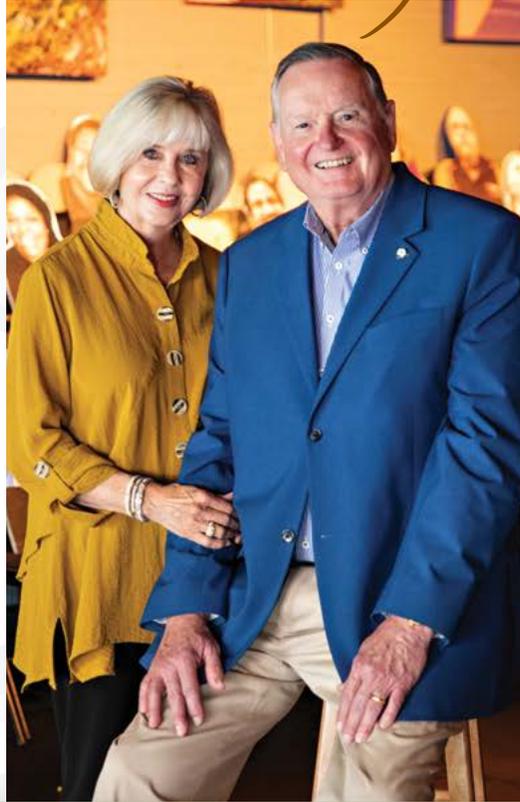


ARKANSAS

you run deep in me



Arkansas, You Run Deep in Me

Written by Wayland Holyfield

*October morning in the Ozark Mountains,
Hills ablazing like that sun in the sky.
I fell in love there and the fire's still burning
A flame that never will die.*

*Oh, I may wander, but when I do
I will never be far from you.
You're in my blood and I know you'll always be.
Arkansas, you run deep in me.*

*Moonlight dancing on a delta levee,
To a band of frogs and whippoorwill.
I lost my heart there one July evening
And it's still there, I can tell.*

*Magnolia blooming, Mama smiling,
Mallards sailing on a December wind.
God bless the memories I keep recalling
Like an old familiar friend.*

*And there's a river rambling through the fields and valleys,
Smooth and steady as she makes her way south,
A lot like the people whose name she carries.
She goes strong and she goes proud.*



Arkansas Community Foundation was honored to be given the rights to one of our State Songs, "Arkansas, You Run Deep in Me," by native Arkansan and hall of fame singer/songwriter Wayland Holyfield. We have created a music video featuring Arkansas in all her glory and showcasing some of the people who have benefited from generations of generosity through the Community Foundation. View the video by visiting arcf.org/strongandproud.



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Arkansas, and Charleston, You Run Deep in Me

I love Arkansas. And I loved growing up in Charleston, a small town in the River Valley near Fort Smith, where my parents consciously chose to make their home, run their small business, and raise their children. The community of Charleston helped make me who I am.

At first, our corner of Arkansas was all I knew. Later I went to college at Hendrix in Conway and then began my professional career in Little Rock. In 1998, former CEO Pat Lile introduced me to Arkansas Community Foundation, and it wasn't long before I could list all 75 Arkansas counties without aid. In most of those counties, I knew someone personally.

I've learned by experience the depth of generosity that is home here. Arkansans want to help each other, we want to support causes that make a difference, and we want to improve our communities. Never has this been more apparent than in the past year.

How we cope with adversity says a lot about a community, and a state. Arkansans responded to the continued challenges of 2021 with generosity, resilience, and creativity.

Arkansas Community Foundation began fiscal year 2021 administering the remainder of the COVID-19 Relief Fund holdings to nonprofits working to keep our communities and our economies strong. We made

grants to operations small and large that helped jump-start recovery.

Gaps in services to underserved communities and rural Arkansans were identified, and possible solutions were advanced. Healthcare for the underserved continued with the help of reworked facilities and increased use of telemedicine. Our Building Black Communities Fund made a million-dollar investment in Black-led and Black-serving nonprofits in central Arkansas.

Through the upswings and downturns that marked FY2021, Arkansas Community Foundation donors persevered.

That brings me back to the lyrics of Wayland Holyfield's song and to why Arkansas runs deep in me — and in many of you. Arkansas is home. Here, we are inspired to give, to recover, and to create a path for a future that respects our differences and moves us forward, together.

