



# 2012 Annual Report

FOR THE PERIOD JANUARY 1, 2012 – DECEMBER 31, 2012

## MISSION STATEMENT

Unlock the power of  
central Minnesota people  
to build and sustain  
thriving communities.

OUR RESULTS

# 26 years of **IMPACT**

1986-2012

in Central Minnesota

## RETURNED \$6

to the region through  
our grant and lending  
investments **for**  
**every \$1 that's given**  
**to the Foundation.**



— SECURED —  
**11,600**  
**JOB**

*(That's 1.25 jobs for every day that the  
Foundation has been in existence.)*

Made **3,928 GRANTS** totaling **\$23 MILLION**

Invested

**\$41 MILLION**

through

**883**

loans and investments

in locally owned businesses



Provided training and assistance to  
**6,300 COMMUNITY LEADERS**

Experienced asset growth of  
**84%**  
in the last  
10 years



Awarded



**681**

**SCHOLARSHIPS**  
totaling **\$574,000**



### *who we are*

Created in 1986 by local leaders and The McKnight Foundation, we are one of six Minnesota Initiative Foundations serving the unique needs of Greater Minnesota. Through leadership programs, grants and business investments powered by local generosity, the Initiative Foundation helps people to create the best future for central Minnesota.

### *key tools*

- Provide loans to businesses that create quality jobs
- Award grants to nonprofits, governments and schools
- Build public-private partnerships that lead to action
- Help generous people give back to their communities
- Publish information on local trends and solutions

**GOAL!**

\$1,270,000

40.9%

Total:  
\$519,310

**THANKS TO**

**1,032** *generous donors*,  
over the past 18 months we  
have raised **over \$500,000**  
in contributions for our  
endowment—representing  
over **40%** of our  
*fundraising goal*  
for the current phase  
(2012-2016).

## OUR PEOPLE



**Linda Eich DesJardins, Chair**  
Eich Motor Company



**Larry Korf, Vice-Chair**  
DeZURIK

## Board of Trustees

*Our heartfelt gratitude to the following trustees whose terms ended in 2012*

**Ismail Ali**  
St. Cloud Schools

**JR Spalj**  
Spalj Construction Company

**Barbara Anderson**  
Essentia Health

**Gene Waldorf**  
Retired, 3M  
Former Minnesota Legislator



**John E. Babcock**  
The Bank of Elk River



**Mayuli Bales**  
Casa Guadalupe &  
Catholic Charities



**Charles Black Lance**  
Central Lakes College



**Reggie Clow**  
Clow Stamping



**Pat Gorham**  
Gorham Companies



**Lee Hanson**  
Gray Plant Mooty



**Dan Meyer**  
Atomic Learning



**Earl Potter**  
St. Cloud State University



**Traci Tapani**  
Wyoming Machine



**Wayne Wolden**  
City of Wadena

## Foundation Staff

**Kathy Gaalswyk**  
President

**Kristi Ackley**  
Program Assistant for Organizational Development

**Mary Bauer**  
Development Officer

**Dan Bullert**  
Business Finance Manager

**Lynn Bushinger**  
Chief Financial Officer & Treasurer

**Chris Fastner**  
Program Manager for VISTA & Organizational Development

**Tammy Fillippi**  
Early Childhood Associate

**Dan Frank**  
Senior Program Manager for Community & Economic Development

**Sharon Gottwalt**  
Business Finance Assistant

**Don Hickman**  
Vice President for Community & Economic Development

**Tricia Holig**  
Program Specialist for Organizational Development

**Anita Hollenhorst**  
Marketing & Communications Manager

**Linda Holliday**  
Vice President for Organizational Development

**Jolene Howard**  
Information Systems Coordinator & Program Assistant

**Lois Kallsen**  
Office & Facilities Coordinator

**Matt Kilian**  
Vice President for External Relations

**Kris Kowalzek**  
Finance Assistant

**MaryAnn Lindell**  
Executive Assistant

**Katie Riitters**  
External Relations Assistant

**Julie Schueller**  
Finance Assistant

**Sandy Voigt**  
Development Officer

# 2012 ILLUMINATED

HIGHLIGHTS from the Foundation's Leadership Team



## LINDA EICH DESJARDINS

*BOARD PRESIDENT*

Our Board of Trustees is enthusiastically dedicated to Central Minnesota. We know that community, economy and philanthropy are interwoven, and we strive to maintain an effective balance of the Foundation's investments in each area for maximum ROI. We are proud of the role the Initiative Foundation plays in enhancing the lives of individuals, businesses, and nonprofits in the 14 county area we serve.



