

MINNESOTA
COUNCIL OF
NONPROFITS

Nonprofit News

Information and connections for Minnesota's nonprofit sector

Summer 2015

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



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Nonprofit with Balls Blogger will be Keynote Speaker at 2015 MCN Annual Conference

Chances are, you've probably read or heard colleagues talk about the blog *Nonprofit with Balls*. Through a healthy dose of humor and a dash of irreverence, the blog is challenging nonprofits and funders alike to reconsider the status quo of the nonprofit sector. Written by Vu Le, executive director of Rainier Valley Corps in Washington, the blog takes the nonprofit sector's strengths and turns them into superhuman feats. Meanwhile, Le takes our idiosyncrasies and demonstrates that change is both possible and necessary for the people juggling all the nonprofit balls.

Minnesota's nonprofits will have their first chance to hear from Vu in person at the MCN Annual Conference on October 1 – 2 in Saint Paul as he delivers the featured keynote, "Equity, Capacity, Collective Impact and Other Shiny Objects and Their Effects on the Nonprofit Sector."

If you haven't had the opportunity to read any of the posts at *Nonprofit with Balls*, here's an excerpt from the blog, "Can we all just admit there is no such thing as nonprofit sustainability?"

A few weeks ago I called up a program officer of a foundation to discuss my organization's amazing idea to bring more immigrant and refugee leaders into the nonprofit field. "That's a great idea," said the program officer, "but what's your sustainability plan? We don't tend to support projects unless we know they will be financially independent in the future."

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Nonprofit Bits

2015 Benchmarks Report Available

At the 2015 Nonprofit Technology & Communications Conference, Madeline Stanionis of M+R referenced a new 2015 Benchmarks Study highlighting nonprofit industry standards for online fundraising, advocacy and list building. This year's study used data from 84 nonprofits, providing detailed email, web and social media numbers from organizations in the cultural and domestic hunger/poverty sectors, as well as the human rights, international, environmental, health and animal welfare sectors featured in past studies. Learn more at: www.mrbenchmarks.com

Four Problems Trigger Attorney General Scrutiny

Under Minnesota law, most charitable nonprofits must register with the Attorney General's Office (AG) whose job is to ensure the public is protected and donations to charities are used as intended by the donor.

When questionable activities come to light, the Attorney General is charged with ensuring Minnesota's laws are followed by nonprofits and their leaders.

MCN believes that Minnesota's nonprofits can thrive through a combination of strong self-regulation coupled with appropriate oversight by the Attorney General and the IRS.

Lori Swanson, now serving her third term as Minnesota's Attorney General, described four accountability challenges that may lead to increased scrutiny from her office at a recent event hosted by MCN.

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New Report Addresses Government Concerns When Contracting with Nonprofits

By Jon Pratt, MCN executive director

Responding to several negative news stories over the last year about problems involving government funding contracts with nonprofit organizations (including the closing of the Community Action of Minneapolis), the Office of the Minnesota Legislative Auditor (OLA) will issue a report on “State Grants Oversight to Nonprofits” in September 2015.

OLA financial audits involving nonprofits primarily address controls and compliance, as in “Did [organization] have appropriate internal controls to ensure that it expended grant funds in accordance with legal requirements and grant contract provisions and in a reasonable and prudent manner?” This report will examine five to six Minnesota departments’ funding of the statewide network of 25 Community Action programs totaling \$300 million over the last three years.

A significant OLA report in 2007, “State Grants to Nonprofit Organizations,” resulted in the creation of the Office of Grants Management in the Department of Administration. Another key recommendation of the 2007 report, that the “Legislature should not name grantees in law but allow agencies to select recipients through a competitive process,” has not been fully implemented.

MCN will host a briefing on the OLA report when it is released in September, so stay tuned for details.



Minneapolis Urban League Gets Financial “Clean Bill of Health”

On June 4, 2015, the Office of the Legislative Auditor released a letter clearing the Minneapolis Urban League (MUL) of any possible inappropriate financial practices identified in a flawed April 13 *StarTribune* article titled “Minneapolis Urban League accused of potential double billing.”

