

RESULTS THAT CHANGE LIVES



FORDFOUNDATION

The Ford Foundation works with visionary leaders and organizations worldwide to change social structures and institutions so that all people have the opportunity to reach their full potential, contribute to society, have a voice in the decisions that affect them, and live and work in dignity.

This commitment to social justice is carried out through programs that strengthen democratic values, reduce poverty and injustice, promote international cooperation, and advance human knowledge, creativity and achievement.

People deserve results.



Now more than ever,
**opportunities for
human progress** stand
within our reach. How
do we seize these
opportunities and fulfill
our vision of a more
just world?



How do we give voice to the voiceless and lift the poor toward prosperity? How do we **engage and inspire the next generation** so all people can learn, grow and achieve their full potential?



Good intentions are never good enough. We, along with our grantee partners, share the responsibility to find **bold solutions that work**. We need to match our courage with rigor, our risks with results. It is what our mission demands—and what people deserve.

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View our annual report online at fordfoundation.org/2012-annual

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MESSAGE FROM THE PRESIDENT

A legacy of transformation

“The pace of our progress speaks to the remarkable partnership between our grantees and staff, who every day demonstrate exceptional talent and deep commitment to the institution’s values, goals and mission.”

The history of the Ford Foundation is rooted in the idea of transformation, the belief that individuals, organizations or even entire societies can fundamentally change in order to alter the trajectory of the world we live in. Many of the great advances of our times—human rights, civil rights, early childhood education, the green revolution, microfinance—have transformed lives, nations and the world.

When I was asked to serve as president of the Ford Foundation in 2007, I spoke to hundreds of social change makers before starting my tenure. Overwhelmingly, they posed the same questions. Could the foundation redesign its transformational programs to reflect the challenge of a time that had grown far more complex, tailor its operations to reflect this era of new technology and its resulting pace, and adjust its economics to accommodate a prolonged economic crisis?

Since then, the foundation has traveled far in pursuit of answers to those questions, making the journey to become a philanthropy defined by aspirational institutional goals, strategies for achieving those goals, and the resources and staff required to make those strategies real. The foundation has also rebuilt its operations to take advantage of new technologies and to adjust to the worldwide economic crisis. Given the time frame of our work, we will not know the full impact of these actions for many decades, but I can say with certainty that our grantees are already making



profound contributions in the lives of individuals, communities and societies.

The pace of our progress has been the greatest surprise of my time at the foundation. It speaks to the remarkable partnership between our grantees and staff, who every day demonstrate exceptional talent and deep commitment to the institution’s values, goals and mission. Every one of our 34 initiatives is grounded in the idea that each of us has the right to live in a just society, one in which every individual is afforded the opportunity to contribute to the maximum of his or her ability, and that such full participation benefits everyone in that society.

The progress made in India by our Girls Not Brides initiative, in Africa by our electoral participation program and here in the United States in our work across nine states to change how social safety net benefits are delivered—among many other examples—has reinforced my belief in the possible.

If you witness the collaboration among banks and government leaders across Latin America to bring millions of unbanked people into the financial mainstream by transforming how social conditional cash transfer payments are delivered, you see enormous change on the horizon.

In the Global South, you can follow a cadre of incredibly accomplished but still-growing grantees as they expand their role in the international human rights movement and demonstrate how to respond meaningfully to a changing world.

Here in the United States, you can now go to thousands of schools and observe expanded learning time—an innovative way to give students in high-poverty districts the time they need to succeed in the classroom and compete in a global economy.

The progress being achieved by our grantees has been inspiring. This report shares some of the important results we see emerging from their efforts, and I encourage you to learn more on our

“It is hard for me to express adequately the deep respect and admiration I hold for our grantees. They not only see a better world, but work for it every day with intelligence, courage, creativity and passion.”



website. Their commitment and achievements have motivated a second set of activities that have defined my service at Ford, our own internal change. Our mission called on us to adjust our operations in response to this challenging time. Through a comprehensive operational and cost restructuring, we succeeded in permanently shifting more than \$25 million from internal operations to external grant making. Along with that operating restructuring came the reinvestment of over 80 percent of our \$11 billion endowment.

The resources freed and created allowed us to expand rather than contract our aspirations during this relentless economic crisis. A grant budget we feared in 2008 would fall below \$350 million never fell below \$400 million and is poised to approach \$500 million in the coming year. Our facilities around the world have become convening centers for leading nonprofits and social change organizations. And while our restructuring has had profound benefits for our programs and our grantees, the foundation itself has, through hard choices,

learned a valuable and lasting lesson about its own capacity and responsibility to adjust in the face of adversity and opportunity.

Together we have traversed a time of profound transformation, and the foundation has emerged stronger. Now it is time for another change. This year will be my last at the Ford Foundation. One of the hardest things for a leader to know is when to pass the baton. After all that we have accomplished together, both in the world and at the foundation, that moment has come for me.

In signing my sixth and final annual letter, it is hard for me to express adequately the deep respect and admiration I hold for our staff, our trustees and especially our grantees. They are the true visionaries who not only see a better world but who work for it every day with intelligence, courage, creativity and passion. Through the experiences I have shared with them—working on critical issues in troubled places and under challenging circumstances—I have found myself changed in ways I could not have expected and for which I am deeply grateful.

I want to thank our board of trustees in particular. They have been there with us every step of the way. Together we have learned that an organization as large and ambitious as the Ford Foundation can respond with urgency and agility. We have learned that across the world the unmet desire for social justice runs so deep in our societies that meaningful progress can be made. And we have learned that, no matter the challenges of our era, we have a duty to serve, as best we can, those on the frontlines of the necessary, enduring and irrepressible quest for human dignity.

It has been with great honor and gratitude that I have served the Ford Foundation. Ford's transformative work has touched my life as profoundly as it has touched millions across the world.

Luis A. Ubiñas, President



People deserve the opportunity to earn a sustainable living, save for their families and build a better future.

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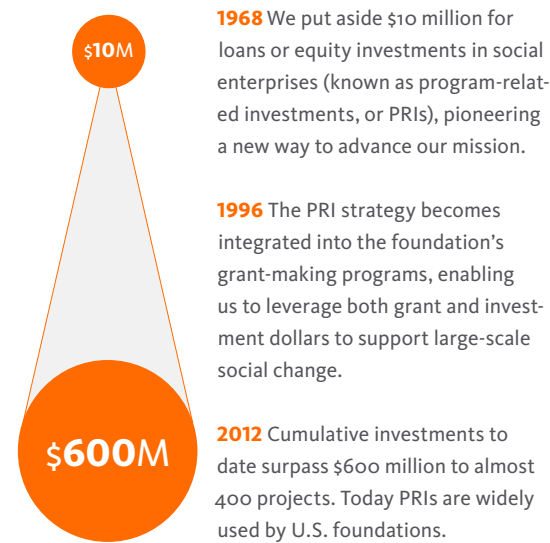
SOCIAL INVESTING

Unlocking new capital to invest in social enterprises

“With our social investments, we take risks that others can’t, so worthwhile projects can move forward.”

—Christine Looney, Senior Program Investment Officer

EXPANDING OUR IMPACT



CHALLENGE When tackling complex social problems, a well-timed loan or investment can be a tremendously useful tool for philanthropy. This is especially true when a promising entrepreneurial effort is perceived as too risky or marginally profitable to attract commercial investors. Recognizing that many high-potential projects can prosper only with the help of affordable capital, we use investments strategically to fill the gap.

STRATEGY Since 1968, we have set aside a small portion of the endowment for social investing, using these funds to supply capital to help finance critical projects, test new business models and develop sustainable organizations. Today, each of our investments is substantial, \$1 million or more, and designed to produce large-scale results. In many cases, we give other funders the confidence to join a project, leveraging our capital even further. And because our investments usually make a small return, we invest our funds again and again.

RESULTS With \$220 million invested currently, we strive to be diligent yet flexible in choosing the right instrument for the job: a below-market-rate investment lets a credit union offer services that meet the needs of low-wage borrowers; a loan guarantee encourages commercial lenders to finance new units of affordable housing; an early investment seeds a fund whose lending supports small farmers in sub-Saharan Africa. For 45 years, making social investments directly from our endowment has enabled us to use our assets boldly when the opportunity for social gain is very great.



Multimedia (discover more at fordfoundation.org/2012-annual/social-investing)

Read more about our social investing on page 57.

NEXT-GENERATION WORKFORCE

Strengthening our economy by promoting job quality and security

“Worker centers are giving low-wage earners the tools they need to speak out, move up and get ahead.”

—Laine Romero-Alston, Program Officer

ROC UNITED: A NATIONAL NETWORK FOR RESTAURANT WORKERS



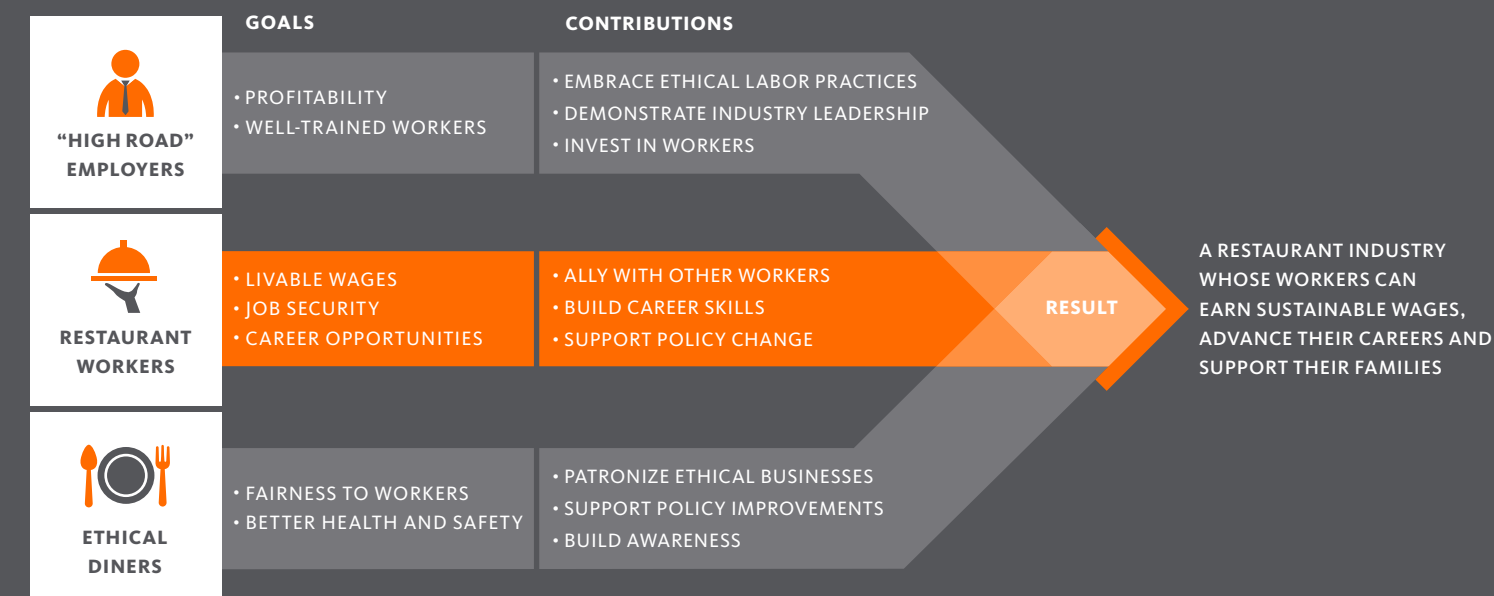
CHALLENGE The U.S. labor market has changed over the past generation. Jobs that pay a living wage typically demand at least some college, while jobs that don't require higher education often pay so little that even full-time workers are unable to support their families. Minority workers, immigrants and women are often disproportionately trapped in jobs offering low pay, little security and few opportunities to advance.

