

EDUCATING THE NEXT GENERATION OF RESPONSIBLE INVESTORS



# LABOR CAPITAL

# FELLOWSHIP

Paying It Forward

A PROJECT OF HEARTLAND CAPITAL STRATEGIES AND THE KALMANOVITZ INITIATIVE FOR LABOR AND THE WORKING POOR AT GEORGETOWN UNIVERSITY

# Program Partnership



**Heartland**  
CAPITAL STRATEGIES

The Heartland Network was founded by the Steelworkers, AFL-CIO and Steel Valley Authority in 1995 to explore and promote capital strategies to rebuild America. Over two decades, Heartland has established itself as a leader in labor's capital strategies, community development and impact investing through its research and actions. With its recently published *Responsible Investor Handbook*, commissioned by the AFL-CIO, Heartland has established its national leadership in the workers' capital field. We have a unique mission and vision.

**Our Mission:** To mobilize responsible investments by capital stewards/institutional investors in the real economy, achieving competitive financial returns and positive ESG impact.

**Our Vision:** To help workers secure better retirement benefits by sustainably investing in the real economy, securing good jobs, and ultimately rebuilding and strengthening our communities.



**KALMANOVITZ INITIATIVE**  
*for Labor and the Working Poor*  
GEORGETOWN UNIVERSITY

Founded in 2009, the Kalmanovitz Initiative was created as a space to engage questions of workers' rights and the future of the labor movement. Since then, the KI has taken on special projects that explore policies supporting workers' rights, coalition building between labor and community groups, and connecting students to local advocacy and organizing opportunities.

Georgetown University holds a unique position due to its rigorous academic programs and location in Washington, DC. Within the university, the Kalmanovitz Initiative for Labor and the Working Poor develops creative strategies and innovative public policy to improve workers' lives in a changing economy.

The Initiative draws on Georgetown's distinctive identity - its commitment to intellectual excellence, grounding in the Catholic and Jesuit traditions, history of inter-religious cooperation, global reach, and prominence as an arena of policy debate in the nation's capital - to advance prosperity, broadly-shared economic justice, and respect for the dignity of labor.

The millennial generation is eager to change the world, to build a more inclusive and sharing economy, and to re-grow a sustainable planet. As a group, they are attracted to projects that foster entrepreneurial solutions to today's problems, and to community organizing that achieve tangible goals such as a Living Wage. Doing business with companies that utilize sustainable business practices and are accountable to employees and communities is important to their values and identities. Given their many interests, millennials are not just invested in society and politics, but they recognize the need to learn financial, legal and governance strategies to advance a more inclusive economy.

Recognizing this opportunity, Heartland Capital Strategies (HCS) and Georgetown University's Kalmanovitz Initiative for Labor and the Working Poor met in early 2016 to lay the groundwork for a new impact investment fellowship to launch in the Summer of 2017. The main objective of the Heartland Labor Capital Summer Fellowship at Georgetown was to identify and educate a new generation of responsible investors.



A select group of important investment, labor, business and academic leaders met on December 13, 2016 at Georgetown University for this extraordinary opportunity, with a presentation from long-time pension consultant Allan Emkin of Pension Consulting Alliance (PCA). The plan was met with enthusiastic support, and the group, by itself, committed to pilot a group of fellows for Summer 2017.

It was decided the Fellowship would build a broad body of shareable knowledge about responsible investing, corporate governance, and the role of finance. Thus, the Program would ignite a new, diverse talent pipeline, recruiting future leaders to engage with:

1. Responsible investment houses and banks, focused on affordable housing and sustainable real estate, renewable energy, efficient energy and transportation, advanced manufacturing firms, and public infrastructure and services.
2. Pension consultants, pension funds and community trusts, focused on establishing responsible investment policies, structuring long-term investments.
3. Capital stewardship offices, focused on shareholder and proxy campaign analysis.
4. Impact investment firms, focused on screening and for ESG performance.

