



Saint Paul & Minnesota Foundation

Case Study | July 2023

CFLeads

Community Foundations
Leading Change

**PUBLIC
EQUITY
GROUP**



The Saint Paul & Minnesota Foundation is on a continuing journey to center equity in its work. This journey has been particularly crucial and intense given the murder of George Floyd and other recent traumas in the Saint Paul region. The Saint Paul & Minnesota Foundation has placed particular emphasis on community leadership, narrative change, and overhauling internal operations so that principles of equity remain central.



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Introduction

In recent years, the state of Minnesota has been one of the epicenters of the national reckoning on racial bias in policing. In May 2020, George Floyd, a 46-year-old Black man, was murdered in Minneapolis by a White officer of the Minneapolis Police Department. Floyd had been arrested for allegedly making a purchase using a counterfeit \$20 bill. While Floyd was handcuffed, the police officer knelt on Floyd's neck for over nine minutes, despite Floyd exhibiting signs of distress and repeatedly saying he was unable to breathe. Widespread protests began in the Minneapolis-Saint Paul area and quickly spread nationwide and across the world.¹ This was not the first time the Minneapolis-Saint Paul area had to grapple with police violence. The 2015 fatal shooting of Jamar Clark in Minneapolis and the 2016 fatal shooting of Philando Castile in Falcon Heights (a suburb of Saint Paul) both inspired significant protests in the Twin Cities and beyond.

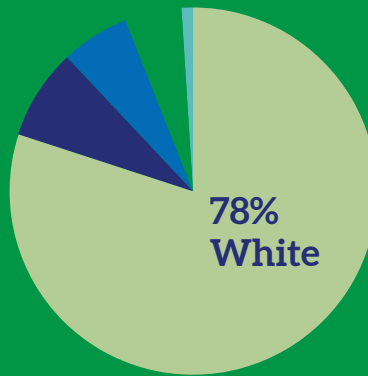
This is the charged environment in which the Saint Paul & Minnesota Foundation (the Foundation) has been operating, and has made the Foundation's equity journey all the more essential and powerful. Founded in 1940, the Saint Paul & Minnesota Foundation is a statewide community foundation, serving the entire state of Minnesota. The Foundation granted \$90M in 2022, and stewards assets of \$1.7B. Reflecting on the impact of these incidents of police violence, President and CEO Dr. Eric Jolly said, "Philando Castile, George Floyd, and other tragic events, they put Minnesota in the wrong space on a map ... these community traumas underscored the criticality of our equity work in every way."



Minnesota is home to over

5.7 million people

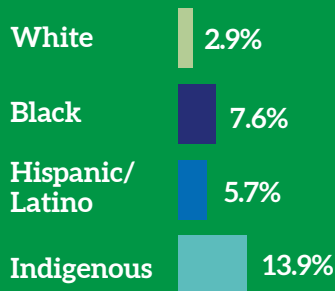
Demographically, it is less racially diverse than the nation, but it is becoming more diverse. According to 2022 US Census estimates,² the state's population is approximately:



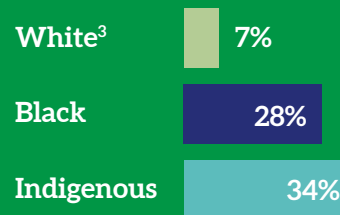
7% Black
6% Hispanic or Latino
5% Asian
1% Indigenous

According to a 2020 report from the state's Department of Employment and Economic Development, the state's labor force participation rate was significantly higher than the national average, and the state's poverty rate was significantly lower. However, between racial and ethnic groups within Minnesota, there exist significant disparities in educational attainment, unemployment, income, and poverty levels.

Unemployment Rate



Poverty Rate



When it comes to household income, White households in the state take home double what Black or Indigenous households do.

The breadth and depth of these disparities suggest the systemic nature of racism in Minnesota.

