



MEMBER MEETING

September 27, 2012

ATTENDEES (14 TOTAL)

Tawney Brunsch, Lakota Funds
Eric Buch, Four Directions Development Corporation
Ronna Canady, Aleutian Financial
Kimberly Cook, Native American Development Corporation
Bill Crawford, Four Directions Development Corporation
Jaron Kensok, Lummi CDFI
Lori Larson, Black Hills Community Loan Fund
Cindy Logsdon, Citizen Potawatomi CDC
Lakota Mowrer, Four Bands Community Fund
Debra Nelson-Kelii, Prince Kuhio Federal Credit Union
Fern Orie, Wigamig Owners Loan Fund
Rosalee Puaoi, Council for Native Hawaiian Advancement
Vaughn Sieweumptewa, Hopi Credit Association
Stephen Skor, Hopi Credit Association

NOTES

1. Meeting opened with an explanation of webinar etiquette, features and controls participants can use to interact with presenters during webinar. Attendees introduced themselves via an interactive exercise.
2. A brief overview of the meeting was provided.
3. Business items were announced:
 - a. The Native CDFI Network website is live. Members were encouraged to create an account so they could access the Learning Center.
 - b. The Native CDFI Network's 4th Annual Member Gathering will be held October 15, 2012 in San Antonio, Texas immediately following the Native Pre-Conference Event at the OFN Conference. The RSVP and registration deadline are October 1, 2012.
 - c. Nominations for the Native CDFI Network's 1st Board of Directors is now open. Nominations can be sent to Joanna Donohoe.
4. An update on recent events was provided:
 - a. Native Financial Education Coalition (NFEC) meeting was hosted on September 6th in Denver, Colorado by the National Congress of American Indians (NCAI).
 - b. In partnership with Oweesta and CFED, the Native CDFI Network hosted the Native Asset Building Institute on September 19th at the Assets Learning Conference in Washington DC.

5. Fern Orié, Executive Director of Wigamig Owner's Loan Fund, presented their member profile.
6. The presenters and their qualifications on the topic of governance were provided.
 - a. Eric Buch of Four Directions Development Corporation
 - b. Tawney Brunsch of Lakota Funds
 - c. Lakota Mowrer of Four Bands Community Fund
7. Eric Buch discussed an in depth financial analysis that Four Directions used to assess their organizational sustainability.
 - a. The process stemmed from their strategic plan, which questioned if they could sustain their current business model.
 - b. The goals of their financial analysis were to determine core competencies and areas for improvement and identify income opportunities.
 - c. The activities of the analysis included several activities such as, assessment of loan portfolio and interest rate risk, review of loan policies, benchmarking performance, evaluation of market area expansion and new business opportunities.
 - d. Key findings of the analysis included the need to lengthen the current term of borrowed funds, development for post-closing assessment, and obtaining grants to rebuild equity on the balance sheet.
 - e. As a result, Four Directions is reviewing its loan programs to identify strategy changes that will increase sustainability and developing a strategy for the HUD 184 program.
8. Tawney Brunsch shared Lakota Funds' exercise in Line of Business Accounting.
 - a. Lakota Funds first split all of their activities into three lines of business: Lending, Development Services, and Other.
 - b. For one week they had staff write down how they spent all of their time.
 - c. Lakota Funds employed a consultant to analyze the results of the time study by taking a look and time spent in each line of business and then allocating expenses and revenues to each line of business.
 - d. They found a mismatch between revenues and expenses. Most of their time was spent in the "other" category, but most of their revenue was generated from the "lending" category.
 - e. As a result, Lakota Funds is gradually building up lines of business that are profitable and decreasing lines of business that are not.
9. Lakota Mowrer shared Four Bands' process for implementing a fee for service model.
 - a. This process was initiated by a new strategic plan and started by clearly identifying products and services.
 - b. Through their involvement with Aspen Institute's MicroTest initiative, Four Bands was able to take a hard look at data related to operational self-sufficiency, program cost recovery, and cost per client.
 - c. They were able to identify some regular trainings that they felt people would pay for.
 - d. Four Bands surveyed community members to find out if they were willing to pay for trainings, and if so how much. This information was used to develop a fee for service model.
 - e. So far, this has been successful and has not seemed to create a barrier for any clients to access their services.
 - f. Four Bands is also looking into other methods for generating revenue such as administrative fees, new loan products, and developing partnerships with other institutions.
10. A Q&A period ensued. The main topic for discussion was charging for development services. There were not any other organizations on the call that charged for development services, however some were considering it.
11. Meeting attendees were encouraged to connect with the Native CDFI Network through Facebook and subscribing to our email alerts.
12. Next meeting will be November 15, 2012, 1pm Pacific Time.