

2021 Annual Report: Amplifying Our Collective Voice



Table of Contents

Letter from the CEO	3
Amplifying Our Collective Voice	4
Amplifying the Mission	6
Map of Our Work	8-9
Expanding Lending	10-13
Supporting Homeownership	14-17
Expanding Financial Capability	18-23
Building Native CDFI Organizational Capacity	24-27
Financials	28-30

Letter from the CEO



As we present our activities in this year's annual report, we centered on the theme of amplifying our collective voice to highlight our 2021 activities. This has

special meaning during our programmatic year of Oweesta. Our organization, Native communities and partners emulated what true nation wealth building looks like. We cared for our most vulnerable, creating pathways to hope and pushing through the COVID-19 pandemic with resilience, prayers and funding. And as Native people, Nations and organizations, we held a platform of visibility that we've rarely encountered in decades.

In recent years, America found itself grappling with its history. The murder of George Floyd on May 25, 2020, sent ripple effects throughout our Nation. We found ourselves as a Country (well, most of us) outraged at pure inequity and prejudice that has been institutionalized within the fabric of America. We've known this since colonization began, and our other brothers and sisters of color are obviously not oblivious to that fact either. But America finally had to look in the mirror and face some ugly truths.

As a response, various private and government sectors swiftly and nimbly implemented opportunities for communities of color

and Native communities to gain access to investment and grant opportunities that we have long been excluded from benefitting. As important – if not more important – is the opportunity these initiatives provide to fundamentally break the cycle of exclusion and invisibility.

The investment and equity opportunities we've witnessed and enlisted provide not only sound financial returns to our newfound partners, but the community impact these economic streams create in retaining and creating wealth in our Native communities is paramount to our economic flourishing. The work portrayed in a myriad of levels within our 2021 Annual Report highlights Native CDFIs ever-evolving innovation, commitment to community, and embodiment of culture in spite of adversity. Oweesta's new partnerships and increased investment, and continued building efforts of our Native organizations, small business owners and tribal members is truly a celebration of victory.

On behalf of our staff and Board of Directors, I would like to extend my sincerest thanks to our clients, investors, partners, and constant believers. With your continual dedication to Tribal communities and Native peoples throughout the nation, we are redefining equity and reclaiming native sovereignty, together.

Chii miigwetch,

Chrystel Cornelius, President and CEO

Amplifying Our Collective Voice

2021 exposed the injustices Oweesta Corporation and many advocacy groups have been declaring for decades: inequity is pervasive; it affects the nation's policies, economics, and opportunities for prosperity.

Inequity has been so palpable and blatant in recent years, it stirred the sector and society to reflect on what diversity, equity, and inclusion really means and to act on reparative steps. This meant that for the first time in decades – perhaps centuries – Native communities were seen.

At Oweesta, we have been invigorated seeing Native communities be accounted for;

however, our goal is to ensure this burst of support is long-lasting. We do not want “return to normal.” That was a time when inequity was acceptable and a time when Native people were “Something Else.”

Using our [2021-2023 Strategic Plan](#) as our guide, Oweesta has spent the past few years guiding momentum towards Native sovereignty. The theme for this year's report “Amplifying our Collective Voice” reflects the decades of conversations, partnerships, and coalition building for recovery and resilience. The milestones featured within this report were achieved in collaboration and solidarity.

Racial Equity in Grantmaking

Oweesta was 1 of 15 organizations selected for MacArthur Foundation's Equitable Recovery grant under the focus area of advancing Self-determination of Indigenous Peoples. The Equitable Recovery initiative granted roughly \$80MM in awards to organizations combating structural racism, inequality, and the Covid-19 pandemic, including Oweesta.

Long-standing partner and investor, the David and Lucile Packard Foundation reaffirmed their commitment to racial justice and equity through investments to 6 CDFIs, totaling \$25MM. Oweesta was fortunate to receive \$5MM of low-cost, long-term capital to deploy to its Native CDFI partners.

Reaching Small Businesses

Oweesta was excited to be selected for the Small Business Administration's Community Navigator Pilot Program, along with Native CDFIs and MoFi. In the wake of the Covid-19 pandemic, we witnessed how little institutional support made its way to Native small businesses and entrepreneurs under the Payroll Protection Program. Through this program, Oweesta and the network of Native

CDFIs can revolutionize how government aid reaches Native small businesses. Following a hub-and-spoke model, Oweesta will serve as a centralized “hub” and lead organization for the grant and leverage our long-standing relationships with grassroots Native CDFIs as “spokes.” This partnership is in early stages, and Oweesta anticipates reaching many Native entrepreneurs.



Amplifying the Mission

Oweesta amplifies the voices and the needs of Native communities to help inform policy that supports Native community development. We see a huge gap in the amount of data related to Indian Country; this gap reinforces the exclusion and invisibility of Native communities in policy and funding.

Our team is uniquely situated to conduct research projects and share best practices and key findings that illuminate successes and combat misconceptions. For example, the “Native CDFI Financial and Lending Performance” report examines the health of our lending portfolio by synthesizing quarterly borrower data from 29 Native institutions. The final report offers an insightful synopsis - backed by data - of the overall strength of investing in Indian Country.

Through our partnership with the Partners for Rural Transformation, we released “Everything Else: Stories of Rural America,” an interactive story map that shares the stories of people living and working in Rural America. Oftentimes, the experiences of people in Rural America are eclipsed by those in urban settings and/or filled with misconceptions. The story map is offering a creative way to connect with rural populations and hear their stories.

