“What it means to be in community is what it means to make change.”

Tahnee Trenberth
2020 Giving Project cohort member
LETTER FROM THE PRESIDENT MARIA DE LA CRUZ

Dear Beloved Community,

In September 2019, I took the helm of Headwaters after five years as a staff member. I anticipated my first year to be filled with the ups and downs of getting used to my added responsibility, trying out new ideas, and learning from my mistakes. What I could not have anticipated was the heartbreak we would experience.

2020 was an incredible year in some of the most devastating and hopeful ways.

The dual pandemics of COVID-19 and racism impacted our daily lives and our collective experience. Personally, I felt challenged by the physical distance the coronavirus demanded of us during a time when all I wanted to do was hold my family and friends close.

Many times, I questioned whether I really was the right person to lead this amazing foundation through these times. I learned, however, that there are no perfect leaders, there are committed leaders. I drew strength and inspiration from you—Headwaters’ donors, volunteers, and grantees.

Our relationships with you represent the promise of Headwaters’ mission: to amplify the power of community to advance equity and justice. Every dollar donated represents our community’s aspiration. Every grant made represents HFJ’s trust in community.

This annual report tells part of the Headwaters story. I hope you see yourself in this story because you played a role in it.

With gratitude,

Maria de la Cruz

ABOUT HEADWATERS

Headwaters Foundation for Justice is a Minneapolis-based community foundation that invests in grassroots organizing across Minnesota. We do this through grantmaking programs that support organizations and groups on the front lines of social change. Each of our programs invite people from the community to learn about and lead our grantmaking work. Since 1984, Headwaters has believed that the people who directly experience society’s injustices are exactly the people who know the way to collective liberation. We fund a variety of groups, and we prioritize funding groups that are led by and for Black people, Indigenous people, and people of color.

MISSION

To amplify the power of community to advance equity and justice.

FOUR CORE VALUES:

One | Advance equity
Our work supports movements and systems change that lead to individual resiliency and community power.

Two | Demand inclusion
People who are most affected by inequity are often left out of decision-making work. We insist on changing that—nationally, regionally, and locally.

Three | Transform power
We grow power through community-led grantmaking, donor education, and leadership development.

Four | Trust in community
A community knows itself best, and its people need to lead the way to collective liberation. Our job is to listen to and support the solutions that will improve life for all Minnesotans.
We encouraged eligible organizations to apply for multiple grants during FY2020. Because we launched two rapid response funds, some organizations received more than one grant. Learn about all of our FY2020 grantmaking programs below.

**ABOUT LONGSTANDING GRANTMAKING FUNDS at HEADWATERS**

We invest in organizations across Minnesota because we believe that the people who are most affected by society’s injustices hold the power to heal society. Programs include:

- **The Giving Project Grant:** Supports BIPOC-led organizations that use community organizing approach to address root causes of injustice. Headwaters has been offering Giving Project Grants since 2015.

- **Community Innovation Grant Program:** A partnership with the Bush Foundation. Grants support communities to use problem solving processes that lead to more effective, equitable, and sustainable solutions.

- **Fund of the Sacred Circle:** Invests in Native-led organizations that use a community organizing approach to advance justice on a wide variety of issues including: sovereignty, community health and wellbeing, education and engagement, and preservation of language, culture, land, water, and lifeways.

- **Donor Advised Funds:** Allows donors to direct their values-aligned giving with guidance and support from experienced Headwaters staff.

**ABOUT WHAT WAS NEW in FY2020**

Because communities faced increased social, political, and economic consequences due to COVID-19 and systems upholding racism, our grantmaking grew exponentially. We launched two rapid response funds:

- **Communities First Fund** was developed to support BIPOC-led organizations responding to the immediate, COVID-19-related needs of their communities.

- **The Transformation Fund** was developed in response to the murder of George Floyd and the ongoing culture of violence and white supremacy in our society’s systems and institutions.

“Money isn’t everything, but it tells us where our hearts are.”

