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## FISCAL TOPICS

Fiscal Services Division

November 13, 2024



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Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

## County Endowment Fund

### Purpose and History

The County Endowment Fund was established in 2004 Iowa Acts, chapter [1136](#) (Gambling and Miscellaneous Changes Act), and codified in Iowa Code section [15E.311](#). The Fund is established under the control of the Iowa Department of Revenue (IDR) and consists of moneys appropriated to the Fund with the moneys being distributed by the IDR. The purpose of the Fund is to enhance the quality of life for citizens of Iowa by providing moneys to new or existing citizen groups of this State organized to establish county affiliate funds or community foundations that address countywide needs.

### Funding

The County Endowment Fund receives an allocation of 0.8% of gaming receipts from the tax imposed on the adjusted gross receipts from specified gambling games pursuant to Iowa Code section [99F.11\(4\)\(c\)](#). Interest or earnings on moneys in the Fund are credited to the Fund, and moneys in the Fund do not revert at the close of the fiscal year. **Figure 1** shows historical revenues and expenses from the Fund.

**Figure 1 — County Endowment Fund**

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>Revenue</b>					
Pari-Mutuel Receipts	\$ 9,309,531	\$ 12,588,780	\$ 13,945,150	\$ 13,636,970	\$ 13,208,165
Interest	131,684	16,853	28,436	217,340	408,364
Reversions	0	4,513	22,951	0	0
Carryforward	77,002	55,981	1,048	13,897	37,901
Total Revenues	<u>\$ 9,518,217</u>	<u>\$ 12,666,127</u>	<u>\$ 13,997,585</u>	<u>\$ 13,868,207</u>	<u>\$ 13,654,430</u>
<b>Expenses</b>					
Transfers to Counties	\$ -9,405,431	\$ -12,595,079	\$ -13,913,688	\$ -13,761,590	\$ -13,613,119
Administration/Appropriation	-56,805	-70,000	-70,000	-68,716	-41,311
Carryforward	-55,981	-1,048	-13,897	-37,901	0
Total Expenses	<u>\$ -9,518,217</u>	<u>\$ -12,666,127</u>	<u>\$ -13,997,585</u>	<u>\$ -13,868,207</u>	<u>\$ -13,654,430</u>

### Distribution of Funds

At the end of each fiscal year, moneys in the Fund must be transferred, in equal parts, into separate accounts within the Fund and designated for use by each of the 85 counties in which no licensee authorized to conduct gambling games was located. The moneys must then be transferred by the IDR to an eligible county recipient for that county. If a county does not have an eligible county recipient, then moneys in the account for that county must remain in the account until an eligible county recipient is established.

Each eligible county recipient must distribute 75.0% of the moneys it receives as grants to charitable organizations for charitable purposes in that county and must retain the remaining 25.0% for use in establishing a permanent endowment fund for the benefit of charitable organizations for charitable

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### More Information

Endow Iowa: [iowaeda.com/endow-iowa](http://iowaeda.com/endow-iowa)  
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purposes. The recipients must give special consideration to grants for projects that include significant vertical infrastructure components designed to enhance quality of life aspects within local communities.

**Administration and Marketing**

Of the moneys deposited in the Fund, 3.0% must be used by the lead philanthropic organization identified by the Iowa Economic Development Authority (IEDA) for purposes of administering and marketing the Fund. Of the 3.0% available to be used by the lead philanthropic organization, \$70,000 is appropriated to the IEDA each fiscal year for administrative costs related to the Endow Iowa Program. The standing limited appropriation for Endow Iowa Program administration began with 2006 Iowa Acts, chapter [1151](#) (Economic Development — Endow Iowa Tax Credit and County Endowment Fund Changes Act).

**Related Statutes and Administrative Rules**

Iowa Code sections [15E.303](#), [15E.304](#), [15E.311](#), and [99F.11](#)

Doc ID 1461999