Dear friends and supporters,

For many, 2020 was a year that could not end fast enough, and yet a critical year to reflect back on — as a community, sector, and organization. At the Minnesota Council of Nonprofits (MCN), our year began in January with a sense of optimism and an organizational commitment towards racial equity, never fully recognizing how critical that commitment was in a year where disparities for communities of color continued to significantly widen due to broken existing systems.

It was also a year that bound us together, and drove us apart. We saw divisions across political, geographic, socio-economic, and racial/ethnic lines AND we saw the power of solidarity between communities that relied on each other’s voices and power towards shared liberation. Within the chaos, heartbreak, and suffering, nonprofits rose to meet the exponential demand from communities in need, and philanthropy opened a clearer path towards community-centered partnership. This annual report is dedicated to the nonprofits who could not have imagined the shifts they needed to make, and yet did it anyway for the common good. We see you and extend our huge gratitude to you all.

As global attention turned their eyes to Minneapolis after the murder of George Floyd at the hands of those sworn to protect us, we saw an increased commitment by organizations towards racial equity and justice – and subsequent frustrations in understanding HOW to get there. We saw organizations with trusted relationships with communities mobilize to ensure all Minnesotans were counted in the census AND that their voices counted in a highly contentious election. Public policy work was brutal and never-ending, and yet we also saw an opportunity for the “people’s house” to be more accessible to folks throughout the state with a quick adaptation of technological tools, and we saw the challenges of broadband access for rural communities.

In the midst of it all, MCN responded as best as we could to support high-level needs of our sector, including:

- pivoting into a virtual world, more than doubling our free events and expanding virtual offerings to connect our nonprofit leaders to elected officials, experts, and to each other;
- becoming experts in unemployment insurance for reimbursing employers, and suddenly focusing on federal legislation more than ever before;
- committing to supporting our staff fully, utilizing two Paycheck Protection Program loans to ensure none of our staff were furloughed or laid off, and partnering with our allies to quickly bring resources and information so that other nonprofits can do the same;
- building a COVID-19 resource page for nonprofits, robust with incredible resources shared by nonprofit partners and with the quickly changing circumstances of the moment;
- keeping nonprofits, funders, government agencies, and media informed through responsive surveying of the sector and four special COVID-19 economy reports, which showcased Minnesota nonprofits actively managing complex operations and finances in constant adaptation and epic uncertainty; and
- informing grantseekers of new funding that became available in response to the double public health crisis via a free special COVID-19 edition of our trusted Minnesota Grants Directory.

Lastly, but certainly not the least, in December of 2020, MCN announced that we would be commencing a search for a successor to the organization’s founding executive director, Jon Pratt, who would be transitioning into retirement in 2021. A nationally respected nonprofit leader, Pratt served as MCN’s executive director since 1987, when the organization was founded to meet the increasing information needs of nonprofits and to convene nonprofits to address issues facing the sector. In the three-plus decades since, MCN has become the largest nonprofit state association in the U.S., with 2,300 members, hosted over 2,000 education and networking offerings statewide; launched an association health plan for nonprofit employers; created one of the nation’s largest nonprofit-specific job boards; opened six regional offices in Greater Minnesota, and advocated on behalf of nonprofits and a more equitable state through key state and federal policy issues.

All told, 2020 was a year of constant change, myriad challenges, and endless opportunities for our sector and the communities we all serve to explore new ways to come together to solve problems and work towards a brighter future for all Minnesotans. The work is never done, and MCN’s role in moving that work forward continues to evolve. We look forward to remaining a trusted ally and advocate for nonprofits from Luverne to Grand Marais, North Minneapolis to the White Earth Reservation, and every vibrant community around and in between.

— MCN Staff and Board of Directors
By the numbers:

**2,613 nonprofit members**
with focus areas including housing, arts, poverty alleviation, mental health, education, environment, youth development, and much more.

**332 associate members**
providing valuable expertise, products, and services nonprofits need to advance their missions and serving as strong sector champions and partners.

**31 individual members**
representing jobseekers and students interested in connecting with the nonprofit sector as they seek to forge their paths in mission-driven work.

**27% Greater Minnesota members**
Nonprofits outside of the 7-county metro area represented more than one-quarter of our MCN’s total nonprofit membership network.

