



PLANTING FOR THE FUTURE



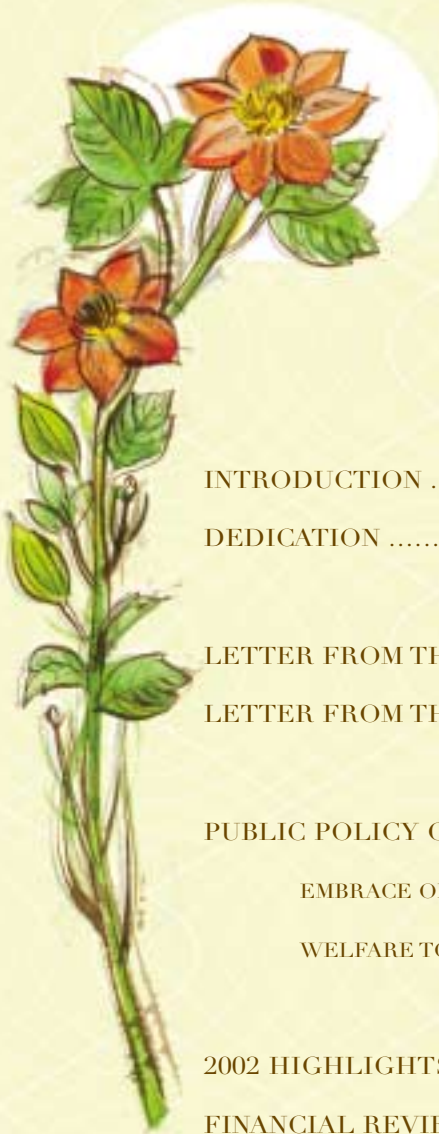
THE MCKNIGHT FOUNDATION

*annual report 2002*



*This annual report is dedicated to  
Virginia McKnight Binger.*

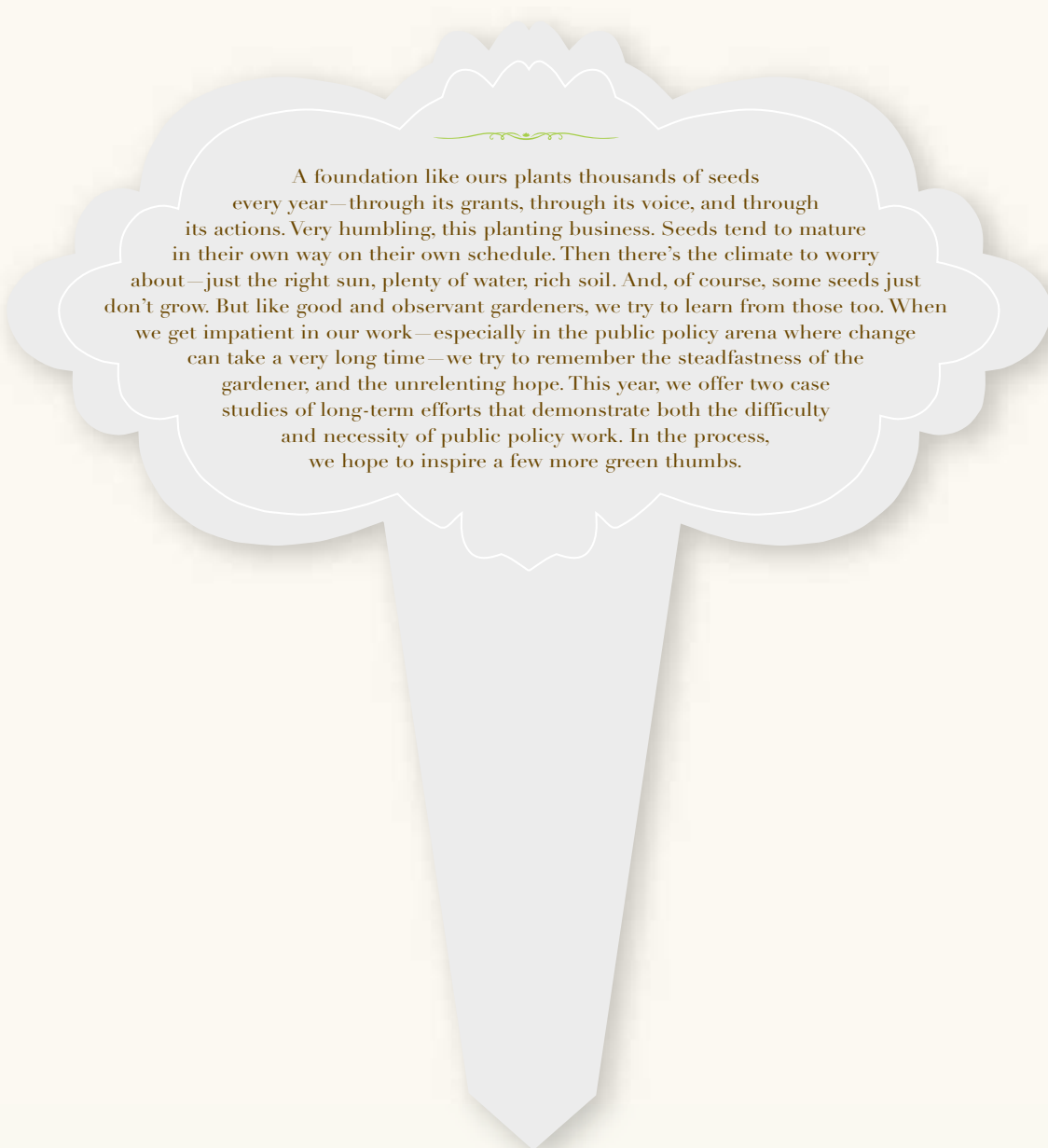
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A foundation like ours plants thousands of seeds every year—through its grants, through its voice, and through its actions. Very humbling, this planting business. Seeds tend to mature in their own way on their own schedule. Then there's the climate to worry about—just the right sun, plenty of water, rich soil. And, of course, some seeds just don't grow. But like good and observant gardeners, we try to learn from those too. When we get impatient in our work—especially in the public policy arena where change can take a very long time—we try to remember the steadfastness of the gardener, and the unrelenting hope. This year, we offer two case studies of long-term efforts that demonstrate both the difficulty and necessity of public policy work. In the process, we hope to inspire a few more green thumbs.





