

A DEMOGRAPHIC PROFILE OF INDEPENDENTLY INCORPORATED NATIVE AMERICAN FOUNDATIONS AND SELECTED FUNDS IN THE UNITED STATES

Prepared For
Native Americans in Philanthropy

By
Louis Delgado
Philanthropy & Nonprofit Sector Program
And
Center for Urban Research and Learning
At
Loyola University Chicago

Research Criteria:

- The primary purpose of the organization is to provide grants to other Native organizations, individuals and communities for charitable and philanthropic purposes
- The Board of Directors is Primarily Native (American Indians, Alaskan Natives and Native Hawaiians)
- The organization has been designated a 501c3 charitable organization by the Internal Revenue Service
- The analysis is focused on monetary grants only, not in-kind support or in-house project support

Identification Process

- Searched online databases (GuideStar & Foundation Center)
- Surfed the web
- Contacted resource people and organizations
- Sent emails and letters to over 500 tribal offices

Research Findings



NATIVE FOUNDATIONS

- ▶ 36 independently incorporated Native foundations in the US were identified and included in the study (Native Americans in Philanthropy's 1994 report included 22, 13 of them participated in this study, several others have since closed or are no-longer implementing a grantmaking program)
- ▶ 17 (47%) of the 36 were designated as private foundations by the IRS
- ▶ 19 of the 36 Native Foundations were designated as "public Charities" by the IRS (30% or more of their income comes from more than one source)
- ▶ Geographically, 11 (31%) of the 36 foundations are located in Alaska, the remaining 25 (69%) are distributed across 15 other states

► The foundations were grouped into six different types

■ Public	11
■ Corporate	10
■ Community	8
■ Operating	4
■ Independent	2
■ Family	1

Total 36

- Native Foundation Giving During 2001-2003 (In 2003 Dollars)

2001 \$ 8,225,769

2002 \$11,389,510

2003 \$12,624,700

*In 2003 the average distribution was \$350,686 among the 36 Foundations; this is 2 ¼ times the average distribution of \$156,097 (adjusted to 2003 dollars) among those in the 1994 study.

- Endowments

- Almost half (seventeen, 48.6%) of 35 foundations reported having an endowment. (In comparison, the 1994 report stated “most” did not have endowments)

- Range: \$9K - \$46M

- Mean \$5,078,017

- Median \$510,000

Finally:

- The 36 foundations targeted 10 fields of interest with their grants.
- They tend to target a narrow range of fields. The average is 1.9 fields per foundation.

Education	28 (77.8%)
Arts & Cultural Preservation	14 (38.9%)
Community Improvement/Economic Dev.	8 (22.2%)
Environment	4 (11.1%)
Youth Development	3 (8.3%)
Health	3 (8.3%)
Employment	2 (5.6%)
Human Services	2 (5.6%)
Civil Rights, Social Action, Advocacy, Public Affairs	2 (5.6%)
Housing	1 (2.8%)

15 NATIVE NONPROFIT ORGANIZATIONS THAT HAVE SCHOLARSHIP OR GRANTMAKING PROGRAMS

This is not a representative sample of the many nonprofits that offer funds, the data presented here is offered as an example of other funding models that operate in Native communities

- An additional 15 public charity (501c3) organizations that either give scholarships exclusively, support a specific cadre of organizations, or had a distinct, sizable grant program in their organization.

<u>Type</u>	<u>#</u>
Scholarships	6
Special Purpose Organizations	1
Organizations	8
Total	15

- ▶ Geographically, they are located in 8 states. Sixty percent (9) are located in Alaska and New Mexico. The remaining 40% are in 6 other states.



- Giving by 15 Native Organizations during 2001 – 2003 (In 2003 Dollars)

2001 \$15,971,896*

2002 \$19,567,405*

2003 \$23,544,661*

*Note: One Special Purpose Fund gave 68% of the total giving.

- ▶ Endowments were held by 7 (46.7%) of the organizations.
- ▶ The mean Endowment size was \$5,499,197
- ▶ The median endowment size was \$775,000

- The 15 organizations targeted 9 fields of interest with their grants.
- They tend to target a narrow range of fields. The average is 1.9 fields per foundation (same as Native Foundations).

Education	11	73.3%
Arts & Cultural Preservation	6	40.0
Civil Rights/Social Action/Advocacy/ Public Affairs	4	26.7
Health	2	13.3
Community Improvement/Econ. Dev.	1	6.7
Youth Development	1	6.7
Human Services	1	6.7
Housing	1	6.7
Technology	1	6.7

TRIBAL FUNDS



- While charitable funds operated by tribal governments were not the focus of the study, 9 tribal funds provided demographic information and it is presented here as an “example” of activity in the field, not as a “representative sample” of all tribal funds. According to the National Indian Gaming Association, 224 tribal governments are engaged in gaming, and many designate funds for charitable purposes in addition to providing support for tribal governmental services.

- Geographically located in 5 states:

Oregon (4)

California (2)

Arizona (1)

Washington (1)

Wisconsin (1)

Giving by 9 Tribal Funds during the years 2001 – 2003 (in 2003 dollars)

Year	Amount
2001	\$ 8,757,303
2002	\$11,359,625
2003	\$11,174,535

In 2003 the average distribution per tribal fund was \$1,241,615; this is 3 ½ times larger than the average distribution (\$350,686) of the independently incorporated Native foundations in the same year.

- Endowments:

Only 1 (11%) of the groups had an endowment (\$2.6M). It was the only fund not connected to a gaming tribe.

The other 8 funds received annual contributions from their tribe's gaming revenue to support their charitable giving programs.

Fields of interest: At an average of 3.8 fields of interest per fund, these tribal funds have a wider focus and distribute their money across more fields of interest than do Native foundations (1.9) or Native organizations (1.9).

Education	6	66.7%
Health	5	55.6
Human Services	5	55.6
Arts & Cultural Preservation	4	44.4
Environment	4	44.4
Community Improvement/Econ. Dev.	3	33.3
Public Safety	3	33.3
Youth Development	2	22.2
Civil Rights/Social Action/Advocacy/ Public Affairs	1	11.1
Unspecified	1	11.1

IN CLOSING

The analysis shows Native foundations are:

- ▶ Growing in number and types
- ▶ Increasing overall giving capacity
- ▶ Building endowments, except for those funds connected to gaming tribes
- ▶ Focusing their grantmaking in a narrow range of interest areas, whereas the tribal funds distributed their funds across a broader range of interests.

CONSIDERATIONS FOR THE FIELD

- ▶ 1. While gains have been made in establishing endowments to support Native foundations, increased efforts are needed to increase the size of existing endowment funds and to assist others in creating such funds, particularly among new and emerging foundations. Native people, tribes and communities, as well as non-Native foundations, should support these efforts
- ▶ 2. The growth in Native philanthropic leadership offers new promise and opportunity to target philanthropic resources in a manner consistent with the needs, values and aspirations of Native people. Opportunities to share the challenges and best practices in the field among Native and non-Native foundations should be promoted.

- ▶ 3. The level of research on Native foundations and funds in the U.S. must be broadened in order to reach a deeper understanding of giving patterns, operations and infrastructure development, as well as the impact of these grantmaking entities.



For Further Information Contact:

Louis Delgado

Phone: (708) 833-3564

Email: Delgado.Louis@sbcglobal.net

Or

Joy Persall

Native Americans in Philanthropy

(612) 724-8798

jpersall@nativephilanthropy.org