

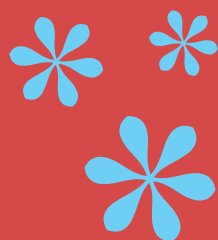


# INNOVATION:

NEW CHALLENGES, FRESH IDEAS

ANNUAL REPORT  
FISCAL YEAR 2020





# INNOVATION.

IT'S ONE OF OUR CORE VALUES.



## DEAR OPEN ARMS FAMILY,

Each year, Open Arms of Minnesota plays an essential role in the community by providing medically tailored meals to Minnesotans living with life-threatening illnesses. However, in fiscal year 2020, our role as essential workers was made overtly clear. Our clients, who were homebound due to COVID-19, depended on us to continue preparing and delivering them healthy, nutritious food right to their doorstep.

With the incredible support from you and the entire community, that's exactly what we did! While the pandemic has led to shutdowns that sadly put many jobs on hold or in jeopardy, the growing Open Arms staff has been working alongside a decreased – yet inspiringly committed – volunteer force to ensure that no client missed a delivery. We supported the ever-growing list of requests for our meals, and we upheld the quality of our food and the safety of our deliveries throughout it all.

Finding innovative ways to support our community in challenging times is how we've always functioned. While it shouldn't take a public health crisis to clarify how important our services are, the pandemic in many ways re-emphasized the critical nature of what we were already providing our clients. Even before COVID-19, many of our clients were afraid to leave their homes due to their compromised immune systems, fearful of shopping in grocery stores or being in crowded spaces. And with roughly 79% of our clients living at or below 200% of the federal poverty guideline, food access has always been an issue that Open Arms has sought to address.

The last quarter of FY 2020 highlighted how essential our services are, but the true highlights for us were found in all the innovative ways that we carried out our mission throughout the entire fiscal year.

In this annual report – our first since we changed to a new fiscal year ending June 30! – learn about the many ways we rallied together as a community to nourish our neighbors all year. Whether it was delivering our 7-millionth meal, shipping meals to individuals in greater Minnesota for the first time, or holding the largest single-day delivery event in our history following the tragic killing of George Floyd, FY 2020 was a landmark year for our organization.

In total, we prepared and delivered 545,493 medically tailored meals to over 2,000 neighbors in need. To put that in perspective, that means we were baking over 10,000 cookies each week! And through our Open Farms program, we harvested over 13,000 pounds of produce, which were either used directly in our meals or sold in CSA shares to support our operations. These numbers don't even include the additional 308,771 meals produced for the elderly and homebound clients of Meals on Wheels in our off-site Kitchen of Opportunities facility.

What you have helped us achieve this year is simply astonishing. Thank you for your commitment, passion and perseverance. Whether it was through chopping vegetables in our kitchen, delivering meals to our clients, sending a gift our way, or strengthening our partnership, we felt the love and our clients felt it too.



Chandra Torgerson, Leah Hébert Welles

With love and gratitude,

Leah Hébert Welles  
Chief Executive Officer

Chandra Torgerson  
Chair, Board of Directors



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## Cooking up Fresh Ideas



At Open Arms, we believe that food is medicine. During the COVID-19 pandemic, food was our way of connecting with our clients who were unable to leave their homes.

Many people ask us “what is so special about your meals, and how are they different from other meal providers?” This is a great question during a public health crisis, and one we love answering!

### FRESH FOOD, BOUGHT LOCALLY

Open Arms' meals are made in our kitchen by chefs and under the supervision of registered dietitians (RDs). We make medically tailored meals from scratch, with NO added preservatives and from ingredients that you can pronounce. *We suggest a side-by-side comparison with other packaged meal providers to see whose ingredients you can pronounce!* We grow some of our own produce in our Open Farms garden plots around the metro area, and we buy local when we can. Did you know that our eggs come from an Amish-owned farm in Southern Minnesota? Our clients also receive fresh fruit and vegetables every week in their deliveries.

### MEDICALLY TAILORED MEALS

Our meals are part of menus that are tailored to the illnesses of our clients. Open Arms' RDs and chefs work together to design menus that are, for example, appropriate for our clients on dialysis who need kidney-friendly meals low in potassium, or for our neighbors with cardiac issues who need low-salt, heart-healthy meals. We understand that the right food at the right time is part of a larger medical intervention for some of our sickest clients, and we take that responsibility very seriously.