### VIRGINIA MCKNIGHT BINGER

September 6, 1916 – December 22, 2002

In the waning days of 2002, our family, our Foundation, and our community lost a remarkable woman—Virginia McKnight Binger. In our grief, we seek to remember Ginnie’s compassionate spirit, her benevolent generosity, and her quiet leadership in the hope that we always embody these qualities here at The McKnight Foundation.

Ginnie was The McKnight Foundation’s first board chair, serving from 1974 to 1987. Her unshakable belief in the dignity of human beings, and her unwavering impulse to help those in need, guided the Foundation from its birth through its growth into Minnesota’s largest foundation. Ginnie’s values will be forever intertwined with the Foundation’s work and presence in our community.

This annual report, which explains our growing activity in the realm of public policy, is dedicated to Ginnie. We know she would have seen this new thread in our work as entirely consistent with the quiet, “hands-on” charity that she carried out during her lifetime. She would want us to keep reaching for new solutions, keep pushing the envelope—while never losing touch with the individuals we serve or the reasons we serve them.

Noa Staryk  
Board chair and granddaughter  
of Virginia McKnight Binger

# Letter from the Chair



NOA STARYK



Virginia McKnight Binger was a legend in Minnesota. Her leadership gave The McKnight Foundation its soul, its direction, and its place in the community. To eight of the nine members of the Foundation's current board, she was also family. We were fortunate to know her as mother, grandmother, mother-in-law, or grandmother-in-law. We delighted in her sense of humor, basked in her affection, and learned from her the crucial importance of humility, compassion, and social responsibility.

Virginia McKnight Binger was my grandmother, and I am mindful every day that I follow in her footsteps. She is my role model, as she was my mother's before me.

I say "role model" rather than "mentor," because she would not have considered herself a mentor. Always unassuming, she taught by example, not by precept. She showed us the meaning of quiet generosity. And to her, generosity was always a measure of respect. Everyone was her equal, and when she gave, it was as a partner, not a patroness.

Russell V. Ewald, the man she hired as executive director to work by her side at The McKnight Foundation, remarked about Ginnie's and his own leadership style: "We just went out in the community and saw what was there and asked, 'What do you think the need is? How can we help?'" For them, he said, grantmaking wasn't so much a "process" as an opportunity to help others solve problems.

The street-smart man and the shy woman made a formidable team. He took her to shelters to meet homeless women and their children; arranged rides with police officers through rough neighborhoods; and introduced her to recovering drug addicts at halfway houses. They got out of the office, saw the need, and did something about it.

Working at every level of the community, from homeless people to mayors, the Foundation demonstrated its commitment to our quality of life. For example, Russ and Ginnie provided seed money to start the "Call 911" program, strengthened arts organizations, and gave scholarships to nurture promising talent. They helped launch the Family Housing Fund to create affordable housing in the Twin Cities and invested in St. Paul's Lowertown, turning a neglected warehouse district into a vital neighborhood.

It is interesting to reflect on the fact that Ginnie became head of the Foundation because her father, William L. McKnight, wanted her to make use of her talents. She didn't have the confidence in herself to seek such a role. Yet if The McKnight Foundation matters to Minnesota today, it's because of her style of listening leadership.



The Foundation is much different today than in Ginnie's day. It is larger and more professional and has more formal procedures in place. Ginnie wasn't a fan of formal procedures. But I hope and believe she would agree that the Foundation has not lost its empathy, humility, or civic responsibility. It was not her style to institutionalize her way of doing things but to trust her family, the staff, and the community—and leave them to their work.

Her legacy lives on in our abiding commitment to listening and learning. The McKnight Foundation believes, as it always has, that local citizens are in the best position to make good decisions about their own communities. In this annual report, for example, you'll read two case studies concerning public policy strategies that grew from the ground up. In both cases, the Foundation's role was as a partner to spur grassroots action and involve citizens more widely in the way policies are created and implemented. In so doing, we hope to revitalize public commitment to the common good.

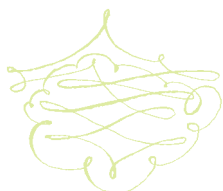
These two case studies highlight two particularly salient facets of Ginnie's leadership style. The first is commitment to place. Ginnie was very clear that the Foundation should focus its resources in Minnesota, and this clarity has given our grantmaking deep and lasting roots. From these strong roots the creative, risk-taking work of the Foundation springs forth as a manifestation of our desire to be a good citizen.

Second, Ginnie did not legislate the future. Rather, she was sure that those who followed her would work diligently to utilize the Foundation's resources to meet the challenges of our time. Ginnie always wanted to improve life for those in need—a value we still hold dear. We have the freedom, in fact her blessing, to find the best ways to fulfill this mission. This flexibility is a precious gift indeed.

We will miss Ginnie beyond words. Our grief is tempered by the knowledge that she has left us with so many blessings. We are eternally grateful and hope to be always worthy of her praise. For her leadership, her compassion, and her belief in her family, the Foundation, and this community—we are forever in debt.



