

ga-du-gi 2008

WORKING TOGETHER TO IMPROVE OUR COMMUNITY

Cherokee Preservation Foundation (CPFdn) was established in 2002 with a two-pronged purpose: to improve the quality of life among the Eastern Band of Cherokee Indians (EBCI) and to strengthen our neighboring communities. Each year, with this report, we show you what's changing as a result of the work we are doing together.

CPFdn has been operating for over six years and we are seeing results of our community investments and also continuing to initiate new efforts. We have now distributed more than \$37 million through more than 400 grants in the areas of economic development, cultural preservation, and environmental preservation. Part of our responsibility is to be a good steward of this resource and track how this money is used and what difference it is making.

The role of the Foundation is to continuously help identify needs and opportunities on the Qualla Boundary and in the surrounding seven counties. Then we work with local leaders who design projects that can improve our communities. This is a process that takes many distinct steps over time.

Inside this publication, you will see descriptions of progress in our three focus areas. We have spotlighted projects in various phases of work — using a basket-making theme to help describe how change happens. You will see these basket drawings throughout this report to indicate the various stages of development of the projects CPFdn is supporting.

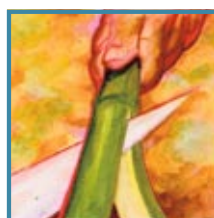
LAYING THE GROUNDWORK — The Foundation supports planning processes that help chart a positive course for our community's future. In this report, we highlight new CPFdn initiatives in the areas of environmental improvement (Generations Qualla) and youth leadership (Cherokee Youth Council and Go Green Team).

GRANTEE PROGRESS — We provide the funding, but it is up to the recipient organizations to implement the projects. We report here on several grantees that are making significant progress:

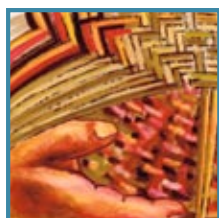
- ◆ Developing a culturally-focused curriculum and 21st century technology for the new Cherokee School;
- ◆ Revitalizing Cherokee language in the Snowbird community; and
- ◆ Attracting tourists to learn about Cherokee history and heritage. We continually track Cherokee cultural attractions and how they are changing to better serve visitors and build their own organizational capacity (the *Unto These Hills* outdoor drama, the Oconaluftee Indian



LAYING THE GROUNDWORK



GRANTEE PROGRESS



INSTITUTIONALIZING CHANGE



REALIZING BENEFITS



Much of Cherokee Preservation Foundation's focus is on building a great future for Cherokee youth.

Village, the Museum of the Cherokee Indian, and the Qualla Arts and Crafts Mutual).

INSTITUTIONALIZING CHANGE — The Foundation wants change to be lasting, which means that organizations may have to do their work differently to become most effective. In this report, we spotlight the impact of the Sequoyah Fund's loans and training for business owners.

REALIZING BENEFITS — Ultimately, it is CPFdn's goal that our funded projects directly benefit people. This year we show off the beautiful art works of Cherokee High School students through a special regional exhibit at the Grove Arcade ARTS and Heritage Gallery.

All of this activity is possible due to a working partnership between the Foundation, the Eastern Band of Cherokee Indians, and our neighbors in surrounding counties. We will continue investing in change and tracking outcomes. Each year, we will report to the Cherokee community and to the CPFdn Board on our progress and on the challenges we face together. That is our commitment — to help preserve and improve this treasured place that the Cherokee have called home for so many generations.

On behalf of everyone on the Cherokee Preservation Foundation staff — Shannon Bark, Ethan Clapsaddle, Deborah Grant, Wanda McCoy, Deb Mintz, Bobby Raines and Hwineko Walkingstick,

Susan Jenkins
Executive Director, Cherokee Preservation Foundation



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ECONOMIC DEVELOPMENT



FOCUS: DESTINATION CHEROKEE

Cherokee Preservation Foundation continues to make a major investment in developing this area as a destination so visitors can come to learn about our history and experience Native American culture. The benefits to the local community are the tourist dollars spent on lodging, food, gifts and entertainment while they are here. In addition, so much of this work being done will help achieve our larger mission of preserving and celebrating Cherokee heritage.

PROJECT STATUS: During the past year, significant steps have been taken to make marketing more strategic, enhance the visitor experience, and continue improving Cherokee's four main cultural attractions. This progress is outlined below.

