

natural state of **GIVING**





ArkansasGives.org
G R O W T H E L O V E

**More than \$13 million given to
Arkansas nonprofits over three years!**

937

participating nonprofits in 2017

\$5.6 Million

raised from the public in 2017

\$6.1 Million

given to nonprofits in 2017

23,178

donations in 2017

\$400,000

in bonus dollars from Arkansas Community Foundation

\$60,000

in prize dollars from First Security Bank

\$10,000

in category prizes from Jane Hunt Meade

contents

Letter from the President and CEO	1
Giving Advances Communities	2
Giving Creates Common Ground	4
Giving Back is Good Business	6
Giving Options Strengthen Advice	8
Financial Statements	10
Board of Directors	14
Staff	15
Affiliates	16
Consultants	17



Arkansas is consistently among the top tier of states when giving is tallied nationally. That's been the case for decades, and it has always been a source of pride.

Building on that giving spirit, Arkansas Community Foundation helps the citizens and organizations of our state channel their giving information on how to get the best return on their charitable investments. Since its inception in 1976, those charitable investments in Arkansas nonprofits total more than \$179 million dollars. The Foundation's \$335 million in assets ensures the impact of giving will only grow stronger. That positive impact is fueled by three strategies.

First, we know that better information leads to better charitable giving decisions. Through *Aspire Arkansas*, we provide county-by-county information on critical issues that ensures giving is strategically targeted to improve our communities.

GIVING

is an Arkansas tradition

Second, the Community Foundation encourages us all to "give where we live." We believe in centralized stewardship of funds that are distributed locally through our 28 affiliates. More than 400 local advisory board members in those affiliates use their expertise in their community to make positive local change, while a strong statewide board of directors helps keep us on course.

And finally, the Foundation's positive impact is fueled by engagement with you — people who are determined to work with us and use their limited resources to meet unlimited needs.

Thanks to the strong tradition of giving in the Natural State, Arkansas Community Foundation is thriving, and thanks to you — our friends, partners and donors — we are building stronger Arkansas communities every day!

With gratitude,

Heather Larkin
President and CEO



“Together we can improve our communities.”

GIVING

Dr. Carolyn Blakely, retired professor of English and founder of the Honors College at the University of Arkansas at Pine Bluff, learned the practice of giving early. Her grandmother instilled in her the joy of giving.

“I think that is why she lived to be 105 — she was always doing something for others,” said Carolyn. “That’s what we do at Arkansas Community Foundation — we identify the needs in a community and then give to organizations that can meet those needs.”

Carolyn was particularly impressed when she was on the Board of Pine Bluff Area Community Foundation with the development and growth of their Youth Advisory Council. “These young

people work together to earn money and make grants to organizations that can help others,” she said.

