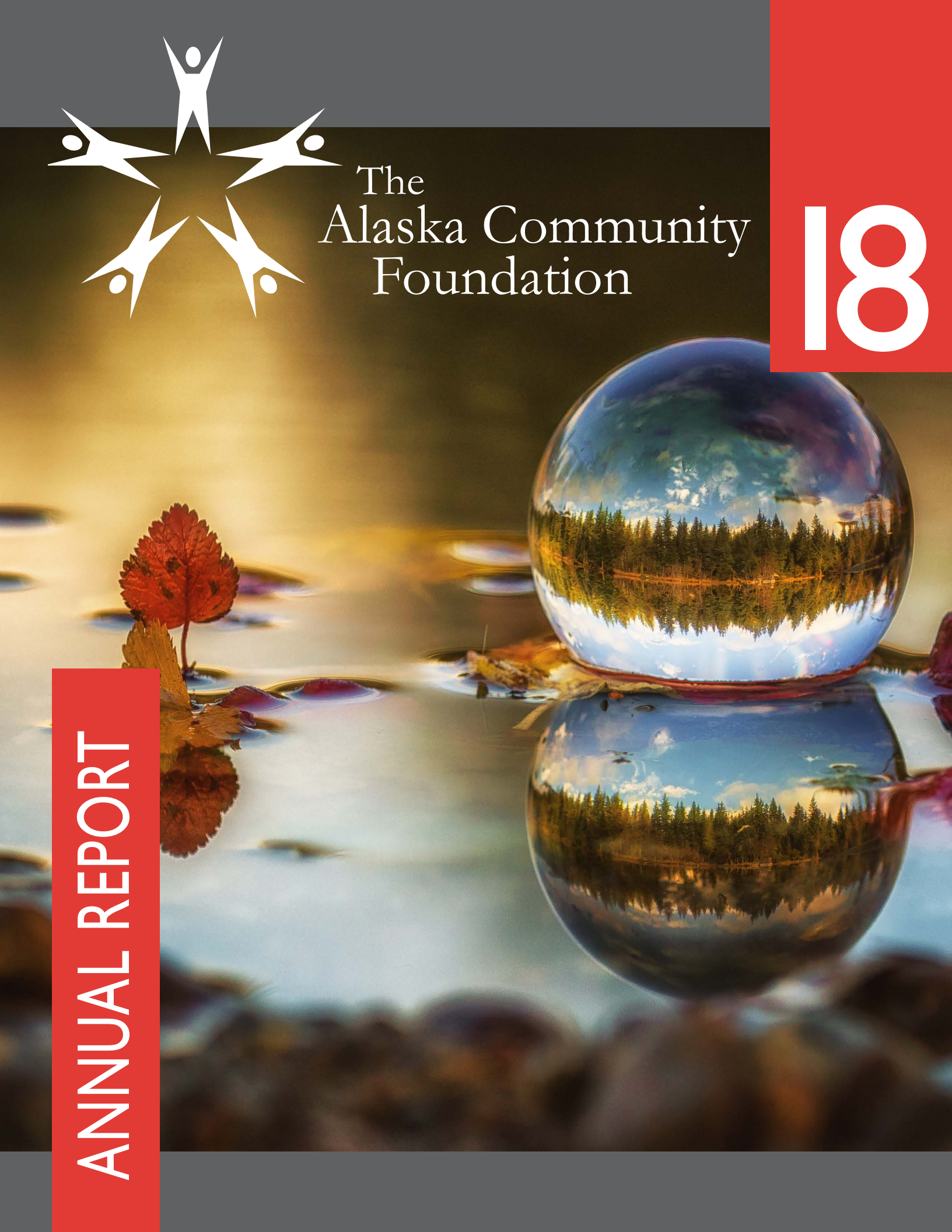




The
Alaska Community
Foundation

18

ANNUAL REPORT



BOARD OF DIRECTORS

THE ALASKA COMMUNITY FOUNDATION

MESSAGE
FROM
BOARD CHAIR
Peter Michalski
and
PRESIDENT & CEO
Nina Kempfel

2018 was a great year for the Alaska Community Foundation, and we want to thank you for your support. Your gifts empower us to help nonprofits across the state to improve the lives of Alaskans.

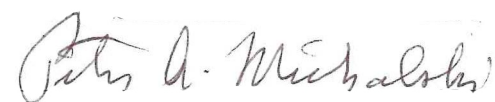
Our recently completed multiyear campaign to grow our endowment has been successful, and we have some exciting news to share. Of the \$102 million donated, \$14.8 million has been realized. The remainder of the proceeds are testamentary gifts to be received in the future. Though the \$14.8 million is but a small percentage of the amount raised, it will provide the ability to distribute over a half-million dollars to nonprofit organizations, educational entities and tribal organizations across the state every year forever. That number will only go up as pledges to the campaign are realized. Thanks to the generous spirit of Alaskans the funds currently available will help to make an impact in our communities today, and future generations will be able to depend on support for the causes that matter to them.

