

University Bank receives corporate citizenship award

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University Bank in St. Paul recently received the Corporate Stewardship Midsize Business Award from the U.S. Chamber of Commerce's Center for Corporate Citizenship. The bank was one of five finalists for the national award, which recognizes businesses and chambers of commerce that demonstrate ethical leadership and contribute to important economic and social goals. University Bank's stewardship activities include the Houses to Homes program, which has rehabilitated more than 1,100 affordable homes in the Twin Cities since May of 2000; and the Urban Revitalization Fund, an investment product that directs funds toward community reinvestment projects.

Tribal colleges can be a key to Native entrepreneurship

For many American Indian tribes, tribal colleges are becoming a vital tool for promoting Native entrepreneurship.

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American Indian tribes choose various paths for promoting economic development in reservation communities. Some opt to focus tribal resources mainly on tribally owned enterprises, such as casinos. Others place a prominent focus on the development of small, privately owned businesses. Tribes that follow this strategy seek ways to promote entrepreneurship, defined here as the practice of developing, organizing, operating and assuming the risks of a business. For many, tribal colleges are becoming a vital tool for promoting Native entrepreneurship. Through their curricula, community services and business development initiatives, these tribally chartered academic institutions can play a key role in promoting entrepreneurial ideas and practices.

A dual mission

Over the past three decades, tribal colleges have developed into the main post-secondary educator of Native Americans. They were created to fulfill a dual mission, outlined by the American Indian Higher Education Consortium, a tribal college network: to rebuild, reinforce and explore traditional tribal cultures, using uniquely designed curricula and institutional settings; and to address mainstream models of learning by providing traditional disciplinary courses that are transferable to four-year institutions. [1/](#) The Navajo Nation founded the first tribal college in 1968. Today, there are 31 tribal colleges in 12 different states, and three federally chartered American Indian colleges. Twenty-two are located in the Ninth Federal Reserve District (see the [sidebar](#) below for more information).

Course and degree offerings at tribal colleges are similar to those at any community college. In many other respects, tribal colleges are unique. They address the cultural and spiritual health of their students, fostering a familylike atmosphere and providing personalized attention. Instruction is delivered in culturally sensitive ways. Native languages might be used in the classroom, or the curriculum might highlight examples and case studies that are drawn from Native customs. On many reservations, tribal colleges double as cultural and community centers. They serve as gathering spots and offer services such as counseling, day care and high school equivalency preparation.

The right mix

Tribal colleges are also unique in having a mix of features that support entrepreneurship. In a 2003 study on Native American entrepreneurship, the Corporation for Enterprise Development (CED) identified several important elements that are necessary to ensure a climate that allows entrepreneurship to flourish in Native communities. They include an information infrastructure, community-driven supports, training, the existence of anchor institutions, and continuous learning.

In their position as academic, cultural and community centers, tribal colleges provide most or all of the elements the CED study identified. Although they are chartered by one or more tribes, tribal colleges try to maintain autonomy from tribal governments and are often among the most stable and politically independent institutions on reservations. They are truly anchors in their communities, providing education, services and access to information technology and other resources.

Building on their strengths as community centers and support institutions, tribal colleges actively promote entrepreneurship in a number of ways. On the academic front, every tribal college offers at least one program of study in business, business administration or business management, with offerings that range from classes to associate and four-year degree programs. The programs cover a range of business topics, from budgeting and accounting to marketing and online sales. Many tribal colleges match their business curricula to existing local economic needs. In doing so, they link entrepreneurship with housing, the environment, health and culture. [2/](#)

Beyond education and training, tribal colleges promote entrepreneurship and small business growth in their communities through workshops and leadership development. They deliver technical assistance via small business centers and other outlets. Many of the tribal colleges in the Ninth District maintain community entrepreneurship initiatives that reach beyond their core education programs. A sampling of these initiatives reveals the breadth of entrepreneurship development approaches that tribal colleges pursue.

