



Jesse Tolbert and his family were able to purchase a home with help from a Fahe member organization.

Fahe Fights Poverty in Appalachia

Ask Jim King about his organization's goals and he'll tell you, "We're on a mission to eliminate persistent poverty in Appalachia." As the CEO and President of Fahe, located in Berea, Kentucky, Jim knows how big of a job that is.

Appalachia is one of five regions in the United States that are persistently poor, which means that the area has a poverty rate of more than 20% that has persisted for more than three census periods. "Appalachia has almost double the poverty rate of the rest of the country and only half the real income," said Jim. "Everything is harder when you're facing that kind of poverty."

Fahe fights that poverty with a network of more than fifty member organizations in six states throughout the Appalachian region. It's a model that allows staff to work with organizations that are already established in local communities, making their investments in jobs, housing and community development that much more effective. Through those collaborations, Fahe has served more than 300,000 Appalachian residents with housing,

made over \$469 million in direct investments, and achieved a total cumulative financial impact of over a billion dollars in the region.

For Jim, Fahe's work is about creating transformational change for Appalachians. **"People who have seen nothing but hardship in their lives don't believe that anything can be different," he said. "Once you can make change happen for them, then they begin to ask 'What else is possible for my community?' They go from needing help to getting help to wanting to help others.** We've seen about 68,000 people have that kind of transformational change through our programs just in the last year alone."

Although Jim can talk about the ways that Fahe investments have turned around communities like Hazard or Beattyville, one of his favorite stories is more personal. A Fahe member organization was an affordable housing developer, and the agency's director was meeting a client family at the bank to give them the keys to their new home. A young woman who worked as a paralegal at the bank

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told the director, “You don’t remember me, but you built a house for my family too. I was prepared not to go to school anymore, but that changed when we got our new home. I’ve finished my degree at the University of Kentucky and I’m preparing to go to law school.”

Women religious were some of the first investors in Fahe. “They fit our philosophy,” said Jim. “They say if you want to go fast you go alone, but if you want

to go far, go with friends. I think that really applies to RCIF and the congregations that invest in us. Other investors come and go, but we have a 35-year history of working with the sisters, a history that we can count on. Even though we’re much bigger than when we started, and more institutions want to invest with us now, we like to work with folks who we can join arms with. I don’t think anybody ever gets too big for that.”



Jim King, CEO and President of Fahe.

RCIF Welcomes Sponsor Sisters of St Francis of Philadelphia



Sr. Nora Nash

RCIF welcomes our newest sponsor, the Sisters of St. Francis of Philadelphia, founded by Bishop John Neumann and Mother Francis Bachmann in 1855 to care for those who are poor. Today the congregation’s service to the community includes an extensive corporate social responsibility program that enables the sisters to share their resources and live out their commitment to those who are poor, oppressed and marginalized in our society.

Sr. Nora Nash is the director of the congregation’s corporate social responsibility program, and also a member of the Philadelphia Coalition for Responsible Investment and the Interfaith Center on Corporate Responsibility. “Our three main ministries are shareholder advocacy, social justice

grants, and community development investments,” said Sr. Nora. “Our mission is to direct our corporate resources to the promotion of justice, peace and reconciliation.”

The Sisters of St. Francis strongly believe in impact investing, meaning that they invest in ways that will make an impact in communities. The congregation invests in RCIF as part of their community development investment ministry, choosing organizations that support small businesses, childcare, housing, microfinance, and related work. “RCIF is doing their due diligence when making investments,” said Thomas McCaney, Associate Director of Corporate Social Responsibility for the congregation. “When we invest in RCIF, we get to take advantage of their resources to help us find the best way to make change in the world.”

Sr. Nora Nash has seen how effective impact investing

can be. “We visit some of the places where we’ve made investments and it is amazing to see how the community has changed,” she said. “Our goal is to help bring about systemic change, and the more you can do, the more people’s lives you’re going to impact. **When we provide access to capital to people who otherwise would not have access, that’s really answering the call of the gospel to take care of those who are poor.** We need to work together across the globe for the common good of all. Investing in RCIF is another way of doing that.”

Nora encourages other women religious to invest in RCIF as well. “It’s the way to go because it’s a shared ministry of religious communities,” she said. “You feel very secure in committing funds to RCIF because you know that the greater part of the asset isn’t going to be put into administration. That is key.”

Cooperative Fund of New England: Supporting Co-ops for 40 Years

Rebecca Dunn, Executive Director of the Cooperative Fund of New England (CFNE), will tell you she's in the business of redistributing the wealth of America on a small scale. "We're supporting business ownership, home ownership, access to healthy foods...we do it all," she said. **"We're trying to fix the world, but there's so much need, and we're so little. That doesn't matter—we still do what we can."**

CFNE is small but mighty. The organization just celebrated its 40th anniversary, has made its 800th loan, and has grown its starting assets from \$100,000 to \$22 million. Rebecca has been the executive director since 1986. She and her staff have become experts in worker cooperative finance, helping to write a manual on the subject and speaking at conferences. Banks who once scorned co-ops are now asking CFNE for co-op investment advice.

CFNE was founded to support food cooperatives in the Boston area that needed access to capital in order to provide healthy food to their communities. Today nearly half of CFNE's investments are still in food co-ops, including those for fishermen and farmers, but the organization also lends to worker co-ops, housing-related co-ops, and nonprofits. "Everywhere I go, I hear about new co-ops starting to meet an economic need," said Rebecca. "The model has held. We just made a loan to a landscaping co-op. The owner wanted to retire, so she sold her business

to her employees, many of whom would never have been able to consider the American dream of owning their own business. That's a great example of wealth creation."

CFNE has historically been supported by the faith-based community, and continues to maintain close relationships with women religious communities because of their shared values. "We both believe in the importance of equality and equity," Rebecca said. "We're an extremely mission-driven organization. We stick to what we're doing and we're very productive at it."

How does RCIF's loan to CFNE fit into their service to cooperatives? "It's another piece of the puzzle," said Rebecca. "We are fully deployed, meaning that every penny we receive from investors is in use. We often have deals in the works before the funds come in—that's the spiritual part of my work, because whenever we need the funds, they seem to show up just in time."

Rebecca comes from a family of economists and is an economist by training herself. She may not have anticipated applying her training to a career in lending to cooperatives, but it's work that suits her. "It's really about applied economics and wealth distribution," she said. "It's looking at that resource of money and deciding what is the highest and best use of it. I feel really good about what we do, which is why I've been with CFNE for so long, doing this fine work."



CERO (Cooperative Energy, Recycling, and Organics) is an award-winning, worker-owned commercial composting company.



Rebecca Dunn and CFNE Board President Jon Reske ride in a pedicab from worker-owned cooperative Sol Chariots.