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Lilly Endowment issues 2005 annual report

“What if?” This is a question Lilly Endowment has asked hundreds of organizations, and their answers have been extraordinarily imaginative.

The Endowment’s 2005 annual report tells stories about how organizations funded in the Endowment’s three major areas of grantmaking – community development, education and religion – have used their grants to build thriving community foundations in Indiana, attract intellectual capital to Indiana’s college campuses, and create a unique center that helps local congregations solve perplexing problems and take hold of exciting new opportunities.

Through nearly 16 years of the initiative called GIFT (Giving Indiana Funds for Tomorrow), the Endowment has encouraged local community foundations in Indiana to become engines of their communities’ philanthropy. Since GIFT’s beginning at least one foundation has been created to serve every one of Indiana’s 92 counties (16 years ago there were barely a dozen foundations in the state). The pre-GIFT assets of the community foundations that have regularly participated in GIFT were about \$30 million; they now stand at more than \$1 billion. This success has come largely from the generosity of Hoosiers throughout the state, led by increasingly professional executive directors and with much technical assistance from the Indiana Grantmakers Alliance.

Most of these foundations now have solid bases in their communities, they are “players” in community decision making, they help set the priorities of philanthropic

(more)

2005 Annual Report
Add 1

work, and they form and support collaborations of leaders and volunteers in the worlds of business, government, philanthropy, education, labor, culture and the arts. Throughout 2005 in response to a *what if?* question the Endowment posed in its Sustaining Resource Development initiative, Indiana's community foundations imagined and then determined how they could become more self-sustaining through persistent and strategic fund-raising and development efforts. They were encouraged to engage their boards fully in such efforts.

Videos on board engagement produced by the Indiana University Center on Philanthropy, a cohort of "circuit riders," and statewide education sessions conducted by the center and the Indiana Grantmakers Alliance were features of the initiative. The report focuses on the sustainability efforts of foundations in six counties (Parke, Madison, Clark, Floyd, Harrison and St. Joseph).

In the realm of education, the Endowment put forth a \$100 million, *what if?* query to Indiana colleges and universities, asking them to imagine what their institutions would be like with enhanced intellectual capital and then to devise plans to build and attract such intellectual capital. The report indicates that for Indiana to have a prosperous economy in the future, it must have a critical mass of intellectual capital, which includes "the intangible assets of knowledge, creativity, proficiency, experience and skills."

For colleges and universities, it means attracting top-talent faculty and students and encouraging the synergy that excites minds and makes qualitative and quantitative differences in the institutions and ultimately the life of the state. The report focuses on the efforts of Rose-Hulman Institute of Technology, Indiana University and Purdue University.

In the field of religion, the Endowment asked the Maryland-based Alban Institute *what if* Indianapolis had a new organization equipped to assist any congregation in the metropolitan area that wanted help solving whatever kind of issue it faced? The center would take its cues from the congregations themselves. It would respond actively and eagerly to whatever queries came from the pews and pulpits. How can we use computers

(more)

2005 Annual Report
Add 2

to make our congregation more efficient? How can we make our worship space more user friendly? How can we most effectively manage a leadership transition?

The result is the now-flourishing Indianapolis Center for Congregations, which has been so successful that similar centers in other parts of the state are now being created. The report highlights the impact of the center on Central Christian Church and the Ethiopian Orthodox Church in Indianapolis.

Other narratives in the report describe MAPS, Tools for Adventure, a 5,000-square-foot, traveling geography exhibition that opens in October at the Children's Museum of Indianapolis; the San Francisco-based Hispanic Scholarship Fund, whose second major Endowment grant will focus on strategic partnerships with key Hispanic-serving universities to improve the attraction and retention of Hispanic students; and the Congregational Resource Guide, a Web site that has arisen out of the work of the Indianapolis Center for Congregations and the Alban Institute to become the "go-to place" for church leaders all over the country.

As of Dec. 31, 2005, the Endowment posted assets of \$8.4 billion.

In 2005 the Endowment approved grants adding up to \$468.8 million. \$347 million or 74 percent of the total went to Indiana grantees. Most grants approved were in the education category: \$288.6 million or 62 percent. \$95.7 million or 20 percent were approved for religion and \$84.5 million or 18 percent for community development.

In 2005 the Endowment paid grants of \$422.3 million, with \$296.7 million or 70 percent going to Indiana organizations. Also in this category, education grants accounted for more than half the total, \$237.2 million or 56 percent. \$100.6 million or 24 percent was paid to religion grantees, and \$84.5 million or 20 percent was paid for community development grants.

Since its founding in 1937, the Endowment has paid more than \$6 billion in grants to 6,856 grantees.

The 2005 annual report can be seen at the Endowment's Web site, lillyendowment.org.