



20

years



POHLAD

family foundation

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LETTER TO THE COMMUNITY

2013 marked the 20th anniversary of giving by our family foundation – a proud moment for us. During these years our family also celebrated – the lives and legacies of our parents, milestones in the lives of our family members, including the birth of the youngest third generation family member, as well as graduations, marriages and the births of four members of fourth-generation Pohlads. We experienced the horrors of September 11, 2001, the related wars, and the difficulties of the Great Recession. We celebrated the election of the nation’s first African American President, and experienced the speed at which technology has forever changed our lives and made the world a much smaller place.

Twenty years ago, my brothers and I could not have predicted how our family foundation would change or the ways in which we would work to improve our region and the lives of its many residents. Along the way, we’ve met many stellar nonprofit leaders, supported hundreds of organizations, and, we believe, made a positive impact. On the following pages, see examples of how we’ve supported organizations and the results of our responses to many needs. You’ll also read about an important initiative created and led by third generation Pohlad family members, who have become active in our family’s philanthropic work during the past three years.

We last produced a community report four years ago at the start of the Great Recession when leaders and organizations of many types, including our foundation, were developing strategies to assist families and small businesses in crisis. You read a little about how our foundation assisted during this crisis, and the results of this two-year initiative. We are grateful that our efforts were able to provide support to many in our state and region during this time.

While Minnesota has remained in the top 15 states for job creation and low unemployment levels since the end of the Great Recession, many issues and needs remain: concentrated poverty, growing homelessness among teens, record high youth unemployment, rising college education costs and debt, growing need for affordable housing, and others. Fortunately, our state has a large number of well-led and managed nonprofit organizations responding to

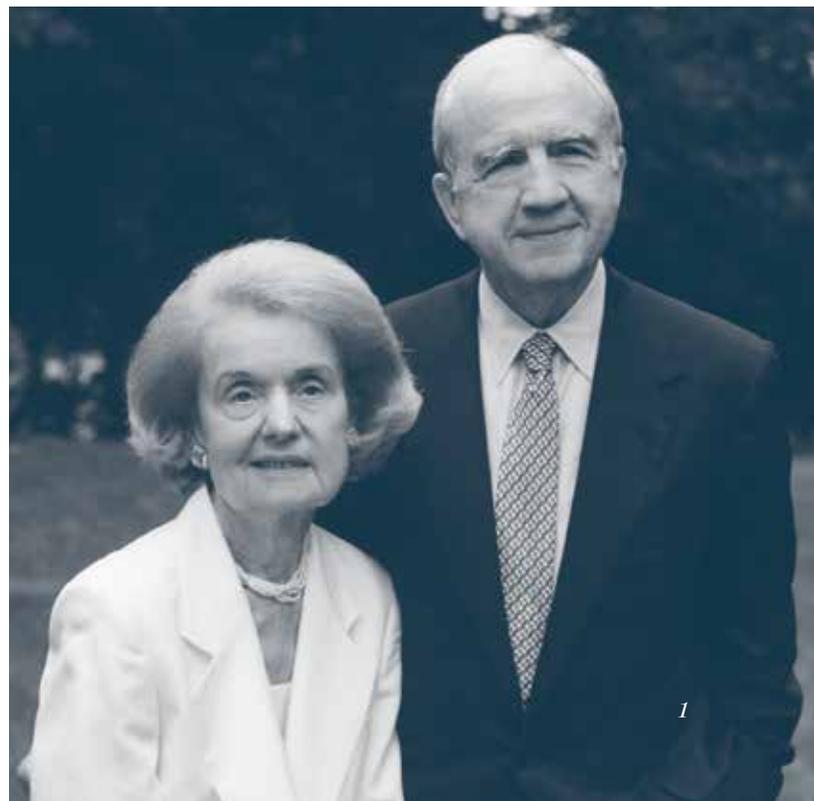
those needs. We are proud that, during the past twenty years, our family foundation has supported many nonprofits that directly assist individuals and families, children and communities in need, and as importantly, arts, cultural and environmental nonprofits that fill our minds and souls with created and natural beauty.

We owe immeasurable thanks to our executive director for these many years, Marina Lyon and to our entire staff for making this all possible and for their incredible work on the ground.

*And as always, we
remember and thank
mom and dad,*

whose creation of and generous contributions to the Pohlad Family Foundation continues to inspire and sustain our public giving to positively impact the lives of people and communities in the state and region that is our home.

JIM, BOB AND BILL POHLAD



GIVING IN BRIEF



1994 - 1998

Early in 1994, Carl and Eloise Pohlad moved from incorporating and funding their foundation to determining how best to give. In the early years, giving continued as it had prior to forming their foundation – quiet, informal, reactive and personal. Although some letters requesting support arrived, public guidelines, applications and deadlines did not exist.

Meetings, too, were like other family meetings – parents and sons sitting around a table at home or in the office discussing requests. Giving was modest, reflecting family member personalities. Community needs and the nonprofits that responded to those needs were many.

Between 1994 and 1998, the family approved 233 grants that supported a wide variety of organizations. Most grants were unrestricted operating support and ranged from \$1,000-\$5,000. Several grants for capital needs ranged up to \$250,000. In all, grants that were approved and paid totaled

\$1,730,460

1999 - 2013

During the 15 years that followed, Carl and Eloise Pohlad would build the Foundation's grantmaking capacity by hiring staff and building infrastructure needed to operate more publicly. As of the end of 2013, grantmaking would occur through nine programs and one initiative. More than 2,500 community grants to 713 organizations were paid. Total giving from 1999-2013 was

\$115,081,256

COMMUNITY SUPPORT

In its first 20 years, the Foundation has provided support through many methods, including large initiatives, specific programs, short-term opportunities and in response to family/board members' interests.

FOUNDATION INITIATIVES

NORTH MINNEAPOLIS

In 2008, the Foundation board approved an initiative to support north Minneapolis because it is home to a large percentage of the city's youth and families living in poverty. Improving housing, revitalizing commercial corridors and increasing youth employment and services were the primary goals.

