INTRODUCING NATIVE AGRICULTURE:
A GUIDE FOR YOUNG ENTREPRENEURS

DEVELOPED BY AKIPTAN, INC.
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“Stick with it! … Getting into agriculture is not always something that’s easy - you have to have financing; you have to have support from your neighbors, or your family, or your community. You have to have so much – it’s not just “oh hey, I’m going to start a cattle ranch today.” You have to be kind of a jack of all trades – have to be someone who knows not just how to plant the seed, but how take care of that seeds. You have to know how to take care of that cattle, how to vaccinate that cattle. You have to have land behind it. You have to have the finances behind it. You have to figure out how to do your taxes. Sometimes that can be very overwhelming -- don’t be afraid to ask for help. If you stick with it, it will truly get easier over time!

- Zach Ilbery, Agricultural Education Instructor and FFA Advisor, Balko Public Schools
Introducing Native Agriculture: A guide for Young Entrepreneurs

Akiptan has developed this guide to help young entrepreneurs with Native agriculture projects, those who are thinking about Native agriculture, and those who want to learn more about it. We believe that a strong financial foundation (understanding the financial aspects of Native agriculture) is key to success!

So this guide is for you if you’d like to…

✓ Learn more about Native agriculture and all of the jobs, career paths, and even lifestyles that are part of Native agriculture;
✓ Start an agriculture project;
✓ Grow your current agriculture project;
✓ Learn about the financial aspects of your agriculture project;
✓ Look at ways to make some money;
✓ Learn about some great resources that can help you; and
✓ Hear tips from people who have been in your shoes!

WHAT IS AKIPTAN?

Based in Eagle Butte, South Dakota on the Cheyenne River Reservation, Akiptan is a community-based lender (like a community bank) created to serve Native ag producers. While we’re based on the Cheyenne River, we serve tribal members around the country. ‘Akiptan’ is the Lakota word for ‘working together, in a cooperative effort.’ This idea inspires our approach to working with producers to find solutions that work for their operations, allowing them to grow capacity and operate at their full potential. We are committed to supporting young Native agriculture producers.

WHAT DOES THIS GUIDE COVER?

This guide covers different components of Native agriculture that will be helpful for young entrepreneur’s, with sections on:

1. Where you’re headed: visioning and planning
2. What are the numbers telling us?
3. Understanding loans and credit
4. Building on the numbers: developing a business plan
5. Who can help? Mentors and resources
6. Beyond ranching and farming: what agriculture careers could you consider? Where could you work?
7. Pulling it all together: what does this business look like? What are your next steps?
WHAT DO ALL OF THESE PHOTOS REPRESENT?

All of these photos represent different parts and practices of agriculture: ranchers, growers, farmers, restaurant owners, meat processors…

Native agriculture is the tradition of growing, cultivating, gathering, fishing, and harvesting by Indigenous people. Our Indigenous people understand the land, seasons, plants, and animals, and know how to care for the land and when to hunt and gather.

As you move forward with this guide, we hope you will be inspired by learning more about Native agriculture and the many opportunities you can consider. Native agriculture starts with understanding and managing your resources.
WHY NATIVE AGRICULTURE?
As a young entrepreneur, why does it make sense to think about Native agriculture – as a hobby, a potential job, or a source of income? Please jot down your thoughts in the box below:

* It’s good for the earth
We know that we need to take care of Mother Earth, especially with climate change and depleted resources. When it’s practiced thoughtfully, agriculture can be part of taking care of the land and our resources.

* It’s a return to tradition
We used to live off the land. We foraged, we managed resources. The practice of agriculture lets us return to our history and culture.

* It’s a way to earn some income
With careful planning, working in agriculture can be a way to earn some income. You could raise livestock for sale, grow vegetables, or develop a food business.

* It’s healthy
Raising your own food is healthy – you know what’s going into your animals, and into your soils. When food is shipped in from other places and processed, we often have no idea what’s gone into it – that eventually goes into us! Native agriculture is good for overall wellness.

* It helps us shift from an extractive economy to a circular economy
In an extractive economy, our resources our sent outside of the community in return for food. However, in a circular economy, Indigenous communities can feed ourselves by distributing food and resources amongst ourselves.

* It’s a fun thing to do in the summer
Summer can be a perfect time for an agriculture project!
GATHERING AGRICULTURAL WISDOM

Let’s start with the word “sovereignty” – what does it mean to you?

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So what could “food sovereignty” mean?

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The Akiptan team believes that food sovereignty is the ability to define what agriculture and food systems are for a healthy and sustainable tribal community.

Chef Craig Nephi recording
Take a moment to listen to Chef Craig Nephi as he visits with Vickie Oldman about his journey within the Native Agriculture Culinary Business.
https://www.akiptan.org/youthguide
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Native Food Sovereignty and Native Agriculture mean the same thing to me. The sustainable use of natural resources in a manner that not only benefits the producer’s bottom line, but also captures the value of turning agriculture products into food to benefit the Tribal economy.

- Zach Ducheneaux (Cheyenne River Sioux Tribe), Administrator, USDA Farm Service Agency

To me, food sovereignty represents the reclamation of our traditional food systems in a way that allows us to provide for our communities. Remembering ancestral practices and reconnecting with traditional flavors or cooking methods, all while showing the next generation the beautiful ways we interact with our foods, these are the steps to help the next generation find their way towards healing and connecting through the beautiful vessel we call our ancestral foods.

- Elena Terry (HoChunk/Potawatomi) Executive Chef/Founder, Wild Berries

Native Food Sovereignty is the right of tribes and individuals to be able to feed themselves. In order to actuate this goal, tribes also need to have food security. There is a difference between the right to control food systems and the ability to do so. Food Security cannot be accomplished without adequate and appropriate access to capital. There are many components to making food security a reality, and lending is one of those foundational pillars.

- Toni Stanger-McLaughlin, JD (Colville), CEO, Native American Agriculture Fund

We need producers producing sustainable products; we need value added operations responsibly turning those products into value added products; we need retailers selling good, healthy foods to our community members; we need a proper distribution system to get our products spread; we need a supportive financial system making all that possible. And we need to be able to do it ourselves, meaning those products never leave a Native’s hands or Native organization. We need to feed ourselves. It’s all about taking a holistic approach to the food system.

- Skya Ducheneaux (Cheyenne River Sioux Tribe), Executive Director, Akiptan, Inc.

Here are what leaders in the Native agriculture field are saying....
Now that you’ve heard a bit about food sovereignty, how does it connect to you? And how does it connect to your community? Please draw or write your response below:

Write your response here:

_____________________________________________________________________________________
_____________________________________________________________________________________
_____________________________________________________________________________________

Or draw your response here:

What Native Agriculture businesses do we need in your community?
_____________________________________________________________________________________
_____________________________________________________________________________________
_____________________________________________________________________________________

We have a need for:
* Processing plants for beef
* More planting – there’s not many fields around here
* More summer things, like more pools
* More restaurants, we only have three or four and two are at a gas station
* More stores, like a clothing store
* Farmers market
* Nursery

-Julia Lesmeister, Cheyenne River Youth Project Intern
WHERE ARE YOU HEADED? VISIONING AND PLANNING

Visioning and planning have always been part of Native communities, and a Native way of life. Traditionally, we’ve always had to plan. We had to plan around seasons to understand the appropriate times for planting, growing, harvesting, hunting and fishing.

For example, during harvest season, our ancestors saved seeds for the future. We have seeds from thousands of years ago that can still create food today, because ancestors were visioning the future to ensure that we will always have access to food.

Visioning is your North Star: it drives and inspires you to keep focused on your goals when you need some motivation. Akiptan and experienced folks working in agriculture believe that planning is an essential part of Native agriculture.

If you don’t know where you’re going, how are you going to get there? It's important to look at your starting point, and where you’re headed – just like using a map – or a GPS navigator… In the words of one rancher:

_This is how we've always done it -- I tried to step myself out of that box. When I started, I started like we always done it. I allowed 3.5 – 4 acres per cow. I got to reading, studying –stepping outside of the box – cross fencing and rotating. It allowed me to increase my herd by 35% right off and took my expenses down 27% the first year. That allowed me to stockpile my forage – not have to feed hay until mid-January, and then plant more cool season grasses, so I would have them start coming up March 15._

-Porter Holder, Native Rancher, Oklahoma
Now, spend some time thinking about where you’re headed and where you want to be in the years to come. Don’t limit yourself – dream big, and see what you come up with. There’s no right or wrong answer!

- Where do you want to be?
- What do you want to be doing?
- What will make you happy?
- Will you have employees?
- Where will you be in the short term?
- Where will you be in the long term?

**What’s your big vision?**

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As you think about goals, it’s helpful to think about “SMART” goals – to make sure your goals are:

- **S** - Specific
- **M** - Measurable
- **A** - Achievable
- **R** - Relevant
- **T** - Timebound

Creating smart goals will help you to meet both short term and long term goals for your operation. You can then take these goals from ideas to actions in a timely manner.

*Step out of your comfort zone.*

-Elaini Vargas, Professional Development Specialist, Intertribal Agriculture Council
Now take a moment to write down your short term and long term goals below.

**Short term: 1 - 3 year goals:**
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**Longer term: 5 years and beyond**
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Video: Visioning and Planning

https://www.youtube.com/watch?v=mQY-t_DfnNw
“Start out small and then grow. One building block adds to another. Go slow, be intentional” - Rez Chicks
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What does A demonstrate? Income
What does B demonstrate? Expenses
What does C demonstrate? Profit

When looking at key information, especially financial information, it’s helpful to share the information through a dashboard. Just like your dashboard in a vehicle, a financial dashboard can tell you how you’re doing right away – are you in trouble? Do you need to take action? Are you running out of gas, going too fast, or overheating? In the same way, a financial dashboard can show if your operation’s finances are in danger – are you spending too much? Not making enough profit?

Numbers paint and tell a story. Numbers tell us if we are making or losing money. No matter what you’re growing or producing, it’s important to understand the numbers. If you have livestock, or you’re growing vegetables, or you’re raising bees, or you’re fishing, it’s important to have a clear sense of how much money you are bringing in and how much you are spending.
THE STARTING POINT: YOUR PERSONAL BUDGET

Do you know how much money is coming in and out of your pocket? What expenses do you have that are consistent? Where is money leaking out? Do you have a savings pot for emergencies or to start your new business?

Creating and using a personal budget is essential for creating financial stability. This tool helps you understand how much money is coming in, identify where you are spending, helps you to pay your bills on time, and save. A personal budget is the foundation when you’re thinking about starting a new business, and it is vital in helping you build some savings for your new venture. A personal budget is a great planning tool. You will need to set time aside each week to review your budget, so place some time in your calendar to do this.

Below we will ask you to do a personal budget activity, please keep in mind this will not include your agribusiness expenses. We will address on farm and off farm income later on in the guide.

When developing your personal budget, you will follow 4 steps:

**STEP 1:**
Estimated budget: what is your income and what are your expenses?

**STEP 2:**
Tracking: what are you actually spending?

**STEP 3:**
Budget analysis: where are there differences?

**STEP 4:**
Reflection: what do you need to amend?
**STEP 1: Estimated budget (one-month)**

Here you will add what you bring in for income and what you spend on expenses. Add your totals in the right column.

<table>
<thead>
<tr>
<th>Income</th>
<th>Estimated Budget Amount</th>
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<tbody>
<tr>
<td>Wages &amp; tips</td>
<td></td>
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<tr>
<td>Gifts</td>
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<tr>
<td>Other</td>
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<tr>
<td><strong>Total Income</strong></td>
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<thead>
<tr>
<th>Expenses</th>
<th>Budget Amount</th>
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<td>Rent</td>
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<td>Electricity</td>
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<td>Water/Sewer</td>
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<td>Trash</td>
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<td>Phone</td>
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<tr>
<td>Internet</td>
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<tr>
<td>Subscriptions (streaming services, etc.)</td>
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<td>Groceries</td>
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<td>Personal supplies</td>
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<td>Dining/eating out</td>
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<td>School tuition</td>
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<td>Vehicle payments</td>
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<td>Registration/Insurance</td>
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<td>Travel</td>
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<td>Fun Stuff</td>
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<td>Saving goal #1</td>
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<td>Savings goal #2</td>
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<td>Other</td>
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<tr>
<td><strong>Total Expenses</strong></td>
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</table>
**STEP 2: Tracking Sheet (one month)**

This tracking sheet is an important part in creating your budget. Working with the tracking sheet requires you to capture all of your spending (food, gas, snacks, bills, etc). Using the form below, track what you spend over a one month period. *You can also use an app on your phone to track in real time, and then transfer to this sheet.*

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>Amount</th>
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Grand Total
**STEP 3: Budget analysis (one-month)**

Once you have tracked all of your expenses, you will get a good sense of how much you are spending in one month on food, going out to eat, gas, utilities, rent and other expenses.

The next step is transferring the tracking sheet to the table below. It will show your **income** (what’s coming in) and your **expenses** (what you’re spending). In the chart, you’ll note your **estimated budget** amount – (what you thought you’d receive or spend), your **actual** amount (what you actually received or spent, using the information from your tracker), and then the **difference**.

