Where We Stand:
Association Health
Plan, CFO Survey and
Tax Impact on Giving

Agendas and Action: Building Power in an Election Year 5



Nonprofit News

Information and connections for Minnesota's nonprofit sector

Spring 2018

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



Reflecting Values in How Money is Spent4



Be Prepared: The Importance of the 2020 Census Count.....4



Nonprofit Economy Grows Across Minnesota 8

Nonprofit Bits

Help Set Fair and Balanced Compensation for Nonprofit Employees!

Every two years since 1998, MCN has produced the Minnesota Nonprofit Salary and Benefits Survey, helping nonprofits answer tough compensation questions. To ensure that this year's report is the most robust and reliable yet, we are asking Minnesota nonprofits to participate in this year's survey. MCN members taking part in this year's survey will receive 75% off the price of the final publication.

To participate in this year's survey, sign your nonprofit up by June 8 at: https://bit.ly/2rRHv4P.

Building Resiliance and Self Care in the Nonprofit Sector

In 2017, Minnesota nonprofits and our communities experienced a great deal of change. A new president, new levels of activism, and a new federal tax law were just a few of the significant changes. Throughout the year, many nonprofits have increased their legislative advocacy work, their community activism and their vocal support for mission-related work. This work takes extra energy, resources and emotional connection. As a result of living and working at an accelerated pace, many nonprofit staff and volunteers have expressed a sense of over-extension or compassion fatigue.

This problem was addressed at the 2018 Nonprofit Finance & Sustainability Conference by keynote speaker Akaya Windwood, president of the Rockwood Leadership Institute. Windwood highlighted the idea that, "attending to our personal health and well-being is neither self-indulgent nor elitist -- it is an essential aspect of good leadership". Akaya promoted the concept of Personal Ecology – the art of learning how to maintain balance, pacing and efficiency over a lifetime.

Kate Barr, president of Propel Nonprofits, agreed that the message of self-care "is a message that's long overdue for nonprofit leaders. Especially in

Continued on page 3

Federal Rule Changes: How Can New Americans Thrive?

By Clark Goldenrod, Minnesota Budget Project senior policy analyst

Recently, a draft of a new federal rule was released that would make it harder for New Americans to thrive and to fully contribute to our communities and our economy.

This rule goes against our country's basic values. Our government has long had the position that certain supports, such as those that improve health, should be available to everyone who needs them. The rule also ignores how New Americans are contributing to our communities, as our neighbors who work, pay taxes, and learn alongside us. And this proposal would make it even harder for

New Americans on their path to citizenship, and folks moving to the country trying to find new opportunities.

Currently, when people apply to move to the United States or apply to adjust their immigration status, like applying for a green card, the government determines whether that person has "public charge" status. This status is based on a number of factors, including age, health, family status, financial status, and skills, but also includes use or potential use of public supports. Currently only two types of supports are counted to determine "public charge" status:

Continued on page 3

Association Health Plan, 2018 CFO Survey and Tax Impact on Individual Giving

By Jon Pratt, MCN executive director

Could your nonprofit's health plan be better?

MCN is actively exploring creation of an Association Health Plan for Group Health Insurance that would become available as early as January 1, 2019.

An Association Health Plan would combine the insurance purchasing power of nonprofits across Minnesota. By joining together, employers may reduce administrative costs through economies of scale, strengthen their bargaining position to obtain more favorable deals, and offer a wider array of insurance options.

This is one of the most frequent requests we receive—that MCN should develop a pooled insurance plan for nonprofits. For years this has not been possible (and not for lack of trying), but now proposed changes in regulations and the health care market have made creating a plan more feasible.



We are at the investigation stage starting with a brief interest survey that received over 500 responses representing 14,000 employees. We will follow up with a more robust survey in June to collect data to negotiate with insurance carriers to get a better sense of the economies of scale we can offer our members.

