



**NEWPROFIT**

# Get Closer

ANNUAL REPORT 2021

## ABOUT QR CODES



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If you have difficulty accessing the digital content, type this url into any browser to view our online Annual Report:

<https://www.newprofit.org/2021-annual-report>

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# Dear New Profit community,

As we write this letter, we are heartened by social entrepreneurs across the country. Although they have faced immense difficulties over the past year and a half, they have managed to provide critical, innovative, and inspired support to their communities and our nation. These visionary leaders, particularly those who are guided by the insights and experiences of the communities they aim to serve, are the best hope for an America that lives up to its potential. Supporting them remains New Profit's passion and purpose.

The theme of this year's annual report is Get Closer. Closeness is a thread woven throughout our work—our portfolio of Build and Catalyze investments, our ecosystem-building and advocacy initiatives, and our field leadership efforts. We find inspiration in the words of Bryan Stevenson, Founder and Executive Director of the Equal Justice Initiative:

“There is power in proximity. Get close to people and communities who are at risk—and stay close. We don't have to have the answers; instead, we have to want to get close. From far away, we can't create meaningful solutions or hear the nuances and the perspectives of people who we want to collaborate with and advocate for.”

This year marks the first time we write this letter as co-CEOs. As New Profit advances its strategies for systems change, a collaborative leadership model is critical for convening a growing, multi-racial, multigenerational community of social entrepreneurs, philanthropists, policy leaders, and other changemakers to address the complex and overlapping inequities our country faces. In deep partnership with this community, we can powerfully drive progress toward our collective goal of advancing equity and opportunity for all.

The way this community has come together at one of the most difficult moments in our country's history fills us with hope, yet we are not naive to the amount of work ahead. The closeness we share as a community is the mortar that bonds us and offers a means to repair and rebuild the fractures and fault lines laid bare over the years. We are immensely grateful for your partnership as we imagine what social entrepreneurs in our network and beyond could achieve if there were no barriers in their way—no systemic bias, no capital gaps, and nothing to stop them from rearchitecting the systems in this country.

In the following pages and in the expansive digital version of our annual report, you'll learn how we've gotten closer to that reality over the course of the past year. We made new investments in systems-minded entrepreneurs, convened leaders and partners to build ecosystem-wide initiatives, and shared research, insights, and ideas to help shift mindsets around what is possible in the name of transformational change.

Still, there is much work to be done. We hope you will join us in community—together we can get closer to the systems, the solutions, and the change we need to create an America where everyone will thrive.

Warmly,

**Tulaine Montgomery & Vanessa Kirsch**  
CO-CEOS OF NEW PROFIT



# Portfolio Investing

In early 2020, New Profit revisited our portfolio strategy to bolster our support model in ways that center our values of equity and proximity, and evolve with the needs of our grantee partners.



## Get Closer

Scan this QR code to read what we've learned through this strategy process



*Social entrepreneurs from  
New Profit's Unlocked Futures II cohort*

Over the course of the year, we reexamined our guiding “Impact Compass,” which directs our vision for what our grantee partners and portfolio can achieve over time. In 2021, building on the Impact Compass, we have been working to revise and update our support offerings and to design and execute our new portfolio strategy.

We are also planning for significant portfolio growth over the next three years. We are committed to investing in organizations that are tackling a broad set of challenges, and in the largest group of Black, Latine/x, and Indigenous leaders in our portfolio history—more than 50 percent of our current portfolio organizations are led by people of color. We are also investing in diverse organizational models—organizations focused on direct growth, those who focus on building knowledge and providing technical assistance, and those focused on holistic systems change. As we seek to support our grantee partners, we aim to offer the best of our lessons learned from our 23-year history, coupled with our learnings on centering equity and proximity and pursuing systems change. We are committed to learning from and with social entrepreneurs in our portfolio, and continually evolving and updating our thinking and our supports.

## PORTFOLIO INVESTING

# Build Investments

## PORTFOLIO HIGHLIGHTS

- **We invested in three new Build organizations:** Kingmakers of Oakland and Envision Education, two organizations working to improve student wellbeing and identity development, were selected as part of our Wellbeing in Education initiative. We also invested in Think of Us, an organization founded and led by former foster youth that is transforming the child welfare system to center lived experience.
- **We saw nine exceptional organizations exit our portfolio:** As the Personalized Learning Initiative came to a close after four years, Aurora Institute, Highlander Institute, ImBlaze (an initiative of Big Picture Learning), The Learning Accelerator, PowerMyLearning, Transcend Education, and Valor Collegiate Academies exited. In addition, EdLoC and EnLearn also completed their terms with New Profit in 2021.
- **We launched a second Postsecondary Innovation for Equity (PIE) cohort:** In 2020, we launched the inaugural PIE cohort by investing in 20 social entrepreneurs who are connecting young adults from systemically overlooked communities with postsecondary credentials and work experience to accelerate their careers. In late 2021, New Profit launched the process to select a cohort of Build investments to fuel the further success of proximate entrepreneurs in the education-to-employment space.



