BEACOMMUNITY FOUNDATION

THE POWER OF COMMUNITY

2017 ANNUAL REPORT

BLACK HILLS AR

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CONTENTS

OVER **\$1.6M 418** DONATIONS TO NONPROFITS



BHACF presents a 2017 Quality of LIfe Grant to the YMCA for 'Community Youth Swim Lessons in Custer and Edgemont.' Pictured from left to right: Ed Starr, BHACF Board Member; Rex Jorgensen, YMCA Southern Hills Branch Manager; Keiz Shultz, YMCA Development Officer; Amanda Allen, YMCA Edgemont Director; and Margaret Prahl, BHACF Board Member.

2017 IN REVIEW

This year BHACF felt the positive Power of Community. Our Board of Directors and staff worked collectively through both tried and innovative programs to support new ideas in the community and to provide support to our hard working Black Hills organizations. The following are some highlights of how our foundation impacted grantees in 2017.

- · Received more than \$3.2 million in donations
- · Distributed \$1.6 million in grants
- · Awarded a total of \$103,000 in BHACF grants
- \cdot Awarded \$27,000 in Black Hills by Choice grants to local organizations
- · Established the Black Hills by Choice Southern Hills philanthropic group
- · Awarded \$7,000 in Black Hills by Choice Southern Hills grants
- · Established Black Hills Impact philanthropic young professionals group
- · Awarded \$7,000 in Black Hills Impact grants
- · Established Black Hills Youth Philanthropy group
- · Awarded \$5,000 in Black Hills Youth Philanthropy grants

We hope you enjoy the stories we share in this annual report, they showcase the Power of Community. Our Board of Directors, our staff and our donors are committed to promoting and growing philanthropy in our region. We are helping to take care of our beautiful Black Hills and all of the people who live here. We connect people who care to causes that matter.

~Jim Olson, Board Chair ~ Liz Hamburg, Executive Director

RAPID CITY COLLECTIVE IMPACT TOGETHER CREATING THE MOST CARING COMMUNITY

DONOR STORIES MANY DONORS, DIFFERENT PASSIONS, ONE COMMUNITY

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BOARD & STAFF / FINANCIALS CURRENT STAFF AND 2017 BOARD MEMBERS





Black Hills Youth Philanthropy provides high school students with an opportunity to learn about philanthropy and participate in the grant making process. Students work together to research school-based and community needs and issues. Through surveys, interviews and consensus, the group develops a portfolio of grant investments that they determine will provide results measured in changed lives.

Purpose of Youth Philanthropy:

- Teach high school students about philanthropy, its roots and how it is carried out today and the importance
 of community involvement.
- Give students an opportunity to engage in philanthropy and make a difference through grants.
- Gain knowledge of the local nonprofit world and the needs in our community.
- Create a grant application and make it available for groups and organizations to apply.
- Review grant applications, determine grant distribution and present their recommendations to the Foundation Board.
- Present the awards, share with the community and publicize grants.

During the 2016-2017 school year the Black Hills Youth Philanthropy students chose to focus on the environment as their field of interest. They researched local organizations within that field of interest and invited several to apply for their grants. After reviewing the grants, they were excited to announce their final decision to award \$2,500 each to Trinity Eco Prayer Park and Black Hills Raptor Center, for a total of \$5,000.

For the 2017-2018 school year the students chose arts and education for their focus. They met with local organizations to learn more about this field of interest. The students also worked hard to learn about fundraising, learning useful tips from nonprofit leaders and business executives. These new skills were used to fundraise a total of \$7,000 to award in grants to two organizations in the spring of 2018.

FOOD SECURITY UPDATE

RAPID CITY COLLECTIVE IMPACT

Kids ready to receive their free summer meal at the YMCA of Rapid City

Purpose of Food Security Initiative: To identify the overall food insecurity needs and challenges that exist within Rapid City and to develop community-wide solutions to meet those needs. Rapid City Collective Impact's Food Security Oversight Committee - comprised of representatives from nonprofit, community, corporate, government and private partners - has been meeting regularly since January 2017.



Maps are available to download at rccimpact.org

"I love the unified efforts of working together with different businesses and nonprofits in our community. We are teaming together to address food security and the food challenges families are facing in our community. Together, we can make a difference." Darcie Decker, Nutrition Director Youth & Family Services Discussions held by Rapid City Collective Impact (RCCI) in 2016 illuminated a need for focused attention on food security in the Rapid City area. By fall, the Food Security Oversight Committee (FSOC) was created with the goal of leveraging existing community resources to better address food needs in the city. For over a year, the FSOC, comprised of 21 food service provider representatives, has worked to identify gaps in food service throughout Rapid City.

In 2017, the FSOC launched a data collection and mapping effort which identified 13 priority areas of need in Rapid City. In these neighborhoods average household incomes are low and access to food options is limited.

As a result of the group's collective efforts, the following key gaps in food service have been identified:

- There is an extreme lack of access to food in 2 geographical areas North and South Rapid City.
- There is a lack of access to food during extended school holidays and summer vacation.
- There is a lack of access to food after business hours and over the weekends.
- There is a lack of access to nutritional food options.