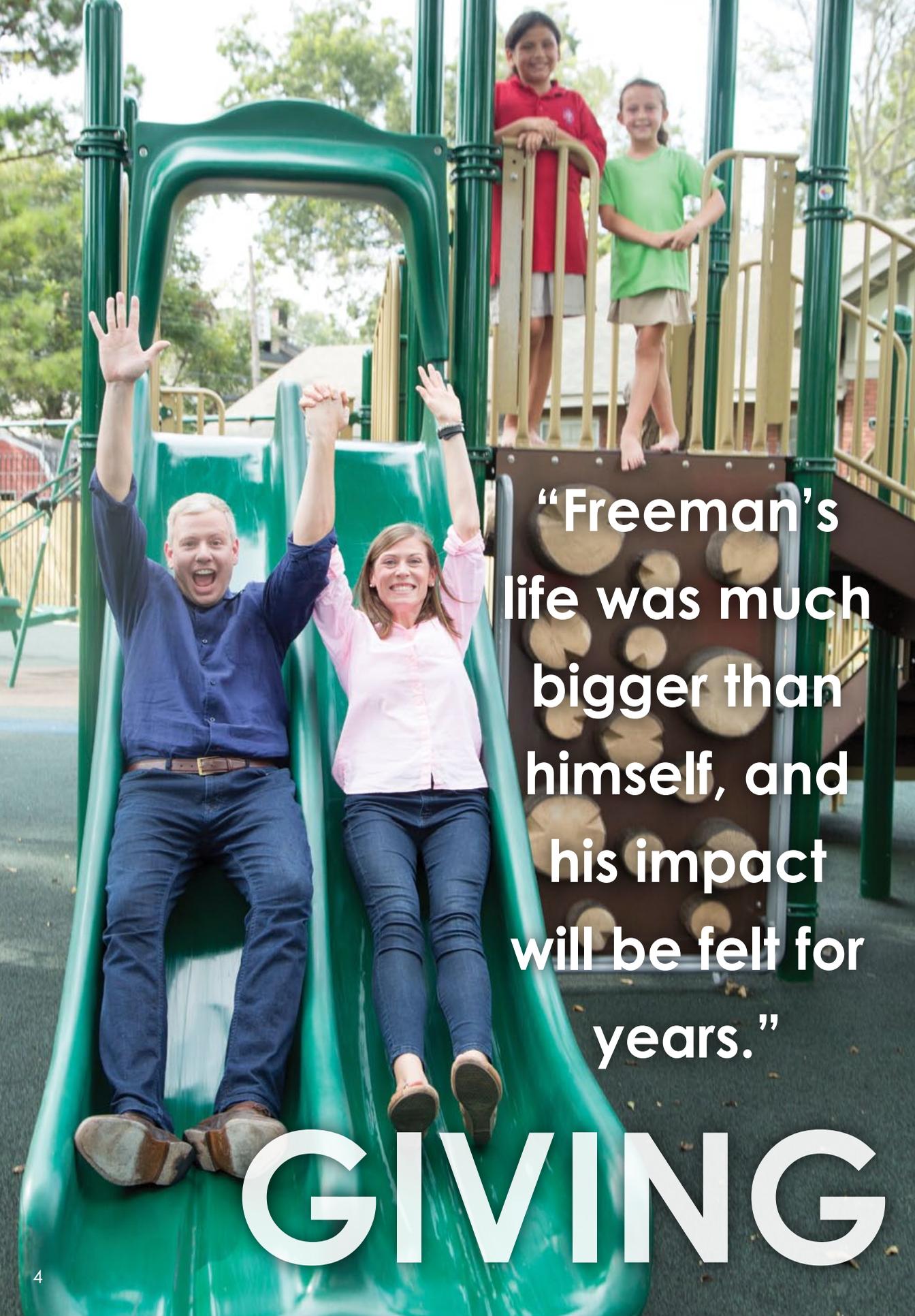
Now a member of the state board of directors, Carolyn believes individuals and organizations give to the Community Foundation because the Foundation creates endowments, manages the investments wisely and helps them direct the income from their funds.

“The Community Foundation is one of our state’s greatest assets because of our passion and compassion,” she said. “I have been fortunate to meet people throughout our state that recognize we are not in this alone. Together we can improve our communities.”



Dr. Carolyn Blakely founded the Honors College at the University of Arkansas at Pine Bluff.

advances communities



“Freeman’s life was much bigger than himself, and his impact will be felt for years.”

GIVING

Misti and Will Staley are creators. Misti, a freelance artist and creative director of Reclaimed Helena, found herself in Arkansas by way of Douglassville, Georgia, alongside her Arkansas-native husband, Will, co-founder and creative director of Thrive Helena. The Staleys formed the Freeman Foundation after their son, Freeman Ellis, passed away in 2015. Freeman’s life, although short, was inspirational beyond measure.