Board Chair





# Letter from the President

RIP RAPSON



Noa's letter underscores that, as with most foundations, the bedrock of The McKnight Foundation is responsive grantmaking—grantmaking tied directly to people's immediate needs and born of compassion for those who are suffering, denied equal opportunity, or marginalized in our society. That was Virginia Binger's hallmark, a legacy of giving that was very much a one-to-one encounter, with minimal intermediaries between the Foundation and the recipient.

As the surrounding social climate grew more complex, the Foundation—together with the field of philanthropy generally—began to supplement direct charity with an interest in understanding and attacking the root causes of social problems. We found ourselves making grants to institutions, not individuals. Our grantmaking became more formalized and contractual—with performance outcomes counting heavily in our decisions. We launched special, overarching, long-term initiatives—several with public policy and system reform implications.

We have focused our 2002 annual report on this latter phenomenon: the pursuit of social change through public policy.

There is a straight-line connection between engaging in public policy reform and supporting front-line organizations working with those in need. The principles that guide government in developing legislative, financial, and administrative regulations and practices shape every dimension of our civic lives—from economic opportunities to stewardship of the natural environment we all share.

There is, moreover, a case that foundations are unusually well suited to take on public policy.

We have the capital to invest long-term, the patience to go deeply and comprehensively into an issue or issues, and the independence to take chances. No sector is better positioned to seed ideas and invest in underrepresented communities and causes.

We also have an enviable knowledge base, and are in a particularly good position to see the big picture. We have the enormous privilege—almost luxury—of convening and leveraging intellectual power to explore linkages among sectors, among levels of government, and among policy issues. And we have a long track record of thinking about what kind of public education and civic engagement strategies work best. All these strengths give us a unique niche in society—one perfectly suited to public policy and systems reform work.



Two case studies in the following pages illustrate these points.

The first is a public engagement campaign to promote the protection of rapidly disappearing open space in the Minneapolis/St. Paul area. Our challenge wasn't informing people about the importance of those spaces, it was mobilizing them to act. It was letting them know that the only way these natural treasures were going to be preserved is by ordinary citizens standing up and being counted. Of course, part of the task was giving them the tools to do just that—whether that was expertise from our grassroots campaign partners, advice on how to write a letter to the editor, or a user-friendly website telling them about their own community's land-use decision-making processes. The goal was to rally residents—who may have mistakenly believed “someone else” was taking care of open space protection in their communities—to take care of it themselves.

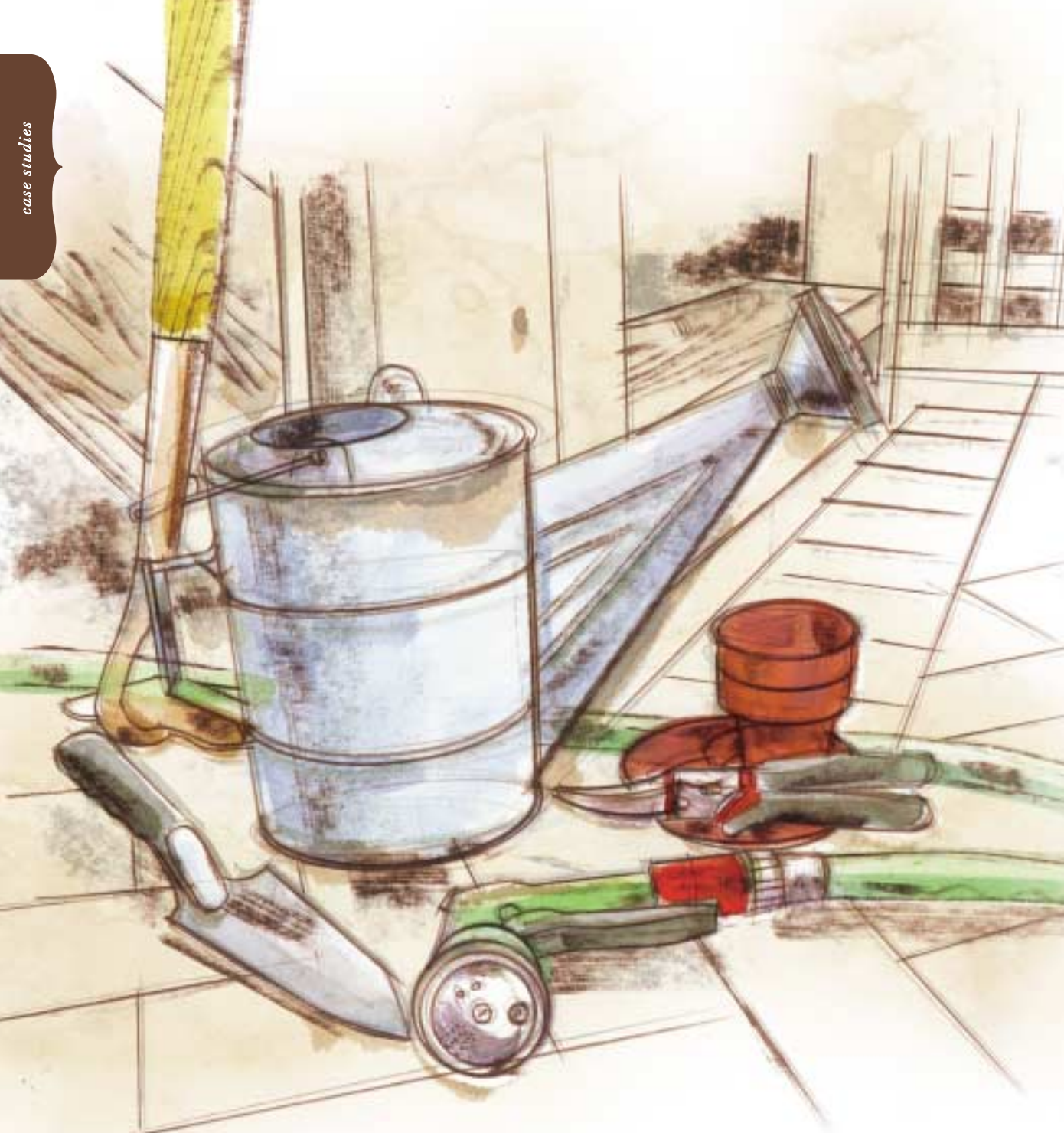
Our second example is a six-year effort to help shape Minnesota's response to the national mandate to move individuals from welfare to work. It was apparent to McKnight's board and staff that moving thousands of families from welfare to work in a short period would require an unprecedented level of cooperation among government agencies, nonprofit organizations, businesses, faith-based groups, and other community members. We seeded partnerships throughout the state to accomplish that. Through a wide spectrum of extraordinarily thoughtful and creative responses, these partnerships provided a powerful reminder that public policy change is built on direct service. Direct service enabled us to explore multiple ways of approaching the challenge, and furnished the lessons that built legitimacy with decision-makers. But, above all, direct service tethered us to the real-life circumstances of the people we were trying to help.

