



MINNESOTA COUNCIL ON FOUNDATIONS



## Nonprofit Resiliency & Recovery Fund Proposal Overview 4.28.21

Minnesota’s nonprofit organizations are the first line of community support and play a critical role in connecting people to supportive programs, funding, and services. However, funding shortfalls and a diminished workforce paired with an increased need for services is making it difficult for these organizations to continue operating at the level our communities need to recover and rebuild from COVID-19.

According to the Minnesota Department of Employment and Economic Development (DEED), 60% of Black workers and over 50% of Indigenous workers have filed for unemployment insurance benefits during the pandemic, further widening historic disparities and systemic inequities. Not only do nonprofits address these disparities directly, but they also act as critical partners within communities to build trusting relationships with the people they serve.

That is why we are proposing the creation of a nonprofit resiliency and recovery fund, leveraging \$50 million in federal emergency relief dollars administered in partnership with DEED. This much-needed resource would provide financial support for nonprofit organizations, which make up 13% of Minnesota’s workforce and play a key role in connecting residents to critical human service supports and other resources.

### FAST FACTS:

- Proposes a **\$50 million fund**, leveraging incoming federal emergency relief funds
- Engages a **simple lottery process** based upon tiered eligibility
- Prioritizes nonprofits that are **culturally specific**, have **less than \$1.5M annual revenue** or in headquartered in **Greater Minnesota**
- **Administrated through DEED**; intermediaries include the 6 Minnesota Initiative Foundations (Greater Minnesota) and the Saint Paul & Minnesota Foundation (7-county metro area)
- Provides flexible funds that can be used for **general operating support**
- Does **not require burdensome grant reporting**