



# *Killy Endowment*

ANNUAL REPORT 2002

## Board of Directors

Thomas M. Lofton  
Chairman

Eli Lilly II

Mary K. Lisher

Otis R. Bowen

Eugene F. Ratliff

Daniel P. Carmichael

N. Clay Robbins

William G. Enright

Earl B. Herr Jr.

## Officers

Thomas M. Lofton  
Chairman

N. Clay Robbins

President

David D. Biber

Secretary and

Treasurer

Sara B. Cobb  
Vice President  
Education

Craig Dykstra  
Vice President  
Religion

William M. Goodwin  
Vice President  
Community  
Development

## About Lilly Endowment

Lilly Endowment Inc. is an Indianapolis-based private philanthropic foundation created in 1937 by three members of the Lilly family — J.K. Lilly Sr. and sons J.K. Jr. and Eli — through gifts of stock in their pharmaceutical business, Eli Lilly and Company.

Gifts of stock in Eli Lilly and Company remain the financial bedrock of the Endowment. We are, however, a separate entity from the company, with a distinct governing board, staff and location.

In keeping with the wishes of the three founders, Lilly Endowment exists to support the causes of religion, education and community development. The Endowment affords special emphasis to projects that benefit young people and promote leadership education and financial self-sufficiency in the nonprofit, charitable sector.

The Lilly family's foremost priority was to help the people of their city and state build a better life. Although the Endowment also supports efforts of national significance and an occasional international project, we remain primarily committed to our hometown, Indianapolis, and home state, Indiana.



# Building Common Ground

LILLY ENDOWMENT INC.

ANNUAL REPORT 2002

## 2 EXECUTIVE MESSAGE

LILLY ENDOWMENT ENCOURAGES OTHERS TO ENHANCE THEIR  
EFFECTIVENESS BY ENVISIONING THE COMMON GOOD,  
FORGING COMMON BONDS AND BUILDING COMMON GROUND –  
ALL IN THE SPIRIT OF FINDING TOGETHER THE BEST WAYS TO  
ACHIEVE THEIR AIMS AND SERVE THEIR CONSTITUENCIES.

## 56 FINANCES AND GRANTMAKING

### 64 COMMUNITY DEVELOPMENT DIVISION GRANTS

### 68 EDUCATION DIVISION AND YOUTH PROGRAMMING GRANTS

### 74 RELIGION DIVISION AND LEADERSHIP EDUCATION GRANTS

## 82 GUIDELINES & PROCEDURES

---

*The popular Foucault Pendulum made the move from the old Indiana State Museum to its new home in White River State Park in downtown Indianapolis.*





## Building Common Ground

**The poet John Donne wrote that “no man is an island.” No foundation is either. For a foundation to be effective, it must find creative and reliable partners who, with the help of the foundation’s resources, will do the hard work required to meet the challenges.**

Many challenges that foundations strive to meet are persistent and complex, and any true success takes the engagement of many different stakeholders. How does a foundation use its resources to stimulate the engagement of the necessary constituencies in this age of special interests, competing priorities and scarce resources? In other words, how does it help build common ground on which diverse constituencies can forge cooperative approaches to critical challenges?

---

*The Call to Pastoral Ministry Forum in October drew seminary deans and faculty, pastors, theological students and college students to Indianapolis for three days of discussions and networking. The program was one of many sponsored by the Fund for Theological Education.*

Lilly Endowment struggles with these questions constantly because the top priorities in our three main areas of grantmaking – religion, education and community development – are all persistent and complex.

### **Replenishing the pipeline**

In religion, for example, what can the Endowment do to help ensure that a large contingent of fine ministers is available to churches in the next generation? How can we help enhance the lives and work of pastors now serving congregations so that their ministries are both effective and spiritually enriching? And what organizations does the Endowment need to work with if it is to be successful in addressing these concerns? Seminaries? Colleges and universities? Parachurch organizations? Youth organizations? Research institutions? Congregations? The media?

In one way or another, the Endowment works with all these groups. Of particular note this year are three major programs. The first



focuses on high-school-age youth, an age when many young people first start thinking seriously about what they want to do later in life. Since 1999 the Endowment has invested more than \$53 million in programs at theological schools that give talented high-school students a good, strong taste of what it would be like to study theology and engage in ministry. More than \$25 million of that amount was distributed this year, and now 49 schools across the country welcome youth to their campuses for intensive two- or three-week programs that many participants regard as “life changing” and “life orienting.”

The second program addresses college students. This year the Endowment completed its third round of funding in its Programs for the Theological Exploration of Vocation. When this \$80 million round was added to the previous two, the total investment in this effort grew to more than \$176 million. It supports church-related colleges and universities in efforts that make the insights from religious wisdom available to students as they struggle with their vocational choices and bring the ministry into view for thousands of collegians who may never have considered it before.

The third program addresses the needs of practicing pastors, who strive to maintain and bolster their enthusiasm and expertise in an increasingly demanding profession. To encourage such growth, the Endowment launched the Sustaining Pastoral Excellence Program. This year 47 grants amounting to \$57.8 million were made to a range of religiously affiliated organizations throughout the United States. These grants will establish projects to allow ministers of nearly every Christian tradition to be involved in sustained study and reflection, as well as ongoing personal and professional renewal.

The principal leaders of the projects in each of these programs meet regularly to discuss the crucial issues and to clarify what each can do to help address the challenges facing the ministry today. The work they do and the ideas they share give cause for optimism. You will see why as you read about several of these efforts in this report.

