

2015 Annual Report

Dear Friends,

In 2015, the Foundation completed a 5-year grantmaking plan focused on “helping people in poverty attain economic stability.” It was a productive five years that saw the Foundation launch and/or support a number of notable efforts.

- The Phillips Sectoral Employment Initiative (PSEI) helped build the capacity of a number of local nonprofit employment training providers, positioning them to be state and national leaders in implementing emerging Career Pathways strategies.
- The Blue Line Coalition sparked greater community-based learning and advocacy in North Minneapolis around proposed transit investments.
- The MATSH system now provides more efficient access to supportive housing around the state through one database of opportunities accessible to housing locators and case managers.
- We helped launch MSPWin (Workforce Innovation Network), a funders collaborative focused on improving the workforce system so that all members of the community have access to quality employment opportunities that strengthen our region.
- We supported increased resources for affordable housing through Homes for All.
- We piloted a strategy to support college success for African American males through the Eddie Phillips Scholarship for African American Men.

Although these efforts bring much to be proud of, as we concluded this 5-year plan, we wondered whether our limited resources could have greater impact if they were targeted more specifically to fewer, bolder strategies. This question and subsequent conversations led us to explore a human-centered design approach to developing fundable strategies. With this approach, we believe that the best way to determine these targeted strategies is to create them in dialogue with the individuals and communities we seek to support. The days of generic solutions or “outsiders know best” have passed. The stakeholders closest to the issues must be engaged and valued in order to create new and formidable solutions to deeply entrenched community issues.

As a result, the 2015 annual report is fairly “bare bones.” We believe the better story to tell will be in our 2016 annual report when we can coalesce learnings and results from our last five years and provide direction for our next 5-10 years based on the planning work initiated in 2016. We have, however, included a story about the various funder collaborative efforts in which we are engaged. These efforts have allowed the Foundation to magnify our efforts working with others around issues we care about.

So as we pause to reflect on another year of grantmaking and community impact, we continue to be grateful for the many community partners and grantees with whom we are privileged to work. Their dedication, vision and collaborative spirit inspire and inform us every day. We are also thankful for our tremendous staff – Patrick Troska, Joel Luedtke, Tracy Lamparty, Elizabeth Coco and Emma Olson – who do their work with excellence, determination and humility.

As the economy improves, it is clear that too many continue to be left behind, especially if you’re a person of color or living with generations of poverty. Our hopes and ambitions as a region will never be realized as long as opportunity is not authentically and realistically extended to all, and as long as racism plagues our institutions and mindsets. These are matters that deeply concern us, and we have made a commitment to address them wherever we have influence, including within our own Foundation and its practices. We invite you to travel this journey with us as we look to transform not only our work but how we interact with and respond to the community.

With Sincere Gratitude,

The Trustees and Staff of The Jay & Rose Phillips Family Foundation of Minnesota

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Mission

We honor the legacy of our founders, Jay & Rose Phillips, by supporting efforts that address the unmet human and social needs of individuals, families and communities that have the least access to resources.

Trustees

Jeanne Phillips, Co-Chair
Dean Phillips, Co-Chair
Tyler Phillips
Walter Harris

Staff

Patrick J. Troska
Executive Director
Joel Luedtke
Senior Program Officer
Tracy Lamparty
Grants & Operations Manager
Elizabeth Coco
VISTA Program Manager
Emma Olson
VISTA Leader

“The test of progress and the measure of one’s success is not whether we are able to add more to the abundance we have already acquired, but are we providing enough from this store of good fortune for those around us who have so very little?”

