



BEST PRACTICES IN IMPACT TRACKING FOR NATIVE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

Tools, Resources, and Case Studies
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About First Nations Oweesta Corporation

First Nations Oweesta Corporation (Oweesta) is the only national Native CDFI intermediary in the nation. Oweesta seeks to provide opportunities for Native people to develop financial assets and create wealth by assisting in the establishment of strong, permanent institutions and programs that contribute to economic independence and strengthen sovereignty for all Native communities.



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About Sweet Grass Consulting, LLC

Sweet Grass Consulting, LLC (Sweet Grass) provides professional, evaluative, and research services that promote and support asset-based development initiatives in economically burdened communities. SGC specializes in impact evaluation and has expertise in many methods encompassing the storytelling process from collecting, documenting, and reporting stories. We are committed to participatory methods with an expertise in community development processes, monitoring and evaluation, qualitative research, and quantitative research to achieve community defined goals.

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INTRODUCTION

As anyone who has a Native Community Development Financial Institution (Native CDFI) in their area knows, Native CDFIs create many permanent, positive impacts on their communities. However, documenting these positive impacts has been difficult for a myriad of reasons. Broader CDFI industry efforts to standardize data collection or impact reporting do not give full consideration to cultural aspects of Native CDFIs' identities, impacts, and missions. Native CDFIs are regularly in a position where they must choose from a variety of systems, none of which have the cultural resonance required to communicate their stories to funders and stakeholders, who often have a hard time understanding the environments in which Native CDFIs and tribal members operate. As Lakota Vogel, Executive Director of Four Bands Community Fund, says, "... it's about a system that was created which didn't fit our communities, and from there it's been a monotonous story of trying to fit a round peg into a square hole."

In the meantime, the Native CDFI movement has grown increasingly aware of the need for this data and these systems to support its collection to fuel industry growth. As the CDFI Fund noted in *Measuring the Performance, Outcomes, and Impact of Native CDFIs*, "Because large data sets and research often exclude Native communities due to their small size, Native communities may have a heavier burden for collecting and analyzing their own data." Furthermore, as the Native Nations Institute at The University

of Arizona stated in its *Access to Capital and Credit in Native Communities*, "Ultimately, many stakeholders have concluded that better measures of Native CDFIs' impact and a better system to assess their performance are needed—measures and ratings that must be correctly configured to account for the realities of economic development in Native Communities."

The best practices articulated in this paper and the tools that support these best practices (see Appendix 1: The Native CDFI Impact Tracking Matrix) were discovered while Oweesta partnered with Sweet Grass to design the Opportunity Through Impacts System (OTIS). OTIS is an impact tracking platform by Native CDFIs for Native CDFIs, designed to streamline data tracking to attract new investment (to learn more about OTIS, see Appendix 2: About OTIS). While this paper is informed by the development of OTIS, we believe that these best practices and this impact matrix, which are detailed in this paper, stand independently and are a result of a combined thirty years of working in the Native CDFI industry and in impact tracking, evaluation, and performance monitoring.



Opportunity Through Impacts System Users Speak About Impact Tracking at the 2018 Opportunity Finance Conference.

BEST PRACTICES IN IMPACT TRACKING

“Things We Learned the Hard Way”

Best Practice #1 - Identify What You Need and Why

It is critical to determine which outcomes are important to the organization from the outset of the data collection process. This is because collecting data, although essential, can be time-consuming and difficult, even when an organization uses effective tools and is committed to the process. It is better to collect and regularly perform evaluations on a few things well than to focus on many things ineffectually. These impacts can be important to the organization for a variety of reasons, such as:

- To provide information needed for a grant report
- To determine if the associated programs are successful
- To evaluate how well an organization is accomplishing its mission

The easiest way to do this type of “outcome inventory” is to build an impact tracking matrix specific to the organization. An impact tracking matrix lays out which outcomes are important and identifies what indicators are needed to measure if those outcomes are being reached. It also provides a specific definition

of that indicator (for example, what exactly is a “job”?). Once an organization knows the data it wants to collect, it can then focus on how to get the data. In some cases, organizations can skip lengthy data collection processes by checking if any of the information is publicly available or accessible through partners via data sharing agreements.

While an organization might need to collect the associated outcomes for a variety of reasons, it is critical that the overall impact tracking matrix resonates with your community and the larger goals of your work. This means using culturally sensitive and appropriate measures, language, and data collection processes. In developing OTIS, Oweesta created an impact tracking matrix collaboratively with Native CDFIs that spoke to the unique impacts that the Native CDFI industry is, collectively, trying to make in its respective communities. This impact tracking matrix can be found in the Appendices of this paper as Appendix 1.

CASE STUDY: IDENTIFY WHAT YOU NEED AND WHY

FIRST AMERICAN CAPITAL CORPORATION

First American Capital Corporation (FACC), located outside of Milwaukee, serves Native Americans throughout the state of Wisconsin. In 2015, FACC started their impact tracking system journey. They worked with a consultant to develop a logic model and theory of change based on their mission and their work. These two documents set the goals and outcomes that FACC wanted to accomplish. They also detailed the specific metrics that would need to be tracked in order to show whether those outcomes were being accomplished. These documents, and FACC’s associated data collection efforts, have allowed them to continue to receive funding by enabling them to report their impact in a clear and streamlined way. They not only report this information to funders, but also to their clients and other key stakeholders.



FACC staff participating in a Theory of Change development workshop for their organization.

Best Practice #2 - Evaluation as Relationship Building

The Native CDFIs that excel at impact tracking are those that use evaluation as a tool to continue building relationships with their clients. This mindset—that all evaluation is an opportunity to both get to know and stay connected with the client—not only provides the best data, but also the richest results due to the investment in the life and success of the client. This mindset should be reflected in all areas of data collection. For example, a meaningful client intake process can be a bit lengthy, and clients often need help in completing it. However, the CDFI staff member can use this opportunity as a chance to get to know the client, building a firm foundation for a long-term relationship.

To determine if a service created a long-term effect on a client's life, organizations must do regular follow-up to capture change over time. Unfortunately, following up with clients can be time-consuming and expensive. However, setting the expectation for follow-up is critical to ensuring client response, as discussed in more detail in Best Practice #7. Most smaller organizations, Oweesta included, find doing an annual follow-up at the same time each year to be the easiest way to accomplish this task. The reasons for this include: (1) clients can learn to expect, and even look forward to, the annual follow-up, (2) it requires less

tracking of individual clients than a “rolling” follow-up process (for example, based on program participation), and (3) it can be scheduled at a convenient time of the year for staff.

