



Enhancing Opportunity in Indianapolis

Far too many people in Indianapolis are battling the challenges of poverty and financial insecurity. According to the *American Community Survey (ACS) 5-year Estimates* report released in December of 2018 by the U.S. Census Bureau, the five-year (2013-2017) average poverty rate in Marion County was nearly 20%. This means that an average of approximately 180,000 individuals each year during this period faced the hardships of poverty.

It must be a top priority of our community to help significantly more people overcome the challenges of poverty and financial insecurity. To achieve meaningful progress, Indianapolis will need a sustained, community-wide response. Fortunately, our city has a history of coming together to address challenges or to pursue opportunities.

To help encourage a community-wide response, Lilly Endowment is launching a new grant initiative, *Enhancing Opportunity in Indianapolis*. This initiative is designed to support the development and implementation of strategies that have the potential to help a significant number of people overcome the challenges of poverty and financial insecurity, with the aim of helping them make progress toward lasting economic self-sufficiency.

The Endowment plans to award **up to \$50 million** in 2020 to fund the most promising strategies that are proposed to further the initiative's aim. Eligible applicants (see "Eligibility" section below) will be able to request funding for such strategies in amounts **from \$50,000 up to \$10 million** to be used for a period of up to five years.

This is a two-stage, competitive grant initiative. Stage One of the application process is a request for concept papers. Organizations presenting the most compelling concepts will be invited to submit full proposals in Stage Two. Final decisions, announcements and payment of grant awards are anticipated to take place on or before December 31, 2020.

Through this initiative, we encourage a wide variety of organizations, including human

services agencies, hospitals, congregations and other faith-based organizations, schools, colleges and universities, arts and culture organizations, neighborhood organizations and other public charities, to work with each other and/or other groups, businesses, and governmental agencies to 1) generate new ideas or new collaborations or 2) enhance and expand existing promising efforts that help people living in or near poverty make progress toward lasting economic self-sufficiency.

We know the issues related to poverty and financial insecurity are extremely complex. We are deeply grateful to the people and organizations working hard in the face of this complexity to improve the lives of those in need. We are hopeful that this initiative can build on those efforts and meaningfully improve the lives of a significant number of people in our community.

Rationale

An essential component of overcoming the challenges of poverty and financial insecurity is having a job that pays a self-sustaining wage. Unfortunately, many adults in Indianapolis work hard in low-paying jobs and face significant barriers when trying to obtain jobs that pay better wages. These barriers might include a lack of access to affordable childcare or transportation options or to relevant educational and training opportunities. Efforts to help more people overcome these barriers so that they are prepared for and able to access better paying jobs are essential.

At the same time, we all must act upon the lack of enough jobs in our region that support a self-sustaining life, as documented in a recent study prepared specifically for our region by the Brookings Institution. Brookings defined “good” jobs in our community as those that provide wages of at least \$18/hour and employer-sponsored health benefits and “promising” jobs as those that put people on a path to a “good” job. Brookings concluded that the region has a deficit of nearly 120,000 good and promising jobs. It recommended “new multi-dimensional approaches” to create more good jobs and provide more support to workers seeking to access good or promising jobs. These new approaches will require the sustained, collaborative engagement of multiple sectors, including the business community.

We also recognize that overcoming the challenges of poverty and financial insecurity can be far more complicated for some people due to their particularly difficult circumstances. For example, individuals with disabilities, youth aging out of foster care, people who are homeless, and individuals reentering our community after incarceration face substantial added barriers as they seek to improve their economic well-being. In addition, many immigrants who are struggling with poverty face language and other barriers that make upward economic mobility more challenging. Moreover, children and youth growing up in poverty must endure profoundly difficult problems and face the likely prospect of being mired in poverty and economic hardship as adults. In fact, research by economist Raj Chetty suggests that breaking the intergenerational cycle of poverty may be more difficult in Indianapolis than in many other large cities around the country.

Furthermore, people struggling to make ends meet frequently live in neighborhoods that make their lives far more difficult. For example, people working to support themselves and their families face tremendous headwinds when they live in neighborhoods in which they may not feel safe or that lack assets that many others take for granted, such as convenient access to affordable, nutritious food.

We also acknowledge that it is extraordinarily difficult for anyone to overcome the challenges of economic hardship without the benefit of meaningful relationships. Many people and organizations in our city help build in countless ways these relationships, which some formally refer to as components of “social capital.” As we all think about helping more people make progress toward economic self-sufficiency, our community will need more promising, high-touch efforts that strengthen the social capital available to those most in need.

Enhancing Opportunity in Indianapolis is being launched to encourage the best collaborative thinking on these topics by a broad spectrum of our community and to provide funds to advance the most compelling strategies that have the potential to help a significant number of people make progress toward economic self-sufficiency.