The Minnesota Council of Nonprofits is the largest statewide association of nonprofits in the country. With over 2,200 member nonprofit organizations and 240 businesses as members at any given time throughout Minnesota in 2020, the association is the premier place for nonprofit managers, volunteers, and businesses serving nonprofits to come together under the umbrella of a statewide association of nonprofits.

With the onset of the COVID-19 pandemic, MCN members, more than ever, took advantage of available resources and benefits designed to address the unique and evolving needs of nonprofits in challenging times, including:

- **9,759 member postings on the MCN Nonprofit Job Board**
- **703 free MCN publications accessed using member vouchers**
- **414 nonprofit employees covered by BenefitsMN health plans**

**MEMBER ACTIVITY AREAS**
MCN membership not only represents diversity in terms of organization size, geographic location, and communities served, but also diversity of core activity and service:

- **Human Services (22.1%)**
- **Arts, Cultures, & Humanities (15.1%)**
- **Education (8.4%)**
- **Community Improvement (6.7%)**
- **Youth Development (4.1%)**
- **Health, Diseases, & Medical Research (8.7%)**
- **Environment (4.6%)**
- **All other activity areas (each under 4%)**
  - Animal-Related, Civil Rights & Advocacy, Crime & Legal-Related, Employment, Food & Nutrition, Housing, Mental Health, Philanthropy, Recreation, Religion & Spirituality, etc.
Through workshops, networking events, conferences, and virtual trainings designed around the topics and trends most important to nonprofits, MCN brings people together from across the state and support our strong, vibrant sector.

Despite a world turned inside out, 6,800 people found relevance in MCN’s workshops, conferences, and networking events throughout 2020. By April, like many, MCN had swiftly moved to an all-virtual delivery model, with 71 percent of our 2020 events hosted virtually compared to 15 percent in 2019. Fundraising, leadership, and governance represented the most highly engaged content areas, comprising 50 percent of event registration. Additionally, a steady rise in participation in learning opportunities centered around equity and justice also took place, and we witnessed increased participation by our Greater Minnesota members by virtue of our collective virtual existence.

Access to public officials was paramount as nonprofits moved through the economic and programmatic pains of both the pandemic and racial justice uprising to receive information and raise awareness around the sector’s specific needs with lawmakers and those with decision-making power across the state. In response, MCN, in partnership with peer organizations, coordinated 13 free informational sessions that included five calls with Governor Tim Walz and Lieutenant Governor Peggy Flanagan, a listening session with MN DEED Commissioner Steve Grove, a conversation with Senator Tina Smith, and a town hall with Neil Kashkari, president of the Minnesota Federal Reserve Bank.

Demonstrating further responsiveness to changing demographics and the new learning environment experienced by our nonprofit community as a result of the pandemic and the racial unrest following the murder of George Floyd by police, MCN expanded its network of trainers and subject experts, grew community trust by introducing stipends for 2020 MCN Annual Conference presenters, and introduced free Bite-Sized Learning sessions to explore timely trends and topics in one-hour, easily digestible virtual gatherings.

By the numbers:

80 workshops and series on both evergreen and trend-centric topics such as grantwriting, supervision, communications, evaluation, human resources, diversity and equity, advocacy, and more.

1,523 conference attendees at the Finance & Sustainability Conference; Greater Minnesota Nonprofit Summit: ACTcon: Fundraising, Communications, & Technology Conference; and MCN Annual Conference.

112 free informational and networking events including virtual calls with elected officials, member benefit partner presentations, COVID-19 specific webinars, and more.

574 Greater MN attendees for free in-person and virtual regional networking convenings and new Bite-Sized Learning events.

$21,121 in scholarships to 127 nonprofit employees, students, and jobseekers for in-person and virtual events.
For decades nonprofit organizations in Minnesota have been a steady source of economic growth in every region of the state and played an important role in Minnesota’s communities providing vital services, employing local residents, and improving the quality of life.

By mid-March 2020, it became evident that COVID-19 would bring significant operational and financial disruptions to Minnesota’s nonprofit sector and the communities it serves. In response, MCN engaged nonprofits and philanthropy in Minnesota to produce and regularly update two survey-based research publications:

**Minnesota Nonprofit Economy Report - COVID-19 Impact Updates**

Beginning in the spring of 2020, MCN launched a *Minnesota Nonprofit Economy Report - COVID-19 Impact Update* series to provide a broader context for organizations to put their individual situation in perspective for decision-making and communications with their boards of directors, supporters, and staff. MCN shared this information with nonprofits, policymakers, funders, media, and the general public to help them understand how the current environment has affected the nonprofit sector and actions these organizations have taken.