The pull of Virginia McKnight Binger's legacy is powerful in both cases. Both were built on the capacity of local residents and institutions to shape local policy, and both involved listening carefully to those close to the ground. Both required a long horizon line, a recognition that we must not expect spectacular legislative victories, but rather be content with the modest progress of chipping away over time at the seemingly insurmountable.

The bad news is that those who pursue public policy work face a very large agenda, and continuous pressure to move quickly. It will be difficult to be as reflective as we might like to be and keep up with the curve. We are being asked to travel fast and create new maps simultaneously.

The good news is that our sector has an extraordinary set of skills, experience, and tools to employ. We have an enviable talent pool, a deep commitment to causes and communities, and a century of demonstrated ability to keep pace with massive societal changes while responding to all kinds of crises. We have the knowledge and opportunity to make a real impact on public policies—but first we have to summon the will.

President



### USING ALL THE TOOLS

To sow seeds of change, foundations have to use their full array of resources—including public policy work.

## Case Studies

### FOUNDATIONS AND PUBLIC POLICIES

For the past several years, we at The McKnight Foundation have been dipping our toes in the waters of public policy. We've really had no choice. After years of grantmaking in response to Minnesota's needs—including intensive initiatives we launched ourselves—many of the societal changes we seek still aren't within reach.

Having witnessed the extreme difficulty of promoting social change, McKnight, like other foundations, has moved its problem-solving approach much farther upstream in recent years. We've grown keenly interested in causality—not just the current situation, but the larger, long-term forces that created the situation.

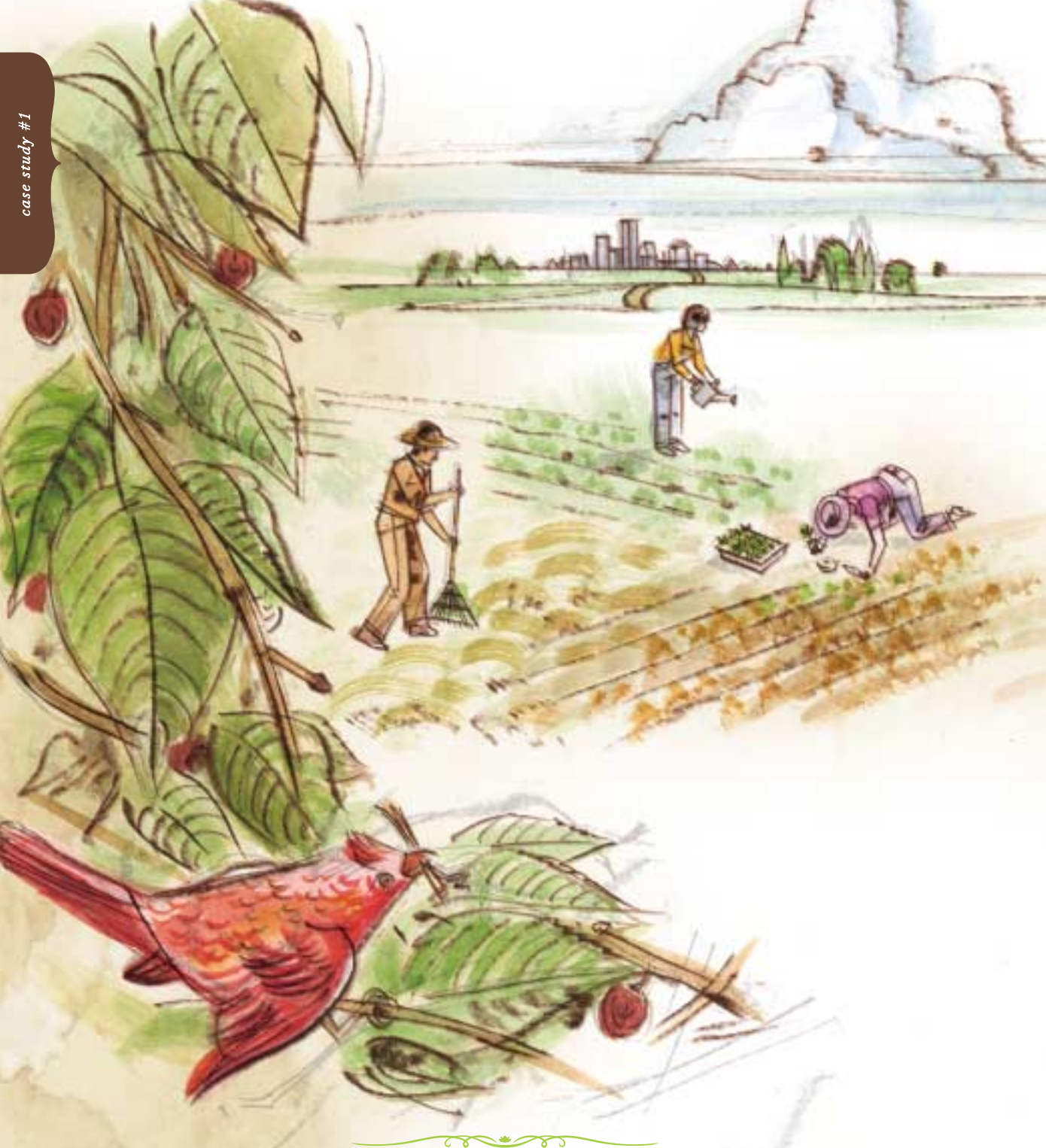
Among those forces, one of the most powerful is public policy. It's also one of the most complex—entangled with many of the profound stresses on American democracy: lack of civic engagement, political fundamentalism, our reliance on the media for information, and the media's tendency to frame issues as personal rather than societal responsibilities. The list goes on.