STRATEGIC MARKETING — \$5.2 million invested by CPFdn

An extensive survey was conducted in 2007 of 5,000 visitors who came through Cherokee cultural attractions. The data was used to refine and strengthen the advertising that promotes Cherokee, as well as to inform the operators of the attractions about their audiences. New target markets and outreach tools were developed based on the new information. Cherokee Preservation Foundation has invested over \$5.2 million in research, design, brand development, and purchase of advertising for Cherokee since 2002. Two evaluation measures were set at the start to determine the impact of this marketing — visitation numbers (see the "Trends" chart) and changes in Tribal levy income (sales tax). The levy has grown each year: \$6.6 million in 2005, \$7.1 million in 2006, and \$7.5 million in 2007. The largest levy increases were in the lodging, food and retail categories. This new tourism market research (which was funded by EBCI Marketing and Promotion) will help ensure that advertising and outreach about Cherokee will make even more of an impact in the future.

TRENDS AT CHEROKEE CULTURAL ATTRACTIONS				
	Annual Visitation			
	2004	2005	2006	2007
Cherokee Historical Association				
<i>Unto These Hills</i> outdoor drama	43,947	54,344	65,196	55,500
Oconaluftee Indian Village	72,665	72,799	74,752	69,204
Museum of the Cherokee Indian	85,146	79,223	95,127	91,383

VISITOR EXPERIENCE

CHEROKEE FRIENDS — \$120,285 invested by CPFdn

Ten Cherokee guides hit the streets around town last summer, and more will return this season as part of the new Cherokee Friends program led by Qualla Arts and Crafts Mutual. During 2007, the trained and costumed Friends rotated among three areas — Saunooke Village, downtown Cherokee and the Cultural District. This spring, in addition to customer service and directional training, the Friends will spend a week learning about Cherokee history so that they can provide a high level of information to visitors.



Cherokee Friends offer welcoming faces and information to visitors (photos by Brenda Oocumma).

QUALLA-T CUSTOMER SERVICE — \$200,000 invested by CPFdn
Several local Cherokee businesses went through the Qualla-T Customer Service training program during the past year. The program teaches front line personnel proven techniques to welcome and serve tourists in all aspects of the hospitality and retail field. Qualla-T is offered by the Cherokee Chamber of Commerce, which will spend the coming year targeting managers across the community in hopes that more of their colorful stickers will grace the front windows of local businesses — indicating their employees have completed this training.



DOWNTOWN CHEROKEE

Visitors to Cherokee in summer and fall 2008 will see the new face of downtown, as shown here in the Riverbend development (formerly known as the Horseshoe). Cherokee Preservation Foundation has provided funding for façade and roof improvements throughout the downtown. The stone and wood design is in keeping with guidelines established to reflect the natural beauty of the area.



CULTURAL ATTRACTIONS —

\$8.7 million invested by CPFdn in three organizations

Highlights at these attractions during the past year follow.

CHEROKEE HISTORICAL ASSOCIATION — As the host of the *Unto These Hills* drama and the Oconaluftee Indian Village, CHA is working hard externally on improving its tourism "products" and also internally on strengthening systems within its organization. The goal is historical



accuracy and depth in order to serve a more educated audience. Key changes (supported by CPFdn funding) in the past year include:

- ◆ New ticket sales system, which has already sold numerous tickets for the coming season.
- ◆ New Strategic Plan adopted with both short term and long term goals for CHA.
- ◆ Beginning implementation of a Facilities Plan, which will take three years to update the theatre (new seating, concession, stairs) and renovate the village (including the Council House and a Cherokee homestead).
- ◆ New program management staff position added.
- ◆ More training for guides to make the visitor experience interactive.
- ◆ Offering packages to see all cultural attractions.
- ◆ Budget cutting to address prior shortfall; balanced budget for 2008.

MUSEUM OF THE CHEROKEE INDIAN — The museum provides a mixture of in-house and community offerings, with support from the Foundation, including in the past year:

- ◆ Southeastern Tribes Cultural Arts Celebration – brings five tribes together for traditional dance, story telling, art demonstrations, living history, contests and games.
 - ◆ Cherokee translation of *Thirteen Moons*.
 - ◆ Emissaries of Peace: the 1762 Cherokee and British Delegations — opened at the Smithsonian National Museum of Natural History in Washington, D.C.; also a documentary film and electronic field trip, which aired on PBS and was watched by 1 million people.

