



# Thriving Congregations Initiative

REQUEST FOR PROPOSALS

2023

**L**illy Endowment is pleased to announce its Thriving Congregations Initiative 2023. Through this open and competitive initiative, the Endowment seeks to support eligible charitable organizations in the United States in developing new or strengthening existing programs that will work directly with congregations to help them assess and adapt their ministries to their changing contexts as they move toward a post-COVID-19 pandemic future. The Endowment is especially interested in programs that help congregations address the following objectives:

1. Explore and understand their rapidly changing social and cultural contexts.
2. Gain greater clarity about their values and mission.
3. Draw on Christian practices from their theological and ecclesial traditions to adapt their ministries to the demands of their changing contexts.

The aim of the initiative is to help congregations thrive by strengthening ministries that help people deepen their relationships with God, enhance their connections with each other, and contribute to the flourishing of their communities and the world.

Eligible charitable organizations may submit proposals for **up to \$1.25 million** that may be used for **up to a five-year period** to design and implement programs that advance the aim of the initiative. The Endowment anticipates awarding approximately 60 grants to charitable organizations that submit exceptionally compelling proposals and demonstrate the capacity of the organization to design, implement and sustain a high-quality program.

**Interest Form:** Charitable organizations interested in participating should submit an interest form and a one-page Letter of Interest **by March 31, 2023**, through the Thriving Congregations webpage on the Endowment's website. *The form and letter are recommended but not required to submit a proposal.*

**Application Form:** Proposals should be submitted through the **online application form** on the Endowment's website **by June 23, 2023**. The Endowment anticipates announcing grant awards in the fall of 2023.

## Rationale

A key focus of Lilly Endowment's grantmaking for religion is to support efforts that enhance the vitality of Christian congregations. This focus recognizes that local congregations have been and will continue to be a primary form of Christian community. They are places where Christians gather regularly to worship, teach their religious traditions to their children and youth, extend care to one another and proclaim love for their neighbors through acts of service and hospitality. Congregations take many forms (ranging from small country churches to majestic cathedrals) and have throughout the centuries structured and restructured the ways that they organize congregational life and carry out their ministries. Through their multiple organizational forms and their ability to adapt their ministries to new contexts, congregations remain central carriers of Christian faith.

During the last decade, many pastors, church leaders and scholars of American religion have noted social and cultural trends that are affecting congregational life. Widely cited studies by the Pew Research Center, for example, have charted the significant increase in the percentage of individuals who claim no religious affiliation (the "nones") and the growing number of young people who are choosing not to join churches. Religious leaders are noting that patterns of participation in worship and congregational activities are changing. Regular participation was once viewed as weekly attendance, but now attending church once or twice per month is considered as such. Pastors also report that many older forms of ministry, such as Sunday schools, youth groups and Bible studies, are not attracting the level of participation as in the past, and many churches are finding it difficult to recruit and retain volunteers for these programs.

In the last three years, the COVID-19 pandemic has accelerated and amplified these trends, as well as many others. Pastors and other religious leaders have remarked that the pandemic has disrupted all aspects of congregational life, and congregations have needed to pivot quickly to adapt their ministries in the face of their rapidly changing circumstances. With the suspension of in-person activities, for example, many churches needed to learn how to use digital technologies to livestream their worship services and engage in other ministries through virtual formats. Many congregations also discovered ways to utilize new technologies to help their congregants stay connected with each other, and a significant number of churches created new or expanded current outreach ministries to address the needs of people in their local communities and across the globe. For many churches, the pandemic has posed difficult challenges, but it also has marked a period of creative adaptations and innovations.

At the same time, religious leaders have noted that the pandemic has impacted churches unevenly and laid bare the economic disparities and racial inequities among congregations and in the communities they serve. Recent studies have documented that the pandemic has had disproportionately negative effects on communities of color. The pastors who serve these communities have worked tirelessly to address their communities' experiences of trauma, and congregations have served as a vital source of healing and hope. Religious leaders note that many pastors and other congregational leaders who serve these communities are tired and grieving, and congregations need time and space for healing as well as greater access to resources.

Pastors and other congregational leaders have shared that their congregations are starting to look toward a post-pandemic future. One pastor stated succinctly: "There is no playbook for recovering from a pandemic." These leaders are seeking time and resources to ask difficult questions.

