

2020 MCN ANNUAL REPORT



MINNESOTA
COUNCIL OF
NONPROFITS

Dear friends and supporters,

For many, 2020 was a year that could not end fast enough, and yet a critical year to reflect back on — as a community, sector, and organization. At the Minnesota Council of Nonprofits (MCN), our year began in January with a sense of optimism and an organizational commitment towards racial equity, never fully recognizing how critical that commitment was in a year where disparities for communities of color continued to significantly widen due to broken existing systems.

It was also a year that bound us together, and drove us apart. We saw divisions across political, geographic, socio-economic, and racial/ethnic lines AND we saw the power of solidarity between communities that relied on each other's voices and power towards shared liberation. Within the chaos, heartbreak, and suffering, nonprofits rose to meet the exponential demand from communities in need, and philanthropy opened a clearer path towards community-centered partnership. This annual report is dedicated to the nonprofits who could not have imagined the shifts they needed to make, and yet did it anyway for the common good. We see you and extend our huge gratitude to you all.

As global attention turned their eyes to Minneapolis after the murder of George Floyd at the hands of those sworn to protect us, we saw an increased commitment by organizations towards racial equity and justice – and subsequent frustrations in understanding HOW to get there. We saw organizations with trusted relationships with communities mobilize to ensure all Minnesotans were counted in the census AND that their voices counted in a highly contentious election. Public policy work was brutal and never-ending, and yet we also saw an opportunity for the “people’s house” to be more accessible to folks throughout the state with a quick adaptation of technological tools, and we saw the challenges of broadband access for rural communities.

In the midst of it all, MCN responded as best as we could to support high-level needs of our sector, including:

- pivoting into a virtual world, more than doubling our free events and expanding virtual offerings to connect our nonprofit leaders to elected officials, experts, and to each other;
- becoming experts in unemployment insurance for reimbursing employers, and suddenly focusing on federal legislation more than ever before;
- committing to supporting our staff fully, utilizing two Paycheck Protection Program loans to ensure none of our staff were furloughed or laid off, and partnering with our allies to quickly bring resources and information so that other nonprofits can do the same;
- building a COVID-19 resource page for nonprofits, robust with incredible resources shared by nonprofit partners and with the quickly changing circumstances of the moment;
- keeping nonprofits, funders, government agencies, and media informed through responsive surveying of the sector and four special COVID-19 economy reports, which showcased Minnesota nonprofits actively managing complex operations and finances in constant adaptation and epic uncertainty; and
- informing grantseekers of new funding that became available in response to the double public health crisis via a free special COVID-19 edition of our trusted *Minnesota Grants Directory*.

Lastly, but certainly not the least, in December of 2020, MCN announced that we would be commencing a search for a successor to the organization's founding executive director, Jon Pratt, who would be transitioning into retirement in 2021. A nationally respected nonprofit leader, Pratt served as MCN's executive director since 1987, when the organization was founded to meet the increasing information needs of nonprofits and to convene nonprofits to address issues facing the sector. In the three-plus decades since, MCN has become the largest nonprofit state association in the U.S., with 2,300 members, hosted over 2,000 education and networking offerings statewide; launched an association health plan for nonprofit employers; created one of the nation's largest nonprofit-specific job boards; opened six regional offices in Greater Minnesota, and advocated on behalf of nonprofits and a more equitable state through key state and federal policy issues.

All told, 2020 was a year of constant change, myriad challenges, and endless opportunities for our sector and the communities we all serve to explore new ways to come together to solve problems and work towards a brighter future for all Minnesotans. The work is never done, and MCN's role in moving that work forward continues to evolve. We look forward to remaining a trusted ally and advocate for nonprofits from Luverne to Grand Marais, North Minneapolis to the White Earth Reservation, and every vibrant community around and in between.

— MCN Staff and Board of Directors

By the numbers:

2,613
nonprofit members

with focus areas including housing, arts, poverty alleviation, mental health, education, environment, youth development, and much more.

332
associate members

providing valuable expertise, products, and services nonprofits need to advance their missions and serving as strong sector champions and partners.

31
individual members

representing jobseekers and students interested in connecting with the nonprofit sector as they seek to forge their paths in mission-driven work.

27%
Greater Minnesota members

Nonprofits outside of the 7-county metro area represented more than one-quarter of our MCN's total nonprofit membership network.