In gratitude,

Heather Larkin
President and CEO



Excellence. Accountability. Impact.™



Pushing the Next Man Forward

CPA Sharon Wilson of Forrest City is using the knowledge she's gained and the relationships she's built while serving on the Arkansas Community Foundation State Board to drive economic development for her community in the Delta.

"Whether it's housing, credit repair or better conditions for our kids, my goal is to build partnerships that can help people in the Delta get to that next level," Sharon said.

A former leader on the St. Francis County Community Foundation Affiliate Board, she knows the challenges of meeting local needs. She led the grants committee where her role was to identify local nonprofits doing work to better the community and support them through grants.

"Anytime I saw an organization pushing the next man forward, we'd join that effort," Sharon said. "Whether it was a food pantry, a sports organization, or an afterschool program, the causes we supported raised up the people of our community."

The Lake Village native and her husband Circuit Judge E. Dion Wilson moved to Forrest City in 1994 and set up law and CPA practices in an office they remodeled in the heart of downtown. Today, their family includes three children and two grandchildren.

"As soon as we moved here, we felt that we needed to give back," she said. "Kids in Forrest City didn't see a lot of people who looked like us in professional roles. We wanted to be the family that let them know the possibilities. We wanted them to see the opportunities that come when you get your education."

Sharon's CPA firm currently manages federal funds for the Forrest City School District. She's a tax preparer and a consultant for small municipalities and nonprofits in addition to work with individual clients.

"As my clients age, that's when a lot of them talk about what they want to do with their money. Even some of the younger ones want to make a difference in their communities with the resources they've earned," Sharon said. "I share information about different vehicles that can help them with charitable giving, and the Community Foundation has been a tremendous resource."

Sharon said the Community Foundation helps her clients meet goals for their family philanthropy and helps teach the next generation the best ways to give. "The staff is always ready and willing to help," she said. "They are easy to work with, efficient, and their investment policies ensure maximum gains without sacrificing the safety of the funds."

Moonlight Dancing on a Delta Levee

Arkansas Community Foundation State Board member Sharon Wilson is making the Delta a better place to live, work and grow.



Smooth and Steady as She Makes Her Way South



Magnolia Blooming

Deborah and Steve Nipper of Magnolia use their deep roots and longstanding relationships to help define and model community leadership for good causes in south Arkansas.

“Community leadership is really about people who just want to help and find a way to solve problems. They are the helpers,” Deborah said. “Steve and I both have this desire. We like being part of solutions for Magnolia. And when we got married in 1996, we agreed that that what one does, the other would do too, so we are a two-for-one deal,” Deborah said.

“I was born and raised here and then went to the University of Arkansas. I came back to Magnolia to work in banking. I know lots of business owners and local community leaders,” Steve said. “But Deborah taught Kindergarten in Magnolia for 37 years, so she is like a celebrity.”

Steve and Deborah have both held seats on the Columbia County Community Foundation board, as well as dozens of other local boards in the area. Between Rotary, their church outreach, a recent COVID hotline, a local food distribution program called the Stewpot and many other causes, the Nippers are often found volunteering and showing up to help.

But alongside the various organizations and causes they support, Steve credits the Community Foundation for showing him what he calls the “miracle of endowment.”

“Magnolia is a generous community. In 2006, the Columbia County Community Foundation Affiliate opened 40 family endowments from local donors,” Steve said. “Those funds are still providing funds to local nonprofits 15 years after they were started. An endowment is one of the most lasting ways to help causes we care about.”

One of the couple’s passions is supporting the Magnolia Arts Center — where they can sometimes even be seen on stage for local productions. “We both love the arts and love what the Magnolia Arts Center is providing this community,” Steve said. “I helped the Center acquire the building. Once it had a physical presence downtown, the growth was phenomenal. You may not expect a town with a population of 11,500 to have a robust visual and performing arts scene, but Magnolia does.”

“This town provides great opportunities for everyone here to experience the arts. We strive for inclusivity. Magnolia Arts thrives with great volunteers like the Nippers, support from the Community Foundation, local businesses and donors, members, partnerships with Southern Arkansas University, and The Magnolia School District Performing Arts Department,” said Janet Rider-Babbitt, director for Magnolia Arts and the Columbia County Community Foundation affiliate executive director.

“Steve and Deborah are a huge part of why the Arts Center is successful, but they are part of something bigger for the town of Magnolia. They epitomize community leadership by setting an example, using their influence, and showing up when help is needed.”

