



Legacy Giving

Create a charitable legacy to extend the gifts of your life to the next generation of Alaskans.



CHARITABLE GIVING AND YOUR IRA

Giving to nonprofits through your IRA has never been easier. Now, you can choose to make a gift that is both generous and tax-smart through your annual Required Minimum Distribution or your estate.

Give the Gift of a Lifetime

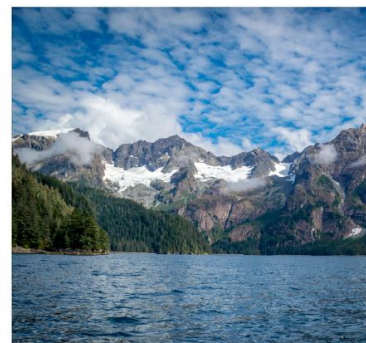
Thanks to the SECURES Act 2.0, if you are 73 or older you can give directly from your traditional IRA to a qualified charity, such as The Alaska Community Foundation. This qualified charitable distribution is not subject to federal taxes, can satisfy your Required Minimum Distribution, and can be made during the year.

Your retirement funds can go further than ever before. The IRS requires individuals who are 73 or older to take a minimum distribution from traditional retirement plan accounts, but now you can give up to \$100,000 of your Required Minimum Distribution annually from a traditional IRA without incurring income taxes today or estate and income taxes in the future. If you are married, you and your spouse can transfer up to \$100,000 from each traditional IRA annually. Think of the impact you can make by giving this way. You can support charitable organizations such as The Alaska Community Foundation while reducing your taxes.

Give through your estate to make a lasting difference

IRA Donations

Because of your decision to gift some or all your IRA, neither you nor your heirs will pay income taxes on the distribution of the assets donated to a charitable organization such as The Alaska Community Foundation. Many people think IRA distributions are income tax-exempt, but they are not. The IRS defers taxes until distributions are made from the IRA, whether distributed to you or to others through your estate. Naming a charity as a beneficiary on your IRA means that no one ever pays income tax on that asset. Think about that for a moment. Why leave an after-tax gift to charity when you can make a tax-favored donation? It need not be your only beneficiary. Instead, you can name a charity to receive a fixed percent of your IRA as the primary beneficiary. You can also name the charity as a contingent (secondary) beneficiary to receive from beneficiary disclaims if your primary beneficiary does not survive you.



401(k) Beneficiary Designations

The same tax benefits are available for 401(k) beneficiary designations as IRAs. Naming a charity as a beneficiary of your 401(k) means that no one ever pays income tax on that asset.

Life Insurance Beneficiary Designations

Naming a charity as a beneficiary on life insurance is another painless way to do good things for causes you believe in. While life insurance does not have the same income tax benefit as IRAs and 401(k)s, they can still provide much-needed support for Click or tap here to enter text.

It is easy to change your IRA, 401(k) or life insurance beneficiary designation. Your insurance agent, CPA, financial advisor, or attorney can assist you with these simple forms.

This document is provided for your information and is not intended to provide legal or tax advice. We strongly encourage donors to talk with their accountant, attorney and/or financial advisor for advice on your estate and financial planning.



LEARN MORE TODAY

The Alaska Community Foundation
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Updated 05/02/2023



ALASKA FUND OVERVIEW

Description

The Alaska Fund is a flexible endowment to meet the ever-changing needs of Alaska. While no one can predict what the future will hold, Alaskans can ensure that generations to come will have philanthropic resources to address emerging needs and opportunities. Now more than ever, nonprofits across the state need our support, and the Alaska Fund is an easy and efficient way to make a difference. Gifts of all levels help this philanthropic endowment grow and enable it to reach more people across the state.

Fee

The Alaska Community Foundation charges a .5% fee to administer the fund and carry out annual grantmaking. Beyond the fee, ACF does not use the Alaska Fund to cover operating expenses. People who want to leave a personal or family legacy can create a named Alaska Fund, e.g., the John and Jane Doe Alaska Fund. Grants from the named fund will be awarded in the same way as The Alaska Fund.

Grantmaking

On an annual basis, the ACF Board determines the distribution rate from the endowment. It is generally between 4% and 5% and has been around 4.5% for the past several years.

ACF has a Programs and Grants Committee that investigates the greatest needs around the state in determining how the Alaska Fund will be used. They may consult with advisory board members at local community foundation Affiliates for input. For the last several years, grants have been made to organizations that meet basic needs such as food, shelter, clothing, and services for those in need.



