



Agenda

Meeting of the Board of Directors
January 15, 2019 | 1:00-3:00 p.m.
370 Wabasha Street North, Saint Paul MN, Lake Superior Room 4th Floor

Mission: The Center for Economic Inclusion is a cross -sector organization aimed at strengthening the region's civic infrastructure to influence market forces and catalyze an inclusive, growing economy.

AN UNRELENTING VOICE & DISRUPTIVE FORCE FOR INCLUSIVE ECONOMIC GROWTH

GOALS FOR THIS MEETING: As a result of this meeting, board members will:

- a. Gain additional insight on the 2019 impact agenda and operations of the Center
- b. Strengthen the efficiency and efficacy of the governance of the Center for Economic Inclusion
- c. Provide valuable expertise and influence on the fund development and operations

1:00- Meet on 9th Floor for Brief Tour of New Office Space~ Next Transition to 4th Floor

| | | |
|------|---|---|
| 1:10 | Welcome, Meeting Overview & Introductions | Mary Brainerd, Board Chair |
| 1:15 | Consent Agenda | Mary |
| | <ul style="list-style-type: none">• Approval of Agenda• Approval of November Meeting Minutes | |
| 1:17 | Chair's Report | Mary |
| 1:22 | Impact Report | Tawanna Black, CEO |
| 1:32 | Investment Committee Report | Jonathan Weinhagen, Lead |
| 1:40 | Finance Report | Ann Mulholland, Treasurer, Lori Doehne, Interim Fin.Dir. |
| 2:00 | 2019 Work Plan | Tawanna |
| 2:30 | Investment Committee Update & Model Discussion | Tawanna, Jonathan and Mary |
| 2:50 | New Business | Mary |
| | Establish Time for Special Meeting | |
| 3:00 | Adjourn | Mary |



MINUTES

MEETING OF THE BOARD OF DIRECTORS

November 19th 2018 1:00-3:00 p.m.

Center for Economic inclusion HQ- 370 Wabasha Street N, Saint Paul, MN

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Board Members Present

| | | | | | | | |
|----------------------|----------------------|------------------------|--------------|-----------------|-------------------------|--------------|------------------|
| Mary Brainerd X | Ann Mulholland X | Ravi Norman x | Neeraj Mehta | Repa Mekha X | Jonathan Weinhagen X | B. Kyle X | Ron Feldman X |
| Sarah Hernandez X | Carrie Jo Short X | Comm. Toni Carter X | | | | | |

Staff Present:

Tawanna Black
 Kristin Beckmann
 Kris Worrells
 Lori Doehne

I. Welcome and Introductions

The meeting was called to order at 1:08 pm by Board Chair Mary Brainerd. The board completed introductions and Mary welcomed new board members

II. Consent Agenda

The consent agenda items were approved with a motion made by Ann Mulholland and seconded by Jonathan Weinhagen.



III. Chair Report (Mary Brainerd)

Mary reviewed the November board report and engaged the board in open dialog. Toni C. stated “I Very excited to be here and thinking about the strategic relationship that we and the center can endure. The integrated purpose is clear and we are excited to join in on that with the county and CEI

IV. Impact Report (Kristin Beckmann)

Kristin reviewed the Center Impact Report (see attachment) and highlighted key areas for the board.

Fund Development- Kristin informed the team that Maggie Meyer joined our team in October as a staff member dedicated to Fund Development. Maggie and Tammy are working closely together to build development into every tool that we are currently using for the ambitious communications goals that the Center established in our first year. Additionally, Maggie and Tammy are working to build formal infrastructure for funder prospecting, tracking and acknowledgement as we anticipate that the added capacity will result in a higher volume of contributions and funding sources in the last months of 2018 and heading into 2019.

The Board discussed the importance of building administrative costs into every program grant request so that we are not short-changing the cost to operate the Center as funders are drawn to particular programs.

Integrated Partnerships

The Blue Line Coalition (BLC)- We are still working with the BLC team on a smooth transition. BLC has not finalized a fiscal host yet, however the transition will be completed by December 31, 2018.

The three integrated partnerships each have representatives serving on the board for the first time this month, Carrie Jo Short, representing the East Side Funders Group, Commissioner Toni Carter, representing the Greater Metropolitan Workforce Council, and Sarah Hernandez representing the Northside Funders Group. Following the report, each of them introduced themselves and shared their anticipation of a strong partnership with the Center and the Board.

V. Finance Report (Ann Mulholland, Treasurer and Lori Doehne, Interim VP Finance & Operations)

Ann presented the Finance Report (see attachment) and reviewed the state of the organization. She and Lori highlighted a \$255,000 capital gap to complete the build-out of the



new office and a \$500,000 operating gap for 2018 and led a discussion on opportunities for attracting investors to the Center.

Recent investments include:

- JP Morgan Chase (\$50,000) Event Sponsorship
- Bush Foundation (\$25,000) Event Sponsorship -2019 Economic Inclusion Summit
- \$21,000 – Give to the Max Day

Ann and Tawanna thanked board members for leading contributions to fuel a match campaign for Give to the Max Day. A final report will be distributed at our next board meeting, but we are pleased to have raised \$21,000 in our first campaign!

The board discussed the structure of fundraising and the impact on operations of raising funds at a phased

Per B.K What is the plan to raise money? Tawanna B. answers with private donors, large corporation, bush foundation , give to the max day also helped close that gap, it's about relationships and we currently don't have deep relationships with those big companies, however we are pursuing long term commitments (3 years) .

Ann led the board in a planning discussion for actions over the next 20 working days that can lead to investments to close the gap. This was followed by a discussion about long-term investment opportunities and next steps.

Outreach for Short-Term Funding

- Northwest Area foundation- Ann has made a referral to Jennifer Racho, and Tawanna is waiting on dates from Jennifer. Once confirmed she will engage Repa and Toni. Repa, Commissioner Toni, Tawanna ask for 100k.
- Knight Foundation-Tawanna will be meeting with Jai in mid-December. Ann will help reinforce from the sidelines and can attend a meeting if needed.
- Bush foundation – Mary follow-up with Jen on Maggie's ask for \$100,000 from President's Discretionary Fund on 11/26. Duchesne indicated that he now oversees this fund and felt that the Center should receive an investment. He intends to discuss with Allison Barmann this week.
- Benson Foundation – Ann will call Judy to explore opportunities.
- Carlson Foundation (Wendy) - Tawanna will schedule a meeting with Wendy. She will invite Commissioner Carter to join for influence as needed.
- Bremer- B. Kyle will make the connection to Dan Reardon; Mary will follow-up with Brian. Staff are also pursuing event sponsorship with the Center's banker.
- Securian Financial - B. Kyle e-mailed Chris Hilger to schedule time for a meeting with Tawanna. She will update when she hears back.
- Ecolab- B. Kyle e-mailed Doug Baker to schedule time for a meeting with Tawanna. She will update when she hears back.
- Surdna Foundation- Repa will email next week. Lee Sheehy will court during Living Cities meeting on 11/28-29



Long-Term Funding Strategy

- Staff will update the board with a moderate-term budget that outlines what the Center requires in funding to achieve similar levels of impact as we have today, with increased capacity, and the expected gap.
- Staff will provide the board with key materials for asks/ pitches. Maggie should be the key person for needs, Tawanna should be copied in communication. Kris can support scheduling.
- The Board approved asking Strategic Partners for an investment in the Center, including GreaterMSP (\$250,000), City of Minneapolis, City of Saint Paul, Ramsey County, and Hennepin County. Ravi agreed to lead on the GreaterMSP ask and Mary will partner with him. The idea will be surfaced at a committee meeting next week. Jonathan volunteered to work with the Center team on the public sector strategy.
- Tawanna will continue working with Tim Welsh, David Mortenson and Brad Hewitt on an Itasca member investment strategy to include asking the 7 member companies of the Itasca Northside Partnership to invest a minimum of \$100,000/year for 3 years in the Center. Mary and Ravi will partner to influence this body. Corporations: Target, Medtronic, Ecolab, General Mills, Wells Fargo, US Bank, Mortenson Construction
- Staff will work to renegotiate DEED contract to receive larger portion of funds for support services provided.
- Center will pursue a grant from The McKnight Foundation to help with the gap if necessary, and if private matches have been attained.
- Board and staff will partner to identify ways that corporations could support fiscal capacity- i.e. guarantees, in-kind services, direct contracts for services, to help build financial capacity.
- Board & Tawanna will partner to identify board members who can help cultivate additional long-term corporate and philanthropic investments
- Maggie will engage Jonathan, Ravi, Ann and Mary on the Investment Committee. The Committee should begin meeting weekly with at least conference calls next week.
- These Foundations are on the list for pursuit (*Amounts, Meeting Dates & Application Submission Dates listed where known*): Board contacts, references, and information is needed.
 - Kresge Foundation- > \$500,000/year – January 2019
 - Thrivent Foundation- \$200,000/year- December 2018
 - Knight Foundation – Meeting Mid- December
 - MSPWin- (Ann Mulholland Referral)- Meeting [11/26](#)
 - Greater Twin Cities United Way- Meeting [11/26](#) December 2016
 - W.K. Kellogg Foundation- \$200,000/year – December 2016
 - Mortenson Construction – Met with David last week; Submitting additional materials this week – Need a board member to call him
 - Surdna Foundation
 - Target
 - General Mills
 - Medtronic
 - Ecolab
 - Wells Fargo



- US Bank
- Sunrise Bank
- Delta Dental – Mary introduction
- Bush Foundation- Innovation Grant
- Thor
- Rockefeller Foundation
- Ford Foundation
- 3M

VI. 2019 Workplan

This item was suspended until the January meeting due to the time available. Members were provided with a handout to review and encouraged to share any questions with Tawanna and Kristin.

VII. New Business (Tawanna)

Tawanna shared that leadership heard the boards need for more understanding of the day to day work of the Center and more tools for telling the story of the 'work' of the Center. The next meeting will be focused on providing the board with more detail on the Center's work plan for this purpose.

VIII. Adjourn (Mary)

At 3:12pm Mary Brainerd called for a motion to adjourn the meeting. The motion was approved unanimously and the meeting was adjourned.