Origins: “Equity at the Center”

Eric Jolly, Ph.D., has served as the President and CEO of the Saint Paul & Minnesota Foundation since 2015, bringing a background as a scientist, educator, and nonprofit leader. When he took the job at the Foundation, it was with an understanding that equity would be of critical importance to the Foundation’s work going forward.

Jolly said, “The organization did not have a formal strategic plan prior to my arrival. It had a strategic framework where equity was listed as one of the issues ... In the interview, I said, ‘Don’t hire me if you don’t mean it.’”

Equity work had been a long-standing value of the Foundation. Prior to Jolly, the Foundation’s work had been executed primarily through the organization’s programming. In 2004, for example, they launched “Facing Race We’re All in this Together,” a community program that brought together more than 12,000 in antiracism discussion. During the years of 2012 and 2013, a task force created a Racial Equity Framework, which Jolly inherited.

Jolly’s hiring marked a re-energization of the Foundation’s ongoing commitment to equity. Jolly immediately introduced a Informs, Forms, Benefits framework, which puts those who will benefit from any intervention at the center of forming and informing the solution. In 2019, the organization embarked upon the formation of a new strategic plan.

According to Jolly, “Along with the leadership and the board, we spent the next year centering equity in all that we do. In 2019 we began work with a new strategic plan that explicitly named advocating for equity as its strategic focus.” (Subsequent sections of this case study will provide more detail on the key tenets and impacts of this strategic plan.)



“Everyone knew what to do in this horrific situation and our staff took action with little direction.”

Eric Jolly, Ph.D.

President and CEO of the Saint Paul & Minnesota Foundation



Another critical inflection point in the Foundation's equity journey under Jolly's leadership was the 2017 bombing of the Dar Al-Farooq Islamic Center, a mosque in Bloomington, Minnesota (10 miles south of downtown Minneapolis). Attempting to scare Muslims into leaving the US, three individuals detonated an improvised explosive device at the mosque, damaging the building. This attack was especially traumatizing given the large Muslim population in the Twin Cities.

The Foundation's response to the attack demonstrated that the organization had the clarity of purpose to intervene in a swift and decisive manner. Jolly recalled: "We had to take action quickly and we did ... People woke up to the news of the bombing. I happened to be driving to

Wisconsin and I called my office to learn that my staff had already jumped into action. Our head of marketing and communications prepared an available VP to attend a press conference to show our support, crafting talking points on the drive there. Another staff member arranged for us to accept donations from the public for recovery through a Sharia compliant fund that we had recently opened. We started the recovery funds with \$10,000. We had no hesitation. Everyone knew what to do in this horrific situation and our staff took action with little direction."

For the Saint Paul & Minnesota Foundation, tragedies like the Dar Al-Farooq bombing have served as galvanizing moments on the organization's equity journey.

Letting the Community Lead

In 2019, after Jolly joined the Foundation, an intensive strategic planning process began.

The process was demanding and thorough; according to Jolly, “we would argue, sometimes for hours, over a single phrase ... As frustrating as that can be, we wanted everyone to be able to feel ownership at the end.”

This spirit of inclusivity and the practice of soliciting community input remain key aspects of the Foundation’s equity work.

The strategic planning process culminated in three new priorities, each captured in the organization’s new purpose statement: “We inspire generosity, advocate for equity and invest in community-led solutions.” Under the “community-led solutions”

bucket of work, the Foundation operates with the following philosophy: “We believe those living in a community are best placed to identify the solutions to any challenges they face.” This philosophy is exemplified by the Foundation’s racial healing grants to the African American Leadership Forum (AALF) and the Healing Justice Foundation (HJF) immediately after the murder of George Floyd. With a \$50,000 grant, the Foundation supported AALF to create healing spaces, provide virtual individual and group therapy sessions, and share uplifting stories of the local African American community. With a \$50,000 grant, the Foundation supported HJF to broaden the reach of therapeutic programming offered by the organization’s community healers, social justice advocates and activists, and conscious creatives.⁴

“ We have to listen to the community ... if the problem did not arise from a community priority and the solution is not related to the community, then it shouldn’t be something we prioritize.”

