



Indiana University

Indiana University Global Microfinance Brigades

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Our Mission

Our formal mission statement reads as follows: “To provide rural communities with a strong financial system with access to loans, savings accounts, and capital to fund community projects and education initiatives, resulting in a culture of community empowerment and financial literacy” (<http://www.globalbrigades.org/microfinance-methodology>). Many people around the world are trapped in a cycle of poverty due to a lack of access to financial capital. Our goal, as Indiana University’s Global Microfinance Brigades, is to provide capital infrastructure to towns and villages in the form of a “Caja Rural”, or rural community bank. The Caja Rural serves not only as a bank, but as a community gathering place. The Caja promotes sustainable community development by financing individual loans, as well as community educational events in areas such as public health, medical care, home repairs, and financial skills. Thus, our mission is to empower community members to use their expanded access to financial capital to tackle the issues that they find most pressing in their own communities.

Organizational Structure

Our organizational structure consists of two co-presidents and a treasurer; everyone else is considered to be a “brigader.” The two co-presidents stay in contact with an advisor who lives and works in Honduras. The advisor keeps our club up to date on the happenings in the rural communities in which we work. The co-presidents are then able to relay what is happening in Honduras to the rest of the group. The treasurer works to secure grants to help fund our brigades, and the rest of the work is done as a group. The entire organization – co-presidents, treasurer, and brigaders – collaborate on most every project, from fund-raising events to planning the details of the brigade.

Motivation for Promoting Philanthropic Practice and Awareness on our Campus

Our motivation for promoting philanthropic practice and awareness on our campus is driven by our club’s unique model for philanthropy. We do not simply donate money and time; rather, we give the skills necessary for people in rural communities to succeed. We think of the money that we raise to go on the trip to Honduras as an investment. The money simply gets us to Honduras; however, the effects of the trainings and workshops that we host during our stay there last far beyond the purely dollar amount we put into the trip.

Part of our mission is “to create a culture of community empowerment.” This means not only providing communities with financial infrastructure, but also encouraging the members of these rural communities to invest in their own futures. Our newest initiative, called the Social Fund, was created in part to do just that. The Social Fund is a reserve of money in the Caja that is set aside for community members in their utmost times of need. Beneficiaries of the Social Fund are committed to giving back to the community in some way. Whether that be making snacks for children in the school, helping to repair the road in the community, or hosting an educational event at the Caja, beneficiaries of the Social Fund give back to the community as a whole. The Social Fund creates a culture of care among community members. Thus, philanthropy and giving are not only a major part of getting us as students to Honduras; rather, philanthropy and giving allow the community members in rural Honduras to empower one another.

Strategy and Activities

In previous years, the strategy for the Microfinance Brigade was to recruit students, turn in the money, go on the trip, and that was it. This year, however, prior to the trip our organization has had many meetings to plan and get to know each other as well as raise money and awareness activities to promote Global Brigades as a whole as well as our specific microfinance chapter. Our group was able to recruit many members in our first outreach event during the student involvement fair in September on our campus. Not only is our group an alternative spring break option, but also we hope to promote global awareness and philanthropic ideas to solve global problems. We have held percentage nights on campus at local restaurants and have other plans with for partnerships with popular singing groups and the Latino ClubResults

Global Microfinance Brigades is a fairly new organization, so at this point we are still implementing many of our initiatives. However, we believe that we will begin to see results soon. For our upcoming brigade, success will be knowledge of the Social Fund reaching every member of the community that we will be in, as well as the Social Fund being available for use. Long-term success is measured by the community being able to sustain the Caja Rural without

the aid of Global Brigades, as well as an increase in the standard of living there. We have seen many improvements in the communities in which we have worked. Through the aid of loans provided by the Caja, 97% of the homes in which we worked now have access to public health infrastructure projects such as latrines, pilas (water storage units), cement floors, eco-friendly stoves, and showers. Further, we see our impact through our “Community Investment Fund.” For each volunteer we bring down to Honduras, \$100 is put into a community investment fund. After getting to intimately know the desires and needs of a rural community for a week, our brigaders are able to decide where we want to put our community investment fund. In 2012, we used the community investment fund to: Buy grain storage in order for villagers to sell corn at higher prices, buy farming equipment for the Caja to rent out to villagers, help create the brick and mortar Caja for the area surrounding Tomatin. The 2013 brigade donated its community investment fund to capitalizing the Social Fund of the Caja, allowing the Caja to have a larger base of funds to distribute to community members in need and to community investment projects. Finally, for every 1 volunteer on a microfinance brigade, 1.4 bank accounts are established and 1 microloan is given, meaning that access to financial capital is expanded within the community.

Budget for Philanthropy-related Activities

~\$1500 per Brigadier for each brigade:

- ~\$750 for a round trip plane ticket to Honduras/Nicaragua/Panama
- ~\$750 Program Contribution:
 - Covers costs of transportation in-country, maintenance of Global Brigades Complex, food and water
 - \$100 used to fund projects for the community

Sustainability Plan

We plan on keeping students on our campus engaged in the Brigades by hosting a number of fundraising and educational events. The fundraisers serve a dual purpose of raising funds for us to use towards the trip, along with raising awareness about our organization. The educational events will allow us to educate students on the benefits of microfinance, and why our mission is so important to empowering people around the world to make their dreams become their

realities. Because the brigades are self-funded, there should always be enough funding for the brigade; however, any additional funding that we receive can be used in a number of ways: adding more money to our project fund, funding educational programs, and potentially subsidizing the cost of the trip for a brigadier who otherwise couldn't afford it. This last use is especially important, because the ability to go on a brigade should not be based on one's ability to pay for the trip.

Lessons Learned

One of the most important lessons learned has been that the planning done ahead of the brigade is crucial to being able to use all of the time that we have. By figuring out what we want to teach, how we want to present it, and what our goals are for the trip, we were able to teach the community we were in so much more than in past brigades. This then allows us to have more of an impact on each brigade, which makes all of the time, effort, and money spent on the trip that much more worth it.