

The New Same Old Story

By Nichole Maher, executive director of the Native American Youth and Family Center, with support, input, and guidance from Urban Indian Community members from Oregon to Minnesota

About 60 percent of the nation's American Indians/Alaskan Natives (AI/AN), or about 2.5 million, live in urban areas. Of that total, about 262,000 live in 30 cities in the northwest quadrant of the nation, with an estimated 135,000 residing in four metropolitan areas: Seattle; Portland, Ore.; Billings, Mont.; and Rapid City, S.D. About 40 percent of these citizens live at or below the poverty line.

In 2003, the Northwest Area Foundation (NWAF) approached Native American leaders in each of these four cities and asked if they would be willing to work on a process to reduce poverty for their American Indian communities. The four cities then launched into a strategic planning process with a large philanthropic organization that would prove disastrous.

After two agonizing years of planning, NWAF on December 12, 2005, informed urban Indian coalitions from the four cities that a community-driven plan to reduce poverty was denied. *(continued on page 11)*



The issues that follow are not extraordinary. They happen consistently within every grantmaking organization. Many good ideas are brought to these organizations. Some of these good ideas receive support. In practice, many do not.

What we at Northwest Area Foundation are sharing with *Responsive Philanthropy* readers is the account of our decision not to support a community partnership proposal. What is different about this story is our approach: the level of investment and the amount of time and resources we committed to support the attempt of several community organizations to work together to translate community need into a multifaceted strategic plan for poverty reduction. Unfortunately, the proposed plan did not meet our standards for funding, and we did not invest in it. We hope that our account of this experience will convey the lesson that good efforts do not always lead to fundable outcomes.

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NWAF's Commitment to Reducing Poverty

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At Northwest Area Foundation (NWAF), we believe that poverty can and must be eliminated. The millions of Americans who live in poor conditions are enduring an unnecessary and unjust condition. The persistent poverty within our nation undermines our freedom, our ability to foster and achieve an equitable society, and the important rights we have fought to defend—including that of pursuing individual economic security.

Poverty is a cancer on all of our freedoms. It erodes the resilience and hope of communities all across this country. We believe that all Americans have a responsibility to do something about it.

We also believe that community is key. Poverty reduction initiatives have a greater chance of success if they

Northwest Area Foundation's Community Level Outcomes

- Asset Identification & Development
- Expanded Economic Opportunities
- Increased Community Capacity to Reduce Poverty
- Increased Community Use of Inclusive Decision-Making

are owned by communities that will benefit from them.

These basic beliefs guided Northwest Area Foundation's adoption of its mission: Helping communities reduce poverty. This simple statement is realized by foundation staff working directly with a small set of communities in the foundation's eight-state region: Minnesota, Iowa, North Dakota, South Dakota, Montana, Idaho, Oregon and Washington.

NWAF works alongside communities and helps them build their capacity to design, lead, and implement change. We work with them to transform status quo thinking so that the root causes of persistent poverty can be addressed. Our goal is to gather lessons learned from the community experiences—the practical, tested strategies and tools—and to share these with others.

Our approach is grounded in a handful of principals:

- Communities that choose to work with the foundation acknowledge a shared responsibility and accountability for developing strategic solutions.
- A community's strategic plan will directly benefit community members in the lowest economic quintile.
- There is a limit to the time and financial resources the foundation will apply to assist the community in the development of its strategic plan.
- This approach will not suit all communities and does

not guarantee a long-term funded implementation phase.

NWAF Ventures program approach

Eight years ago, the foundation zeroed in on three program approaches to realize this mission: leadership development (Horizons), community poverty reduction (Ventures) and connecting communities to knowledge about effective ways of reducing poverty (Connections).

The Ventures approach was designed to be NWAF's signature program. It is based on a theory of change that states:

"If the foundation selects, works with, and funds initiatives in a few communities over a long period, to learn and act strategically in reducing poverty in an ongoing way, then knowledge to reduce poverty will be gained, shared, and used in these and other communities."

Through the Ventures approach, NWAF works with communities as they identify root causes of poverty, and helps them articulate ways of eliminating the root causes by increasing access to earned income and asset ownership. Partners must demonstrate that their program strategies will lead to outcomes that will reduce poverty for those whose incomes are in the lowest economic quartile.

The approach advances key principles such as inclusiveness in decision making that advocates that those who have traditionally been excluded from participating in regional decision making due to ethnicity, class, and other long-held social inequities shall be involved in assessing regional poverty and proposing how strategies are developed and implemented to reduce it.

