This Special Edition of ENGAGE celebrates 40 years of smart giving that continues to make a significant impact on Arkansas communities. From an initial gathering of 13 community leaders on March 22, 1976, the Community Foundation has grown into a dynamic connection for good throughout our state. Read some highlights on page 2.

Last year the Foundation helped more than 350 nonprofits statewide earn $2 million in just one day with the ArkansasGives online giving program. Learn more about the second ArkansasGives event on page 6, and remember to give generously to the causes you care about at arkansagives.org from 8 a.m. to 8 p.m. April 7.

Find tips for making giving decisions from Pine Bluff's Big Piph and Foundation CEO Heather Larkin in the Viewpoint column on page 9. And take a few minutes to review statewide giving patterns on page 10 – some definite surprises there.
Arkansas Community Foundation in 2016 celebrates 40 years of helping Arkansans protect, grow and direct their charitable dollars. Although we are proud to have granted more than $140 million to various charitable causes, the reach and effectiveness of charitable impact can’t always be measured in dollars.

Our goal of fostering smart giving goes beyond our financial assets. Here are a few of the ways we’ve partnered with Arkansans over the past 40 years to build stronger communities through philanthropy.

Engaging People – A Multi-Generational Legacy of Giving

H.L. Hembree III, former chairman of Arkansas Best Corporation, had a notable head for business, succeeding in a wide range of endeavors from trucking to banking to farming. Raised on his family farm — Sugar Hill Farms — near Paris, Ark., Hembree and his wife Janelle wanted to ensure a legacy that would continue to support the causes close to their hearts. Established in 1988 with a gift of company stock, the H.L. and Janelle Y. Hembree Endowment at the Community Foundation has since granted more than $2 million.

After both H.L. and Janelle passed way, their sons, H. Lawson and Scott Hembree, took over as advisors for the endowment.

Cover photo: A few of the many 500 nonprofits who will participate in ArkansasGives on April 7 attended the 2016 ArkansasGives Announcement Media Conference Feb. 5.

Friends and family came together to create David’s Trail in memory of community leader David Floyd of Mountain Home.

Heather Larkin
President and CEO
By establishing their donor advised fund at the Community Foundation, H.L. and Janelle Hembree were able to support their favorite causes during their lifetimes, and now their children are able to make grants from the fund in their parents’ name, continuing the family’s legacy of generosity.

Connecting Resources — A Partnership to Improve Health in Southeast Arkansas

Jefferson Regional Medical Center (JRMC) is committed to providing quality health care to its patients and the community at large. Because the Community Foundation shares their vision of working together to support organizations and programs that promote health and wellness, JRMC partners with the Community Foundation to provide funding for health assessments, screenings, outreach and educational programs in Jefferson County and surrounding counties in Southeast Arkansas.

The JRMC Community Health Endowment at the Community Foundation has awarded nearly $200,000 to nonprofits, schools, churches and other businesses since its inception in 2009.

“JRMC measures the numbers of lives touched each year through the health fairs, semi-annual town halls, seminars and outreach events that we offer or sponsor, and the number is always quite impressive, but because of this very special community gift, many more lives have been and continue to be impacted,” said Rebecca Pittillo, JRMC Executive Director of Philanthropy and Development.

Pittillo explained that these grant-funded programs, like a health fair hosted by Watkins Chapel Missionary Baptist Church, are “sometimes the only source of healthcare the people receive through the year.”

Inspiring Solutions — A Statewide Initiative to Help Stop Hunger

While many funds are established and personally directed by the donor to serve an array of charitable purposes, the Community Foundation also specializes in funds that serve a specific need or initiative. One such example is the Stop Hunger Endowments. In 2008, when the stock market crashed, publicly wrestled around hunger initiatives and food pantries facing a greater need, Arkansas Community Foundation responded by launching a one-week giving campaign offering a dollar-for-dollar match for participating food pantries.

“We saw a need and responded immediately to provide awareness and funding support,” said Heather Larkin, Community Foundation President and CEO. She believes this elevated the Community Foundation’s role across the state and notes that, in some ways, the Stop Hunger campaign was a precursor to ArkansasGives, a 12-hour online giving event sponsored by the Community Foundation.