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FIELD OF INTEREST & UNRESTRICTED FUNDS

If you love Alaska, consider giving to the Alaska Fund, a flexible endowment that meets the needs of our communities as they arise. We cannot predict what the future will hold, but we can ensure that generations to come will have the philanthropic resources to address emerging needs and opportunities. Your gift of any level grows this endowment, enabling it to reach more people across the state.

TYPE OF FUND	PURPOSE	CONTROL	TYPICAL DONOR	OTHER
Unrestricted	Flexible grantmaking funds to respond to changing Alaska's community needs over time. Example: The Alaska Fund	The Alaska Community Foundation (ACF) directs the grantmaking.	Individual, Family, Companies	Common for current gifts, IRA gifts and Required Minimum Distributions, bequests, and memorials. Donor/individual can have a named unrestricted fund.
Field of Interest	Grantmaking or programmatic support in an area or interest, such as arts & culture, basic needs, education, healthy families, parks, workforce development, etc. Can be local, regional, or statewide.	ACF directs the grantmaking or programmatic activities of the fund, often drawing upon experts in the field. A donor who originates a fund may define the original scope of the fund's activities.	Individuals, private foundations, groups of donors with a shared interest	Common for current gifts, IRA gifts and Required Minimum Distributions, bequests, and memorials. Offers opportunities to meet broad needs and to name the fund for an individual, family, or area.



THE GREAT OUTDOORS

ALASKA ENDOWMENT FOR THE ENVIRONMENT

Granting for education, conservation, and protection of Alaska's wildlife.

KINCAID PROJECT GROUP ENDOWMENT

Supporting the long-term maintenance of Kincaid Park in Anchorage.

CHUGACH PARK FUND

Enabling Alaskans to enjoy the beauty of Chugach State Park by enhancing trails.

ANCHORAGE TRAIL CARE FUND

Providing support for non-paved trails in the Anchorage Bowl.

CHILKAT VALLEY ENVIRONMENTAL FUND

Granting to programs that protect, manage, and sustain a healthy Chilkat Valley.

KAANTA COMMUNITY FUND

Supporting the beautification of Seward.



PASSION PROJECTS

ENDOWMENT FOR ALASKA'S PETS

Supporting responsible pet ownership and placement of rescue pets in loving homes.

SOCIAL JUSTICE FUND

Supporting organizations and initiatives that promote strong civic engagement, access to quality health care, and equal rights for all Alaskans.

VOCATIONAL FUND FOR ALASKA'S FUTURE

Supporting projects in Alaska that sharpen vocational skills and contribute to the competitiveness of Alaska's economy.

IRMA SCAVENIUS MEMORIAL FUND

For furthering understanding between Alaskans and those of other countries.

WOMEN'S VETERANS FUND IN MEMORY MARY LOUISE RASMUSON

Supporting programs addressing the challenges faced by women veterans living in Alaska.



BASIC NEEDS

ALASKA DISASTER RECOVERY FUND

Supporting the long-term recovery of communities from natural disasters.

SAFETY NET FUND

Meeting the basic needs of Alaskans, including food, shelter, and clothing.

FUND FOR THE HOMELESS

Supporting services for the homeless in Anchorage.

JANE H. BEHLKE FUND FOR THE ELDERLY AND THE HUNGRY

Providing support for the needy living outside of Anchorage and the Mat-Su.

FRANK DIECKGRAEFF MEMORIAL FUND FOR SEWARD SENIORS

Supporting opportunities for Seward Seniors.



EDUCATION & YOUTH

ANCHORAGE SCHOOLS FOUNDATION ENDOWMENT FUND

Supporting innovative classroom projects in the Anchorage School District.

ANCHORAGE SCHOOLS FOUNDATION SMALL GRANTS FUND

Providing small grants for innovative projects for teachers, coaches, and nurses in the Anchorage School District.

MEL SATHER PUBLIC MEDIA INTERNSHIP PROGRAM FUND

Providing internships to outstanding Alaskans in the pursuit of careers in public television and radio.

TEEN SUICIDE PREVENTION PROGRAM FUND

Supporting statewide efforts to prevent youth suicide.



COMMUNITY FUNDS

CHILKAT VALLEY COMMUNITY FOUNDATION

Fulfilling the ever-changing needs of the Chilkat Valley.

