

Customized Giving Solutions

*Partner with the charitable experts
at the Arizona Community Foundation
to invest in your community.*





“The dictionary definition of philanthropy is ‘love of mankind,’ which really resonates for me. Working with ACF has made giving back a wonderful experience.”

HAL TASHMAN

Entrepreneur, former ACF board member,
and an ACF partner since 1994

Since 1978, the Arizona Community Foundation has provided charitable advice and fund management for thousands of donors in communities across the state and around the country. As a result, our team has a deep understanding of the passion and knowledge that drives effective, long-lasting change in the community.

Our personal service, expert guidance, and flexible options create a giving experience that is unique to you and the causes you care about. As your partner in philanthropy, we wholeheartedly support you through your giving journey. Every decision you make along the way is backed by our commitment to honor your charitable interests forever.

Bring your charitable goals to life.



WHY ACF?

When you choose ACF, you partner with a community-based, nonprofit foundation with over 45 years of experience.

Our role is to help you realize your philanthropic goals through customized charitable giving solutions. Today, we manage over \$1.3 billion in charitable assets and have distributed over \$1.3 billion into our communities through grants, scholarships, and loans. Our personalized service model recognizes the individuality of each donor who walks through our proverbial doorway.

- We operate on razor-thin margins with very low cost ratios. Our annual operating budget is less than 1% of assets which means approximately 99% of our assets directly support charitable causes.
- For twelve years, ACF has received the coveted 4-star rating from Charity Navigator. This, their highest rating, speaks to our financial strength and transparency. We are proud of this rating because it highlights that we adhere to best practices and execute our mission in a financially efficient manner.
- We comply with the National Standards for U.S. Community Foundations, voluntarily adopting policies and procedures that strengthen how we conduct business by adhering to the highest ethical standards.



With offices across the state, our professional staff is available to support you in lifetime giving, multi-generational giving, and the creation of charitable legacies. ACF philanthropic advisors will help you navigate the charitable giving process from start to finish, covering everything from finding the right fund type to making grants in the community.

We provide opportunities for donors to create their own named fund or give to an existing fund that aligns with their charitable interests. Either way, funds are professionally managed to safeguard principal and provide a competitive investment return to benefit the community.

Through your partnership with ACF you gain access to an array of services, including:

Cost effective alternatives to private foundations that maximize your tax benefits, including donor advised funds and supporting organizations

Personalized strategy and goals for your grantmaking, including developing your charitable giving plan and facilitating multi-generational involvement

A full range of fund types to personalize your giving and support cherished nonprofit organizations or causes, both during your lifetime and beyond

Expertise in non-cash assets and the infrastructure to accept business interests, stock, real estate, and more

Vetting of nonprofit organizations that align with your philanthropic goals, whether you wish to give locally, statewide, nationally, or even internationally

Nonprofit site visits and meetings with nonprofit executive directors and board members

LISA STRATTON

As an ACF philanthropic advisor, Lisa works with donors to create personal giving strategies



Fund Types

As many ways as there are to give, there are also charitable strategies and vehicles for every type of donor. Choosing the right approach for every individual situation can help you give more effectively and efficiently. ACF offers a variety of fund types to meet different charitable goals.



Donor Advised Fund

Support multiple organizations and causes throughout the years by recommending grants that align with personal passions.



Scholarship Fund

Invest in students pursuing college or vocational postsecondary education. Donors can choose different levels of involvement depending on their interests and goals.



Field of Interest Fund

Donors select a focus area and let ACF manage competitive grant cycles and award funding to high-performing organizations and programs that align with the selected field of interest.



Designated Fund

Donors select one or more nonprofit organizations that will receive a reliable annual income stream.



Collaborative Fund

A group contributes to a single fund and grants are recommended by a committee, often supporting a common cause or jointly-funded program.



Supporting Organization

Provides separate entity status and the potential to involve infinite generations alongside public charity tax benefits and outsourced back-office administration.

Grantmaking

Grants may support nonprofits, educational institutions, tribal entities, government agencies, and most religious organizations anywhere in the U.S. and even internationally. ACF performs the due diligence to ensure grantees are qualified, viable organizations in good standing before distributing grants.