### **Collaborating for better education**

In our education grantmaking, we strive to address other persistent and complex challenges. Indiana’s level of educational attainment is alarmingly unsatisfactory if we intend to meet the demands of a knowledge-driven, global economy. What should the Endowment do to help raise the state’s educational attainment level? What will bring about a material increase in the number of Indiana high school graduates who attend and graduate from Indiana colleges and universities and then find a rewarding job in Indiana? The Endowment recognizes many facets to this challenge, and we have tried to be creative in our strategies to address it.

One principal strategy is to strengthen our state’s many outstanding institutions of higher education so they can collaborate effectively in meeting this challenge. Our colleges and universities face serious financial burdens caused by economic conditions that have negatively affected the values of their endowments and the amount of public support they can expect from Indiana’s financially strapped state government.

Moreover, there is increasing need for financial aid for students whose families are having a difficult time making ends meet. These are times that call for leaders of uncommon wisdom in our colleges and universities, men and women who are willing to be bold and creative, make decisions, set priorities and follow them.

### **Strengthening commitment to education**

To help guide the presidents of Indiana’s colleges and universities in developing the best visions for their institutions and strategies to achieve them, strong and engaged governing boards are essential. Actively involved members of the “families” of the colleges and universities – alumni, faculty, staff, students and parents – also are critical. Accordingly, the Endowment offered two major, matching-grant initiatives in 2002 to encourage the philanthropy and the engagement of these constituencies.

We believe that people who give their personal

resources to an organization are more likely to engage in its affairs and care about whether it is effective in accomplishing its mission. If all the matching conditions are met, the amount of the Endowment's investment in these initiatives will total nearly \$177 million.

Under the initiative for governing boards, the Endowment offered each of the 38 Indiana colleges up to \$1 million on a \$1-for-\$1 matching basis to encourage gifts from board members. The gifts must be for academic purposes, and the Endowment's matching dollars may be used for any such purpose at the discretion of the president.

Under the other initiative, each institution was offered up to \$3.5 million, to be matched by gifts from alumni, students, parents, faculty and staff. To implement the fund-raising campaign, each institution received \$150,000.

Early indications are quite favorable, and we are eager to see the final results.

### Marks of distinction

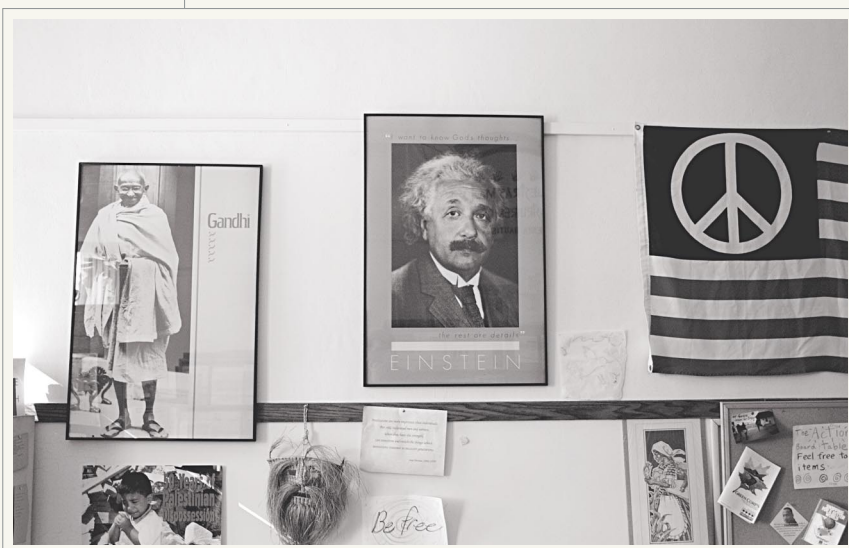
In 2002 the Endowment also continued making major grants to selected Indiana colleges and universities to enable them to achieve levels of distinction and enrich Indiana's supply of intellectual capital. Nearly \$14 million in grants to Indiana's colleges that represent the three historic peace churches – Earlham College, Manchester College and Goshen College – for the Plowshares collaboration in peace studies should gain national and international standing in the fields of peace studies and conflict resolution. A \$20 million grant to the Indiana State University Foundation for NetWorks will build on its strengths in studies related to insurance and risk management,

*A wall at Manchester College speaks for peace, a long-standing tradition at Manchester, one of three Indiana colleges that developed the Plowshares collaboration.*

as well as Indiana's heritage and current capacity in the banking and insurance sectors. Stories about these grants are included in this report.

A nearly \$25 million grant to Rose-Hulman Institute of Technology was made to expand and enhance its successful Rose-Hulman Ventures (RHV) program, which began in 1999 through a nearly \$30 million Endowment grant. Through RHV, the school has been at the vanguard of experiential learning opportunities for engineering students. In the process it has helped dozens of Indiana high-tech businesses and entrepreneurs. We hope that eventually the students who are so well educated there will find satisfying job opportunities in Indiana in the businesses assisted by Rose-Hulman students and faculty.

We also take pride in the success of our 5-year-old Lilly Endowment Community Scholarship Program, which since its beginning in 1998 has completely funded the college educations of 1,320 Indiana students. Selected through processes developed in their



own county-based community foundations, the scholars may attend any four-year, accredited Indiana college or university.