Jay Phillips—1987



Magnifying Impact Through Funder Collaboratives

Funder collaboratives are not new to philanthropy. It seems like more and more foundations are finding more and more ways to work collectively on shared interests. Fundamentally, a funder collaborative brings a number of philanthropic entities together to focus their collective human and financial resources on an issue of shared interest. The best funder collaboratives coalesce around an issue of community urgency where individual interests can be magnified for greater impact collectively. But funders are not just one more group working on an issue. Rather, funders working in a collaborative understand the unique contribution that philanthropy can play in addressing an issue that cannot be accomplished by government, the nonprofit sector or the community alone. Each collaborative will define this “unique contribution” for itself, but it usually involves using philanthropic resources, influence and big picture knowledge in innovative ways that a single foundation either can’t muster or can’t stomach.

Over the years, the Foundation has found its way into several collaboratives. Below are descriptions of those in which we’re currently engaged. We share these with you to draw attention to the collective work around a multiplicity of issues, and because we believe we are magnifying our limited resources for greater community benefit through these efforts.

Central Corridor Funders Collaborative is a group of local and national funders working with others to unlock the transformative potential of the new light rail transit line along the Central Corridor between Saint Paul and Minneapolis. The Collaborative was formed because funders believed in the Light Rail Line’s potential for benefiting the people and places closest to the line. They envision stable, thriving neighborhoods throughout the Central Corridor that reflect community identities and link all people to regional opportunities and local amenities.

Member since 2006.



Generation Next is a coalition of civic, philanthropic, business and education leaders from across Minneapolis and Saint Paul dedicated to closing achievement and opportunity gaps. Gen Next uses rigorous data analysis and community engagement to identify what works and replicate the most promising practices in educational reform.

Member since 2015.



Heading Home Minnesota Funders Collaborative includes many of the State’s most recognized foundations and intermediaries who align their efforts with *Minnesota’s State Plan to Prevent and End Homelessness*. By marshaling resources and aligning investments, collaborative members amplify the work of public agencies and the private and philanthropic sectors to replace the revolving door of housing instability with a front door to a safe, stable home for all Minnesotans.

Member since 2013.



According to a 2012 Connect US Fund report, there are four significant benefits of a donor or funder collaborative:

- **Knowledge sharing** – foundations share innovation and best practices regarding what’s working in a given field. They also spend more time in deep learning about an issue.
- **Shared risk** – when funds are pooled or “big ideas” shared, risk is shared across many stakeholders. This also allows for more creative grantmaking, stretching individual grantmakers’ tolerance for risk.
- **Greater impact** – the magnified attention on an issue provides the leverage to increase overall impact.
- **Identifying emerging issues** – the more foundations learn about an issue and work together, the more opportunity will arise to identify emerging issues where collective action can be impactful.

The Minneapolis St. Paul Workforce Innovation Network is a philanthropic collaborative formed to strengthen the workforce in the seven-county Minneapolis Saint Paul region through 2020. Due to significant economic changes and demographic trends occurring now and in the future, funders believe that targeted action with regards to workforce is required for our region to stay competitive and our businesses to thrive over the long-term. These actions are also necessary to carry out the shared priorities of the member philanthropic organizations to reduce poverty and promote economic opportunity for all.

Member since 2013.



Northside Funders Group members bring a depth of experience and commitment to North Minneapolis, a willingness to go beyond the grant, and a belief that North Minneapolis has the capacity to thrive through their collective impact agenda. These assets, leveraged by its partners, position the collaborative to ensure that it achieves the vision of North Minneapolis as a thriving, vibrant community.

Member since 2013.



Minnesota Comeback leverages the school-based theory of change and focuses on systems change work. Its goal: By 2025, all Minneapolis children – especially students from low-income backgrounds – are enrolled in rigorous and relevant schools that prepare them to thrive in college, career and community.