## DON HICKMAN

*Vice President for Community & Economic Development*

We supported many outstanding regional workforce development projects and business investments that are critical for economic recovery. Among our highest priorities is helping businesses and communities attract and retain skilled workers, especially our young talent. Our "cradle to career" approach includes linking schools to business needs and providing financing to create quality jobs. It's exciting work!



## LYNN BUSHINGER

*Chief Financial Officer & Treasurer*

We strive to provide exceptional customer service to our donors and charitable fund leaders. Over the past year, we've been working to enhance our technology systems in order to provide clients with online access to financial data and reporting tools. Watch our website and other communication as the results of this recent work unfold!



## KATHY GAALSWYK

*PRESIDENT*

This past year we welcomed Tammy Fillippi to our staff as well as Charles Black Lance, Tracy Tapani and Wayne Wolden to our Board of Trustees. Their experience and expertise has been invaluable. With input from partners, our team has developed an innovative approach to community development and a fresh new brand to be unveiled at our October 11 Initiative Awards event. As always, I'm excited!



## MATT KILIAN

*Vice President for External Relations*

It's always rewarding to help people leave a legacy and make our good work possible, but that was especially true in 2012. We added several new charitable funds and exceeded goals to support the Foundation's endowment and programs that fuel economic success in central Minnesota. Of course, *IQ Magazine* is a source of great pride for all of us.



## LINDA HOLLIDAY

*Vice President for Organizational Development*

More than 150 nonprofit leaders attended our "Purpose & Prosperity" conference, officially launching our new Thriving Organizations Partnership (TOP). TOP is designed to help our nonprofit partners stay financially healthy and viable while also encouraging social enterprises. Besides providing critical services, our region's nonprofits contribute to the well-being of our economy. It's an honor to be a part of this initiative.

# Giving to and through the Foundation in 2012

## TURN KEY CHARITABLE FUNDS

*The Foundation currently hosts 66 Turn Key Funds, through which donors create legacies of charitable support for current and future generations. The following Turn Key Funds were established in 2012:*

Delano Area Community Foundation  
Big Birch Lake Endowment Fund  
Fish Trap Lake Endowment  
Land and Waters Preservation Trust  
Barrett L. Colombo Family Legacy Fund  
Edeburn Family Fund  
Quiet Oaks Hospice House Endowment Fund  
Pillager Education Foundation  
Manufacturing Fund of Central Minnesota  
Sartell Wheel Park Fund  
Milaca Bandshell Project Fund  
Wadena Regional Wellness Center Fund

## BUSINESS LOANS

*In 2012, the Initiative Foundation invested \$1.5 million in 15 locally owned businesses. Through those loans, the Foundation helped to secure 347 quality jobs.*

A Clean Plate, Inc. – Menahga  
Advanced Extrusion, Inc. – Becker  
Automotive Parts Solutions, Inc. – Rockville  
HealthNorth Medical Supply – Sartell  
JenTra Tools, LLC – Backus  
K&G Property Partners, LLC – St. Cloud  
Lake Superior Laundry, Inc. – Pine City  
Little Saints Academy II, LLC – St. Cloud  
MCI / Carpet One, Inc. – Waite Park  
Noble Wear, LTD – Onamia  
Orange Oak Advertising – St. Cloud  
Roden Iron, Inc. – Milaca  
Stern Companies, Inc. – Baxter  
WF Scarince, Inc. – Sauk Rapids  
Wooded River, Inc. – Pequot Lakes

## GRANT AWARDS

*In 2012, the Foundation awarded over \$1 million to 114 organizations serving our region, in support of their critical services and social enterprise activities.*

A Place for You – Pine City  
AccountAbility Minnesota – St. Paul  
Amherst Wilder Foundation – St. Paul  
Anderson Center – St. Cloud  
Anoka-Ramsey Community College Foundation – Coon Rapids  
Arc United Inc – St. Cloud  
Becker School District  
Benton County – Foley  
BestPrep – Brooklyn Park  
Big Brothers Big Sisters of Central Minnesota – St. Cloud  
Blue Sky Support Services – Brainerd

