

Annual Report 2018



Dear Friends,

In 2018, the Foundation was deeply engaged in executing work begun in 2017, the year we put into practice the strategies that evolved out of our community engagement work of 2016. The Annual Report that follows provides some brief descriptions of this work and our progress to date. While we made grants totaling \$3,191,306, we continue to evolve our approach to the work. We know the financial resources organizations receive are critical for their success, but we also continue to find ways to bring our human, social and political capital to the table to enhance and support these community-focused and community-led efforts.

Joel Luedtke and Tracy Lamparty have worked closely with Northside school leaders and Minneapolis Public School officials to develop and implement new approaches to build better student-teacher relationships and more engaging learning environments in schools. Supported by a Northside Advisory Committee, this nearly 18-month effort led the Foundation in June to commit nearly \$2.2 million over the next 3 years to implement, evaluate and provide technical assistance to change efforts in two Northside secondary schools.

E. Coco worked with community leaders and the City of Lakes Community Land Trust (CLT) to research and establish a commercial land trust pilot project in Minneapolis, with a special focus on the Northside. Commercial land trusts are rare around the country, but provide the opportunity for perpetual affordable commercial space while also supporting wealth creation. The Foundation supported this work with a 2-year, \$200,000 grant, and Coco also sits on the Advisory Board of the CLT.

Patrick Troska has been deeply involved in assisting the Association for Black Economic Power (ABEP) develop and launch Village Financial Cooperative. He has worked alongside the Village team to raise necessary operating funds, helping secure nearly \$1 million from local foundations and government. He also sits on the ABEP governing board. Additionally, Patrick spent much of 2018 crafting plans to redevelop 927 West Broadway, along with our partners New Rules and TRI-Construction. This future home of the Foundation and our partners is slated to be completed in 2020.

Deeper engagement allows us to build stronger relationships with our grantee partners and to learn from them the ways we can best help to strengthen their results. It also allows us to exercise new philanthropic muscle, transforming the way we think about and approach philanthropy.

We continue to be primarily focused on efforts on the Northside of Minneapolis. We remain grateful for the many organizations and community-led efforts with which we are privileged to work. The leaders and community advocates who have invited us into their work inspire and teach us every day. We look forward to continuing and strengthening these relationships over the coming years. The Foundation is also grateful for our tremendous staff – Patrick J. Troska, Joel Luedtke, Tracy Lamparty, E. Coco, and Max Geitz – who embrace the work with enthusiasm, curiosity and humility, trusting community voice along the way.

In 2019, we will celebrate 75 years since Jay and Rose established a foundation to continue their family's legacy of giving. Throughout 2018, we conducted interviews and collected oral histories from over a dozen family members, former leaders and individuals connected to the Foundation's past. These stories, along with archival research, will be used to publish a journal of *75 Years of Community Impact* in 2020. As we reflect on our current work and hear from voices of the past, we are confident that Jay and Rose would not only approve of the entrepreneurial approach to our work, but would be enthusiastically cheering us on.

With heartfelt gratitude,

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

Our 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.

Grantmaking Focus

The Jay & Rose Phillips Family Foundation of Minnesota invests in the creative and strategic genius of the North Minneapolis community in the spaces of economic development and education. Specifically we focus on:

Student Success:

Creating and expanding relevant and engaging learning opportunities for K-12 students. The Foundation is particularly interested in ways to amplify the role of student voice and agency in educational design and decision-making.

Economic Ecosystem:

Helping to grow a thriving economy in North Minneapolis by supporting entrepreneurs, small businesses and expanding local ownership opportunities.

Long-Standing Commitments:

The Foundation maintains a portion of its funding to support efforts that are outside of our current focus on North Minneapolis.

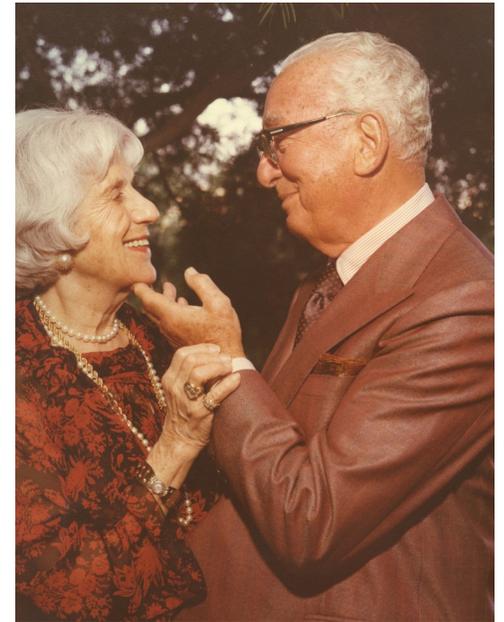
Celebrating 75 Years of Grantmaking and Community Impact