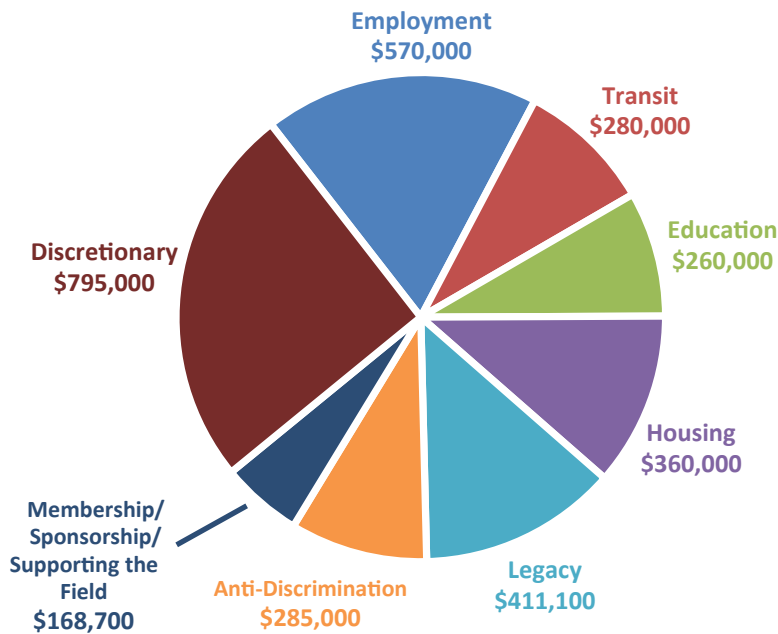
Member since 2014.



2015 Grants



In 2015, the Foundation made grants totaling \$3,129,830. This includes nearly 40% of all grant funds awarded for general operating support. If an organizational name or grant amount appears incorrectly, or if your organization received funds from the Foundation in 2015 and was mistakenly left off of this list, please contact our office. On behalf of our staff and trustees, we thank you for all of your contributions to our communities.



Grantee Organization	Amount
AchieveMpls	\$50,000
African Medical & Research Foundation	\$10,000
Against Malaria Foundation	\$10,000
AIDS Project Los Angeles Inc.	\$2,500
Aish Minnesota	\$5,000
Alliance for Metropolitan Stability	\$30,000
Alzheimer's Disease & Related Disorders Association	\$10,000
American Jewish World Service	\$10,000
Amherst H. Wilder Foundation	\$5,000
Amherst H. Wilder Foundation - Minnesota Compass	\$10,000
Appetite for Change	\$10,000
Ascension Place	\$10,000
Athletes Committed to Educating Students	\$3,500
Baby's Space A Place To Grow	\$5,000
Beacon Interfaith Housing Collaborative	\$15,000
Beth El Synagogue	\$8,500
Better Futures	\$15,000
Birthday Party Project	\$5,000
Boys & Girls Clubs of the Twin Cities	\$5,000
Can Do Canines	\$2,500
CARE	\$9,000
Children of the Night	\$10,000
Citizens League - ManyOne	\$45,000
Citizens League	\$27,500
City of Lakes Community Land Trust	\$25,000
CommonBond Communities	\$5,000
Compassion & Choices	\$1,000
Cookie Cart	\$5,000
Council on Crime and Justice	\$30,000
Didi Hirsch Community Mental Health Center	\$20,000
Doctors Without Borders	\$9,000
Downtown Women's Center	\$15,000
Educators 4 Excellence	\$30,000
Edward Dayton Family Fund - PAB's Packs	\$25,000
Emergency USA	\$7,000
Exponent Philanthropy	\$750
Family Housing Fund - Heading Home Funders Collaborative	\$85,000
Family Housing Fund - NAEH Conference	\$5,000
Farmers Legal Action Group Inc.	\$20,000
Folds of Honor Foundation	\$10,000
Friends of Runyon Canyon	\$1,000
Friends Outside	\$5,000
Funders Together to End Homelessness	\$1,500
Generation Next	\$50,000
Genesys Works - Twin Cities	\$40,000

The Foundation does not accept unsolicited applications for grant funds. Please contact the Foundation for more information.