In total, the Alaska Community Foundation raised \$165 million over the last five years and distributes approximately \$7 million per year in grants to nonprofit organizations, much of it from unrestricted funds, donor advised funds, scholarship funds, and individual nonprofit funds.

Our community rallied after the earthquake in November 2018 to join together in giving \$365,000 to meet the needs of nonprofit organizations and support recovery efforts. ACF was able to work with other nonprofits and community leaders to grant out immediate assistance to nonprofits that were important to the relief process and help those nonprofits struggling with long-term recovery get back to their essential missions.

We look forward to sharing with you the impact of your donations to the campaign for years to come and are grateful for your continued support of nonprofits and individuals with a vision for a better Alaska.

Peter Michalski
BOARD CHAIR



Nina Kempfel
PRESIDENT & CEO




PETER MICHALSKI
Chair



CAROL GORE
Vice Chair



KATE SLYKER
Secretary



DIANE KAPLAN
Treasurer



Barbara Donatelli



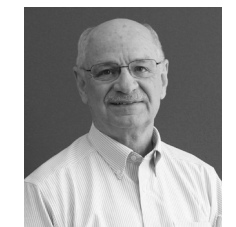
Gabriel Kompkoff



Aaron Kusano



Kris Norosz



Jim Palmer



Kim Reitmeier



John Rubini



David Shaftel



Monica Shah



Gov. Bill Sheffield



Alex Slivka



Andy Teuber



Lane Tucker

ABOUT US

MISSION

Inspiring the spirit of giving and connecting people, organizations, and causes to strengthen Alaska's communities now and forever.

VISION

Every Alaskan acts on the power of giving together.

VALUES

Impact: We are dedicated to partnering with donors, grantees and Alaskans to strengthen our Alaskan communities.

Integrity: We are responsible stewards, demonstrating transparency, accountability and providing excellent customer service in our operations and programs.

Inclusion: We are strengthened by Alaska's diversity and aspire to be inclusive of all voices.

Collaboration: We bring together people, ideas, and resources to make lasting improvements, respecting that local communities know how to best address their needs.

Forward Looking: We believe in the power of long-term community investments to create lasting change for the benefit of future generations of Alaskans.



DONOR | VOLUNTEER

Jo Michalski

You gave me what you did not have, and I gave you what I had to give—together, we made something greater from the difference.

- Alberto Ríos

There are not many that have the courage and tenacity to build a life by following their dreams and passions. Even fewer find the time to give back to the communities and individuals that helped them achieve those dreams. Jo Michalski followed her heart through each new venture life offered, and now she is giving back to the community that helped foster those dreams.

Jo joined The Alaska Community Foundation's board in 2005 and later served as Board Chair. ACF would not be what it is today without Jo's thoughtful approach to solving the immediate needs of the communities in our state and creating support for future generations.



Her experience as Board Chair and ability to inspire and encourage philanthropy made her a perfect person to co-chair the Campaign for Alaska's Future. Beginning in 2014, the Campaign was a monumental undertaking that would push the boundaries of fundraising possibilities in Alaska. For the last five years, Jo's dedicated engagement and tireless fundraising efforts have never wavered. She opened her home to events, volunteered her time to meetings and strategy sessions and promoted the Campaign every chance she was provided. ACF could not ask for a better advocate.

