NONPROFIT NEWS

Information and connections for Minnesota's nonprofit sector



Winter 2021

BIPOC Nonprofits Index: a new tool for building power

Building on the efforts of people who have been working for decades to expand power, influence, and resources of Black, Indigenous, people of color (BIPOC) communities, MCN recently launched a free community resource: <u>the BIPOC</u> <u>Nonprofits Index</u>.

The index aggregates public information about BIPOC-led and/or -serving nonprofits as a resource for community members, foundations, policymakers, government agencies, donors, and nonprofits looking to partner with, invest in, and amplify the work of BIPOC-led and/or -serving nonprofits.

What's in the BIPOC Nonprofits Index?

As of January 22, 2021, there are 422 organizations featured in the Index, with information including: organizational name, website, mailing address, founding year, financial information, primary activity area (publicly available information taken from IRS 990 filings). Recognizing that the term "BIPOC" is not a monolith, the Index also disaggregates by primary racial/ethnic community.

How can I use the Index?

The Index can be used for a variety of purposes, from disaggregated research on the role and contributions of specific BIPOC communities to identification of partnerships, coalition building, and targeted philanthropic investments.

How is "BIPOC" defined and measured?

In consultation with BIPOC-led and/or -serving nonprofits and community partners, the following criteria of inclusion is used in building the BIPOC Nonprofits Index:

- Who does the organization support?
- Who serves in managing roles like executive leadership and management?
- Who serves in governing roles like the board of directors?

BIPOC nonprofits were identified using: self-reporting, the organization's mission, organizational name, founding history, local knowledge, and publicly available information.

Why does a resource like this matter?

The pandemic has only exacerbated what we know, and what has been vigorously declared by BIPOC communities: that the fundamental elements needed to thrive – health, safety, economic security, and the ability to influence the decision-making of institutions that impact one's family and community – are not equally available to all.

Racism is prevalent among communities and within the nonprofit sector. Nonprofits need to address systemic racism at all levels of decision-making, internal practices, and procedures that

guide the sector's work.

Tools like the BIPOC Nonprofits Index are available to provide you with information and connection in the continued push for racial equity.

Download the BIPOC Nonprofits Index.

J Nguyen, equity & justice VISTA, and Kari Aanestad, director of advancement, Minnesota Council of Nonprofits.

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NONPROFIT BITS

The 2021 Minnesota Grants Directory is here. Available as PDF-only to accommodate remote work, the Directory helps grantseekers by providing an overview of the state's most active foundations, giving programs, and state agencies.

The Directory includes basic information on over 100 community foundations, corporate giving programs, and private foundations.

Purchase your copy.*

*After purchasing, you'll be emailed a link to download & save the Directory for one month after purchase.

Where We Stand COVID 19 nonprofit economy update & MCN's executive transition

by Jon Pratt, MCN executive director

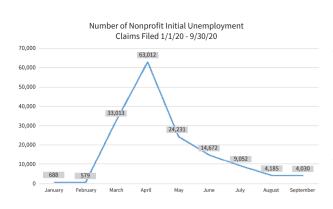
In December, <u>MCN released its third and final COVID 19 impact report</u> detailing challenges facing Minnesota's nonprofit economy, based on over 1,000 nonprofit respondents across three surveys. The reports put in perspective the challenges facing individual nonprofits including decision-making and communications with their governing board, supporters, and employees.

Key nonprofit economy report findings

• While most nonprofits report continued disruption, **the level of disruption is becoming more manageable** (42 percent). Arts organizations have experiences the highest levels of disruption (76 percent reporting significant levels of disruption).



• Nonprofits are adapting to this constrained environment, with **the four most common management changes**: augmented programming or service delivery (54 percent), a reduction in programming (48 percent), reduction in budget (42 percent), and increased fundraising (38 percent).



• Of Minnesota's total nonprofit workforce (391,850 at the end of 2019), at the end of September 2020, **153,000 had filed an initial claim for unemployment insurance** with the Minnesota Department of Employment and Economic Development (DEED) – equal to 40 percent of the nonprofit workforce. (Filing an initial claim for unemployment could mean reduced hours or temporary furlough, so not necessarily a total job loss.)

At the end of June 2020, **DEED reported just over 350,000 nonprofit employees, a 10 percent reduction** in the size of the nonprofit workforce from the first to the second quarter of 2020.

• **Concerns that government agencies will not have the ability to carry through on funding levels** in the next biennium led to the launch of the <u>Together We Rise Campaign</u> (see page 4). <u>Read the full December 2020 report</u>.

