



FIRST NATIONS
DEVELOPMENT INSTITUTE

WE NEED TO CHANGE HOW WE THINK



Perspectives on Philanthropy's
Underfunding of
Native Communities
and Causes



 **FRONTLINE**
SOLUTIONS

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Executive Summary

Recent research by First Nations Development Institute (First Nations) has documented declining levels of giving by large foundations and minuscule levels of giving by community foundations to Native American organizations and causes.^{1,2} Why does philanthropy continue to provide such minimal levels of support to Native American organizations and causes? First Nations partnered with Frontline Solutions to shed light on this essential question. From June 2017 to April 2018, Frontline Solutions conducted research to identify underlying reasons for the chronic underfunding of Native American communities and causes. Guided by input from First Nations, Frontline conducted 42 key informant interviews with leaders from philanthropic foundations and Native-led nonprofit organizations.

Findings were grouped by the three categories of organizations that were represented by interviewees:

18

Foundations that currently fund Native organizations and causes (“funders”)

8

Foundations that do not fund Native organizations or causes (“non-funders”)

16

Native-led nonprofit organizations (“Native-led NPOs”)³

Interviewees described philanthropy’s misconceptions about Native American communities and explained that these misconceptions have often been influenced by racist stereotypes. Foundation staff commented on perceived barriers to investment and, in some cases, identified successful investment strategies. NPO leaders explained the devastating impact of philanthropic underfunding in Native communities and articulated challenges in interacting with philanthropy.

Respondents provided recommendations to both foundations and NPOs for strengthening partnerships between philanthropy and Native communities.

RECOMMENDATIONS FOR FOUNDATIONS

1. Build Relationships
2. Get Educated
3. Prioritize Native Communities
4. Fund Capacity-Building
5. Collaborate in Designing Processes
6. Make Site Visits
7. Address History of Exclusion
8. Allow Failure
9. Recognize Tribal Philanthropy

RECOMMENDATIONS FOR NPOs

1. Build a Movement
2. Develop Native Leaders
3. Use Asset-Based Approaches
4. Support Careers in Philanthropy
5. Make Connections Across Communities and Issue Areas

State of Funding and Approach

Native American organizations and causes play a vital role in Indigenous communities but are chronically underfunded. Although overall foundation giving at large steeply increased between 2006 and 2012, funds to Native American organizations and causes decreased by nearly a quarter during the same time period. According to the most recent available data, only 0.23% of philanthropic funds are awarded to Native-led nonprofit organizations (NPOs), despite the fact that Native Americans represent 2% of the national population and are among communities of greatest need in the United States.⁴

First Nations improves economic conditions for Native Americans through technical assistance and training, advocacy and policy, and direct financial grants. With support from the Fund for Shared Insight, First Nations engaged Frontline Solutions to conduct research on the philanthropic barriers to funding Native American NPOs. From June 2017 to April 2018, Frontline conducted 42 key informant interviews with leaders and staff from philanthropic foundations and Native-led NPOs.

The results of these interviews are analyzed in this report. Philanthropic foundations are presented in two categories: 1) foundations that fund Native organizations and causes (“funders”) and 2) foundations that do not fund Native organizations and causes (“non-funders”). This separation is intended to provide insight into how institutions that fund Native causes may differ from those that do not. The perspectives of leaders of Native-led NPOs are also presented here to lift up Native voices and solutions to philanthropic underfunding. The report concludes with respondents’ recommendations for building partnerships between philanthropy and Native-led NPOs that will produce lasting change.

1. First Nations Development Institute. (2018). Growing Inequity: Large Foundation Giving to Native American Organizations and Causes, 2006-2014. Longmont, CO.

2. First Nations Development Institute. (2018). Community Foundation Giving to Native American Causes. Longmont, CO: First Nations Development Institute

3. For the purposes of this report, “Native-led NPOs” are defined as organizations that have a majority board of directors comprised of Native American people and are solely mission-focused on serving Native American people and communities.

4. First Nations Development Institute. (2018). Growing Inequity: Large Foundation Giving to Native American Organizations and Causes, 2006-2014. Longmont, CO.



