

# INDIGENIZING CATALYTIC CAPITAL

HOW TO GET TO **CATALYTIC CAPITAL** +

**METHODOLOGY AND INVESTMENT DATA DOCUMENT**

This document provides more detailed information  
on the research methodology behind the report

***Indigenizing Catalytic Capital***  
***How to get to Catalytic Capital+***

---

## CONTENTS

---

<b>Research Questions</b>	<b>2</b>
<b>Methodology</b>	<b>3</b>
<b>Analysis of Investment Data</b>	<b>9</b>
<b>Appendix: Interview Questions</b>	<b>14</b>

---

# RESEARCH QUESTIONS

This research sought to illuminate the opportunities to activate catalytic capital in Indian Country.

---

The *Indigenizing Catalytic Capital* report aims to build field-wide knowledge on the slice of capital that catalyzes the ability for a Native entrepreneur, organization, or enterprise to design and implement their long-term vision for business success—the infusion of capital that truly is catalytic of Native solutions.

---

## THIS RESEARCH FOCUSED ON **THREE QUESTIONS:**

---

**1**

What role does catalytic capital play in forwarding self-determination and non-extractive investing for Indigenous Peoples in the United States?

**2**

How have different actors experienced recent catalytic capital investing opportunities in Indian Country?

**3**

Based on the experiences and expertise of Native entrepreneurs, what is *actually* catalytic for Native entrepreneurs and Native communities?

---

# METHODOLOGY

We used three methods of gathering data for this project:

---

WE COMPLETED DESK RESEARCH TO COMPILE QUANTITATIVE DATA ON INVESTMENTS IN NATIVE-LED PROJECTS	CONDUCTED INTERVIEWS WITH 22 PRACTITIONERS COMPRISING PHILANTHROPIC INVESTORS, PRIVATE INVESTORS, NATIVE INTERMEDIARIES, AND NATIVE ENTREPRENEURS	AND PARTICIPATED IN BROADER PHILANTHROPIC AND INDIGENOUS- LED FINANCE CONVERSATIONS AND CONVENINGS
---	---	--

---

**We collected and analyzed investment data from March to July 2022,  
and conducted interviews from May to October 2022.**

---

# A

## INVESTMENT DATA

**In the first phase of research we collected and analyzed quantitative and qualitative data on investments into Native enterprises and Native-led projects to better understand the amount of capital moving into Indian Country, as well as where and how these capital flows are taking place.**

First, we conducted desk research and compiled a list of known deals, organizations that were likely to have invested in Native enterprises, and Native enterprises that received investments. This list contained 178 organizations. We then collected more information on 93 of these organizations. These organizations were selected for their relevance to our research questions about catalytic capital provision in Indian Country, based on our team's knowledge of the organizations and their scopes. The data we collected on these 93 organizations include: whether or not the organization is a catalytic capital provider; key words and phrases pertaining to capital deployment used on their websites; their PF-990 Total Assets in 2019; the total amount of funding they provide and the amount of funding they provide to Indigenous Peoples (funding statistics were based on available information, some were since the organization's inception, some were for particular years, and some figures were annual); the number of loans or grants they have made; the types of investment they provide; investment timelines; integrated return expectations; and sample deals.

### DATA WAS COLLECTED FROM THE FOLLOWING:

1

PF-990s

2

Organizations' publicly available financial audits

3

Organizations' websites

4

News articles

**Where our interviews touched on information relevant to these organizations and deals, we also included that information in the data set.**

We completed quantitative analysis on the organizations' total assets and number of known deals providing capital to Indigenous Peoples. Notably, there were significant gaps in the available data. Additionally, we completed an analysis of keywords that appear on the websites of these 93 organizations. We identified 29 key words pertaining to the deployment of catalytic capital, and analyzed the frequency of these keywords across organizations to understand how these organizations are defining their approaches to capital deployment.

