



Nonprofit News

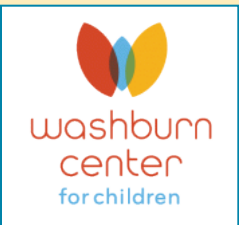
Information and connections for Minnesota's nonprofit sector

Winter 2016

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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MCN Seeks
AmeriCorps VISTA
Applicants by May 8

Finance Conference Keynote Speaker Offers Insights on Nonprofit Finance and Data Trends

For Jacob Harold, president and CEO of GuideStar, nonprofit and foundation work has always been in his blood.



"I like to joke that it's the family business. Both my parents worked for nonprofits that were small, community-based service organizations," he said. "I guess my rebellion is that I'm leading a national organization."

GuideStar is the world's largest source of information on nonprofit organizations, gathering data on every IRS-registered nonprofit. Overseeing such an organization allows Harold to have a bird's-eye view of finance and data trends in the nonprofit world. As the keynote speaker for MCN's 2016 Nonprofit Finance and Sustainability Conference, he offered to share some of his insights.

GuideStar debuted a new version of a profile page in January—the page where information about an individual nonprofit lives.

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MCN Increases Nonprofit Connections Statewide

Sometimes incremental growth makes sense; other times, rapid expansion is the best way to meet community needs.

Since the late 1990s, the Minnesota Council of Nonprofits (MCN) has opened seven regional offices in Greater Minnesota. These offices provide local connections for Greater Minnesota's nonprofit sector. At the same time, the offices create a direct link for MCN's St. Paul-based staff to engage and learn from rural and regional nonprofits.

In a planning meeting in 2001, MCN staff and member nonprofits identified that regional chapters could provide wins for everyone involved. The chapters help to increase nonprofits' influence on policy issues, raise visibility of local issues, offer a personal touch to MCN's member services and remind all that Minnesota's success is tied to the success of each region of the state.

Those benefits guided MCN as each new chapter office opened. The Northeast and South Central/Southwest Chapters are long established with strong traditions of providing member services, educational programming and engagement around public policy.

Continued on page 3

Nonprofit Bits

Diversity, Equity & Inclusion Focus Group

The Charities Review Council is building a Diversity, Equity & Inclusion Toolkit for nonprofits. They hope the end result is a framework that is applicable to organizations of all sizes.

To gather community input, Charities Review Council is hosting a focus group.

If you would like to participate, fill out the form at <http://svy.mk/1PxunZa>

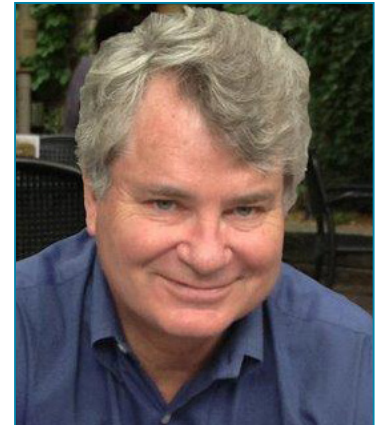
Charitable Tax Exemptions, Public Opinion and “Crowding Out”

By Jon Pratt, MCN executive director

How do Minnesotans feel about the fact that nonprofit organizations are exempted from paying many taxes? This question is in the back of the minds of many legislators, county assessors and staff at the Department of Revenue, and it is also a critical issue for the nonprofit sector. Over the past 25 years, MCN has contracted with the Minnesota Center for Survey Research eight times to tap the opinions of 800 adults representative of the entire state of Minnesota. The same question has been asked each time the survey is conducted:

Nonprofit organizations provide social services, health services, education and arts to the public. Under Minnesota law, nonprofit organizations have been free from paying sales or property taxes because their services benefit the public.

Do you agree or disagree that nonprofit organizations should CONTINUE to be free from paying sales and property taxes?



Minnesotans have consistently shown high levels of support for nonprofit tax exemptions—over 80 percent say they somewhat or strongly agree that nonprofits should remain tax exempt—helping make this a strong state for volunteering, philanthropy and nonprofit initiative.

Does government funding discourage charitable contributions?

Nonprofits get revenue from a variety of sources—charitable contributions, user fees, government support—and sometimes charitable donors have strong feelings about the role of government. At different times, legislators and members of Congress have sought requirements that nonprofit organizations report on the extent of their funding that originates with government.