- Will worship participation return to its pre-pandemic levels?
- How can congregations develop their ministries for hybrid, in-person and virtual formats?

- Should congregations restart old ministries or endeavor to develop new ones?
- How can pastors and other congregational leaders navigate their politically and culturally divided communities?
- What capacities do congregations need to develop ministries that focus outward and effectively serve their communities?
- How can congregations address racial inequities and other disparities in their ministries?
- How can congregations continue to serve as sources of healing and hope?

The disruptive experiences of the pandemic have prompted pastors and other congregational leaders to ask questions about their churches' missions and how they will organize and conduct ministries in the future.

The Endowment believes that pastors and other congregational leaders need supportive relationships and resources as they discern their futures and adapt to new realities. Building on a previous round of grants awarded in 2020, the Endowment is now seeking in 2023 to provide grants to a broad array of organizations that are well positioned to assist congregations in diverse contexts in ways that are appropriate to and helpful for their ministries, theological traditions and communities.

## Characteristics of Thriving Congregations

The Endowment has learned through the insights of congregations that have been participating in the 2020 round of the Thriving Congregations Initiative. Thriving congregations exhibit three key characteristics:

1. They adapt to their changing social and cultural contexts.
2. They exhibit clarity of their values and missions.
3. They cultivate Christian practices that deepen the faith of their congregants.

The Endowment believes that helping congregations develop these characteristics, which are described below, has become even more important as they seek to address challenges and opportunities heightened by the pandemic:

### Adapting to Changing Social and Cultural Contexts

For many years, ministry leaders have emphasized the importance of congregations' attending to their social and cultural contexts. The disparate effects of the pandemic on local communities and in individual congregations have underscored the importance of helping congregations understand and relate effectively to these contexts. More than ever, congregations need a deep appreciation of the characteristics, interests, histories and challenges of their local communities, including the demographic and social changes that make their communities both what they are and what they are becoming. Congregations also may need to understand better these changes in wider national and international contexts to adapt and strengthen ministries that reach beyond their local communities and serve individuals and families across the globe. Wherever they minister, members of congregations need to be able to build authentic and interpersonal relationships with people and understand well the ways they live, play, work and gather. Through these close connections, congregations can listen to the needs and interests of people and be especially attentive to how the pandemic and other forces have affected or changed their lives, values and relationships.

## Exhibiting Clarity of Values and Mission

The pandemic required many congregations to pause their key ministries and make changes that surfaced fundamental questions about their values and missions. The stoppage of worship services, programs, rituals and other religious activities provided many congregations with opportunities to evaluate their ministries. Many ministry leaders note that a congregation's clear sense of its identity, which is grounded in its theological convictions, is a critical element for thriving. Equally important is a congregation's ability to articulate "why" it is called to love God and serve its members and people in its neighborhood, city, region and even throughout the world. This sense of identity and missional clarity enable a congregation to name specific areas of interest and then align its ministries and activities around those priorities. They also enable a congregation to move beyond functional ministries that seem geared mainly to sustaining current programs and operations toward a deeper and broader vision of ministry that encourages and supports creative adaptations to advance its gospel mission more effectively.

## Cultivating Christian Practices

As pastors and other congregational leaders have navigated the pandemic, many have sought to draw on the deep wells of their religious and spiritual traditions to help them clarify their missions and work to adapt their ministries to new realities and changing contexts. These traditions often take the forms of Christian practices that nurture the religious lives of congregants and shape the ways that they express their faith. Christian practices may be time-honored and grounded in long historical traditions, or they may be new and emerge from particular expressions of faith grounded in the congregation's life together. For example, Christian practices of hospitality have been important for some congregations as they endeavor to reach and support their communities. Other congregations have deepened their practices of Sabbath while caring for congregants during the pandemic. Still other congregations have tapped their theological traditions to develop new practices as they have learned to engage people online through streaming their worship services and other ministries. Some Christian practices can help congregations know their missions and purposes as they cultivate robust spirituality and theologically-grounded faith. They may also help individual congregants experience belonging through a shared vocabulary and engagement in common rituals that resonate with a congregation's theological tradition, mission and values.

