

## American Baptist Home Mission Societies

### Impact Investing Journey

The [American Baptist Home Mission Societies](#) (ABHMS) envisions a better world, transformed by the healing power of the gospel and supported by American Baptist leaders building ministries to meet human needs. ABHMS believes prudent management of financial resources can provide a source of funding for mission and can serve as a vehicle for mission as well. The ABHMS Common Investment Fund (CIF) stewards financial assets through socially responsible and social impact investing to align resources with mission.

ABHMS began their journey of using “money as mission” in 1832 when the organization was founded with a goal of raising

#### AT A GLANCE

**Denomination:** American Baptist

**Location:** King of Prussia, PA

**Year of First Impact Investment:** 1985

**Impact Sector Focus:**

- Affordable Housing
- Access to Capital
- Environmental Justice

**Geographic Impact Focus:** Nationwide

**Impact Investing Lead:** Michaele Birdsall, Deputy Executive Director, Treasurer & CFO, and Dave Moore Jr., Director of Investments

**Website:** <https://abhms.org/ministries/healing-communities/socially-responsible-investment/>

\$10,000 to support domestic missionaries. Horace Gale, visionary former treasurer, helped lead ABHMS to begin socially responsible investing in 1972, by adopting new “Guidelines Relating to Social Criteria for Investment.” Gale saw the opportunity for congruence — aligning the organization’s money with its values. He famously said: “We can no longer allow this kind of contradiction between our words and our action, between our program and our investments.”

Today, ABHMS carries this legacy for justice forward through socially responsible and impact investing. ABHMS Deputy Executive Director Michaele Birdsall says, “We maintain a holistic view of what the ministry is, and that the ministry of money is an integral part.” She and Dave Moore, ABHMS Director of Investments, have led the organization to commit and deploy \$2 million in social impact investments through their mission-directed funds. Now they are determining how they can increase that commitment.

***“How do faith investors understand money as a resource and tool to bring about a more just society, rather than use it to create and participate in unjust systems?”***

**- Michaele Birdsall, ABHMS Deputy Executive Director**

### Key Steps Taken and Barriers Overcome Along the Impact Investing Journey

ABHMS builds on this rich legacy, beginning with socially responsible investments in the 1970s in response to apartheid in South Africa. ABHMS also helped establish the Interfaith Center on Corporate Responsibility (ICCR) in 1971. Alongside partners at ICCR, they believed (and still believe now) that a cross-sector, integrated approach focused on influencing policy at large corporations can help address systemic issues related to environmental stewardship, consumer protection, human rights and diversity issues. ABHMS sees negative screens and disinvesting from companies that completely contradict its values as a baseline, and uses shareholder advocacy as a tool to catalyze change at large corporations. As this work is critical to its ministry. ABHMS established two councils: one in 2009 with external advisors on portfolio recommendations, and one internal council in 2017 that provides critical insights to ABHMS leadership on socially responsible investing matters, while generating more engagement with the broader American Baptist denomination.

The Common Investment Fund (CIF) pools financial assets and stewards them to support ABHMS programs and missions. CIF was established in 1962 and expanded in 1975 to include American Baptist churches, pooling assets in a diversified investment portfolio, all while aligning their financial resources with ABHMS values, missions, and programs. Within a decade of success in SRI, the team expanded this strategy to include mission-directed funds with a \$1 million commitment, primarily invested in community banks. In 2020, ABHMS doubled the commitment to mission-directed impact investing to \$2 million. Strategic priorities include racial justice, affordable housing, access to capital, and environmental justice with investments in small funds like Chicago Trends and Baltimore-based Ignite Capital to help Black-owned businesses, and investments in Sustain Venture Capital to support vital solar energy development projects.

This interview is part of a series of Faith Investor Profiles highlighting how institutions across denominations are investing for impact. The Profiles are for informational purposes only, and should not be construed as any financial advice nor a recommendation of any investment strategy or product. All investing carries risk, past performance is no guarantee of future results. More at: [www.calvertimpactcapital.org/faith](http://www.calvertimpactcapital.org/faith)

## **Successes and New Frontiers**

ABHMS sees partnering well as a key factor in its success. In addition to their integral role in the founding of ICCR and continuing partnership today, ABHMS works with Investor Advocates for Social Justice (IASJ) to further amplify their shareholder advocacy work. They also work with IASJ on continuing to build a mission-aligned investment portfolio, leveraging IASJ's expertise as a key consultant, while continuing to grow its impact investing portfolio of mission-directed funds. IASJ helps ABHMS align their growing portfolio with key priorities like racial justice and climate change.

The biggest success at ABHMS has been the decades-long commitment at the leadership level to the responsible stewardship of resources in close alignment with American Baptist culture and its commitment to justice. Additionally, the polity of American Baptists has supported a board structure that allows decisions to be made more quickly.

Today, the portfolio is 100% mission aligned: ABHMS has successfully excluded companies that do not support its values, and it has expanded investments in companies and social impact organizations that advance its mission. The organization is growing its mission-directed social impact fund and engaging the next generation of American Baptists and congregations in this work.

## **Suggestions for Fellow Faith Investors**

Michaele Birdsall encouraged faith investors to "have patience and perseverance in this work." She has seen it can take a long time for shareholder advocacy work to bear fruit. However, when the "tipping point" comes, progress can be made more quickly.

ABHMS shows how important it is to start with values, develop strategic priorities, and partner well to invest for the greatest impact. Dave Moore suggested it is key to "network, network, network." Michaele reminds us that "impact happens when we move forward together." Each element of the ABHMS journey — values alignment, priority setting, and partnership development — represents a great achievement, and can also be contextualized and implemented at other mission-driven organizations.

Ultimately, Michaele suggested faith investors "maintain a holistic view of what the ministry is, and that the ministry of money is an integral part."



An ABHMS investment in Solstice, a women- and minority-led power technology company, helps put affordable clean energy in reach of all Americans through shared community solar "gardens" (solar panel installations).

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