Reflecting the Freeman Foundation’s mission, the Freeman Playground was created when the community joined together to raise funds for a playground to serve children of all backgrounds and abilities. The playground met its budget after a successful 2017 ArkansasGives, and construction to provide a place of

fun and laughter in downtown Helena began. “There’s no way we could have built the Freeman Playground without the support of community members, family and donors,” Misti said. “We’re so thankful for them.”

Misti and Will created a fund at Arkansas Community Foundation to ensure the mission of the Freeman Playground would last forever. The spendable amount each year will provide permanent resources to ensure the space is maintained.

“Freeman’s life was much bigger than himself, and his impact will be felt for years,” Will said. “This playground is a testament to the strength of this community and how everyone recognized the need for it.”



The Staleys created Freeman Playground to honor the life of their son. Pictured at left with the Staleys are Jewel Brokeshoulder and Ava Allen Loveless.

creates common ground

“We feel it is our corporate responsibility to give back.”



GIVING

“Oaklawn has been a part of this community for more than 100 years,” said Hot Springs native Eric Jackson, senior vice president and former general manager. “Generations of Hot Springs residents have worked at Oaklawn and made their careers here. We feel it is our corporate responsibility to give back.”

Eric’s mentor, the late Herschel Friday, taught him to be on the front row of community involvement, to stay involved and to make a difference. Through its owners, the Cella Family, Oaklawn has long been a force for corporate philanthropy. More than a decade ago, Eric was instrumental in creating the Oaklawn Foundation with Cella Family funds.

He worked with the Chamber and community leaders to form a board that

determines how the money donated by Oaklawn is spent. Dennis Smith, chair of the Oaklawn Foundation Board, said Arkansas Community Foundation manages and invests their funds.

“The Community Foundation staff members have been great to work with,” Dennis said. “We are using a new electronic tool for scholarship applications this year that will improve our process.”

The Oaklawn Foundation supports Garland County nonprofits like the UAMS Schmieding Care Giver Training Center; seven Garland County school districts; Arkansas School for Mathematics, Sciences and the Arts; Garvan Woodland Gardens; the Garland County Historical Society and many more.



Oaklawn Senior Vice President Eric Jackson.



Oaklawn Foundation President Dennis Smith with Eric Jackson.

back is good business

“We work together to make sure clients’ charitable giving goals are met.”



GIVING

Jennifer Pierce, a member at Mitchell Williams law firm in Little Rock, is a third degree black belt in taekwondo and has hiked trails from Newport to Nepal. Knowing her options is one key to her success. So when her clients come to her with questions about starting a family foundation, she often offers another solution for smart giving.

“Clients are not always aware of the extensive reporting requirements and IRS regulations that I consider to be negatives of private foundations. They just know their friends set up a foundation and they are interested in doing the same,” she said.

After listening to her client’s needs, Jennifer schedules a meeting with

Arkansas Community Foundation staff members who can help the clients create an endowment fund that allows them to direct the income from the fund to the charities they choose.

“It’s a partnership. We work together to make sure clients’ charitable giving goals are achieved,” said Jennifer. “The Foundation assists attorneys with options that help clients make the best giving decisions.”

Jennifer believes in the Community Foundation’s ability to serve the whole state and benefit the charities that are important to her clients. “I’d recommend working with the Foundation to my peers,” she said.



Jennifer Pierce partners with the Community Foundation to ensure her clients’ charitable goals are met.

options strengthen advice



Statement of Financial Position

Assets	
Cash and Cash Equivalents	\$20,366,032
Investments at Market Value	293,897,535
Receivables and Other Assets	21,243,414
Total Assets	<u><u>\$335,506,981</u></u>
Liabilities and Net Assets	
Scholarships Payable and Other Liabilities	\$3,105,069
Agency Liabilities*	34,051,556
Net Assets	<u>298,350,356</u>
Total Liabilities and Net Assets	<u><u>\$355,506,981</u></u>
Statement of Activities	
Revenue	
Contributions	\$52,937,953
Other, net	23,139,391
Less amount for agency liabilities	<u>(6,226,400)</u>
Total Revenue	<u>\$69,850,944</u>
Expenses	
Grants	\$23,183,468
Other Expenses	4,018,581
Less amount for agency liabilities	<u>(622,753)</u>
Total Expenses	<u><u>\$26,579,296</u></u>
Increase in Net Assets	<u><u>\$43,271,648</u></u>

The complete audited financial statements are available upon request.