<table>
<thead>
<tr>
<th>Income</th>
<th>Estimated Budget</th>
<th>Actual</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages &amp; tips</td>
<td></td>
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<td>Gifts</td>
<td></td>
<td></td>
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<td>Other</td>
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<td>Other</td>
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<tr>
<td><strong>Income</strong></td>
<td><strong>Estimated Budget</strong></td>
<td><strong>Actual</strong></td>
<td><strong>Difference</strong></td>
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<tr>
<td>Rent</td>
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<td>(streaming services, etc..)</td>
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<tr>
<td>Groceries</td>
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<td>Personal supplies</td>
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<td>Clothing</td>
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<td>Dining/eating out</td>
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<td>Salon/Barber</td>
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<td>School Tuition</td>
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<td>School supplies</td>
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<tr>
<td>Vehicle Payments</td>
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<tr>
<td>Fuel</td>
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<th>Registration/Insurance</th>
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<tbody>
<tr>
<td>Hobbies</td>
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<tr>
<td>Travel</td>
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<tr>
<td>Fun Stuff</td>
<td></td>
</tr>
<tr>
<td>Saving goal #1</td>
<td></td>
</tr>
<tr>
<td>Savings goal #2</td>
<td></td>
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<tr>
<td>Other</td>
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<tr>
<td>Other</td>
<td></td>
</tr>
</tbody>
</table>

To the right, total your estimated budget and actual cost columns. Then calculate the difference between them by subtracting your total actual from your total estimated.

<table>
<thead>
<tr>
<th>GRAND TOTAL ESTIMATED BUDGET</th>
<th>GRAND TOTAL ACTUAL</th>
<th>TOTAL DIFFERENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTALS</td>
<td></td>
<td></td>
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</tbody>
</table>

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16
STEP 4: Reflections

How accurate is your budget? Are you spending what you thought you were spending? And what about funds that you’re bringing in – are you on track? Do you need to revise your budget in any way? It’s important to check on your budget regularly to make sure that you’re on track – we recommend taking a look once a week!

1. **What are your numbers telling you?**  
   *Example:* I’m spending more than I make.

2. **Where are you spending more or less than you estimated?**  
   *Example:* I’m spending more in my grocery expenses than I budget for each month.

3. **Overall, how are you doing in managing your money?**  
   *Example:* I can do better at reducing my entertainment expenses.

4. **What adjustments do you need to make? Are there ways to spend less?**  
   *Example:* I can pack more snacks from home rather than buying snacks each time I fuel up.
INCOME AND EXPENSES

Now that you understand your personal finances, you’ll have the foundation when looking at your business finances. When you’re looking at numbers to evaluate your business (or business ideas), you need to understand Income, Expenses and Profit, which are different from a budget.

- **Income** (money coming in) and
- **Expenses** (money that’s going out, that you’re paying or spending). In general, you always want to have more income than expenses, and your
- **Profit** (money that you make) will be your income minus expenses.

When you are looking at your income and expenses, it’s important to separate out your “on farm” and “off farm” income and expenses.

- **On Farm Income** - On farm income is any income that is earned from the business, farm, or ranching activities. This can be from selling animals or products, custom hire jobs, agriculture program payments or any other income that is derived from farm and ranching activities.

- **On Farm Expenses/Operating Expenses** - These expenses keep the operation going. They can be feed or seed expenses, land rent, equipment rent, employee salaries, gas and fuel, insurance, repairs and maintenance along with many others. We are not including loan payments here -- these come later when we look at cash flow.

- **Off Farm Income & Expenses** - The off-farm income and expenses account for all personal living costs and income not related to the farm. This can include income from a job in town as well as personal loans, utilities, and other living costs. It is important to capture these to be able to determine whether the off-farm income is covering the on-farm expenses or the on-farm income is covering the off-farm expenses, or neither.

Video: Key Financial Decisions
Click this link or scan the QR code to watch a video to learn more about the key financial decisions for your agribusiness
https://www.youtube.com/watch?v=pZ_2DtvRbDY
Let’s take a look at two examples that bring these finances to life.

<table>
<thead>
<tr>
<th></th>
<th>Starting a garden</th>
<th>Raising a calf</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td>✓ Selling produce</td>
<td>✓ Selling your calf</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td>✓ Seeds</td>
<td>✓ Purchasing the calf</td>
</tr>
<tr>
<td></td>
<td>✓ Starter plants</td>
<td>✓ Food</td>
</tr>
<tr>
<td></td>
<td>✓ Fertilizer and water</td>
<td>✓ Vaccinations</td>
</tr>
<tr>
<td></td>
<td>✓ Materials, like wood for raised beds</td>
<td>✓ Vet costs</td>
</tr>
<tr>
<td></td>
<td>✓ Fencing, and other ways to protect from animals</td>
<td></td>
</tr>
<tr>
<td></td>
<td>✓ Equipment, like shovels, hoes</td>
<td></td>
</tr>
<tr>
<td><strong>Profit</strong></td>
<td>What you earned selling your produce minus what you spent growing the crops</td>
<td>What you earned selling your calves minus what you spent raising the herd</td>
</tr>
<tr>
<td><strong>How could you increase profit?</strong></td>
<td>✓ Sell more vegetables</td>
<td>✓ Look for less expensive food</td>
</tr>
<tr>
<td></td>
<td>✓ Look at selling vegetables in more places</td>
<td>✓ Butcher the steer and sell it as boxed beef instead of on the hoof at the sale barn</td>
</tr>
<tr>
<td></td>
<td>✓ Make value-added products like selling salsa alongside your raw produce</td>
<td></td>
</tr>
<tr>
<td></td>
<td>✓ Think of alternative ways of reducing expenses, like putting down straw to keep the moisture in the soil to reduce your water bill</td>
<td></td>
</tr>
</tbody>
</table>
OWÓŽU IČHÁĞE (Growing Your Garden)

Now that you have an idea of your business needs, play Akiptan’s virtual garden game, which is built to give you an opportunity to see how you can grow your garden, create value added products and sell your products at a farmer’s market.

In the game, you will receive funds from a family member, add some sweat equity, turn those funds into profits and grow your agricultural business.

Scan this code to play this fun summer garden game to learn about making money through having a garden.

https://www.7generationgames.com/akiptan/
Introducing Native Agriculture: A guide for Young Entrepreneurs

This game runs in any web browser. For the best online gameplay experience, we recommend playing the game with your browser in full screen. Avoid using the web browser back button as doing so can negatively impact your final earnings.

Instructions: It's summertime and you want to start a garden while also earning money. You start out with a small gift from your uncle and you start your garden. Then begin to make choices. Do you plant or not plant? Do you have weeds? Do you use a hoe? Or is it just better to go to the store to buy something? The choice is yours.

It's the summer, and it's time to make some money! You are $500 in the hole.

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lean to Start</td>
<td>$500</td>
</tr>
<tr>
<td>Compost</td>
<td>-$50</td>
</tr>
<tr>
<td>Weeds</td>
<td>-$75</td>
</tr>
<tr>
<td>Remaining</td>
<td>$375</td>
</tr>
</tbody>
</table>

Above is a list of the starting activity. Make your choices wisely!

You made $762.25

$130

$900
Now that you have played the Owóžu Ičháге game, let’s take a look at your own beginning funds, income, expenses, and profit.

**Beginning funds:** Look at your personal budget sheet. How much money have you saved for your business? Do you have any other savings that you can use? Can your family help out? Will you need a loan? Are there grant funds that you can apply for?

*Example: $500 savings*

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</tbody>
</table>

**Income:** How will you earn money from your business idea? What will you sell?

*Example: sell hay to neighbors*

<p>| | | |</p>
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</tbody>
</table>

**Expenses:** What are some of the expenses for your business idea? What will you need to pay for? How can you keep your expenses low to increase your profit?

*Example: fuel, parts, twine*

<p>| | | |</p>
<table>
<thead>
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</tbody>
</table>

**Profit:** How could you increase your profit? Or are you okay with what you are currently making for profit? If so, then you can revisit this at a later date as your operation changes.

*Example: barter, borrow from a neighbor, trade labor for supplies*

<p>| | | |</p>
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</tr>
</tbody>
</table>
THE TRADITIONAL WAY: BARTERING

In thinking about your expenses, you don’t always have to pay cash - reciprocity comes in lending a helping hand or borrowing equipment with the understanding that you will take care of the materials or equipment! It also comes in the form of knowledge sharing.

As Native people, we have traditionally bartered what we have for what we need. Bartering is a way to access what you need by exchanging something you have. Remember that time is something valuable and can be a part of bartering.

For example, neighbors may help one another at a branding event, or they may borrow each other’s farming, fishing, harvesting or ranching equipment. These working relationships have been years in the making and trust has been built up over time. Many young entrepreneurs trade labor with their parents, meaning they work for their parents in order to have access to land, machinery, equipment, etc.

What are some ways your relatives have bartered for their ranch or farm operation?
What will you want or need to barter?

“Think communally – salad garden. Work back into that village concept – not everything is their full responsibility – we can do this together”

- Jessika Greendeer and Phoebe Young, Dream of Wild Health
When we look at numbers, there are several financial reports and statements that can tell us about the health of your business. While they may seem confusing at first, it’s really important to understand what each statement is, and what it shows. By using these statements, you are able to see a clear picture of how well a company is performing. The two main reports and statements we’re going to focus on are: the Cash Flow and the Balance Sheet.

It’s so important to understand cash flow, and how that is a tool – it’s not paperwork – it’s your real numbers.

-Elsie Meeks, Native Rancher, Oglala Lakota Nation, South Dakota, and former State Director, USDA/Rural Development
CASH FLOW STATEMENT

A Cash Flow Statement is also called an income statement. We will use the language of Cash Flow in this guide. This shows a company’s income (which are sales minus cost of goods sold - COGS) and it starts with the company’s revenues and expenses over a specific period of time. It tells how much a company has earned in sales and how much money has been spent in order to make those sales.

For example, selling your garden produce would be your income, but the items that you need to purchase (like seeds and equipment) would go under expenses.

**Gross Income = Income - Cost of Goods Sold.** To get your gross income take the total of your wages, sales of products, income from services performed, any grant income and any other income and then subtract the COGS. Gross Income is also the total before any taxes or withholdings (FICA) are deducted.

**Net Income = Gross Income - Expenses.** This shows your profitability, also called net earnings. Your profitability is calculated as income minus cost of goods sold. Then subtract your general operating and administrative expenses, any depreciated assets, interest on business related loans, federal taxes and all other expenses. Examples of other expenses are; fuel, seed, water, tools, labor costs, marketing, supplies, etc.
Now it’s your turn… you can project what your Cash Flow will look like when you get your business started:

**Cash Flow Summary (please complete)**

<table>
<thead>
<tr>
<th>Income</th>
<th>Year_____</th>
<th>Year_____</th>
<th>Year_____</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture Related Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non Agriculture Related Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advertising/Marketing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bookkeeping/Accounting</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conservation Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of Goods Sold</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Custom Hire/Labor</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Equipment Rent</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Feed, Grain &amp; Roughage</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Feed Supplement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Freight &amp; Trucking</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Gas/Fuel</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Land Rent</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>• Legal Fees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Licenses and Insurances</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>• Office Supplies/Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Repairs and Maintenance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Seeds and Planting</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Supplies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Taxes</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>• Utilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Vet. Breeding &amp; Medicine</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Other</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan Payment #1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan Payment #2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan Payment #3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Interest</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash on Hand After Ranching (Subtract Expenses from Income)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non Agriculture Related Expenses (Living Expenses)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Ending Cash on Hand</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>(Subtract Cash on Hand from Non Agriculture Expenses)</em></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The **Balance Sheet** gives you an idea of where a company stands financially at a single point in time. It has three main sections:

1. **Assets** (what you own): cash, bank accounts, accounts receivable, and inventory. (Examples of inventory could include your pick up, a tractor, garden shed, greenhouse, and seeds).
2. **Liabilities** (what you owe): accounts payable, taxes, loans.
3. **Equity** (ownership of assets or value of the company): the amount of money currently invested in the company; this includes any retained earnings.

### 1. Assets

Assets are usually divided into three categories on your **Balance Sheet**:

- **Current Assets** are things that have a life of less than one year. Current assets are things that can quickly be turned into cash, if they are not already. This does not include breeding livestock, but can include feeder livestock, calves and crops. Examples are inventory, crops, market livestock, accounts receivable, etc.
- **Intermediate Assets** are things that have a life span of one year to ten years. On farm examples of this can be breeding livestock, machinery, and equipment. Off farm examples of this can be retirement accounts, household goods, and cash value life insurances.
- **Long Term Assets** are things that have a life span of 10+ years and are more permanent such as infrastructure, land, etc.

### 2. Liabilities

Like assets, Liabilities are also usually divided into three categories on your **Balance Sheet**:

- **Current Liabilities** are things that will be paid off in less than one year. Examples are lines of credit at the local coop or bank.
- **Intermediate Liabilities** are things that will be paid off in one year to ten years, such as equipment, livestock, or vehicle loans.
- **Long Term Liabilities** are things that will be paid off in 10+ years, such as a land mortgage.

