



Artificial Intelligence in Higher Education

REQUEST FOR PROPOSALS

October 2025

Lilly Endowment is pleased to announce its Artificial Intelligence in Higher Education initiative (AIHE). The aim of this new initiative is to help Indiana colleges and universities:

1. Consider more fully the challenges and opportunities that artificial intelligence (AI) presents for their institutions and their students.
2. Develop new or enhance existing strategies to improve their students' educational opportunities and outcomes and their preparation to prosper in the workplace and life in a future that will be increasingly shaped by AI.

The Endowment has allocated **up to \$500 million** for this multi-year initiative. Colleges and universities invited to participate in the initiative may request funding through a two-phase process.

Phase 1 Planning Grants: Indiana colleges and universities may submit letter proposals requesting planning grants ranging from \$125,000 to \$300,000 each, depending on the student enrollment of the institution (details on p. 4 of this RFP). Planning grants may be used to help institutions explore ways in which they might address various challenges and opportunities arising from the rapid advances in AI technologies. Letter proposals are **due by noon (ET) on December 1, 2025**. It is expected that planning grants will be scheduled for payment no later than December 31, 2025.

Phase 2 Funding Opportunities: Indiana colleges and universities have two opportunities for funding in Phase 2 of the initiative. Each Indiana college or university may, but is not required to, participate in both opportunities.

Phase 2 Implementation Grants: Institutions may submit proposals for implementation grants ranging from \$5 million to \$25 million each, depending on the student enrollment of the institution (details on p. 5 of this RFP). Implementation grant proposals are **due by noon (ET) on May 1, 2026**.

Phase 2 Collaboration Grants: The Endowment has allocated up to \$200 million for collaboration grants. To be considered for this collaboration grant funding opportunity, each collaborating group of institutions should identify a lead institution to submit a concept paper that describes the group's ideas to work together on projects that align with the aim of AIHE. Collaboration grant concept papers are **due by noon (ET) on May 1, 2026**. After reviewing the concept papers, Endowment staff will invite collaborative groups with compelling concepts to submit full proposals for consideration by noon (ET) on September 25, 2026.

Background information, guiding questions and priorities, and submission guidelines, among other matters, are discussed more fully below.

Background

At a time when colleges and universities are contending with several major, and in some cases existential, challenges, they now also are called upon to address unprecedented challenges and opportunities arising from the rapid advances in artificial intelligence. To a significant extent, AI and the resulting challenges and opportunities relating to it may reshape how colleges and universities approach teaching, student learning, research, student experience and services, administration and operations, financial affairs, student recruitment, admissions and financial aid, and fundraising and development, among other things.

As companies and industry leaders embrace and incorporate AI technologies into their operations to optimize processes and gain efficiencies, workers are, and more frequently will be, required to develop skills to remain relevant in work environments immersed in these technologies. Many graduates of higher education institutions have discovered that their credentials and/or technical skills may have been eclipsed by AI, limiting their employment prospects. Several employers predict that most future entry-level jobs that college graduates seek will require, at a minimum, some proficiency in the effective and responsible use of AI. In many cases, AI technologies are now increasingly used in the workplace to conduct routine tasks, which can enable workers to engage in more complex work and, as such, proficiency in AI will be an important and marketable skill for graduates.

The ubiquity of AI and evolving rapid developments in these technologies have had, and likely will continue to have, a significant, disruptive impact on society and the global economy and on Indiana's colleges and universities. The Endowment has learned that at many Indiana colleges and universities faculty and staff are concerned that AI could, among other things, impede independent and critical thinking, stunt creativity, challenge ethical reasoning and affect social connections on campus and beyond. However, many also recognize that AI presents opportunities that can enhance student learning, support research, and streamline administrative processes.

To effectively compete in a global economy, employers appreciate and continue to value analytical and critical thinking, communication, leadership and other transferable skills. Integrity, creativity, discernment, and ethical and moral judgment are important to employers as workers navigate a workplace replete with AI and face a lifetime of adapting to this evolving technology. The Endowment has launched AIHE to help Indiana colleges and universities enhance their abilities to offer well-rounded approaches to the use and application of AI in an effective, ethical and responsible manner and to help ensure that college and university students, faculty and staff are well-equipped to learn, work and live in a world increasingly influenced by AI.