Eric Jolly, Ph.D.

President and CEO of the Saint Paul & Minnesota Foundation

Responding to community concerns about digital inequities experienced by Minnesotan students during the COVID-19 pandemic, the Foundation was a founding member of a public-private partnership called ConnectedMN, designed to bring internet access and tech devices to underserved communities across the state. In September 2020, ConnectedMN announced \$21M in funding to close gaps in access to technology. The funds have provided tech devices, internet access, and support services to an estimated 68,000 students across the state, with a focus on Black, Indigenous, low-income, and rural communities.⁵

To inform their grantmaking and to offer insights to other community partners and civic leaders, the Foundation commissions a survey called “East Metro Pulse,” which gathers perspectives from

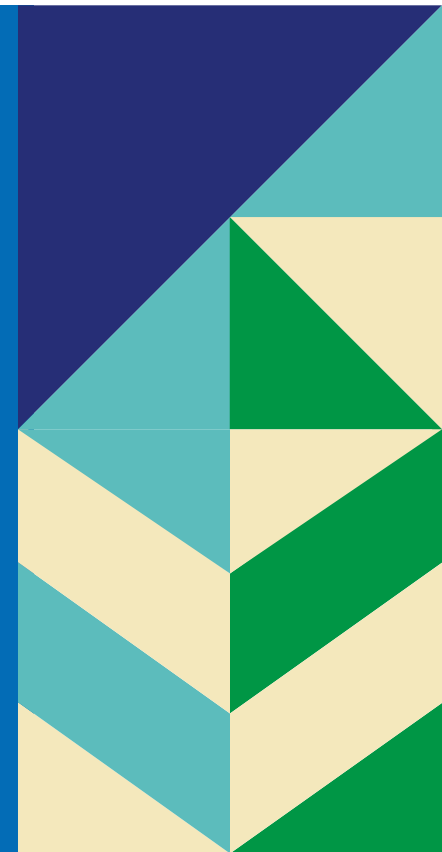
residents of Dakota, Ramsey, and Washington counties. Disaggregated by race, the survey data paints a picture of community sentiment, including how COVID-19 has impacted people’s lives, and what issues are most important to various groups. For example, the most recent survey identified that Black residents of the East Metro area believe access to affordable housing is the most critical issue to the area, while Asian residents prioritize safety and crime.⁶ This tool is one of many that the Foundation uses to gather input from its community, and to ensure that its work is responsive to community needs. According to Jolly, “We have to listen to the community ... if the problem did not arise from a community priority and the solution is not related to the community, then it shouldn’t be something we prioritize.”

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Driving Narrative Change

Another area of focus in the Saint Paul & Minnesota Foundation's equity work is telling stories that change the narrative on racial equity. Through the annual Facing Race Awards, the Foundation recognizes anti-racism activists in Minnesota. Award recipients are nominated by the community, and each honoree receives a recognition grant for a Minnesota-based nonprofit of their choosing. Recent winners include Classie Dudley, the President of the Duluth NAACP and Executive Director of Community Action Duluth. Among other achievements, Dudley worked with the City of Duluth to secure \$600,000 in annual funding for a non-police crisis response team. The goal of these awards is not just to recognize important leaders and distribute funding to their causes; it is about providing narratives of hope to the community.⁷ The 2020 awards were broadcast to thousands on local public access TV, and earned a regional Emmy nomination for Best Special Event Coverage. According to Jolly, "We recognize that people in the community have been under stress and strain ... Our Facing Race Awards shows the community how to lead, and how to be an active supporter of a community for change."

