



Diversity Research Showcase Highlight

By Sean Farnum, Research Assistant

farnums1@msu.edu

With contributing author Gabrielle Teachey, Research Assistant

teacheyg@msu.edu

On Jan 19th, CCED research assistants Gabrielle Teachey and Sean Farnum attended Michigan State University’s [7th Annual Diversity Research Showcase](#) to present their work from the Center for Community & Economic Development’s *Community Investing Study*. Titled “A Study to Determine the Feasibility of Michigan State University Investing in Community Development Financial Institutions,” its 2023 project team consisted of a community advisory board and faculty working group. Contributing authors include Dr. Rex LaMore, Dr. Stephen Gasteyer, Mary ZumBrunnen, Emma Gilbert, Raquel Acosta, Gabrielle Teachey, Diego Morales, Sean Farnum, Jho Fernandez and Jayla Simon. This project was supported by an MSU [Creating Inclusive Excellence Grant](#) (CIEG).



The report discusses the feasibility of the Michigan State University’s Board of Trustees expanding their investment portfolio to community development financial institutions (CDFIs). Broadly speaking, CDFIs are lender institutions that target underserved populations and economically disadvantaged investment areas. They help promote community development initiatives through businesses, housing, and other activities. As a growing number of universities and institutions look to invest in underserved communities through CDFIs, this working group recommends MSU fund more community development ventures – suggesting it as a critical priority.



During the 7th annual Diversity Research Showcase, featuring the work or work-in-progress of undergraduate students on issues of diversity and inclusion, Gabrielle and Sean provided a presentation with question and answer period on the study. During this, they acknowledged the efforts of the working group and board of advisors, summarized the findings and recommendations of the study, and advocated for further action to be taken by the Board of Trustees on community investment models.



Throughout this project, the working group highlighted several national and state-level examples of CDFIs for the Board of Trustees, as well as a variety of university-community investment partnerships under a wide range of endowment sizes. The working group also assessed the financial viability of investing in CDFIs over other traditional investments and consulted foundation lenders on their experience working with local CDFIs. As a result, the study calls for the creation of a diverse advisory committee to oversee the launch of a Community Development Investment Fund (CDIF) at MSU to adopt more proactive community investing practices.



###