In 1997, MCN added a question to its regular public opinion polling to assess whether knowledge of government funding of nonprofits would “crowd out” voluntary contributions:

Many Minnesota nonprofit organizations receive SOME of their funds from government agencies, in the form of grants or contracts for services. Thinking about your own giving, would you donate more, about the same amount or less to an organization if you knew that it received some of its funds from government agencies?

The crowding out question has been asked four times since 1997, with the share of people responding that they would donate less ranging from 16 to 20 percent, not a statistically significant difference.

Municipal fees issue goes to Minnesota Supreme Court

While the 1858 Minnesota state constitution exempted charitable real estate from the property tax, a number of cities have found ways to charge a variety of fees to get around this exemption and raise more revenue. Ranging from street lighting, right of way and street maintenance fees, city councils have sought creative ways to move expenses from the property tax to fees, which are seen as less likely to face taxpayer opposition.

Now the question of whether these fees are actually taxes, and thus subject to the charitable exemption, will go before the Minnesota Supreme Court in the case of First Baptist Church of St. Paul and Church of St. Mary vs. City of St. Paul. MCN submitted an Amicus Curiae (friend of the court) Brief supporting the churches’ position against the City’s Right of Way Assessment. MCN’s brief argues, “If the Court of Appeals’ holding is adopted by this court, fees similar to the Right of Way assessment will proliferate across the state with charitable resources being depleted and diverted to general municipal expenses.”

If the court decides in favor of the churches that these “fees” are actually taxes, it could require St. Paul (and potentially other cities) to stop collecting such fees from nonprofits that are property-tax exempt.

A copy of the Amicus Curiae Brief is available at MCN’s website under “Latest News.” A decision is expected in June.

More on page 7.

Finance Conference Keynote Offers Insights

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“They’ll be far more visual and highlight programmatic work,” Harold said. “It’s more than a new framework. The way people use GuideStar will dramatically change in 2016. My dream is that we can put nonprofit finances into context over time.”

“Over time” is key. Harold cautioned against making sweeping predictions or generalizations and instead noted that finance trends take time, sometimes years, to develop.

“Say we have data that goes back over the course of 15 years, we can map that out and see it in context. It’s a mistake to think about finances one year at a time.”

Harold emphasized the importance of collecting data and monitoring systems. While important, big-picture data is readily available from sources like the government and other agencies, Harold noted that nonprofits often overlook simple, close-to-home data sources.

For instance, GuideStar created a survey to collect demographic data about nonprofit staff and boards. They found that nonprofits often didn’t reflect the communities they served.

“We can’t change these things overnight,” he said. “But having this data and sharing that data will help us have a more fact-based conversation about how we can move forward.”

Harold is also an advocate for keeping data transparent, particularly when that data comes from clients or volunteers.

“You have to ask if you’re reporting data back to the community,” Harold said. “You’ll collect information and report it internally, but you have to make sure that feedback loop is complete. And it can’t just be, ‘Here’s what we heard from you.’ It also has to be ‘Here’s what we did with it.’”

To hear more about finance and data from Jacob Harold, register for MCN’s Nonprofit Finance and Sustainability Conference on March 3. Learn more at www.minnesotanonprofits.org/2016FC.

MCN Increases Nonprofit Connections Statewide

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For years, the opening of new offices was based on “manageable growth.” However, in November 2013, MCN conducted a survey of stakeholders in which the following question was asked: “In your opinion, which of the following areas are key growth areas for MCN to address in our inclusion work?” Over 50 percent of respondents indicated that MCN should focus on geography, including urban and rural differences.

With these survey results in hand, and with significant support from regional foundations, MCN has opened three new offices in the past 18 months. MCN now has staff in seven offices statewide including Bagley (near Bemidji), Duluth, Fargo/Moorhead, Mankato, Rochester, St. Cloud and St. Paul.

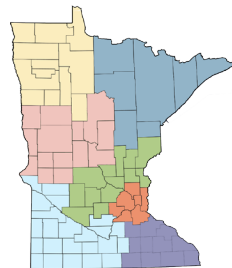
“In a big state, the regional chapters keep us connected,” said Jon Pratt, MCN’s executive director. “Our Greater Minnesota staff know their

communities and understand their nonprofits’ needs.”