It's not just about the meals. All of our clients receive a nutritional assessment and the opportunity to work with our team of RDs. We know that our medically tailored meals are most effective when our RDs are working with clients to answer their questions and help them achieve their overall nutrition goals.



## DELIVERING SMILES

We believe that mental health and happiness are also important! Our clients receive fresh cookies every week from our bakery, homemade birthday cakes, and turkey feasts with all the fixin's on Thanksgiving. Weekly deliveries are made by staff and volunteers who smile, wave and find a way to connect with our clients, even during COVID-19. Our clients always see a friendly face and receive our message that, even if you are alone and feeling isolated, we are here and we care about you.



“I love the food and have felt so much healthier since I started eating it. Even with everything that’s been going on, it’s such a boost and the best around!”

– AN OPEN ARMS CLIENT





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# Adapting to Change



Whether it was COVID-19 or the unrest following the killing of George Floyd, our community came together to continue delivering love and nourishment to our clients.

The pandemic has impacted all of us this past year, especially our neighbors living with critical illnesses. More than 55% of our clients are over the age of 60, and their compromised immune systems and underlying health conditions made them more susceptible to COVID-19. Leaving their house was not a safe option.

We responded how we always do – we came together as a community. Despite the challenges of 2020, we were able to continue delivering free, medically tailored meals to our clients. We also met the dramatic increase in critically ill neighbors requesting our services since the outbreak in March. We were even able to provide our clients additional shelf-stable meals for emergency situations and homemade masks to keep them safe.

**Open Arms had to make many changes to almost every aspect of our operations to continue serving our clients.**

## **FLEXING OUR MUSCLES**

As demand for our services increased, social-distancing guidelines meant we had to drastically cut the number of volunteers in our building. This reduction forced us to quickly make big changes to our menus.



For example, because we had fewer hands in the kitchen, our chefs had to switch from using whole vegetables to using pre-cut vegetables, increasing costs substantially. From requiring masks in the building to implementing a completely revamped delivery process, from screening all visitors to adding deep-cleaning shifts multiple times throughout the day, Open Arms adapted to – and continues to adapt to – the pandemic to best serve our clients.

### UNINTERRUPTED DELIVERIES

In addition to the pandemic in Spring 2020, our South Minneapolis community experienced civil unrest after the killing of George Floyd. As a result, our building had a complete power outage for over 15 hours, which put our client deliveries at risk. While mass transportation was disrupted and grocery stores were inaccessible, the 33% of our clients living in neighborhoods experiencing the riots continued with uninterrupted meal deliveries. On June 1, our community came together to hold the largest delivery day in our history.

The challenges were many this year and the concerns were great, but the strength of Open Arms' community was even greater. Open Arms was built for moments like this one. Providing meals during a public health crisis is in our DNA. We were originally created in response to the AIDS epidemic, and now, we proudly serve those most impacted by the COVID-19 pandemic. In these uncertain times, we were not able to comfort each other with a signature Open Arms hug. But we continued to do what we do best: we brought delicious, medically tailored meals to our clients' doorsteps and delivered a message of hope and care.



**545,493**

meals delivered to 2,145 individuals



**60,105**

hours donated by nearly 6,000 volunteers



**42%**

increase in meals produced each week from June 2019 to July 2020, due to COVID-19



**“Many people like me, especially during a pandemic and the riots, are not getting the food we need. So I really appreciate this service.”**

**– A CLIENT LIVING WITH MS**





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# Exploring New Frontiers

We delivered our 7-millionth meal in 2020! While it took Open Arms 20 years to reach its first million meals, our most recent million meals were prepared and delivered in less than two years.

On June 26, 2020, Senator Tina Smith, retired Minnesota Twins player Joe Mauer and client Patience helped us celebrate the milestone delivery of our 7-millionth meal!

Major league slugger Mauer started off the celebration with a special COVID-19-safe video message, stating “During my 15 years with our hometown Minnesota Twins, I proudly wore the #7. Although my number is now retired, I’m excited to wear it again to celebrate and honor another hometown team, Open Arms of Minnesota.”

Shortly after, Senator Smith arrived at the Open Arms building to pick up the 7-millionth meal and then deliver it to Patience, a retired college professor diagnosed with ALS. Patience was thrilled to be the recipient and excited to meet Senator Smith in person – *and socially distanced!*

“I have ALS and the meals delivered weekly, despite the virus pandemic, is awesome,” said Patience. “I live alone and have escaped the virus so far and it’s because of the food delivery from Open Arms. It’s the thoughtfulness of supporters, staff and volunteers that make my world bright. ALS has placed limits on my physical abilities, but not on my appreciation and gratefulness to those who make my little corner of planet earth a happier place.”