Preparing for MCN's next executive director

After serving 33 years as executive director, <u>I am happy to share the news that the MCN is beginning a search for new leader</u>. Once the new executive director is on board, I am not completely going away. I will be taking on a new position as MCN's senior research fellow on a part-time basis to continue longitudinal projects analyzing the nonprofit economy, workforce, revenue trends, and other issues.

MCN has created an eight-member search committee chaired by <u>Kenza Hadj-Moussa</u>, former MCN board chair, to conduct an open process and, of course, active posting on <u>MCN's Nonprofit Job Board</u> with detailed position description and compensation information.

I have been honored to work alongside many amazing Minnesota organizations and their leaders, from arts and human services to environmental and neighborhood groups. One lesson of COVID 19, the murder of George Floyd and the civil unrest that followed, is that the world needs more of what nonprofits do, often under difficult conditions. Minnesota's nonprofits can be seen continually responding to community interest and need, and I am grateful to have witnessed this evolution from when MCN's first member joined in 1987 to 2020 when our membership is over 2,200.

The executive director search will take place over the first half of 2021 and will not affect any of the organization's programs, policy advocacy, or day-to-day work. MCN is in a strong position for the next stage of its work, with a solid policy agenda, a great staff team and board, healthy finances, and long-term trusting relationships with members, public officials, funders, and business partners. We are ready to take the nonprofit case to the new legislative session and the new Congress, and to return to in-person events when the time is right.

Nonprofit financial stability: 10 years ago vs. now

Just over ten years ago, six people set in motion a new convening for nonprofit leaders that centered finance and conversations on sustainability. MCN and Propel (then Nonprofit Assistance Fund) were responding to a call within the sector: finance folks needed a space specific to them in guiding and bolstering nonprofits through volatility.

A global pandemic, racial reckoning, economic crisis, and an insurrection. This is the environment in which nonprofits find ourselves attempting to thrive. Did that group ten years ago have an inkling that the <u>Nonprofit</u> <u>Finance & Sustainability Conference</u> they brought forward in 2012 would be just as needed in 2021?

We asked two of the foundational voices, MCN executive director Jon Pratt (JP) and Propel president and CEO Kate Barr (KB) about its relevance today.

The conference focus is finance AND sustainability. Given our current crises, how is sustainability part of our reckoning?

KB: Sustainability is not a fixed point in time of a single business model or budget. Building muscles (and capitalization) to be adaptable has always been the key. Being adaptable runs counter to lots of "best practices" and expectations, especially for people not deeply knowledgeable (too often this includes the board.) What's changed is the urgency and imperative to ask, "What is worth sustaining?" There are a lot of external and internal forces that make organizations and leaders avoid getting real about that.

JP: The last 10 years have been a big mix of technical and adaptive challenges that need to be tackled, no magic bullets, and overall fairly stable models for what the work is. One move could be better awareness of the external control of organizations by revenue streams (equitable and otherwise) - the soup in which nonprofits sit.

What nonprofit finance leaders are you paying attention to right now?

KB: Almost every arts organization because of the rapid pace of trying different approaches and testing their capacity; people like <u>Adair Mosely at</u> <u>Pillsbury United Communities</u> who is creating an amazing case to bring more capital to their community; small organizations who are choosing to keep a core organization at a smaller size so they have elbow room for projects, partnership, and changes; movement leaders who are trying out ways of working outside of, or in addition to the 501(c)(3) model.



Supporting you in 2021

Nonprofit leaders and finance experts are here to support you with insights, strategies, and tools to achieve financial stability in 2021, and for the next 10 years.

Join Kate, Jon, and 400+ nonprofit finance professionals at the <u>2021 Non-</u> profit Finance and Sustainability Conference, April 20 and 27. <u>Secure your</u> Early Bird rate now through 3/1.

Courtney Gerber, program director, Minnesota Council of Nonprofits.

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Governor's budget proposal shows opportunity to build a more equitable future for all Minnesotans

As nonprofits, our missions and work are instruments in advancing a vision for Minnesota where each of us have what we need to thrive. Yet we see the challenges before us, both the immediate crises caused by the pandemic and the long-standing barriers faced by Black, Indigenous and people of color (BIPOC) Minnesotans.

This economic recession <u>may be</u> <u>the most unequal in our lifetimes</u>. Hundreds of thousands of neighbors struggle to keep food on their tables or a roof over their heads, and it's hitting hardest BIPOC Minnesotans. That this is coming at the same time as recordbreaking stock market performance means many with the highest incomes are seeing economic gains.