In 2015, MCN’s regional staff provided member services to 618 nonprofit member organizations and hosted 76 events, including educational workshops, policy briefings, networking lunches and a daylong conference.

Whether your nonprofit is based in Greater Minnesota or has staff who travel regularly around the state, MCN is always available.

Learn more about regional MCN staff: www.minnesotanonprofits.org/regional-chapters



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New Human Services Commissioner Reflects on Nonprofits' Role in Care

Emily Johnson Piper, Minnesota's new commissioner of human services, is no stranger to public service and state government, having served in various roles in both the Governor's office and the Minnesota Department of Commerce. Johnson Piper will oversee a two-year budget of \$33.8 billion and a department that is responsible for everything from child protection to caring for people with disabilities.



The Commissioner started her tenure by reorganizing the massive state agency and indicating that her “priorities are centered on the people we serve.” Johnson Piper plans to revisit how the state provides services to people with disabilities in the community.

“Minnesotans can be proud of our record as a leader in long-term care services, but stories of people with disabilities who do not have the opportunity to pursue their goals should prompt us to renewed action,” she noted. “Minnesota’s Olmstead Plan provides a framework that will help us move forward in a purposeful, coordinated way across government, nonprofit and the private sectors.”

The Commissioner acknowledges the important role of nonprofit service providers in human services delivery across the state and the common interest in ensuring there is a strong continuum of care in the community. Further, Johnson Piper welcomes nonprofit feedback.

“Nonprofits are in a unique position to see the needs of people in a way that is difficult for state government to assess,” she said. “DHS will make a concerted effort to solicit input from nonprofits and others at the ground level as we develop policy. I also want to hear what is working and what isn’t. I look forward to getting out into the community to get a first-hand look.”

For the Commissioner, “serving the people of Minnesota is an important calling and, like you, one I take very personally. I feel very fortunate Governor Dayton has given me the opportunity to join you in this work. Together, we will make a positive difference in the lives of Minnesotans.”

Share your feedback and ideas in person at the MCN-hosted “Coffee with Commissioner Johnson Piper” on February 16, 8:30 - 9:30 a.m. in St. Paul. For more information and to register, visit www.minnesotanonprofits.org/cwc

Good News and Bad News as Policymakers Head to Session

Last year ended with mostly good economic news for Minnesota. The state’s latest budget forecast shows a positive balance for the current two-year budget cycle as well as the next one. It’s a welcome change from the 2000s, in which Minnesota saw frequent deficits and deep cuts to critical services. But as many dedicated community leaders know, it’s not all good news. Too many Minnesotans still struggle to make ends meet and communities are stretched to fill evolving needs.

Given the budget surplus, policymakers will choose how to direct these additional resources during the upcoming legislative session: whether to make tax cuts—and importantly, for whom—or make investments in the building blocks that strengthen Minnesota’s economy and communities, like education, training and other essential services that allow Minnesotans across the state to thrive.

A key finding in the forecast is that the state’s future economic growth is dependent on more Minnesotans participating in the workforce. The Minnesota Budget Project’s message will be the importance of expanding opportunity for Minnesotans across the state through affordable child care, affordable health care and tax policies that support work and bring greater fairness to our tax system.

It is vital that nonprofit leaders share the priorities for their communities and the people they serve to guide policymakers in making choices that will shape the future of our state.

For more information, read “Inside the November 2015 Economic Forecast” at www.mnbudgetproject.org.

Nonprofits Need to Help Shape Employment Policy

By Susie Brown, MCN public policy director

In discussions of employment policy, the nonprofit sector has a unique dual role. We are a major employment sector as well as strong advocates for improving employment policies to reduce racial and economic disparities. Some in the sector are pushing for change while others are struggling with implementation. Our sector experiences what some have deemed “moral support and operational anxiety.”

The time has come to recognize this balancing act and both express our moral support and plan for strategic adaptation. As the employment world is changing, we have a special opportunity, and responsibility, to engage in shaping it.

There are currently employment policy considerations at the federal, state and local levels. In June 2015, the U.S.

Department of Labor issued proposed changes to overtime rules that would substantially increase the number of employees eligible for overtime pay. It is expected that final rules will be announced in mid-2016 and go into effect in early 2017.