Grantee Organization	Amount	Grantee Organization	Amount
Grantmakers for Effective Organizations	\$11,830	Minnesota Private College Council	\$161,100
Grants Managers Network	\$2,000	Minnesota Spay Neuter Assistance Program	\$2,000
Greater Metropolitan Housing Corporation	\$35,000	Minnesota Workforce Council Association	\$5,000
Group for the Advancement of Psychiatry	\$7,500	Momentum Enterprises	\$30,000
Growth & Justice	\$35,000	Naral Pro-Choice Minnesota Foundation	\$15,000
Gutmacher Institute	\$1,000	National Center for Family Philanthropy	\$2,000
Hammer Residences Inc.	\$5,000	Natural Resources Defense Council Inc	\$2,000
Harvest Network of Schools	\$25,000	Nexus Community Partners	\$150,000
Hendrickson Foundation	\$5,000	Northside Achievement Zone	\$50,000
Hiawatha Academies	\$40,000	ORT America	\$50,000
High Tech Kids	\$5,000	OutFront Minnesota Community Services	\$25,000
Hope Community Inc.	\$20,000	PACER Center Inc.	\$31,000
Housing Justice Center	\$30,000	Parents Families and Friends of Lesbians and Gays Inc.	\$3,000
HousingLink	\$50,000	Planned Parenthood Los Angeles	\$12,500
Humane Society of the United States	\$10,000	Planned Parenthood of Minnesota, North Dakota & South Dakota	\$25,000
Humphrey School of Public Affairs	\$15,000	Pro-Choice Resources	\$25,000
International Institute of Minnesota	\$82,000	Project for Pride in Living Inc.	\$60,000
Jewfolk Media, Inc.	\$10,000	Ramsey County Historical Society	\$10,000
Jewish Community Action	\$58,000	RESOURCE, Inc.	\$75,000
Jewish Family Service of Los Angeles	\$64,500	Saint John's University	\$25,000
Leukemia & Lymphoma Society	\$1,000	Saint Paul Foundation - MSPWin	\$150,000
Little Brothers-Friends of the Elderly	\$7,000	Saint Paul Foundation - Central Corridor Funders	\$15,000
Los Angeles Gay and Lesbian Center	\$10,000	Salvation Army Northern Division	\$8,000
Los Angeles Regional Food Bank	\$3,000	Second Harvest Heartland	\$5,000
MAP for Nonprofits - Everybody In	\$2,500	Seeds of Peace	\$10,000
MAZON	\$9,000	South Bay Center for Counseling	\$54,000
Metropolitan Consortium of Community Developers	\$15,000	Students for Education Reform	\$25,000
Midtown Greenway Coalition	\$10,000	Summit Academy OIC	\$75,000
Minneapolis Community Kollel	\$5,000	The Food Group	\$5,000
Minneapolis Foundation - Education Transformation Initiative	\$25,000	The Trevor Project	\$1,000
Minneapolis Foundation - Forever Fund	\$25,000	Think Small	\$2,500
Minneapolis Foundation - Northside Funders Group	\$35,000	Transit for Livable Communities	\$50,000
Minneapolis Institute of Arts	\$10,000	UCLA Foundation	\$10,000
Minneapolis Jewish Federation	\$200,000	United Nations Foundation	\$6,000
Minnesota Center for Environmental Advocacy	\$25,000	University of Minnesota Foundation	\$2,500
Minnesota Coalition for the Homeless	\$35,000	Village Health Works	\$7,000
Minnesota Community Foundation	\$30,000	Vision Loss Resources Inc.	\$6,000
Minnesota Council of Churches	\$20,000	Voices for Racial Justice	\$25,000
Minnesota Council of Nonprofits Inc. - MN Budget Project	\$30,000	We Are All Criminals	\$2,500
Minnesota Council of Nonprofits Inc.	\$35,550	Women in Non Traditional Employment Roles	\$30,000
Minnesota Council on Foundations	\$7,600	YMCA of the Greater Twin Cities	\$2,500
Minnesota Hillel	\$3,000	Youth Frontiers Inc.	\$25,000
Minnesota Historical Society	\$10,000	YouthLink	\$20,000
Minnesota Home Ownership Center	\$15,000	YWCA of Minneapolis	\$20,000
Minnesota Housing Partnership	\$30,000		

Financial Statements

Basis of Presentation

The Foundation's financial statements are prepared on the basis of accounting used for excise tax purposes. Under these principles, certain revenues and related assets are recognized when received rather than when earned, and certain grants, awards and expenses are recognized when paid rather than when the obligation is incurred. The unrestricted net assets with investments at fair value are shown, as supplementary information. Complete financial statements are available upon request from the Foundation office.