Ninth District initiatives

A number of Ninth District tribal colleges function as reservation-based business centers, offering students and tribal members access to a variety of resources and technical services that promote entrepreneurship. They also help sponsor the production of business information and technical assistance materials. Blackfeet Community College in Browning, Montana, houses a Tribal Business Information Center (TBIC). The TBIC provides technical assistance and training to enhance businesses and industries on the Blackfeet Indian Reservation. The center offers counseling and training in general management skills, accounting, marketing, and other areas.

Some TBICs offer support systems and detailed technical assistance to students, alumni and community members who are interested in starting their own businesses. The TBIC at Sitting Bull College in Fort Yates, North Dakota, offers all-inclusive small business support; consultation and mentorship with existing business owners; assistance with preparing business plans and finding appropriate financing, including non-traditional financing; resource manuals and "how-to" books; market research and opportunities to network with business resource providers.

Many tribal colleges sponsor business incubators or small business development centers (SBDC), which hold introductory seminars on starting a business. They also offer valuable small business resources and technical seminars to the surrounding community. Fort Belknap College in Harlem, Montana, hosts an SBDC that provides education, training and technical assistance to community members in order to encourage self-sufficient lifestyles on the Fort Belknap Reservation. Recent events sponsored at the center range from grant writing and strategic business planning workshops to information sessions on software applications and funding. Fort Peck Community College in Poplar, Montana, offers a community business assistance center that is open to the public and provides "one-stop shopping" for the small business in need of help.

On many reservations, the tribal college provides the readiest Internet access. Fort Belknap College's SBDC contains a computer resource library that offers Internet access to tribal members, who can use the technology while learning accounting programs that help their businesses run more efficiently. Similarly, Oglala Lakota College in Kyle, South Dakota, maintains a community library providing business materials, resources and Internet facilities.

In their role as community centers, some tribal colleges host youth activities related to financial education and entrepreneurship. The Lac Courte Oreilles Ojibwa Community College in Hayward, Wisconsin, partners with the reservation's Boys and Girls Club to conduct various asset-building and cultural workshops. These meetings include topics related to entrepreneurship. United Tribes Technical College in Bismarck, North Dakota, offers community financial education programs to both adults and youths to build a foundation of interest in entrepreneurship.

Some colleges have implemented a "hands-on learning" approach to entrepreneurship. Sitting Bull College operates construction and communications supply companies, providing students with hands-on business experience. Tribal colleges also work to build community awareness about entrepreneurship and instill a positive environment for entrepreneurial growth. Turtle Mountain Community College in Belcourt, North Dakota, hosts an annual small business expo to encourage tribal members to take pride in showcasing their small businesses.

In keeping with their mission of promoting Native American culture, Ninth District tribal colleges educate students on how free market economic principles can coexist with Native traditions and heritage. Salish Kootenai College in Pablo, Montana, and Sinte Gleska University in Rosebud, South Dakota, jointly established the *American Indian Entrepreneurs Case Studies and Curriculum*, featuring materials structured around traditional tribal values. Leech Lake Tribal College in Cass Lake, Minnesota, offers an educational program that combines entrepreneurship with sustainable living. The classes blend traditional and modern activities with holistic ideals that focus on community, family and cooperation.

Banding together

Tribal colleges also recognize the importance of sharing resources and banding together with other tribal colleges and community organizations. In the Ninth District, the majority of tribal colleges are members of the national American Indian Business Leaders program, which provides role models and mentors for future entrepreneurs. One participating college, Fond du Lac Tribal and Community College in Cloquet, Minnesota, sponsors a student business group. Member students learn how to design their own businesses and have opportunities to network with successful American Indian business people and attend national conferences.

Leech Lake Tribal College sponsors an entrepreneurship program that has formed beneficial collaborations with the Minnesota Women's Business Center, Native American Business Development Center, and Leech Lake Economic Development. Eighteen current or potential business owners have received comprehensive training in business planning through this entrepreneurship project, and

dozens more have participated in related educational seminars.