What We Learned from Funders

PHILANTHROPY'S PERCEPTIONS OF NATIVE AMERICANS

Funders commented on the overall lack of knowledge among their peers about the history of Native Americans. Poor exposure to Native American history and experience has led to disconnection from Native communities. This has impacted funding. Funders also described the perception within philanthropy that Native communities have access to federal funds and “casino money,” and therefore do not need philanthropic dollars. Underlying this perception is a pejorative stereotype that Native Americans have squandered these supports and are therefore undeserving of private philanthropy.

“We can’t take a back seat. Those of us who have funded and who are interested in funding need to be a voice. We know we have power and the experience to really change things.”

According to funders interviewed, there is little discussion in philanthropy about the complex, diverse experiences of Native American communities. As a result, philanthropic foundations often do not recognize geographic distinctions between Native communities or the impact those distinctions have on overall health and life outcomes. Additionally, foundation staff tend to assume that all Native Americans live on reservations and thus fail to incorporate urban Native communities within their urban strategies.

BARRIERS TO INVESTMENT

Funders described a host of barriers that prevent philanthropic foundations from investing in Native communities. Reservations are often located in areas that require multiple flights and/or long drives for coastally-based program officers. Several funders described having to justify the higher cost of travel to their foundation boards and leadership before they were given permission to make grants in Indian Country. Moreover, foundation staff acknowledged that they are immobilized by their own ignorance. They feel overwhelmed by the perceived amount of time required to learn about Native history and governmental structures and to build relationships with Native communities and governments. Native American issues are often presented within a deficit framework that deters investment, and Native-led organizations are perceived as lacking the capacity to handle large investments. As a result, most philanthropic investments to these organizations are considered high-risk, and are therefore made episodically and inconsistently.

SUCCESSFUL STRATEGIES

Using counter-narratives to stereotypes and building strong relationships within the Native American community were the primary strategies for success lifted up by funders. Funders who successfully and repeatedly fund organizations on reservations remarked that they use one of three entry points: 1) relationships brokered through intermediary organizations, 2) organized site visits, or 3) relationships inherited from their predecessors or colleagues (within foundations with a history of funding Native American causes). Many funders reported that they are only able to garner support for Native organizations because their foundation recognizes the role that philanthropy has played in the historical context of Native oppression.

Funders have been most successful at securing support for Native organizations when they have made connections between Native causes and current equity initiatives at their respective foundations. Story is a powerful vehicle to connect the dots between historical context, oppression, and equity. One funder suggested that staff could make a case for investing in Native causes by researching the land where their foundation has located its offices, showing the history of that sovereign land being taken from Native communities.

Other funders suggested that organizations, including national or regional intermediaries, can and should broker relationships between Native community organizations and funders. This might involve coordinating site visits and tours, holding candid convenings or workshops, or organizing giving circles and other “on ramps” for philanthropy. These activities would reduce perceived risk for funders who are just beginning to invest in Native communities. Native organizations have indeed organized and hosted these kinds of events in the past, so these activities would also require a credible commitment from funders to attend, listen, learn, and act on information they receive.

“When people want to know more about Black folks but don’t know where to start, they go to the NAACP. If there was something like that for Native groups, it might help investors get on board.”

Several funders commented that trainings on grantwriting, presenting, tracking data, and understanding Westernized cultural norms in philanthropy may help build the capacity of Native organizations; however, they emphasized that these trainings must be coupled with actual investment from philanthropy.



What We Learned from Non-Funders

Philanthropic leaders who do not make grants to Native communities candidly discussed possible reasons why their foundations have yet to fund Native causes. These reasons fell within three main categories: white guilt, lack of business case, and stereotypes.

WHITE INSTITUTIONAL RACISM AND GUILT

According to non-funders, the largest barrier to funding Native communities is the racial makeup of foundation boards and leadership. Predominately-white leadership perpetuates a white-centered approach to the foundation's processes, procedures, and norms. This approach leaves little room for disrupting any bias in the conceptualization of Native Americans, and Native communities often fall completely out of sight. Leaders of predominantly white institutions are often not accustomed to letting go of their own power structures and allowing other communities to sit in the driver's seat. Meanwhile, business conventions like one-hour meetings with preset agendas or multi-layered applications with various deadlines do not accommodate communities with their own frameworks, traditions, and cultures.

