

## The Opportunity

In the United States, one of the world’s wealthiest nations, **one in five young people lives in poverty**. This statistic—which encompasses some 15 million people—has barely varied throughout the last decade. At the same time, the national **rate of upward mobility has dropped by 40%** in the past 50 years. Only half of America’s children will earn more than their parents, perpetuating the cycle of intergenerational poverty for those who start at the bottom of the economic ladder. The challenges these children and their families face are massive and persistent.

While no silver bullet can eradicate the scourge of poverty, visionary social sector leaders have developed a range of strategies to address some of the root causes of inequity and lack of opportunity. Today, these **evidence-based solutions address problems** like unplanned pregnancies, early childhood development, foster care transition and adoptions, recidivism, job training for young adults, and more. Scaling these strategies for community and nationwide impact has the potential to change the life trajectories of millions of young people and families now, and can also create better opportunity for the next generation. To realize this potential, however, the **social sector needs access to significantly greater capital and support**.

A **growing community of philanthropists** is interested in supporting meaningful social change and these strategies represent an enormous, and largely untapped, investment opportunity. Yet determining where and how to make major philanthropic investments can be daunting. In contrast to the for-profit world, philanthropy does not typically have “ready-made” vehicles for investments and has limited infrastructure in place to channel large-scale investments into high-impact solutions.

## The Approach

Blue Meridian’s investment model **brings investors and social sector leaders together to scale** the most promising strategies. We come to this work with a decades-long track record of innovation in philanthropy and a comprehensive investing approach developed at the Edna McConnell Clark Foundation. Our experience convinces us that **solutions are achievable**. This approach provides social sector organizations with the unprecedented and unrestricted growth capital they need to reach their full potential, and helps philanthropists amplify the impact of their investments.

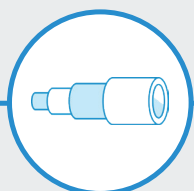
Blue Meridian Partners is a pioneering philanthropic model for finding and funding scalable solutions to problems that trap America’s young people and families in poverty and limit economic mobility.

In practice, this means that our team of experts scours the country to identify evidence-based solutions that help young people and families overcome the obstacles that limit economic mobility. We conduct rigorous due diligence on the most promising leads to fully assess readiness for scale and the ability to achieve regional or national impact.

We then support selected organizations in crafting detailed business plans for scaling regionally or nationally in a sustainable way. Pooling capital from our partners, we are prepared to make **philanthropic investments of \$100 million or more in a single initiative**.

**We operate with an investor mindset**, but measure success in terms of greater social impact, rather than financial returns. Our investees are at the center of our work, and we believe in providing them with sustained operational support and strategic guidance as much as we believe in providing them with capital. We work together to set annual and end-of-investment milestones, and we assess performance against these milestones quarterly.

## The Process



Sourcing



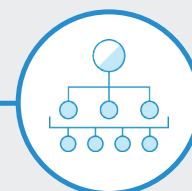
Due Diligence



Planning and  
Initial Investment



Large-Scale  
Investments



Ongoing Performance  
Management

# The Potential

Blue Meridian is building a holistic portfolio of solutions that work to increase economic mobility and opportunity for young people and families living in poverty. Blue Meridian Partners have committed more than \$530 million to these philanthropic investments to date. The fund has expanded to over \$1.7 billion.



## National Scaling

Each Blue Meridian **national investee** pursues an ambitious goal of **solving a significant social problem** that hinders young people and families who live in poverty and have limited economic mobility from leading healthy, successful lives. Each has a **comprehensive scaling strategy that expands critical services and sparks larger policy and systems reforms.**

THE BAIL PROJECT



upstream



## Regional Strategies

The **regional strategies**, spearheaded by Regional General Partners in **Tulsa, Oklahoma** (George Kaiser Family Foundation) and **Guilford County, North Carolina** (The Duke Endowment), integrate Blue Meridian's national investees into a **comprehensive continuum of local services.** They aim to produce the strongest possible outcomes for young people and families living in poverty with the end goal of achieving community-wide impact.

Get Ready  
Guilford Initiative

Birth  
through  
Eight  
Strategy  
Tulsa



## Innovations Underway

We apply our rigorous investment approach to a pipeline of **new ideas, new collaborations and new strategies** as we seek to push the boundaries of the philanthropic norm.

Currently, we are exploring ways to address the negative **downstream effects of criminal justice** on economic mobility, and **piloting** a new initiative designed to help **accelerate the readiness of more solutions** for significant scaling.

# The Partnership

Blue Meridian's partnership structure allows our partners to pool their philanthropic resources and **invest more effectively and efficiently** than any one of us could individually. The individuals and philanthropic institutions joining forces contribute in different ways depending on their interests and funding capacity. But in working collaboratively, they all share the costs, risks and successes of our performance-based approach to investing.

Blue Meridian has raised over **\$1.7 billion** to date from **14 partners**, and we welcome new partners seeking to invest significant capital.

### Key Elements:

- **Deal Flow:** Blue Meridian acts as the **philanthropic fund manager**, assuming responsibility for the overall flow and management of giving opportunities.
- **Engaging Experience:** Partners have the opportunity to join **site visits**, engage with **thought leaders** and leading entrepreneurs in the social sector, learn from like-minded philanthropists through **meetings held 2-3 times per year**, and attend an **annual convening** of all Partners, organizational leaders, advisors, and staff.

We are experimenting with ways to grow our Impact Partner channel. Impact Partners are asked to commit between \$15M–\$49M, of which they can allocate up to 2/3 to selected investments in Blue Meridian's portfolio at their discretion, while the balance is distributed portfolio-wide.

## Current Partners

- The Druckenmiller Foundation\*
- The Edna McConnell Clark Foundation\*\*
- Ballmer Group, Philanthropy
- Arrow Impact
- The Samberg Family Foundation
- The Sergey Brin Family Foundation
- The David Tepper Charitable Foundation, Inc.
- The Duke Endowment\*\*\*
- George Kaiser Family Foundation\*\*\*
- The William and Flora Hewlett Foundation
- The JPB Foundation
- MacKenzie Bezos
- The Charles and Lynn Schusterman Family Foundation
- Aviv Foundation
- Eugene and Marilyn Stein Family Foundation
- Bill & Melinda Gates Foundation

\*The Blue Meridian Partners, Inc. board is chaired by Stanley Druckenmiller.

\*\*Founding Partner

\*\*\*Regional Partner

# Meeting Scale with Scale

solutions at scale through investments at scale

blue meridian  
partners