A natural fit

As examples from the Ninth District illustrate, tribal colleges use creative means to promote entrepreneurship. Many of their initiatives reach out to the whole reservation community, offering information and resources to all. The inclusiveness of their efforts results from the unique position that tribal colleges hold in many reservation communities. They are often the only local institutions with the independence and capacity to deliver entrepreneurship education and initiatives that meet the needs of a broad population of families, youths, college students, founders of start-up enterprises and owners of established businesses. For tribes that strive to create a community of entrepreneurs, the efforts of tribal colleges are often an essential and natural fit.

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1/ *Tribal Colleges: An introduction*, American Indian Higher Education Consortium, 1999, p. A-3.

2/ *Tribal College Contributions to Local Economic Development*, AIHEC, 2000, p. 20.

Funding limitations challenge tribal colleges

Tribal colleges are a vital part of many Native communities, but the education, programs and services they offer can only stretch as far as available funds will allow. Tribes are recognized as sovereign nations that fall under federal jurisdiction. As such, states have no obligation to fund tribal colleges that are located on federal trust territory, and the colleges therefore receive virtually no aid from state or institutional sources. These two sources account for 25 percent of aid provided to all U.S. college students. Tribal college students must rely on private and federal sources of aid, which also fund mainstream colleges and favor the institutions that have participated in aid programs the longest. That leaves tribal colleges with a disproportionately small share. Underfunding results in increased tuition costs, making the average tribal college tuition about 30 percent higher than the average tuition at other U.S. community colleges. Funding has been recognized in many recent studies as the biggest obstacle tribal colleges face in ensuring their success and future growth.

Ninth District tribal colleges

Bay Mills Community College

Brimley, Michigan

Blackfeet Community College

Browning, Montana

Cankdeska Cikana Community College

Fort Totten, North Dakota

Chief Dull Knife College

Lame Deer, Montana

Fond du Lac Tribal and Community College

Cloquet, Minnesota

Fort Belknap College

Harlem, Montana

Fort Berthold Community College

New Town, North Dakota

Fort Peck Community College

Poplar, Montana

Keweenaw Bay Ojibwa Community College

Baraga, Michigan

Lac Courte Oreilles Ojibwa Community College

Hayward, Wisconsin

Leech Lake Tribal College

Cass Lake, Minnesota

Little Big Horn College

Crow Agency, Montana

Oglala Lakota College

Kyle, South Dakota

Salish Kootenai College

Pablo, Montana

Si Tanka University

Eagle Butte, South Dakota

Sinte Gleska University

Mission, South Dakota

Sisseton Wahpeton College

Sisseton, South Dakota

Sitting Bull College

Fort Yates, North Dakota

Stone Child College

Box Elder, Montana

Turtle Mountain Community College

Belcourt, North Dakota

United Tribes Technical College

Bismarck, North Dakota

White Earth Tribal and Community College

Mahnomen, Minnesota

Native Financial Education Coalition works to strengthen tribal economies

By working collaboratively, Native Financial Education Coalition members seek to increase awareness about the need for financial education in Native communities.

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AUTHOR



Joanna Donohoe

Coordinator, Native Financial Education Coalition

Understanding how to make wise financial decisions has always been an important component of accessing affordable credit and other financial products and services. Because Native communities have historically had limited access to the financial marketplace, financial education is especially critical for stimulating the flow of capital into Indian Country and helping Native people achieve their financial goals.

In the late 1990s, major agencies and nonprofit organizations with interests in promoting Native economic development began an ongoing conversation about the critical nature of financial education in Indian Country. The Native Financial Education Coalition (NFEC) evolved from the discussion. Convened by the U.S. Department of the Treasury in 2000, the coalition is now an independent entity coordinated through First Nations Oweesta Corporation.

For nearly five years, the NFEC has brought together local, regional and national organizations and governments to promote financial education in Native communities. Native people have historically managed resources wisely—whether through hunting, fishing or harvesting. The NFEC's goal is to help translate those traditional resource management skills to today's financial market.

