

# February 2011 Newsletter



**The Spartan Global  
Development Fund**



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## 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*, an online-based lending platform connecting micro entrepreneurs with capital, 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.



## A Message from the Founder

**Michael Thelen**

Last year on January 22, I said good bye to my friends at Spartan Global and headed South on a motorcycle as I began what would become an unforgettable personal journey through Latin America. Even more than the breathtaking landscapes accessible when you are on two wheels, what will forever stay with me, are the stories and memories I have from finally getting to meet some of the entrepreneurs whose lives, families, and communities were changed through loans Spartan Global funded in 2009.

Sometimes women who had never visited the capital city an hour away, where I arrived from that same morning, would look at me with quizzical eyes as I tried to explain the long chain of people and organizations that linked their micro-business to our donor's generosity on the other side of the world, yet the image of a chain of compassion that links people together across the globe resonated with them strongly. Sometimes the details are irrelevant.

Yet, in the real world, it's not all rainbows and miracles. Some borrowers say they feel more pressured and stressed since expanding their businesses with micro-loans, and that loan repayments can seem daunting. To be fair, these borrowers often concede that these difficulties are part of a welcome opportunity - and a challenge - to build a path to a new future for their family. Poverty, and the battle against it, is painted in shades of grey. What allowed me to walk away assured, with both pride and gratitude for what was accomplished and those who made it possible, was one simple test.

### *A parent's eyes do not lie*

Watching a young mother well up as she spoke between tears of the hope she had for her daughter's future, of sending her daughter to school, offering her a life she never thought she could afford, of escaping what she thought was an endless cycle of poverty and lack of opportunity - I had no difficulty measuring the human impact a first chance can have on a person's life.

I am so incredibly grateful for the opportunities I was given as founder of Spartan Global. Leading wonderful people, touching people's lives and having my own touched as well, I couldn't have done it without all your support. Thank you for your time. Thank you for your donations. Thank you for caring.

*Please help me keep a promise. Please accept this [Thank You](#) from a friend.*



## News

### **Spartan Global Receives Lewis Quality of Excellence Award**

Chaz Bauer

In September of 2010, the Eli Broad College of Business honored the Spartan Global Development Fund with the Richard J. Lewis Quality of Excellence Award. Established in 1995 by the Broad Alumni Association, the award recognizes initiatives that further the mission of the Broad School and is granted based on several criteria, including: entrepreneurship, innovation, teamwork, and demonstrated improvement.

In addition to a commemorative plaque, Spartan Global received a \$750 monetary award, or the equivalent of 30 loans. The money was injected into the portfolio and is being used to help more entrepreneurs.

### **One Step Closer: The Mission to Reach Non-Profit Status**

Chaz Bauer

For over a year now, Spartan Global has been working diligently with the MSU College of Law Small Business & Non-Profit Clinic to achieve status with the IRS as a 501(c)(3) non-profit corporation. The end is in sight, as all the paperwork was completed and submitted to the IRS before the conclusion of the Fall 2010 Semester.

At this point, we are waiting to hear back from the IRS in regards to our status. We have been informed it may be another few months until we hear anything. This status will be a significant milestone for Spartan Global. With it, many new doors will open for us, including funding sources and lending platforms.

All this would not have been possible without the help of the Small Business & Non-Profit Clinic. For this, we are grateful. We would like to recognize the following Clinical Residents, past and present, who have worked alongside Spartan Global's directors in this process:

*Zach Backlund*

*Jonathan Kamien*

*Amanda Matchett*

*Jonathon Polk*



## Tailgate Fundraiser is a Success

Fernando Vásquez

On the morning of November 6, most Spartans were eagerly awaiting the game where the team would bounce back from their only regular season loss to crush Minnesota 31-8. Before the game started though, Spartan Global took to the Tennis Courts, Munn Field, and many other tailgate locations to raise awareness for the group. Students from Spartan Global handed out branded piggy banks, sponsored by MSU Federal Credit Union, and collected donations from generous tailgaters. The students spread the word, talking to anyone who would listen.

It was a welcomed surprise to see how many people were interested in what we are doing, asking us questions and telling us how they also had Kiva accounts. We even met a gentleman who claimed to be related to Che Guevara and thoroughly supported our style of helping people rise out of poverty. He convinced everyone in his party to donate.