2019 will mark 75 years since Jay & Rose Phillips began their family foundation in Minneapolis. To date, the Foundation has given over \$220 million dollars in grantmaking. To recognize this anniversary, we are taking a deeper dive into our history to better understand this impact across our thematic areas of giving. These thematic areas will be fully explored in an historical journal which represents four generations of the Phillips family's philanthropic work. The timeline below represents significant moments in our history, which will be further fleshed out in the journal to be released in 2020.

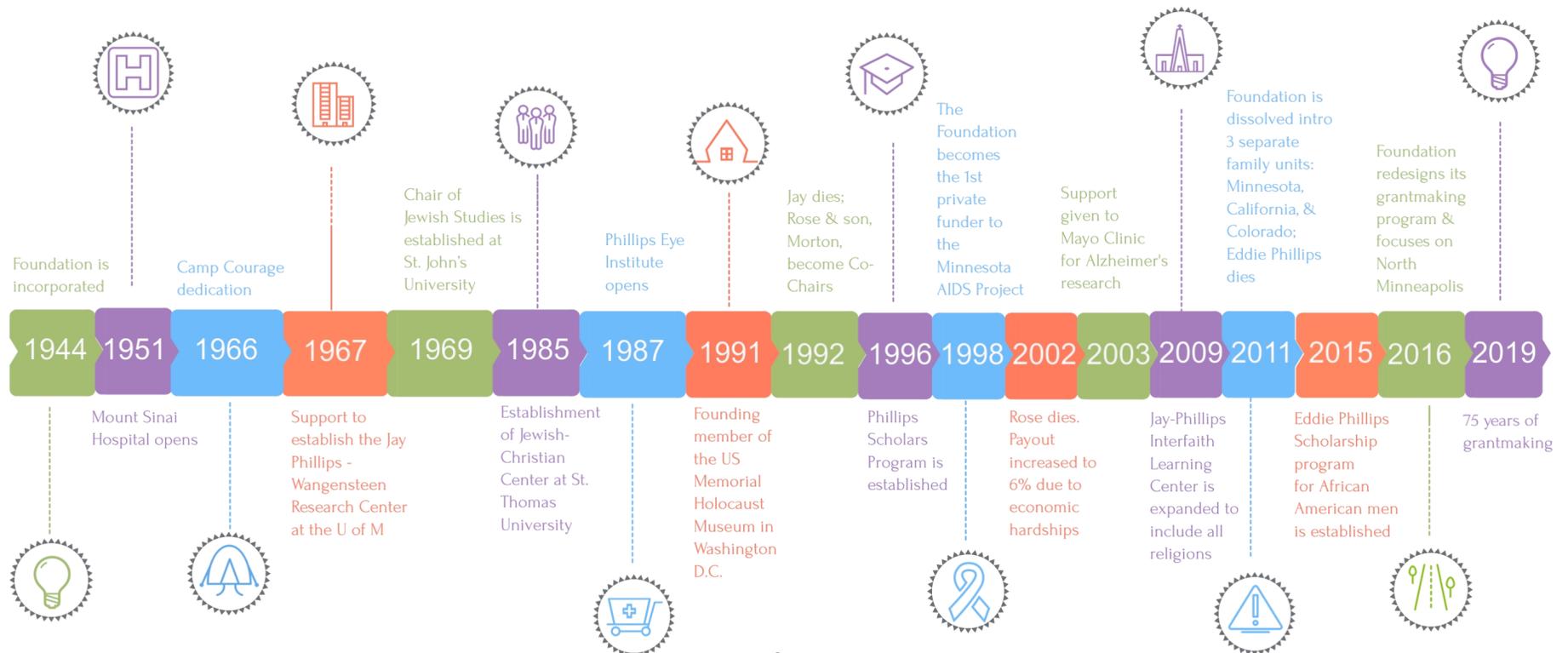
Although the Foundation has evolved through many iterations over the years, it has maintained the same philosophy since 1944: *sharing resources for the public good*. This philosophy coupled with long-held Jewish values continue to guide the Foundation's trustees and staff towards the goal of making Minnesota a more inclusive and a better place to live. Jay's 1986 speech to the Boys and Girls Club reflects this philosophy of giving throughout our history:

Allow me to share with you some philosophy I have endeavored to subscribe to down through the years. Generosity has never impoverished the giver, but has enriched the lives of all who practice it.