A good example of a community that successfully incorporated all of NWAF's community-level outcomes into its poverty reduction plan is the Turtle Mountain Band of Chippewa—one of three reservations that successfully entered into partnership with NWAF in March 2006. Turtle Mountain's strategic plan focused on mobilizing the reservation for poverty reduction, fostering youth leadership, making full use of income supplements such as the earned income tax credit, establishing an Enterprise Center to spur business ownership and jobs, revitalization of downtown Belcourt, and using tax credits to develop housing, utilities, and tourism economic engines.

Engaging the urban Indian community

In October 2003, NWAF convened urban Indian organizations from Billings, Bismarck, Portland, Rapid City, and Seattle to explore the feasibility of forming a partnership to pursue poverty reduction strategies in their region. The foundation's goal was that strategies would emerge from an analysis of why a disproportionate number of urban Indian community members are living in impoverished conditions across 30 metropolitan areas in the states of Washington, Oregon, Idaho, Montana, North Dakota, South Dakota, Minnesota, and Iowa (see map). At this stage, NWAF anticipated that it would ultimately enter into a collective long-term relationship with these urban communities and learn from the shared experiences.

From the beginning, NWAF made it clear that plans submitted were to communicate how the strategies would be coordinated across the region to create measurable poverty reduction outcomes. A multiorganizational Regional Strategic Poverty Reduction Plan was submitted to NWAF in October 2005. After extensive discussion with the organizations and multiple revisions to the plan, NWAF elected not to fund the implementation of the proposed plan because the plan

- did not clarify how the proposed activities will achieve long-term poverty reduction,
- did not present a clear connection between planned activities and direct benefits to low-income members of the urban Indian community, and
- did not align with four community-level outcomes that the foundation believes are necessary for long-term poverty reduction.

This was a difficult decision for us as well as a disappointing outcome. We have not lost sight of the needs that exist, and we honor the effort of the coordinating agencies and the commitment of the many urban American Indian community members who gathered to share their stories, ideas, and vision.

During the two years in which we worked on this effort, more than \$650,000 was paid to community-based organizations to produce a plan that represents the community's best thinking around the root causes of poverty. We accept that the submitted plan represents what these organizations see as necessary to reduce poverty in their respective communities. Our decision reflects our assessment that ties were not made strong

enough between the plan and sustainable poverty reduction within the targeted communities. Today, we are left to reflect and comment upon the series of events that produced this unsatisfactory outcome.

What critical issues affected NWAF's decision not to enter into partnership with the urban Indian community?

The purpose of NWAF's 24-month exploration period, in which the foundation invested a total of \$657,444, was to determine if there was adequate shared purpose and values upon which a partnership—focused on agreed-upon outcomes—could be built. In this case, we did not find an adequate basis for a partnership.

A first draft of the urban Indian proposal was submitted in October 2005. NWAF responded to this proposal by offering advice to the urban Indian community to spend more time explicitly connecting activities to strategies, and to revisit the costs of managing the effort via a new organization. The plan proposed a 10-year initiative working in four urban Indian communities with a combined cost of \$26,612,093. Fully half of the proposed \$14 million investment requested from NWAF was to be used in the first three years of operation. This left \$12,612,093.00 that would have to be secured elsewhere by the community, with no sources in sight. The four organizations asked the foundation to front-load a major investment in governance and staff costs for a new and untried entity with no track record and few plans that benefit the community.

The proposed Economic Development strategy, a key focus for NWAF Partnerships, focused on a real estate development activity we viewed as too speculative. It was based on investing in renovating underused commercial

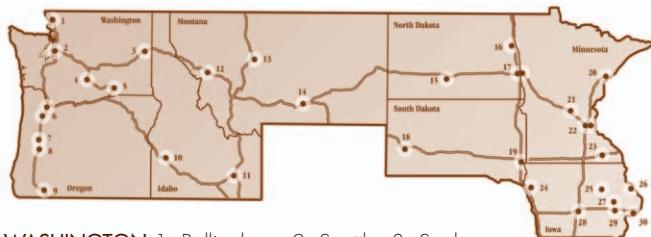
NWAF Ventures' Investment Structure:

- 10 year commitment
- Up to \$20 million (average investment of \$8.5 million)
- Foundation staff involved in regional work
- Multi-phase

properties in urban areas and leasing them to nonprofit and governmental entities. No independent feasibility review or pro-forma projections were provided or proposed.