CORDOVA COMMUNITY FOUNDATION

Supporting the needs of the Cordova area.

JESSICA STEVENS COMMUNITY FOUNDATION

Fulfilling the needs of the Upper Susitna region.

GOLDEN HEART COMMUNITY FOUNDATION

Fulfilling the needs of the Fairbanks area.

SITKA LEGACY FUND

Supporting the ever-changing needs of the greater Sitka area.

KENAI PENINSULA FOUNDATION

Fulfilling the needs of the Kenai Peninsula.

KETCHIKAN COMMUNITY FOUNDATION

Supporting the needs of the greater Ketchikan area

KODIAK COMMUNITY FOUNDATION

Meeting the needs of the Kodiak community.

PETERSBURG COMMUNITY FOUNDATION

Supporting the needs of the Petersburg area.

SEWARD COMMUNITY FOUNDATION

Making grants that support a strong, thriving community.

PALMER COMMUNITY FOUNDATION

Supporting the needs of the Palmer area.



DONOR ADVISED FUNDS

Create a legacy of generosity

For the most engaged donors interested in taking an active role in their charitable giving.

Do you have specific ideas about what organizations or causes to support? Are you interested in connecting with a larger philanthropic community? Establishing a donor advised fund at The Alaska Community Foundation makes it easy for you to support the issues and organizations you care about most, in addition to providing unique opportunities for you to network and engage with other local philanthropists.

Unlike a private foundation, a donor advised fund does not require you to set up your own nonprofit organization. Instead, we provide administrative and investing oversight, perform due diligence on all grantees, and shares years of grantmaking experience and expertise with you. As a fund advisor, you recommend grants from your fund to multiple organizations throughout the year. You also can name successor advisors in addition to naming individuals, groups, boards or organizations as advisors to your fund.

Types of Donor Advised Funds:

- A permanently endowed fund allows you to provide a source of income to support grantmaking in perpetuity. The Alaska Community Foundation determines a prudent spending rate annually and applies that rate to the average value of the fund over 16 quarters to determine an appropriate grantmaking amount that ensures to ensure the fund will last forever.
- A non-endowed fund focuses on long-term grantmaking and has a lifespan in excess of three years. The entire balance of the fund is available for grantmaking at any time.
- A short-term fund has a lifespan between one to three years and anticipates little investment returns.



Personal

The personal services you receive with a donor advised fund allows you to mimic a private foundation without you having to establish your own nonprofit structure.

Impactful

As a fund advisor, you recommend grants to multiple organizations as often as you like or see need. Grants from your fund help to expand the culture of philanthropy and will strengthen Alaska's communities forever.

Connected

When you become part of The Alaska Community Foundation family, you become part of a bigger philanthropic effort. We host community dialogues where you can network and interact with other local philanthropists and learn about what is happening in Alaska.

Efficient

The Alaska Community Foundation handles all administrative tasks including setting spending and investment policies. We perform due diligence on all grantees, and shares years of grantmaking experience and expertise with donors. You receive quarterly statements showing all activity in your fund, including investment performance, distributions and gifts.

Gift Acceptance

We offer maximum tax advantages under state and federal law, which are superior to those of private foundations. You can add to your fund at any time and we accept gifts of cash, closely-held stock, property, stock and other complex assets.



Financial Facts

The administrative fee is 1.5% for an endowed donor advised fund, and 2.00% for a non-endowed fund. Short-term funds have a 5.00% fee. All funds are subject to third party investment management fees averaging about 0.23% over the last few years.

“The Alaska Community Foundation provides opportunities for Alaskans to leave a legacy in the state that has allowed them to thrive and grow. With ACF, we can give back to the people of our community and state.” – Leo Bustad, Donor Advisor, Leo and Jeanne Bustad Fund



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ENDOWED VS. NON-ENDOWED FUNDS

Planning for Tomorrow

Both endowed and non-endowed funds are recommended for donors who are planning and managing their assets in a way that provides stability for today and tomorrow's needs.

Comparison of Endowed vs. Non-Endowed Funds

The primary distinction between the two funds is that the principal of an endowed fund is preserved forever, with a portion of the earnings available for spending. In contrast, any or all non-endowed funds can be accessed. At ACF, both endowed and non-endowed funds are invested in a long-term pool and enjoy the same rate of return.