In an effort to address these identified gaps, BHACF partnered with 5 nonproft organizations to fund small, impactful projects which provide access to food education and meals on the weekend, access to nutritional food options for individuals with chronic medical conditions, and access to food items after business hours.

BHACF granted \$50,000 to Feeding South Dakota to support hiring an RCCI Food Coordinator.

For a list of FSOC partners or to stay updated on food security please visit www.RCCImpact.org

BHACF is the Fiscal Sponsor for this project

RCCI IDENTIFIES SITE FOR PROPOSED TRANSFORMATION CAMPUS KNOWN AS ONEHEART

Since early 2017, Rapid City Collective Impact (RCCI) has explored the feasibility of creating a campus that would provide transitional housing and wrap-around services in one place. RCCI is pleased to announce that it has identified a 4-acre property near the heart of the city for the proposed site of this transformation campus.

The proposed campus will encompass the majority of the former National American University properties, on the south side of Kansas City Street. It will neighbor and complement Pennington County's Care Campus, a facility that will house the Crisis Care Center, safe beds and other programs.

"Being centrally located, the residents of the proposed campus will have better access to services and resources that the campus itself cannot provide – namely jobs, a connection to the community by being close to downtown and access to the transit system," RCCI project manager Charity Doyle said.

The purpose of the proposed transformation campus, OneHeart - A Place for Hope and Healing, is to elevate the human spirit and the spirit of the Rapid City community. By providing transitional housing and co-locating a variety of services - from addiction and mental health counseling to life skills and job training - we can more efficiently, effectively and collectively help our neighbors move into permanent housing and a better quality of life. The campus will offer person-centered, trauma-informed, recovery-oriented care; in return, each adult resident will be expected to create a self-directed income plan and housing plan and agree to live clean and sober.

For more information and to stay updated on OneHeart please visit www.RCCImpact.org/oneheart/



to roll up your sleeves Rapid City," said Pendall before taking questions from the attendees of the Housing Summing

HOUSING SUMMIT OPENS DOOR TO STRATEGIC PLANNING

More than 70 people representing developers, banks, nonprofits and city and state government attended the October 2017 Housing Summit sponsored by Rapid City Collective Impact (RCCI), The Black Hills Area Community Foundation (BHACF), Black Hills Knowledge Network, John T. Vucurevich Foundation, Rapid City Economic Development Partnership and West River Business Service Center.

Keynote speaker Rolf Pendall, Ph.D., opened up the afternoon with his presentation, "Growth, Diversity and Vulnerability - Implications for Housing in Rapid City." His presentation focused on four areas: Housing & the Life Course; Growing Households/ Diversity; Growing Population/Vulnerability; and Pillars of a Holistic Strategy for an Increasingly Diverse Rapid City.

As a result of the summit convening, the John T. Vucurevich Foundation commisioned the Black Hills Knowledge Network to conduct a comprehensive study of market gaps, housing and a market analysis.

The report release is scheduled for the summer of 2018 and working groups will be created to develop actionable next steps.

THE MUD WILL WASH OFF, BUT THE MEMORIES WILL LAST FOREVER

MINNESOTA

BASEBALL

DONOR STORIES

eadership Rapid City (LRC), Class of 2016, was proud to present a check for over \$16,000 to the Cornerstone Rescue Mission. Thank you to everyone who supported MudWest FunFest 2017! The Black Hills Area Community Foundation was happy to be the fiscal sponsor for this special event and we are thrilled with the charitable work of LRC 2016!

Mud Story by Josh Farley The whole mud craziness started eleven years ago at my parent's property in Spearfish. My friend, John Trudo, and I had some spare time and wanted to stir up a little excitement. John and I used an excavator from his parent's business to dig the first mud pit. We invited friends and family to come and be silly with us and from then on we were all hooked! Every year we would add new ideas to make the mud pit party bigger and better. By the time the 10th and final year came along, we had a huge mud pit with a 70 foot slide down into the mud. The fire department brought us two tankers of water to fill the pit, we had shower facilities and two bands that played on the back deck of my parent's house. Each year we had friends that traveled from as far away as Denver, Minneapolis, Washington state and even Virginia for the party. As friends invited friends our party got

to be pretty large. After 10 years we decided to be done, complete with a "decade of dirt" t-shirts including sponsors and a slogan of "The mud will wash off but the memories will last forever."

The next fall I was accepted into LRC Class of 2016. One of the very first program tours we took was with Lysa Allison at the Cornerstone Rescue Mission. The great work and the amazing programs being performed at the Mission and at their other properties really spoke to our hearts as a group. Every LRC class has a legacy project that they do with their classmates. So, when we started brainstorming ideas for our project it was no surprise to me that I immediately wrote down MUD EXTRAVAGANZA. During my

presentation to pitch the idea to our class, my final remark was "We may be famous or we may be infamous, but they will remember us." I think we were able to surprise a lot of people in the community at how we were able to pull off an event of this scale with only a few months to plan and execute it. We really came together as a group. A huge thank you to our major sponsors: Central States Fair, RCS Construction, Black Hills Orthopedic & Spine, Modern Woodmen, Great Clips, American Electric and Black Hills Energy. Without your support none of this would have been possible.





iv Hospitality opened their fund

"IT'S OUR FAVORITE DAY OF THE YEAR. WE ARE INCREDIBLY GRATEFUL TO BE ABLE TO GIVE BACK TO THIS WONDERFUL COMMUNITY THAT GIVES SO MUCH TO US."