Alternatives to Private Foundations

While all ACF fund types meet specific needs related to donor preferences, a donor advised fund or supporting organization is recommended for those seeking public charity alternatives to creating a private foundation. **These three giving vehicles are compared below.**

	DONOR ADVISED FUND	SUPPORTING ORGANIZATION	PRIVATE FOUNDATION
Startup cost	None	Minimal	High
Minimum size	\$25,000	\$3 million	Substantial assets required to justify startup and maintenance
Income tax deduction*	60% for cash 30% for appreciated property	60% for cash 30% for appreciated property	30% for cash 20% for appreciated property
Payout requirements	None	None	5% of assets annually
Option to support charities anonymously	Yes	Yes**	No
Ability to name successors	Yes	Yes	Yes
Consider this when	You want the benefit of being part of a public charity and playing an active role in grantmaking without the high overhead of operating a private charitable organization	You want the formal structure of a private foundation and the potential to involve infinite generations of family members while enjoying the public charity tax benefit and administrative support provided by ACF	You want total control over the operations of the organization including staffing and investment decisions and are comfortable with the high startup costs, government regulations and oversight, reduced tax benefits, and lack of anonymity

*Percentage of adjusted gross income **Only for grants under \$5,000

Creating a Legacy

You also have the option to leave a lasting legacy by establishing or giving to a named fund after your lifetime. Gifts that are planned today and realized after your lifetime ensure a healthy future for your favorite causes and organizations. Additionally, some planned gifts may qualify for income and estate tax benefits.

ACF's planned giving professionals work closely with you to determine which planned gift and fund type will best serve your estate plans and future legacy. With your permission, we will also partner with your financial planners, lawyers, and accountants to provide a seamless planning experience and maximize tax, financial, and estate planning objectives.

Because you are not limited to one giving vehicle at ACF, you may choose a combination of lifetime and legacy giving. Some donors even leverage giving vehicles that also generate income during their lifetime.

There are a number of ways to give after your lifetime, varying in simplicity, flexibility, and permanency. Explore all the options to find the right fit for you.

Additional details and suggested gift planning language are available upon request from your dedicated Relationship Manager.

Getting Started with a Planned Gift

Our testamentary fund agreement allows you to name the fund(s) your gift will create, include fund advisors, establish a scholarship, identify your charitable interest areas, or even select specific nonprofit organizations to receive recurring grants in the future.

As your charitable interests evolve, you can use our sample gift planning language to change your testamentary agreement, saving you and your attorney the time and expense of amending your will, trust, or other gift instrument.

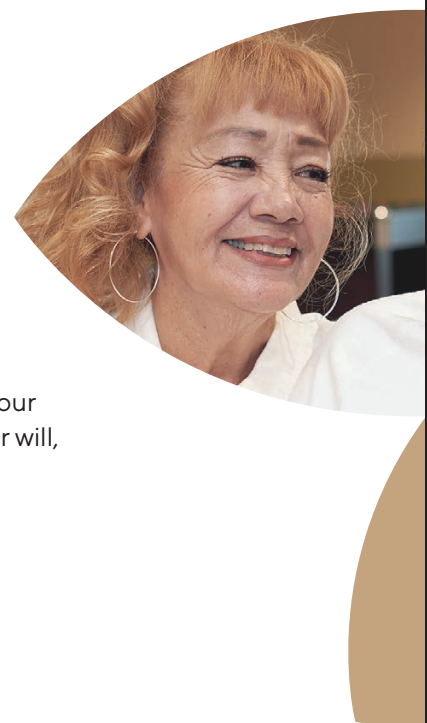
It's never too early to begin building your legacy. When you're ready, here are a few things you can do to get started:

1

→ Make sure you have an up-to-date estate plan that reflects your charitable objectives. Without a plan, you surrender control of your property and assets to the probate courts.

2

→ Contact your financial planner, lawyer, or accountant for help in establishing a charitable component in your will, trust, or other gift instrument. We recommend that you encourage your advisor to work with ACF's team so we can collaboratively serve your charitable interests.





3

→ Consider donating a percentage of your assets along with cash alternatives such as retirement assets, investment accounts, annuities, business interests, real estate, insurance policies, personal property, or other assets.

4

→ Get in touch with ACF's planned giving professionals to complete a testamentary fund agreement.

Why You Should Consider Giving Non-Cash Assets

Cash, check, and credit card gifts are popular options for donating, but these offer limited tax benefits—particularly when making larger gifts. When you donate highly appreciated non-cash assets to ACF prior to liquidation, you can maximize charitable tax benefits and be eligible to receive an income tax deduction, subject to AGI limitations, and eliminate capital gains tax on the gifted portion. This enables you to lower your tax burden while increasing the amount available to support your community.

Popular non-cash gift types include:

- | | |
|--------------------------------|---------------------------------|
| — stocks, bonds & mutual funds | — life insurance policies |
| — business interests | — retirement account assets |
| — real estate | — charitable trusts & annuities |
| — life estate | — virtual currency |



“When I was in the process of selling my business, I worked with my CPA and ACF to donate a portion of my business prior to sale. In doing so, I was able to make a larger gift to my family’s ACF fund, and through it, to the community.”