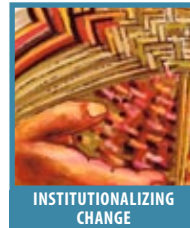


A visitor (left) checks out the newly renovated Permanent Collection Gallery of Qualla Arts and Crafts Mutual with manager Vicki Ledford.

- ◆ Workshops on finger weaving with beads and feather capes.
- ◆ Expansion of the museum permanent exhibit and a new web site design.

QUALLA ARTS AND CRAFTS MUTUAL — This home of beautiful Cherokee-made crafts received a facelift during the past year, supported by CPFdn funding, including:

- ◆ New gallery space, flooring, and sales counter.
- ◆ Point-of-sale system installed that will allow Qualla to better analyze their customers and inventory.
- ◆ Individualized email and a more effective phone system to provide more efficient business operations.
- ◆ Planning for web site to provide more of a market for local artisans and to increase sales during the non-tourist season.



FOCUS: BUSINESS DEVELOPMENT

\$3 million invested by CPFdn

The Sequoyah Fund continues to work with the Cherokee Business Development Office to provide a combination of loans and training to entrepreneurs starting and expanding enterprises on the Qualla Boundary. These programs have a special focus on small business development and local ownership. In the coming year, the Sequoyah Fund will begin offering coaching to business owners on “clusters of innovation,” including biodiesel, green construction, and herbal bath products, among other areas.



PROJECT STATUS: The chart below shows the strong progress of the Sequoyah Fund in several key areas.

Sequoyah Fund loans have been made in more than 35 categories, with the most going for construction and retail businesses.

SEQUOYAH FUND IMPACT		
Activity	During 2007	Since Start of Sequoyah Fund
Total loans made/\$ value	16/ \$1,131,340	132 / \$4,713,245
Full-time jobs	48	698
Part-time & seasonal jobs	45	103 part-time 229 seasonal
Support from CPFdn (\$)	\$900,000	\$3,005,000
Support leveraged from other sources	\$1,665,000	\$4,254,000

One example of a success story in the construction field is Janet Arch, who owns ML&S Construction. In 2003, Arch was a stay-at-home mother who did accounting for income when she received her first \$5,000 business loan to purchase a new computer. As she watched the rapid growth in the area, she began to get interested in the construction business. She received planning help from the Cherokee Business Development Office and then in 2005 was approved for a \$50,000 loan, which she used to purchase an excavator, a truck and trailer.

Arch’s third loan application is now pending — for \$100,000 to buy a Bobcat and have some operating capital. Her construction business has grown from \$40,000 per year in income during 2005 to over \$780,000 in 2007. In just the first quarter of 2008, she secured contracts for over \$300,000 in new business. She said she “owes it all” to the Sequoyah Fund and the Business Development Office for giving her the training and the funds to expand her business. And every time she answers her phone, “ML&S,” she thinks of her three daughters, Mariah, Lynn and Shianne, for whom her successful business is named.



A loan from the Sequoyah Fund helped Janet Arch buy a backhoe and build her construction business.

ENVIRONMENTAL PRESERVATION



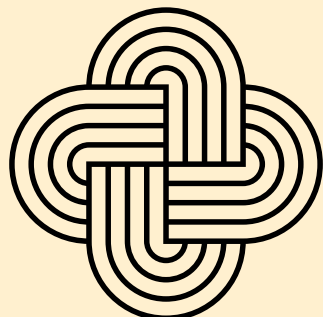
FOCUS: SUSTAINABILITY VISIONING

For more than 10,000 years, the Cherokee people have been good stewards of the earth. Native American tradition honors the seven generations philosophy of sustainability — one does not take actions now that would harm future generations. It is with this commitment that the EBCI adopted the Qualla Environmental Resources Initiative.

PROJECT STATUS: During the past year, Cherokee Preservation Foundation has provided support for a range of projects that seek to support the EBCI initiative and address the various challenges that threaten the environment of the Cherokee people and their neighbors. The Foundation is involving many local people in planning, including getting youth to learn about these issues and express their opinions. In addition, CPFdn is assisting a regional growth management planning program that can help impact not only the Qualla Boundary, but the surrounding areas. These projects are detailed below.