~Caleb Arceneaux

CEO, LIV Hospitality

This Spring, Rapid City based Liv Hospitality hosted their 10th annual Liv to Give event, donating 100% of the day's proceeds from WaTiki Indoor Waterpark, LaQuinta Inn & Suites, Fairfield Inn & Suites, and Sliders Bar to local nonprofit organizations. The newest addition to the Liv to Give event in 2017 is Marcos Pizza, located at the WaTiki Indoor Waterpark Complex. Marcos Pizza also donated all proceeds from the day to Liv to Give. "It's our favorite day of the year. We are incredibly grateful to be able to give back to this wonderful community that gives so much to us," says Caleb Arceneaux, CEO of Liv Hospitality LLC.

Black Hills Area Community Found

All area nonprofits benefiting children are encouraged to apply for a grant from the Liv to Give fund at any time throughout the year. The application can be found by visiting the Black Hills Area Community Foundation webpage at www.bhacf.org/receive. The event is open to the public. "I'd love it if everyone in the Black Hills showed up. It's such a fun way to benefit the community," Arceneaux says. "Every room sold and every meal and waterpark wristband purchased helps kids all around the area."

The annual fundraiser started in 2007 as Kevin Morsching Day. It raised \$30,000 for the family of Kevin, who lost his life in a tragic accident. Since then, the benefit has raised more than \$400,000 for nonproft organizations across the Black Hills.

"AMANDA BELIEVED THAT YOU COULD DO ANYTHING IF YOU PUT YOUR MIND TO IT. THIS SCHOLARSHIP HONORS HER AMBITION AND HER GENEROUS SPIRIT."

~Jeff & Laura Hoffmann



Amanda K. Hoffmann Smith never let anything get in the way of doing what was right. Even as a small child Amanda would stick up for kids being bullied on the playground, and she emulated that quality throughout her entire life. Later, as a teacher, Amanda couldn't stand the thought of a child going without food and would keep a basket of snacks in her classroom. She took time out of her weekends and holidays to familiarize children with the library and then take them out for ice cream. Leaving a successful career in business, Amanda chose to dedicate her life to having an impact in the lives of children and committed herself to helping others achieve their dreams through teaching. This is the spirit that Laura and Jeff Hoffmann wanted to memorialize and honor by establishing the Amanda Hoffmann Smith Memorial Scholarship Fund with the Black Hills Area Community Foundation. The Hoffmanns believe that "if we can help just one person achieve their dream with this scholarship, that would be just wonderful."

Amanda K. Hoffmann Smith, 34, died suddenly Thursday, July 20, 2017 at Huron Regional Hospital. "Panda Bear" will always be remembered as the girl who had a smile that lit up a room, the teacher who loved and inspired her students and the community member who fought for injustice and went out of her way to 'do the right thing.'

We would like to thank the Hoffmann family for sharing Amanda's story with us and for allowing us the privilege to honor Amanda's spirit and to share that spirit with our community.

2017 QUALITY OF LIFE GRANT AWARDS

The Abbott House · \$1,500 for 'Winter Art Market in Memory of Rosalie Little Thunder'

Boys & Girls Clubs of the Black Hills · \$2,000 for 'Free Summers: Providing Equal Access to Summer Learning at Boys & Girls Clubs of the Black Hills'

Canyon Lake Senior Center · \$2,000 for 'Elevator Repair and Maintenance'

Chair Lift · \$3,000 for 'Chair Lift: Providing Transportation to Those with Limited Mobility'

Cornerstone Rescue Mission, Inc. · \$5,000 for 'Cornerstone Rescue Mission Security Updates'

Custer Senior Center · \$6,500 for 'The Custer Senior Center Kitchen Remodeling Project'

Friends of South Dakota Public Broadcasting · \$2,500 for 'Black Hills Bureau of SDPB'

Front Porch Coalition · \$5,000 for 'Saving Lives through L.O.S.S. Team, Educational Trainings and Awareness'

The HOPE Center · \$7,500 for 'The Hope Center: Operations'

Lifeways, Inc. · \$7,500 for 'Youth to Youth (Y2Y) Peer to Peer Mentoring'

Literacy Council of the Black Hills · \$4,500 for 'Literacy Council of the Black Hills: Operations'

Love INC of the Black Hills · \$5,000 for 'Equipment Upgrades'

Lutheran Social Services of South Dakota · \$2,000 for 'Enhancing Telehealth Capabilities at Canyon Hills Center in Spearfish'

Northern Hills Family Recreation Center · \$2,500 for 'Community of Hope'

ONE Spirit · \$6,900 for 'ONE Spirit Charging Buffalo House: Buffalo Processing Center'

Performing Arts Center of Rapid City · \$2,000 for 'Operating Support for Performing Arts Center'

Pine Ridge Area Chamber of Commerce · \$5,000 for 'Lakota Wowasi Waonspekiya, Teaching to Work'

Rapid City Club for Boys, Inc. • \$2,000 for 'Comprehensive Quality After School Programming'

Red Cloud Indian School, Inc. · \$1,800 for 'Our Community Story - Film Project'