Guiding Questions and Priorities

Through AIHE, the Endowment seeks to help Indiana's colleges and universities advance their respective educational missions as they plan, develop and implement projects, programs and activities (collectively, projects) that address the impact of AI on the lives of their students, faculty and staff. The aim of the initiative is purposely broad recognizing that some of Indiana's colleges and universities may be further along than others in their adaptation, implementation and application of these evolving technologies in their institutions. Accordingly, through AIHE, the Endowment anticipates awarding grants to help support a wide range of projects relevant to the varied contexts of Indiana's colleges and universities that are consistent with the aim of the initiative.

Notwithstanding the broad latitude afforded institutions in developing proposed projects that align with the aim of AIHE, the Endowment encourages each college or university to consider the following guiding questions:

- What are the most pressing challenges and opportunities facing your institution related to the adoption, integration or impact of AI? How will your institution prioritize the AI challenges and opportunities that it will address through AIHE? How does your institution plan to address the prioritized challenges and opportunities?
- How and to what extent will your institution: 1) manage the impact of AI technologies with respect to curriculum, pedagogy and/or assessments to ensure students have the requisite knowledge, skills and competencies to effectively live and work in and contribute to society and the global economy; 2) equip its faculty with the appropriate AI knowledge, skills and tools to advance student learning as well as their own learning and research endeavors; and 3) use AI technologies to increase productivity or gain other efficiencies in the administration and operation of your institution?
- How will your institution prepare students, faculty and staff to evaluate and apply AI-generated content responsibly? What ethical and/or faith-based frameworks will govern the use of AI at your institution?
- How and to what extent will your institution help students build the critical thinking, communication, and interpersonal skills and other competencies that students need to prosper in life and workplaces in a future that will be increasingly shaped by AI? How should critical thinking, creativity and original ideas be assessed in an AI-integrated learning, research and work environment?

Initiative Eligibility and Design

This initiative comprises two phases: a planning phase (Phase 1) and an implementation and collaboration phase (Phase 2). In addition to Phase 1 planning, each eligible Indiana college and university may participate in one or both components of Phase 2 by submitting an implementation grant proposal on behalf of its institution, and/or joining in a concept paper requesting a collaboration grant together with another institution or group of institutions.

Indiana colleges or universities are strongly encouraged but not required to participate in the initiative's planning phase to be eligible to submit any implementation or collaboration grant proposal in Phase 2 of AIHE. In addition, an eligible college or university is not required to participate in both Phase 2 components of the initiative. If an institution chooses not to submit an implementation grant proposal in Phase 2, the institution still may join other institutions in submitting a collaboration grant concept paper.

Phase 1 Planning Grant Proposals

The planning phase is intended to enable a college or university to do any or all of the following:

1. Consider more fully AI-related challenges and opportunities that the institution should address, and envision and develop plans to implement projects to address such challenges or opportunities that align with the aim of the initiative.
2. Prepare an implementation grant proposal under the first component of Phase 2 to request funding to help the institution implement such projects informed by planning activities.

- Collaborate on a grant concept paper with other eligible Indiana institutions under the second component of Phase 2 to pursue an opportunity for funding to implement collaborative projects to address a prioritized challenge or opportunity that furthers the aim of AIHE. A grant concept paper must be submitted by a lead college or university on behalf of the collaborative group.

Indiana colleges and universities invited to participate in the initiative are eligible for planning grant amounts ranging from \$125,000 to \$300,000, based on student enrollment. Funds from the planning grants under AIHE may be used for a period of up to one year. Most colleges and universities will be eligible for planning grants totaling up to \$125,000. Some Indiana institutions, identified below, are eligible for planning grant amounts ranging from \$150,000 to \$300,000, however. The planning grant amount that each of these institutions is eligible to apply for under this initiative is provided below.

Planning Grant Amount	Higher Education Institutions	
Up to \$300,000	Indiana University Ivy Tech Community College Purdue University	
Up to \$200,000	Ball State University Indiana Wesleyan University Trine University	University of Notre Dame Vincennes University
Up to \$150,000	Butler University Indiana Institute of Technology Indiana State University Marian University	University of Indianapolis University of Southern Indiana Western Governor's University
Up to \$125,000	Each Indiana college and university invited to participate in the initiative and not listed above is eligible for a planning grant at this level.	