Board Report- January 2019

Operations

Financial Systems:

The financial processes for the Center for Economic Inclusion have been reviewed, revised, and submitted to the auditors. The auditors will be in the office for Internal Control testing January 10th and 11th. The plan at this time is for the auditors to return in April to perform the audit, date is yet to be scheduled, pending return of signed engagement letter. Account reconciliations are in process and ongoing in preparation.

The 2019 draft budget has been prepared for Center for Economic Inclusion and is being presented for approval today with minimal amendments. The senior leadership team has assessed the staffing needs to fulfill the 2019 impact goals and developed a plan for spending as investments are secured, and phasing staffing in alignment with projections.

Facilities: Construction on Osborn370 is complete and the move in will take place on January 25, 2018. Move-in was delayed due to furniture delivery, which was delayed due to an overwhelming number of orders. BIG Thanks to Thor Construction for stellar construction, budget management, and partnership; BDH & Young for design services, management partnership and support, and our landlords who have been phenomenal every step of the way. Kristin was an amazing project manager throughout the build-out ensuring that we completed this within our tenant improvement allowance, and within our vision for the project, and I'm deeply grateful! We will host a ribbon cutting later this winter, and a social in early Spring once all finishes are in place.

Human Resources:

After taking a partial leave to work on Governor-elect Walz's Transition Team, Kristin Beckmann is leaving CEI to be the Deputy Chief of Staff in the Administration. Her last day as COO is Friday, January 11. She will be handing off her work on finance and administration, policy, and staff management. She is grateful to the Board for the opportunity to work with such a talented team committed to building an inclusive economy.

Staffing for Integrating Partners continues to advance, which means many transitions for the CEI staff team. The last day for the Blue Line Coalition Manager, Colleen Toberman, was



December 28, 2018 and we said goodbye to her over the holiday break. The final round of interviews for the GMWC Executive Director will take place on January 16, 2019. We are hopeful a new staff member will begin by February. Interview for the new NFG Executive Director take place this month and a new hire is expected to begin in early February.

To continue to augment our programming work in communications and fundraising, CEI is contracting with Andrea Bork as an Interim Chief Advancement Officer. Andrea will work with Tammy Nolen on marketing, communications, and grant writing and Maggie Meyer on development to build a cohesive plan for both areas. She will also be focused on the First Annual Powering Inclusion Summit on April 30th where we will share our Inclusive Economic Indicators and an array of skill-building workshops.

CEI is also exploring engaging Lyman Doran to conduct the executive search for the Vice President of Programs & Services. And a search for the Managing Director- Economic Development will begin soon (funded by JP Morgan Chase). These two key program staff members will be focused on our workforce strategy, supporting Integrating Partners, and the work with the private sector to diversify the economic activity in the local market. The search for these leaders will start soon and the hope is to have them in place by April 2019.

Branding, Engagement & Impact

Fund Development: Our Development Team has spent much of the last month continuing the work of establishing infrastructure for fund development.

We have received three exciting grant notifications since the last board meeting: \$200,000 from the Minneapolis Foundation (\$100,000 each for general operations and North @ Work), \$100,000 from the McKnight Foundation, and \$10,000 from the Bush Foundation on behalf of Mary Brainerd as a board member. We will submit six grant applications in January: Bigelow Foundation, St. Paul Foundation, Target, Greater Twin Cities United Way, W.K. Kellogg Foundation and the Kresge Foundation. We have also been invited to submit a proposal to MSPWin this month.

Thanks to the enthusiasm and dedication of several board members and key partners, we established the Investment Committee in December. This committee has held several calls and will formally launch in February. They are taking on the task of identifying potential funders, establishing and advancing the Center's relationships with funders, and building capacity for our fundraising team to meet aggressive 2019 goals.



Finally, please mark your calendar for April 30 for our first Power Inclusion 2019 Annual Summit. We will host the event at the Minneapolis Depot. JP Morgan Chase is the lead sponsor for the Summit and it will feature senior leaders from the corporation sharing their promising practices for investing in communities of color and advancing African American talent at senior levels. We're asking all board members to make plans to attend the Summit.

Communications

Communications for the Center in 2019 will continue to focus on changing the narrative about real economic opportunity for everyone in our region, by elevating asset-based narratives focused on communities of color. We will distribute a bi-monthly newsletter, monthly blog posts by staff and constituents, advance research and relevant reports, news articles and forums; along with increasing our social media presence.

Our primary communication theme for 2019 is *Powering Inclusion through Change: Action, Awareness and Accountability*. Areas of emphasis include:

Changing the People who Change Organizations

- Equipping generations of leaders to make people centered, data informed decisions

Changing Organizations that Change Communities

- Equipping organizations with knowledge, tools, relationships, to change policies and practices

Building Networks of People & Organizations That will Change our Region & The World

- Equipping networks with the data, infrastructure, platforms, and promotion to ensure relevance, responsiveness, and impact

Key Center Events for 2019

- Annual Powering Inclusion Summit: Relentless Pursuit of an Inclusive Economy (April 30th)
- Community-Impact focused event (summer)
- Fall Speaker Series (Sept, Oct, Nov)

Strategy & Impact

Workforce Innovation:

North@Work: We are beginning 2019 with revised expectations for North@Work – continuing to reach toward our aspirational goal to successfully move 2000 men toward employment – adjusting our annual goal to realistically reflect performance. We anticipate



enrolling about 400 individuals and expecting to place at least 130 men in employment during the calendar year.

- We are finalizing new contracts with some North@Work partners. As above, our emphasis in 2019 is on strengthening the quality of our work, slowing our expectations for quantity as we move at a slower pace toward our aspirational goal of placing 2000 men. We are also exploring new partnerships and training opportunities for North@Work, including some offering including transitional work through Better Futures, adding more training opportunities through Summit Academy (IT and Health Care) and exploring a potential culinary program with Breaking Bread.
- We recently conducted focus groups with N@W participants (successful completers, those currently in training/support, and drop-outs or unsuccessful completers). This yielded a great deal of insight about current/future program design and execution. A full summary of each session will be available. We anticipate continuing this effort annually.

Greater Metropolitan Workforce Council Sector Skills Academy: We are at the midpoint in the Greater Metropolitan Workforce Council Sector Skills Academy, with four sessions between January and the conclusion of the Academy in June. We are assessing interest and needs among our Academy participants and in January, we'll focus a good deal of our time diving deeper in personal assessments around race bias. This is a particular contribution that the Center is bringing to this relationship – a strong and steady focus on racial equity/inclusion inside metro-wide sector efforts.

Employer Outreach: Maximizing pathways for employers to tap underutilized talent

- Director of Employer Relations, Sonja Simpson began engaging with employers in December. Met with eight employers who have a variety of opportunities that include; IT, manufacturing, banking and finance, transportation, education and a retail call center. More than a dozen additional employer engagement meetings are scheduled in January.
- We are engaging with Community Based Organizations (primarily in North Minneapolis) to deepen our understanding of the landscape of workforce development programs, employment training and support services being offered. This knowledge will help us connect job seekers and employers.
- We are also collaborating with employers and North@Work partners to provide additional placement support to program completers.



Policy & Advocacy:

In four of the seven jurisdictions where CEI engaged city staff on the development of its comprehensive plan, CEI submitted comments and plans were edited and finalized. Our comments to Saint Paul are being submitted this week. And, in the remaining two cities, Hopkins and Brooklyn Center, CEI consultant Allison Bell continues to review plans, meet with city staff members, and draft comment to submit. Hopkins and Brooklyn Center will wrap up in March and Saint Paul will extend into May, which will allow for deeper work with the Integrating Partner East Side Funders Group to engage the community in drafting comments.

Considering advocating on the state level, CEI and the Minneapolis Chamber of Commerce are exploring a partnership in policy development and advocacy on workforce issues. Tawanna and Jonathan have started conversations about identifying legislation to work on together in the 2019 session. Tawanna is preparing a statement for Governor Walz outlining policy and investment priorities that align with the Center's values, following her partnership with the Transition Advisory Board and hosting the Minneapolis listening session.

Regional Economic Inclusion Indicators:

The Center will be launching the Regional Economic Inclusion Indicators in early April at its first summit. The indicators will be delivered in an online, interactive tool rather than a paper handout/PDF. In October, we worked with a cohort of user-experience design students at Prime Digital Academy (a local design web design and development school). As part of this process, the cohort interviewed end users representing our target audiences of: employers, policymakers, and media. Their research produced several key takeaways that are influencing the design of the tool and our work moving forward, including

1. Contextualization – users wanted to be shown the meaning and value of the statistics they are being shown, in concise takeaways
2. Storytelling – users wanted to consume the 'macro story' of the indicators in linear, progressive storyline, especially by telling it through the stories of real people
3. Comparison – users wanted a way to measure whether how well their policies or business practices fostered economic inclusion
4. Next steps – users highlighted their desire for clearly defined resources or steps they can take to improve economic inclusion
5. Commitment – users want to make a public commitment and see others doing the same



We have engaged a new cohort at Prime Digital Academy who are developing the website (i.e. the back-end) in a way that ensure that content can be easily updated and added. This development work will wrap up in mid- January.

Based on input from an indicators working team, we have selected a set of 14 measures that are organized into 4 buckets "macro measures" that are meant to align with the Inclusive Growth 'endcap' on Greater MSP's Regional Indicators Dashboard, which currently measures the wage gap and employment gap between white people and people of color. Our measures further disaggregate these numbers by measuring wages and employment rate by race and by place. They are meant to be the 'big picture' data points such that, if we observe them moving in the right direction, we know that our economy was becoming more inclusive.

The remaining areas are organized into the three impact areas: Human Capital, Economic Development, and Access/Transit. We are working with the Brookings Institution to pull the data for these 14 indicators, most of which will be disaggregated by race, place, and/or income depending on the measure.

Next steps for January, February: developing and entering content; testing the website; reviewing the content and tool with strategic partners, preparing for the launch event, and coordinating with Greater MSP to inform their indicator event with this new content.