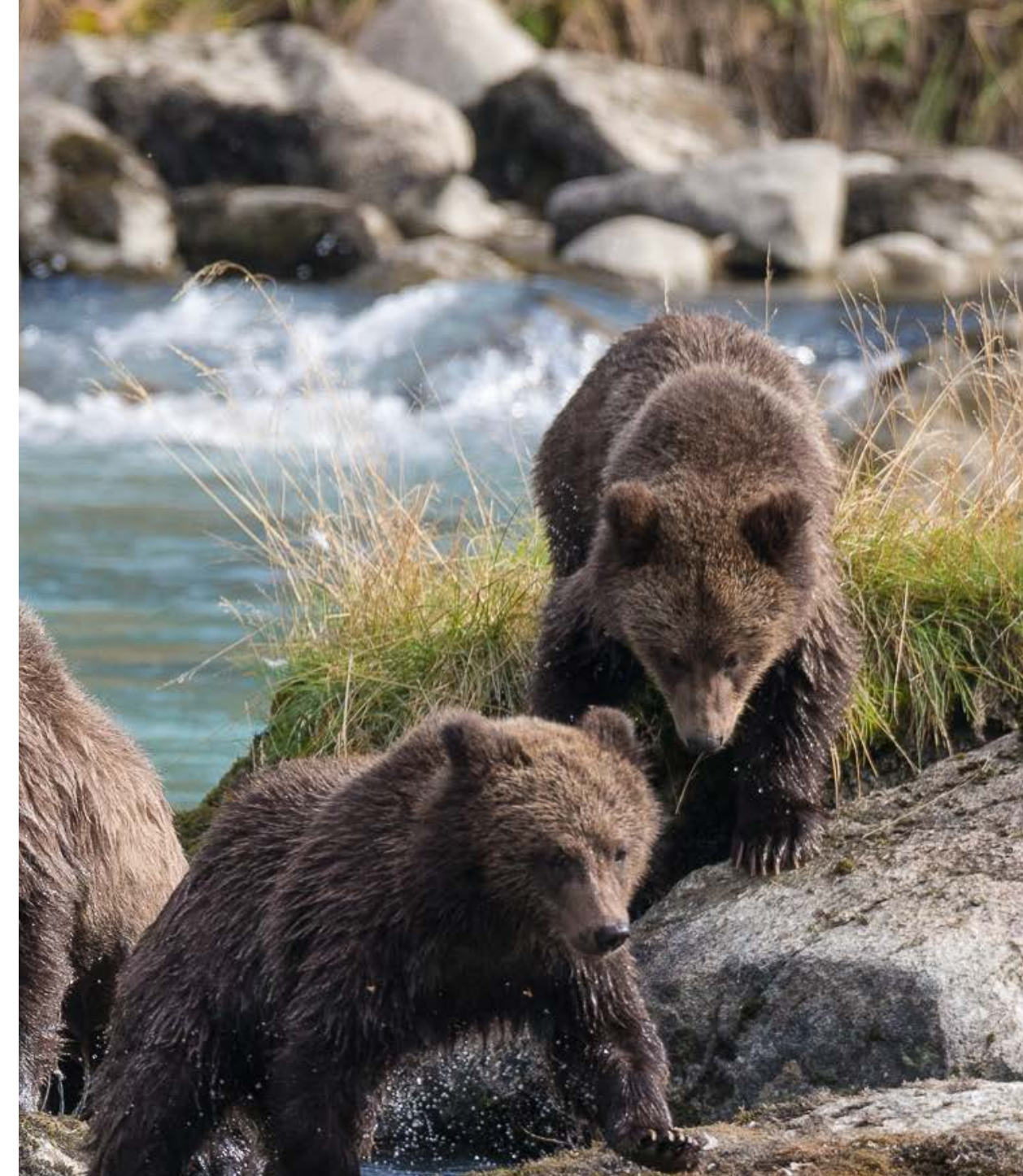
In 2018, all the hard work paid off. After five years of volunteered time and effort, the Campaign reached its goal of \$100 million in philanthropic funds to support our state for generations to come. There is no expression of gratitude or thanks that can wholly represent ACF's appreciation for Jo's generous contributions to ACF and Alaska.

The essential part of Jo's contribution to the Campaign was her commitment and belief in the cause. The funding generated by \$100 million in endowed funds will make a tremendous impact on the lives of Alaskans across the state. One of the things Jo's leadership proved is that above and beyond any monetary gift, one person with conviction and a giving spirit can inspire communities to act. Jo's contributions to ACF will change the lives of thousands of Alaskans now and in the future. We are honored Jo has chosen to work with The Alaska Community Foundation to achieve her vision for a better Alaska, and we will work tirelessly to help her realize those dreams just as she has done for so many others.

THANK YOU FOR GIVING

Photo Right
Photo generously donated
by Gina Vose

Photo Left
Jo Michalski, by Christina
Fenner



10,632
CAMPAIGN
GIFTS

67
BEQUEST
CAMPAIGN
GIFTS
\$88,043,731

10,565
REALIZED
CAMPAIGN
GIFTS
\$14,787,099

THE CAMPAIGN FOR ALASKA'S FUTURE WAS SUCCESSFULLY COMPLETED IN 2018

Thousands of Alaskans joined the Campaign for Alaska's Future to help build a legacy of compassion and generosity. The funds raised will create lasting support for nonprofits and communities across the state.

This successful five-year \$100 million Campaign to grow philanthropy in Alaska will address prevailing and emerging needs, and

support programs and services that enrich Alaskans' quality of life. As a public foundation for all of Alaska, ACF was created to keep revenue earned in the state here to ensure communities can create sustainable and locally guided growth and improvements.

A significant number of the gifts to the Campaign were contributions from generous donors who have

included ACF in their wills and estate plans. The real success of this Campaign is in launching this method of long-term impact and support to benefit our communities. Once realized, these gifts will support annual grant opportunities for nonprofits and other charitable organizations in perpetuity.



GRANTEE HIGHLIGHT

Photo Right
Photo courtesy of the Irish Dance Academy of Alaska, Grantee of the BP Employee Charitable Fund

Photo Left
Photo courtesy of The Rural Alaska Community Action Program Safe Harbor Muldoon Housing Project, Grantee of the Elmer and Ruth Schwantes Fund



BASIC NEEDS

Elmer and Ruth Schwantes Fund

The plight of homelessness has many paths. With the onset of a natural disaster, a misstep on the ice, or a broken-down vehicle, a seemingly secure life can unravel to the street. In 2018 alone, 2,016 families experienced homelessness in Alaska, 629 of those included children under the age of 18. Rural Alaska Community Action Program (RurAL CAP) is working to make a difference, one family at a time, with the Safe Harbor Muldoon Project.

