

# March 2010 Newsletter



**The Spartan Global  
Development Fund**



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## About The Spartan Global Development Fund

### About Us

The Spartan Global Development Fund is a new student initiative at Michigan State University designed to help fight poverty and inequality in the developing world. With money raised through the support of our local community and committed alumni, we manage a loan portfolio of microcredit loans to the most committed entrepreneurs in the world that have been previously excluded from financial markets.

The Spartan Global Development Fund recruits Michigan State Spartans who are socially minded, intellectually curious, and driven to make an impact in the world. With this talented group of people, we use the sourcing of funds, research of microcredit, and management of our microloan portfolio as both a conduit for social change and an educational tool to bring global issues to the surface in our community.

By utilizing the strength and breadth of the network established by *Kiva*, we are able to find and fund hardworking entrepreneurs who have previously been denied access to sustainable capital. Our entrepreneurs truly are the core of our organization. It is based on their hard work, reliability, and determination that we can count on repayment rates in excess of 98% so we can continuously redeploy our capital to other entrepreneurs who are eager for the opportunity to grow their micro-enterprise. The most common aspiration that our entrepreneurs have is to make enough money with their new business to send their children to school.

### Mission Statement

We are a group of Michigan State University students who share a passion for both spreading awareness of the success of the microcredit lending model as well as directly raising funds to lend to hard working entrepreneurs around the world. We believe our loans represent the compassion, respect, and opportunity deserved by the entrepreneurs working hard to improve their families' lives.

### Message from the Vice President



As of this January, we have made loans to over 100 different individuals and groups in 38 countries. These loans have gone to improving the lives of those in some of the most impoverished and underdeveloped countries in the world. While we are proud of this milestone, especially given the short time period, we feel that there is still a lot to be done. Our current goals are to make an additional 200 loans and raise 1000 dollars by the end of this year. We also realize that Spartan Global's mission goes beyond just raising funds, and starting this semester, we have become more focused on our goal of raising awareness and increasing membership. While it is more difficult to obtain metrics to judge our success with these goals, we have set an unofficial target of doubling our membership and arranging for at least one community event per month.



## News

### Founder Embarks on Quest to Latin America



Michael Thelen, founder of The Spartan Global Development Fund, embarked in late January on a quest to ride his motorcycle from East Lansing to Latin America. Along the way, Michael will be visiting

local partners that Spartan Global has worked with and entrepreneurs that have received our loans. Michael will be sharing the stories of these entrepreneurs and how Spartan Global has changed their lives.



Michael crossed the Mexican border on January 27<sup>th</sup>, and has spent the past few weeks touring the country. Michael just recently departed Mexico and crossed the Guatemalan border, where he has visited Xela and Rio Dulce, and is currently in Tikal. Michael's trip can be followed via his blog at [www.michaelthelen.com](http://www.michaelthelen.com).

### The Mission to Reach Non-Profit Status

For the past few months, The Spartan Global Development Fund has been working towards achieving IRS 501(c)(3) tax exempt status as a non-profit corporation. Recently, officers of Spartan Global met with the MSU College of Law Small Business & Non-Profit Clinic to discuss the legal proceedings. With the help of Clinical Residents Amanda Matchett and Zach Backlund, Spartan Global hopes to achieve non-profit status within one year's time.

Achieving non-profit status is a significant goal for the organization. One immediate objective is raising funds to cover the significant fees involved in the filing process. Spartan Global is seeking donations to help cover the cost of this process. If you would be willing to make a donation, please email Chaz Bauer at: [chaz@spartanglobal.org](mailto:chaz@spartanglobal.org) or visit: [www.spartanglobal.org/donate.html](http://www.spartanglobal.org/donate.html). All donations made to The Spartan Global Development Fund will be retroactively tax-deductable once 501(c)(3) status is obtained.

Once we achieve this, many doors will open for us. New funding sources, tax exemption, access to different lending platforms, among others are just some of the possibilities that would enable Spartan Global to expand its outreach. Your donation will help us achieve our goal of giving opportunity to those who need it the most.



