

Labor Capital Strategies Fellowship Program



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

Continuing to Pay It Forward!

Partnership



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.

Today, Heartland fosters a "Community of Practice" for responsible investments, working in a united front to invest in the built environment, renew the industrial commons, grow the clean economy, and make the "boss" more accountable.



KALMANOVITZ INITIATIVE
for Labor and the Working Poor
GEORGETOWN UNIVERSITY

Founded in 2009, the Kalmanovitz Initiative for Labor and the Working Poor 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, KI 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.

Fellowship History

The millennial generation is eager to change the world, to build a more inclusive and sharing economy, and to re-grow a sustainable planet. 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. They value doing business with companies that utilize sustainable business practices and are accountable to employees and communities. Young people are not just invested in society and politics, but they recognize the need to learn financial, legal and governance strategies to advance a fairer economy.



Recognizing this opportunity, Heartland Capital Strategies (HCS) and Georgetown University's Kalmanovitz Initiative for Labor and the Working Poor (GU) met in mid-2016 to lay the groundwork for a new impact investment fellowship for **college-aged students**. The mission of the fellowship would be to identify and educate a new generation of capital stewards and responsible investors, and to construct a new, diverse talent pipeline.

In December 2016, a group of investment, labor, business, and academic leaders convened at Georgetown. The **Labor Capital Strategies Fellowship** plan was met with enthusiastic support and given a green light for Summer 2017. HCS and KI began actively recruiting for fellow hosts, program sponsors, and students. Drawing upon prestigious practicum placements, focused classroom instruction, and unique and exciting learning experiences, students in the fellowship would develop the background they need to design and implement responsible investments throughout their professional careers.

The classes of 2017 and 2018 had 7 fellows each year and came from finance, economics, and public policy backgrounds. They worked with Heartland hosts AFL-CIO Housing Investment Trust, LiUNA, Ullico, KPS Capital Partners, Segal Marco, and Smart Growth America. During the course of the program, they had the opportunity to lunch with esteemed colleagues such as Tom Perez, met with pension policy leaders in New York City, and toured the Federal Reserve Bank of New York and Amalgamated Bank. The program grew to 11 fellows in 2019 and expansion is anticipated again for 2020!

A distinguished Fellowship Advisory Board was established in December 2017 in order to assist with facilitation of the program. Members meet twice a year at the Georgetown campus.

Fellowship Alumni



Class of 2017

Annina Beltrano
Casey Doyle
Dalric Fields
Robert Frants
Domhnaill Harkin
Clare Heine
Ryan Whittmore



Class of 2018

Zeke Gutierrez
Eli Lopez
Hannah Lynch
Matt Maury
Noah Ruffin
Marion Silas
Ryan Whittmore

This summer, I learned a lot about commercial real estate. I worked on compliance reviews of clients and their compliance with loan docs. But I also learned about the power of a value lender, and the great work and history of ULLICO.

Eli Lopez, 2018 Fellow

Matching Process

The Labor Capital Strategies (LCS) Fellowship matches undergraduate students from numerous universities with progressive investment houses and top labor groups advocating for working people. The LCS Fellowship provides an opportunity for students to observe the impact of finance and capital strategy, introduce students to key issues affecting work, the labor movement and community, participate in progressive corporate governance, and responsible investments.

The LCS Fellowship:

- provides an experiential learning opportunity through the summer
- develops students' understanding and research skills through hands-on work
- allows fellows to mold their own understanding, interests, and skill-set
- helps students evolve the soft-skills needed in a professional work environment

Through their involvement in the practicum and with our partners, students will develop their own view of the challenges facing working families in the modern economy and the role of responsible investment and good corporate governance. From these experiences, students can contribute to the next generation of the worker justice movement.

The Kalmanovitz Institute recruits students from their network of undergraduate programs and community partners. They match applicants with those who best fit with a particular organization. The student's credentials are shared with the host for vetting and/or interviewing. If it is not a good fit, additional applicants are screened until the match is found.



