4th Annual
Native CDFI Capital Access Convening
June 25–27, 2019 • Lihue, Hawaii
Organizational Growth: Challenges, Anxiety, and Not So Many Solutions
How we started:

- Native American Community Development Corporation started in 1996
- NACDC Financial Services, Inc. is a Native CDFI that was founded in 2010
- First loan in October 2011
- Certified by the US Department of Treasury in 2012
- Promotes economic sovereignty by removing the barriers that exist in Indian Country that prohibit the flow of capital and credit
- Addresses the critical needs in Native communities related to the growth of family assets and sustainable development
Our First Major Challenges

- Executive Director passes away in 2011
- No succession plan
- Funding was drying up
- Funders were dropping out
- Needed to lay staff off
Established in 2010
Had no lending capital
Telephone asks to Indian Land Tenure Foundation and Oweesta
  – First two investors
First loan was in November 2011
Lean operating years with 3 staff
  – 2011 to 2014
  – Dollar Store Days
Capacity Building and Technical Assistance in 2014
  – Tribal Leadership Journey Cohort
  – Building Native CDFIs Sustainability and Impact
Developing a Strong Financial Foundation

Funding in 2015
- CDFI Fund FA Award
- RBEG
- Northwest Area Foundation- 2 year grant
- Catholic Campaign for Human Development- 3 year grant

Partnerships
- First Peoples Fund
- Indian Equity Program
Employees

- Only 3 from 2011-2014
- Staff Turnover a Challenge
  - Administrative Assistant hired in 2015
    - Went through 7
  - Mini-Bank Coordinator hired in 2015
    - Went through 4
  - VITA Program started in 2015
    - Only 1 staff
- Up to 10 staff in 2018
Loan Fund Growth

• Started with Credit Builder Loans and Micro and Small Business Loans
  – Slow to Start
    • Marketing through Word-of-Mouth
  – Financial Literacy Credit Management Classes
    • Classes filled!
    • 5-6 per year
  – Repayment Goes Well
Expanding Loan Products

• Grew into Ag Loans and Consumer Loans in 2016
  – Meeting the Demand
• Moved into Native Artists Credit Line
  – Created through a relationship with First Peoples Fund
  – Harvest Moon Ball
• Developed a Home Loan Program
  – First Real Estate Home in 2017
• Short-Term Loan Program
  – Developed in December 2017
  – In Response to Land Buy-Bank Program
Native Cash

• Reservations are Cash-Economies
  – Resistant to go to mainstream institutions
  – Lack of formal bank accounts
  – Lack of trust with mainstream financial institutions

• Developed a Stream of Unrestricted Funding
  – Unrestricted Funding Limited through Grant Funding
Native Cash – One Stop Cash Services

- Check Cashing
- ATM
- Western Union
- Money Orders
- 12% Short Term Loans
Technology Challenges & Anxiety

- **Travel Distance Anxiety**
  - Video Conference Equipment through Vision Net
    - Training up to 4 reservation communities
    - Linked into the same satellite system as the Tribal Colleges and Universities in Montana

- **2019 Anxieties**
  - Native Cash
    - Trying eCash Software
    - Switch from eCash to DownHome
  - Centralizing Financials
    - CFO is in Denver, Colorado
    - Bringing internal in Browning, Montana
    - Consultant Currently Advising
# Financial Growth Solutions

## ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$235,298</td>
<td>$109,525</td>
<td>$120,887</td>
<td>$273,612</td>
<td>$1,789,393</td>
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<tr>
<td>Grants Receivable</td>
<td>$150,000</td>
<td>$128,633</td>
<td>$389,342</td>
<td>$373,000</td>
<td>$0</td>
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<tr>
<td>Interest Receivable</td>
<td>$978</td>
<td>$3,615</td>
<td>$8,415</td>
<td>$13,554</td>
<td>$25,106</td>
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<td>Net Loans Receivable</td>
<td>$129,398</td>
<td>$351,070</td>
<td>$422,617</td>
<td>$962,422</td>
<td>$1,418,801</td>
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<tr>
<td>Other Current Assets</td>
<td>$18,861</td>
<td>$19,447</td>
<td>$10,279</td>
<td>$1,361</td>
<td>$36,148</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$533,535</strong></td>
<td><strong>$612,290</strong></td>
<td><strong>$951,540</strong></td>
<td><strong>$1,623,949</strong></td>
<td><strong>$3,269,448</strong></td>
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</tbody>
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## FIXED ASSETS

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Native Cash Building</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$52,112</td>
<td>$161,280</td>
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<tr>
<td>Company Auto</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$2,256</td>
<td>$1,760</td>
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<tr>
<td><strong>Total Fixed Assets</strong></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$54,368</td>
<td>$163,040</td>
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## LIABILITIES AND NET ASSETS

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<tr>
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<th>2018</th>
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</thead>
<tbody>
<tr>
<td>Current Liabilities</td>
<td>$51,716</td>
<td>$3,111</td>
<td>$147,249</td>
<td>$65,475</td>
<td>$8,493</td>
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<td>Long-Term Liabilities</td>
<td>$100,000</td>
<td>$342,758</td>
<td>$198,046</td>
<td>$448,101</td>
<td>$1,811,000</td>
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<td>Net Assets</td>
<td>$381,819</td>
<td>$269,532</td>
<td>$606,245</td>
<td>$1,164,741</td>
<td>$1,612,995</td>
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<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td><strong>$533,535</strong></td>
<td><strong>$612,290</strong></td>
<td><strong>$951,540</strong></td>
<td><strong>$1,678,317</strong></td>
<td><strong>$3,432,488</strong></td>
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</table>
Not So Many Solutions

- Annual Reports Updated
- Strategic Plans Updated
- Partnerships
- Networks
- Colleagues
- Expanded Products and Services for Sustainability
- Business Plans Developed for Most Programs
- Jack Northrop said, “Debt is Good”
- Annual Audits Conducted
NACDC Financial Services, Inc.
PO Box 3029 • Browning, MT 59417 • (406)338-2099

Staff:
• Angie Main - Executive Director
• Bob Moore – Director of Operations
• Patty Gobert – Loan Fund Administrator
• Paula Crawford– Home Loan Specialist
• Matt Harrington – Ag/Business Specialist, Mini Bank Coordinator
• Kourtney Bull Child– Admin Assistant
• Tracey Thomas - Native Cash Coordinator
• James Crawford - Data Coordinator/ Cashier/IT
• Tammi Trombley – Head Cashier
• Joni Comes At Night – Short Term Loan Administrator

Board of Directors:
• Melanie Wall
• Jay Marcus
• Loretta Bell
• Roberta Harris
• Billie Jean Norgaard
• Yolanda GoodVoice
• Angie Main (ex-officio)

www.nacdcfinancialservices.com