Research and Publications

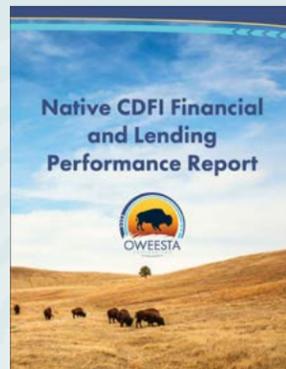
Capturing Shared Impacts of the Partners for Rural Transformation

Details how the partners are working individually and collectively toward shared goals and a framework for measuring future shared impacts.



Native CDFI Financial and Lending Performance Report

Synthesized quarterly borrower reporting data from 28 Native CDFIs and one Native CDFI banking institution.



Opportunities and Challenges for Native CDFI Housing Lenders

An analysis of institutional challenges as well as the creative solutions undertaken by Native CDFIs to overcome those challenges.



Celebrating Native CDFIs' Ingenuity

Oweesta once again hosted a Native track of sessions at Opportunity Finance Network’s annual conference, held virtually in 2021. Covering topics around reducing the racial homeownership gap and internal COVID-19 recovery strategies, we saw a combined 748 attendees participate in the Native track.

Additionally, through a continued partnership with OFN and Wells Fargo, we held the annual Native CDFI Awards Ceremony, honoring the

commitment and success of Native CDFIs in creating opportunity in tribal communities. The 2021 winner of the Native CDFI Catalyst Award **Northwest Native Development Fund** received the award for their strategy to address a severe lack of housing stock on and around the Colville Reservation in Washington. **Spruce Root** received the 2021 Native Seed Capital award to help start-up businesses and entrepreneurs prepare for applying for the CDFI’s microloan program.

2021 Native CDFI Catalyst Award

Northwest Native Development Fund



2021 Native Seed Capital Award

Spruce Root



The Native CDFI Capital Access Convening

We hosted our 6th Annual Native CDFI Capital Access Convening virtually. Over three days, we assembled 24 sessions catering to the unique issues Native CDFIs face as well as featured prominent Native voices.

We had the honor of having Edgar Villanueva, Principal of Decolonizing Wealth Project, as the keynote speaker. His remarks impressed upon the industry that money, despite being used as a weapon for centuries, can become medicine to heal.



During the event, we were reminded – and reinvigorated - that unity is our strength. From learning about data tracking to unearthing inequity in capital access to learning of the work of peers in Canada, industry powerhouses made it clear that Natives transcend today’s borders.



-  **Loan Portfolio Clients**
-  **SBA Navigator Spokes**
-  **HUD Network Organizations**
-  **Technical Assistance Clients**

Expanding Lending

For decades, Native Tribes and communities have been excluded from mainstream sources of funding. Oweesta's lending, in partnership with the numerous Native CDFIs across the country, have filled that void by funneling private investments into the hands of Native people while being community-driven, flexible, and secure.

It is with pride that we boast that **Oweesta has never defaulted on an investor note in our twenty-year history** – this achievement is not only a reassurance to investors and donors we work with, but also serves a data point to demonstrate that investing in Indian Country is safe and rewarding.

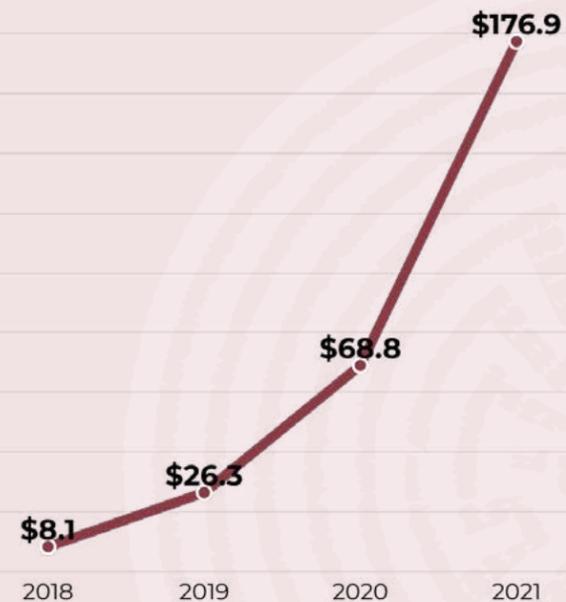
For the past two years, Oweesta's lending team has been busy **disbursing \$11.7M for the Native American Covid-19 Response and Recovery Fund** (Capital Pool II Loan Fund). In 2021, the small and mighty team streamlined the redistribution of resources by adopting new software, underwriting the Native American Covid-19 Response and Recovery Fund and revolving loan fund applicants, and provided technical assistance and financing to emerging groups through the Wells Fargo Emerging CDFI grant.

Oweesta's in-depth underwriting process and fully integrated technical assistance program makes sure that our partners receive the support that they need to be successful.