STRATEGY Worker centers are addressing these challenges by offering employees an innovative mix of services and support, from legal assistance to career-oriented classes and training. Often focused on particular sectors—construction day laborers, restaurant workers or caregivers for the elderly, for example—the centers forge creative partnerships with employers, unions, community colleges, consumers and other allies to remedy unfair and exploitive practices, and give workers the tools to advance. For many low-wage workers, the centers offer unprecedented means to raise a united voice for fairness.

RESULTS One of our grantees, Restaurant Opportunities Centers (ROC) United, is a powerful example of what these nimble and forward-looking centers can accomplish. Founded in New York City in 2001 and since expanded to a national network, ROC United challenges unfair practices common in the restaurant industry—wage theft, lack of overtime pay, benefit policies that force workers to come to work sick—while also helping members gain skills that let them move up the ladder to better-paid, more secure jobs.

MAKING FAIRNESS AN INDUSTRY STANDARD

Together, workers and their allies are putting better conditions on the menu for American restaurants.



“When I got to New York today, I noticed how restaurants post letter grades from the Health Department. What if they also had to post letter grades indicating the quality of the conditions for their workers?”

—Andy Shallal
Owner of Busboys and Poets, Washington, D.C.



Similar strategies are being embraced by worker centers in other industries. Through Caring Across Generations, for example, seniors and the dedicated workers who care for them are making common cause. And the National Day Laborer Organizing Network is collaborating with unions and government agencies to employ immigrant day laborers on urban construction sites. These efforts are opening new career paths and opportunities for workers, and sustaining the promise of social mobility and self-sufficiency that has long been a cornerstone of American society.

Multimedia (discover more at fordfoundation.org/2012-annual/next-generation-workforce)

MICROFINANCE

Building second-generation microfinance to serve the world's poor

“These groundbreaking new standards give microfinance institutions the tools to measure the social value of their work.”

—Frank DeGiovanni, Director

SETTING STANDARDS



2005 Microfinance leaders form the Social Performance Task Force to ensure that the industry balances financial and social goals.



2010 The task force calls for the creation of universal standards and maps out a process for drafting and review.



2012 The Universal Standards for Social Performance Management are released. More than 1,300 task force members representing over 700 institutions commit to using them.

CHALLENGE In the 1970s, a surprising idea took hold around the world: Poor people, especially women, could make good use of very small loans to reduce their economic vulnerability and build sustainable livelihoods for their families. These borrowers, usually ignored by conventional lenders, proved extremely reliable at repaying what they owed. In a short time, a microfinance industry dedicated to pursuing a “double bottom line”—combining social impact and financial return—grew to meet the demand.

As microfinance lending developed and expanded, many in the field became concerned about whether microfinance organizations were paying sufficient attention to their social goals and to serving poor clients well. Social performance required more rigorous measurements and ways to track progress—ensuring that those who most needed these funds were receiving them.

STRATEGY In 2005, the foundation and a group of leaders formed a working group, the Social Performance Task Force, that brought together practitioners, donors, investors, microfinance associations, policymakers and researchers. The objective was to create common, voluntary guidelines that microfinance organizations everywhere could use to understand, measure and report on the progress of their work.

MEASURING PROGRESS AND PERFORMANCE


The Universal Standards for Social Performance Management help microfinance institutions benchmark their work in six key areas.



RESULTS The Universal Standards for Social Performance Management were released in June 2012, with input received from hundreds of people in more than 40 countries. The standards provide a framework and a set of tools that each double-bottom-line organization can use to define its own distinct objectives and intended outcomes—whether the institution aspires to provide loans to women, promote sustainable agricultural practices or achieve other specific social purposes.

For investors and donors, these comprehensive standards will help measure the overall social value of microfinance and reaffirm a global commitment to financial inclusion. Most important, the standards should help poor people obtain the well-designed financial services they need to manage their assets and build better lives.





People deserve
the chance to learn
and the freedom to
express themselves.

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FORD FELLOWS

Advancing equality in higher education

“Ford Fellows pursue their studies and then go on to lead, mentor and transform their communities.”

—Douglas Wood, Program Officer

CHARTING A PATH

- 1962** Ford Fellows launches at the height of the civil rights movement.
- 1967** Focus shifts from undergraduate to graduate fellowships.
- 2012** With more than 5,000 diverse scholars trained in 50 years, the Ford Foundation pledges \$100 million to extend the program for another decade.

CHALLENGE In the early 1960s, minority students and faculty members were scarce at all but a handful of historically black colleges. Yet the country needed diverse colleges and universities to achieve equity and opportunity for all Americans.

STRATEGY To create more inclusive institutions, the foundation initially established a fellowship program that provided scholarship support to minority undergraduates. The focus soon shifted to graduate education and to training African American, Hispanic and Native American scholars for academic careers. Today’s program continues to center on diversifying college faculties and supporting and training scholars who see diversity as a path to enriching the education of all students.

RESULTS After 50 years of fellowships, generations of distinguished scholars have transformed the colleges and universities where they learned and, later, served as faculty members and leaders. They have fostered new thinking, acted as role models and mentors for the next generation, and strengthened the education of millions of students. The program itself has grown into one of the world’s most recognized fellowship initiatives, with alumni including former Secretary of State Condoleezza Rice and civil rights activist and renowned author Cornel West.

The demands of a global marketplace make higher education more essential than ever. Today, the Ford Fellows program remains a bridge to achievement for scholars of all

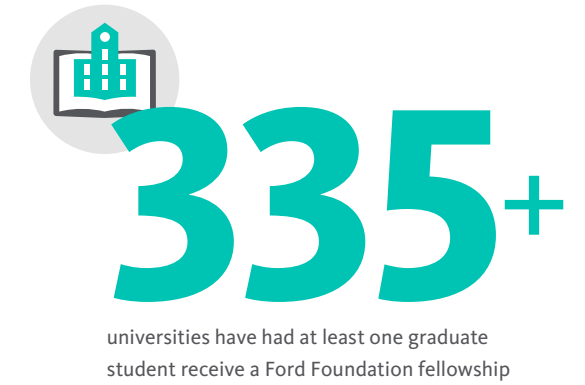
MAKING A DIFFERENCE

1 Yolanda Moses, Professor of Anthropology and Associate Vice Chancellor for Diversity, Equity and Excellence, *University of California, Riverside*; **2** Marie-Theresa Hernández, Associate Professor of World Cultures and Literatures, *University of Houston*; **3** Django Paris, Assistant Professor of Language and Literacy, *Michigan State University*, Associate Director of the Bread Loaf School of English, *Middlebury College*; **4** Ingrid Padilla, Associate Professor in Environmental and Water Resources Engineering, *University of Puerto Rico at Mayagüez*; **5** Beverly Tatum, President, *Spelman College*; **6** James Jackson, Professor of Psychology, Health Behavior and Health Education, Professor of Afroamerican and African Studies, Director and Research Professor at the Institute for Social Research, *University of Michigan*



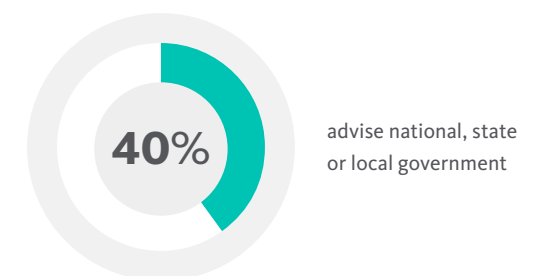
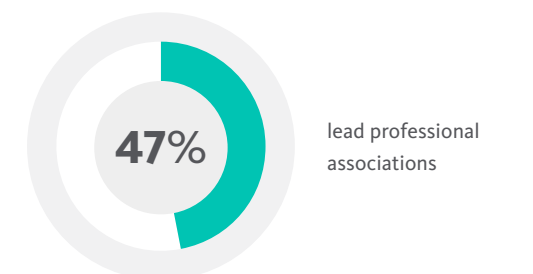
backgrounds. This past year, we renewed our commitment to these important fellowships with \$100 million over the next decade—enabling us to build an ever larger and more diverse community of educators who can take up the cause of social justice in their colleges and universities. By example and through their leadership, these courageous scholars will continue to make higher education a gateway to opportunity for all students in America.

Multimedia (discover more at fordfoundation.org/2012-annual/ford-foundation-fellowships)



MULTIPLYING IMPACT

From the start, the program has encouraged its fellows to assume leadership roles and be active in public service and community life. In addition to teaching and pursuing their own research, they serve voluntarily as board chairs and committee members, project leaders, editors, mentors and advisers.



JUSTFILMS

Championing films that inspire social change

“Social justice films are ultimately about people—and that’s why they move us.”

