

# Funding in Indian Country: What is the Tipping Point for Success?

By Joy Persall

A 2005 report analyzing Foundation Center data of grants \$10,000 and greater details some trends in mainstream large foundation giving to Native causes and concerns.<sup>1</sup> It shows that the real-dollar value of giving by large foundations was growing. For example, from 1989 to 2002, grants increased in both number (301 to 504 grants) and in total award level (\$32.9 million to \$91.9 million, in 2002 dollars). However, the percentage of Native grants within the scope of all foundation giving remains flat over time: Native causes accounted for 0.0270 percent of overall grantmaking resources in 1990 and 0.0279 percent by 2001. During this period, overall foundation grantmaking increased 159 percent, which suggests that giving to Native causes also should have seen an increase.

While these data do not include smaller individual grants of less than \$10,000, it is unlikely that more than 0.5 percent of total philanthropic resources in the United States is dedicated toward Native causes and organizations. Despite this challenge, there is growing interest in identifying new pathways for success by national and regional funders, Native nonprofit organizations and others.

Some tribes, too, are turning to formalized philanthropy as they enjoy their own economic success. In a 2007 survey conducted by Loyola University of Chicago, researchers noted a significant increase in the numbers of Native foundations, funds and tribal giving programs. Fourteen (or 39 percent) of 36 independently incorporated Native foundations have been

established since 1994. They disbursed more than \$11 million in 2003 alone. In addition, tribal giving programs gave more than \$100 million in 2004, according to the National Indian Gaming Association.

It should be noted that of the recognized tribes, only one-third have casino revenue and less than one-third of those are considered financially successful. Additionally, the agreements (compacts) that these tribes have with their state governments require them to donate varying amounts, none less than 5 percent of revenues, to charitable causes. While there is a lack of current data documenting the amount of charitable giving to Native causes and concerns, anecdotal and limited data tell us that a majority of funds support local causes and reciprocity in local communities, providing varied and limited dollars to Indian Country.

One example of giving back through charitable dollars to the local community and investing in Indian Country with significant resources is the Shakopee Mdewakanton Sioux Community (SMSC). The Shakopee tribe is one of the largest philanthropic entities in the Midwest, awarding more than \$26 million in grants in 2007 alone. SMSC shares millions of dollars each year with other tribal communities, largely in support of economic development and sustainable practices.

In June 2009, Native Americans in Philanthropy (NAP) coordinated a historic convening of Shakopee tribal leaders and major funders in



Minnesota to share their respective Native funding priorities and explore possible ways of working together. Future activities are planned to build on the momentum produced by this event.

In 2010, NAP and its network of Native and non-Native members and allies will celebrate 20 years of advocating for increased resources in Indian Country. Within the historical context of the United States and American Indian peoples, NAP is a relatively young organization. It holds a unique niche in Indian Country and organized philanthropy, bridging community and philanthropy, promoting strategic grantmaking, expanding resource development and supporting leadership development in philanthropy.

In 2009, Native Americans in Philanthropy and its members affirmed these guiding principles in all their work: **Respect, Relationships, Responsibility, Reciprocity, Partnership, Quality and Effectiveness, and Learning.** These guiding values form the basis for our vision of healthy and sustainable communities enhanced by the Native spirit of generosity. This vision inspires and motivates the network and member engagement through NAP's mission: **to advance philanthropic practices grounded in native values and traditions.**

### WHAT INVESTMENT IS NEEDED TO SEE SUCCESS IN INDIAN COUNTRY? WHAT IS THE TIPPING POINT?

Are foundations' practices of funding in Indian Country grounded in our native values, traditions and self-determined strategies for success? Would the tipping point be reached if foundations were to commit to a minimum threshold that matches the population level, raising the level of funding from .0279 to 2 percent? Given the history of more than 200 years of trauma, broken treaties, genocide, mistrust, racism, inadequate support and inequity in

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resources, how many years would it take for a 2 percent investment to demonstrate impact and success in Indian Country?