Seventh Circuit CASA Program · \$7,500 for 'Seventh Circuit CASA Program: Operations'

The Storehouse · \$1,000 for 'Custer School Backpack Program'

Volunteers of America · \$3,000 for 'Mommy's Closet' (grant award from Arlene Ham Fund for Women and Children)

WellFully · \$2,500 for 'Premiere Adolescent Care Center'

West River Transit Authority DBA Prairie Hills Transit · \$6,800 for 'Accessible Freedom Van'

YMCA of Rapid City · \$6,000 for 'Community Youth Swim Lessons in Custer and Edgemont'

The Red Cloud Indian School's 'Our Community Story' film project engaged students with artists to make art and film their interviews. Every student learned how to use the camera, record sound, conduct interviews, and film so they can tell their own story their own way!

"Among the Lakota people, storytelling is a sacred form of communication. Over centuries, elders have passed history, tradition and culture on to their children and grandchildren through the telling of stories. They ensured the survival of essential community knowledge through storytelling, transferring it from generation to generation." ~The Heritage Center

During the spring, the fourth graders continued to make and collect artifacts to include in their final film. They interviewed more community leaders, including a number of influential artists who use their own work to tell historical and contemporary stories. Students created their own art to integrate into the film through a focused workshop with The Heritage Center team.

Black Hills Area Community Foundation was proud to award a grant to Red Cloud Indian School for this project.





BHACF GRANT AWARD SPOTLIGHT

Cookie Ramos, Aloysius George Eagleman, and



The Black Hills Community Loan Fund (BHCLF) creates financial opportunities for economically damaged families in the Black Hills who aim to strengthen their financial future. In 2015, when Onna LeBeau became the Executive Director of BHCLF, the organization only had a year's worth of funding. In an effort to keep the organization's doors open a bit longer, Onna applied for a grant through the Black Hills Area Community Foundation's Quality of Life Grant initiative in 2016. Much to Onna's relief, "the Black Hills Area Community Foundation gave us a grant to buy us a little more time. We wouldn't have been able to continue on had we not received a grant from the foundation," says Onna.

BHCLF offers various financial products such as home loans, credit building, and gap financial loans to develop clients' credit. When faced with having to make serious repairs to his home. Aloysius George Eagleman turned to a traditional bank to get a loan. When the loan was denied, Aloysius turned to BHCLF who worked with him on establishing a home improvement loan through BHCLF. Now Aloysious' mobile home is leak free!

Each client taking out a loan is required to attend financial education courses with BHCLF. Cookie Ramos took out a Christmas loan with the BHCLF, and admitted that "Mrs. LeBeau is a strict, but excellent teacher. She can talk to me the way I understand it about saving money. The bear collects food during the summer to make it through the winter - just enough to make it. The deer, the squirrel and all the other animals do that too. Why can't I do that - I am a human being!"

In 2018, the Black Hills Community Loan Fund plans to launch microplans for small businesses and to create a youth financial literacy program.

Lifeways is an organization committed to developing resilient, empathetic, alcohol and drug free teens with the skills to overcome problems and stressful situations. The Black Hills Area Community Foundation (BHACF) supported Lifeways' Youth to Youth (Y2Y) peer mentoring program with a \$7,500 Quality of Life Grant in 2017. Via the Y2Y program, Lifeways counselors work with students using a research-based, peer to peer approach to successfully reduce teen alcohol, drug use and violence. Y2Y groups within middle and high schools create change in the school's environment through peer to peer development. Additionally peer groups lead alcohol and drug-free awareness and education campaigns.

With the support of the BHACF grant, Lifeways was able to continue programming in 3 middle schools that had lost funding for the Y2Y program. Additionally, Lifeways was able to enhance the Y2Y program by initiating a day-long workshop, further develop a 2-day conference and support a student created video presentation to be shared within the Rapid City Schools and our greater community through public and social media. In the past year, 108 students participated in the program and Y2Y peer mentors participated in educating 2,135 students. Our Foundation is honored to have had the chance to partner with Lifeways to continue and expand Y2Y programming.



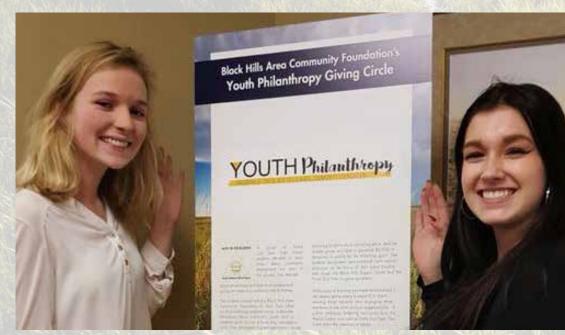


BHACF was proud to invest in the continuation of Main Street Square sculpture artist Yuki Nagas's legacy by funding the Teaching Artists program with the Rapid City Public School Foundation for the upcoming school year.

The Cornerstone Rescue Mission received a grant at our 2017 Quality of Life Awards Ceremony.