MEMBERSHIP

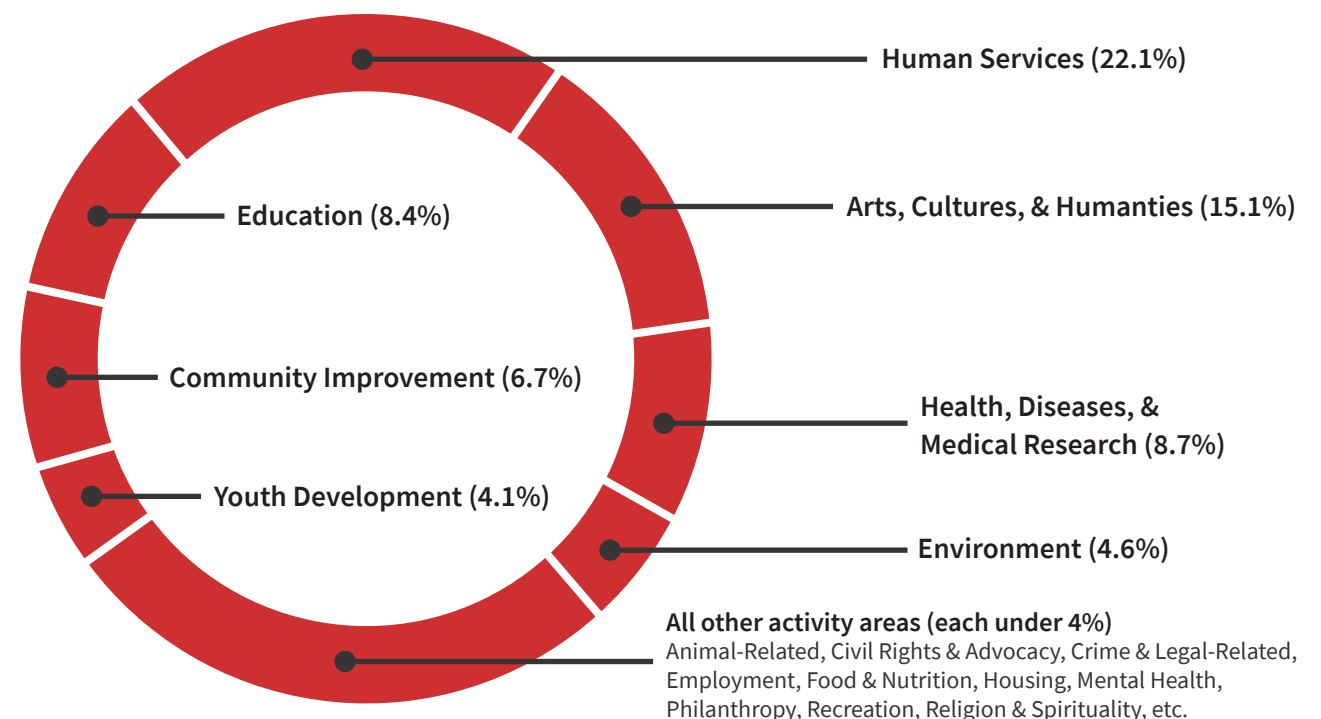
The Minnesota Council of Nonprofits is the largest statewide association of nonprofits in the country. With over 2,200 member nonprofit organizations and 240 businesses as members at any given time throughout Minnesota in 2020, the association is the premier place for nonprofit managers, volunteers, and businesses serving nonprofits to come together under the umbrella of a statewide association of nonprofits.

With the onset of the COVID-19 pandemic, MCN members, more than ever, took advantage of available resources and benefits designed to address the unique and evolving needs of nonprofits in challenging times, including:



MEMBER ACTIVITY AREAS

MCN membership not only represents diversity in terms of organization size, geographic location, and communities served, but also diversity of core activity and service:



PROGRAMS

Through workshops, networking events, conferences, and virtual trainings designed around the topics and trends most important to nonprofits, MCN brings people together from across the state and support our strong, vibrant sector.

Despite a world turned inside out, 6,800 people found relevance in MCN's workshops, conferences, and networking events throughout 2020. By April, like many, MCN had swiftly moved to an all-virtual delivery model, with 71 percent of our 2020 events hosted virtually compared to 15 percent in 2019. Fundraising, leadership, and governance represented the most highly engaged content areas, comprising 50 percent of event registration. Additionally, a steady rise in participation in learning opportunities centered around equity and justice also took place, and we witnessed increased participation by our Greater Minnesota members by virtue of our collective virtual existence.

