

Oweesta

Products & Services Guide



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FIRST NATIONS OWEESTA CORPORATION
A SUBSIDIARY OF FIRST NATIONS DEVELOPMENT INSTITUTE

First Nations Oweesta Corporation

In 1982, First Nations Oweesta Corporation's parent company, First Nations Development Institute, first began development work on a finance program later named Oweesta, from the Mohawk word for money. Nearly 15 years ago, Oweesta evolved into a separate affiliate, becoming the nation's first and only certified Native Community Development Financial Institution intermediary, dedicated to supporting economic growth in Native American communities through the creation, development, and capitalization of Native CDFIs.

Oweesta's mission is to provide opportunities for Native people to develop assets and create wealth by assisting in the establishment of strong, permanent institutions and programs that contribute to economic independence and increased sovereignty for all Native communities. To that end, we provide capacity building technical assistance, financial education program training, and loan capital to tribes and Native nonprofits nationwide.

Oweesta works with Indigenous people living in some of the most rural locations in the United States, including American Indian reservations, traditional Native lands, Hawaiian homelands and in Alaska Native villages. We have worked with hundreds of Native communities and organizations, from Alaska to Louisiana and Maine to Hawaii. The 72 certified Native CDFIs and the emerging Native CDFIs with whom Oweesta works span 34 states. Our investment in these communities has led to amazing results:

- Since inception, Oweesta has made more than 35 loans totaling more than \$6 million with an average weighted interest rate of 3.52%. Although Oweesta has never previously required collateral on a loan and our investments sometimes represent an emerging Native CDFI's first infusion of capital, we have never written off a loan. In recent years, Oweesta has doubled its lending efforts and has more than \$10 million in the loan pipeline for Native CDFIs.
- Oweesta currently has 25 social investments with an average weighted cost of borrowed capital of approximately 2%. Many investors provide loans below this rate due to our social impact.
- For every \$1 Oweesta invests in Native CDFIs, the local organizations are able to leverage approximately \$20 in additional funding. This means that investments in early stage Native CDFIs help raise significant additional funds for their work.
- Oweesta does not provide lending at the local level, so any increase in the number of loans made to Native CDFIs reflects the impacts at the local level. When loans are made to Native CDFIs, the local organization can have greater impact in the community.

However, aggregate unmet financing demand exceeds these Native CDFIs' current lending capacity. In 2012, Oweesta found the projected requests on the community level exceed loan limits by nearly \$32.4 million.

First Nations Oweesta Corporation Community Impact

Activity	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
Jobs Created or Retained	237	16	202	219	201	344	222	528	213	2,180
Small/Micro Businesses	68	84	89	83	108	97	161	99	71	860
Affordable Housing Units	40	4	9	21	10	10	4	6	4	108

Services for All Native NonProfits and CDFIs

First Nations Oweesta Corporation leverages our experience and expertise throughout Indian Country to provide Native CDFIs comprehensive organizational development and capacity building technical assistance and training services. Oweesta is dedicated to making sure all Native CDFIs and nonprofits receive the support they need to serve their communities. Please contact Oweesta for a customized quote for any service in which you are interested. A full estimated pricing list is also available upon request. If your organization cannot currently afford these services, please keep us informed of your interest and we will do everything in our power to make sure that you receive the support you need despite those limitations through sliding-fee scales and other creative financing options.

Capacity Development Support

Organizational Assessment

Oweesta will assess your organization's financial, managerial, and programmatic strengths and weaknesses and make suggestions for improvements. Areas such as board governance, personnel management, and portfolio management will all be evaluated through side-by-side comparison with similar-sized nonprofit organizations and Native CDFIs. *Site visit not necessary.*

Understanding Your Market

Market Analysis

A full market analysis can help your CDFI project team understand more about the socioeconomic conditions and need for financial products and services that exist in your community. The research findings can then help shape design and delivery of financial products and development services. Uses for a market analysis include:

- Identifying “who is in the market” and providing a broad view of area demographic information
- Understanding prevailing economic conditions of the target market
- Documenting characteristics of the existing financial marketplace and potential opportunities for market diversification/ expansion via a new or existing Native CDFI
- Identifying products and development services most likely to address target market need
- Quantifying demand for business financing products
- Supporting data and key findings crucial for a CDFI certification application

Market Snapshot

This smaller market study provides a template for doing your own market study, including a survey for distribution, a report and other resources. Oweesta will provide general demographic information, guide you through the process of your market study, provide an analysis of your survey results with recommendation, and assist in the production of your written market analysis.