–Laura Flynn, Donor

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**BY THE NUMBERS**

VOLUNTEERS: 55

TOTAL GRANTEES: 145

TOTAL GRANTS: 248

$ DISTRIBUTED: $3,831,499

### Statement of financial activity based on audited financial statements for the year ending June 30, 2020.

<table>
<thead>
<tr>
<th>Revenue, Gains, and Other Support</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions and Grants</td>
<td>$1,779,272</td>
<td>$2,062,317</td>
<td>$3,841,589</td>
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<tr>
<td>Contributions - Donor Advised Funds</td>
<td>$2,912,776</td>
<td>$2,912,776</td>
<td>$5,825,552</td>
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<tr>
<td>Program Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government Grants (PPP Loan)</td>
<td>$170,500</td>
<td>$170,500</td>
<td>$341,000</td>
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<tr>
<td>Investment Income</td>
<td>$40,399</td>
<td>$140,518</td>
<td>$180,917</td>
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<tr>
<td>Change in beneficial interests in The MN Foundation Fund</td>
<td>$32,220</td>
<td>$32,220</td>
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</tr>
<tr>
<td>Special Events</td>
<td>$108</td>
<td>$108</td>
<td>$216</td>
</tr>
<tr>
<td>Black Seed Fellowship</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Other Operating Revenue</td>
<td>$444,695</td>
<td>$444,695</td>
<td></td>
</tr>
<tr>
<td>Net Assets Released from Restriction</td>
<td>$521,793</td>
<td>($521,793)</td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenues, Gains, and Other Support</strong></td>
<td><strong>$5,868,943</strong></td>
<td><strong>$1,803,262</strong></td>
<td><strong>$7,672,205</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Services</td>
<td>$4,474,512</td>
<td>$4,474,512</td>
<td>$8,949,024</td>
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<tr>
<td>Management and General</td>
<td>$404,857</td>
<td>$404,857</td>
<td>$809,714</td>
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<td>Fund Development</td>
<td>$347,409</td>
<td>$347,409</td>
<td>$694,818</td>
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<td>Total Supporting Services</td>
<td>$752,266</td>
<td>$752,266</td>
<td>$1,504,532</td>
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<tr>
<td><strong>Total Expenses</strong></td>
<td>$5,226,778</td>
<td>$5,226,778</td>
<td>$10,453,556</td>
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<td>Change in net assets</td>
<td>$642,165</td>
<td>$1,803,262</td>
<td>$2,445,427</td>
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<td>Net Assets- Beginning of Year</td>
<td>$1,997,056</td>
<td>$5,433,487</td>
<td>$7,430,543</td>
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<tr>
<td>NET - END OF YEAR</td>
<td>$2,639,221</td>
<td>$7,236,749</td>
<td>$9,875,970</td>
</tr>
</tbody>
</table>

**Revenue by the Numbers**

- Individual Donors: 50%
- Donor Advised Funds: 38%
- Institutional Partners: 9%
- Investment Income: 6%
- Other: 5%

**Expenses by the Numbers**

- Community-Led Grantmaking: 29%
- Donor Advised Fund Grants: 12%
- Other Program Expenses: 8%
- Management & General: 7%
- Fund Development: 45%

"Money isn’t everything, but it tells us where our hearts are.”

–Laura Flynn, Donor
2019-2020 HFJ GRANTEE PARTNERS

The 145 organizations HFJ invested in (groups with a * next to their name received support exclusively from a Donor Advised Fund):

- Elliot Park Neighborhood, Inc.
- Envision Community
- Exodus Lending
- Exposed Brick Theatre
- Family Tree, Inc.
- For The Culture *
- Free Black Dirt
- Free Forest School *
- Frogtown Neighborhood Association
- Good Food Purchasing Policy Twin Cities
- Grassroots Indigenous Multimedia
- Greater Minneapolis Crisis Nursery *
- Greater Minnesota Worker Center
- Green America *
- Groundswell *
- Hispanic Outreach Program of Goodhue
- Hmong American Farmers Association
- Hnub Tshiab: Hmong Women Achieving Together
- Honor the Earth *
- Hope Community
- Immigrant Development Center
- Indigenous Environmental Network *
- Indigenous Peoples Task Force *
- Indigenous Roots
- InquilinXs Unidos Por Justicia
- Isuroon
- Joyful Community Action *
- Joyce Preschool
- Juxtaposition Arts
- Land Stewardship Project *
- Landmark Conservancy *
- Loan Assistance Center of MN
- Leaders of Color Collective
- Lower Phalen Creek Project *
- Main Street Project *
- Manidoo Ogitigaan
- Medical Students for Choice *
- Metro Quail Forever *
- Micro Grants *
- Midwest Mixed

- Somali American Women Action Center
- South Sudanese Foundation
- Southerners On New Ground *
- Southside Family Charter School *
- St. David’s Center for Child and Family Development
- St. Paul Youth Services
- TakeAction MN
- The Bridge for Youth
- The Enitan Story
- The Nature Conservancy *
- The SEAD Project
- The Shalom Center *
- Third Wave Foundation *
- Tiwahe Foundation *
- Toxic Taters Coalition
- Trans Women of Color Collective *
- Ujamaa Place *
- Unicorn Riot
- Unite Cloud
- Upstream Arts
- Urban Workforce
- Voices for Racial Justice
- WaterLegacy
- West Broadway Business & Area Coalition
- White Earth Land Recovery Project
- Women for Political Change
- Women’s Environmental Institute
- Young Muslim Collective *
AS OF JUNE 30, 2020 STAFF
Ari Baum Hommes | Grants Associate
Maria De La Cruz | President
Mary Delorie | Director of Individual Giving
Venessa Fuentes | Director of Network and Narrative
Kristin Gilbert | Operations and Development Associate
Allison Johnson Heist | Program Director
Sofia Leyva | Program Intern
Ray Martinez | Program Manager
David Nicholson | Outgoing Executive Director
Julie Remmelts | Chief Operations Officer
Melissa Rudnick | Program Director
Crystal Wabnum | Program Officer
Please visit our website for an up to date staff listing.