---

[Video: Balance Sheet](https://youtu.be/aKjhDqp7zNI)

Click this link or scan the QR code to watch a video showing a sample Balance Sheet:
Now that you’ve done your Cash Flow, it’s time to complete your sample Balance Sheet:  
**Balance Sheet (please complete)**

<table>
<thead>
<tr>
<th>Ranch/Farm Business</th>
<th>Current Assets</th>
<th>Current Liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>Intermediate Assets</td>
<td>Intermediate Liabilities</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>Total</td>
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</tr>
<tr>
<td>Long Term Assets</td>
<td>Long Term Liabilities</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Farm Assets</td>
<td>Total Farm Liabilities</td>
<td></td>
</tr>
<tr>
<td>Personal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Assets</td>
<td>Current Liabilities</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>Intermediate Assets</td>
<td>Intermediate Liabilities</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>Long Term Assets</td>
<td>Long Term Liabilities</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Off Farm Assets</td>
<td>Total Off Farm Liabilities</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>TOTAL LIABILITIES</td>
<td></td>
</tr>
</tbody>
</table>
3. **Equity**

Owner’s **Equity** is sometimes referred to as net worth and can be found on your **Balance Sheet**. It’s mentioned in the short balance sheet video. Equity is similar to an asset, but the difference is that it reflects the amount owned by the owner. There is also no current, intermediate and long term equity, it’s just your equity calculated at that specific date in time. This can change from year to year or any time you make a payment. Equity is the part of the operation you own that is debt free.

This should always be a positive number, because if it’s negative, that means you owe more than you own and are “over-leveraged.” This is something to monitor. The equity can increase as you make payments, but can also decrease as your assets depreciate or take on new debt/assets.

**Example:**
You have a tractor that is worth $25,000 but you still owe $10,000 to the bank for that tractor. This would mean you have $15,000 in equity, the portion that you own without debt, in that tractor.

| Combined asset value (current, intermediate, long-term assets) | $25,000 |
| Total amount owed on all debts | $10,000 |
| **Equity (what’s owned - what’s owed)** | $15,000 |

**Now Calculate your Equity.**

| To calculate your equity, you’d take the value of anything you own (do you have a vehicle, land, equipment, any savings?) |  |
| And subtract the value of anything you owe | – |
| **Equity** | = |

It’s good to calculate this at least annually as you update your financial statements.
KEY RATIOS

Like the Cash Flow and the Balance Sheet, looking at ratios also tells us about the health of a business. These ratios are important in helping you to understand the overall health of your finances. Lenders will look at each of these before extending credit (loans) to your business; is your business generating enough income to repay your debts?

We’re going to focus on these three key ratios:
(1) Debt to Asset Ratio  (2) Debt Service Capacity  (3) Debt to Income Ratio

1. **Debt to Asset Ratio** - this determines the financial risk of your company. This is asking: does my business have enough funding to meet debt obligations? The Debt to Asset Ratio shows the equity you have in your operation. A number between 0-1 is good, and closer to zero is better. If your number is below 1 it means that you have a positive net worth.

   **Total debt/total assets = Debt to Asset Ratio**

   Example: $65,000 / $90,000 = .72

   *In the example above, the business’s Debt to Asset ratio is 72%. This means that 72 cents of every dollar of your assets are provided by creditors (debts).*
What is your Debt to Asset Ratio? Calculate it below:

\[
\frac{\text{total debt}}{\text{total assets}} = \text{debt to asset ratio}
\]

What adjustments can you make to get it to where you’d like to see it? Can you decrease an expense? Can you increase your income?

_____________________________________________________________________________
_____________________________________________________________________________
_____________________________________________________________________________
_____________________________________________________________________________

2. **Debt Service Capacity** - this measures a business’ cash flow versus its debt obligations. This is asking: do I have enough income (total income divided by total debt payments) to pay back my loans? A good, minimal standard for debt service capacity is typically between 1.2 and 1.25.

\[
\text{Total income} / \text{total debt} = \text{Debt to Service Capacity}
\]

*Example: $125,000 / $85,000 = 1.47*

What is your Debt Service Capacity? Calculate it below:

\[
\frac{\text{total operating income}}{\text{total debt payment}} = \text{debt service capacity}
\]

What adjustments can you make to get it to where you’d like to see it?

_____________________________________________________________________________
_____________________________________________________________________________
_____________________________________________________________________________
3. **Debt to Income Ratio** - lenders use this to find out how balanced your budget is and to assess your credit qualification. This is asking: do I have the capacity to take on additional debt, given how much debt I have now?

You can calculate your own DTI. Add up your income in your cash flow and then add up your debt and do the calculation in the space below. You should use your personal income and debt here.

Maybe you haven’t taken any loans and don’t have any debt – in this case, your ratio will be “0” and that’s totally okay. It’s helpful to look at how this would change if you get a loan. Let’s say you get a loan to buy a car: if your payments are $200/month, how would that affect your ratio?

**Total monthly loan payments/total monthly gross income = Debt to Income Ratio**

Example: $1,200.00 / $3000.00 = .40

**Common standards for a DTI include the following percentages:**

<table>
<thead>
<tr>
<th>35% or less</th>
<th>Looking Good</th>
<th>Your income compared to your debt is manageable.</th>
</tr>
</thead>
<tbody>
<tr>
<td>36% - 49%</td>
<td>Opportunity to Improve</td>
<td>You are managing your debt well, but could look into ways to decrease your monthly debt.</td>
</tr>
<tr>
<td>50% or more</td>
<td>Take Action</td>
<td>A large percentage of your income is going towards debt payments and you don’t have a lot of income to take on a new loan.</td>
</tr>
</tbody>
</table>

What is your Debt to Income Ratio? Calculate it below:

Insert your #'s here: \[ \frac{\text{total monthly loan payments}}{\text{total monthly gross income}} = \text{debt to income ratio} \]

What adjustments can you make to get it to where you’d like to see it? Can you decrease an expense? Can you increase your income?
STAYING ORGANIZED

Record keeping and staying organized is a critical part of managing finances! Just like the tools and supplies you need for your project – whether you’re gardening, farming, tending to chickens or bees, or raising livestock – you need to keep your paperwork in a safe location, and you need to know where everything is. Your records are the foundation for your balance sheet and other financial statements – without financial records, you won’t be able to develop accurate financial statements.

Why is record keeping so important?

There are a number of reasons why record keeping is important:

1) You need records to make sure your budgeting is accurate. If you don’t add up all of your expenses, then your total profit calculation is going to be wrong.
2) You need accurate records for tax preparation.
3) You want to keep improving your operations and fixing problems. You don’t want to repeat things that aren’t working. If your fertilizer killed all of your plants, you shouldn’t use it again!
4) If you want to access funding or other help for your business or project, lenders and other programs will often need to see your records.

Some documents you should be keeping track of are:

• Business license
• Receipts for purchases
• Sales orders
• Inventory
• Vaccination records
• Crop records

What are some ways you’d recommend keeping records?

_______________________________________________________________________________
_______________________________________________________________________________
_______________________________________________________________________________
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_______________________________________________________________________________
Record keeping can be simple (handwritten notes in a notebook or a ledger book) high tech (spreadsheets on your computer). The main thing is that you're keeping track and have a good system. Are you taking notes each day, once a week? One rancher shared that he keeps a little book in his back pocket, so he’s always able to take notes.

Manage them cattle. You need to keep records on each head of cattle. Every night, you need to open those books, write down what happened that day. That’s your bottom line – you need to pay attention to that.

- Porter Holder, Native rancher, Choctaw Nation, Oklahoma
Loans are sums of money that are borrowed from financial institutions (CDFIs, federal credit unions & banks), and they are expected to be paid back in a certain amount of time with interest. Often, producers or business owners don’t have the funds (capital) to start or expand their business, so they will take out a loan to get needed funds. This is called accessing credit.

Typically, a lender will require that you share certain information when you’re applying for a loan. They review this information to determine whether they think you can successfully repay their loan. They’ll look at your track record (what you’ve done in the past), and how you plan to repay the loan. They’ll look at your financial statements and ratios, to get a sense of the health of your project. Often, they’ll ask for financial projections – what you’re projecting to bring in and how you plan to expand. They’ll also want to review your business plan (which we cover in Module 4).

As a young person just starting out, we understand that you may not have all of the information that a lender typically asks for. That’s okay – we understand that you’re just starting out! For this reason, it makes sense to work with a lender that understands lending to youth. Some lenders, like Akiptan and FSA, have special youth programs. (There’s more information about youth programming below, in Module 5).

It might also make sense to look at possible grants instead of loans. Grants are funds that don’t need to be paid back. (There’s also more information about youth grant funding below, in Module 5).

When you’re thinking about a loan, it’s helpful to think about these six questions:

1. **Purpose**: What’s the reason you need a loan? How will you use this money?
2. **Amount**: How much do you need? Does the amount make sense – you don’t want to borrow too much! Are you making enough income to repay the loan?
3. **What is the term of your loan?** When do you need to pay it back and is it doable? Will you generate the funds needed for repayment? Loan terms range based on the type of loan you are applying for. For example, an operating loan term can be 20+ years.
4. **What is your interest rate?** Interest is a percentage of the amount that you’re borrowing. It can vary due to factors like the risk of making the loan, your credit score, and your ability to pay the loan. The more risk, the higher the interest rate will be, ranging from 2.54 - 8.9%.
5. **How will you pay the loan back (repayment)?** Will you be generating enough income to pay the loan back? This is a key question for the lender.
6. **How can you guarantee the loan (collateral)?** What can you provide to ensure that the lender won’t lose their funds? This is called collateral – what the bank or lender can take if you don’t pay your loan. When raising livestock, the animals are often the collateral for a loan – if the loan is not repaid, the lender can take the livestock. Is the collateral reasonable?
Example: So if you borrow $1000 to purchase your first calf, you’ll need to pay back $1000 plus interest.

**Example for a one-year loan**

<table>
<thead>
<tr>
<th>Amount to borrow:</th>
<th>$1,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest is 5%</td>
<td>$50</td>
</tr>
<tr>
<td>Total Amount of Loan =</td>
<td>$1,050</td>
</tr>
<tr>
<td>Monthly Payment =</td>
<td>$87.50</td>
</tr>
</tbody>
</table>

*A helpful resource…*

You can go to this link to figure out your cost of credit, if you were applying for a loan:

**Key parts of your loan agreements**

It’s very important to have a clear understanding of the loan terms that are reflected in your loan documents, and that you make sure that the terms are what you’d thought they’d be, looking at:

- Length of the loan
- When payments need to be made - make sure they fit your operation
- Payment amounts
- Interest rate
Key elements of a loan agreement are highlighted in the sample below.

**LOAN AGREEMENT & PROMISSORY NOTE**

This Loan Agreement & Promissory Note made on XX/XX/XX between Akiptan, Inc., a non-profit located on the Cheyenne River Sioux Reservation at PO Box 858, Eagle Butte, SD 57625, and XXXXX, Address, City, State Zip.

Akiptan, Inc. will be referred to as the “**Lender**” for the purposes of this document.

XXXXX will be referred to as the “**Borrower**” for the purposes of this document.

Any chattel or property that the borrower authorizes for the collateral as described in the Security Agreement entered into between the parties will be referred to as “**Collateral**” for the purposes of this document.

“**Acceleration**” means the loan becomes due in full at the time the lender chooses to invoke any acceleration clause of the note.

The Borrower desires to borrow funds from the Lender and the Lender agrees to loan the funds according to the terms and conditions set forth below. Failure to comply can result in the acceleration of the loan.

### A. PAYMENT OBLIGATIONS

1. The Lender agrees to loan XXXXXXX (“Loan”) to the Borrower for a term of XXX years/months at X% fixed annual rate.
2. For the value received, the Borrower agrees to pay to the order of Lender the principal sum equal to the Loan.
3. Borrower agrees to submit payments to the Lender, in person or mail. Payments will vary depending on time borrowed, an updated schedule will be sent out as needed. Payments can be made to the following:

   Akiptan, Inc.
   412 S Main Street, Suite E
   PO Box 858
   Eagle Butte, SD 57625

4. The Borrower agrees to use these loan funds solely for the purposes described in the loan application/narrative and business plan, which documents are attached hereto as Exhibit A.
5. The Borrower has the right to prepay the principal of the Loan at any time without penalty.
6. If the Borrower makes a partial payment of the amount due, it will first be applied to the interest and the remaining amount will then go to the principal.
7. To secure the performance of all agreements contained herein and the payment of any and all of Borrowers’ obligations to Lender for this Loan, the Borrower has pledged the assets

\[\text{Initial} \quad \text{PO Box 858 Eagle Butte, SD 57625} \]

Initial______

Date______

### B. DEFAULT EVENTS/REMEDIES

10. Each of the following constitutes a default by Borrower under this document:
   a. the failure of Borrowers to perform any warranty or agreement contained in this Agreement or in any instrument securing payment of this Loan or related to this Loan;
   b. a default by Borrowers under any other promissory note executed by the Borrowers, or any one or more of them, and payable to the Lender;
   c. if any statement or report furnished by the Borrowers to the Lender is false in any material respect;
   d. if any Collateral is lost, stolen, substantially damaged, destroyed, or, without the Lender’s prior written consent, sold or encumbered.

\[\text{Initial} \quad \text{1-605-964-8081} \]

Initial______

Date______
SECURITY AGREEMENT

This Security Agreement, entered into this 19th day of November, 2020, by and between Akiptan, Inc., PO Box 835, Eagle Butte, SD 57625 and XXXXXXX XXXXXXX, Address, City, State Zip, describes the Security for Loan #XXX.

For the purposes of this Agreement, “Lender” will be Akiptan, Inc.

For the purposes of this Agreement, “Borrower” will be XXXXX XXXXX.