"Most foundations are run by white people with white boards. These white folks are poorly informed and have very little education about Native communities or people. There is racism and ignorance that is allowed to inform them because no one is there to say otherwise. And that is strategic."

Non-funders also reported that progressive philanthropic organizations often avoid Native American issues out of a sense of guilt about the history of oppression and genocide perpetrated against Native Americans. Ironically, this embarrassment further perpetuates underfunding and injustice.

NO BUSINESS CASE

Individuals who were interviewed acknowledged that there is overwhelming need in Native communities. However, there is a perception that the need is so extreme that Native community challenges are impossible to adequately address with funding.

Moreover, foundations that focus on areas that are directly aligned with Native community needs — education, health disparities, environmental preservation, and asset-building — still claim that Native issues are beyond their areas of

focus. This suggests that foundation staff may not have deep knowledge of Native community organizations to see natural alignment in supporting Native communities. Alternatively, they may be fearful or ambivalent in making the case for inclusion of Native communities.

Because foundation boards cannot foresee an immediate return on investment in Native American communities, they claim that they cannot justify allocating resources to develop a new giving stream. Although small Native American population numbers contribute to this reasoning, it must be acknowledged that philanthropic institutions are also notoriously reluctant to be the first to support a cause or community.

Other minority groups are seen as less risky investments with more potential for impact and better-established pathways for support. For example, several foundations have determined that, due to recent demographic shifts, supporting Latinx education is better for their entire state than supporting Native education.

STEREOTYPES AND MISINFORMATION

In addition to the stereotypes and miseducation highlighted by funders who invest in Native communities, non-funders provided further examples of philanthropy's racialized lack of understanding. Substance abuse, low levels of education, and local corruption are all common stereotypes of Native communities left unchallenged within philanthropic circles. Foundations also often assume that all Native Americans live in remote rural areas, associating urban settings with Black and Latinx communities and rendering urban Native communities invisible. Foundations that focus on low-income urban communities, then, do not consider urban Native communities to be within their scope of work.

"We [philanthropy] need to create value in the Native American story and the power of their story. We have to change how we think about Native communities and then change how we think we can impact these communities."

Non-funders reported several common excuses used within their foundations to justify deprioritization of Native communities, including 1) that it is challenging to create relationships with Native-led NPOs and 2) that tribal governments and leaders are prohibitively difficult to work with. Additionally, several interviewees described concern about how to differentiate between white individuals claiming Indian ancestry and ethnically Native individuals, betraying their lack of knowledge about sovereignty, documented tribal affiliation, and the growing charitable sector in Native communities.



What We Learned from Native-led NPOs

Interviews with Native-led nonprofit organizations provided perspective on the devastatingly low levels of philanthropic support for Native communities. Native American leaders offered insight into why funding remains low and described their experiences of interacting with mainstream philanthropy.

THE STATE OF FUNDING FOR NATIVE AMERICAN COMMUNITIES AND CAUSES

NPO leaders reported that scarce funding has forced Native-led organizations to compete for survival, creating a dynamic of backbiting and infighting. Within the shrinking pool of funds that is flowing to Native American causes, many grants are distributed to mainstream entities such as universities and museums and thus may not provide tangible benefit for communities. NPO leaders explained that many smaller Native-led organizations are the sole support for community members in their area yet remain virtually unknown within philanthropic circles. Additionally, many of these NPOs are unsuccessful in securing funding because the process of applying for grants can be prohibitively resource-intensive.

“Funders never seem to remember why our numbers are so low and still punish us for not having the ‘important numbers’ that will help them make the case to their boards and leadership that we are valuable.”

NPO leaders suggested that the ideologies and practices of philanthropy may explain why support for Native communities remains low. Native-led NPOs are constantly told that their population numbers are too small to make a business case for investment. Native Americans are also largely invisible to philanthropy because they are relegated to a romanticized, historical past and considered completely absent from contemporary society. Almost all Native NPO leaders freely (and accurately) discussed stereotypes of Native people and communities in philanthropy, but most felt powerless and immobilized to have conversations with philanthropy about these blatant racial biases.