GENERATIONS QUALLA

The overall goal for Generations Qualla is to enhance the quality of life and the environment on the Qualla Boundary for generations to come, and to



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ENDLESS

*The Cherokee culture evolved from the concept of maintaining balance in all aspects of life, which made the Cherokee people natural environmentalists. In its search for a Cherokee symbol that would come close to the modern day meaning of environmental sustainability, the Generations Qualla committee consulted with elder Walker Calhoun. Mr. Calhoun showed them a Cherokee symbol that doesn't have a direct English translation, but could be interpreted to mean **endless, always** or **continuous**. Generations Qualla will use the term **endless** as the best representation of **environmental sustainability**.*

support the EBCI Qualla Environmental Resources Initiative. Generations Qualla convened for the first time in February 2008. More than 30 leaders of the EBCI and other local organizations agreed to work together on the areas of:

- ◆ Environmental education with cultural awareness.
- ◆ Planning, policy, construction and development.
- ◆ Green activities and habitat restoration.

To guide its work, the group adopted the following definition of environmental sustainability on the Qualla Boundary, basing it on its four pillars —

1. **SUPPORT FOR ALL LIFE.** Provides resources needed for all life to be sustained now and for the next seven generations.
2. **AN EVOLVING BALANCE.** Strikes the right balance among natural, cultural, spiritual and economic requirements for each generation.
3. **UNIVERSAL AND HOLISTIC.** Incorporates a wide range of perspectives, including those who cannot speak for themselves. Accessible, available, and universally applied.
4. **CULTURALLY ROOTED.** Based on our culture and heritage; springing from our ancestors' understanding that we are one part in an all-embracing system of life.



Tony Walkingstick (left to right), Ellen Lincoln, Amy Lincoln, and Joseph Arch assemble sample packages for the community to demonstrate the types of products that will make our environment more sustainable.

GO GREEN TEAM

Cherokee Preservation Foundation also has provided funding support for the new youth-led environmental projects undertaken by the Go Green Team to improve the local quality of life. Getting the involvement of youth is critical to this effort since their actions and focus will shape the future of Cherokee. This group of 14 students ranging in age from 12 to 17 will identify four to six projects — such as expanded recycling, plantings, conservation efforts, and organic gardening and markets.

441 CORRIDOR PLANNING

As infrastructure improvements are made along U.S. 441 leading into the Cherokee business district, local government leaders are wisely planning for the growth that will follow. Cherokee Preservation Foundation support paid for a planning process that involved 66 area youth, as well as residents and business owners along the route. This is helping local people define what is special about their community. Participants also learned how various approaches to design and development will impact the corridor for the future. The result will be a plan for the 441 Corridor that reflects the concerns and interests of local Cherokee citizens.



Area youth concentrate on planning challenges along Hwy. 441.

MOUNTAIN LANDSCAPES INITIATIVE

In communities across the Qualla Boundary and the seven surrounding counties, land is being cleared and roads are being built for new development. Cherokee Preservation Foundation is a partner in funding the Mountain Landscapes Initiative, which is developing a toolkit for public officials and planners to use to guide future growth. The process will include mapping, videotaping, and interviews to involve local citizens in setting priorities for how our mountain communities grow.

Continued on page 5

CULTURAL PRESERVATION



FOCUS: YOUTH LEADERSHIP

Other Native American communities around the country have a long tradition of youth councils focused on building the spiritual, mental, physical and social development of young people. Cherokee Preservation Foundation in 2007 provided funding for the formation of the first Cherokee Youth Council here on the Qualla Boundary.

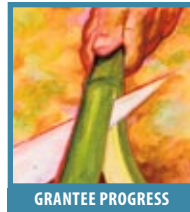
PROJECT STATUS: The Cherokee Youth Council gathers every other week at the Cherokee Teen Center. Four trained youth facilitators work with a group of a dozen regular attendees to plan a combination of fun activities and community service. Here is a list of what they've been up to over the past year:

- ◆ Attended UNITY Conference (United National Indian Tribal Youth) in Oklahoma City, Oklahoma. This conference attracts hundreds of young Native Americans who are involved in their communities. Four local youth attended the 2007 conference; a larger group plans to go to the 2008 conference. Local youth participated in workshops and got to practice their public speaking skills. The benefit, attendees said, is seeing what's been successful elsewhere – both in terms of individual people and their organizations.