Gauging nonprofit financial health in the 2018 CFO Survey

MCN and Propel Nonprofits conducted a survey of nonprofit financial leaders to present a current picture of fiscal conditions, practices and trends within the nonprofit sector. One of the most interesting results reported at the co-hosted Nonprofit Finance & Sustainability conference on April 19 was the view of nonprofit financial health. Posing the same question to Minnesota nonprofits in 1994, 2000 and 2018 revealed the following perceptions of improved financial health across the three time periods:

Financially healthy and not presently vulnerable	1994 32%	2000 45%	2018 55%
Financially healthy to date, but feel vulnerable in future	34%	35%	28%
Some financial problems, but expect to survive	33%	18%	16%
Don't know how they will survive this year	1%	2%	1%

Overall, a very encouraging increase in management capacity over the last 25 years - a stronger nonprofit sector! More findings later this summer...

Does your organization anticipate change in individual contributions revenue due to the new tax law?

No one knows for certain what effect the dramatic reduction in itemizing taxpayers, no longer able to deduct their charitable contributions from federal taxable income, will have on donations. The vast majority of responses (66 percent) to the above question in the CFO survey were "No change anticipated," followed by 29 percent for "Yes, small decrease." Three percent predicted a small increase and three percent a large decrease – with little variation among different budget sizes.

Predictions of reduced charitable contributions were also raised after the Reagan era tax law changes in 1986, the last year the U.S. undertook major tax reform. That year a *New York Times* headline read "Charities Fear Effect of Changes" and "Drop Predicted for Donations." Fortunately the drop did not materialize in 1986, but 2018 results won't be known for a year...

Self Care Among Nonprofits is a Compelling Theme at Many MCN Convenings

Continued from page 1

Minnesota, we have earned a reputation of being resilient and hardworking. Akaya Windwood reminds us that the people who power nonprofits need to take care of ourselves. We can't take care of our organizations if we don't, first, take care of ourselves."

This same theme will be addressed in depth on June 13 at the Nonprofit Leadership Conference where the keynote session will address the theme of "Building Leadership for (Real) Community Engagement". The panelists hope to lift-up the role of caretaking for ourselves and others. They will share their insights about the ways that mutual interpersonal support we can help us

grow stronger together. The conversation at the Leadership Conference aims to begin the process of rejuvenating, replenishing and reinvigorating ourselves, our organizations and our communities.

Continuing on the theme of self-care, at the Nonprofit Fundraising Conference on July 26, another keynote session will highlight a different angle of rejuvenation. The conference keynote will offer "Considerations for the Overworked, Underpaid and Brilliant." Through the use of improv comedy, nonprofit fundraising professionals will take a moment to laugh. Sometimes, a good laugh is exactly what we need to gain perspective, generate new ideas, and reinvigo-

rate the soul.

Through all of these conference sessions, we see the recurring theme around the need to take care of ourselves before taking care of others. It's a skill that can happen in many ways through personal balance, interpersonal support, comedy, or many other avenues. Sometimes, we need to remember to give ourselves and our organizations permission to focus on this basic human need.

Learn more about each of the conference keynote sessions at www.minnesotanonprofits.org.

Helping New Americans Thrive

Continued from page 1

cash assistance (like Temporary Assistance for Needy Families or TANF) and use of long-term care facilities. Having "public charge" status can make individuals ineligible to come to the United States or ineligible for lawful permanent resident status.

The new proposed rule would put many New Americans in an untenable position knowing they could harm their goals of getting a green card if they access that accessing basic supports that help them and their families to make ends meet. It would drastically expand what the government considers to make a "public charge" determination. The draft rule proposes adding supports like the Children's Health Insurance Program (CHIP), WIC nutritional assistance, and the Earned Income Tax Credit (EITC). In addition, it would consider whether U.S. citizen children use these supports.

This proposal would likely create confusion around who can access basic supports that many of us turn to in times of

need. Those harmed include the New Americans who are unsure whether

they can still qualify for basic services, like food and housing assistance, as well as many children who might not get the supports they need to remain healthy and succeed in school.

This proposed rule is a mistake. New Americans are vital contributors to our communities, and they should be able to receive basic supports so that they can thrive and build our economy. The draft rule is expected to be included in the Federal Register soon. You will have an opportunity to have your voice heard and comment on this proposal. To stay updated, visit www.mnbudgetproject. org/immigration.