## COMMUNITY IMPACT

**This milestone came at a critical moment for Open Arms. At the time, we had received a tremendous increase in meal requests due to COVID-19 and one-third of our clients were experiencing food insecurity due in part to property damage following the civil unrest in South Minneapolis and the Midway area of Saint Paul.**

“We can measure our meal deliveries in many ways, such as preparation time, ingredient cost and how many delivery volunteers are needed,” said Open Arms’ Chief Executive Officer Leah Hébert Welles. “But the impact of the meals on our clients is immeasurable. Delivering 7 million meals is not just a big numerical milestone, but also a symbol of our entire community’s commitment to nourishing all critically ill neighbors who need our help.”



OAM client Patience and Senator Tina Smith





**90%**

of clients say our meals make a difference in maintaining their health



**992**

clients had contact with our RDs through phone calls, visits and written information



In June 2020, we expanded our reach and began shipping our medically tailored meals to individuals living in greater Minnesota. We're now giving the same nourishment and love to those outside of our regular delivery zone.

Ever since we started serving meals in 1986, we have continually opened our arms wider to nourish and comfort as many neighbors in need as possible. This year, we were proud to announce that we could finally live up to our entire name: Open Arms of Minnesota. We began shipping medically tailored meals to individuals living in greater Minnesota.

Through grants and partnerships with funders including the Minnesota Department of Human Services, those living outside of our regular Twin Cities delivery zone had the opportunity to begin receiving our delicious meals shipped directly to their door. Eligible shipping clients receive the same loving treatment as our local clients: 14–21 free meals weekly and a variety of menu choices that are all made with care. But rather than being delivered by one of our incredible volunteers, the food is shipped by UPS and support is provided by OAM staff over the phone.

The new shipping program is another step in our mission to ensure that our “food is medicine” philosophy makes a difference where it is needed most. **While it started as a small pilot project in 2020, we anticipate statewide growth and demand, so that even more of our vulnerable neighbors from greater Minnesota can receive the nourishment and love we give to all our clients.**



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# Rallying Together

A productive fall gave way to a bumpy year ahead, but the groundswell of support from our incredible community helped us rally together for our clients.

During this unprecedented year, COVID-19 forced us to cancel many events, but we were still able to celebrate some amazing accomplishments and the generosity of our community prevailed.

## 3RD ANNUAL COOK-A-THON

Before the pandemic, we held our 24-hour Cook-a-Thon on September 27, 2019! It was an excellent, fun-filled event and productive example of how success relies on many hands. The kitchen was buzzing with over 40 teams made up of individuals, corporate teams and a host of families. Before the event, they raised more than \$100,000 in total. Then, the teams spent 24 hours chopping, peeling and packaging over 10,000 client meals.

One team leader, Emily Negrin, formed a team with her partner Keith to celebrate their 11th wedding anniversary and encouraged her friends and family to donate in support. They promised that if they reached their \$11,000 goal, Keith would don Emily's wedding dress. They did it, he did it, and it was a wonderful success – *but not a pretty picture!*

## MOVEABLE FEAST

To ensure the safety of our staff, supporters and community during the COVID-19 outbreak, Open Arms made the difficult decision to cancel our largest annual fundraiser for the first time in the event's 16-year history. Moveable Feast has historically raised more than \$475,000 for Open Arms, which translates to 95,000 medically tailored meals for clients living with life-threatening illnesses.

Unable to gather in person, Open Arms pivoted to host a livestream event to provide our supporters a way to connect virtually. On April 30, 2020, Open Arms held its first Hungry to Connect event, sponsored by Cargill and hosted by Stephanie March of *Mpls.St.Paul Magazine*. This free event was broadcasted live on Zoom and Facebook. It featured Chef Yia Vang of Union Hmong Kitchen, fresh off his appearance in *Bon Appétit* magazine, who taught viewers how to make Fried Instant Ramen. **The livestream was a positive way for us to connect with our community safely and raise awareness of our mission to deliver free, nourishing meals to our most vulnerable neighbors.**







Chef Yia Vang preparing Fried Instant Ramen in Open Arms' kitchen for the Hungry to Connect livestream

Despite not being able to gather in person, so many of our community members rallied around us this year! Instead of bidding on silent auction items at Moveable Feast, our supporters donated to provide meals for our clients. Foundations and corporate partners sponsored client deliveries instead of sponsoring events. Instead of attending galas, our donors made unprecedented financial gifts to help us offset the rising costs of ingredients, masks, cleaning supplies and increased client demand. We truly could not have made it through without the Open Arms family, and we are incredibly grateful and humbled by our community.