## Upcoming Events

### Debate with Students for Fair Trade

In the coming weeks, The Spartan Global Development Fund will be joining the MSU Students for Fair Trade for a friendly debate. The topics of debate will include a number of global development issues. Our hopes are to have frequent debates and open them up to a diverse group of participants.

### MSU FCU Piggy Bank Fundraiser

Spartan Global will soon be participating in the first of what we hope to be a series of fundraisers in partnership with MSU Federal Credit Union. MSU FCU will be sponsoring the fundraiser by providing branded piggy banks for Spartan Global. Details are forthcoming.

## Recent Events

### Oscar Santillán

This fall, Spartan Global and MSU Students for Fair Trade co-hosted Sr. Oscar Santillán. Oscar, president of Agato in Ecuador, shared his culture in the form of music and stories. Oscar also discussed his personal involvement in sustainable development efforts.

### The 100<sup>th</sup> Loan

Spartan Global recently celebrated its 100<sup>th</sup> loan that marks our outreach in 36 countries, an important milestone for our organization.

## Loan Profiles

### Chhen Sami - Siem Reap Province, Cambodia

Amount: \$500  
Funded: Nov. 12, 2009  
Status: 21% repaid  
Business: Recycling  
Use of funds:  
Transportation  
Field Partner:  
CREDIT



Chhen Sami, 55, is married with one child. She grows rice and works with her husband on a recycling business, generating a family income of \$7 per day. Sami needs capital to buy a motorcycle to transport recyclable materials.

### Evelyn Funes - La Libertad, El Salvador

Amount: \$1,000  
Funded: July 7, 2009  
Status: 38% repaid  
Business: Cosmetics  
Use of funds: Inventory  
Field Partner: Apoyo Integral



Evelyn is 43 years old and lives with her husband and three school-age children. Evelyn's business supplements her husband's monthly income of \$250. This is the first ever loan made by Spartan Global.



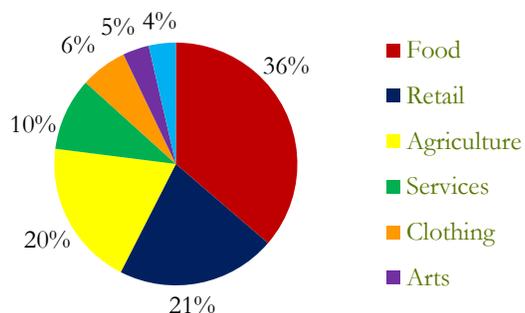
## Portfolio Overview

As of March 9, 2010, The Spartan Global Development Fund has helped fund a total of 113 microloans. The portfolio balance is \$3,793.75 and is currently 75% invested. Already, 33% has been repaid, with three loans fully repaid. Over 89% of loans have been made to women.

Total Lent:	\$2,825
Total Repaid:	\$919
Delinquency Rate:	1.75%
Default Rate:	0.00%

The portfolio has made loans in 38 countries, with the geographic and sector allocations as follows:

Peru	7.1%	Nicaragua	6.2%
Uganda	6.2%	Ecuador	5.3%
Mexico	5.3%	Afghanistan	5.3%
Cambodia	4.4%	El Salvador	4.4%
Lebanon	3.5%	Togo	3.5%
Bolivia	3.5%	Mongolia	3.5%
Philippines	3.5%	Nigeria	2.7%
Congo	2.7%	Rwanda	2.7%
Mali	2.7%	Dominican	1.8%
Kyrgyzstan	1.8%	Samoa	1.8%
Costa Rica	1.8%	Haiti	1.8%
Tanzania	1.8%	Tajikistan	1.8%
Guatemala	1.8%	Vietnam	1.8%
Azerbaijan	1.8%	Honduras	0.9%
Mozambique	0.9%	Kenya	0.9%
Senegal	0.9%	Indonesia	0.9%
Cameroon	0.9%	Ukraine	0.9%
South Sudan	0.9%	Sierra Leone	0.9%
Palestine	0.9%	Ghana	0.9%



## Loan Profiles

### Nery – Juliaca, Peru

Amount: \$675  
Funded: Nov. 12, 2009  
Status: 100% repaid  
Business: Crafts  
Use of funds: Materials  
Field Partner: Prisma



Nery, 47, lives with her husband and three children. She has been running her handicrafts shop for 12 years. Nery is very hardworking, spending long days working at her shop. She aspires to improve her shop's infrastructure to offer higher levels of service to her customers. This is her third loan, and she feels that she has been responsible by paying on time.