One of those 1,320 is Kathleen Tran, a senior at Indiana University Bloomington. She has been selected as one of this country's 2002 Rhodes Scholars and will join 31 other scholars at Oxford University. Tran says she plans to study biochemistry there, then probably return to America for

medical school. We consider our investment of \$73.4 million in the education of these young people a wise one.

### **Nurturing a cultural shift**

To raise the level of educational attainment in Indiana, the commitment to change must come from all corners of the state and from all sectors of society. Many believe that a fundamental cultural shift must occur. Indiana residents must let those who represent them in organizations of influence – both public and private – know that they care about the future of Indiana and believe that improved educational opportunity at all levels is essential for future prosperity.

To this end, the Endowment instituted in 2000 the CAPE (Community Alliances to Promote Education) initiative, through which it has invested \$186 million for community-based efforts in 44 Indiana counties who identified their most compelling education needs and then created and implemented plans to address them. Through these efforts, which involved to varying degrees Indiana's vibrant network of 90-plus community foundations, we hope that more Indiana residents at the grassroots level will learn to appreciate that the educational opportunities in their communities must be enhanced if their communities are to prosper.

At the prompting of many representatives of these local efforts, the Endowment convened an Education Symposium in October. Some 400 participants from community-based education organizations, nonprofit groups, K-12 school systems and Indiana colleges and universities – all identified by their community foundations – arrived in downtown Indianapolis.

The goal was to help people from different communities connect with their counterparts in other parts of the state. Common ground was built in the sessions, which addressed some of the most pressing issues that the participants told us they face every day. As you will read in this report, many said while they left feeling that much more had to be done, they still felt that they were a part of



something bigger than themselves, and they rededicated themselves to work even more diligently to bring first-rate education to their communities.

### **Cooperating for common aims**

In our community development work, most grantees felt the effects of the larger economic challenges of the last couple of years. Changes in corporate giving, declines in investment returns, and increased demand for services have taken their toll.

Given these dynamics, the Endowment has increasingly encouraged its grantees to look for economies of scale that might be achieved through strategic collaborations. We have stressed the importance of their setting the top priorities and then focusing their energies on accomplishing

*Edward Hockenberry is one beneficiary of the efforts of the Indianapolis Neighborhood Housing Partnership, which coordinates the work of several partners (such as financial institutions and community development corporations) to help people buy their own homes.*



them. We have urged them to work with other organizations so that the combined effects of their efforts are not diminished by declining resources, but actually are enhanced by their collaborations.

The Indianapolis Neighborhood Housing Partnership is a case in point. You will read about INHP in this report. Founded in 1988, it is a nationally recognized affordable-housing development network that builds relationships among and enhances the capacity of organizations and individuals to place as many people as possible into safe and adequate housing in the city. For its efforts in building common ground for affordable housing in Indianapolis, it was recently recognized by the Annie E. Casey Foundation as one of eight organizations named as a 2003 Families Count honoree and awarded a \$500,000 grant.

We also are impressed with the increasing impact of the Central Indiana Life Sciences Initiative. The connections forged through the initiative among Indiana higher education institutions, local and state government, and the business community hold great promise for the future of our state. Similar enthusiasm for efforts to develop Indiana's advanced-manufacturing industry cluster is also building. The Central Indiana Corporate Partnership is a key facilitator in both these efforts, and accordingly, the Endowment is pleased to continue its support for the partnership's foundation.

### **Adding depth to the picture of cultural vibrancy**

The arts and cultural organizations in Indianapolis similarly are banding together more and more in a concerted cultural development initiative to raise the profile of Indianapolis' vibrant cultural life. Organizations collaborate on joint promotions and productions and develop attractive

---

*Susie Park, talented 20-year-old from Australia, performs at the Sixth Quadrennial International Violin Competition of Indianapolis. The prestigious event drew 52 of the world's most outstanding young violinists.*

events and venues to draw visitors and convince Indianapolis citizens that their city's cultural amenities deserve their pride and support.

Two grantees you will read about in this report are the International Violin Competition and the new Indiana State Museum. "The Indianapolis," as the violin competition is now known, has become in its relatively short 20-year life one of the most respected and important violin competitions in the world. It contributes greatly to promoting Indianapolis' image around the globe as a culturally alive city. Likewise, the new Indiana State Museum is a stellar attraction. From its spectacular architecture to the distinctive design of the exhibits, the museum has greatly enriched the state's cultural scene.

And we cannot forget our friends and colleagues in the more than 90 community foundations across the state who throughout 2002 diligently worked on raising unrestricted funds to meet the matching conditions under the fifth phase of the GIFT (Giving Indiana Funds for Tomorrow) initiative. In the best of times, it can be difficult to raise the dollars for unrestricted uses that allow the foundations to be more flexible in



responding to the community needs they prioritize for support. The economic conditions of many Indiana communities in 2002 made this task even more challenging.

Nevertheless, some have met the full match, and others have come close. The work these foundations do in and for their home areas is a wonder to behold. Since 1990 when GIFT was announced through the end of 2002, the Endowment has invested more than \$400 million in this initiative. It has been a rewarding venture.

Although many of our energies go to improving the quality of life in our home state of Indiana, we are certainly aware of our connectedness to our country and the larger world. The Endowment has always been concerned about humanity's vulnerability to disasters. Accordingly, it has a long history of supporting the American Red Cross and the Salvation Army in their efforts to respond and be prepared to respond to such disasters. Since Sept. 11, 2001, we all have been acutely aware of our vulnerability not only to natural disasters, but also to those wreaked upon us by terrorists.