“Through COVID-19, you have not missed a step. It’s beyond impressive. I’ve been singing your praises to anyone who will listen! Thank you to the staff, the chefs and especially the volunteers. I don’t know what I would do without you, so please continue what you’re doing.”

– AN OPEN ARMS CLIENT



**3,406**

total number of donors



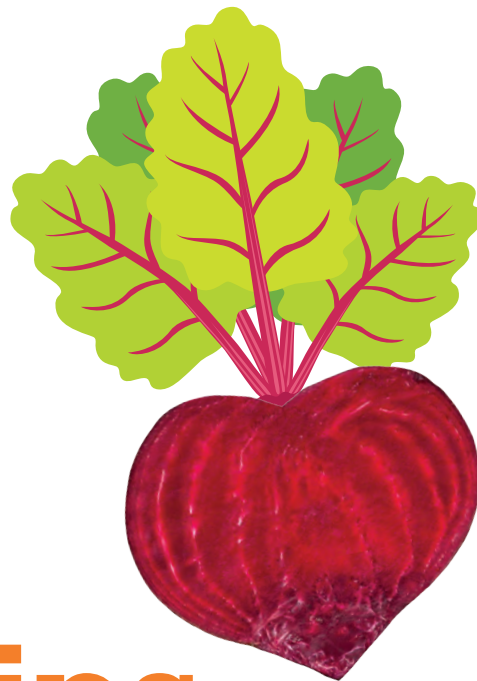
**1,879**

new individual donors



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# Cultivating Strong Partnerships



**214**

corporate, foundation, religious,  
civic and community partners



**818**

volunteers attended new volunteer  
orientation (despite COVID-19)





Photo from December 2019, pre-COVID-19



We are continually deepening our partnerships. From delicious cupcakes to face mask donations, all of our longstanding partners have remained committed to supporting our mission. Here are two examples.

#### LUNDS & BYERLYS

FY 2020 marked the fourth year of our incredible partnership with Lunds & Byerlys. Through its annual Cupcakes for a Cause event in July, they donated \$1 from each cupcake sale to support the preparation and delivery of our medically tailored meals to neighbors living with life-threatening illnesses. Their teams at 27 store locations advocated for our mission to thousands of community members, which helped us reach new volunteers, clients and donors.

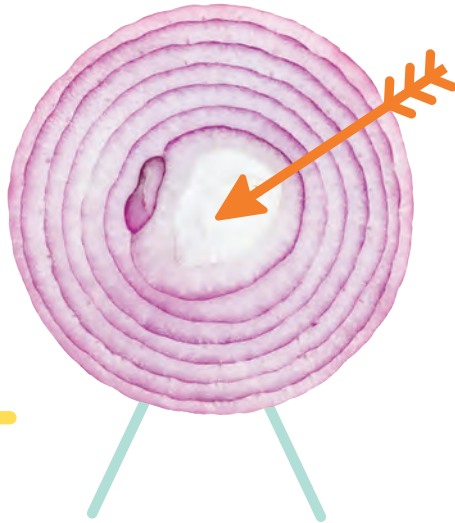
In addition to raising awareness and funds, Lunds & Byerlys contributed in various other ways, including taking over a full delivery shift as volunteers and donating more than 50,000 grocery bags for meal distribution. Cold/flu kits were also donated and assembled to reach more than 1,000 clients, and they supported our wildly fun cookie-decorating event in December of 2019.

#### MEDICA FOUNDATION

For nearly 15 years, Medica Foundation has supported the growth of our medically tailored meal program through event sponsorship and direct investments. Following the outbreak of COVID-19, Medica Foundation deepened its commitment to supporting critical health needs in our communities by providing emergency funding to Open Arms and 17 other Minnesota nonprofits.

In addition to funding, Medica also donated more than 1,000 face masks for our volunteers and staff to wear during meal preparation, and encouraged its employees to participate in safe volunteerism following the civil unrest. In 2020 alone, Medica employees donated over 120 hours of service in our kitchen and on meal delivery.





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# Reaching Milestones



Our financial future depends on individuals, corporations, government grantors and foundations like you. We are grateful for your abundance, and we remain dedicated to prudent stewardship of these financial resources.