Lending

Loan Product Development

Oweesta will assist with identifying and designing appropriate loan products, which is typically done after completion of the market analysis.

Underwriting Training

Oweesta will provide your staff and loan committee with onsite training on the underwriting process. *Site visit necessary.*

Fundraising and Capitalization

Capitalization Planning

Capitalization planning develops financial projections for the organization and a plan for funding both lending and operating capital. The process involves discussing capitalization goals with the organization, research and data collection, and the creation of a comprehensive list of funders/investors and customized recommendations based upon the needs and demands of your community. The capitalization plan implementation identifies specific programs which match the mission and market outreach goals of the Native CDFI.

Grant Writing

Oweesta can write full grant applications or review drafts for most CDFI-related grants, including the U.S. Treasury CDFI Fund applications, Administration for Native Americans (ANA) applications, and other key grant opportunities.

Development Services

Program Design

Our team will develop appropriate training courses/workshops/seminars for your CDFI and produce a full written plan for a new program or reassess an existing one, such as a credit builder or financial education program. This on-site technical assistance will help you work your way through all stages of program design including the needs assessment, program planning, capitalization, evaluation, and reporting impacts through this one-day work-shop. *Site visit necessary.*

Train-the-Trainer

Building Native Communities: Financial Skills for Families train-the-trainer instruction allows your staff or community members to become financial education trainers. These three-day trainings with two certified financial education trainers can be tailored to your specific target market, such as youth, adults or elders. Oweesta also provides train-the-trainers for IDA programs, credit coaching, and many other common development services. *Site visit necessary.*

Planning

Strategic Plan

Need help with your long-term planning? Oweesta can develop a strategic plan through setting goals and objectives with the board and staff, doing a Strengths/Weakness/Threats/Opportunities analysis on your existing operations, and follow-up operational planning. *Site visit necessary.*

Marketing Plan

A start-up marketing plan for the CDFI includes establishing marketing goals, assisting with developing a message, and identifying vehicles to get the message out to the community.

Business Plan

This three-year business plan and financial projections for your CDFI is a must for CDFI Fund applications.



Building Native Communities Class held at the Tolowa Dee-ni' Nation of Smith River Rancheria

Supporting Start-Up and Emerging CDFIs

Organizational Development and Management

Organization Development and 501(c)(3) Application

Oweesta can meet with your organizing committee to provide guidance in determining the appropriate organizational structure, develop organizing documents, and write or review 501(c)(3) application for non-profit status with the IRS.

Organization Executive Management

In cases where a start-up organization lacks the budget to hire a full-time Executive Director, Oweesta can provide the Executive Management needed to implement a strong foundation. Services include: development of organizational governance documents, grants and financial management, and board of directors facilitation.

Executive Director Coaching

On site and monthly Executive Director coaching sessions assist through a collaborative process for developing specific competencies that will help them achieve superior organizational performance. Coaching helps formulate clear goals, explore opportunities and options to achieve desired results, and create a plan to focus on intended results.

Board, Council, and Start-Up Training

Tribal Council Presentation

Our presentation to your Tribal Council(s) can assist with getting buy-in for the CDFI development and discuss the importance of the CDFI and what will make it successful in the community. *Site visit necessary.*

Board/Organization Committee CDFI Development Training

For boards or organizing committees in the start-up stage, we can provide training in the CDFI industry and next steps in creating a CDFI. Other types of board training depending on the CDFI's stage of development. *Site visit necessary.*

Board Roles and Responsibilities Training

Whether your members are new or just in need of a refresher, our consultants can help train your CDFI's board of directors on their roles and responsibilities. *Site visit necessary.*

Policy Development

Developing Organizing Policies and Job Descriptions

Oweesta can develop a full range of internal policies (typically including personnel, travel, procurement, financial management, conflict of interest, and information technology) as well as prepare all job descriptions, including executive director, loan officer, business counselor, and finance manager.

Developing Lending Policies

Whether your plans call for consumer, small business, housing, healthy foods, or some other kind of loan, Oweesta can create complete loan policies and risk-rating analysis procedures.

Helping Mature CDFIs Grow

Lending Program Review

We can provide a comprehensive review of your lending activities and recommendations for strengthening the loan program, including reviewing loan files for thoroughness and consistency with loan policies and reviewing policies and the underwriting process for best practices.

Portfolio Risk Assessment and Management

Concerned about the riskiness of your portfolio? Our consultants can help you effectively assess the risks in your loan portfolio and manage these risks through training and/or technical assistance services.