Pursuant to a certain Loan Agreement dated (XX/XX/XX), the Lender has agreed to loan the Borrower XXXXXXX for the benefit of Borrower. It exchange for loan made and/or to be made, by the Lender to the Borrower and for other good and valuable consideration, and as security for the performance by the Borrower of its obligations under the Loan Agreement and as security for the repayment of the loan amount under such agreement and all other sums due from Borrower to Lender, the Borrower does grant the Lender a security interest in and to the following goods (now referred to as the “Collateral”)

a. All crops, livestock, farm products, equipment, certificates of title, goods, supplies, inventory, accounts, deposit accounts, supporting obligations, payment intangibles, general intangibles, investment property, crop insurance indemnity payments, and all entitlements, benefits, and payments from all state and federal farm programs.

b. and

c. All proceeds, products, accessions, and security acquired hereafter.

As more further described below:

Must include make, model, VIN, amount, breed, weight, style, etc. or any other information that is necessary to describe the property:

XXXX

XXXX

XXXX

XXXX

In addition, the security interest listed herein is given to secure the Borrower’s performance of the covenants, conditions, warranties and agreements contained in the Loan Agreement, as well as to secure all indebtedness now owing or which may become owing by the Borrower to the Lender.

The Borrower agrees that:

1. The Security is owned out-right by the Borrower and is not subject to any security interest (excluding this Agreement) or to any liens. The Borrower has lawful ability to grant this item as security.

2. The Borrower will not sell, lease, mortgage, pledge or encumber the Security, permit its identity to be lost, permit it to be levied upon or attached under any legal process, create any security interest therein (excluding this Agreement), or otherwise dispose of the same.

Initial _____ Date _______

or any of the Borrower’s rights to the Collateral. The Borrower will not remove the Collateral from the place of operation without prior written consent of the Lender.

3. The Borrower will maintain the Collateral in good condition, will pay all taxes, levies and other impositions, and will keep the Collateral insured in the form and amount acceptable by the Lender. If the Borrower fails to do so, costs will be paid by the Lender and then added to the loan principal balance of the Borrower secured by this Agreement. Failure to comply can lead to the Lender taking action upon any and all rights and remedies as provided under the Loan Agreement, including acceleration of the loan.

4. This Agreement will be for the benefit of the Lender and all purchasers, holders and assignees of any of the indebtedness secured in this Agreement.

5. In the event of a death, loss, theft or destruction of the Collateral the Borrower will give the Lender written notice within ten (10) days of the event.

6. Borrower agrees to sign, deliver and file any additional documents or certifications which Borrower hereby agree may be by private sale. The rights granted in this Section are in addition to any and all rights available to Lender under applicable law.

11. The proceeds derived from the sale of the property shall be applied to the costs of securing the Collateral, selling the Collateral, attorney fees, interest and the loan amount in that order. Any money left over will go to the Borrower. In the event all indebtedness is not paid the deficiency will be immediately due by the Borrower paid to the Lender.

12. This Agreement shall be deemed to be entered into in Eagle Butte, South Dakota, within the reservation of the Cheyenne River Sioux Tribe. Thus, this Agreement and any related loan documents, including the Security Agreement, shall be governed, construed,
Flow chart of the loan approval process

START

LOAN APPLICATION

SUPPORTING DOCUMENTS

INTERVIEW/ FOLLOW UP

ANALYSIS

LOAN DECISION

YES

SIGN LOAN DOCUMENTS

NO / NOT YET

REVISIT YOUR LOAN APPLICATION AND VISIT WITH YOUR LENDER TO ADDRESS ANY ISSUES

LOAN DISTRIBUTION

SIGN LOAN DOCUMENTS
THE 5 C’S OF CREDIT

What do lenders look at within the 5 C’s of Credit?
In determining whether to approve or deny a loan application, many lenders work with the 5 C’s of Credit. Even if they think you have a great business idea or they really like you, lenders will want to look at your numbers – your projected income and expenses. How much money do you plan to spend, and how much do you plan to bring in? Will you have enough to repay the loan?

Character – What’s on your credit report and how are you managing your resources? They’ll look at what you’ve done so far and your work experience.

Capital – What savings, reserves, and cash do you have?

Collateral - What physical assets (herd, equipment) do you have? Most lenders require 100% collateral match.
  • Most lenders discount the value of the collateral, meaning if a cow is worth $1,000 at the sale barn, they might only value it 90% of that to be safe

Capacity - Are you able to take on a loan? Do you have the cash flow and debt service capacity to successfully repay the loan you’re requesting?
  • Lenders will often look at the financial ratios described above to help determine whether you have the capacity to repay your loan

Conditions - What are unforeseen situations that may prevent you from paying back the loan? These could include:
  • Length of employment
  • The general economy

Predatory lending practices
Unfair lenders will prey on certain borrowers. These lenders may charge high interest rates, or put terms in place that are impossible for a borrower to repay successfully.

Borrowers may be vulnerable because they really need the funds, they don’t have other options for accessing money, or because they are unaware that the terms are unreasonable.

While a typical interest rate is below 20%, predatory lenders may charge over 300%!

These high costs may mean that borrowers are trapped in an unhealthy lending cycle and are then paying back more money than they originally borrowed. Even with a healthy loan, you’re paying back more than you borrowed because of interest.
UNDERSTANDING YOUR CREDIT REPORT AND CREDIT SCORE

Just like a report card in school, a credit report shows a grade in how you are managing your money. It has information about your place of work, home address, open/active and closed credit, credit inquiries and public records. This information is collected by three major credit bureaus: Experian, TransUnion and Equifax. They all collect different information about you, so it is important to pull your credit report from each of them. This is a good conversation to have with a mentor who has checked their credit report. These reports are important to know early on- because they help you make better financial decisions.

We want to point out that you might not have a credit score yet, and that’s totally fine. If you haven’t taken a loan or gotten a credit card, you probably won’t have a score, and there’s nothing wrong with that!

You can pull your credit report for free at: https://www.annualcreditreport.com/index.action

While a score will not be provided, the information on your credit report is what’s essential. You want to make sure the following items are correct:

- **Personal information section.** Name, address, phone numbers, date of birth, social security number, marital status and employment.
- **Credit account section.** You want to make sure that all the creditors and information (amounts, account history) are correct and accurate.
- **When you apply for credit** (credit cards, a loan for a vehicle), you will find a note in your credit report that creditors pulled your credit score. Whether it is applying for a credit card or vehicle loan, creditors pull your credit score, every time you apply. It’s also important to note that if you look into your credit too often, your credit score could change.
- **Public record section.** This is where you would find lawsuits, bankruptcy, and tax liens issues.

If your credit report is not correct, please visit the creditors website and follow their instructions to address any errors. You can also check out a sample credit bureau letter in the appendix.
What does your credit score mean?

A credit score is a three-digit number, usually from 300 – 850 that estimates how likely you are to repay a loan and pay your bills. It’s based on your credit history – have you paid your bills on time? How many credit cards do you have? How much money do you owe? It is also based on the types/mix of credit you have, new credit and the length of credit history. Your credit score is one factor that lenders look at to determine if you will repay their loan. It’s also important to understand soft and hard inquiries when you apply for credit. A hard inquiry occurs when you apply for new credit or services. A soft inquiry is a credit check that doesn’t damage your credit score in, since you are not applying for new credit.

How do you build or keep good credit?

- Check your credit report on a yearly basis
- Address any inaccurate information
- Pay your bills on time
- Keep your debt ratio low (pay off debt)
- Be mindful of your credit usage
- Try to avoid multiple inquiries (for new credit)

What are other ways you can build good credit?

_____________________________________________________________________________________
_____________________________________________________________________________________

We recommend that you revisit these things on a monthly or annual basis.
NOW IT’S YOUR TURN…

Now that you know the key points of gaining credit (a loan), you can pretend to be the lender, and determine whether to approve the loan applications described in the three scenarios below. When you’re reviewing these scenarios, it will be helpful to go back and reference the 5 C’s of Credit and Key Ratios as needed.

Would you approve these loans?

---

**Loan Request #1:**

Bobbie Jo wants to start raising cattle. She doesn’t have any savings to start her business, so she comes to your CDFI (loan fund) to request a loan to purchase five bred cows. She will calve them out and sell the calves annually. She will run with her father and utilize his barn, corrals, equipment, etc. She’s projecting to borrow $10,000 for the cows, making her annual payment $2,500. Her projected income is $4,000 from calf sales and her projected annual operating expenses are $1,400. **What would you do?**

**I would…**

_________________________________________________________________________________
_________________________________________________________________________________
_________________________________________________________________________________
_________________________________________________________________________________

---

**Loan Request #2**

Wilmer wants to start a summer gardening business and wants to borrow $2,000 for start-up costs and operating expenses throughout the summer and will pay the loan back in full at the end of the summer. Wilmer has brought a great business plan to the office with positive projections, a solid marketing plan, and even a plan to sell some value added products like salsa! Wilmer’s projected profits are $4,500 and his loan payment will be $2,250 with interest. Everything looks great on paper, but Wilmer has no experience in growing a garden. **What would you do?**

**I would…**

_________________________________________________________________________________
_________________________________________________________________________________
_________________________________________________________________________________
_________________________________________________________________________________
Loan Request #3

Freddie comes to your office asking for $10,000 to grow his egg operation. He says that he’s been operating on a small scale for two years already and has had great profits and can do even better if he can buy a larger, better chicken coop to house more chickens. He says he has all the experience needed and he says that he has good profits, but he can’t prove anything. He has never kept any records and doesn’t have any projections moving forward. What would you do?

I would…
_________________________________________________________________________________
_________________________________________________________________________________
_________________________________________________________________________________
_________________________________________________________________________________

Now that you’ve decided if you would approve the three loans, here is what Akiptan would do for each loan…

Loan Request #1 - We would more than likely approve this loan and in addition to that, we would recommend that Wilmer gets a mentor to help him with tips and tricks for growing a garden.

Loan Request #2 - We would do several things: first, we would counsel her on her loan budget, does she really need $10,000? A smaller loan amount would lower her annual payment. Second, we would make sure that her projected expenses are accurate. More than likely, Akiptan’s Loan Committee would approve this loan, with a couple of conditions: 1) Increased technical assistance (support for the borrower) and monitoring around budgeting to make sure that the Bobbi Jo is staying on track and 2) Frequent check-ins with Bobbi Jo.

Loan Request #3 - As is, we would not approve this loan. Not keeping records is a red flag. However, we would look at reconsidering the loan if some things happened first: 1) Freddie worked with our loan officer to put together a business plan, 2) Freddie started to keep records, a couple months of records are better than nothing, we can use those moving forward to help with the business plan/cash flow.
Akiptan has made a number of youth loans. Let’s take a look at two examples of successful loans here. Please read through the two articles about Tayla and Maggie Jo.

Tayla Thorstenson: A Young Lady’s Road to Success.

To kick off our first ever success story, I think it’s important to talk about Akiptan’s first loan to a young lady who inspired the idea of Akiptan. Tayla is a young Lakota from the Cheyenne River Sioux Nation who was wanting to join her family in their ranching operation by starting her own herd. Tayla had the unique idea to purchase a milk cow to breed and to also raise several other bum calves. In order to grow her herd she would keep back a couple of the calves and sell the others to make her payments.

Tayla, like many other young and beginning farmers and ranchers, went to the Farm Service Agency (FSA) looking to find financing for her agriculture venture. However, the FSA did not set Tayla up to succeed. The FSA wanted to give Tayla two loans: one for her milk cow and a separate operating loan to purchase the bum calves. With this financing Tayla would not be able to keep back some of the heifer calves and still make her payments, inevitably landing her right in the middle of the agriculture debt cycle as a 17 year old. This seems like an unfair price to pay for thinking outside of the box while just trying to make some extra cash and get started in the livestock industry.

This situation was brought to the Intertribal Agriculture Council (IAC) who fought for fair financing for Tayla. Nevertheless, the FSA was not able to finance Tayla’s creative situation in a capacity that would have allowed for her to experience success in the way that she envisioned for herself. This frustrated several of the minds at IAC which birthed the idea of a Native CDFI that would be dedicated to agriculture from the minds of Ross Racine and Zach Ducheneaux. Fast forward to January of 2019 and Tayla was closing a loan with Akiptan to refinance her FSA situation.

Closing this loan was monumental, not only for Akiptan, but also for Tayla. This allowed for Tayla to start her cattle herd at a young age and to do it how she wanted to. It also marked the occasion of Akiptan opening its doors and taking its first step in its journey of changing finance not only in Indian Country, but in the rest of the world.

The staff at Akiptan conducted a site visit to see the much talked about milk cow, Joplin. Joplin was doing well and raising babies in an unusually wet South Dakota summer. Tayla is going to be heading off to college in the fall to pursue further education with the security in knowing that her agriculture future is off to a great start.

Maggie Jo Matt is a fourth generation cattle rancher achieving her dreams

Maggie Jo Matt is a fourth generation cattle rancher who was born and raised in Browning, Montana. Maggie participated in the 4H program while in school and has been a full time rancher for half a decade. Her dad, who is also a rancher, has guided her in ranching since she was a little girl; Maggie’s grandparents were also ranchers, so she grew up learning the lifestyle. Growing up, she always wanted to own her own cows and with her dad’s guidance, she applied for a brand application. Once her brand was approved, every year, Maggie’s father would put her brand on a few of his heifers. Then, as a sophomore in high school, she applied for a youth loan with Akiptan and she was able to purchase a few pairs of cows.