Yet, for foundations earnest in their ambition for social change, there is no avoiding the complexity and risks of public policy involvement. Yes, foundations are subject to lobbying limits, and we need to be vigilant in our adherence to them. But there are many other ways to help stimulate thoughtful public policy and its implementation.

This report highlights two examples from McKnight's own program portfolio. The first is a regional public engagement campaign for the protection of open space, and the second is a statewide effort that asked communities to contribute to the success of welfare reform. The latter was recognized by the Council on Foundations in 2002 with the inaugural Paul Ylvisaker Award for Public Policy Engagement.

We hope these two case studies provoke your own thinking and action in the arena of public policy. In these times, such action is not an option; it is a necessity.





### GROWING MORE GARDENERS

To protect our treasured open spaces, citizens  
all over the Twin Cities have to pitch in.





## *Regionalism Program*

### EMBRACE OPEN SPACE

*citizen engagement campaign*

Over the past century and a half, the Twin Cities regional identity has been shaped by the abundance of natural resources here—lakes, wetlands, rivers, prairies, and forests. Sadly, less than six percent of that original landscape is left today. Open land disappears at the rate of 60 acres a day—an area the size of the Mall of America.

Thanks to far-sighted community leaders of the past, we still have city and county parks that are the envy of many other urban centers. Because of these protected spaces and other remaining high-quality natural areas, we have the luxury—even yet—to think of ourselves as outdoors people. The close proximity of open space is one of the qualities people cite as most attractive about living here.

In the next two decades, however, the region will see a population increase more than twice the size of St. Paul. The influx of so many new people bodes a development “land rush” that could rob future generations of the high quality of life traditionally associated with Minnesota.

Already, the Twin Cities has been identified as one of the most sprawling urban centers in the country, one of the most racially segregated, and one of the most expensive when it comes to household transportation costs—all signs of poorly planned development. While we’re one of the few areas in the country to have a regional governing authority, the majority of the nearly 200 communities

making up our metro area continue to plan for the future in isolation, either in disregard of surrounding communities or in competition with them. The biggest challenge we face is to coordinate this fragmented planning with the end-goal of balancing economic growth and environmental stewardship.

For that to occur, it's necessary to change public policies that drive environmentally destructive practices. Although some policies are crafted at the state and county level, many are the products of small local gatherings like city council or township meetings where development plans are reviewed and land-use regulations passed. Spurring greater citizen engagement in these local decisions is how McKnight believed it could have the most public policy leverage. We wanted to remind Twin Citians that their voices are too often missing from local meetings where important open space decisions are made.

Our Embrace Open Space public engagement campaign was launched in fall 2002, but we began planning it in collaboration with 10 partner organizations (advocacy nonprofits, government units, and an academic unit) a full two years before that. It was a long process that began with an issue-framing exercise and blossomed into a flurry of implementation.

For McKnight, this unprecedented multimedia campaign on open space protection yielded a by-product of pure gold—a strong regional advocacy network that will continue after the campaign ends. These partners have been essential, contributing organizing capacity, deep knowledge about land protection, access to targeted communication channels, connections to other organizations, and familiarity with target audiences.

From the beginning, the campaign was conceived as a two-year undertaking—a sustained pincer strategy to move individuals to action. With one half of the pincer we would use communication tactics to frame the issue, move it onto the media and public agendas, and direct interested citizens to our grassroots partners. With the other half, our partners would engage those individuals in local land protection and restoration.

Embrace Open Space began with a carefully orchestrated flow of communications culminating in a series of special events in late September. We used a variety of tactics: direct mail, publications, website development, and media relations. We enlisted a large second tier of partners—environmental organizations throughout the state—as message emissaries, and carried out direct mailings to elected officials. We ran newspaper and magazine advertising for three months each in 2002 and 2003. We developed a full-blown advocacy

website ([www.EmbraceOpenSpace.org](http://www.EmbraceOpenSpace.org)) loaded with citizen information, including a downloadable “campaign kit,” and dozens of links to action opportunities.

Because we wanted to keep this campaign from becoming too abstract, we focused on 10 Twin Cities Treasures—specific sites representing the kinds of open space that needed protection. They were located throughout the region, running the gamut from a meandering urban creekside to a 2,000-acre former Army ammunition plant, and were featured in all of our communications.

We’re now in the second year of the campaign, and our current communications tactics include a series of human interest profiles on individuals from different backgrounds who have made extraordinary contributions to open space protection here, and a photographic exhibition on the 10 treasures.

From the beginning, we appreciated the difficulty of measuring success for this kind of public engagement campaign. Our evaluation efforts have included tallying media hits, tracking the frame in news coverage, counting web hits and publication downloads, and anecdotes from our partners about how communities have used this campaign—especially the 10 treasures—to support their own land protection efforts. Since the campaign began, two of the 10 treasures have gained permanent protection and a third is on its way, largely due to the grassroots efforts of our partners.