We then selected a subset of organizations to collect additional, more detailed data on. Based on interviews, personal knowledge, and other background information the team identified a group of 19 "priority 1" organizations; this group included both capital recipients and capital providers. At this stage, we decided to focus on deals completed in the United States in order to ensure comparability of data across projects and organizations. Looking at these 19 organizations, we collected information on total capital deployed, total investment capital, average investment size, total grant capital, average grant size, total number of deals, number of non-grant deals, and number of grant deals. This data was collected for the years 2012 through 2022, and separated by year.

Again, data was collected from the following: 1) PF-990s, 2) organizations' publicly available financial audits 3) organizations' websites, 4) news articles, and 5) our interviews, where relevant. Whenever possible, information was obtained from PF-990s and/or organizations' financial audits. Not all organizations were foundations, and as such, not all organizations had PF-990s available. Likewise, not all organizations report discretionary details that are above the minimum requirements of the IRS, and even when available this information was hard to obtain. Private investors shared the least amount of data. Not all grant information was listed on foundations' websites, or disclosed in the PF-990s.

## SPECIFIC TO THE RESEARCH

QUESTIONS IN THIS REPORT,

DECIDING WHICH GRANTS AND/OR

INVESTMENTS TO INCLUDE IN THE

DATA SET WAS **BASED ON THREE**

**MAIN CRITERIA:**

**1**

Was the capital recipient a Native-led organization?

**2**

Did the organization receiving the capital provide more than 50% of its grant to Indigenous Peoples and related causes?

**3**

Was a specific capital infusion intended for Indigenous Peoples or in support of their organization?

All types of capital were included if the recipient was a Native-led organization. Organizations that undertook a substantial amount (more than 50%) of their work in Indian Country or with Indigenous Peoples also had all of their grants and investments included. Finally, even in organizations without such a history, if grants or investments were made specifically for Indigenous Peoples or within Indian Country, such deals were also reported in this list of deals. The data for the 19 “priority 1” organizations included all identifiable qualifying investments from 2012 up to the latest public data available as of July 2022. We compiled data on a total of 1320 deals in Indian Country made within that time frame, including the amount, rate, and term (in years) for these deals wherever these data were available. Again, there were significant data gaps.

Generally, differentiating grants from investment capital was very straightforward. However, there was more nuance on the investment side and less clarity provided by the organizations as to what kind of capital was specifically being deployed and how it was structured. Very limited data was available on whether loans were collateralized, and the equity structures involved in deals that were not debt or loan based. Interest rates and loan terms were also provided infrequently.

We separated this data into recipient-centric and capital provider-centric data sets for analysis. For both data sets, we looked at the total capital received or deployed, whether grant capital was used alongside other capital, the earliest year capital was received/provided, the latest year capital was received/provided, the span of time from earliest to latest capital, and the average deal length. For the recipient-centric data set we also looked at the earliest year grants were received, the earliest year investments were received, the span of time between earliest grants and earliest investments. Additionally, we conducted an analysis on the amount and percentage of capital disbursed in Indian Country, as compared to the total capital disbursed, for the years 2012 and 2019.

# B

## INTERVIEWS

**We interviewed philanthropic investors, private investors, and Native intermediaries to understand how they have delivered integrated capital to Native organizations and entrepreneurs.**

In parallel, we interviewed Native intermediaries and Native entrepreneurs about their experiences seeking, receiving, and leveraging investment capital to seed their organizational vision according to their stated values. Notably, some Native interviewees had personal and professional experiences within multiple of these roles, and were able to speak to their experiences as both a capital provider and a capital recipient. In total, the research team completed interviews with 22 participants from 21 organizations (a list of interviewees can be found in the acknowledgements in the [Indigenizing Catalytic Capital Report](#)).

Interview participants were recruited via accessing our existing relationships, developing new relationships, and chain referral sampling. Of note, each of the organizations partnering to conduct this research had completed extensive work in Indian Country prior and had background and existing relationships with Indigenous entrepreneurs, Native American and First Nation governments, philanthropy leaders, and investors. This enabled us to reach out to individuals and organizations with whom we were in relationship to determine their willingness to participate in the research.