We therefore were pleased to provide a \$4.7 million grant to the Salvation Army to support a collaborative national training program for disaster-relief workers from the Salvation Army and some 19 other faith-based organizations to enhance disaster-relief readiness across the country.

### Staff notes

The Endowment welcomed two additions to the staff this year. John R. Wimmer, who had been building common ground among Indianapolis congregations for six years as director of the Indianapolis Center for Congregations, joined the staff as a program director in the Religion Division. And E.G. White, longtime official of the Indiana University Foundation, came to the Endowment to serve as director of organizational development and assessment. This year also saw

*Salvation Army workers at the site of the World Trade Center terrorist attack begin their day with prayer.*



the retirement of two Endowment employees: D. Susan Wisely, director of evaluation, and Fred L. Hofheinz, program director in the Religion Division. Each had served the Endowment faithfully for nearly 30 years. We are grateful for the many contributions they made to our work, and we wish them well in their future endeavors.

Although our challenges are daunting, we at Lilly Endowment are emboldened by the inspiring dedication and energy of countless people who work for and with the organizations the Endowment is privileged to support. We are invigorated by their infectious spirit and willingness to work with others to build common ground. We are confident that because of them, the Endowment's founders would want us to persevere in pursuing these important objectives.

Thomas M. Lofton  
Chairman

N. Clay Robbins  
President







## COMMUNITY DEVELOPMENT DIVISION

As desired by its founders, Lilly Endowment concentrates its philanthropic efforts in community development in its home territory of Indianapolis and Indiana.

For the past decade, the Endowment has focused its grantmaking in Indiana on strengthening the civic vitality of Hoosier communities through the Giving Indiana Funds for Tomorrow (GIFT) initiative for community foundations. This initiative has seen an astonishing number of community foundations take root and flourish in the state. They have become “players” in their areas. The grants they make matter; the civic connections they forge make differences. They are now assessing their progress and determining what steps will make them stronger.

In the phrase popularized by Harvard University’s Robert Putnam, it is “social capital” that they are building and sustaining, the capital that is a vital ingredient of a healthy community.

In its hometown, Indianapolis, the Endowment perennially supports many causes, all important to the community’s quality of life – from homeless shelters to museums, from the zoo to affordable-housing programs, from arts groups to public parks, and from United Way agencies to amateur sports programs. The constant goal is to help Indianapolis be an inviting place to visit and call “home.”

*Among the first visitors to the new Indiana State Museum, these boys gazed in wonderment at the work of sculptor Don Gummer. The Indianapolis native’s work was displayed at the museum in the fall in an exhibition called “The Lyrical Constructivist: Don Gummer Sculpture.”*

## INDIANAPOLIS NEIGHBORHOOD HOUSING PARTNERSHIP

# Finding A Way Home

Before single mom Michele Wann went shopping for what she calls her “forever home” in Indianapolis, she put together a wish list of its features. Ideally, the house would be close to a bus stop in case she had car trouble and couldn’t drive to work; it would be located in a neighborhood that offered excellent schools for her daughter, Jamie; and it would be a short commute to the home of her parents, who were devoted grandparents and willing babysitters. The property also had to be within her modest price range.

**“Everything worked out perfectly,” she says.** “I chose a condo, 10 blocks from my parents, right on a bus line. If worse comes to worse, I can hop on the bus, drop Jamie off at mom and dad’s house, get back on the bus and come straight to work. I haven’t had to do that yet, but if anything happens, that’s my option.”

Just four years earlier, Wann believed she had no options. She describes herself as a “prodigal daughter,” who had moved to St. Louis, made some bad choices and had suffered the consequences. She learned from her mistakes, and when

she returned to her parents’ home she was determined to get a job, save enough money for an apartment and start a new life with her daughter.

Homeownership seemed out of the question until her dad, watching a local newscast one evening, saw a story about the Indianapolis Neighborhood Housing Partnership (INHP). He jotted down the telephone number displayed at the end of the segment.

“None of us knew what a difference dialing those seven digits would make in my life,” says Wann two years later. “Every time I come home and put my key into the front-door lock, I smile and think, ‘This is mine!’”

### **Building on tradition**

Launched as an experiment 14 years ago, INHP was the brainchild of a task force convened by then-Mayor William Hudnut to respond to concerns about deteriorating housing in the city’s neighborhoods. Residents were migrating to the suburbs, and many of those who chose to stay in Center Township were senior citizens without the resources to maintain their aging properties ade-



quately. “We believed then and we believe now that everyone is entitled to safe and affordable housing,” says J. Albert Smith, president of Bank One Central Indiana who served on the task force and currently chairs INHP’s board of directors. “We studied the problem and looked at programs that might solve it. Cleveland was going down the same path at the same time, but to say INHP was modeled after some other experiment really isn’t true. What we came up with was a ‘first.’”

This “first” has evolved into a nationally recognized intermediary organization that now serves as a model for other cities. This year INHP was named as one of eight 2003 Families Count honorees of the Annie E. Casey Foundation. Families Count: The National Honors Program recognizes outstanding initiatives nationwide that connect families to the resources, supports and opportunities they need to thrive in tough neighborhoods. Through its work, “INHP has supported more than 1,000 families in becoming homeowners or in repairing their own homes

since 2000,” the foundation reported.