There have been other challenges. It took time to build trust among the 10 partner organizations—of each other and of us—and continuing effort to keep them engaged over two years. It also has meant building communications capacity in some of them so they can effectively use the campaign to further their own agendas.

At the end of these two years, we hope to have enough information to judge roughly what measure of effect this has had on our partners’ work, on protection efforts for the 10 treasures, and on pushing this issue onto the public agenda. In part because open space protection is proving one of the few bipartisan issues in Minnesota, our hopes are high.





### COOPERATIVE CULTIVATION

Successful welfare reform takes coordination among different types of support for new workers.



## *Children and Families Program*

### WELFARE TO WORK

*community engagement initiative*

Sweeping federal and state welfare reforms in the mid '90s caused us to step back and think big. These laws would have a swift and hard-hitting impact on many Minnesotans.

Behind the detached rhetoric of “implementing welfare reform” lay the complex and disturbing daily realities of poor people—increasingly the working poor—struggling to achieve fundamental social equity. People worrying not about achieving prosperity but about making it through the next family illness without health insurance; about keeping a safe, affordable roof over their children’s heads; and about finding and paying for childcare, getting their children there every day on public transportation, then getting themselves to work. It was, and is, a profound set of moral questions.

In this case, public policy had already been created. What interested us was an implementation strategy to increase chances that welfare recipients would actually be able to find and keep jobs. Further, we wanted to help reframe the prevailing social and political ground rules.

So often, social issues are portrayed as personal—if an individual has fallen behind or is in trouble, it’s solely that individual’s responsibility to catch up and solve his or her own problems. Yet just as the community benefits from productive citizens, it has a role in supporting their success. We wanted to use every means to help communities understand that the move from welfare to work involved not only those seeking work, but everyone else in the community.





Two of McKnight's deepest held beliefs guided our thinking: 1) there is wisdom in place-based decision-making and 2) a close relationship should exist between direct service and policy. From the beginning, we favored an approach that allowed people in each region of the state to decide what kind of community assistance made sense for their own residents. We could jump-start this statewide effort, but we knew its effectiveness hinged on the commitment of each community. We also wanted to use what we learned about these community-driven, direct service strategies to educate policymakers.

We started by convening meetings around Minnesota to persuade public and private agencies to claim responsibility as a community for helping families get off and stay off welfare. At the same time, we wrote opinion pieces, went on radio and TV shows, and met with editorial boards to get this message across in the media. Seeded with our funding, 22 regional Welfare to Work partnerships quickly developed covering 86 of Minnesota's 87 counties. Most partnerships included employers, government agencies, nonprofits, civic groups, educational institutions, and others. Over a period of 6 years and with a total infusion of \$27 million by McKnight, these partnerships jointly developed education, training, childcare, transportation, and mentoring programs to help new workers succeed.

We worked on at least three levels at once. The first was networking. Because each of these partnerships was new and geographically expansive, members had to get to know and trust one another, arrive at shared conclusions, and keep abreast of the latest news about state regulations. Making this even more interesting was our insistence that the partnerships bring all key players, including business, to the table in order to get funding—a prod that in some cases got county officials and nonprofits to work together better.

To help with this kind of coalition building, McKnight program officers stayed closely connected to the partnerships, helping them troubleshoot, linking them with experts, and mediating differences when necessary. To keep communication flowing, we convened several conferences, created a Welfare to Work website, published a newsletter, maintained a listserv, and, for the first several months, provided access to topical experts through email consultations.

The direct service impact of the 22 partnerships was critical, but it didn't stop there. We also worked to increase the ability of community leaders to affect policy. From the very beginning, policymakers and government administrators were partnership members. We emphasized how important it was that each partnership find ways to institutionalize future funding of its community strategies through

ongoing local programs. At our conferences, we framed policy issues, brought in elected officials, and gave tips for building relationships with policymakers.

While developing networks and policy leadership, we didn't forget about the importance of welfare recipients themselves. In 2000, McKnight recognized 20 individuals from around the state who exemplified the successful transition from welfare to work. They had overcome enormous obstacles to become economically self-sufficient, and then made an effort to give back to their communities. We gave these one-time awards to celebrate individual courage, inspire others, and encourage communities to recognize such achievements. Extensive press coverage of these awardees' stories reminded policymakers of the human dimension of their work.

As the partnerships matured and McKnight's funding drew to a close, we continued our assessments of their accomplishments. Evaluation had been key to the process from the beginning. The end goal was to shape all the lessons we had learned into a body of knowledge that could inform state policymakers. In the weeks prior to legislative action in 2000, our program staff shared evaluation results with key legislators to spur their thinking about best next steps in welfare reform.

Although McKnight's funding ended in 2002, we believe we've yet to see the partnerships' full effect on state workforce policies. In Minnesota and the nation, partnership leaders are increasingly sought-after resources on welfare reform. Scores of the churches, nonprofits, businesses, educational institutions, and government agencies that worked together to find thousands of people jobs, train them, and help meet childcare and transportation challenges, tell us how their viewpoints have changed. Stereotypes and prejudices have been transformed into deep-felt empathy for welfare recipients' struggles and new appreciation of the support low-wage workers need to achieve economic independence.

We aren't finished yet. Although many people have joined the workforce successfully, they often are stuck in low-paying jobs with little hope of advancement. McKnight's next step is to focus state and local attention on the need for better workforce development opportunities, to move people not just off welfare but out of poverty.