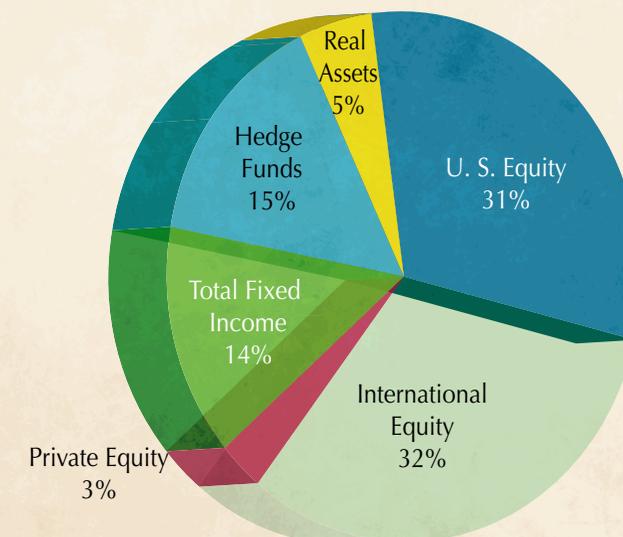
For additional information about how we invest,
visit arcf.org/finances.

Performance as of June 30, 2017	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Incep
Composite return net of investment fees	13.0%	3.3%	7.2%	4.1%	6.3%
Composite Index based on actual allocation	13.3%	4.2%	7.7%	3.0%	5.8%

Community Foundation Asset History 1976-2017



Investment Policy Allocation as of June 30, 2017





Operating Expense Ratios

	2013	2014	2015	2016	2017
Total Assets	\$190,174,811	\$235,345,991	\$254,770,245	\$286,992,570	\$335,506,981
Total Operating Expense	2,066,380	2,277,337	2,832,077	3,475,628	4,018,581
Number of Employees					
Full Time Central Office	13	13	15	14	14
Part Time Local Directors	27	27	27	27	28
Operating Expense as % of Total Assets					
Central and Local Offices	1.09%	0.97%	1.11%	1.21%	1.20%

Past annual reports included programmatic expenses in these balances. We have restated previous years' balances to exclude programmatic expenses so that we are exclusively reporting operating expenses.

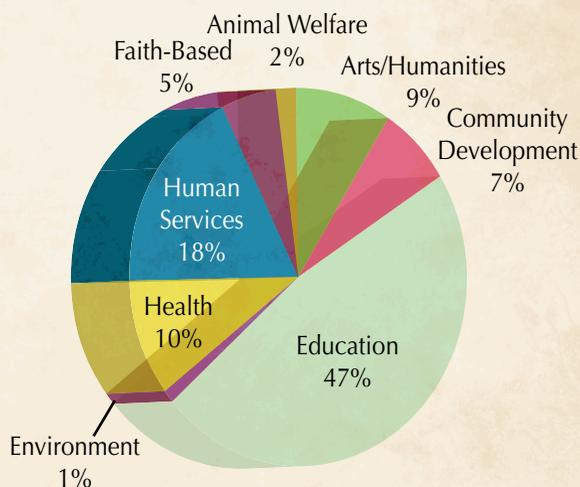
Thousands of individuals and organizations in Arkansas partner with the Community Foundation to help protect, grow and direct their charitable dollars and learn more about community needs. For a full list of Arkansas Community Foundation funds and endowments, visit arcf.org/funds.

Our **Giving Tree Society** of donors who have made a gift to one of the Community Foundation Giving Tree endowments are listed at arcf.org/donors.