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 and Rose Phillips



Updates on Key Work

Student-Centered Learning in Three North Minneapolis Schools

In June, the Foundation approved three grants to secondary schools in North Minneapolis. These investments were the culmination of nearly two years of grantmaking, relationship-building, coaching and evaluation with a cohort of Minneapolis district schools. Our North Minneapolis Education Advisory Committee, whose members include students, teachers, parents and school leaders, reviewed and recommended these funding decisions.



Delegation of Northside educators at Urban Assembly for Green Careers high school in New York

Our three grantee schools are working to improve student-teacher relationships and create more engaging learning opportunities. As these conditions are created, the Foundation will help schools expand their work to include strategies to boost academic results.

You can learn more about our North Minneapolis school grantees [here](#) and [here](#).

Minneapolis Commercial Land Trust

The Foundation provided planning and implementation support to the City of Lakes Community Land Trust to establish a commercial land trust pilot with a special focus on North Minneapolis. A Commercial CLT is a community-based initiative that works to provide perpetually

affordable commercial ownership opportunities. A Commercial CLT acquires land and removes it from the speculative, for-profit, real estate market. Commercial CLTs hold the land it owns “in trust” indefinitely for the benefit of the community, ensuring that the land will always remain affordable for business owners. In the fall of 2018, the CLCLT convened an advisory committee to help design a Commercial CLT. The advisory committee included local business, community development corporations, funders, and government representatives. Through an open application process, an Advisory Board was appointed in April of 2019. This body is tasked with overseeing the strategic direction of the pilot, including leading the hiring process for a program director to lead the effort. E. Coco on our staff sits on the Advisory Board.

Village Financial Cooperative



In 2017, the Foundation provided an initial grant of \$428,620 to the Association for Black Economic Power to establish the state’s only Black-led financial institution. Soon to be named Village Financial Cooperative, the project has made significant progress since then. At the end of 2018, Village had secured over 1,700 pledged members and close to \$1.5 million in philanthropic operating support, including a pledge of \$500,000 from the City of Minneapolis. The credit union charter application was submitted in July and approved in December by the Minnesota Department of Commerce. The New Day Loan was beta-tested in June as an alternative to predatory payday lending services. Village was able to provide over \$10,000 in loans of up to \$500 at 0-8% interest, with a 100% re-payment rate. Using Square Cash App, Village assisted pledged members in depositing checks into their CashApp accounts as an alternative to expensive check cashing services. Fiscal year 2019 promises to be an exciting one for Village with a promised opening of a retail location and the launching of additional products and services, including additional partnerships with FinTech companies and other cooperative enterprises.

927 West Broadway Redevelopment Project

In 2018, the Foundation entered into an MOU with TRI-Construction and New Rules to redevelop 927 West Broadway on the Northside to be the head-quarters for each of our entities. In July 2018, our partnership was awarded exclusive development rights by the City of Minneapolis. Our plans are big! New Rules will program the retail / restaurant / event space on the first floor, and eventually develop a bar / speakeasy in the basement. A roof top terrace of approximately 2,000 sf is planned, along with a street level community plaza. TRI-Construction will occupy the second floor, and New Rules and the Foundation will occupy the third floor. There will be approximately 900-1000 sf of leasable office space on the south side of the first floor.



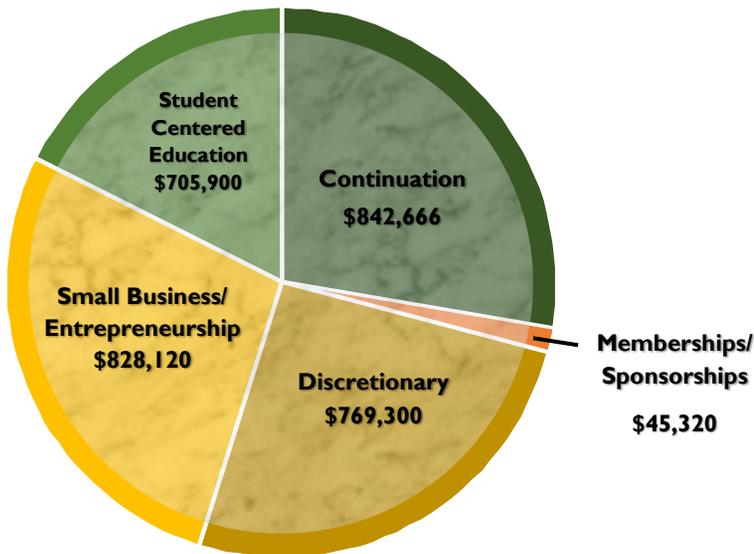
A recent rendering of the 927 West Broadway redevelopment from Dupont Avenue.