Once an applicant has been selected, Georgetown KI makes the arrangements with the fellow for the stipend and other logistics.

"You've worked over the summer to make companies more profitable, save and create jobs, communities more livable. You've made a difference. You can be proud of what you did!"

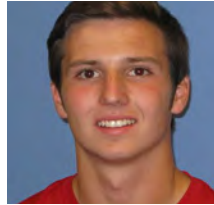
Ed Smith, President, Ullico

Class of 2019

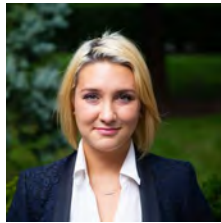
Our 2019 Labor Capital Fellowship brought new partners and a stunning class of students. Fellow hosts included AFL-CIO Housing Investment Trust, LiUNA, Ullico, KPS Capital Partners, Teamsters, Segal Marco, and new hosts Hamilton Lane, Change to Win, GCM Grosvenor, and The Sterling Organization. This placed our fellows up and down the East Coast in Washington DC, New York, Philadelphia, and Florida.



Mayte Alonso
Georgetown University
Government
Host: Teamsters



Sean McKee
Fairfield University
Finance
Host: Hamilton Lane



Rachel Ceruti
Fordham University
MBA
Host: KPS



Kevin McKenzie
College of Charleston
Finance
Host: Sterling Organization



Molly Donegan
Saint Mary's College
History & Political Sci
Host: AFL-CIO HIT



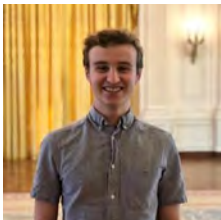
Sandra Puetate
Georgetown University
Finance & Accounting
Host: GCM Grosvenor



Brandon Escamilla
Georgetown University
Economic & Government
Host: LiUNA



Noah Ruffin
Howard University
Finance
Host: Ullico



Max Cassell
Cornell University
Government
Host: Change to Win
Investment Group



Clare Stevens
Oberlin College
Economics
Host: AFL-CIO HIT



Chao Sun
Georgetown University
MBA
Host: Segal Marco

Orientation

Orientation was held June 5th and 6th at Georgetown's beautiful Mortara Center with an opening session for introductions and time for the fellows to get to know each other. Dawn Carpenter, a faculty fellow at KI, and Debbie Nisson, Heartland Network's Co-Chair, organized the two day session with the help of Juan Belman-Guerrero (KI). It was clear from the state we had an outstanding group of fellows who were engaged and ready to learn!

The first day featured sessions on building professional careers, the history of labor, and a primer on the responsible investing movement.

Speakers included Dr. Leon Fink and Bev Ortiz from KI on labor history, along with Dawn, Debbie and Tom Croft, Managing Director for the Network, who spoke to the evolution of RI and ESG.

The second day focused on how pension funds work and how responsible investment and good corporate governance can re-shape the economy and make the "bosses" more accountable.

- Steve Sleight, Co-Chair of HCS, joined Debbie to provide an overview of pension fund governance
- Lesyllee White, AFL-CIO Housing Investment Trust (HIT) and Debbie provided real world examples of how to put money to work responsibly, describing projects from both HIT and ULLICO
- Meghan Milne of Hamilton Lane and Seth Almaliah of Segal Marco discussed how pension consultants assess RI Jennifer O'Dell of LIUNA and Carin Zelenko of the Teamsters talked about corporate governance and recounted successful shareholder campaigns



Fellowship Activities

The Fellows were provided an opportunity by Sleigh Strategies and the G Street Collaborative to participate in Brown Bag Lunches with leaders from different parts of the capital stewardship world. The focus was primarily on the career paths of these diverse leaders.



Ray Whiteman, Managing Partner of Stellex Capital Management explained to the students his humble upbringing in Brooklyn and how he always kept his eye on learning and working hard.



