

PYRAMID

Ideas on financial, estate and gift planning for friends of Cleveland Clinic

FALL 2016

Mark Maynard Receives 2016 Crile Award



Crile Award recipient Mark Maynard

During the years that he cared for a dear friend with HIV, Mark Maynard came to know Cleveland Clinic and to rely on Leonard Calabrese, DO, and his medical team. After his friend passed away, Mr. Maynard expressed his gratitude by establishing Robin's Fund at Cleveland Clinic to help other HIV patients cover nonmedical expenses, such as rent.

"We covered a lot of people's needs," he says.
"That was fun."

Since the early 1990s, Mr. Maynard has made significant gifts to a variety of medical areas at Cleveland Clinic, including to HIV research in honor of Dr. Calabrese, who holds the R.J. Fasenmyer Chair in Clinical Immunology and the Theodore F. Classen, DO, Chair in Osteopathic

Research and Education. He also is a major supporter of J. Harry Isaacson, MD's, Professionalism in Medicine Program at the Lerner College of Medicine. In addition, he volunteers at the Behavioral Health Unit of Lutheran Hospital and recently hosted a fundraising event for Cleveland Clinic at his Naples, Florida, home.

In recognition of Mr. Maynard's longstanding, generous contributions of his resources and time, the Pyramid Legacy Society honored Mr. Maynard with the 2016 George W. Crile Sr. Award. He received the award, named for one of Cleveland Clinic's four founders, during the annual Partners in Philanthropy event, which took place on Oct. 28 at the InterContinental Hotel and Conference Center in Cleveland.

"I believe that life isn't so much about feeling good as doing good." – Mark Maynard

Now retired from the manufacturing industry, Mr. Maynard enjoys volunteering and philanthropic work both at Cleveland Clinic and in the community, particularly with Lia House, a residential treatment center for addiction. His bonds with Cleveland Clinic run deep not only because of his friend's excellent care there, but also his own.

On the advice of a doctor and friends, Mr. Maynard entered into a treatment program at Cleveland Clinic. "It's now been 13 years since I walked into Unit P47 at Cleveland Clinic and there began a new era. I was 51 years old, and my life was saved and transformed. I have had many blessings; a great life with many successes. But no greater thing has happened to me than that program."

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Letter from the Vice Chair

Nelson J. Wittenmyer Jr., Esq.,

Greetings! Autumn has arrived with its blaze of color, and the holiday season is close behind. As always, this time of year encourages me to pause, reflect, and be thankful. Personally, I am especially grateful to be part of Cleveland Clinic and to see how many programs benefiting our patients are furthered with your help.

For example, in this issue of *Pyramid*, please read about how our friends Helen and Richard Walker have made a bequest supporting the Fibromuscular Dysplasia Fund in the Sydell and Arnold Miller Family Heart & Vascular Institute.

In honor of all our friends and supporters, such as the Walkers, the Pyramid Legacy Society's Partners in Philanthropy Celebration took place on Oct. 28 at the InterContinental Hotel and Conference Center. One of the highlights was the presentation of our 2016 George W. Crile, Jr. Award, which goes to an individual who exemplifies heartfelt generosity and longtime support for Cleveland Clinic. This year, Mark Maynard was honored. As you read his story on the cover, I know that you will understand why Cleveland Clinic appreciates his generosity, compassion and dedication.

Additionally, attendees enjoyed an interactive health and wellness fair featuring physicians and other medical personnel who provided information on the latest technologies and innovations at Cleveland Clinic. Brian Donley, MD, Chief of Staff, was our host for the day.

The Walkers and Mr. Maynard are not alone in wanting to make a difference. If you are considering making a gift to Cleveland Clinic, you may find it helpful to read about the various options for and advantages of doing so, especially as the end of the year approaches (page 4). Not only does every gift matter to our patients, but, in addition to helping others, your gift also can provide you with financial and tax benefits.

We are grateful to Mr. and Mrs. Walker, Mark Maynard, and all of our benefactors who are contributing current and future gifts to further Cleveland Clinic's mission of patient care, research and education. I wish you a wonderful holiday season, and a happy and healthy new year!