Other portions of the plan called for the creation of a small-business support network and loan fund, developing housing research and development capacity, building social capital, education and family strengthening, education, organizing communities around

THE 30 METROPOLITAN AREAS



WASHINGTON 1. Bellingham; 2. Seattle; 3. Spokane; 4. Yakima; 5. Tri-Cities (Richland, Kennewick, Pasco) **OREGON** 6. Portland/Salem; 7. Corvallis; 8. Eugene/Springfield; 9. Medford/Ashland **IDAHO** 10. Boise; 11. Pocatello **MONTANA** 12. Missoula; 13. Great Falls; 14. Billings **NORTH DAKOTA** 15. Bismarck; 16. Grand Forks; 17. Fargo/Moorhead (MN) **SOUTH DAKOTA** 18. Rapid City; 19. Sioux Falls **MINNESOTA** 20. Duluth; 21. St. Cloud; 22. Twin Cities (Minneapolis/St. Paul); 23. Rochester **IOWA** 24. Sioux City; 25. Waterloo/Cedar Falls; 26. Dubuque; 27. Cedar Rapids; 28. Des Moines; 29. Iowa City; 30. Quad Cities (Davenport/Bettendorf)

employment issues, and promotion of health and well-being via native traditions. Several of these ideas seemed promising, but no clear link was articulated between these activities and the poverty analysis that was carefully undertaken by the urban Indian organizations at the community level.

NWAF staff reviewed the initial proposal and recommended revisions for the economic development strategy. In a follow-up submission, the organizations removed their real estate development activities from the Economic Development strategy, but still did not show how the remaining economic development strategies benefit low-income communities.

The plan's lack of connection to poverty reduction was disappointing and did not adequately take into account broader urban Indian community members' thinking and participation. The front-loaded budget, which funded programs and staff for the creation of a new organization, did not match our intention that foundation investment be used to pursue and evaluate strategies, not merely to create new institutions. Another stumbling block was that the plan did not clearly address NWAF's four important community-level outcomes.

Moving forward

Reviewing and incorporating what does or does not work and why are essential parts of NWAF's work with communities and can serve as a significant learning moment where responsibility and accountability are examined on all sides.

On December 12, 2005, the foundation contacted the coordinating agencies to let them know that we would not fund their plan. Upon the requests of participants, NWAF also participated in a second discussion to address additional questions and concerns that were raised.

A series of phone calls, personal meetings, and e-mail exchanges followed over the course of 10 weeks. Virtually all of these exchanges were with one of the coordinating agencies, the Native American Youth and Family Center (NAYA) of Portland, Oregon.

These exchanges, while businesslike, were difficult in many ways. NAYA contends that the foundation should have been clearer in defining the regional quality of the initiative, that the time frame was rushed, that communication should have been more culturally sensitive, and that greater leadership should have been demonstrated by foundation staff.

NWAF does not agree with all of the viewpoints presented by NAYA and its analysis of the challenges that presented themselves throughout this effort. We openly question whether NAYA's issues accurately reflect those of the urban Indian community that was involved in this process. Some of the ideas held by NAYA contributed to contention. The organization shared with the foundation that one of the key reasons for NAYA's involvement was the Portland coalition alone was to receive up to \$20 million. The foundation's view is that NAYA had no reasonable basis for that expectation. Nonetheless, we respect the organization's position and the issues it identifies, which have aided the foundation in reflecting on how well we practice the work of poverty reduction with communities.

What lessons are there for philanthropic institutions that attempt to work directly with communities to affect local outcomes?

Clarity is paramount: The question "What is your understanding about what I just said?" should become central in conversations between foundations and potential partners. Here's why: The great wealth a philanthropic institution brings to any exchange of ideas is a significant trump card when it speaks with community-based organizations. Fear of losing access to potential funding often promotes avoidance behaviors such as candidate organizations shying away from probing questions or disagreeing with foundations.

NWAF's work with urban Indian organizations was an attempt to engage entities that represent multiple

tribal affiliations and cultures in shaping a relationship based on shared outcomes. However, the challenge of developing and achieving regional impact, in this case, meant multicounty and systemic change was not clearly communicated. It is also our contention that systems change was not sufficiently discussed by the organizations and the foundation so that clarity could be achieved. The foundation's endowment makes it harder for our nonmoneied partners to engage us as equals, and means we must make an extra effort to welcome questions, offer explanations, develop diagrams, and do whatever is effective to clearly communicate a concept or message.