We used a common set of interview questions (see [Appendix](#)) to ensure even data collection across interviews, and provided the questions to each participant prior to the interview. Interviews were recorded with consent and transcribed utilizing transcription software. Participants were offered the ability to choose to speak off the record, or to speak anonymously. Participants were also given the opportunity to review the report draft prior to publication.

We analyzed the interview recordings and transcripts, as well as our notes taken on the interviews, to identify key themes and relevant quotes. We looked for areas of consensus among interviewees, as well as for differences between how participants in different roles or sectors experienced the process of deploying or attempting to deploy catalytic capital in Indian Country.

# C

## CONVENINGS AND DISCUSSIONS

Finally, the research team attended numerous convenings to meet one-on-one with interviewees and to gather data on the impact of catalytic capital in Indian Country.

### **SOME OF THE CONVENINGS ATTENDED INCLUDE:**

---

THE 7GEN INVESTING SUMMIT HOSTED BY SICANĠU CO

---

THE INVESTORS AND INDIGENOUS PEOPLES  
WORKING GROUP WEBINAR *INVESTMENT IN INDIAN COUNTRY:  
SUPPORTING SOVEREIGNTY, SEEDING SOLUTIONS*

---

THE US SIF ANNUAL CONFERENCE

---

THE NATIVE AMERICAN FINANCE  
OFFICERS ASSOCIATION CONFERENCE

---

AND SOCAP22

---



---

# ANALYSIS OF INVESTMENT DATA

---

## A

### CATALYTIC CAPITAL KEYWORD ANALYSIS

**One aim of this research was to identify how philanthropy and investors who invest in Indian Country are defining and deploying catalytic capital.**

To this end, we analyzed the language that 93 capital providers use on their websites to determine what proportion of these organizations are providing catalytic capital, as well as how they are conceptualizing and operationalizing catalytic capital. 8 of the organizations were Community Development Financial Institutions (CDFIs), 36 were foundations, 10 were investment advisors, 33 were nonprofits, 2 were CDFI intermediaries, 1 was a venture capital firm, and 3 were government organizations. Out of the 93 organizations, we found that 59 either deploy catalytic capital or have the organizational goals in place to deploy catalytic capital. We found that 1 was not deploying catalytic capital, and for 33 organizations it was not possible to determine whether or not they provide catalytic capital.

Notably, the lack of clarity on whether or not the latter 33 organizations provide catalytic capital indicates that it would likely be difficult for entrepreneurs to make this determination when looking for capital providers to seek funding from, and for those in the financial field to have a full sense of where and how other organizations might be deploying catalytic capital.

NUMEROUS COMMON  
KEYWORDS AROSE AMONG  
THE 59 ORGANIZATIONS  
WHO EXPLICITLY DESCRIBED  
**APPROACHES TO CAPITAL  
DEPLOYMENT THAT COULD BE  
CONSIDERED CATALYTIC.**

The full list of keywords and their counts are provided in the table to the right:

Overall, the keyword analysis demonstrates that organizations deploying catalytic capital are speaking about this in terms of both impact and the structure of the capital. Organizations are also paying attention to the process of deployment and power dynamics within that process, as illustrated by the keywords “collaborative” and “relationship based”. The keywords also show recognition of the importance of support outside of the capital itself, for example in “specialized technical assistance”. However, it is important to note that these keywords are a representation of these organizations’ outward communication, which may or may not be related to their actual capital deployment practices.