Starting in March 2020, MCN conducted three surveys and issued three follow-up reports summarizing key trends, impacts, and outlook. All reports are available online.

- May 2020
- July 2020
- December 2020

Five key themes emerged over the course of the report series:

1. **Epic Uncertainty:** The sheer volume and breadth of missing information forced nonprofit managers and governing boards into unfamiliar territories of crisis decision-making, taking significant decisions based on inadequate time, data or community input. While not a cure to uncertainty, openness about what information is available, and increased board interaction, staff consultation and appropriate community engagement were essential.

2. **Financial Crisis:** Depending on the organization, a wide range of financial adjustments were implemented across the sector, including the Paycheck Protection Program loans, use of reserves, disaster grants, layoffs, rent abatements, and more.

3. **Racial Inequity:** Minnesota’s historic disparities between white and Black people, Indigenous people, and people of color (BIPOC) residents in income, wealth, educational achievement and law enforcement carry over to many aspects of the nonprofit sector, including organizational assets, real property ownership, revenue sources and government contracts. Addressing gaps in leadership resources and working capital continue to be essential in the recovery of communities most disproportionately affected by lost income, employment and housing stability.

4. **Altered Nonprofit Role:** Within each activity area — arts, human services, health, community service, youth development — organizations assessed how changed circumstances can put forward field specific responses and adaptation. Organizations that set out to change the world found themselves confronting a less stable world with unclear shifts in community needs and available resources.

5. **Health of the Nonprofit Workforce:** Overall employment uncertainty, work from home orders, school age children of employees kept home, risks of COVID-19 infection for front line workers, and COVID-19 infections (and, in some cases, deaths) among the nonprofit workforce and their friends and family contributed to significant workforce stress and morale issues.


As nonprofits began facing an era where the impacts of COVID-19 will likely result in increased demands on their organizations, operational challenges, and funding disruptions, grantseeking has become even more vital. Unlike other sources of revenue for nonprofits, grant funding can be more nimble, flexible, and quick in times of crises.

MCN’s Advancement and Member Services teams have been compiling information on responsive grant opportunities as they become available, both within Minnesota and nationally. Each version of the directory provided an evolving list of funding opportunities.

- Date of version 1: March 23, 2020
- Date of version 2: March 31, 2020
- Date of version 3: April 10, 2020
- Date of version 4: April 22, 2020
- Date of version 5: May 20, 2020
In a year marked with epic uncertainty, MCN’s policy teams and allies were hyper-responsive to the myriad challenges posed by the arrival of the COVID-19 pandemic. We pivoted to new priorities, including a significant increase in our federal presence. We heard from our members and partners that nonprofits, especially direct-service nonprofits, were answering the call to step up even more for their communities, even while dealing with wildly unpredictable funding landscapes. We advocated at both the state and federal levels that nonprofits be included in economic relief, and saw the fruits of that labor in nonprofit eligibility for forgivable Paycheck Protection Program loans in the CARES Act.

Of particular concern in 2020 was the volume and array of seemingly unanswerable questions facing nonprofits and our communities. MCN supported nonprofits by hosting calls with the Office of the Governor and Lt. Governor, state agency commissioners, and members of Congress, so that we could all hear firsthand the latest information and have opportunities to ask questions.

MCN’s policy team became nationally-recognized experts on reimbursing employers, which includes about half of all nonprofits in Minnesota. As a result of this advocacy, these employers were not charged for the additional 13 weeks of benefits that the legislature passed, with conservative estimates showing collective savings of approximately $25 million.

With thanks to MCN’s nonprofit members for flagging this issue for us, the organization worked with U.S. Senator Tina Smith’s office and the National Council of Nonprofits to provide resources to nonprofits nationwide that were impacted by an IRS glitch that resulted in over 30,000 nonprofits having their tax-exempt status erroneously revoked.