Relatedly, the Foundation supports art and storytelling projects that elevate stories that aren't always captured and told. Through an initiative called Art in This Present Moment, the Foundation provides financial support to artists who are Black, Indigenous, and People of Color. Supported artists include Broderick Poole, who tells the story of important Black leaders through patchwork on clothing, and the Manidoo Ogitigaan Artist Collective, which seeks to practice

and maintain the art forms of the Anishinaabeg people. The Foundation also supported the Truth and Transformation: Changing Racial Narratives in Media Project, a two-day statewide news media training to help Minnesotan news professionals uncover their own biases and to seek a more accurate representation of racial minorities in local news.⁸

This focus on narrative change is a key part of the Foundation's advocacy for equity. As stated on the Foundation's website:

"Storytelling is how we make sense of the world around us. We can't get to a just and equitable world until our collective narrative fairly and wholly represents each and every one of our communities."

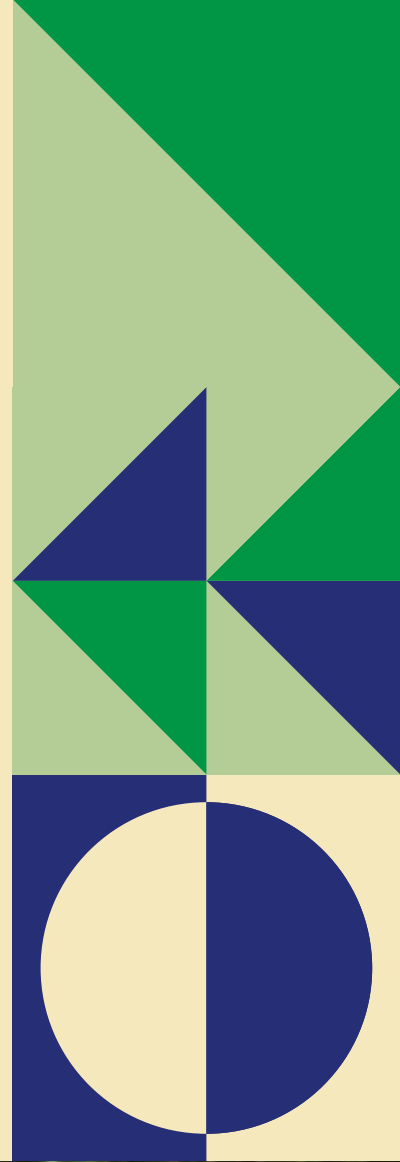
From 2017-2018, the Saint Paul & Minnesota Foundation participated in the CFLeads Equity Network, a series of convenings bringing together community foundations from around the country working to advance equity. Because the Equity Network requires participants to reflect on their own work, it also revealed for the Foundation the need to better articulate its own story.

Jolly shared, "In telling our story about equity [at the Equity Network meetings], we learned what was missing. Some of the pieces that people wanted us to talk about, we hadn't even thought about. It gave us a sense of how to be more complete in communicating. It allowed us to be aware of our missing bricks."

A New Way to Assess Grantmaking

With equity now at the center of the organization's strategic plan, the Saint Paul & Minnesota Foundation realized it needed a new way to measure the impact of its grantmaking. In 2020, the Foundation began to assess all of its grantmaking. To that point, the Foundation had only analyzed its foundation-directed grants, not its donor-advised grants. As such, it did not have a holistic picture of its entire grantmaking; and as a result, the Foundation was not able to disaggregate the impact of its grantmaking by race. The Saint Paul & Minnesota Foundation was not alone in this; many foundations lack this data capability.

This realization initiated a long and manual process of cataloging all grantees, and identifying which communities they served based on federal tax reporting data and organizational websites. The Foundation shared its methodology as a resource to the field in the 2021 report "Data Disaggregation Project Methods Overview."⁹ With this methodology now in place, the Foundation is able to be more intentional about its grantmaking to specific demographic groups, and to ensure that the portfolio of grants lives up to the organization's equity-focused purpose statement.



Looking Inward: Internal Operations

While proactively seeking community input and reshaping its grantmaking accordingly, the Saint Paul & Minnesota Foundation was also looking inward. According to Rhonda Cox, the Foundation's Associate Vice President of Human Resources (HR):

"We started to layer on an equity lens across all of the work we do at the foundation ... I started to apply that lens to internal policies and practices, especially from an HR perspective."

