



A Roadmap for Smart Giving

At the end of the day, we all want the same thing for Arkansas: strong communities where people can thrive. The individual causes we champion — education, the arts, healthcare, conservation — are roads that lead to the same destination.

That's why I love being a part of Arkansas Community Foundation. It's inspiring to see how individual donors, each with their own charitable vision, can come together to build a better Arkansas.

This past year, we introduced a new tagline, "Smart Giving to Improve Communities," and in this year's annual report we are sharing a few stories that illustrate what "smart giving" means to us. First, it starts with a **vision** — recognizing a need in your community and believing that positive change is possible. Next, smart giving takes **partnership**. At Arkansas Community Foundation, we're proud to partner with thousands of donors and hundreds of charitable organizations to connect resources to needs. When we work together, we can achieve a real **impact**: look around your community at all of the health clinics, tutoring programs, community orchestras, food pantries and museums that simply wouldn't exist if local people weren't willing to set a vision, work together and chip in with their time and resources.

So chart your course! Envision your charitable goals, seek partners who share your passion and use your resources to make an impact. Smart giving is a journey that leads to a brighter future for Arkansas.

Best regards,

Heather Larkin
President and CEO



The King Opera House in Van Buren, Arkansas (inset). Above, Carole and Jim Williamson.

Carole and Jim Williamson Have a Vision for Van Buren

The King Opera House is a landmark in Van Buren's idyllic Arkansas downtown, listed on the National Register of Historic Places and serving as an anchor for tourism. Far from a dusty relic, the restored venue is home to live theater, film screenings and community events. And now, with support from the James G. and Carole Williamson Endowment at Arkansas Community Foundation, the King Opera House offers screenings of a new historical documentary detailing the theater's storied past and haunted legends.

"It's a nice place to promote tourism and invite visitors to come in and hear about the community," said Carole. Van Buren leaders have been working to rebuild the downtown, bringing in small business and tourism. An excursion train runs through the Ozarks from Van Buren to Winslow and back, and the charming Main Street offers dining options for visitors. Now, the King Opera House documentary adds another attraction that will enhance visitors'

experience and give tourists a reason to spend a full day exploring the town.

Jim and Carole envision a Van Buren where visitors flock to see the town's historic sites and stay to invest a few dollars in the local economy. They also envision a Van Buren where locals enjoy education and enrichment opportunities that enhance their quality of life. Through their family's endowment at Arkansas Community Foundation, they're working to make that vision a reality.

"We want to see things get done in Van Buren that probably wouldn't be done otherwise — things that are meaningful for other people," said Jim Williamson. "This is our community. We've been here since 1988 and we want our city to be the best it can be for everyone!"

Read more at arcf.org/annualreport.