Boy Scouts of America – Sartell  
Brainerd Lakes Area Chamber of Commerce  
Brainerd Lakes Area Economic Development Corp  
Brainerd School District  
Bridges of Hope – Brainerd  
Buffalo Housing Redevelopment Authority  
Cascade United Methodist Church – Deerwood  
Cass County Economic Development Corporation – Backus  
Catholic Community Foundation – St. Cloud  
Center for Nonprofit Excellence & Social Innovation – St. Cloud  
Central Lakes College – Brainerd  
Central Lakes College Foundation – Brainerd  
Central Minnesota Community Foundation – St. Cloud  
Central Minnesota Housing Partnership – St. Cloud  
Central Minnesota Jobs & Training – Monticello  
Child Care Choices Inc. – St. Cloud  
Chisago County EDA – North Branch  
City of Big Lake  
City of Clearwater  
City of Cokato  
City of Cold Spring  
City of Eden Valley  
City of Elk River EDA  
City of Holdingford  
City of Howard Lake  
City of Longville  
City of Montrose  
City of Onamia  
City of Paynesville  
City of Princeton – Park & Recreation Advisory Board  
City of Rockford  
City of Royalton  
City of Saint Cloud  
City of Sandstone  
City of Sebeka  
City of St. Joseph  
City of Wadena  
Community Aid of Elk River  
Dreams United/Sueños Unidos – Long Prairie  
East Central Regional Development Commission – Mora  
East Central School District – Finlayson  
Eastern Minnesota Deacon's Association – Inver Grove Heights  
Family Pathways – Cambridge  
FamilyWise Services – Minneapolis  
First American Financial Services on behalf of WCEDA – Sebeka  
Freshwater Education District – Staples  
Funders Network for Smart Growth & Livable Communities – Brainerd Lakes  
Great River Regional Library – St. Cloud  
Greater Minnesota Housing Fund – St. Paul  
Greater St. Cloud Development Corporation – St. Cloud  
Hands Across the World – St. Cloud  
Happy Dancing Turtle – Pine River  
HOME Line – Minneapolis  
Horizon Health Inc. – Pierz  
HOWA Family Center – Walker  
Howard Lake Watershed Alliance

Howard Lake-Waverly-Winsted School District  
Isanti County – Cambridge  
JFHML Friends Foundation – Crosby  
Junior Achievement of the Upper Midwest – Maplewood  
Kanabec County – Mora  
Lakes & Pines Community Action Council Inc. – Mora  
Lakes Area Habitat for Humanity – Brainerd  
Lakes Area Interfaith Caregivers – Baxter  
LegalCORPS of Saint Cloud – Minneapolis  
Lutheran Social Service of Minnesota – Moorhead  
Management Assistance Program for Nonprofits, Inc. – St. Paul  
Mental Health Network of Minnesota – St. Paul  
Mille Lacs Health System – Onamia  
Minnesota Assistance Council for Veterans – St. Paul  
Minnesota Council of Nonprofits – St. Paul  
Minnesota Council on Foundations – Minneapolis  
Minnesota Fathers & Families Network – Plymouth  
Monticello Chamber of Commerce and Industry  
New Pathways Inc – Cambridge  
Northern Pines Mental Health Center – Brainerd  
Pequot Lakes School District  
Pillager Family Council  
Region Five Development Commission – Staples  
RESOURCE – Minneapolis  
ROCORI School District – Cold Spring  
Royalton School District  
Rural Renewable Energy Alliance – Pine River  
St. Cloud Area Family YMCA  
St. Cloud Area School District  
St. Cloud Neighborhood Coalition  
St. Cloud State University  
St. Croix Valley Foundation – Hudson  
Salem Lutheran Church – Deerwood  
Sauk Rapids-Rice School District  
Second Harvest North Central Food Bank Inc. – Grand Rapids  
Somali American Heritage and Education Center – St. Cloud  
Southwest Initiative Foundation – Hutchinson  
St. Cloud Downtown Alliance Foundation  
Swanville School District  
The Refuge Network – Cambridge  
Tri-County Action Program Inc. – Waite Park  
United Way of Central Minnesota – St. Cloud  
Visual Arts Minnesota – St. Cloud  
Volunteers of America of Minnesota – Minneapolis  
William T. Lewis American Legion Post 12 – Long Prairie  
Wright County Economic Development Partnership – Rockford  
YMCA of Greater Twin Cities – Minneapolis

*NOTE: This list does not include the 113 grants that were awarded through the Foundation's Turn Key Funds. These grants represent an additional \$264,000 contributed to other charitable activities throughout central Minnesota.*

# 2012 Financial Summary

## Sources of Funds: \$13,045,109

Grants & Contributions	\$ 5,699,452		44%
Investment Income	\$ 4,708,818		36%
Business Financing Revenue & Repayments	\$ 2,455,603		19%
Other Operating Revenue	\$ 181,236		1%

