



February 13, 2023

Dear Chair Murphy and Members of the State and Local Government and Veterans committee,

The Minnesota Council of Nonprofits (MCN) is the largest statewide association of nonprofits in the country, representing over 2,300 member organizations across the state. Through MCN, nonprofits join together across interest areas to work on issues of common interest to all. MCN works to inform, promote, connect, and strengthen individual nonprofits and the nonprofit sector.

MCN strongly supports the pieces of the Department of Administration's budget request related to the state's ability to successfully and equitably oversee its grants to nonprofits. These proposals include: creating and staffing an Office of Equity in Grants, increasing capacity at the Office of Grants Management, and investing in technology to standardize and streamline grant application, monitoring, and reporting processes.

Minnesota invests \$500 million in the nonprofit sector every year, relying on the expertise and community knowledge of charitable organizations to ensure all Minnesotans have basic needs met and opportunities to thrive. We know from our nonprofit members and [research](#), however, that rural-based, small, and/or BIPOC-serving nonprofits receive disproportionately less state funding than larger, established, and/or Twin Cities-based nonprofits. Even nonprofits who successfully receive state funding report immense barriers and challenges with state grants.

It is clear from the recent [OLA report on state grants to nonprofits](#) that grants management staff at state agencies need more support, including training, staff capacity, and technology. The proposals presented to you as part of the Department of Administration's requests would provide that support.

Nonprofits must be included in implementing any and all grantmaking reform efforts. We will continue to work with the Department of Administration and granting agencies to bring the voices of nonprofits into this work.

Sincerely,

A handwritten signature in cursive script that reads "marie ellis".

Marie Ellis
Public Policy Director