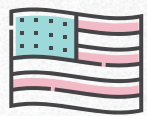
BUILD

# Portfolio Stats

## SCALE & LIVES TOUCHED



17.6M lives touched



47 states were served by New Profit's Build portfolio



12% median 3-year CAGR



56% of Build investments reported an annual growth rate in beneficiaries

## FINANCIAL GROWTH & SUSTAINABILITY



14% average growth rate of organizations' budget



8% median 3-year expenses CAGR



42% of organizations reported annual expense growth rate of over 20% between their pre-pandemic expenses at the end of 2019 and 2021

"[Our Deal Partner's] investment and engagement as a board member has been critical to our organization's stability over the past year."

RESPONDENT TO  
NEW PROFIT'S  
SATISFACTION SURVEY

# Build Portfolio



Build investments are \$1M+ multi-year, unrestricted grants that come with deep strategic support and a dedicated New Profit Deal Partner who serves as a trusted advisor to the social entrepreneur and as a member of the organization's board of directors.

## 4.0 Schools

Investing coaching, community, curriculum, and cash in promising leaders to test tomorrow's learning models with students and families in their local communities.

**Social Entrepreneur:**

Hassan Hassan

**New Profit Deal Partner:**

Molly O'Donnell

**Joined Portfolio:** 2020



## Aurora Institute

Transforming education systems and advancing breakthrough policies and practices.

**Social Entrepreneur:**

Susan Patrick

**New Profit Deal Partner:**

Helayne Jones

**Joined Portfolio:** 2017 (exited in 2021)



## Beyond 12

Addressing the college completion challenge at its root by acting as a data and service bridge between K-12 and higher education.

**Social Entrepreneur:**

Alexandra Bernadotte

**New Profit Deal Partner:**

Dr. Angela Jackson

**Joined Portfolio:** 2020



## Braven

Using a scalable coaching and cohort model backed by technology to bridge the education to employment gap for first generation college students.

**Social Entrepreneur:**

Aimée Eubanks Davis

**New Profit Deal Partner:**

David Levy

**Joined Portfolio:** 2019



### CASEL

CASEL is a nonprofit working in research, practice, and policy to help make evidence-based social and emotional learning an integral part of preK-high school education.

**Social Entrepreneur:**  
Karen Niemi

**New Profit Deal Partner:**  
Shruti Sehra

**Joined Portfolio:** 2020



### Education Leaders of Color (EdLoC)

A national network of senior leaders of color working to ensure young people of color have the supports needed to thrive, capitalize on opportunities, and build generational wealth.

**Social Entrepreneur:**  
Sharhonda Bossier

**New Profit Deal Partner:**  
Trevor Brown

**Joined Portfolio:** 2017 (exited in 2021)



### Enlearn

A learning platform delivering real-time diagnostics and personalized instruction for underserved students.

**Social Entrepreneur:**  
Scott Adams

**New Profit Deal Partner:**  
David Levy

**Joined Portfolio:** 2016 (exited in 2021)



### Envision Education

Transforming the lives of students—especially those who will be first in their families to go to college—by preparing them for success in college, career, and life.

**Social Entrepreneur:**  
Gia Truong

**New Profit Deal Partner:**  
Shruti Sehra

**Joined Portfolio:** 2020



### Equal Opportunity Schools

Collaborating with school districts to increase equitable enrollment in rigorous courses.

**Social Entrepreneur:**  
Eddie Lincoln

**New Profit Deal Partner:**  
Doug Borchard

**Joined Portfolio:** 2020



### GirlTrek

A global health movement activating 1.5 million (and growing) Black women to be change makers in their lives and communities—through walking and radical self-care.

**Social Entrepreneurs:**  
T. Morgan Dixon and Vanessa Garrison

**New Profit Deal Partner:**  
Tulaine Montgomery

**Joined Portfolio:** 2019



### Highlander Institute

Partners with communities to imagine and create more equitable, relevant, and effective schools. Using research, we convene, coach, and build capacity to improve outcomes and experiences for all students.

**Social Entrepreneur:**  
Shawn Rubin

**New Profit Deal Partner:**  
Elizabeth Riker

**Joined Portfolio:** 2017 (exited in 2021)



### ImBlaze (an initiative of Big Picture Learning)

A tech platform enabling real-world internships for high school students.

**Social Entrepreneurs:**  
Andrew Frishman & Carlos Moreno

**New Profit Deal Partner:**  
Molly O'Donnell

**Joined Portfolio:** 2017 (exited in 2021)



### Instruction Partners

Partnering with schools, systems, and states to strengthen teaching and learning in core content areas.

**Social Entrepreneur:**  
Emily Freitag

**New Profit Deal Partner:**  
Carrie Previtera

**Joined Portfolio:** 2019



### Kingmakers of Oakland

A national leadership development and systems change organization committed to fundamentally transforming the education system and outcomes for Black boys.

**Social Entrepreneur:**  
Chris Chatmon

**New Profit Deal Partner:**  
Eliza Greenberg

**Joined Portfolio:** 2021



### LEAP Innovations

Working directly with educators and innovators to discover, pilot and scale student-centered learning technologies and innovative practices.

**Social Entrepreneur:**  
Phyllis Lockett

**New Profit Deal Partner:**  
David Levy

**Joined Portfolio:** 2016



### Pivot Learning

Pivot Learning works to ensure a rigorous, relevant, and inclusive public education for all students by developing districts' instructional coherence and improving teaching and learning.

