

MINNESOTA COUNCIL OF NONPROFITS

Nonprofit News

Information and connections for Minnesota's nonprofit sector

Fall 2016

The mission of the **Minnesota Council of Nonprofits** is to inform, promote, connect and strengthen individual nonprofits and the nonprofit sector.



Welcome to This Year's AmeriCorps VISTA Cohort..... 4



The Connection Between Health Insurance and Income 4



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Nonprofit Bits

New Overtime Rules Go Into Effect December 1!

The new Fair Labor Standards Act rules go into effect on December 1. Are you ready? As a reminder, the new amount under which all eligible employees, regardless of duties, must be paid overtime if they work over 40 hours per week is \$47,476. Start preparing to make sure your organization will be in compliance! Visit minnesotanonprofits.org for resources, webinars, and more information on the new standards. Be sure to reach out if you have further questions.

Minnesota Supreme Court Rules on Right of Way Tax

Over twenty cities, including Duluth, Mankato and St. Cloud have street maintenance or lighting fees on the books. Annually, legislative proposals are introduced to allow for additional property-based fees and charges through the creation of street improvement districts. MCN opposed these city ordinances and legislative efforts and began to explore litigation as a way to curb the spread of municipal street fees.

MCN had been tracking a case that was working its way through the courts. Last fall, the First Baptist Church of St. Paul

and the Church of St. Mary lost a decision at the Minnesota Court of Appeals against the City of St. Paul. MCN got involved in the case, urging the Minnesota Supreme Court to hear the appeal and allow MCN to participate as an amicus (friend of the court) party.

In this case, the churches objected to St. Paul's Right of Way (ROW) assessment. The ROW assessment covers services including snow plowing and boulevard tree trimming, among others that broadly benefit the public. First Baptist was charged over \$15,000 and St. Mary's

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MCN Welcomes jay bad heart bull

The Minnesota Council of Nonprofits recently welcomed jay bad heart bull as the organization's new associate director. With a wealth of experience in volunteering, community engagement and organizational management, jay brings a broad skill set to his new role with MCN.

What is your earliest memory of volunteering?

When I was young, my mother would take me to the main road leading into town on the reservation, and we would walk for what seemed like miles alongside the road and pick up trash. I never understood why we did this, but in hindsight it was because she was proud of where she came from and wanted to impart that in me. The lesson I learned was that we all have a responsibility to

make things better, in any way possible.

What led you to start working in the nonprofit sector?

I started my career as a youth worker serving my people and community. I believe that where the magic lies to improve lives is within this sector.



If I could start a million dollar nonprofit, its mission would be...

To leverage the first million into a few more, make things better, and work toward an expiration date all while helping to build a sustainable, local economy.

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Addressing Racial, Economic and Geographic Inequities and Welcoming New Leaders

By Jon Pratt, MCN executive director

At the beginning of this year, the MCN Board of Directors created a Working Group on Inclusion, Engagement and Accessibility to identify ways MCN can be a resource to address racial, economic and geographic inequities in our communities (adopted as an MCN strategic priority in 2014). The group, chaired by Rodolfo Gutierrez of HACER, brought together board members, MCN staff and community representatives to explore barriers to progress in this area, set goals and adopt a practical vision.

These are not new issues for Minnesota's nonprofit sector, but through a combination of events and effective advocacy they have moved to the top of the public agenda, including for MCN. MCN's convening and public policy agenda have frequently addressed these issues—now they will address a more comprehensive set of actions in four ways:



1. Shift MCN's Staff, Board and Resources to Achieve Greater Equity
 - a. Shift internal organization culture and practices towards equity
 - b. Reevaluate use of resources, reorganize how we use our resources toward Equity
2. Engage with Community in Conversation, Actions, and Commitment around Equity
 - a. Seek active, ongoing consultation with underrepresented stakeholders
 - b. Communicate commitment and Intent around equity
 - c. Host conversations to build trust, action, understanding and bridges
3. Identify and Create Tools, Programs, and Nonprofit Examples to Promote Increased Equity and Accessibility
 - a. Make equity tools and stories available to member organizations
 - b. Create accessible and inclusive capacity-building programs and learning experiences
4. Influence the Equitable Distribution of Jobs, Resources, & Connections
 - a. Research and promote increased equitable access to government and philanthropic resources
 - b. Build a more accessible nonprofit leadership pipeline

Inclusion/Engagement/Accessibility is no small task (for the nonprofit sector or for American society), and we know there will be trials along the way, but nevertheless look forward to continuing an active exchange of ideas and reporting on the results of our work towards greater equity.

