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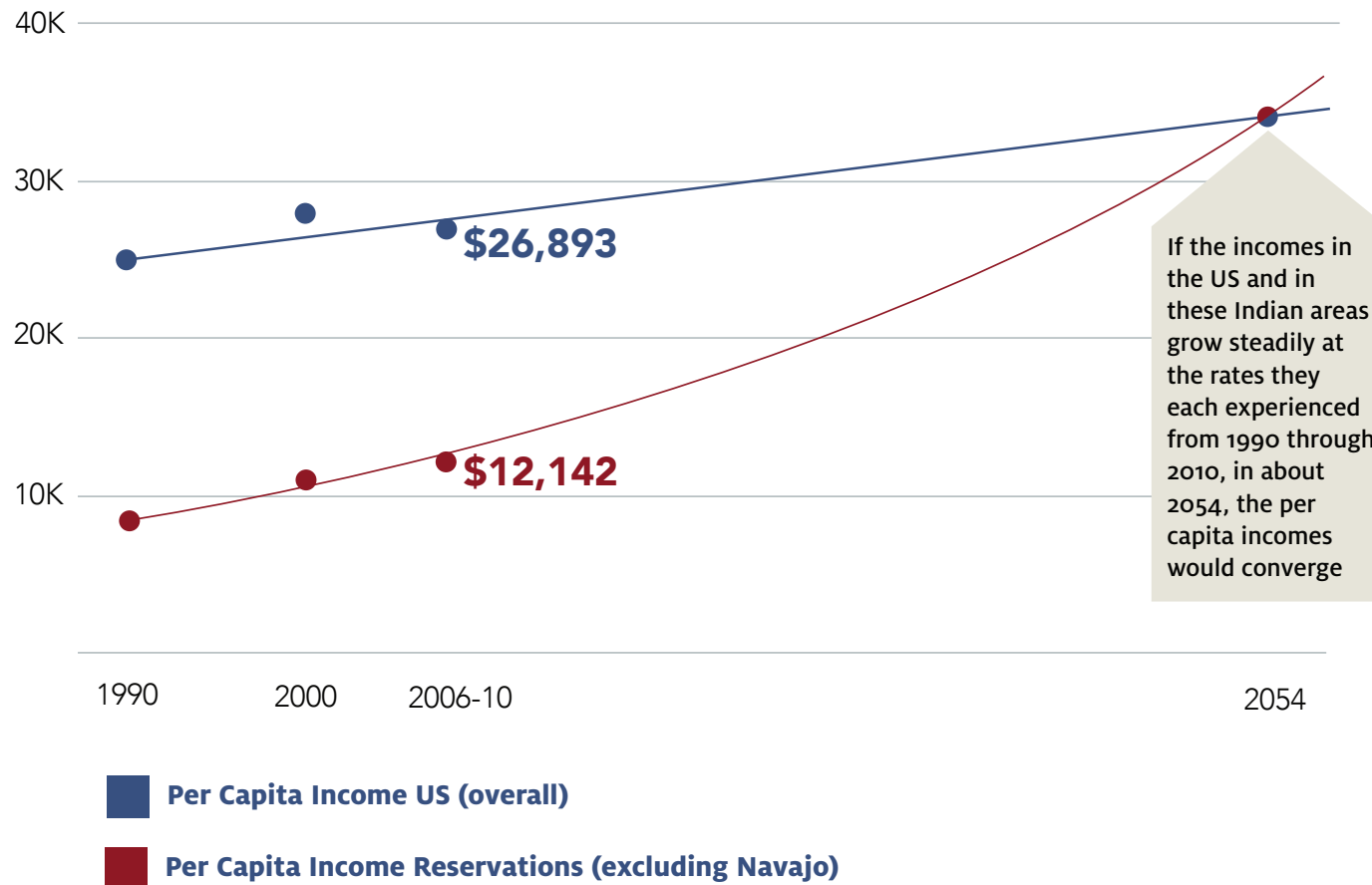
Strengthening Indigenous Governance

Financial Education and Capability in Native Communities

Financial Literacy and Education Commission Public Meeting
US Department of the Treasury, Washington, DC
February 14, 2017

Miriam Jorgensen, Research Director
Native Nations Institute, The University of Arizona

Financial Capability in Native Communities: Why Does it Matter?



Source: Akee and Taylor, *Databook*, 2014.