—Orlando Bagwell, Director

CHALLENGE Society’s toughest problems can seem daunting, even impossible, to address. For people to engage actively in social change, they must understand extremely complex issues, relate to them on a personal level and believe that solutions are within reach. How, then, can social change makers tell the difficult stories that need to be told, show the part we all have to play in their outcome and enable people to take action?

STRATEGY From feature-length documentaries to short-form webisodes, visual narratives play an indispensable role in telling meaningful stories. They inspire imagination, build understanding and encourage an explicit response to the complexity of human experience. Through JustFilms, we provide filmmakers and media artists with crucial support—not just funding, but also deep knowledge of social justice issues, hands-on storytelling expertise and access to networks for distribution and promotion. And our partnerships, with the Sundance and Tribeca film festivals and the ITVS and PBS broadcast networks, among others, help us expand the audience for these important works.

RESULTS The 75 films produced with support from our initiative—many of which have won respected awards—bring critical social issues to viewers from diverse backgrounds, creating new communities built on a passion for social change. The stories cover truthful topics that reflect the breadth of the foundation’s mission, from economic opportunity to freedom of expression, in places as diverse as Uganda, the Maldives and Peru.

 **Multimedia** (discover more at fordfoundation.org/2012-annual/justfilms)



GOD LOVES UGANDA



AMERICAN PROMISE



HOW TO SURVIVE A PLAGUE

HIGH-IMPACT FILMS



2011 JustFilms launches with a \$50 million, five-year commitment. “The Island President” wins the People’s Choice Award at Toronto International Film Festival.



2012 Five films selected for Sundance Film Festival; “The House I Live In” receives documentary grand jury prize. The documentary series “Have You Heard from Johannesburg” receives an Emmy.



2013 Eight works selected for Sundance Film Festival; four receive awards. “How to Survive a Plague” wins Oscar nomination.



TO DATE 75 films funded, \$20 million in support to independent filmmakers.



OUTLAWED IN PAKISTAN

ARTPLACE

Creating more vibrant communities through the arts

“Creative placemaking is reshaping how we think about arts and revitalization.”

—Roberta Uno, Senior Program Officer

THE ARTPLACE COLLABORATIVE

-  **13** foundations are providing grant dollars to support revitalization in economically depressed U.S. cities and towns.
-  **8** federal agencies are helping to coordinate regional and local efforts and offering counsel.
-  **6** banks are financing a loan fund to jump-start development for these projects.

CHALLENGE Cultural institutions and social entrepreneurs can be powerful forces for reenergizing depressed communities, but they rarely succeed on their own. Arts organizations do best—for themselves as institutions and as catalysts for revitalization—when they engage both residents and visitors and spur activity in nearby businesses and public spaces.

STRATEGY One of the most effective ways to revitalize communities is through “creative placemaking,” an arts-based approach that focuses on community engagement and is today being embraced by a newly formed coalition called ArtPlace. Composed of foundations, banks and federal agencies, including the National Endowment for the Arts, ArtPlace is supporting dozens of community revitalization projects.

RESULTS The first round of ArtPlace projects was announced only two years ago, but the resulting creativity and collaboration have been striking. From the development of artists’ live/work spaces in a Cleveland neighborhood hit hard by foreclosures to the creation of an “outdoor living room” where people can gather in downtown San Jose, ArtPlace projects are mixing arts and revitalization and creating real opportunity. ArtPlace has also developed a new system for measuring community vibrancy; the coalition is using the tool to spotlight exemplary communities and build a more sophisticated understanding of how livable, prosperous localities are formed.

WHAT MAKES NEIGHBORHOODS VIBRANT?

10 Ways to Measure Community Life

What makes a city or town “vibrant”? ArtPlace—a coalition of foundations, banks and federal agencies supporting revitalization projects throughout the U.S.—wanted to measure just that. Focusing in particular on arts-related development, the coalition identified 10 indicators that together provide a deeper understanding of how community life ebbs and flows.

These indicators will help ArtPlace track increasing vibrancy in the places it invests. And, because ArtPlace shares its data and methods, any interested community can use them. Soon, the coalition plans to add other indicators, including measures that look at property values and at economic, racial and ethnic diversity.

PEOPLE



POPULATION DENSITY
When a neighborhood is vibrant, more people choose to live there...



EMPLOYMENT RATE
...more working-age residents are employed...



WORKERS IN CREATIVE OCCUPATIONS
...and often, a higher than usual share of people are employed in the arts and related industries.



ACTIVITIES



WALKABILITY SCORE
A vibrant neighborhood has lots of destinations within walking distance...



MIXED USE
...a combination of jobs and residences...



CELL PHONE ACTIVITY ON NIGHTS AND WEEKENDS
...and places where people congregate outside regular 9-to-5 business hours.



COMMERCE AND JOBS



INDICATOR BUSINESSES
Thriving areas have restaurants, shops and other businesses that cater to consumers...



INDEPENDENT BUSINESSES
...more locally owned, independent businesses...



JOBS
...and abundant job opportunities...



CREATIVE INDUSTRY
...especially in information, media, arts and other creative endeavors.





People deserve the right to participate fully in democracy and have their voices heard.

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DEMOCRATIC PARTICIPATION

Fulfilling the promise of democracy worldwide

“To achieve a truly representative government, everyone’s voice must be heard at the ballot box.”

—Cristóbal Alex, Program Officer

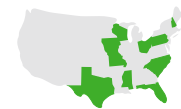
CHALLENGE Free and fair elections are fundamental to democracy, yet the right to vote is regularly threatened by voter intimidation, unreliable balloting systems, outright disenfranchisement or other barriers to full participation. Whatever the reason, when people are denied the vote, the negative effects on democratic society extend far beyond election day.

STRATEGY In partnership with nonpartisan civil society organizations, the Ford Foundation works around the world to improve and defend the electoral process and promote broad voter participation, especially among people who have historically been left out. We also invest in efforts by citizens to make elections peaceful, fair and inclusive.

RESULTS In the past year, our partners made significant contributions to national elections in the United States, Kenya and elsewhere, helping people exercise their rights as citizens and make their voices count on election day.

In the United States, an on-the-ground network educated and engaged voters, defended their rights at the ballot box and turned back attempts to suppress the vote. By working to make certain that all voters could participate fully, these partners protected the integrity of the electoral process itself.

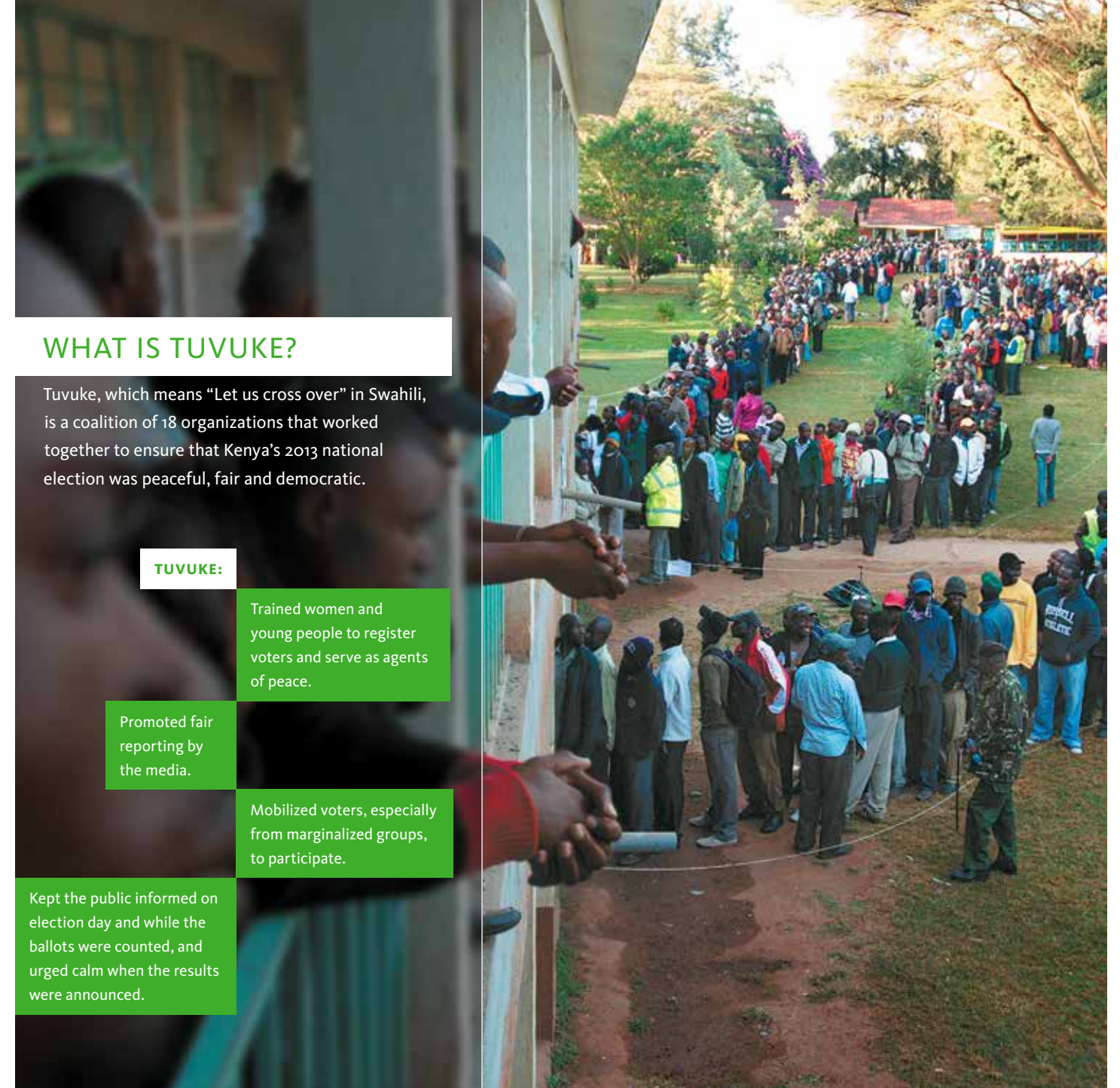
PROTECTING THE RIGHT TO VOTE IN 2012



Our grantees successfully challenged voter suppression efforts in Florida, Iowa, Mississippi, Missouri, New Hampshire, North Carolina, Ohio, Pennsylvania, South Carolina, Texas and Wisconsin.



They also worked to ensure bilingual ballot access in California, New York and Texas.



WHAT IS TUVUKE?