Our **Diamond Society** of donors who have included the Community Foundation in their will or estate plan are also listed on the website.

Professional advisors who belong to the **Golden Key Society** have partnered with the Community Foundation to help meet their clients' charitable giving goals. A list is available at arcf.org/goldenkey.

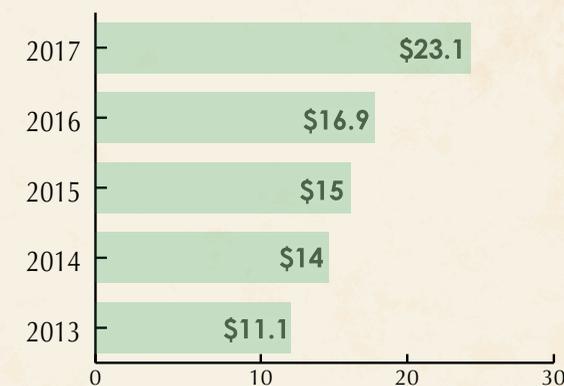
Total Grants by Program Area FY 2017



Five Year Gifts 2013-2017 (in millions of dollars)



Five Year Grants 2013-2017 (in millions of dollars)



For grant guidelines and additional information on applying for grants, visit arcf.org/grants.

FINANCE COMMITTEE

Eric Hutchinson, Chair
 Jackson Farrow
 Dennis Hunt
 Philip Tappan
 Robert Zunick
 Jim Williamson, *at large*
 Ted Gammill, *at large*

INVESTMENT CONSULTANT

Mercer, St. Louis, MO

INVESTMENT MANAGERS FOR POOLED ASSETS

Aberdeen Group
 Aether Investment Partners
 Artisan International
 BlackRock
 Blackstone Group
 CapRocq

Clarion Partners

Colliers Dickson Flake Partners
 Copper Rock International
 Corbin Capital Partners — Pinehurst
 Delaware Management Holdings
 Dodge & Cox
 Doubleline Capital
 Forester Diversified
 Goldman, Sachs & Company
 John Hancock Investments
 Mondrian Investment Group
 Northgate Capital
 Neuberger Berman
 Park Street Capital
 Principal Group
 Silver Creek Capital
 Southern Bancorp
 TCW Group
 Vanguard Group
 Vaughan Nelson Management



Left to right: Robert Thompson, Carolyn Blakely, Paige Partridge-Hix, Philip Tappan, Eric Hutchinson, Don Greenland, Heather Larkin, Ramsay Ball, Robert Zunick, Charlotte Brown, Steve Nipper and Dennis Hunt. Not pictured: Jackson Farrow, Andy Peeler, Estella Tullgren and Alyson Bradford-White.

Board of Directors

Below is a list of our statewide board members. For a list of members of each of the 28 local affiliate advisory boards, visit arcf.org/affiliates.

- | | |
|--|-------------------------------------|
| Robert Zunick of Hot Springs, <i>Chair</i> | Eric Hutchinson of Conway |
| Ramsay Ball of Bentonville | Steve Nipper of Magnolia |
| Carolyn Blakely of Pine Bluff | Paige Partridge-Hix of Fayetteville |
| Alyson Bradford-White of White Hall | Andy Peeler of Jonesboro |
| Charlotte Brown of Little Rock | Samuel Scruggs* of Blytheville |
| Jackson Farrow of Little Rock | Philip Tappan of Little Rock |
| Don Greenland of Conway | Robert Thompson of Paragould |
| Dennis Hunt of Fayetteville | Estella Tullgren of Mountain Home |

*deceased



Front row, left to right: Lisa Duckworth, Lindsey Simmons, Lea Whitlock, Trina Greuel, Heather Larkin, Stacia DeWitt, Rhonna Wade, Sarah Kinser. Back row, left to right: Jody Dilday, Jane Jones, Christine Westbrook Pickell, Corey Moline, Katy Bland and Ashley Coldiron. Not pictured: Lauren Morris

