



Flexible Equity Investment Strategies

Four Bands Community Fund Case Study

June 4, 2026



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Presenters



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About Sweet Grass



Data doing good.

Sweet Grass provides professional consulting services around evaluation, research, and strategy that promote and support asset based initiatives in economically burdened communities.

- Feasibility and market studies
- Impact measurement, evaluation reporting, and graphic design
- Database builds and implementation support
- Strategic planning



About Four Bands Community Fund (FBCF)

- Eagle Butte, South Dakota

- Non-profit established in 2000
- Creates opportunity for Native American individuals, families, businesses, communities, and tribal nations
- Programs and services that support self-sufficiency, wise resource management and the spirit of entrepreneurship

Overview for today



- Discuss FBCF equity injection program
- Explore recent research project
- Share findings



Investment and debt capital

At Four Bands, we use the term “equity injection” to describe money that is:

- Invested into a small business that does not need to be paid back
- Typically combined with a loan

This means a business gets both investment capital (the equity injection) and the debt capital (the loan).

Question 1:
Where do equity injections fit (if at all) in your organization's work today?



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Equity injection program

- Came from understanding challenges that Native entrepreneurs face in starting or expanding businesses
- Given on and off since 2013
- Paired with training, coaching, workshops, and/or incubator space

Equity injection project

- Look at what data we have and what it says
- Improve future equity injection strategy and impact tracking
- Share lessons with other Native CDFIs and lenders

The data we used

Longitudinal data

- Basic information about each equity injection
- Corresponding loan details
- Annual business assessment survey data

Primary data

Short interviews with:

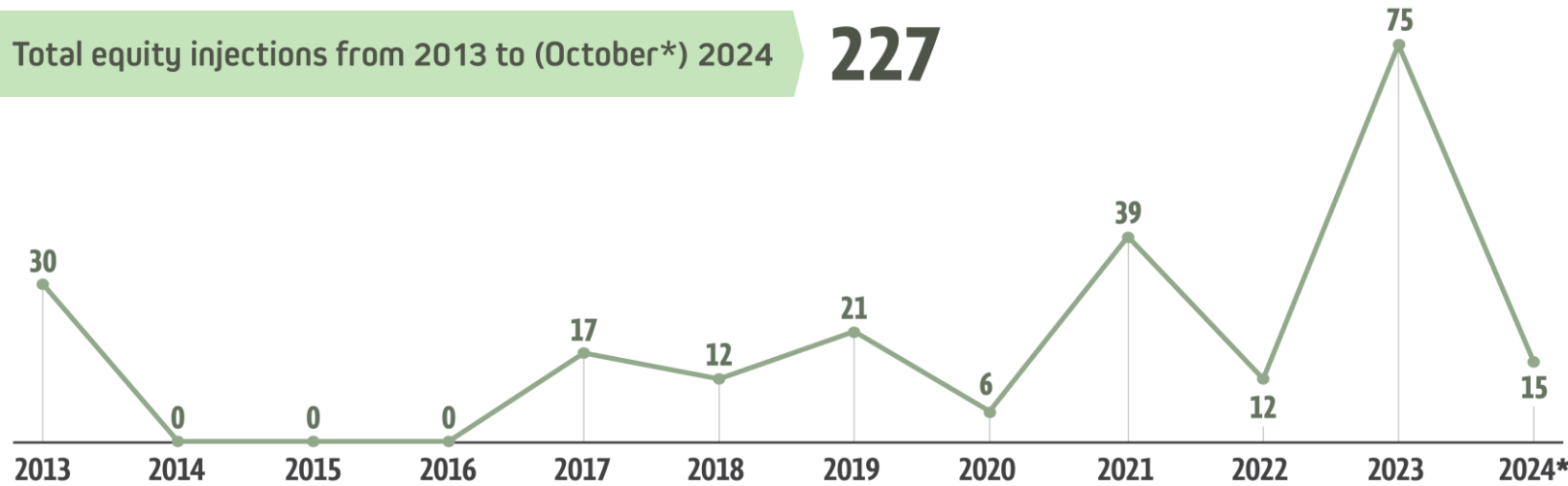
- Equity receivers
- Four Bands staff
- Four Bands funders

What did we learn about our equity injections?