Nelson J. Wittenmyer Jr., Esq.
Vice Chair
Philanthropy Institute



From left, Amanda Steyer, Esq.; Nelson J. Wittenmyer Jr., Esq., Philanthropy Institute Vice Chair; Anne Corrette; Stacey McKinley, Esq.; Brian Tullio, Esq.; Nina Nager

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Mark Maynard Receives 2016 Crile Award

During his first week of treatment at P47, he heard from a friend and horse trainer, and that phone call led him to buy a yearling he aptly named P-Forty-Seven. At 3 years old, the horse won The Little Brown Jug, “the Kentucky Derby of harness racing,” in Delaware, Ohio.

Mr. Maynard gave the award, a jug, to a P47 counselor and also contributed some of the race winnings to the unit.

He credits his mother, Eileen Maynard, 94, as being his role model, citing her compassion for her seven children.

“I believe that life isn’t so much about feeling good as doing good,” he says. “Cleveland Clinic has taken care of the first part of that equation, and I feel that I’m charged with taking care of the second.”

– Elaine DeRosa Lea ▲

Helen and Richard Walker Support FMD Fund

At age 45, Helen Walker of Birmingham, Alabama, played golf, walked three miles a day and enjoyed yard work. She felt good. "I never needed a doctor," she says.

She had no reason to consider a complete physical exam until her husband, Richard, handed her some forms one day and asked her to get one for his company's health insurance. Until then, her yearly gynecological checkups were enough, and she had just had one. Thinking that the physical was only a formality, she was stunned to learn that she had high blood pressure.

"The doctor told me to come back to have it checked again, and it was even higher. It continued going higher."

She was prescribed medications, but none of them worked. So on the advice of a family friend, a doctor who lived out of state, she requested an arteriogram. At first reluctant, her physicians eventually agreed. And as her friend predicted, they found two large aneurysms in her right renal artery caused by fibromuscular dysplasia or FMD. In this disorder, abnormal cell development in artery walls leads to narrowing that often resembles a string of beads, aneurysms or tears.

In 1994, she had renal artery bypass surgery at a local hospital that led to life-threatening complications. "It was a very scary time," Mrs. Walker says.

"I told my husband, 'This time, I'm going somewhere where they know about this disease,'" she says. An internet search led her to Cleveland Clinic.

That's why a decade later, when FMD was detected on her left side, she decided to look elsewhere for care.

"I told my husband, 'This time, I'm going somewhere where they know about this disease,'" she says. An internet search led her to Cleveland Clinic, where she set up an appointment and was seen by a multidisciplinary team of physicians.

"I was there for three days, and they put me on different medicine that controlled my blood pressure perfectly," she says. "The doctor said I had slight FMD on the left and that she wouldn't do anything about it at that point. I felt like a



Helen and Richard Walker

princess the way they took care of me at Cleveland Clinic. I'd never had care like that. The confidence that I had in these physicians was remarkable, and I left there feeling more comfortable than I had in the 11 years before."

Since then, Mrs. Walker has had a small brain aneurysm identified, and she continues with follow-ups at Cleveland Clinic.

Grateful for her successful care, Mr. and Mrs. Walker recently decided to make a bequest to Cleveland Clinic's Fibromuscular Dysplasia Fund in the Sydell and Arnold Miller Family Heart & Vascular Institute. Their gift will support research, education and patient care in the FMD Clinic.

"Helen and I sat down and decided what is important to us," Mr. Walker says. "The FMD program was very much at the top of the list."

Mrs. Walker agrees. "Cleveland Clinic has provided a source of comfort to me and my husband. I never before had the confidence that I had access to anybody who could take care of me when I needed it. Knowing that I have the doctors I have now has made a big difference in my outlook."

– Elaine DeRosa Lea ▲

The Many Gifts of Philanthropy

True philanthropic giving can be joyful and fulfilling. By making a gift to Cleveland Clinic, you enrich the lives of current and future patients and create a lasting legacy. You may be surprised to find that there are many ways in which to make a charitable gift.