The Community Foundation hunger stimulus program helped Food Share in Prescott connect resources to feed hungry families.

The Community Foundation also provides funding for nonprofit organizations and causes throughout Arkansas with their Giving Tree program. This well-established grantmaking program serves as a perpetual and responsive way to meet ever-changing community needs by accepting proposals during two annual grant cycles.

When board members of the Faulkner County Community Foundation heard Bill Somerville, author of Grassroots Philanthropy, speak at an annual conference in 2012, they were inspired to become more proactive in their grantmaking. Somerville’s idea of venture philanthropy — explained as “the art of delivering precisely the right amount of money at precisely the right moment to have optimum impact”— really resonated.

Aided with Arkansas Community Foundation’s Aspire Arkansas report that measured community well-being and its companion Aspire Actions that tracked the greatest indicators of poverty in Arkansas, the Faulkner County affiliate designated four areas of focus for their venture philanthropy: basic needs, quality of education, health and wellness, and community responsibility.

For example, Faulkner County’s Venture Task Force funded the purchase of tools for an urban garden project that provides a food pantry with fresh produce. The added benefit is that the board is not only more engaged but also more educated about the projects and funding needs in their community.

Whether it’s through individuals, corporations, regional board advisory committees or statewide collaboratives, Arkansas Community Foundation offers financial, grantmaking and informational tools necessary to make a lasting difference in Arkansas.

The Community Foundation hunger stimulus program helped Food Share in Prescott connect resources to feed hungry families.
ArkansasGives on April 7
One Day, One Easy Way to Give

$4 Million Goal for Arkansas Nonprofits

Will Arkansans give $4 million to their favorite charities online in 12 hours on April 7? We think it will happen, and we have a precedent. Last year the inaugural ArkansasGives event earned $2 million from 7,000 online donors, plus bonus dollars and prizes for more than 350 nonprofits throughout the state.

“I was overwhelmed by the generosity of Arkansans. The first ArkansasGives was a landmark day for nonprofits in our state,” said Heather Larkin, CEO of Arkansas Community Foundation. “This year we want to continue to help nonprofits statewide grow their giving capacity by participating in ArkansasGives.”

Online gifts made through ArkansasGives.org from 8 a.m. to 8 p.m. April 7 will help nonprofit participants earn bonus dollars from a $400,000 bonus pool provided by the Community Foundation. The more money supporters donate through ArkansasGives.org, the more bonus dollars and prizes the nonprofits receive. For example, if a nonprofit receives two percent of the total amount given online April 7, it will receive two percent of the $400,000 bonus pool or $8,000 extra, with a chance for one of the additional prizes.

First Security Bank is contributing a total of $60,000 in prize money for the nonprofits in small, medium and large size categories that raise the most dollars and most individual donations.

What changed thanks in part to last year’s ArkansasGives? Here’s a sampling:

• Soldier On Service Dogs changed the lives of Northwest Arkansas veterans by pairing them with faithful companion animals.
• More campers with autism attended A-Camp last year to experience the outdoors, enjoy fellowship and build self-confidence.
• Construction began on the Ronald McDonald House at Arkansas Children’s Hospital to make lives a bit easier for parents whose children are being healed and nurtured.
• The Southeast Arkansas College Foundation had more resources for scholarships in Pine Bluff.
• Compassion Works for All helped people in and out of prison find freedom through compassion and mediation.
• Cross County Museum and Archives in Wynne had more funds to preserve the region’s history.

Two ArkansasGives partners who will help make this year’s event possible are the Arkansas Nonprofit Alliance and AT&T, which hosts the headquarters for the April 7 event. Media partners like THV 11 in Little Rock, KAIT8 in Jonesboro, KFSM TV 5 in Fort-Smith-Fayetteville, iHeart Media, the Arkansas Press Association, the Arkansas Broadcasters Association, Soiree magazine, and Jonesboro Occasions magazine help spread the word about this giving opportunity.