Tuvuke, which means “Let us cross over” in Swahili, is a coalition of 18 organizations that worked together to ensure that Kenya’s 2013 national election was peaceful, fair and democratic.

TUVUKE:

Trained women and young people to register voters and serve as agents of peace.

Promoted fair reporting by the media.

Mobilized voters, especially from marginalized groups, to participate.

Kept the public informed on election day and while the ballots were counted, and urged calm when the results were announced.

In Kenya, a diverse coalition of Ford grantee organizations, 18 in all, collaborated in the months before the March 2013 election to mobilize citizens—including women, youth and poor and landless people—to participate as both voters and ambassadors for a fair and peaceful electoral process. Known as Tuvuke, the initiative organized educational, proactive communications and monitoring networks to prevent a repeat of the violence that tragically marred the 2007 election. The results were seen in the collective commitment of Kenyans to a national election that fulfilled the promise of their new constitution and resulted in a peaceful transition.



Multimedia (discover more at fordfoundation.org/2012-annual/democratic-participation)

IMMIGRANT RIGHTS

Supporting a movement of dreamers

“Courageous young people expressing American values of freedom and fairness—that’s how this started.”

—Mayra Peters-Quintero, Senior Program Officer

CHALLENGE An estimated one million children are growing up in the United States without the benefit of legal status. For many of them, brought to the U.S. by their parents in early childhood, America is the only home they have known. Yet the failures of the nation’s broken immigration system threaten to keep them from participating freely in American society by limiting their access to education, employment, military service and, ultimately, citizenship.

STRATEGY In 2008, a fledgling group of young immigrant leaders approached the National Immigration Law Center, a Ford Foundation grantee, with the idea of starting a new organization—one that could build a unified voice for youth within the immigration debate and articulate a demand for access to higher education. Taking their name from the DREAM Act (officially the Development, Relief, and Education for Alien Minors Act, a measure designed to permit certain young immigrants who have grown up in the U.S. to obtain legal status), they decided to form the United We Dream network. Since then, the network has mobilized hundreds of thousands of “Dreamers”—as the young people who would benefit from the act became known—to tell their stories and render a vision of hope for what our society could be.

RESULTS The Dreamers won a major victory in June 2012 when President Obama established a policy that enables many young people to apply for “deferred action,” thus lifting the risk of deportation and authorizing them to work legally. The efforts of the Dreamers have earned widespread support—much of it from Americans who had never before recognized the injustices of their nation’s immigration policies. Now, these young people are advocating on behalf of their families for an immigration system worthy of their adopted home.

GIVING VOICE



2008 Youth organizations from around the U.S. form United We Dream, which aims to bring attention to the importance of policy solutions that address the needs of immigrant youth.



2010 Hundreds of young people walk in the “Trail of Dreams” from Miami to Washington, D.C., awakening the public to the plight of undocumented youth.



2012 A directive signed by President Obama—Deferred Action for Childhood Arrivals (DACA)—lets many young immigrants apply for legal status; 438,372 submit applications in the first six months.

GLOBAL HUMAN RIGHTS

Upholding human rights in a changing world

“We want to ensure that the issues affecting the most marginalized are at the top of the human rights agenda.”

—Martín Abregú, Director

STRENGTHENING AND DIVERSIFYING THE MOVEMENT



CHALLENGE Ford has been a steadfast supporter of human rights since the late 1970s, when a worldwide movement first gained momentum. Human rights advocates urged the adoption of universal standards and, using tactics like “naming and shaming,” pressured governments to uphold people’s rights. Their work has advanced democracy, helped codify the concept of human dignity and built a body of law and practice. What started out as a handful of organizations based mainly in the United States and Western Europe has become a network of rights defenders active in virtually every country of the world.

Today, dynamic global trends—including the rising influence of national powers in the Global South and the wide reach of new communications technologies—are changing the environment for human rights policy and advocacy. The movement is searching for strategies that work in this new context to uphold the rights of the world’s most vulnerable people.

STRATEGY In collaboration with leading human rights organizations, the foundation is working to develop a new architecture for the movement that matches our more globalized era. For the first phase of this effort, we are supporting seven outstanding human rights groups from the Global South. Based in South America, Africa and Asia, these organizations have been leaders in building connections between human rights and other issues: economic exclusion, extractive

A NETWORK OF RIGHTS DEFENDERS

New Challenges Demand New Strategies

WHO At the start of the human rights movement, international organizations from the U.S. and Western Europe provided leadership, reflecting the power dynamics of the day. Now, nations such as Brazil, India and China have gained influence, altering the global landscape.

WHAT At first, the human rights movement focused on setting universal standards for how all people should be treated. Standard setting is still important today—but the emphasis has shifted to enforcing and implementing rights.

HOW With ready access to Northern governments, stronger international alliances and better communication systems, human rights groups in the U.S. and Europe emerged as the primary allies of advocates in the Global South. Today, technological advances let Global South groups speak for themselves.

WHY Early human rights advocates from many societies of the Global South were silenced by government repression. Many of today’s advocates can express themselves more freely, thanks in part to the victories of the human rights movement.



industries, land and water rights, war and conflict, and gender equity. And leveraging the latest technology platforms and tools, they are documenting and publicizing human rights abuses, applying pressure where it matters most and broadening the constituency for change.

RESULTS These seven groups have begun to forge a new, more powerfully connected network of human rights defenders at a time when solutions from the Global South will have increasing currency. With deep experience in problems and strategies that demand the world’s attention, each of these partners is keenly attuned to tomorrow’s needs. Their voices, amplified within a truly global conversation, will profoundly influence the future of human rights.

- INFLUENCING FOREIGN POLICY ON HUMAN RIGHTS
- ADVOCATING FOR MARGINALIZED COMMUNITIES
- CONFRONTING IMPUNITY FOR PAST HUMAN RIGHTS ABUSES
- STOPPING HUMAN RIGHTS ABUSES BY CORPORATIONS
- ADVANCING ECONOMIC AND SOCIAL RIGHTS

Multimedia (discover more at fordfoundation.org/2012-annual/human-rights)



We strive to meet philanthropy's highest standards—and serve our grantees efficiently and dynamically.

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MESSAGE FROM THE CHAIR

The continuity of change

“At every milestone, we have sought to affirm our commitment to our partners, ensuring that the visionary leaders we support have the resources they require to stand boldly on the frontlines of social change.”

For more than three-quarters of a century, we have seen remarkable social transformations take hold across the globe. We have risen to the challenges of new economic and technological realities, and we have championed emerging voices of change in their call for justice and fairness. At every milestone, we have sought to affirm our commitment to our partners, ensuring that the visionary leaders we support have the resources they require to stand boldly on the frontlines of social change.

A strong commitment to these innovators and a dynamic approach to philanthropy have exemplified President Luis Ubiñas’s leadership at Ford. After six years of steadfast service, Luis will be stepping down in September. The board is grateful for the leadership and skill he brought to the foundation during a critical period in its history. He led the organization through a time of social and economic upheaval and will leave behind an institution that is even more focused in pursuit of its mission, operationally strong and filled with remarkable people and purpose. We were fortunate to have someone of Luis’s strategic acumen and ability devote an important part of his career to Ford’s philanthropic mission.

I have truly enjoyed my partnership with him during my years as chair and am joined by the board in our deep appreciation for the significant impact he and our entire staff have had on the foundation’s grant making around the world and its operations. In a time marked by political, economic and social turning points at home and abroad, his leadership enabled us to emerge with both clear



programmatic focus and the operational capability to achieve our aspirations.

Perhaps no other part of the world has made as great strides toward its own aspirations as Latin America. In 2012, when we marked our 50th anniversary in the region, my fellow trustees and I had the privilege of meeting grantees and witnessing their extraordinary leadership. Over the years, our offices in Mexico City, Rio de Janeiro and Santiago have provided on-the-ground support, and in total the foundation has invested nearly \$1 billion in local civil society organizations, contributing to the significant advances in this region.

From being defined by civil wars and dictatorships, Latin America has come to represent the possibility of social change. Today, virtually every country in the Americas is led by a freely elected government—with leaders spanning the political spectrum. Economic growth across the region is more broad based, the social safety net is more resilient and fewer citizens are being left behind. Indigenous and other traditional people are strengthening their voices, and human rights advocates are bravely exposing abuses wherever they occur. We also witnessed hopeful markers of progress elsewhere in the world—from Jakarta to Johannesburg, from New Delhi to Detroit—where our partners are engaged in the sustained efforts to ensure greater dignity for all.

We know that although poverty levels have improved in some places, prosperity remains out of reach for more than a billion people across the globe. Women and girls, in particular, face persistent barriers to advancement, and all over the world many people—from religious minorities to migrant workers—face daily discrimination and exclusion from decision making. In short, our work is far from done. Moving forward will require tapping the potential and participation of those who are still on the sidelines, ensuring that they gain access to opportunity, have a voice in decisions that shape their lives and can contribute to the incredible progress and growth experienced in Latin America and other regions.

As Luis, our ninth president, departs, we recognize that we are at another turning point but that our commitment to delivering results to the most vulnerable endures. In the midst of evolution and transition, continuity defines our persistent adherence to a long-term vision of change, to addressing what remains unfinished today and to charting where social justice must reach tomorrow.

Irene Hirano Inouye, Chair

HOW OUR BOARD WORKS

Meeting the highest standards of governance

For 77 years, our leadership has worked with commitment and purpose to advance the foundation's mission.

BOARD OF TRUSTEES

Over the years, the board of trustees, working with the president and a talented team of officers, has ensured that the foundation's operations are managed responsibly and meet the highest standards of governance. Chaired by Irene Hirano Inouye, the 13 trustees bring a wide range of knowledge and experience to the task of governing the foundation. They come from around the world and are leaders in many disciplines—social justice, scholarship, business and finance, law, government, technology and nonprofit management. Trustees are nominated by a committee of the board, appointed by the full board and generally serve two six-year terms. Each trustee sits on a variety of committees.

Our governance practices adhere to a set of policies—including bylaws, committee charters, standards of independence and a code of ethics—adopted by the board of trustees. The board establishes policies related to grant making, geographic focus, spending, investment, management, governance and professional standards, and also oversees internal and independent audits. The Audit Committee determines foundation officers' compensation, reviews their performance and that of the president, and handles all staff compensation matters.