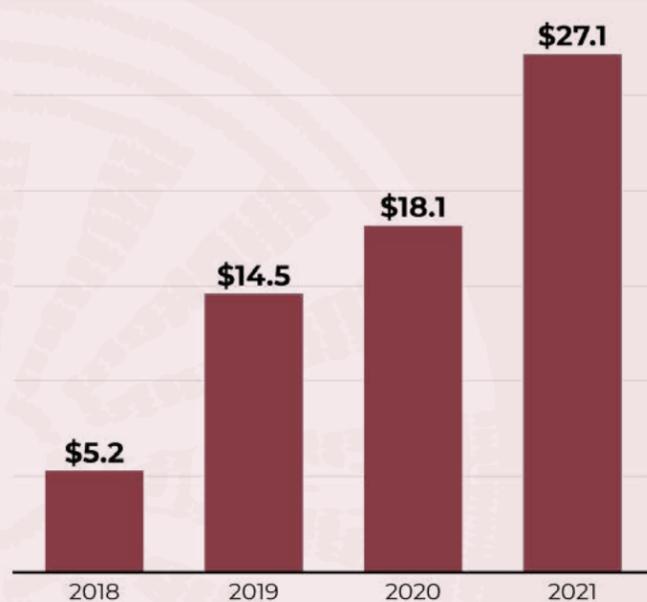


Photo: Adam and Angela stand inside their restaurant Hogsback Deli, financed through the help of Nimiipuu Community Development Fund and Northwest Native Development Fund. **Photo Courtesy of Nimiipuu Fund**

Disbursed to Native Communities
(in millions)



Total Investments
(in millions)



We have seen how the growing discourse around economic and racial justice has encouraged philanthropic institutions, private investors, and government entities to reflect on their giving and lending policies and become more inclusive of Native communities.

The energy around advancing the Native economic movement has resulted in many new investors in 2021, bringing our investor portfolio to 167. Investing in Native communities supported 35 families in becoming homeowners, financed 105 new

small businesses, and created and retained 3,440 jobs.

As grassroots Native CDFIs continue to push boundaries and open more doors for homeownership and business development in their communities, the need for capital grows too. 2021 was a momentous year in that **Native CDFIs disbursed a total of \$176.9M in loans to Native communities**, a huge jump from previous years. Though in 2021, we also saw the largest need for capital as Native CDFIs reported lacking \$87M to satisfy requests.

167
total investors

\$176.9M
disbursed by
Native CDFI
borrowers



\$11.7M
disbursed through
the Native American
Covid-19 Response
and Recovery Fund

Decolonizing Food Systems In Maine

“We sealed the eel deal,” Tawny Wilson, Loan Officer at NDN Fund shared a joke popular within the NDN team. After three years of working closely with the Indian Township Enterprise (ITE), the economic development arm of the Passamaquoddy Tribe, NDN Fund and ITE closed out a \$1.5M loan to support a joint venture in the eel aquaculture business.

Eels have been a traditional food source of the Passamaquoddy Tribe of Maine for centuries and more than half of community members harvest baby eels, called elvers, each spring. However, the community has faced financial exploitation over their harvests – harvesters would regularly be paid half of the market value for their catch, only to see the price double.

They also faced challenges in integrating themselves in the greater eel value chain despite centuries of expertise. Most eels are largely caught as elvers and mature in aquaponic centers. Due to the heavy regulations on commercial eels in the US, domestic elvers are shipped to Asia to grow and then sent back to the US.

The Indian Township Enterprise saw an opportunity to buy equity into American Unagi, a Waldoboro, Maine-based company and the only eel distribution aquaponic center in the US. As equity stakeholders, the Tribe could take back control of their ancestral food system. They could create a market for their annual eel harvest of 700 pounds, create new jobs in their rural community, and price their harvest fairly, stabilizing fishery values to over \$4 million per year for Maine Tribes.

Despite the promising joint venture, ITE found it difficult to acquire the capital needed to buy into American Unagi until they met NDN Fund, an emerging Native Community Development Financial Institution (CDFI) and the impact investing and lending arm of the NDN Collective, an Indigenous-led nonprofit organization.

“The power of NDN Collective is helping to change things. It’s more than helping to create a business plan or deploying capital – that’s easy. Our work is about managing relationships,” said Tawny Wilson.

“The power of NDN Collective is helping to change things. It’s more than helping to create a business plan or deploying capital – that’s easy. Our work is about managing relationships.”

- Tawny Wilson, Loan Officer at NDN Fund

NDN Collective’s mission to defend, develop, and decolonize permeates throughout all their work, including the decolonization of lending. Most traditional lenders evaluate borrowers’ creditworthiness against the five C’s of credit – character, capacity, capital, collateral, and conditions. CDFIs usually add a sixth C for community. Many Tribal communities and aspiring Native entrepreneurs are unable to fit into the mainstream mold of an ideal borrower, and subsequently do not qualify for initial seed funding.

Instead, NDN Fund measures borrowers through the lens of regeneration and self-

determination by evaluating the six R’s of resilient financing – relationship, reciprocity, reach, resources, reputation, and the Resilience Impact Assessment (RIA) intake form.

The seed funding the Passamaquoddy Tribe received from NDN Fund proved to be invaluable. Beyond buying their initial equity stake in American Unagi, the Indian Township Enterprise is SBA 88 certified, pursuing federal contracts, and entered their next phase of funding to develop, build, and operate Maine’s 2nd eel aquaculture business: Wabanaki Unagi.

Photo: Elvers (baby eels) from the eel aquaculture venture by the Passamaquoddy Tribe of Indian Township and their partner, American Unagi, in Maine. **Photo Courtesy of NDN Collective**



Native communities and causes are disproportionately underrepresented in philanthropy, having only received an average of 0.4% of total funding from large U.S. foundations between 2002-2016.