ASSETS	2015	2014
CASH	\$118,169	\$86,273
SHORT-TERM INVESTMENTS	\$1,870,226	\$3,063,878
MUTUAL FUND- FIXED INCOME	\$9,739,904	\$9,519,886
ALTERNATIVE INVESTMENTS	\$10,639,319	\$12,670,975
CORPORATE STOCKS AND EQUITY FUNDS	\$19,387,150	\$18,049,630
INTERNATIONAL EQUITY TRUSTS	\$13,004,655	\$12,058,846
TOTAL CURRENT ASSETS	\$54,759,423	\$55,449,488
PROPERTY & EQUIPMENTS AT COST	\$19,829	\$24,496
OTHER ASSETS	\$3,268	\$3,101
TOTAL NONCURRENT ASSETS	\$23,097	\$27,597
TOTAL ASSETS	\$54,782,520	\$55,477,085
LIABILITIES		
ACCRUED EXPENSES	\$409	\$1,309
UNRESTRICTED NET ASSETS	\$54,782,111	\$55,475,776
TOTAL LIABILITIES & NET ASSETS	\$54,782,520	\$55,477,085
Unrestricted net assets with investments at fair market value	\$63,748,296	\$68,804,608

STATEMENTS OF SUPPORT, REVENUES, AND EXPENSES

SUPPORT AND REVENUES	2015	2014
DIVIDEND AND INTEREST INCOME	\$1,653,798	\$1,907,296
REALIZED NET GAINS (LOSSES) ON SALE OF INVESTMENTS	\$1,881,247	\$2,517,667
INVESTMENT & CUSTODIAN FEES	(\$357,372)	(\$455,407)
MISCELLANEOUS INCOME	\$0	\$0
TOTAL SUPPORT & REVENUES	\$3,177,673	\$3,969,556
EXPENSES		
GRANTS & AWARDS	\$3,130,406	\$3,044,487
MANAGEMENT & GENERAL	\$602,213	\$547,719
PROGRAM EXPENSES	\$73,719	\$42,025
	\$3,806,338	\$3,634,231
FEDERAL EXCISE TAX (REFUND)	\$65,000	\$70,191
TOTAL EXPENSES	\$3,871,338	\$3,704,422
INCREASE (DECREASE) IN NET ASSETS	(\$693,665)	\$265,134
UNRESTRICTED NET ASSETS		
BEGINNING	\$55,475,776	\$55,210,642
ENDING	\$54,782,111	\$55,475,776

Grantmaking Priorities 2010-2015

Our primary focus is on efforts that “help people in poverty to attain economic stability.” We do this through a few discrete strategies in:



Employment

enable individuals with low incomes and low skills to advance towards stable, living wage careers



Housing

access to quality affordable housing that provides a stable foundation for future success



Education

ensure that all low-income youth can earn a world class education that prepares them for lifelong success



Transit

access to affordable transportation to get to work and meet daily needs



Combatting Discrimination & Addressing Inequities

- Advocacy for LGBT rights
- Advancing equity for all races and religions
- Access to affordable reproductive health services

In addition, we make three other kinds of grants for which unsolicited proposals are not accepted.

- Support for the Field grants
- Trustee-directed grants
- Legacy grants

Our primary grantmaking geographic focus is the seven-county metropolitan area including Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties of Minnesota.

For more detailed information, please visit our website.

Annual Report Production

James M. Murck 