FOUNDATION PRESIDENT

Luis A. Ubiñas, president of the foundation, implements board policies, defines strategy and oversees foundation programs and operations on a day-to-day basis. The president and other

officers of the foundation share responsibility for representing Ford in the public sphere. The president continually reexamines the foundation's work, looking for opportunities to hone strategies and improve results.

The president represents the foundation around the world, discussing the issues we address and strengthening our grasp of different perspectives on how to solve problems. In addition to overseeing the foundation's operations, the president communicates what we have learned to a broad array of audiences and works to strengthen the philanthropic sector's performance, legal compliance and transparency.

GRANT-MAKING OVERSIGHT

The board of trustees determines the substantive areas and geographic focus of the foundation's grant making. Within the budget approved by the board, the foundation makes about 1,400 grants throughout the year. The board has delegated authority for approving these grants to the president and senior staff. In addition, trustees serve on one of three program committees that help design strategy for each of the foundation's major program areas—Democracy, Rights and Justice; Economic Opportunity and Assets; and Education, Creativity and Free Expression. Membership on the committees rotates so that trustees serving 12 years become steeped in the work of each area and contribute to its development and assessment.

The trustees review approved grants at regular board meetings, which take place three times a year, in February, June and October. At those meetings, and during annual board visits to grantees worldwide, trustees meet grant recipients, learn about their work and spend time in the communities that benefit from our grant support.

TRUSTEE INDEPENDENCE

We place high value on the independence of our board members and require that a majority of our trustees be independent, that all trustees serving on the Audit and Nominating committees be independent and that trustees on the Audit Committee satisfy additional standards of independence.

When the staff proposes that the foundation fund an organization with which a trustee is affiliated as an employee, officer or trustee, that grant must be reviewed by the Audit Committee. The grant action document, which is reviewed and approved by management before submission to the Audit Committee, discloses the nature of the trustee affiliation and confirms that the trustee played no role in the initiation or negotiation of the grant.

BOARD COMMITTEES

A seven-person Executive Committee, composed of Board Chair Inouye, President Ubiñas and five other trustees, works with the foundation's officers and acts on behalf of the board between board meetings. Trustee committees dedicated to audit, finance, investment, management and governance, proxy votes, trustee nominations and the foundation's three program areas meet regularly and guide foundation activities throughout the year.

COMMITTEE MEMBERSHIP*

AUDIT

Thurgood Marshall Jr. (Chair)
J. Clifford Hudson
Irene Hirano Inouye
N. R. Narayana Murthy
Peter A. Nadosy

EXECUTIVE

Irene Hirano Inouye (Chair)
Kofi Appenteng
Afsaneh M. Beschloss
Thurgood Marshall Jr.
Peter A. Nadosy
Cecile Richards
Luis A. Ubiñas

FINANCE

Cecile Richards (Chair)
Kofi Appenteng
Juliet V. García
J. Clifford Hudson
Robert S. Kaplan

INVESTMENT

Peter A. Nadosy (Chair)
Afsaneh M. Beschloss
Irene Hirano Inouye
Robert S. Kaplan
Luis A. Ubiñas

MANAGEMENT AND GOVERNANCE

Kofi Appenteng (Chair)
Tim Berners-Lee
Afsaneh M. Beschloss
Martin Eakes
Irene Hirano Inouye
Luis A. Ubiñas

NOMINATING

Irene Hirano Inouye (Chair)
Kofi Appenteng
Thurgood Marshall Jr.
Peter A. Nadosy

PROXY

Juliet V. García (Chair)
Irene Hirano Inouye
N. R. Narayana Murthy
Peter A. Nadosy
Cecile Richards

DEMOCRACY, RIGHTS AND JUSTICE

Afsaneh M. Beschloss (Chair)
Tim Berners-Lee
Juliet V. García
Thurgood Marshall Jr.

ECONOMIC OPPORTUNITY AND ASSETS

N. R. Narayana Murthy (Chair)
Kofi Appenteng
Peter A. Nadosy
Cecile Richards

EDUCATION, CREATIVITY AND FREE EXPRESSION

J. Clifford Hudson (Chair)
Martin Eakes
Irene Hirano Inouye
Robert S. Kaplan

*As of May 2013

See a full list of Ford Foundation board of trustees members on page 82.

Public documents that describe the foundation's governance practices, including our bylaws, articles of incorporation and code of ethics, are available at fordfoundation.org/about-us/governance

Grant making by region

We support visionary leaders and organizations working on the frontlines of social change throughout the United States and in 10 regions around the world.

- DEMOCRACY, RIGHTS AND JUSTICE
- ECONOMIC OPPORTUNITY AND ASSETS
- EDUCATION, CREATIVITY AND FREE EXPRESSION
- PRIs
- OTHER GRANT ACTIONS

UNITED STATES AND WORLDWIDE PROGRAMS

- \$128,372,188
 - \$109,707,346
 - \$109,175,890
 - \$29,500,000
 - \$19,611,741
- \$396,367,165**



MEXICO AND CENTRAL AMERICA

- \$5,340,300
 - \$3,640,000
 - \$2,335,000
 - \$2,366,700
- \$13,682,000**



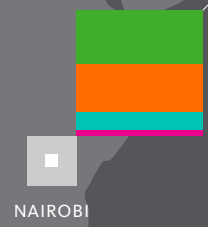
WEST AFRICA

- \$5,150,000
 - \$1,000,000
 - \$3,702,600
 - \$2,852,330
- \$12,704,930**



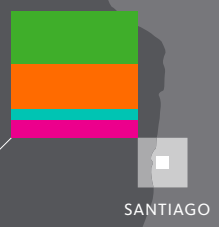
EASTERN AFRICA

- \$5,280,000
 - \$4,567,277
 - \$1,690,000
 - \$550,000
- \$12,087,277**



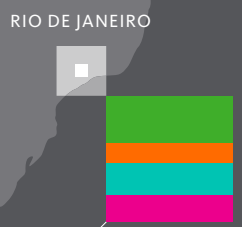
ANDEAN REGION AND SOUTHERN CONE

- \$5,253,073
 - \$4,621,000
 - \$1,125,000
 - \$1,732,420
- \$12,731,493**



BRAZIL

- \$3,730,950
 - \$1,700,000
 - \$2,602,387
 - \$2,121,984
- \$10,155,321**



MIDDLE EAST AND NORTH AFRICA

- \$4,955,000
 - \$7,865,000
 - \$850,000
- \$13,670,000**



INDIA, NEPAL AND SRI LANKA

- \$3,758,500
 - \$4,552,021
 - \$3,980,000
 - \$1,222,912
- \$13,513,433**



CHINA

- \$8,037,781
 - \$1,793,835
 - \$3,330,002
 - \$2,034,768
- \$15,196,386**

INDONESIA

- \$2,287,500
 - \$5,132,282
 - \$3,396,250
 - \$955,000
- \$11,771,032**



SOUTHERN AFRICA

- \$5,954,500
 - \$2,536,529
 - \$4,586,925
 - \$938,880
- \$14,016,834**

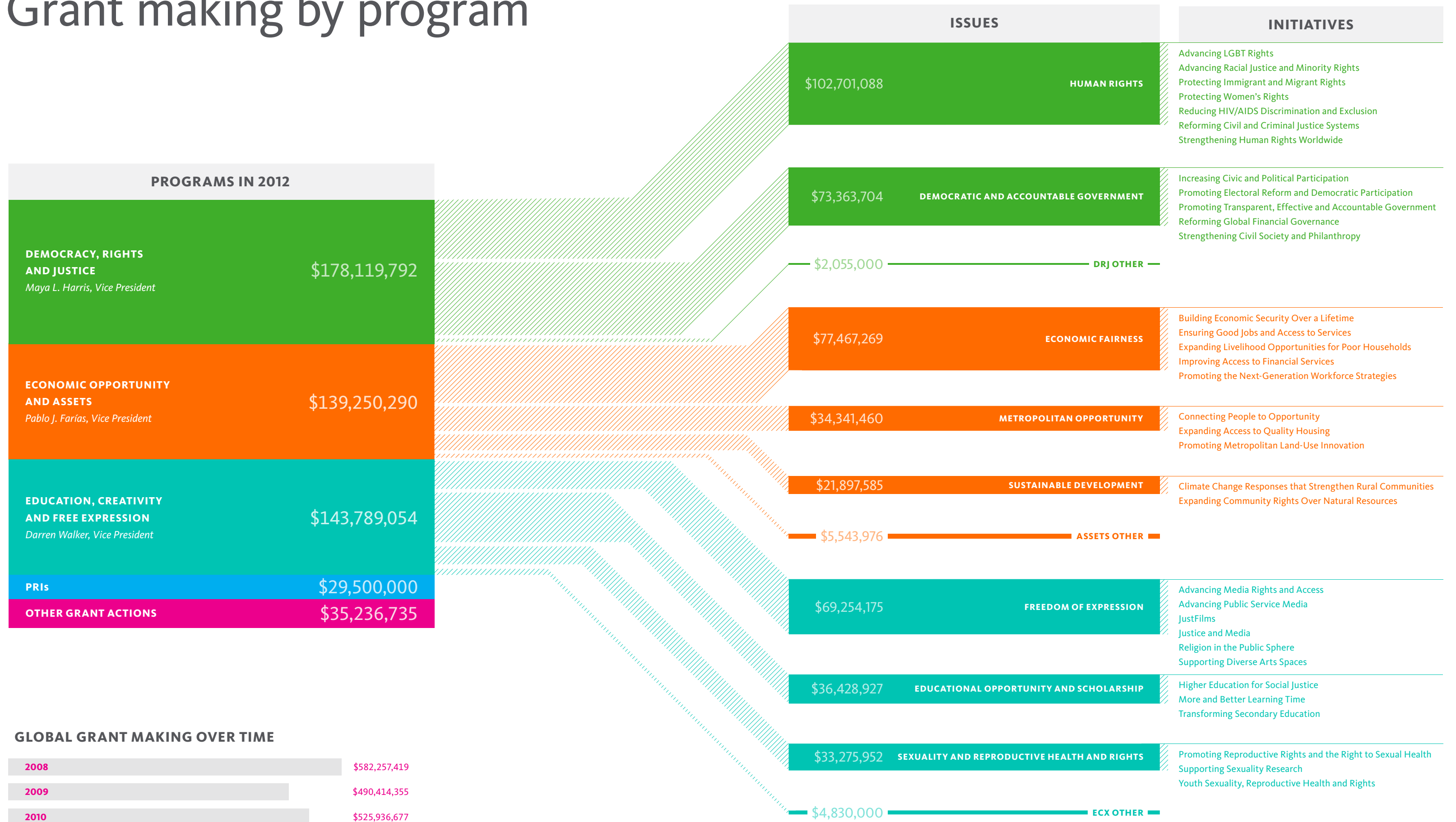


TOTAL GRANT MAKING 2012

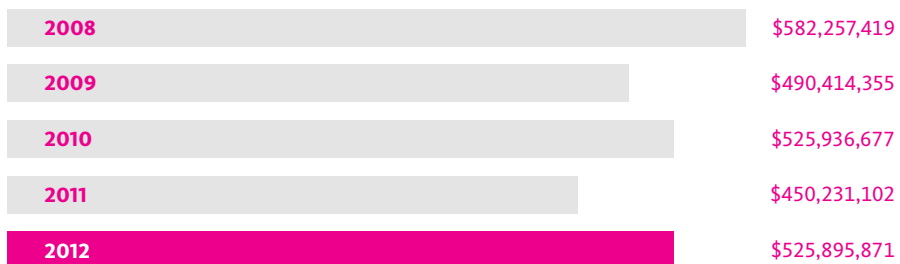
- \$178,119,792
 - \$139,250,290
 - \$143,789,054
 - \$29,500,000
 - \$35,236,735
- \$525,895,871**