Source: *Investing in Native Communities: Philanthropic Funding for Native American Communities and Causes*, Native Americans in Philanthropy and Candid



Supporting Homeownership

Oweesta made waves in 2021 in the housing development front by receiving certification through the U.S. Department of Housing and Urban Development for the Native Homeownership Network. The 10 organizations part of the network persevered through two years of capacity building, countless study hours, and a pandemic to become the first-ever HUD-certified housing counseling network comprised exclusively of Native community development financial institutions (CDFIs) and Native non-profits.

A network built of Native housing agencies was a dire need because of the uniqueness

of navigating tribal trust laws. **Already by the end of 2021, the network has provided homebuyer education and housing counseling to over 1,000 families.**

Since the end of 2020, Oweesta has worked with the Native CDFI Mortgage Lending Cohort to recruit interested Native CDFIs and build organizational capacity of these groups to become mortgage broker(s), which will contribute to increased mortgage production in Native communities under Duty to Serve. Through specialized monthly training calls and one-on-one technical assistance, Oweesta's team has assisted Native CDFIs in the cohort



Photo: New housing development in the Isleta Pueblo Reservation, financed by Tiwa Lending Services. **Photo Courtesy of Tiwa Lending Services**

in accomplishing a range of housing-related programmatic goals. This has meant working with groups to identify mortgage lending-related goals and activities that will position groups for success as conventional mortgage brokers, which includes becoming NMLS licensed among other tangible outcomes. A big success of this program was destigmatizing conventional lending and engaging secondary market with the cohort groups. This program

and the TA providers were able to shift the perspectives on this so there was a better understanding of the systems and products.

In an effort to continue expanding services, Oweesta's Programs team hosted webinars in partnership with Native Learning Center on "Capitalization Opportunities for Housing" and "Secondary Market for Housing."

Types of Housing Loans Closed by Native CDFI Borrowers



45
housing loans on Reservations disbursed by Native CDFI clients

\$25.7M
disbursed by Native CDFI borrowers in housing loans



9
Native CDFIs certified by the U.S. Department of Housing and Urban Development

Making Forever Homes Possible in Lac du Flambeau

Patti Maulson was ready to rebuild her life after going through a divorce that left her bankrupt. A tribal member of the Lac du Flambeau Band of Lake Superior Chippewa tribe, she decided to return home to the reservation and become a homeowner once more.

With the bankruptcy fresh on her credit report, she couldn't qualify for a loan through most banks. That's when she reached out to Wisconsin Native Loan Fund (WINLF), a local Native CDFI servicing all eleven Tribes in Wisconsin. In a letter, Patti laid out the circumstances that led her to declare bankruptcy and the reparative steps she had been taking since then to rebuild.

Wisconsin Native Loan Fund, like many Native CDFIs, are usually the only non-predatory lender available to Native communities. And like many Native CDFIs, their mission as a lender is to uplift Native communities through fair lending and personalized financial education.

"We're a hand up, not a handout," said Janice St. Germaine, Director of Lending at Wisconsin Native Loan Fund (WINLF). "Not many people own their own homes. It's not taught to own land on or off the reservation."

Homeownership continues to be an area of great disparity, as Native communities face

housing shortages, challenges in accessing mortgage capital, and other barriers to safe, affordable housing, enough that only 53% of Native Americans are homeowners compared to 71% of white households. Even worse is that usually the easiest and fastest way to acquire a loan is through payday lenders which trap people in predatory interest rates. Seeing a demand for housing and fair lending, WINLF opened their doors in 2008 and quickly expanded their operations to service all eleven Tribes in Wisconsin. They now offer a full range of lending services from auto loans to debt consolidation loans.

WINLF continues to strive for the development of Tribal Nations in Wisconsin, partnering with construction companies to address the housing shortage. A lot of the work they do is also related to empowering communities to thrive within the mainstream financial realm.

"Indian people are taught survival. We're not taught to care about finances or credit scores. At WINLF, we're trying to help people be comfortable with financial matters and make it so they can go to the bank or some other

"Indian people are taught survival. We're not taught to care about finances or credit scores. At WINLF, we're trying to help people be comfortable with financial matters and make it so they can go to the bank or some other financial institution."

- Janice St. Germaine, Director of Lending at Wisconsin Native Loan Fund (WINLF)

financial institution," said Janice St. Germaine. "We want to be a steppingstone for people, so they can graduate into going to a bank."

Patti has continued her relationship with WINLF. She returned for an auto loan for a much-needed new truck. She is also making renovations to her home with the help of WINLF. "I am so grateful to WINLF as an institution that is available to us as Native people who are working hard to build lives for themselves and our families. I am back home and finally living the life I have dreamed of for so long," shared Patti Maulson.

Photo: A new home for a low-income Native American household in Wisconsin, funded through a home loan from WINLF.
Photo Courtesy of Wisconsin Native Loan Fund



Mortgage credit utilization is low on reservations — per capita mortgage utilization in reservation communities is only 59% of the utilization rate in nearby off-reservation geographies.

Source: *Access to Capital and Credit in Native Communities: A Data Review*, Native Nations Institute



Expanding Financial Capability

Financial education is an integral piece in the historical and current systemic oppression around access to capital for Native communities. Within remote reservation communities, we lack access to physical banking institutions and broadband internet services. Communities without access to financial institutions are often faced with racially insensitive policies, despite the legislative efforts to correct these practices.