# THE MCKNIGHT FOUNDATION ANNUAL REPORT HIGHLIGHTS 2002



**IN MEMORIAM.** Former McKnight Foundation President Virginia McKnight Binger passed away in December. Mrs. Binger led the Foundation from 1974 through 1987, during which time the Foundation's assets grew from less than \$8 million to almost \$800 million and grantmaking totaled about \$235 million. Her generosity and deep compassion guided the Foundation's early years, and will long be remembered.

**NEW BOARD MEMBER.** Zeke Brown was appointed to the Foundation's board in November. Meghan Brown, Zeke's wife, is the great-granddaughter of William L. and Maude L. McKnight, both of whom established the Foundation.

**PUBLIC POLICY.** The Foundation was awarded the national Council on Foundations' inaugural Paul Ylvisaker Award for Public Policy Engagement for working to persuade public and private agencies to assume responsibility as a community for successful welfare to work transitions.

**AFFORDABLE HOUSING.** The McKnight Foundation awarded a \$28 million, four-year grant to the Family Housing Fund to develop and preserve affordable housing. The grant is the largest ever made by the Foundation, and brings McKnight's total support for the Family Housing Fund to over \$100 million since 1980.

**ARTISTS' WEBSITE.** The McKnight Foundation and the Walker Art Center announced the public launch of [mnartists.org](http://mnartists.org). The website, a comprehensive online resource for Minnesota artists and arts enthusiasts, launched publicly with a 24-hour online event showcasing the work of 288 Minnesota artists.

**PUBLIC EDUCATION CAMPAIGN.** McKnight and 10 partners launched the Embrace Open Space citizen engagement campaign to raise awareness of threatened open spaces. A first for the Foundation, the campaign brings together public service advertising, a website ([www.EmbraceOpenSpace.org](http://www.EmbraceOpenSpace.org)), print materials, events, and grassroots activities to mobilize Twin Citians to become more vocal in public decision-making about land protection.

**ARTIST AWARD.** Literary artist Emilie Buchwald was named the 2002 McKnight Distinguished Artist. A writer, editor, publisher, and innovative leader in Minnesota's literary community, Buchwald cofounded Minneapolis's Milkweed Editions in 1979 and began publishing books in 1984.

TOTAL # OF GRANTS PAID	813
TOTAL \$ OF GRANTS PAID	\$87 Million
LARGEST GRANT PAID (TO FAMILY HOUSING FUND)	\$7.5 Million
PERCENT OF GRANTS PAID THAT WERE LESS THAN OR EQUAL TO \$100,000	35%
PERCENT OF GRANTS PAID THAT REMAINED IN MINNESOTA	82%
TOTAL ASSETS	\$1.6 Billion

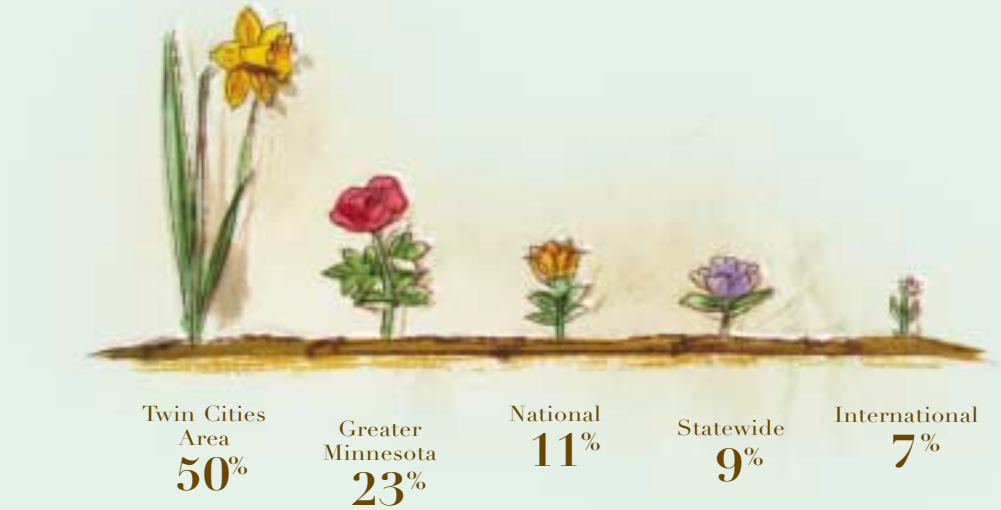




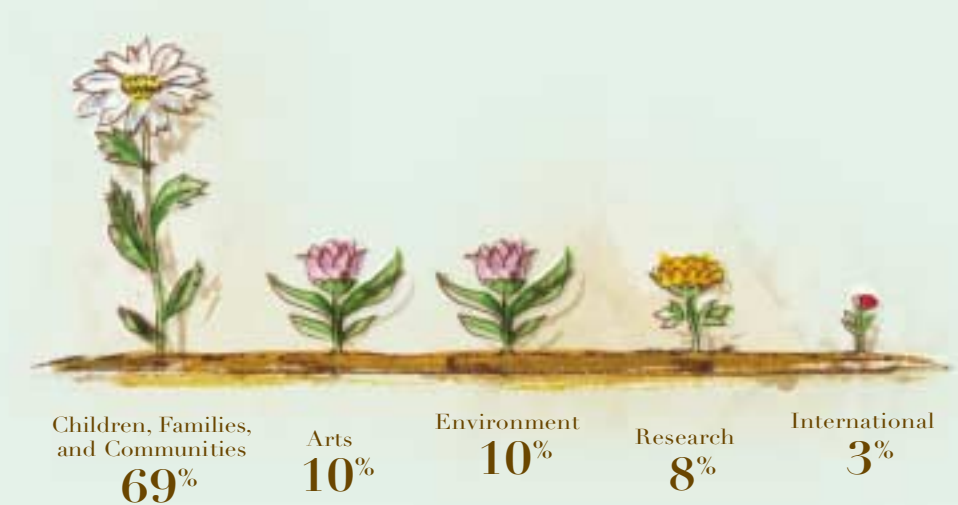
## HIGHLIGHTS CONTINUED



### GRANT DOLLARS PAID BY GEOGRAPHIC AREA



### GRANT DOLLARS PAID BY PROGRAM AREA







## FINANCIAL REVIEW



### Statements of Financial Position

December 31, 2002 and 2001 (in thousands)