In Minnesota, proposals to require paid sick and safe time, develop a state retirement plan and offer paid family leave are actively being discussed. We don't expect any of these to become law in 2016, but discussions are underway.

Meanwhile, the City of Minneapolis continues work on developing a sick time policy. I am pleased to have been appointed to the Workplace Partnership Group, charged with listening to the community and presenting a proposal to the City Council. I have learned that even when an issue has basic general agreement—that people shouldn't have to go to work when they are sick—developing a policy is very difficult as there are significant operational differences across sectors.

So, how can you be a part of shaping these policies?

Share your views: Whether through written public comments, testimony before policymakers or making comments at community meetings. Decision-makers need to hear the views and realities of the nonprofit sector.

Join a task force or coalition: For example, many nonprofits have joined the Secure Choice Coalition, led by AARP, which is considering a state retirement plan. Additionally, MCN's executive director Jon Pratt serves on a state task force that is considering the issue.

Propose a new idea: In January, New York City mayor Bill de Blasio announced he would raise the pay of nonprofit workers to \$15/hour by budgeting \$200 million to increase funding for the city's human service contracts with nonprofits. This specific, focused solution will help the city's nonprofit sector recruit and retain its workforce.

I appreciate living in a time with low unemployment, a robust nonprofit sector and a strong effort to improve the lives of workers, especially those with the lowest incomes and the least access to opportunity. Will there be changes that will be difficult for some nonprofit employers to adapt to? Undoubtedly. But we are headed toward being a more just society in which workers are treated more equitably. We welcome you to join us in this effort.



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Nonprofit Awards and Advancements



Frank Haynes is the new executive director at **Helping Hands Outreach**.

The **Open Door** named **Kris Albright** as interim executive director and **Pam Murphy** as program manager.

Metropolitan State University was accepted to the **Nonprofit Academic Centers Council**.



The **Reading Center/ Dyslexia Institute of MN** welcomed **Sarah Carlson-Wallrath** as the director of development.

Transit for Livable Communities announced **Jessica Treat** as its new executive director.

Canvas Health named **Thomas J. Ruter** as chief operating officer.



Ellen Sahli is the president of **Family Housing Fund**.

Dawn Davis was named executive director at **EMERGE**.



The **Angel Foundation** welcomed **Andrew Rosen** as its president.

Jackie Boucher joined **Children's HeartLink** as president.

Sarah Hernandez was named director of development at **Ecumen**.



Shétu Rose joined **AchieveMpls** as its director of finance and operations.

Jackie Craig is the communications director at **EVOLVE Adoption & Family Services**.



Jake Blumberg joined **GiveMN** as executive director.

Minnesota Philanthropy Partners named **Nadege Souvenir** as associate vice president of community impact.

Minnesota International Center welcomed **Tim Odegard** as program director and **J.B. Scherpelz** as corporate relations officer.




Opportunity Partners announced **Bill Schultz** as executive vice president of business development and operations.

MCN is sorry to lose board member **Bobbi Cordano**, but proud to learn she has been named the new president of **Gallaudet University**, the nation's premier university for the deaf and hearing-impaired. Cordano, most recently vice president of programs at the Amherst H. Wilder Foundation, is the 11th president of Gallaudet University, located in Washington D.C.

"Bobbi Cordano will be missed for her keen insights on nonprofit leadership, especially the challenge of building truly inclusive organizations," said Jon Pratt, MCN's executive director. "Fortunately MCN is good at recruiting speakers for major conferences, so I predict we have not heard the last from Bobbi."

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 cswanson@minnesotanonprofits.org.



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Creating New Spaces to Nurture Happier, Healthier Children: Washburn Center for Children, 2015 Mission Award Winner

Throughout Minnesota, one out of five children will experience mental health challenges, yet only 20 percent get the help they need. When high-risk children receive early intervention, not only do they have happier childhoods, they are less likely to fail academically, drop out of school or become involved in the juvenile justice system.



For over 130 years, Washburn Center for Children has helped children from birth to 18 years of age with social, emotional and behavioral problems and their families lead successful lives. Washburn is Minnesota's leading children's mental health center, caring for a wide variety of children's needs, including anxiety, depression, learning difficulties and trauma. In 2014, the agency served over 2,700 children and approximately 8,100 family members through center-based, in-home and school programs throughout the Twin Cities area.

