



Perspectives

Gift and Estate Planning for Today and Tomorrow

Volume I, 2007

Family Foundation Helps Shape Great Leaders at Culver

Industrialist Alverin M. Cornell identified with the Culver Code: Be positive, respectful, cooperative, honest, and responsible.

The late founder and CEO of Chicago-based manufacturing company Cornell Forge believed in the capitalist system. He was a hardworking man and expected others to be the same. In keeping with long-standing Culver values, he always did his best, did what he said he would, and was accountable for the choices he made.



Alverin M. Cornell

Cornell did not attend Culver, but his stepson, William “Bill” Brewer, CMA’74, did. (Bill’s grandfather, Nelson C. Brewer, also graduated from Culver in 1904.) Cornell was quite proud of Bill’s accomplishments at the school and felt Culver produced good, values-oriented leaders.

When Cornell died at the age of 82, the Chicago native’s estate plan set up a charitable trust to fund the Alverin M. Cornell Family Foundation. Managed by Bill and his brother Charles Brewer, assisted by a professional management firm, the foundation supports organizations that have a strong, clearly stated mission,

excellent leadership, and a proven track record. To date, the foundation has helped over 100 charitable institutions—including Culver. The family researches and recommends its own charitable candidates and does not accept proposals or grant requests.

“Culver is a proven institution with consistent leadership that clearly stands above the pack,” said Brewer, who begins his term of membership on the Culver Legion Board of Directors this spring. “Culver is a unique educational institution; it is reliable and stable, and it is a safe place for the foundation to invest.”

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The Culver Mission

Culver educates its students for leadership and responsible citizenship in society by developing and nurturing the whole individual—mind, spirit, and body—through integrated programs that emphasize the cultivation of character.

In This Issue

- How family foundations support Culver
- Eppley Club offers insider’s look at Culver
- The tax-free IRA rollover

Send for our complimentary booklet, *Charitable Tax Planning with Retirement Funds*.



Philanthropy: A Family Tradition

Many friends of Culver enjoy arranging their charitable plans in ways that involve family members in the philanthropic process, as does the Alverin M. Cornell Family Foundation. In addition to providing loved ones with material wealth, they want to help them understand the joy and sense of fulfillment that comes with supporting the work of worthy charitable causes.

A private family foundation allows a donor to set aside funds for charitable purposes. The planning structure provides opportunities for family members to assume key roles in charitable grant decisions. Gifts can be made by lifetime transfers, at death, or through a charitable lead or remainder trust. Family members can have an impact on society by being involved in the causes that are important to them.

You will want to engage the help of competent professionals as you do your own planning. If Culver's staff and advisors can be helpful in answering questions about ways you can support Culver's mission, while also satisfying your family objectives, please do not hesitate to call on us.

The Tax-Free IRA Rollover Is Here at Last

After a decade of near misses, the nation's charitably minded individuals finally scored a significant win when Congress passed and the president signed the Pension Protection Act of 2006 (PPA 2006) into law. While the act implements important pension-reform measures, it also creates a new and exciting gift-planning opportunity to make gifts from your IRA and exclude the amount of your gifts from gross income. To qualify:

- You must be 70½ years of age or older;
- The transfers must go directly from your IRA to qualified charities;
- Your gifts cannot exceed a total of \$100,000 per year; and
- Your gifts must be outright.*

This opportunity is available until the end of 2007. Note that the gift does not qualify for a charitable tax deduction.

*Transfers to supporting organizations, donor advised funds, and charitable remainder trusts and for charitable gift annuities do not qualify.

A gift from your IRA may be tax-wise for several reasons:

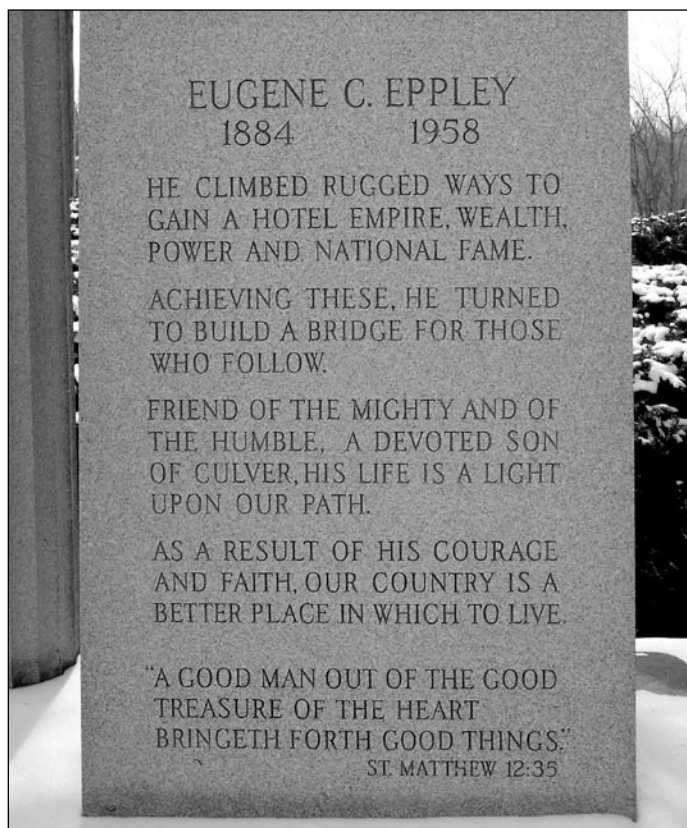
- **It counts toward your minimum required annual distribution.**
- **You will avoid state income tax on the amount of the transfer (if you live in a state where a charitable deduction is not available for state tax purposes).**
- **The amount you transfer will not be included in your adjusted gross income so you will preserve tax breaks that are lost or reduced as a result of higher taxable income.**
- **You will lower your IRA balance and minimize the amount of IRA proceeds subject to income tax at your death.**

We Are Here to Help

To assist in your planning, we would like you to have a complimentary copy of our latest booklet, *Charitable Tax Planning with Retirement Funds*. To request your copy, simply return the card or call our office.



