

41st Annual Nonprofit Organizations Institute

MASTER CLASS F: Anatomy of an Impact Investment from the Investor Perspective

Friday, February 9, 2024
10:50 am -12:20 pm

Miranda Lindl O'Connell, Builders Vision – San Francisco, CA
Kevin Roe, Simpson Thacher & Bartlett LLP – New York, NY

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Bios/Headshots



Miranda Lindl O'Connell serves as Senior Counsel of Impact Investments at Builders Vision. In this role, Miranda advises on the execution of investments primarily made by Builders Initiative and Builders Asset Management to maximize social impact. Miranda also supports the investment work of the broader Builders Vision ecosystem. Miranda has a true passion for impact investing that aligns with her extensive experience creating and investing in innovative investment vehicles and structures to achieve impact-oriented goals. Before joining Builders Vision, Miranda was a partner in private funds and a leader of ESG & Sustainability at Morgan, Lewis & Bockius LLP, a global law firm. She also served as office managing partner of their San Francisco office. Previously, Miranda also worked as the race director of the San Francisco Marathon.



Kevin Roe is Counsel in the Exempt Organizations practice at Simpson Thacher, where he advises public charities and private foundations on structural and operating issues. He also provides advice to public and private companies on corporate philanthropy programs as well as to not-for-profit institutions and their donors on charitable giving matters. He represents a diverse range of non-profit organizations in connection with both mission-related and returns-driven investment activities, and he particularly enjoys assisting clients in launching mission related investment programs and making their first impact investments. Kevin teaches Nonprofit Law at Fordham University School of Law and is a member of the Board of Directors of the Partnership for After School Education.

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Agenda

1. Overview of Legal Context
2. Governance, Policies, and Process
3. Financing Structures: Terms and Issues

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Legal Context: State Law Considerations

- UPMIFA provides a specific articulation of the fiduciary duty of care for investments:
 - Manage and invest institutional funds “in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances”
 - Requires consideration of eight enumerated factors
 - Emphasis on diversification
 - Authorizes/encourages delegation to third party managers selected and monitored with reasonable care

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Legal Context: State Law Considerations

- UPMIFA specifically contemplates and permits mission-related investing:
 - Enumerated factors include “an asset’s special relationship or special value, if any, to the charitable purposes of the institution”
 - “Institutional fund” does not include a “program-related asset” held primarily to accomplish a programmatic purpose of the institution

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Legal Context: State Law Considerations

- Rules are procedural:
 - Institutions have broad discretion
 - Adopt and follow appropriate policies
 - Maintain good documentation of diligence and decisionmaking
- Background state law fiduciary duties of loyalty also apply, as well as statutory requirements for conflicts of interest and related party transactions.

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