Deborah and Steve Nipper are strong supporters of the Magnolia Arts Center.



Making a Difference for Minority Entrepreneurs

In 2016, Arkansas Community Foundation set a goal of investing the equivalent of 5% of endowed assets in local, mission-aligned impact investments by 2024. Arkansans Pat Riley, Jr. and Benito Lubazibwa are helping make this a reality.

Pat is a local impact investor and longtime Community Foundation supporter. “Impact investing is essentially aligning one’s values with one’s investment choices. It’s putting money to work with a goal of creating a positive social or environmental outcome,” he said. “There can be a lot of variety in the type of impact an investor is looking for. So not every impact investment looks the same. My interests are regenerative agriculture, creating robust local food systems, and supporting the local entrepreneurship eco-system, the latter being specifically for those who have historically been denied opportunities.”

The two met in 2016, and Pat learned quickly of Benito’s vision, determination and ability to get things done. “I was very impressed when I met Benito and watched all that he has been able to accomplish over the years. He isn’t slowing down,” Pat said.

The latest project Benito is involved in is RIL, short for Rock It! Labs. It’s a collaboration between the Central Arkansas Library System and the nonprofit that Benito started, ABE (Advancing Black Entrepreneurship). The primary focus of RIL, located in the Cox Building in downtown Little Rock, is to offer those with limited resources the tools and information to start a small business.

A native of Tanzania and graduate of the University of Central Arkansas, Benito has played an integral role in developing local entrepreneurs through RIL and more recently, the Imani Fund. Both are good examples of how impact investing can make a difference by allowing donors to invest in ideas and people.

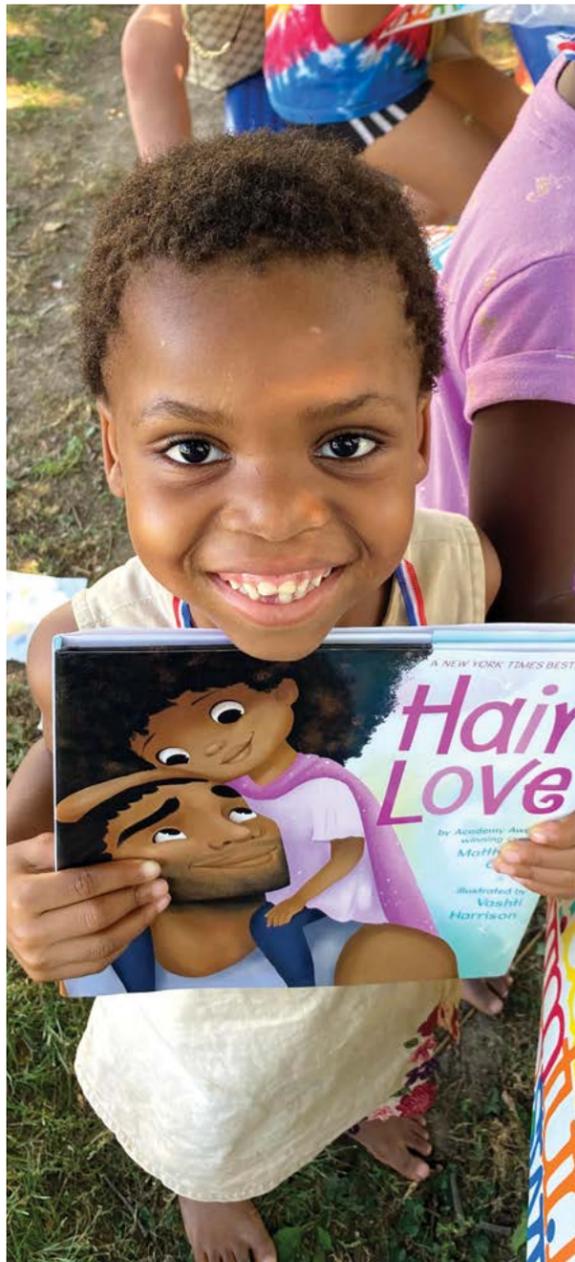
The Imani Fund is an innovative loan product rooted in equity. “I believe that access to capital is the key for businesses to survive, grow and scale,” Benito said.