Integrated Partnerships

The Blue Line Coalition (BLC) completed transition out of the Center last month. Colleen O'Connor Toberman's last day as an employee was December 28, 2018. We are currently preparing the financials, equipment, and final payment for the Coalition to transition to the organizations new fiscal sponsor before February 28, 2019.

The East Side Funder Group (ESFG) continues narrative change efforts and encourages the board to read and learn about Hlee Lee's stories about community wealth building, entrepreneurship, and partnerships on the East Side of Saint Paul. Narrative change is an important piece of the ESFG community wealth building strategy; our immigrant and POCI communities and businesses are a regional asset and telling their stories will help improve the local economy, create jobs, and attract/retain talent. Please share these stories and follow the series

on Twitter <https://twitter.com/eastsidefunders> and Facebook <https://www.facebook.com/EastSideFundersGroup/>. **#storiesoftheeastside** . Last month the ESFG learned about Nexus'



Worker Owner Conversion strategy and tools for funders to support strategies to convert businesses to ownership by workers.

The Northside Funders Group (NFG) The Northside Funders Group is completing interviews for a new Director this month. The collaborative is also currently meeting with Minneapolis Public Schools and other community-based organizations to explore investment opportunities for leveraging parent advocacy and mobilization and increasing talent diversity and inclusion. NFG will host a second Northside Storyville Screening in early February at the Capri featuring several of the residents and entrepreneurs from the second half of the year, so please watch for an invitation and join us.

Greater Metropolitan Workforce Council (GMWC): The GMWC continues solidifying governance structures and operating procedures to advance its goals. In addition to hiring a new Director this month, the board is refining its code of conduct and conflict resolution processes. The board is also exploring ways to improve regional collaboration and aligned decision making amongst a number of workforce and economic development organizations.

End of Report



Our Region's Best Imperative

The Relentless Pursuit of an Inclusive Economy

WHERE WE'VE BEEN

Missed Opportunity, Diminished Lives

- Boasted one of the strongest regional economies while leading the nation in racial inequities.
- Excluded people of color from economic opportunity and growth, diminishing our talent base and global competitive edge.
- Embraced good intentions and ideals of diversity, equity and inclusion but struggled with the intentionality and action required to ensure every resident can fully engage in our region's prosperity.

WHERE WE ARE NOW

Greater Effort, Less Coordination

- Our fragmented infrastructure results in workforce, economic development, and transit efforts led by one sector that hinder inclusive economic growth.
- The collective loss that we all experience when communities of color and people with low incomes lack economic mobility is invisible to market driven solutions.
- We continue to elevate well-intentioned, but polarizing narratives that minimize communities of color and reinforce detrimental stereotypes.

WHERE WE CAN BE

Economic Growth + Shared Prosperity

- A region that truly embodies Minnesota's values of equity and inclusion, and demonstrates it in measurable ways for all residents.
- Working together, all sectors, all metro communities, on business growth, employment, and transit solutions that increase our economic competitiveness.
- Building structures and systems that leverage market forces AND our region's diversity to position Minneapolis-St. Paul as a world-class city for generations.

HOW WE GET THERE

Action, Investment, Commitment

- **Changing Policies and Practices.** Individually and collectively, every person, in every organization, in every sector must commit to working differently, by adopting policies and practices that measurably drive inclusive growth.
- **Changing Investments & Narratives.** We must shift our lens and invest - at unprecedented levels - in people and communities of color as partners, assets, innovators, and drivers of economic growth, not charitable beneficiaries.
- **Changing Our Region's Future.** We must establish - and hold ourselves accountable for achieving - the inclusive growth benchmarks that will secure our region's future economic success.

THIS TEXT WOULD BE REPLACED WITH AN INFOGRAPHIC TO CONVEY THE CONTENT VISUALLY INSTEAD.

An investment in the Center is an investment in growing our regional economy.

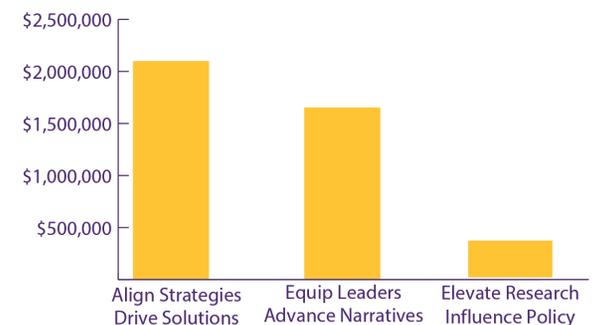
The ROI is simple and one we can no longer afford to avoid. Investing in racial equity and economic inclusion will change the landscape of our region - adding \$30 billion to our regional economy by 2040 as income parity is achieved. This is a transformational opportunity with generational impact.

This work requires collective engagement and long-term commitment from both the private and philanthropic sectors. We seek multi-year commitments with investments of \$100K per year.

This investment strengthens and funds existing efforts now under the Center's umbrella, along with the Center's work of Advocacy, Paradigm Shifting, Collaboration, Research, Advocacy, and Philanthropy. Together, we can improve the quality of life for all residents and fuel regional prosperity.

An economy that works for all is within our reach.

Investment Opportunity: \$5.5 million annual budget





Our Strategies

Our Impact

WE WILL MEASURE ANNUALLY:

The number of LEADERS who...

- Complete training
- Identify an action they'll start, stop, or continue
- Form a new relationship to advance inclusion
- The resulting impact of the above as reported annually via survey

The number of ORGANIZATIONS...

- Committed to changes in hiring policies and practices
- Engaged with Center-related workforce development programs
- Committed to procurement policy and practice changes via engagement with the Center
- Changing community relations, charitable contributions, and/or investment policies and practices due to the Center

The IMPACT of those changes on...

- Wages, retention, and hiring – both qualitative and quantitative results
- Spending and related job growth
- Revenue generated among minority businesses
- Currently excluded communities via charitable and private investment

We work differently, yet collaboratively.

We know we have regional disparities, and we know we're making some progress. What we don't know is what progress will lead to transformational change, or how change in one organization relates to sustainable impact at the regional level.

We center people, elevate the role of the market, and leverage data to create shared goals and accountability for shared prosperity.

We relentlessly pursue an economy that works for everyone, because we know it is possible.

We teach organizations and leaders to use racial inclusion practices to guide daily decisions and embed them into programs, policies, and investments. We also equip them with the tools for measuring the impact of these practices on their organizational objectives.

Our Race, Place, and Income lens to working at the intersections of Human Capital, Economic Development, Transit and Access is a reliable framework for Fortune 500's, neighborhood workforce centers, chambers of commerce, small business associations, and city planning departments. The Center equips leaders and residents with the tools to benefit from inclusive growth.

We all must make more deliberate, informed choices - everyday.

This is how our region will fuel economic growth and inclusion! We amplify the immense, diverse talent currently excluded from our economy, ensuring we leverage all of our talent, skills, and innovative ideas to grow, prosper, and compete.

We're building tools to keep our region on track.

We elevate disaggregated, inter-sectional data about the workforce, business growth, and the variables that impact it, and help leaders make daily decisions to create change. We are developing Regional Economic Inclusion Indicators to establish metrics and collectively define success.

We help employers and communities create tools to track progress and inform decision-making to increase economic inclusion. We identify high-impact drivers of growth along with key barriers and build the civic and data infrastructure to produce swift, measurable, sustainable results.

More inclusive and equitable public policy and market-responsive systems.

The future of our cities depends on the policies and actions we make today. We partner with the cities of Brooklyn Park, Brooklyn Center, Columbia Heights, Hopkins, Minneapolis, and Saint Paul as they incorporate equitable, inclusive policies in their 2040 Comprehensive Plans to ensure our future land-use, investment, and development strategies benefit everyone in our region. We will continue to support policy makers and economic developers through implementation and measuring results.

We disrupt workforce and economic development systems

We walk alongside employers and support them to become more inclusive and engaging employers to attract the best talent from a pool of applicants that are often invisible. Public and private sector funders and policy makers depend on us to guide them in investing in results-based solutions that meet the needs of job seekers, entrepreneurs and employers at every stage.

We're creating spaces to grow public and organizational awareness.

We convene unlikely collaborators and peers, educating and incubating new ideas and innovation through our Powering Inclusion events which feature national and local change-makers in capital deployment, purposeful business, community reinvestment, and racial equity. We offer Racial Equity education and tools to equip organizations to put best practices into action. We customize solutions for employers who are serious about contributing to the region's success, today.

An inclusive economy is within our reach.

Awareness.

Action.

Accountability.



**CEI Investment Committee Prospect List
January 14, 2019**

| SECTOR: | PROSPECT NAME: | CONTACT NAME: | REQUEST AMOUNT: | DESIGNATION: | RELATIONSHIP MANAGER: | LAST GIFT: | FOR FY18: | FOR FY19: | STATUS: | NEXT STEP: |
|------------|--------------------------------|-------------------------|-----------------|--------------|----------------------------|-----------------------|-----------|-----------|---|---|
| Foundation | Marbrook | Charlie Zelle | \$3,500 | Modest Gift | Tawanna Black/Maggie Meyer | \$TBD December 2018 | Q4 | | \$3,500 grant received. | Complete |
| Foundation | McKnight Foundation | Lee Sheehy | \$100,000 | | Tawanna Black | \$100,000 November 18 | Q4 | | \$100,000 year-end grant received. | Determine 2019 Grant Cycle and Apply for 2019-2021 Funding. |
| Foundation | Minneapolis Foundation | | \$200,000 | | Tammy Nolen | \$75,000 January 2018 | | Q1 | \$200,000 Grant Received. (\$100,000 unrestricted; \$100,000 North@Work). To be received by 1.31.19 | Complete |
| Foundation | Bigelow Foundations | | \$100,000 | | Ann Mulholland | | | Q1 | Application Submitted. | Follow-up with Carrie Jo Short to answer questions that may arise. Review trustees and ask Committee members to influence. |
| Foundation | Bush Foundation | Duchesne Drew Jen Reedy | \$100,000 | | Tawanna/Mary | \$25,000 2019 Events | Q4 | | 1.11.19 Update. Presidents Fund: N/A Two 2019 Opportunities: Community Impact & Economic Growth Initiative. One 2020 Opportunity: Ecosystem Grant | 1. Tawanna meet with Allison Barmann to discuss Ecoomic Growth & Entrepreneurship opportunity. 2. Determine approach for community |
| Foundation | Greater Twin Cities United Way | | | | Maggie Meyer | \$180,000 2018 | | TBD | Application Submitted 1.9.19 | Committee members influence GTCUW Trustees |
| Foundation | Kresge Foundation | | \$1,000,000 | | | | | TBD | Application Submitted. | Committee members influence Trustees & staff. |
| Foundation | Benston Foundation | | | | | | complete | | Complete | NOT AT THIS TIME |
| Foundation | Carlson Foundation | Wendy Nelson | | | Ann Mulholland | | | TBD | Establishing a meeting in January | Tawanna will set meeting with Wendy; She will invite Commissioner Carter to join |
| Foundation | Ford Foundation | | | | | | | TBD | | Identify internal champion; Determine how this will fit into 2019 strategy |
| Foundation | Knight Foundation | Jai Winston | \$200,000 | | Tawanna/Ann | | Q4 | TBD | Tawanna met with Jai on 12/4- Need follow-up email on funding opp's for | Tawanna follow up with Jai |
| Foundation | MSPWin | Bryan Lindsley | \$250,000 | | Ann Mulholland | | | TBD | Tawanna submitting proposal by 1.18.19 Notes from 1.11.19 IC call: Ann M says there is an opportunity for funding, but that a \$250,000 gift is unlikely. All funding is for work force rather than gen ops. | Submit proposal and follow-up with members |