**Social Entrepreneur:**  
Arun Ramanathan

**New Profit Deal Partner:**  
Doug Borchard

**Joined Portfolio:** 2020



### **PowerMyLearning**

Programs and an award-winning platform to strengthen learning relationships between students, teachers, and families.

**Social Entrepreneur:**  
Elisabeth Stock

**New Profit Deal Partner:**  
Shruti Sehra

**Joined Portfolio:** 2017 (exited in 2021)

### **PushBlack**

Using the power of narrative, especially Black history and news, to educate and activate subscribers to build their personal power and create lasting economic and political change.

**Social Entrepreneur:**  
Julian Walker

**New Profit Deal Partner:**  
Yordanos Eyoel

**Joined Portfolio:** 2020

### **Saga Education**

Evidence-based, personalized tutoring model supporting students struggling with math to put them on a path toward success and high school graduation.

**Social Entrepreneurs:**  
Alan Safran & AJ Gutierrez

**New Profit Deal Partner:**  
Alex Cortez

**Joined Portfolio:** 2020



### **Springboard Collaborative**

Springboard Collaborative closes the literacy gap by closing the gap between home and school. We coach educators and family members to help kids learn to read by 4th grade.

**Social Entrepreneur:**  
Alejandro Gibes de Gac

**New Profit Deal Partner:**  
Kelly Cutler

**Joined Portfolio:** 2019

### **The Health Initiative**

Spurring a new conversation about—and new investments in—health. Mobilizing an ecosystem of public and private institutions to increase investments in the known drivers of health.

**Social Entrepreneurs:**  
Rebecca Onie & Rocco Perla

**New Profit Deal Partner:**  
Kim Syman

**Joined Portfolio:** 2019

### **The Learning Accelerator**

Connecting practitioners and leaders to knowledge, tools, and networks to enact personalized learning.

**Social Entrepreneur:**  
Beth Rabbitt

**New Profit Deal Partner:**  
Kelly Cutler

**Joined Portfolio:** 2017 (exited in 2021)



### Think of Us

A research and development lab for child welfare, transforming the system so that people with lived experience are at the center of designing, imagining, and building.

**Social Entrepreneur:**

Sixto Cancel

**New Profit Deal Partner:**

Kim Syman

**Joined Portfolio:** 2021

### Transcend Education

Supporting communities to create and spread extraordinary, equitable learning environments.

**Social Entrepreneurs:**

Aylon Samouha & Jeff Wetzler

**New Profit Deal Partner:**

Trevor Brown

**Joined Portfolio:** 2017 (exited in 2021)

### Urban Alliance

Providing high school students from underserved communities with access to opportunities needed to solidify lifelong economic self-sufficiency.

**Social Entrepreneur:**

Elizabeth Lindsey

**New Profit Deal Partner:**

Kevin Greer

**Joined Portfolio:** 2020



### Valor Collegiate Academies

A growing network of public college-prep charter schools in Tennessee empowering their diverse community to live inspired, purposeful lives.

**Social Entrepreneur:**

Todd Dickson

**New Profit Deal Partner:**

Alex Cortez

**Joined Portfolio:** 2017 (exited in 2021)

### Zearn

Zearn is the nonprofit educational organization behind Zearn Math, the top-rated math learning platform used by one in four elementary students nationwide.

**Social Entrepreneur:**

Shalinee Sharma

**New Profit Deal Partner:**

Shruti Sehra

**Joined Portfolio:** 2019

## NEW PROFIT'S SATISFACTION SURVEY

Each year, New Profit surveys the social entrepreneurs in our portfolio to assess their satisfaction with our supports and determine how we can serve them and their organizations more effectively. In our 2021 survey of the Build investments portfolio, **98% of Deal Partner supports were rated as “effective or completely effective”** across a range of areas including strategic advising, board development, and leadership coaching. Social entrepreneurs also consistently mentioned that the relationship with their Deal Partner was the most valued aspect of New Profit's support structure.

“[Our Deal Partner's] investment and engagement as a board member has been critical to our organization's stability over the past year.”

“New Profit feels like a good example of what it means to have a funding partnership, whereas with other funders it feels you must spend a lot of time convincing and re-convincing them of your value and impact in the hopes of getting/retaining funding.”

“The board support, direct communication, and problem solving with the Deal Partner has been hugely beneficial.”

“It has been encouraging to see New Profit staff address police violence, racism, and other forms of racial and social oppression directly this past year.”