Grants by Program Area FY 2014

Arkansas Community Foundation

provides grants to support programs

that work and to help initiate new

projects that fill gaps in our communi-

ties. Since 1976, we've made more

than \$120 million in grants to causes

ranging from animal welfare and

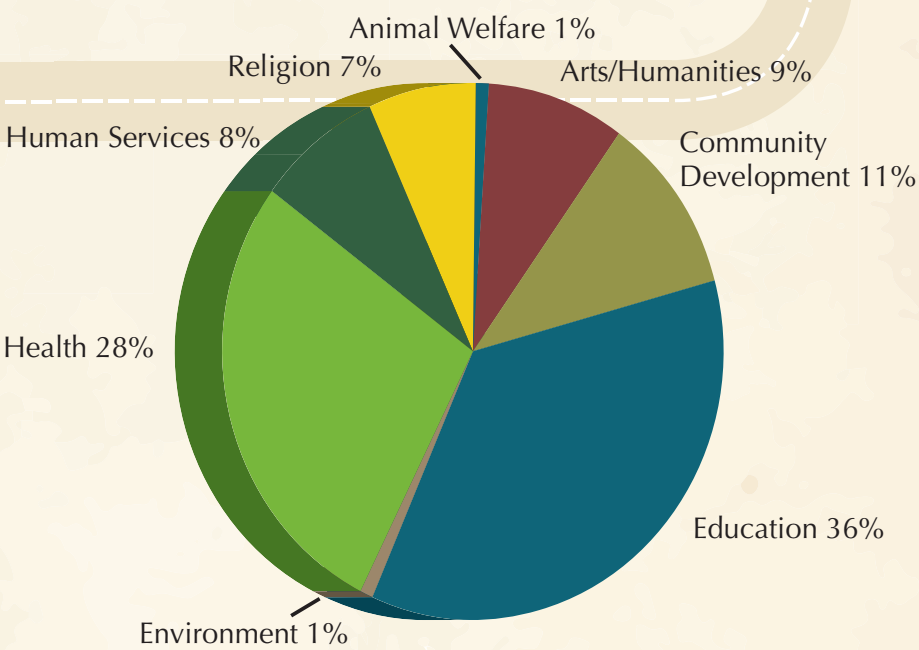
environmental stewardship to

economic development and hunger

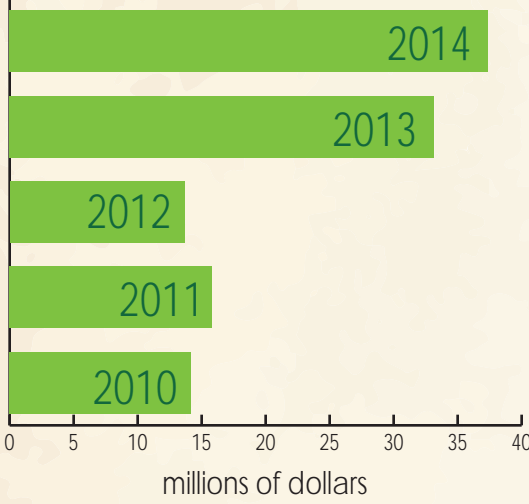
relief. For grant guidelines and

additional information on applying for

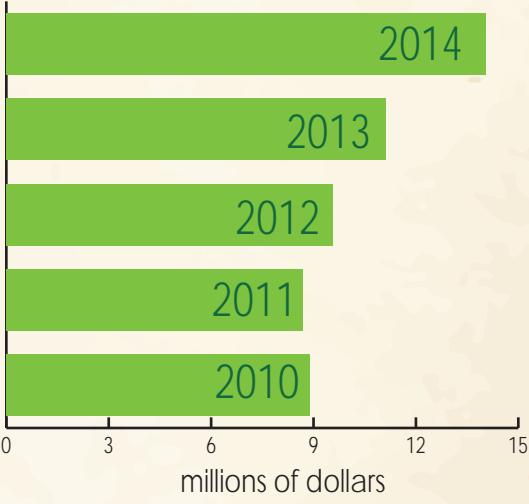
grants, visit www.arcf.org/grants.



Five-Year Gifts 2010-2014



Five-Year Grants 2010-2014



Hot Springs students Sophie Sligh (left) and Tiaunna Watkins (right) with Vice Principal Gerald Hatley (inset). Above, Simon Hernandez.

Hot Springs Partnership Helps Students Stay in School

Hot Springs High School Freshman Simon Hernandez, 14, has lots of questions for his Camp Troy mentor, and doesn't want to set his expectations too high or too low. "I want to know the rules," he said. "Last year I was sent to an Alternative School, and I want to change that."

Camp Troy, an evening of orientation and fun for all freshmen at Hot Springs High, is the last event in the week-long Operation Graduation program to boost graduation rates among those at highest risk for dropping out. Operation Graduation began in 2013 thanks to a grant from Hot Springs Area Community Foundation.

"Research shows that the freshman year is critical in getting kids to graduate," said Vice Principal Gerald Hatley. "They have to get here and acclimate, achieve a level of success in academics and socially."

In 2013, Hot Springs Area Community Foundation's board members reviewed data from the *Aspire Arkansas* report and were concerned about low graduation rates in their area. They approached the Hot Springs School District to find out how the Community Foundation could help and were excited to be able to provide grant funding for Operation Graduation. Though it will be a couple more years before the program's impact on graduation rates can be proved, those who have participated agree it is working well so far.

"The vision of the Hot Springs School District is to ensure ALL our graduates are college or career ready when they leave," said Dean of Students Tony Hines. "I will make sure that happens here."

Visit www.arcf.org/annualreport to learn more about Operation Graduation.

OUR DONORS

We're proud to partner with thousands of Arkansans who work with Arkansas Community Foundation to improve our neighborhoods, our towns and our entire state. Donors throughout Arkansas have established more than 1,700 charitable endowments and funds to support the causes they care about. To learn more about these funds or to view a list of the members of our Giving Tree Society and Diamond Society, visit www.arcf.org.