Native individuals are also the least likely of any minority group to have emergency funds or a banking/checking account of any other minority population in the nation. Native families will therefore not have access to the emergency loans necessary to keep families housed, fed, and safe through the crisis and its recovery period. Financial education is important for our Native communities because we are building the foundation for lasting generational financial sustainability.

Despite the setbacks presented in 2020 due to closures across the country, many Native financial education trainers, including the Oweesta team, pivoted their services virtually or downsized their classroom sizes. For the first time, Oweesta built out an asynchronous platform for the *Building Native Communities (BNC)* curriculum, spreading the training program into two-hour teaching modules over three weeks as opposed to three full days of instruction. In 2021, 207 practitioners became newly certified in the BNC, joining the 2,249 total certified trainers.

Overall, BNC certified trainers held 575 trainings in Indian Country for 3,469 participants. Students successfully used the principles and money management tools they learned resulting in 202 new banking accounts being opened, an average increase of 24 points in credit reporting, and an average debt decrease of \$792.



As the demand for financial education services grows, Oweesta's Programs team has expanded their services by launching several new programs in 2021. During Financial Capability Month in April, Oweesta hosted the first-ever Native Financial Education Practitioners Summit creating a virtual space for 90 leaders in the Native financial education industry to network, learn the latest tools of the trade, and share struggles. Later in August, the team held the first Credit as an Asset train-the-trainer program from Credit Builders Alliance in which 28 participants learned the ins-and-outs of credit and became certified to carry the teachings to their community.

The truth is: we can't teach people out of poverty. But we can teach them the vocabulary, the processes, and the self-confidence to take their first steps towards becoming business owners, purchasing a new home, or even starting a rainy-day fund.

575
Building Native Communities training held for Native communities

3,469
Building Native Communities participants



\$792
average debt decrease of students successfully applying BNC principles

Photo (left): Financial education class led by Tiwa Lending Services. Photo Courtesy of Tiwa Lending Services

Turning Beads into a Business in Rapid City



When Black Hills Community Loan Fund opened applications for their new program “Pivoting in a Pandemic,” they received 200 applications within three days for only twenty openings.

Beau, a beadwork artist based in Rapid City, South Dakota, landed one of the coveted spots that would help him “pivot” his fledgling beading business to e-commerce. Beau was born in Rapid City and grew up on the Pine Ridge Indian Reservation, where he learned beading techniques from local artists and mentors. It was while in prison that he focused on honing his craft as a form of expression, identity, and cultural history.

The Native art business is robust; it is also decentralized, informal, and self-reliant. A survey by Native Women Lead in March 2020 found that only 50% of “solo-preneurs” were legally structured and 70% of respondents shared their business were their sole source of income. Like many Native “solo-preneurs” who operate out of their own homes, Beau relied

on in-person events including pow wows, art shows, and craft fairs to sell his handicrafts. When the Covid-19 pandemic halted in-person gatherings and events, many artists lost their livelihoods without having any contingency plans or alternative routes for selling, and, in most cases, without having any emergency funds.

The team at Black Hills Community Loan Fund (BHCLF), a Native CDFI based in Rapid City, South Dakota, launched their pilot program “Pivoting in a Pandemic” in direct response to the isolation and inefficient financial support artists faced. The program was designed to support small-scale entrepreneurs legitimize their businesses. Even more significantly, artists learned how to take their art to the digital market.

“Pivoting in a Pandemic” was kickstarted by a \$25,000 award BHCLF received for winning the 2020 Native CDFI Seed Award, an award program jointly supported by Opportunity Finance Network, Wells Fargo, and Oweesta.

Photo (left): Beau, a beadwork artist based in Rapid City, South Dakota, was one of the 20 artists selected for the program “Pivoting in a Pandemic.” **Photo Courtesy of Black Hills Community Loan Fund**

85% of certified trainers of the *Building Native Communities* curriculum rated the need for financial education in their community as “Extremely Necessary” or “Very Necessary.”

Source: 2020 Native Financial Practitioners Survey Results, Oweesta Corporation



“In a colonized world where we must use this country’s currency, having something of our own is very important. We need a way to compare currency to what we once had, and how to maintain our cultural relevancy in business.”

- Shannon Ahhaitty, Operations Manager and Business Development Specialist at BHCLF

Beau entered the “Pivoting in a Pandemic” program with very little experience managing finances. He had a checking and savings account and even established an LLC for his business, but still felt unprepared to speak to a banker about financing opportunities. He was sure he would be denied.

Under the guidance of BHCLF, Beau and nineteen other Lakota, Dakota, and Nakota artists across the Great Plains area of Montana, South Dakota, North Dakota, Wyoming, and Nebraska spent twenty-four weeks participating in an Indianpreneurship class. This introductory course covered the basics of traditional business money management such as cash flow, balance sheets, and profits and loss, but with a lens on Native culture.

“In a colonized world where we must use this country’s currency, having something of

our own is very important. We need a way to compare currency to what we once had, and how to maintain our cultural relevancy in business,” said Shannon Ahhaitty, Operations Manager and Business Development Specialist at BHCLF.