Access to public officials was paramount as nonprofits moved through the economic and programmatic pains of both the pandemic and racial justice uprising to receive information and raise awareness around the sector's specific needs with lawmakers and those with decision-making power across the state. In response, MCN, in partnership with peer organizations, coordinated 13 free informational sessions that included five calls with Governor Tim Walz and Lieutenant Governor Peggy Flanagan, a listening session with MN DEED Commissioner Steve Grove, a conversation with Senator Tina Smith, and a town hall with Neil Kashkari, president of the Minnesota Federal Reserve Bank.

Demonstrating further responsiveness to changing demographics and the new learning environment experienced by our nonprofit community as a result of the pandemic and the racial unrest following the murder of George Floyd by police, MCN expanded its network of trainers and subject experts, grew community trust by introducing stipends for 2020 MCN Annual Conference presenters, and introduced free Bite-Sized Learning sessions to explore timely trends and topics in one-hour, easily digestible virtual gatherings.



Dr. Bradley Wolfe, MCN's Southwest Minnesota regional coordinator, addresses attendees at the 2020 Greater Minnesota Nonprofit Summit in Marshall, MN. The Summit represented one of MCN's last in-person events prior to the onset of the COVID-19 pandemic.

By the numbers:

80

workshops and series

on both evergreen and trend-centric topics such as grantwriting, supervision, communications, evaluation, human resources, diversity and equity, advocacy, and more.

1,523

conference attendees

at the Finance & Sustainability Conference; Greater Minnesota Nonprofit Summit: ACTcon: Fundraising, Communications, & Technology Conference; and MCN Annual Conference.

112

free informational and networking events

including virtual calls with elected officials, member benefit partner presentations, COVID-19 specific webinars, and more.

574

Greater MN attendees

for free in-person and virtual regional networking convenings and new Bite-Sized Learning events.

\$21,121

in scholarships

to 127 nonprofit employees, students, and jobseekers for in-person and virtual events.

RESEARCH

For decades nonprofit organizations in Minnesota have been a steady source of economic growth in every region of the state and played an important role in Minnesota's communities providing vital services, employing local residents, and improving the quality of life.

By mid-March 2020, it became evident that COVID-19 would bring significant operational and financial disruptions to Minnesota's nonprofit sector and the communities it serves. In response, MCN engaged nonprofits and philanthropy in Minnesota to produce and regularly update two survey-based research publications:

Minnesota Nonprofit Economy Report - COVID-19 Impact Updates

Beginning in the spring of 2020, MCN launched a *Minnesota Nonprofit Economy Report - COVID-19 Impact Update* series to provide a broader context for organizations to put their individual situation in perspective for decision-making and communications with their boards of directors, supporters, and staff. MCN shared this information with nonprofits, policymakers, funders, media, and the general public to help them understand how the current environment has affected the nonprofit sector and actions these organizations have taken.



Starting in March 2020, MCN conducted three surveys and issued three follow-up reports summarizing key trends, impacts, and outlook. All reports are available online.

- [May 2020](#)
- [July 2020](#)
- [December 2020](#)

Five key themes emerged over the course of the report series:

1. **Epic Uncertainty:** The sheer volume and breadth of missing information forced nonprofit managers and governing boards into unfamiliar territories of crisis decision-making, taking significant decisions based on inadequate time, data or community input. While not a cure to uncertainty, openness about what information is available, and increased board interaction, staff consultation and appropriate community engagement were essential.
2. **Financial Crisis:** Depending on the organization, a wide range of financial adjustments were implemented across the sector, including the Paycheck Protection Program loans, use of reserves, disaster grants, layoffs, rent abatements, and more.

3. **Racial Inequity:** Minnesota's historic disparities between white and Black people, Indigenous people, and people of color (BIPOC) residents in income, wealth, educational achievement and law enforcement carry over to many aspects of the nonprofit sector, including organizational assets, real property ownership, revenue sources and government contracts. Addressing gaps in leadership resources and working capital continue to be essential in the recovery of communities most disproportionately affected by lost income, employment and housing stability.
4. **Altered Nonprofit Role:** Within each activity area — arts, human services, health, community service, youth development — organizations assessed how changed circumstances can put forward field specific responses and adaptation. Organizations that set out to change the world found themselves confronting a less stable world with unclear shifts in community needs and available resources.
5. **Health of the Nonprofit Workforce:** Overall employment uncertainty, work from home orders, school age children of employees kept home, risks of COVID-19 infection for front line workers, and COVID-19 infections (and, in some cases, deaths) among the nonprofit workforce and their friends and family contributed to significant workforce stress and morale issues.