Capacity Building	14
Mission-Aligned	11
Spurs Economic Development	11
Impact-Oriented	10
General Operating Support (Incl. PRIs)	10
Fills Financing Gaps	10
Non-Financial Resources	9
Long-Term	8
Integrated	7
Collaborative / Relationship Based	7
Specialized Technical Assistance	6
Innovative	5
Catalytic	5
Low-Cost	4
Patient	4
Increases Access	4
Market-Rate Alternative	3
Creative	3
Flexible	3
Serves Unconventional Market	3
Field-Level Impact	2
Transformative	2
Forgivable	2
Independent	1
Community-Level	1
First-In	1
Pre-Development	1
Alternative Ownership Models	1
Higher-Risk	1

# B

## ANALYSIS OF CATALYTIC CAPITAL FLOWS IN INDIAN COUNTRY

**To better understand the throughline of capital movement, we took a deeper look at how a smaller subset of 19 organizations are providing catalytic capital to Indian Country, with the goal of identifying the number of deals made, the proportion of capital deployed to Native enterprises or Native-led projects, and whether this proportion has changed over time.**

We identified a total of 467 Native entities who received capital from these 19 organizations, in a total of 1319 deals. Of these deals, 1230 were grants, 67 were investments, and 22 were unknown. The organizations varied widely in terms of how many deals they made—the organization with the smallest number made one deal, and the organization with the largest number made 383 deals.

Additionally, we conducted an analysis on the amount and percentage of capital disbursed in Indian Country by each organization, as compared to their total capital disbursed, for the years 2012 and 2019 to see whether capital flows had changed over time. However, data was only available for 6 organizations in 2012, and 7 organizations in 2019. Of these, data was only available for 5 organizations for both years. For 4 of these organizations, out of their total capital disbursed, the percentage of capital disbursed to Indian Country decreased in 2019. For one organization, the percentage increased. However, no meaningful conclusions can be drawn from such a small sample.

**OVERALL, THE KEY FINDING OF THIS RESEARCH IS THAT THERE IS A PRONOUNCED LACK OF DATA ON CAPITAL FLOWS FROM INVESTORS AND PHILANTHROPY, AND SPECIFICALLY A LACK OF CLEAR INFORMATION ON CATALYTIC CAPITAL DELIVERY IN INDIAN COUNTRY.**

We spent over 200 hours searching organizations' websites, PF-990s, publicly available financial audits, and news articles. Ultimately, we found that there were significant gaps around the quality and quantity of the information available. Furthermore, our team was aware of far more investments than found when scanning foundation disclosure documents, and we knew that foundations employ more catalytic terms than reported upon in their PF-990s, websites, and reports. This indicates that the available data does not show the whole picture of investment in Indian Country.

## WE IDENTIFIED THE FOLLOWING DATA GAPS:

- Reporting was uneven and non-standardized both within and across philanthropic grants, philanthropic investments, government grants, and private investments.
- Reporting of investments on PF-990s is minimal and thus reads as incomplete, and is often hard to decipher, not timely, and/or does not clearly articulate how capital was used.
- Many foundations and organizations do not report discretionary details that are above the minimum requirements for tax returns.
- The information organizations provide about investments lacked clarity as to the kind of capital and how it was structured, for example whether loans were collateralized, and the structures involved in investments that were not debt or loan based.
- Interest rates and loan terms were provided infrequently.
- Not all grant information was listed on foundations' websites.
- It is difficult to know when capital is being used as "catalytic"; for example it is rare for data to show that multiple pools of capital were integrated in a transaction.
- Investments or grants from donor advised funds are impossible to track due to lax reporting requirements.<sup>1</sup>

---

<sup>1</sup> Dan Petegorsky, *How the DAF Industry Controls the Data and Attempts to Control the Narrative*, Inside Philanthropy (Jan. 30, 2023), [www.insidephilanthropy.com/home/2023/1/30/how-the-daf-industry-controls-the-data-and-attempts-to-control-the-narrative](https://www.insidephilanthropy.com/home/2023/1/30/how-the-daf-industry-controls-the-data-and-attempts-to-control-the-narrative)

THESE DATA GAPS UNDERMINE CAPITAL PROVIDERS' ACCOUNTABILITY AND INHIBIT NATIVE LEADERS' ABILITY TO BUILD DATA-BASED ARGUMENTS WHEN SEEKING GRANTS AND INVESTMENTS.