The *StarTribune* itself later editorialized that this “financial clean bill of health” served as a “welcome affirmation for the nearly 90-year-old agency and should encourage continued support for its successful programs.”

Interim President Steven Belton issued a statement saying that the Urban League “appreciated the *StarTribune* editorial board’s decision to make the OLA’s findings known to its readership, and by extension, MUL’s constituents and supporters,” but noted that the original story was a manufactured controversy resulting from inaccurate reporting. (The article had insinuated that it was somehow improper for nonprofit organizations to have funding from multiple sources.)

109 Minnesota Nonprofits Gain \$1.3 Million from Smart HR Decision

The Unemployment Services Trust (UST) has proven again that nonprofits can be rewarded for exercising their option under federal law to only pay the claims their organization incurs and thus get cash back for their ability to reduce their unemployment claims over the past year.

Unlike the state unemployment tax system, UST allows for cash back when an organization is able to reduce their unemployment claims to lower levels than what was anticipated. Additionally, they have a healthy reserve balance for future claims. Minnesota is one of the top states for nonprofit participation in UST, and MCN is both a participating agency and a strong supporter (and I currently serve as chair of the trustees). Like taking advantage of nonprofit postal rates, if your organization could pay less, why wouldn’t you?

These refunds are just one part of how UST serves its mission of “Saving money for nonprofits in order to advance their missions.” To learn more about UST’s program for 501(c)(3) employers with 10 or more employees, visit www.ChooseUST.org or call (888) 249-4788 to speak with an unemployment cost advisor.

Vu Le Uses Humor to Tackle Issues Important to Nonprofits

Excerpt continued from page 1

“Well,” I said, “I have a great plan for that. Have you heard of teeth tattoo? No? You will! Dental adornment is going to be the latest thing, believe you me. Think about it: the Seahawks logo on your incisors! We will open a teeth tattoo parlor, and it will generate literally billions of dollars, enough to fund the project forever. But we need seed money. So how about 50K from you guys?”

All right, I didn’t say that. I waffled something that sounded intelligent—“We are building up our base of individual donors, establishing relationships with local businesses, and using the Synergistic Paradigm Action Matrix in order to find the nexus between our strategies and adaptive advantage”—like a good grantseeker is trained to do. We talked some more. Then I hung up and unwrapped a bar of dark chocolate and ate it, both me and the chocolate 72% bitter.

Many foundations (and some donors) have this crippling fear that we nonprofits will become dependent on them. Like those Millennials who move back home to live with their parents after grad school and refuse to leave. Because of this fear, most foundations give one-year grants, usually restricted. Tough love, you know. And who could blame these funders. I mean, if my kid comes back home to live with me after grad school, I would make it as miserable as I can for him in order to encourage him to break out on his own and not become a leech; that’s called good parenting.

The concept of sustainability is ubiquitous, overbearing and frustrating, as I explained earlier in the blog, “The sustainability question: Why it is so annoying.” Many funders and business people seem to believe that if nonprofits just try hard enough, they’ll reach this state of funding Nirvana and be self-sufficient and “sustainable.” And if they’re not actively working toward reaching fiscal enlightenment, they shouldn’t be supported.

Here’s the issue: This magical land of nonprofit financial self-sufficiency does not exist, and funders’ and donors’ unwillingness to admit this perpetuates an inefficient funding system that stymies us nonprofits’ abilities to tackle society’s most challenging problems.

To read Vu’s full blog and learn four reasons he believes that self-sufficiency is a myth, visit nonprofitwithballs.com and search for “No Such Thing.”

Register now to hear from Vu in person and get a space at Minnesota’s largest nonprofit gathering of the year – MCN Annual Conference, October 1 – 2, 2015, Saint Paul RiverCentre. Visit www.WeAreNonprofit.org to learn more.

