



Religious Communities Investment Fund



Co-Creating an Economy for All

2015 Annual Report

Mission of the Fund

The Fund is a coordinated effort of various Catholic Religious Congregations who believe, as Gospel people, that they are called to use their financial resources as a ministry to assist in overcoming social and environmental inequities.

The Congregations pool their individual assets to support the mission of promoting economic justice through investments in low-income communities worldwide. By investing in nonprofit organizations that address the economic inequalities in low-income communities, the Fund seeks to promote an economy of solidarity and reflect the Gospel values of economic justice, compassion, human dignity and environmental stewardship.

Focus of the Fund

The Fund is a portfolio of debt and equity investments in projects consistent with the Gospel mission of economic justice for all. The investments benefit the economically poor; especially women and children, concentrating on those who are unserved or poorly served through traditional financial sources. The funding recipients, usually intermediary agencies, are those seeking ways to give beneficiaries an effective voice in the planning and implementation of the given projects, as well as those who address the multi-cultural reality of our society. Investment returns are expected to slightly outpace inflation.



Photo courtesy Kate Harris Photography

↑ Amanda and her daughter own their own home thanks to the New Hampshire Community Loan Fund, an RCIF borrower.



Photo courtesy ECLOF

↑ Lidia de la Cruz in the Dominican Republic expanded her afterschool program with consecutive loans from RCIF borrower ECLOF.



RCIF Board

Pablo Bravo (*Treasurer*)

Vicki Cummings

Margaret Diener, OP (*Chair*)

Leora Linnenkugel, OLVM

Cathy Minhoto, RSHM (*Secretary*)

Tan Vo

RCIF Sponsors

Congregation of Sisters of Mercy-
San Bernardino

Congregation of St. Joseph

Dominican Sisters of Mission San Jose

Dominican Sisters of San Rafael

Dominican Sisters of Tacoma, WA

Franciscan Sisters, Little Falls, MN

Our Lady of Victory Missionary Sisters

Poor Sisters of Jesus Crucified and
the Sorrowful Mother

Religious of the Sacred Heart of Mary
Sisters of Charity, BVM

Sisters of Charity of Nazareth

Sisters of the Holy Family

Sisters of the Holy Names

Sisters of Notre Dame,
Thousand Oaks, CA

Sisters of Notre Dame, Toledo, OH

Sisters of Notre Dame de Namur,
California Province

Sisters of Notre Dame de Namur,
Ohio Province

Sisters of the Presentation

Sisters of St. Francis-Redwood City

Sisters of St. Francis, Sacred Heart
Province

Sisters of St. Joseph-Carondelet

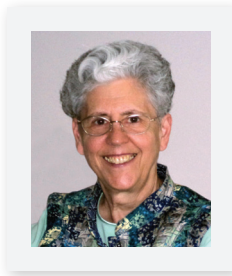
Sisters of St. Louis

Honored Donors

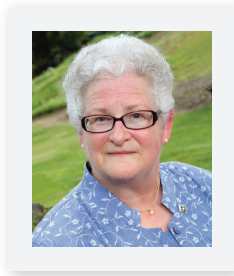
Dignity Health

Sisters of St. Joseph of Orange

On the cover: Diamond Riley, Front End Manager, helps a customer at Durham Co-op Market, a community-owned store dedicated to the creation of a strong, safe, and supportive work environment. Durham Co-op received a loan from the Local Enterprise Assistance Fund, one of RCIF's borrowers. Photo by Brand Fortner.



Corinne Florek



Margaret Diener

This quote from *Power of Sisterhood* regarding the Apostolic Visitation could also apply to the work of RCIF: “The experience made firm our commitment to connect more regularly and at greater depth with the broader community of the people of God, even at times beyond insurmountable divides; and, in so doing, engage more whole heartedly in the labor of **co-creating a universal household in the image of a very big God.**” (*Power of Sisterhood: Women Religious Tell the Story of the Apostolic Visitation*, edited by Margaret Cain McCarthy and Mary Ann Zollmann)

Reflecting upon both events, striking parallels emerged. RCIF was incorporated in September 2008 and the Apostolic Visitation was announced in December 2008. RCIF began lending in January 2009 just as congregations received the actual letter announcing the Apostolic Visitation. The final report of the Apostolic Visitation was published in December 2014.

During those six intervening years, as women religious experienced various emotions, reactions, worries, questionnaires, visits, etc. regarding their own way of life, RCIF was expanding the ministry of economic justice on their behalf.

