**Impact Investing Subcommittee:**

**Purpose:**
To develop and implement, subject to Board approval, a program of impact investing for the Morgan Family Foundation, with the overall purpose of leveraging the endowment to further the Foundation's goals. The initial objective was to invest $5 million in market-rate Mission Related Investments (MRIs) over a four-year period, by 12/31/2020. While below-market rate Program Related Investments (PRIs) are an impact investing tool, the subcommittee will rely on the Foundation’s executive director and/or program officer(s) to take the lead role in exploring potential PRI opportunities.

**Membership:**
The subcommittee shall be comprised of at least three members: at least two members of the board, and may include up to three others. This is considered a subcommittee of the Finance/Investment Committee. Membership shall include at least one person from the Finance/Investment Committee, as well as one person from the Grants Policy Committee or one of its grantmaking subcommittees (Social Equity, Global Warming, End of Life, Family Philanthropy). The term of subcommittee service is one year, and members may serve successive terms without limitation. It is encouraged that membership on the subcommittee include multiple generations and at least two family (lineal and/or extended) members. The executive director and/or chief financial officer will serve as ex-officio non-voting members of the subcommittee.

**Meetings:**
The subcommittee shall meet at least four times per year or additionally as called by the chairperson of the subcommittee. As the work increases, meetings may occur more frequently, but no more often than monthly.

**Key Responsibilities**
1. Facilitate education of subcommittee members about impact investing, and the rest of the MFF Board and staff as appropriate
2. Meet and communicate with impact investing experts, which may include foundation representatives, investment professionals and relevant professional associations and consultants
3. Review and recommend changes to the MFF impact investment policy, including but not limited to:
   - Clarify the MFF’s impact themes and prioritize for investments based on MFF purpose and values
   - Determine the desired structure of investments (by theme, geography, diversification, type of investment, size per investment, level of risk, etc.)
   - Develop and/or determine non-financial impact measures
   - Determine desired rates of financial return
4. Review the objectives and performance of strategies in the MFF impact portfolio: a quarterly review of financial metrics, and at least an annual review of impact metrics; implement changes in the impact investment vehicles as deemed necessary.
5. Review the structure for impact investing execution, reporting, oversight and management, and recommend changes to the board when appropriate.