By working collaboratively, NFEC members seek to increase awareness about the need for financial education in Native communities through outreach, policy and research. They look for ways to build the financial education capacity of Native governments and organizations by offering instructor training and information about national financial education resources. They also support each other's efforts to promote financial management skills through sharing and collaboration

Empowerment through education

Vickie Oldman, a financial education trainer and NFEC member, is passionate about bringing basic banking and financial management skills to Native communities.

"This education is needed because we as Native people are tired of being victims of predatory practices in our surrounding communities," she says. "If we want our communities to grow, financial education can be the foundation for bringing more resources to the community and keeping them there. We will become educated homeowners and business owners, and feel empowered to make our dreams come true."

Oldman, who is Navajo, has worked with other experienced trainers in preparing more than 800 instructors to teach financial education courses in Native communities. The training uses the *Building Native Communities: Financial Skills for Families* curriculum, which was developed by First Nations Development Institute and the Fannie Mae Foundation.

Making a local impact

NFEC Chair Elsie Meeks, executive director of the First Nations Oweesta Corporation and a member of the Federal Reserve Board's Consumer Advisory Council, is amazed by how much the Coalition has been able to accomplish.

"Thanks to financial support from some of our members, we've really been able to have an impact at the local level," she comments. "We've facilitated pilot programs at tribal colleges and through youth initiatives. And we've raised awareness about how important financial education really is."

Financial supporters of the NFEC include the Annie E. Casey Foundation, Fannie Mae Foundation, Merrill Lynch, Washington Mutual and Wells Fargo Foundation. Through collaboration with the National Endowment for Financial Education, NFEC recently launched a new Web site at www.nfec.info that will serve as an information clearing-house for Native communities developing financial education programs.

The work of the coalition is conducted through five committees, which were formally organized in 2003. In addition to training, NFEC members target tribal colleges; youth initiatives; Earned Income Tax Credit outreach; and new asset education, which involves developing education tools for tribes that have relatively high incomes from gaming dividends or other types of distributions. (For more information on the Youth Initiatives Committee, a focus of the Federal Reserve Bank of Minneapolis, see the [sidebar](#) below.)

"We are stressing an integrated approach," explains Meeks, a member of the Oglala Sioux Tribe. "We've found that the strongest local programs tie their financial education to other efforts like Individual Development Accounts, homeownership, small business development or even free tax-preparation assistance. The coalition is encouraging Native organizations to look for partners at the local level to streamline the delivery of services to consumers."

And the consumers are responding. Oldman's enthusiasm rings through once more as she describes the reaction of her students.

"Many Native people easily grasp the concept of how our elders managed natural resources. Once they understand that and see how it applies to their finances today, it's exciting," she says. "Then, when they see how financial resources tie into their day-to-day lifestyles and choices, that's even more powerful. People begin to understand that those choices are major factors in determining how many resources they have."

By helping Native communities develop the capacity to deliver this message, the NFEC hopes to bolster the foundation for strong tribal economies and financially savvy Native people.

Joanna Donohoe is the coordinator of the NFEC. For more information or to become a member of the NFEC, contact her at (561) 626-9700 or Joanna@donohoeconsulting.com, or visit www.nfec.info.

A focus on Native youth

Since its formation in 2003, the Youth Initiatives Committee (YIC) of the Native Financial Education Coalition has begun to play a role in bringing culturally appropriate financial education to the next generation of Native Americans.

The mission of the YIC is "to develop an initiative to promote the financial education of Native youth" across the United States. Committee members, led by co-chairs Richard Todd of the Federal Reserve Bank of Minneapolis and Kimberly Irwin of the Social Security Administration's Phoenix office, built supports for the mission early on by crafting a work plan that has several key objectives. The list includes creating a process for adapting available financial education curricula to Native youths, building relationships with Native and non-Native organizations that have strong youth or financial education programs in place and organizing recognition events for both Native youths and their adult teachers and mentors.