Minnesota Grants Directory - COVID-19 Edition

As nonprofits began facing an era where the impacts of COVID-19 will likely result in increased demands on their organizations, operational challenges, and funding disruptions, grantseeking has become even more vital. Unlike other sources of revenue for nonprofits, grant funding can be more nimble, flexible, and quick in times of crises.

MCN's Advancement and Member Services teams have been compiling information on responsive grant opportunities as they become available, both within Minnesota and nationally. Each version of the directory provided an evolving list of funding opportunities.

- Date of version 1: March 23, 2020
- Date of version 2: March 31, 2020
- Date of version 3: April 10, 2020
- Date of version 4: April 22, 2020
- [Date of version 5: May 20, 2020](#)



PUBLIC POLICY

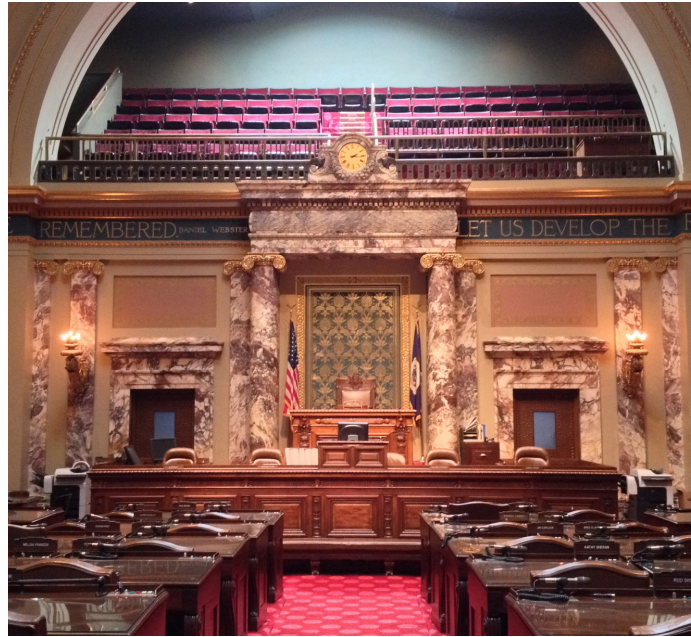
In a year marked with epic uncertainty, MCN's policy teams and allies were hyper-responsive to the myriad challenges posed by the arrival of the COVID-19 pandemic. We pivoted to new priorities, including a significant increase in our federal presence. We heard from our members and partners that nonprofits, especially direct-service nonprofits, were answering the call to step up even more for their communities, even while dealing with wildly unpredictable funding landscapes. We advocated at both the state and federal levels that nonprofits be included in economic relief, and saw the fruits of that labor in nonprofit eligibility for forgivable Paycheck Protection Program loans in the CARES Act.

Of particular concern in 2020 was the the volume and array of seemingly unanswerable questions facing nonprofits and our communities. MCN supported nonprofits by hosting calls with the Office of the Governor and Lt. Governor, state agency commissioners, and members of Congress, so that we could all hear firsthand the latest information and have opportunities to ask questions.

MCN's policy team became nationally-recognized experts on reimbursing employers, which includes about half of all nonprofits in Minnesota. As a result of this advocacy, these employers were not charged for the additional 13 weeks of benefits that the legislature passed, with conservative estimates showing collective savings of approximately \$25 million.

With thanks to MCN's nonprofit members for flagging this issue for us, the organization worked with U.S. Senator Tina Smith's office and the National Council of Nonprofits to provide resources to nonprofits nationwide that were impacted by an IRS glitch that resulted in over 30,000 nonprofits having their tax-exempt status erroneously revoked.

MCN was grateful to partner with and provide grants to 41 organizations across Minnesota for census mobilization, with a focus on culturally-specific organizations. These organizations did incredible work to ensure their diverse communities were counted in the 2020 Census. Minnesota held onto



its eighth congressional seat by a mere 26 people, showing clearly that the work of each one of these organizations was critical. After the 2020 Census MCN's focus switched gears from Census to redistricting, becoming an active member of Our Maps MN coalition and sharing important redistricting information with nonprofits.