Guidelines and Considerations

Eligible applicants interested in developing a concept paper for this initiative should address one or more of the following four topic areas:

1. **Good or Promising Jobs:** How can more adults obtain good or promising jobs in and around Marion County? For example: What collaborations can be formed to educate and train residents for good or promising jobs and/or help them overcome barriers to employment success such as a lack of affordable transportation and childcare options? What approaches might be taken to help raise wages of existing employees and/or create more jobs that pay wages that support self-sustaining lives?
2. **Children/Youth:** How can vulnerable children and youth be supported so that they have a better chance of success in adulthood? For example: What promising training programs could be developed or expanded that prepare children/youth from disadvantaged backgrounds for good, in-demand jobs? What approaches might be taken to ensure more children/youth have access to high-quality mentoring relationships? What collaborations can be formed to help schools address educational achievement gaps? What approaches might be taken to expand access to high-quality, affordable early learning options?
3. **Populations Facing Added Challenges:** How can specific populations facing added challenges (e.g., individuals with disabilities, young people aging out of foster care, people who are homeless, individuals re-entering Marion County after incarceration, immigrants facing language or other barriers) be better served to help them take steps toward economic self-sufficiency?
4. **Neighborhoods:** How can Marion County neighborhoods, particularly those with high concentrations of poverty, be strengthened to help more of their residents be self-sufficient? For example, what collaborations can be formed to build social capital, reduce or prevent crime, reduce the number of food deserts, or expand affordable housing options?

Poverty disproportionately affects African Americans and Hispanics in Indianapolis. According to the aforementioned *ACS 5-year Estimates* report for 2013-2017, an average of approximately 28% of the city's African American population, or 70,000 people, and approximately 34% of the city's Hispanic population, or 32,000 people, faced the challenges of poverty. We hope, therefore, that several applicants propose concepts to address one or more of these four topic areas in ways that will help many more African Americans and Hispanics in our community achieve lasting economic self-sufficiency.

As concepts are being developed, applicants should ensure that their proposed ideas, programs or strategies are informed by input from people they seek to serve. Moreover, applicants should consider the importance of collaborations. We will view collaborative concepts favorably, including those designed to enhance and expand existing promising efforts or new collaborations that have the potential to make a substantial impact. Moreover, we also would hope that at least some submitted concept papers include programs or strategies that have been implemented in places around the country or world for which there is a strong rationale for meaningful impact if implemented in Marion County.

Concepts that are specifically place-based (e.g., addressing a food desert in a neighborhood) should be focused in Marion County. For concepts that are not specifically place-based, it is possible that compelling concepts also could help residents of other counties as well. For example, an eligible applicant might work with a group of Marion County-based employers seeking to help their employees earn better wages, even though some of the affected employees reside outside Marion County. In such circumstances, we ask that consideration is given to the intent of this initiative and that proposed concepts meaningfully benefit Marion County residents.

This initiative is designed to help those trying to overcome the challenges of poverty and financial insecurity. It is not necessary that concepts only serve individuals and households with incomes below [federal poverty thresholds](#). We will leave it to applicants to determine precisely what vulnerable individuals their concept can best help. However, applicants should note that the overarching aim of the initiative is to help more people make progress toward economic self-sufficiency regardless of where these individuals may be relative to that goal.

Concept papers submitted pursuant to this request will be judged on their own merit and against the pool of other concepts. In evaluating submitted concept papers, the Endowment may consider, among other criteria, the extent to which:

1. The proposed idea, program or strategy is informed by input from people the applicant seeks to serve.
2. The proposed idea, program or strategy is derived from a convincing rationale that includes, if applicable, relevant research or evidence of success in Marion County or in other locations.
3. The proposed idea, program or strategy shows promise to deliver positive results.
4. The concept paper describes meaningful collaborations.
5. The proposed grant amount is proportional to the scale of the envisioned impact.
6. The proposed idea, program or strategy builds meaningful relationships and social capital.
7. The proposed idea, program or strategy is feasible.

In addition, applicants that submit concept papers describing activities that may extend beyond the proposed grant period will be asked, if invited to Stage Two of this initiative, to provide in their full proposals a rationale for how those activities could be sustained. Additional information on sustainability will be provided by Endowment staff prior to the submission of full proposals in Stage Two.

Eligibility

Eligible applicants must be Indiana-based organizations described in Internal Revenue Code (Code) section 501(c)(3) that are public charities under Code section 509(a)(1) or 509(a)(2), or Type I or Type II supporting organizations under Code section 509(a)(3). The types of organizations qualifying under these Code sections typically would include congregations and other faith-based organizations, schools, colleges and universities, arts and culture organizations, community centers, hospitals, community development corporations, United Way organizations, community foundations and other charitable entities.

We encourage organizations with promising concepts that are not themselves eligible to receive funding directly from the Endowment (e.g., businesses and Internal Revenue Code section 501(c)(6) entities) to collaborate with an organization that is eligible. Given this initiative's emphasis on helping people earn better wages, we hope that businesses especially will find meaningful ways to participate.

We do not intend to fund directly governmental departments or agencies but recognize the important role they can play in an initiative like this and encourage them to be collaborators.

Please note that we are open to a variety of concepts, including those that may help only a relatively small number of people but in intensive and highly personal ways.