Eppley Club Offers an Insider's Look at Culver



Eugene C. Eppley gravesite monument, Culver, Indiana

Culver is steeped in rich traditions. Chief among them is a grand tradition of giving back to Culver, pioneered by hotel magnate Eugene C. Eppley, CMA 1901. At one time the largest independent hotel owner in the country, Eppley credited Culver with ingraining in him a deep sense of duty and responsibility, traits upon which he built his fortune. Eppley became the first Culver alumnus to give back with a gift that ultimately forged a new path for Culver. Eppley's legacy at Culver includes Gignilliat Hall, Eppley Hall of Science, Eppley Hall of Humanities, Eppley Auditorium, and Eppley Endowed Chairs in Academics.

The Eugene C. Eppley Club honors individuals who exemplify Eppley's generous nature and sense of responsibility to his Culver roots. Membership is open to donors who have made gift commitments to support Culver's future through bequests and other planned gifts, including gifts of retirement-plan assets, life insurance, real estate, and charitable remainder and lead trusts. Culver is blessed with many in our "family" who follow in Eppley's path, making our mission of academic excellence and the highest degree of self-development possible.

Culver is sponsoring a special event on April 12, 2007—the Eugene C. Eppley Club Day, held in honor of those who have expressed their intentions to make a planned gift to Culver.

This year, Culver is reaching out to those budding philanthropists who may be contemplating a planned or deferred gift but

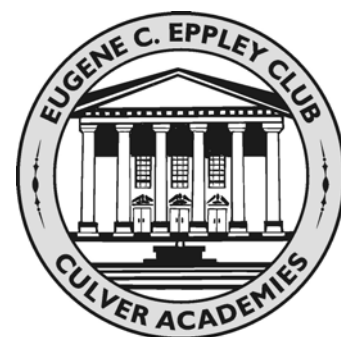
have not yet decided. The event is called "An Insider's Look at Culver." This visit will provide guests with the opportunity to consider an estate commitment for Culver.

Some of the day's activities include:

- Time with Head of Schools John Buxton and board members
- A special luncheon in honor of Eppley Club members
- A walk down memory lane with Culver historian Robert B.D. Hartman
- An informal overview and discussion of estate-planning issues with planned giving expert André R. Donikian, JD
- "Golf cart" campus tours, classroom visits, and a peek at a rehearsal of the spring musical, *Cabaret*

Motel accommodations, events, and meals are provided with the compliments of Culver.

Please return the enclosed reply card or contact Dale Spenner, director of planned giving, to register for this special day or to inquire about membership in the prestigious Eugene C. Eppley Club.



Family Foundation Helps Shape Great Leaders at Culver *(continued from page 1)*

In the 1930s, Cornell founded Cornell Forge, which produces precision components for industry. The company grew and built factories on the south side of Chicago and in Waukegan, Illinois. Cornell's family grew too. He had a daughter and, after his first wife died, gained four stepchildren when he married Elizabeth Brewer.

A staunch conservative who was not a fan of big government, Cornell stuck to his business and was not particularly philanthropic during his life. At his death, however, his wealth was used to set up the trust to fund the foundation, according to his wishes.

The Alverin M. Cornell Foundation has designated that its gifts to Culver go directly to Culver's Annual Fund unrestricted.

"I am proud of Culver," William Brewer said. "We are looking forward to contributing more as we continue to increase our relationship with the school."

In exchange for being exempt from paying most taxes and for offering tax benefits to donors, a charitable foundation must pay out at least 5% of the value of its endowment each year, with none going to the private benefit of any individual. Culver Academies is fortunate to have many alumni with family foundations. For more information about how to support Culver through a family foundation, please contact Culver's director of planned giving, Dale Spenner.

Dear Friends,

It is, as always, my pleasure to reach out to you in a new issue of *Perspectives*.

This issue offers you information about some ways to give to Culver that you may not have considered before. Our featured donor, William "Bill" Brewer, CMA '74, and his family have found that the private family foundation is an ideal vehicle for fostering family decision-making about philanthropic endeavors. I have had the pleasure of meeting many Culver families who have chosen this way to support the Annual Fund, *By Example* The Campaign for Culver, or a special project that is personally meaningful to the family. I wish we had the space to tell all of their stories. We will feature other donor stories in future issues of *Culver Perspectives*.

You can also read inside about new legislation passed in 2006 allowing donors to give their IRA assets outright to charity. Always a good choice due to the manner in which they are taxed, you may find that now IRA assets are an even better option for benefiting Culver. Culver has enjoyed a very positive response from donors over 70 years of age with this change in legislation.

I would also like to extend to you an invitation to attend the Eugene C. Eppley Club Day, described on page three. The day is designed to recognize and to honor those members of this club committed to planned and deferred gifts to the Culver Educational Foundation. We are also extending a very special invitation to anyone who is just considering a planned gift to Culver. If you are thinking of making such a gift, I would encourage you to attend as our guest. Perhaps we can answer some of your questions that will allow you to place Culver in your estate plans.

Sincerely,



Dale Spenner
Director of Planned Giving
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You should consult your attorney about the applicability to your own situation of the legal principles contained herein.

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