RurAL CAP received a grant from ACF of \$4,000 to fund the project in 2018. With this nominal grant, the project was able to move 15 families (20 adults and 25 children) from camps and shelters to transitional housing. The end goal is to create long-term stability so children can attend school and parents can find employment and connectivity in a supportive community. For families in desperate need of stability, shelter is not the only missing piece. In this program, participating families receive behavioral health and employment services, childcare, and case management to help them move forward and maintain permanent housing.

*I'm unseen in the open,
I'm concealed in your town,
I'm veiled by your fears,
I'm hidden by your frown.
To change the way you view me,
You've got to see right through,
Recognise this soul is just another part of you.*
- Purcy Flaherty

It is easy to feel overwhelmed by the need, but the security and confidence that comes from safe and comfortable housing is the first step to long-term change. Seventy percent of Safe Harbor families moved from transitional to permanent housing from October 1, 2017 to September 30, 2018.

Investing in comprehensive support services like the Safe Harbor Muldoon Project provides can reduce the burden on emergency services to carry the cost and resources to help those in need. When the onus is put on emergency services to take care of those struggling with homelessness, it can cost cities, on average, \$9,000 a year per person. Imagine the impact \$9,000 could have on programs that work to help families get off the street and find stability and permanence. Together we can end homelessness in Alaska. Contact RurAL CAP or ACF to find out how you can contribute.

RECOGNIZING CORPORATE PHILANTHROPY

In 2018, BP Alaska opened the BP Employee Charitable Fund. The fund was set up to allow employees to direct a corporate gift to local charities. Employees had the freedom to contribute to any charitable cause in Alaska. The impact was far-reaching, with each employee giving to nonprofits that reflected their passions.

Thanks to nineteen employees, Alaska Amateur Softball Association received \$12,540. Four other donors gave Alaska Bully Rescue a total of \$2,640. Just a few of the 273 nonprofits that received donations include: Abbott-O-Rabbit Little League, Alaska Center for the Blind & Visually Impaired, Alaska Farm Bureau, Arctic Amateur Radio Club, Backcountry Hunters and Anglers, Kluti-Kaah Head Start, and Irish Dance Academy of Alaska. In total, \$334,630 was contributed to nonprofits across the state.

One of the remarkable things about the BP Employee Charitable Fund was the variety of causes it impacted. Grants from the fund captured a snapshot of Alaskan culture and customs. The nonprofits chosen represent all the causes near and dear to our friends and neighbors, and in that, we see the shared passions we have as Alaskans. For all our differences, there are so many things that connect us.

BP Employee Charitable Fund

*Then the hand seeks other hands to help,
A community of hands to help-
Thus the dream becomes not one man's dream alone,
But a community dream.
Not my dream alone, but our dream.
Not my world alone,
But your world and my world,
Belonging to all the hands who build.*

- Langston Hughes

"Our employees live, work, play and importantly, give back in Alaska," said BP Alaska President Janet Weiss. "The donations from this fund reflect how deeply connected our employees are to so many communities across Alaska."

Our goal is to facilitate and connect people working together to support the causes that matter to them. There are many ways to support the organizations and causes that connect our communities and invigorate our daily lives. Working together, we can ensure that future generations continue to experience the unique and giving culture that makes Alaska remarkable.



GRANTEE HIGHLIGHT



Photo Right
Photo courtesy of Camp Fire Alaska, Grantee of the Alaska Disaster Recovery Fund

Photo Top Left
Photo courtesy of the Chugiak-Eagle River Senior Center, Grantee of the Alaska Disaster Recovery Fund

Photo Bottom Left
Photo courtesy of National Crisis Response Canines, Grantee of the Alaska Disaster Recovery Fund

WORKING TOGETHER FOR ALASKA

Alaska Disaster Recovery Fund

The indelible mark of 2018 for many Southcentral Alaskans is undoubtedly the November 30th earthquake. Those affected will always remember where they were and what they were doing that chilly Friday at 8:29 a.m. Within an hour of the first tremor, The Alaska Community Foundation started texting, calling, and emailing community partners to build a unified response plan. With the help of Wells Fargo, Rasmuson Foundation, United Way of Anchorage, Salvation Army – Alaska Division, American Red Cross of Alaska, Mat-Su Health Foundation, United Way of Mat-Su, Alaska Mental Health Trust Authority, and The Foraker Group, a plan quickly took shape.

Donations from Wells Fargo, Rasmuson Foundation, Premera Blue Cross Blue Shield of Alaska, United Way of Anchorage, Annie E. Casey Foundation, Knight

*Strike
in the city of spark and strike
a little army rumbles in your eyes
waiting for a shake*

*- Ching-In Chen
#AnchorageMuseumQuakePoems*

Foundation, and individual donors from across Alaska and the country, helped grow the Alaska Disaster Recovery Fund. ACF's partners worked to promote the fund, and The Foraker Group created a survey to assess the damage nonprofits had experienced to help focus grants where they would have the most significant overall impact. It was, indeed, a collective effort

On December 27th, less than a month after the quake,

the Alaska Disaster Recovery Fund granted out \$110,000 to nineteen nonprofit organizations critical in supporting those in need with disaster recovery. Grants were also given to nonprofits with insufficient operational funds to repair the damage. On February 26th, nineteen more nonprofits received assistance. Some of the grantees include: Camp Fire Alaska (who offered free childcare for parents unable to take off work while schools remained closed), National Crisis Response Canines (who went to schools with their dogs to help kids feel safe back at school), and Chugiak-Eagle River Senior Center (who needed help ensuring residents had a safe place to call home). In total, 38 nonprofits received \$365,000.