The Cherokee Youth Council has made a multi-year commitment to pick up litter along a two-mile stretch of Acquoni Road.

- ◆ Adopted a two-mile stretch of highway on Acquoni Road, committing to regular clean-ups over the coming four years.
- ◆ Hosted the Spring Fling event in June; the Haunted House and the Reservation Sensation Basketball Tournament in October.
- ◆ Launched the Go Green Team environmental sustainability youth initiative. (See details under Environment section.)
- ◆ Held a Community Forum, which generated information that was submitted to the Southern Growth Policies Board. A key outcome of this, according to the participants, was they learned that although the problems youth face in Cherokee, Sylva and Bryson City may differ, they are all striving for the same things: new economic development opportunities, positive leadership, and addressing the drug problem that exists in all three communities.



FOCUS: NEW SCHOOL

\$940,000 invested by CPFdn in Curriculum and Technology

Cherokee Preservation Foundation initiated discussions in 2003 about the need for a new, culturally rich curriculum for kindergarten through 12th grade that would enhance academics and help preserve native traditions. Now, as the expansive new school campus rises at the foot of surrounding hills, a process is underway to infuse the required N.C. Standard Course of Study with Cherokee cultural themes and techniques that will make learning more meaningful for local students.

PROJECT STATUS: A review is being done of what has been taught in the past and current teachers are being asked what they want to see included for the future — so that they have involvement and ownership of the courses they will be teaching. Specially tailored workshops will be provided for teachers throughout the coming year on instruction and use of technology.

Here are some highlights of the new school curriculum:

- ◆ Focus will be on basic skills, with reading and writing across the curriculum as a central discipline.
- ◆ Project based learning will be emphasized with the goal of teaching problem solving and critical thinking skills; a single project may incorporate writing, math, science and humanities learning, for example.
- ◆ Technology will be a key learning tool at the new school, and hundreds of desktop computers and related equipment are being purchased for use by students and teachers.
- ◆ Emphasis on health and wellness (e.g., to help prevent diabetes), financial literacy (entrepreneurship, investments, and money management), and fine and performing arts in the Cherokee tradition.
- ◆ All teachers will be required to have a certificate in Cherokee cultural competency; this training will be provided by the Museum of the Cherokee Indian.
- ◆ Families will be provided with a curriculum guide to help them understand the content and approach of the courses.

In addition, the school campus will provide for Cherokee students who have been spread around the region to be united at a single location.

While the Foundation's funding has focused on curriculum and technology, the EBCI has made a nearly \$1 million investment in the new school facility and creation of two new Curriculum Coordinator positions to help design and implement the new educational program. Throughout the school design, Cherokee heritage and the land will be a focus, including native plantings and "green" certified building construction.

The long-term goal of the new school project is to prepare Cherokee's future generations to go on to college or training, and to be skilled and thoughtful contributors to the local community.



FOCUS: CHEROKEE LANGUAGE

\$1.2 million invested by CPFdn

PROJECT STATUS: Revitalizing the Cherokee language is a high priority since each time a native elder speaker passes away, the continuation of the language is threatened. A benchmark survey conducted in 2005 showed that the number of fluent speakers has been declining annually. But in recent years, Cherokee Preservation Foundation has been funding several different and equally important approaches to reverse the trend and preserve this traditional form of communication.

- ◆ Beginning with the youngest learners, total immersion classrooms have now served 27 students aged 12 to 36 months as well as their parents, who learn along with them. This program was originally funded by the Cherokee Preservation Foundation, but is now operated by the EBCI.
- ◆ A K-5 Immersion Academy — Kituwah Institute of Culture and Language — is set to open in fall 2008 as a satellite program of the Cherokee Central Schools system.
- ◆ Western Carolina University is creating a program to train future certified public school teachers of Cherokee language. Developing new teachers of Cherokee language as well as curriculum materials will be key to whether or not the revitalization program is successful.
- ◆ Community language programs are offered on the Qualla Boundary to adults (through evening classes) and children (through after school and summer camp programs). One of the most successful of these efforts is taking place in the beautiful and remote area of Little Snowbird, which is described below.