Grant making by program



GLOBAL GRANT MAKING OVER TIME





We use every resource—from grant support to strategic communications—to help our partners achieve impact.

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COMMUNICATIONS

Advancing our work through strategic communications

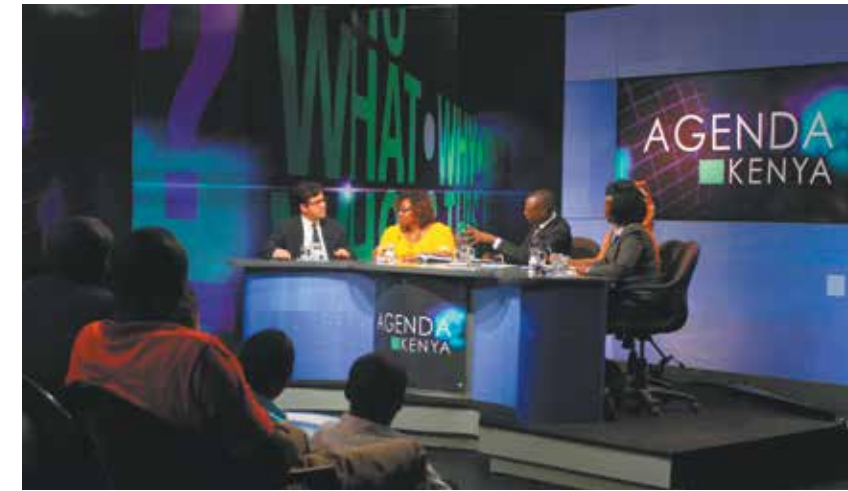
“Across all our programs we ask, How can smart communications improve the impact of the efforts we support?”

—Joe Voeller, Senior Strategist,
Office of Communications

CHALLENGE In today’s hyperconnected world, it’s more crucial than ever to tell compelling stories that break through and motivate people to work together for social change. For the Ford Foundation, whether we are communicating with small groups of policymakers or a general audience of millions, whether focusing on human rights or economic development, our charge is the same: to see that fairness, inclusion and equity become the watchwords of human progress.

STRATEGY The first step toward effective communications is strategically aligning grant-making objectives and communications opportunities. We begin by sharpening our focus on our grant-making strategies, which allows us to communicate those strategies transparently so that others can understand our priorities. Then, we look for key opportunities to spotlight the innovative solutions emerging from the organizations we support.

RESULTS In 2012, we worked across a variety of media, created compelling content, and convened leading thinkers and social innovators from around the globe, all as part of our commitment to support our partners with impact-oriented communications that add value beyond our grants. In collaboration with the Elders, the NoVo Foundation and others, for example, we launched a campaign to end child marriage. Targeting influential audiences via Twitter, Time.com and other high-circulation media, we brought international attention to a practice that



reduces the life chances of 10 million girls a year. In other global efforts, we strategically placed opinion articles in major media to make the case for expanding community rights over natural resources. And we elevated the critical role of cities in sustainable development and inclusive growth through engagement with high-level platforms such as the United Nations Conference on Sustainable Development and the C40 Cities Climate Leadership Group.

Here in the United States, we worked with the National Center on Time and Learning to catalyze a movement to transform education through expanded and redesigned learning time, an innovation that gives students from high-poverty districts the chance to succeed and compete in the global economy. Working with our education team and grantees, we contributed to a series of national and state events, op-eds and digital content;

these opportunities helped attract the interest of dozens of mayors, governors and education commissioners who are now exploring expanded learning time in their districts. We created our first-ever partnership with The Washington Post, raising the issue of AIDS in America among key policymakers who shape the nation’s response to the epidemic. Lastly, we helped convene scores of events throughout the year that spurred thinking, created alliances and galvanized action. At the end of 2012, at a pivotal juncture for the LGBT rights community, Ford’s Out for Change conference brought together courageous leaders and produced award-winning multimedia content to define the next frontlines of the LGBT movement.

FINANCE AND OPERATIONS

Managing operations to better support our partners

“We have upgraded every major operational system because we know our grantees depend on us to operate effectively and with agility.”

—Nicholas M. Gabriel, Vice President,
Chief Financial Officer and Treasurer

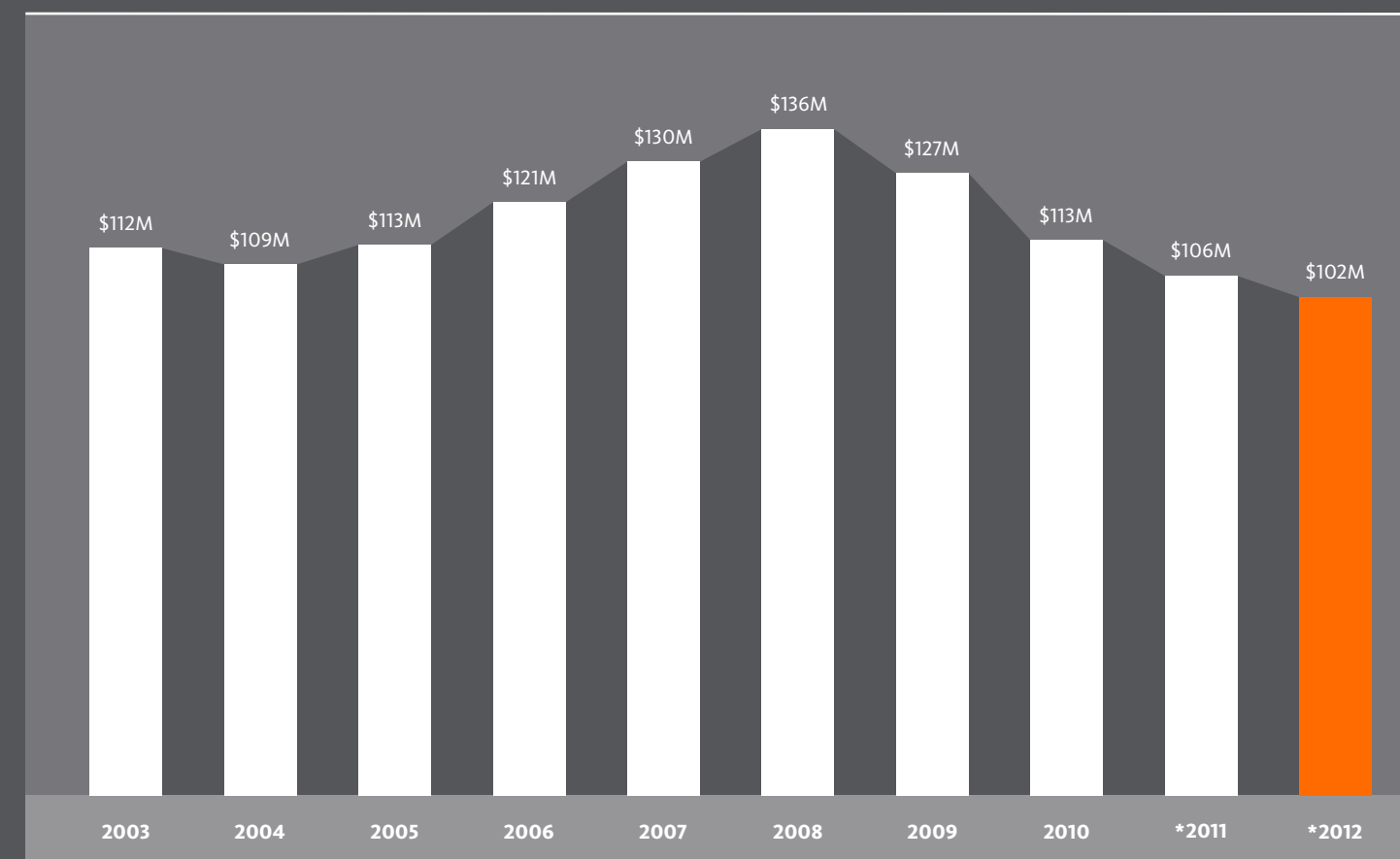
CHALLENGE Our success in implementing and supporting program initiatives depends on how well we run the foundation’s day-to-day operations and manage our endowment. Our challenge therefore is to bring to all of our operations the same level of rigor that we use to define strategy, allocate resources, gather information and evaluate results. In other words, every department is part of a foundation-wide culture of results.

STRATEGY We have worked steadily over the past five years to strengthen our internal operations while also bolstering our ability to respond to emerging needs. We focused our grant making to drive impact in eight major issue areas and invested in technology to increase reliability and efficiency. We renovated facilities in nearly all of our offices around the world—from Nairobi to New York and Johannesburg to Jakarta—so they could become social justice convening centers for our grantees and other partners. And by communicating more about what we do and why we do it, we have made our work more transparent and improved our ability to share learning and new ideas. All in all, we have upgraded every major operational system within the foundation; today, we are in a strong position to sustain our performance and give our partners the support they need to advance their work.

