

# EXECUTIVE COUNCIL ECONOMIC JUSTICE LOAN COMMITTEE

## Members

The Rev. Will Mebane, Chair	Massachusetts, I	2024
The Very Rev. M.E. Eccles	Chicago, V	2024
Mr. Timothy Gee	El Camino Real, VIII	2024
The Rt. Rev. Anne Hodges-Copple	North Carolina, IV	2024
Mr. Joe McDaniel	Central Gulf Coast, IV	2024
Ms. Diane Pollard	New York, II	2024
Mr. Byron Rushing	Massachusetts, I	2024
The Rev. Andrew Walter	Washington, III	2024
Ms. Julia Ayala Harris, Ex Officio	Oklahoma, VII	
The Most Rev. Michael Curry, Ex Officio	North Carolina, IV	

## Representation at General Convention

The committee representatives at General Convention are the following:

- Joe McDaniel, HOD, Diocese of the Central Gulf Coast
- The Rev. M.E. Eccles, HOD, Diocese of Chicago
- The Rt. Rev. Anne Hodges-Copple (resigned North Carolina), HOB
- Mr. Timothy Gee, HOD, Diocese of El Camino Real
- Diane Pollard, HOD, Diocese of New York

## Acknowledgements

Mr. Kurt Barnes, *DFMS Treasurer and Chief Financial Officer*

Ms. Margareth Crosnier de Bellaistre, *Director of Investment Management and Banking*

Mr. Tanie Oconer, *Assistant Controller*

Mrs. Nancy Caparulo, *Staff Liaison*

## Mandate

### **2015 - AN/FFM 007**

The following is a true copy of a Resolution adopted by the Executive Council at its meeting from November 15-18, 2015 at which a quorum was present and voting. Resolved, That the Executive Council, meeting in Linthicum Heights from November 15-18, 2015, establish the Executive Council Economic Justice Loan Committee to be responsible for overseeing the assets set aside by General Convention and Executive Council for loans that support greater economic justice by enhancing people's ability to improve their economic wellbeing and empowering the powerless and oppressed. The Economic Justice Loan Committee is to be made up of a minimum of five persons nominated by the Presiding Officers and appointed by the Executive Council, from the Investment Committee and Committee on Corporate Social Responsibility and other appropriate persons at large. The Committee will report on its work to Executive Council at least once annually through the Committee on Corporate Social Responsibility or the Investment Committee. Loan criteria are to be approved by Council.

## Summary of Work

The Episcopal Church has committed \$7 million of its assets for economic justice initiatives around the globe and in the United States. The Executive Council Economic Justice Loan Committee (EJLC) administers this \$7 million in TEC endowment funds as a loan portfolio. The funds in the portfolio are used on a revolving basis to provide loans, indirectly, to organizations, institutions and individuals that may not qualify in the regular credit markets but have worthy community economic justice development programs and projects. The principal, upon repayment to TEC, is re-loaned by TEC to others. All the loans pay interest, and that interest income is used to support TEC's program budget.

Since the beginning of 2023, EJLC has met four times, and will continue to meet once each quarter, to review potential borrowers.

EJLC loans generally range in size from \$250,000 to \$350,000 and may be as large as \$500,000. Every EJLC loan enjoys the support of the local Episcopal diocesan bishop. The most recent loan portfolio is posted on the Finance Office website at <https://www.episcopalchurch.org/wp-content/uploads/sites/2/2023/10/Economic-Justice-Loan-Program-Report.pdf>

The EJLC program does not lend directly to the end users of the funds but only to financial intermediaries such as community development loan funds or community development credit unions. These intermediaries, commonly called Community Development Financial Institutions

(CDFIs), themselves re-lend the monies provided by TEC to groups, organizations and individuals with needs to finance community economic justice development programs and projects. Many CDFIs operate in the United States, and many operate globally.

Examples of investments made through the program overseen by EJLC include:

- Support of community economic development in the Holy Land, TEC recommitted a \$500,000 deposit with the Bank of Palestine, earmarked by TEC for creating and supporting small businesses in the Palestinian community, especially businesses owned by women.
- Support of housing, economic development, education and health of indigenous people through a \$300,000 loan to Citizen Potawatomi Nation (CPN). CPN is headquartered in Shawnee, Oklahoma, with tribal jurisdictional area in Cleveland and Pottawatomie Counties, Oklahoma. The program offers emergency shelter, counseling services, legal assistance, emergency transportation, and financial assistance.
- Support of community economic development in Mississippi. TEC has made a \$250,000 loan to Renaissance Community Loan Fund (Jackson, MS) that provides financial assistance and development services which facilitate the development of communities in building safe, quality housing for the residents of Mississippi and in creating economic opportunities to add or retain jobs in the community. Lay leadership from Episcopal churches in the Diocese of

Mississippi has been involved in the board and management of Renaissance Community Loan Fund.

- Support of community economic development in South Africa with a \$300,000 deposit note of Shared Interest, a U.S. based fund that guarantees loans by South African banks to members of low-income communities in South Africa to enable them to construct houses, launch small businesses, and create jobs.

## **Portfolio Composition and Risk Performance**

As of September 30, 2023, \$5,947,624 of the allocation was funded into 15 loans and three-term deposits with an average annual yield of 3.0%.

We anticipate \$6,597,624 of the \$7,000,000 EJLC portfolio allocation to be funded by December 31, 2023 at an annual average yield of 3.2% – a rate that is reasonable relative to Treasury yields while providing below market rates to our borrowers.