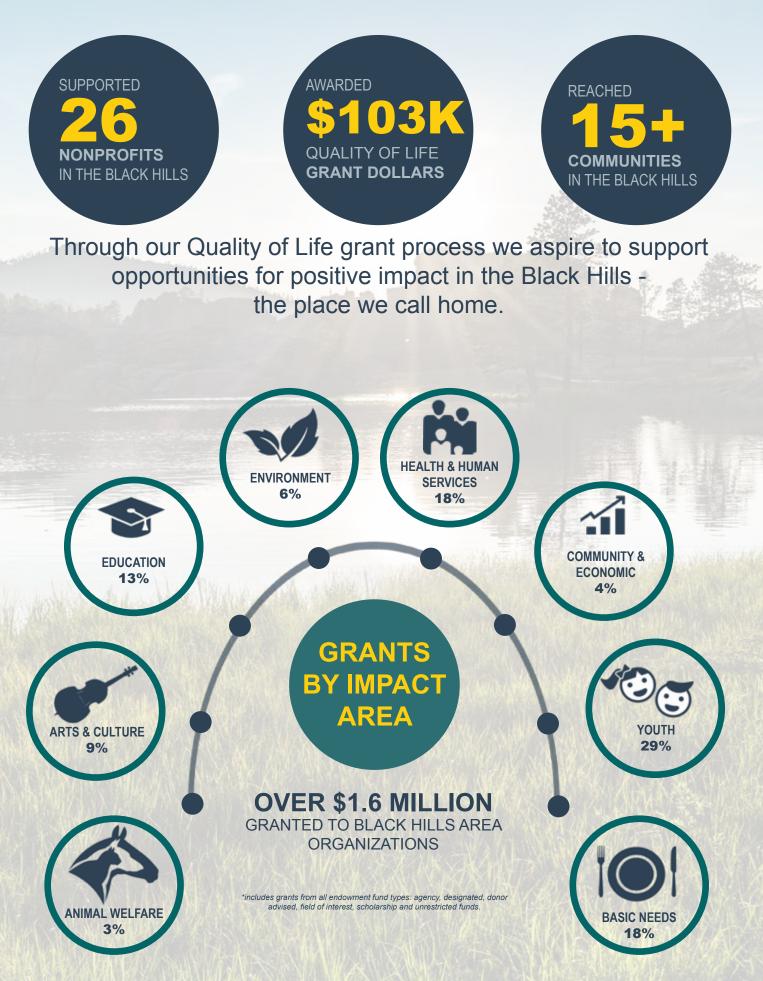
BHACF awarded \$103,000 in grants to 26 nonprofit organizations in the Black HIlls.





Congratulations Youth Philanthropy! Amazing work in your first year of giving.

This was a well deserved 'Acts of Excellence' recognition from the South Dakota Hall of Fame.



Facility ing

CARTE

TATANKA WATAKPE

Brewer is on a mission to help Lakota return to a more traditional and healthy diet.

of Backburg also likes for 35 grangs

Photo shows Charles "Bamm" Brewer, Oglala Lakota, who heads up the Charging Buffalo Meat House on the Pine Ridge Indian Reservation in South Dakota.

One Spirit has harnessed the "Power of Community" to tackle both hunger and unemployment through their Charging Buffalo House.

In June 2017, the Black Hills Area Community Foundation (BHACF) presented One Spirit, an organization established on the Pine Ridge Reservation to serve the Lakota people, with a \$6,900 grant to purchase meat processing equipment for the Charging Buffalo House. The Pine Ridge Reservation is considered a food desert where many of the 40,000 enrolled members of the tribe go without food on a regular basis and where diet-related disease is rampant. Further exacerbating the issue is an unemployment rate of nearly 25%. One Spirit has set forth on a mission to tackle both hunger and unemployment through their Charging Buffalo House effort.

The Charging Buffalo House, a meat processing facility, is the first such facility of its kind on the Reservation. Prior to the purchase of meat processing equipment, meat had to be taken to a processing facility outside of the Pine Ridge Reservation, costing the organization \$800 per animal. With the support of the BHACF grant, the Charging Buffalo House is now able to process meat on location while employing 6-8 people who have been trained in how to cut steaks, grind meat, make stew meat, etc. In addition to supporting the local economy, the Charging Buffalo House donates 25% of the processed meat to support the 500 Lakota families enrolled in the One Spirit food program.

Because of the equipment purchased and the demonstrated success of the meat processing program, One Spirit has been able to secure additional funding to purchase a commercial grade, walk-in cooler to store processed meat. One Spirit has also instituted brain tanning classes that enable the Lakota people to employ traditional methods to preserve and utilize animal hides. These classes add yet another enterprise to the Charging Buffalo House and further support the economy of the Pine Ridge Reservation. We are honored to have had an opportunity to partner with One Spirit and to support them in this truly impactful effort. Congratulations to One Spirit for all the success that they have achieved and for the impact that they have made in the lives of the Lakota people!