In response to the community's growing mental health needs, Washburn built a state-of-the-art children's mental health center in 2014 to further expand its service to children, transforming the landscape of children's mental health in the Twin Cities area and beyond. The first of its kind in the upper Midwest, the nature-based, sustainable design has become a benchmark for other facilities focused on treating, supporting and fostering children's mental health.

Washburn's new facility hosts the newly launched United Health Foundation Training Institute at Washburn Center for Children, an innovative children's mental health training program that will enhance the mental health care of children and transform child clinical practice in Minnesota. The 55,000-square-foot facility, designed to not only support children and families receiving care but also the therapists and staff delivering that care, doubles Washburn's previous space.

The project represents one of the most important initiatives taking place around children's mental health in the Twin Cities area. The impact on families and children can perhaps best be illustrated in the words of one young boy who saw the facility for the first time and exclaimed, "This is my new happy place."

As a result of Washburn's commitment to positively impacting the health of the city and its children and families for decades to come, the Minnesota Council of Nonprofits and MAP for Nonprofits were proud to present the 2015 Mission Award for Innovation to Washburn Center for Children.

To learn more about Washburn Center for Children, visit www.washburn.org.

MCN Submits Amicus Brief in Charitable Property Tax Case

MCN submitted an amicus brief to the Minnesota Supreme Court in January 2016. This brief weighs in on the spread of property taxes disguised as local fees on organizations that are property tax-exempt and the impact these fees could have on nonprofits statewide.

Since 2009, MCN has followed the statewide increase in fees or charges implemented at the city level. These fees, charges or assessments are for general city services that include street maintenance, street lights, snow removal and boulevard tree trimming, among other things.

In 2011, two St. Paul churches initiated a lawsuit against the City of St. Paul challenging the higher commercial rates they are charged as downtown churches compared to the lower residential rates that non-downtown churches are billed. Over the last four years, the case travelled through the courts and most recently lost at the Court of Appeals level. The churches asked the Minnesota Supreme Court to review the case and issue a final decision.

In the brief, MCN asserted that municipal fees, such as St. Paul's Right of Way maintenance assessment, violate the constitutional property tax exemption for institutions of purely public charities, seminaries of learning, churches, colleges, hospitals and others. The brief highlights the public benefit that nonprofits provide in communities, strong partnerships with the government and the intent of donors to see resources invested to further mission, not pay taxes.

Read the full brief on MCN's website at www.minnesotanonprofits.org/amicus.

All parties will submit final briefs to the Minnesota Supreme Court by early February; a decision is expected this summer.

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MCN Seeks AmeriCorps VISTA Applicants by May

The Minnesota Council of Nonprofits is gearing up for its third year of serving as an AmeriCorps VISTA program sponsor. The AmeriCorps VISTA program supports community efforts to overcome poverty by helping nonprofits build organizational capacity to develop and sustain solutions to community issues. MCN's goal as a program sponsor is to support nonprofits led by and serving communities of color by placing a full-time AmeriCorps VISTA member in these organizations.

Each VISTA member makes a yearlong, full-time commitment to serve on a specific project at a nonprofit organization. In return for their service, AmeriCorps VISTA members receive a modest living allowance and health benefits and have the option to receive a Segal AmeriCorps Education Award or post-service stipend. VISTA members also receive extensive training, including professional development, 1-to-1 mentoring, coaching and social activities to build the skills necessary

for leadership positions in the nonprofit sector.

If you have referrals or questions about the program, visit www.mcnvista.org or contact MCN's VISTA project team: Jesse Chang, VISTA Program Coordinator at jchang@minnesotanonprofits.org or Kate Fridley, VISTA Leader, at kfridley@minnesotanonprofits.org.

Applications are due in May.

In the coming year, MCN's program will grow from 14 to 20 VISTA members. To support this growth, MCN will be actively recruiting in the coming months. In particular, MCN seeks to develop a robust pool of applicants to advance its goal of increasing and retaining the number of leaders of color working in Minnesota's nonprofit sector.

To achieve this mission, MCN is asking members and readers to consider their networks for potential applicants. Are there interns or volunteers looking to enter the nonprofit sector? Do you know clients looking to enter the nonprofit sector but need experience to make a successful transition?



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