INHP coordinates efforts of several partners – government, financial institutions, community development corporations (CDCs), foundations and others – into a housing-development network. Members of the network support the organization’s mission to provide viable housing opportunities and, by doing so, create healthy neighborhoods. One important member of that network is the Local Initiatives Support Corp. (LISC), a national nonprofit intermediary funded primarily by private corporations and foundations. Lilly Endowment has supported LISC’s community-building efforts since 1981 and has

*opposite: Four-year-old Jamie Wann helps her mother, Michele, spiff up their new “forever home” found with the help of the nationally recognized INHP. below: The Turners of Indianapolis moved from an apartment into their new residence – “a work in progress” – in October. Anthony and Jamie get plenty of encouragement from their children: Elijah, Abbigail and Clara.*





approved \$17.6 million in grants over the years.

LISC helps local CDCs improve the physical and economic condition of their neighborhoods. The Indianapolis LISC, which will celebrate its 10th anniversary in 2003, works with INHP by supporting predevelopment financing, technical assistance and training.

As one of INHP's earliest partners, the Endowment has made more than 30 grants totaling more than \$63 million to the organization. A portion of this year's awards of \$7 million will help support a new \$19 million loan pool for mortgages and home repairs.

"INHP plays an important role by making sure that mortgage financing is available for purchasers who might not have another place to go," explains Carolyn Coleman, Indianapolis deputy mayor for neighborhoods and a member of the INHP board. "Our goal is not only to get a person into a house, but also to enable that person to stay in the house."

### **First stop: HOT classes**

With that in mind, INHP offers prospective home buyers a series of homeownership training (HOT) classes that cover everything from shopping for a home to money management to closing on a loan. As a condition for receiving a mortgage, some lenders require loan applicants to present their



HOT graduation certificates, awarded at the end of the series. INHP educational programs also include post-purchase counseling through which clients are taught how to avoid loan-payment delinquency and default, among other topics.

Jamie Turner learned about the INHP classes through a friend. She and her husband, Anthony, were living in an apartment near the campus of Indiana University-Purdue University Indianapolis but really needed more room for their growing family. "The INHP credit and mortgage counseling was very helpful, and the classes on homeowners' insurance were great," she says.

In October she and Anthony moved into a near-downtown home on the Eastside with their three children: Abbigail, 4; Clara, 3, and Elijah, 6 months. The three-bedroom house is a straight shot to downtown Indianapolis where Jamie works at a law firm. Anthony, an Indiana Department of Correction employee, has been a guard for three years at the Boys' School in Plainfield – but hopes to continue his education at IUPUI and become a teacher in the middle-school grades.

Their comfortable, roomy, rehabbed living room has plenty of space for little feet, computers, Anthony's keyboard and CD collection. Children's

*Making it happen – A newly rehabbed home serves as a meeting place for partners in the important work of finding affordable housing in Indianapolis for their clients. Shown are (l-r) Sherry Seiwert, program director of the Local Initiatives Support Corp.; Jeffrey S. Marble, executive director of the Mapleton-Fall Creek Development Corp., and Moira M. Carlstedt, president of INHP.*

games are stored away, and neat rows of small shoes and boots fill one corner of the front hall. Upstairs the girls cheerfully “make do” in their temporary bedroom until the house gets new doors and windows. The attractive taupe siding adds a new look to the home. “This house is clearly a work in progress,” Jamie says.

Some INHP clients do not need educational programs; they merely need an introduction to the variety of loan products that lenders bring to the marketplace. Other times, as in the case of clients new to the United States, the solution may be to offer a quick course in how to gain access to the American dream.

“Many countries don’t have the mortgage process that we have here,” explains Janai Santana Roberts, INHP’s multicultural outreach administrator who is fluent in three languages. “Some immigrants think they have to save and then pay cash for their houses. Here, if they have stable employment, they probably are eligible to buy homes. We counsel them one on one, and then they take our homeownership training class.”

Because Indianapolis is experiencing a growth spurt in its Hispanic community, the classes are also available in Spanish. When a client is ready to meet with a loan originator, INHP provides an interpreter if necessary. “This is a full-service organization,” says Roberts.

### **A ladder of opportunity**

As part of its range of services, INHP offers financial support to more than a dozen CDCs that serve urban Indianapolis. Among the oldest and most successful, the Westside Community Development Corporation (WCDC) on West Michigan Street has created what it calls its signature strategy, the Ladder of Housing Opportunity. Conceivably, a homeless family can leave a shelter, climb onto one of the ladder’s “rungs” and move up steadily from transitional housing to a rental unit to homeownership. Along the way, social workers and counselors provide guidance, various social services and a lot of information.

“For every opening that I have in our transi-

tional living program, I receive 20 to 30 phone calls,” says Lori Casson, social worker and coordinator for WCDC’s families-in-transition program. “We operate under the philosophy that homelessness is a symptom and not a cause. We work on the underlying causes – anything from domestic violence to substance abuse and from a lack of education to a lack of income. Our goal is to make the person ready for the next rung on the ladder.”

Families usually stay in the transitional program for about two years before they apply for WCDC-owned rental units. At this “rung” the family members – even the children are encouraged to participate – begin preparations for homeownership. They set goals, establish a budget, reduce their debt, build their credit and start a savings plan. Most clients are single mothers, many with annual incomes of less than \$20,000.

“The children need to understand what their mom is trying to do,” says Monica Thompson-Deal, who counsels clients at this rung of the ladder. “While I work with the clients, I suggest that the kids sit down and draw a picture of the house they would like to live in someday.” The resulting art decorates the walls of Thompson-Deal’s cubicle and reminds each family of its goals. “The children draw their dreams. A lot of the houses have rainbows.”