Follow-up can be conducted in a variety of ways, such as emailed surveys or phone calls. In general, most emailed follow-up surveys have low response rates, even when tied to incentives or compliance requirements. It is therefore recommended to invest in dedicating a staff person to calling former clients, even if only a smaller subset. This will often lead to renewed engagement with the CDFI, as the client gets to share a bit of their life and needs at a more personal level than email communication evokes. Regardless of the collection method, data should be entered and stored in a system that makes sense for the Native CDFI (instead of sitting on paper forms in paper files), in order for that data to be used regularly in reporting and information sharing.

Some groups even tie annual follow-up to an in-person event by inviting previous clients to come together in focus groups, interviews, or discussions. This also creates an opportunity to have everyone fill out a follow-up survey while they are gathered together. Bringing clients together in this way can make them feel more comfortable, and they can even bounce ideas off one another.

CASE STUDY: EVALUATION AS RELATIONSHIP BUILDING

FOUR BANDS COMMUNITY FUND

Four Bands Community Fund (FBCF), located on the Cheyenne River Reservation, serves the entire state of South Dakota. One specific example of their success in collecting data is with their business loan clients. FBCF, like many other Native CDFIs, requires that their business loan clients complete applications to receive funding, as these applications gather baseline information about the clients. In order to track their impact on clients over time, FBCF staff schedule phone calls with their business loan clients on an annual basis to solicit follow-up information regarding key sets of indicators. Some of these indicators include business status, sales, owner income, employee wages, household size, household income, satisfaction with business, satisfaction with income, banking status, and review of any programs the client participated in. This data demonstrates progress that the businesses have made and is then compared to their baseline information. It is also compared year to year.

FBCF makes an effort to have personal, over-the-phone or in-person conversations with their clients, not only to collect this data, but also to touch base. This ongoing relationship shows Four Bands' dedication to their clients' success and genuine interest in the progress of their clients' businesses. In addition, Four Bands recognizes that these calls take time and energy from clients, so they offer incentives via a raffle draw for cash prizes. FBCF has also used summer interns to collect data over the phone, which helps defray the cost of this massive effort. This approach has resulted in over five years of consecutive follow-up data about FBCF's businesses, business owners, and supported households. Not only does this data show the impact of FBCF's support of these businesses, but it also helps guides their continued work in the community.

Best Practice #3 - Streamline Existing Processes

Very few Native CDFIs can truly launch an impact tracking system starting with nothing. Many times, data has been collected and stored in a variety of computer software programs and file cabinets. In addition, a mission statement and goals have often been defined, and/or forms have been created prior to the development of the system. This prior work should be seen as an asset and built upon. Any existing systems should be integrated with new systems as much as possible. Not only should old and new systems be combined, but as many of the new or current system features should be used as possible. For example, many loan systems, such as DownHome Loan Manager, have loan origination and servicing components. However, DownHome also has integration abilities with QuickBooks, the Small Business Administration, OTIS, and the CDFI Fund, to name a few. It also has add-on features for tracking both impact and technical assistance. Many other software programs have similar features, which may help your organization streamline processes into one system.

Another key component of streamlining is always being flexible and responding to changes and updates in technology. Software features that exist today will change quickly, many times for the better. Native CDFIs should try to be adaptive to these changes and updates in order to continue to most efficiently meet the needs of their clients.

It can be incredibly difficult for staff to change from old systems, as team members gravitate toward dated Excel tables or other remnants of previous processes. Management must be 100% committed to the new processes before any changes can truly take root. Sometimes the simplest changes can have the largest impacts, such as a supervisor reviewing documents only of documents stored in the correct place.

CASE STUDY: STREAMLINE EXISTING PROCESSES

COUNCIL FOR NATIVE HAWAIIAN ADVANCEMENT

The Council for Native Hawaiian Advancement (CNHA) was like many Native CDFIs before joining OTIS. They were collecting a lot of information from their clients, and all this data was housed in several different systems. One of the reasons they decided to adopt OTIS was because of its ability to combine their impact tracking, loan servicing, and HUD reporting and technical assistance tracking needs into one integrated process. Instead of collecting data for HUD in one system, and CDFI Fund and loan servicing and impact data in another, they were able to use OTIS as a hub where they collect and report their HUD data that links to their loan servicing software. This allows CNHA to collect, store, and analyze this data seamlessly. The integration and streamlining of their data collection, storage, and analysis has improved CNHA's processes and efficiency.



CNHA staff member using their online OTIS system for impact tracking.

Best Practice #4 - Create a Culture of Evaluation and Learning

One of the key ways a Native CDFI can ensure success in an impact tracking system is by creating a culture of evaluation and learning. This starts with leadership. If the leadership of an organization really understands and believes in the power of impact data, this enthusiasm will flow into the rest of the organization. Organizations do this by integrating data and impact reporting into their regular, everyday activities. For example, every time a staff member gives an activity or progress update, a data point can be included. When reporting occurs, each staff member should be responsible for producing their own data and interpreting it as it relates to the organization's impact goals. When success stories are released, they should be accompanied by aggregated data that situates the story within the larger context of the organization.

When interacting with data, Native CDFIs should monitor and clean data while it is being entered. Data cleaning refers to the practice of examining your raw data to ensure that answers are consistent, spelled correctly, etc. For example, when reporting by state, ensure that all answers are of a similar style. Your reporting will be much easier if you don't have answers like "South Dakota," "SD," or "Sth Dakota." Native CDFIs not only need to monitor and clean data, but they should also analyze and report this data internally on a regular basis. This allows Native CDFIs to better assess whether the data collected is useful and accurate, as well as whether programs and services are fully meeting each Native CDFI's outcomes and goals.¹

Analyzing and reporting data internally on a regular basis also allows Native CDFIs to better communicate their outcomes to all audiences, especially to funders, who are often interested in seeing how the impact tracking system has been used to improve programs and services.

Best Practice #5 - Make an Individual Responsible while Ensuring Full Staff Buy-In

While valuable, implementing an impact tracking system is a time-consuming and technology-based process. This means a Native CDFI must be prepared and able to invest significant time upfront (at least 20 hours per week for the first three months) to make their new impact tracking system a success. While there will be no greater joy than sitting down to do some grant reporting and simply pushing "print report" once the data is fully integrated in the system, it might be six months to a year before the rewards are obvious to the entire staff.