MCN Welcomes New Leaders to its Board of Directors for 2017

MCN decision making benefits from leaders representing the breadth and depth of the nonprofit sector contributing their experience and perspective. Thank you to all the MCN members who voted in the board election—three new members have been elected by the MCN membership to the MCN Board:

- Eunice Adjei, Administrator, Create CommUNITY, St. Cloud
- Antonio Cardona, Director, Urban Institute for Service and Learning, Pillsbury United Communities, Minneapolis
- Molly Matheson Gruen, Community Innovation Director, Bush Foundation, St. Paul

These three leaders were elected to three-year terms beginning in January 2017, and will join three at-large board members appointed at the October MCN board meeting for three-year terms:

- Cameron Bloom-Krueger, President/CEO, Duluth Children's Museum
- Amel Gorani, Director of Center for Community and Civic Engagement, Carleton College (Southeast)
- Kenza Hadj-Moussa, Communications and Development Director, Minnesota Coalition for the Homeless

MCN Amicus Brief on Taxes Vs. Fees Issue Defends Constitution

Continued from page 1

over \$8,000 for their ROW assessments. The churches argued that the ROW assessment is a tax and therefore improper as levied against constitutionally property tax-exempt properties. They also contested that the value of the properties were not increased by the amount of the assessment—the analysis used to determine special benefit for special assessments.

In its amicus curiae (friend of the court) brief, MCN argued that the ROW is a tax that evades the constitution and the state's policy for determining property tax-exemption. Additionally, MCN made the case that Minnesota nonprofits provide charitable services for the common good that lessen the burdens of government and are strong partners with local government in the delivery of critical goods and services.

The Minnesota constitution exempts public charities from taxation for good reason. Charities, alongside local government, provide public benefit.

Over the years, millions of dollars and charitable assets have been diverted from charities to pay for St. Paul's ROW assessment, which means millions of dollars were not used to provide food, shelter, clothing, education or support to those that need it most.

The Center for the American Experiment also submitted an amicus curiae brief in support of the churches. The Center argued funding public purposes through taxation helps make city budgets more transparent and, therefore, more accountable to citizens.

Ultimately, the issue before the court was: is the ROW assessment a tax or a fee? The Minnesota Supreme Court concluded that "City's power to collect the ROW assessment derives from its power to tax rather than from its police power." As such, the ROW assessment is subject to the constitutional restrictions. While the court did not lay out a bright line test for when an ordinance is a fee or tax, it did lay out some clarify-

ing factors to consider.

St. Paul has not indicated plans to make any changes to the ROW program at the time of this writing. However, the city of Duluth has taken a step in the right direction. *The Duluth News Tribune* reported that Mayor Emily Larson referred to the decision as "unambiguous" and as a result plans to "reconsider the use of fees to fund street improvements and maintenance."

Nonprofits can help move action in their cities. If your city has a similar ordinance in place, connect with your city to ask about their plans as a result of this decision, learn about the ways your organization can object to local assessments (watch out for tight timelines and a fast process), share your ideas with MCN and keep us in the loop.

Stay tuned for more action on this front and requests for your help!

Getting to Know New MCN Associate Director Jay Bad Heart Bull

Continued from page 1

What do you see as the biggest benefit of having three sectors (government, nonprofit and business)?

In an ideal world? Balance. All three sectors have a responsibility to make our communities a better and just place to live with their unique access to capital that the other sectors can tap into.

The biggest risk I see for nonprofits is...

complacency, playing it safe, and changing for dollars. Nothing was meant to last forever, so how can we support the bold ideas that grow our edges and help us explore the unknown and unmapped world where true innovation hides.

Ideally, nonprofits would achieve their mission and not have to exist, giving way to new organizations that take the baton and run towards a shared vision that fixes and makes things better.

In my lifetime, I'd love to see nonprofits achieve...

their missions and gain the capital (land, labor, production) necessary to move the needle in their respective communities. I'd also love to see nonprofits in America lead and influence family leave, personal/intercultural development and overall benefit administration.

Top-down or bottom-up leadership?

A balance. Experience at both levels makes you appreciate the challenges and opportunities each afford. When you've climbed the bottom rungs of the leadership ladder, you appreciate every job it takes to value the view from the top.

Nonprofits that should get more recognition are...

