

Social Component Investment (SCI) Evaluator

Investment Name: _____ Investment Amount Considered \$ _____

Investment Due Diligence by: _____ Signature: _____ Date: _____

Mission Due Diligence by: _____ Signature: _____ Date: _____

Summary Description of Investment:

Main Contacts:

Supporting Documents:



KL Felicitas Foundation

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Social Component Related Investment (SCI) Evaluator

Focus Area & Questions	Other Considerations	Score -1 0 +1
Investment Due Diligence (Investment Advisor)		
Investment Structure & Portfolio Implications		
Question 1: What investment due diligence process will be required to assess the financial viability of this opportunity?	Foundation's Investment Advisor responsible for performing financial due diligence process.	
Response 1:		
Question 2: What is the structure of the investment under consideration?	Direct public or private, Fund or Fund of Funds. Consider structure's ability to offer sufficient or appropriate diversification to mitigate risk. Consider investment cost structure's implication on Social Impact.	
Response 2:		
Question 3: What is the asset class? a. Does the investment fall outside the currently established asset allocation targets of the Foundation? b. If so, has the appropriate analysis been completed to evaluate a change in targets? c. Has this change been accepted and adopted under the investment policy guidelines of the Foundation?	Although not a high priority of the Foundation to pursue SCIs, if considered, this type of investment must be within the established policy guidelines and risk budget.	
Response 3:		
Investment Monitoring & Reporting		
Question 4: What is the financial benchmark that will be used to evaluate this investment? a. Over what period(s) of time will we measure the investment performance?	Investment benchmarks are established by the investment due diligence process. Similar to investments made without regard to Social Impact, investment performance is reported when available and as appropriate for the investment structures and/or asset class.	
Response 4:		

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Social Component Due Diligence (Foundation Directors and Philanthropic Advisors)		
Mission Alignment		
Question 5: Describe the Social Component of this investment. a. In what area(s) does the Foundation believe this investment will contribute the greatest degree of social benefit impact? b. Why is this investment not an MRI, PRI, or SUI?		
Response 5:		
Question 6: Are there any elements of this investment (both investment and/or social component) which are contrary to any value(s) of the Foundation? a. If so, how is this being addressed?	Evaluate potential tradeoffs.	
Response 6:		
Relationship & Reputation		
Question 7: How well does the Foundation know the investment and/or strategy? a. What is the nature and duration of this relationship? b. Have members of the Foundation made site visit(s)?	Document personal and direct understanding of the investment strategy by the Foundation.	
Response 7:		
Question 8: Have other foundations or investors recognized this as a Social Component investment? a. Do other respected partners of the Foundation have a relationship with or experience with this investment?	The Foundation should consider how this investment is perceived by their peers.	
Response 8:		
Question 9: How integral to the success of the investment is the Social Component	Identify alignment of interest by investment principals and/or founders.	

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Impact?		
Response 9:		
Social Component Impact Monitoring & Reporting		
Question 10: Does the Foundation want to monitor the Social Component Impact and if so, what approach will be used to evaluate the Social Impact of the investment? a. Does the investment monitor their Social Impact and if so, what metrics are used? b. Will the investment provide any reporting on the impact achieved by the Social Component?	Pre-established metrics and evaluation intervals for Social or Mission Impact should be requested or developed if pertinent.	
Response 10:		
Question 11: Does the investment scale, accelerate, support or re-enforce other SMSIs in the investment or grant portfolios? a. Can the Foundation leverage its mission and programs either directly or indirectly with the principals or their network?	Identify those that will be impacted and evaluate excess or leveraged Mission or Program Impact.	
Response 11:		
Additional Comments or Observations		