## PORTFOLIO INVESTING

# Catalyze Investments

## PORTFOLIO HIGHLIGHTS

- **We made seven Catalyze investments through the Civic Lab II cohort:** Black Leaders Organizing for Communities (BLOC), Liberation Ventures, Next100, Pay Our Interns, Rise, She the People, and Surveillance Technology Oversight Project (S.T.O.P.) were selected for this second cohort. Civic Lab has now grown to 14 organizations that address democracy-related issues. More than 70% of Civic Lab's current portfolio organizations are led by people of color.
- **We celebrated the completion of the second Unlocked Futures cohort:** Backed by Grammy winner and activist John Legend's FREEAMERICA, New Profit, and Bank of America, Unlocked Futures supports social entrepreneurs directly impacted by the American legal system. At the end of the year-long capacity-building programming, we celebrated the successes and dedication of these visionary leaders at our virtual closing convening.
- **We launched three new Catalyze cohorts, preparing to invest more than \$7M in 40 innovative organizations:**
  - The **Equitable Education Recovery Initiative** will provide each of 24 organizations with a \$200,000 unrestricted investment along with cohort-based, capacity-building support and participation in a peer learning community over the course of three years. The community-based organizations included in this cohort provide ELA/math tutoring, whole child supports, and/or postsecondary advising to K-12 students in three regions of the U.S.
  - The **Economic Mobility Cohort** will provide each of eight organizations working towards wealth creation for women of color with a \$100,000 unrestricted investment along with capacity-building support and participation in a peer learning community over the course of one year. The direct service organizations offer supports such as providing pathways to gainful employment and income generation, enabling the conditions that play an essential role in employment outcomes like childcare and transportation, and/or supporting asset-building for wealth creation such as access to capital and financial health coaching.
  - The **Health Equity Cohort** will provide each of eight organizations with a \$100,000 unrestricted investment and a combined total of approximately \$700,000 of in-kind capacity-building support through a collaboration between New Profit and Deloitte's Health Equity Institute, as well as membership in a peer learning community. The organizations included in this cohort are shifting the underlying conditions that create health inequities across both individual lifespans and generations.



CATALYZE

# Portfolio Stats

based on 2020 numbers

## SCALE & LIVES TOUCHED



**49** states were served by  
36 Catalyze organizations



**11,000** full-time employees  
and volunteers

## FINANCIAL GROWTH & SUSTAINABILITY



**\$1.8M** median budget of organizations

## COHORT SATISFACTION



**100%** of social entrepreneurs of color were very likely to recommend Catalyze investments programming to a peer



**100%** of the Civic Lab cohort and 89% of the Postsecondary Innovation for Equity (PIE) cohort were satisfied with programming



**98%** of the Unlocked Futures cohort felt that New Profit Program Leads did an excellent job of adapting the program to the realities of the pandemic

"The most valuable aspect of the program is always [the] relationship. We're building out some phenomenal work together that will last beyond our lifetimes, and there's nothing more powerful than that."

UNLOCKED FUTURES  
COHORT MEMBER

# Catalyze Portfolio

Catalyze investments are \$100,000–\$200,000 unrestricted grants that come with capacity-building support and a peer learning community, over one to three years. They accelerate the innovations of leaders, organizations, and focus areas that have been historically underinvested by philanthropy.

## CIVIC LAB



**Black Leaders Organizing for Communities (BLOC)**

Angela Lang



**Liberation Ventures**

Aria Florant



**Nextroo**

Emma Vadehra



**Pay Our Interns**

Carlos Vera



**Rise**

Max Lubin



**She the People**

Aimee Allison



**Surveillance Technology Oversight Project (STOP)**

Albert Fox Cahn



**Austin Justice Coalition**  
Chas Moore



**CURYJ**  
George Galvis



**The First 72+**  
Kelly Orians



**The Forestry and Fire  
Recruitment Program**  
Brandon Smith



**Freedom Project**  
David Heppard



**Operation Restoration**  
Syrita Steib-Martin



**Sacred Generations**  
Percilla Frizzell



**Unloop**  
Gina Castillo Perez



**POSTSECONDARY INNOVATION FOR EQUITY (PIE)**

**Arrupe College of Loyola University of Chicago**  
Father Thomas Neitzke & Father Stephen Katsourous



**ASU Local at  
Arizona State University**  
Patrick Rossol-Allison



**Brooklyn STEAM Center**  
Kayon Pryce



**Building Futures**  
Andrew Cortes



**Coalfield Development  
Corporation**  
Brandon Dennison



**CodePath**  
Michael Ellison



**Denver Public Schools  
Career Connect**  
Bernard McCune



**Generation USA**  
Sean Segal



**Honors Pathway**  
Gene Wade



**IDEA-U**  
Phillip Garza



**Inner-City Computer Stars  
Foundation (i.c. stars)**  
Sandee Kastrul



**Jewish Vocational Service**  
Lisa Countryman-Quiroz



**LeadersUp**  
Jeffery Wallace



**PelotonU**  
Sarah Saxton-Frump



**Project for Pride in Living**  
Paul Williams



**Project QUEST, Inc.**  
David Zammiello



**Propel America**  
Paymon Rouhanifard



**Pursuit**  
Jukay Hsu



**Reach University  
(f.k.a. Oxford Teachers Academy)**  
Mallory Dwinal-Palisch



**Rush University  
Medical Center**  
Rukiya Curvey Johnson

## EQUITABLE EDUCATION RECOVERY INITIATIVE (EERI)

New Profit recognized an urgent and promising opportunity to elevate and expand programs with the most potential to have meaningful impact on our K-12 students—not just for short-term recovery from the pandemic, but also for the long-term transformation of our educational systems in the service of equity. New Profit launched the **EERI**, which will invest a total of \$4.8M in unrestricted grants in 24 community-based organizations focused on students from historically underserved populations. Each organization will also receive cohort-based capacity-building support and participate in a peer learning community over the course of three years.