Together, these characteristics help congregations thrive. When congregations have clarity about their values and mission, they can identify and focus on their core mission and adapt current and/or develop new, innovative ministries that build on their unique strengths and gifts. Through their attention to Christian practices, they can draw on their theological and ecclesial traditions to strengthen connections and integrate more fully all elements of congregational life and direct them in furtherance of their mission. Through growing a strong sense of who they are, congregations are better equipped to discern how to engage and build relationships in their communities and cultivate partnerships with a variety of organizations, including non-profits, civic groups, other religious organizations, public agencies and businesses. Such relationships further a congregation's self-understanding of its gifts and its role in nurturing the vitality of its community and thus strengthen its sense of identity and mission. They also enable a congregation to learn from other organizations and be more creative in exploring new possibilities for ministries.

## Congregational Learning Community

Religious leaders and knowledgeable church consultants who work closely with local churches have noted that congregations learn best when they are part of a larger community of learning. In the wake of the pandemic, many pastors and other congregational leaders are looking for support and connection to other ministry leaders who share their questions and concerns as they work to adapt successfully and meaningfully to their shifting contexts. As they discern their post-pandemic futures, they need opportunities to step back and engage in a learning process and supportive community so that they can gain clarity about their values and mission, assess strengths and weaknesses of their current ministries, identify their gifts and passions, and imagine new possibilities for organizing and advancing their ministries.

Organizations interested in applying for grants should design Thriving Congregations programs that work directly with congregations and that take them through a structured learning process. The program also should convene congregational leaders and form them into a supportive learning community, emphasizing peer-learning relationships among congregational participants. The program design may include convening leadership teams from the congregations comprising pastoral and lay leaders, or the program may collaborate directly with congregations in another way. The learning process should enable the congregations to:

- Explore and deepen their understanding of social and cultural trends that affect the congregation.
- Gain greater clarity about their values, theological convictions and mission in light of their changing contexts.
- Deepen understandings of their ecclesial traditions and denominational relationships and how they can shape and expand ministry opportunities.
- Explore how Christian practices that are grounded in their traditions and are appropriate to their contexts may provide both the framework and patterns of activity needed to revitalize their ministries and bring coherence to congregational life.
- Build and strengthen a sense of community among members of the congregation.
- Strengthen the congregation's governance and leadership.
- Establish and nurture deeper relationships with organizations and individuals in their local neighborhoods, towns, cities and regions in furtherance of their refocused and clarified missions.

## Areas of Focus

The pandemic accelerated and made more acute longstanding challenges that congregations have faced for many years. At the same time, many congregations were able to experiment during the pandemic with new ministries. They were emboldened by a new sense of urgency and energy that displaced old assumptions and empowered them to experiment with creative adaptations and innovations.

Based on conversations with many pastors and other religious leaders from diverse backgrounds and ministry contexts, the Endowment has identified the following areas of focus and is especially interested in funding programs that will help congregations develop capacities related to **one or more of these areas**:

- Using digital technologies more effectively to support their ministries.

- Developing or strengthening outwardly focused ministries that serve those in their communities, regions and/or across the globe.
- Engaging in ministries that recognize and bridge deep political and cultural divides both within churches and the communities that they serve.
- Strengthening ministries that promote healing and address the increasing mental health and wellness needs of congregants.
- Recognizing and addressing racial biases and prejudices in churches and their communities that perpetuate inequities and injustices.
- Reaching and nurturing the spiritual lives of young people.
- Fostering ministries that are relevant to the lives of congregants and, at the same time, connect congregants more deeply to God.
- Leveraging church buildings and other physical assets more effectively to advance the congregation's mission.

While the Endowment has identified these areas as important, organizations may know of other areas of urgent need or opportunity for congregations. The Endowment is open to programs that could focus on other areas, especially where the organizations may have expertise or special knowledge. As organizations consider the design of their programs, they should consider how one or more areas of focus align with their organizations' resources, expertise and experience. Organizations that choose to focus on more than one area should carefully consider their capacities to implement a more complex program.

## Eligibility and Selection Criteria

Charitable organizations with Internal Revenue Code section 501(c)(3) and public charity status that are committed to supporting Christian congregations are eligible to participate in the Thriving Congregations Initiative. Eligible organizations may submit proposals of **up to \$1.25 million** each that may be used for **up to a five-year period**.