Funds from these planning grants may be used for a period of up to one year for a variety of purposes, including consulting engagements, staff time, conferences and seminars, travel to gather information and ideas, and preparation for a Phase 2 implementation grant proposal and/or Phase 2 collaboration grant concept paper as described herein. During the planning grant phase, the Endowment encourages colleges and universities to consider a broad range of ideas and areas of focus related to AI.

Phase 2 Implementation Grant Proposals

As part of Phase 2 of AIHE, the Endowment intends to make implementation funding available for all eligible colleges and universities that submit proposals describing compelling and promising projects that further the aim of the initiative. Under this phase of the initiative, eligible institutions may submit an implementation grant proposal and/or join in the submission of a collaboration grant concept paper.

Eligible Indiana colleges and universities may apply for implementation grant funding in amounts ranging from \$5 million to \$25 million based on student enrollment. Funds from the implementation grants under AIHE

may be used for a period of up to three years. Most colleges and universities are eligible for implementation grants totaling up to \$5 million. Some Indiana institutions are eligible for implementation grant amounts ranging from \$8.5 million to \$25 million. The implementation grant amount that each of these institutions is eligible to apply for under this initiative is provided below.

Implementation Grant Amount	Higher Education Institution	
Up to \$25,000,000	Indiana University Ivy Tech Community College Purdue University	
Up to \$12,000,000	Ball State University Indiana Wesleyan University Trine University	University of Notre Dame Vincennes University
Up to \$8,500,000	Butler University Indiana Institute of Technology Indiana State University Marian University	University of Indianapolis University of Southern Indiana Western Governor's University
Up to \$5,000,000	Each Indiana college and university invited to participate in the initiative and not listed above is eligible for an implementation grant at this level.	

Although Phase 2 implementation grants will not be awarded on a competitive basis, the Endowment will only approve proposals that describe well-developed strategies to initiate, enhance or expand compelling projects that address the aim of the initiative. Compelling and successful grant proposals with well-developed strategies to develop and implement projects will include the following elements, among others:

- A thorough and compelling narrative describing proposed projects that the institution will develop and implement to address the identified challenges or opportunities arising from AI consistent with the aim of the initiative.
- A clear description of compelling but realistic outcomes that will be achieved through the implementation of the proposed projects that may be beneficial to the institution, students, faculty and staff. The proposal should include 1) qualitative and quantitative metrics that will be used to determine whether these outcomes are achieved, and 2) performance indicators that will be monitored to gauge progress towards the defined outcomes.
- A funding request amount and a proposed budget that are reasonable and proportional to the scale of the envisioned projects and expected impact.
- A description of any possible obstacles and challenges that might be faced in implementing the proposed projects and appropriate mitigation strategies.
- A description of the institution's capacity to implement the proposed projects and a feasible plan to sustain the projects.

Phase 2 Collaboration Grant Concept Papers

Under Phase 2 of the initiative, eligible institutions may submit an implementation grant proposal and/or join in the submission of a collaboration grant concept paper. If an eligible institution chooses not to submit an implementation grant proposal in Phase 2, the institution may still join other institutions in submitting a collaboration grant concept paper.

The Endowment recognizes that there may be opportunities for Indiana colleges and universities to work together to share ideas and resources and thereby achieve greater impact and economies of scale in addressing potential challenges and opportunities that AI presents for their institutions. Accordingly, the Endowment will consider concept papers that describe collaborative projects that show significant promise to achieve outcomes that would further the aim of AIHE.

Collaborative groups of eligible Indiana colleges and universities are invited to develop brief concept papers for submission by a lead institution describing their collaborative approaches and strategies to implement projects that will further the aim of AIHE. After reviewing the concept papers, the Endowment will invite collaborative groups with especially promising concepts to submit full proposals for consideration. Collaborative groups of institutions that intend to submit a concept paper are encouraged to propose amounts for collaboration grants that are commensurate with the potential scale and impact of the proposed projects, and such grant requests should not exceed \$40 million, unless extraordinarily compelling.