Keep Your Giving on Track

Arkansas Community Foundation is in the business of providing resources to make charitable giving in our state more effective. Our *Aspire Arkansas* report is a tool you can use to identify local needs and target your giving where it can make the most difference. Inside the report, you'll find county-by-county data on

student math and literacy scores, educational attainment, poverty rates, obesity rates, infant mortality rates and more. View *Aspire Arkansas* online (www.arcf.org/aspirearkansas) or request a hard copy (888-220-2723), and start building your personal giving roadmap.

Arkansas Community Foundation
engages people,
CONNECTS
resources and
INSPIRES
solutions to
build community



Lindsey East (inset). Above, Farm and Food Innovation Center Interns.

Even After His Lifetime, Lindsey Robison East's Giving Makes an Impact

Lindsey East had a passion for helping people and healing the planet, giving generously to causes like homelessness, food sustainability, bicycle advocacy and community gardening. He made a lasting imprint of kindness on countless people.

At age 44, our friend Lindsey died tragically when he suffered a heart attack while piloting his small plane. But Lindsey was not finished giving, nor will he ever be.

In his estate plans, Lindsey named an endowment at the Community Foundation as the sole charitable beneficiary of one of his trusts. Through the endowments he created, the Community Foundation is able to continue his legacy and support the causes he cared about.

Though he wasn't alive to see it, funding from the Lindsey East Endowment has given life to the Farm and Food Innovation Center

(FFIC) and projects on the grounds of the former St. Joseph Home in North Little Rock. The food enterprise project, which aims to establish Arkansas as a recognized leader in sustainable food systems, was envisioned by one of Lindsey's friends and founding director, Jody Hardin. Already FFIC has impacted hundreds of Arkansans, who have visited the grounds as volunteers and participants of local, sustainable food education initiatives.

It's just the kind of thing Lindsey would have been a part of during his lifetime, and now, through his forethought and generosity, he can be.

Learn more about the impact of the Food Innovation Center and the story of Lindsey East at www.arcf.org/annualreport.



A COUNTY-BY-COUNTY LOOK AT QUALITY OF LIFE IN OUR STATE

aspire
Arkansas

Statement of Financial Position

Assets	
Cash and Cash Equivalents	\$ 15,259,299
Investments at Market Value	204,252,654
Receivables and Other Assets	15,834,038
Total Assets	<u>\$ 235,345,991</u>
Liabilities and Net Assets	
Scholarships Payable and Other Liabilities	\$ 1,432,443
Agency Liabilities*	23,969,911
Net Assets	209,943,637
Total Liabilities and Net Assets	<u>\$ 235,345,991</u>

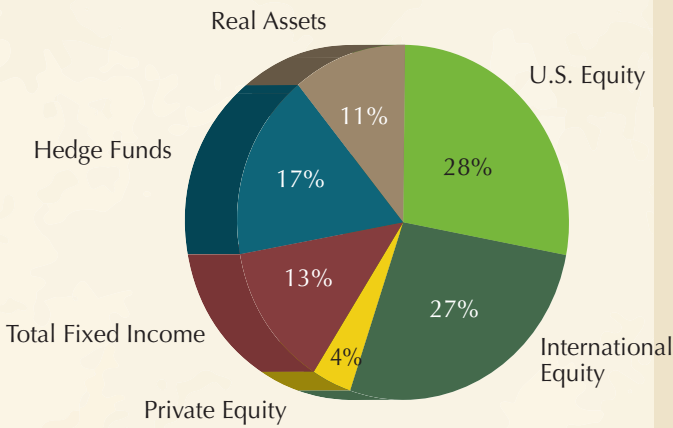
Statement of Activities

Revenue	
Contributions	\$ 37,364,329
Other, net	24,352,052
Less amount for agency liabilities	(4,354,452)
Total Revenue	<u>\$ 57,361,929</u>
Expenses	
Grants	\$ 14,051,926
Other Expenses	2,277,337
Less amount for agency liabilities	(2,578,632)
Total Expenses	<u>\$ 13,750,631</u>
Increase(Decrease) in Net Assets	
	<u>\$ 43,611,298</u>