### **Top of the ladder**

In the 11 years that Mark Stokes has served as executive director of WCDC, his organization has developed 170 housing units, sold 87 homes and helped more than 400 residents with repairs. INHP has provided many loans and some buyers for the properties. Additional funds from INHP have underwritten special projects such as the SWAT team – Strategic War Against Trash.

“We hire neighborhood teens who mow grass and do other chores,” explains Stokes. “If an elderly person can’t take care of the yard, we pitch in and do it.”

Although housing is at the center of WCDC’s efforts, an overall revitalization of the neighborhood is a logical extension of the housing

mission. In recent years Stokes and his team have lobbied successfully for a new health clinic and a branch of the public library. They have formed partnerships with local churches and are working closely with their neighbor, the Christamore House, a long-standing social service agency. On the drawing board is a 34-unit senior-housing project, for which Stokes hopes to break ground in a year. Other plans have longer time frames.

"Each year we plant more than 10,000 daffodils along the West Michigan Street corridor," says Stokes. "In a couple of decades, hopefully, this street will be a little oasis on the near Westside with thousands of flowers blooming in the spring."

## HOME AT LAST

**"Rent and move, rent and move. I hate to move!" exclaims Edward Hockenberry. His moving days are behind him.**

With the help of INHP classes and the constant encouragement of his boss who "walked me through every step," Hockenberry anticipates the closing on his house – his house – a small double on Indianapolis' near Eastside which he rented for a year before starting the home-buying process. Now he looks forward to the day when he can rent out the other side of his double.

The INHP classes helped him tremendously. "They are real good, and they don't talk down to you," he says.

He's already painted the porch, has a new hot water heater and has made indoor improvements. He still wants new windows and doors and a new entrance walk to the other side of the double. He has bids out for the work – and INHP helped with that process.

Originally from Pennsylvania, he was in the Indianapolis area for 10 years, going from job to job, "renting and moving." Finally, he landed at Lighthouse Mission in Indianapolis, took a 10-

*Though plenty of work lies ahead, Ed Hockenberry has taken advantage of INHP programs to help him make the big move from renter to owner.*

week culinary class and was a cook for the agency for a year.

Then he heard about Second Helpings, an Indianapolis agency that gathers food from grocery stores, restaurants and other food outlets, "repackages" it and delivers it to 46 agencies in the city. The staff – which now includes Hockenberry – and nearly 300 volunteers serve from 900 to 1,300 people a day. His travels take him all over the city, either collecting food or delivering it to the needy.

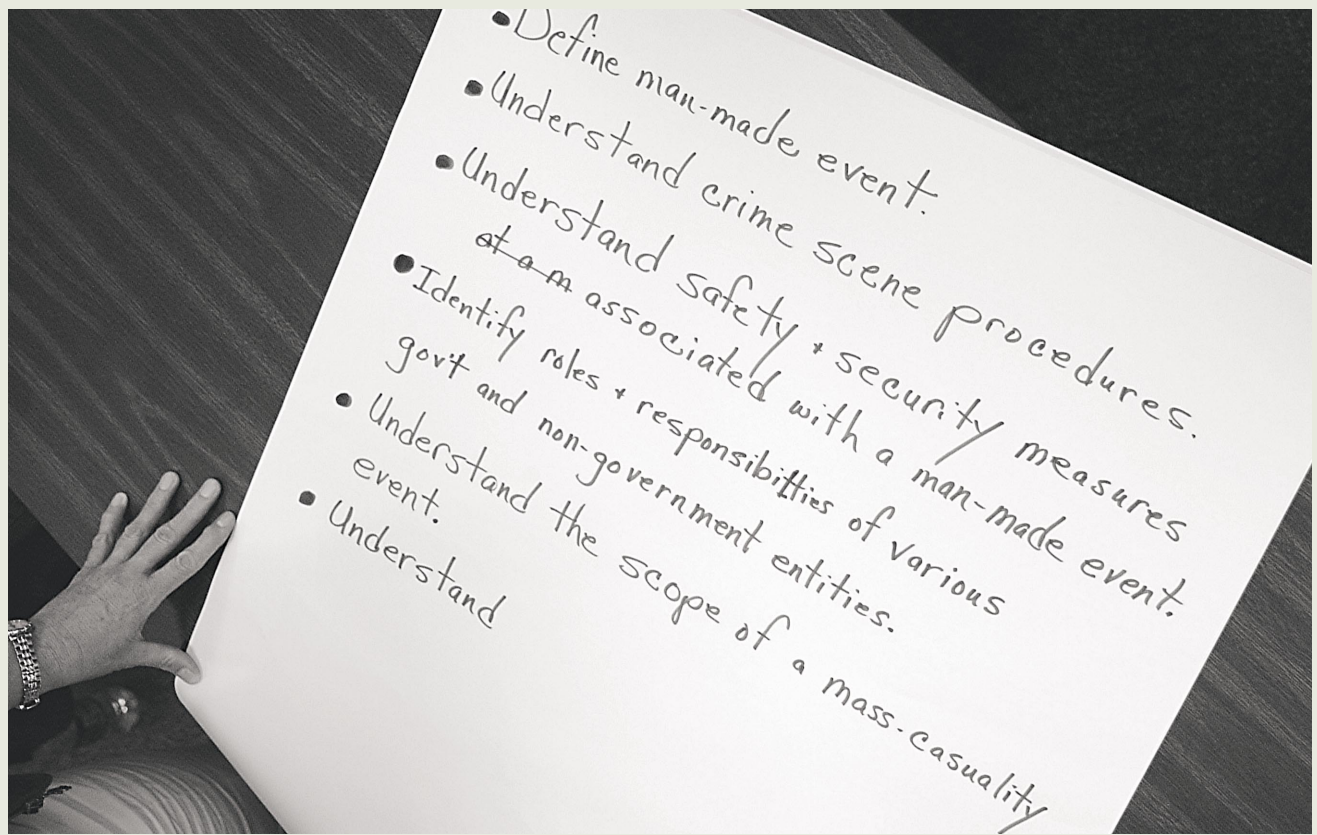
"It really opens your eyes to hunger," he says, "and the people are so grateful for what we do."