Proper Nonprofit Accountability is Best Recipe for Avoiding Scrutiny

Continued from page 1

1. The first scenario plays out when a nonprofit founder or leader behaves as if the charity’s funds could be used as his/her own. This can include using nonprofit property as his/her own, using nonprofit benefits for personal use, or promoting his/her agenda over the best interests of the organization.
2. The second accountability challenge is when nonprofits behave like for-profits. This includes organizations that focus on profit over mission or rely on or defer to for-profit management companies, which can lead to poor delivery of mission-related services. This also includes nonprofits that contract with for-profits and don’t adequately manage the risk of those relationships, or where the benefits flow.
3. The third challenge involves a lack of proper governance, such as failing to keep adequate minutes to board meetings, not enforcing or loosely interpreting a conflict of interest policy or having too many staff members on the board.
4. The fourth situation occurs when nonprofits neglect their donors’ intent. This includes nonprofits that use professional fundraisers and then too much of the benefit goes to the fundraisers and not enough is left for mission-related programs. In each situation, nonprofits fail to focus adequately on the charitable mission. Often, the AG’s office will work with nonprofits to improve management and governance and re-focus on their mission. In some situations, however, the Attorney General must rely on legal action.

For a deeper look at accountability issues, nonprofit leaders, staff and board members can hear directly from Attorney General Swanson at the MCN Annual Conference on October 1 – 2. Swanson will present a keynote session at the conference titled, “A Commitment to Accountability, Transparency and Effectiveness.” Learn more at www.WeAreNonprofit.org.

First Year of MCN VISTA Program Comes to a Close, But the Work Continues

In August 2014, MCN welcomed its inaugural AmeriCorps VISTA cohort of seven members thanks to a newly established partnership with the Corporation for National and Community Service. Harnessing the interests and skills of these young professionals, the program carefully matched each with the needs of several local nonprofits.

With their year of service nearly at an end, MCN asked each member to reflect on their experience and share what they have learned by being a part of MCN's VISTA program:

"... I've learned more about how Minnesota sustains such a robust nonprofit sector. Everything from the nuances of grantwriting to program evaluation—MCN has been a great place for getting knee deep in issues affecting the nonprofit sector. I'm glad I chose to serve as a VISTA...As a friend once said, the grass is greener where you water it."

—Amalia Centurion, emerging nonprofit specialist, MCN

"... I have learned how nonprofits work behind the scenes. I have been able to sit in nonprofit board meetings and funders' meetings. For example, I sometimes attend the Northside Funders Group meeting with my supervisor. If I was not doing VISTA, I would have never had this opportunity to learn from funders' points of view."

—Giselle Efon, community engagement program associate, Nexus Community Partners

"... I learned that what I do goes beyond simply providing a service; it means building reciprocal, two-way partnerships with my community."

—Kate Fridley, program development specialist, Nonprofit Assistance Fund



MCN VISTA program members (from left to right) Matthew Berg, Kate Fridley, Amalia Centurion, Dana Jaehnert, Samantha Holte, Giselle Efon and Wayne Lee wrap up a productive year of service on July 31.

"... I learned more about how a nonprofit operates. I can build on this foundational knowledge and let it lead me in my career path back in San Francisco."

—Wayne Lee, inclusion and engagement resource specialist, MCN

"... I learned that there is a truly vibrant network of nonprofits and community groups in the Twin Cities that are collaborating on a variety of issues. Before VISTA, I knew of various community organizations, but I wasn't aware of the scale that they interacted and played off of each other's work. It's inspiring, yet difficult to grasp, that community change and improvement comes from these collective efforts."

—Samantha Holte, development outreach specialist, Hispanic Advocacy and Community Empowerment through Research

"... I learned about myself as well as about the community. I learned about nonprofit management and the importance it brings to community. I learned how to live simply and sustainably—and about loving the little things in life. Most of all, I learned that I can play a role in addressing cycles of poverty."

—Matthew Berg, VISTA leader, MCN

"... I learned that everyone has a different approach to racial equity work. Our goals may not be the same; the pathways to a just society are comprised of many winding intersections, but the MCN VISTA cohort provided a space where we had opportunity to pilot a program and gain tools for instigating tangible change in organizations and communities."