## ECONOMIC MOBILITY COHORT

To build wealth and promote economic mobility for women of color across generations in the U.S., New Profit launched the inaugural **Economic Mobility Cohort**. Over the course of one year, New Profit will invest in and provide capacity-building support to direct service organizations that work across three interrelated levers including income generation, social determinants of work, and financial health. With support from the Community Focus Fund at the San Francisco Foundation, eight innovative nonprofit organizations will each receive a one-year unrestricted \$100,000 investment.



## HEALTH EQUITY COHORT

The disproportionate impact the COVID-19 pandemic has had on communities of color and low-income communities has brought social and racial justice, as well as inequity, to the forefront of public health. We know that a person's zip code, race, income, and other social, environmental, and economic conditions play a significant part in their health status and life expectancy. Proximate leaders can transform the conditions that keep health inequities in place. New Profit, in collaboration with the Deloitte Health Equity Institute, launched its first **Health Equity Cohort** to support a range of systems change approaches, including narrative change, advocacy, ecosystem development, and movement building. New Profit seeks to invest \$1.5M of combined cash and in-kind support in eight innovative entrepreneurs, providing capacity-building programming over the course of one year.



# Ecosystem Building

Driving transformational change requires investments not only in visionary social entrepreneurs and organizations, but also in the social impact and philanthropic ecosystems. Our ecosystem-building initiatives bring together social entrepreneurs, philanthropists, community members, corporate leaders, policymakers, and other stakeholders to transform how we collectively pursue social change. These coalitions, led by New Profit, work across sectors, geographies, and identities to surface and support innovation that can transform the inequitable systems holding back many individuals and communities in America.

## AMERICA FORWARD, NEW PROFIT'S NONPARTISAN POLICY INITIATIVE

This year, America Forward worked to advance a number of policy proposals and transform them into federal legislation through the collective advocacy of the America Forward Coalition—a national network of more than 100 social innovation organizations that champion public policies that advance equity, foster innovation, and reward results. America Forward advocated for key provisions included in the American Rescue Plan (ARP), including a \$28.06B set-aside for social-emotional learning and academic learning loss recovery within the \$122B Elementary and Secondary School Emergency Relief Fund (ESSER) aimed at supporting students' diverse needs and addressing the disproportionate impact of the pandemic on underrepresented student populations. America Forward widely disseminated its transition memo, including breakthrough equity-centered education, national service, and workforce recommendations for the Biden-Harris Administration, and met regularly with Administration officials, advocating for these transformational policies and offering guidance from the field. America Forward also played a central role in championing the bipartisan **Expanding Pathways to Employment Act**, which would set up a \$700M fund to scale effective economic mobility, workforce, and postsecondary programs.

In addition to its collective advocacy efforts, America Forward hosted numerous America Forward Advocacy Institute trainings and events to build Coalition members' advocacy capacity. These included coaching on how to access COVID-19 relief funding, communicate with legislators to advance policy priorities, and successfully leverage relationships with state and local education agencies.

Finally, in the first year of a three-year, \$4.8M partnership with the LEGO Foundation, America Forward launched a national advocacy initiative to support whole-learner approaches to education.



### Get Closer

Scan this QR code to learn more about the advocacy, convening, and training efforts of America Forward



## THE RURAL AND SMALL TOWN ACTION SUMMIT

As Eric Nee wrote in Stanford Social Innovation Review (SSIR) earlier this year, “...the rate of poverty is significantly higher in rural America than it is in urban America.” Yet, philanthropic funding to organizations based in rural and small towns is less than half the average given to organizations in metropolitan areas. New Profit’s initial exploration of the rural philanthropic capital gap has shown us that there are major opportunities to deploy significant resources in rural and small town regions. But applying grantmaking and investment methods based on scale and sustainable growth—methods often used in urban areas—is not what is needed in these communities. This understanding requires reimagining of what is needed to close the rural philanthropic capital gap.

As a step toward reimagining philanthropic strategies, New Profit held its inaugural Rural and Small Town Action Summit over the course of three Fridays in March and April. The summit brought together a group of national philanthropic institutions, individual donors, researchers, business leaders, local community organizations, and policymakers to explore how significant pools of philanthropic resources could be powerfully deployed in rural and small town areas. What resulted was an honest discussion and fruitful assessment of what is needed to drive sustained impact, develop local power and agency, and build thriving communities.



### Get Closer

Scan this QR code to hear directly from rural leaders

## THE FUTURE OF WORK GRAND CHALLENGE

America faces the enormous task of making our economy work for everyone, not just a select few. Even before the COVID-19 pandemic hit, reports showed that as much as one-third of the American workforce could be out of work by 2030 as a result of automation. There is a persistent disconnect between how workers are educated and trained and what employers actually need—and will need in the future. The future of work is already here, and the American workforce can wait no longer for solutions.

More than 1,200 teams from 26 countries submitted solutions to New Profit's **Future of Work Grand Challenge**, an initiative powered in partnership with XPRIZE, MIT Solve, and Jobs for the Future (JFF). The unprecedented, high-profile effort will prepare 12 million Americans from underinvested communities for workforce success by 2025. The 15 solutions selected as finalists in early 2021 address a wide range of systemic barriers to learning, progress, and socioeconomic mobility. The entrepreneurs who created these solutions are working closely with six regional workforce boards to pilot their innovations and connect more than 25,000 displaced workers to new skills and employment opportunities. The pilot program will inform the creation of innovation playbooks that can be rolled out to all 538 workforce boards nationwide.