These data gaps also hinder fulsome understanding of when, how and where catalytic deals are being done. Only a small part of the catalytic capital story is shared to the detriment of growing this field.

Given the limited ability to assess actual capital flow, foundations and impact investors are unable to assess where their capital may be catalytic. Similarly, entrepreneurs are unable to identify potential sources of catalytic capital. The lack of data also means that foundations and impact investors interested in deploying capital in Indian Country can rarely identify the appropriate entry point(s). A field-wide solution to lack of data is needed.

Lack of disclosures is fundamentally an issue of data justice. Native Peoples experience inequitable access to capital resulting from systemic racism. Native non-profits only receive 0.23% of philanthropic funds, despite comprising 2% of the total population in the United States.<sup>2</sup> Without adequate data to track whether these systemic inequities are increasing or decreasing, it is impossible to create effective systems change to facilitate equitable capital flows.

WE CANNOT ADDRESS THE INEQUITIES WITHIN PHILANTHROPY AND INVESTING WITHOUT HAVING A BASELINE KNOWLEDGE OF WHERE CAPITAL IS GOING AND WHO IT IS BENEFITTING.

Transparency across the field is essential. Improving data tracking, reporting, and transparency will support data justice and promote systems change towards equitable capital access.

---

<sup>2</sup> First Nations Development Institute, We Need to Change How We Think: Perspectives on Philanthropy's Underfunding of Native Communities and Causes 1 (July 2018), [www.firstnations.org/wp-content/uploads/publication-attachments/We%20Need%20to%20Change%20How%20We%20Think\\_Compacted.pdf](http://www.firstnations.org/wp-content/uploads/publication-attachments/We%20Need%20to%20Change%20How%20We%20Think_Compacted.pdf) (citing First Nations Development Institute, Growing Inequity: Large Foundation Giving to Native American Organizations and Causes, 2006-2014 (2018), [www.firstnations.org/wp-content/uploads/publication-attachments/Growing%20Inequity\\_%28WEB%29.pdf](http://www.firstnations.org/wp-content/uploads/publication-attachments/Growing%20Inequity_%28WEB%29.pdf).)

---

# APPENDIX: INTERVIEW QUESTIONS

---

## QUESTIONS FOR INVESTORS

**Interview Goals:** To gain insight into what investors have experienced as successful investing in Indian Country. What did it take? How did catalytic capital or other ways of working (e.g. alternative terms or strategies) help? How do they overcome the obstacles others encounter? What works? What works for others? How have they changed the way they work to become more effective?

### Interview Questions

1. What kinds of investments does your institution, fund or foundation seek in Indian Country?  

---
2. What two examples of such investments you have made can you share with us (name, amount, terms, goal, approach to the work)?
  - What kind of capital and support did you provide (e.g. grant, investment, technical assistance, etc.)?
  - How did you decide whether to provide a grant or an investment, if you have that option?
  - How did you ensure that the terms are appropriate?

---
3. Tell us about an example of a successful investment and describe why it was successful.  

---
4. Tell us about an unsuccessful example of due diligencing an investment or an unsuccessful investment and explain why it was unsuccessful.  

---
5. What kind of metrics do you track to assess success or failure?  

---
6. What do you think are some of the biggest challenges for investors when it comes to investing in Indian Country?  

---
7. What do you think are some of the biggest challenges for Native entrepreneurs when it comes to obtaining investments?  

---

8. How do you define catalytic capital? Can you provide an example?

---

9. What parts of the investments or investment process that you described earlier fit into this definition?

---

10. Who is part of the decision-making process and how do they determine the use of catalytic capital?

---

11. What investment guidelines (e.g. IPS), policies, or norms in your institution are catalytic? Are there guidelines or policies that work against catalytic capital?

---

12. Assuming you had the time and mission, what would have to change in order for you to move more catalytic capital to Indian Country?