But we’ll meet our ArkansasGives goal because of one thing — people like you who take a few minutes of their day from 8 a.m. to 8 p.m. April 7 to make a gift to nonprofits who transform our communities.

Here’s How You Can Grow the Love

1. Go to ArkansasGives.org on your phone, tablet or PC between 8 a.m. and 8 p.m. April 7.
2. Search for your favorite charity by name or location.
3. Fill out the online form to donate $25 or more using your credit card.
4. If you’d like to give to several nonprofits, you can do so in one transaction.
5. Receive an online gift acknowledgement for your tax records.
6. You’re growing the love!
When you want to make a significant impact on the mission of a charitable organization, it’s the way you give, not just the amount of the donation that matters. Taking the time to build sustained relationships with the nonprofits you support means everyone wins.

Engaged donors are better able to hold their favorite charities accountable to high standards and to make more thoughtful, strategic and timely decisions. Arkansas Community Foundation offers a special giving option called a donor advised fund that can help you make the kinds of smart giving decisions that will accomplish your charitable goals for the causes you care about.

Donor advised funds allow you to make a charitable gift, receive a tax benefit and decide not only which charities will receive your donation but also when the grant is made. Arkansas Community Foundation works with donors who choose this option by starting the conversation. We ask questions like “What kind of impact do you want to make?” or “Where do you want these funds to go?” and we help you understand the issues and needs in your local community.

Here are some quick facts about donor advised funds and how they work:

1. You can open a donor advised fund by donating more than just cash. The fund can accept transfers of cash, real estate, securities or other appreciated assets.

2. Give now, decide later. Making a contribution to your fund will provide tax benefits for the year the donation was made. But it doesn’t necessarily mean that you have to decide immediately where the money in the fund will go. The fund will be there for you to make several gifts at one time or wait to find the cause that suits your giving goals at the right time.

3. These funds can be invested while you form your giving strategy. Some donor advised funds are invested to become an endowment that lasts in perpetuity. Each year, donors can grant a portion of the fund’s value (generally 4 percent) while keeping the principal invested so the fund continues to grow for the long term.

4. Involve family members to decide where the money will go. Donor advised funds encourage families to instill meaningful giving practices and talk about their values. After your lifetime, your children and grandchildren can continue to use your fund to make grants to the causes that matter to your family.

5. They provide cost advantages. Starting a private foundation (often considered the alternate to a donor advised fund) can be expensive with overhead costs and staffing to keep it going. Opening a fund at the Community Foundation transfers the administrative burden to an established organization, which allows you to keep costs low.

With all of the giving options available today, make sure you understand the tools available to help you to give smart. If you have questions about how donor advised funds work, contact Ashley Coldiron at acoldiron@arcf.org for more details.

The Duvall Family has a donor advised fund at Arkansas Community Foundation that provides grants annually to the causes they care about. When the Duvals describe their giving philosophy, they explain it as “intentional and born out of a history of communal sacrifice.” They were taught by parents and grandparents before them to give regularly through time and money.

How Donor Advised Funds Help You Give More

C.J. Duvall and his family use their donor advised fund to support education and youth development. He’s pictured here with Alyshia Williams, a student he has mentored.

When Donor Advised Funds Help You Give More

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What are the factors that should be considered when making charitable giving decisions?

By Heathor Larkin
President and CEO
Arkansas Community Foundation

Thoughtful planning is an important part of charitable giving. If you plan your giving, you will be a more satisfied donor. You will feel less overwhelmed by the options and number of requests you receive for donations, and you will feel more confident about saying “no” to requests that don’t fit your plan.

The late Dr. Tom Bruce taught so many so much about giving. One of his lessons was to apply both “head” and “heart” to giving decisions. Start with the head to focus, and then add the heart to find the answer. Knowing how your giving furthers your values and makes an impact on society is powerful and satisfying. Why do you want to give?

Reflect on your personal values. Try to define three issue areas and/or populations of folks you want to focus on. Research and think about organizations and how they work to make a difference for the categories you choose.

Then explore with your heart. Allow yourself to get to know charities about organizations and how they work to make a difference for the categories you choose.