“For most of the artists, this was their first experience building a business plan and the first time with financial spreadsheets,” added Ahhaitty. Financial education is a crucial component of BHCLF’s business model; loan clients are more successful when they have a solid foundation.

After successfully completing BHCLF’s program, Beau has entered their microlending program to help get his beading supply store off the ground. “It has been a joy watching him turn all the lessons from class into a reality,” expressed Ahhaitty.



Photos: Black Hills Community Loan Fund supported 20 Lakota, Dakota, and Nakota artists from across the Great Plains of Montana, South Dakota, North Dakota, Wyoming, and Nebraska through their program “Pivoting in a Pandemic.”
Photos Courtesy of Black Hills Community Loan Fund

Building Native CDFI Organizational Capacity

The success of Native CDFIs stems from relationships. Anchored within the community with the purpose of ensuring the success of our clients, as Native CDFIs, we lean on our technical assistance services to build self-sufficiency and financial empowerment. Oweesta's individualized technical assistance ranges from highly technical financial management and lending support to executive coaching to help leaders reach their full potential.

At Oweesta, the team is managing several large programs, including the Native CDFI HUD Housing Counseling Network, Networking for Investment program, emerging Native CDFI support program, Native CDFI Mortgage Lenders Cohort, and ongoing contractual training and technical assistance tailored to the needs of specific Native CDFIs. All these networks and services are rooted on our long-

term goal of building up the industry with new and innovative approaches to maximizing impact and revenue.

On the contractual front, Oweesta provided clients with 2,868 hours of technical assistance in 2021. Services ranged from underwriting to market studies to strategic planning. In addition, Oweesta led webinars on pressing and in-demand topics, such as loan policy development, accessing the secondary market, and engaging audiences in virtual trainings reaching 3,583 participants.

Additionally, the team announced a two-year Native CDFI Practitioner Certification Program, to be held in 2022-2023, which will enhance Native CDFI professionals' knowledge of the basics of Native CDFI operations and management.

Concurrently, we tapped into the relationships we have with investors and philanthropic institutions to strengthen diversity, equity, and inclusion (DEI) in grantmaking. DEI initiatives need to go beyond checking a box. We encourage grantmaking institutions to revisit their bylaws, strategies, or governing policies to be more inclusive. That's why in 2021, Oweesta partnered with Impact Finance Center (IFC) to host Investor Clubs, a series of intimate gatherings of investors and stakeholders interested in learning how to integrate their values into their lending. In addition to Investor Clubs, Oweesta hosted a pre-convening day at the annual Capital Access Convening featuring sessions and closed door conversations exclusively for investors.

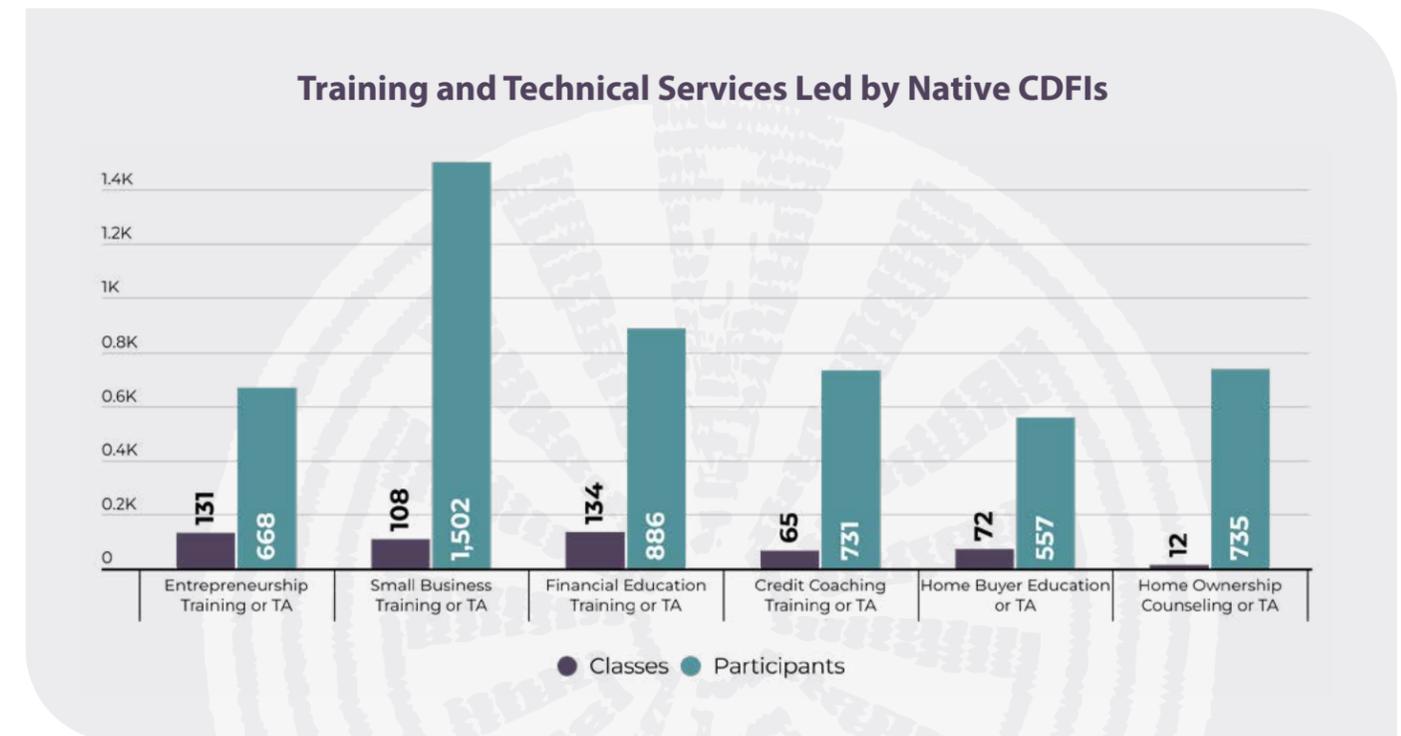
52.1%
self-sufficiency ratio

110
investors participated in Investor Clubs, held jointly with Impact Finance Center