The initiative began with Foundation staff spending significant time in areas of north Minneapolis. Staff met with residents and business owners to build relationships, ask what improvements they'd like to see and earn their trust. In the beginning requests were practical – a new playground in a pocket park, helping fill foreclosed homes and providing assistance to help existing homeowners improve their homes. Other recommendations to help improve north Minneapolis were more difficult – improving its public image, reducing crime, and encouraging businesses to expand or re-locate to the area and hire residents.

The board approved initial investments of \$2.3 million for this initiative. Most funds would be invested in housing, youth employment, and economic development. By the end of 2013, grants totaling more than \$5.7 million had been made to nonprofit organizations to assist existing and new residents. Below are a few examples.

• HOUSING

The foreclosure crisis hit north Minneapolis particularly hard. The Foundation invested more than \$1 million in forgivable down payment loans that assisted 187 new home buyers. An additional 83 resident homeowners received forgivable home improvement loans. Forgiveness of these loans required homeowners to meet conditions that included remaining in their homes for seven years to help stabilize the area. As of December 2013, the default rate on these loans was less than 2% (from *Neighborhood Housing Services of Minneapolis*, loan administrator).

A 2012 housing study, led by the **Folwell Center for Urban Initiatives**, and staffed by the University of Minnesota's Center for Urban and Regional Affairs, analyzed north Minneapolis housing conditions block by block. The result was the first publication of the north Minneapolis **Housing Market Index**. The study was broadly shared with funders and planners considering investments in the area. **The Minneapolis Federal Reserve Bank** adopted the study and has been asked to undertake similar studies for other areas of the nation. A revised north Minneapolis study was published in 2014.

• YOUTH EMPLOYMENT

For most youth, getting a summer job is a high priority, but connecting with employers is difficult, especially in north Minneapolis where the demand for jobs exceeds supply. The Foundation worked directly with local businesses, nonprofits, the city of Minneapolis, and **AchieveMpls'** **STEP-UP** program to secure summer jobs and provided wage subsidies to employers that trained and hired young north Minneapolis residents. As also reported in the **Summer Youth Employment** program section of this report, more than 865 north Minneapolis youth worked a summer a job that was supported by the Foundation.





- **ECONOMIC DEVELOPMENT**

The Foundation was the largest provider of grant support to redevelop an old funeral home located at 1200 West Broadway with almost \$1 million in grants and value (including employee volunteer projects that reduced project costs – e.g., gutting the building and landscaping). The office portion of the building was successful from the start, however, operating a commercial kitchen was less successful and the opening of a new restaurant had not occurred by the end of 2013. Results of a 2011 retail market study commissioned by north Minneapolis' Lowry Ave Corridor Committee found that, each year, more than \$180 million dollars is spent by north Minneapolis residents outside their community because local goods and services do not meet needs. This study, shared with city planners assisted one West Broadway business owner in opening an **Anytime Fitness** franchise on West Broadway.

- **CRIME REDUCTION**

For many years, the **4th Precinct CARE Task Force**, comprised of city, county, nonprofit and neighborhood leaders has worked to reduce north Minneapolis crime and stabilize housing. From time to time, the Foundation has supported the group's operations and some special projects. Foundation support occurred after the Task Force's success in tracking and solving area issues, including exposing one of the largest mortgage fraud activities in the nation. Support for CARE Task Force staffing allows for tracking of crime and housing issues. A separate Foundation grant allowed the County Attorney to deal with specific crimes in the area.

- **YOUTH RECREATION**

Access to safe activities for youth after school and in the summer is important to the large number of young north Minneapolis residents. While several nonprofit organizations in the area provide some of these activities, gaps existed. Foundation support to **Plymouth Youth Center** allowed summer outdoor recreation and education experiences in two city pocket parks for children 4-12 years old. Other grants to **We Care, Youth Farm, Venture North Bike Shop, Wilderness Inquiry, InnerCity Tennis**, and **The Loppet Foundation** supported opportunities for north Minneapolis youth and teens.

- **DISASTER ASSISTANCE**

Foundation support of more than \$350,000 helped provide assistance following the north Minneapolis tornado of May 2011. Volunteer support from a Pohlad-owned business (**RJM Construction**) assisted during the immediate days after the tornado. Grant funds supported a large and well-coordinated clean-up operation two weeks after the tornado. Led by the Folwell Neighborhood, the effort collected and disposed of 350 tons of tornado debris in two days with fewer than 100 volunteers. **Urban Homeworks** also received support for its involvement in many activities including home repair projects throughout the summer and, in the fall, specific support replaced 75 damaged roofs in advance of winter's arrival.

The Pohlad Foundation's focus in north Minneapolis has been both rewarding and challenging. We've met and worked with many residents and nonprofit employees whose dedication and resilience inspire us to remain involved and supportive.

ECONOMIC CRISIS

Totaling more than \$18 million in 2009 and 2010, the **Economic Crisis Initiative** represents the Foundation's largest single commitment of its first 20 years, including more than \$3 million of program related investments. Grants and loans focused on presenting small business and non-profit jobs, addressing housing foreclosures, and providing energy assistance.

- **JOBS AND SERVICES**

Expecting that the need for services offered by nonprofits would be great, \$5 million was invested to preserve a wide variety of human services and the jobs of individuals who deliver them. Funds to assist nonprofits in hiring temporary workers during the two year initiative were also granted. **MAP for Nonprofits** administered this portion of the initiative with assistance from a committee of nonprofit experts. Between 2009 and 2011, grants helped 71 nonprofits retain 174 jobs and hire 34 temporary employees to meet the huge demand for job placement assistance, mental health counseling, foreclosure counseling, and other needs. Nonprofits receiving support were located throughout the Twin Cities metro area.