—Dana Jaehnert, entrepreneurs of color program development coordinator, LegalCORPS

Based in no small part to the success of this past year's VISTAs, MCN has been able to add seven additional national service members for the 2015-16 program year, who will serve in the following organizations: African Economic Development Solutions, Cedar Riverside Neighborhood Revitalization Program, Harrison Neighborhood Association, Hmong American Farmers Association, Isuroon, Ka Joog and Karen Organization of Minnesota.

Thanks to each of the 2014-15 VISTAs for their hard work and important contributions to our sector! MCN wishes them the best in their paths ahead!

Engage and Encourage Your Communities to Vote

By Susie Brown, MCN public policy director



Fifty years ago, on August 6, 1965, President Lyndon Johnson signed into law the federal Voting Rights Act, which prohibits racial discrimination in voting. Passed at the height of the civil rights movement, the Voting Rights Act enfranchised racial minorities throughout the country, especially in the South. The U.S. Department of Justice considers the Voting Rights Act to be the most effective piece of civil rights legislation ever enacted in this nation.

Some of the most fundamental principles upon which the nonprofit sector is based are deeply aligned with those of the Voting Rights Act. Democracy. Participation. Opportunity. Non-discrimination. Self-determination. Equality.

Over the years, the Voting Rights Act has been both strengthened through federal amendments and threatened through state actions that make voting more difficult. Fifty years later, our country is undoubtedly better because the Voting Rights Act has expanded and strengthened civil rights. At the same time, we must be as vigilant as ever in using our role as nonprofits to build and maintain a society that continues to advance and uphold civil rights for all.

It's not just voting we need to pay attention to: the rights of workers to reasonable pay and working conditions, the rights of young black men to lives free of violence and intimidation, the rights of transgendered people to express their true selves are some of the struggles of the day, and nonprofit organizations are—and must continue to be—in the messy, hard and essential conversations that lead to solutions that are good for people's lives.

Recognizing the 50th anniversary of the Voting Rights Act is one way for nonprofit organizations to bear witness to the nation's civil rights history and progress. Sometimes it requires recalling what inspired action many years ago to remind us of the importance of action today. We will be joining Minnesota's Secretary of State Steve Simon and dozens of community groups commemorating the anniversary of the Voting Rights Act in August. We hope you will join us. Plans are underway—please contact Samm Bonawitz at samm.bonawitz@state.mn.us for more information.

It's Not Business as Usual at the Capitol!

As this newsletter goes to print, the Legislature's 2015 special session has just concluded, and Minnesotans are still digesting what happened. A veto of several bills at the end of the regular session in May meant ongoing negotiations and a reconvening of the Legislature in mid-June to resolve differences between the House, Senate and Governor on Minnesota's spending and policy changes. Typically MCN's first newsletter of the summer is focused on legislative and policy issues. But this year, like all of Minnesota, the MCN policy staff has needed patience as a longer-than-usual process played out. Please watch for a special legislative issue of the *Nonprofit News* coming your way very soon!

Understanding Who MCN Serves and How We Impact Communities

For over 25 years, MCN has worked to inform, promote, connect and strengthen individual nonprofits and the nonprofit sector. One way MCN continues to do this work is by carrying out dozens of professional training workshops and conferences across Minnesota each year.

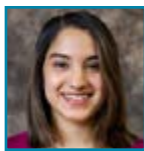
During 2014, 5,402 nonprofit staff, managers, board members and allies participated in at least one of MCN's workshops or conferences. Seeking to assess the depth and breadth of MCN's trainings, staff members sent out a survey to all 2014 event attendees.

As a result of attending an MCN event, 81 percent of respondents reported major changes in their work or organization such as developing a new relationship for their work (38%), improving the way they evaluate (27%) and developing a new fundraising initiative (21%). When considering how MCN's programs impacted their communities, 72 percent of attendees took actions that positively impacted their organizations' beneficiaries.

In addition to the evaluative questions, this year MCN developed demographic questions that shed light on the multi-faceted identities of participants. MCN learned that 17 percent of respondents identified as people of color and 79 percent identified as white. Respondents also shared about their gender identity: women (75%), men (16%) and gender queer (1%). Additionally, of those who reside in Minnesota, 74 percent live in the seven-county metro area while 26 percent live in Greater Minnesota.