2,868
hours of Technical Assistance offered by Oweesta



Photo (left): Fern Orie, Chief Programs Officer at Oweesta, attends Native CDFI Network's Winter Roundtable, alongside Pete Upton, Senator Lisa Murkowski (R-AK), and Robin Danner. **Photo Courtesy of Native CDFI Network**



Building Permanent Institutions in Isleta Pueblo

Chief Operating Officer Krystal Langholz stood at the front of a classroom, adhesive flip chart paper covered the walls and even one sheet was stuck on her. For the first time in close to two years of halted travel and closures around the country, the Oweesta team resumed their in-person technical assistance trainings, and Krystal Langholz was leading the staff at Tiwa Lending Services and four of their board members through strategic planning. In her standard energetic and jovial self, Krystal was navigating the daunting task of strategic planning with a playful twist.

“Being the first in-person facilitation in over a year, the training was so energizing. The process is not just the facilitation; it’s looking at their financial health and history. We interview clients, develop out the memo, and build out bigger strategic planning themes making them timebound,” said Krystal Langholz, COO of Oweesta. “A strategic plan is a great, but it has to be incorporated in all areas of the organization and become the backbone.”

In 2008, the Isleta Tribal Council reimplemented the Home Loan Program to

“We haven’t done a strategic plan in a while. We were going through growing pains, and it was the perfect opportunity to reevaluate our business growth as business scale.”

- Sheila Herrera, Executive Director of Tiwa Lending Services

make low interest rate loans to tribal members for the construction, renovation, or purchase of a home on Isleta tribal lands. In 2012, Tiwa Lending Services took over the Isleta Home Loan Program, serving Isleta tribal members and other Native Americans in Bernalillo and Valencia Counties.

Many Tribal communities face housing shortages, forcing people to share homes with their extended families. Tiwa’s mission was to build new homes for local families. Home construction became a challenge with lumber shortage driving up cost of homes locally in an already tough housing market. The rising lumber prices is just one of the many hurdles

Tiwa Lending Services had to overcome with their small team of two. In recent years they had to deal with inadequate flooding insurance, irrigation problems, lack of access to the secondary market, roadblocks with the BIA, finding a new office location and moving, and the list goes on. When simply staying afloat is a challenge, how do Native CDFIs level up?

“We haven’t done a strategic plan in a while,” shared Sheila Herrera, Executive Director of Tiwa Lending Services. “We were going through growing pains, and it was the perfect opportunity to reevaluate our business growth as business scale. We want to make sure we’re always growing to scale.”

Tiwa was part of the Mortgage Cohort under Fannie Mae looking to expand their role in

the housing market. They realized they could channel their growth as scale through a strategic plan.

Technical assistance is a focus area for many organizations, but even the organizations delivering TA oftentimes require TA themselves. Strategic planning is one of the most sought-after services at Oweesta, followed by financial management, loan policy review, and CDFI creation. In the past year alone, the Oweesta team offered over 2,800 hours of TA.

“Our mission is to build permanent institutions,” added Langholz. “We believe in the power of technical assistance to build roads for infrastructure for capital movement. The beauty of Oweesta is that we are a Native CDFI providing support to Native CDFIs.”

Photos: Krystal Langholz, COO of Oweesta Corporation, led the Tiwa Lending Services team and Board of Directors through a strategic planning session. **Photos Courtesy of Tiwa Lending Services**

The number of certified Native CDFIs has risen dramatically over the past two decades, from 14 in 2001 to more than 70 in 2016, thanks to the creation of the Native Initiatives program with the CDFI Fund.

Source: *Access to Capital and Credit in Native Communities: A Data Review.* Native Nations Institute