Small businesses around the state were assisted with \$5 million in grants and loans administered by the **Minnesota Chamber of Commerce Foundation**. The Chamber's statewide reach and regular contact with small businesses via its **Grow Minnesota!** program made it an ideal partner. Ninety-two businesses located in 62 communities around the state received job retention or planning grant support. "The small companies we helped were hit hard by the recession," said Bill Blazar, interm President of the Chamber. "These funds filled timely needs. Since then, many companies have turned the corner and are seeing increases in revenue and employment growth." Indeed, responses to a 2014 survey from 53 participating companies found 80% continue to grow and 161 new full-time jobs have been collectively added at a majority of companies receiving support.

"IF WE HADN'T RECEIVED THE GET READY TO GROW LOAN, WE WOULD NOT HAVE BEEN ABLE TO MEET OUR OBLIGATIONS. THE LOAN AND PLAN CREATED LED TO OUR GROWTH AND SUCCESS."

**CRAIG W. PORTER, PRESIDENT/OWNER
PLASTICERT, INC., LEWISTON, MN**

"THE INFUSION OF FUNDS ALLOWED US TO KEEP OUR BUSINESS OPEN, EMPLOY STAFF AND CONTINUE TO FUNNEL BUSINESS TO HUNDREDS OF INDEPENDENT CONTRACTORS. IT ALSO LED TO OUR DEVELOPMENT OF A TOOL THAT ALLOWS IMMIGRANT PARENTS TO BETTER COMMUNICATE WITH THEIR CHILD'S SCHOOL."

**BETH LOO, OWNER
BETMAR LANGUAGES, FRIDLEY, MN**

• HOUSING

Funding of \$2.4 million to the **Minnesota Housing Finance Agency** helped address the sudden rise in homelessness by providing support for a 24-month transitional housing service which benefited 264 homeless families, including 516 children. Housing stability was maintained for 86% of these families.

To combat the foreclosure crisis, the Foundation made two large investments. A \$1 million loan was made to the **Family Housing Fund's Home Prosperity Fund**, which provided support to nonprofit housing organizations to purchase and rehab homes in the metro area. Formed in 2007, this \$15 million unrestricted loan pool had assisted in the acquisition of 524 properties (including 146 in low-income census tracts) by the end of 2013.

“The Home Prosperity Fund helped stabilize neighborhoods that were especially hard hit by foreclosures. Now these neighborhoods are recovering,” said Tom Fulton, president of the Family Housing Fund.



The Foundation assisted buyers too, providing forgivable down payment assistance loans to the state's three hardest hit zip codes – two in Minneapolis and one in St. Paul. Administered and serviced by **Neighborhood Housing Services** in each of these areas, 251 forgivable loans totaling \$2 million were approved. In 2014, agencies reported that more than 95% of these loans remain active. Jim Erchul, Executive Director of **Dayton's Bluff Neighborhood Housing Services** emphasized “how important this program was to the neighborhood during the darkest days of the foreclosure crisis, when pretty much everyone else was running away.”



Finally, a \$1 million Foundation grant for energy assistance helped the state secure all \$2 million available from the federal government for Minnesota's **Reach Out for Warmth (ROFW)** program. ROFW support was intended for working families who did not qualify for the emergency assistance available to lower income families. Most recipient families suddenly lost income due to the economic crisis and had never before received this type of support. These funds helped almost 3,000 households around the state pay their energy bills for one year.

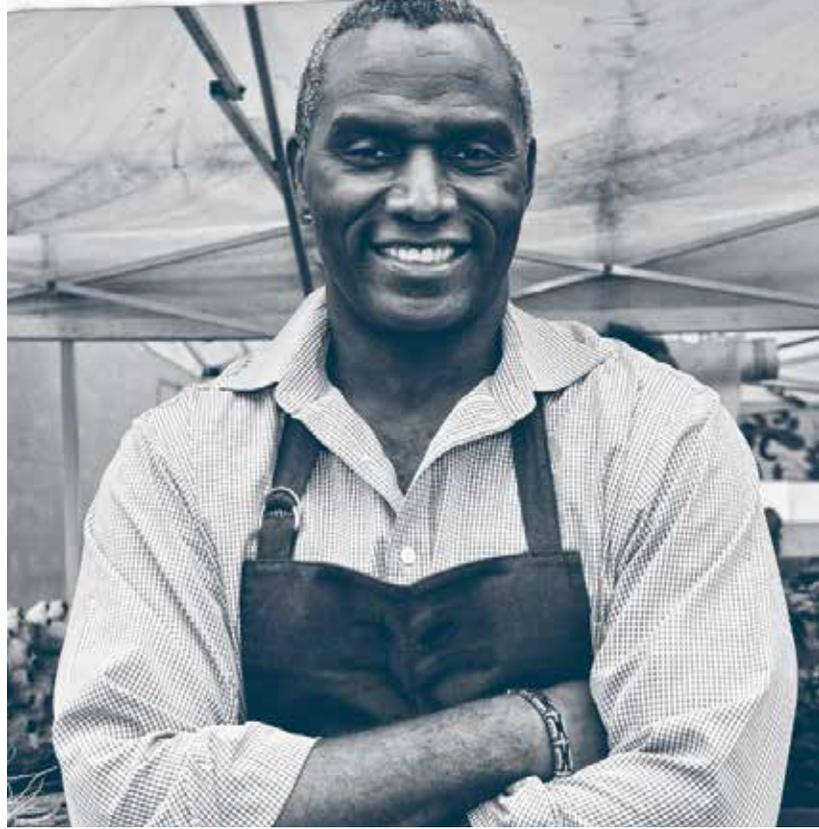
The Foundation's **Economic Crisis Initiative** successfully addressed some of the needs and damage experienced by Minnesota families that lost their jobs, had their incomes reduced, or experienced a foreclosure. Though all funds were distributed by the end of 2011, the Initiative's impact continued through 2014.

THE GOOD ACRE

Following their grandparents and parents, third generation members of the Pohlad family began actively engaging in philanthropy in 2011. Third generation members brought new interests, new grants, and by 2012, an idea to grow the market of fresh, healthy food available to residents of the Twin Cities region.

