



Giving Indiana Funds for Tomorrow

Phase IX (GIFT IX)

Frequently Asked Questions

The following frequently asked questions (FAQs) are meant to provide additional guidance to community foundations regarding the funding opportunities available through Lilly Endowment's Giving Indiana Funds for Tomorrow Phase IX (GIFT IX) initiative. For full details on the requirements for each of GIFT IX's funding opportunities, please refer to the GIFT IX [Proposal Guidelines](#).

General Guidance

If a community foundation decides it is not able or willing to pursue one or more of GIFT IX's funding opportunities, will its ability to participate in future GIFT initiatives be affected?

No. While the Endowment hopes GIFT IX's funding components can benefit each community foundation's efforts to enhance its community's quality of life, participation in any component of GIFT IX will not be required as a condition for participation in future GIFT phases.

Community Support Grants

What level of detail should a community foundation include in its Community Support Grant proposal?

The Endowment does not expect that a community foundation will have full clarity on how it will deploy its Community Support Grant when the proposal is submitted. Accordingly, the proposal does not need to identify specific projects, programs or community priorities that will receive regranted Community Support Grant funds. However, the proposal should demonstrate that the community foundation has formulated an intentional process to develop a regranting strategy that is responsive to its community's context and needs. This includes describing activities the community foundation has undertaken or will undertake to ensure that it has broadly canvassed local stakeholders throughout its county to understand local priorities and inform the administration and deployment of its Community Support Grant.

During the grant period, the community foundation will need to submit program and financial reports to the Endowment describing how Community Support Grant funding is being expended.

Does the Endowment expect a community foundation to begin regranting its Community Support Grant immediately?

No. Community foundations will have up to three years to expend these grants fully. The Endowment encourages each community foundation to take the time it needs to develop a regranting strategy that is responsive to its community's context and needs. This could include conducting planning and stakeholder engagement activities.

For what purposes can Community Support Grant funding be used?

GIFT IX's Community Support Grant component is meant to provide flexible funding to enhance each community foundation's grantmaking capacity to address compelling, near-term needs in its county. A community foundation can address these needs in the manner it sees fit, and the Endowment envisions that community foundations will use Community Support Grant funding in a variety of ways. Among other uses, this could include: 1) enhancing existing grant programs; 2) offering new grant opportunities or programs for local nonprofit organizations; or 3) funding specific projects, programs or initiatives that are addressing local challenges or opportunities. Community Support Grant funding could be used to offer nonprofit organizations operational or programmatic support as well as funding for capital projects or capacity building activities, among other purposes. Please note that grant funds must be used for activities that serve a charitable purpose consistent with the community foundation's mission and tax-exempt status.

Can a community foundation use any portion of its Community Support Grant for its own administrative expenses?

Yes, if the expenses relate specifically to the community foundation's administration of its Community Support Grant. As explained in the Proposal Guidelines, each community foundation will be permitted to use up to 15 percent of the requested grant amount for reasonable and appropriate expenses associated with administering its Community Support Grant. Such costs might include staffing, technology, marketing materials, supplies, meeting expenses or consulting costs, among others. Eligible expenses also could include planning or community engagement activities (e.g., stakeholder convenings, community surveys, data analysis, feasibility studies, consultants) that inform the development of a community foundation's regranting strategy.

Please note that the Community Support Grant cannot be used for a community foundation's general administrative expenses – any expenses funded through the Community Support Grant should support the grant's administration.

Is it required that a community foundation use its Community Support Grant to engage in planning activities?

No. While it is permissible for a community foundation to allocate up to 15 percent of its Community Support Grant for administrative or planning expenses, a community foundation is not required to conduct planning activities; however, as described above, the Endowment encourages each community foundation to ensure its Community Support Grant regranting strategy is informed by a broad range of stakeholders in its county and reflects findings from previous planning or implementation efforts (e.g., READI, CCC, prior GIFT phases) so that the regranting strategy is responsive to community-driven needs.