At home, Hockenberry checks on his 94-year-old neighbor every day, making sure she has enough to eat and is comfortable.

"I didn't think it was possible," he says quietly. "I was so surprised that I had this chance to finally get a place."







**Floods. Hurricanes. Tornadoes. Plane crashes.** In times of such disasters, Americans have come to depend on the quick and experienced response of volunteer crisis workers from the Salvation Army and other faith-based organizations. Now, since the mighty wake-up call of the terrorist attacks on Sept. 11, 2001, Americans recognize – more than ever before – that the country must be ready to respond not only to familiar, but also to unconventional national disasters.

## VOLUNTEERS TO THE RESCUE

TO ASSURE THIS READINESS, the Salvation Army and several faith-based organizations are collaborating in the development of a national training program for disaster-relief workers. Called “Volunteers to the Rescue,” the project is supported by a Lilly Endowment grant for \$4.7 million and will be ready for full implementation by 2005.

“The challenge of providing our volunteers and staff with faith-based disaster training has become more acute in the light of recent events,” says Ron Patterson, executive director of Christian Disaster Response, among the first organizations to sign on as a partner in the ecumenical initiative. The new approach highlights the strategic importance of having a nationwide reserve of well-trained volunteers who can quickly and capably respond to large, and perhaps multiple-site disasters.

### A reliable track record

The comprehensive program, now in its early stages, will reflect advice gathered from volunteers active in the field, and the army certainly has a formidable storehouse of information, experience and expertise to call on.

John Busby, recently retired national commander of the Salvation Army, recalls the ravages of Hurricane Andrew as it lashed Florida a decade ago. Divisional commander in Florida at the time, Busby still remembers preparing for the frightening and inevitable onslaught.

"We had our mobile canteens poised on the northern end of the hurricane's path," he says. "As soon as the storm passed, we moved in."

Busby also recalls the army's response to a fatal plane crash near Charlotte, N.C., and to the Oklahoma City bombing and, most recently, to the terrorist attacks in New York City and Washington. As different as the situations were, they



shared common elements. Victims and volunteers needed shelter, food, transportation, medical treatment and counseling.

At such times, "you can't spend hours developing plans," says Busby. "You must respond immediately. The more experience you have and the more planning you've done, the more effective your response is going to be."

### Gathering advice from the field

"We want the project to be field-directed," says David Dalberg, the army's national disaster services coordinator and its representative to the National Voluntary Organizations Active in Disasters (NVOAD). "Our goal is to listen to the people who do the work day in and day out. We plan to use them as primary sources of information in building this training project."

A first step toward accomplishing this goal occurred in November when the army convened focus groups made up of representatives from several faith-based organizations. The groups met for five days at a retreat center in southern Wisconsin and shared experiences and ideas that will help shape the training modules.

Once completed, the program will offer basic, intermediate and advanced courses to meet the needs of those workers who perform under high-stress conditions. Various training modules will address the nature and hazards of disasters, emergency shelter operations, volunteer management, community collaboration, response to crime or terrorism, and disaster communications. Of particular interest, they will highlight pastoral care and review the roles that faith communities assume in crisis situations.

"This collaboration will help develop an un-

---

previous page and left: *Participants in a training session in Wisconsin for faith-based organizations pooled their experience and ideas under the auspices of an Endowment grant to the Salvation Army. David Dalberg, the army's national disaster services coordinator, sees great promise in developing training materials based on input from relief workers on the front lines.*

derstanding of the different organizations at work during a disaster response,” says Mickey Caison, manager of adult volunteer mobilization for the North American Mission Board of the Southern Baptist Convention (SBC). Individuals recovering from a crisis situation “will not have to go from organization to organization to discover what services are available.”

### Sharing training opportunities

Cooperation among disaster-relief groups is not new. NVOAD, a partnership of 34 national organizations, was formed shortly after Hurricane Camille struck the Mississippi Gulf Coast in 1969. Participating groups share information and periodically gain access to the training offered by their partners, the American Red Cross and the Federal Emergency Management Agency (FEMA).

“But we’ve never sat down – particularly the faith community that serves in disasters – and really talked with each other about our various strengths,” says Dalberg.

As a way of prompting such a discussion, the army secured an Endowment planning grant two years ago and invited representatives from 19 faith-based organizations to consider the possibility of a national training program.

“One thing that came out of the meeting was a strong desire to create a comprehensive training calendar so we all know when each organization is training. Whenever possible we want to take advantage of that training,” says Dalberg. “That was a simple step, but one that had never been taken before.”