Allie, Lindsay and Sara Pohlad are committed to improving the Twin Cities food system. Late in 2012, inspired by food journalist and writer Michael Pollan and *Growing Power's* Will Allen, the Foundation's **Urban Agriculture** initiative was seeded. The goals of this initiative are to increase the availability of locally grown food by: supporting research on an extended growing season, increasing organically grown and certified produce, and educating consumers on preparing food and farmers on sustainable practices.

After more than a year of reviewing research and listening to local and national experts, the group discovered that the Twin Cities has a well-developed local food system, including some small, organic producers, nearly 100 farms that sell **Community Supported Agriculture (CSA)** products, and many farmers markets. Nevertheless, demand is growing. Rhys Williams, a former farmer and buyer for a Twin Cities' food distributor explains, "Most farmers are not reaching the general population because new markets are not opening up."



Farmers, especially those with limited resources, need support to tap into new customer bases. One solution is to build a "food hub," a facility that links the region's small farmers and buyers.

Early in 2013, the Foundation purchased a 3.4-acre parcel of land adjacent to the St. Paul campus of the **University of Minnesota**. This land will house a food aggregation and distribution center – **The Good Acre** – that will serve a diverse group of small-scale farmers who need assistance to develop additional consumer markets. In time, The Good Acre facility will also help its farmers become **GAP (Good Agricultural Practices)** certified and ensure their produce is USDA certified organic. Participating farmers will also have access to other educational programs. The Good Acre will offer farmers a fair market price for their products and create a multi-farm CSA product for sale to new consumers and markets. CSA buyers will also have an opportunity to buy a **Good Share** – healthy food that will be donated to **The Food Group (formerly Emergency Food Network)** for distribution to low-income families.

When it comes to actual farming, The Good Acre will house high tunnel greenhouses to help farmers learn about season extension, and thus, tap into other markets, including restaurants and institutional buyers.

The Good Acre is scheduled to open late in 2015.



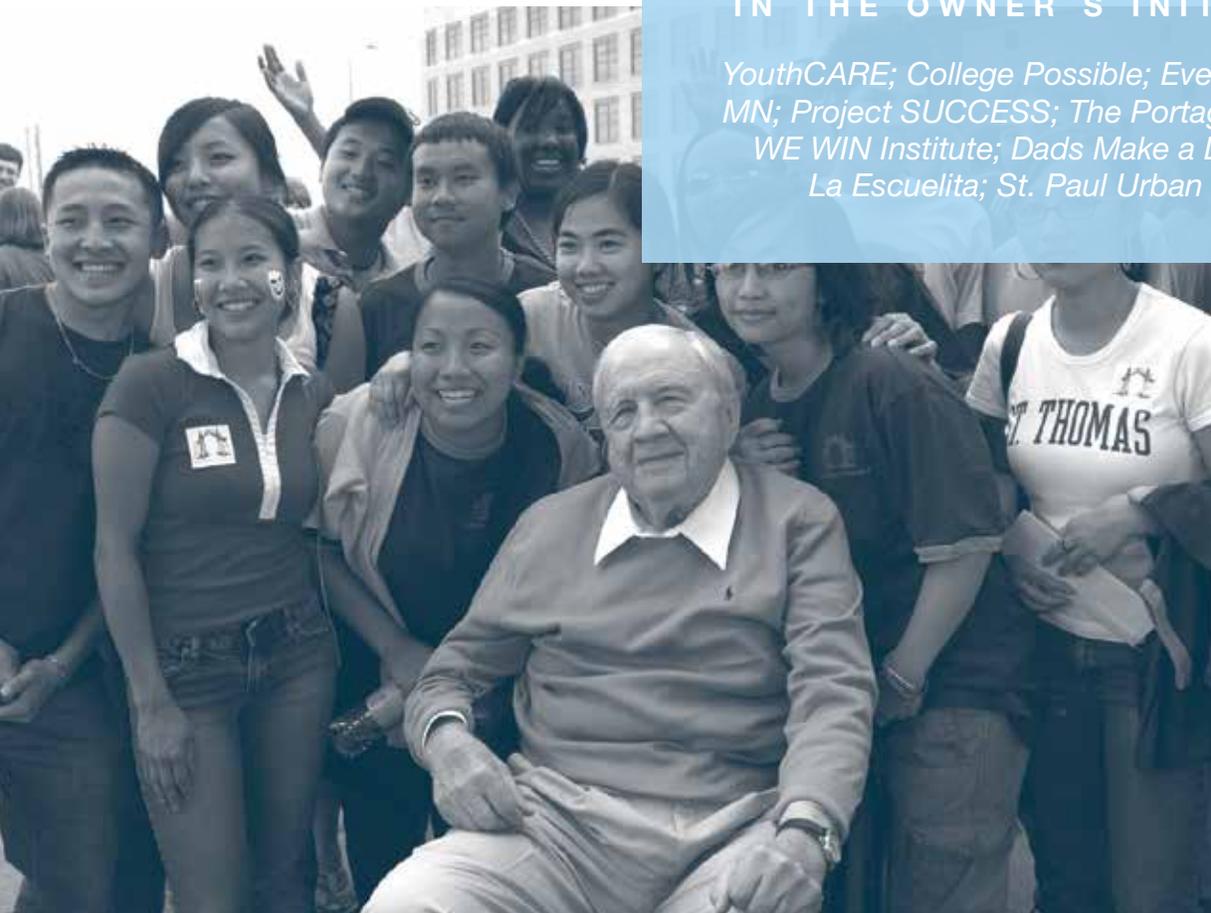


THE OWNER'S INITIATIVE

The Foundation created *The Owner's Initiative* in late 2003 and operated it from 2004-2007, in partnership with the **Minnesota Twins**. The initiative's goal was to assist small, youth-focused nonprofits in creating and successfully implementing initial fundraising events. The Foundation provided each participating organization with \$15,000 grants (\$10,000 to produce the event and \$5,000 to match new support raised at the event). The Minnesota Twins provided, free of charge, use of outdoor space at the Metrodome, game tickets and event promotion. Beyond financial success, these events helped participating youth organizations increase awareness of their work, built individual donor support and recruit new volunteers. During its three-year run, The Owner's Initiative helped nine youth-serving organizations create a new way to raise support.