Just as the Foundation wanted its grantmaking to be community-led, it also wanted its internal practices to be staff-led. One focus area, for example, became how to better accommodate people with disabilities. The Foundation brought in an expert to conduct an assessment of the physical space and identify where to make changes. According to Cox: "It revealed things we never thought about ... like the way [a] door threshold, if it's not smooth, can cause issues for a person in a wheelchair."

Cox has also worked with groups of staff members to inform HR policies, eventually resulting in an expanded policy on bereavement leave and family leave. According to Cox:

"We changed the way we defined family to those who are important to you and had a significant influence on your life. Our bereavement policy lets you take time from work if you lose someone significant. We don't define it, you do ... And family leave now, it's not just for people having children. It could be adoption, or someone caring for an aging parent ... We are making sure that everyone has the same benefits."

The HR work aligned with a staff-led internal equity committee called Equity 4 Everyone (E4E). E4E hosts training and learning opportunities for the staff throughout the year which ensures that equity remains prioritized as part of the Foundation's internal culture.



When it comes to hiring, the Foundation implemented several changes designed to improve equity in the process. According to Nadege Souvenir, the Foundation's Chief Operating Officer, one major shift was simply beginning to post salary ranges for open positions: "We have been doing that since 2019 because we recognized it was inequitable to have people come in lacking salary transparency for job opportunities, particularly for women and people of color." Cox echoed this point of view: "We were leaders in the market in terms of posting a salary range in hiring." The Foundation also re-evaluated all of its job descriptions, assessing whether the stated educational prerequisites were actually necessary to do the job. The Foundation began posting jobs in different places, including through smaller local news outlets and affinity groups. The impact of

these changes has been profound; Souvenir said, "Those changes have fundamentally changed what our staff looks like. When you look at who our new staff is, over the past few years our hiring better reflects the diversity of the community."

The diversification of staff and the implementation of more equitable HR policies have contributed to an overall culture shift at the Foundation. Culture can be hard to quantify, but Cox has noticed a change:

"This past year, I conducted staff interviews ... and one thing I really heard was that people appreciate the culture. They like our transparency ... and that the Foundation thinks about the whole employment experience, not just what you do when you come to work."

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Nadege Souvenir
Chief Operating Officer

Looking Inward: Investment Management

The Foundation's investments represented another area of internal evaluation and overhaul. Arriving at the Saint Paul & Minnesota Foundation in 2019, Chief Investment Officer Shannon O'Leary found that the Foundation lacked understanding about the institutional investing process. This was not uncommon for philanthropic foundations; according to O'Leary, "In foundations, a lot of attention is paid to the front of the house, which is grant operations. That is what the community sees. The Foundation's assets are the engine in the back that drives those grants, yet receive far less attention." The Saint Paul & Minnesota Foundation has \$1.7B in assets, the allocation of which can make a significant impact. "In addition to funding our grantmaking," said O'Leary, "those assets can have an impact that is potentially much greater in the long term and that is complementary to the grantmaking work." On the flip side, O'Leary believes that if a foundation does not look closely at its investments, they can actually undermine the mission-driven work:

"We started asking questions about the assets in the back of the house, some of which might actively be causing the problems we are attempting to solve with our grant dollars. This turns out to be a highly clarifying and engaging topic ... that has not occurred to many [philanthropic] boards or investment committees."

This led to an extensive evaluation of the Foundation's investment portfolio. Partnering with an environmental, social, and governance (ESG) firm called Sustainalytics, the Foundation applied an assessment methodology to its entire

portfolio, surveying all of its investment managers along various ESG and diversity, equity, and inclusion (DEI) dimensions. Informed by this work, the Foundation board passed a resolution in December 2022 mandating the creation of a mission-aligned investment policy, which combines and codifies the DEI and ESG processes with a mission-alignment lens to govern all of the Foundation's investments. O'Leary is now in the process of writing that policy for presentation to the Foundation board in August 2023. As an example of what types of investments would be avoided under the new policy, O'Leary mentioned private real estate assets: "There are a number of players in the multi-family housing space, very large companies, who are evicting individuals in the low-to-moderate income category, who cannot afford 20-30 percent upticks in rent. We would like to avoid those types of investments." The Foundation is also looking intentionally for investment opportunities that are place-based and mission-aligned. For example, through its partner F. R. Bigelow Foundation, O'Leary's team works on impact investing, including in The Coven, a diverse and women-led local company providing coworking spaces for underserved communities.