Central Office Staff, FY2017

Katy Bland
Office Administrator
kbland@arcf.org

Ashley Coldiron
Chief Development Officer
acoldiron@arcf.org

Stacia DeWitt
Planned Giving and Legal Affairs Director
sdewitt@arcf.org

Jody Dilday
Development Director
jdilday@arcf.org

Lisa Duckworth
Finance & Grants Associate
lduckworth@arcf.org

Trina Greuel
Finance Director
tgreuel@arcf.org

Jane Jones
Program Officer
jjones@arcf.org

Sarah Kinser APR
Chief Program Officer
skinser@arcf.org

Heather Larkin
President & CEO
hlarkin@arcf.org

Corey Moline CPA
Chief Financial Officer
cmoline@arcf.org

Lauren Morris
Affiliate Program Director
lmorris@arcf.org
(Joined in FY2018)

Christine Westbrook Pickell
Staff Accountant
cwestbrook@arcf.org

Lindsey Simmons
Donor Stewardship Director
lsimmons@arcf.org

Rhonna Wade
Affiliate Human Resources Director
rwade@arcf.org

Lea Whitlock
Communications Director
lwhitlock@arcf.org



Front row, left to right: Joyce Whitfield, Lucy Smith, Madelyn Ginsberg, Gloria Cheshier, Stephanie Wyatt, Dana Stewart, Darby Waites, Gwen Khayat and Kathy Phillips. Second row, left to right: Pat Post, Karen Arnold, Nickie Bell, Katie Tennant, Robyn Jayroe, Kerri Watson and Phyllis Stinson. Back row, left to right: Kim Harrison, John Gibson, Pettus Kincannon, John Conner and Ken Cox. Not pictured: Stephanie Dunn, Lawrence Fikes, Jennifer McCracken, Jackie Ott, Janet Rider-Babbitt, Janell Robertson and Barbara Weinstock.

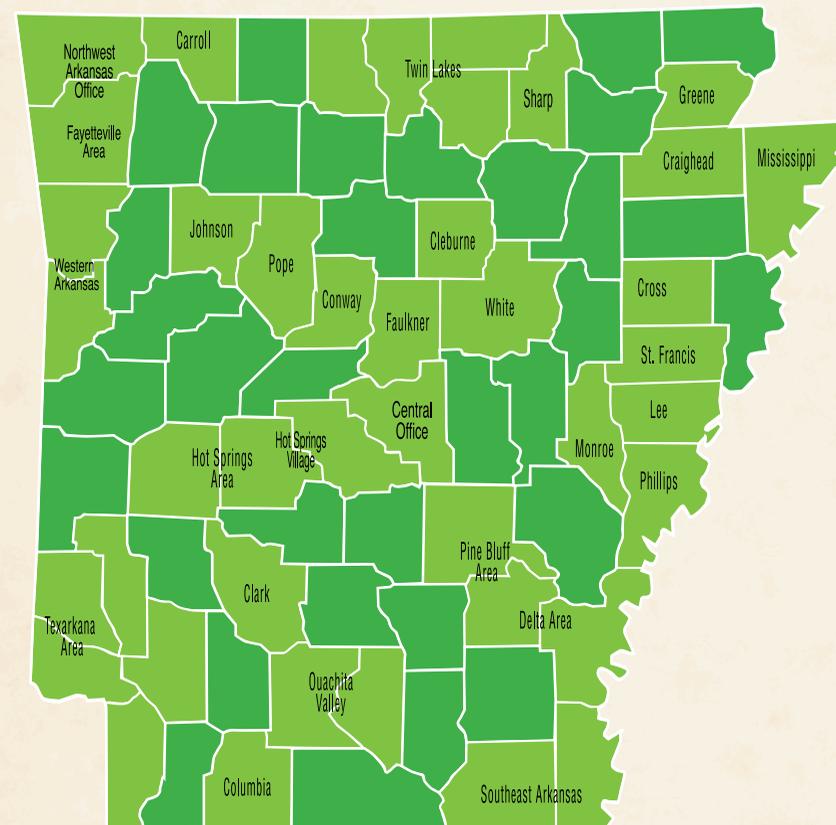
Affiliate Executive Directors, FY2017

Our affiliates work locally in every corner of Arkansas. For local contact information, visit arcf.org/affiliates.