ORGANIZATIONS PARTICIPATING IN THE OWNER'S INITIATIVE:

YouthCARE; College Possible; Everybody Wins MN; Project SUCCESS; The Portage for Youth; WE WIN Institute; Dads Make a Difference; La Escuelita; St. Paul Urban Tennis



PROGRAMS

SUMMER CAMP SCHOLARSHIPS

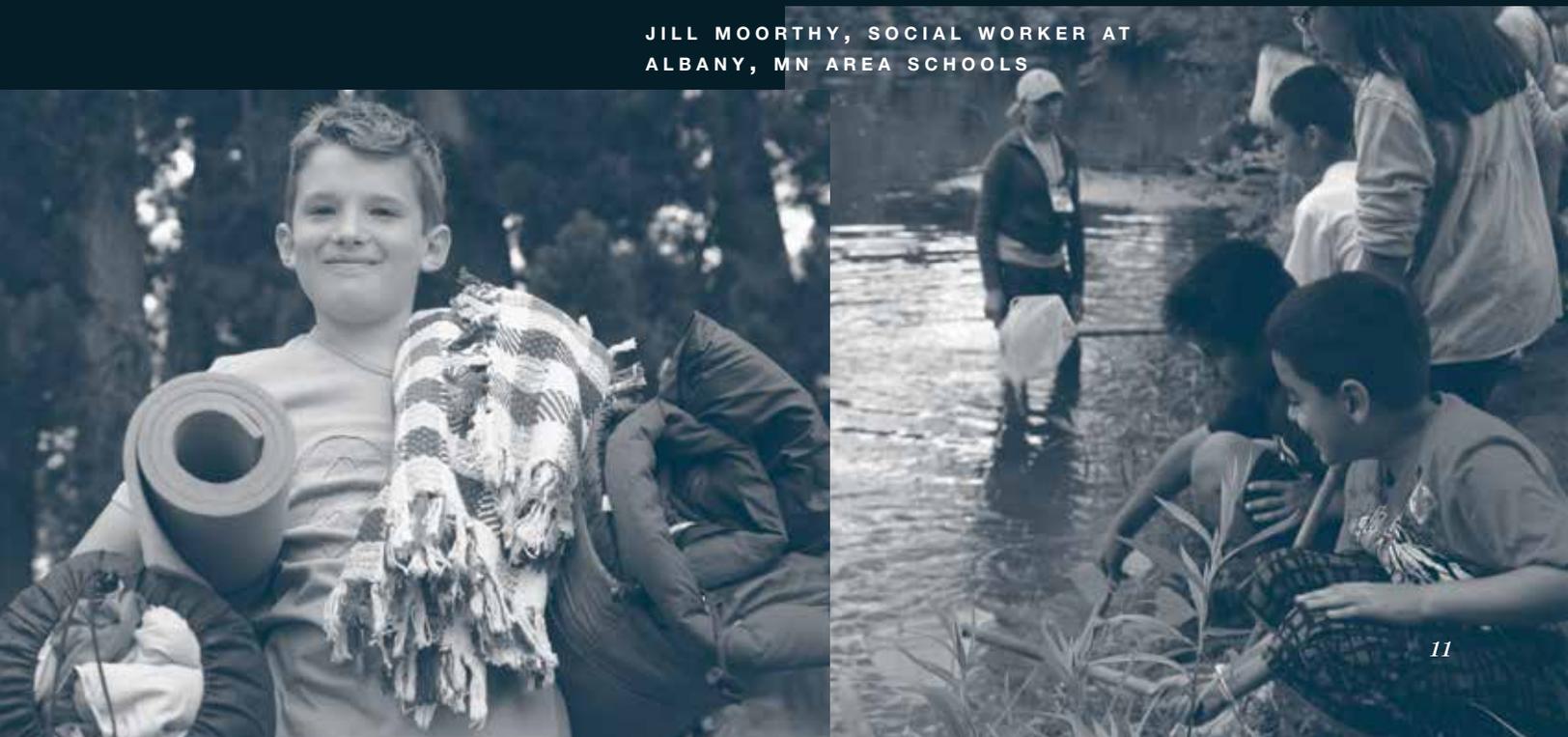
The Foundation's first and longest-running program, **Summer Camp Scholarships**, makes grants to a variety of Minnesota nonprofits that work with young people and families. Staff at these organizations work to ensure that youth in their care participate in a summer residential camp experience. Intended to enrich a young person's life experience by exposing them to natural environments, often for the very first time, camps help children develop social, emotional, and physical skills, and gain self-confidence. The latter trait emerges frequently in feedback from grantees.

“THE FIRST-TIME CAMPER GAINS CONFIDENCE. MOST YOUTH GO TO CAMP WITH SOME APPREHENSION. THEY EXPLAIN HOW THE FIRST DAY WAS DIFFICULT, AND ALSO HOW THEY PUSHED THEMSELVES TO CONQUER THEIR FEAR. ONCE THEY ENGAGED IN THE ACTIVITIES AND FORMED NEW AND LASTING FRIENDSHIPS THEY WERE SO VERY HAPPY THEY STAYED.”

BARB KOSTE, SPECIAL EDUCATION TEACHER AND CAMP COORDINATOR AT HOOVER ELEMENTARY SCHOOL IN COON RAPIDS, MN

“WHEN OUR STUDENTS LEAVE THE ALBANY AREA AND MEET KIDS AND COUNSELORS FROM ALL OVER THE WORLD, IT BROADENS THEIR WORLD VIEW AND CHANGES THEM IN WAYS WE CANNOT CREATE HERE AT SCHOOL.”

