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**Lilly Endowment allots \$191.1 million
to “Build Self-Reliance” of Indiana community foundations**

As a result of a yearlong self-assessment program called “Taking Stock,” Indiana’s community foundations have determined that their most critical needs revolve around their ability to raise money for their unrestricted grantmaking funds and their ability to improve their day-to-day operations.

In response, Lilly Endowment Inc. – sponsor of the GIFT (Giving Indiana Funds for Tomorrow) initiative and the “Taking Stock” program – announces “Building Self-Reliance,” a fifth phase of the 11-year-old GIFT initiative. GIFT V is a \$191.1 million effort to encourage the state’s community foundations to raise funds for their unrestricted endowments and organize their operations for the most effective and efficient results.

“We were most impressed with the diligence of the foundations in their individual self-assessments,” said William M. Goodwin, Endowment vice president for community development. “It is clear to us that they took this exercise seriously, that they considered input from many different sources on their strengths, deficiencies, potential and accessibility.

“The responses in many ways affirm one of the basic purposes of the GIFT initiative: to build the capacity of Indiana communities to be self-reliant, to be more able to shape their own destinies by having local control over the use of their community foundation’s resources,” he said.

(more)

GIFT V
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Behind this new phase of GIFT lies a decade of hard work for the more than 90 community foundations in Indiana that have participated in the GIFT initiative. Their accomplishments have been impressive: growing in numbers from fewer than a dozen viable community foundations to 90-something today, their aggregate assets growing from about \$100 million in 1990 to approximately \$1 billion today. They have become active forces for improvement in their communities.

Last year the Endowment invited the foundations to participate in “Taking Stock,” a voluntary self-assessment program. Each participating foundation received a \$25,000 grant to help them “take stock” – hire consultants, convene meetings, research their position, brainstorm for their future.

A common thread running through the “Taking Stock” reports was the community foundations’ desire to build their unrestricted endowments, funds that are not directed by a specific donor, monies the foundations can apply to needs in their community as they are assessed.

The responses to the “Taking Stock” program suggested that in virtually every county a minimum of \$10 million in unrestricted endowment is required for sustainability. In many counties the investment earnings from that amount would finance the necessary operating and facility needs of the foundation, with a respectable amount remaining for grantmaking.

The Endowment encourages each foundation to have at least one full-time staff member with executive responsibilities and a visible, accessible, functioning office.

GIFT V offers two types of grant support: matching funds to build unrestricted endowments and matching funds for general operating support.

Each viable Indiana community foundation that participated satisfactorily in Phase IV of GIFT may apply for a total of \$2.1 million for each county served. Eligible foundations that wish to participate in GIFT V must apply by Oct. 1.

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GIFT V
Add 2

Each foundation may apply for \$2 million for its unrestricted endowment; this amount will be subject to a \$1 (grantor)-for-\$1 (grantee) matching requirement.

For this part of the program, at least half of the matching monies raised by the foundation and all the matching funds paid by the Endowment must be added to the foundation's unrestricted endowment funds.

For the second part of the program, each foundation may apply for \$100,000 to be used only for general operations, such as hiring a full-time staff person, paying occupancy costs for an office, expanding program or development staff, enhancing their technological capacity, or supplementing their public relations and marketing programs. This amount will be subject to a \$2 (grantor)-for-\$1 (grantee) matching requirement.

For both parts of the program, the matching requirement must be completed during a matching period beginning Aug. 1, 2001, and ending Dec. 31, 2002.

Questions about GIFT V should be directed to Jenny Kloer, GIFT program director at the Indiana Grantmakers Alliance, 317/630-5200.