Analysis included 227 equity injections totaling \$945,604.56

Total equity injections from 2013 to (October*) 2024

227



Average
number

1.87

Range of amounts

\$50–\$20K

Average amount

\$4,165.66

Median amount

\$4,000

Businesses served

119

Equity injection use

- Prioritize flexibility
 - Somewhat dictated by its funding source
- Common uses include:
 - Equipment and supplies
 - Inventory
 - Business services (marketing, accounting)
 - Upgrades/improvements
 - Operating/working costs
 - Loan costs
 - Debt paydown



Engagement with equity stakeholders

- To better understand impact and opportunities for the future
- 5 recent equity receivers via 15-minute phone call
 - Received between \$6,000–\$45,000 in equity injections since 2022
- 3 FBCF staff members via 45-minute Zoom
- 4 equity funders via 30-minute Zoom

*Stakeholder
insights*

**Equity
support**

- Direct improvement on businesses
- Enabled expansion or new revenue streams
 - Purchased livestock at a crucial market moment
 - Renovated a building for future income possibilities
- Avoided high-interest credit card debt or additional loans that would have been needed
- Ability to move through a period of crisis

*Stakeholder
insights*

**Non-
financial
support**

- Determined where the injection would have greatest impact
- Educational component—resources to improve businesses skills and decision-making
- Support felt relevant and responsive to real-time needs, not assumptions
- Clients felt FB had their back, not navigating it alone

Question 2:

What do you see
as the biggest challenge
for this kind of
program?



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insights*

Our challenges

- Timing
- Communication
- Terminology
- Data and metrics
- Flexibility vs. strategy

*Stakeholder
insights*

Flexibility

- Meeting clients where they are
- Acting based on deeper understanding of the community context

Stakeholder insights

Finding a balance

- Meaningful support vs. unintentionally creating dependency
- Support that doesn't reduce engagement, accountability, or open communication
- FBCF terminology vs. funder terminology
- Advancing equity without restricting opportunities for others

*Stakeholder
insights*

Approaching equity injections in the future

- Potential for application-based approach
- Interest in storytelling with strategic, outcome-driven metrics
- Not just as financial aid but as a tool to disrupt oppressive financial systems

Meeting needs of clients while being equitable with our equity



Decision support tool

- 9 key criteria that reappeared as priorities in conversations
- Designed to guide thoughtful, transparent, and consistent decisions
- Not intended to replace staff expertise or local knowledge
- A companion that helps balance flexibility with strategy

Excerpt: Decision support tool

Category	High = 3 points	Medium = 2 points	Low = 1 point	Loan officer notes	Points
Equity and access considerations	Faces significant systemic barriers (e.g., Native-owned, business on a Reservation, women-/minority-owned, rural, high-cost environment).	Faces some systemic barriers but also has other resource access.	Already has strong access to capital/ resources; injection won't address inequity.		
Local impact	Strengthens business and community impact (jobs, services, legacy, stability, expansion).	Some positive outcomes but mostly internal to business.	Small gap-filling with limited ripple effects.		
Non-financial services	Business is engaged with coaching, technical assistance, peer networks, or resource referrals that amplify impacts of equity.	Some engagement with services but not consistent or strategic.	No connection to non-financial supports; equity operates in isolation.		

Key takeaways



- Rooted in relationships
- Flexible by design
- Wraparound services
- Funder willingness
- Additional metrics to help inform strategy

Question 3:

What is one idea you are taking away from this session?

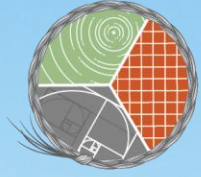


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