A concept paper for a Phase 2 collaboration grant is meant to provide an overview of collaborative projects that could address in a significant and compelling way an AI challenge or opportunity in furtherance of AIHE's aim. While a basic framework for the proposed projects should be described in the concept paper, it is not necessary to have 100 percent certainty on every project detail. In a concept paper, the lead institution should present a rationale for the proposed projects and describe the proposed projects' core activities and strategies, a good-faith estimate of the budget for the proposed projects, and the advantages of the collaborative approach to the projects. In addition, the concept paper should describe what the proposed projects are expected to achieve and how the collaborative group envisions success will be evaluated and measured.

The Endowment, in its sole discretion, may invite colleges and universities that propose the most compelling and promising concepts to submit full collaboration implementation grant proposals for funding.

In evaluating collaboration grant concept papers, the Endowment may consider, among other criteria, the extent to which:

1. The identified challenges or opportunities are compelling and significant.
2. The proposed projects are likely to effectively address the identified challenges or opportunities.
3. The concept paper describes meaningful collaboration and demonstrates sufficient commitment on the part of the collaborating institutions.
4. The proposed projects are likely to result in substantial impact and economies of scale or other efficiencies for the participating colleges or universities.
5. The proposed grant amount is proportional to the scale of the envisioned impact.
6. The proposed projects are feasible and, if relevant, sustainable.

Submission Guidelines

Phase 1 Submission Guidelines

To apply for a planning grant, each eligible college or university is invited to submit a letter proposal of **no more than three (3) pages in length**. The letter must be signed by the college or university president and board chair. In this letter, the institution should:

- Briefly describe what the institution believes are its most pressing challenges and/or most promising opportunities presented by the rapid advances of AI at this time.
- Briefly describe what activities the college or university currently envisions it might undertake using planning funds to prioritize or deepen its understanding of these challenges and opportunities.
- Briefly describe what activities the college or university might undertake to identify additional challenges and opportunities and how it might use planning funds to deepen its understanding of these newly discovered challenges and opportunities.
- Indicate the amount requested for planning funds (not to exceed the amount identified in this RFP). Although a detailed budget is not needed in requesting a planning grant, each institution will be required after the planning phase to submit a report outlining how planning grant funds were used according to the schedule and other provisions of the planning grant agreement.

Along with the letter, each college or university must submit the following items:

Contact Information Form: This form (available on the [initiative's webpage](#)) provides key information about the planning grant proposal and identifies the individual(s) responsible for the proposed projects.

Exempt Status and Charity/Foundation Status Information Form: This form (available on the [initiative's webpage](#)) provides information regarding the current tax-exempt status of the applicant and related matters.

Audited Financial Statements: A copy of the applicant's audited financial statements for its most recently completed fiscal year.

Phase 2 Implementation Proposal Submission Guidelines

An implementation proposal should be organized as follows and include the elements listed below.

Cover Letter: This letter should include the amount of funding requested to support the proposed projects outlined in the implementation grant proposal and must be signed by the college or university president and board chair.

Contact Information Form: This form (available on the [initiative's webpage](#)) provides key information about the implementation grant proposal and identifies the individual(s) responsible for the proposed projects.

Exempt Status and Charity/Foundation Status Information Form (if not provided earlier with respect to AIHE): This form (available on the [initiative's webpage](#)) provides information regarding the current tax-exempt status of the applicant and related matters.

Executive Summary: This is a succinct, **one-page summary** of the proposal. It should include a brief statement of the rationale for the proposed projects, a concise description of the projects, the amount being requested (up to the amounts outlined in this RFP) and the implementation timeline.