## Uses of Funds: \$5,750,040

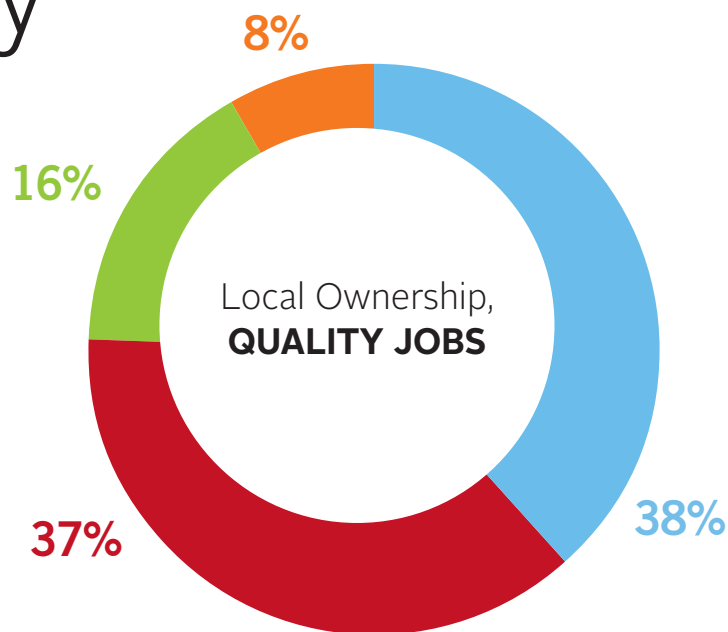
Grants, Scholarships & Training Programs	\$ 2,067,283		36%
Business Investments	\$ 1,985,287		35%
Foundation Operations	\$ 1,420,289		25%
Special Projects & Other	\$ 277,181		5%

### Training Programs

### Expenses Incurred\*

Volunteers in Service to America	\$ 340,041
Thriving Communities Initiative	\$ 249,195
Thriving Organizations Partnership	\$ 185,812
Healthy Lakes & Rivers Partnership	\$ 106,354
Early Childhood	\$ 91,099
<b>TOTAL</b>	<b>\$972,502</b>

\*Excludes grants & scholarships



### Business Financing

#### Investment Total

**\$1,517,122**

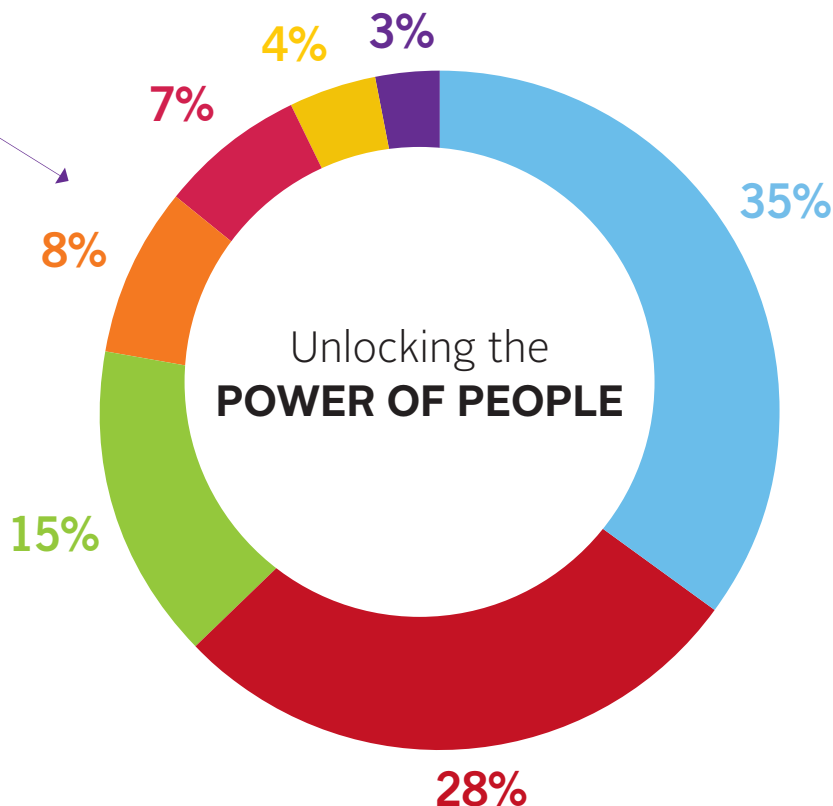
• Manufacturing	38%		\$582,435
• Retail/Wholesale	37%		\$565,000
• Service	16%		\$244,687
• Environment/Agriculture	8%		\$125,000

### Grants & Scholarships

#### Investment Total

**\$1,129,331**

• Innovation Fund	35%		\$390,758
• Community & Donor Funds	28%		\$319,628
• Community Improvement	15%		\$163,995
• Early Childhood	8%		\$93,000
• Economic Opportunity	7%		\$77,400
• Organizational Effectiveness	4%		\$50,000
• Scholarships	3%		\$34,550



**Total Endowment Value.....\$37 million**  
**Total Assets.....\$54.9 million**