Data collection and reporting is not a single person's job. For an impact tracking system to be fully effective, all staff and board members at the Native CDFI need to be supportive of and involved in some aspect of the system. For staff with

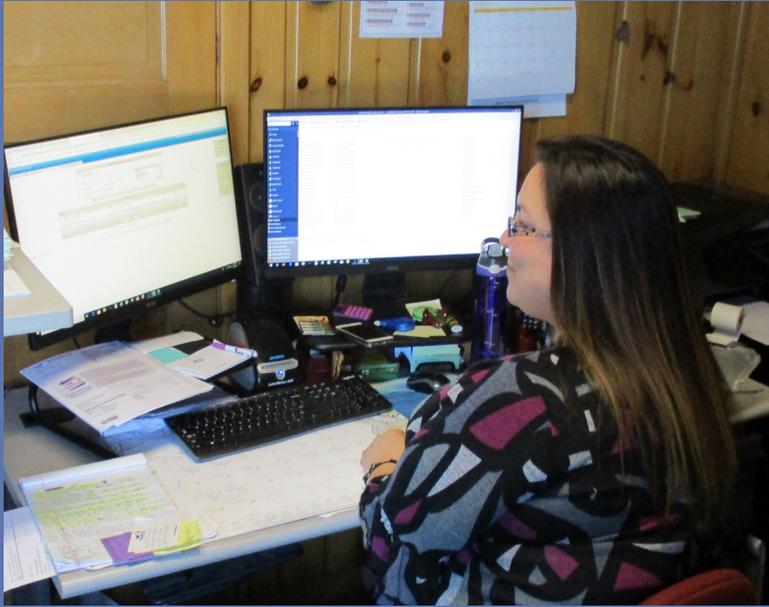
less data and/or technology experience, there will be additional time and training investments needed to ensure that they are comfortable with the new system. Although not all staff will be collecting data or entering it into the system, everyone should be involved in some way, in either the review process, data reporting, working with clients to understand forms, or in communicating results to funders and the community.²

However, there does need to be one impact tracking lead who thoroughly understands the system and is held accountable for maintaining it. As the old adage goes, "everyone's job is no one's job." If the impact tracking system is based on storage in a database of some kind, this person needs to be passionate and invested in impact data conceptually and analytically.

1 - Strengthening Nonprofits: A Capacity Builder's Resource Library, <http://strengtheningnonprofits.org/resources/guidebooks/MeasuringOutcomes.pdf>

2 - Mark J. Epstein and Kristi Yuthas, https://www.bkconnection.com/static/Measuring_and_Improving_Social_Impacts_EXCERPT.pdf

CASE STUDY: MAKE AN INDIVIDUAL RESPONSIBLE WHILE ENSURING FULL STAFF BUY-IN



WINLF's OTIS specialist.

WISCONSIN NATIVE LOAN FUND

An example of a Native CDFI that has been especially successful at identifying their impact tracking lead is the Wisconsin Native Loan Fund (WINLF), located in northern Wisconsin. WINLF started as a pilot organization for OTIS, and from the beginning, they recognized the importance of establishing one dedicated staff member to OTIS activities. Although they had some turnover in this position, they have always designated a staff member to OTIS, with support from the rest of the staff. Additionally, all WINLF staff are invested in, and understand the importance of, data collection and impact tracking. They are able to communicate this to their clients and funders, and this leads to the success of their system. Overall, WINLF has successfully integrated OTIS into their routine by investing in the training of their staff and by assigning one person as responsible for OTIS.

Best Practice #6 - Meet Clients Where They Are At

Not all clients who come to a Native CDFI for services are at the same place in terms of their comfort with, and access to, technology. Native CDFIs should meet their clients where they are at in terms of data collection. This means remaining flexible, as some may prefer to complete forms on paper (either at home or in person), while others may prefer to provide information on fillable PDFs, over the phone, and/or with online forms.³

One convenient way to meet client needs is through online applications. Many Native CDFIs are seeing increased internet access in their communities, as well as increased computer and mobile device usage. This increase makes online applications a valuable tool to easily interact with clients.

Many forms have specific and potentially confusing questions that may be difficult for clients to complete on their own. It is important to have staff members available that clients can consult to alleviate any ambiguity, whether filling out a form online or in person.

Utilizing a variety of ways to collect and receive data will result in more complete data and satisfied clients.⁴ This may also mean

physically meeting clients where they are by incorporating data collection into regular events, such as community gatherings or by visiting clients at home. Regardless of the method, data collection is an investment in maintaining the relationship with a client. The ability to meet a client where they are at, ensure they are comfortable, all while collecting important data, is essential to the effective operation of any Native CDFI.



A FNCF staff member meets with a client.

3 - Ivy So and Alina Staskevicius, <http://www.hbs.edu/socialenterprise/Documents/MeasuringImpact.pdf>

4 - Tuhiwai Smith, *Decolonizing Methodologies: Research and Indigenous Peoples*. Pg. 142-162. Karen Mass and Kellie Liket, "Social Impact Measurement: Classification of Methods."

CASE STUDY: MEET CLIENTS WHERE THEY ARE AT

First Nations Community Financial

First Nations Community Financial (FNCF) uses technology to their advantage to meet clients where they are at. They utilize a system that allows them to collect data directly from clients online, but they also offer paper versions for clients who do not have access to the internet or a computer. They also have computers in the office for clients to access and, regardless of the data collection method, FNCF is always available to help their clients throughout the process. Understanding the client, their situation, and their technological ability helps FNCF to pair the client with the correct tool.

Each client's situation is different. With a multitude of tools and personalized assistance, FNCF is committed to meeting each client where they are at.



FNCF staff conduct a training in their community.

Best Practice #7 - Build Client Enthusiasm and Set Expectations

It is critical that clients understand how meaningful sharing of their personal information is for your organization and community. When you transparently share with your client that your organization needs the data for fundraising or for program evaluation, it transforms outcome tracking into the partnership that it was always meant to be. This best practice is particularly important, as animosity around data collection can sometimes exist in Native communities due to a lack of transparency in federal data collection efforts, and the associated history of purposeful misuse of that data.⁵ Clients are much less likely to be offended by personal questions, or irritated at the length of forms, if they know why your organization needs this information. This is essential, because full completion of the forms is necessary for any impact tracking system to be effective; if the data is not fully and accurately collected, it is difficult to derive useful information, tell a complete story, and make informed decisions.

