



## FREQUENTLY ASKED QUESTIONS

### **Why the name?**

In the fall of 2018, Guttenberg Municipal Hospital & Clinics (GMHC) leaders challenged a small group of advocates to form a framework for a new charitable foundation that would most significantly impact and sustain the strength of the hospital. After six months of study, it was determined the most significant needs were around stabilizing/growing population in the GMHC service area and investing in projects which would create a healthy and vibrant today for all our communities. The name, Foundation of Cornerstone Communities, reflects the geography served by the Cornerstone Family Practice Clinics. GMHC serves individuals and families within an area served by these primary caregivers and the name encompasses all of those people and communities.

### **What will the funds be used for?**

The Foundation of Cornerstone Communities (FCC) will assist with emerging signature projects that uniquely address and improve the everyday health of the residents of the community.

### **What types of gifts does the foundation accept?**

Gifts of any size are appreciated and welcome, including but not limited to: cash, appreciated stock, grain, livestock, timber, land, insurance and annuities.

### **What are the tax advantages of a gift to FCC?**

All gifts of any size are eligible for the federal charitable deduction. Gifts toward pledges of \$1000 or more will be directed to the permanent endowment for FCC and be eligible for the 25% Endow Iowa State Tax Credit. As an example: a gift of \$1000 will be eligible for a \$250 State Tax Credit.

### **How do you use an IRA distribution to make a gift to FCC?**

Donors who are aged 70.5 and older may direct a portion or the full amount of their required minimum distribution of their IRA to FCC through their plan administrator. This type of gift is also eligible for the 25% Endow Iowa State Tax Credit. IRA gifts are not eligible for the federal charitable deduction because taxes have not been paid on the funds.

### **What will happen to the money if there are no current projects going on?**

The FCC Grantmaking Committee will engage personally with and challenge community leaders in the service area to consider and plan for projects that make their communities healthy and vibrant knowing FCC may be a potential funder. Funds that are not paid out to community projects are invested in a safe but robust way to ensure a financial return on the gifts. We will work hard to find projects.

### **Why now?**

Rural Iowa is experiencing an acute shortage of primary care physicians and other professionals. A neighboring community's clinic was closed in late 2019 due to this shortage and impacted that neighboring hospital in a significant way. To maintain our extraordinary health care, FCC was formed with this vision: Cornerstone Communities will be healthy and vibrant today, both for our current residents and also as a place where physicians and other individuals and families will want to come to live and work.

### If I cannot make an immediate gift, how can I help?

There are working committees within FCC and we welcome the interest and talents of all. Committees include: Marketing, Grant Making, and Membership.

### How is GMHC helping launch and support FCC?

The FCC Foundation Director is an employee of GMHC.

### Who sits on the committees of FCC?

FCC has sought representatives from all the areas we are serving, including Guttenberg, Garnavillo, Elkader, Colesburg, and Edgewood.

### How can the schools be involved?

As school leaders look to projects that make their community healthy and vibrant, they are encouraged to visit with the Grantmaking Committee about potential support.

### How will other grants be leveraged?

As FCC experiences successes, leaders will apply to regional and state funders to partner in the work. One example of a funding partner would be Wellmark Foundation.

### Where is the money invested?

The current grantmaking funds are held in a local bank; the endowment is held and invested at the Community Foundation of Greater Dubuque.

### How does an endowment work?

#### FCC ENDOWMENT FORECAST 6.5% Net Growth and 4.25% Payout | actual performance may vary

	All gifts	Beginning Endowment Balance	Return of 6.50%	Annual \$ Earnings	Payout of 4.25%	Annual \$ Distribution	Ending Endowment Principal
Year 1	100,000.00	100,000.00		6,500.00		4,250.00	102,250.00
Year 2	100,000.00	202,250.00		13,146.25		8,595.63	206,800.63
Year 3	100,000.00	306,800.63		19,942.04		13,039.03	313,703.64
Year 4	100,000.00	413,703.64		26,890.74		17,582.40	423,011.97
Year 5	100,000.00	523,011.97		33,995.78		22,228.01	534,779.74
Year 6		534,779.74		34,760.68		22,728.14	546,812.28
Year 7		546,812.28		35,542.80		23,239.52	559,115.56
Year 8		559,115.56		36,342.51		23,762.41	571,695.66
Year 9		571,695.66		37,160.22		24,297.07	584,558.81
Year 10		584,558.81		37,996.32		24,843.75	597,711.39
Year 11		597,711.39		38,851.24		25,402.73	611,159.89
Year 12		611,159.89		39,725.39		25,974.30	624,910.99
Year 13		624,910.99		40,619.21		26,558.72	638,971.49
Year 14		638,971.49		41,533.15		27,156.29	653,348.35
Year 15		653,348.35		42,467.64		27,767.30	668,048.68
Year 16		668,048.68		43,423.16		28,392.07	683,079.78
Year 17		683,079.78		44,400.19		29,030.89	698,449.07
Year 18		698,449.07		45,399.19		29,684.09	714,164.18
Year 19		714,164.18		46,420.67		30,351.98	730,232.87
Year 20		730,232.87		47,465.14		31,034.90	746,663.11
Year 21	<b>500,000.00</b>					<b>465,919.21</b>	

### I have more questions. How do I learn more?

Contact FCC Director Amy Speed at 563-252-5516 or by email at amy.speed@guttenberghospital.org