By June 2015, RCIF had grown from \$3 million in assets to \$8 million. Loans to borrowers grew from 39 to 122 and sponsoring congregations grew from 11 to 22. All this fertile growth, not to mention the number of jobs, housing, square footage of commercial space, or number of lives touched, happened when women religious were also experiencing one of the most challenging and transformative experiences since Vatican II!

With additional capital and five new sponsors, RCIF was able to expand its lending coast to coast as well as internationally. The borrowers highlighted in this report are a small sampling of the impact our investments made this past year.

We welcomed two board members, Sr. Leora Linnenkugel and Vicki Cummings, who were featured in our last two newsletters. Both bring wonderful skills and experience to RCIF’s work. We want to thank Srs. Linda Orrick and Pat Rayburn, who generously served for six years and established a solid foundation upon which RCIF can flourish.

It gives one pause to reflect on how the Apostolic Visitation, despite the turmoil and anxiety, impelled us toward greater solidarity and the determination to stay focused on our ministry. To quote the *Power of Sisterhood*, “As women open to transformation—embracing strengths and weaknesses, confident in what is possible—we chose to forge ahead.” And forge ahead we will, with RCIF exercising the *Power of Sisterhood* to encourage many others to join us in the creation of an economy of solidarity.

Sincerely,

Corinne M. Florek, OP

Corinne Florek, OP
Executive Director

Margaret M. Diener, OP

Margaret Diener, OP
Board Chair

Investors

We celebrate our recent investors—from coast to coast

Dominican Sisters & Associates

Tacoma, WA

Inspired by the spirit of Dominic and imbued with the vision of our foundresses, Sisters Thomasina, de Chantal and Aloysia, the Tacoma Dominicans respond to God's call to proclaim the Gospel of Jesus Christ. Their Dominican tradition of contemplation impels them to collaborate in networks of spiritual, educational and political commitment to create a just society that addresses basic human needs and ends the violence that erodes our planet. The diversity of their ministries flows from the biblical concept of justice.

The Franciscan Sisters

Little Falls, MN

The Sisters are dedicated to living the Gospel joyfully through the Franciscan values of conversion, contemplation, poverty and minority. They are committed to living simply while working courageously for the dignity and well-being of all God's creation, promoting human rights, building community wherever they live, and healing the sources of Mother Earth's wounds. Their work and ministries enhance spiritual life, inspire personal dignity, foster social justice, and model the joy, friendship and simplicity of the Franciscan way of life.

Poor Sisters of Jesus Crucified and the Sorrowful Mother

Boston, MA

The Sisters commit themselves to the poor through healthcare and education, seeking to extend the compassion of Jesus Crucified by working toward justice and assuming responsible stewardship. They act from belief in their core values of hospitality, compassion, respect and stewardship. They recognize the Passion of Jesus in the poor and the powerless, aged and infirm, and victims of greed and injustice. They collaborate with lay associates and risk new pathways to journey with those who suffer.