## Statement of Financial Position

FY 2020 (July 1, 2019 – June 30, 2020) compared to an abbreviated 6-month fiscal year ending June 30, 2019

<b>ASSETS</b>			<b>LIABILITIES &amp; NET ASSETS</b>		
	<b>2020</b>	<b>2019</b>		<b>2020</b>	<b>2019</b>
Cash and Cash Equivalents	\$1,442,651	\$213,102	Liabilities		
Accounts Receivable	\$110,826	\$212,280	Accounts Payable	\$187,038	\$146,434
Contributions Receivable	\$604,694	\$80,000	Notes Payable, Current Portion	\$40,831	\$645,473
Inventory	\$191,260	\$184,239	Accrued Expenses	\$218,227	\$129,818
Prepaid Expense	\$16,651	\$6,507	Line of Credit	\$150,000	\$150,000
			Deferred Revenue	–	\$26,259
<b>Total Current Assets</b>	<b>\$2,367,082</b>	<b>\$696,128</b>	<b>Total Current Liabilities</b>	<b>\$596,096</b>	<b>\$1,097,984</b>
Property and Equipment, Net	\$4,686,906	\$4,820,722	Long Term Liabilities		
Other Assets			Notes Payable, Net of Current Portion	\$481,319	
Beneficial Interest in Charitable Remainder Trust	\$111,494	\$110,387	<b>Total liabilities</b>	<b>\$1,077,415</b>	<b>\$1,097,984</b>
Contributions Receivable, Net of Current Portion and Discount	\$132,005	\$19,121	<b>NET ASSETS</b>		
<b>Total Other Assets</b>	<b>\$243,499</b>	<b>\$129,508</b>	Without donor restrictions	\$4,818,283	\$4,289,868
<b>Total Assets</b>	<b>\$7,297,487</b>	<b>\$5,646,358</b>	With donor restrictions	\$1,401,789	\$258,506
			<b>Total Net Assets</b>	<b>\$6,220,072</b>	<b>\$4,548,374</b>
			<b>Total Liabilities and Net Assets</b>	<b>\$7,297,487</b>	<b>\$5,646,358</b>



**5**

Open Farms locations



**13,100**

pounds of vegetables harvested  
from our Open Farms locations  
with a value of about \$65,000



**3,538**

additional bags of food tailored  
to clients experiencing nausea  
as a result of their illness



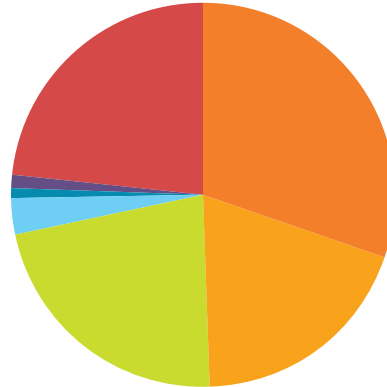
**3,192**

individual donors

## Total Fiscal Year 2020

### Revenue and Support

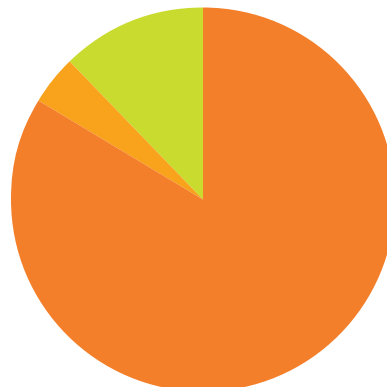
**\$6,885,193**



**Contributions 30%**  
**Capital Campaign Contributions 19%**  
**Government 22%**  
**Special Events 3%**  
**In-kind donations 1%**  
**Earned Income 1%**  
**Service Contracts 23%**

### Expenses

**\$5,213,495**



**Program Services 83%**  
**Management and General 4%**  
**Fundraising 12%**

For more information on our  
2020 financials, please contact:

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ADDRESS SERVICE REQUESTED

Since 1986, Open Arms of Minnesota has prepared and delivered free, nourishing meals to critically ill Minnesotans and their families in need.

**10,000**

In July 2019, our kitchen was preparing roughly 10,000 meals per week



**17,000**

By June 2020, just a handful of months into the pandemic, our kitchen was preparing almost 17,000 meals per week.

Open Arms would like to thank the following friends for their time and effort to make this Annual Report possible:

Eight Moon™ | Jessen Press