Most of the objectives got under way in 2004, with committee members providing youth financial education materials from organizations like Junior Achievement, the National Endowment for Financial Education and the National Council on Economic Education (NCEE) to Native educators for their evaluation. In mid-2004, the YIC partnered with the Minnesota Council on Economic Education (MCEE) to support a pilot financial education program for Native middle and high school students at Heart of the Earth Charter School (HOE) in Minneapolis. With funding from the Beim Foundation and in-kind support from the YIC, the council trained HOE social studies teacher Bruce Turnbaugh on the NCEE's *Financial Fitness for Life* curriculum. Through the MCEE, a consulting educator who has experience with the curriculum offered feedback on Turnbaugh's lesson plans. The MCEE also provided tests to assess students' knowledge before and after each unit of the curriculum is taught. Turnbaugh, the MCEE and YIC members will work together to assess the pilot's results at the end of the academic year.

The YIC expects to expand its efforts in 2005. Additional pilot opportunities are being explored in other Minneapolis settings and in rural South Dakota, with support from the Wells Fargo Foundation. The YIC is also pursuing financial education partnerships with the Girl Scouts of America and Boys and Girls Clubs of America (BGCA). In a recently announced agreement, Schwab Bank will fund pilots for Native youths at four BGCA locations in Nevada and Arizona. To promote the sharing of experience and best practices in financial education for Native youths, the YIC plans to organize events to recognize outstanding achievement and will post brief summaries of existing Native financial education efforts on the *Lessons Learned*, or LesLe, Web site maintained by the Federal Reserve Bank of Chicago (<http://www.chicagofed.org/webpages/communities/cedric/lesle.cfm>). Through these and other means, YIC members hope to build their initial efforts into a broad, powerful program for delivering financial education across the Native youth population.

For information on joining the YIC, or to suggest a Native youth financial education effort for inclusion on the LesLe site, contact Richard Todd at (612) 204-5864 or dick.todd@mpls.frb.org.

Federal agencies partner to promote Native homeownership

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In late 2004, three federal agencies signed an agreement to combine resources for promoting homeownership and housing development in American Indian and Alaska Native communities. Under the agreement, the U.S. Departments of Agriculture, the Interior, and Housing and Urban Development will work together to provide housing opportunities and assistance to Native communities at all income levels. The agencies also agreed to share data, minimize duplication of effort and increase the efficiency of their project planning related to Native housing development.

Loan limits for most reverse mortgages increase

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The maximum loan size allowed under the nation's most popular type of reverse mortgage has increased for 2005. Loan limits for the Home Equity Conversion Mortgage (HECM), which is insured by the Federal Housing Administration (FHA) and accounts for about 90 percent of all reverse mortgages made in the U.S., rose nearly 8 percent on January 1.

A reverse mortgage is a loan that allows homeowners aged 62 or older to borrow against their equity while remaining in their homes. The money can be used for any purpose, and repayment is not required until the home is sold or is no longer occupied by the borrower. Under a HECM, there is no minimum or maximum home value, but loans are capped at limits that the FHA sets for each county in the U.S. The highest limit, available in most major metropolitan areas, increased from \$290,319 in 2004 to \$312,895 for 2005. The lowest limit, which applies in most rural and nonmetropolitan areas, increased from \$160,176 to \$172,632.

The maximum size of the less common Home Keeper loan, a Fannie Mae reverse mortgage product designed for homes with values that exceed the FHA's county limits, increased from \$333,700 in 2004 to \$359,650 for 2005. The limit is 50 percent higher in Alaska, Hawaii and the U.S. Virgin Islands.

National homeownership campaign honors Montana network

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The Campaign for Homeownership, a national initiative of the Neighborhood Reinvestment Corporation, recently awarded the Montana HomeOwnership Network (MHN) first prize in the "Best Collaboration to Promote Homeownership" category of its Innovations in Homeownership Contest. The MHN was also named runner-up in the contest's "Best Strategy for Reaching Minority Homebuyers" category.

Founded in 2001 as an affiliate of Neighborhood Housing Services of Great Falls, Mont., the MHN is a statewide partnership of nonprofit and private corporations, government entities and other organizations that provides homeownership information and opportunities for the people of Montana.