Also, it is important to set long-term expectations around data collection by making client follow-ups mandatory for receiving services. To make the evaluation process more transparent and pleasant, some suggestions for collecting follow-up data include: make it short and simple, offer incentives, report follow-up results back to clients, and make it personalized when possible.⁶

Best Practice #8 - Document Your Process

As Native CDFIs gain experience with their impact tracking system, certain processes will facilitate efficient intake of the client and collection of data, while other processes will not. The Native CDFI should note which processes work best so that use of an impact tracking system becomes more efficient and natural as time passes. These processes should be shared with all staff so that everyone can operate under the same procedures. Data collection and impact tracking is complicated and detail oriented, so the development of a clear set of guidelines, steps, frequently asked questions, and procedures is important for the continued success of an impact tracking system.

This documentation starts with an explanation of why data is collected in the first place and what it means for an organization. As discussed above in Best Practice #1, the tools produced for

answering these questions usually employ a theory of change and/or logic model. These documents specifically detail the data an organization wants to collect and show how that data answers larger questions or informs an organization's impact goals. The next process to be documented would be how, when, and why data is collected from clients. This step details how staff engage with clients around data collection, what forms are used at what time, and what messages are communicated to clients. Relationship building and personalized contact with clients are an important part of this process. The final documentation element should be around analysis and reporting. Standardized reports and analyses should be clearly recorded at this phase so that they can be easily reproduced and understood, allowing the staff to interact with the data when needed.

5 - Center for Native Health Partnerships and the National Congress of American Indians, http://www.ncai.org/attachments/PolicyPaper_SpMCHTcxRRJMEJnDnPmesENPzjHT-whoIOWxiWOIWdSrykJuQggG_NCAI-WalkSoftly.pdf; LorrieAnn Santos, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2862689/>

This documentation process results in a comprehensive, step-by-step guide that allows staff to fully understand the impact

Best Practice #9 - Use Your Data

Although there are many reasons to implement an impact tracking system, one of the key ones is to use and understand the data collected. This seems obvious, yet it is one of the hardest things to do when using the system. After a while, it becomes easy to get into the system and collect data, and it even becomes easy to generate a report.

However, action based on data collection is easier said than done.

There may be many ways a Native CDFI can respond to the data they are seeing. One may be to offer new services or adapt current services to meet the changing needs of clients. For example, over time, a Native CDFI may see a new demand in their community for housing, and they may need to shift their focus from consumer lending to home ownership.

Another way data can be used is to help define new grant opportunities and partnerships. Once a Native CDFI can utilize their data, which is aligned to their mission and impact goals, they have more ability to define their own outcomes in funding relationships. Outcomes that are driven by the Native CDFI, rather than by the funder, result in stronger impacts and partnerships.

tracking system from start to finish. It is an important resource for the continued success of not only the impact tracking system, but also for building the institutional knowledge of the Native CDFI.

If an impact tracking system is used effectively, staff can engage with their programs in a more meaningful way, as it leads to a deeper understanding of how their services are impacting their clients, and it can identify necessary program adjustments

Finally, using data can result in the refinement of the impact tracking system itself. Native CDFIs are not static organizations, and impact tracking systems are thus responsive to change. This change is typically accommodated with the addition or removal of certain questions as changes in organizational goals or new demands from funders become apparent.

Fully understanding and using the data collected through an impact tracking system not only leads to improved programs and services, but it also allows Native CDFIs to better communicate their data. This benefit allows for increases in the marketing and storytelling capacity of the Native CDFI to funders, who are especially interested in seeing how an impact tracking system has been operationalized to improve programs and services. Dedicating time to understanding and using data is one of the best ways to really see the ultimate benefits of implementing an impact tracking system.

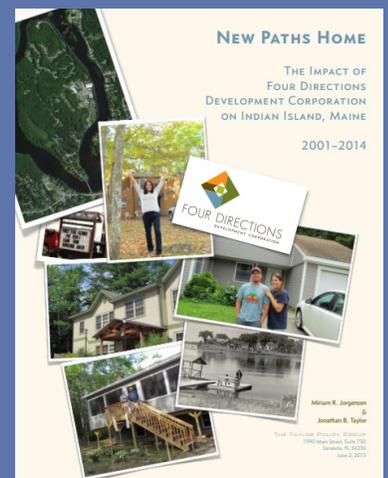
CASE STUDY: USE YOUR DATA

Four Directions Development Corporation

After 14 years of operation, Four Directions Development Corporation, located in and serving the Native nations in Maine, conducted a study to understand their impact on households and housing development in their communities. During those fourteen years, Four Directions had been collecting baseline data from their clients and in 2014, they took on a rigorous research project to explore and fully understand their long-term impact in their communities. They utilized past data collection efforts, client surveys, face-to-face interviews, reports, and success stories. The result of this effort allowed them to better understand their impact and showed that Four Directions:

- Provides quality services
- Expands the home mortgage market on Indian Island
- Helps clients gain confidence in the financial marketplace
- Assists clients in improving the quality of their housing
- Helps clients budget their money and become financially stable
- Helps clients reduce their bad debt, increase their savings, and improve their credit scores
- Promotes community integrity

Evaluative efforts like these allow Native CDFIs to understand their impact and make changes to programs and services over time. This ultimately leads to increased funding and the ability to tell a story of impact. Although Four Directions did this once after 14 years, organizations can also get similar results, by more frequently collecting annual follow-up data from their clients.



FDDC's impact report titled: "New Paths Home"

Best Practice #10 - Stay Flexible and Responsive

Native CDFIs are very familiar with being flexible, responsive, and adaptive, so it is no surprise that they utilize these characteristics well in impact tracking. Impact tracking is heavily reliant on technology in collecting, storing, and analyzing data. This means that Native CDFIs must be responsive to changes in the technology they have available to them. This is easier said than done, as each change usually requires more staff time, training, and costs. New technology should be adopted, but carefully, and at the right time for the

organization. Impact tracking is also sensitive to changes in the funding world, as new impact areas become important across the industry. Being knowledgeable about these trends allows Native CDFIs to incorporate changes into their impact tracking system gradually, over time. Conversely, changes can also be made to remove data points that aren't effective or are no longer needed. Regardless of the issue, being flexible and responsive is an asset when operating an impact tracking system.

CONCLUSIONS

The explosive growth of the Native CDFI sector has resulted in some challenges in data collection, management, and reporting. This paper is an effort to highlight best practices that speak specifically to Native CDFIs and the communities they serve. In many communities, Native CDFIs have become leaders in collecting, analyzing, and communicating data and information about their people. Over time, this will not only propel the Native CDFI industry forward, but it will also support the long-term sustainability and development of sovereign Native communities.