Can any portion of Community Support Grant funding be set aside in an endowment for investment or expenditure after the grant period expires?

No. Community Support Grant funding cannot be set aside in an endowment for investment or expenditure after the grant period expires. All funds must be deployed fully during the grant period to address local challenges and opportunities.

Does a community foundation need the Endowment's approval before it distributes funding from its Community Support Grant?

No. After the Endowment approves a community foundation's Community Support Grant, the foundation will have discretion in determining how it deploys funding to address local priorities. The foundation will not need

the Endowment's prior approval before awarding grant funds to further charitable purposes consistent with the community foundation's mission and tax-exempt status. As described above, the community foundation will need to submit program and financial reports to the Endowment during the grant period that describe how Community Support Grant funding is being expended.

Can community foundations in different counties collaborate to use their Community Support Grants to support regional organizations, programs, projects or initiatives?

Community Support Grant funding is allocated and will be awarded on a per county basis. Community foundations in different counties can choose to collaborate with one another to fund regional organizations, programs, projects or initiatives that address regional priorities.

Are there specific priorities the Endowment expects Community Support Grants to address?

No. The Endowment encourages community foundations to think broadly about community priorities that could be addressed through this funding opportunity. Community Support Grants could be used to address any number of local challenges or opportunities, including, among others (as noted in the Proposal Guidelines), early childhood development, education (K-12, higher education), social and human services, food insecurity, affordable housing, economic and workforce development, recreational amenities and programs, arts and culture, mental health and substance use disorder, and youth programs.

Can a community foundation use its Community Support Grant to fund charitable programs that it operates?

No. While it is permissible for a community foundation to allocate up to 15 percent of its Community Support Grant for administrative or planning expenses, the remainder of the grant must be regranted to other nonprofit organizations.

Matching Grant Guidance

What qualifies as matching funds for GIFT IX's Matching Grant component?

Except as otherwise noted in the following paragraph, qualifying matching funds must consist of contributions of cash or property (e.g., marketable securities, cash equivalents and real property, matched on the basis of their gift value as determined by applicable United States Treasury Regulations) completed during the matching period, including irrevocable pledges of cash that are required to be paid to the community foundation by June 30, 2030, and the present value of irrevocable deferred gifts (e.g., charitable remainder trusts) that are made or executed during the matching period.

New for GIFT IX, qualifying matching funds will also include cash received by a community foundation from the sale of grain or livestock that was gifted to the community foundation. To qualify, the gift of grain or livestock to the community foundation, the community foundation's sale of the gift, and the community foundation's receipt of cash proceeds from the sale all must have occurred during the matching period. A community foundation should include supporting documentation (e.g., grain elevator receipt, sales invoice) with its matching report to substantiate the timing of the gift, the sale and the actual cash received by the community foundation.

If a community foundation received a pledge executed during the GIFT VIII matching period that was not reported as matching funds to the Endowment, could payments on that pledge during the GIFT IX matching period qualify as matching funds?

Yes. If a community foundation received a pledge executed during the GIFT VIII matching period (October 1, 2023, through December 31, 2025) but did not report it as matching funds to the Endowment (e.g., the community foundation's matching requirement was completed before the pledge was made, or the pledge was not needed or reported in any of the matching reports submitted by the community foundation), cash payments towards fulfilling that pledge during the GIFT IX matching period would qualify as matching funds.

Will contributions that are made in the ordinary course of operations from charitable endowments, trusts, private foundations, educational funds, among other organizations dedicated to charitable and/or public purposes, qualify as matching funds?

Yes. Grants from these organizations made in the ordinary course of their operations may qualify as matching funds for GIFT IX, as determined by the Endowment on a case-by-case basis. However, transfers made outside the ordinary course of operations from these and/or other organizations already dedicated to charitable and/or public purposes will not qualify as matching funds for GIFT IX.