In looking back at the earthquake, we are proud that through the stress and confusion, the giving spirit of Alaskans came shining through. It reminds us why we have such a strong belief in philanthropy. We know we are ready to face any challenge with the help of our partners

*From 3,800 miles I called my friend.
He said I heard a jet plane
roar as the shaking began,
crouched in the kitchen door frame
as cookbooks slapped the floor.
He said he was grateful
for his wife
his whole life
electricity
my calling.*

*- Kris Swanguarin
#AnchorageMuseumQuakePoems*



SCHOLARSHIP HIGHLIGHT

Photos Right
Photos courtesy Madeline Andriesen, 2018 scholarship awardee of the Sven and Lorraine Eriksson Alaska Scholarship

Photo Left
Photo courtesy of the Eriksson family, Sven and Lorraine Eriksson



SCHOLARSHIP AWARDEE

Madeline Andriesen

I grew up in rural Alaska and graduated from Haines High school in 2017. I had a passion for music in addition to other interests, but was unsure of what I wanted to study or what school I wanted to attend. It was a busy school year filled with applying to multiple schools and scholarships. Like many students who grew up in Alaska, I thought of spreading my wings and going to college out of state. However, when I looked at my options, I realized that the colleges in Alaska had a lot to offer and that I would be able to explore many different options in my own state. In reading about the various scholarships provided by ACF, I was inspired by the love shown for the Alaskan community.

I found The Alaska Community Foundation through my school counselor who recommended ACF as a resource for scholarships focused on assisting Alaskan students. I knew no matter what I chose as a major, I would want to advance to masters and doctorate programs and scholarships like the ones offered through ACF would help me go further in my education.

I decided to follow my passion and start college as a music major. I applied for the Sven and Lorraine Eriksson Scholarship, which assists students pursuing music or engineering. A month after I graduated high school, I was notified by ACF that I had received the scholarship and was astounded by the generous amount. When I received the Eriksson Scholarship, I knew I had made the right choice to stay in Alaska.

I started at the University of Alaska Fairbanks and fell in love with the small, but talented music department. I declared a major in vocal performance early in my

freshman year and decided I would continue to study at UAF mostly because of the incredible attention and learning environment UAF fosters.

I applied the next spring for the same scholarship, not expecting to receive it a second time, and was amazed by the honor of being chosen again. The awards I received are essential to my family and are the reason I can attend college at UAF. Since my first year of college, I have added a second major in music education and taken over 19 credits each semester. With this heavy load, it would be challenging to have a job, attend classes, study, practice singing, and prepare for performances. The financial assistance allows me to focus solely on my studies and not worry about being able to afford a class.

Receiving the Sven and Lorraine Eriksson Scholarship feels like such an honor. I so appreciate the support, and I am overwhelmed by the generosity of this scholarship. I am so grateful for the opportunities ACF and so many generous Alaskans give to students. It does not matter if a scholarship is \$1,000 or \$100; every amount is important. Even a small scholarship can change the life of a student and open up opportunities that can make the unreachable a reality.

Staying in Alaska and attending UAF has made me appreciate the diversity of the state and its people. My love of Alaska has grown even more, and I hope to be a teacher here someday to pass on what I have learned to the next generation.

GIVING FOR EDUCATION

Sven and Lorraine Eriksson Alaska Scholarship

At its birth, The Alaska Community Foundation was created to share with future generations the hard-earned success of those that came here with a dream and found a home. It is this vision of leaving a legacy of generosity and opportunity that inspired Sven and Lorraine Eriksson to create the first scholarship at ACF in 1997. Since then, over forty young Alaskans have been given a chance to follow their dreams with the help of Sven and Lorraine.

Sven passed away peacefully on May 8, 2018 with family by his side. Lorraine and her son, Kurt, continue the tradition of giving. Together, they review each new application, looking for a deserving student to share the gifts of the life Lorraine and Sven built together.

With \$239,690 in scholarships awarded since 1997, the far-reaching impact of this scholarship has the power to improve the lives of students and their families for generations. We want to thank this generous family who, for over two decades, has made a difference in the lives of so many Alaskans.

*There are thousands to tell you it cannot be done,
There are thousands to prophesy failure,
There are thousands to point out to you one by one,
The dangers that wait to assail you.
But just buckle in with a bit of a grin,
Just take off your coat and go to it;
Just start in to sing as you tackle the thing.
That "cannot be done," and you'll do it.*

- Edgar Albert Guest

We spoke with the scholarship's most recent recipient, Madeline Andriesen, about what receiving the award has meant to her and her post graduate plans.