JILL MOORTHY, SOCIAL WORKER AT ALBANY, MN AREA SCHOOLS



AFTER-SCHOOL SUPPORT

Quality afterschool programs help keep students on a path toward success in school and life – and provide comfort to busy parents who know their child is safe and engaged when the school day is done.

In 2003, the Foundation's first effort to provide after-school support began. Cuts in public funding for these services was the catalyst to offer support. A desire to assist organizations in documenting the educational impact of their work was the goal.

After three years, it was clear that documenting educational impact was very difficult. The program was adjusted, but unfortunately, even after the adjustments our goal was not met. Nevertheless, we remain proud of the effort and grateful that, for six years, Foundation grants ensured students were in safe and caring environments after school.

Most of the foundation's grantmaking in this area has focused on teenagers. **College Possible** prepares high school juniors for their ACT tests and coaches high school seniors on how to enroll in college and complete a higher education. The **Urban Debate League** helps middle and high school students sharpen their research and debate skills. **ThreeSixty Journalism** trains and inspires the next generation of journalists. In sum, afterschool grantees expand young peoples' horizons, abilities, and opportunities.



“THIS SCHOLARSHIP MEANS MORE TO ME THAN A MEANS OF COVERING EXPENSES; IT REPRESENTS THE GIFT OF EDUCATION.”

TRACY P.

POHLAD SCHOLARS

Research proves that a college degree greatly increases earning power during the course of peoples' working life.

For this reason, the Foundation established a college scholarship program for Twin Cities' area high school students in 2002.

The **Horatio Alger Association** managed the program between 2003-2010. Beginning in 2011, **Scholarship America** began administering the program. Scholarships are awarded using specific criteria, including financial need, academic achievement, and the student's integrity, self-reliance, and resilience. Current individual scholarships are \$2,000 per school year. After using their first year support, scholarships are renewable annually for up to three additional years provided students remain enrolled full time and are in good standing with their chosen college. More than \$2.1 million was awarded in scholarships by 2013.



SUMMER YOUTH EMPLOYMENT

Carl Pohlad worked from an early age, and his sons, too, worked summer jobs during their high school and college years. These real work experiences helped form a family value – work is formative, allowing young people to develop skills and meet people that can help lead to future employment. With this value in mind, the Foundation began its **Summer Youth Employment (SYE)** program in 2004. The program would provide high school students (16-19 years of age) around the state with meaningful, real work experiences that would open the doors for future career success.

The SYE program began by connecting with employers through statewide industry association nonprofit foundations. This allowed youth throughout the state to have access to paid internships. The first industry to participate was banking. **The Independent Community Bankers of Minnesota Education Foundation (ICBMF)** recruited, hired and trained youth for positions at community banks around the state. The Foundation provided

grants to ICBMF to subsidize youth wages and cover some of the costs of recruitment, training, program data collection and reporting. The first year, 44 students were hired with \$77,000 in Foundation grants and \$300,000 paid by bank employers.

Two years later, the **Minnesota News Media Institute** joined the program. It allowed youth to find jobs at local newspapers around the state. Because small town newspapers operate with few staff, interns were exposed to all parts of the business. Participation in general business operations (sales and finances), writing, editing, and photography make these jobs especially rewarding to interns.

The **Printing Industry Midwest Education Foundation** began participation in the SYE program in 2006. As a large industry undergoing dramatic changes with new digital technologies and the invention of 3D printing, the industry is eager to train workers in the technical job skills required in their evolving industry. These internships also pay interns the highest wages in the program. Because of industry needs, this employment opportunity was extended to young adults up to 24 years old, allowing older youth to acquire the highly marketable skill sets of a rapidly growing industry. Beginning in 2009, when some participating SYE employers were reluctant to hire youth interns while laying off full-time workers, the SYE expanded summer jobs to youth living in north Minneapolis. These jobs, provided to 848 youth, were offered in the nonprofit sector. Foundation grants totaling almost \$1.2 million were paid to north Minneapolis youth workers. Between 2004 and 2013, the Pohlad Foundation and for-profit employers in the three participating industries employed 1,672 youth who earned more than \$4.4 million in wages.

“OUR INTERNS WERE FANTASTIC. WE PLAN TO HIRE ONE INTERN AND THE OTHER IS WELCOME BACK NEXT SUMMER. THESE TWO ARRIVED EACH DAY ON TIME, READY TO WORK AND LEARN; A BREATH OF FRESH AIR.”

KRIS PILLING-DAVIS, EDUCATION DIRECTOR AT
PRINTING INDUSTRY MIDWEST EDUCATION FOUNDATION

“I HAVE BEEN EXPOSED TO DOZENS OF FACETS OF NEWSPAPER LIFE, FROM TAKING ADS TO PROOFREADING OBITUARIES, TO WRITING FEATURE STORIES FOR THE FRONT PAGE. I HAVE BEEN CHALLENGED BY THE PUBLISHER AND STAFF AND DONE MY BEST TO MEET THE HIGH STANDARDS THEY HAVE SET.”

MATT N., SUMMER INTERN AT HIBBING DAILY TRIBUNE

“WE WERE TRULY TREATED LIKE LEGITIMATE PROFESSIONALS IN ACTION WITH OUR MATCHING SCRUBS AND GLOVES”

LULU V., STEP-UP ACHIEVE JOBS PROGRAM HEALTH CARE INTERN



CHALLENGE GRANTS

Since 2011, the Foundation has awarded between thirteen and fifteen fundraising **Challenge Grants** annually to small nonprofit organizations seeking to raise support from new individual donors. Because a matching incentive is one way to increase an organization's donor base, the program's goal is to strengthen an organization's long-term sustainability. As much as \$10,000 per organization can be granted. Qualifying donations are matched dollar for dollar during the specified fundraising period. Preference is given to applicants who present new or creative approaches to fundraising.