“the youth loan application process was pretty easy, while I thought it was gonna be a little harder, the staff were helpful and supportive,” says Maggie.

After graduating from high school, Maggie decided to grow her operation and applied for a larger loan with Akiptan, to be able to purchase 40 cows. Maggie’s dad guided her by telling her what to look for each time they visited the livestock sale. Every other Wednesday, they would purchase small groups of cattle and haul them home in their horse trailer. Once they purchased 19 cows and thanks to good friends, were able to haul them home. “I traveled with my dad to the livestock sale in Great Falls each week and bought 7 or 10 cows every week.” explains Maggie.

Maggie always dreamed of building a barn growing up, she knew it would help when it snows and when calves are born, because it would be important to have the calves in a warm structure. Akiptan’s infrastructure loan assisted her in making this dream a reality.

Maggie appreciates being in a small town, because everyone pretty much knows everyone, so if you need help hauling, gathering, or branding, you can call on friends and neighbors and you will get some help. Her favorite part of ranching is branding season, gathering the cattle is fun because they ride horseback and now that she is older and experienced in the process, she is able to lead the gathering process and she feels really good about it. From beginning with a youth loan to purchasing cattle and then building a barn, Maggie has also been approved for a range unit. This speaks to her experience and determination to reach her operational goals and dreams.

“the staff are really helpful, they guided me through everything, and if I have a question, my loan officer, who lives in the community, is there for questions.” affirms Maggie.

Maggie is pleased with her experience with Akiptan and says “When paperwork needs to be signed, they know where to find me and that makes the process accommodating.” Maggie would encourage other Native ranchers to apply with Akiptan.

Now that you have spent some time on your vision, budget, credit and understanding your finances, let’s put all these pieces together into a business plan. Creating a business plan will not only help you clarify your ideas, scope and what resources you will need – it can help you to get a loan.

Starting with your vision, you’ll develop three foundational statements that will help you gain clarity on your business idea: vision, mission and values statements.

**VISION**
What impact do you want to make in your community?

**MISSION**
Tell people who you are, what you do, and how you will make your vision a reality.

**VALUES**
Values guide how you will do the work, how you will make decisions and take actions.

The purpose of a **Vision Statement** is to share with others the impact you want to make, how you want to see your world, and where you hope to go in the future. Typically a **Vision Statement** is so big that it will take years to accomplish. Here are some examples:

- **To raise healthy cattle using a safe, traditional, sustainable approach.**
- **To grow and produce enough healthy food to feed my family and community members.**
As you can see from these examples, a vision statement is short and tells the outcomes that you are wishing for, in a simple and straightforward way.

**Now, you’ll draft your Vision Statement in steps:**

1. First, note your business idea here in about 3 words:

   _________________________________________________________________
   _________________________________________________________________

2. Next, identify a few verbs (harvesting and planting) to that will make your business idea a reality:

   _________________________________________________________________
   _________________________________________________________________

3. Now, jot down a few adjectives (farming and ranching) that describe what you’ll be doing:

   _________________________________________________________________
   _________________________________________________________________

4. Now that you have all of the words, you can put them together to draft your **Vision Statement**:

   _________________________________________________________________
   _________________________________________________________________
Now that you have a good start on your vision statement, let’s build on that to create a **Mission Statement**. Keep in mind that your vision is big and tells what you want to see in the future. A mission statement tells people who you are, what you do, and how you will make your vision become a reality. You want to keep your mission statement broad enough for potential growth and narrow enough to keep you focused.

In the box below, you’ll find examples of mission statements that build on the sample vision statements shared above, to show the difference between the vision and mission statements:

<table>
<thead>
<tr>
<th>Vision Statement</th>
<th>Mission Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>To raise healthy cattle using a safe, traditional, sustainable approach.</td>
<td>Happy Cows is a Native-owned cattle company producing locally-raised beef for the community.</td>
</tr>
<tr>
<td>To grow and produce enough healthy food to feed my family and community members.</td>
<td>Vita Veggies is a locally-owned vegetable garden producing organic, healthy foods for the community.</td>
</tr>
</tbody>
</table>

“Whatever you put your mind to, and you push yourself hard enough, you can do it!”

- Nation Cowins, Cheyenne River Youth Project Intern
Here are some key questions to help you think through your mission statement:

- Who do you serve?
- What do you do?
- How do you do it?
- Why do you do it?

*With these questions in mind, you can draft your final vision and mission statements:*

<table>
<thead>
<tr>
<th>Place your final vision statement here:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
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<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Place your final mission statement here:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<tr>
<td></td>
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<td></td>
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<td></td>
</tr>
</tbody>
</table>


Building on your vision and mission statements, creating values statements can help you to stay grounded in how you want to represent your family, culture, and community. Identifying core values also shows others what’s important to you.

Here are some examples of values statements:

- **Responsibility:** To honor and care for our lands, foods and community as Indigenous relatives.
- **Generosity:** To share our experiences, resources, and knowledge.
- **Relationships:** Honor and respect relationships among the land, foods and our community members.

**Values: What’s important to you?**

Look at the list of values below and circle five values that are important to you….. Feel free to add values as well!

- Authenticity
- Achievement
- Balance
- Boldness
- Compassion
- Community
- Creativity
- Determination
- Fairness
- Honesty
- Humor
- Indigenous practices
- Justice
- Knowledge
- Leadership
- Learning
- Love
- Loyalty
- Meaningful work
- Openness
- Optimism
- Peace
- Pleasure
- Recognition
- Respect
- Responsibility
- Security
- Self-respect
- Service
- Spirituality
- Stability
- Trustworthiness
- Wisdom
- Other:
  - _______________
  - _______________
  - _______________
BUILDING ON YOUR VISION: DEVELOPING YOUR BUSINESS PLAN

Building on your foundational statements, we’ll now focus on developing your business plan. Your business plan will describe your business or project idea, and include your financial projections, how you plan to do the work (operations), and tell your story (marketing).

Much of developing a successful project or business means planning. How much will supplies cost? How much can you sell your produce for? Who will buy what you’re producing? Who is your competition?

The business plan can help answer these questions. A business plan doesn’t need to be complicated, and it can help you think through all of the aspects of your project or business. It can be a helpful tool to you as you develop it, and it can be helpful as you share your business ideas with others.

Here are the components of a business plan

1. Executive summary
2. Description of business
3. Industry and market analysis
4. Organization and management
5. Operations
6. Financial plan
7. Supporting documents (tribal licenses, state licenses, succession plans, certificates etc.)
These components of a business plan are discussed in more detail below:

1. **Executive Summary**
   In your executive summary you list the basics of your business. Keep it simple as you will elaborate later on. You will list the following in your executive summary:
   - Your objective - list the overview and objective your business
   - Products and services - what problem are you trying to solve for your customers? How do your products and services help to solve this?
   - Target market - who are the customers for your products
   - Marketing plan - what is your marketing strategy? Give a brief overview of how you will market your products.
   - Competitive approach - what does the current market look like for you product right now and who also sells these products?
   - Finances and budget allocation - how do you plan on financing your business? What does your budget look like?
   - Plans for operating your business - do you need to hire employees? Where are you located? What equipment do you require?
   - Key Performance Indicators - how will you measure success and performance in your business?

2. **Description of business**
   This part tells your story, what you’ll do, who you will serve and what makes your product different, or unique.
   - What service or product are you offering?
   - Where are you located?
   - When did you implement this business idea? Or how do you plan to implement it?
   - Why did you decide to do this business?
   - What’s your business concept – the main idea behind your business?

3. **Industry and market analysis**
   This part looks at your market – who else is doing what you plan to do? You’ll identify who your target market is and come up with a road map to your marketing efforts.
   Some key questions are:
   - Who will buy your product (who is your market)?
   - Who are competitors? And how will they affect you?
   - What’s the cost of your product?
   - How will you market or advertise your product?
4. **Organization and management**

Here, you will decide your company’s structure. Will you have a partnership, sole proprietorship, corporation?

- Who is the owner?
- Will anyone else work for you? Is anyone helping you?
- Will you have a legal structure for your operation?
- Are there any cultural considerations?

At the end of this business plan section you can scan the QR code to learn more about company structures.

5. **Operations**

In this part, you will describe how your business will operate. You’ll share your business goals, objectives, procedures and activities. This part includes a SWOT analysis of your project or business. SWOT stands for Strengths, Weaknesses, Opportunities, and Threats:

- **Strengths**: things your project or business will do well, qualities that make you different from competitors
- **Weaknesses**: things your project or business lacks, or limitations
- **Opportunities**: how there’s room in the market for your product, market needs
- **Threats**: anything threatening your product or business, like a lack of resources, or strong competition

As part of describing your business, you’ll also share important documents and information. This can include an organizational chart (who does what?), position descriptions with roles and responsibilities, leadership information, consultants and contractors, legal structure of the organization, etc. – basically, any information that will help someone understand the way your operation will run.
6. **Financial plan**

This part focuses on the financial aspects of your business. You will share your projections of sales, profits, cash flow and also give lenders a sense of how much capital you need to start your business. It typically includes:

- Three year Cash Flow Projections (with explanations)
- Balance Sheet (with explanations)
- Tax Returns (if established)
- Quotes, receipts, and records that explain expenses
- Loan(s)

We definitely recognize that you and other young entrepreneurs may not have all – or any – of these documents right now. As you develop your business or project, you will start creating these pieces.

7. **Supporting documents**

This part will include any supporting documents that you may need to apply for tribal, state, or federal programs, such as contracts for who you are selling your product to, licenses, certifications, and insurances.

Now that we’ve looked at the different pieces of a business plan, let’s take a look at a sample plan developed by a young person.
Now take a look at Carson Capp’s Business Plan. Carson was an Akiptan /IFAIF summer youth intern in summer 2022.

Potawatomi Meat Processing
Business Plan
August 2022
Description of business
Potawatomi Meat Processing is located in Shawnee, Oklahoma. This Processing plant is designed to provide local tribal and community members access to processing of livestock animals and affordable locally produced meat.
Another goal is to start a cattle operation on tribal owned agriculture land, then use this processing facility to get meat to serve to tribal elders and children.

The mission of the business is to be service based. Focusing on tribal food sovereignty and nutrition.

Industry and Market Analysis

1. Industry Analysis
   Would process livestock, and possibly wild-game after the plant is established. This plant is located in central Oklahoma (one of the top producing beef states). There is always a need for meat processing.

2. Market Analysis
   Our consumers are local farmers and ranchers. Focusing on providing a service to the community and not a profit will help ensure a healthy market. People in this part of the state will drive 2 hours if they know they are getting a quality butcher, and that is what we will provide.

3. Competitive Analysis
   We are located strategically along I-35 our price to process will also be cheaper. The meat processing facility itself will be brand new as well, with new technology.

4. Products and/or services
   Meat processing for cattle, swine, bison, and possible wild-game (deer) after the plant is established. Educational classes for how to process wild-game at home. Cultural classes on the history & uses of livestock and wild-game meat (how to cook traditional food).

5. Pricing
   Varies on the animals, and the plants total cost. The price would be whatever covers all the expenses.

6. Sales/Distribution
   Would strictly distribute the finished product (meat) to customers. No outside sales.

7. Advertising and promotional plans
   Tribal newspaper, Social media platforms (Facebook, Instagram), Word of mouth by customers.

Organization and Management

   Ownership: Citizen Potawatomi Nation
   Management: Hire a Director of Operations for the plant.
Legal Structure
standard C corporation

Internal Management Structure

John Doe, Director
Operates the day to day operations of the business; overseeing staff, communicating projects, planning and development, quality control, customer service, regulatory compliance

Meat Processors (4)
- Butchers Animals
- Cuts and Packages Meat
- Cleans Plant

Accountant contractor (Through Tribal accounting department)
- Responsible for the financial systems and policies
- Oversees the payrolls, tax compliance and handles all financial transactions
- Provides annual audit and tax consulting services

Legal Mentor
- Provides legal services on a need to know basis

Safety Officer
- Makes sure plant and employees are operating under all laws

Human Resources (Through Tribal H.R. Department)
- Hires employees as needed

Cultural considerations
Having educational classes about traditional harvesting/recipes.

Operations
1. Permits and Licenses (Sales tax permit attached)
2. Hazard Analysis Critical Control Point (HACCP) program and all the prerequisite programs that go along with it including Sanitation Standard Operating Procedures (SSOP) and Good Manufacturing Practices (GMP’s). These programs should be written by someone that is HACCP certified.
3. Articles of Incorporation (created before we become a standard C corporation)
4. By-Laws (will be created before we become a standard C corporation)
5. State, tribal or city permits (obtained on business creation)
6. Business License (obtained on business creation)
7. EIN # xxxxxxxxx (obtained on business creation)
8. Leases/ownership (located on tribal trust land)
9. Labor trade agreement (not applicable)
10. Proof of Insurances (Liability, equipment insurance, etc. will be obtained when the business is operational)
SWOT Analysis

Strengths
1. High demand
2. Located on Trust land
3. Use existing warehouse to build facility
4. Grant possibilities for funds

Weaknesses
1. Takes time to get business fully operational
2. Limited meat processing knowledge
3. Food Safety hurdles (USDA certification)

Opportunities
1. Serve community at an affordable price
2. Job & Education opportunity
3. Help gain food sovereignty

Threats
1. Generating enough income to stay running
2. Equipment repairs
3. Trained employees

Financial Plan
A. Cash flow Projections (Dependant on market and cost to start business)
B. Balance Sheet (After operations have begun)
C. Tax Returns (After operations have begun)
D. Quotes, receipts, and records that explain expenses
E. Loan(s) (Around $1 Million loan to start business)

Supporting Documents
A. Other contracts (Subcontracting USDA certifier from Osage Nation)
B. Certifications (None)
ADDITIONAL ASPECTS OF PLANNING

Now that we’ve reviewed the components of a business plan, we’re going to focus on some important parts of your planning. In this section, we’ll cover:

- Marketing
- Value-added products
- Land
- Agri-tourism

Marketing

When you think about the animals and produce and the colors that make up their being, you can see natural themes or colors that make each one stand out. The creation of each buffalo, fish, corn and seed takes an organic development of visioning, planning, resources, and creativity to bring it to life. Each one has its own style.