Endowed Funds – A permanent savings account that grows through strategic investing and financial contributions from donors. Endowed funds are used to provide stability and long-term growth.

Endowed assets are intended to support an organization's mission in perpetuity. ACF's goal is to earn approximately 7% net of investment fees on an annual basis. *ACF sets an annual spending goal each year generally between 4% and 5%, which is available for distribution. ACF assesses a fee of .75% to 1.5%, based on the size of the fund, to cover administrative costs. The remaining earnings are reinvested into the principal for inflation proofing.

It is not required to use the spending distribution; the donor has the choice to add the distribution back into the principal, make grants that support their vision, or retain all or a portion of the amount for distribution in future years.

An endowment provides legal protection for the principal. Should your situation change, ACF protects donor intent.

The spending amount for each endowed fund for the subsequent year will be calculated based on the average fund balances on September 30th. The averaging period is four years. Please be aware that it may take up to 2 ½ years before you can access the earnings. Donors can choose to contribute a portion to the spendable (or distribution amount) when first setting up the endowment if they wish to have a higher amount in the spendable for the first few years.

Non-Endowed Funds – A long-term savings account that grows through strategic investing and financial contributions from donors. Funds are invested for growth in the same manner as an endowed fund.

A non-endowed fund focuses on long-term grant making and has a lifespan more than three years. Any of the fund, up to the entire balance of the fund, is available for granting.



Endowed

- Minimum initial endowed gift to establish and endowment fund: \$25,000
- Fees: Typically, .75% to 1.5% a year (fees are reduced for fund balances more than \$1 million)
- Nominal investment and custodial fees are also assessed.
- Easy setup and oversight with password protected access to fund balances, fund activity, donor information and grant information
- Only the spendable portion of the endowment is accessible (usually 4-5% annually). The spendable amount is determined by the ACF Board which generally follows the national average. For 2019, the spendable rate is 4%.

Non-Endowed

- Minimum initial non-endowed gift to establish fund: \$10,000
- Fees: 1.25% to 2.0% a year (Annual minimum fee: \$250)
- Nominal investment and custodial fees are also assessed.
- A donor may add internal controls if they would like the non-endowed fund to be treated like an endowment, e.g., requiring additional signatures from authorized representatives or family members.

It is important to note that you can establish a non-endowed fund to begin with and later convert it to an endowed fund. An endowed fund, however, cannot be converted to a non-endowed fund, since the assets are permanently protected.

Benefits of investing your fund at ACF

For investments, funds are pooled with the donations of individuals, nonprofits, foundations, corporations and other organizations for maximum efficiency, investment returns and results. The Alaska Community Foundation manages more than \$200 million in over 2000 funds, requiring sophisticated institutional investing and professional expertise not typically available to most individuals. ACF provides the back-end work of investing and reporting to the IRS so you can focus on your philanthropy. Additional gifts can be made to endowed or non-endowed funds at any time. ACF accepts many types of assets.

Prudent investment policies and expertise

ACF works with professional investment managers who are focused on prudently growing your fund for the long-term. ACF's investment funds are overseen by a qualified investment committee, comprised of investment managers, CPAs and nonprofit managers with investment expertise. We contract with an investment firm that works with approximately 50 community foundations around the country and is knowledgeable about prudently growing community foundation funds for the long-term.

ACF's average annual investment goal is 7% for both endowed and non-endowed funds, and both types of funds are invested in the same manner.

**Please note there is no guaranteed rate of returns because the funds are invested in the markets, which experience fluctuations.*



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SAMPLE BEQUEST LANGUAGE

Through a bequest, you can demonstrate an enduring commitment to Alaska and continue the philanthropic goals established during your lifetime. Those who notify us of bequests are invited to join our Legacy Society and receive recognition, now and in the future.

A bequest can easily be made by naming The Alaska Community Foundation as beneficiary. An outright bequest may be unrestricted, add to an existing fund of the Foundation, or establish a new fund. If a donor already has a will in place, a simple codicil can be written.

The following is sample language only. We encourage you to contact the program staff at the Alaska Community Foundation and an estate planning attorney to determine the most appropriate language to fulfill your charitable legacy goals.

UNRESTRICTED BEQUEST (NO MINIMUM)

I bequeath _____ (describe dollar amount, property to be given, or proportion of your residuary estate) to The Alaska Community Foundation (EIN# 92-0155067), a tax exempt organization under IRC Section 501(c)(3), for its general charitable purposes.