The fund uses an uncommon underwriting process that assesses an individual’s character and community engagement rather than collateral to be considered for a loan. An individual’s potential to execute a viable business outweighs past relationship with personal debt. By providing microloans between \$5,000 and \$25,000 and free technical assistance, the goal is to minimize the systemic barriers to accessing capital that under-resourced entrepreneurs often face.

“Over the past few years, I’ve worked closely with Black entrepreneurs and witnessed many of their business dreams die in a bank parking lot due to low credit scores and lack of collateral,” Benito said. “These barriers have denied under-resourced businesses far too long.”

Benito Lubazibwa and Pat Riley, Jr. are proud of the collaborative workspace where artisans can transform their ideas into products and intellectual property. Called the “makerspace,” the floor has screen printing and sewing machines, crafting items, and art supplies.

A River Rambling Through the Fields and Valleys



She Goes Strong and She Goes Proud

Strength in Numbers, Pride in Giving

As Arkansas Community Foundation began celebration of its 45th anniversary year, it reached half a billion dollars in assets, putting the Community Foundation in the top 60 in assets of the more than 700 community foundations nationwide. 2021 is the first year the Foundation topped \$50 million in grants in one year.

The Foundation has grown by \$246 million in just five years. In the same five-and-a-half-year period since the end of fiscal year 2015, \$200 million in grants were made through the generosity of more than 2,000 fundholders and through Foundation-managed Giving Tree Funds.

The growth of the Foundation in FY2021 has paved the way for more impact in our grantmaking and is included in data on our [AspireArkansas.org](https://aspirearkansas.org).



Our strong asset base, combined with the number of grants we made every month helped us make Arkansas communities more resilient. In FY21, ALICE (Asset Limited, Income Constrained, Employed) became a strategic factor to inform our grantmaking. ALICE households earn more than the Federal Poverty Level, but less than the basic cost of living.

Our *AspireArkansas* provides online, downloadable county-by-county data on indicators for education, health, families and community. Three major pillars in FY21:

EARLY CHILDHOOD LITERACY

For this *Aspire* pillar, the Foundation partners with *Excel by Eight* to help Arkansas students read at grade

level by the end of the third grade. Focusing attention on the need to reach grade-level proficiency, the Foundation made grants to chronic absence prevention, summer learning opportunities, kindergarten readiness, parent involvement, and classroom instruction.



FOOD SECURITY

FY2021 saw more activity for our *Aspire* pillar on food security. This new initiative promotes the development of local food systems to make more local foods available for communities. The new "Access to Local Food" grants were made to community nonprofit organizations for projects that will increase Arkansans' access to locally grown and produced foods and strengthen local food ecosystems.

RACIAL EQUITY

The Community Foundation was one of 20 community foundations nationwide to receive \$1 million from Facebook to make grants to nonprofits serving Black communities. Partnering with the Arkansas Black Philanthropy Collaborative, the Building Black Communities Fund made 40 grants serving Black-led and Black-serving nonprofit organizations in six counties in Central Arkansas.



FY2021 marked the 20th Anniversary of the Smart Corporate Giving Award. To celebrate this milestone, and to recognize businesses that helped build a culture of philanthropy in our state, the Foundation awarded \$20,000 to the Ft. Smith Children's Shelter for their extraordinary work to support youth in the foster care system.

Top left: Anja participated in the Feed Your Brain program in Fayetteville at Lewis Plaza. Celebrating at the end of the year program, Anja got to pick her favorite book to keep.

Top right: AspireArkansas data includes information on ALICE families like Jasmine Juniel and her children, Parker and Paige. ALICE is defined as Asset Limited, Income Constrained, Employed.

Bottom right: The Bentonville Islamic Center received a grant from Arkansas Community Foundation's COVID-19 Relief Fund in 2020 to help buy a refrigerator and freezer. This purchase allowed the Center to offer fresh food like meats and produce from their food pantry.