COMMUNITY LANGUAGE CLASSES IN SNOWBIRD

Shirley Oswalt grew up in Snowbird speaking Cherokee in her family, and today she gets great joy in teaching children and adults their native language. Oswalt began teaching four years ago but since summer 2007 has had funding from Cherokee Preservation Foundation (through a partnership with the Museum of the Cherokee Indian). She taught about 30 adults in recent beginners speaker classes and now has 15 students in advanced classes. Oswalt also has begun a syllabary course focused on reading and writing for eight adults.

The Cherokee language includes 85 distinct syllables, each of which has a different sound — like an alphabet. For the continuation of communication, people must not only be able to speak but read and write in Cherokee.

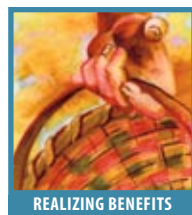
Oswalt particularly loves working with children, whom she said pick up the language quickly because they find creative ways to learn and



Shirley Oswalt with students

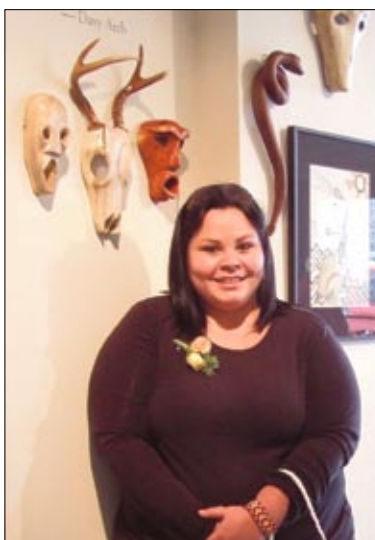
remember it. The children spend eight hours a day for six weeks in the summer camps, which include classroom learning as well as games and play for teaching. Oswalt often uses tips from the children's approaches with her adult students.

Progress with the language education is slow. Children in the summer camps have been given before and after tests to track their improvement (the tests were created by Western Carolina University for this purpose). Oswalt is committed to teaching adults along with children, she said, because while immersion with youngsters is quickest, "we have to save what we have" by involving adults.



FOCUS: STUDENT ARTISTS

Some have feared that the unique fine crafts of the Cherokee such as basket and mask making might disappear as native artisans are aging. But programs at Cherokee High School are producing skilled young artists whose work celebrates their culture and carries forward the special traditions of their elders.



Bead and basket artist Tashina Pheasant.

PROJECT STATUS:

More than 60 students contributed work to the recent *Shifting Winds* exhibit at the Grove Arcade ARTS and Heritage Gallery in Asheville (a project funded by Cherokee Preservation Foundation). The contents of the show included beadwork, wood carving, pottery, painting, drawing and basket weaving. Many of the pieces were traditional and stem from techniques passed down by previous generations. Others used tradition as a starting point for new approaches. Several of the potters included in the exhibition created iconic Cherokee pots such as wedding vases, effigy pots and water jugs. One student's possum effigy pot referred to the Cherokee story of how the vain possum lost the hair on his tail. This remarkable collection of student work shows that the Cherokee artisan tradition is alive and well and being shared in a way that honors longtime native traditions.



For more information about Cherokee Preservation Foundation, visit us on the Web at www.cpdfn.org, or call (828) 497-5550. The Foundation is located at 71 John Crowe Hill Road, P.O. Box 504, Cherokee, NC 28719.

BEING A GOOD NEIGHBOR IN THE SEVEN-COUNTY REGION

WNC EdNet — Cherokee Preservation Foundation has supported construction of a dedicated broadband connection that will link 60 educational sites — primarily public schools, colleges, and administrative offices — around seven counties of western North Carolina and the Qualla Boundary. Now, more than 90 percent of the construction is complete and the sites are working on getting their systems activated.

The purpose of the massive fiber installation and computer equipment purchase is to help rural schools and students have access to technology in the same way that more urban schools do. The WNC EdNet effort will level the playing field so that there can be enhanced learning rates and quality



The WNC EdNet is providing ultra-high speed broadband access to schools in the region so their students have the same type of access to technology that more urban schools have.

in rural schools and western North Carolina kids can compete in our global society, according to planners. The new system will also save local schools money because they will share a single, low-cost internet provider.

While the broadband pipe is now laid to the Cherokee new school site and all the others in our surrounding seven-county region, there is much work to be done before schools realize these benefits. More than 2,000 area educators convened in October 2007 for the Instructional Technology Awareness Conference at Western Carolina University. They discussed a variety of applications for computer usage in their schools — and how to best weave the new technology into their teaching curricula.