

Program Request - Abbreviated Template
University of Utah
Sorenson Impact Center
12/11/2018

Section I: Request

Application for Center Status

The David Eccles School of Business proposes permanent status for the Sorenson Impact Center (“SIC” or “Center”). At the Sorenson Impact Center, we marshal capital for social good, empower data-driven programs, break down silos across sectors, and equip the next generation of leaders with social purpose.

The SIC addresses a range of broad global needs, from early childhood education to criminal justice to affordable housing to sustainable energy and agriculture. Research at the Center focuses on how free enterprise can be employed to create large-scale societal change. This is accomplished through the dissemination of knowledge developed at the Center to a global audience and by providing fellowship opportunities in social impact throughout the world. The Center seeks to provide students with real-world experience and interaction with industry leaders in impact investing. An academic Center to prepare students for this growing aspect of global financial services can aid the state of Utah and regional and global economies through offerings that include:

- Student activities that provide comprehensive educational and training opportunities as well as valuable early stage advisory services to the finance sector. These services include finding and mentoring social entrepreneurs, optimizing early stage business strategies, performing data driven analysis and due diligence for leading impact funds, innovative non-profit organizations and program related investment-focused private foundations.
- Research activities to facilitate sector growth and increase awareness of the University of Utah and the David Eccles School of Business.
- Reach across campus to coordinate multi-discipline student and faculty global impact initiatives in the Center’s areas of focus.
- Provide student internships and travel to global impact sites (for example, recent trips to Kenya, Ghana and India).
- Serve as a growth platform to facilitate and accelerate the innovative activities of University Venture Fund II (UVF II). UVF II builds upon the success of UVF I by combining a supervisory structure and a motivated group of students to deploy catalytic capital into social ventures in the Intermountain West and beyond. The combination of a robust due diligence process with companies that are solving a social problem will produce superior social and financial returns for investors and a more meaningful experience for students.

While housed within the David Eccles School of Business, the Center is envisioned as interdisciplinary, collaborating with other schools, colleges, centers, and programs to include a diverse range of programmatic and student involvement expanding cross-campus alliances and building upon the partnerships that have

been established with the Global Health Initiative and the Pierre Lassonde Entrepreneur Center. Other key partners include:

- The Melvin J. Ballard Center for Economic Self Reliance at Brigham Young University
- Westminster College
- Village Capital
- Sorenson Impact Foundation
- Community Foundation of Utah
- Unitus Impact Partners
- Dell Social Innovation Challenge
- Salt Lake County

Section II: Need

Students are increasingly seeking opportunities that allow for deep engagement in business solutions to social challenges, and the development of this Center is the result of student demand for experience-based learning in the applied business context. The SIC provides students with real-world experience and interaction with industry leaders in impact investing to prepare students for employment in this growing sector of business finance.

The Center's specific and unique focus on experiential education-based impact investing is the first of its kind in the intermountain region. Development of countless opportunities to learn hands-on global impact investing has already positioned the University and its students for recognition in the field of impact investing. Industry experts suggest that the impact investing field has the potential to become an emerging asset class that by some accounts could grow to \$2 trillion within the next several years.¹

By participating in the Center's unique educational programs, students gain the skills and experience necessary to become their generation's leaders of market-based social change. Students involved in the Center become prepared to pursue careers as entrepreneurs, impact investors, consultants and government officials, as well as the disciplines of banking, finance, and international development. Further, the University of Utah will be recognized for its beneficial leadership and global service by its contributions to research, analytical tools, and models for growth by convening the sector's leaders for conferences, roundtables and guest teaching opportunities.

This Center also aligns with the University's international student goals to give students a broad base of knowledge about global issues and perspectives. Students have exposure to these challenges while creating solutions through business investment strategies.

The SIC provides unparalleled experiences for University of Utah students and faculty to become global leaders in the creation of new knowledge. They participate in solving some of the world's most persistent and widespread structural problems, while training a generation of transformative leaders in social impact investment.

¹ thenonprofittimes.com, "Corporate Impact Investing Estimated 2.4B," 2016

Section III: Institutional Impact

The SIC is a think-and-do tank that focuses on solving social problems using data and innovation. Housed at the University of Utah's David Eccles School of Business, the Center works with public, nonprofit, and private sector stakeholders across the globe to develop and implement outcomes-driven solutions. The staff of 30 includes experts in data science, finance, policy, and evidence-based performance and innovation. These professionals are augmented by the talents of dozens of students from diverse disciplines. Together, we work with clients to marshal capital for social good, empower data-driven programs, break down silos across sectors, and equip the next generation of leaders with social purpose.