Continuing our commitment to strengthening democracy, MCN distributed grants to six organizations for voter engagement within their respective communities. Because of COVID-19, these organizations found creative ways to get out the vote, including virtual concerns, visual campaigns created by local artists, and videos for multiple platforms.

Lastly, after a regular session and five special sessions, the Minnesota Legislature passed a bonding bill that included two provisions to advance racial equity through infrastructure projects, both of which MCN and the Racial Equity & Joy coalition advocated for. First, the bill included \$30 million to culturally-specific nonprofits for capital investment projects, using a process much easier than the usual bonding process, and second, the bill added a requirement that state bonding projects be subject to the same gender and racial hiring goals as other state projects.

Minnesota Budget Project

A nonpartisan initiative of MCN, the Minnesota Budget Project advances budget, tax, and economic public policies to expand Minnesota's prosperity to all Minnesotans. In 2020, the Minnesota Budget Project focused its energy on a wide array of responsive priorities, including:

- **Together We Rise Minnesota:** In the fall, MCN and the Minnesota Budget Project launched a public policy campaign to advocate for raising the revenues Minnesota needs to ensure we all can find our way through the health and economic challenges caused by COVID, address disparities and areas of disinvestment exacerbated by the pandemic, and build a more equitable recovery. Over 100 organizations have signed onto the campaign's principles, and many have participated in advocacy and educational events and activities.
- **Equity-centered COVID response:** When the pandemic hit, the Minnesota Budget Project joined thousands of other nonprofit organizations in shifting its focus to the public health crisis and related economic disruption. Over the next 10 months, the team produced analysis on the impact of the pandemic and advocated for bold state and federal policy action centered on lower-income and BIPOC Minnesotans – those who were most impacted by pandemic. As a result of policies supported by the Minnesota Budget Project and its allies, hundreds of thousands of Minnesotans could benefit from policy changes to allow them to continue to access essential services during the pandemic, millions of dollars was invested to keep Minnesota's child care system available to working parents, and access to affordable health care was protected.
- **Racial Equity Budget Bites:** In collaboration with Voices for Racial Justice, the Minnesota Budget Project created a learning cohort focused on responding to Minnesota BIPOC and racial justice advocates' learning priorities about the state's budget and tax decision-making processes.

FUNDERS, SPONSORS, & PARTNERS

Operating and Program Funders

Ameriprise Foundation
Hugh J. Andersen Foundation
Blandin Foundation
Bush Foundation
Patrick and Aimee Butler Family Foundation
Cargill Foundation
Center on Budget and Policy Priorities
Enterprise Holdings Foundation
Ford Foundation
Greater Twin Cities United Way
Mayo Clinic Community Contributions Program
McKnight Foundation
Nordson Corporate Foundation
Otto Bremer Trust
Park Foundation
Rochester Area Foundation
Saint Paul & Minnesota Foundation
Richard M. Schulze Family Foundation
Bernard and Anne Spitzer Charitable Trust
Stoneman Family Foundations
Target Foundation
West Central Initiative

Program Partners

Alliance of Arizona Nonprofits
Association of Fundraising Professionals -
Minnesota Chapter
California Association of Nonprofits
Center for Disaster Philanthropy
Center for Nonprofit Advancement
CliftonLarsonAllen
Common Good Vermont
Corporation for National and Community Service -
Minnesota Office
Delaware Alliance for Nonprofit Advancement
Grant Professionals Association, National and
Northstar Chapter
GreatNonprofits
Idaho Nonprofit Center
International Association of Business Communicators -
Minnesota Chapter
Kentucky Nonprofit Network
Larned A. Waterman Iowa Nonprofit Resource Center
LegalCORPS
Maine Association of Nonprofits
Maryland Nonprofits
Minnesota Council on Foundations
Minnesota Department of Employment and
Economic Development
National Council of Nonprofits
Network for Strong Communities
New Mexico Thrives
Nonprofit Association of the Midlands
North Dakota Association of Nonprofit Organizations
Oklahoma Center For Nonprofits
Propel Nonprofits
Southwest Initiative Foundation
Springboard for the Arts
Sunrise Banks
Washington Nonprofits
West Central Initiative

Sponsors

Bremer Bank
Bush Foundation
CliftonLarsonAllen
Comcast Business
Gallagher
Hamline University
Humphrey School of Public Affairs
Mahoney Ulbrich Christiansen & Russ P.A.
Mutual of America
NTH, Inc.
Southwest Initiative Foundation
St. Catherine University
University of St. Thomas Executive Education
Who Leads in Minnesota? (Wilder Research)
Xcel Energy

FINANCES

Paycheck Protection Program Loan

In April 3, 2020, MCN applied for a Paycheck Protection Program (PPP) loan of \$356,300. The loan was approved and received on April 8, 2020 and was subsequently forgiven in 2021.