PETER THOMAS

Social Entrepreneur and Fund Founder for the Todd Thomas Foundation

Both cash and non-cash assets may be contributed to an existing fund, used to establish a new named fund, or create a lasting legacy for the community when planned now and received after your lifetime. Visit azfoundation.org/gifts to learn more.

Preserving Charitable Assets for the Future

ACF’s prudent, diversified investment program looks beyond short-term volatility and trends when investing and managing your charitable assets. Over the last 45 years, ACF’s investment program has had a solid track record of securing positive returns while acting with care, skill, and informed professional judgment. Our number one goal is to achieve long-term returns to fund your philanthropic interests.

The size of ACF’s holdings assures substantial efficiencies and economies of scale, plus access to asset classes and investment managers not generally available to smaller, individual funds.

All of our investment decisions are overseen by ACF’s Investment Committee, which is comprised of seasoned investment and business professionals drawn from our board of directors and the larger business community. The committee also works closely with ACF’s investment team and consulting firm to formulate investment policy, determine strategic asset allocation, and hire, monitor, and evaluate investment managers.

External Fund Management

At a donor’s request and recommendation, charitable assets of a certain size may be managed by external money managers who are independent of the donor and agree to adhere to investment guidelines and policies prescribed by ACF. More information about this option is available at azfoundation.org/externalmanagement.

ESTIMATES SUGGEST
THAT 93% OF WEALTH
IS HELD IN ASSETS
OTHER THAN CASH.
THIS REPRESENTS
IMMENSE POTENTIAL
FOR CHARITABLE IMPACT.

TAX BENEFITS

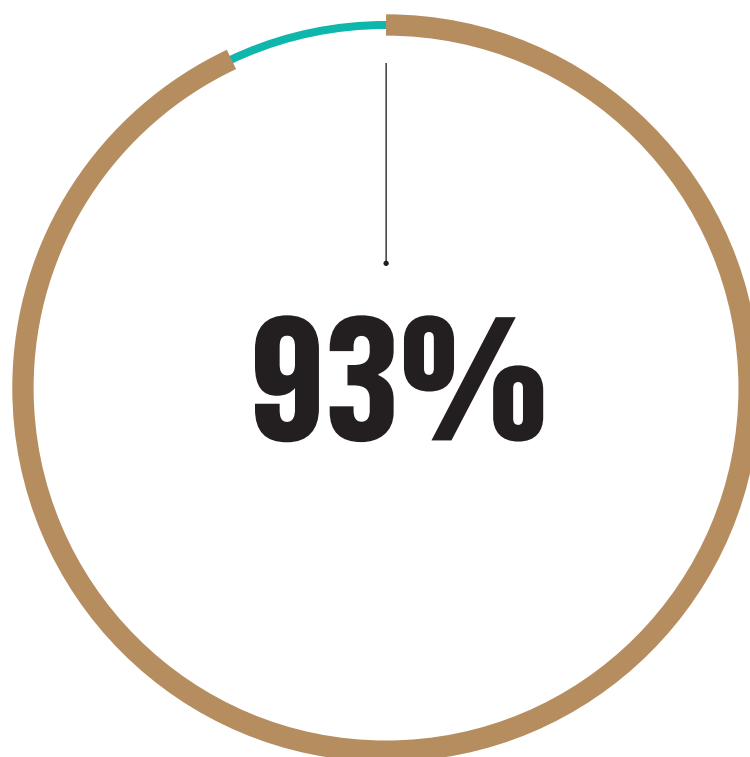
Eliminate capital gains taxes on highly appreciated assets to lower your tax burden while increasing the amount available to support your community.

CHARITABLE DEDUCTION

Gifted assets are eligible for charitable income tax deductions at fair market value in the year when you make the gift.

LONG-TERM GIVING

Once liquidated within your ACF donor advised fund, proceeds of non-cash gifts can be invested and endowed, providing more time for you to make key charitable decisions.





More than just fund management

When you choose ACF as your philanthropic partner, you also support ACF's broader investments in the community. In addition to discretionary grantmaking and scholarship distribution, ACF strengthens Arizona communities through specialized centers for philanthropy, innovative co-investing and loan programs, and cause-driven initiatives and giving circles.

ESSEN OTU

As the founder of the REAP giving circle and current board member, Essen has partnered with ACF to make a difference for Black Arizonans

These programs offer additional opportunities for donors to give through ACF beyond establishing a named charitable fund.