The SIC is rapidly becoming recognized as a top educational opportunity provider of high-quality business analytics within the impact investing field, and has involved faculty and students in impact investing. The University Venture Fund II, which currently receives hundreds of student applications annually, is an integral part of the Center. UVF II and SIC will become a key part of the school's efforts to recruit more top-level students to the University and to the David Eccles School of Business.

The SIC is actively branching out to collaborate with other departments and colleges across the University of Utah. Examples of this include

- i) engaging with the College of Social Work to help develop two pay-for-success projects to impact homelessness and recidivism for Salt Lake County,
- ii) collaborating with the Office of the President to help structure Income Sharing Agreements for students,
- iii) helping to judge and administer the American Dream Ideas Challenge competition,
- iv) engaging the communications department to help film and edit a project on Sir Ronald Cohen (an important innovator in the field),
- v) involving the University's National Center for Veterans Studies in research requested by Blue Star Families,
- vi) including the Office of the President on meetings and project work with the Gates Foundation's National Postsecondary Success team,
- vii) collaborating with the Kem C. Gardner Policy Institute on new research opportunities,
- viii) utilizing University Neighborhood Partners to engage with residents on a study of preschool opportunities,
- ix) participating on advisory boards of academic programs,
- x) providing a study of the Return on Investment for the U's new First Star program to provide educational opportunities to foster care youth,
- xi) partnering with faculty researchers from the Department of Educational Psychology to research employment barriers for young adults with autism for a potential pay-for-success project,
- xii) collaborating with faculty psychologists from the Department of Educational Psychology to develop a business plan for a new non-profit to serve young adults with disabilities,
- xiii) partnering with the Department of Family & Preventive Medicine to develop a business plan for the Global Partners, and
- xiv) engaging students from all sectors of campus including Public Policy and Public Administration, Education, Humanities, the Medical School, the Law School, Engineering, Communication, and Data Science.

We want to expand and accelerate our continuing collaboration with additional departments and colleges across the University of Utah campus.

The Center is located in the section of the Spencer Fox Eccles Business Building now named the James Lee Sorenson Global Impact Investing Center, as well as on the health sciences campus in the building located on 85 Ft. Douglas Blvd.

Section IV: Finances

Funding for the SIC was initiated by a \$13 million endowment created by James Lee Sorenson. Mr. Sorenson has funded \$11 million of that gift which currently pays out approximately \$420,000 to the Center toward its annual operations. The endowment funded by Mr. Sorenson provides for the following:

- Support for the Center’s annual operations
- Scholarships, student travel, and fellowships
- Endowed chairs
- Faculty research grants

In addition to the endowment grant from Mr. Sorenson, the Center has raised an additional \$10million from pay-for-success and pay-for performance grants. The Center has also been able to establish the University Venture Fund II program from outside donors which produces approximately \$200,000 annually in management fees for the Center.

A summary of the Center’s financial performance is in the table below (please see notes on the right side of the statement):

Sorenson Impact Center Financial History					
<i>as of 9/19/2018</i>					
	Financial Summary - Fiscal Year				
	2016	2017	2018	2019	
	Actual	Actual	Actual	Budget	Notes
Total Revenue	2,680,216	5,873,343	6,344,724	5,543,049	Revenue is generated through a mix of sources roughly defined by the following categories: Program Revenue (includes Federal Grants, Private Grants, and Private Contracts - 55%), Gifts/Contributions (25%), Endowment Distributions (10%), and "Other" Revenue (includes conference registration fees collected and fund management fees - 10%).
Expense					
Personnel	1,769,906	2,819,647	3,559,554	3,536,344	
Travel	198,203	407,366	357,462	278,000	
Consultants/ Contractors	658,414	498,713	351,474	280,000	
Subgrants	300,921	623,417	867,931	750,000	
Other	260,678	576,475	828,483	622,468	
Total Expense	3,188,123	4,925,618	5,964,904	5,466,811	
Net Before Transfers	(507,907)	947,725	379,820	76,238	
Transfers Out	120,000		730,000	-	
Net After Transfers	(627,907)	947,725	(350,180)	76,238	

Section V: Program

We are in the process of building a program where students will:

- Gain an understanding of social impact and innovation concepts.
- Develop a cross-sector skill set.
- Connect with a robust student and professional network.
- Participate in international and domestic opportunities.
- Identify and articulate personal benefit and growth.
- Build résumés.
- Be placed in prestigious graduate programs and top job opportunities upon graduation.