	2020	2019
assets	\$3,015,481	\$2,706,913
liabilities	\$290,915	\$348,558
net assets	\$2,724,566	\$2,358,355

income	2020	2019
grants	\$2,010,469	\$1,457,609
member dues	\$970,422	\$937,750
events	\$683,656	\$788,604
other	\$196,901	\$300,417
total income	\$3,861,448	\$3,484,380

expenses	2020	2019
program	\$2,578,496	\$3,063,703
support	\$755,309	\$665,357
fundraising	\$161,432	158,393
total expenses	\$3,495,237	\$3,887,453

STAFF & BOARD

Staff

Kari Aanestad	Director of Advancement
Terri Allred	Southeast Regional and Greater Minnesota Manager
Mark Buenaflor	Operations and Database Manager
Jesse Chang	VISTA Program Manager
Michelle Chang	Policy and Equity Coordinator
Amber Davis	Nonprofit Services Assistant
Laura Dunford	Communications Manager
Marie Ellis	Public Policy Director
Grace Fogland	Development & Communications Assistant
Courtney Gerber	Program Director
Yohannes Ghebru	Finance Manager
Clark Goldenrod	Minnesota Budget Project Deputy Director
Betsy Hammer	Policy Advocate
Kelly LaCore	Northeast Regional Coordinator
Nan Madden	Minnesota Budget Project Director
Meghan Marriott	Minnesota Budget Project Engagement Manager
Kat McCaffery	Program Coordinator
Shannon McCarville	Program Manager
Ileana Mejia	Public Policy Advocate
Laura Mortenson	Minnesota Budget Project Communications Director
Joe Pederson	West Central Regional Coordinator
Jon Pratt	Executive Director
Sondra Reis	Director of E-Learning
Nonoko Sato	Associate Director
Margie Siegel	Association Health Plan Team Lead
Wooseok Song	Human Resources Manager
Warsame Warsame	Central Regional Coordinator
Charlene Williams	Membership and Database Assistant
Bradley Wolfe	South Central Regional Coordinator
John Wurm	Membership and Communications Director

Board of Directors

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Thomas Adams, PhD, Vice-Chair	Better Futures Minnesota
Cameron Kruger, Vice-Chair	Duluth Children's Museum
Antonio Cardona, Secretary	Pillsbury United Communities
Beth Schoeppler, Treasurer	The Loft Literary Center
Eunice Adjei	Create CommUNITY
Joel Anastasio	Headwaters Regional Development Commission
Milpha Blamo	The Minneapolis Foundation
Theresa Gardella	Nexus Community Partners
Karen Koeder	CREST
Mary LaGarde	Minneapolis American Indian Center
Molly Matheson Gruen	Bush Foundation
Leondra Mitchell	Minnesota Women's Consortium
Enrique Olivarez	CLUES
Joanna Ramirez Barrett	Bush Leadership Fellow
Susan Schmidt	The Trust for Public Land
Lori Schwartz	Lakes and Prairies Community Action Partnership, Inc.
Brian Voerding	Engage Winona

2020 VISTA Cohort

Through support from the Corporation for National and Community Service, these 16 VISTA members managed communications and outreach, developed programs, recruited volunteers, and gained nonprofit leadership skills while serving in community-based nonprofits.

Rahmo Abdilahi, Yes Network
Molly Bane, Isuroon
Melissa Bosc, CAIR-MN
Joe Campbell, Sewa-AIFW
Annie Harriman, Vietnamese Social Services
Mahima Gupta, International Institute of Minnesota
Belle Huberty, Exodus Lending
Megan Hussey, WomenVenture
Amanda James, Promise Neighborhood of Central Minnesota
Niara Keyes, Power of People Leadership Institute
Sophia Munic, NeDA
Janet Nguyen, Minnesota Council of Nonprofits
Oyinlola Oppong, Jugaad Leadership Program
Any Ptacek, Northside Residence Redevelopment Council
Patrick Tschida (VISTA leader), Minnesota Council of Nonprofits
Mary Yeboah, All Square

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