We hope that these best practices harness the long and enduring history of storytelling in Native communities to support the Native CDFI movement.

An important aspect of impact tracking and reporting is the relational nature of the process. Native CDFIs build networks of support in their home communities and work with and sustain each other as an industry. These best practices, OTIS, and the impact tracking matrix were born out of these strong relationships and the expertise of Native CDFI practitioners.



The OTIS development team (First Nations Oweesta Corporation and Sweet Grass Consulting, LLC) pose for a photo during the training of the second cohort of pilot sites.

APPENDICES

Appendix 1: The Native CDFI Impact Tracking Matrix

How We Made the Impact Tracking Matrix

As a part of the construction of OTIS, Oweesta cataloged many of the data points being tracked by Native CDFIs. At the 2016 Native Convening at Opportunity Finance Network's (OFN) annual conference, Oweesta provided Native CDFIs and their many partners an opportunity to develop these outcomes and impacts with the Native CDFI industry.

At the conference, all 42 Native CDFIs and allies were randomly broken up into 10 different tables, and group discussions ensued. Each Native CDFI was asked to list the unique impacts they have on their communities. Then each table, which usually contained three to five Native CDFIs and allies, came to a consensus on the impacts most unique to Native communities.

Finally, since impacts are not necessarily trackable themselves, the Native CDFIs were asked to identify the indicators and metrics for each impact. Increased self-reliance, for example, is an impact, although it is not trackable itself. An indicator like "reduced use of public benefits" and a metric like "dollar amount of public benefits utilized as a percentage of total income," however, make the impact trackable. In other words, an indicator and metric may be necessary to logically connect a trackable data point(s) to an impact. The tables came to a consensus on which indicators and metrics were most appropriate for each impact.

All impacts, indicators, and metrics discussed were recorded on posters and consolidated into one impact tracking matrix by Oweesta. During the early stages of this consolidation, many of the impacts, indicators, and metrics collected by each table were repetitive. As repetitive responses were consolidated, the entire Oweesta staff convened and utilized their industry-wide knowledge to select the impacts they felt were the most compelling for telling the Native CDFI story.

Following this distillation process, Sweet Grass and Oweesta developed definitions for indicators and made suggestions for questions (a.k.a. metrics) to track progress toward those indicators and, ultimately, to the impacts. These definitions were compared to and synthesized from many resources, including AERIS, OFN,

CDFI Fund, Financial Capability Scale, PVC Insight, FIELD at Aspen Institute, and OTIS advisory councils. These definitions are intended to help guide Native CDFIs in the consolidation and reporting of metrics collected to the impact tracking matrix developed.

In November 2017, the impact tracking matrix was shared with representatives from nine additional Native CDFIs as part of an on-site training for OTIS. These groups shared additional feedback regarding the impact tracking matrix and its usefulness on the ground. The feedback was overwhelmingly positive, with specific highlights being the focus on community connectedness, youth entrepreneurship, commitment to traditional cultural values, and self-sufficiency. Some suggestions emphasized an ability to track the graduation of clients into mainstream banking, better and more integrated use of financials, and a focus on impact for Native clients, businesses, and employees specifically.

All this distillation and research, and these definitions and suggestions, yielded the final impact tracking matrix, which is described below.

How to Use the Impact Tracking Matrix

The impact tracking matrix was designed to be used as a guiding document for the collection, analysis, and reporting of data for Native CDFIs. This matrix was not designed to work in conjunction with or serve as a replacement for similar impact work done by other entities (such as the metrics required or suggested by the CDFI Fund, AERIS, and OFN). Additionally, this matrix is not intended to speak to the requirements of all funders and communities that Native CDFIs are responsible for reporting to.

There are five core components of the impact tracking matrix: wealth creation, individual empowerment and self-sufficiency, sovereignty, whole person wellness, and 7th generation transformation. Under each of these components, there are four columns that break down into more detail as you move from left to right in the table. From the left, each row starts with the impact area. For each impact area, at least one indicator is described. These indicators specify what needs to be measured in order to prove that the

impact area is being affected. After the indicators, additional definitions, as needed, are provided. The final column includes the suggested questions and/or tools for collecting the data to support the indicators that show the impacts. The impacts together then tell a story about the core component sections. All core component sections together then tell the compelling story of the Native CDFI.

NATIVE CDFI IMPACT TRACKING MATRIX

All indicators to be explored and understood utilizing client/borrower demographics, including but not limited to ethnicity, tribal affiliation, age, gender, location, veteran status, disability status, employment status, education, etc.

IMPACT GOAL: WEALTH CREATION			
OUTCOME	INDICATOR(S)	DEFINITIONS	SUGGESTED QUESTIONS/ TOOLS
SAVINGS	Increase in savings account balance(s)	Total dollar amount in all savings accounts for loan and long-term technical assistance clients.	Personal balance sheet amount of assets listed in savings account(s) line item collected at baseline and follow-up.
ASSET CREATION	Increase in the number of homes financed by Native CDFI	Number of Native borrowers whose loan purpose is for home purchase in a defined time period.	Loan purpose on application and in loan software.
	Increase in the number of homes rehabilitated, financed by Native CDFI	Number of Native borrowers whose loan purpose is for home rehabilitation/repair in a defined time period.	Loan purpose on application and in loan software.
	Increase in the number of businesses started, financed by Native CDFI	Number of Native borrowers whose loan purpose is for business start-up in a defined time period.	Loan purpose on application and in loan software.
	Increase and/or establishment of credit score	Average score established by those who are either credit invisible (no credit history at all) or unscorable (often too little active credit history—otherwise known as stale—or too short of an active credit history).	Soft or hard credit pull at baseline and follow-up.
	Increase in net assets/net worth	Total dollar amount of all assets compared to all liabilities to calculate net worth (total liabilities subtracted from total assets)	Personal balance sheet collected at baseline and follow-up.
	Increase contribution and total amount in long-term investment related accounts	Total amount in all investment related accounts, including retirement accounts, mutual funds, stocks, bonds, and real estate.	Personal balance sheet amount of assets in long-term investment accounts collected at baseline and follow-up.