Sisters of Mercy

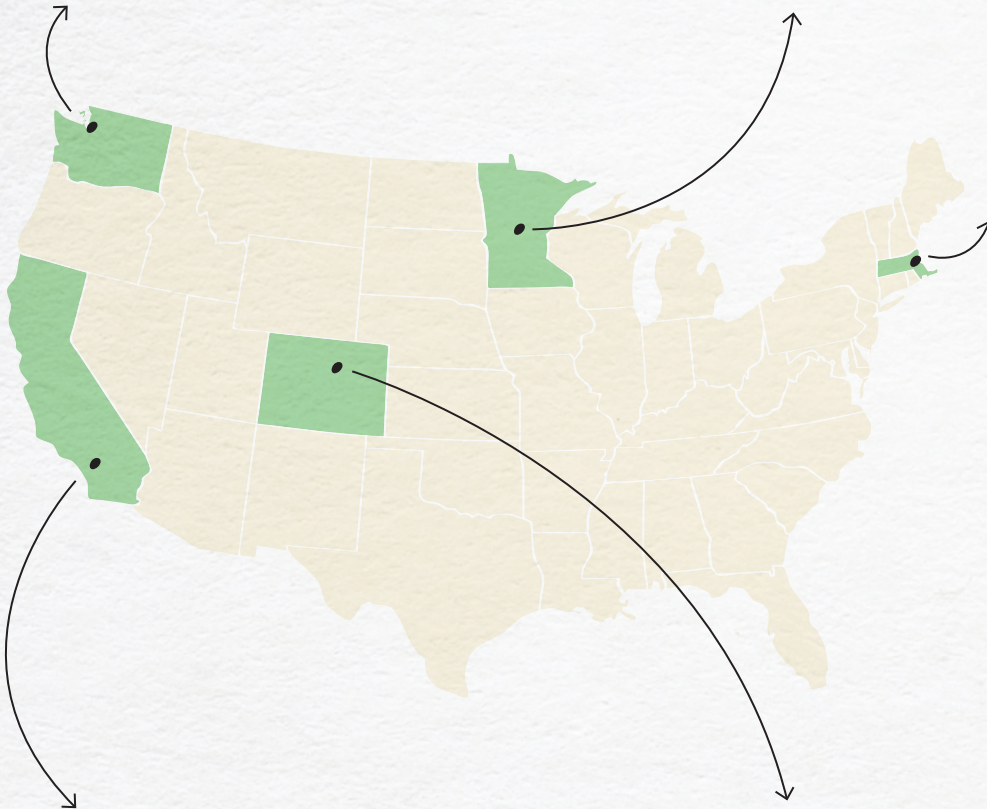
Redlands, CA

The Sisters carry out the mission of mercy guided by prayerful consideration of the needs of our time. Their daily lives as Sisters of Mercy are rooted in the core values of spirituality, community, service, and social justice. They work passionately to eliminate poverty, the widespread denial of human rights, the degradation of the earth, the increase in violence and racism, the continued oppression of women, the abuse of children, the mistreatment of immigrants, and the lack of solidarity among people and nations.

Sisters of St. Francis of Penance and Christian Charity Sacred Heart Province

Denver, CO

The Sisters of St. Francis are a community of minores rooted in the Gospel. They are changed continually in contemplative stillness to live simply, to trust serenely and to treat all creatures with gentle courtesy. Committed to living out the gospel in these times of global shift, they are called by the Spirit to cross frontiers of culture, language, and belief to spread the Good News of God's love for all people, wherever the needs are greatest. The Sisters are multi-cultural, multi-generational and multi-talented!



Sprout! Regional Food Hub

Nourishing body, soul and spirit in the Northwest



For decades, the lumber industry was the main source of jobs in the town of Springfield, Oregon. When the sawmill shut down and the paper factory downsized, Springfield struggled to develop a more diverse, sustainable economy.

The nonprofit Neighborhood Revitalization and Development Corporation (NEDCO) has played a big part in the revitalization of Springfield, offering redevelopment, homeownership, microenterprise and financial resources to residents. This May, a group of RCIF investors made a site visit to one of NEDCO's biggest success stories: the Sprout! Regional Food Hub.

Located in downtown Springfield, Sprout! is many things—the region's only indoor, year-round farmer's market, a fully certified commercial kitchen for use by small businesses, and a business incubator. It's also a wonderful place to have a meal.

Sr. Jane Hibbard of Sisters of the Holy Names was one of the attendees. "I've lived in the area for a long time," she said, "and was really interested in this investment. During the trip I was very impressed at the way they've connected with the local farmers and



Photo courtesy of NEDCO.

↑ A busy farmer's market day at Marketplace Hall.

created a new feeling in the community, which has been a depressed community since the logging ended. I do believe they're creating change in downtown Springfield."

Sprout! is sited in a former church; the pews have been removed to make a space that is used by the farmer's market and rented out to community groups, creating a center for local activities. The state-of-the-art commercial kitchen in the back of the building is rented by start-up food businesses that include bakers, brewers and restaurants, and large enough to be used by three food businesses at once.

The RCIF site visit committee toured the commercial kitchen, cafe, marketplace hall and tasting room. Members commented on how appropriate it is that this former church has been feeding people in mind, body and spirit since 1922, and continues to nourish hopes, dreams and lives. Now that a brewery and bakery are both on site, there is even "bread and wine" in the church again.



These folks are doing incredible work and it's an amazing way for religious communities to invest their assets.

SR. JANE HIBBARD

"Our group wrapped up their trip with a delicious lunch cooked by Sprout! tenant businesses," said Sr. Jane. "We had a choice of Mediterranean, Egyptian and Asian cuisines. **We were all so proud of what Sprout! is doing—everybody in the committee was excited to be there.** These folks are doing incredible work and it's an amazing way for religious communities to invest their assets."



↑ Three Sprout! staff with Sr. Jane and Vicki Cummings.

Self-Help Federal Credit Union

Saving a local financial institution and hundreds of homes



Second Federal Savings had weathered good times and bad since being opened by Eastern European immigrants in the late 1800s. As its neighborhood in Chicago's Southwest Side changed, it changed with the times. By the year 2000, it was the main local savings institution for Mexican-American immigrants, holding over 1,100 mortgages.