This is just like developing your business – you will need to spend some time thinking about your brand, who you want to attract, how you plan to market, what resources you need, and your location. How can you stand out? Marketing is key to any successful business – and will help you stand out. People need to know what you’re selling, where they can find it, and how much it will cost. As part of marketing, your style sheet reflects your brand, and includes your colors, logo, and fonts.

What are some ways that people market their business in your community?

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Here are a few marketing strategies to consider:

- Fliers
- Word of mouth
- Sale Bar
- Farmers Market
- Social Media: Facebook and Instagram
- Newspaper
- Private Sale

There are some pros and cons in how you plan to market. One marketing strategy might cost more, for example, but could bring in more customers. You may want to consider these factors before spending a lot of time and money on one strategy, and you may even need to consider several strategies at once. Some factors to think about in marketing include:

- What’s the cost?
- Who’s needed for this marketing strategy? Do you need to pay an expert, or could you do it yourself?
- Who will this marketing strategy reach?
- Are there any disadvantages to using this strategy?

**Activity:** Go check out agriculture businesses branding online!

Go online and search agriculture and Native agriculture business to see others’ branding styles.

**Value-added products**

In our Native ways and traditions, we see the importance of going above and beyond in what we do, how we show up, what we create and offer. Historically, our people have modeled “value-added” approaches in many ways, like:

- Animal hide as shelter, moccasins, or dress
- Deer meat as fresh, dried, or ground
- Herbs used for cooking, aroma, or medicine

Turning to the present, “value-added” means adding value to a raw product. Some examples of value-added products we see today would be:

- Turning garden vegetables into salsa
- Harvesting lavender to use in jelly/jam and teas
- Raising organic beef
Could your business offer any value-added products? If yes, what could they be?

Land: a piece of the planning puzzle

As you’re thinking about your project or business, it’s important to think about the land you’ll need. How much land will you need? Do you currently have access to land? The types of land we typically see on tribal nations are:

**Tribal trust land:** Trust land is held in trust by the federal government for the benefit of current and future generations of tribal citizens. This land is typically leased by tribal members for use.

**Individual trust land/allotted:** Under the Dawes Act, communal tribal land was divided up and allocated to individual families. The land remained intact but the title was divided through inheritance. Over time, multiple generations may have inherited a fraction of the title to the original 160- or 320-acre allotment. Title to trust land is held by the federal government and requires permission by the Secretary of Interior for most actions. If an individual tribal member wants to use a parcel of allotted land, this individual must obtain the permission (signature) of a certain percentage of the allottees who have an ownership interest in the allotment and a lease.

**Fee simple land:** is not held in trust, and may be 100% owned by individuals holding a deed to the land.

**Restricted fee land:** Restricted fee land is generally the same as fee land but with specific government-imposed restrictions on use and/or disposition.
Agri-tourism

As you’re planning your business, you may want to think about agri-tourism, which is becoming more and more popular. Agritourism is a form of commercial enterprise that links agricultural production and/or processing with tourism to attract visitors to a farm, ranch, or other agricultural business for the purposes of entertaining or educating the visitors while generating income for the farm, ranch, or business owner. (Definition from usda.gov). Some Native ranchers have established side businesses where tourists and guests have the opportunity to do things like ride horses, go on guided hunts, or even try ranching.

Common examples are:

- Petting farms
- Corn mazes
- On farm retail dairies
- Pumpkin patches

Thinking about where you live, are there any agri-tourism businesses that might make sense? What could agri-tourism in your area look like?
YOUR BUSINESS PLAN

Using the form below, you can begin developing your own business plan. Remember that you can definitely add to this and change it over time, and there are no wrong answers!

Take a moment to reflect back on your previous notes in the above sections to build this out.

<table>
<thead>
<tr>
<th>1. Executive Summary</th>
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<tbody>
<tr>
<td>In your executive summary you list the basics of your business. Keep it simple as you will elaborate later on. You will list the following in your executive summary:</td>
</tr>
<tr>
<td>• Your objective - list the overview and objective your business</td>
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<td>• Products and services - what problem are you trying to solve for your customers? How do your products and services help to solve this?</td>
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<tr>
<td>• Target market - who are the customers for your products</td>
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<tr>
<td>• Marketing plan - what is your marketing strategy? Give a brief overview of how you will market your products.</td>
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<tr>
<td>• Competitive approach - what does the current market look like for you product right now and who also sells these products?</td>
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<tr>
<td>• Finances and budget allocation - how do you plan on financing your business? What does your budget look like?</td>
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<tr>
<td>• Plans for operating your business - do you need to hire employees? Where are you located? What equipment do you require?</td>
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<tr>
<td>• Key Performance Indicators - how will you measure success and performance in your business?</td>
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</tbody>
</table>
2. **Description of business** *(telling your story)*
   - What service are you offering? Or do you want to offer?
   - Where are you located?
   - When did you implement this business idea? Or when do you want to start?
   - Why did you decide to do this business?
   - What’s your business concept – the main idea behind your business?

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3. **Industry and Market Analysis**
   - Who will buy your product (who is your market)?
   - Who are your competitors?
   - How will your competitors affect you?
   - Are there still people who will buy your product?
   - What’s the cost of your product?
   - How will you market or advertise your product

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4. **Organization and Management**

Here, you will decide your company’s structure. Will you have a partnership, sole proprietorship, corporation

- Who is the owner?
- Will anyone else work for you? Is anyone helping you?
- Will you have a legal structure for your operation?
- Are there any cultural considerations?

On page 55, you can scan the QR code to revisit details on company structure’s.
5. **Operations**

In this part, you will describe how your business will operate. You’ll share your business goals, objectives, procedures and activities. This part includes a SWOT analysis of your project or business. SWOT stands for Strengths, Weaknesses, Opportunities, and Threats:

- **Strengths**: things your project or business will do well, qualities that make you different from competitors
- **Weaknesses**: things your project or business lacks, or limitations
- **Opportunities**: how there’s room in the market for your product, market needs
- **Threats**: anything threatening your product or business, like a lack of resources, or strong competition

As part of describing your business, you’ll also share important documents and information. This can include an organizational chart (who does what?), position descriptions with roles and responsibilities, leadership information, consultants and contractors, legal structure of the organization, etc. – basically, any information that will help someone understand the way your operation will run.

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- Three year Cash Flow Projections (with explanations)
- Balance Sheet (with explanations)
- Tax Returns (if established)
- Quotes, receipts, and records that explain expenses
- Loan(s)

We definitely recognize that you and other young entrepreneurs may not have all – or any – of these documents right now. As you develop your business or project, you will start creating these pieces.

7. **Supporting Documents**

What documents do you have that you should include?

This part will include any supporting documents that you may need to apply for tribal, state, or federal programs, such as contracts for who you are selling your product to, licenses, certifications, and insurances.
As we journey in life, we have different support systems – our family, relatives, circle of friends and community – that help us in different moments. When you think of your business, you also have various supports and resources that can help you – you just need to know who they are, where to go and how to begin to build relationships.

It’s important to realize that you’re not alone! There are people and programs that want to help! The question is: who can help you develop a sustainable project or business?

**Mentors**

Have you ever worked with a mentor before? A mentor is someone that you look up to, who is doing what you’d like to be doing. They typically have valuable experience in the industry you are passionate about, and may be able to guide you in getting to where you’d like to go. Your mentor could be your parent, auntie, uncle, grandparent, neighbor, community member, elder, etc.

Here are some questions to guide your work with a possible mentor. These questions are a guide, but the conversation will move as you visit and other questions will arise as you learn more about them:

- **Who is someone in the community that is doing what you’d like to be doing?**
- **Do you think this person would be willing to help you get started?**
- **Do you know them? Do you know someone who knows them?**
- **How could you approach this person?**
Who are some potential mentors in your community?

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Programs and resources
In addition to mentors in your community, there are programs out there that are designed to support youth working in agriculture. You may have already heard of them. In working with these programs, the first step is to find out if they work with youth in your community.

Some of these programs include:

**4-H**
4-H is a national youth development program where youth complete hands-on projects with guidance from mentors. While 4-H operates in every county in the country, it has traditionally had a strong focus on agriculture.

To find your nearest 4-H office and contact information, use this link: [https://4-h.org/](https://4-h.org/)

**Intertribal Agriculture Council (IAC)**
IAC is a Native-led and Native-run organization that focuses on food sovereignty, food systems, and supporting producers. Founded in 1987, IAC works through a network of experienced technical assistance providers around the country to support Native producers, with staff in each BIA region. Technical assistance providers have lots of knowledge about available programs and resources for Native ag producers. [https://www.indianaq.org/](https://www.indianaq.org/)
**Akiptan**
Based in Eagle Butte, South Dakota on the Cheyenne River Reservation, Akiptan is a community-based lender (like a community bank) created to serve Native agriculture producers. Although based on Cheyenne River, Akiptan serves tribal members around the country. Akiptan is committed to supporting young Native agriculture producers, offering a youth internship every summer, along with loans. [https://www.akiptan.org/](https://www.akiptan.org/)

**Farm Services Agency (FSA)**
FSA is a department of USDA, which can provide loan capital to support or expand operations, and has disaster relief programming available to address losses and damage caused by natural disasters. For example, the Livestock Forage Program (LFP) provides assistance to purchase hay in the case of severe drought. To find your contact person, you can go to the FSA's website ([https://www.fsa.usda.gov/state-offices/index](https://www.fsa.usda.gov/state-offices/index)), and click on your state. From there, you can click on your county to find contact information.

**Future Farmers of America (FFA)**
FFA is a youth organization that focuses on agricultural education and hand-on experiences. Currently, there are 8,817 local FFA chapters in all 50 states, Puerto Rico, and the U.S. Virgin Islands. To join FFA, you must be enrolled in an agriculture course at your school. You can contact your school counselor or agriculture teacher to enroll in a course and join FFA. [https://www.ffa.org/](https://www.ffa.org/)

**Indigenous Food and Agriculture Initiative (IFAI)**
The Indigenous Food and Agriculture Initiative (IFAI) focuses on putting tribal sovereignty in food sovereignty, promoting tribally driven solutions to revitalize and advance traditional food systems and diversified economic development throughout Indian Country. IFAI provides Tribal governments, producers, and food businesses with educational resources, policy research, and strategic legal analysis as a foundation for building robust food economies. [https://www.indigenousfoodandaq.com/](https://www.indigenousfoodandaq.com/)
Some of these national programs may have local chapters, and there may be some additional programs in your area. Here are some questions to guide your follow-up with youth agriculture programs:

- **What program(s), if any, do you think you’d like to work with?**
- **How can you find out if this program serves youth in your community?**
- **Who is the contact person for this program?**
- **How can you start working with this program?**
When we think of careers in agriculture, we typically think of ranchers and farmers – cattle and crops! But there are many careers related to agriculture that you can consider – based on your strengths and interests.

Take the assessment on the following pages to map out your strengths. It was developed by Career Tech/Advance CTE. To make sure you have the latest version click here: https://careertech.org/what-we-do/career-clusters/

Take a moment to complete the Career Clusters Survey by scanning the QR code. The quiz will take 15 minutes and helps your to support you to explorer possible career interests. Survey can be found at Advance CTE via their website at: https://careertech.org/
### CAREER CLUSTERS INTEREST SURVEY

Name ______________________________________
School ______________________________________ Date ____________________________________________

**Directions:** Circle the items in each box that best describe you. You may make as many or as few circles in each box as you choose. Add up the number of circles in each box. Look to see which three boxes have the highest numbers. Find the corresponding Career Clusters on the pages immediately following this survey to see which Career Clusters you may want to explore.

#### BOX 1

**Activities that describe what I like to do:**
1. Learn how things grow and stay alive.
2. Make the best use of the earth’s natural resources.
3. Hunt and/or fish.
4. Protect the environment.
5. Be outdoors in all kinds of weather.
6. Plan, budget, and keep records.
7. Operate machines and keep them in good repair.

**Personal qualities that describe me:**
1. Self-reliant
2. Nature lover
3. Physically active
4. Planner
5. Creative problem solver

**School subjects that I like:**
1. Math
2. Life Sciences
3. Earth Sciences
4. Chemistry
5. Agriculture

**Total number circled in BOX 1:**

#### BOX 2

**Activities that describe what I like to do:**
1. Read and follow blueprints and/or instructions.
2. Picture in my mind what a finished product looks like.
3. Work with my hands.
4. Perform work that requires precise results.
5. Solve technical problems.
6. Visit and learn from beautiful, historic, or interesting buildings.