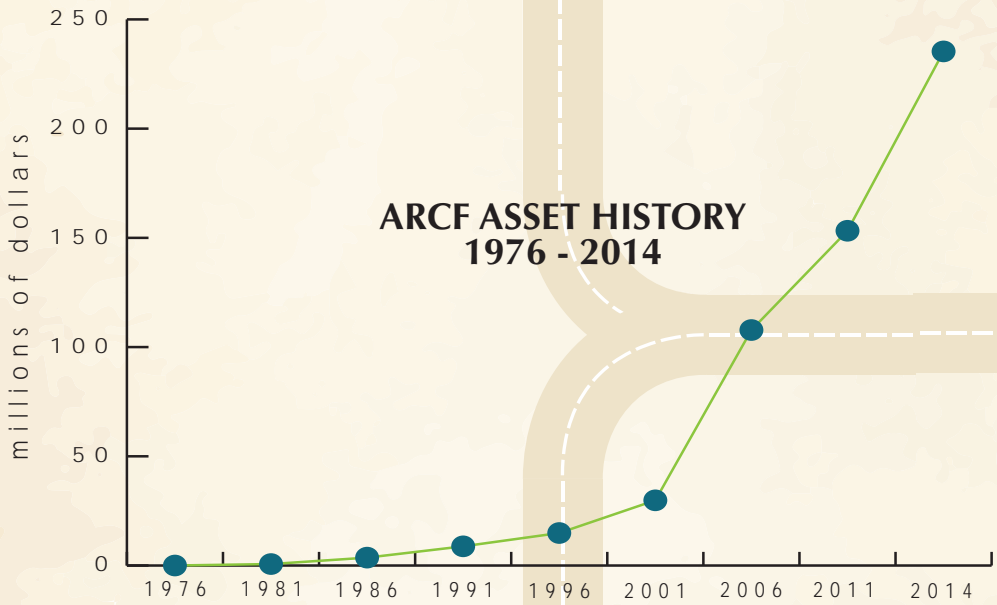
*In 2001, Arkansas Community Foundation adopted a national standard of the Financial Accounting Standards Board (FASB) Statement 136, which resulted in all agency endowment funds being reclassified to liabilities from net assets.

Performance as of June 30, 2014	1 Yr	3 Yrs	5 Yrs	10 Yrs	17 Yrs
Our Composite return net of investment fees	16.2%	8.7%	11.6%	6.2%	6.8%
Composite Index based on actual allocation	16.9%	8.1%	10.7%	4.8%	6.1%

Investments Policy Allocation as of June 30, 2014



OPERATING EXPENSE RATIOS	2010	2011	2012	2013	2014
Total Assets	\$ 124,428,165	\$153,242,587	\$156,628,146	\$190,174,811	\$235,345,991
Total Operating Expense	1,760,388	1,912,393	1,976,087	2,066,380	2,277,337
Number of Employees					
Full Time ARCF Central Office	11	12	12	13	13
Part Time Local Directors	27	27	27	27	27
Operating Expense as % of Total Assets					
Central and Local Offices	1.44%	1.27%	1.26%	1.09%	0.97%



(left to right) Jane Jones, Sheryl Colclough, Jeni Salassi, Corey Moline (incoming CFO, joined staff in FY2015), Lisa Duckworth, David Johnson, Wendy Todd, Sarah Harrisberger (incoming staff accountant, joined staff in FY2015), Sarah Kinser, Trina Greuel, Chris Love and Heather Larkin

FY2014 Central Office Staff

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JPMS Cox PA

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Thomas Overbey
Overbey, Strigel, Boyd & Westbrook, PLC

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Mercer, St. Louis
- Technology Consultant**
Darrell Sansom
Sansom Networking Inc.

Marketing and Communications Consultant
Jessica Szenher APR
Szenher Consulting

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Lesley Cooper
Cooper Design LLC
- Photographer**
Kelly Quinn
Kelly Quinn Photography

Staff portraits and grouping by
Dixie Knight Photography



Front row, left to right: Charlotte Brown, Estella Tullgren, Angela Shirey, Jim Williamson, Glenn Freeman. Middle row: Carolyn Blakely, Jackson Farrow, George McLeod, Dennis Hunt, Eric Hutchinson. Back row: Ted Belden, Mahlon Maris, Robert Zunick.