But in 2009, the recession threatened to close the doors of Second Federal Savings forever—and to force hundreds of families into foreclosure on their homes.



We were able to preserve over 90% of the home loans by restructuring them. We wanted to give people hope.

MICHELINE SAVARIN

Across the country, in Oakland, California, Self-Help Federal Credit Union stepped up to help. “We have a great reputation as a community development financial institution,” said Micheline Savarin, Director of Marketing and Communications for Self-Help Federal. “I think that’s why community organizers approached us to see if we could step in at Second Federal Savings to keep its three branches from closing.”

Self-Help Federal is a member-owned cooperative with a mission to provide financial services to underserved communities; profits go back to members in the form of lower rates and fees. Saving Second Federal Savings meant keeping families in their homes, fighting predatory lenders, and continuing to serve the immigrant community.

In Chicago, Self-Help Federal wanted to right Second Federal’s sinking ship. Because of the recession, families didn’t have enough money to make their mortgage payments. “We came in and worked with them to come up with terms they could afford,” said Micheline. “We’d



Second Federal staff.

rather keep people in their homes, not foreclose on them. We were able to preserve over 90% of the home loans just by restructuring them. We wanted to give people hope.”

Second Federal offers a variety of financial services beyond mortgages, including loans so borrowers can afford to apply for citizenship. They’ve helped people who have fallen prey to high-interest payday loans get out from under crushing debt, and offer low-interest auto loans.

Self-Help Federal is very pleased to include RCIF among its investors. “It’s very important for us to work with people who are mission-aligned and have the same passion about helping underserved communities,” said Micheline. **“Having someone like RCIF who feels as strongly as we do about that makes them the best partner we could have.”**

RCIF’s investment is circulating throughout Chicago’s Southwest Side, making a difference for hundreds of families. “That money helps us make loans to people who otherwise wouldn’t be able to get one,” said Micheline. “Now they can buy a house, or apply for citizenship. That money is doing real good here.”



Illinois Governor Pat Quinn celebrates with community members at the Grand Reopening Ceremony for Second Federal.

Oikocredit Celebrates 40th

RCIF represents our voice internationally



This June, Oikocredit held its 40th anniversary event and annual general meeting in Berlin, and RCIF was present to participate and vote.

Begun by the World Council of Churches, Oikocredit is one of the largest investors in microfinance worldwide. Because it is based on values of justice, it is challenged to reach out to institutions serving the poorest clients, especially in rural areas. Other funders might overlook fair trade organizations, sustainable energy endeavors and agriculture because the return on investment or impact are smaller and development takes longer. However, because it is faith-based, Oikocredit keeps its focus on those in greatest need.

Nearly 600 churches and church-related organizations are members; they buy shares and vote on directors and policy. “There is no other microfinance organization that has this very democratic structure,” said Sr. Corinne Florek, RCIF’s Executive Director. “Consequently, the annual meeting is very important and I was able to bring two members’ proxy votes with me—the Adrian Dominicans and the Seton Enablement Fund—as well as the RCIF vote.”

A large part of Oikocredit’s success lies in their respectful partnership with local resources in developing nations. “Lots of nonprofits and NGOs are trying to do good work in the developing world,” said Sharlene Brown, Oikocredit USA’s National Director, “but our local staff are often from the countries we serve and understand the local conditions and cultures. They are also a voice at our conventions and help us do our work with integrity.”



Photos by Peter Hinsel

↑ The attendees at the Oikocredit 40th anniversary celebration.

Women religious communities have a long history of supporting Oikocredit, even before RCIF was founded. “We have longstanding partnerships with many faith communities,” said Sharlene, “but almost all of our largest investors around the country are the sisters. Our work is in line with their values and the way they’ve chosen to live their lives.”

These layers of partnership were easy to see at the Berlin meeting. “It was such an inclusive gathering with the various denominations and countries represented that I found myself doing a lot of listening to understand how others viewed issues and proposed solutions,” said Sr. Corinne. “Building the capacity of the groups we invest in is extremely important. It’s not always the lack of money that is the problem. A ministry of partnership and accompaniment is also necessary. **There is a lot of resiliency in the local communities and it’s important to create the right relationships, and not just worry about achieving scale.**”



Our local staff are often from the countries we serve and understand the local conditions and cultures.