**Personal qualities that describe me:**
1. Curious
2. Good at following directions
3. Pay attention to detail
4. Good at visualizing possibilities
5. Patient and persistent

**School subjects that I like:**
1. Math
2. Drafting
3. Physical Sciences
4. Construction Trades
5. Electrical Trades/Heat, Air Conditioning and Refrigeration/Technology Education

**Total number circled in BOX 2:**

#### BOX 3

**Activities that describe what I like to do:**
1. Use my imagination to communicate new information to others.
2. Perform in front of others.
3. Read and write.
4. Play a musical instrument.
5. Perform creative, artistic activities.
6. Use video and recording technology.
7. Design brochures and posters.

**Personal qualities that describe me:**
1. Creative and imaginative
2. Good communicator/good vocabulary
3. Curious about new technology
4. Relate well to feelings and thoughts of others
5. Determined/tenacious

**School subjects that I like:**
1. Art/Graphic design
2. Music
3. Speech and Drama
4. Journalism/Literature
5. Audiovisual Technologies

**Total number circled in BOX 3:**
<table>
<thead>
<tr>
<th>BOX 4</th>
<th>BOX 5</th>
<th>BOX 6</th>
<th>BOX 7</th>
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</thead>
</table>
| **Activities that describe what I like to do:**  
1. Perform routine, organized activities but can be flexible.  
2. Work with numbers and detailed information.  
3. Be the leader in a group.  
4. Make business contact with people.  
5. Work with computer programs.  
6. Create reports and communicate ideas.  
7. Plan my work and follow instructions without close supervision. | **Activities that describe what I like to do:**  
1. Communicate with different types of people.  
2. Help others with their homework or to learn new things.  
3. Go to school.  
4. Direct and plan activities for others.  
5. Handle several responsibilities at once.  
6. Acquire new information.  
7. Help people overcome their challenges. | **Activities that describe what I like to do:**  
1. Work with numbers.  
2. Work to meet a deadline.  
3. Make predictions based on existing facts.  
4. Have a framework of rules by which to operate.  
5. Analyze financial information and interpret it to others.  
6. Handle money with accuracy and reliability.  
7. Take pride in the way I dress and look. | **Activities that describe what I like to do:**  
1. Be involved in politics.  
2. Negotiate, defend, and debate ideas and topics.  
3. Plan activities and work cooperatively with others.  
4. Work with details.  
5. Perform a variety of duties that may change often.  
6. Analyze information and interpret it to others.  
7. Travel and see things that are new to me. |
| **Personal qualities that describe me:**  
1. Organized  
2. Practical and logical  
3. Patient  
4. Tactful  
5. Responsible | **Personal qualities that describe me:**  
1. Friendly  
2. Decision maker  
3. Helpful  
4. Innovative/Inquisitive  
5. Good listener | **Personal qualities that describe me:**  
1. Trustworthy  
2. Orderly  
3. Self-confident  
4. Logical  
5. Methodical or efficient | **Personal qualities that describe me:**  
1. Good communicator  
2. Competitive  
3. Service-minded  
4. Well-organized  
5. Problem solver |
| **School subjects that I like:**  
1. Computer Applications/Business and Information Technology  
2. Accounting  
3. Math  
4. English  
5. Economics | **School subjects that I like:**  
1. Language Arts  
2. Social Studies  
3. Math  
4. Science  
5. Psychology | **School subjects that I like:**  
1. Accounting  
2. Math  
3. Economics  
4. Banking/Financial Services  
5. Business Law | **School subjects that I like:**  
1. Government  
2. Language Arts  
3. History  
4. Math  
5. Foreign Language |
| **Total number circled in BOX 4:** | **Total number circled in BOX 5:** | **Total number circled in BOX 6:** | **Total number circled in BOX 7:** |
### BOX 8
**Activities that describe what I like to do:**
1. Work under pressure.
2. Help sick people and animals.
3. Make decisions based on logic and information.
4. Participate in health and science classes.
5. Respond quickly and calmly in emergencies.
6. Work as a member of a team.
7. Follow guidelines precisely and meet strict standards of accuracy.

**Personal qualities that describe me:**
1. Compassionate and caring
2. Good at following directions
3. Conscientious and careful
4. Patient
5. Good listener

**School subjects that I like:**
1. Biological Sciences
2. Chemistry
3. Math
4. Occupational Health classes
5. Language Arts

**Total number circled in BOX 8**

### BOX 9
**Activities that describe what I like to do:**
1. Investigate new places and activities.
2. Work with all ages and types of people.
3. Organize activities in which other people enjoy themselves.
4. Have a flexible schedule.
5. Help people make up their minds.
6. Communicate easily, tactfully, and courteously.
7. Learn about other cultures.

**Personal qualities that describe me:**
1. Tactful
2. Self-motivated
3. Works well with others
4. Outgoing
5. Slow to anger

**School subjects that I like:**
1. Language Arts/Speech
2. Foreign Language
3. Social Sciences
4. Marketing
5. Food Services

**Total number circled in BOX 9**

### BOX 10
**Activities that describe what I like to do:**
1. Care about people, their needs, and their problems.
2. Participate in community services and/or volunteering.
3. Listen to other people's viewpoints.
4. Help people be at their best.
5. Work with people from preschool age to old age.
6. Think of new ways to do things.
7. Make friends with different kinds of people.

**Personal qualities that describe me:**
1. Good communicator/good listener
2. Caring
3. Non-materialistic
4. Intuitive and logical
5. Non-judgmental

**School subjects that I like:**
1. Language Arts
2. Psychology/Sociology
3. Family and Consumer Sciences
4. Finance
5. Foreign Language

**Total number circled in BOX 10**

### BOX 11
**Activities that describe what I like to do:**
1. Work with computers.
2. Reason clearly and logically to solve complex problems.
3. Use machines, techniques, and processes.
4. Read technical materials and diagrams and solve technical problems.
5. Adapt to change.
6. Play video games and figure out how they work.
7. Concentrate for long periods without being distracted.

**Personal qualities that describe me:**
1. Logical/analytical thinker
2. See details in the big picture
3. Persistent
4. Good concentration skills
5. Precise and accurate

**School subjects that I like:**
1. Math
2. Science
3. Computer Tech/Applications
4. Communications
5. Graphic Design

**Total number circled in BOX 11**

### BOX 12
**Activities that describe what I like to do:**
1. Work under pressure or in the face of danger.
2. Make decisions based on my own observations.
3. Interact with other people.
4. Be in positions of authority.
5. Respect rules and regulations.
6. Debate and win arguments.
7. Observe and analyze people's behavior.

**Personal qualities that describe me:**
1. Adventurous
2. Dependable
3. Community-minded
4. Decisive
5. Optimistic

**School subjects that I like:**
1. Language Arts
2. Psychology/Sociology
3. Government/History
4. Law Enforcement
5. First Aid/First Responder

**Total number circled in BOX 12**
### BOX 13

**Activities that describe what I like to do:**
1. Work with my hands and learn that way.
2. Put things together.
3. Do routine, organized, and accurate work.
4. Perform activities that produce tangible results.
5. Apply math to work out solutions.
6. Use hand and power tools and operate equipment/machinery.
7. Visualize objects in three dimensions from flat drawings.

**Personal qualities that describe me:**
1. Practical
2. Observant
3. Physically active
4. Step-by-step thinker
5. Coordinated

**School subjects that I like:**
1. Math-Geometry
2. Chemistry
3. Trade and Industry courses
4. Physics
5. Language Arts

**Total number circled in BOX 13**

### BOX 14

**Activities that describe what I like to do:**
1. Shop and go to the mall.
2. Be in charge.
3. Make displays and promote ideas.
5. Persuade people to buy products or to participate in activities.
6. Communicate my ideas to other people.
7. Take advantage of opportunities to make extra money.

**Personal qualities that describe me:**
1. Enthusiastic
2. Competitive
3. Creative
4. Self-motivated
5. Persuasive

**School subjects that I like:**
1. Language Arts
2. Math
3. Business Education/Marketing
4. Economics
5. Computer Applications

**Total number circled in BOX 14**

### BOX 15

**Activities that describe what I like to do:**
1. Interpret formulas.
2. Find the answers to questions.
3. Work in a laboratory.
4. Figure out how things work and investigate new things.
5. Explore new technology.
6. Experiment to find the best way to do something.
7. Pay attention to details and help things be precise.

**Personal qualities that describe me:**
1. Detail-oriented
2. Inquisitive
3. Objective
4. Methodical
5. Mechanically inclined

**School subjects that I like:**
1. Detail-oriented
2. Inquisitive
3. Objective
4. Methodical
5. Mechanically inclined

**Total number circled in BOX 15**

### BOX 16

**Activities that describe what I like to do:**
1. Travel.
2. See well and have quick reflexes.
3. Solve mechanical problems.
4. Design efficient processes.
5. Anticipate needs and prepare to meet them.
6. Drive or ride.
7. Move things from one place to another.

**Personal qualities that describe me:**
1. Realistic
2. Mechanical
3. Coordinated
4. Observant
5. Planner

**School subjects that I like:**
1. Math
2. Trade and Industry courses
3. Physical Sciences
4. Economics
5. Foreign Language

**Total number circled in BOX 16**

---

**Source:** Adapted from the Guidance Division Survey, Oklahoma Department of Career and Technology Education (2005)

**Note:** This survey does not make any claims of statistical reliability and has not been normed. It is intended for use as a guidance tool to generate discussion regarding careers and is valid for that purpose.

**Disclaimer:** Your interests may change over time. These survey results are intended to assist you with informal career exploration. Consider more formal assessments and other resources or services to help you plan your career. This survey does not make any claims of statistical reliability.
# The Sixteen Career Clusters

<table>
<thead>
<tr>
<th>Cluster</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Agriculture, Food &amp; Natural Resources</td>
</tr>
<tr>
<td>2</td>
<td>Architecture &amp; Construction</td>
</tr>
<tr>
<td>3</td>
<td>Arts, A/V Technology &amp; Communications</td>
</tr>
<tr>
<td>4</td>
<td>Business Management &amp; Administration</td>
</tr>
<tr>
<td>5</td>
<td>Education &amp; Training</td>
</tr>
<tr>
<td>6</td>
<td>Finance</td>
</tr>
<tr>
<td>7</td>
<td>Government &amp; Public Administration</td>
</tr>
<tr>
<td>8</td>
<td>Health Science</td>
</tr>
<tr>
<td>My top three Career Clusters of interest are:</td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>1. _____________________________   2. _____________________________   3. _____________________________</td>
<td></td>
</tr>
</tbody>
</table>

For more information, check with a career counselor at your high school, career technical center, higher education institution, or one-stop career center.
Possible agriculture careers to consider
In addition to ranching and farming, based on what you enjoy doing and what you’re good at, there are lots of other careers to consider! These include:

✓ **Agriculture educator**: you could be an agriculture teacher in a school, or with 4-H or FFA.

✓ **Loan officer** making loans to agriculture producers.

✓ **Veterinarian** caring for animals.

There are many, many agriculture-related degrees! These include:

<table>
<thead>
<tr>
<th>Agriculture Engineering</th>
<th>Horticulture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture Chemicalist</td>
<td>Livestock Biometrics</td>
</tr>
<tr>
<td>Agriculture Research and Statistics</td>
<td>Livestock Management</td>
</tr>
<tr>
<td>Agriculture Loan Officer</td>
<td>Marketing in Agriculture</td>
</tr>
<tr>
<td>Agricultural Law</td>
<td>Microeconomics in Agriculture</td>
</tr>
<tr>
<td>Agribusiness Management</td>
<td>Natural Resource Management</td>
</tr>
<tr>
<td>Agriculture Economics</td>
<td>Range Management</td>
</tr>
<tr>
<td>Agricultural Education</td>
<td>Soil Management</td>
</tr>
<tr>
<td>Agriculture Engineering</td>
<td>Soil Science</td>
</tr>
<tr>
<td>Business Management</td>
<td>Veterinary Technology</td>
</tr>
<tr>
<td>Crop Science</td>
<td>Veterinary Medicine</td>
</tr>
<tr>
<td>FFA Advisor</td>
<td>Veterinarian</td>
</tr>
<tr>
<td>Food and Agriculture Marketing</td>
<td></td>
</tr>
</tbody>
</table>
WHERE CAN YOU WORK IN AGRICULTURE?

Just like there are many careers in agriculture, there are different places to work, and organizations to work for. These include:

- **Private farm or ranch**
  This is owned by an individual person, or company.

- **Tribal enterprise (farm, ranch, other operation)**
  This is a business that’s owned and run by a tribe. Some tribes have meat processing plants, for example, farms, or ranches.

- **School, college, or university**
  Schools may have agriculture classes or departments, where it’s possible to work as an agriculture teacher or educator.

- **Veterinary practice**
  It’s possible to work for an animal hospital, or veterinary practice, where a single vet or a group of vets work together.

- **Bank or loan fund**
  It’s also possible to work for a bank or community loan fund that is making loans to agriculture producers.

- **Federal government**
  There are a number of federal government programs under USDA that focus on agriculture.

- **Nonprofit organization**
  There are a number of nonprofit organizations (ranging from large, national organizations to small, community organizations) that are focusing on food, food systems, and food sovereignty.
Optional Activity: Talk with a community member working in agriculture

As we look at different careers, it’s helpful to talk with someone working in the agriculture field. Who could you speak with? Feel free to practice these with a friend or family member to prepare, bringing your personality into the conversation.