Proposal Narrative: This is a narrative description of **no more than 10 pages in length**, excluding the Cover Letter, Executive Summary, Budget and Budget Narrative, Timeline and other supporting materials. The narrative should provide comprehensive information on the college or university's proposed projects to address a challenge or opportunity arising from AI aligned with the aim of the initiative and include (among other things) the following elements:

- **Purpose and Rationale:** A description of the AI challenges or opportunities facing the institution that it has prioritized to address through the implementation of the proposed projects and how they align with the aim of the initiative. The rationale for addressing the identified challenges or opportunities should be described including information gleaned from institutional or other conferences, findings from research studies, economic analyses, and any other relevant information. A description of any planning activities undertaken by the institution that helped to inform the projects should be described in the implementation grant proposal.
- **Project Description:** A description of the projects to be implemented in addressing the prioritized challenges or opportunities. This should include a description of how the proposed projects will be executed, including the identification of partnering organizations, if any, and an explanation of the responsibilities each party will have in implementing the proposed projects.
- **Proposed Outcomes and Objectives:** A description of the outcomes (i.e., what will change as a result of the grant-funded activities) and objectives (i.e., why are those changes being pursued) of the proposed projects and how the institution will evaluate the extent to which the outcomes and objectives are accomplished. This section should include key performance indicators, both qualitative and quantitative as appropriate, to measure progress.
- **Sustainability Plan:** A description of how any ongoing projects launched or supported with grant funds will be sustained after the grant has been expended.
- **Risks and Mitigation Strategies:** A description of possible risks and obstacles to project execution and the strategies and plans to mitigate them.

Timeline: A timeline of **no more than three (3) pages** for the implementation of the proposed projects. This may be presented in a narrative description of the proposed projects or in the form of a Gantt chart.

Budget: The budget should detail the anticipated expenses associated with the proposed projects. Indirect costs may be included in the budget and should be calculated at up to 10 percent of the subtotal of direct costs.

Budget Narrative: The Budget Narrative should describe each budget line item and clearly explain how it was calculated, including any assumptions made.

Letters of Support (optional): If desired, institutions may include **up to three (3) letters of support** from partners or other potential contributors or project participants. These letters should describe the anticipated role of such institutions or individuals in the implementation of the proposed projects and their intention and capacity to assume this role.

Audited Financial Statements (if not provided earlier with respect to AIHE): A copy of the applicant's audited financial statements for its most recently completed fiscal year.

Appendices (optional): If desired, the college or university may submit **up to 25 pages** of additional information about the proposed projects such as planning grant findings (if any), research studies or citations supportive of the proposed projects, and sample program materials.

Phase 2 Collaboration Grant Concept Paper Submission Guidelines

Grant concept papers should include the following elements:

Concept Request Letter: This **one-page letter**, which should include the amount of the grant request for the proposed projects, must be signed by the president and board chair of the institution that will lead the effort.

Letters of Commitment: This is a **one-page letter of commitment** from each collaborating institution signed by its president and board chair should accompany the concept request letter.

Concept Paper Information Form: This form (available on the [initiative's webpage](#)) provides key information about the concept paper and identifies the lead institution that would be responsible for leading the implementation of the proposed projects. This form should also identify all collaborating institutions eligible to participate in AIHE.

Exempt Status and Charity/Foundation Status Information Form (for lead institution, if not provided earlier with respect to AIHE): This form (available on the [initiative's webpage](#)) provides information regarding the current tax-exempt status of the applicant and related matters.

Summary Statement: This is a brief **one-page summary** of the collaborating group's concept. It should describe what the group plans to accomplish if the concept is implemented and indicate the amount of the grant funds requested to implement any projects described in the concept paper.

Concept Paper Narrative: This is a narrative description of **no more than eight (8) pages in length**, excluding the Cover Letter, Summary Statement and other supporting materials. The narrative should include:

- **Rationale:** An explanation of the rationale for developing the projects proposed in the concept paper and why the collaborating institutions find it important to undertake the projects. Will the proposed projects address a compelling AI challenge or opportunity facing the collaborating institutions? Why would the projects be more impactful if implemented through a collaboration than by an individual college or university?
- **Project Description:** A description of the projects to be implemented in addressing the prioritized AI challenges or opportunities. This should include a description of the proposed projects' key activities and strategies, how the institutions plan to collaborate to implement the concept, how the projects will have an impact on each of the collaborating institutions, and what outcomes and objectives the collaborative group hopes to achieve.
- **Funding level:** A description of the estimated costs to implement the proposed projects. Please explain why this level of funding is appropriate for the proposed projects and whether and to what extent other funders might support the proposed projects' implementation, including an estimated

level of support from any such funders. A good-faith estimate of the proposed project budget should be included with a budget narrative.

