



About CDSF

The mission of the Center for the Development of Social Finance is to create a wide understanding of social finance, global finance, and the economic factors that shape our communities.

CDSF believes that individuals and organizations will be empowered and responsible participants in the global economy when they understand how finance systems work.

CDSF promotes advanced financial literacy through programs that

- Build knowledge of finance that empowers sound financial decisions.
- Create awareness of the ways that finance systems affect communities.
- Enable informed, responsible, and effective investment that stimulates positive social change.
- Increase an understanding of social finance.
- Define and share information about the gaps in sustainable business financing.

Creating Social Solutions through Finance Education

Rupert Ayton

The core lesson of every self-help book is that you can't change problems you don't acknowledge. If a self-help book existed for addressing major social needs it would teach the same lesson: Look for unacknowledged root causes.

Finance is the system that moves money. It permeates our lives, yet we can't see it.

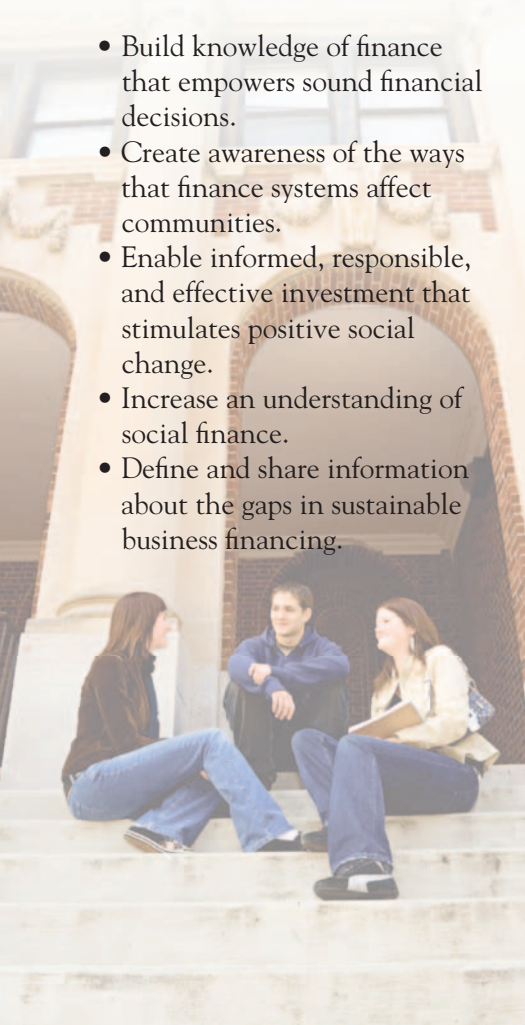
It's easier to understand the symptoms of social problems than their causes. A common symptom identified by NGOs, social enterprises, and social mission companies is insufficient money to fund their solutions. While the problem may be financial, the root cause may be in the finance system itself, which determines how

money is created, where it flows, and at what cost.

Finance is the lending and borrowing system at the center of modern society. Finance is the system that moves money. It permeates our lives, yet we can't see it. It's invisible but shapes our communities. Our finance systems drive economic activity across the globe, but mastery of its processes seems to belong only to those involved in its day-to-day work. Today, those tackling social and environmental problems on the ground need the tools that enable them to compete in the global marketplace. One critical tool is an understanding of financial choices and the common practices of the financial marketplace.

CDSF and its supporters are tackling money problems at their root. We're building a wide understanding of finance by educating individuals, non-profits, sustainable businesses, and change-makers. As our stakeholders increase their understanding of how finance works, they will be empowered to create their own financial solutions.

Finance can be a tool for positive change when individuals and groups harness its power. CDSF helps people to understand how money works and from that create solutions to social and environmental problems. Please help CDSF to support change through knowledge. We welcome hearing your thoughts and working with you to identify your root cause finance problems.