2017 SCHOLARSHIP AWARDS

Arete Morsching Scholarship in memory of Kevin J. Morsching - St. Thomas More Award \$1,500 Isaac Kortemeyer of Piedmont, SD

Arete Morsching Scholarship in memory of Kevin J. Morsching - Post 22 Award \$1,000 Timmy John Paris of Rapid City, SD

Hunter J. Lewis Memorial Scholarship Awards: two \$1,000

Emmalee Hollick of Custer, SD Madden Pikula of Gillette, WY

Rapid City Chamber - Workforce Development Scholarship Awards: four \$500 and four \$1,000

All Rapid City residents

Rachel Fenenga, \$1,000Tyler Kleinsasser, \$1,000Kenna Voth, \$1,000Madison Larsen, \$1,000Alex Lewis, \$500Jacey Merkle, \$500Marita Meza, \$500Noel Brown, \$500

The Walt Award - Scholarship Award \$1,000 Joseph Gibson of Rapid City, SD

Harold & George "Elbert" Newton Memorial Music Scholarship Award \$2,000 Gretchen Blain of Spearfish, SD

> Sarah Stevens Scholarship Award \$500 Abby Grismer of Black Hawk, SD

Black Hills Chapter - South Dakota Engineering Society Scholarship Award \$2,000 Alexis Long of Rapid City, SD

2017 ENDOWED ORGANIZATION FUNDS

Arlene Ham Fund for Women & Children (2016) Big Brothers Big Sisters (2006) Big Brothers Big Sisters Operations (2017) Black Hills Area Habitat for Humanity (2016) Black Hills Community Theatre (2017) Black Hills Community Theatre Sub Black Hills Raptor Center (2016) Black Hills Works Foundation (2016) Canyon Lake Senior Center (2016) Central States Fair Foundation (2016) Chamber Music Festival (2011) Chapel in the Hills (2009) Children's Home Foundation (2007) Children's Home Society Advocacy Center (2017) Dakota Choral Union (2010) Diabetes, Inc. (2010) Fall River County Historical Society (2008) Feeding South Dakota (2012) Friends of South Dakota Public Broadcasting (2007) Front Porch Coalition (2011) Girl Scouts Dakota Horizons (2010) Historic Homestake Opera House (2012) HOPE Center (2015) Humane Society of the Black Hills (2010) Izaak Walton League, Rapid City Chapter (2017) Izaak Walton League, Rapid City Chapter Sub Landon Fund for Black Hills Playhouse (2016) Lifeways (2013) Love INC. (2016)

Make-A-Wish South Dakota (2016) Mammoth Site of Hot Springs (2008) National American University Foundation (2016) National American University Foundation Sub Rapid City Arts Council (2009) Rapid City Arts Council Advanced Art -Sub Rapid City Arts Council Art Acquisition - Sub Rapid City Arts Council Arts Education -Sub Rapid City Arts Council Arts Tuition - Sub Rapid City Arts Council Exhibits & Collections Sub Rapid City Arts Council Performing Arts -Sub Rapid City Arts Council Thurston Family -sub Rapid City Library Foundation (2007) Rapid City Parks (2018) Re-Member (2015) Rural America Initiatives (2016) South Dakota Humanities Council (2016) St. Francis Foundation (2012) The Storehouse (2017) Working Against Violence, Inc. (WAVI) (2007) Western Dakota Tech - Associated General Contractors of SD Building Chapter Scholarship (2017) Western Dakota Tech Foundation (2007) Western Dakota Tech - Gary Solaas Memorial Scholarship Sub Western Dakota Tech - Ryan McCandless Memorial Scholarship Sub Western Dakota Tech - Sigman Scholarship Sub Western Dakota Tech - William & Lois Pierce Scholarship Sub Wellspring, Inc. (Wellfully) (2008) Western Resources for Independent Living (2008) Youth & Family Services (2006)

How to Create a **LEGACY**



Ed McLaughlin and Doris Marie Strom

A LEGACY FUND MAY BE AN EFFECTIVE WAY FOR YOU TO GIFT To a charity and lessen the Burden of Taxes on Your Family and Estate.

any of us have a desire to leave a lasting impact on the people in our lives and the community we live in.

Creating a legacy fund may be a great way to have a lasting impact on the people and organizations we care about most. A legacy gift, through a will, trust, property, retirement account or life insurance policy, is becoming more popular as an effective way to leave an ongoing charitable gift while lessening the tax burden on your family and friends.

A charitable legacy is an instruction written in a will or a trust that directs a gift to be made to a qualified charitable organization at the end of your life. Gifting to the Black Hills Area Community Foundation through your will allows you to identify organizations and areas of interest that you would like to impact forever. Your legacy agreement with us can be modified at any time by you, and then by your successors, to direct your contributions without having to revise your will.

You are able to increase the impact of your charitable giving through your estate, without affecting your cash flow today.

LEGACY FUNDS CAN BE CREATED IN SEVERAL WAYS:

- · gift a percentage of your estate
- · gift a specific asset (land, home, stock, etc.)
- gift a specific dollar amount
- · gift an IRA
- · gift an insurance policy

Ed McLaughlin and the late Doris Marie Strom made significant contributions to our region with time, talents and treasure. To continue their locally focused legacy, they established an agreement with the Black Hills Area Community Foundation to manage a portion of their estate's assets upon their passing and distribute grants to benefit future generations. Ed McLaughlin explains *"Working with the Black Hills Area Community Foundation provides assurance that our funds will be responsibly managed and that our giving will continue. By working with our local community foundation, we know that our assets will continue to benefit the Black Hills region."*

Retirement assets,

like an IRA account, make excellent gifts to charity. Whereas, if an IRA were given to family, unfortunately, most of the value could be depleted through estate and income taxes. By making a charity the beneficiary of part or all of your IRA, the full value of the gift is given tax free at the end of your life and vour estate receives a charitable deduction as well.