Benefit of a Gift of Stock 2016

	Cash	Stock
Fair Market Value	\$ 25,000.00	\$ 25,000.00
Cost Basis	\$ 25,000.00	\$ 15,000.00
Capital Gain	\$ -	\$ 10,000.00
Capital-Gain Tax Savings (15%)*	\$ -	\$ 1,500.00
Gift Amount (Charitable Deduction)	\$ 25,000.00	\$ 25,000.00
Charitable Deduction Tax Savings *	\$ 7,000.00	\$ 7,000.00
Total Tax Savings	\$ 7,000.00	\$ 8,500.00

*This example represents a 28% Tax Bracket

Giving Options: Assets

Cash

The most common charitable gift is cash. A cash gift is income tax-deductible up to 50 percent of your adjusted gross income in the year in which it's given. Any additional amount can be carried over for up to five years until it is used in its entirety.

Multiyear Pledge

Cash gifts over multiple years will help to sustain a project or program that is important to you. The tax benefits are the same as for cash gifts, but will be enjoyed in each year that you make the individual gifts.

Stock

Securities that are held long-term and have appreciated in value are excellent assets with which to make a charitable gift because of their double tax benefit. As with cash, the gift is income tax-deductible for the full fair market value as of the date that Cleveland Clinic takes ownership of the gift. Additionally, you avoid capital gains tax on the appreciated property that you held for over a year.

For example, you might wish to donate stock now valued at \$25,000 that you purchased five years ago for \$15,000. Your tax deduction for this year would be

the full current fair market value of the stock, or \$25,000. You would avoid paying the capital gains tax on the \$10,000 appreciation.

Qualified Charitable Distribution (IRA Rollover)

You may have heard the good news that the popular qualified charitable distribution, commonly referred to as the IRA rollover, has been made permanent. It allows individuals age 70 ½ and older to make charitable gifts of up to \$100,000 annually to a favorite charity without having to report the IRA distribution as taxable income on federal income tax returns. Additionally, the gift counts toward the annual required minimum distribution.

Requirements of a charitable IRA rollover:

- You must be 70 ½ or older
- You may make annual gifts of up to \$100,000
- Your distribution must be made directly to a qualified charity
- Your gift must be outright (tax-free rollovers to establish a planned gift, such as a charitable gift annuity or a charitable remainder trust, do not qualify)

Remember, because taxes have not been paid on the IRA contributions and will not have to be paid on the distribution to charity, a charitable IRA rollover gift does not qualify for a charitable income tax deduction. Happily, not paying tax on otherwise taxable income may take the place of a charitable deduction.

Giving Options: Life Income

If you wish to make a gift to Cleveland Clinic but also to provide financial support for yourself or a loved one, you may be interested in a charitable gift annuity or a charitable trust. Different options offer various benefits, and one of the following may suit your needs:

Charitable Gift Annuities

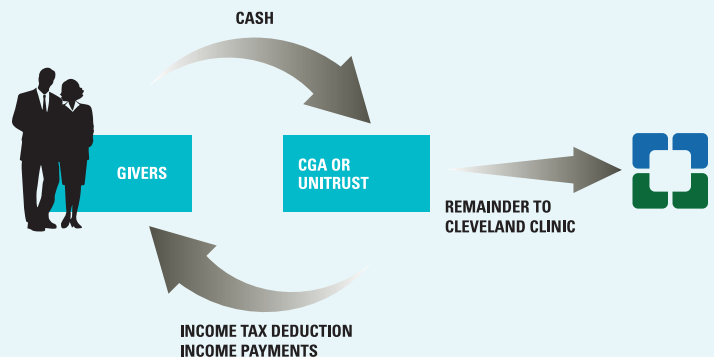
Establishing a charitable gift annuity (CGA) is a simple agreement between you and Cleveland Clinic. In exchange for a gift of cash or other asset, Cleveland Clinic will pay one or two recipients a set income each year for life. The payout rate depends on age – the older the recipient, the higher the payout. Additional benefits of this gift include a charitable income tax deduction in the year in which the gift is established and income for life, a portion of which is tax-free. If it is funded with appreciated stock, only a portion of the capital gain is taxed, and it is spread out over many years rather than becoming due all in the year of your gift. You may find it comforting to know that all payments to you are backed by the assets of Cleveland Clinic, and so you can be assured that the payments are secure.