RESULTS In the past year, we maintained our commitment to results-oriented management and reaped the benefits of greater efficiency. Our operating expenses decreased from \$106

OPERATING EXPENSES

In 2012, we continued to benefit from our focus on improving the foundation’s performance, allowing us to allocate more funds to grant making and ensure our grantees get the support they need.



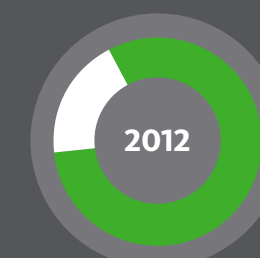
*Note: Excludes investment advisory fees of \$9 million and \$10 million in 2011 and 2012, respectively, which are included in expenses incurred in the production of income as presented on page 62.

million in 2011 to \$102 million in 2012. That savings, along with continued strong returns from our endowment, allowed us to allocate even more funds to our programs and maximize our support to grantees. As part of prioritizing the people we serve, we strive to keep an 80:20 ratio between program expenditures and operating and capital expenditures. In 2012, we met that target, in keeping with our commitment to a healthy and effective organization—one that is focused on results both internally and externally.

We owe these results to our extraordinary and talented staff, working in every part of the foundation. Their creativity, dedication and collaborative spirit have carried us through an important but challenging process of realignment; they continue to be Ford’s most important assets.

OPERATING RATIOS

In 2012, we met our target ratio of 80:20 between program expenditures and operating and capital expenditures, reaffirming our commitment to a strong, results-oriented organization.



- Program Expenditures (81%)
- Operating and Capital Expenditures (19%)

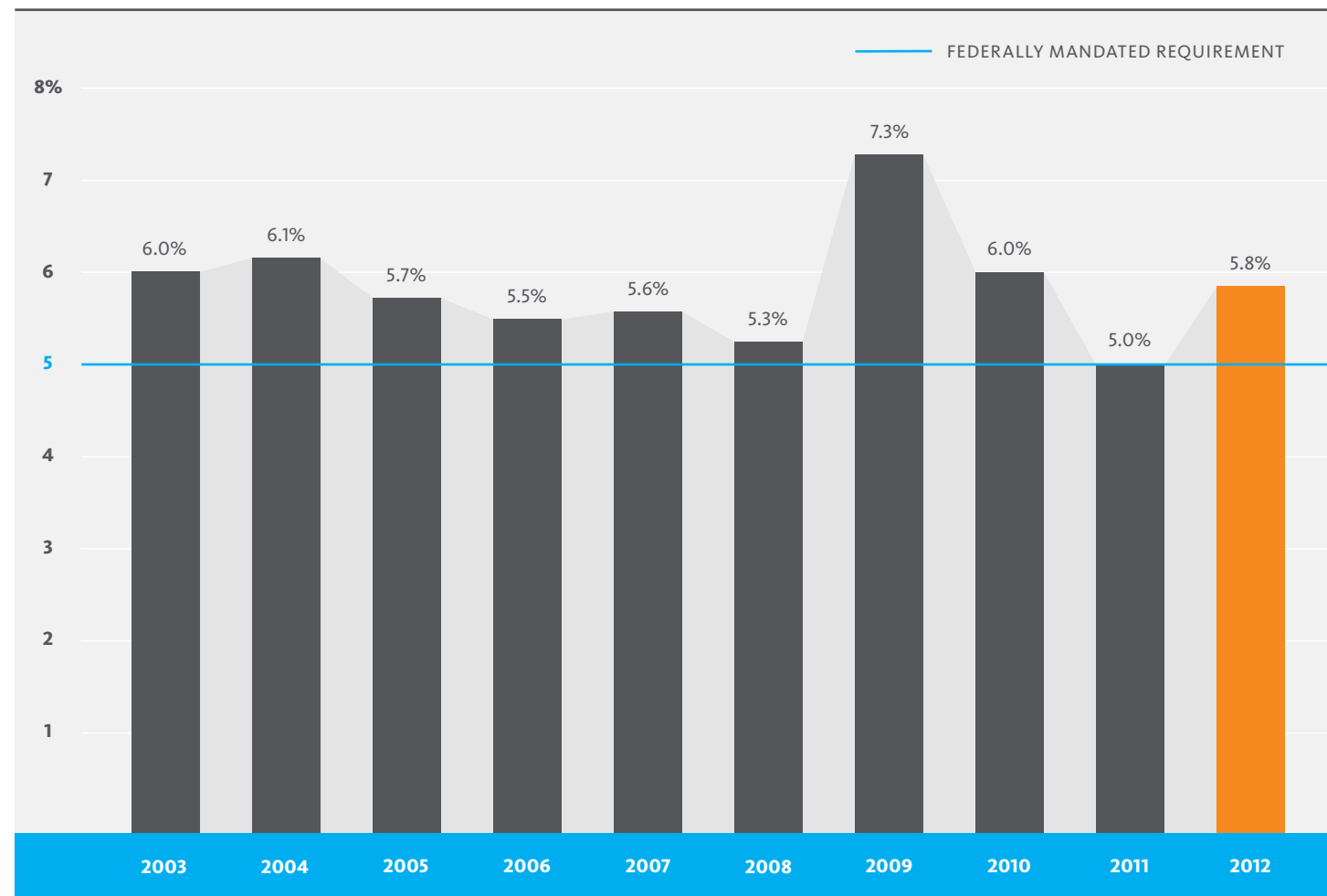
PAYOUT RATE

Our board of trustees approves program and operational budgets on a two-year basis, appropriating one year's funding at a time. The size of the two-year budget takes into account three considerations: satisfying the U.S. federal payout requirement (the yearly obligation to disburse 5 percent of the average value of the endowment); preserving the value of the endowment for long-term charitable funding; and meeting our programs' needs—including new opportunities to expand their impact.

In determining the percentage of the endowment we distribute every year, we take a countercyclical approach, increasing our payout rate

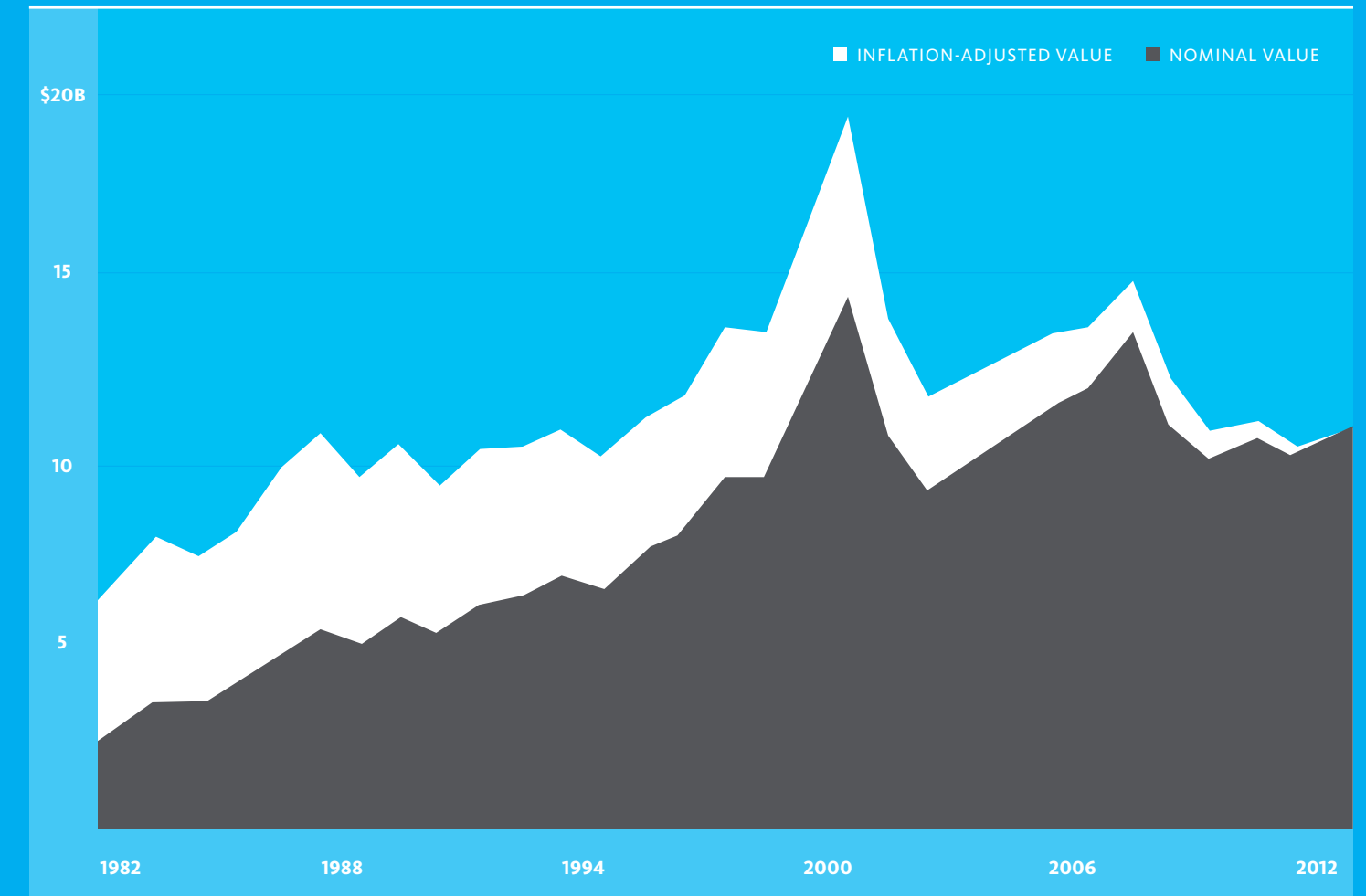
during economic downturns and moderating it during economic expansions. This method maintains the stability of our grant-making budgets and protects our grantees through varying economic cycles.

The chart below presents our payout rates during the past 10 years. Following our countercyclical methodology, our payout rates in 2009 and 2010 were elevated during the severe economic downturn we experienced those years. As a result, we maintained stable grant-making budgets through this period—despite the volatility of global financial markets and the resultant fluctuations of our endowment values.