This redevelopment is an opportunity to revitalize a vacant and underutilized corner of West Broadway Avenue that will be catalytic to other development along the corridor. The Foundation is committed to making an initial equity investment in the project, with the goal to sell our interest to the other two partners and exit the partnership at some future point, remaining as a tenant. The project meets our goal of supporting local ownership and equity building. The plan is to break ground and complete the project in 2020.

2018 GRANTS



In 2018, the Foundation made grants totaling \$3,191,306. If an organizational name or grant amount appears incorrectly, or if your organization received funds from the Foundation in 2018 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.



Organization	Payment Amount
AchieveMpls	\$5,000
Against Malaria Foundation	\$10,000
Aish Minnesota	\$5,000
AL-Maaun-Black Women's Wealth Alliance	\$5,000
American Jewish World Service	\$10,000
Amherst H. Wilder Foundation	\$10,000
Amref Health Africa	\$10,000
Anti-Defamation League	\$15,000
Appetite for Change	\$60,000
Association for Black Economic Power-Village Financial Cooperative	\$225,620
Athletes Committed to Educating Students	\$5,000
Baby's Space A Place To Grow	\$5,000
Beth El Synagogue	\$10,000
Building Blocks, Inc.	\$100,000
CAIR- MN	\$2,500
California Community Foundation	\$2,500
Can Do Canines	\$2,500
CARE	\$10,000
Center for Economic Inclusion- Northside Funders Group	\$25,000
Centre for Asians & Pacific Islanders	\$1,000
Children of the Night	\$5,000
Citizens League	\$47,000
City of Lakes Community Land Trust	\$100,000
Compassion & Choices	\$2,000
Conservation Beyond Borders	\$2,500
Cookie Cart	\$5,000
Didi Hirsch Community Mental Health Center	\$25,000
Doctors Without Borders	\$10,000
Downtown Women's Center	\$10,000
Eastern Horizons	\$13,000
Education Evolving	\$10,000
Educators 4 Excellence	\$5,000
Emergency USA	\$5,000
Equal Justice Initiative	\$10,000
Exponent Philanthropy	\$750
Franklin Middle School	\$78,000

Since our founding in 1944, the Foundation has contributed \$221,171,528 in grants to our communities.