Thea Mei Lee, President, Economic Policy Institute who encouraged the students to do what they are passionate about, allowing their career to unfold over time.



Lori Wood, Executive Director of the Sheet Metal Workers' National Pension Fund inspired the fellows with her story of determination to continually learn and improve and to also provide opportunities for new employees.

My biggest takeaway from this summer is that pensions really make the world go round. I had no idea before going into this how much labor and everything combined really drives our economy. It was honestly a great learning experience at the HIT.

Molly Donegan
2019 Fellow
AFL-CIO HIT

Fellowship Activities

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

A stop at Blue Wolf Capital for a presentation by **Josh Cherry-Seto, Chief Financial Officer and Chief Compliance Officer**



A visit to Amalgamated Bank to meet with **Peter Neiman, Executive Vice President & Chief Marketing Officer**



A visit to New York City Hall with presentations from **John Adler, Mayor's Office of Pensions & Investments**, and **Michael Garland, Assistant Controller, Corporate Governance**



In early August, an end of year dinner was hosted at the **Ullico offices in Washington, DC**. Hosts, partners, and fellows reflected on their experiences throughout the 8-week program



Host Responsibilities

As a host, you will be asked to create a job description for your intern. It is understood that not all organizations will have the same needs, but below is a list of some basic questions to think about in formulating the plan:

- How can an fellow help with business goals?
- Do you have enough work to justify an fellow (think long & short term projects)?
- Who will supervise the fellow and where will they work?
- What type of training will you need to provide and how long will that take?

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

- Reviewing performance of portfolio companies and organizational case studies
- 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

Also consider what an fellow may want to gain from their placement with your organization.

This can include:

- Challenging assignments that will build transferable skills
- A well-organized program with clear expectations and consistent feedback
- Exposure to senior leaders, multiple departments, and outside partners in order to build a network
- Strong organizational interest in coaching and mentoring



It is extremely important to remember that the fellows are young college students who are building a portfolio. They are eager to learn, meet people, and gain as much knowledge as they can while in the program. If you have difficulty with compiling a job description, staff from Heartland can provide you with samples from previous fellowships.

"I worked at the Change to Win and their Capital Strategies Department, where I got to do some really great work looking at companies, assessing them in terms of their labor practices and what we could do in terms of shareholder initiatives. I looked at Uber, doing some financial analysis to see what happens when they try to transition to automatic vehicles. I looked at bad buybacks at companies, where they ended up losing value and the money was wasted or funneled into executive pockets. And I got to write the speech for the shareholder proposal at the Alphabet meeting demanding that the company seat a workers on their board of directors!"

Max Cassell, 2019 Fellow, Change to Win

Host Responsibilities

The main thrust of Heartland's *Responsible Investor Handbook* is that responsible and impact investors could accelerate our shared progress in creating a more livable, habitable, hopeful planet. The "Labor Capital Fellowship" at Georgetown, is an amazing new initiative to educate the next generation of responsible investors and capital stewards while supporting their early career development. 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;
- Contribute talent and resource development
- 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

Your money supports:

- A collaboration with Fellows on an academic capstone project
- The development & maintenance of a communications platform and program website
- Expenses related to Fellow experiences (i.e., travel, meals)

"Hannah helped 150 construction workers who work for a road flag company in Philadelphia this summer achieve a rare union victory! Her research uncovered horrible working conditions and excessive injuries for men and women who work in this dangerous jobs. Her work led to those workers all getting raises, better benefits and safer conditions!"

**Erin Hutson, Director of
Corporate Affairs, LiUNA**

"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

"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. The partners of our Heartland Network have helped lead this charge, and we've joined coalitions to pool capital to rebuild cities, make companies more humane and efficient, and address climate change. Our Network members have been thrilled to work with these smart, committed students from all over the country toward a more sustainable future. It is their future after all."

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

Fellowship Hosts & Sponsors



Additional
Heartland
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