The partnership between Heartland Capital Strategies (HCS) and Georgetown University's Kalmanovitz Initiative for Labor and the Working Poor (KI) began recruiting for students, fellow hosts and program sponsors. Drawing upon focused classroom instruction, practicum placements, our Responsible Investor Handbook and advanced learning tools, student participants in this fellowship program would develop the background they will need to design and implement responsible investments throughout their professional careers.

The first fellows were placed with host organizations including: KPS Capital Partners, AFL-CIO Housing Investment Trust, ULLICO, LIUNA, and Smart Growth America. Our inaugural fellows came from varied backgrounds and brought their appropriate expertise to our sponsors. Meet our First Fellows:



**Annina Beltrano**  
University of Chicago  
Public Policy Analysis  
and Finance  
  
Host: AFL-CIO  
Housing Investment  
Trust



**Casey Doyle**  
Georgetown University  
Economics/Sociology  
  
Host: LIUNA  
Corporate Affairs



**Dalric Fields**  
Georgetown University  
Finance &  
Management and  
Leadership Innovation  
  
Host: Ullico, Inc.



**Robert Frants**  
Georgetown University  
Political Economy/  
Mathematics  
  
Host: KPS Capital  
Partners



**Domhnaill Harkin**  
University College  
Dublin, Ireland  
Social Policy  
  
Host: AFL-CIO  
Housing Investment  
Trust



**Claire Heine**  
Georgetown University  
International  
Economics / French  
  
Host: Smart Growth  
America: LOCUS



**Ryan Whittemore**  
Bates College  
Politics  
  
Host: AFL-CIO  
Housing Investment  
Trust

**2017  
Inaugural  
Class**



A 3-day intensive orientation session at Georgetown University provided an overview of responsible investing, its history, the players, and the role of corporate and pension fund governance. Presenters came from varied backgrounds yet all came with the same messaging: responsible investing. Topics and presenters included:

## ORIENTATION TOPICS

History and comprehensive timeline of the American Labor Movement.

Responsible Investing - an overview with the basics of Finance and explanations of debt, public and private equity, alternative investments.

Financial instruments and Case Study (Exxon shareholder vote requiring reporting of climate change on the economy).

Capital Markets and Case Study (AFL-CIO Office of Investment).

Responsible Investing - definition, characteristics, and product offerings. Various types of pension funds, how they operate and the professional involved (trustees, attorneys, actuaries, etc).

Corporate Governance - engagement with corporations and investment managers.

Impact & Responsible Investing Case Study (AFL-CIO Housing Investment Trust).

Shareholder rights, activism and the importance of investor engagement.

Career development, networking and opportunities outside of the traditional Wall Street grind.

The fellows received experience with their respective hosts on assignments including:

- Reviewing performance of portfolio companies and participating in meetings with company management
- Conducting company and industry research on potential investment targets
- Projects with corporate affairs on research, trustee outreach and service provider engagement
- Creating presentations for elected officials on legislative and policy issues

## PRESENTERS

**Joseph A. McCartin**, Director for the Kalmanovitz Initiative for Labor & the Working Poor

**Dawn Carpenter**, Candidate, Doctor of Liberal Studies, Host of the *More Than Money* podcast

**Allan Emkin**, Managing Director, Pension Consulting Alliance

**Brandon Rees**, Deputy Director, AFL-CIO Office of Investment

**Debbie Nisson**, Consultant, Presenting on behalf of Ullico, Inc.

**Jennifer O'Dell**, Assistant Director of Corporate Affairs, LIUNA

**Amanda Mellick and Chris Shaw**, Investment Officers, AFL-CIO HIT

**Robert McGarrah**, Corporate Sustainability Attorney, AFL-CIO Office of Investment

**Rebecca Cassidy**, Assistant Dean, Office of Professional Development, Georgetown University



The Fellows were provided an opportunity by Sleigh Strategies and the G Street Collaborative to participate in Brown Bag Lunches with such prestigious presenters as:

- **Larry Mishel**, President, Economic Policy Institute
- **Sarah Raskin**, former Federal Reserve Board of Governors and Assistant Secretary of the Treasury
- **Tom Perez**, former Secretary of Labor, current head of the Democratic National Committee (shown above with our Fellows).