### Get Closer

Scan this QR code to meet the innovators and watch a 1-minute video overview



Photo courtesy of  
ChargerHelp!





## EARLY CHILDHOOD SUPPORT ORGANIZATION INITIATIVE

The early learning field is fragmented and inequitable. There exists a significant need to more fully support early childhood providers in their leader, educator, and curriculum development efforts, particularly for centers based in communities often overlooked and under-resourced. Early Childhood Support Organizations (ECSOs) serve as intermediary organizations that partner with center-based childcare providers to help them implement tested approaches to improving instruction and practice in high-quality programs serving children from birth through age five.

Through a four-year, \$20M public-private partnership with the Commonwealth of Massachusetts Department of Early Education and Care (EEC), New Profit's ECSO initiative aims to support better early education outcomes for children enrolled in subsidized childcare programs. In 2020, New Profit and EEC selected three ECSOs to lead the work and, in early 2021, these organizations launched formal partnerships with local childcare providers throughout Massachusetts. Through the four years of the initiative, the ECSOs will directly impact the quality of instruction of more than 16,000 children through their work with more than 100 program leaders and 1,200 teachers.

Embedded in and essential to the ECSO initiative are an implementation study and impact evaluation that will enable us to assess the effectiveness of the initiative and refine its components, with the goal of making it a model for national adoption.



### Get Closer

Scan this QR code to learn how the ECSO initiative can serve as a national model

# Field Leadership

Since its founding in 1998, New Profit has invested more than \$325M in more than 165 early- and later-stage social enterprises, working alongside visionary social entrepreneurs and other cross-sector leaders to advance opportunity and equity through social innovation. A key driver of our impact is field leadership, which, in addition to informing our investment selections and strategy, supports broader systemic change. New Profit's field leadership efforts, often conducted in partnership with social entrepreneurs in our portfolio, act as a force multiplier of our impact.

## UNDERSTANDING THE UNIQUE CHALLENGES FOR DEMOCRACY ENTREPRENEURS

Launched in 2019, New Profit's Civic Lab is the nation's first nonpartisan venture philanthropy initiative to invest in democracy organizations led by proximate entrepreneurs. In addition to providing unrestricted funding coupled with strategic capacity-building support, Civic Lab is working to build the ecosystem for democracy entrepreneurship.

In early 2021, New Profit launched an open application period for its second cohort of Civic Lab. We invited applications from entrepreneurs across the country who are building civic trust and inclusive democracy in America. During the selection process, the Civic Lab team reviewed 117 applications from nonpartisan organizations and conducted due diligence interviews with the entrepreneurs and their stakeholders. Through our analysis of application data, Civic Lab has generated unique insights into the challenges faced by these entrepreneurs, particularly women of color, and the role philanthropy can play in removing barriers for proximate leaders. These findings were published in a new report **"The State of Democracy Entrepreneurship: Insights from New Profit's Civic Lab"**.

### Get Closer

Scan this QR code to view the key findings from the report.





## TRANSFORMING THE EDUCATIONAL SYSTEM

The educational system has always been inequitable for many K-12 students, including students from low-income families, students of color, English Language Learners, and students with disabilities. The COVID-19 pandemic only exacerbated the problem, and forced the recognition that these inequities are baked into our education system. However, this recognition brings with it an unprecedented opportunity to transform education to better address the needs of all students. To be successful in that regard, we must include the voices of those most impacted by the status quo: students, parents, and educators.

In 2021, New Profit explored the opportunity to transform education by conducting a set of focus groups. Three themes emerged that can act as a guide for reimagining education in America:

1. The pandemic has caused a long overdue mindset shift around the value of parent power in education. Parents need to be invited to the table and seen as experts in their children's education—because they are.
2. We need to leverage the right technology at the right time. Now that we've witnessed the many creative and innovative ways educators have navigated the restraints of the pandemic and managed to teach their students effectively, it is critical that we catalog those innovations and utilize them as needed even as we transition back to the classroom.
3. The overarching purpose of education needs to center the whole child. The pandemic highlighted the fact—long understood by many in the education field, but never as widely recognized as in the last year—that academics cannot be separated out from social and emotional wellbeing or mental health.



### Get Closer

Scan this QR code to hear directly from the focus groups



Photo courtesy of  
PowerMyLearning

## DESIGNING A MORE EQUITABLE FUTURE OF LEARNING

With many school buildings closing their doors for much of 2020 and 2021 due to the pandemic, teachers and students had to make radical adjustments. The shift to remote learning laid bare the inequities and fissures that exist in many school systems, as educator teams across the country struggled with creating a one-size-fits-all learning experience virtually.

Earlier this year, we held a virtual discussion with the eight organizations selected as part of the **Personalized Learning Initiative**. We reflected on the experiences of this past year in education to determine how we can leverage the federal government's unprecedented investment in American education and usher in a more equitable future of learning. Amidst the challenges of the last year, the social entrepreneurs noted a few moments of light:

- Schools that were, prior to the pandemic, already collaborating with organizations focused on supporting the unique needs, interests, and strengths of each learner were better able to adapt to the turbulence of the last year.
- Schools that were already implementing personalized and competency-based approaches were able to pivot to the virtual environment more quickly.
- Schools that already invested in deep relationship-building with their students and families maintained high attendance rates and sustained strong relationships.