An insurance policy, as an asset of your estate, is taxable upon death. However, if the policy is gifted to charity, your estate avoids paying tax on the value of the policy and also receives a charitable deduction.

For a relatively small premium payment, life insurance can help you leave a sizable financial legacy to a cause that you care for deeply.







Liz Hamburg Executive Director



Karabeth Borresen Marketing Manager



Barb Keene Operations Manager



Jamie Kirsch Programs Manager

2017 BOARD OF DIRECTORS

James Olson, CHAR





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Richard Wahlstrom RAPID CITY, SD





















16

BY THE NUMBERS • 2017 FINANCIALS

BLACK HILLS AREA COMMUNITY FOUNDATION

\$3,224,198

TOTAL GIFTS

\$1,643,710

TOTAL GRANTS & SCHOLARSHIPS

\$22,453,381 TOTAL ASSETS

INCREASED

ASSETS BY

IN 2017

FINANCIAL HIGHLIGHTS FOR THE FISCAL YEARS ENDED 12/31/2017 (UNAUDITED) AND 2016

GRANTS & COMMUNITY BENEFIT DISTRIBUTIONS	YEAR 2016	YEAR 2017
Grants to Other Organizations	2,231,756	1,627,710
Awards & Grants to Individuals	15,000	16,000
Fiscal Sponsorship & Program Expenditures	607,575	716,432
Expenses Incurred on Behalf of Specific Organizations	(211,155)	(261,292)
Operations for Community Benefit	302,179	311,764
TOTAL	2,945,355	2,410,614

	STATEMENTS OF FINANCIAL	POSITION
ASSETS	YEAR 2016	YEAR 2017
Cash & Cash Equivalents	3,178,802	2,792,794
Prepaid Expenses	1,200	3,416
Pledge Expenses	23,878	-
Investments	11,805,390	19,212,289
Mortgage & Interest Receivable	351,285	333,835
Cash Value Life Insurance	42,148	51,119
Deposits	1,700	1,700
Loan Receivable	60,000	40,000
Property & Equipment, Net	24,577	18,228
TOTAL ASSETS	15,488,980	22,453,381

LIABILITIES AND NET ASSETS

LIABILITIES	YEAR 2016	YEAR 2017
Accounts Payable	7,015	12,393
Sales Tax Payable	1,390	-
Accrued Paid Leave	-	2,464
Fiscal Sponsorship Accrued Expenses	2,096	17,238
Unearned Revenue	-	^{4,000,000} the
Amounts Held for Others	5,086,491	6 411 766
TOTAL LIABILITIES	5,096,992	results of philanthropy
Unrestricted	9,596,729	11,370,388 are always
Temporarily Restricted	564,246	381,119
Permanently Restricted	258,013	beyond
TOTAL NET ASSETS	10,391,988	12,009,520 calculation.
TOTAL LIABILITIES & NET ASSETS	15,488,980	22,453,381

Audited financial report for 2017 will be available by request after July 31, 2018. BHACF 2017 audit to be conducted by Ketel Thorstenson LLP. Accounting services for BHACF are provided by Casey Peterson LTD.

BLACK HILLS CHOICE

lack Hills by Choice membership continued to grow in 2017 and they were able to grant \$27,000 to Black Hills area nonprofit organizations.

Black Hills by Choice is the Black Hills Area Community Foundation's giving circle comprised of people who care deeply about our community and understand that philanthropy helps enhance the unique heritage and character of this region. Roger Wilson, member of BHBC and member of the board of directors of Black Hills Area Community Foundation said "It is wonderful to be able to get together with like-minded people who share their love of the Black Hills region. Pooling our funds together gives us a larger reach to help our communties. We are excited about the growth of our giving circle and welcome new members to join!"

Our goal is to create a community of givers who enjoy socializing together and sharing their views on how philanthropy improves our community.

"We really had fun discussing the different aspects of local nonprofits and it was great to hear the passion for each!" *Kendra Larson*

\$83K+

BLACK HILLS BY CHOICE GRANTS AWARDED TO LOCAL AREA NONPROFITS SINCE ITS INCEPTION IN 2013!



"We have this opportunity to work together in a small group to affect positive change in our area. I have enjoyed the brainstorming part of our gatherings because we all learn something new when we share our ideas. We then take quick action to help nonprofit organizations two times each year." \widetilde{ed} Starr

BLACK HILLS BY CHOICE & BHBC SOUTHERN HILLS HAVE THREE OBJECTIVES

Socialize, learn and work together to make grants that support the nonprofit organizations in our region. Build a strong community of philanthropists who share their passions and giving preferences.

Educate people about the philanthropic work of the Black Hills Area Community Foundation.

3

2017 was the first year of our newest giving circle, Black Hills By Choice Southern Hills. In 2017, they awarded \$7,000 in grants to Southern Hills charitable work.

Help Us Grow! Join Black Hills by Choice or BHBC Southern Hills

WHAT ARE THE MEMBER BENEFITS?