Additionally:

- Each applicant should be based in Marion County, though collaborating partners may be located outside of Marion County.
- An organization may participate in more than one application. However, please be sure that the organization has the capacity to execute on any and all concepts with which it proposes to be involved.

Application Process

We consider Stage One of the application process to be a request for concept papers. At this stage, it is not necessary to have 100% certainty on every detail of a concept. However, applicants should articulate a clear rationale for the proposed activities, including, if appropriate, citations to relevant research or data to support their proposed concept.

Concept papers must be submitted via the Endowment's website by **Friday, March 27, 2020, at noon Eastern Daylight Time**. A complete concept paper includes the following five components:

- **Summary Statement:** This should serve as a brief, persuasive, standalone summary of what the applicant hopes to accomplish. This statement should be no more than one page.

- **Concept Paper Narrative:** This is a narrative document of no more than five pages that helps us better understand the concept and why the applicant believes it is compelling. The concept paper narrative should include key information such as:
 - Which of the four topic areas listed above under “Guidelines and Considerations” the concept addresses. An applicant’s concept may address more than one topic area.
 - Specifics about the concept, including its target audience and where it will be implemented.
 - How the concept was informed by input from people the applicant seeks to serve.
 - How self-sufficiency is being defined based upon the audience being served.
 - Rationale for the concept, including any research and evidence supporting why the applicant believes it would be effective.
 - A realistic implementation timeline up to five years in length.
 - Details on who will implement the concept and a description of any collaborations.
 - If relevant, a brief description of sources of funding that have been identified, awarded or will otherwise be leveraged in support of the concept, including government, philanthropic or other private support.
 - Key challenges and/or risks associated with the concept.
 - Information on how an applicant will evaluate the activities undertaken and reasonably assess their impact. If possible, please include an estimate of the number of people who could benefit and to what extent. As noted above, we are open to a variety of concepts, including those that may help a relatively small number of people but in intensive and highly personal ways.

In addition, if public policy changes represent an essential element of a concept, please include in the narrative a high-level description and rationale for such changes. As a private foundation, the Endowment cannot provide funds for lobbying, but can support certain types of advocacy activities (e.g., the development, administration and dissemination of credible policy research).

The concept paper narrative of no more than five pages should be written in 11-point font, single-spaced with 1-inch margins.

- **Budget and Budget Narrative:** The budget is a one-page document that details the costs associated with an applicant’s concept. The budget narrative is an accompanying document of no more than two pages that describes each budget line item and explains how it was calculated.

We know that many organizations face increasing challenges as they seek to raise the resources necessary to support core operations and programs. Accordingly, as a concept budget is developed, we ask applicants to think deeply about what additional capacity they would need to ensure that a proposed concept can be implemented without placing a burden on current activities.

For applicants invited to participate in Stage Two of this initiative, we expect to provide planning grants in late spring 2020 to assist with the development of a full proposal. Accordingly, applicants are welcome to include in the concept paper budget a line-item of no more than \$50,000 for planning and a brief explanation in the budget narrative of how planning dollars will be deployed. Planning activities could include convening partners or collaborators, conducting research, participating in site visits or conferences to learn about best practices in other communities, or funding staff or consultant time to develop a full proposal.

- **Tax Information:** Applications should include an IRS tax status determination letter (if available) and a completed copy of the Endowment's [exempt status information form](#). Please note that we will need to evaluate the impact of any potential grant to a public charity on that charity's public support test, if applicable. Public charities are asked to consider this, and corresponding tax and financial matters, as a concept is being developed.
- **Letters of Support:** **1) Required letters:** Brief letters of support must be provided by **all** collaborators that plan to be involved in implementation of a concept. Collaborators should note what their role will be and should indicate clearly their intention and capacity to collaborate as envisioned in the concept. **2) Optional letters:** Up to three (3) additional brief letters of endorsement from others that corroborate the merits of the concept and the applicant's ability to execute it may also be provided but are not required. (Note that if invited to submit a full proposal in Stage Two of this initiative, updated letters of support/endorsement will be required.)

Selection Process and Timeline

Complete concept papers should be submitted in one PDF file via the [Endowment's website](#) by **Friday, March 27, 2020, at noon Eastern Daylight Time**. Submissions will be reviewed by the Endowment, and a subset of the applicants who submitted the most compelling concepts will be invited to move forward to Stage Two of the process. These organizations will meet with Endowment staff in the spring to discuss their concepts and then submit more detailed proposals to the Endowment by **Monday, August 31, 2020, at noon Eastern Daylight Time**. Grant announcements are anticipated to take place on or before December 31, 2020.

Further Information

We will host informational sessions about this grant initiative in our offices at 2801 North Meridian Street, Indianapolis, IN, 46208. Attendance is optional. Please RSVP via the [Endowment's website](#) for one of the following dates:

- December 6, 2019
- December 10, 2019
- December 11, 2019
- January 14, 2020
- January 16, 2020

Please email any questions about this grant initiative to opportunity@lei.org.