Furthermore, Native-led organizations have been shut out of opportunities to build relationships, which are arguably the most powerful currency in philanthropy. Conference travel for networking is expensive and difficult to prioritize for cash-strapped organizations. The lack of wealth in

Native American communities and resultant class barriers inhibit access to certain social circles, particularly those ripe for fundraising. Because foundations in these circles have few (if any) interactions with Native communities and possess limited knowledge (if any) about the population, they fail to imagine a place for Native American causes within their broad philanthropic goals.

INTERACTING WITH PHILANTHROPY

Leaders of NPOs reported that funders encourage NPOs to use asset-based frameworks in detailing their work, but when leaders hear philanthropy describe their communities it is often in a deficit-based framework. They also often only fund those that fit their image of the “lowly Indian.” Many leaders also felt that they had been tokenized by mainstream philanthropy. Every leader interviewed discussed the fatigue and trauma associated with teaching and reliving “Indian 101.” This education fatigue has led to high turnover in NPO leadership.

NPO leaders find it difficult to keep up with foundations’ quick pivots in focus, which can result in sudden de-funding. This is particularly the case within the new wave of diversity, equity, and inclusion (DEI) funding, where there is typically no measurement for progress, especially with regard to the inclusion of Native communities. Foundations are often aloof about priorities and budget limitations in the application process, causing NPO leaders to sink resources into writing grants they would never actually receive. In evaluation, NPOs are asked to provide evidence of rapidly reversing problems that have been created over centuries. They are further asked to use metrics that are not designed for Native issues, communities, histories, or needs.

When a grantee does show marginal improvement, philanthropy often responds with an overdeveloped sense of authority about the solutions that “work” for all Native American communities. This can lead a foundation to prematurely pull support from other Native-led organizations still in great need, or promote a single model based on limited experience. Additionally, many NPO leaders remarked on their own ethical dilemmas associated with the business of philanthropy as it relates to the history of asset theft in the U.S. NPO leaders noted that many private foundations are built (directly or indirectly) from wealth accumulated by families who stole and exploited Native land and other assets. Consequently, NPO leaders noted they have difficulty understanding the lack of inclusion in philanthropic funding for Native communities and some even commented on their own ethical dilemmas in accepting philanthropic money. These comments



Solutions and Recommendations

Respondents across all three interview groups provided recommendations for creating meaningful and lasting support for Native American communities.

RECOMMENDATIONS FOR FOUNDATIONS

GET INFORMED

1. **Do the Research:** Reduce education burden on NPOs by proactively researching existing reports about Native American history, communities, and government.
2. **Make Site Visits:** Send foundation leadership to visit Native American communities and develop a first-hand understanding of culture, values, and needs. Sending senior leaders with authority (board members, vice presidents, etc.) on these site visits communicates value and respect to the community.
3. **Recognize Tribal Philanthropy:** Provide platforms for tribal philanthropists to tell their stories. Integrate tribal philanthropy into the broader philanthropic community, including affinity groups.

GET COLLABORATIVE

4. **Build Relationships:** Offer to introduce Native-led organizations to foundation networks; use direct communication with program directors, board members, and directors; develop and hire Native Americans to fill foundation positions.
5. **Collaborate in Designing Processes:** Collaborate with Native American leaders to ensure that funds for Native causes are used effectively and efficiently. Respect Native methods, frameworks, and ideologies and seek Native input to create reasonable, measurable objectives and timelines for Native-led NPOs.
6. **Allow Failure:** Don't raise standards for all Native-led grantees if one is unsuccessful. Similarly, do not hold up one successful Native-led grantee as the representative model for all Native communities to replicate. Finally, do not punish all Native NPOs for the perceived failure of one Native NPO in a funding portfolio.

highlight that there clearly is more work to be done around historical injustice and healing as it relates to understanding the history around philanthropy and the accumulation of wealth.

Cultural differences between Native-led NPOs and philanthropic circles further present barriers to partnership. Because Native American communities tend to look at problems holistically (i.e. systematically), they may find it unhelpful and contrived to focus solely on the piece that piques a funder's interest. In Native communities, trust is just as important as efficiency. Foundations often do not understand that Native communities prioritize local land and sovereignty over U.S. national trends.