How We Spend Our Money is a Reflection of Our Values

By Rebecca Lucero, MCN public policy director and Michelle Chang, MCN inclusion and engagement coordinator

This year, MCN proposed various focus areas for 2018 for inclusion and equity work. One of these areas is how MCN spends money on food. Almost everyone on staff purchases food at some point, so it serves as a great starting point to have this conversation about how we spend money as a means to intentionally end disparities and inequalities in power, money, access and resources.

Sometimes you intend to have a quick and easy conversation about food and how that relates to inclusion and equity —only to be reminded again that nothing is ever so simple.

When it comes to inclusion and equity, of course we're not just talking about food. We're talking about values, money and commitment. When we were asked to internally reflect on ourselves and our organization (versus being critical of external systems or structures), we found ourselves facing an entirely different discussion resulting in tough but vital internal conversations.

These challenging conversations and moments have only deepened MCNs commitment to moving forward with actual policies and practices to bring an equity lens to our organization and our work to create meaningful change. We've reflected on one of the tensions that exists in equity work: the need for thoughtful, patient work coupled with the need for urgent action. We've reflected on how important it is to try something and not get it right (and learn from it) than not try at all. Our shared commitment to hold brave spaces and lean into the hard conversations was inspiring. It sets us up to continue our work of inclusion and equity—an ongoing process, with humility, grace, urgency and patience.

With regards to this specific and narrow project around food, we hoped to find or develop a vendor list that made it easy to make made decisions around how and where we spend money that aligns with our priorities. You can find this list at www.minnesotanonprofits.org/ieresources. It is a community gener-

ated list that is continuously updated by many community members in the Twin Cities for use by everyone. We share this list here and on our website because we know we are not alone in the discussions on how we spend money reflects our values.

In addition to this list having more than 100 restaurants, the list includes services from graphic designers, bike shops, book shops, therapists, performers, DJs and other professional services that organizations and individuals can utilize, all owned by people of color, indigenous, transgender and/or women.

We will continue to share our journey, coming to the table grounded in authentic, vulnerable, and transparent dialogue. We know we have a lot of learning and growth to do. We are excited to be part of all the amazing work going on to strengthen our beautiful and thriving community.

The 2020 Census: Why Is it Important for Nonprofits to Spread the Word?

The 2020 US Census is now less than 700 days away. And in these next 700 days, MCN and many other organizations will share a lot more information, conduct trainings and directly reach out. Participating in the census helps our families, our neighbors, our communities and our nonprofit organizations. Becuase of this, we want to make sure you have the information you need to be engaged.

While the U.S. Constitution mandates a count of all persons living in the United States every 10 years, there is no denying that some members of our community may be reluctant to participate; especially with the proposed addition of a citizenship question. Nonprofits therefore play an increasingly important

role in honoring those concerns, holding space for questions and providing information about how individual responses are secure with privacy strongly protected.

A fair and accurate census is the foundation for building power through political representation. It is the foundation of ensuring that the wealth of our country is distributed to hospitals, job trainings centers and retirement homes in our communities. In Minnesota alone, over \$8.4 billion each year is distributed for these vital community services because of the census count.

MCN is part of the Minnesota Census Mobilization Partnership, so stay tuned. Nonprofits can find more information and get involved at mcf. org/2020-census-and-american-community-survey.

Get ready nonprofits – Minnesota is better when everybody counts!



State and Federal Policy - Building Power in an Election Year

By Rebecca Lucero, MCN public policy director

We're quickly moving into what will be an extremely busy year in Minnesota politics. Both U.S. Senate races, all eight of the state's U.S. House seats, a governor's race, the entire Minnesota House, secretary of state, attorney general, state auditor and more will be up for election in November.

Given all of this, it's essential that all organizations make sure we're doing our part in supporting the work to build and deepen community power. We are all stronger when our democracy is strong.

We are all stronger when communities are using their voice and power to help shape and change the systems that impact them every day—especially communities that have been historically disenfranchised and silenced.

As 501(c)(3)s, what are some ways to support building power?