MCN will continue to learn from this feedback, in addition to the post-event surveys taken after every MCN event, to better understand and further enhance its educational programming. Find out more here: www.minnesotanonprofits.org/2014evaluation.

Nonprofit Awards and Advancements



The Minnesota Chapter of the **Council on American-Islamic Relations** named **Jaylani Hussein** as executive director. Additionally, **Amarita Singh** has joined the organization as civil rights director, and **Nausheena Hussain** has been appointed deputy director.



The **McKnight Foundation** has named **Na Eng** communications director.

The **Women's Foundation of Minnesota** welcomed new trustees **Cindy Kent**, **Rebecca Parsons Klevan**, **Gail Polley-Nordhaus** and **Pheng Thao** to its board.



Jennifer Polzin, former chief of resource development and communications at **Tubman**, has been named the organization's

CEO.

The **Minnesota Society of Certified Public Accountants** has appointed its new board chair, **Nate Albrecht**, CPA, JD, and board officers for 2015-16.



Chad Dayton, director of programs and partner relations at **Wilderness Inquiry**, has joined the board of trustees of

Northland College of Ashland, WI.



The **Minnesota Coalition for the Homeless** has named **Senta Leff** executive director.



The Minneapolis/St. Paul Chapter of **Little Brothers - Friends of the Elderly** is pleased to announce **James Falvey**, CFRE, as

executive director.

Jane Ransom was recently named as the new executive director of the **American Brain Foundation**, based in Minneapolis.

Fraser will open a new clinical location in Eagan in July. This new location will be the sixth in Fraser's Autism Center of Excellence offerings.

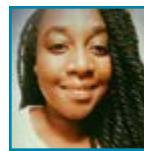


The **Friends of Saint Paul Public Library** have hired **Greg Giles** as director of development.

Conservation Conversations hired **Jamie Kay Ford**, J.D. as executive director.



Shelley Jacobson has been named CEO of **Minnesota Communities Caring for Children**



Adaobi Okolue the executive director of the **Twin Cities Media Alliance**, replacing **Jeremy Iggers** who stepped down in May.

The **Minneapolis Foundation** has named **Patrice Relerford** as its new director of impact strategy in education. Relerford, who is a Ron McKinley Philanthropy Fellow, brings nearly a decade of experience in nonprofit development and education reporting.



Ronald McDonald House Charities - Upper Midwest recently appointed **Denise Smieja** as vice president of programs.

Marianne Keuhn has been hired as executive director at **The ALS Association MN/ND/SD**.

Submit Your Announcements

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

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Bringing Inspiration and Change to the Stage: CLIMB Theatre, 2014 Mission Award Recipient



As the 2014 Nonprofit Mission Award recipient for Anti-Racism Initiative, CLIMB Theatre has tackled a wide array of timely and occasionally difficult issues impacting young people through a series of original plays and classes brought directly to schools and other agencies across Minnesota and the Upper Midwest.

For the last 40 years, CLIMB Theatre has provided educational programs to students K-12 with a mission to create and perform plays, classes and other creative works that inspire and propel people. By activating young people through its programming, CLIMB empowers youth to take actions that benefit themselves, each other and their communities.

CLIMB's artists write, produce and present plays, classes and interplays on important topics like bullying prevention, self-control, respect, friendship, acceptance of differences, substance abuse prevention and environmental conservation.

Recognizing that theatre can be a powerful weapon in the fight to end inequality, CLIMB created two works to help their young audiences understand diversity, acceptance of differences and

the history of racism in America—*A Deeper Look* and *Feeling History: African Americans' Reach for Equality*.

CLIMB piloted *A Deeper Look* in 2011 and, in the last year, has toured 31 middle and high schools, reaching a total of 17,316 students. The performance is led by eight young professional actors who enter the stage as African Americans, Asians, Native Americans, Latinos and Caucasians. Actors share true stories that take students on a journey of deeper understanding of prejudice as it is and has been experienced by persons of color and by many other groups throughout American history.

