

## GUIDELINES & PROCEDURES

Lilly Endowment receives several thousand grant requests each year, but we can fund only a small percentage of many worthwhile proposals. These guidelines, formulated over the years by the Lilly family and the Endowment's Board of Directors, govern our grantmaking decisions.

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### Areas of interest

We consider proposals in three program areas – community development, education and religion. We also are interested in initiatives that benefit youth, that foster leadership education among nonprofit institutions, and that promote the causes of philanthropy and volunteerism.

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### Community Development

Our community development grantmaking focuses primarily on the quality of life in Indianapolis and Indiana, and we grant funds for human/social needs, central-city and neighborhood revitalization, low-income housing, and arts and culture in Indianapolis. We also support amateur athletics and fitness organizations, facilities and programs that help advance the city's economic revitalization and community recreational opportunities.

On a statewide level, we provide major support for the development of the endowments of community foundations and the advancement of United Ways.

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### Education

Our education grantmaking revolves primarily around our interest in improving education in Indiana, with special emphasis on higher education and on programs designed to increase the number of Indiana residents with bachelor's degrees. We support a number of invitational grant programs, many of which are aimed at Indiana's colleges' and universities' abilities to increase the state's educational attainment level. We also support private historically black colleges and universities throughout the country.

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### Religion

Our primary aim in this field is to deepen and enrich the religious lives of American Christians, principally by supporting efforts to call, support and educate a new generation of talented pastors and to strengthen current pastors in their capacities for excellence in ministry. We seek to help congregations be vibrant, healthy communities of faith, and we encourage efforts that make available and accessible the wisdom of the Christian tradition for contemporary life. We support theological seminaries and other educational and religious institutions that share these aims. We also support projects which strengthen the contributions that religious ideas, practices, values and institutions make to the common good of our society.

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### Youth, Leadership Education, and Fund-raising and Philanthropy

Besides grantmaking in our three principal areas of community development, education and religion, the Endowment also awards grants in support of youth development, leadership education, and fund-raising and philanthropy.

Our youth grants support direct-service organizations in central Indiana, build the capacity of intermediary organizations throughout the state and provide professional development for the staffs and volunteer leadership of these organizations.

In leadership education, we seek to support and nurture good stewardship among the trustees and executives of the types of charitable organizations we primarily serve by funding scholarship on the characteristics of able trusteeship and good governance of nonprofit organizations.

On a limited basis, we also support programs (nationally and in Indiana) to increase charitable giving among Americans. We fund efforts to create a body of reliable knowledge about giving and fund-raising and to encourage the scholarly pursuit of the subject.

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## Geographic priorities

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In keeping with the wishes of the founders, the Endowment gives priority to efforts that improve the quality of life in Indianapolis and Indiana. This priority applies to grants for community development and elementary/secondary education (exceptions include occasional funding for national programs that complement or relate to our work in Indiana).

The Endowment's interest in higher education extends to Indiana colleges and universities and to historically black colleges nationwide. Grants to other institutions of higher learning outside Indiana are generally restricted to programs offered by the Endowment on an invitational basis.

Our work in religion is national in scope, as is our support for leadership education.

Grants for international purposes are limited to a small number of disaster-relief efforts and to a few United States-based economics and public policy programs affecting North and South American countries.

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## Limitations

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Federal regulations and Board policy preclude the Endowment's involvement with the following:

- *Loans or cash grants to private individuals.* Most grant money is awarded to charitable entities. We do not assist individuals with personal or business-related finances.

- *Health-care and biological-science projects.* The founders wanted to avoid any appearance of conflict of interest with their commercial enterprises. The rare exception has been capital grants for hospitals and other nonprofit, health-related facilities, mainly in Indianapolis.

- *Mass media projects.* The Endowment does not typically fund mass media projects and limits consideration to projects that fall squarely within our specific program areas.

- *Endowments or endowed chairs.* The Endowment targets its grants for specific purposes. Except in unusual cases involving long-standing grantees or special initiatives, we do not contribute to endowments or endowed chairs.

- *Libraries.* The Endowment regularly declines grants to public libraries outside Marion County, Ind. Library grants to

universities generally are confined to the state of Indiana and to invitees under certain Endowment grant initiatives.

- *Outside Indiana.* Requests usually are declined for building campaigns, elementary/secondary education, arts and culture, human-service projects, general operating funds and neighborhood projects (except as part of invitational grant programs).

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## Application process

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If you believe your charitable organization has a request that fits within our guidelines, we suggest that you write us a preliminary letter of no more than two pages. The letter should tell us about your organization, the project you have in mind and the amount of support you will need from us. We respond in writing to all preliminary inquiries. In cases that warrant further consideration, we may ask you to furnish a full proposal.

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## Approval process

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A program director generally reviews grant proposals. Those that meet the criteria for consideration proceed to the appropriate division or committee for review, then to the corporate officers, and finally to members of the Board of Directors. The full Board of Directors or its Executive Committee considers grants in February, March, May, June, July, September, November and December. The grant-review process takes three to six months. All grantseekers receive written notification of our decisions.

*Please direct correspondence to:*



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