Oweesta Corporation
Statements of Financial Position
June 30, 2021 and 2020

	2021	2020
Assets		
Current assets		
Cash and cash equivalents	\$ 11,935,582	9,820,943
Short-term investments (note 4)	5,672,785	646,869
Grants receivable	750,000	200,000
Current notes receivable, net of allowance of \$80,936 and \$251,846, respectively (note 3)	2,759,806	2,320,654
Government grants receivable (note 10)	625,000	521,333
Other current receivables, net of allowance	190,982	2,075
Prepaid expenses	966	7,306
Total current assets	<u>21,935,121</u>	<u>13,519,180</u>
Property and equipment, net (note 5)	–	4,950
Other assets		
Long-term notes receivable, net of allowance of \$723,230 and \$544,478, respectively (note 3)	23,731,120	15,261,548
Long-term government grants receivable (note 10)	–	625,000
Long-term grants receivable	750,000	–
Investments (note 4)	264,553	81,156
Total other assets	<u>24,745,673</u>	<u>15,967,704</u>
Total assets	<u>\$ 46,680,794</u>	<u>29,491,834</u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued liabilities	\$ 157,039	243,622
Due to affiliate	–	1,250
Deferred revenue	434,500	594,591
Refundable advances	662,500	500,000
Paycheck Protection Program loan (note 6)	–	163,000
Current maturities of long-term debt (note 7)	1,631,796	1,833,125
Total current liabilities	<u>2,885,835</u>	<u>3,335,588</u>
Noncurrent liabilities		
Long-term debt, net of current maturities (note 7)	25,427,954	16,251,875
Total liabilities	<u>28,313,789</u>	<u>19,587,463</u>
Net assets		
Without donor restrictions	14,771,362	6,996,591
With donor restrictions (note 8)	3,595,643	2,907,780
Total net assets	<u>18,367,005</u>	<u>9,904,371</u>
Commitments and contingencies (notes 3, 7, 10, and 11)		
Total liabilities and net assets	<u>\$ 46,680,794</u>	<u>29,491,834</u>

See the accompanying notes to the financial statements.

Oweesta Corporation
Statement of Activities
Year Ended June 30, 2021

	Without donor restrictions	With donor restrictions	Total
Operating Revenue, Gains and Support			
Public support			
Grants	\$ 2,222,750	8,986,927	11,209,677
Government grants	237,500	–	237,500
Contributions	53,755	–	53,755
Total public support	<u>2,514,005</u>	<u>8,986,927</u>	<u>11,500,932</u>
Other revenue			
Program service fees	930,591	–	930,591
Interest income on notes receivable	243,368	–	243,368
Investment return	13,762	–	13,762
Other income	29,223	–	29,223
Total other revenue	<u>1,216,944</u>	<u>–</u>	<u>1,216,944</u>
Net assets released from restrictions (note 8)	8,299,064	(8,299,064)	–
Total operating revenue, gains and support	<u>12,030,013</u>	<u>687,863</u>	<u>12,717,876</u>
Operating Expenses			
Institutional and lending services			
Institutional development	1,282,895	–	1,282,895
Lending and other	463,915	–	463,915
Total institutional and lending services	<u>1,746,810</u>	<u>–</u>	<u>1,746,810</u>
Supporting services			
Administration	378,169	–	378,169
Development	22,004	–	22,004
Total supporting services	<u>400,173</u>	<u>–</u>	<u>400,173</u>
Total operating expenses	<u>2,146,983</u>	<u>–</u>	<u>2,146,983</u>
Net gain from operations	<u>9,883,030</u>	<u>687,863</u>	<u>10,570,893</u>
Non-operating Expenses			
Grants and stipends	2,108,259	–	2,108,259
Total non-operating expenses	<u>2,108,259</u>	<u>–</u>	<u>2,108,259</u>
Change in net assets	<u>7,774,771</u>	<u>687,863</u>	<u>8,462,634</u>
Net assets at beginning of year	<u>6,996,591</u>	<u>2,907,780</u>	<u>9,904,371</u>
Net assets at end of year	<u>\$ 14,771,362</u>	<u>3,595,643</u>	<u>18,367,005</u>

See the accompanying notes to the financial statements.

Oweesta Corporation
Statement of Activities
Year Ended June 30, 2020

	Without donor restrictions	With donor restrictions	Total
Operating Revenue, Gains and Support			
Public support			
Grants	\$ 200,000	2,605,554	2,805,554
Government grants	265,266	-	265,266
Contributions	11,167	-	11,167
Total public support	<u>476,433</u>	<u>2,605,554</u>	<u>3,081,987</u>
Other revenue			
Program service fees	552,747	-	552,747
Interest income on notes receivable	322,162	-	322,162
Investment return	92,411	-	92,411
Other income	54,887	-	54,887
Total other revenue	<u>1,022,207</u>	<u>-</u>	<u>1,022,207</u>
Net assets released from restrictions (note 8)	<u>2,419,167</u>	<u>(2,419,167)</u>	<u>-</u>
Total operating revenue, gains and support	<u>3,917,807</u>	<u>186,387</u>	<u>4,104,194</u>
Operating Expenses			
Institutional and lending services			
Institutional development	1,248,210	-	1,248,210
Lending and other	734,409	-	734,409
Total institutional and lending services	<u>1,982,619</u>	<u>-</u>	<u>1,982,619</u>
Supporting services			
Administration	279,953	-	279,953
Development	42,321	-	42,321
Total supporting services	<u>322,274</u>	<u>-</u>	<u>322,274</u>
Total operating expenses	<u>2,304,893</u>	<u>-</u>	<u>2,304,893</u>
Net gain from operations	<u>1,612,914</u>	<u>186,387</u>	<u>1,799,301</u>
Non-operating Expenses			
Grants and stipends	648,569	-	648,569
Total non-operating expenses	<u>648,569</u>	<u>-</u>	<u>648,569</u>
Change in net assets	964,345	186,387	1,150,732
Net assets at beginning of year	<u>6,032,246</u>	<u>2,721,393</u>	<u>8,753,639</u>
Net assets at end of year	<u>\$ 6,996,591</u>	<u>2,907,780</u>	<u>9,904,371</u>

See the accompanying notes to the financial statements.





Oweesta Corporation

2432 Main St, Longmont, CO 80501
303-774-8838 | www.oweesta.org