Through *Feeling History: African Americans' Reach for Equality*, 7-12 grade

students embark on a guided journey from slavery to today. Students are strategically assigned places to sit, stand and move as actor-educators weave monologues, scenes, slides and sound into their telling of history. Through this experience, students gain a deeper understanding of individual and institutional racism in a way that moves them closer to each other and to actions that will help end racism. In the past two years, CLIMB has toured *Feeling History* to 12 schools across the Upper Midwest, reaching a total of 2,206 students.

Through their passion-driven work, CLIMB has served 130,548 Minnesotans and 410 organizations by hosting 343 performances and 448 days of classes in 2013-14 alone. When surveying their student participants, 89 percent said they are more aware of the structural inequality still experienced today and 72 percent reported that their attitudes towards peers who are different have or will change.

As a result of its dedication to addressing issues impacting Minnesota communities and inspiring change through action, the Minnesota Council of Nonprofits and MAP for Nonprofits were proud to present the 2014 Mission Award for Anti-Racism Initiative to CLIMB Theatre.



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Three Inspiring Leaders Recognized at 2015 Nonprofit Leadership Conference: Anderson, Hussein and Fagin

For the past six years, MCN has recognized individual leaders across the nonprofit sector. Through their dedication to working in the nonprofit sector and interest in building organizational, individual and sector leadership, these leaders instill a passion in themselves and the people around them. Additionally, their reflective, collaborative and innovative natures help each to demonstrate the highest levels of integrity and ethical behavior.

In 2015, YNPN - Twin Cities, the Harvard Club of Minnesota Foundation and the Center for Integrative Leadership (CIL) at the University of Minnesota joined MCN in recognizing inspiring nonprofit leaders in three categories – Catalytic Leader, Visionary Leader and Transformational Leader.



Catalytic Leader

Michele Anderson, the rural program director at Springboard for the Arts, based in Fergus Falls, is the 2015 Catalytic Leader. Michele, a writer, composer and pianist, jumped into Springboard's new rural program office four years ago. In that time, Laura Zabel, her nominator, wrote that Michele's "passion and deep knowledge of rural communities has not only enabled her to do innovative work that serves her community but has taught her colleagues at Springboard an enormous

amount." She is a leader who mentors other young women, helped to bring resources to her community in the form of National Endowment for the Arts and ArtPlace awards, is civically engaged and has worked to effectively change the tone of community conversations.

Visionary Leader



Jaylani Hussein is the executive director of CAIR-MN and the 2015 Visionary Leader. In his role at CAIR-MN, Jaylani leads trainings, challenges discrimina-

tion and addresses hate crimes against Muslims, Somalis and other ethnic and religious minorities to create mutual understanding and respect to ultimately create a more racially equitable Minnesota. Nominator Nausheena Hussain, CAIR-MN's deputy director, wrote, "He sees justice. He sees mutual understanding and neighborhoods being friendly. He receives what money cannot buy a world that is inclusive." In building a more inclusive world, Jaylani led the creation of the Minnesota Community Anti-Terrorism Task Force, a creative collaboration of stakeholders and partners from different community organizations. The Task Force generates ideas and solutions, develops programs, supports community empowerment and addresses terrorism recruitment.

Transformational Leader



M. Beth Fagin is the 2015 Transformational Leader. Beth is the senior director of pediatric therapy and autism services at St. David's Center. A licensed mental

health professional, she has worked in the nonprofit sector for 36 years in leadership positions at The Storefront Group and St. David's Center. As nominator Stephanie Combey, senior director of children's mental health at St. David's, put it, "She leads from her soul, regularly mentoring and promoting emerging professionals and leaders around her." In 2010, as St. David's Center was developing a new strategic plan, Beth identified a need and advocated for a culturally informed child autism day treatment program that would be located in the Somali community. In starting the program, she addressed the treatment concerns of children, the importance of cultural competency and networks of support and adherence to Somali cultural norms.

Each leader has received an award which will enhance his/her professional development. To learn more, please visit www.minnesotanonprofits.org/awards.