Charitable Remainder Unitrusts

Charitable remainder unitrusts (CRUTs) are similar to CGAs in that:

- Annual income will be distributed to the beneficiary(ies) you name in the trust agreement
- A charitable deduction can be claimed in the year it is established
- The remainder goes to the area at Cleveland Clinic that you have designated

The significant differences are that CRUTs provide an income stream that varies with the annual value of the trust principal and require \$100,000 to be established. The minimum gift amount to establish a CGA is \$5,000 and the income stream stays the same for life.



Giving Options: Testamentary

Testamentary gifts are a good option if you would like to make a gift but are unable or unwilling to part with assets now. There are several types:

Bequest

A simple provision in your will ensures future support for Cleveland Clinic without affecting your finances during your lifetime. There are several ways to structure the language in your will to best suit your overall estate plans, such as making your gift a specific dollar amount, a percentage of the overall estate, or the residual after all other assets are distributed.

Life Insurance

Do you have a life insurance policy that no longer is needed? If so, you may use it to make a charitable gift. The simplest way to make a charitable gift of life insurance, in any amount, is to name Cleveland Clinic as the beneficiary of your policy. The “Change of Beneficiary” form is generally available online through your provider’s website, or directly from your insurance agent.

Alternatively, you can transfer ownership of a fully paid-up policy, in any amount, to Cleveland Clinic. By giving up all rights of ownership, you will receive an immediate charitable income tax deduction for the lesser of the policy’s fair market value or the net premiums that you already have paid.

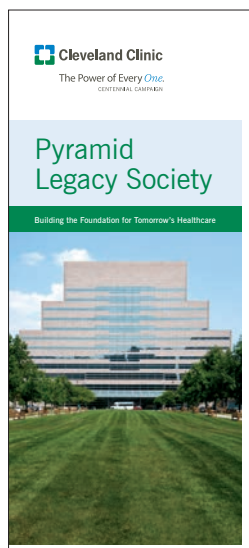
IRAs and/or Retirement Plans

As with a life insurance gift, naming Cleveland Clinic as a beneficiary of your retirement plan asset(s) can offer significant value. Due to applicable estate and income taxes, family members might otherwise receive only a small portion of the value of an IRA or retirement plan. If you wish to make sure that your

children are financially comfortable and also want to leave a legacy to Cleveland Clinic, as a general rule, you should give your appreciated securities and real estate to heirs and your IRA or qualified retirement plan to Cleveland Clinic. Because an heir’s cost basis is “stepped up” to the date-of-death value, your heir will not pay capital gains tax on the securities or real estate but may pay income tax on IRA or qualified retirement plan assets.

As with life insurance, to make a charitable gift of your retirement plan asset, simply request a “Change of Beneficiary” form from your plan administrator (some forms may be found online) and designate Cleveland Clinic as the beneficiary.

Giving can be a joyful expression of what matters most to you. As you can see, there are many ways in which to fulfill your philanthropic vision. To learn more about these various gifts, please contact a member of Cleveland Clinic’s gift planning team of professionals at 216.444.1245 or a.corrette@ccf.org. We look forward to assisting you.



Complimentary Booklets

If you would like to make a gift to Cleveland Clinic, these complimentary booklets will help get you started:

Ways to Give

Family and financial security are your first priority. Happily, you have many ways in which to fulfill both your charitable goals and family obligations. Our *Ways to Give* brochure outlines a variety of these giving options.

Pyramid Legacy Society

Please let us know whether your estate plans include a gift to Cleveland Clinic. We look forward to welcoming you as a member of the Pyramid Legacy Society and sharing with you information on the benefits of membership, described in our *Pyramid Legacy Society* brochure.

To request copies, please complete and return the prepaid reply card, or call Anne Corrette at 216.444.1245 or email a.corrette@ccf.org.