The Foundation's investment committee has been a driver of this push towards equity, and O'Leary identifies the committee's diversity as a key asset:

"Of nine individuals on the committee, six identify as women or people of color." The committee's focus on diversity—both in its own composition and in that of its investment managers—has had far-reaching impacts beyond the walls of the Foundation.

“ We want progress, we want buy-in... in an industry [investment management] where 80 percent of decision-makers are White males, we want to partner with diverse managers, and we will help refer you to consulting resources if diversity is something you struggle with. ”

Shannon O’Leary

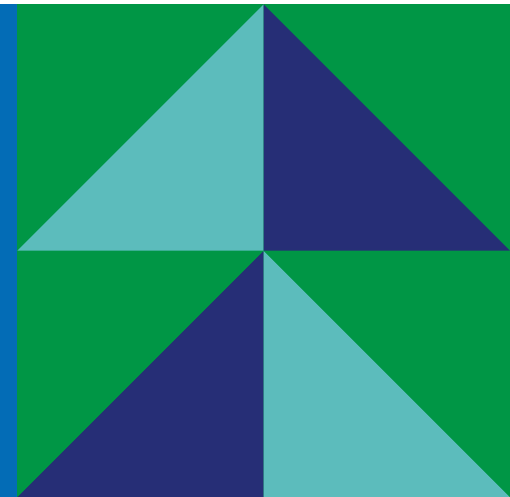
Chief Investment Officer

According to O’Leary: “We want progress, we want buy-in ... in an industry [investment management] where 80 percent of decision-makers are White males, we want to partner with diverse managers, and we will help refer you to consulting resources if diversity is something you struggle with. I now get cold calls from institutional investors because they want to work with us on DEI at their firm.”

In 2022, the Saint Paul & Minnesota Foundation became the first community foundation in the US to sign on to the United Nations’ Principles for Responsible Investment.¹⁰ Joining 4,600 signatories across 50 countries, the Foundation formalized its commitment to responsible investment practices, including incorporating ESG into investment decisions, and seeking ESG disclosures from the funds and companies the Foundation invests in.

2022

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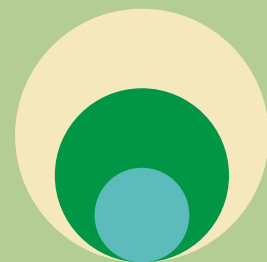




Bringing Along the Board

Much like the organization's staff and external investment managers, the Foundation's board has also become more diverse. Of 24 current board members, a majority identify as Black, Indigenous, or people of color. This represents a big change in recent years; according to Nadege Souvenir, "What I'm really proud of is that our board this year is majority people of color ... When I started seven years ago, there were three people of color on the board." New board members have come via the Foundation's community partners, grantees, and investments.