"Something tiring about being American Indian in the first place is teaching everyone else about you."

POWER OF RELATIONSHIPS

NPO leaders described several major factors that have contributed to positive funding experiences for Native organizations. Site visits allow funders to understand Native spaces and need. These visits dispel stereotypes and change the funder's way of thinking. When program officers communicate clearly about how to create a successful grant application (including specific language and framing recommendations), they both build trust with NPOs and help them acquire funding. Several funders have gone further and sought the input of NPO leaders in adjusting foundation policies and priorities to better fit a Native framework.

"If you were really concerned about equity you would have endowment funds for these smaller organizations. If you really want to close the racial wealth gap you get funds to these tribes to help asset-building which will sustain these communities."



GET SERIOUS

- 7. Prioritize Native Communities:** Restructure diversity, equity, and inclusion work in foundations to include grantmaking to Native American communities. Assist program officers in integrating Native issues into the program areas they already fund, such as health disparities, education, and environment.
- 8. Fund Capacity-Building:** Provide unrestricted, multi-year grants that allow leaders to build their organizations and make dynamic change.
- 9. Address History of Exclusion:** Hold forums to meaningfully and honestly discuss the reasons why philanthropy has excluded Native communities for so long. Actively listen to Native American voices in these conversations and create strong accountability structures to respond to learnings.

RECOMMENDATIONS FOR NPOs

- 1. Build a Movement:** Develop a campaign for Native American causes that captures national attention, building from the learning and success of the Boys and Men of Color movement or other successful philanthropic movements.
- 2. Develop Native American Leaders:** Teach the language of philanthropy (and necessary code-switching) to Native American leaders. Provide technical assistance for young leaders who play many roles within their organizations.
- 3. Use Asset-Based Approaches:** Promote positive narratives by using holistic, asset-based approaches that reflect Native American frameworks and do not cater to the deficit-focus encouraged by philanthropy.
- 4. Support Careers in Philanthropy:** Encourage young Native leaders to build careers in mainstream philanthropy, where they can influence major foundations.
- 5. Make Connections Across Communities and Issue Areas:** There are many successful Native American-led nonprofit organizations that can and should serve as relationship brokers with philanthropic foundations and like-minded organizations.

Conclusion

Does the current culture and system of philanthropy perpetuate the invisibility and exclusion of Native Americans? This is a fundamental question that both individuals and institutions within philanthropy must answer as we collectively work toward building a more inclusive and deliberate philanthropic culture, complete with authentic Native American engagement and participation. Philanthropic interviewees had some level of understanding of the extreme need that exists within Native American communities and could name many perceptions and stereotypes (mostly misinformed and negative) that keep Native Americans from being included in funding strategies and portfolios. Similarly, Native NPO leaders shared deep experiences of dehumanization and powerlessness as they have dealt with power and racial hierarchies within philanthropy.

The prolonged invisibility of Native American communities and causes within philanthropy calls into question the most basic tenets of the field: the responsibility to help address poverty and inequality for some of the most vulnerable segments of our society. Negative stereotypes, resistance to inclusion of Native causes, and rapidly shifting priorities are all barriers to philanthropic funding for Native communities.

“There’s no denying that for some Americans the deck has been stacked against them, sometimes for generations. And that’s been the case for many Native Americans.”

—President Barack Obama in his visit to Standing Rock, 2014

Nevertheless, some funders successfully buck the trend, and they share many of the same characteristics. They are more transparent with their grantees about funding and evaluation criteria and shifts in priorities. They provide technical support and give feedback when an organization does not receive funds. They incorporate Native American methods, frameworks, and solutions within their processes and broker relationships within their networks. They offer unrestricted funds that last beyond the traditional one-to-three-year timeline. Native American leaders are convinced that if these characteristics are adopted throughout philanthropy, we will see significant and lasting changes.

The gap in need is not too wide to close. Making a significant impact in Native American communities would require an investment of no more than 1% of giving for many foundations. This would change the funding landscape and alleviate false competition among Native-led NPOs. Foundations have the opportunity to make lasting change. More importantly, visibility, recognition, and meaningful inclusion of Native American causes are critical for progress. Inclusion will open the door, but equity will sustain impact for generations to come.



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