You will be invited to several exclusive events each year. These social events provide opportunities to learn about philanthropy as well as to mix and mingle with other BHBC members. At two of the events, the group will choose to fund grants for nonprofit organizations in the Black Hills.

WHY SHOULD I JOIN?

BHBC is a fun way to give and to learn about the work being done to serve the needs in our area. Working together, we grow philanthropy throughout the Black Hills area and meet others who live in the Black Hills by choice.

HOW DO I GET STARTED?

A membership requires an annual unrestricted gift to the BHACF. These funds will be used by Black Hills by Choice and BHBC Southern Hills members to direct grants annually and to help grow the philanthropic efforts of our foundation.



CONGRATULATIONS to BLACK HILLS IMPACT on their first grant making event!

In the Fall of 2017, Black Hills Impact (our young professionals giving circle) voted among four organizations that fit the 'Education' field of interest. These grants were reviewed and recommended by the giving circle's grants committee: Diedre Budahl, Casey Madsen, Konstantin Posherstnik and Kristin Dehler.

BH Impact giving circle awarded their first grants to: \$5,000 – awarded to the Chamber Music Festival of the Black Hills \$2,000 – awarded to the Black Hills Center for Equality



for more information visit www.bhacf.org/blackhillsimpact



The Black Hills Area Community Foundation provides a simple, powerful and highly personal approach to giving. It exists to help people easily and effectively support the charitable organizations and causes they care about - during their life or through their will.



WHICH IS CAREFULLY INVESTED

BHACF provides high quality stewardship of funds, which are pooled for investment purposes. This enables less expensive access to high quality investment management.





TO ALLOW FOR GRANTS IN PERPETUITY.

Donors retain the privilege of recommending grants from their fund to nonprofits, religious organizations, educational institutions and government entities.

(605) 718-0112 · 803 St. Joseph Street · Rapid City, SD 57701 Visit bhacf.org



YOUR VISION. OUR MISSION.

The Black Hills Area Community Foundation provides a way for indivual donors or families to give to specific charities or causes. Just tell us what you care about and we will help create a plan tailored for you.



BLACK HILLS AREA COMMUNITY FOUNDATION

Start a charitable fund today with \$10,000 using cash, securities or other assets for immediate tax savings.

Make a gift to charities or your charitable field of interest, in your will.

Here is how Black Hills Area Community Foundation can help

- Create an agreement that spells out the details of your donation including which causes you'd like to support.
- Your fund is invested to grow over time. Our historic average rate of return is 7.98%.
- Receive annual earnings from your fund and make grants to the charities of your choice.

Funds for Nonprofits

Designated Funds

Started by a donor for a specific nonprofit of their choice for whatever purpose the donor chooses. These funds can be named in the honor or memory of a loved one or could be anonymous. The nonprofit receives a grant once per year from the fund in perpetuity.

Agency Endowments

Established by a nonprofit with its own money from savings or donations.

Funds for Active Donors

Donors who start these funds make grants to their favorite local nonprofits, schools or parks. Staff provides the administrative work, much like a private foundation.

Funds for Community

Anyone can donate any amount to help grow these community impact funds. Grant applications are accepted by the staff and reviewed by community volunteers who decide on funding. Grant criteria changes as community needs shift.

SUPPORT THE CHARITABLE CAUSES YOU CARE ABOUT WHEN AND HOW YOU WANT.

GIVE NOW

Receive immediate tax savings through gifts of cash, stock, real estate and a variety of other assets.

Decide over time where to give with a Donor Advised Fund; a great alternative to a private foundation.

Make gifts to a specific charity year after year by creating a Designated Fund, a great alternative to a lump sum donation that helps the organization's long-term sustainability.

Support nonprofits working in a specific area of interest. Make a tax deductible gift to one of our Black Hills Community Funds - Arts & Culture, Education, Environment, Neighbors in Need and Youth.

GIVE LATER

Make a **charitable gift** through your **will** that creates a meaningful **legacy** for you, your family and your community.

Support specific charities or charitable causes in your will by creating a fund agreement while you are still alive. The Black Hills Area Community Foundation will ensure that all future grants go to the cause or causes that fulfill your original charitable intent.

Reduce the tax liability of your estate by making gifts of appreciated stock, land, retirement accounts, and life insurance.

WHAT'S NEXT?

- Talk with your attorney, financial advisor, or accountant about your charitable, financial and personal goals and ask what you might do today to ensure that they are met.
- Visit our community foundation's website for more information on charitable giving options www.bhacf.org

Contact (or have your professional advisor contact) Liz Hamburg, Executive Director of the Black Hills Area Community Foundation, to discuss your charitable goals and answer any questions you may have about tax-friendly giving options. Liz@bhacf.org p# (605) 718-0112 The Black Hills Area Community Foundation provides philanthropic leadership to build community endowments to invest in people and solutions that positively impact the Black Hills area.

> GRANTS & SCHOLARSHIPS FIELD OF INTEREST FUNDS DONOR ADVISED FUNDS FISCAL SPONSORSHIPS LEGACY GIFTING AGENCY FUNDS ENDOWMENTS

Connecting people who care, to causes that matter. www.bhacf.org



803 St. Joseph Street, Rapid City, SD 57701 605-718-0112

> YOUR DONATION HELPS TO IMPROVE LIFE IN THE BLACK HILLS