IMPACT GOAL: INDIVIDUAL EMPOWERMENT AND SELF-SUFFICIENCY

OUTCOME	INDICATOR(S)	DEFINITIONS	SUGGESTED QUESTIONS/ TOOLS
LESS RELIANCE ON TRIBE AND FEDERAL GOVERNMENT	Increase in the number of borrowers who return for additional services at Native CDFI	Number of borrowers who return to Native CDFI for continued services. Some examples include: <ul style="list-style-type: none"> • Small business expansion loan after receiving one-on-one technical assistance or a start-up loan. • Movement from credit builder loan to a small business loan or home ownership loan. • Continued advancement of financial knowledge in trainings and one-to-one technical assistance. 	Client service activity tracked through time.
	Increase in client's ability to access outside financing opportunities after initial NCDFI participation	Borrowers who have received loans, filtered for loans outside the NCDFI. Confidence in ability to receive a loan.	Collected at follow-up and compared to baseline. <ul style="list-style-type: none"> • Have you applied for a loan in the past year? (Yes/No) • If no, how confident do you feel in your ability to apply for and receive a loan? • If yes, were you approved for the loan? • If yes, what institution holds the loan and what was it for?
	Decrease client's household in use of public benefits	Percentage of client's total household income that comes from public benefits. Public benefit income categories include, but are not limited to: <ul style="list-style-type: none"> • Welfare/Temporary Assistance for Needy Families (TANF); Unemployment Benefits; Supplemental Nutrition Assistance Program (SNAP, food stamps, EBT); Medicaid; General Assistance (GA); Women, Infants, and Children (WIC) Food and Nutrition Services; Low Income Home Energy Assistance Program (LIHEAP) 	Income worksheet asking for household income monthly and annually from all sources collected at baseline and follow-up.
	Decrease in client's household use of tribal programs	Percentage of client's total household income that comes from tribal programs (self-defined and all-encompassing of all Tribal programs).	Income worksheet asking for household income monthly and annually from all sources collected at baseline and follow-up.
BANKABILITY	Decrease in client's use of predatory lending	Use of predatory services. Predatory lending includes: predatory loans, money orders, check cashing, pawn shops, rent-to-own, and paycheck advances. Predatory loans are defined as: Payday loans, car title loans, or loans with abusive terms are considered predatory loans.	Collected at baseline and follow-up <ul style="list-style-type: none"> • Suggested predatory services to track (Yes/No): predatory loans, money orders, check cashing services, pawn shops, rent-to-own stores, and paycheck advances.
	Increase in the number of clients who have checking and/or savings account(s)	Whether or not client has a checking and/or savings account.	Collected at baseline and follow-up: <ul style="list-style-type: none"> • Do you have a checking account? (Yes/No) • Do you have a savings account (Yes/No)
	Increase in sustainable debt from mainstream financial institutions	The amount of debt obtained from mainstream banking/ financial institutions.	Personal balance sheet amount listed in liabilities section for loans collected at baseline and follow-up.

IMPACT GOAL: SOVEREIGNTY

OUTCOME	INDICATOR(S)	DEFINITIONS	SUGGESTED QUESTIONS/ TOOLS
ECONOMIC SELF-SUFFICIENCY OF COMMUNITY	Increase in sustainability of borrower business(es)	For businesses financed by Native CDFI: increase in annual profit and gross revenue. Progression along business development stage.	Collected at baseline and follow-up: <ul style="list-style-type: none"> What was your gross annual revenue in the last fiscal year? What was your net annual business profit in the last fiscal year? What stage is your business in? Seed; Start-up; Growth; Established; Expansion; Mature; Succession; Other (please specify).
	Increase in the number of jobs provided by borrower business(es)	<p>HOW TO CALCULATE JOBS The reporting organization should calculate or prorate the unique contribution of jobs created or maintained by the loans that they make based on the share that the loan constitutes of the given project or business operation.</p> <p>CURRENT JOBS Report the number of permanent full-time equivalent (FTE) jobs in the business. Reported separately for tenant businesses and construction businesses.</p> <p>PROJECTED JOBS Report the number of permanent full-time equivalent (FTE) jobs projected to be created in the business due to this financing. Reported separately for tenant businesses and construction businesses.</p> <p>ACTUAL JOBS CREATED Report the number of permanent full-time equivalent (FTE) jobs created in the business due to this financing. Reported separately for tenant businesses and construction businesses.</p>	<p>Current FTE-equivalent Jobs, at baseline and follow-up. (Keep construction and tenant business jobs separate).</p> <p>Projected FTE-equivalent Jobs at baseline. (Keep construction and tenant business jobs separate).</p> <p>Actual FTE-equivalent Jobs Created at follow-up. (Keep construction and tenant business jobs separate).</p>
	Increase in the number of business loans deployed by the NCDFI	Number of business loans, by type and total, deployed by the NCDFI in a defined reporting period. Total deployed since NCDFI inception.	Loan portfolio by loan type filtered by business loans.
	Increase in the number of businesses in NAICS support service categories financed by the NCDFI	<p>Number of businesses financed in the following NAICS code categories: 5611-7 and 5619.</p> <ul style="list-style-type: none"> Office Administrative Services: NAICS 5611; Facilities Support Services: NAICS 5612; Employment Services: NAICS 5613; Business Support Services: NAICS 5614; Travel Arrangement and Reservation Services: NAICS 5615; Investigation and Security Services: NAICS 5616; Services to Buildings and Dwellings: NAICS 5617; Other Support Services: NAICS 5619 	Financed business NAICS Code(s)
	Increase in the number of quality jobs created/retained by borrower business(es)	A quality job meets at least three of the five categories listed ⁷ : A living wage, basic benefits, career-building opportunities, wealth-building opportunities, and/or a fair and engaging workplace.	<p>Collected at baseline and follow-up.</p> <ul style="list-style-type: none"> Of those currently employed, How many and what percentage of workers are paid a living wage (as determined by the living wage calculator)? Does your business currently offer your permanent full-time employees...health insurance?; vision and/or dental insurance?; paid leave and/or paid time off?; parental leave?; retirement/401K?; other benefits (such as career advancement, training, work from home, etc.)?
FOOD SOVEREIGNTY AND ACCESS TO HEALTHY FOOD	Increase in the number of local outlets within 20 miles of the CDFI selling healthy foods financed by NCDFI.	Number of loans financed in category of healthy foods and location in relation to CDFI.	Loan portfolio by loan type and/or description of business that includes healthy foods within a 20 miles radius of the NCDFI.