The first factor is if I have a passion for the cause and/or organization. This comes into play mostly when the charity/nonprofit is something with which I may want to become increasingly involved. Beyond financial gifts, I tend to seek other ways I can help the success of the organization.

The second more commonplace reasoning that affects my decision is if I trust and respect the person or team of persons seeking the donation. There are literally hundreds of causes that seem worthwhile, and it can become either overwhelming or easy to overlook them. Thus when I’m approached by a well-liked and trusted source, my giving is as much because of the person asking me as the cause. My thinking is simply that the persons asking would not (purposely) steer me wrong, and I can spare the gift; so let me not overthink it and do some good. (Because Lord knows I’ve wasted resources on so many trivial items.)

Though other factors come into play (where the money is allocated, end goals, etc.), these are my main two. All in the quest to learn how to become a better server of the community daily.

Although I’m admittedly a novice in the world of philanthropy and charitable giving, I thought greatly about why I want to give and in what manner. I learned that there are two main factors that affect my decisions.

Measuring Generosity Yields Surprises

By Dr. Thomas Bruce, Professor Emeritus, University of Arkansas Clinton School of Public Service and University of Arkansas for Medical Sciences Fay W. Boozman College of Public Health

One of my interests over the years has been to explore other people’s giving habits. What I’d really like to know is why people give, but analyses about the reasons for giving always wind up being speculative.

How people give is an easier question to answer, since records are kept broadly to document donations. In some instances the results of giving studies do reflect indirectly on the why question. For example, it is simple logic that financial giving is related to income: the more money you make, the larger donations you can afford to give.

But if one moves away from the actual dollar amount that’s donated, an interesting thing can be seen. As a percentage of income, the more you make, the less you give. For example, IRS records document the contributions of all Americans. One can take a standard deduction or itemize the deductions if desired. This discretionary income and charitable giving data is available at https://philanthropy.com/interactives/how-america-gives in an interactive tool created by the Chronicle of Philanthropy.

Consider just the data for Arkansas: Family households in 2012 with less than $25,000 in annual discretionary income (that portion left after paying taxes and basic food/housing costs) gave 3.50 percent for charitable purposes. Those with more than $200,000 in annual discretionary income gave 3.50 percent for charity. So it isn’t just a modest aberration, it’s big!

And at income levels in between, one finds gradations of the same sort:

- $25,000-$50,000 (6.68% contributions)
- $50,000-$75,000 (5.34%)
- $75,000-$100,000 (4.63%)
- $100,000-$200,000 (4.00%)

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Consider just the data for Arkansas: Family households in 2012 with less than $25,000 in annual discretionary income (that portion left after paying taxes and basic food/housing costs) gave 12.36 percent for charitable purposes. Those with more than $200,000 in annual discretionary income gave 3.50 percent for charity. So it isn’t just a modest aberration, it’s big!

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- $100,000-$200,000 (4.00%)

What was, perhaps, most intriguing about the study of Arkansas giving patterns was its geographic analysis. Percentage giving at every income level was higher in the poorest areas of the state’s most challenging social problems, i.e. high poverty, low educational achievement, and poor health.

Seeing A Need Drives Response

This study suggests that giving patterns are socially driven, in considerable part. If one sees needs individually around on a regular basis there’s a tendency to try to respond, whereas those who live in more affluent neighborhoods seem to spend discretionary income more for personal uses, “keeping up with the Joneses,” if you will, rather than helping others.

To protect privacy, the IRS does not provide information about the specific charities that people supported, so what is known about beneficiaries has to be drawn from other studies. Giving to churches and other faith groups is very high, usually about two-thirds of all donations, and this may be another reason why Arkansas and other Bible Belt states rate high in the “generosity index.”

Bottom line: understanding better why people give of their time, talent and resources remains an intriguing interest, and is at the heart of why studies on the nature of benevolence have such important policy implications for Arkansas and the nation.

After a long and generous life, Dr. Tom Bruce died March 4, 2016. He will be greatly missed by the many Arkansans and Arkansas institutions enriched by his leadership, knowledge and philanthropy.
40 Years of Community Impact

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