MCN was grateful to partner with and provide grants to 41 organizations across Minnesota for census mobilization, with a focus on culturally-specific organizations. These organizations did incredible work to ensure their diverse communities were counted in the 2020 Census. Minnesota held onto its eighth congressional seat by a mere 26 people, showing clearly that the work of each one of these organizations was critical. After the 2020 Census MCN’s focus switched gears from Census to redistricting, becoming an active member of Our Maps MN coalition and sharing important redistricting information with nonprofits.

Continuing our commitment to strengthening democracy, MCN distributed grants to six organizations for voter engagement within their respective communities. Because of COVID-19, these organizations found creative ways to get out the vote, including virtual concerns, visual campaigns created by local artists, and videos for multiple platforms.

Lastly, after a regular session and five special sessions, the Minnesota Legislature passed a bonding bill that included two provisions to advance racial equity through infrastructure projects, both of which MCN and the Racial Equity & Joy coalition advocated for. First, the bill included $30 million to culturally-specific nonprofits for capital investment projects, using a process much easier than the usual bonding process, and second, the bill added a requirement that state bonding projects be subject to the same gender and racial hiring goals as other state projects.

Minnesota Budget Project

A nonpartisan initiative of MCN, the Minnesota Budget Project advances budget, tax, and economic public policies to expand Minnesota’s prosperity to all Minnesotans. In 2020, the Minnesota Budget Project focused its energy on a wide array of responsive priorities, including:

- **Together We Rise Minnesota**: In the fall, MCN and the Minnesota Budget Project launched a public policy campaign to advocate for raising the revenues Minnesota needs to ensure we all can find our way through the health and economic challenges caused by COVID, address disparities and areas of disinvestment exacerbated by the pandemic, and build a more equitable recovery. Over 100 organizations have signed onto the campaign’s principles, and many have participated in advocacy and educational events and activities.

- **Equity-centered COVID response**: When the pandemic hit, the Minnesota Budget Project joined thousands of other nonprofit organizations in shifting its focus to the public health crisis and related economic disruption. Over the next 10 months, the team produced analysis on the impact of the pandemic and advocated for bold state and federal policy action centered on lower-income and BIPOC Minnesotans – those who were most impacted by pandemic. As a result of policies supported by the Minnesota Budget Project and its allies, hundreds of thousands of Minnesotans could benefit from policy changes to allow them to continue to access essential services during the pandemic, millions of dollars was invested to keep Minnesota’s child care system available to working parents, and access to affordable health care was protected.

- **Racial Equity Budget Bites**: In collaboration with Voices for Racial Justice, the Minnesota Budget Project created a learning cohort focused on responding to Minnesota BIPOC and racial justice advocates’ learning priorities about the state’s budget and tax decision-making processes.
## FUNDERS, SPONSORS, & PARTNERS

### Operating and Program Funders
- Ameriprise Foundation
- Hugh J. Andersen Foundation
- Blandin Foundation
- Bush Foundation
- Patrick and Aimee Butler Family Foundation
- Cargill Foundation
- Center on Budget and Policy Priorities
- Enterprise Holdings Foundation
- Ford Foundation
- Greater Twin Cities United Way
- Mayo Clinic Community Contributions Program
- McKnight Foundation
- Nordson Corporate Foundation
- Otto Bremer Trust
- Park Foundation
- Rochester Area Foundation
- Saint Paul & Minnesota Foundation
- Richard M. Schulze Family Foundation
- Bernard and Anne Spitzer Charitable Trust
- Stoneman Family Foundations
- Target Foundation
- West Central Initiative

### Program Partners
- Alliance of Arizona Nonprofits
- Association of Fundraising Professionals - Minnesota Chapter
- California Association of Nonprofits
- Center for Disaster Philanthropy
- Center for Nonprofit Advancement
- CliftonLarsonAllen
- Common Good Vermont
- Corporation for National and Community Service - Minnesota Office
- Delaware Alliance for Nonprofit Advancement
- Grant Professionals Association, National and Northstar Chapter
- GreatNonprofits
- Idaho Nonprofit Center
- International Association of Business Communicators - Minnesota Chapter
- Kentucky Nonprofit Network
- Larned A. Waterman Iowa Nonprofit Resource Center
- LegalCORPS
- Maine Association of Nonprofits
- Maryland Nonprofits
- Minnesota Council on Foundations
- Minnesota Department of Employment and Economic Development
- National Council of Nonprofits
- Network for Strong Communities
- New Mexico Thrives
- Nonprofit Association of the Midlands
- North Dakota Association of Nonprofit Organizations
- Oklahoma Center For Nonprofits
- Propel Nonprofits
- Southwest Initiative Foundation
- Springboard for the Arts
- Sunrise Banks
- Washington Nonprofits
- West Central Initiative