New Pyramid Members 2016

The Pyramid Legacy Society was established in 1992 to honor and show appreciation to all patients, friends and alumni worldwide whose support is building a legacy for Cleveland Clinic through their charitable gift plans.

Anonymous Friends	Dr. Keyhan and Dr. Jafar Mobasseri
Myron and Cheryl Bowling	B. Shaun Powers
Eugene and Anne Culler	Marc Risman
Steve and Judi Engel	Linda Slusser
Don Farrow	Janet Lynn Sundell
Elizabeth and William Fink	Daniel and Alice Trappe
Nancy Herchler	Daniel and Shirley Valentine
Josette Margiotti	Celia Scott Weatherhead

Allied Partners in Philanthropy 2016

Allied Partners in Philanthropy (APP) is a society established by Cleveland Clinic to thank and recognize allied professionals (attorneys, accountants, bankers, brokers, financial planners, etc.) who have helped facilitate a charitable gift to Cleveland Clinic.

New Members:

Ronald A. Apelt, Esq. - Apelt Law Firm LLC
David A. Brockman - BCG & Co.
Peter J. Calleri - Merrill Lynch
Richard E. Davis, Esq. - Krugliak, Wilkins, Griffiths & Dougherty Co., L.P.A.
Terri Eason - Cleveland Foundation
Marie Mirro Edmonds - Marie Mirro Edmonds, Co., L.P.A.
Richard H. Harris - Brouse McDowell
Randall J. Keller - Northwestern Mutual
Sandy L. Kubit - Key Private Bank
Donald Laubacher, CFP®, CPA, AEP® - Sequoia Financial Group
Vincent A. Mars - PNC Investments
Jonathan Mitchen - Northwestern Mutual
Ginger F. Mlakar - Cleveland Foundation
Mark Mosley - Huntington Wealth
Michael H. Novak - The Northern Trust Company
David A. Straus - Law Offices of David A. Straus
P. Michael Ward, Esq. - Reminger Co., L.P.A.

This year, we especially would like to acknowledge BNY Mellon Wealth Management and Pentera Inc. for their outstanding partnership with Cleveland Clinic's Philanthropy Institute.

BNY Mellon Wealth Management:

Susan M. Looney
William Morgan
Angela Tallo

Pentera Inc.:

Andre R. Donikian, JD
Claudine A. Donikian, JD, MBA

If you have assisted your client with a gift to Cleveland Clinic, please contact Amanda Steyer, Esq. at 216.444.5021. Or send an email to steyera@ccf.org.



Q&A

Make a Gift that Works Best for You

By Brian Tullio, Esq.,
Assistant Director, Cleveland Clinic Gift Planning

Q: Is cash the best way to make a gift?

A: Cash is the most common, and often the easiest, method of giving, but other assets and different gift vehicles may be more advantageous, depending on various factors.

Q: What other assets may be used?

A: Appreciated stock is another popular asset used in charitable giving. It offers the double benefit of an immediate charitable income tax deduction and the avoidance of capital gain tax. Better yet, it can be used to fund a life income gift.

Q: What is a life income gift?

A: In exchange for cash or an appreciated asset such as stock, you and/or a loved one could receive income for your lifetime by establishing a charitable gift annuity or charitable remainder trust.

Q: How can I make a contribution without parting with cash or other assets now?

A: You may name Cleveland Clinic in your will, as a beneficiary of a life insurance policy or retirement plan.

Q: Are there tax benefits?

A: All charitable gifts offer tax benefits and other advantages. These benefits vary according to the charitable gift used.

Q: How can I decide what is best for me and my family?

A: The gift spectrum outlined in this issue of *Pyramid* will help you get started. A conversation with your attorney, accountant or advisor may help you make the most of your gift. If I can be of assistance, please contact me at 216.442.5358 or tulliob@ccf.org.