Board of Directors

Rupert Ayton, Chairman and CEO

David S. Berkowitz, Investor,
Bridgeport, CT

Cipora Herman, Assistant Treasurer,
Yahoo! Inc., Sunnyvale, CA

Taylor Jordan, Director Investments,
RSF, San Francisco, CA

Teresa Montano, CPA, Audit and
Accounting Manager, Shea Labaugh
Dobberstein, San Francisco, CA

Harry Rhodes, Executive Director,
Growing Home, Chicago, IL

Susan Yang Affolter, Professional
Development Coordinator, Washington
State Child Care Resource & Referral
Network, Tacoma, WA

Advisors

Ralph Anspach, Ph.D., Emeritus
Professor of Economics, San Francisco
State University

George Basile, Ph.D., Strategic
Sustainability Consultant

Damon Doe, Senior Vice President,
United American Bank, San Mateo,
CA

William F. Foote, Founding President
and Executive Director, EcoLogic
Finance

Harold Glasser, Ph.D., Associate
Professor, Environmental Studies
Program and Environmental Institute,
Western Michigan University

Mark Moulton, Chairman,
Housing Leadership Council of San
Mateo County

Sylvain Raynes, Ph.D., Principal,
R&R Consulting

Kevin Rigdon, Chief Financial
Officer, Impact Community Capital

Ann Rutledge, Principal, R&R
Consulting

Rosa Wang, Special Projects Manager,
Ashoka Innovators for the Public

John Weiser, Principal, Brody, Weiser,
Burns

Founders

Rupert Ayton

Stephanie L. Sarver

Designed by Heather Stout Design, www.heatherstout.com

CDSF Advances Financial Literacy

Stephanie L. Sarver

CDSF is celebrating 18 months in operation. Our first year focused on building awareness of the CDSF mission, goals, and the problems we address. Through our contact and work with more than 150 stakeholders, we learned that few understand how global finance works. In response, we developed our education program to meet their needs.

To create sustainable communities, we need to understand how finance shapes our world.

To create sustainable communities, we need to understand how finance shapes our world. This is a big challenge. For starters, most people regard

finance as dull and complex! If we do try to understand it, we're often baffled.

CDSF has embarked on a new program to deliver advanced finance education.

The program will help stakeholders to make sense of our global economy. Have you ever wondered how money is created? Or what is meant by wealth creation? Do you understand what is meant by socially responsible investing? Or how the global economy can shape your neighborhood? The CDSF education program answers these questions while helping to demystify our sometimes conflicting roles as consumers, investors, and community members.

Through workshops, publications, and individualized training with non-profit and sustainable business leaders, community groups, and philanthropic organizations, CDSF is increasing advanced financial literacy. Contact us to learn more.



Renewable Energy's Finance Challenge

CDSF supporters have asked why global finance has been slow to support solar, wind, and biomass energy projects. We found some answers.

Traditional coal and natural gas energy projects obtain low-rate loans from institutional investors like pension funds, insurance companies, and endowments. They enjoy low rates because they operate at a very large scale. Local, small-scale alternative energy projects struggle to find investors, in part because they're too small to interest the big finance institutions. When they do attract investors, renewable energy projects pay more to borrow money than traditional energy producers.

In the next 25 years, more than \$1 trillion will be invested in electrical utility infrastructure. Renewable energy will be able to compete when it has access to the same sources of low-rate loans enjoyed by

Local, small-scale alternative energy projects struggle to find investors, in part because they're too small to interest the big finance institutions.

the traditional energy producers. They need project finance—money borrowed over 20 to 50 years, not venture capital (which works well at an early research and development stage).

If this interests you, stay tuned as CDSF works to identify the costs and challenges of alternative energy financing. Contact us to receive CDSF's latest insights on renewable energy funding.

What Is Social Finance?

You won't find the answer in mainstream U.S. business news. Social finance, like traditional finance, deals with money management, banking, and investments, but it goes a step further by considering environmental and social impacts to determine investment value.