“WITH 75-80% OF OUR FUNDING COMING FROM GOVERNMENT CONTRACTS AND GIVEN CUTS TO LOCAL GOVERNMENT, WE RECOGNIZED THE NEED TO DIVERSIFY OUR SOURCES OF REVENUE. THE CHALLENGE GRANT ALLOWED US TO SEEK SUPPORT FROM MORE THAN 2,000 GARDENERS IN OUR DATABASE.”

BECKY RICE, EXECUTIVE DIRECTOR
METRO BLOOMS

SMALL CAPITAL

The **Small Capital** grant program was created in 2011 to support infrastructure expenses that help nonprofit organizations serve more people or be more effective/efficient in providing services. Projects funded include an elevator installation, renovations to affordable housing, purchase of a new server, and vehicle upgrades needed to transport program participants.

LARGE CAPITAL

Because the nonprofit sector is well-developed in the Twin Cities, the need for capital arises often. While the Foundation hasn't created a program for large capital requests, many have been received and more than \$51.4 million has been provided to a large variety of organizations and projects, including hospitals, arts organizations, housing for homeless youth and adults, buildings to house mental health services, youth and university athletic facilities, libraries, and many community/economic development projects.



“...THE NEW EARLY LEARNING ENVIRONMENT AT THE NORTH REGIONAL LIBRARY SUPPORTED BY YOUR GRANT SIGNIFICANTLY IMPROVES HENNEPIN COUNTY LIBRARY’S PRESSING NEED TO HELP CHILDREN IN THIS PART OF MINNEAPOLIS PREPARE FOR KINDERGARTEN.”

**BRIAN HERSTIG, EXECUTIVE DIRECTOR
FRIENDS OF THE HENNEPIN COUNTY LIBRARY**

EMPLOYEE MATCHING GIFTS

In 2002, the Foundation created an employee gift matching program to fill a void left by the sale of most Pohlads-owned banks, which had previously operated a gift matching program for its employees. While the banks were no longer part of the family business, family members still believed it was important to provide support to employee charitable interests. They decided the Foundation was the right place to house the program.

The program allows employees of Pohlads-owned businesses to request matches for up to five charitable gifts, or a maximum of \$1,000, each year. To ensure all employees can participate, gifts of \$25 or more are matched. In addition, one match request per year can be double-matched up to \$100.

The Foundation's gift matching program processes more requests each year than any other grant program and supports the largest variety of nonprofit organizations.

GENERAL OPERATING SUPPORT

Every great urban region has important ongoing cultural and social needs. For this reason, the Foundation determined that some organizations that enrich the region through the arts and others that provide emergency services to the area's poor should receive small operating grants. Since 2002, general operating support, which requires only that funds be used for the organization's stated mission, have been provided to select nonprofits. More than \$1.8 million to arts and culture organizations and a total of more than \$3 million has been granted to health and human service nonprofits.

ADDITIONAL SUPPORT

FAMILY-DIRECTED GRANTS

One characteristic of private family foundations is that family members usually form the board. Family board members sometimes have interests and involvement in organizations that they'd like the Foundation to support. Family-directed grants are the vehicle through which these interests are supported.

Since the Foundation's inception, 235 grants requested by Pohlads family members have been paid.

PROGRAM-RELATED INVESTMENTS (PRIs)

Program-related investments provide an avenue for foundations to support community projects. Unlike grants, PRI support can take the form of an equity investment or loan. The Foundation has made eight PRI loans and one PRI equity investment. The loans, with original values of slightly more than \$7 million have helped finance a variety of projects including housing construction/rehab, arts buildings and business development. The equity PRI was made to the The Good Acre initiative described earlier in this report.

OTHER GRANTS

The Pohlads Foundation, like many organizations and businesses, needs an "other" category to account for all of its work. In the Foundation's case, \$10.8 million in grants paid were to organizations for purposes that did not fit neatly into any other categories.