The Twin Cities Media Alliance. I see you Adaobi. I'm excited about Dameun Strange being selected as the new executive director of the Northeast Minneapolis Arts Association and the strong work being done by both the Minnesota Indian Women's Resource Center and City of Lakes Community Land Trust.

Welcome our 2016-2017 AmeriCorps VISTA Cohort!

In August, MCN welcomed its new 2016-2017 AmeriCorps VISTA cohort. This is MCN's third year hosting the program which helps VISTA's in their professional development while serving in nonprofits to combat poverty.

Three months into their service we asked our VISTA's what motivated them to join our program. Here's some of what they had to say:

"Growing up in the Twin Cities, I have always had a strong desire to give back to the community that helped raise me. I saw the MCN VISTA program as an opportunity to contribute my time and

talents to the nonprofit sector in a sustainable way, while also helping make the Twin Cities a better place."

—Sam Nichols, Community Engagement Specialist, Cedar Riverside Neighborhood Revitalization Program

"I became a MCN Vista because this program equally values community engagement and community service. MCN Vista encourages me to build with my community."

—Marissa Kurtz, Volunteer Program Specialist, Casa de Esperanz

"The goal of 'making poverty history' can be daunting and abstract, but the

work I share with community-based organizations in making sure that community members have a say in how the light rail can help them lead healthier and better lives is very real and moving. It's our responsibility to make sure their voices change policies and light rail development throughout a long-term public works project."

—Jocelyn Leung, Community Engagement Program Associate, Nexus Community Partners

Check out the MCN VISTA website (www.mcnvista.org) for more VISTA responses! We wish our VISTA's all the best in their year of service!

Connecting the Dots Between Health Insurance and Income in Minnesota

As nonprofits, it's important for us to understand the overall economic well-being of our communities and how those indicators may be changing year over year.

Every September, the U.S. Census Bureau's American Community Survey and Current Population Survey offer a bird's eye view of Minnesota that can illuminate important stories about our state, allowing us to fine-tune how we may be meeting our missions and respond to the changing needs of our communities.

This year's data—which covers the 2015 calendar year—contains promising news about health care coverage and strong evidence that Minnesota's economy continued to recover from the Great Recession. The data also offers a reminder of how far Minnesota has to go to become a state where all communities share in the state's economic prosperity.

Some key findings:

- The number of Minnesotans without

	2015 Median Household Income	Poverty Rate
All Minnesotans	\$63,488	10.20%
White (Non-Hispanic) Minnesotans	\$66,979	7.30%
Black Minnesotans	\$30,306	32.40%
Asian Minnesotans	\$72,344	16.40%
American Indian Minnesotans	\$36,863	25.10%
Hispanic or Latino Minnesotans	\$43,380	20.80%

Source: American Community Survey.

health insurance has declined by 44 percent since 2013, the last year before the Affordable Care Act was fully implemented. Only 4.5 percent of Minnesotans lacked health insurance in 2015, compared to 5.9 percent in 2014 and 8.2 percent in 2013.

- The median Minnesota household income was about \$63,500 in 2015. Adjusted for inflation, that's roughly equal with the median earnings of a Minnesota household in 2007.
- Little changed regarding our state's racial economic disparities. Though the overall median income increased, changes in incomes for Minnesotans of color were too small to draw strong

conclusions about any improvement to (or worsening of) the racial income gap.

- The share of Minnesota families living below the Census-defined poverty line declined from 11.5 percent to 10.2 percent, but the poverty rate remained higher than the 9.5 percent poverty rate in 2007, right before the recession began.

The Census data are more than a bunch of numbers or articles of curiosity. They offer a chance to reflect on Minnesota's state of affairs and an opportunity to better understand our state as it continues to grow and change in response to the forces of history, the local and national economy and the decisions of policymakers near and far.

The Minnesota Budget Project analyzes and reports on these annual data, along with others, to arm you with the information you need to advance your vision for Minnesota. For more details on the economic part of the Census data picture, visit www.minnesotabudgetbites.org.

Reflections on Keeping the World Safe for Nonprofits

By Susie Brown, former MCN public policy director

As I close my chapter as MCN's public policy director, I recognize that each year has provided a unique lesson in public policy. One of my first roles was to host a candidate forum for the 2010 Governor's race. I quickly learned that **when you have the power to convene a large, diverse, statewide group, people of influence show up**. Since then we have held dozens of Coffees with Commissioners and Coffees with Congress—all intended to raise the voice of the nonprofit sector with decision-makers and introduce them to the important work happening in communities.

