

MELARBIT PARTNERS

UNLEASH THE POSSIBILITIES

FUNDRAISING AND BEYOND: BLENDING CAPITAL

The not-for-profit social sector has grown significantly over the past 30+ years and is in a period of dramatic change. At the same time, innovations in philanthropy that combine capital market approaches with charitable giving, 'for-profit' foundations, blended value impact investment vehicles, non-profit debt products, and social enterprises of all forms and fashion have served to re-define philanthropy and provide new sources of financial capital to address social problems.

Additionally, not-for-profits are increasingly beginning to think of themselves as social enterprises—and social businesses - viewing their revenue streams more broadly to include program and service fees, income from related and unrelated business and other enterprises.

The result is a range of funding sources that when combined, or 'blended' can provide innovative new funding and financing options for organizations and investors committed to expand the reach and impact of their work. These tools include:

- private philanthropy (charitable gifts and grants that seek to maximize social impact);
- public/private financing (public sector contracts, bonds and tax credits);
- social investing strategies (mission-related/program-related/impact investing, equity, loan guarantees; and more recently crowd funding);
- earned income strategies (creating enterprise-driven revenue streams);
- pure commercial options (investments that seek to maximize returns).

[Click here to see the spectrum of funding/finance for social good.](#)

High-impact, mission-driven organizations and enterprises; social entrepreneurs and investors are well positioned to take advantage of – and to benefit from - these new approaches and new sources of capital.

This 'blended' capital, community investing approach is designed to proactively engage sectors of the funding community that historically have not been well-represented, with a special emphasis on individual supporters and investors. Through an array of equity, debt, and charitable gift products targeted to individuals and organizations with divergent needs and motivations, we have the opportunity to facilitate investment by a range of capital providers.