List a few community members here:
__________________________________________________________________________________
__________________________________________________________________________________
__________________________________________________________________________________

Here are some questions you can ask:

• **When did you begin working in agriculture?**
  _______________________________________________________________________________
  _______________________________________________________________________________

• **What do you love about working in agriculture?**
  _______________________________________________________________________________
  _______________________________________________________________________________

• **What do you find most challenging about working in agriculture?**
  _______________________________________________________________________________
  _______________________________________________________________________________

• **How do you keep your business records? Where do you put your receipts?**
  _______________________________________________________________________________
  _______________________________________________________________________________

• **Have you gotten a credit report?**
  _______________________________________________________________________________
  _______________________________________________________________________________

• **Do you do your own accounting or do you hire someone to do your accounting for you?**
  _______________________________________________________________________________
  _______________________________________________________________________________

• **Have you gotten a loan for your business? What was hard about that?**
  _______________________________________________________________________________
PULLING IT ALL TOGETHER

We’ve looked at a lot of pieces so far – your budget, financial statements, business plans, and possible jobs. Now, we’ll start pulling it all together.

Your Next Steps…
Do you have a dream that you’d like to turn into a reality? Would you like to start growing crops or raising livestock? Do you have a resource that you could turn into a business?

Think back to when you had to be the banker and approve or deny loans in the credit score section on page 40. Would you approve your own loan?

To see what the intake process looks like scan the QR code below. This is the start of a loan process.

Things to think about before you start:
- Revisit your financial section, can you afford a loan, and if so, how much?
- Do you have start up money?
- What documents do you need?
- Do you need help with your application?
- Do you have a mentor you can visit with?

Intake Form
Take a look at Akiptan’s intake form by scanning the QR code.
What’s your business idea?

______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________

Where could your start up or initial funding to start your business come from? Savings, gift from family, loan?

______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________

What are three steps you can take to start your business that you could realistically do over the next six months? Now you need to decide what to focus on is another option to make kids really think in a statement way instead of another question. For example: Find a mentor? Start Saving? Make a list of your needs? Apply for a loan?

1 ________________________________________________________________
2 ________________________________________________________________
3 ________________________________________________________________

Video: Pulling it all together
Click this link or scan the QR code to watch a video to learn more about pulling it all together
https://www.youtube.com/watch?v=r7CSF2Rwe1c

GOOD LUCK AS YOU TURN YOUR AGribusiness dream INTO A REALITY!
## Glossary of Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td>This is anything that you own, including cash, inventory, property, equipment, and investments, along with pre-paid expenses and money owed to you.</td>
</tr>
<tr>
<td><strong>Balance sheet</strong></td>
<td>A statement of assets, liabilities and capital of a business or other organization at a particular point in time, detailing income over specific periods.</td>
</tr>
<tr>
<td><strong>Budget</strong></td>
<td>A plan that clearly outlines how much money a person or organization will require and be able to spend.</td>
</tr>
<tr>
<td><strong>Business plan</strong></td>
<td>A document that sets out a business’s future objectives and strategies for achieving its goals.</td>
</tr>
<tr>
<td><strong>Capital</strong></td>
<td>Cash or other assets owned by a person or business that are available to start a company.</td>
</tr>
<tr>
<td><strong>Cash flow</strong></td>
<td>The total amount of money being transferred into and out of a business. Cash received represents inflows and money spent represents outflows.</td>
</tr>
<tr>
<td><strong>CDFI</strong></td>
<td>Community Development Financial Institution. This is a community-based lender, like a bank. CDFIs are often created to serve communities or groups of people that other lenders were not serving.</td>
</tr>
<tr>
<td><strong>Circular economy</strong></td>
<td>With a circular economy, Indigenous communities can move food to one another, to feed ourselves, while an extractive economy takes our resources to purchase food from outside.</td>
</tr>
<tr>
<td><strong>Credit</strong></td>
<td>The ability to borrow money or access goods or services with the understanding that you’ll pay later.</td>
</tr>
<tr>
<td><strong>Credit card</strong></td>
<td>A line of credit that can be used to borrow money with interest.</td>
</tr>
<tr>
<td><strong>Credit score</strong></td>
<td>A number that rates your credit worthiness, ranging from 300-850, that lenders review when you apply for credit.</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>----------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Debt</td>
<td>Money that is owed to someone or to a financial institution like a bank.</td>
</tr>
<tr>
<td>Debt to income ratio</td>
<td>Your monthly debt divided by your gross monthly income.</td>
</tr>
<tr>
<td>Deposit</td>
<td>A payment of money made to a bank account, utility company or other company that you pay in return for services. A deposit is often made up front, as a sign that you will repay the rest of the funds later.</td>
</tr>
<tr>
<td>Expenses</td>
<td>Money spent on something.</td>
</tr>
<tr>
<td>Extractive economy</td>
<td>An extractive economy takes our resources to purchase food from outside.</td>
</tr>
<tr>
<td>Financial institution</td>
<td>A company that is engaged in the business of dealing with financial and monetary transactions such as deposits, loans, investments, and currency exchange. A bank is one example of a financial institution.</td>
</tr>
<tr>
<td>Financial statements</td>
<td>Records that show the business activities and the financial performance of a company.</td>
</tr>
<tr>
<td>Grant</td>
<td>Funds that do not need to be paid back. Grants may be provided by the federal government or private foundations.</td>
</tr>
<tr>
<td>Income</td>
<td>Money received, through work or investments.</td>
</tr>
<tr>
<td>Interest</td>
<td>This is the cost of borrowing money or other assets. It is usually a percentage of the loan.</td>
</tr>
<tr>
<td>Investment</td>
<td>Setting your resources aside to generate income or gain profit.</td>
</tr>
<tr>
<td>Lender</td>
<td>An organization (typically a financial institution) that provides capital to a borrower to be repaid.</td>
</tr>
<tr>
<td>Liabilities</td>
<td>Debts that need to be paid off over time – what you owe.</td>
</tr>
<tr>
<td>Line of credit</td>
<td>A type of loan that lets you borrow a pre-set amount of money.</td>
</tr>
<tr>
<td>Loan</td>
<td>A sum of money that is expected to be paid back in a certain amount of time with interest.</td>
</tr>
<tr>
<td>Market</td>
<td>The people who will buy your product.</td>
</tr>
<tr>
<td>Profit</td>
<td>What you earn minus what you spend.</td>
</tr>
<tr>
<td><strong>Savings</strong></td>
<td>Money that you keep in a bank or other financial institution to use in the future.</td>
</tr>
<tr>
<td>-------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Sovereignty</strong></td>
<td>The authority of a state to govern itself or another state.</td>
</tr>
<tr>
<td><strong>Taxes</strong></td>
<td>Money that the government requires people to pay according to their income or value of property, that is used to pay for things done by the government.</td>
</tr>
<tr>
<td><strong>Technical Assistance</strong></td>
<td>Curated, individual assistance on a specific topic, business development, financial education, marketing feedback, coaching and mentoring, support and feedback.</td>
</tr>
<tr>
<td><strong>Term</strong></td>
<td>This is the length of the loan – when it needs to be paid back.</td>
</tr>
<tr>
<td><strong>Tribal food sovereignty</strong></td>
<td>Indigenous nations’ right to define their own food systems that are in line with their cultural values.</td>
</tr>
</tbody>
</table>
Appendix: Sample Credit Bureau Letter
This is an example, you will need to provide the details of the issue you are working to correct.

Sample Credit Bureau Letter Example

Your Name
Consumer report ID # / Account #
Date of Birth
Street Address
City, State, Zip Code

Company Name (Equifax, Experian or TransUnion)
Street Address
City, State, Zip Code

Dear Credit Bureau (Equifax, Experian or TransUnion),

I am writing to request an in depth look into the following details on my consumer report.

Dispute 1
  ● Account #
  ● Dates associated with the dispute
  ● Explanation of the inaccuracy (describe in a few sentences the problem on the credit report).

Enclosures (make sure to attach the following):
  ● Copy of credit report
  ● Last copy of statements
  ● Pay off statements (any statements that you have paid off related to the error).

Thank you for your assistance in this matter.

Sincerely,
First Name, Last Name

You can scan the QR to see additional details on how to write a credit bureau letter via the FTCC or click this link: https://consumer.ftc.gov/articles/disputing-errors-your-credit-reports
AKIPTAN’S INTEREST ONLY MODEL

Akiptan, Inc. is a certified Native American CDFI located in Eagle Butte, South Dakota, serving producers nationwide. Unlike other Native CDFIs that serve a plethora of needs including land mortgages, small business lending, and credit builder loans, Akiptan is dedicated to financing Native American people working in agriculture. Agriculture is rooted in the history of all Native people and has the potential for significant economic growth if those working within the industry can access quality financing.

Akiptan was founded by Native agriculture professionals working with the Intertribal Agriculture Council (IAC) in 2017. IAC is a national nonprofit that connects Native producers with resources that benefit their operations, and advocates for Native agriculture through federal policy creation. The founders of IAC and Akiptan recognized that traditional ag financing prevented producer success, and by listening to producer frustrations, Akiptan came to fruition. On January 1, 2019, Akiptan began operating and lending as its own independent organization.

Akiptan’s goal is to create fresh solutions and services that equally balance lender security and borrower prosperity. The philosophy behind Akiptan’s values is patient capital over extractive capital, with fair and flexible financing, while building a solid relationship with the borrower, and innovation in lending. ‘Akiptan’ is the Lakota word for ‘working together, in a cooperative effort,’ which inspires the philosophy of working with the producer to find solutions that work for their operations and allows for them to grow their capacity and operate financially healthy. Akiptan offers two patient capital products, one that is termed the “Traditional Loan Option and another that is called the “Interest Only Repayment Option.”

The Traditional Loan Option is something that one would find at a bank where the money is borrowed at a set rate over a set period of time and regular, blended payments are made on a predetermined schedule. However, even this option is different than what one would normally see. A bank typically tries to keep repayment periods short due to the perceived high risk of most agriculture operations. Akiptan believes that in reality, a longer loan period is a lower risk option, because the client has time to grow their operation, earn a profit, and therefore make payments more easily. Akiptan fully believes that labeling agriculture as a risky industry is wrong; it is only risky when terms are not aligned with agricultural production cycles and ecological realities. The world will always need to feed itself and agriculture will never become outdated or go away, so we must find a more reasonable way to finance this important work.

While traditional options work for some operations, Akiptan’s Interest Only Repayment Option is what allows for the most innovation, capacity building, and flexibility. The Interest Only Repayment Option is something that truly reflects Akiptan’s values, allowing us to “invest” money with agriculture businesses. This Interest Only Repayment Option can be more simply stated as a loan with an interest only period. This option practices the patient capital and innovative financing concept that Akiptan was founded on and makes a measurable impact for business owners. The Interest Only Repayment Option allows for upfront capacity growth, operating cash, innovation, and many other opportunities that businesses would not have if they were tied to a traditional bank loan. Most agriculture financing is designed in a way that all products have to be sold in order to afford bank payments, but the Interest Only Repayment Option allows for operations to reinvest their profits into their business. For example, a small garden could be scaled up because its profits were reinvested back into the business to buy greenhouses and equipment. By the time the five year interest only payments are complete, an operation has had the chance to increase in size, and the principal payments that felt daunting at the outset of the loan are now reasonable. The business can get up and running while continuing to grow. During the first five critical growth years the business makes small, manageable, “interest only/return on investment” payments. After five years, or earlier if the client chooses, the client will start paying back the “investment (principle)” in order to “buy Akiptan out” of their share in the business. This type of financing has proven to be highly effective for start-up operations as well as established businesses that are looking to accomplish goals prohibited by traditional financing. The other benefit to an interest only period is that it helps break down many Native Americans’ innate distrust of financial institutions. Financial institutions have harmed Indian Country producers in the past, and there are traumas and obstacles that need to be reckoned with. When clients feel like their lending institution is a partner, versus a predator, they engage in sharing information, discussing business decisions, and planning together for the future.

We are humbled that you have chosen Akiptan as your lender as you embark on this entrepreneurship journey. What you are doing is important for economic development and critical to food sovereignty efforts. We know that with your hard work, dedication and financial skills, you will be successful!
SEVEN SISTERS COMMUNITY DEVELOPMENT GROUP, LLC

Seven Sisters Community Development Group, LLC is a national, for-profit consulting firm that offers culturally relevant and innovative strategies, services, and products that support systemic change. Our firm is 100 percent women-owned and 50 percent Native-owned. Our team of community development specialists brings a broad range of experience to our work. We plan, develop, and implement client-driven strategies. We collaborate, partner, and consult with local nonprofit organizations, national intermediaries, coalitions, government agencies, housing authorities, lenders, private sector entities, community development financial institutions (CDFIs), and philanthropies. Seven Sisters LLC has extensive knowledge of Indian Country. We understand the unique issues facing Native communities, especially the challenges of accessing credit and capital, Native agriculture systems and stakeholders, and the homeownership process on trust land and surrounding areas. Our team is dedicated to supporting and strengthening the work of organizations that support these communities. Seven Sisters is committed to supporting the Native Agriculture industry, and has considerable experience in this field. We work closely with many active stakeholders in the Native Agriculture space, including Akiptan, the Native American Agriculture Fund, the Intertribal Agriculture Council, Lakota Funds, Four Bands Community Fund, the S.T.R.I.V.E. Initiative, and Thunder Valley CDC. Seven Sisters is honored to work with Akiptan to create this guide for young Native agriculture entrepreneurs.