**CEI Investment Committee Prospect List
January 14, 2019**

| SECTOR: | PROSPECT NAME: | CONTACT NAME: | REQUEST AMOUNT: | DESIGNATION: | RELATIONSHIP MANAGER: | LAST GIFT: | FOR FY18: | FOR FY19: | STATUS: | NEXT STEP: |
|------------|--------------------------------------|------------------------|----------------------------|--|---|------------|-----------|-----------|--|--|
| Foundation | Northwest Area Foundation | Jennifer Rancho | \$100,000 | | Tawanna/Ann | | Q4 | | Met on 1.11.19Tawanna Black and Andrea Bork met with Jen Rancho on 1.11.19. Foundation is creating a new area of interest that aligns with Center work but will not be established for several months. | Andrea will follow-up to invite for Summit sponsorship |
| Foundation | Robert Wood Jonshon | | | | | | | TBD | Tawanna will contact Duane Proctor and request a call for recommendations on pursuing funding in January | Tawanna contact Duane |
| Foundation | Rockefeller Foundation | | | | | | | TBD | Lee has had conversations via Living Cities | Determine how this will fit into 2019 strategy; Identify internal champion |
| Foundation | Saint Paul and Minnesota Foundations | | \$100,000 | | Ann Mulholland | | | Q1 | Application Submitted. | Committee influence trustees and staff. |
| Foundation | Surdna Foundation | Don Chen | | | Repa Mekha | | | TBD | Lee discussed on 11/29 and invited Don to MSP. He will visit in 1Q. | Lee will follow-up in January to coordinate visit. Repa echo. |
| Foundation | W.K. Kellogg Foundation | | TBD | | Tammy Nolen | | | Q1 | Submitting an application to support Workforce Innovation & North@Work | Submitting an application by 1.18.19 |
| Corporate | 3M | | \$50,000 | | | | | TBD | Tawanna will meet with 3M Gives Director in January. Kim Price influencing an ask of \$50-75k | Research alignment |
| Corporate | Allianz Life | Walter White | | Itasca Partnership - | Jonathan | | | TBD | Jonathan has had initial conversation; Will make follow-up contact for meeting | Determine prospect opportunity for 2019. Meet with Walter White; Complete prospect research |
| Corporate | Bremer | Dan Reardon | | | B. Kyle/Tawanna | | | TBD | Action plan created, included in next steps Staff are also pursuing event sponsorship with the Center's banker | 12/10: Mary met with Brian and Dan. Both would like to learn more about the Center. Mary will make a connection via email to set up a face to face meeting. Maggie work with Lauren Beecham for event sponsorship |
| Corporate | Delta Dental | Rod Young Joe Lally | \$50,000 | | Mary Brainerd | | | TBD | Meeting on 1/9. Kim Price influence to ask for \$50,000/year for 3 years. | Submit follow-up thank you and ask. |
| Corporate | Ecolab | Doug Baker | \$100,000/year for 3 years | Itasca Northside Partnership - Gen Ops | Tawanna Black Ravi Norman Mary Brainerd | | | TBD | Pursuing \$100,000/year minimum- 3 year gift in partnership with Itasca. Tim Welsh & Reba Dominski champions. | End of Year Gift - Waiting for word from B on setting up meeting between Doug Baker and Tawanna Itasca - Will contact once campaign launches |
| Corporate | General Mills | | \$100,000/year for 3 years | Itasca Northside | Tawanna Black Ravi Norman | | | TBD | Pursuing \$100,000/year minimum- 3 year gift in partnership with Itasca. Tim | Tawanna will reach David and Brad after the call with Tim. |
| Corporate | Land O'Lakes | | \$100,000 | | | | | TBD | Tawana met with reps from LOL in December 2018 | Send formal request for funding and partnership by 1/21/19 |
| Corporate | Medtronic | | \$100,000/year for 3 years | Itasca Northside Partnership - Gen Ops | Tawanna Black Ravi Norman Mary Brainerd | | | TBD | Pursuing \$100,000/year minimum- 3 year gift in partnership with Itasca. | Will engage once campaign launches |

**CEI Investment Committee Prospect List
January 14, 2019**

| SECTOR: | PROSPECT NAME: | CONTACT NAME: | REQUEST AMOUNT: | DESIGNATION: | RELATIONSHIP MANAGER: | LAST GIFT: | FOR FY18: | FOR FY19: | STATUS: | NEXT STEP: |
|-----------|---|--|----------------------------|--|---|-----------------------------------|-----------|---------------------------------|--|--|
| Corporate | Mortenson Construction | David Mortenson | \$100,000/year for 3 years | Itasca Northside Partnership - Gen Ops | Tawanna Black Ravi Norman Mary Brainerd | \$125,000 Workforce - August 2018 | | TBD | Pursuing \$100,000/year minimum- 3 year gift in partnership with Itasca. | David has expressed desire to invest more in Center workforce strategy. Follow-up by 1.21.18 |
| Corporate | Securian Financial | Chris Hilger | \$100,000/year for 3 years | | | | | TBD | Setting up meeting | Maggie Follow up with B re: meeting with Chris Mary has board meeting week of 12/10, will ask leadership about funding the Center and report back |
| Corporate | Sunrise Bank | | | | | | | TBD | | determine how this will fit into 2019 strategy |
| Corporate | Target | Brian Cornell | \$250,000 | Itasca Northside Partnership - Gen Ops | Tawanna Black Ravi Norman Mary Brainerd | | | TBD | Grant submitted. Confirmed range of \$100-\$250k/year for 3 years. | Decision will be received by 1.31.19. Committee influence staff and board. |
| Corporate | Thor | Ravi Norman | | | Tawanna Black | | | TBD | | Determine how this will fit into 2019 strategy |
| Corporate | Thrivent Foundation | | | | Tammy Nolen | | | TBD | Application submitted. Confirmed 1.9.11 that response will come later this month and final decision by 2.28.19 | Jonathan will send email to Randy (Boushek?) on the Foundation Board to influence |
| Corporate | Timberwolves | | | | Tawanna Black | | | TBD | | Determine how this will fit into 2019 strategy |
| Corporate | US Bank | Reba Tim Welsh | \$100,000/year for 3 years | Itasca Northside Partnership - | Tawanna Black Ravi Norman Mary Brainerd | | | TBD | Pursuing \$100,000/year minimum- 3 year gift in partnership with Itasca. | Follow-up by 1.21.19 |
| Corporate | Wells Fargo | | \$100,000/year | Itasca | Tawanna Black | | | TBD | Pursuing \$100,000/year minimum- 3 | Tim/ Reba will recruit in sector campaign. |
| Public | City of Minneapolis | Spencer Cronk | | Strategic Partnership - Gen Ops | | | | TBD | Board to establish Public Sector- Strategic Partner Funding Strategy in 1Q | Tawanna add Public sector strategy and City of Minneapolis strategy to agenda for meeting with Jonathan and Kristin in December 2018 Determine how this will fit into 2019 strategy |
| Public | City of Saint Paul | | TBD | Strategic Partnership - Gen Ops | | | | TBD | Board to establish Public Sector- Strategic Partner Funding Strategy in 1Q | Determine how this will fit into 2019 strategy |
| Public | Hennepin County | Marion Greene David Hough Irene Fernando | TBD | Strategic Partnership - Gen Ops | | | | TBD | Board to establish Public Sector- Strategic Partner Funding Strategy in 1Q | Determine how this will fit into 2019 strategy |
| Public | Organized Labor Partners (SEIU, AFSCME, | | | | | | | TBD | | Determine strategy for 2019/2020 |
| Public | Organized Labor Partners (SEIU, AFSCME, | | | | | | | TBD | | Determine strategy for 2019/2020 |
| Public | State of Minnesota - DEED | | | | Tony Tolliver | ongoing | | ongoing - reimbursement program | Staff will work to renegotiate DEED contract to receive larger portion of funds for support services provided. | Tawanna and Lori advancing in December. Determine how this will fit into 2019 strategy |

**CEI Investment Committee Prospect List
January 14, 2019**

| SECTOR: | PROSPECT NAME: | CONTACT NAME: | REQUEST AMOUNT: | DESIGNATION: | RELATIONSHIP MANAGER: | LAST GIFT: | FOR FY18: | FOR FY19: | STATUS: | NEXT STEP: |
|-------------------|-----------------------|----------------------|------------------------|---------------------------------|------------------------------|-------------------|------------------|------------------|---|--|
| Strategic Partner | GreaterMSP | Michael Langley | \$250,000 | Strategic Partnership - Gen Ops | Ravi Norman Mary Brainerd | | | TBD | Board approved pursuing strategic partner relationship, asking GMSP to raise \$250,000/year for the Center tolead & fulfill the economic inclusion facets of the GMSP Partnership Strategic Plan. Tawanna has discussed with Tim and he is supportive. Suggests 3-4 overlapping board members as a start and a meeting with Tawanna, Mary, and Michael. | Tawanna and Mary will meet with Mike (CEO) |



Finance Memo

1.15.19

Mission: The Center for Economic Inclusion is a cross-sector organization aimed at strengthening the region's civic infrastructure to influence market forces and catalyze an inclusive, growing economy

November Finance Statement

The November year to date income statement for the Center of Economic Inclusion resulted in a deficit of (\$440,138) for the organization including partners.