How 501(c)(3)s build power during election cycles and looking forward:

- Develop an internal strategy to develop a culture of civic participation within your organization. Is there voting registration material out for staff? Do you send an all-staff email linking staff to polling locations?
- Support and speak up for improvements to structures and systems of democracy in order to expand access to voting and civic engagement opportunities for all Minnesotans, including voting rights restoration, automatic voter registration, early voting and others.
- Host fun, engaging, nonpartisan voter registration and get-out-the-vote ("GOTV") efforts. Be creative!
- Educate candidates, campaign staff, media and the general public about your organization's mission, values and key issues.
- Conduct or participate in a nonpartisan candidate forum. Open them to all candidates, run them in a
- balanced way and include a broad range of nonpartisan questions.
- Work on behalf of a ballot measure.
- Support efforts for an effective and inclusive 2020 Census, where all Minnesotans are counted without fear or intimidation.
- Continue your normal lobbying activities (Yes, you can lobby. In fact, you must!)

Things you cannot do as a 501(c)(3) organization:

Reminder: all employees are allowed to participate in political campaigns on their own time as private citizens (not as representatives of the organization.)

- Endorse or oppose a candidate or a political party (implicit or explicit). This includes money, time or
- facilities.
- Coordinate activities with a candidate.
- Set up, fund or manage a Political Action Committee (PAC).

Here are some key upcoming dates that your organization can use to start planning around:

- Last day to pre-register for primary election: Tuesday, July 24
- State primary election: Tuesday, August 14
- Last day to pre-register for general election: Tuesday, October 16
- General Election Day: Tuesday, November 6
- And, of course, 2020 Census: April 1, 2020

MCN will offer several trainings on nonprofits building power through voter engagement, election involvement and census mobilization in the coming months. Also, join us post-election for the Annual Conference in November where we'll gather to understand what happened and what's next for nonprofits and government partnerships in the new political environment.



Nonprofit Awards and Advancements



Bryan Ebensteiner was named chief financial officer at Amherst H. Wilder Foundation.

Nevada Littlewolfwas named president and C.E.O. at the Tiwahe Foundation.



Progress Valley, Inc. named Dr. Jared Bostrom executive director.



Rêve Academy named Sarah Woessner director, student-run businesses.

Animal Humane Society has named four new managers: Mary Tan as public relations content strategist, Lindsay Shimizu as internal communications strategist, Anne Gass as community programs manager and Liv Hagen as behavior modification rehabilitation manager.



Kaylie Burns Gahagen was named director of development and community engagement at Perspectives, Inc.



Stephanie Haddad was hired as chief operating officer at the Center for Energy and Environment.

The Iraqi and American Reconciliation Project (IARP) hired Jessica Belt as executive director.

Karen E. Goodenough, MSW, LGSW was named executive director of the National Association of Social Workers - Minnesota Chapter.



Pamela Zeller was named executive director of Women's Initiative for Self Empowerment.



FamilyWise named Anna VonRueden program director.

The Sanneh Foundation added three new staff members: Mai-Anh Kapanke as executive director, Jennifer Crosby Zarth as chief advancement officer and Robert Albachten as finance manager.

Kathy Mouacheupao hired as executive director at the Metropolitan Regional Arts Council (MRAC).



Paul Hanson named vice president of information technology at Opportunity Partners.

Epilepsy Foundation of Minnesota named Rachelle Holm development director.



Lutheran Social Service of Minnesota named Patrick Thueson chief operating officer.



Sarah Schultz was named executive director at The American Craft Council.

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 scrumrine@minnesotanonprofits.org.



www.stcloudstate.edu/graduate/mpa · 320.308.2462 publicadministration@stcloudstate.edu

St. Cloud State University is committed to legal affirmative action, equal opportunity, access and diversity of its campus community. (http://scsu.mn/scsuoed



St. Cloud State University, a member of Minnesota Sta

Concentrations in:

- City and County Government Leadership and Management
- Nonprofit Organizational Leadership and Management
- International Development Leadership and Management
- General Public Leadership and Management

Offering:

- Full time faculty
- Flexible Schedules
- Classes in St. Cloud, (soon) Plymouth and online

2017 Mission Award Winner for Innovation: Hopewell Music Cooperative North

Hopewell Music Cooperative North, the 2017 Nonprofit Mission Award recipient for Innovation, is a unique nonprofit music school in the heart of North Minneapolis, a culturally vibrant area of the Twin Cities. Hopewell seeks to engage each cultural group on the Northside by hearing and reacting to the needs of the community, using music as the medium to build internal capacity from its neighborhood roots.