Carroll County — Janell Robertson
 Clark County — Karen Arnold
 Cleburne County — Kathy Phillips
 Columbia County — Janet Rider-Babbitt
 Conway County — John Gibson
 Craighead County — Barbara Weinstock
 Cross County — Jennifer McCracken
 Delta Area — Pat Post
 Faulkner County — Gloria Cheshier
 Fayetteville Area — Katie Tennant
 Greene County — Kerri Watson
 Hot Springs Area — Joyce Whitfield
 Hot Springs Village — Kim Harrison
 Johnson County — Jackie Ott

Lee County — Lucy Smith
 Mississippi County — Nickie Bell
 Monroe County — Phyllis Stinson
 Ouachita Valley — Stephanie Wyatt
 Phillips County — Darby Waites
 Pine Bluff Area — Lawrence Fikes
 Pope County — Madelyn Ginsberg
 Sharp County — Stephanie Dunn
 Southeast Arkansas — John Conner
 St. Francis County — Robin Jayroe
 Texarkana Area — Ken Cox
 Twin Lakes — Gwen Khayat
 Western Arkansas — Pettus Kincannon
 White County — Dana Stewart

The Community Foundation serves all 75 counties. Our network of affiliates throughout the state provides a staff and volunteer presence to work locally in 42 counties. To view a complete list of our local advisory board members, visit arcf.org/affiliates.



CONSULTANTS

Audit Firm

Tracy Harrelson CPA
 JPMS Cox PA

Legal Counsel

Thomas Overbey
 Overbey, Strigel, Boyd & Westbrook PLC

Investment Consultants

Chris Cozzoni
 Mercer, St. Louis
Technology Consultant
 Darrell Sansom
 Sansom Networking, Inc.

Marketing Communications Consultant

Jessica Szenher APR
 Szenher Consulting

Annual Report Design

Lesley Cooper
 Cooper Design LLC

Photography

Wesley Hitt
 Wesley Hitt Photography
 Kelly Quinn
 Kelly Quinn Photography

2017 Community Foundation Facts

SINCE 1976 \$179 MILLION in grants have supported charitable causes our donors care about.



More than 3,776 grants totaling more than \$16.9 million supported nonprofits statewide.

100 NEW FUNDS

were created, totaling 1,927 funds.

ArkansasGives.org

G R O W T H E L O V E

Arkansas Community Foundation celebrated the final ArkansasGives which raised \$6.1 million for 937 nonprofits statewide in one day.



With the addition of Hot Springs Village, Arkansas Community Foundation now has

28 affiliates

to support our philosophy of working locally.



Assets for the Community Foundation were \$335 million at the close of FY 2017.

The Community Foundation announced the addition of its **NEW SATELLITE OFFICE** in Fayetteville, located at 1680 E. Joyce Boulevard.



FAIRFIELD BAY COMMUNITY FUND

ARKANSAS COMMUNITY FOUNDATION

Our first community fund was created in Fairfield Bay, a framework that allows local people to come together and support common causes. Learn more at arcf.org/communityfunds.



ARKANSAS
community foundation

Smart Giving to Improve Communities

1400 W. Markham, Suite 206 • Little Rock, AR 72201
Northwest Office: 1680 E. Joyce Blvd, Suite 1 • Fayetteville, AR 72703
501-372-1116 • arcf@arcf.org • arcf.org