### Get Closer

Scan this QR code to see  
how social entrepreneurs are  
redesigning the future of learning



## WORKING TO LEARN

In the wake of COVID-19 and growing inequality, America needs more pathways that bridge education and career. New research released in April 2021 from Harvard University's Project on Workforce draws on data from New Profit's **Postsecondary Innovation for Equity (PIE) initiative** to identify opportunities for the education-to-employment field and chart the course for connections to good jobs.

The white paper, **"Working to Learn: Despite a growing set of innovators, America struggles to connect education and career,"** utilized a unique dataset of 316 applicants to the PIE initiative, an open application process to find, select, and fund innovators creating access to postsecondary and career opportunities for young people from historically underserved communities.

Among the findings, the report's authors found:

- Significant potential to engage employers more deeply
- Major opportunities to build bridges between education and employment
- A growing need to develop transferable "soft skills" alongside job-specific skills
- A critical need to invest in wraparound supports such as subsidies for transportation
- A growing, but nascent, evidence base to better understand the effectiveness of different programs

### Get Closer

Scan this QR code to view the detailed findings and watch a report briefing



*Photo courtesy of Pursuit*





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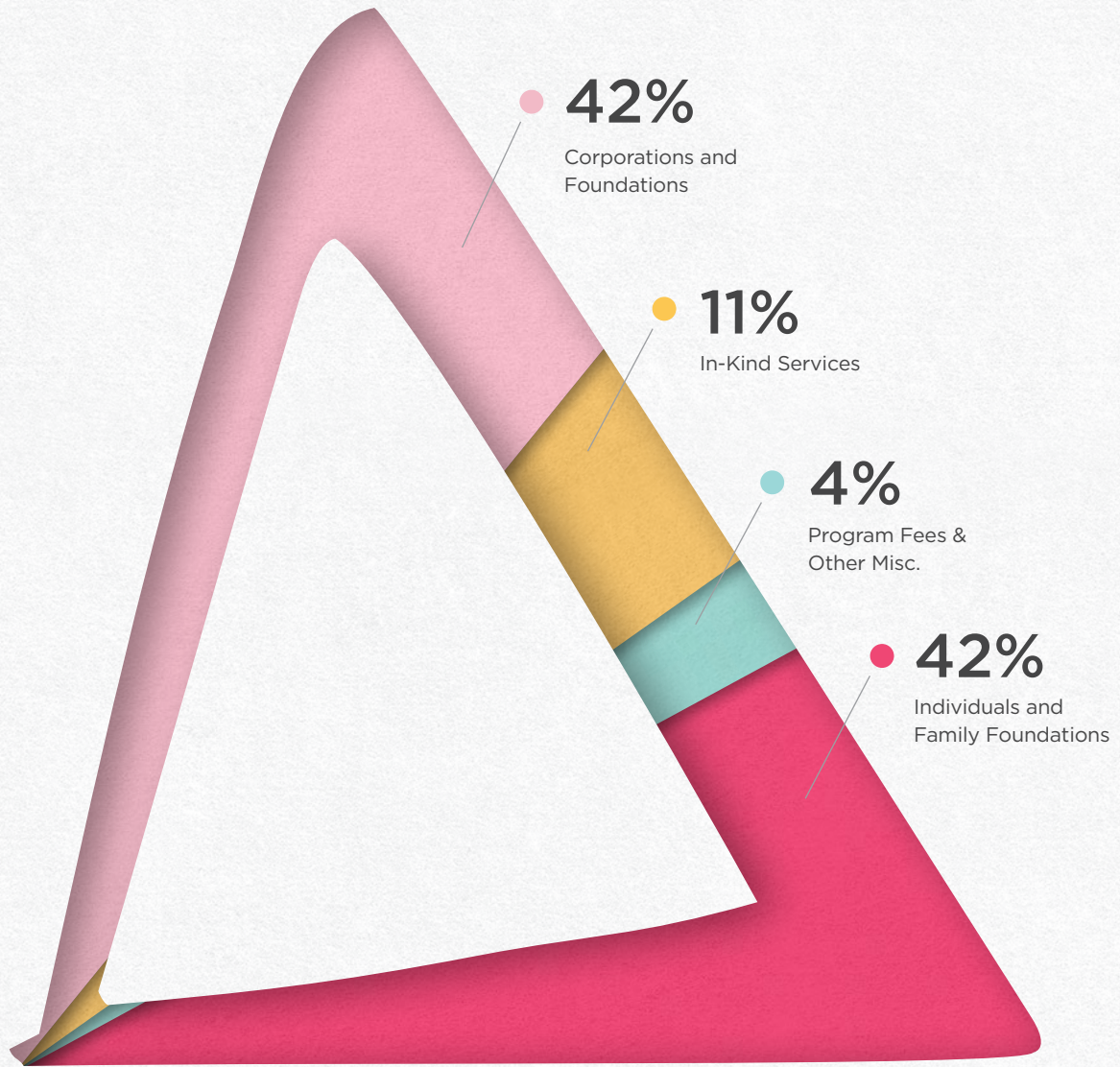