The Endowment is looking to award grants to organizations that demonstrate that they have the capacity to design, implement and sustain high-quality programs. **Funding decisions will take into consideration the following criteria, among others:**

1. Clarity of the program's purpose.
2. Quality of the design of the program and its potential to advance the initiative's aim as stated on the first page of the RFP.
3. A clear congregational learning process that engages congregations in a learning community as described on page 5 of this RFP.
4. Evidence of the organization's capacity to implement the proposed program and help congregations with one or more areas of focus as described on pages 5 and 6 of this RFP.
5. A realistic and credible plan to garner the financial resources needed to sustain its program beyond the grant period.

The Endowment encourages each organization to apply for an amount appropriate to its capacity, the needs of the proposed program and the organization's ability to sustain its program beyond the end of the grant period. An applying organization should have no expectation that additional Endowment funding will be available to sustain its program after the grant period ends.

Interested organizations are asked to use the following application procedures and timeline:

**Interest Form:** Submit the online Interest Form and a one-page Letter of Interest on the Endowment's website **by March 31, 2023** indicating its intent to submit a proposal. The submission of an Interest Form and Letter of Interest is not required, but it will inform the Endowment of the organization's interest and aid in the implementation of the initiative.

**Application Form:** Submit a complete proposal through the Thriving Congregations **online Application Form** on the Endowment's website by **June 23, 2023**. The Endowment anticipates notifying organizations of funding decisions in fall 2023.

## Application Guidelines

A complete proposal must include the following information:

**Official Request Letter:** A proposal should be accompanied by a cover letter requesting a grant. The letter should be signed by the organization's chief executive officer.

**Information Form:** This form provides key information about the proposal and identifies information about the individuals responsible for the proposed program.

**Executive Summary:** This is a one-page summary that describes the organization, its mission and constituencies, the primary purpose of the proposed program and the highlights of key activities. *Not included in 12-page limit for the Proposal Narrative described below.*

**Summary Budget:** This is a one-page summary of the proposed program's budget that should condense budget line items from the detailed Line-Item Budget described on page 9. See the "Guide to Budget Preparation." Please prepare the Summary Budget *after* completing the Line-Item Budget described below.

**Proposal Narrative:** This narrative should provide the items below and **not exceed 12 pages** in length, excluding the Executive Summary, Budget and other supporting materials.

- **Purpose:** State the proposed program's purpose. How will the proposed program advance the aim of the initiative described above? What does the organization endeavor to achieve through the program?
- **Rationale:** Provide a discussion of the rationale explaining the organization's interest in developing the proposed program. Why is it important to undertake this work? In the discussion of the rationale, please address the following:
  - › **Changing Context of Congregational Life and Ministry:** What are the challenges and opportunities facing congregations today? What are the most pressing cultural and social shifts affecting congregations? What social and cultural changes do congregations need to address?

- › **Characteristics of Thriving Congregations:** What helps thriving congregations to develop a clear sense of their values and mission? What kinds of experiences, opportunities and activities help them thrive? How can Christian practices help them establish and maintain their vitality?
- **Program Design and Activities:** Provide a thorough and detailed program design that relates clearly to the proposed program's goals and budget. What is the proposed program's overall design and what are the program's key activities? What is the design of the program's congregational learning process? How will the program help congregations adapt to their changing cultural and social contexts? How will the program help congregations clarify their missions and visions? How will the program help congregations draw on their Christians practices? On which area(s) will the program focus? What are the organization's interests and capacities in this area? (See pages 4-5.) How will the organization select congregations to participate in the program?
- **Collaborations and Partnerships:** Describe potential collaborations and partnerships that will help the organization as it implements the proposed program. With whom will the organization collaborate (e.g., denominational judicatories, ecclesial networks, nonprofits and other ministry organizations that support congregations)? Are these existing relationships or new relationships? What roles will collaborators or partners play?
- **Evaluation:** Provide a description of how the organization will measure the proposed program's progress and success.
  - › **Outcomes:** Provide a description of the desired outcomes the organization hopes to achieve through the proposed program activities. What changes does the organization hope to see if the program is successful? What are the anticipated outcomes for congregations, for the organization, and for any collaborating organizations (if applicable)?
  - › **Performance Indicators:** Provide a discussion of the specific and concrete performance indicators that will be used to measure the proposed program's progress toward the outcomes stated above. Please include the intervals for achieving these indicators in the timetable described below.