Since opening in 2012, as a one-room nonprofit music school with 30 students and three ensembles, Hopewell Music Cooperative North has expanded to teach 173 students, sustain seven ensembles, partner with six different Northside schools, and work with youth at the Hennepin County Juvenile Detention Center.

Now operating with a staff of 13 out of a six-room facility, Hopewell addresses many engagement barriers, including the lack of student opportunity to interact with professional artists; lack of instruments for students and/or North Minneapolis schools; lack of access to structured places and times to participate in music; and lack of accessible transportation to support student lessons outside of their own neighborhood.

Hopewell Music ensures accessibility in a way that is unique among music schools in this country. Private lessons and instrument rental are offered to students on a sliding fee scale which aligns with the national standards for free and reduced lunch in public schools. Families that qualify for free lunch receive free lessons and rentals, and those who qualify for reduced lunch pay just half of our regular lesson fee.

The staff and volunteers of Hopewell Music focus on meeting the individual needs of our students with a holistic approach, offering not only lessons, but

mentoring, job training and community as well. The organization takes action based on the diverse needs of its partners' students by looking closely at the internal culture of each organization using surveys, inter-organizational collaboration, and targeted planning specific to each program.

Through Hopewell Programs, youth and artists have the rare opportunity to develop long-term mentoring relationships. Through the mentoring relationship, artists have the opportunity to encourage kids individually towards higher levels of musical excellence and personal growth. The youth associate the music experience not only with art, but also with a genuine connection to an adult who is invested in the youth's future.

As a result of the Hopewell Music's inclusive approach to broadening access to music education, they have empowered under-served students in North Minneapolis and given them confidence, resilience and the means to express themselves. The Minnesota Council of Nonprofits and Propel Nonprofits were honored to present the organization with the 2017 Mission Award for Innovation.

Learn more about Hopewell Music Cooperative North at www.hopewellmusic.com.







Minnesota Council of Nonprofits 2314 University Avenue West, Suite 20 St. Paul, MN 55114 -1802

Address Service Requested

Update your record with MCN:

by emailing MCN at info@minnesotanonprofits.org.

What Does Minnesota's Statewide Nonprofit Economy Look Like Now?

As part of our continued support for the nonprofit sector across Minnesota, MCN partnered with Hamline University Nonprofit Management Programs to analyze statewide data in our "Minnesota Nonprofit Economy Report."

The data is broken down by the Twin Cities metro area and five regions across Greater Minnesota. The compiled data helps stakeholders understand the role nonprofit organizations play in the state's economy.

Southeast Minnesota's nonprofit sector proportionally has the largest share of the regional economies with 22.6 percent of their local workforce. Healthcare and higher education make up the majority of this impact. The influence of major institutions causes the average nonprofit wage to be well above the forprofit and government sectors.

The Northeast Minnesota nonprofit sector also holds an above average share

of the regional workforce (15.6 percent), mainly from the nonprofit activity in Duluth. While the number of employees and weekly wages has grown slightly over the ten year period, the number of nonprofit organizations has remained steady.

Northwest Minnesota, which include two of MCN's regional chapters, has seen continual wage growth among area nonprofits. The average weekly wages is slightly below government, but above the for-profit sector. Nonprofits comprise 10.9 percent of the regional workforce, slightly more than the Twin Cities metro.

The Twin Cities offers over 175,000 nonprofit jobs at almost 2,800 employment locations. The seven-county metro region has seen a consistent increase in the number of nonprofit employees and the wages earned.

Central Minnesota has experienced the

strongest growth in the state for number of nonprofit employers and employees over the ten year reporting period. The nonprofit sector employs 10.3 percent of the regional workforce. The average weekly wage also has been on the rise, surpassing both the for-profit and government sectors.

South Central/Southwest Minnesota has the most opportunity for growth with employing 9.1 percent of the workforce. The percent of the workforce has declined slightly since 2010 while wages of nonprofit employees have been on a slow rise.

Additional data for the state as a whole and broken down by regions is available in the full "Minnesota Nonprofit Economy Report." Leaders in the nonprofit sector should take full advantage of this data when developing strategic plans and analyzing the local economic environment.