Infrastructure Development

If you are planning a community infrastructure project, Oweesta can help. Typical projects include an Entrepreneur Center or office space for the organization.

Grants Management

Balancing the reporting requirements of federal and private funding sources can be difficult. Let us assist in developing effective systems to ensure proper management and compliance of grants.

Financial Management and Analysis

Oweesta will collaborate with board and staff leadership to develop a variety of strategic choices, and deliver practical and impactful solutions that make a difference in both short and long-term financial management. We work to address issues and provide solutions related to:

- Understanding the strengths and challenges of your organization's financial situation, history, and model.
- Identifying options and key decisions needed to strengthen financial health and stability
- Analysis of the true cost of programs and guidance for managing the balance of mission and money.
- Clarifying and refining your structure, policies, and practices for financial management and oversight.



Financial Educators from Northern Eagle Federal Credit Union make the “Oweesta O” following a Train-the-Trainer and Program Design Session

Lending Products

Oweesta considers loan applications on a rolling basis. Application requirements include current and historical financial statements, portfolio reports, loan policies, current and historical financial statements, and a comprehensive business plan or comparable information.

Capital Loans

- Available for certified and select emerging Native CDFIs
- Unsecured loan with quarterly interest-only payments
- Loan size limited to 10% of borrower's total assets
- Terms of up to five years
- Fixed interest rates from 3-5%

First-In Loans

- Available for Native CDFIs in all stages of growth and other community development organizations
- Secured or unsecured loan with quarterly interest only payments
- Loan size limited to 25% of borrower's total assets
- Terms of up to two years
- Fixed interest rates from 4-8%

Native Fresh Food Fund Loans

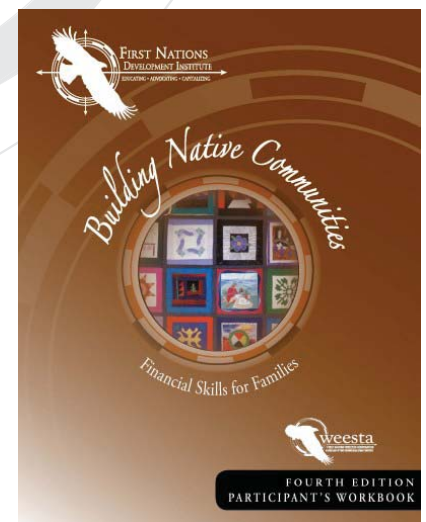
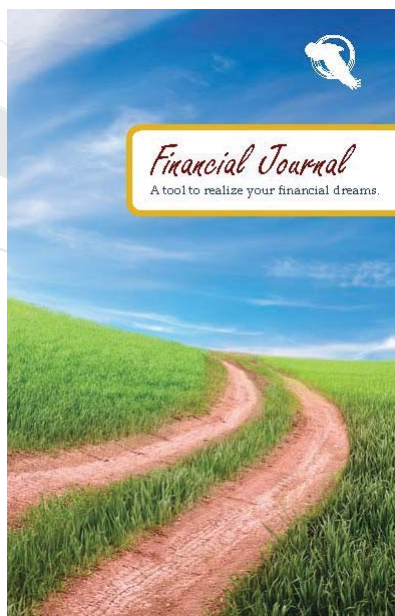
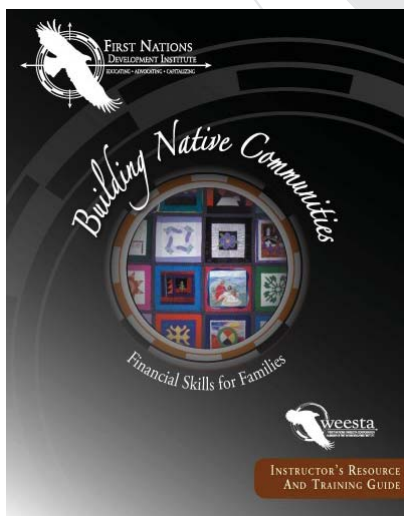
- Available for Native CDFIs, Native nonprofits, and tribal entities
- Loan proceeds must be used to finance healthy food projects
- Fixed interest rates and terms of up to 10 years

Start-Up Capital Loans

- Available to emerging Native CDFIs that have not yet received capital from other sources
- Unsecured loan of \$20,000 with quarterly interest-only payments
- Term of two years
- Fixed interest rate of 5%

Financial Education Resources and Curriculum

Building Native Communities: Financial Skills for Families 4th Edition suite of resources, \$8-10 per workbook.





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