	2002	2001
<b>ASSETS</b>		
Cash	\$ 87	\$ 50
Investments	1,545,082	1,874,055
Interest and Dividends Receivable	1,581	1,684
Other Assets	2,965	1,914
Total Assets	1,549,715	1,877,703
<b>LIABILITIES AND NET ASSETS</b>		
Grants Payable	\$ 129,123	\$ 122,958
Federal Excise Taxes	-	1,938
Other Liabilities	1,145	1,672
Total Liabilities	130,268	126,568
Unrestricted Net Assets	1,419,447	1,751,135
Total Liabilities and Net Assets	1,549,715	1,877,703

### Statements of Activities

December 31, 2002 and 2001 (in thousands)

	2002	2001
<b>INVESTMENT INCOME</b>		
Interest and Dividends	40,301	52,141
Net Realized and Unrealized Loss	(268,608)	(77,713)
Net Investment Income	(228,307)	(25,572)
<b>EXPENSES</b>		
Grants Appropriated, net of returns	93,357	103,202
Investment Management	5,012	5,772
Administrative and Program Expense	6,614	6,122
Federal Excise Tax	(1,602)	(901)
Total Expenses	103,381	114,195
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>	(331,688)	(139,767)
<b>UNRESTRICTED NET ASSETS AT BEGINNING OF YEAR</b>	1,751,135	1,890,902
<b>UNRESTRICTED NET ASSETS AT END OF YEAR</b>	\$ 1,419,447	\$ 1,751,135

For a detailed financial statement and a list of our 2002 grants, please visit our website at [www.mcknight.org](http://www.mcknight.org).

## BOARD AND STAFF

### DIRECTORS

Benjamin M. Binger  
Erika L. Binger  
James M. Binger  
Patricia S. Binger  
Peggy J. Birk  
Cynthia Binger Boynton  
Meghan Binger Brown  
Zeke Brown  
Noa Staryk

### OFFICERS

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James M. Binger  
*Treasurer*

Patricia S. Binger  
*Assistant Secretary and  
Assistant Treasurer*

Rip Rapson  
*President*

Carol Berde  
*Executive Vice President*

Richard J. Scott  
*Vice President for Finance and  
Administration, and Secretary*

### STAFF

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*Program Officer*

DANIEL BARTHOLOMAY  
*Senior Program Officer*

KRISTIN BATSON  
*Manager of Organizational Learning  
and Grants Administration*

CAROL BERDE  
*Executive Vice President*

GRETCHEN BONFERT  
*Program Officer*

ERIN CHRISTMAN  
*Program Assistant*

NEAL CUTHBERT  
*Program Director*

STEPHANIE DUFFY  
*Grants Administration Coordinator*

BRENDA DUKERSCHIN  
*Grants Administration Assistant*

CHRISTINE GANZLIN  
*Program Officer*

JAMIE HAGERTY  
*Accounting Associate*

TIM HANRAHAN  
*Communications Production Manager*

LOUIS HOHLFELD  
*Senior Program Officer*

DAVID KENNEDY-LOGAN  
*Program Assistant*

SHAWN KINNIRY  
*Operations Manager*

KATHRYN KOENIGSMARK  
*Executive Assistant*

NANCY LATIMER  
*Senior Program Officer*

COSANDRA LLOYD  
*Operations Associate*

DENISE MAYOTTE  
*Program Officer*

KEVIN OVERSON  
*Research Programs Associate*

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KATHLEEN RYSTED  
*Manager of Information Systems and  
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JODI SANDFORT  
*Program Officer*

KARYN SCIORTINO  
*Program Assistant*

RICHARD J. SCOTT  
*Vice President for Finance and  
Administration*

SHELLEY SHREFFLER  
*Program Officer*

THERESE SIMMONS  
*Controller*

GAYLE THORSEN  
*Communications Director*

ALLA VAYNBERG  
*Accountant*

REBECCA WEINBERG  
*Program Assistant*

MARKETTA WHITE  
*Administrative Assistant/Receptionist*

LAURA ZIMMERMANN  
*Program Officer*

### MATCHING GIFTS

The Employee Matching Gift Program, initiated in June 1996, encourages employee philanthropy and volunteerism. Under the program, The McKnight Foundation will match employee gifts up to \$2,000 annually per employee on a two-for-one basis. The Foundation will also match each 40 hours of time volunteered by an employee at a qualifying organization with a \$500 gift to the organization. During 2002, 19 employees donated time or money to 66 organizations which resulted in The McKnight Foundation contributing \$26,810 to those organizations.



*Virginia McKnight, left, with her parents,  
William L. McKnight and Maude L. McKnight.*

*Founded in 1953 and endowed by William L. McKnight and  
Maude L. McKnight, The McKnight Foundation has assets of  
approximately \$1.6 billion and granted \$87 million in 2002.  
Mr. McKnight was one of the early leaders of the 3M Company,  
although the Foundation is not connected with 3M.*

The McKnight Foundation is committed to the protection of our environment, a philosophy that underlies our practice of using paper with postconsumer waste content, and wherever possible, environmentally friendly inks. Additionally, we partner with printers who participate in the PIM Great Printer Environmental Initiative. This annual report was printed with soy-based inks on paper containing 30% postconsumer waste.

THE MCKNIGHT FOUNDATION

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