Since the November board meeting the Center for Economic Inclusion has raised \$114,789 (\$100,000 McKnight Foundation, \$10,000 St Paul Foundation Give to Max Day and \$4,789 other Give to Max Day contributions) in additional unrestricted funds to cover ongoing expenses. That being noted the estimated gap for 2018-year end results in (\$440,000).

Unrestricted Cash Projections

Looking forward to January 2019 estimated cash sources and uses for the month result is an a positive \$151,000 in unrestricted cash. In February, without additional revenue, the Center will face a negative projected unrestricted cash balance of approximately (\$95,000). The primary driver for this deficit is the payment for final office expenses that will become due in February. While the Center has a pending funding proposal that is expected to cover this deficit (notice expected by 1.31.19), without a significant influx of unrestricted revenue the Center will not be able to sustain operations and will need to make some difficult decisions.

The fundraising need has been discussed at previous board meetings however there is an immediate need to raise unrestricted funds to fill the gap resulting from the year-end deficit of (\$440,000) and the on-going need for operating revenue to support the vision of the Center. by January 31, 2019 in order to maintain the ongoing operations and cash flow of the Center.

Solutions for Addressing Immediate Unrestricted Cash Challenges

Revenue Generation

- The Center has 2 proposals in for unrestricted funding that will be decided in January.
 - Target: Target has expressed intention to invest \$100,000-\$250,000/year for 3 years in the Center. We have expressed our challenge and timeline to Target, and they have confirmed an intention to make a decision this month, and that funding would come shortly thereafter.
 - Kresge Foundation: Kresge Foundation has confirmed intentions to invest in the Center for 3 years at a minimum of \$150,000 per year. We have expressed our challenge and requested that the Foundation consider a more significant first year investment to help the Center establish a solid foundation. We will hear a final decision this month, and funds should arrive shortly thereafter.



Expense Reduction

The Center's 5 largest expense categories are Contract Program Services, Payroll & Benefits, Professional Services, Office Expense, and Meetings.

- Staffing & Professional Services
 - Delaying filling COO role reduces expenses by approximately \$15,000/month
 - Reduction in force: The Center can reduce positions not funded by restricted expenses.
 - Professional Services: The Center will examine the financial impact of current staffing models between internal and external staffing. We can also identify partners who can loan staff to the Center for 6+ months for leadership support and project management.
 - VP Finance: Temporary Staffing Firm
 - Human Resources: External via Paychex
 - Communications & Marketing: External contractor
 - Fund Development: Entry-Level: Internal Staffing / Senior-level: External consultants
 - IT: External consultants
 - Public policy: External consultants
 - Indicators project: External consultants
 - Economic development support: External consultants

2019 Budget

The cost of fulfilling our mission at full scale is \$5.6 million. In 2018, we presented the board a 2-year budget that projected achieving that scale over the course of 18-24 months and managing expenses to revenue generated over time. As we enter 2019, we have maintained strong fiduciary management of operating expenses with that approach but have not generated start-up revenue that allows the organization to grow operating capacity at a sustainable rate.

The Finance Committee recommends that the board approve an amended budget this month that is significantly less than the full-scale budget and manage to that budget unless and until operating revenues exceed projections with renewable commitments.

The leadership team is currently creating scenarios for the Board to consider limiting the program of work for 2019 and reduce the projected headcount and associated expenses as such. That said, a meaningful analysis and relevant budget requires more time than the staff had time to produce for this meeting. Therefore, we are recommending a special meeting of the board before 1/31/19, to review and approve a budget and plan for moving forward.

Scenarios

SCENARIO 1

- Current 10 Positions-All @ Full 2019 Salary Rates
- Receptionist Apr-Dec
- Grant Writer May-Dec



- VP Partnerships & Programs Apr-Dec
- Director of Inclusive Procurement Mar-Dec
- Program Support Coordinator Mar-Dec
- Director of Results Management May-Dec
- Shift 13 staff positions to 2020; Adjust all related expenses appropriately that are defined based on #'s of staff/ staff expense (Travel, Development, IT, Equipment, Supplies)
- Eliminate Lobbying Expense and decrease professional services by __%

SCENARIO 2

- Current 10 Positions-All @ Full 2019 Salary Rates
- Receptionist Apr-Dec
- Grant Writer May-Dec
- VP Partnerships & Programs Apr-Dec
- Director of Inclusive Procurement Mar-Dec
- Program Support Coordinator Mar-Dec
- Director of Results Management May-Dec
- North@Work Manager -July-Dec
- Associate VP/ Senior Director Strategy May-Dec
- Admin- Programs May-Dec
- Marketing & Communications Manager May-Dec
- Accounting Manager May-Dec
- HR Manager July-Dec
- Shift remaining 7 positions to 2020 hires; Adjust all related expenses appropriately that are defined based on #'s of staff/ staff expense (Travel, Development, IT, Equipment, Supplies)
- Eliminate Lobbying Expense and decrease professional services by __%



Center for Economic Inclusion

Board Finance Report

for the period ending November 30, 2018

November 30, 2018 YTD Key Financial Data

Income Statement

Revenue-\$1.972M

- Foundations & Grant Revenue-\$1.322M
- Government Revenue-\$283k
- Federated Campaign Revenue-\$90k
- Earned Income (Memberships) \$100636k

Expense-\$2.657M

- Total Programmatic Expense-\$1.08M
- Personnel Expense-\$831K
- Other G&A Expense-\$746k

Balance Sheet

Assets-\$1.865M

- Cash & Investments-\$1.093k
- Receivables-\$656k

Liabilities-\$215k

- Current Liabilities- \$215k

November 2018 YTD Highlights

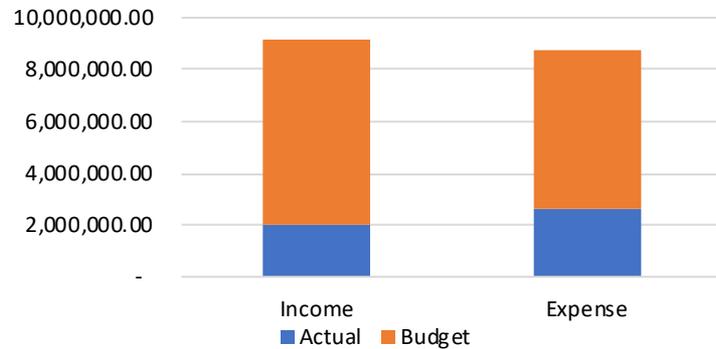
- Net Deficit of (\$440k)
- G&A cost continue to increase to support programmatic focus
- Continued focus on liquidity and burn rate as expenses normalize and Build out expenses are incurred for the St Paul office
- CEI needs additional funding to remain sustainable in 2019
- Leadership continues to work with Board Members on short term funding



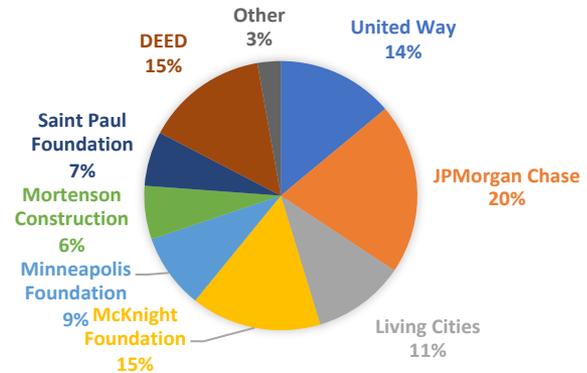
Finance Commentary: Processes and systems are being reviewed to provide the Center and Integrating Partners with timely financial data. Expenses are beginning to normalize but continue to outpace revenue

Year to Date Financial Snapshot

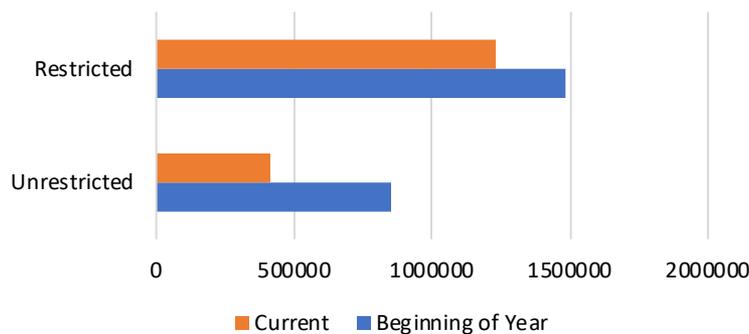
YTD Budget to Actuals Revenue & Expense in millions