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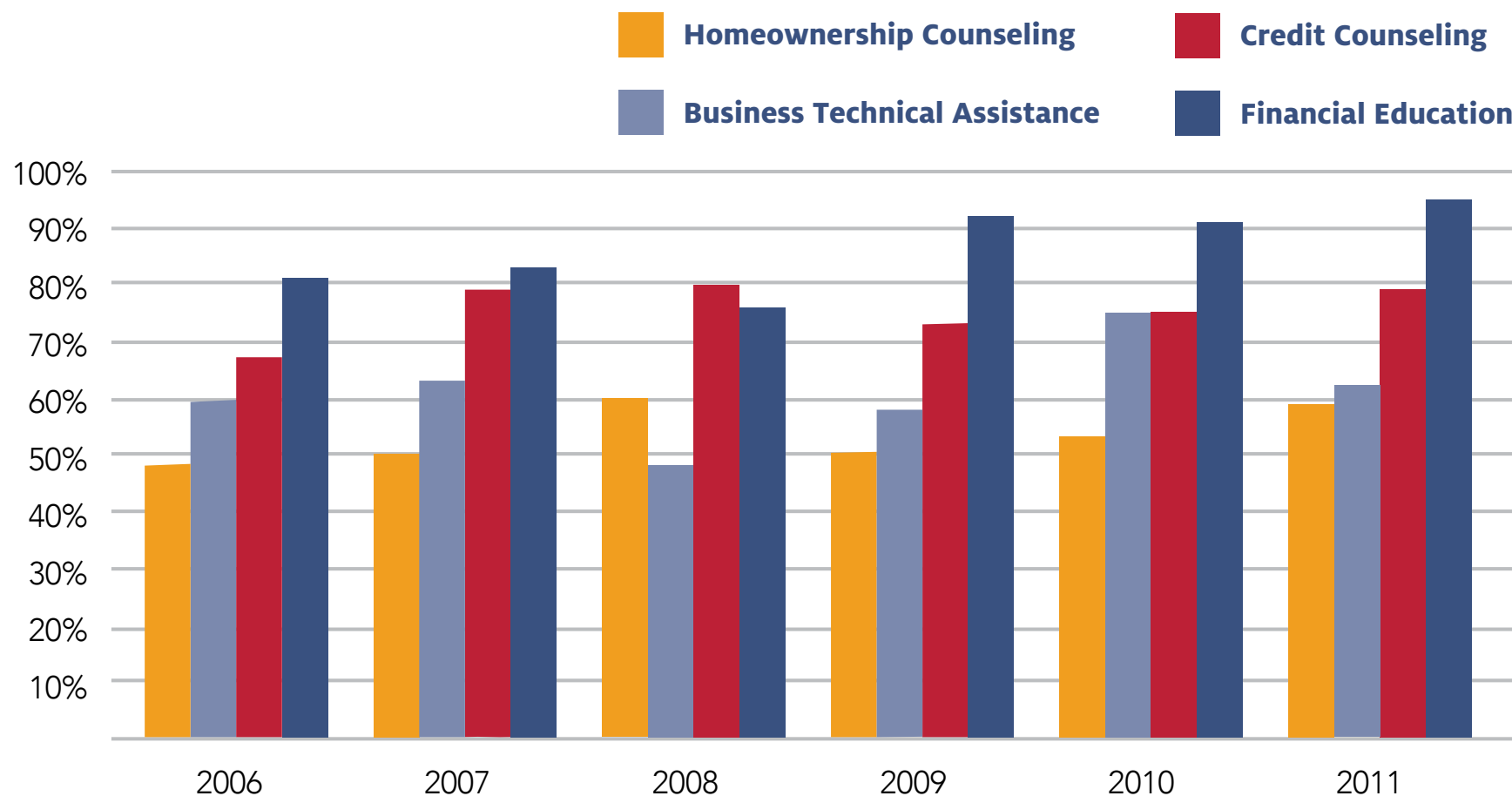
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CDFI Development Services



Source: CDFI Fund Institution Level Reports.



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Expansion & Specialization

- In 2000, most tribes and tribal organizations surveyed for the Native American Lending Study said there was *NO* financial education available in their community
 - To the extent that anything was available, it was homebuyer education
 - Credit counseling was identified as a particular need
- By 2014, 62% of 226 surveyed tribes and Native organizations offered financial education
 - Products like *Building Native Communities* have been critical
 - “Relevant” products have been critical



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Three highlights

- Business start-up and expansion education & coaching
- Credit counseling and homeownership
- Managing large payouts from settlements or distributions



Photo credit: Native Nations Institute



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Need: More Native Entrepreneurs

NUMBER OF BUSINESSES



GROSS RECEIPTS



SELF-EMPLOYMENT



Note: Proportionality is with respect to Native Americans' representation in the U.S. population.

Source: U.S. Census 2007 Survey of Business Owners.



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Four Bands Community Fund demonstrates the power in coaching to enhance business-oriented financial capability



Photo credit: Four Bands Community Fund



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Need: Progress on Homeownership



Photo credit: Native Nations Institute



Photo credit: Native Nations Institute & Honoring Nations



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Credit Scores of Four Directions Clients Over Time

movement from first credit score assessment to most recent

The impact of credit counseling



Source: Four Directions Development Corporation course of business files.

Need: Financial education concerning one-time payouts

Keepseagle claimants to receive additional \$21,275
(Native Sun News, May 25, 2016)

“Cobell Settlement Checks to be Distributed Next Week”
(Native News Online, Sept. 12, 2014)

Cashing In: Tribe Teaches Teens to Get Smart with Casino Windfall
(Smoky Mountain News, February 2, 2011)



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Challenges and Opportunities concerning large payouts

- “What works” information is limited
- Innovation and experimentation are welcome: doing something is better than doing nothing
- Learning efforts may generate important learning for other settings



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For more information:

Access to Capital and Credit in Native Communities (Report)

Access to Capital and Credit in Native Communities: Data Review

<http://nni.arizona.edu/publications-resources/publications/papers>

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