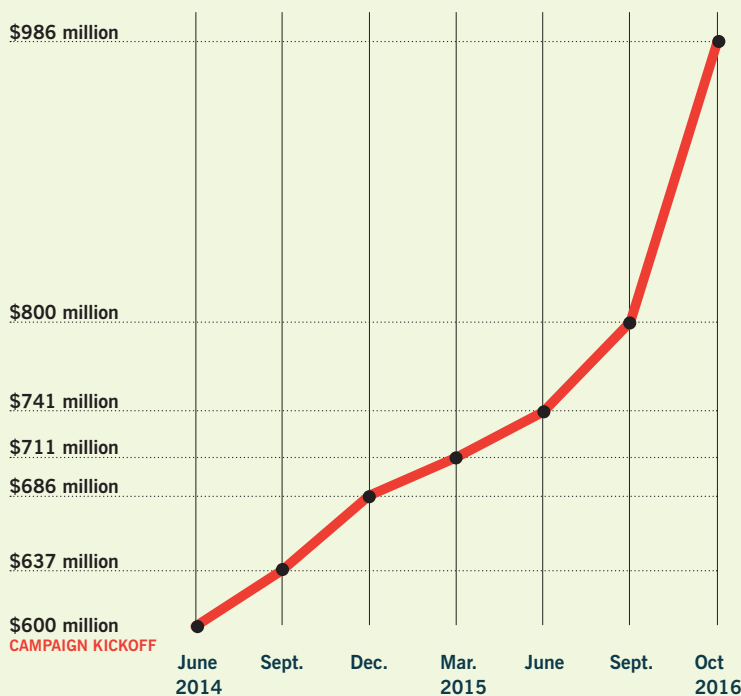


The Power of Every *One*.

CENTENNIAL CAMPAIGN

The Cleveland Clinic Foundation
Philanthropy Institute
9500 Euclid Avenue, Cleveland, OH 44195
powerofeveryone.org

Centennial Campaign Commitments (Goal: \$2 billion)



The Power of Every One

In June 2014, Cleveland Clinic kicked off its historic centennial campaign, The Power of Every One, which concludes in 2021.

With a goal of \$2 billion, this is our most ambitious philanthropic effort ever, one that will help us remain at the forefront of healthcare and allow us to build on our legacy of healing and promoting medical innovation.

Our founders' unwavering focus on patients, coupled with a culture of innovation, changed the way healthcare was delivered. Today, Cleveland Clinic is leading a shift from "sick care" to "well care." We have a unique opportunity to set an example of effective, efficient healthcare for the nation and the world. But we can't do this without you. With the decline of federal and corporate funding and the rise of healthcare delivery costs, your support is more critical than ever.

For this campaign, we have identified four strategic areas:

- Promoting Health
- Advancing Discovery
- Training Caregivers
- Transforming Care

For nearly 100 years, Cleveland Clinic has been providing, reimagining and reshaping healthcare. Now, with your help, we will set our course for the next century. ▲

PYRAMID

VOLUME 24 ISSUE 1

Anne S. Corrette: Pyramid Editor and Director of Gift Planning
Elaine DeRosa Lea: Communications Manager

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Pyramid is published by the Philanthropy Institute for friends and benefactors of Cleveland Clinic. Its purpose is to identify opportunities that may be helpful in your charitable giving as well as your tax and financial planning. Please consult your professional advisors as to the applicability of any option to your situation. Cleveland Clinic, founded in 1921, integrates clinical and hospital care with research and education in a private, not-for-profit group practice. Cleveland Clinic depends on the generosity of individuals, families, corporations and foundations to ensure its continued excellence in patient care, medical research and education.

Cleveland Clinic realizes that individuals would like to learn more about particular programs, services or developments. We also fully respect the privacy of our patients. If you do not wish to receive any materials containing such information, please call 855.714.3898 or write to the Philanthropy Institute/DV3, 9500 Euclid Avenue, Cleveland, OH 44195.

Contact Us

We are here to help. If you would like more information about making an outright or a planned gift to support Cleveland Clinic, you may contact us:

Visit us online:
clevelandclinic.org/giftplanning

Return
the attached reply card

Call us toll free:
800.223.2273 Ext. 41245
or 216.444.1245

Email us:
a.corrette@ccf.org