A few months later was the government shutdown of 2011. This represented a serious crisis for the sector as most government payments to nonprofits would cease. This helped me learn that **agility is a muscle that we must be willing to flex**, as MCN put aside the best-laid plans to address an urgent situation and support our members through truly uncharted territory.

In 2012, Minnesota was faced with two constitutional amendments, both of which MCN opposed. It quickly became obvious that MCN, and its members, needed to employ a new strategy—working on a ballot measure campaign. We launched the Our Vote Our Future campaign to fight, and ultimately defeat, the harmful voter restriction amendment. It was as clear that in public policy **we must be constantly learning and ready for new and unfamiliar strategies**.

In 2013, the nonprofit sector faced a significant threat to the charitable tax deduction. As the main voice of the nonprofit sector at the Capitol, the strength (and success!) of our defense was dependent on the power of partnership. In particular, the Greater Twin Cities United Way and the Minnesota Council on Foundations were key to this success. It was a great reminder of the value of long-term relationships and **the critical role of amplifying united voices**.

Lawmakers made an important change for the lowest income Minnesotans in 2014 by increasing the state minimum wage. MCN took this question seriously, seeking input from our members which are both employers and advocates for justice. We supported the minimum wage increase, despite the financial challenge that would be felt by some of our members, as it was a clear step toward economic progress for Minnesota. As we expected, this led to overwhelming member support and was a reminder that, in addition to serving the needs of individual members, **associations have the power of sector leadership, and must use it wisely**.

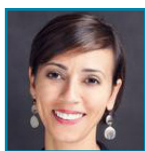
2015 brought a frank reminder of the limits of the policy making process. We advocated for an expansion of the sales tax exemption which would level the playing field for all 501(c)(3)s. With support and success through much of the process, we were disappointed when there was no tax bill in the final end-of-session negotiations, meaning we were back to the drawing board with our proposal. The hard reality of advocacy is that **change tends to take a long time, and there will be setbacks, but we should never give up**.

Now, it's 2016 and we are celebrating success in a recent lawsuit challenging municipal street fees (you can read more about that on page 1-3). While we were cautiously optimistic, we weren't certain how the court would rule—this was clearly a risky approach. Thank goodness, our assessment was correct, and the court ruled for the nonprofits. **Working in public policy is about constantly navigating the potential risks and benefits of various strategies—and the end results are frequently out of our control**.

I thank you, MCN members, for your support as we navigated the challenges, risks and opportunities of making the world safer for nonprofits. We'll continue to do so with the capable leadership of Rinal Ray, deputy public policy director, and a new public policy director to be named soon. You, Minnesota's nonprofits, make this work worth doing!



Nonprofit Awards and Advancements



Elif McCain joined Fraser, Minnesota's largest provider of autism services, as the clinical operations director.

The Women's Foundation of Minnesota named Kalice A. Allen as its Wenda Weekes Moore intern.



Amy Feist joined Lifetrack, a human services nonprofit working to reduce disparities, as the human resources director.

The Freshwater Society has named Dr. Carrie Jennings as research and policy director. Additionally, Leslie Yetka has been hired as program manager and Connie Lanphear was named communications manager.

Minneapolis-based arts organization VocalEssence named Steve Aggergaard, Julie Bader, Julie Craven and Nancy Nelson to its board of directors.

Kyle Thomas and Sister Sue Ernster were appointed to the board of directors at People Incorporated.



HandsOn Twin Cities, a Twin Cities nonprofit that both promotes and facilitates volunteerism, hired Tracey Nielsen as its executive director.

Dave Beal joined Family Service Rochester as the organization's Community Resource Specialist.

Northwest Minnesota Foundation, a community foundation serving twelve northwestern Minnesota counties, promoted Dawn Ganje to senior development officer.



The Minneapolis Foundation welcomed Russell Betts as its newest philanthropic advisor.

Susan Bass Roberts named vice president and executive director at The Pohlad Family Foundation.

Boyd Brown was named vice president of chemical and mental health services at RESOURCE, a Minnesota nonprofit providing chemical and mental health services to more than 6,000 individuals annually.



The Higher Education Consortium for Urban Affairs (HECUA) named Andrew L. Williams as its new executive director.

Generation Next hired Michelle Walker as executive director.



Reach for Resources, a nonprofit supporting individuals with disabilities and mental illness, hired Nate Penz as



assistant director of adaptive recreation & inclusion and Jesse Hartrick as the adaptive recreation program assistant.

Allie Christenson joined Youth Leadership as the organization's director of development.