Will contributions from governmental sources qualify as matching funds?

No. Contributions received from governmental sources will not qualify as matching funds.

Will contributions received from a donor advised fund (DAF) qualify as matching funds?

It depends. Contributions from a DAF held by a commercial firm (e.g., Fidelity Charitable Services) made in the ordinary course of its operations may qualify as matching funds, as determined by the Endowment on a case-by-case basis.

Distributions from a DAF that is held or controlled by an Indiana-based community foundation will not qualify as matching funds to any Indiana community foundation, even if such distributions are made in the ordinary course of operations for the DAF.

If a community foundation chooses to allocate a portion of its GIFT IX Matching Grant to the Community Project and/or Program (CPP) option, can funds contributed by the community foundation itself to support community projects and/or programs qualify as matching funds?

No. Qualifying matching funds raised for the CPP option must be from external sources and designated for the specific projects and/or programs identified in the community foundation's Matching Grant proposal. While a community foundation can commit its own resources to support community projects and/or programs funded through these matching options, they will not qualify as matching funds.

If a community foundation receives an unrestricted contribution from a donor, would that contribution qualify as matching funds for the CPP option if the community foundation elected to direct those funds to community projects and/or programs that were funded through this matching option?

Yes. Unrestricted contributions received by the community foundation would qualify as matching funds for the CPP option if the community foundation elected to direct those funds to projects and/or programs that were funded through those matching options.

If a community foundation allocates a portion of its Matching Grant to support local projects and/or programs through the CPP option, would a contribution to a restricted fund held by the community foundation (e.g., agency endowments) qualify as matching funds if it is intended to support and/or sustain the projects and/or programs being funded?

Yes. If the community foundation receives donor contributions to restricted funds (e.g., agency endowments) that are intended to support the projects and/or programs being funded through the CPP option, those contributions would qualify as matching funds. If a community foundation plans to establish and/or solicit contributions for a restricted fund for projects and/or programs funded through the CPP option, it must describe the rationale and purpose of the fund in its Matching Grant proposal.

Please note that a community foundation cannot allocate funds from its Matching Grant to such restricted funds. Instead, the foundation must use its Matching Grant funds for current expenses of the associated projects and/or programs. For example, if the community foundation received contributions totaling \$100,000 to establish a maintenance endowment for a new public park constructed using Matching Grant funds under the CPP option, those contributions would qualify as matching funds; however, \$100,000 from the foundation's Matching Grant must be used for current expenditures relating to the park's construction.

If a community foundation allocates a portion of its Matching Grant to support local projects and/or programs through the CPP option, would contributions made to organizations other than the community foundation qualify as matching funds?

No. Only contributions directly received by the community foundation to support local projects and/or programs funded through the CPP option will qualify as matching funds. For example, if a community foundation elected to use its Matching Grant to support a local human service agency's programming, funds received by the agency would not qualify as matching funds.

After a grant has been awarded, can a community foundation modify how it allocates its GIFT IX Matching Grant between the Unrestricted Endowment Building (UEB) and CPP options?

Yes. While a community foundation must designate in its Matching Grant proposal how it intends to allocate its grant between the two matching options, it can request to modify the allocation during the grant period as long as 60 percent or more of the grant amount is allocated to the UEB option. In such cases, the community foundation should contact the Endowment for further guidance on requesting an allocation modification.

If a community foundation applies for a Matching Grant that is less than its eligible grant amount, can the foundation request additional funding during the matching period if it meets its approved matching requirement prior to the end of the matching period?

No. A community foundation will not be able to apply for additional Matching Grant funding after its grant is approved. Accordingly, the Endowment encourages each community foundation to take its time to discern how much it should request through this funding opportunity. In doing so, each community foundation should reflect on both its fundraising efforts during GIFT VIII as well as its community's fundraising capacity.

Please email any additional questions to the Endowment at gift@lei.org.