FINANCIALS

Statement of Financial Position

ASSETS

Cash and Cash Equivalents	\$ 32,963,249
Investments at Market Value	508,579,481
Receivables and Other Assets	19,454,355
Total Assets	\$ 560,997,085

LIABILITIES AND NET ASSETS

Scholarships Payable and Other Liabilities	\$ 1,320,974
Agency Liabilities	49,815,918
Net Assets	509,860,183
Total Liabilities and Net Assets	\$ 560,997,085

STATEMENT OF ACTIVITIES

Revenue

Contributions	\$ 98,202,573
Other, Net	79,931,489
Less Amount for Agency Liabilities	(11,600,317)
Total Revenue	\$ 166,533,745

Expenses

Grants	\$ 35,085,086
Other Expenses	4,690,298
Less Amount for Agency Liabilities	(851,146)
Total Expenses	\$ 38,924,238

INCREASE IN NET ASSETS

	\$ 127,609,507
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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, 2021	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Incep
Composite return net of investment fees	26.5%	10.1%	10.1%	7.3%	6.8%
Composite benchmark	27.2%	11.4%	11.2%	7.9%	6.6%

INVESTMENT CONSULTANT

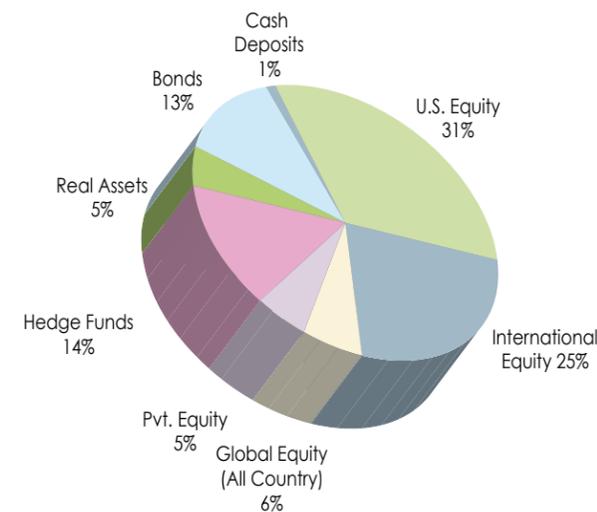
Cambridge Associates,
Boston, MA

INVESTMENT MANAGERS FOR POOLED ASSETS

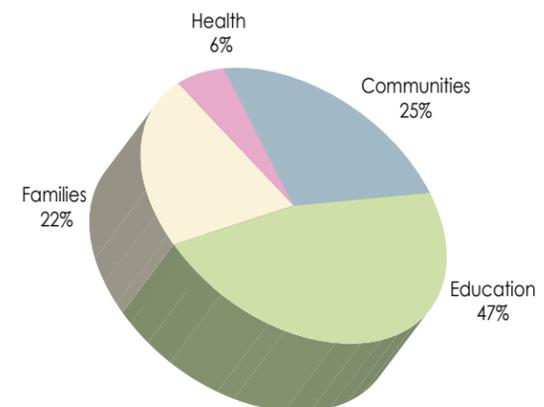
Aether Investment Partners
 Alphadyne Asset Management
 Artisan International
 Bertram Capital
 Blackstone Group
 Bracebridge Capital
 Breckenridge Capital
 CapRocq
 Cendana Capital
 Clarion Partners
 Colliers Dickson Flake Partners
 Davidson Kempner
 D.E. Shaw
 Digital Alpha
 Doubleline Capital
 Elliott International
 FPA Crescent
 Global Alpha International
 Goldman, Sachs & Company
 GQG Partners
 HarbourVest Partners —
 Dover Street
 Hengistbury Investment Partners
 Incline Equity Partners
 JO Hambro International
 John Hancock Investments
 Massachusetts Financial Services (MFS) Company
 Northgate Capital
 Neuberger Berman
 Park Street Capital
 Partech Partners
 Principal Group
 Pritzker Private Capital
 Renaissance Institutional Equities
 Sculptor Capital Management
 Select Equity Group —
 Baxter Street
 Somerset Capital Management
 Sylebra Capital
 Vanguard Group
 Whale Rock Capital
 WILsquare Capital Partners
 Wynnchurch Capital Partners