The longer the community conversation, the greater the expectation: The Northwest Area Foundation and urban Indian coordinating organizations worked together in a 24-month exploration phase. The foundation provides significant financial and staff support during this time to help the coordinating organizations gather information and develop a strategic plan. Even though foundation staff repeatedly stressed that completion of an exploration phase is not a guarantee of any additional funding, we now believe this message was not fully accepted by all involved, and that there was an expectation of a larger partnership investment.

Why did the foundation stay the course for this length of time without expecting a positive outcome? Foundation staff, along with all involved, *did* work for a successful outcome; however, the analysis of root causes of poverty in the proposed plan simply was not articulated clearly during the time frame of exploration by the plan's authors. There is some question as to whether there can be any shared strategies among residents living in 30 cities of such varying size and population. Given the time frame, future engagements with the urban Indian community might involve spending more time working and assembling a shared agenda with cities of like size and region.

How did cultural issues and perceived institutional insensitivity affect the decision-making process? NAYA characterized NWAF staff as being insensitive and culturally incompetent. The vast majority of NWAF's work was led by staff and consultants who are part of the urban Indian community. We judge them to be highly competent, culturally and otherwise. However, we are closely

reviewing some foundation-promoted activities during this exploration period:

- An organizational and learning structure that advocated and supported placing youth in the position of leading elders in the initiative. This was a practice that was entirely counter to the reverence, respect, and cultural norms of Indian cultures.
- NWAF promoted a practice of community visioning, which was based on the practice of looking toward the future, when it may have been more appropriate to ask urban Indian community members to build their vision of the future on an appreciation of their strong past and resilient traditions.
- Staff was sometimes not aware of Indian communication and convening practices, and this sometimes registered as impatience that bordered on disrespectful behavior.

These challenges compromised our efforts to clearly communicate our best intentions about the values the foundation upholds in our work. More importantly, these issues remind us that we do have to redouble our efforts to maintain cultural competence throughout the organization.

NWAF's current and future relationships with the Indian community This 24-month exploration with urban Indian coordinating organizations did not move into the much-desired second phase—a 10-year partnership. We hope, however, that these organizations will reap benefits from the coalitions formed during this two-year period, from the strategic plan generated and from the efforts of youth and elders working together to identify and address the root causes of poverty within their communities.

We expect to engage the urban Indian community again in the future, and we will base that effort, in part, on lessons learned from this experience.

As a foundation, some of the questions we will continue working on include:

- How do we discuss opportunities in ways that do not imply a right to funding and support?
- How do we help communities develop new decision-making capacities that support—instead of threaten—existing structures?
- How and when do nonprofits represent broader communities? And how can we better discern the organizational interest from the community's interests?

We also know that our work with members of the urban Indian communities will be informed by our rela-

tionships and investments in tribal communities. The Northwest Area Foundation has built and maintained relationships in Indian country since the 1970s, when NWAF was an early funder of efforts to create tribal colleges. NWAF also provided support to create Indian child welfare programs in the Pacific Northwest, and helped tribes create economic development and natural resource management plans.

For example, earlier this year, the foundation announced three distinct 10-year partnerships with three American Indian Nations: the Cheyenne River Sioux Tribe reservation in central South Dakota; the Lummi Nation reservation in Northwest Washington, near Bellingham; and the Turtle Mountain Band of Chippewa reservation, North Dakota. Together, these partnerships represent a total investment of \$25.5 million over 10 years.

These partnerships were entered into after nearly two years of planning, during which leadership groups on

each reservation received foundation support to develop a 10-year strategic plan to reduce poverty.

In 2002, the Northwest Area Foundation invested \$20 million in the Indian Land Tenure Foundation (ILTF). ILTF's work is about finding new ways to expand and maximize the ownership and use of reservation-based lands for the cultural, economic and social benefit of tribal citizens. We have also invested an additional \$7.5 million in Indian tribal colleges, economic development corporations, and nonprofits over the past seven years. Altogether, NWAF has invested more than \$50 million with Indian institutions for the purpose of reducing poverty in communities.

NWAF continues to be committed to investing in Indian institutions for the purposes of achieving poverty reduction in the Indian community, and we encourage other foundations to join with us to invest in poverty reduction in Indian country.

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