AFFILIATE HIGHLIGHT

Photo Right
Families in Need Farm to Food Bank Garden

Photo Top Left
Harvest Moon Local Food Festival 2018

Photo Bottom Left
Kenai United Methodist Church Food Pantry



GROWING COMMUNITY CONNECTION

Affiliate Program Community Highlight - Kenai Peninsula Foundation

The original inhabitants of the Kenai Peninsula were the Kahtnuht' ana Dena'ina, translated as, People Along the Kahtnu (Kenai River). They called the peninsula Yaghanen, the good land. This gorgeous stretch of ground continues to give back to its occupants, and in turn, these descendants of the original Dena'ina and those of the more recent pioneers, fishers, and loggers, share the fruits of their labor and the gifts of the land.

In 2018, the Kenai Peninsula Foundation awarded \$21,417 in grants. Of the twenty-two grants, five focused on sharing and cultivating healthy food options in the region. The grantees include: Kenai Soil and Water Conservation District's Farm to Food Bank Project, Kenai United Methodist Church's Food Pantry, Bridges Community Resource Network's, Harvest Moon Local Food Festival 2018, Sterling Area Senior Citizens' Raised Garden Bed

"The most noteworthy thing about gardeners is that they are always optimistic, always enterprising, and never satisfied. They always look forward to doing something better than they have ever done before."

- Vita Sackville-West

Project, and Hope Community Resources' Community Garden Expansion.

These grants focused on the positive, creating a place to showcase locally made and grown food, establishing community gardens that support and encourage healthy eating, and finding ways to get food to those in need.

The purpose of the Affiliate Program at ACF is to grow

local giving and encourage communities to address the needs and opportunities unique to their population. Local advisory boards decide where grant dollars will best serve their community and ensure projects have the best possible outcomes. Kenai Peninsula Foundation is a wonderful example of how this model works to empower communities at a local level to assist the people who need it most. In the Kenai Peninsula Borough, 10.2% of the population lives in poverty, with one in eight going hungry. The Kenai Peninsula Food Bank reported that in 2018, 780 households comprised of 1,889 people came in each month to access services. These statistics may not be unique to the area, but through local effort, solutions are developed and implemented in a way that impacts people in need who live in the Central Kenai Peninsula.

With so much still to do, the Kenai Peninsula Foundation is working to make a brighter future for the Kenai Peninsula by supporting long-term solutions to today's problems and showing support to the people and the land that make it home.

OUR ELEVEN AFFILIATES

- Chilkat Valley Community Foundation (Haines & Klukwan)
- Cordova Community Foundation*
- Golden Heart Community Foundation (Fairbanks & Surrounding Areas)
- Sitka Legacy Foundation
- Jessica Stevens Community Foundation (Upper Susitna Valley)
- Kenai Peninsula Foundation
- Ketchikan Community Foundation
- Kodiak Community Foundation
- Palmer Community Foundation
- Petersburg Community Foundation
- Seward Community Foundation (Seward & Moose Pass)

* Established in 2018

2018 NUMBERS

ASSETS

Current Assets

Cash and Equivalents	\$5,636,259
Grants Receivable	\$86,122
Prepaid Expenses	\$61,126
Life Insurance Policies	\$6,001
Total Current Assets	\$5,789,508

Non-current Assets

Investments:

Held for philanthropy	\$72,832,182
Held in trust for others	\$13,977,117
Land held for sale	\$244,900
Property and Equipment (net):	\$72,497
Total Non-current Assets	\$87,126,695

Total Assets **\$92,916,203**

LIABILITIES AND FUND BALANCES

Current Liabilities

Accounts Payable	\$134,785
Accrued Payroll Liabilities	\$89,420
Deferred Revenue	\$1,698,468
Grants Payable	\$634,850
Total Current Liabilities	\$2,557,523