Operating Expense Ratios

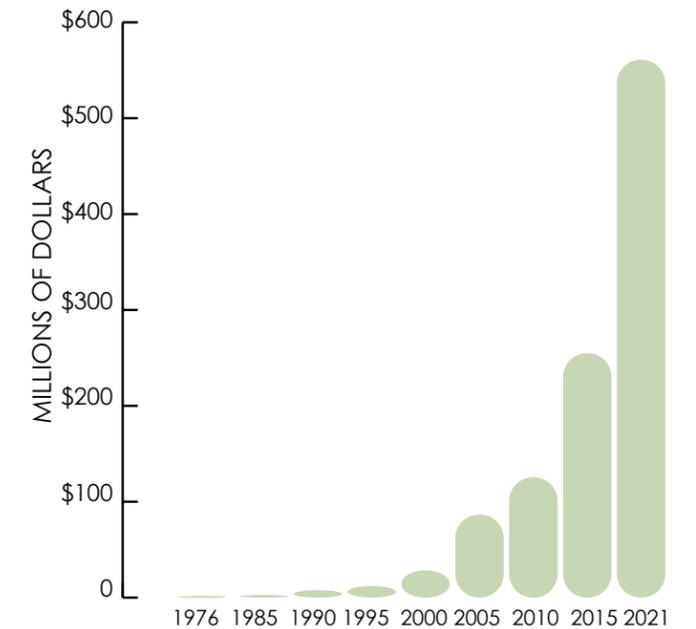
	2017	2018	2019	2020	2021
Total Assets	\$335,506,981	\$328,261,227	\$442,364,837	\$423,543,795	\$560,997,085
Total Operating Expense	\$1,407,574	\$1,651,089	\$1,860,063	\$1,995,018	\$1,987,003
Number of Employees:					
Full Time Central Office staff	14	15	15	15	16
Part Time Local Directors	28	28	28	29	29
Operating Expense as % of Total Assets:					
Central and Local Offices	0.42%	0.50%	0.42%	0.47%	0.35%



Asset Allocation as of June 30, 2021



Total Grants by Program Area FY 2021



Community Foundation Asset History 1976-2021

FUNDS

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.

GRANT GUIDELINES

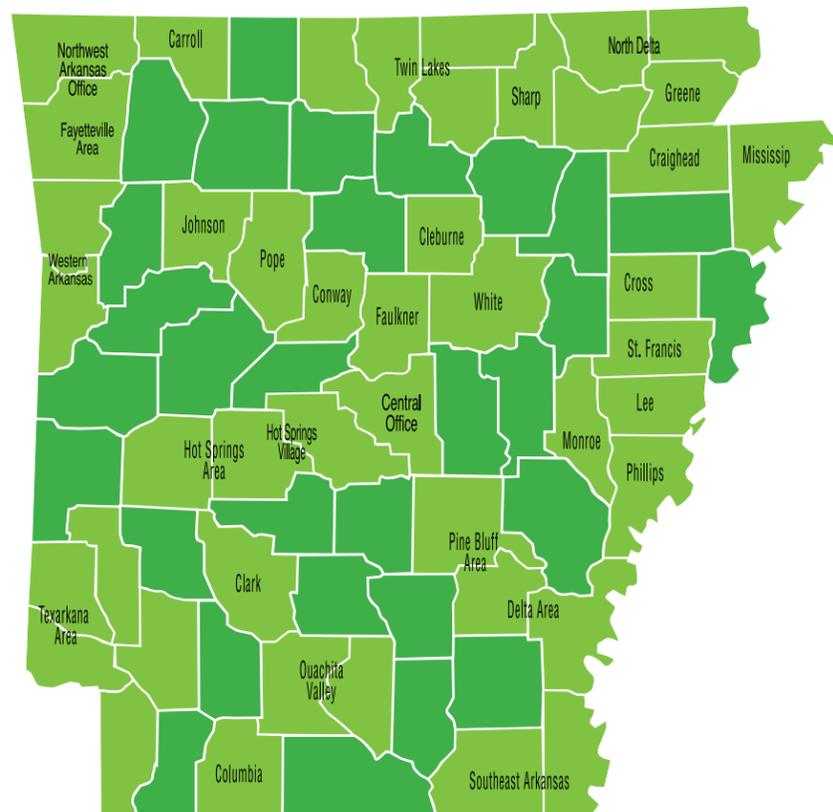
For grant guidelines and additional information on applying for grants, visit arcf.org/apply.