BOARD OF DIRECTORS
Ebone Amedayi
Eartha Bell
Elizabeth Coco
Camille Cyprian
Truong Chinh Duong
Alyssa Hawkins
Muneer Karcher-Ramos
Arleta Little
Erica Mauter
Fatima Moore
Dameun Strange
Pa Chuas Vang
Ai Viswanathan
Janiece Watts

DEVELOPMENT COMMITTEE
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Tiffany Dykes
Claire Eder
Elly Fireside-Ostergard
Gretchen Honnold
Eric Howard
Jonathan C.W. Jones
Pa Chuas Vang*
Lance Witzig
Janiece Watts*
Jesse Zager

FINANCE & INVESTMENT COMMITTEE
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Earth Bell*
Stephanie Cole
Bile Daad
Kong Her
John Kostishack
Arleta Little*
Paul Tremewan

GIVING PROJECT COHORT 6 MEMBERS
Donte Curtis
Mia Divecha
Wayne Ducheneaux
Graham Earley
Joy Elizabeth
Alice Geglio
Jillian Gross Fortgang
Sarah Gruidl
Zach Johnson
Jouapag Lee
Maria Lee
Nimisha Nagalia
Kia Pankey
Tahnee Trenberth
David Wang
Kabao Xiong
Serena Xiong
Xia Xiong
Marsha Yang

*Board member

Aaron Dorfman and Geneen Massey Fund
BVM Capacity Building Institute
Capital & Main
Center for Popular Democracy
Headwaters Foundation for Justice
Medical Students for Choice
Move to Amend
repower
Resident Association of Greater
Englewood
Right4Girls
Trans Women of Color Collective

Anonymous Funds
Building Dignity and Respect
Standards Council
Centro de Trabajadores Unidos en la
Lucha
Headwaters Foundation for Justice

Blazing Star Fund
African Career and Education
Resource, Inc
Awood Center
Centro de Trabajadores Unidos en la
Lucha
Headwaters Foundation for Justice
Honor the Earth
Voices for Racial Justice

Catharine C Reid Fund
Body Wisdom
Centro de Trabajadores Unidos en la
Lucha
CoseKnit
Greater Minnesota Worker Center
Green America
Headwaters Foundation for Justice
Hnub Tshiab: Hmong Women
Achieving Together
OutFront Minnesota Community
Services
Tawiwa Foundation
Women’s Environmental Institute

Courageous Possibilities Fund
aMaze
Ananya Dance Theatre
Body Wisdom
Breast Cancer Action
Centro de Trabajadores Unidos en la
Lucha
East Side Freedom Library
Headwaters Foundation for Justice
In the Heart of the Beast Puppet and
Mask Theatre
Indigenous Environmental Network
Indigenous Peoples Task Force
Jewish Community Action
Main Street Project
Micro Grants
OutFront Minnesota Community
Services
PFund Foundation
repower
TakeAction MN
The Shalom Center
Tawiwa Foundation
Ujamaa Place
Voices for Racial Justice
Women’s Environmental Institute

Earth Cloud Fund
Free Forest School
Land Stewardship Project
Landmark Conservancy
Lower Phalen Creek Project
Metro Quail Forever
Southside Family Charter School
The Nature Conservancy

Elizabeth Scott Fund
Biodynamic Cohort
Centro de Trabajadores Unidos en la
Lucha
Family Tree, Inc
Headwaters Foundation for Justice
InquillinXS UnidXs Por Justicia
OutFront Minnesota Community
Services
People’s Fund
People’s Movement Center
Reviving the Islamic Sisterhood for
Empowerment

Larry Olds Popular Education Fund
Southside Popular Education Fund

Maddy’s Wealth Redistribution Revolution
National Black Food and Justice Alliance

Melissa Scott Fund
Astraea Lesbian Foundation for Justice
Biodynamic Cohort
Black Visions Collective
Centro de Trabajadores Unidos en la
Lucha
Greater Minneapolis Crisis Nursery
Headwaters Foundation for Justice
InquillinXS UnidXs Por Justicia
Minnesota Transgender Health
Coalition
OutFront Minnesota Community
Services
People’s Fund
People’s Movement Center
Postpartum Support International
Reviving the Islamic Sisterhood for
Empowerment
Voices for Racial Justice
Young Muslim Collective

Social Justice Fund
Black Table Arts
BlackOUT Collective
Center for Third World Organizing
Chinook Fund
For The Culture
Groundswell
Headwaters Foundation for Justice
InquillinXS UnidXs Por Justicia
Movement Voter Project
National Network of Abortion Funds
RECLAIM
Resource Generation
Southerners On New Ground
Third Wave Foundation
“I’m so amazed by how incredibly generous we have been with ourselves and each other. We have internal abundance.”

–Joy Elizabeth, Donor & Giving Project Participant

Graphic Design by Felicia Pruitt Brown, Felt Designs LLC
Back cover photo courtesy of HFJ Program Team
Front cover photo by Free Truth Media
Headwaters began working remotely in late March 2019; all public event photos were taken prior to that transition.