Organization	Payment Amount	Organization	Payment Amount
Grantmakers for Effective Organizations	\$1,920	Olson Middle School	\$208,000
Group for the Advancement of Psychiatry	\$8,000	OneVillage Partners	\$5,000
Headwaters Foundation for Justice	\$5,000	ORT America	\$35,000
Herzl Camp Association	\$5,000	Our Justice	\$10,000
Humphrey School of Public Affairs	\$22,500	PACER Center	\$10,000
International Institute of Minnesota	\$6,000	Page Education Foundation	\$500
Jewish Community Action	\$30,000	Parents Families and Friends of Lesbians and Gays Inc.	\$5,000
Jewish Family and Children's Service of Minneapolis	\$5,000	Parents Radically Organized	\$50,000
Jewish Family Service of Los Angeles	\$30,000	Patrick Henry High School	\$260,000
Juxtaposition Arts	\$10,000	Peak Grantmaking	\$2,000
Leukemia & Lymphoma Society of America, Minnesota Chapter	\$10,000	Perspectives Family Center	\$20,000
Little Brothers-Friends of the Elderly	\$10,000	Pillsbury United Communities	\$40,000
Los Angeles LGBT Center	\$10,000	Planned Parenthood Los Angeles	\$10,000
Mayo Clinic	\$60,000	Planned Parenthood of Minnesota North Dakota South Dakota	\$25,000
MAZON	\$4,000	Plymouth Christian Youth Center	\$25,000
MicroGrants	\$20,000	Proof Alliance	\$5,000
Minneapolis Community Kollect	\$5,000	Rêve Academy	\$32,400
Minneapolis Jewish Day School	\$1,800	Saint Paul Foundation	
Minneapolis Jewish Federation	\$193,000	<i>Heading Home MN Funders Collaborative</i>	\$25,000
Minnesota Comeback	\$25,000	<i>MSP Win</i>	\$75,000
Minnesota Council of Churches	\$2,500	Second Harvest Heartland	\$10,000
Minnesota Council of Nonprofits Inc.	\$550	Social Impact Strategies Group	\$50,000
Minnesota Council on Foundations	\$5,850	South Bay Center for Counseling	\$54,000
Minnesota Hillel	\$3,000	St. Paul Central High School Foundation	\$2,500
Minnesota Historical Society	\$10,000	Summit Academy OIC	\$10,000
Minnesota Private College Council		The Alliance - Blue Line Coalition	\$40,000
<i>Eddie Phillips Scholarships for African American Men</i>	\$288,166	The Food Group	\$4,000
<i>Phillips Scholars</i>	\$94,500	The Giving Back Fund	\$25,000
Minnesota Spay Neuter Assistance Program	\$2,000	The Trevor Project	\$1,000
Naral Pro-Choice Minnesota Foundation	\$20,000	Think Small	\$3,000
National Center for Family Philanthropy	\$2,500	Torah Academy	\$12,500
National Committee for Responsive Philanthropy	\$1,500	Twin Cities LISC	\$5,000
National Society of Newspaper Columnists	\$5,000	Village Health Works	\$10,000
Neighborhood Funders Group	\$1,250	Vision Loss Resources Inc.	\$10,000
Nexus Community Partners	\$152,500	VocalEssence	\$10,000
Northeast Minneapolis Arts Association- New Rules	\$10,000	West Broadway Business & Area Coalition	\$22,500
Northside Achievement Zone	\$50,000	Women in Non Traditional Employment Roles	\$40,000
Northside Economic Opportunity Network	\$50,000	Youth Frontiers Inc.	\$30,000

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

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 audited financial statements are available upon request from the Foundation office.

STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS

ASSETS	2018	2017
CASH	\$18,066	\$0
SHORT-TERM INVESTMENTS	\$825,167	\$3,781,894
MUTUAL FUND- FIXED INCOME	\$9,475,386	\$9,746,136
ALTERNATIVE INVESTMENTS	\$11,637,903	\$10,256,232
CORPORATE STOCKS AND EQUITY FUNDS	\$21,746,758	\$19,756,152
INTERNATIONAL EQUITY TRUSTS	\$10,548,490	\$9,504,529
TOTAL CURRENT ASSETS	\$54,251,770	\$53,044,943
PROPERTY & EQUIPMENT AT COST	\$6,251	\$10,600
OTHER ASSETS	\$3,166	\$3,242
TOTAL NONCURRENT ASSETS	\$9,417	\$13,842
TOTAL ASSETS	\$54,261,187	\$53,058,785
LIABILITIES		
BANK OVERDRAFT	\$0	\$84,531
ACCRUED EXPENSES	\$1,293	\$1,365
TOTAL LIABILITIES	\$1,293	\$85,896
UNRESTRICTED NET ASSETS	\$54,259,894	\$52,972,889
TOTAL LIABILITIES & NET ASSETS	\$54,261,187	\$53,058,785
Unrestricted net assets with investments at fair market value	\$64,302,410	\$72,446,358

STATEMENTS OF SUPPORT, REVENUES, AND EXPENSES

SUPPORT AND REVENUES	2018	2017
DIVIDEND AND INTEREST INCOME	\$1,981,191	\$1,728,445
REALIZED NET GAINS ON SALE OF INVESTMENTS	\$3,723,214	\$1,683,289
INVESTMENT & CUSTODIAN FEES	(\$323,670)	(\$360,803)
TOTAL SUPPORT & REVENUES	\$5,380,735	\$3,050,931
EXPENSES		
GRANTS & AWARDS	\$3,191,557	\$2,987,586
MANAGEMENT & GENERAL	\$789,527	\$698,895
PROGRAM EXPENSES	\$62,646	\$95,865
	\$4,043,730	\$3,782,346
FEDERAL EXCISE TAX (REFUND)	\$50,000	\$30,000
TOTAL EXPENSES	\$4,093,730	\$3,812,346
INCREASE (DECREASE) IN NET ASSETS	\$1,287,005	(\$761,415)
UNRESTRICTED NET ASSETS		
BEGINNING	\$52,972,889	\$53,734,304
ENDING	\$54,259,894	\$52,972,889

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