workers from disadvantaged groups have access to high-quality jobs. The company has transit contracts for EV fleets with Washington, New York, Atlanta, and San Francisco. It’s a good example of how NCF leverages the totality of assets to support partners and drive change.

You can learn more about JMA’s work [here](#).

Looking Ahead

Dear community,

If you take one thing from this report, we hope it is that NCF is on a journey to achieve results that matter. We are supporting many partners along that journey, all with eyes on the prize of advancing racial, economic, and environmental justice (REEJ). We're excited to build on these partnerships in the year ahead.

In the coming months, we will make key decisions about our place-based work. This will include 1) aligning our strategy in the Israel-Palestine region with our focus on REEJ, and 2) selecting location(s) for our U.S. South place-based initiative.

We will also deepen our commitment to transparency, learning, and measurement. We are working on institution-wide impact indicators, which will help us determine whether we're making appropriate progress and hold ourselves accountable for meaningful results. In the spirit of contributing to our collective learning, we'll be publishing these impact reports on an annual basis.

**On a journey to justice,
Rey and Kristi**



Rey Ramsey, President & CEO



**Kristi C. Whitfield, Chief Impact Office
& Senior Director of Racial Justice**

THE NATHAN
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