Non-Current Liabilities

Funds Held in Trust For Others	\$13,977,117
Total Liabilities	\$16,534,640

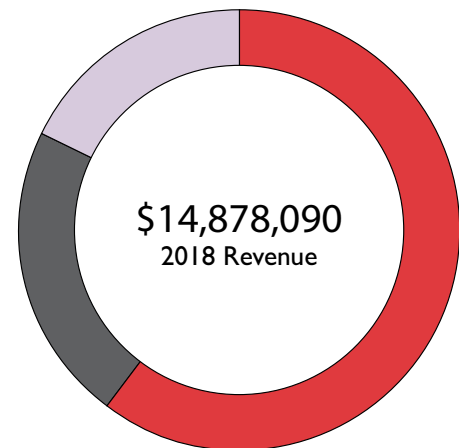
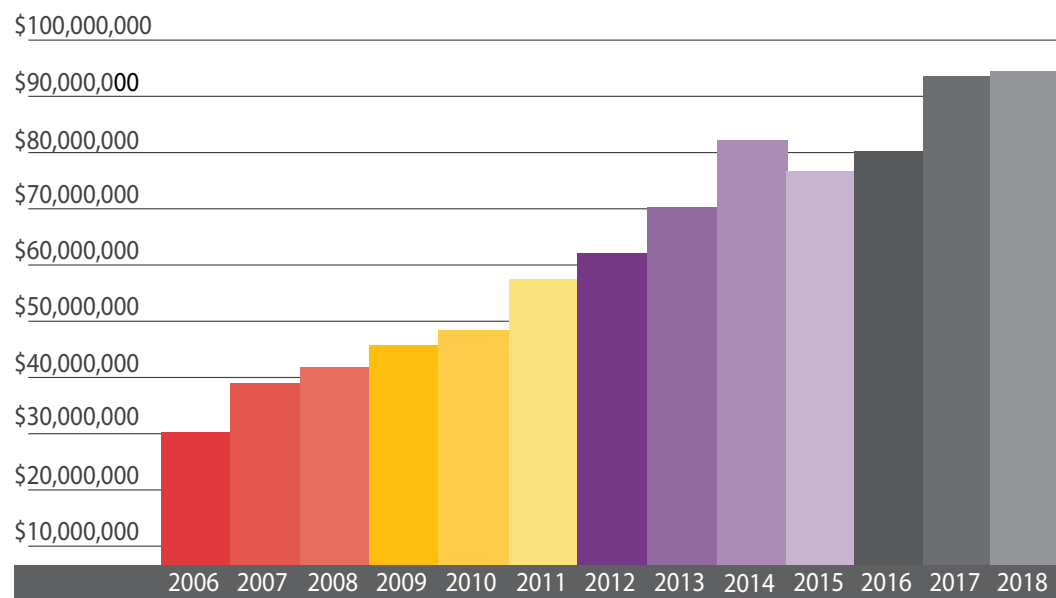
Fund Balances

Endowed	\$39,394,502
Non-Endowed	\$36,987,062
Total Fund Balances	\$76,381,564

Total Liabilities and Fund Balances **\$92,916,203**

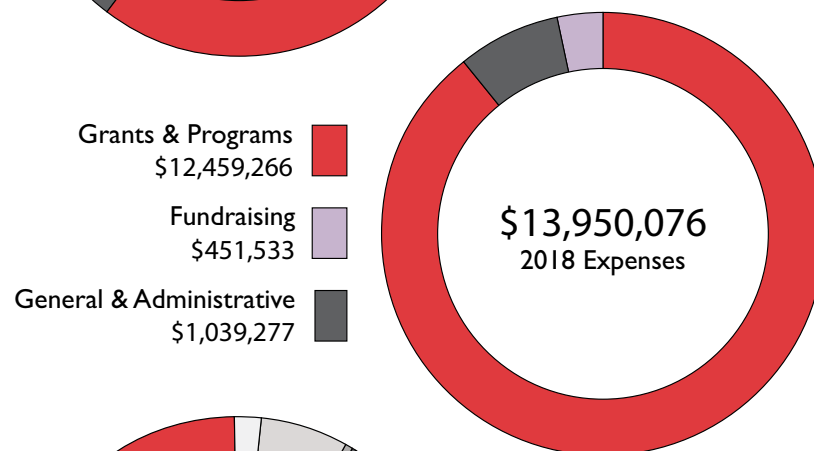
PORTFOLIO	March 2019	1 Year	3 Year	5 Year
ACF Investment Pool	7.55 %	3.14 %	7.32 %	4.31 %
Balanced Index	8.41 %	3.17 %	7.09 %	4.87 %

ASSET GROWTH BY YEAR

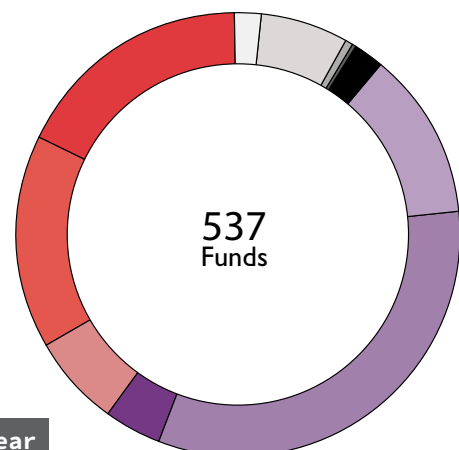


- Gifts & Bequest \$10,315,704
- Grants \$2,987,177
- Fees & Other \$3,782,967

Graph does not include unrealized investment losses of \$2,207,758.