CDSF is expanding awareness of social finance. Social finance is an approach to investment that generates positive change measured in financial and non-financial terms. These terms may be reflected in benchmarks that measure protection or repair of the environment, or levels of community education, health, and civic participation.

A small but growing number of finance intermediaries and progressive investor groups are heading along the social finance track. They lend or invest in projects as wide-ranging as sustainable food and organic agriculture, renewable energy, and community development initiatives.

In the U.S., social finance complements the growing socially responsible investment (SRI) movement. SRI investors share a commitment to the principles of social responsibility in business. SRI venture investors may directly purchase shares in new or expanding enterprises that offer benefits to society or the environment.

Social finance includes community investing, micro-lending, and sustainable business and social enterprise lending. Philanthropic grant making and program-related investments also fall under the umbrella of social finance. These approaches to investment share the focus of stimulating positive social and environmental returns.

Social finance is an approach to investment that generates positive change...

CDSF Director Calls for Closing the Finance Knowledge Gap



David S. Berkowitz has been a supporter of CDSF since its inception. He joined the CDSF Board as a founding member because he has seen "the practice gap between mainstream and

social investors," a gap that sometimes places social investing and social finance at a competitive disadvantage. His experience working with microbusiness development and philanthropic lenders gives him a first-hand understanding of how finance knowledge can affect the success of a business or non-profit.

As an investor involved in private equity, David provides CDSF with a resource to better understand small business needs. His investment work has involved wind power and organic food—areas that

intersect well with CDSF's stakeholders. When asked why he joined the CDSF Board, he reflected, "I was excited by the idea that real-world finance expertise could be passed along." His excitement has translated into two generous contributions from the Helen and William Mazer Foundation, on whose Board he also serves.

David serves as a Director for the Northeast Wilderness Trust and as a member of the Credit Committee of the Microbusiness Development Corporation. In his leisure time, he coaches a youth soccer team. He and his wife Anne enjoy traveling when they aren't working on their garden and restoring their Bridgeport, CT home.

CDSF is very grateful for the support and expertise David has provided. Thank you David!

CDSF Thanks Founding Donors

In March 2006, CDSF became an independent IRS-approved 501(c)(3) organization. We are deeply grateful to RSF for providing us with seed capital to commence operations, and for acting as our fiscal sponsor during our start-up phase.

Thanks to the following supporters who helped to launch CDSF through contributions to the RSF Center for the Development of Social Finance PAGE.

Anonymous
Helen and William Mazer Foundation
Mark Censits
Gordon and Rose Edwards
Jesse Fink
Taylor Jordan
Lawrence Foundation
Peninsula Community Foundation
Mark Reed
Rockdale Foundation
RSF Global Community Fund
Tommy E. Short Charitable Foundation
Solidago Foundation
Susan Yang Affolter

In-Kind Donations

Brad Goldblatt
RSF
United American Bank

Did you know...

CDSF stakeholders include non-profit trustees and directors, social finance intermediaries, non-profit social enterprise leaders, sustainable business innovators, and philanthropic and social investors.

Finance intermediaries are organizations that borrow money from one source to lend to another.

CENTER FOR THE DEVELOPMENT OF
Social Finance

Contribute to CDSF!
Join our community of concerned and enlightened donors.

Name _____

Street/Apt. _____

City/State/Zip/Country _____

Email _____

Sponsor \$1,000 _____

Advocate \$100 _____

Benefactor \$500 _____

Supporter \$50 _____

Sustainer \$250 _____

Friend \$ _____

Write your check payable to: Center for the Development of Social Finance (CDSF)
P.O. Box 2005
San Mateo, CA 94401

The Center for the Development of Social Finance is a 501(c)(3) non-profit organization registered with the State of California Registry of Charitable Trusts. All contributions are tax-deductible.



CENTER FOR THE
DEVELOPMENT OF
Social Finance

235 East Third Avenue, Suite 202
San Mateo, CA 94401

650-401-6363
www.CDSoFi.org

ADDRESS SERVICE REQUESTED