Economic and budget overview

During this budget-setting year, we have an opportunity to call on policymakers to pursue investments in the public services that will lift struggling Minnesotans through this current crisis, and invest in a more equitable recovery, tackling the economic and racial disparities that were already with us.

That means making investments so that all of us have what we need to thrive, from good schools and affordable housing, to broadband access and quality health care.

It will also take additional revenues; MCN calls on policymakers to prioritize tax policies that ask people who have the most resources to contribute a bit more to a stronger recovery and future for all of us.

While state budget forecasts are important context as policymakers put together the budget, <u>we know projections</u> <u>do not fully measure</u> what it takes for all communities to thrive. And the gap between the state's current funding commitments and what it is expected to collect in revenues grows larger over time.

Governor's budget

In his budget released in late January, Governor Walz proposes investments for today and to strengthen our communities tomorrow. He makes the largest new investments in K-12 education; he also includes provisions to focus on people hardest hit by the pandemic, including increased funding for affordable child care, emergency economic support to very low-income families, financial aid for college students, establishing a state Paid Family and Medical Leave insurance program, and investing in broadband. The governor's budget also includes a tax plan with provisions to make our tax system more equitable and to raise new revenues to pay for those investments, so the recovery is felt by Minnesotans in every corner of the state. Among his proposals are a \$50 million annual increase in the Working Family Credit, an effective income boost for Minnesota families that MCN's Minnesota Budget Project has long championed.

His revenue-raising proposals focus on people with the most resources:

- A new millionaire income tax bracket
- An additional tax on capital gains and dividend income over \$500,000
- Reversing recent cuts to the estate tax while maintaining protections for smaller family-owned farms and business
- Raising the state's corporate income tax rate.

Visit the <u>Minnesota Budget Project's</u> <u>blog</u> for more information on the state's budget and economic landscape, and join us in <u>Together We Rise</u> to support the tax and budget policies that advance a vision of a more equitable Minnesota.

Laura Mortenson, director of communications, Minnesota Budget Project.

TOGETHER WE RISE

Join MCN & Minnesota Budget Project in a policy campaign to meet the challenges of our times.

We call for raising the revenues needed to fully respond to the pandemic and economic downturn so that Minnesotans can be healthy, safe, and economically secure; to protect community and public services that Minnesotans count on; and build a more equitable recovery.

When we fully recognize what our communities need to thrive, it's clear the gap between current state revenues and the investments needed is real and growing. Minnesota is a state of abundance, we have what we need to care for each other if we choose to do so. Learn how you can advance this vision for Minnesota.



Agendas and Action Nonprofit advocacy tips from recent successes

by Marie Ellis, MCN public policy director

Measuring the impact of advocacy can be difficult. We can count the number of emails sent to legislators, or how many times we met with legislators, but there's usually no clear way to know exactly how impactful our work is. <u>And</u> that's why what happened in December was so exciting.

During the one day special session of the Minnesota Legislature in December 2020, the collective voices of nonprofits and the communities we support helped nonprofits save \$25 million in organizational expenses.

The bill being considered included 13 weeks of additional unemployment benefits, but the Senate proposed that reimbursing employers be responsible for the full cost of those 13 weeks, a massive burden on some nonprofits.

About half of nonprofits in Minnesota choose to reimburse the state for unemployment benefits that their employees receive, instead of contributing quarterly through the Unemployment Insurance (UI) tax. With the extraordinary jump in layoffs and furloughs during the pandemic, UI reimbursement bills became untenable for many nonprofits.

MCN has been leading on this issue to provide increased financial relief for reimbursing nonprofits, both nationally and at the state level. After hearing the proposal that reimbursing employers be responsible for the cost of additional weeks of unemployment, MCN and nonprofits around the state jumped into action, using our collective voice to ensure key lawmakers knew the proposal was unworkable.

Our advocacy worked (pop the champagne!), and reimbursing nonprofits will not be charged for those benefits. A conservative estimate shows a savings of \$25 million for nonprofits.

What we can learn from this advocacy success:

• Build relationships with organizations that do similar work, coalitions that advocate on relevant issues, and elected officials. More than 50 nonprofits from around the state sent emails to key legislators within just a few hours about the burden of this bill thanks to established relationships. Be realistic and clear, not overblown. In emails to lawmakers, nonprofits estimated their financial impact and included specific



- Keep it short when it's urgent. Knowing when to give a lot of background and when to get right to the point is key. Nonprofits who wrote short, to-the-point emails were especially impactful.
- Speak to increased needs due to the pandemic and economic downturn. The demand for nonprofit work has only increased, and in many cases, with no new resources. Talk about your increased costs and use language that centers people, not programs. For example, a transportation nonprofit included their additional costs for providing rides to COVID-positive patients in Greater Minnesota at the request of the State.
- Always thank decision makers and partners. Gratitude strengthens relationships and keeps the door open for future advocacy. For example, this note from a housing and service provider for people with disabilities, "Your work to understand the challenges of Minnesota businesses, including the nonprofit sector, is so very much appreciated. Restoring the protections provided in this legislation was key to nonprofit employers!"

