



ARKANSAS
community foundation

Smart Giving to Improve Communities

Each August, Arkansas Community Foundation will collect the estimated administrative fee for the upcoming year, as well as the amount to be disbursed during the year in grants. The Community Foundation will also sell shares necessary to provide cash requirement. Grant distributions from endowments are based on a 4 percent spending rate policy. Administrative fees are charged on a monthly basis according to the fund type.

Our intention with separately managed accounts is to honor your relationship with your client and our fundholder; therefore when you no longer serve as investment manager for the account, the balance of the investment will be transferred to the Community Foundation's general investment pool.

Create a Separately Managed Account in a Few Simple Steps

Funds or Endowments \$1 million+

For larger funds and endowments at the Community Foundation, your client can designate you as the manager of his or her investments outside our main endowed pool. You can develop your own investment plan based on our separately managed allocation recommendation along with your expertise and knowledge of your clients' objectives.

- 1 After your client establishes his/her endowment and elects separate management, our finance department will provide you with our recommended allocation for separately managed endowments.
- 2 You will work with our CFO to customize an allocation for the endowment you will manage.
- 3 Our CFO will present the proposed plan to our Finance Committee for final approval.

\$10,000+ Endowments or \$100,000+ Funds

For endowments less than \$1 million and quasi-endowed funds of \$100,000 or more, we offer an investment option outside our investment pool through six specific American Fund options. The Community Foundation's relationship with American Funds allows us to purchase investments at net asset value (NAV) with no up-front sales charges.

- 1 Provide our CFO the necessary forms to establish a new account with your investment company for the benefit of the newly created Community Foundation fund or endowment.
- 2 Transfer assets from the donor into the new account to be used to purchase any combination of the eight American funds we allow.
- 3 When purchasing the specific American Fund investment(s), reference the Community Foundation's tax ID # 52-1055743 to access our NAV pricing.

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