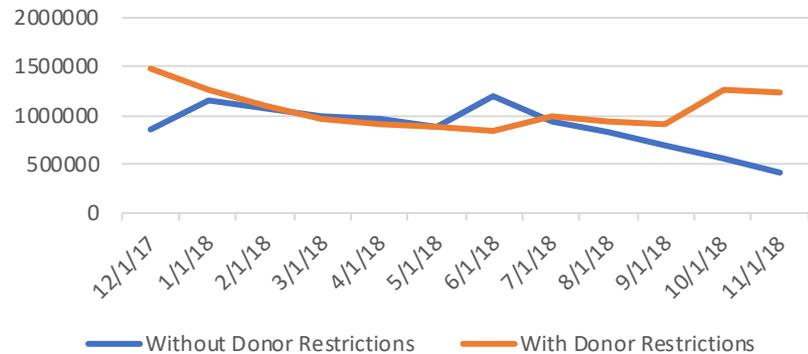
INCOME SOURCES



Allocation of Net Assets



Allocation of Net Assets



Center for Economic Inclusion

Statement of Position

As of November 30, 2018

| | 1 Without Donor Restrictions | 2 With Donor Restrictions | Total |
|---|---------------------------------|------------------------------|------------------------|
| ASSETS | | | |
| Current Assets | | | |
| Bank Accounts | | | |
| 10100 Checking - Bremer | 177,979.53 | 753,914.63 | 931,894.16 |
| 10105 Checking - Wells Fargo | 0.01 | 0.00 | 0.01 |
| 10110 Investments held at Mpls Fdn | 0.00 | 0.00 | 0.00 |
| 10115 Opportunity Fund | 116,333.56 | 44,734.92 | 161,068.48 |
| Total 10110 Investments held at Mpls Fdn | \$ 116,333.56 | \$ 44,734.92 | \$ 161,068.48 |
| Total Bank Accounts | \$ 294,313.10 | \$ 798,649.55 | \$ 1,092,962.65 |
| Accounts Receivable | | | |
| 11100 Accounts Receivable | 219,520.22 | 436,569.13 | 656,089.35 |
| Total Accounts Receivable | \$ 219,520.22 | \$ 436,569.13 | \$ 656,089.35 |
| Other Current Assets | | | |
| 12050 Prepaid Expenses | 30,903.07 | | 30,903.07 |
| 12075 Credit Card Collateral | 50,000.00 | | 50,000.00 |
| 12090 Security Deposit | 35,000.00 | | 35,000.00 |
| Total Other Current Assets | \$ 115,903.07 | \$ 0.00 | \$ 115,903.07 |
| Total Current Assets | \$ 629,736.39 | \$ 1,235,218.68 | \$ 1,864,955.07 |
| TOTAL ASSETS | \$ 629,736.39 | \$ 1,235,218.68 | \$ 1,864,955.07 |
| LIABILITIES AND EQUITY | | | |
| Liabilities | | | |
| Current Liabilities | | | |
| Accounts Payable | | | |
| 21000 Accounts Payable (A/P) | 208,253.70 | | 208,253.70 |
| Total Accounts Payable | \$ 208,253.70 | \$ 0.00 | \$ 208,253.70 |
| Credit Cards | | | |
| 20050 Bremer Credit Card x6860 | 4,868.52 | | 4,868.52 |
| Total Credit Cards | \$ 4,868.52 | \$ 0.00 | \$ 4,868.52 |
| Other Current Liabilities | | | |
| 24000 Payroll Liabilities | | | 0.00 |
| 24120 Health Insurance Payable | 1,550.41 | | 1,550.41 |
| 24121 Dental Insurance Payable | 83.65 | | 83.65 |
| 24122 Vision WH | 10.23 | | 10.23 |
| 24150 MNUI Accrued | 391.32 | | 391.32 |
| Total 24000 Payroll Liabilities | \$ 2,035.61 | \$ 0.00 | \$ 2,035.61 |
| Total Other Current Liabilities | \$ 2,035.61 | \$ 0.00 | \$ 2,035.61 |
| Total Current Liabilities | \$ 215,157.83 | \$ 0.00 | \$ 215,157.83 |
| Total Liabilities | \$ 215,157.83 | \$ 0.00 | \$ 215,157.83 |
| Equity | | | |
| 31000 Unrestricted Net Assets | | | 0.00 |
| 31100 Available to Operating | 854,716.74 | | 854,716.74 |
| Total 31000 Unrestricted Net Assets | \$ 854,716.74 | \$ 0.00 | \$ 854,716.74 |
| 32000 Temp Restricted Net Assets | | | 0.00 |
| 32010 Temp Restricted - Beginning | | 1,479,871.07 | 1,479,871.07 |
| 32040 Temp Restricted - YTD Change | | -244,652.39 | -244,652.39 |
| Total 32000 Temp Restricted Net Assets | \$ 0.00 | \$ 1,235,218.68 | \$ 1,235,218.68 |
| 39999 Retained Earnings | 0.00 | 0.00 | 0.00 |
| Net Income | -440,138.18 | 0.00 | -440,138.18 |
| Total Equity | \$ 414,578.56 | \$ 1,235,218.68 | \$ 1,649,797.24 |
| TOTAL LIABILITIES AND EQUITY | \$ 629,736.39 | \$ 1,235,218.68 | \$ 1,864,955.07 |

Center for Economic Inclusion
Budget vs. Actuals: 2018 Overview reprojected 2018.06.15 - FY18 P&L
 January - November, 2018

| | Actual | Budget | Total over Budget | % of Budget |
|--|------------------------|------------------------|-------------------------|----------------|
| Income | | | | |
| 40000 Contributed Income | | | | |
| 40100 Individuals & Small Business | 500.00 | | 500.00 | |
| 40200 Corporate & Business Grants | 125,000.00 | | 125,000.00 | |
| 40250 Federated Campaigns | 90,000.00 | | 90,000.00 | |
| 40300 Foundation & Trust Grants | 1,322,664.30 | 5,000,000.00 | -3,677,335.70 | 26.45% |
| 40400 Government Grants | | | | |
| 40420 State | 283,127.07 | 1,308,000.00 | -1,024,872.93 | 21.65% |
| Total 40400 Government Grants | \$ 283,127.07 | \$ 1,308,000.00 | -\$ 1,024,872.93 | 21.65% |
| 40500 Pooled Investment Income | | 580,000.00 | -580,000.00 | 0.00% |
| 40600 Sponsorships | | 200,000.00 | -200,000.00 | 0.00% |
| 40999 Other Contributed Income | | 80,000.00 | -80,000.00 | 0.00% |
| Total 40000 Contributed Income | \$ 1,821,291.37 | \$ 7,168,000.00 | -\$ 5,346,708.63 | 25.41% |
| 42000 Earned Income | | | | |
| 42100 Program Service Fees | 11,635.59 | | 11,635.59 | |
| 42400 Memberships | 100,000.00 | | 100,000.00 | |
| 42900 Other Earned Income | 3,750.00 | 48,078.00 | -44,328.00 | 7.80% |
| Total 42000 Earned Income | \$ 115,385.59 | \$ 48,078.00 | \$ 67,307.59 | 240.00% |
| 43000 Investment Income | | | | |
| 43100 Dividends and Interest | 7,142.04 | | 7,142.04 | |
| 43300 Unrealized Gain (Loss) | 1,022.55 | | 1,022.55 | |
| 43800 Cost & Sales Expense | -0.17 | | -0.17 | |
| Total 43000 Investment Income | \$ 8,164.42 | \$ 0.00 | \$ 8,164.42 | |
| 44000 Other Income | | | | |
| 44050 Partner Fees | 25,000.00 | | 25,000.00 | |
| 44060 Reimbursable Expense Income | 1,335.53 | | 1,335.53 | |
| 44090 Other Misc. Income | 1,412.13 | | 1,412.13 | |
| Total 44000 Other Income | \$ 27,747.66 | \$ 0.00 | \$ 27,747.66 | |
| Total Income | \$ 1,972,589.04 | \$ 7,216,078.00 | -\$ 5,243,488.96 | 27.34% |
| Gross Profit | \$ 1,972,589.04 | \$ 7,216,078.00 | -\$ 5,243,488.96 | 27.34% |
| Expenses | | | | |
| Total 60000 Grants & Grantee Benefits | \$ 88,230.00 | \$ 904,500.00 | -\$ 816,270.00 | 9.75% |
| Total 61000 Payroll Expenses | \$ 831,432.89 | \$ 1,521,947.00 | -\$ 690,514.11 | 54.63% |
| Total 62100 Contract Program Services | \$ 993,343.37 | \$ 1,966,500.00 | -\$ 973,156.63 | 50.51% |
| Total 62200 Professional Services | \$ 534,458.47 | \$ 682,992.00 | -\$ 148,533.53 | 78.25% |
| Total 63000 Office Expenses | \$ 45,133.94 | \$ 110,170.00 | -\$ 65,036.06 | 40.97% |
| Total 64000 Information Technology | \$ 28,014.64 | \$ 10,254.00 | \$ 17,760.64 | 273.21% |
| Total 65000 Occupancy | \$ 19,431.63 | \$ 67,117.00 | -\$ 47,685.37 | 28.95% |
| Total 66000 Travel | \$ 28,900.66 | \$ 64,720.00 | -\$ 35,819.34 | 44.65% |
| Total 66500 Conferences / Professional Development | \$ 9,610.00 | \$ 111,000.00 | -\$ 101,390.00 | 8.66% |
| 67000 Materials & Supplies | 5,928.61 | 24,000.00 | -18,071.39 | 24.70% |
| Total 67500 Meetings | \$ 32,853.12 | \$ 202,340.00 | -\$ 169,486.88 | 16.24% |
| Total 69000 Insurance | \$ 907.25 | \$ 5,000.00 | -\$ 4,092.75 | 18.15% |
| Total 69500 Fees & Licenses | \$ 384.07 | \$ 2,680.00 | -\$ 2,295.93 | 14.33% |
| Total 70000 Capital Purchases | \$ 12,937.96 | \$ 413,813.00 | -\$ 400,875.04 | 3.13% |
| Total Expenses | \$ 2,657,379.61 | \$ 6,092,033.00 | -\$ 3,434,653.39 | 43.62% |
| Net Operating Income | -\$ 684,790.57 | \$ 1,124,045.00 | -\$ 1,808,835.57 | -60.92% |
| Other Income | | | | |
| 8800 (Into)/Out of Temp Restricted Net Assets | 244,652.39 | | 244,652.39 | |
| Total Other Income | \$ 244,652.39 | \$ 0.00 | \$ 244,652.39 | |
| Net Other Income | \$ 244,652.39 | \$ 0.00 | \$ 244,652.39 | |
| Net Income | -\$ 440,138.18 | \$ 1,124,045.00 | -\$ 1,564,183.18 | -39.16% |



**CENTER FOR
ECONOMIC
INCLUSION**

**Fueling the Path to Economic Inclusion
& Shared Prosperity**

Tawanna A. Black, Founder & CEO
@TawannaABlack @EconInclusion

WHO WE ARE



**CENTER FOR
ECONOMIC
INCLUSION**

The Center for Economic Inclusion is a **cross-sector** organization committed to strengthening the Minneapolis-St. Paul region's **civic infrastructure and collective capacity** to disrupt systems and influence market forces to **catalyze shared prosperity and advance an inclusive economy.**



**CENTER FOR
ECONOMIC
INCLUSION**

2

HOW WE WORK

Impact Areas



ALIGN INVESTMENTS IN HUMAN CAPITAL, ECONOMIC DEVELOPMENT, TRANSIT & ACCESS.