As far as the piggy banks go, they were a big hit with the children. The fundraising turned out to be a success: in less than two hours, all of the piggy banks were gone, and Spartan Global had raised \$150, or the equivalent of six loans.



## Raising Money & Awareness: The Piggy Bank Campaign

Daniel Zaharia & Josh Lieto

One of the latest initiatives at the Spartan

Global Development Fund is the Piggy Bank Campaign, a project which seeks to incorporate local businesses more fully into Spartan Global's fundraising efforts as well as raise awareness in the greater Lansing area of the group's general mission. Acting on a generous gift of dozens of piggy banks from the MSU Federal Credit Union, the members of Spartan Global turned each piggy bank into a mini-fundraiser, distributing one along with a small flyer to various businesses in the area.

Our group has thus far been well-received, and nearly \$50 have been raised already, or the equivalent of two loans. At the moment five banks can be found in popular locations



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around East Lansing and Lansing's Old Town district, and that number will reach 15 by months end. Started in December of 2010, the Piggy Bank Campaign is still in its nascent stage, but with so much success already, expanding the program's scope is currently under development.

The members of Spartan Global are grateful for all those who have participated in our Piggy Bank fundraiser, and would like to especially thank the following establishments for their support:

*In Flight*  
*Krazy Kats*  
*Cottage Inn*  
*Menna's Joint*  
*Wanderer's Teahouse*

| Campaign Statistics              |         |
|----------------------------------|---------|
| Total raised as of January 28th: | \$49.72 |
| Average collection per period:   | \$16.57 |
| Average collection per bank:     | \$15.78 |
| Total campaign expenses:         | \$25.03 |
| Total raised, net:               | \$24.69 |

### In Other News...

Spartan Global has been featured in a number of articles, blogs, and other media sources. See what the organization has been up to in the following:

[\*gE Blog Series: Microfinance Part 6 - Student involvement in Microfinance \(2/4/11\)\*](#)

[\*Passionate Broad students support global entrepreneurs through SGDF \(1/18/11\)\*](#)

[\*Broad College recognizes faculty, staff with annual awards \(9/29/10\)\*](#)

[\*Founder of Spartan Global Development Fund shares future plans \(12/16/09\)\*](#)

[\*MSU Going Global Fair showcases international service programs \(11/18/09\)\*](#)



## Success Stories

Spartan Global has made 253 loans since inception, of which 130 have already been repaid – that's over half! Here are the stories of just a few of the lives that we have impacted:

### Tumua Senituri

Afega, Samoa



Tumua's loan of \$375 was funded in July 2009 by Spartan Global and 12 other lenders. One of our Founding Four Loans, it was repaid in full in July 2010. Tumua was able to buy a truck for her fruit and vegetable plantation to sell her produce at the local market. She has been borrowing from the Kiva Field Partner since 2005, and has tripled her income in that time to ~\$200 per week.

### Rosario Chuquimarca Fernandez

Cuenca, Ecuador



Rosario's loan of \$550 was funded in Oct. 2009 by Spartan Global and 15 other lenders and was repaid in May 2010. She used the loan to buy livestock, which she raises and sells. She has been borrowing from the Kiva Field Partner for 12 years now and has never missed a payment.

### Zinhora Karomaddinova

Isfara, Tajikistan



Zinhora's loan of \$1,100 was funded in Nov. 2009 by Spartan Global and 27 other lenders. She raises sheep that she fattens then sells to local markets, and used the loan to expand her herd. She is very grateful, and her business experienced increased profits, which she used to complete the construction of a family house. The loan was repaid in full in Dec. 2010

### Folashade Adesoye

Lagos, Nigeria



Folashade's loan of \$1,125 was funded in April 2010 by Spartan Global and 36 other lenders. The loan was used to purchase inventory for her food market. The loan helped her business, and she repaid it in full in December 2010. The profits from her market go to pay school fees for her four children.



## Portfolio Overview

**Elias Scheker**

I am proud to announce that as of February 2011, The Spartan Global Development Fund has aided the financing needs of over 250 entrepreneurs all over the world. We are actively contributing to the development of communities and keeping true to our promise of spreading compassion, respect, and opportunity to deserving entrepreneurs working hard to improve the circumstances of their families and communities.

The rise in loans represents a near doubling of total loans since last year, providing a living testament to our continued success in the field of development.