PORTFOLIO VALUES

The Ford Foundation does not receive outside contributions to its endowment. Our policy has been to try to preserve the inflation-adjusted value of the endowment. As illustrated below, over the last 30 years, our net assets have grown from \$2.7 billion to \$10.7 billion nominally. Adjusting for inflation, the value of our net assets has increased by more than 60 percent during this period, while our grant making has exceeded \$15 billion (also adjusted for inflation)—nearly two-and-a-half times the inflation-adjusted value of our endowment at the start of this period.



FISCAL RESPONSIBILITY

INCOME AND EXPENDITURES

After investment expenses, our total income—which is composed of interest, dividends, and realized and unrealized appreciation in investments—was \$1.2 billion for fiscal year 2012 as compared with \$138.5 million in the previous year. Our interest income declined to \$60.7 million in fiscal year 2012 because of lower interest rates and a smaller allocation to fixed income, and dividend income decreased to \$75.7 million as we shifted from the direct ownership of equities to externally managed investments. Realized gains decreased to \$317.4 million, and unrealized gains increased by \$790.7 million. Finally, our expenditures during the year were \$563 million, the majority of which were program activities consisting of grants to organizations and individuals, direct charitable activities and program management. (For more on our grant-making priorities, see our charts on pages 46–47.)

FEDERAL REQUIREMENTS

The Internal Revenue Code imposes an excise tax on private foundations equal to 2 percent of net investment income, which is defined as interest, dividends and net realized gains less expenses incurred in the production of income. The tax is reduced to 1 percent for foundations that meet certain distribution requirements. For fiscal year 2012, the Ford Foundation satisfied the requirements and incurred \$3 million of taxes, excluding the deferred portion of excise taxes resulting from unrealized appreciation or depreciation on investments. Since fiscal year 1971, the foundation has incurred federal excise taxes of \$350 million.

The Internal Revenue Code also requires private foundations annually to disburse about 5 percent of the market value of investment assets, less the federal excise tax. The payout requirement may be satisfied by payments for grants, program-related investments, direct conduct of charitable activities and certain administrative expenses. In fiscal year 2012, we made qualifying distributions of \$605 million, while our total for the past five years was \$3.1 billion, exceeding the federally mandated payout requirement by \$348 million. (For an overview of our payout rate, see the explanation and chart on page 54.)

PROGRAM-RELATED INVESTMENTS (PRIs)

In addition to issuing grants, we provide social entrepreneurs and other change makers with affordable access to capital—in the form of debt, equity financing or loan guarantees. The trustees have earmarked up to \$280 million of the corpus for these investments. (Read more about our PRI strategy on page 16.)

As of September 30, 2012, the foundation had \$250.7 million of investments: \$207.1 million had been disbursed and was outstanding, and the remaining \$43.6 million was committed. During the fiscal year, we made new PRI loan commitments of \$29.5 million, disbursed \$10.5 million and received principal repayments of \$9.4 million. The following table summarizes the PRI program for fiscal years 2012 and 2011.

2012	As of September 30 (in thousands)
Investments outstanding, beginning of fiscal year	207,371
Activities during the year:	
Investments disbursed	10,494
Principal repaid	(9,409)
Investments written off	(1,400)
Investments outstanding, end of fiscal year	207,055
Commitments for investment	43,630
TOTAL COMMITMENTS AND INVESTMENTS OUTSTANDING	\$250,685
Allowances for possible losses	26,465
Program development and support*	1,261
Investment income received	2,295
2011	As of September 30 (in thousands)
Investments outstanding, beginning of fiscal year	198,751
Activities during the year:	
Investments disbursed	16,945
Principal repaid	(7,668)
Investments written off	(657)
Investments outstanding, end of fiscal year	207,371
Commitments for investment	24,623
TOTAL COMMITMENTS AND INVESTMENTS OUTSTANDING	\$231,994
Allowances for possible losses	27,625
Program development and support*	1,307
Investment income received	1,985

*Includes the cost of providing technical assistance to develop new PRIs and evaluating ongoing investments.

INVESTMENTS

Strengthening and diversifying our investments

“By managing risk carefully, we have achieved strong, stable returns in a period of high volatility.”

—Eric W. Doppstadt, Vice President and Chief Investment Officer

CHALLENGE Social change organizations around the world depend on us. To support their work now and reliably into the future, we need to preserve and grow the value of our endowment. Our challenge in the past five years has been to manage this responsibility while weathering extreme volatility in the global markets.

STRATEGY In making investment decisions, we take a long-term approach. That has many advantages, one of the most important of which is that it enables us to be buyers, not sellers, in times of market volatility and stress. As a result, we have been able to take advantage of investment opportunities that serve the foundation and our grantee partners well, reinvesting more than 80 percent of the endowment over the last four years.

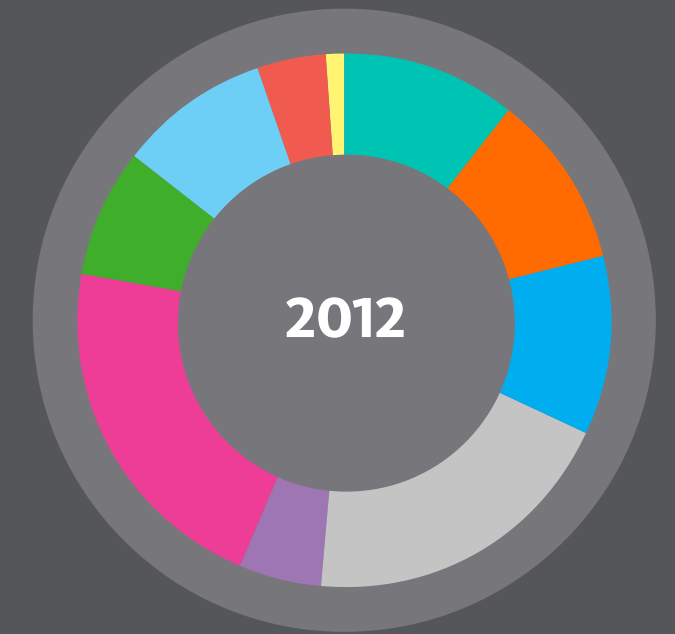
We have methodically built a portfolio that strikes a balance between risk and return. What that means, in practical terms, is a set of investments that are diversified broadly, adjusted to protect against both unanticipated inflation and deflation, and poised to provide enough liquidity to fulfill our obligations and to rebalance as needed when attractive opportunities come along. Our goal is to generate stable and consistent returns while taking moderate risk.

RESULTS At the close of the 2012 fiscal year, our endowment stood at \$10.7 billion, up from \$10.1 billion at the end of 2011 and from a low during this recent period of \$8.1 billion in early

PORTFOLIO DIVERSIFICATION

Over the past five years, we have significantly diversified our portfolio, ensuring that our returns are less volatile and making our endowment more resilient. In light of ongoing risks and uncertainty in the external environment, we have also maintained substantial liquidity — allowing us to meet our ongoing spending needs and pursue attractive investment opportunities.

- DOMESTIC EQUITY
- FOREIGN EQUITY
- EMERGING MARKETS EQUITY
- PRIVATE EQUITY
- LONG CREDIT
- DIVERSIFIED STRATEGIES
- REAL ASSETS
- U.S. GOV. OBLIGATIONS
- TIPS
- CASH



2009. Our portfolio has achieved positive returns for three consecutive years, including a 12.5 percent gain in 2012. This brings our annualized returns over the past 10 years to 7.7 percent, despite deep losses in 2008.

We have also successfully diversified our endowment. Our portfolio is now invested strategically across different markets, geographical regions and potential environments for growth and inflation. We have transitioned all equity-related investments to external management, giving us access to the most skillful managers possible in each area we decide to pursue. We also do more to understand and manage risk, based on long-term market exposure guidelines from which we deviate when there is evidence that the potential gains are substantial. Using a wide range of available data and analytics, we continually measure performance against long-term expectations and adjust accordingly. Overall, we are poised to respond dynamically to investment opportunities and challenges ahead.

With a strong endowment, we can confidently allocate resources to our grant making and make long-term commitments to advancing social change. Today, we have a robust portfolio, a solid record of investment performance and a powerful determination to continually improve our endowment so that it enables us to make the world a fairer and more equitable place.

HOW OUR ENDOWMENT WORKS

Through careful stewardship of our assets, we work to keep our endowment strong, so we can support social change makers across the world.



Multimedia (discover more at fordfoundation.org/about-us/how-our-endowment-works)

OUR LEADERSHIP

BOARD OF TRUSTEES

IRENE HIRANO INOUE

CHAIR

PRESIDENT
U.S.-Japan Council
Washington, D.C.

LUIS A. UBIÑAS

PRESIDENT

KOFI APPENTENG

PARTNER

The West Africa Fund

PARTNER

Constant Capital (GH) Ltd.
Redding, Connecticut

CHAIR

Africa-America Institute
New York, New York

CHAIR

International Center for
Transitional Justice
New York, New York

TIM BERNERS-LEE

PROFESSOR

School of Engineering and
Computer Science and Artificial
Intelligence Laboratory,
Massachusetts Institute
of Technology
Cambridge, Massachusetts

PROFESSOR

School of Electronics and
Computer Science, University
of Southampton
Southampton, United Kingdom

DIRECTOR

World Wide Web Consortium
Cambridge, Massachusetts

FOUNDER

World Wide Web Foundation
Geneva, Switzerland

PRESIDENT

Open Data Institute (ODI)
London, United Kingdom

AFSANEH M. BESCHLOSS

PRESIDENT AND CEO

The Rock Creek Group
Washington, D.C.

MARTIN EAKES

CO-FOUNDER AND CEO

Self-Help

CEO

Center for Responsible Lending
Durham, North Carolina

JULIET V. GARCÍA

PRESIDENT

University of Texas at Brownsville
Brownsville, Texas

J. CLIFFORD HUDSON

CHAIRMAN OF THE BOARD

AND CEO

Sonic Corp.
Oklahoma City, Oklahoma

ROBERT S. KAPLAN

SENIOR ASSOCIATE DEAN

FOR EXTERNAL RELATIONS
Harvard Business School

MARTIN MARSHALL PROFESSOR

OF MANAGEMENT PRACTICE IN
BUSINESS ADMINISTRATION
Harvard Business School
Boston, Massachusetts

SENIOR DIRECTOR

The Goldman Sachs Group, Inc.
New York, New York

CO-CHAIR

Draper Richards Kaplan Foundation
San Francisco, California

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