Affiliate Executive Directors, FY 2021

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

- Carroll County — Janell Robertson
carrollcounty@arcf.org
- Clark County — Deborah Sesser
clarkcounty@arcf.org
- Cleburne County — Susan Vowels
cleburnecounty@arcf.org
- Columbia County — Janet Rider-Babbitt
columbiacounty@arcf.org
- Conway County — John Gibson
conwaycounty@arcf.org
- Craighead County — Melissa Ayers
craigheadcounty@arcf.org
- Cross County — Keeli Smith
crosscounty@arcf.org
- Delta Area — Pat Post
deltaarea@arcf.org
- Faulkner County — Shelley Mehl
faulknercounty@arcf.org
- Fayetteville Area — Stacy Keenan
fayettevillearea@arcf.org
- Greene County — Kerri Watson
greenecounty@arcf.org
- Hot Springs Area — Joyce Whitfield
hotspringscounty@arcf.org
- Hot Springs Village — Kim Harrison
hotspringsvillage@arcf.org
- Johnson County — Jackie Ott
johnsoncounty@arcf.org
- Lee County — Lucy Smith
leecounty@arcf.org
- Mississippi County — Nickie Bell
mississippicounty@arcf.org
- Monroe County — Phyllis Stinson
monroecounty@arcf.org
- North Delta - Melody Rainwater
northdelta@arcf.org
- Ouachita Valley — Rajveer Kang
ouachitavalley@arcf.org
- Phillips County — Angela Shirey
phillipscounty@arcf.org



Pine Bluff Area — Lawrence Fikes
pinebluffarea@arcf.org

Pope County — Madelyn Ginsberg
popecounty@arcf.org

Sharp County — Hazelle Whited
sharpcounty@arcf.org

Southeast Arkansas
southeastarkansas@arcf.org

St. Francis County — Robin Jayroe
stfranciscounty@arcf.org

Texarkana Area — Ken Cox
texarkanaarea@arcf.org

Twin Lakes — Kimberly Jones
twinlakes@arcf.org

Western Arkansas — Pettus Kincannon
westernarkansas@arcf.org

White County — Denice Eaves
whitecounty@arcf.org

Board of Directors

Below is a list of our statewide board members for the fiscal year 2021. For a full list of members of each of the 29 local affiliate advisory boards, visit arcf.org/affiliates.

- | | | |
|----------------------|-----------------------|-----------------|
| Ramsay Ball | Paige Partridge Hix | Vance Smiley |
| Kandice Bell | Eric Hutchinson | Philip Tappan |
| Alyson Bradford | Heather Knight Loftis | Robert Thompson |
| Tracy Cude | Creshelle Nash | Scott Van Horn |
| Holly Dunsworth | Steve Nipper | Sharon Wilson |
| Don Greenland, Chair | Andy Peeler | Robert Zunick |

Central Office Staff

Octie Ashley
Affiliate Officer
(Joined in FY22)
oashley@arcf.org

Katy Bland
Communications Associate
kbland@arcf.org

Ashley Coldiron
Chief Development Officer
acoldiron@arcf.org

JoEllyn Cooper
Office Administrator
(Joined FY22)
jcooper@arcf.org

Jody Dilday
Vice President, Northwest Arkansas
Operations
jdilday@arcf.org

Lisa Duckworth
Finance & Grants Associate
lduckworth@arcf.org

Jessica Ford
Chief Communications Officer
jford@arcf.org

Trina Greuel
Finance Director
tgreuel@arcf.org

Bethany Hilkert
Donor Stewardship Officer
bhilkert@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
Program Director
lmorris@arcf.org

Annetta Tirey
Program Officer, Northwest Arkansas
(Joined in FY22)
atirey@arcf.org

Phillip Walker
Senior Staff Accountant
(Joined FY22)
pwalker@arcf.org

Consultants

Legal Counsel
Thomas Overbey
Overbey, Strigel, Boyd & Westbrook PLC

Technology Consultant
Darrell Sansom

Marketing Communications Consultant
Jessica Szenher, APR
Szenher Consulting

Annual Report Design
Lesley Cooper
Cooper Design LLC

Photography
Wesley Hitt
Wesley Hitt Photography

VISION

Arkansas Community Foundation will be a magnet for inspirational, impactful giving and will have the leadership and connections to catalyze significant impact across the state. The Community Foundation will be successful at these roles because of our longevity and the trust we have built in our communities.

MISSION

To engage people, connect resources, and inspire solutions to build community.

VALUES

The Community Foundation is guided by these core values:

We are **LOCAL**.

We support local decisions to meet local challenges.

We are **INCLUSIVE**.

We seek broad community involvement and all points of view.

We are **STEWARDS**.

We take seriously the public's trust.

We are **STRATEGIC**.

We strive to achieve positive long-term results.



ARKANSAS
community foundation

Smart Giving to Improve Communities

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