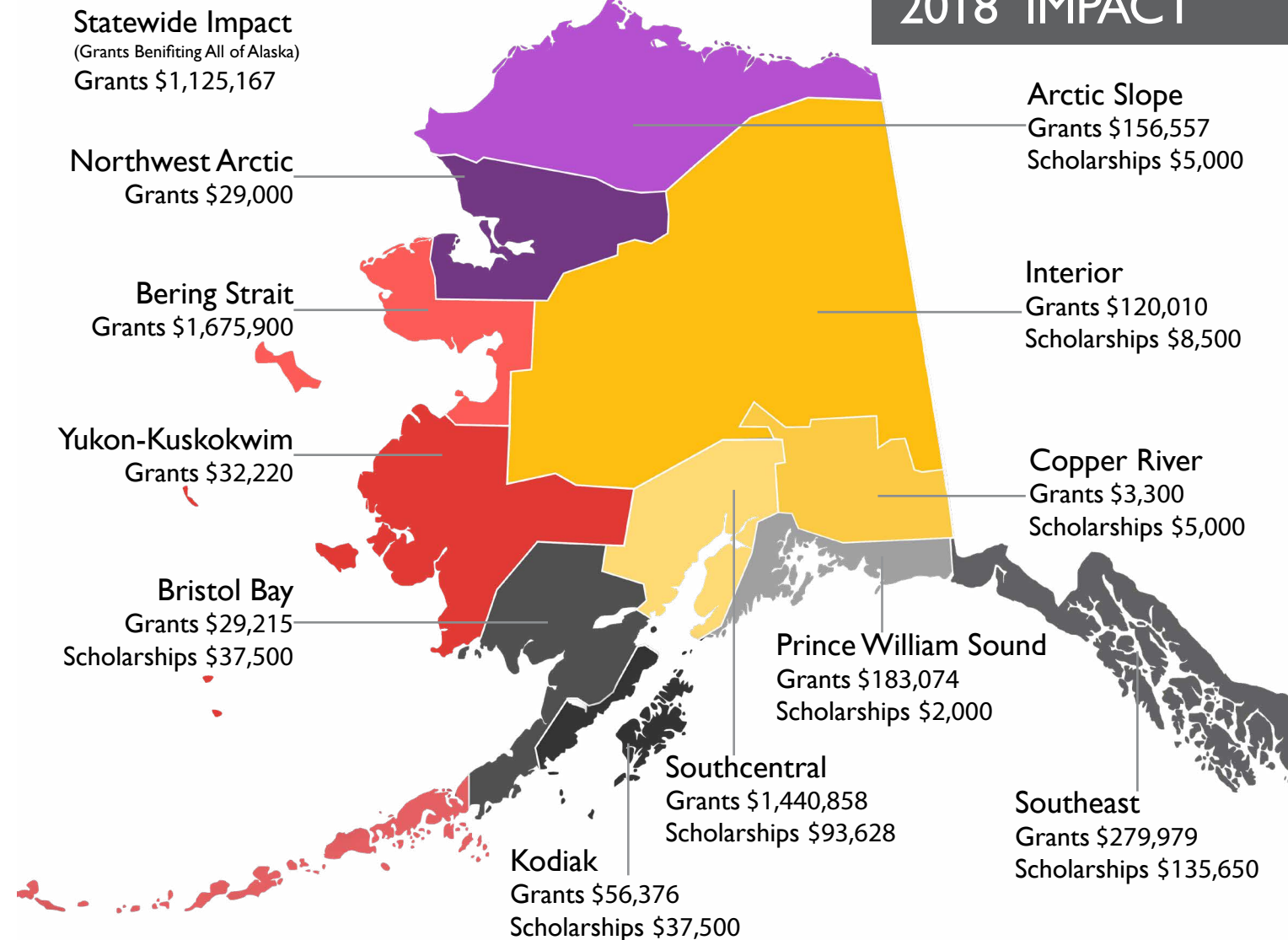


- Grants & Programs \$12,459,266
- Fundraising \$451,533
- General & Administrative \$1,039,277



- Agency Assets | 69 \$15,991,560
- Agency Liability | 140 \$13,977,117
- Community/Affiliate | 20 \$6,104,132
- Designated | 27 \$3,650,879
- Donor Advised | 119 \$29,416,335
- Field of Interest | 44 \$11,292,553
- Operating | 26 \$2,036,842
- Project | 13 \$355,947
- Restricted | 21 \$2,364,967.19
- Scholarship | 51 \$6,116,921
- Unrestricted | 7 \$1,598,750

2018 IMPACT



National Impact \$68,630
(Grants Benefiting National Nonprofits)

International Impact \$2,660
(Grants Benefiting International Nonprofits)

TOTAL GRANTS **\$5,202,945**

TOTAL SCHOLARSHIPS **\$324,778**



To see a list of all our generous donors in 2018 go to www.alaskacf.org/2018-annual-report

Financial Position: The Alaska Community Foundation's investment goals are to preserve and enhance the real value of charitable assets over time and to provide grantmaking for long-term support of the state. To accomplish these goals, we maintain a diversified investment portfolio.

2018 Investment Committee: Alex Slivka, Chair, Leo Bustad, Rick Nerland, Sue Perles, Steve Rieger, Angela Rodell, John Rubini, Bernie Washington

2018 Finance Committee: Diane Kaplan, Chair, Kathleen Cronen, Tor Daley, Lori Davey, Andy Teuber



The Alaska Community Foundation

The Alaska Community Foundation
3201 C Street, Suite 110
Anchorage, AK 99503

907.334.6700
info@alaskacf.org
www.alaskacf.org

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