Performance indicators may include quantitative and qualitative markers to gauge the program's progress toward its outcomes. **Examples of quantitative performance indicators may include:** number of congregations participating in the program; total number of individuals participating in the program; number of ministries implemented by congregations as a result of the program; number of collaborations and partnerships; etc. **Examples of qualitative performance indicators may include:** deepened sense of mission expressed by congregants; deepened understanding among congregations of their changing social and cultural contexts; descriptions of clarified mission and vision; deepened individual and corporate faith realized through engagement in Christian practices, etc.

- › **Evaluation Plan:** What is the organization's plan to evaluate the proposed program? How will the organization track the program's performance indicators? What qualitative and quantitative methods will the organization use in the evaluation process (e.g., interviews, focus groups, surveys, etc.)? Who is responsible for evaluation?
- **Communication:** Provide a communication plan that describes the various audiences the organization intends to communicate with about the proposed program (potential participants, general public, funders, collaborators, etc.) and the communication strategies it will employ.



- **Sustainability:** Describe how the organization plans to continue the proposed program beyond the end of the grant period. How does the organization intend to support financially the activities that have been successful? Who will cultivate new sources of funding to replace grant dollars and how will they secure these funds? How will other resources (e.g., intellectual capital, commitment of existing staff time, capacity building, etc.) be secured and deployed to sustain the momentum of the program into the future?
- **Organizational capacity:** Provide a brief description of the organization, including its mission, organizational structure (a profile of the board and how board members are recruited), relationship to a Christian denomination or tradition, annual operating budget and major sources of support for the operating budget. How is the organization suited to implement the proposed program?

**Program Timetable:** Provide a high-level timetable of the proposed program's key activities, including evaluation (i.e., when specific performance indicators will be assessed to track progress towards outcomes), communication and sustainability activities.

**Line-Item Budget and Budget Narrative:** Prepare a Line-Item Budget and a Budget Narrative for the activities described in the proposal narrative. Refer to the "Guide to Budget Preparation" for formats.

- **Line-Item Budget:** A detailed Line-Item Budget should specify how grant funds will be used. The Endowment recommends working closely with those responsible for accounting procedures and financial policies in the organization to create a Line-Item Budget that aligns with those procedures and policies.
- **Budget Narrative:** A Budget Narrative should provide short narrative detail for each line item included in the Line-Item Budget. See the "Guide to Budget Preparation" for examples.

**Letters of Support (where applicable):** If the proposed program involves other collaborating organizations, letters of support from the leaders of the other organizations or agencies must be submitted with the application.

**Copy of Organization's Current Year Operating Budget:** Submit a copy of the organization's operating budget for the current year.

**Copy of Organization's Annual Financial Statements:** Submit a copy of the organization's annual financial statement for the most recently completed fiscal year. The financial statement should include a balance sheet, income and expense statement, and any footnotes or supporting schedules that provide an accurate assessment of the financial condition of the organization. The financial statement may be from an internal review of accounts, from an outside agency or from a formal audit.

**Exempt Status and Charity/Foundation Status Information Form:** Submit a copy of the organization's Internal Revenue Service (IRS) tax-exempt status determination letter to provide verification of the organization's status as a Code section 501(c)(3) entity and the organization's public charity status under the Code. Please note: Many denominationally related organizations may not have asked for or received such a letter from the IRS. If that is the case, determine whether the organization is listed in a group exemption ruling for the denomination. If so, please attach evidence that the organization is covered by the ruling (for example, by sending copies of the directory cover and the page on which the organization is listed in the official directory of your denomination). No grants will be awarded until the proper tax status is confirmed.

## Proposal Submission Instructions and Checklist

Proposals must be submitted **by June 23, 2023**, through the Thriving Congregations Initiative [online Application Form](#) on the Endowment's website. The proposal must be uploaded as a single PDF with the following items in the order listed below.

- Official Request Letter
- [Information Form](#)
- Executive Summary
- [Summary Budget](#)
- Proposal Narrative (not to exceed 12 pages)
- Program Timetable
- [Line-Item Budget](#)
- Budget Narrative (see [Guide to Budget Preparation](#))
- Letters of Support (optional)
- Copy of Organization's Current Year Operating Budget
- Copy of Organization's Annual Financial Statements
- [Exempt Status and Charity/Foundation Status Information Form](#)
- Copy of IRS Exempt Status Determination Letter (see [sample](#))

Please email any questions to Chanon Ross at [thrivingcongregations@lei.org](mailto:thrivingcongregations@lei.org).