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Winnebago Community Development Fund Winnebago Tribe of Nebraska

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The Winnebago Community Development Fund is helping to build a better future for its nation by establishing a framework for community development based on the goals of the government and its citizens. To overcome revenue shortfalls that many rural communities face, the Winnebago Tribe creatively implemented a tax and designated tax proceeds for the building of a fund intended to support community activities and infrastructure. Administered through a tribally-chartered, non-profit organization, the Fund provides matching grants for projects that positively impact the community. By earmarking tax revenues and establishing well-designed procedures for project selection, the Winnebago Tribe better fulfills essential governmental responsibilities with steady funding and efficient and effective administration.

The Winnebago Tribe of Nebraska is located in the rural, northeastern region of the State. Approximately 2,600 citizens live on the reservation, with a high concentration in the Village of Winnebago. The nation's primary enterprise, Ho-Chunk, Inc., and its subsidiaries, have dramatically increased business activity and job opportunities on the reservation. In addition to a rising Winnebago population, there are also a growing number of visitors and non-Native residents. The annual powwow draws thousands of attendees each year. Based on tribal reports and demographic modeling, it is anticipated that in the next 30 years the population on the reservation will almost double to over 5,000 people.

This increase in activity and population has been accompanied by growing requests from community groups for projects such as infrastructure expansion, educational expansion, and public safety improvements. The tribal government needed a way to meet these increasing demands that was financially viable and soundly managed. The Winnebago Community Development Fund was the answer.

As nations grow, so too do the demands from their citizens. Families want safe places for their children to gather and play. Elders want activities to keep them engaged and contributing to in the community. Working parents want daycare facilities for their young. Students want assistance with educational costs. And all citizens want fire protection and safer roads and sidewalks. However, governments can easily become burdened with community development initiatives, preventing them from addressing other essential governmental functions.

In 2003, the Winnebago Tribe established the Winnebago Community Development Fund

(WCDF) to provide matching grants equal to 50% of total project costs, for organizations located on and/or projects benefiting the Winnebago Tribe. Grants range from \$2,000 to \$50,000 and are administered by one of the Tribe's non-profit entities, the Ho-Chunk Community Development Corporation (HCCDC). This administrative structure frees the Tribal Council to perform its law-making and policy-setting functions and taps into skills and services already in existence on the reservation.

An important aspect of the WCDF is the Tribe's funding strategy. For decades, community development funding had to come out of the tribal budget, which itself was dependent on federal allocations. Project funding was unstable and often mired in politics as projects competed with other tribal priorities. Seeking a solution that would create dedicated and ongoing funding, the Winnebago Tribe instituted a 1 cent allocation to WCDF from its fuel tax. During the first year, the tax allocation brought in \$100,000 to the Fund, and it continues to grow. Notably, the tax allocation provides the Fund with the stability and leverage needed to bring in additional monies from other governments and private foundations.

Well-designed policies and procedures, implemented as commitments of the Tribal Council, create a transparent funding process and insulate the Fund from political influence. Tribal government funding priorities are incorporated into the guidelines, setting the framework for day-to-day operations and grant decision-making by the HCCDC and the Fund. The guidelines identify, for example, specific projects that are not eligible for grants, such as individual finances, political lobbying organizations, and substance abuse treatment programs. At the same time, WCDF funding goals are broken down into three priorities: primary community development projects such as road construction; secondary community betterment projects such as education and youth art projects; and tertiary capital campaigns and endowments as seen in gap financing for projects. A Review Board, consisting of five people from the Tribe and the Village, then makes the funding decisions. The Review Board is also responsible for the overall management of WCDF. Appointments are for three-years, and terms of appointment are staggered.

By approaching community development grant making strategically, the Winnebago Tribe has been able to provide for its citizens in long-lasting ways. The WCDF has been particularly successful in leveraging its tax allocation monies with additional third-party funding for community development projects. In just over three years, over 15 projects have been funded with \$357,539 coming from the WCDF and approximately \$1,750,000 from other donors. Projects have included timely contributions to support education tuition and language programs; necessary public safety equipment, such as a new fire truck; the paving roads and building of sidewalks; an elder's center; and a youth skate park. In the words of the Tribal Chairman, "This allows us to take care of problems that we otherwise wouldn't be able to be taken care of."

The emphasis on providing matching grants has allowed the tribal government to provide for its citizens and community while also increasing the ability for projects to be independent. The decision to only offer grantees 50% of their total project was a matter of strategic design, intended to encourage grantees to be innovative and avoid total dependence on WCDF or the tribal government. Technical assistance in grant writing and fundraising is offered to help projects achieve long-term results, rather being just another flavor-of-the-month. The staff also provides assistance with grant reporting. By encouraging diverse funding bases, the Tribe is now able to stretch its dollars into more projects and support capacity building of individual citizens and citizen organizations.

The Winnebago Community Development Fund is an outstanding example of how tribal governments can effectively institutionalize long-term community development. By securing a dedicated funding source within the tribal budget and supplementing that with outside money, Winnebago citizens now have a committed philanthropic entity that understands Winnebago culture and community needs. Going even deeper, the WCDF stands for philanthropy that defies dependency. The Fund is helping its citizens undertake and complete the community development projects they desire, while also assisting them in strategies that enhance long-term sustainability.

Lessons:

- Strategic community development that identifies funding priorities and sets a grant making framework allows governments to contribute to improvements efficiently and effectively.
- Earmarking tax revenues for a set period of time or in perpetuity is one way tribes can build a fund for critical community development purposes.
- Clear guidelines and transparent processes build institutional trust and make it plain that need and quality ideas not politics drive a local grant maker's decisions.

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