---

## QUESTIONS FOR CAPITAL RECIPIENTS

**Interview Goals:** to gain insight to Native entrepreneurs' experiences seeking capital and understand the markers of successful deals, as well as the unsuccessful ones that would not be reflected in publicly available data.

### Interview Questions

1. What kinds of capital and support do you seek for your business ventures?

---

2. What investments are the most helpful? (terms of the deal, type of capital, funder)

---

3. Tell us about the most successful capital infusion you've received.

---

4. Can you tell us about any unsuccessful attempts that you've had when seeking capital for your business? (interaction with funder, terms of deals, etc.)

---

5. What are the metrics by which you assess success or failure?

---

6. What do you think are some of the biggest challenges for Native entrepreneurs when it comes to obtaining investments?

---

7. What do you wish investors knew about investing in Indian Country?

---

8. How do you define catalytic capital? Can you give an example?

---

PUBLISHED BY FIRST PEOPLES WORLDWIDE,  
INTEGRATED CAPITAL INVESTING, AND CROATAN INSTITUTE, JUNE 2023

This document provides supplemental material to the report [Indigenizing Catalytic Capital](#). This supplemental document and the *Indigenizing Catalytic Capital* report were produced with grant funding from the MacArthur Foundation, the Omidyar Network, and the Rockefeller Foundation through their support of the Catalytic Capital Consortium Grantmaking, a project of New Venture Fund.

First Peoples Worldwide is an Indigenous-led organization that translates on-the-ground impacts of investment affecting Indigenous Peoples to corporate decision makers through the intersection of business, law, and finance. Integrated Capital Investing educates and catalyzes foundations and investors to use all of their assets (grants, investments and leadership) in an integrated way to create equitable, regenerative and restorative economies. Croatan Institute is an independent, nonprofit research and action institute whose mission is to build social equity and ecological resilience by leveraging finance to create pathways to a just economy.

## FIRST PEOPLES WORLDWIDE

Center for Native American and Indigenous Studies  
University of Colorado Boulder  
1330 Grandview Ave  
Boulder, Colorado 80302



[@firstpeoplesworldwide](#)



[@FirstPeoplesWW](#)



[@firstpeoplesww](#)



[linkedin.com/company/first-peoples-worldwide](https://www.linkedin.com/company/first-peoples-worldwide)

**Visit:** [colorado.edu/program/fpw](https://colorado.edu/program/fpw)

**Email:** [fpw@colorado.edu](mailto:fpw@colorado.edu)

**Phone:** 303-735-4595

## INTEGRATED CAPITAL INVESTING

Integrated Capital Investing  
308 Coates Drive  
Aptos, California 95003



[@JenAstone](#)



[linkedin.com/in/jennifer-astone-8730636](https://www.linkedin.com/in/jennifer-astone-8730636)

**Visit:** [iciaptos.com](https://iciaptos.com), [iciaptos.com/the-transformative-25](https://iciaptos.com/the-transformative-25)

**Email:** [Jen@iciaptos.com](mailto:Jen@iciaptos.com)

**Phone:** 831-247-7305

## CROATAN INSTITUTE

### Mailing Address

PO Box 2044  
Durham, NC 27702  
(919) 794-7440

### Physical Address

201 West Main St  
Suite B013  
Durham, NC 27701



[@Croatan](#)



[linkedin.com/company/croatan-institute](https://www.linkedin.com/company/croatan-institute)



[youtube.com/channel/UCQqDh8jnm9B35SLalkriNIA](https://www.youtube.com/channel/UCQqDh8jnm9B35SLalkriNIA)

**Visit:** [croataninstitute.org](https://croataninstitute.org)

**Email:** [info@croataninstitute.org](mailto:info@croataninstitute.org)

**Phone:** 919-794-7440



First Peoples Worldwide  
UNIVERSITY OF COLORADO BOULDER



CROATAN  
INSTITUTE