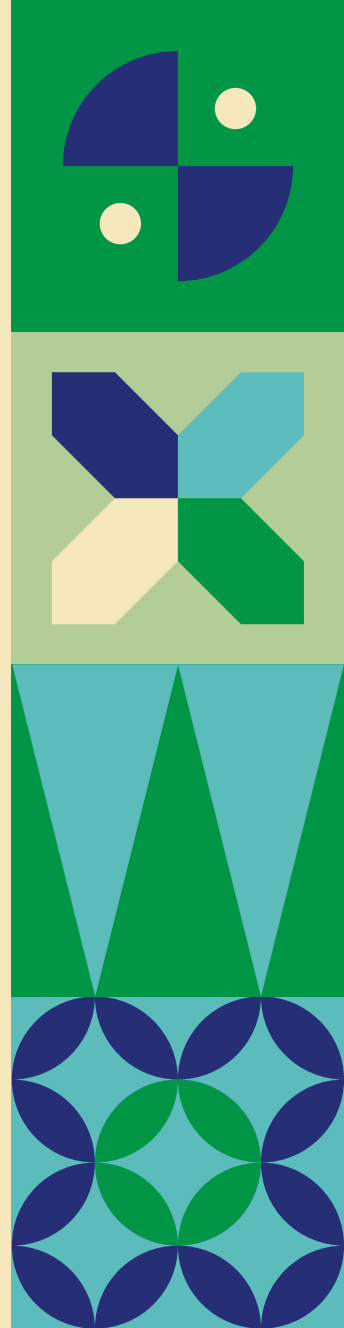
In 2020, the board adopted a policy prohibiting grantmaking to organizations deemed to be hate groups. Over a series of meetings, the board discussed, debated, and eventually approved this policy. To operationalize this policy, the Foundation uses the Southern Poverty Law Center's hate list as a screening tool and is currently working to broaden the tool with other sources.



Challenges

As with all equity work, the Saint Paul & Minnesota Foundation's equity journey has been marked with challenges alongside the successes. According to Jolly, one of the ever-present challenges is managing the expectations that different stakeholders have around the pace of change: "The team here is eager to see these changes, but we're working with people who aren't necessarily ready to be where we are. Patience is a big issue." And, as the pace of change increases, the pushback becomes stronger too: "Every time we take a step forward, we increase the resistance that we face. And the faster we do it, the more resistance we get ... but if you go too slow, you won't feel the power of progress." Jolly recognizes that there is an opportunity to continue to share the Foundation's learning and growth with donors who may hold different perspectives: "Another area of stress is the truism that some of our donors come from a different cultural awareness than our communities do... our donors sometimes don't have complete values alignment and this is an opportunity for mutual listening and learning."

Reflecting on the internal aspects of the equity journey, Rhonda Cox also identified pace as a primary challenge: "The rest of the world isn't moving at the same pace we would want them to move ... For example, we're currently working with some of our benefit carriers to understand how best to support staff members going through a gender transition. But the carriers aren't at a point where they are thinking that way, and that's really frustrating to us."



Looking Forward

In its community-facing work, the Foundation will continue to invest in community-led priorities including economic opportunity and security, education, health, housing, and transportation. Using its new framework to assess grantmaking, the Foundation will track how grants are being distributed to underserved populations and use this tracking as an internal accountability tool. Internally, the Foundation remains committed to developing a diverse staff and board, and building an equity-focused culture through training opportunities and progressive HR policies. According to Jolly, the Foundation's equity journey is an ongoing one: "We keep trying to raise the bar. It's not over, this process of realizing our aspiration for equity. We have a lot of improvements left ahead of us."

Endnotes

- 1 Associated Press, [“Timeline of events since George Floyd’s arrest and murder”](#)
- 2 US Census Bureau, [“Quick Facts: Minnesota”](#)
- 3 Minnesota Department of Employment and Economic Development, [“Minnesota Economic Disparities by Race and Origin”](#)
- 4 Saint Paul & Minnesota Foundation, [“Grants Awarded to Local Nonprofits for Solutions to Heal Racial Trauma”](#)
- 5 ConnectedMN, [“Partnership for a ConnectedMN Awards \\$2.1 Million in Grants”](#)
- 6 Saint Paul & Minnesota Foundation, [“East Metro Pulse”](#)
- 7 Saint Paul & Minnesota Foundation, [“Facing Race Awards”](#)
- 8 Truth and Transformation, [“Our Mission”](#)
- 9 Saint Paul & Minnesota Foundation, [“Data Disaggregation Project Methods Overview”](#)
- 10 Saint Paul & Minnesota Foundation, [“Foundation Becomes United Nations-Supported Principles for Responsible Investment Signatory”](#)

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