Following this nonprofit advocacy win, Governor Walz noted to an MCN audience, "[The problem for reimbursing employers] got changed because of the advocacy of this [nonprofit] group. It was in the conversation, and when we were there talking about it, your voice was at the table to make that a priority, because we knew that was going to impact people."

We can say with certainty that this short advocacy effort was a success, thanks our collective voice. We are grateful to be in this work with you.



Nonprofit News and Advancements



Ecumen announced Jim McAlpine as senior vice president, legal affairs and corporate general counsel

Yordanose (Yodi) Solomone and Justin Tomljanovic joined the board of directors for Conservation Corps Minnesota & Iowa.

Dan Hoke and Ginny Kremer joined the Opportunity Partners board of directors.



People Serving People selected Rinal Ray as the chief executive officer. Prior to her time at People Serving People, she served

as deputy policy director at MCN.

Tammie Nasseff, CPA, was named controller of the Neighborhood Development Center.



The Minneapolis Foundation welcomed Michelle Benson as vice president of marketing and communications.

Lifeworks Services welcomed Lori-Anne Williams as major gifts officer.



The McKnight Foundation announced Tonya Allen as president, effective March 1, 2021.

World Savvy hired Lynnea Atlas-Ingebretson as chief of staff.



Tracy Fischman, former executive director of Prepare + Prosper, was appointed assistant commissioner of policy

and public engagement at the Minnesota Department of Revenue.

MDI announced Eric Black as president and CEO, replacing Peter McDermott, who will retire on April 1, 2021.



Jesse Bethke Gomez, MMA, executive director of the Metropolitan Center for Independent Living, was selected as one

of "Minnesota's 100 Most Influential Health Care Leaders" by Minnesota Physician.

Submit Your Announcements

MCN member organizations are invited to submit your organization's awards, staffing announcements, and other news to ldunford@minnesotanonprofits.org. MCN cannot guarantee that all announcements will make it into *Nonprofit News*.



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Shaun Floerke was named president and CEO of the Duluth Superior Area Community Foundation.

Bridging welcomed Kate Solberg as client services manager.

Bill Schultz was named president and CEO of Opportunity Partners.



Swopnil Shrestha joined the Minnesota Council of Nonprofits as capitol pathways intern.

The Friends of the Saint Paul Public Library elected Na Eng, Bryce Miller, Deepa Nirmal, and Mani Vang-Polacek as trustees to its board of directors.



Betsy Hammer, former policy advocate at the Minnesota Budget Project, joined the Minnesota Department of

Health as an analyst.

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Why we need to #FixTheForm: Grant Applications

Surprise pop-up questions. Not being able to save. Applications that take 25 hours and result in \$2,000. Poorly designed grant applications cost nonprofits precious time (up to 20 percent of full time work), create barriers and inequitable access to funding.

Small changes, like eliminating word limits, can have big impacts and increase the likelihood that smaller, resource-limited nonprofits can and will apply.

It's time to #FixTheForm

#FixTheForm is a grassroots international movement to identify and fix the top pain points in grant applications.

2,500 reviews on <u>GrantAdvisor.org</u>, an anonymous review site of grantmaking foundations led by MCN, indicated that small but impactful changes to online grant applications represent the top opportunity for improvement.

To identify these opportunities, I partnered with a colleague in the UK to develop and launch a survey in November 2020; in less than four weeks it had 500 responses from folks in 9 countries, 40 percent of whom bring 15+ years of experience and represent every shape, size, and activity area of the nonprofit sector.

Top Pain Points to Fix

- 1. Not being able to see the full application ahead of time. (411 votes)
- 2. Time taken to apply is disproportionate to the funding amount awarded. (398 votes)
- 3. Forms you can't save and return to. (377 votes)

A summary of survey results will be released in the coming weeks, offering quantitative data, practical recommendations, and powerful anecdotal insights on why this issue matters.

Join the #FixTheForm Movement

- Did you have a recent experience with a funder who needs to #FixTheForm? Write an anonymous review of them on <u>GrantAdvisor.org</u> and use #FixTheForm in your review. Our team will ensure the feedback is shared.
- Funders are invited to become early adopters in pledging to #FixTheForm. <u>Email us to learn more</u>.