IMPACT GOAL: WHOLE PERSON WELLNESS (Financial, Physical, Emotional, And Spiritual)

OUTCOME	INDICATOR(S)	DEFINITIONS	SUGGESTED QUESTIONS/ TOOLS
FINANCIAL WELLNESS	Positive change in client's financial capabilities	In 2011, the Center for Financial Security launched the Financial Coaching Outcome Measures Project to test a set of standardized measures with support of the Annie E Casey Foundation. Four nonprofit community-based organizations collected data on client outcomes and shared the results to form a consistent database of similar measures. The goal of this project was to develop measures that satisfy standards of social science while also being attuned to the practical issues of data collection and analysis. Development of the Financial Capability Scale (FCS) was a result of this project.	<p>Collected at baseline and follow-up</p> <ul style="list-style-type: none"> In the last 2 months, have you paid a late fee on a loan or bill? (Yes/No) I am securing my financial future. (strongly agree, agree, neither agree nor disagree, disagree, strongly disagree) If you had an unexpected expense or someone in your family lost a job, got sick, or had another emergency, how confident are you that your family could come up with the money to make ends meet within a month? (not at all confident, somewhat confident, very confident) How confident are you in your ability to achieve a financial goal that you set for yourself today? (not at all confident, somewhat confident, very confident) Does your household have a budget, spending plan or financial plan? (Yes/No) In the past three months, would you say your spending was less than, more than, or about equal to your income (do not include the purchase of a new house or car, or other big investments you may have made)?
PERSONAL WELLNESS	Positive change in client's personal well-being	Personal well-being is subjective and defined by the client. Degree to which clients agree that they share their financial knowledge and to what degree that change is attributed to participating in CDFI programs/services.	<p>Collected at baseline and follow-up:</p> <ul style="list-style-type: none"> I share financial knowledge with family and other community members. (strongly agree, agree, neither agree nor disagree, disagree, strongly disagree) <p>Collected at follow-up:</p> <ul style="list-style-type: none"> Participating in your programs and services impacted my PERSONAL WELL-BEING. (strongly agree, agree, neither agree nor disagree, disagree, strongly disagree) Please explain how our programs and services have impacted your personal well-being.
COMMUNITY CONNECTED-NESS	Increase in total and/or diversity of ways clients have given back to their community	Total number of community-related activities clients participate in. Average number of community-related activities participated in per client.	<p>Collected at baseline and follow-up:</p> <ul style="list-style-type: none"> In what ways have you given back to your community? Donations of time; lending or giving money to friends and/or family; donations of professional services or goods; mentoring community members; donations of money to charitable organizations; other; I haven't yet)
	Increase in total and/or diversity of ways borrower businesses participate in the business community	Total number of business-related activities businesses participate in. Average number of business-related activities participated in per business client.	<p>Collected at baseline and follow-up:</p> <ul style="list-style-type: none"> How have you participated in the business community? Mentoring other small business owners; Subcontracting with other local businesses/individuals; Participating in business networks and organizations (please specify); Being mentored by other small business owners; Donated money to community events or businesses; Donated products/services to community events or businesses; Donated or volunteered time or personnel to community events or businesses
	Increased participation in community events	Community as defined by each individual; doesn't necessarily have to be Reservation-based. Pride also self-defined.	<p>Collected on baseline and follow-up:</p> <ul style="list-style-type: none"> I regularly participate in community events. (strongly agree, agree, neither agree nor disagree, disagree, strongly disagree)
	Increased pride in belonging to his/her community	Community as defined by each individual; doesn't necessarily have to be Reservation-based. Pride also self-defined.	<p>Collected on baseline and follow-up:</p> <ul style="list-style-type: none"> I am proud to belong to my community. (strongly agree, agree, neither agree nor disagree, disagree, strongly disagree)

IMPACT GOAL 5: 7TH GENERATION TRANSFORMATION: Passing Down Knowledge/Community Cohesion

OUTCOME	INDICATOR(S)	DEFINITIONS	SUGGESTED QUESTIONS/ TOOLS
OUTMIGRATION REDUCTION	Increase in the number of Native clients that want to stay in the community	Satisfaction in housing situation. Ability to make changes in living situation, if applicable.	<p>Collected at baseline and follow-up:</p> <ul style="list-style-type: none"> I live in stable housing that is affordable. (strongly agree, agree, neither agree nor disagree, disagree, strongly disagree) Type of housing (renting, own, motel/hotel, shelter, another person's home rent free, other) Where you live (in town, out of town, other AND tribally owned land my/my family's land, other) Who you live with (just myself, myself and immediate family, relatives, other)
YOUTH ENTREPRENEURSHIP	Increase in the number of youth who gain financial skills	Age of participant (25 and under) and participation in financial classes and TA. Financial skills from financial capability and well-being areas (see suggested questions).	<p>Collected at baseline and follow-up:</p> <ul style="list-style-type: none"> I am securing my financial future. (strongly agree, agree, neither agree nor disagree, disagree, strongly disagree) If you had an unexpected expense or someone in your family lost a job, got sick, or had another emergency, how confident are you that your family could come up with the money to make ends meet within a month? (not at all confident, somewhat confident, very confident) How confident are you in your ability to achieve a financial goal that you set for yourself today? (not at all confident, somewhat confident, very confident)
	Increase in the number of hours that youth participate in small businesses financed by NCDFI	Number of youth (under 25) and hours participated (interns/employees/volunteers) in financed businesses.	<p>Collected at follow-up:</p> <ul style="list-style-type: none"> How many youth (25 and under) participated (interns/employees/volunteers) in your small business in the past year and for how many hours?
CULTURAL AND HERITAGE CONNECTEDNESS AND COHESION	Increase in the number of projects financed that promote youth to elder exchange	Number of loan client projects that involve youth to elder exchange.	<p>Collected at follow-up:</p> <ul style="list-style-type: none"> Did this loan promote interaction between youth and elders? (yes/no)
	Increase in the number of projects financed that promote the use of language	Number of loan client projects that involve the use of language.	<p>Collected at follow-up:</p> <ul style="list-style-type: none"> Did this loan promote the use of native language? (yes/no)

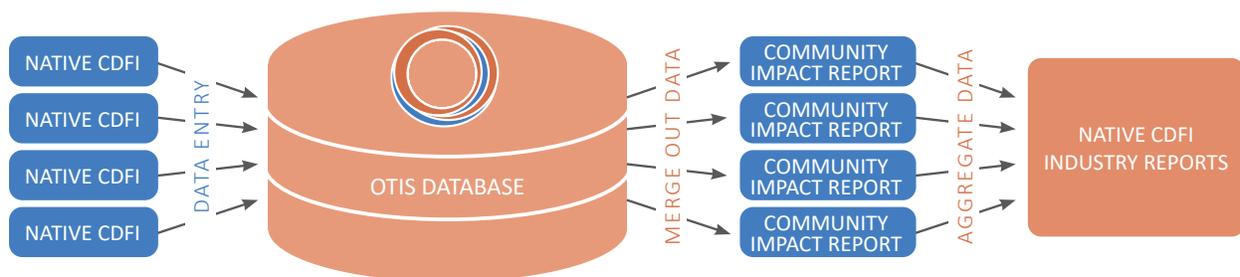
Appendix 2: About OTIS

OTIS is an impact tracking system built on an Outcome Tracker by VistaShare platform, designed specifically for Native CDFIs. As a fully customizable solution to impact measurement, it tracks Native CDFIs' unique impacts and assists with grant writing, reporting, capital investment campaigns, and much more.