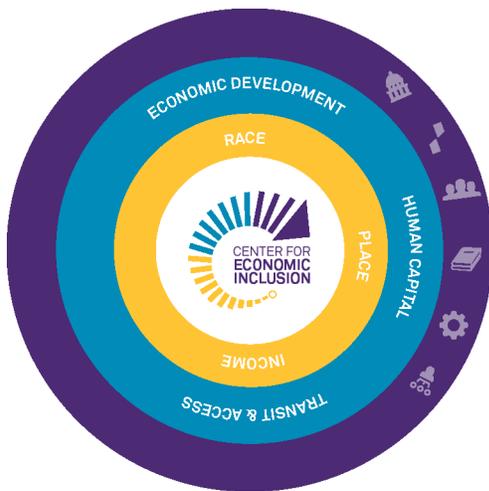
Ensuring that all residents, especially those who have been historically excluded, have the opportunity to benefit from and contribute to the economic prosperity of the region.¹

| ECONOMIC DEVELOPMENT | HUMAN CAPITAL | TRANSIT & ACCESS |
|--|--|--|
|  Entrepreneurship & Business Growth |  Talent Development |  Transit & Transportation |
|  Regional Investment |  Wages & Employment |  Housing |

¹ Urban Institute Inclusive Recovery in Cities, Pg. 6

HOW WE WORK

Our Functions



1 ADVOCACY

Advance innovative, data-driven policy solutions in all sectors

2 SHIFT THE PARADIGM

Market the strength and potential of an inclusive MSP economy by elevating compelling, asset-driven narratives

3 COLLABORATION

Facilitate partnerships between likely and unlikely allies, grounded in accountability, rigor, relevance and scale

4 RESEARCH

Fuel growth strategies with interdisciplinary, applied research in partnership with leading research institutions

5 ACTION

Develop and anchor ambitious, innovative shared prosperity projects

6 PHILANTHROPY

Build an ecosystem of informed philanthropists committed to data-driven, racially responsive and equitable investments and civic leadership

Powering Inclusion through Change: Awareness, Action, and Accountability

Changing the People who Change Organizations

- Equipping generations of leaders to make people centered, data informed decisions

Changing Organizations that Change Communities

- Equipping organizations with knowledge, tools, relationships, to change policies and practices

Building Networks of People & Organizations That will Change our Region & The World

- Equipping networks with the data, infrastructure, platforms, and promotion to ensure relevance, responsiveness, and impact



Powering Inclusion through Change: Awareness, Action, and Accountability

IMPACT FOCUS AREAS:

- HUMAN CAPITAL
 - Our Agenda
 - Impact Examples
- ECONOMIC DEVELOPMENT
 - Policy, Impact, & Opportunity
- DATA INFRASTRUCTURE
- POWERING INCLUSION
- OPPORTUNITIES TO LEAD IN THE CENTER
- APPENDIX

| ECONOMIC DEVELOPMENT | HUMAN CAPITAL | TRANSIT & ACCESS |
|---|-------------------------------|-------------------------------------|
| <p>Entrepreneurship & Business Growth</p> | <p>Talent Development</p> | <p>Transit & Transportation</p> |
| <p>Regional Investment</p> | <p>Wages & Employment</p> | <p>Housing</p> |



Our Agenda: Changing Workforce Systems Together

Employer continuum



Intentional Actions to Advance Equity

- Comprehensive, transformational workforce systems change:
 - ✓ People Centric
 - ✓ Data Informed
 - ✓ Market Responsive
- Race, Place, and Gender specific initiatives and policies to employ our entire talent base in all sectors
- Market driven and people responsive solutions
- Investments in data-driven, community-centric workforce solutions in communities of color
- Accessible, Quality, Affordable Housing



Our Agenda: Changing Workforce Systems Together

Employer continuum



Intentional Actions to Advance Equity

- Trauma-informed Support Services
 - Financial Empowerment & Wealth Building
 - Family-Centric Services & Child-Support Incentives
 - Community-Anchored Training & Services
- Employer Investments in Paid-training
- Decreased Probationary Periods & Time to Transition from Temporary to Permanent Status
- Increased Wages & Benefits
- Entrepreneurship as a path to employment



Maximizing Pathways to Under-Tapped Communities & Increasing Employer Inclusivity, Engagement and Responsiveness

Aligning strategies of the Itasca Northside Partnership, North@Work, Sector Skills Academy, and the Greater Metropolitan Workforce Council to meet the needs of employers who are working to build a more inclusive workplace in order to attract and retain more people of color.



Strategy:

- Hired Director of Employer Relations- Northside; Exploring an East Side role
- Match to employment training providers and 800 W Broadway WorkForce Center and beyond
- Leader Education
- Monitor results and Adjusting strategies in real time

800 WEST BROADWAY
Opening doors to employment, education and healthy living.

CENTER FOR ECONOMIC INCLUSION

North@Work: Transforming the way we employ chronically unemployed African American men

STRATEGY



- Center operates as the backbone in a pay for performance, transformation model
- 200 men employed in 5 pathways
- 88 men- industry recognized credentials
- \$14.64/hour- Average wage
- Over 30 employers



Building an inclusive and responsive workforce system- The North Minneapolis 'No Wrong Door' Partnership

Transformation Partnership between Northside Funders Group, DEED, City of Minneapolis, 800 West Broadway, Itasca, North@Work Network Community-Based Workforce Providers, Itasca, and Job Seekers

- Human-Centered Design Research
- Job seeker centric
- Racially responsive
- Monitored results



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Building an inclusive workforce system



- A cross-sector network of leaders trained & committed to equity in partnership with Corporation for a Skilled Workforce & Aspen Institute
- Develop regional sector plans with equitable goals and resources
- Increase existing sector workforce initiatives
- Formalize agreements among partners to support sector strategies

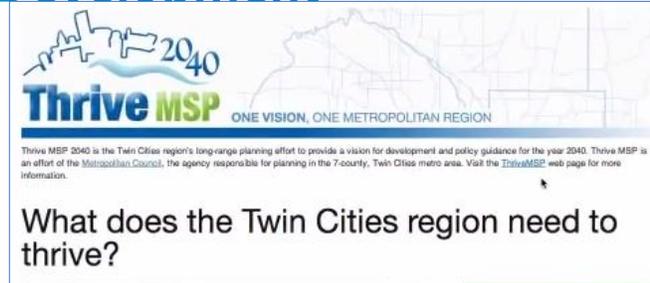


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Equitable Regional & Local Land Use Planning & Economic Development Regional Policy

Racial Equity Goals & Tools in 187 Local Comprehensive Plans

Advocating to the six cities with the highest percentage people of color to edit final drafts of the plans – Brooklyn Park, Brooklyn Center, Columbia Heights, Hopkins, Minneapolis and Saint Paul



- Language incorporated into each plan
- Partnering on implementation in 2019 & beyond



Equitable Business Development

Elevating investment tools and opportunities to accelerate jobs, income and wealth in communities of color.

- Community Engagement: We support investors in getting to know communities and working alongside communities to create equitable, inclusive projects and businesses.
- Data Collection, Analysis & Reporting: We will monitor the impact of investments in Opportunity Zones and other communities of color to ensure investments deliver jobs, income and wealth inclusively, and equitably.

Businesses owned by people of color in Minnesota generated \$5.2B in annual revenue last year, and grew at 3.5x the rate of all MN businesses. Achieving parity through investment and increased capital would create employment for 87,000 Minnesotans.



Growing Jobs, Income & Wealth Through Minority Owned Businesses

Procuring Inclusive Growth

- Five corporations will commit to increase spend with three existing or new minority-owned suppliers
- Itasca Project’s Business Bridge
 - Recruit corporations
- Metropolitan Economic Development Agency (MEDA)
 - Matchmaker & Technical Assistance for minority-owned businesses



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Data Infrastructure

Regional Policy

Economic inclusion indicators in Regional Indicators Dashboard

- Track progress through metrics and drive action towards inclusive economy
- Working group selecting indicators and framework to present
- Interactive on-line tool developed by Prime Digital Academy
- Indicators Released in April; Goals Established in May



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Powering Inclusion: Equipping Leaders for Impact

Creating an Inclusive Asset-Based Regional Economy Featuring Dr. Andre Perry, Brookings Institution Fellow



IGNITING OPPORTUNITY

- Spring Summit – 1 Day Conference in April 2019
- Summer Community Impact Event
- Fall Speaker Series-3-4
- Education & Training available as fee for service in partnership with local Chambers and business organizations



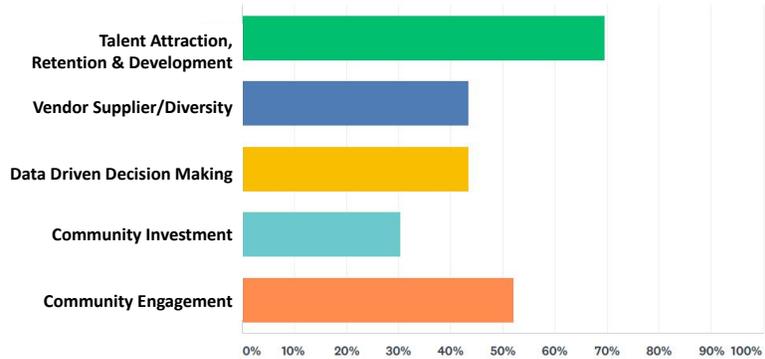
Survey Results: Event 1 Participant Commitments

COMMITMENT CARD
Because an inclusive economy is within our reach

Creating an economy that works for everyone won't happen by chance. It requires personal agency from each of us and a commitment to measurable inclusion within each of our organizations.

I will commit to adopt the following practice(s) in order to build a more inclusive economy!