Submit Your Announcements

Visit MCN's Sector News at www.minnesotanonprofits.org/sector-news. MCN member organizations are invited to submit your organization's awards, staffing announcements and other news to jwurm@minnesotanonprofits.org.

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New Faces and Roles Highlight Transition at MCN

The past few months have ushered in some new faces, expanded roles and exciting ideas at the Minnesota Council of Nonprofits. Along with welcoming jay bad heart bull as the organization's new associate director (see page 1), MCN has also seen the transition of several existing leaders into new and expanded roles and welcomed new staff to vital roles within the organization.

Please join MCN in welcoming the following staff members to their new roles:

New Roles, Continued Leadership

Sondra Reis, Director of e-Learning



Having served for 14 years as MCN's associate director, Sondra Reis recently transitioned to become the organization's

first-ever director of e-Learning. In her new role, she will lead the organization's efforts to broaden access to its educational opportunities through innovative digital avenues, including both live and recorded webinars, live-streamed events, online course offerings and other digitally based learning opportunities.

Rinal Ray, Deputy Public Policy Director



Rinal Ray recently took on the role of deputy public policy director for MCN, having joined the organization in 2014 as

public policy advocate. In both her new and old roles, Rinal has worked closely with MCN's public policy director to advance the organization's policy agenda, tackling issues such as the charitable tax exemption, the minimum wage, voter engagement and more. Rinal also plays a hands-on role in training train leaders throughout the state on nonprofit advocacy.

New Faces, Wealth of Experience

Kari Aanestad, Development Manager



Kari joined MCN in October as the development manager. Kari is responsible for securing and stewarding grant and individual donor support for MCN, as well as supporting the development of other fundraising professionals throughout Minnesota through various channels including in-person and online trainings, the Minnesota Grants Alert and the *Minnesota Grants Directory*.

Sarah Crumrine, Communications Coordinator



Joining MCN as communications coordinator in September, Sarah coordinates and executes a broad range of projects, including working on print and electronic communications, working in media relations and strategic communication and managing MCN's various social media channels. Sarah also serves on the board of directors of the Young Nonprofit Professionals Network of the Twin Cities.

Bradley Wolfe, South Central/Southwest Minnesota Regional Coordinator



MCN was pleased to welcome Bradley Wolfe in September as the new regional coordinator for the South Central/Southwest Minnesota chapter. Bradley

provides local activities, initiatives and connections to the resources MCN provides in the South Central/Southwest region of Minnesota. Bradley also serves as executive director of One Bright Star.

Learn more about MCN staff at www.minnesotanonprofits.org/staff.

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Exploring Race and Nonprofit Leadership at the 2016 Annual Conference

During the Friday keynote session at 2016 MCN Annual Conference in Duluth, audience members had the opportunity to hear reflections from a diverse panel on the Building Movement Project's (BMP) survey *Building a Better Leadership Pipeline*. Ron McKinley Philanthropy Fellow Naaima Khan was joined by Northland Foundation president Tony Sertich and MCN's associate director Jay Bad Heart Bull for a discussion on the findings of the survey through a Minnesota lens. The panel also responded to questions and comments from the 650+ audience members in attendance.

that both supported and challenged the regions' findings. Representing both urban and rural perspectives, panel members shared candid examples of the roadblocks and opportunities people of color face in their professional development as leaders in the nonprofit sector.

Challenges included a lack of intercultural support, opportunities for advancement in organizations, and retention efforts. Despite these examples and many other hurdles, panelists discussed solutions that nonprofit and philanthropic agencies can employ

to champion leaders of color and support systemic change in the sector.

Those in attendance voiced their reactions to the findings of the survey and partook in a meaningful dialogue with the panel members. Questions ranged from fiscal sponsorships for organizations of color, development opportunities for new immigrant leaders, and millennials of color in the workforce. Both the audience and panel agreed that the survey's findings were a step in the right direction toward acknowledging the disparities leaders of color face in today's nonprofit sector.

Building Movement Project co-directors Frances Kunreuther and Sean Thomas-Breitfeld discussed their preliminary findings in a 20-minute video, unveiled for the first time at the Annual Conference. The BMP has intentionally researched generational shifts in the nonprofit sector and the resulting leadership challenges organizations face. The resulting question that the survey tried to answer was: "Why—despite an increased number of training programs for developing leaders of color and the number of groups working on issues of race/race equity—are there not more leaders of color in nonprofits?"

The panel discussed initial reactions and thoughts of the survey, as well as personal and professional anecdotes



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