In July the Fellows took a trip to New York City where they participated in several activities including:

- A stop at KPS Capital Partners for a presentation by **David Shapiro**, co-founder and Managing Partner
- A guided tour of the Federal Reserve Bank of New York
- Lunch at Amalgamated Bank with presentations from **Peter Neiman**, Executive VP and CMO; **Deborah Silodor**, Executive VP and General Counsel, and **Drew LaBenne**, Executive VP and CFO

*The Labor Capital Strategies fellowship through the KI was an incredibly formative summer experience. It developed my skills and knowledge of the financial sector, introduced me to private sector companies working for the public good, and gave me access to guest speakers at the top levels of their fields. This program reaffirmed my commitment to labor and working class issues.*

**Claire Heine, 2017 Fellow**

In Heartland's *Responsible Investor Handbook*, it was asserted that responsible and impact investors could accelerate our shared progress in creating a more livable, habitable, hopeful planet. The "Labor Capital Fellowship" at Georgetown University, is an amazing new initiative to educate the next generation of responsible investors and capital stewards! Ultimately, the program aims to spur active engagement and action, and elevate this discussion into our national conscience and in conversations...so that as a society, we can 'pay it forward.'

## How Can Your Organization Become Involved?

### Become a Program Partner

#### Heartland Fellow Hosts: \$5,000

Covers all costs for hosting a Fellow at your organization for 8 weeks during the summer

#### Heartland Sponsors: \$5,000 - \$25,000

Supports additional expenses related to paying it forward in the education of a new generation of responsible investors.

#### Program partners will collaboratively:

- Work with sponsors to assist in constructing a high-value, multi-stakeholder advocacy board;
- Co-administer the program including resource development under the guidance of Heartland/KI leadership
- Enlist practicum placement partners for Fellows to carryout their fieldwork
- Recruit guest lecturers for innovative, real-economy classroom experiences
- Create the orientation, texts, and learning tools
- Collaborate with Fellows on an academic capstone project
- Develop and maintain a communications platform and program website



*As someone entering the LCS program with a limited knowledge of worker rights issues in specific contexts, I was hugely grateful for the introduction to the Labor Movement and how individuals can take part in it. My view of unions has changed for the better, and I tout my internship experience at LIUNA proudly. In my role at LIUNA, I enhanced my research, communication, and quantitative skills while knowing that my work directly helped real working people.*

**Casey Doyle, 2017 Fellow**

*"To create a moral and sustainable economy in the 21st century economy we need a new generation of leaders who are able to grasp the dynamics of the financial world, align themselves with workers who struggle for economic justice and a voice in their work, and utilize the tools of finance in ways that respect and reward the dignity of labor. Georgetown University's Kalmanovitz Initiative for Labor & the Working Poor is proud to join with Heartland Capital Strategies in creating a fellowship that helps train these future leaders. This unique fellowship does more than introduce students to the exciting world of innovative labor-oriented capital strategies; it provides a doorway into careers that can help build a better world."*

**Joseph A. McCartin, Executive Director  
Kalmanovitz Initiative for Labor & the Working Poor**



## **Fellowship Hosts & Sponsors**

*"An emerging new generation of responsible investors is mobilizing capital for complex smart buildings, community infrastructure projects, wind and solar projects, electric and hybrid vehicles, and other inventive solutions. These investors are applying a more holistic and integrated investment approach to the challenges facing cities, industries and our environment, and reaping the financial benefits. They are joining coalitions to pool capital to rebuild cities, make companies more humane and efficient, and address climate change. They are amalgamating resources and investment capacity across borders, as evident from the rapid spread of the UN-launched Principles for Responsible Investment (PRI)."*

**Tom Croft and Annie Malhotra, Co-Authors  
"The Responsible Investor Handbook"**