BEQUEST TO CREATE AN UNRESTRICTED FUND (MINIMUM \$25,000)

I bequeath _____ (describe dollar amount, property to be given, or proportion of your residuary estate) to The Alaska Community Foundation (EIN# 92-0155067), a tax exempt organization under IRC Section 501(c)(3), (the Foundation), to establish the _____ Fund, to be held as a component fund and managed together with the Foundation's other endowed funds. Grants from the Fund shall be made in accordance with the Foundation's policies for such funds and shall be used for unrestricted purposes.

BEQUEST TO CREATE A FIELD OF INTEREST FUND (MINIMUM \$25,000)

I bequeath _____ (describe dollar amount, property to be given, or proportion of your residuary estate) to The Alaska Community Foundation (EIN# 92-0155067), a tax exempt organization under IRC Section 501(c)(3), to establish the _____ Fund, a component fund from which grants are to be made preferably for the following purpose _____

(examples: care of the homeless, programs aiding children, protection of the environment, arts programs, etc.)

BEQUEST TO CREATE A DESIGNATED FUND (MINIMUM \$25,000)

I bequeath___(describe dollar amount, property to be given, or proportion of your residuary estate) to The Alaska Community Foundation (EIN# 92-0155067), a tax exempt organization under IRC Section 501(c)(3), to establish the_____Fund, a component fund from which grants are to be made to support the following organizations:_____ (insert name of organizations to be supported - for example ABC Animal Shelter or ABC Food Bank. If more than one organization is to be supported, please indicate the percentage of support for each).

BEQUEST TO CREATE A DONOR ADVISED FUND (MINIMUM \$25,000)

I bequeath___(describe dollar amount, property to be given, or proportion of your residuary estate) to The Alaska Community Foundation (EIN# 92-0155067), a tax exempt organization under IRC Section 501(c)(3), to establish the_____Fund, a component fund from which grants are to be made from time to time. I direct that an Advisory Committee consisting of___, and._may make recommendations concerning grants from the Fund, provided the proposed grants are in keeping with the Grantmaking Policy established by the Foundation. I recognize that these recommendations may be accepted or rejected, in whole or in part, by the governing board in its sole discretion.

BEQUEST TO CREATE A SCHOLARSHIP FUND (MINIMUM \$50,000)

I bequeath___(describe dollar amount, property to be given, or proportion of your residuary estate) to The Alaska Community Foundation (EIN# 92-0155067), a tax exempt organization under IRC Section 501(c)(3), to establish the_____Scholarship Fund, a component fund from which scholarships are to be made from time to time. I request that the following criteria be considered when awarding scholarships:

(Qualifications of applicants, which may include: University to attend, course of study, GP A/ extra-curricular activities, High School graduating from, etc.)

BEQUEST TO AN EXISTING FUND (NO MINIMUM)

I bequeath___(describe dollar amount, property to be given, or proportion of your residuary estate) to The Alaska Community Foundation (EIN# 92-0155067), a tax exempt organization under IRC Section 501(c)(3), to be added to the_____Fund, a component fund of The Alaska Community Foundation, and I direct that this bequest become part of this Fund.



LEGACY SOCIETY

Declaration of Intent

The Legacy Society is a special group of individuals making a lasting commitment to the future well-being of Alaska through bequests, wills, and other planned gifts.

Donor Information

Name: _____

Address: _____

City, State, Zip: _____

Phone Number: _____

Email Address: _____

Please select one by initialing a box below:

I give The Alaska Community Foundation and _____ permission to include my name on the list of Legacy Society Donors and would like to be listed as _____

(If left blank, your name will be listed per the "name" field above)

I prefer to remain anonymous – not listed as a member of the Legacy Society.

Gift Information

It is my intention to help provide for the future of Alaska with a gift to The Alaska Community Foundation through *(please check any that apply)*:

My Will My trust agreement My retirement fund Other _____

In the amount of \$ _____ or _____% *(indication of amount or percentage is optional)*

I wish my gift to benefit *(please check one)*:

The Alaska Fund, an endowment to meet Alaska's greatest opportunities and needs

Other _____

Please contact me

Signature

Though this declaration of intent is an expression of my current plans, I understand that I may modify or revoke it at any time and that it is not a legal obligation binding me or my estate. I understand that The Alaska Community Foundation cannot act as executor of a donor's estate.

Signature

Date