GRANTS PAID BY PROGRAM

1994 - 2013

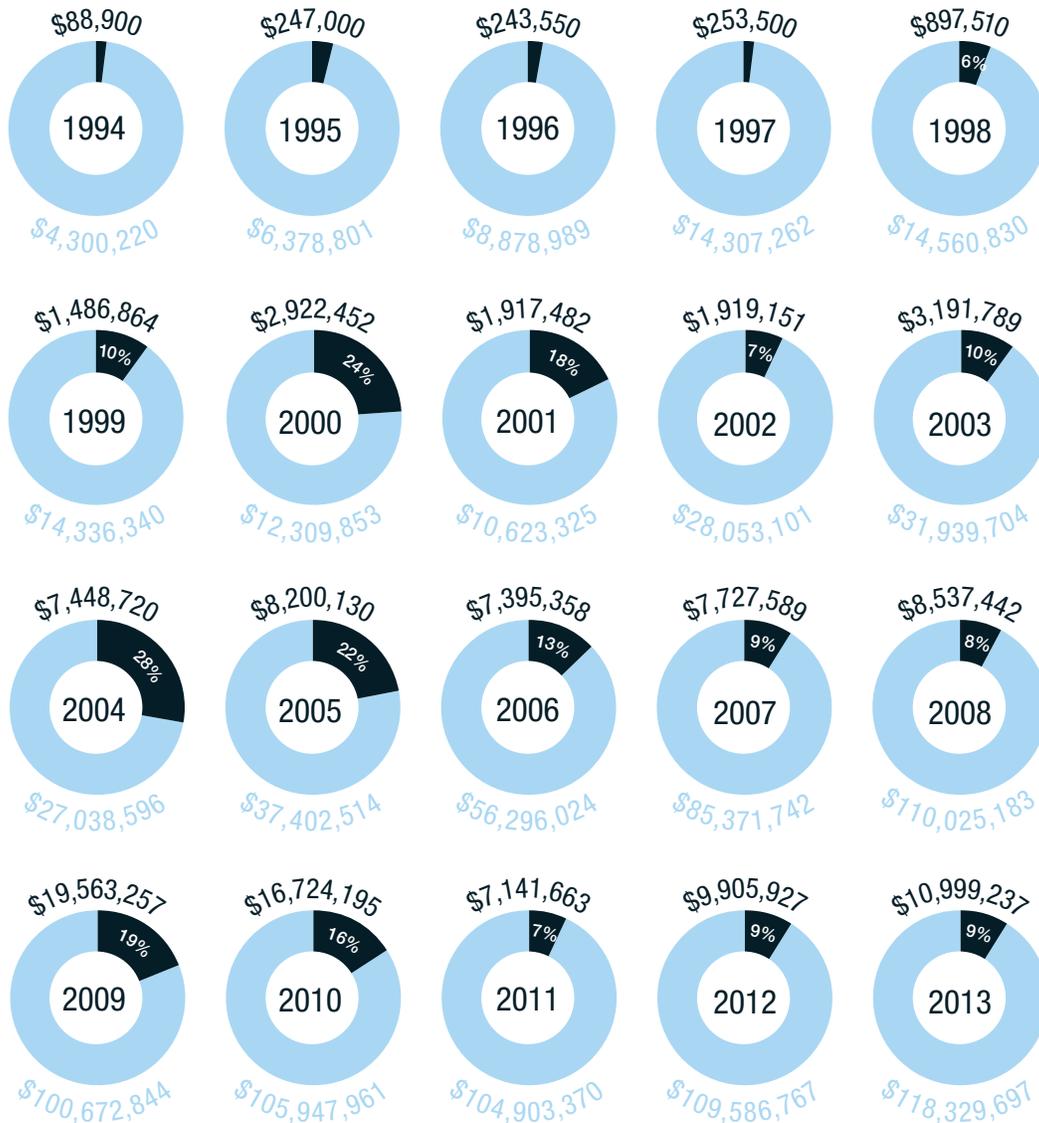
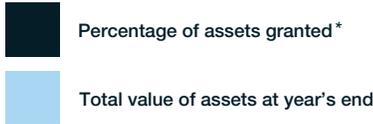
PROGRAM NAME	TOTAL GRANTS PAID	GRANTS APPROVED	NON-PROFITS SUPPORTED	YEARS ACTIVE
North Minneapolis	\$5,749,311	144	61	2008 -
Economic Crisis	\$15,444,822	166	113	2009 - 2010
The Good Acre	\$1,251,489*			2012 -
Owner's Initiative	\$130,460	9	9	2004 - 2007
Summer Camp Scholarship	\$5,416,363	674	144	1999 -
College Support	\$2,173,000	5	2	2001 -
Summer Youth Employment	\$3,175,642	74	28	2004 -
Challenge	\$334,468	42	42	2011 -
After School Programs	\$1,548,500	154	71	2003 - 2008
K-12 Education	\$445,000	24	10	2008 -
Capital (Large & Small)	\$51,395,559	188	156	2000 -
Employee Matching Gifts	\$773,861	2305	1589	2002 -
Arts & Culture	\$1,865,500	138	25	2002 -
Health & Human Services	\$3,028,000	126	34	2003 -
Family Directed	\$14,482,420	235	130	2000 -
Other	\$10,848,810	693	263	1994 -
TOTAL	\$116,811,716	4977	2677	

* Program Related Investment amount; not included in Grants Paid total, because these amounts are loans or equity investments.

FINANCIAL INFORMATION

GRANTS AT A GLANCE

1994-2013



* In every year required by the IRS, the Foundation's compulsory 5% minimum distribution of assets was exceeded by grant payments alone (i.e., without inclusion of administrative expenses that also qualify towards the calculation of minimum payout).

BALANCE SHEETS

YEAR END:

FINANCIAL POSITION	1993	1998	2003	2008	2013
Cash	\$2,152,500	\$49,473	\$919,296	\$97,147,301	\$6,708,512
Investments		\$14,511,357	\$31,020,408	\$10,827,511	\$105,220,638
Building, Land					\$1,251,489
Other				\$2,011,400	
Program Related Investments				\$38,971	\$5,149,058
Total Assets	\$2,152,500	\$14,560,830	\$31,939,704	\$110,025,183	\$118,329,697
Accounts Payable				\$86,440	\$3,715
Outstanding Grants			\$3,191,788	\$17,613,500	\$9,685,000
Unrestricted Net Assets	\$2,152,500	\$14,560,830	\$28,747,916	\$92,325,243	\$108,640,982
Total Liabilities and Equity	\$2,152,500	\$14,560,830	\$31,939,704	\$110,025,183	\$118,329,697
ANNUAL FINANCIAL ACTIVITY:					
Gifts	\$277,704	\$135,025	\$206,615	\$32,122,327	\$6,010,732
Dividends and Interest Income		\$634,831	\$928,889	\$4,120,706	\$1,545,769
Capital Gains/Loss		\$14,061,219	\$(108,792)	\$44,988,855	\$7,751,960
Other					\$(2,103)
Total Income	\$277,704	\$14,831,075	\$1,026,712	\$81,231,888	\$15,306,358
Grants Paid		\$897,510	\$3,191,789	\$8,537,442	\$10,999,237
Administration and Operations			\$52,127	\$106,874	\$641,635
Investment Expenses			\$30,716	\$48,703	\$408,631
Excise Taxes Paid		\$7,233	\$1,500	\$1,631,930	\$236,890
Total Expense		\$907,422	\$3,276,132	\$10,324,949	\$12,286,393
Net Income	\$277,704	\$13,923,653	\$(2,249,420)	\$70,906,939	\$3,019,965

FOUNDATION BOARD & STAFF

BOARD OF DIRECTORS:

William Pohlad
Robert Pohlad
James Pohlad

BOARD OFFICERS:

William Pohlad | *President*
Marina Muñoz Lyon | *Vice President*
Pam Omann | *Secretary and Treasurer*

FOUNDATION STAFF:

Misha Dashevsky | *Grants Manager*
Gina DiMaggio | *Program Officer*
Terry Egge | *Senior Program Director*
Marina Muñoz Lyon | *Director*
Brian Paulson | *Senior Program Officer*
Briana Riley | *Grants/Administrative Assistant*



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