OTIS is built on a series of template forms designed to track impact data. After joining, a Native CDFI can customize these forms to track their unique metrics. Individual organizational data is held confidentially on the database and cannot be viewed by other Native CDFIs or Oweesta, but the Native CDFI can choose to share their data—in the aggregate—with the broader industry.

This process started with a group of five Native CDFIs that were selected to participate in an Administration for Native Americans (ANA) grant with Oweesta. This grant allowed Oweesta to provide specialized technical assistance to these five groups. As part of this project, Oweesta surveyed the participating sites to learn more about their needs. Many of these groups requested back-office support in impact tracking. Oweesta, having become acquainted with the services of Sweet Grass in 2015, reached out to develop a partnership with them to create an impact tracking system in early 2016. Throughout the rest of 2016, Oweesta and Sweet Grass staff met regularly to create drafts of the OTIS forms.

In May 2016, the OTIS template forms and processes were ready for review by committees of Native CDFI practitioners and leaders in the field. Two committees were developed: an Executive Committee and a System Development Committee. The Executive Committee consisted of Adina Abramowitz (Consulting for Change), Tanya Fiddler (Native CDFI Network), Natasha Shulman (Seven Sisters Community Development Group), Krystal Langholz (Oweesta), and Andrea Akers Mader (Sweet Grass). These members are leaders of the Native CDFI industry with unique skills, invaluable to the development of OTIS. The Executive Committee's principal functions included: industry-wide metrics and tracking, technical assistance, roll-out, and evaluation as it related to OTIS. The System Development Committee consisted of Tawney Brunch (The Lakota Funds), Lakota Vogel (Four Bands Community Loan Fund), Erin St. Peter (Four Directions Development Fund), Cindy Logsdon (Citizen Potawatomi Community Development Corporation), and Gary Mejchar and Craig Anderson (First American Capital Corporation). This committee focused on form review, site presentation on best practices, and feedback around issues presented by the Executive Committee. This group provided an additional touch of local stakeholder knowledge to the project.



Further review and refinement took place in October 2016 at the Impact Creation Workshop during the Native Convening at Opportunity Finance Network's (OFN) annual conference (discussed in Appendix 1). The information collected during this workshop was then synthesized over the following months into what we now call the Native CDFI Impact Tracking Matrix, which was used to inform system-wide edits of OTIS.

In early 2017, a cohort of six Native CDFI pilot sites was assembled, including the five original ANA groups. By piloting OTIS, these pilot sites gave Oweesta and Sweet Grass the opportunity to document the best practices of impact tracking and to identify any potential issues with OTIS. These pilot sites are the following Native CDFIs: Chehalis Tribal Loan Fund, Council for Native Hawaiian Advancement, Native American Community Development Corporation Financial Services, Northwest Native Development Fund, Wisconsin Native Loan Fund, and First American Capital Corporation. These sites were selected based on their solid foundation, the respect they have from their community, and diversity in type of

Native CDFI as determined by location and target market. In June 2017, these sites were trained in using OTIS and have been using the system since that time.

After some fine-tuning of OTIS, in the summer of 2017, a second cohort of 10 sites was added to the OTIS system. The sites included: Bii Gii Wiin Community Development Loan Fund, Cha Piyeh, Inc., First American Community Capital, First Nations Community Financial, Leech Lake Financial Services, Mvskoke Native Loan Fund, Native Partnership for Housing, NiiJii Capital Partners, Nimiipuu Community Development Fund, and Tatanka Funds.. These sites attended OTIS training held in Longmont, Colorado, in November 2017. Since that time, they have used the OTIS system.

Oweesta and Sweet Grass have been adding sites to OTIS at a rate of approximately one per month, as demand continues. Oweesta and Sweet Grass express deep gratitude to these advisory boards and OTIS pilot sites for sharing their expertise.

Appendix 3: Oweesta's Sustainable Employment and Economic Development Strategies (SEEDS) project with the Administration for Native Americans (ANA)

The creation of OTIS was originally made possible by a five-year grant with ANA, a division of the Department of Health and Human Services, under their SEEDS program. This project was designed to build the capacity of five participating Native CDFIs to function as job creators in their own communities. These five Native CDFIs were: Chehalis Tribal Loan Fund, Wisconsin Native Loan Fund, Northwest Native Development Fund, Council for Native Hawaiian Advancement, and the Native American Community Development Corporation Financial Services. Over the five years,

these Native CDFIs received subgrants, technical assistance, and in-person training opportunities. A key component of the project was for Oweesta to provide back-office support services and associated network software; these Native CDFIs selected these services to come in the form of impact tracking. From these initial efforts, OTIS was born. Over the five years of the project, these five Native CDFIs leveraged over \$10 million in additional money, supported the creation of over 500 jobs, and started over 200 small businesses.

GLOSSARY OF TERMS

DATA: information collected from or about clients, programs, services, and activities.

IMPACT: long-term change that programs and services have a role in.

IMPACT MEASUREMENT PROGRAM (IMP): the entire system set up to track and record an organization's impact. Must be continually discussed at weekly staff meetings, supported by administration, and folded into employee work plans and duties or it will not work.

INDICATORS: evidence that an outcome is occurring. For example, if credit score is the metric or measure, an increase in credit score is the indicator of impact.

INPUT: those things that we use in the project to implement it.

METRICS: the right questions to collect data; a system of measurement. Used to track changes of the indicators.

OUTCOMES: results or changes that occur from participation in one of your organization's programs or services. Showing outcomes over time is valuable to not only the community you serve but also to the funders who provide grants to your organization.

OUTPUT: the direct, immediate term results associated with a project.

QUALITATIVE: information about qualities; information that can't be quantified with numbers.

QUANTITATIVE: information about quantities; that is, information that can be measured and written down with numbers, as in integers, percent, and dollars.

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December 2019



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