We provide this experience primarily by offering an unparalleled experiential opportunity for undergraduate, graduate, and post-graduate students who are interested in impact investing, data science, policy innovation, and international impact. We encourage students from all majors and backgrounds to apply. Students who are part of our program will work on domestic and international social impact projects involving firms, funds, private foundations, governments, and nonprofits across a variety of issue areas.

The Impact Fellows program recruits students during fall, spring, and summer semesters, ideally seeking students committed to working at least two semesters. Our student program provides mentorship from individual professional staff members, faculty, weekly guest speakers who are relevant in the impact investment and policy space, team building activities, and career networking and development opportunities. Our students travel with various staff members and faculty to gain real perspective on projects both domestically and internationally. The real-life experience gained through this program is essential to establishing our program as THE premier experience for University of Utah students.

Currently, the Center has 61 interns – 4 PhD candidates, 13 candidates for MBAs or other Masters degrees, and 44 undergraduates with a diverse range of majors. The 16 new intern positions filled in the fall of 2018 were selected from 227 applicants.

In addition to the Impact Fellowship, our staff members work with faculty members from the David Eccles School of Business to provide input on curriculum and courses which will be taught at the College. With the Center's input, School of Business faculty have designed and taught eight courses to date in the social impact space, and several more are in development. Those courses are created, controlled and approved by the faculty and relevant departments at the David Eccles School of Business.

In the event of complaints and conflicts of interest, the Director, the Dean, and the Advisory Board will review all matters. All complaints would be filed with both the Director and the Dean subject to compliance with the Code of Student Rights and Responsibilities (Policy 6-400).

Section VI: Governance

The Center currently has an Advisory Board appointed by the Dean of the Business School, consisting of the Director of the Center, the Dean, the Donor, and two faculty members from the Business School. The Advisory Board meets quarterly to discuss Center finances, strategy, progress toward goals, and overall mission. The Center will add two more faculty members to the Advisory Board to increase faculty participation and oversight, at least one of whom is from outside of the Business School. All curriculum supported by the Center requires approval by the cognizant departmental curriculum committee and oversight by participating faculty members in accordance with University of Utah regulations.

The Center has a full time Director who reports to the Dean of the Business School and meets with the Dean monthly to review operations, budget, personnel issues, and the Center's educational programs (internships, classes, and executive education). The Director was selected by a committee process. At such time as a new Director is needed, the Center will convene a Hiring Committee comprised of faculty and staff, which will be responsible for the search process, including reviewing qualifications and interviewing the candidates. The Hiring Committee will recommend a slate of final candidates and the Dean will make the final decision on the appointment.

Directly reporting to the Director is the CFO/COO, whose responsibilities include preparing and reviewing financial statements for the Center by assembling data from the University accounting system, negotiating and managing contracts and grants, coordinating human resources issues of the Center with the University. The CFO meets weekly with the Assistant Dean of Finance and Operations in the Business School to review financials and other outstanding items. In day-to-day operations, the CFO and the Manager of Operations work closely with other University partners to ensure compliance to University policies and procedures. This includes close collaboration with the Office of Sponsored Projects, Office of General Counsel, Grants and Contract Accounting, Procurement, Travel, and Division of Human Resources. All contracts entered by the Center must be signed either by the Office of Sponsored Projects or the central university.

Please refer to the current organization chart below for details of the full-time staff positions.

**Dean
Taylor Randall**

**Director
Hewson Baltzell**

**Advisory Board Members:
Faculty 1, Faculty 2, Faculty 3, Faculty 4
Dean, Donor, Director**

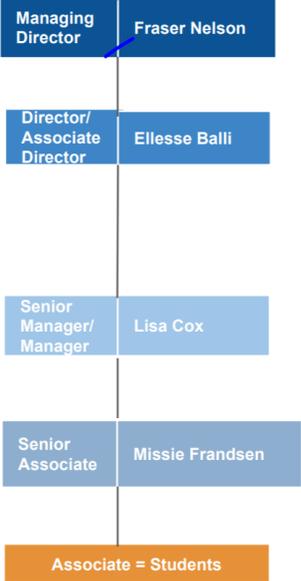
Data, Policy, & Performance Innovation



Impact Investing



Strategic Communications and Partnerships



Finance & Operations