Board of Directors, FY2014

- Ted Belden** of Fayetteville, *Chair*
Carolyn Blakely of Pine Bluff
Charlotte Brown of Little Rock
Mary Elizabeth Eldridge of Fayetteville
Jackson Farrow of Little Rock
Glenn Freeman of Lake Village
Tina Green of Texarkana
Eric Hutchinson of Conway
Dennis Hunt of Fayetteville
Mahlon Maris of Harrison
George McLeod of Little Rock
Samuel Scruggs of Blytheville
Angela Shirey of Helena
Philip Tappan of Little Rock
Robert Thompson of Paragould
Estella Tullgren of Mountain Home
Jim Williamson of Van Buren
Robert Zunick of Hot Springs

AFFILIATE STAFF, FY2014

- Carroll County – Janell Robertson
Clark County – Ginger Overturf
Clebume County – Kathy Phillips
Columbia County – Janet Rider-Babbitt
Conway County – Shawanna Bowles
Craighead County – Barbara Weinstock
Cross County – Jennifer McCracken
Delta Area – Pat Post
Faulkner County – Julie LaRue

Fayetteville Area – Katie Tennant
Fort Smith Area – Pettus Kincannon
Greene County – Marci Lincoln
Hot Springs Area – Ann Carrithers
Johnson County – Jackie Ott
Lee County – Lucy Smith
Mississippi County – Nickie Bell
Monroe County – Phyllis Stinson
Ouachita Valley – Angela Hobbie

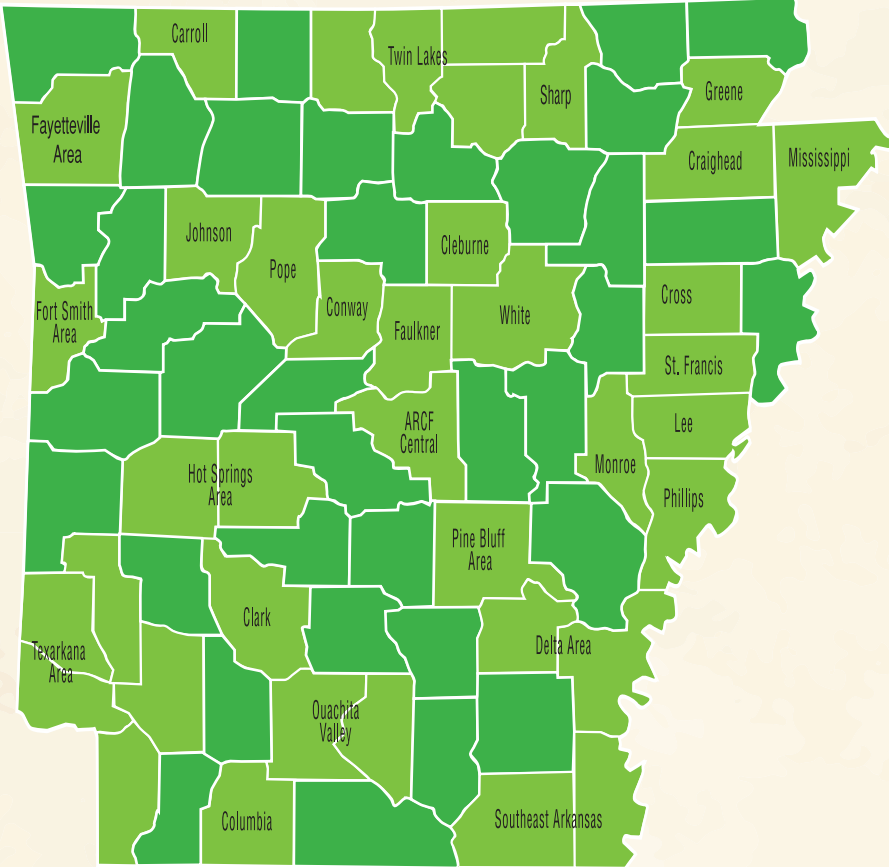
Phillips County – Crystal Eastman
Pine Bluff Area – Pat Post (interim)
Pope County – Madelyn Ginsberg
Sharp County – Christy Himschoot
Southeast Arkansas – Alen Amini
St. Francis County – Robin Jayroe
Texarkana Area – Ken Cox
Twin Lakes – Janice Fletcher
White County – Tammy Dixon

National Standards Certification

Arkansas Community Foundation meets National Standards for operational quality, donor service and accountability in the community foundation sector.

Arkansas Community Foundation

The Community Foundation serves all 75 counties. Our network of affiliates throughout the state provides a staff and volunteer presence to work locally in 39 counties. To view a complete list of our local advisory board members, visit www.arcf.org.



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SMART GIVING
TO IMPROVE
COMMUNITIES