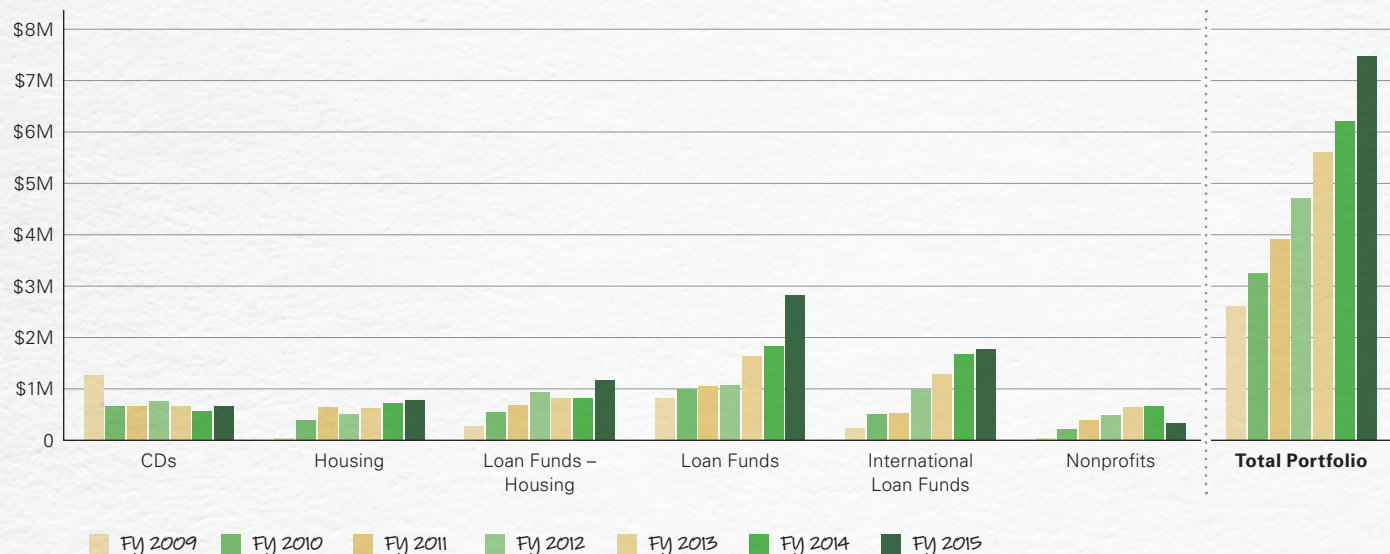
SHARLENE BROWN

The anniversary event was a joyous celebration, and the general meeting was a time of work and planning. “It was inspiring and challenging to be among so many kindred spirits, people who were committed to creating a just and sustainable world for everyone,” said Sr. Corinne. “This is the church I am proud to belong to, this is the work I am committed to continue. There is still much to be done, so we all toasted to another 40 years!”

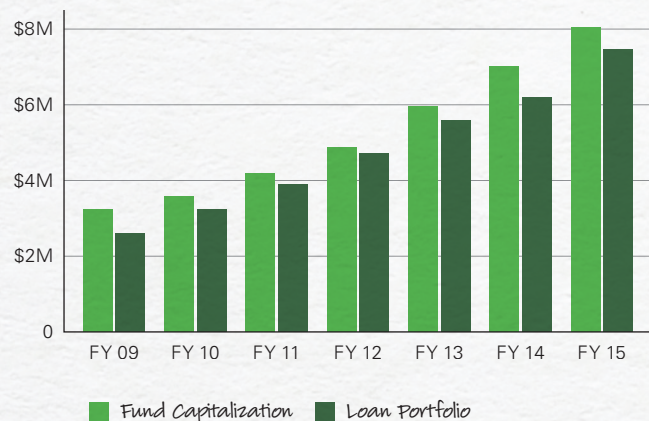
Financials

As of June 2015

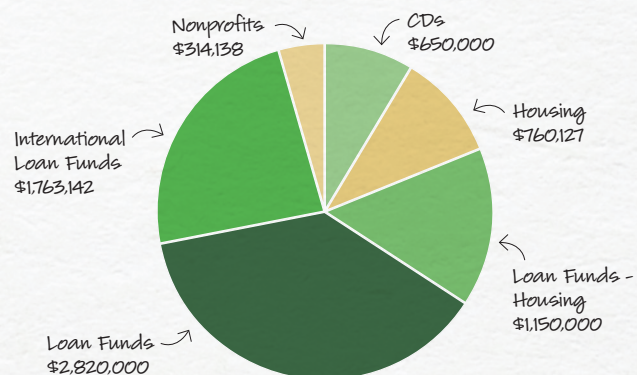
Historic Allocation of Loans



Historic Growth of RCIF



Loan Diversity FY 2015



Religious Communities Investment Fund

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