### Annet Banura – Kampala, Uganda

Amount: \$550  
Funded: Dec. 3, 2009  
Status: 41% repaid  
Business: Pub  
Use of funds: Inventory  
Field Partner: MCDT



Annet, 45, is a widow with three children. She also takes care of other family members in her one-room house. Annet has worked seven days a week for the past five years running her pub, which averages 50 customers a day. Annet plans to use the funds from the loan to buy beer and food for her pub.



## *The Lives Behind Our Loans*



A true story by  
Fernando Vásquez

I have seen how microfinance works; not only how it works but how it can actually help people rise from poverty. I have experienced this first hand, and I feel a need to communicate

what I have seen and the positive effects that it can have. I saw this in my home country of El Salvador over Christmas vacation.

Clicking through some Kiva links and doing some research on my own I was able to email people at Integral, a Kiva field partner. I told them who I was and about the organization I worked with, and I received a response three days later. I was surprised to learn that this enterprise was actually even more successful than what I could have imagined. The branch manager told me about their structured interest rates (from a low of 27% to around 42%), the amount of loans made, and some of the most successful stories.

He told me about a woman who had started selling clothes on the street when Integral was just segment of a larger NGO. She asked for a loan of about \$1,300. She used this money to buy plastic so that her merchandise wouldn't get dirty. She continued obtaining credit from Integral, and she now carries inventory worth about \$23,000.

I did get to meet two of entrepreneurs we directly funded through Kiva. One of them was a photographer. She had heard about Integral through one of her friends who was enchanted with the service and decided to try it herself. When I talked to her she told me that the loan was of great assistance to her photography business. With the loan, she was able to stock up on memory, frames, and other inventory that



would allow her to meet demand. She showed me some of the frames and then she informed me that had it not been for the loan, she probably would have had to miss out on a lot of business because she would not have had the resources to meet the seasonal spike in demand.

What's more, Maria is a very hardworking person. On the side she sells beauty products door-to-door. She does this in order to support her two small children. She was denied credit at most major banks, and she said the microfinance institution was the best way for her to improve and expand her business. She uses loans to fund her cosmetics business too. As an example, she told me she used to sell about 6 perfumes a week, and now, she is able to sell 15.

Another entrepreneur, Telma Luz Campos, owns a convenience store. Her store looked thriving, and in the first 10 minutes I spent with her she had three clients. What was more amazing to me was the success story behind this woman. She had started working with Integral eight years ago with a loan of \$1,000 for inventory. Back then her store was nothing but a room in her house. As the years went by, her business expanded and she was able to buy another house.

Five months prior to my visit she had completed the construction of a brand new store. This one was separate from her house for the first time, yet conveniently located across the street from it. She told me that she had always used leverage in her business: it explains how she able to have so much capital, and that she also borrowed to increase the variety of merchandise she offered. I curiously asked her how much she sold per day, and she told me about \$100. The minimum monthly wage in El Salvador is \$150.

These are two examples of the power that these loans have to improve the lives of micro-entrepreneurs.



## Donor Recognition

Marketplace Homes  
[www.marketplacehomes.com](http://www.marketplacehomes.com)



The Spartan Global Development Fund would like to thank Marketplace Homes for becoming our Founding Corporate Sponsor with a generous donation of \$3,000.



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Join The Spartan Global Development Fund on  
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[www.kiva.org/lender/spartanglobal](http://www.kiva.org/lender/spartanglobal)

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Join us in our mission to provide  
opportunity to entrepreneurs all around  
the world by making a donation.

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