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# Financials



## Revenue Breakdown

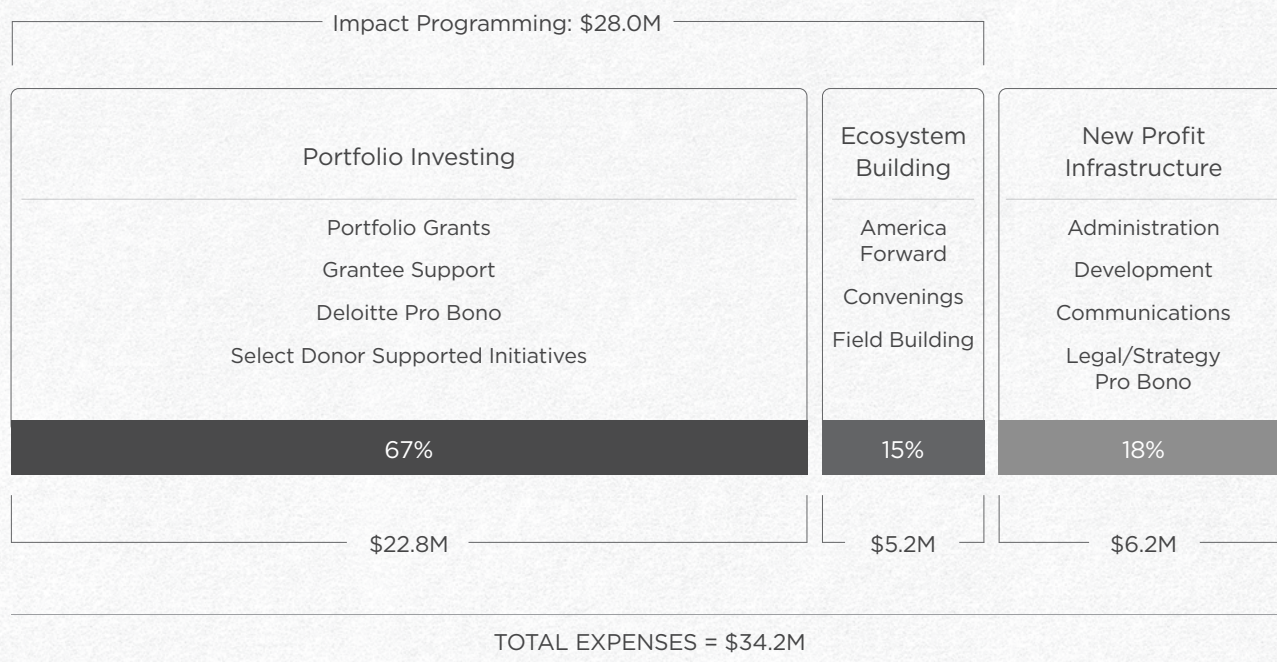
Individuals and Family Foundations	\$10.4M
Corporations and Foundations	\$10.3M
In-Kind Services	\$2.8M
Program Fees and Other Misc.	\$1.1M
<b>TOTAL REVENUE</b>	<b>\$24.5M</b>

*Almost all of our revenue consists of gift and grant commitments, to be collected over multiple years.*

## Net Assets

CHANGE IN NET ASSETS	(\$9.8M)
Change in purpose-restricted	(\$7.5M)
Change in time-restricted	(\$5.7M)
Change in unrestricted	\$3.4M
<b>TOTAL NET ASSETS</b>	<b>\$63.5M</b>
Purpose-restricted	\$39.3M
Time-restricted	\$16.0M
Unrestricted	\$8.2M

## Expense Breakdown



Numbers may not add due to rounding.

The figures included in the financial graphic and tables are based on the audited financial statements for CY2020.

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## Strategic Collaboration

In 2013, we launched a joint effort with Deloitte to provide social impact organizations with the same caliber of strategic support that Fortune 500 companies are able to access. The close relationship that exists between our teams continues to be a critical part of New Profit's impact story.

Each year, Deloitte consultants and New Profit team members team up to lead pro bono strategy projects for a set of New Profit portfolio organizations. Working together with their leadership teams, we help our grantee partners pursue impact at scale by engaging in projects focused on leadership and board development, monitoring and evaluation, financial sustainability, impact modeling, and growth strategy.

To date, Deloitte and New Profit have collaborated to lead pro bono strategy projects to scale the impact of more than 50 New Profit portfolio organizations that collectively reach millions of people across America. In addition to strategy work, our collaboration draws on Deloitte's broader capabilities including digital strategy, human capital, and advisory services to advance the work of New Profit and our portfolio, and to advance sector thinking and conversations.

In 2021, Deloitte announced a continuation and expansion of their collaboration with us, which included a \$3M investment to support New Profit's Proximate Capital Fund. The fund aims to strengthen our nation's capacity to solve problems and re-architect systems by directly investing in leaders most proximate to solutions.

In addition, through a \$1.5M investment from the Deloitte Health Equity Institute, New Profit will provide unrestricted capital and in-kind capacity building support to eight diverse early-stage health equity non-profits as part of the inaugural Health Equity Cohort. Through these investments, New Profit can begin to address the vast underinvestment in innovative health equity research and solutions while also gaining insights into the health equity field.

We are grateful to our friends and colleagues at Deloitte for their continued trust and support. Together, we can help create an America where everyone will thrive.



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