Before I continue, I would like to first thank all the SGDF affiliates and friends that have allowed for us to expand and succeed. Indeed our successes are yours as well and I thank you greatly for your support on behalf of Spartan Global and the deserving entrepreneurs all over the world whose dreams of self-improvement you have made possible.

Having lent money to entrepreneurs in over 44 countries (shaded in green), the map below illustrates our global impact:

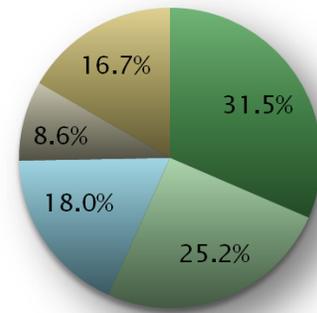




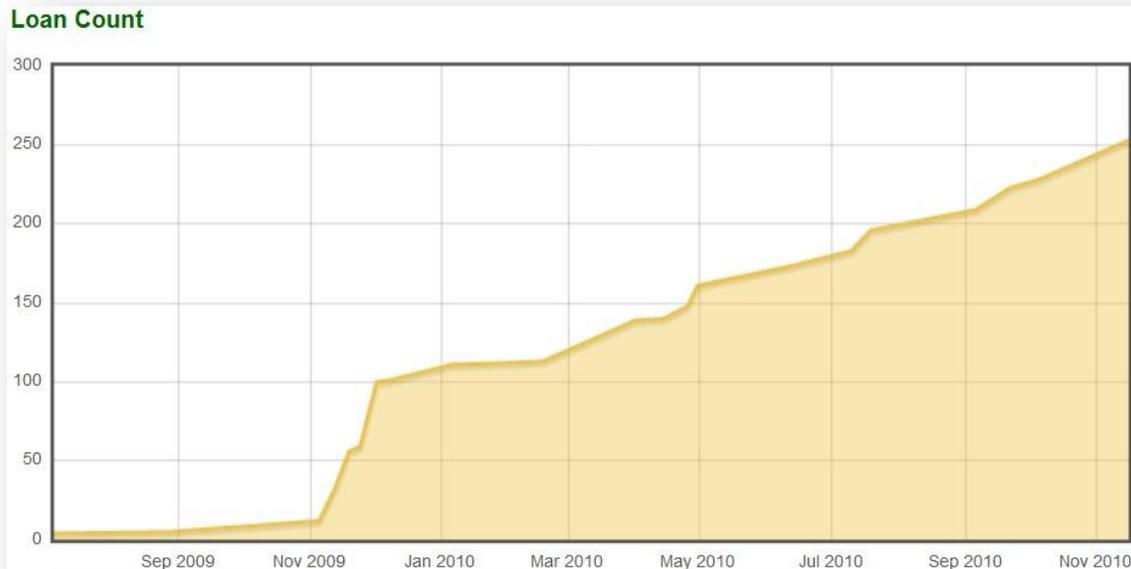
*Portfolio Snapshot*

Currently, 81% of our loans are aiding female entrepreneurs in over 44 countries on five continents. The majority of our loans are spread across Sub-Saharan Africa and Latin America, where the Spartan Global spirit is providing hope to hundreds of entrepreneurs. Over 60% of our loans are being funneled towards the retail, agricultural, and food sectors.

As of February 2011, we have maintained a well-diversified portfolio with no exchange rate loss and with limited default exposure. With over 250 loans made and 120 outstanding we have successfully maintained a default rate below 1%. Due to the cyclical nature of microcredit funds, we have extended approximately three times our total fund through relending and repayment. Again I thank you all for your continued support and assure you that Spartan Global will continue its success in the realm of development for years to come. Together we can go where markets cannot!



- Food
- Retail
- Agriculture
- Clothing
- Other





## Donor Recognition

Marketplace Homes

[www.marketplacchomes.com](http://www.marketplacchomes.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.

MSU Federal Credit Union

[www.msufcu.org](http://www.msufcu.org)



The Spartan Global Development Fund would like to thank MSU Federal Credit Union for becoming a Corporate Sponsor with a generous gift of 150 Spartan Global/MSU FCU branded piggy banks.



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Join The Spartan Global Development Fund on [Facebook](#), and check out our lender page on [Kiva](#).

### SUPPORT OUR CAUSE



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

To make a donation, visit:

[Our PayPal Page](#)

or email:

bauercha@msu.edu