- **TALENT ATTRACTION, RETENTION & DEVELOPMENT**
Assess policies and practices for unconscious bias and racism. Address disparate impacts on people of color.
- **VENDOR/SUPPLIER DIVERSITY**
Establish disaggregated spending goals; measure by race and zip code. Explore opportunities for race and place-based vendor engagement strategies in undertapped commercial corridors.
- **DATA DRIVEN DECISION MAKING**
Publishing disaggregated quarterly progress updates on equity and inclusion in hiring, retention, salary parity, promotion, and supplier diversity.
- **COMMUNITY INVESTMENT**
Shift from charity to investment; understand and respond with significant capital to needs identified by the community.
- **COMMUNITY ENGAGEMENT**
Ensure your management and leaders are engaging in diverse communities to learn and have opportunities to apply their learning inside the organization.



Commitments made by Event 1 participant
Average survey respondent had committed to adopt 2+ inclusive practices

The Center seeks these commitments from participants at all events and will track their adoption over time.



Survey Results: Event 1 Participant Comments

91% of survey respondents rated the event “Very Good” or “Excellent” (the remaining 9% rated it “Good”)

100% found the content useful

Comments were overwhelmingly positive – areas for growth included a few logistics (esp audio/acoustics) and further diversifying the panel (by race, gender, and adding community and public sector representation) – these were addressed at the second event. Sample comments:

“I appreciated how this event gathered thought leaders across the region who are invested in equity and inclusion work. The approachable but knowledgeable content was exceptional.”

“I like the speakers that focused on the positives and had concrete suggestions on implementation.” “I liked that all presenters used data to make their case.”

“I loved Dr. Perry. I wrote down so many nuggets: “I’m not trying to make white people comfortable, I’m trying to make people of color know they have worth...”

“The robust panel was the best that I have attended in a while. A vibrant set of guests talking and bouncing ideas off of each other is what makes panel conversations interesting, and Tawanna and Dr. Perry made sure that occurred.”

“I liked the networking opportunities.”
“Speaker and caliber of people there were inspirational.”

“It got me thinking very differently about my work in the nonprofit sector. I’m trying to apply the learnings to a program that doesn’t have an ‘investment’ factor.”

“My colleague and I changed course for our 2019 plans around equity and inclusion after hearing from him. I also loved Bo’s questions about ensuring that research is done in a way that centers people of color and isn’t just a tool for reinforcing white supremacy (one of my greatest fears, is that research limits access to small nonprofits who don’t have the money to do the real evaluation work that IS needed, and that big, white led nonprofits use evaluations as a way to hold on to power instead of challenge and disrupt what’s possible.)”

“KEEP UP THE FANTASTIC LEADING EDGE WORK!”



Event 2: Media Coverage of our 2nd speaker to raise our profile and promote economic inclusion through the business media.

FINANCE & COMMERCE

Tawanna Black, founder and CEO of the Center for Economic Inclusion, said Hamilton’s investments here put locals on notice.

“Having (Hamilton) invested in some Minnesota businesses and having success across the country says to other venture capitalists in our market, other banks and lenders and investors, that it’s possible that we need to change our game,” Black said. “It says there are businesses out here who could shift our economy that are right under our nose that we may not know about.”



Tawanna Black

Hamilton, in a conversation with Black at Tuesday’s event, said launching Backstage Capital was “the most logical thing in the world. Honestly I still can’t believe someone else hadn’t done it first.”

Less than 10 percent of venture capital deals go to women, people of color and LGBTQ founders, according to Backstage Capital.

“The founders, the people of Silicon Valley are doing some awesome stuff but the investors are so scared,” Hamilton said. “VCs are based on this idea that they’re supposed to be the front lines in innovation. They should be the first people who are looking for black and brown talent because they’ve been overlooked for so long. They should be the first person saying let me get the edge over the next person and they

TWIN CITIES BUSINESS

With a focus on the fact that only 10 percent of all venture capital deals go to women, people of color and LGBTQ founders, Hamilton has made it her mission to close that gap. Since its inception in 2015, Backstage Capital has invested more than \$5 million into 100 startups led by minorities.

In addition to those contributions and the new \$36 million fund for black women, Backstage Capital also just launched a four-city Accelerator Fund that addresses systemic barriers under-supported business founders face. That includes the notion held by many venture capitalists that minority-owned businesses are riskier investments, Black says.

Black hopes bringing in speakers like Hamilton to share their knowledge and experience will help dispel such notions, and also help Twin Cities investors understand that putting money into businesses run by people of color helps to close the gap—in funding, as well as employment disparity.

“Businesses owned by people of color... are much more likely to hire people of color,” says Black. “And so, to the extent we have an employment gap and a wage gap for people of color, we have an opportunity to address that gap by spending our dollars with those businesses.”

Black says the Twin Cities business community is on the right path. She cites the Target Techstars program, and the “Farm to Fork” accelerator launched by a partnership between Techstars, Cargill and Ecolab as examples of endeavors helping startups both with an intentional eye toward racial inclusion, and having investors go beyond money by also lending their expertise and constant support.

Still, there’s room for improvement, and that’s where the Center for Economic Inclusion and its Powering Inclusion series comes in. The series will continue with new events every few weeks through the fall, with a conference slated

We Need You to Power Inclusion

| Domain | Description | Ask |
|-------------|--|--|
| Leadership | <ul style="list-style-type: none"> Investors, doers, thinkers, connectors and influencers for the Board of Investors Circle who will POWER inclusion | <ul style="list-style-type: none"> 3-5 Itasca CEOs who are passionately committed to racial equity and economic inclusion |
| Investment | <ul style="list-style-type: none"> We're Raising \$20 million for the first 3 years to drive economic inclusion. Priority: \$500,000 Start-up funds by 12/31 | <ul style="list-style-type: none"> Commit to investing in the regions growth by making a 2 or 3 year commitment to the Center. |
| Policies | <ul style="list-style-type: none"> The Center seeks leaders who champion change within their own organizations | <ul style="list-style-type: none"> Implement inclusive policies in hiring, procurement, site selection, and investment, and other areas |
| Partnership | <ul style="list-style-type: none"> The Center seeks to grow the ranks and bench of corporate partners committed to economic inclusion | <ul style="list-style-type: none"> Connect the Center to corporate leaders within and outside of your organization for committees or projects |
| Influence | <ul style="list-style-type: none"> The Center seeks to influence state and local policy to generate economic inclusion | <ul style="list-style-type: none"> Jointly advocate for inclusive policy change in areas of shared interest |

As a point of emphasis, leaders need not be on the Board to have an impact



Appendix

- Leadership
 - Integrating Partners
 - Strategic Partnerships
- Governance Model & Opportunities to Engage Leaders (not exhaustive)
 - Revenue Model
 - Committed Funders

To talk more about investment and leadership opportunities contact Tawanna or Maggie Meyer at

tblack@centerforeconomicinclusion.org or mmeyer@centerforeconomicinclusion.org



Leadership

Tawanna Black
 Founder & CEO

Kristin Beckmann
 COO

Mary Brainerd
 Board Chair

Directors

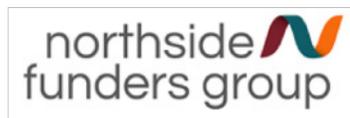
- **Repa Mekha**, Nexus Community Partners
- **Ron Feldman**, Minneapolis Federal Reserve
- **Ann Mulholland**, Saint Paul Foundation
- **Carrie Jo Short**, Co-Chair East Side Funders Group
- **Neeraj Mehta**, The McKnight Foundation
- **Sarah Hernandez**, Co-Chair Northside Funders Group
- **B Kyle**, Saint Paul Chamber of Commerce
- **Ravi Norman**, THOR Companies
- **Jonathan Weinhagen**, Minneapolis Regional Chamber of Commerce
- **Jonathan Weinhagen**, Minneapolis Regional Chamber of Commerce



Integrating Partners

We're home to a number of results-driven collaborative partnerships to accelerate inclusive growth.

We share resources, data, and best practices for efficiency and accelerated impact.



The Greater Metropolitan Workforce Council will vote on integrating into the Center in early November. The Blue Line Coalition will transition out of the Center at the end of 2018.



Strategic Partnerships

PUBLIC SECTOR

We'll partner with public agencies to develop, measure, and advocate for effective economic inclusion policies, funding streams, and programs.

PRIVATE SECTOR

We'll partner with businesses and business intermediaries to advance inclusive hiring and procurement, innovative capital deployment, and a commitment to measuring employment, business development, and regional growth measures with an equity lens.

INTERMEDIARIES

Intermediaries and community based organizations will guide our implementation and center residents in our strategies and advocacy efforts.



Governance Structure



- Approximately 25 key Twin Cities leaders
- Drive the Center's strategic direction
- Ensure appropriate and long term financial stability and viability and sound management practices
- Update and serve as ambassadors of the Mission and Vision of the Center
- Leverage community influence to deliver the Center's message and generate engagement with the Center
- Make a meaningful personal contribution to the Center, and engage in actively in fund development efforts of the Center
- Evaluate the CEO and hold the CEO accountable
- Attend 75% of monthly board meetings and other Center events
- Serve on at least one committee or task force
- Recruit and welcome new Board Members



Governance Structure



Executive Circle

- Corporate leaders from the Twin Cities
- Leverage the use of the individual's name and organizational affiliation
- Organizational annual giving of at least \$50,000
- Deliver commitments from organizations for hiring, workforce support, etc.
- Recognition as a community leader in creating Economic Inclusion
- Gain early access to Center-sponsored events (e.g. Center updates, Networking, Speaker series, Partner org briefings) and research and publications
- Customized opportunities for Circle member organizations



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Governance Structure



Investors' Circle (phase II)

- Launch committee to develop and support the implementation of the Center's fundraising strategy, including foundation, corporate and individual giving and campaign sponsorships
- Minneapolis and St. Paul senior level philanthropic leaders and advisors who are passionate about the Center's mission
- Execute one significant fundraising event each year
- Attend annual Investors' Circle meeting
- Gain access to Center-sponsored events (e.g. Center updates, Networking, Speaker series, Partner org briefings) and research and publications



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