### Sponsors
- Bremer Bank
- Bush Foundation
- CliftonLarsonAllen
- Comcast Business
- Gallagher
- Hamline University
- Humphrey School of Public Affairs
- Mahoney Ulbrich Christiansen & Russ P.A.
- Mutual of America
- NTH, Inc.
- Southwest Initiative Foundation
- St. Catherine University
- University of St. Thomas Executive Education
- Who Leads in Minnesota? (Wilder Research)
- Xcel Energy
**Paycheck Protection Program Loan**

In April 3, 2020, MCN applied for a Paycheck Protection Program (PPP) loan of $356,300. The loan was approved and received on April 8, 2020 and was subsequently forgiven in 2021.

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The financial information is presented for convenience purposes only. While the figures are extracted from supplemental materials in the audited financial statements, the information should not be relied on.
STAFF & BOARD

Staff

Kari Aanestad  Director of Advancement  
Terri Allred  Southeast Regional and Greater Minnesota Manager  
Mark Buenaflor  Operations and Database Manager  
Jesse Chang  VISTA Program Manager  
Michelle Chang  Policy and Equity Coordinator  
Amber Davis  Nonprofit Services Assistant  
Laura Dunford  Communications Manager  
Marie Ellis  Public Policy Director  
Grace Fogland  Development & Communications Assistant  
Courtney Gerber  Program Director  
Yohannes Ghebru  Finance Manager  
Clark Goldenrod  Minnesota Budget Project Deputy Director  
Betsy Hammer  Policy Advocate  
Kelly LaCore  Northeast Regional Coordinator  
Nan Madden  Minnesota Budget Project Director  
Meghan Marriott  Minnesota Budget Project Engagement Manager  
Kat McCaffery  Program Coordinator  
Shannon McCarville  Program Manager  
Ileana Mejia  Public Policy Advocate  
Laura Mortenson  Minnesota Budget Project Communications Director  
Joe Pederson  West Central Regional Coordinator  
Jon Pratt  Executive Director  
Sondra Reis  Director of E-Learning  
Nonoko Sato  Associate Director  
Margie Siegel  Association Health Plan Team Lead  
Wooseok Song  Human Resources Manager  
Warsame Warsame  Central Regional Coordinator  
Charlene Williams  Membership and Database Assistant  
Bradley Wolfe  South Central Regional Coordinator  
John Wurm  Membership and Communications Director  

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Better Futures Minnesota  
Duluth Children's Museum  
Pillsbury United Communities  
The Loft Literary Center  
Create CommUNITY  
Headwaters Regional Development Commission  
The Minneapolis Foundation  
Nexus Community Partners  
CREST  
Minnesota American Indian Center  
Bush Foundation  
Minnesota Women's Consortium  
CLUES  
Bush Leadership Fellow  
The Trust for Public Land  
Lakes and Prairies Community Action Partnership, Inc.  
Engage Winona  

2020 VISTA Cohort

Through support from the Corporation for National and Community Service, these 16 VISTA members managed communications and outreach, developed programs, recruited volunteers, and gained nonprofit leadership skills while serving in community-based nonprofits.

Rahmo Abdilahi, Yes Network  
Molly Bane, Isuroon  
Melissa Bosco, CAIR-MN  
Joe Campbell, Sewa-AIFW  
Annie Harriman, Vietnamese Social Services  
Mahima Gupta, International Institute of Minnesota  
Belle Huberty, Exodus Lending  
Megan Hussey, WomenVenture  
Amanda James, Promise Neighborhood of Central Minnesota  
Niara Keyes, Power of People Leadership Institute  
Sophia Munic, NeDA  
Janet Nguyen, Minnesota Council of Nonprofits  
Oyinlola Oppong, Jugaad Leadership Program  
Anya Ptacek, Northside Residence Redevelopment Council  
Patrick Tschida (VISTA leader), Minnesota Council of Nonprofits  
Mary Yeboah, All Square