- **Implementation activities:** In the event that a collaborative group is invited to submit a full collaboration grant proposal based on its concept paper, describe the activities the collaborative group of institutions would engage in to further develop and implement the proposed concept.

Budget: The budget should detail a good-faith estimate of the anticipated expenses associated with the proposed projects. Indirect costs may be included in the budget and should be calculated at up to 10 percent of the subtotal of direct costs.

Budget Narrative Summary: The Budget Narrative Summary should summarize anticipated expenses and describe the assumptions made in determining the total budget.

Letters of Support (optional): If desired, **up to five (5) letters of support** from partners or other potential organizations (in addition to the letters from the higher education institutions that are members of the collaborating group) that would aid in the implementation of the proposed projects. These letters should describe the anticipated role of potential partnering organizations and their intention and capacity to assume this role.

Appendices (optional): Up to 25 pages of additional information about the proposed projects in a concept paper, such as planning grant findings, research studies or citations supportive of the proposed projects, and sample program materials, may be submitted with a concept paper.

NOTE: Once collaboration concept papers have been reviewed by the Endowment, the collaborating institutions that submitted compelling concept papers may, at the Endowment's sole discretion, be invited to participate in the next stage and submit a full collaboration implementation grant proposal for funding. The Endowment expects to notify colleges and universities of this invitation by July 1, 2026. Soon thereafter, the colleges and universities will be invited to meetings with Endowment staff to discuss their concepts at which time they will be informed of the due date for submitting their full collaboration implementation grant proposals. The Endowment expects that these proposals will be due by September 25, 2026.

Submission Instructions and Checklists

Phase 1 Planning Grant Letter Proposals

Planning grant letter proposals are **due by noon (ET) on December 1, 2025**. The planning grant letter proposal and accompanying materials must be submitted via email to AIHE@lei.org and attached as a single PDF with items organized in the order listed below.

- ☐ Letter Proposal (no more than 3 pages)
- ☐ Contact Information Form (available on [initiative's webpage](#))
- ☐ Exempt Status and Charity/Foundation Status Information Form (available on [initiative's webpage](#))
- ☐ Audited Financial Statements

Phase 2 Implementation Grant Proposals

Implementation grant proposals are **due by noon (ET) on May 1, 2026**. The implementation grant proposal and accompanying materials must be submitted via email to AIHE@lei.org and attached as a single PDF with items organized in the order listed below. The Endowment expects implementation grants to be approved and paid by the end of 2026.

- ☐ Cover Letter
- ☐ Contact Information Form - (available on [initiative's webpage](#))
- ☐ Exempt Status and Charity/Foundation Status Information Form (*if not provided earlier with respect to AIHE*) - (available on [initiative's webpage](#))
- ☐ Executive Summary (one page)
- ☐ Proposal Narrative (no more than 10 pages)
- ☐ Timeline (no more than 3 pages)
- ☐ Budget
- ☐ Budget Narrative
- ☐ Letters of Support (optional) - (up to 3 letters)
- ☐ Audited Financial Statements (*if not provided earlier with respect to AIHE*)
- ☐ Appendices (optional) - (up to 25 pages)

Phase 2 Collaboration Grant Concept Papers

Collaboration concept papers are **due by noon (ET) on May 1, 2026**. The collaboration grant concept papers and accompanying materials must be submitted via email to AIHE@lei.org and attached as a single PDF with items organized in the order listed below. The Endowment tentatively plans to approve and pay collaboration implementation grants by the end of 2026.

- ☐ Concept Request Letter (one page and signed by the lead institution)
- ☐ Letters of Commitment (one page each and signed by collaborating institutions)

- ☐ Concept Paper Information Form (for lead institution) - (available on [initiative's webpage](#))
- ☐ Exempt Status and Charity/Foundation Status Information Form (*for lead institution, if not provided earlier with respect to AIHE*) - (available on [initiative's webpage](#))
- ☐ Summary Statement (one page)
- ☐ Concept Paper Narrative (no more than 8 pages)
- ☐ Budget and Budget Narrative Summary
- ☐ Letters of Support (optional) - (up to 5 letters)
- ☐ Appendices (optional) - (up to 25 pages)

Please direct any questions about AIHE to Endowment staff at AIHE@lei.org.