A 2007 research and technical report, "Building A Shared Understanding," sponsored by NAP in collaboration with local and regional funders, builds a base of understanding of philanthropic giving to Native communities and the self-determined needs and Native causes in Minnesota. Building mutually beneficial partnerships requires a solid understanding of the good intentions, existing strengths and underlying challenges of the diverse tribal communities and organizations working together for meaningful purposes.

The project revealed a richer landscape of Native nonprofits than those numbers typically captured by most philanthropic databases. These include tribally chartered organizations under Section 7871 of the IRS tax code, Native-directed 501(c)(3) nonprofit organizations – urban and rural tribal programs, and formal and informal tribal charitable giving programs.

While the number of Native nonprofits is growing, resources to strengthen and sustain them over time are lacking. Deeper relationships and

trust are keys to developing new strategies and partnerships that will sustain these efforts in tribal self-determination and empowerment. This information supports the stories heard around the country that NAP members have been hearing since before its inception.

Certainly, increasing charitable support to Indian Country will lighten pressing needs with access to needed resources, such as education, food and health services. However, NAP and its membership offer an alternative approach to achieving success in Indian Country, both rural and urban. Strategic funding, defined and implemented in partnership with community, is where the real success in funding can occur.

Well known native-led organizations have demonstrated success with limited dollars, by providing financial access to education. These resources support tribal colleges and their ability to effect change within tribal communities through access to education in culturally supportive environments.

Native communities are harnessing their human and capital resources by developing Native nonprofits, IRS 501(c)(3) and 7871, both which are eligible for private and public donations and foundation support. Increasingly, leadership development projects are emerging that are being designed to meet the needs of tribal and urban Native communities in culturally competent ways in a twenty-first century context. Tribal foundations and Native nonprofits have developed collaborative and culturally attuned approaches to building sustainable communities and developing leadership to sustain success and long-term change.

The tipping point for success in Indian Country, both rural and urban, will be realized when foundations and donors recognize the power of the cultural and values-based approaches to

community healing, equity and social change. In collaborative approaches to strategic funding, foundations can grow in their understanding of success in Indian Country and realize their desire to be successful and impactful funders.

In partnership with philanthropy, Indian Country can bring a culturally sustainable approach to strategy development with donors and foundations, recognize the innovation of new leaders and support sustainable approaches to program development that can achieve positive changes in Native communities.

Native Americans in Philanthropy works in partnership with allies, Native nonprofits and mainstream tribal and Native philanthropic organizations to bring success stories to the fore, dispel myths and promote strategic resource development in Indian Country. Serving as a bridge between Native American communities and donors, NAP deepens mutual understanding and competence of both funders and

Native grantseekers, advocates for increased resources, empowers Native philanthropic practitioners and leaders, and shares promising practices and lessons for self-determined Native solutions and positive social change. Approaching its twentieth anniversary, NAP and its member network advocate for increased Native investment and leadership in philanthropy and connect tribes, nonprofits, and rural and urban peoples nationally.

Within the past year, NAP has increased its organizational and technological capacity in order to streamline and deepen membership and stakeholder engagement. This year, NAP will fully phase in new technology that integrates a recently redesigned web site and an interactive database system. With such technology, and through activities that include convening, communications and research, NAP engages its members and stakeholders at the national level.

Furthermore, NAP increasingly is employing a geographic approach to

intensify its programmatic focus in key regions. In each place-based environment, there are innovative Native organizations and tribes, potential funding partners and resources, and a growing desire for collaborative approaches to success.

Through collaborative approaches to supporting strategies defined by community, we can build on regional strengths and common interests and sustain social changes that benefit all our communities. ■

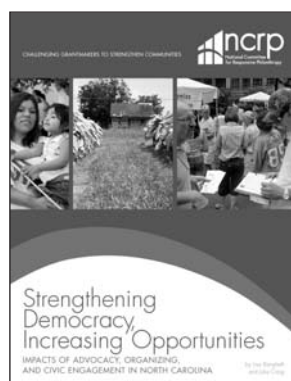
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## Notes

- 1 Sarah Hicks and Miriam Jorgensen, *Large Foundations' Grantmaking to Native America* (Cambridge, MA: Harvard University 2005). The study analyzed IRS giving data by the 900 largest community, organizing, independent and corporate foundations in the United States from 1989–2002.

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