Kari Aanestad, director of advancement, Minnesota Council of Nonprofits.

VISTA Program expands to Greater MN - welcome St. Cloud VISTAs!

Although the Twin Cities offers many AmeriCorps VISTA resources, they are not evenly distributed across the state. <u>MCN's VISTA Program, established in 2014</u>, is now filling that gap as the program expanded into Greater MN.

VISTA members are now working at three St. Cloud

nonprofits to provide resources, capacity, and connections to grow community impact and ensure operational sustainability. The program's intent is to reduce admin burden whenever possible for these nonprofits, so that they can focus on the doing the good work that they do.

Our mission has been to develop meaningful relationships and projects with BIPOC-led organizations, as well as expose a greater number of white-led rural nonprofits to equity and justice values through a deep relationship with MCN VISTA program.

Partnering with St. Cloud nonprofits serving or led by immigrant and refugee communities, as well as communities of color to overcome poverty through the VISTA Program, has shown to improve relationships between Greater MN communities, MCN, and the nonprofit sector as a whole.

From a VISTA member in St. Cloud:

"I have been working on capacity building for Promise Neighborhood by developing and implementing a system to better collect data and am learning about program support by coordinating trainings with staff and parents," said Amanda James, community engagement coordinator, with the Promise Neighborhood of Central MN.

MCN plans to add one additional host site this year in St. Cloud and will begin recruitment in March for 17+ full time positions and six summer associate positions. <u>Learn more</u> <u>about MCN's VISTA Program</u>.

Thank you St. Cloud Host Sites: <u>Community Grassroots</u> <u>Solutions, Jugaad Leadership</u>, <u>Promise Neighborhood</u>, and <u>Yes Network</u>.

Thank you St. Cloud VISTA members:

Rahmo Sharif-Abdullahi, Oyinlola Oppong, and Amanda James.

Warsame Warsame, Central Minnesota regional coordinator, Minnesota Council of Nonprofits.

Celebrating our state's Unsung Heroes: Patti, Lisa, Desralynn & Hani

Four Minnesotans have been recognized for their outstanding, largely unrecognized contributions to our state as recipients of the 2020 Virginia McKnight Binger Unsung Hero Award from MCN and the McKnight Foundation.

While previously overlooked, the award recognizes that their work is not undervalued. From equity in healthcare to technology access for remote learning, these are our 2020 Unsung Heroes:



Rather than let another building sit vacant, **Patti Ballan (Rainer, MN)** transformed her father's old furniture business into a co-working space that provides high-speed internet for her small town. Although she is passing up revenue opportunities, she continues to allow nonprofits and students to use the space for meetings and internet availability, free of charge.

Lisa Bellanger (Minneapolis, MN)

is preserving Native ancestry by harnessing the joy, pain, and traditions of her Ojibwe and Dakota ancestors into teachings for the next generation.



This summer, as uprisings reached their peak in response to the murder of George Floyd, Lisa worked with the American Indian Movement to create community patrols that helped protect American Indian businesses.



When stores closed during civil unrest this summer, **Desralynn Cole** (Minneapolis, MN) worked with Northside Emergency Resource Pop-Up to ensure residents still had access to necessities. "It was personal for me because I can get resources, but there are people who cannot. And if we're going to shut down buses because we're afraid of a little civil unrest, then I'm going to step up in a way that is going to even the playing field," she says.

Hani Jacobson (St. Cloud, MN)

advocates for immigrants and families of color, identifying barriers to medical

care and working to eliminate them on the Somali Community COVID-19 Task Force.



"Education and health, they're related. It's the lack of access and understanding of how to navigate these systems. Parents are facing housing and food insecurity, and on top of that, they are fighting for their health," Hani says.

"Right now it is particularly important to celebrate community members working in service of others," says Nonoko Sato, associate director of MCN. "Although their work has been previously overlooked, this award recognizes that their contributions are valued, are seen, and are honored."

Since 1985, four people are annually awarded the <u>Virginia McKnight Binger</u> <u>Unsung Hero Award</u>. Each 2020 honoree received \$10,000 from the McKnight Foundation, <u>a profile from Pollen</u>, and recognition at <u>MCN's Annual Conference</u>.

Laura Dunford, communications manager, Minnesota Council of Nonprofits.

Illustrations by Pollen Midwest.

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Our Mission MCN works to inform, promote, connect, and strengthen individual nonprofits and the nonprofit sector.