Centers for Philanthropy

ACF operates three Centers for Philanthropy that leverage specialized teams of philanthropic experts to meet donors' unique needs.

The **Pakis Center for Business Philanthropy** provides a range of back-office services and strategies to help companies of all sizes be a force for good in the communities where they do business.

The **Center for Sports Philanthropy** simplifies foundation management for sports teams, corporate leaders, and professional athletes—both current and retired. Athletes for Arizona, a primary initiative of the Center, supports youth through physical activity programming, education on healthy living, mental health education, and increased sports participation.

The **Kellenberger + Tollefson Center for LGBTQ Philanthropy** contributes to an Arizona and society that advances justice and opportunity for LGBTQ people and the communities where they live.

Impact Investing

ACF has emerged as a national leader in the practice of impact investing—deploying charitable capital in ways that create both a social and financial return, often leveraging additional financing to bring projects to scale and achieve greater impact. As these loans are repaid, funds become available to support other projects, creating a continual recycling of available loan funds.

The **Community Impact Loan Fund** provides low-cost capital for nonprofit community projects to facilitate program growth and efficiency, as well as renovations and acquisition of facilities. This collaborative approach uses private capital for public good, including nonprofit housing projects that offer safe, decent, and affordable housing to individuals and seniors.

The **Affordable Housing Predevelopment Loan Fund** provides zero-interest loans to nonprofit housing developers for the initial phase of affordable housing projects, prior to securing permanent financing. This fund creates supportive housing, rehabilitates foreclosed and abandoned properties, and converts existing inventory for affordable uses.

The **Rural Development Investment Fund** assists rural communities with low-interest, short-term financing for infrastructure projects that USDA Rural Development has committed to funding. Loans from this fund benefit water

systems, schools, affordable housing, firehouses, parks, and related needs in rural communities.

Philanthropy for All

Celebrating the rich cultural diversity that defines Arizona, ACF's Philanthropy for All program offers a host of giving initiatives led by people of color who are addressing some of the state's most pressing needs.

Members of the **Black Philanthropy Initiative** work to advance equity, leadership, and social justice for African Americans through grantmaking to Black-led nonprofits and organizations and by organizing community convenings on topics that shine a light on racial equity and Black history.

Arizona Indigenous Philanthropy seeks to ignite the culture of Indigenous peoples to cultivate sacred, healthy communities while addressing root challenges—including the lack of capacity, preservation, and sustainability—with values woven into every approach.

ACF is also home to giving circles that allow individuals to contribute to a common cause for greater collective impact—either as a supporting donor or as a member actively involved in deciding how funds are distributed.

The **African-American Women's Giving and Empowerment Circle** transforms the lives of African-American women and girls in Arizona through the collective investment of time, treasure, and talent.

The **Asian American Women's Giving Circle** supports the health, safety, education, and economic success of Asian American women and girls in Arizona.

Latinas In Philanthropy & Service (LIPS) brings together individuals who are dedicated to creating a better Arizona for Latinas of all ages.

The **LGBTQ Leaders Impact Fund** is designed for donors who are interested in engaging with their peers to make strategic investments that benefit the LGBTQ community.

Real Engagement Through Active Philanthropy (REAP) provides Black men with a mechanism for community investment through strategic philanthropy.

Students Engaged in Ethical Donations (SEED) is a youth-led philanthropic initiative for Black high school or college students who are interested in giving back to the community.

Ready to begin your giving journey? **Let's talk.**

Our team is here to answer questions and learn more about your charitable goals.



STATEWIDE
602.381.1400

ACF OF **COCHISE**
520.439.0595

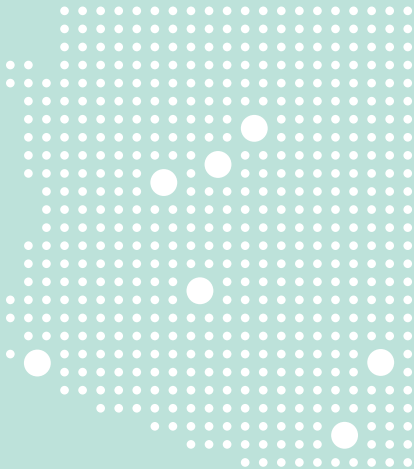
ACF OF **SEDONA**
928.399.7218

ACF OF **FLAGSTAFF**
928.526.1956

ACF OF **YAVAPAI COUNTY**
928.583.7815

ACF OF THE **GILA VALLEY**
520.439.0595

ACF OF **YUMA**
928.539.5343



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ARIZONA
COMMUNITY
FOUNDATION

azfoundation.org