A preview of how the “cross training” might unfold occurred at the army’s recent North American training conference in Atlanta. For the first time in army history, the planners invited representatives from other faith-based organizations, the American Red Cross and FEMA to attend and lead workshops. The conference drew 661 participants, many of whom were from groups other than the Salvation Army.

“I was a trainer, speaker and participant,” says SBC’s Caison. His assessment: “It was great.”



Busby interpreted the positive response to the Atlanta conference as “good confirmation of the need to pull together.” This same spirit of cooperation has permeated early sessions of the ecumenical group charged with the task of developing the national training program. Although most of the partnership organizations are Christian in tradition, representatives of other faiths are active participants. If anything, the spiritual diversity of the body has had a positive effect on its members.

“The partners have expressed respect, not only in words, but also in sincere acceptance and understanding,” says Dalberg. “That is one of the strengths of this project. Even though we have clear differences, we have far more similarities, and the similarities are what strengthen us.”

---

*Always at the ready, Salvation Army workers joined the huge force of relief workers after the Sept. 11, 2001, attacks in New York and Washington.*



INTERNATIONAL VIOLIN COMPETITION OF INDIANAPOLIS

# *Taking a bow*







**When Glen Kwok accepted the appointment as executive director of the International Violin Competition of Indianapolis (IVCI), he knew the standard of excellence that his predecessor, Thomas J. Beczkiewicz, had set. As founding director of the 20-year-old event, Beczkiewicz had left big shoes to fill and a range of hats to wear. The job not only entails producing one of the most prestigious violin competitions in the world, but also overseeing the 17-day festival that has grown up around it.**

“‘The Indianapolis,’ as the competition is increasingly known, has become a major asset in the city’s initiative to enhance its cultural image,” says Ramona Baker, executive director of the Arts Council of Indianapolis. “It’s a dazzling event among many in Indianapolis’ store of cultural

*opposite: Soovin Kim, bronze medal winner in this year’s IVCI, has performed with the Philadelphia Orchestra and the San Francisco Symphony and has released a critically acclaimed CD of works by Schubert, Bartok and Strauss.*

*above: Representing the United States, Mikhail Ovrutsky, a first-place prizewinner in many international competitions, takes a bow with his accompanist at “the Indianapolis.” right: Glen Kwok took over the reins of IVCI and all its attendant activities. The work of the executive director peaked in September, but the duties keep him busy year-round.*

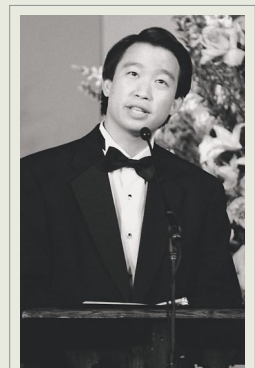
attractions and a most important ‘building block’ in the city’s efforts to deepen and broaden the public’s appreciation of what we have here.”

Even as the quadrennial event winds down, Kwok’s work gears up. “At that point we’ve accomplished only half our mission, which is to discover the greatest young talent in the world,” says Kwok, himself an accomplished violinist, who successfully brought to a close the sixth IVCI – his first – Sept. 22 at a gala awards ceremony.

“The day after the competition, I am back on the road to secure concert engagements for the three new medalists, besides those arranged before the competition,” he explains. Between competitions IVCI seeks concert opportunities for its medalists. The goal is to get 30 to 40 bookings with large and small orchestras to give the artists exposure and performance experience and allow them to become comfortable with the repertoire.

“This year our gold medalist will team up with the gold medalist from the Franz Liszt International Piano Competition in the Netherlands and will tour Europe and the United States,” Kwok explains.

That honor goes to Barnabas Kelemen, a 24-year-old Hungarian, whose first-place finish at Indianapolis





earned him a \$30,000 cash award, a Carnegie Hall debut, a Naxos compact-disc recording engagement, and the use for four years of IVCi's "ex-Gingold" Stradivari violin. Kelemen wasted little time in acquainting himself with the 320-year-old instrument named for the competition's artistic founder, the late Josef Gingold. The violin was purchased for the gold medalist's use with a \$1.6 million Lilly Endowment grant in 1999.

"Barnabas loved it from the moment he picked it up," says Kwok. "He took it home and played it for his host family until 2 a.m."

### Passing the baton

The 2002 IVCi was viewed as a "transition" competition since it was the first produced under new leadership. With continued support from the community, including a \$700,000 grant from the Endowment, festival planners hoped to build on the contest's growing reputation even as Beczkiewicz passed the baton to Kwok. In 2001 a major Endowment-funded independent evaluation of the competition conducted by Johnson Grossnickel and Associates found that "IVCI ranks among the most respected and important violin competitions in the world."

"We measure success by the comments of people who attend and participate in the events, by ticket sales, media coverage and by the quality of the performances," says L. Alan Whaley, IVCi board president. By those yardsticks, the transition was seamless, and the competition was a triumph. Feedback was positive, ticket sales

increased, the competition generated international headlines, and fans in more than 20 countries for the first time could listen to live broadcasts of the performances on the Internet.

"Jury members said that the caliber of playing was extremely high," says Whaley. "In fact, it might have been the deepest field we've ever had."

Jaime Laredo, renowned violinist and conductor, echoes the assessment. As chairman of the screening panel, Laredo listened to tapes submitted by 200 applicants from 37 countries. The job of the panel was to pare the field to 50. "The first time we listened to the tapes, we had 102 'yeses,'" he recalls. "We knew we could accept only 50, but somehow we talked Glen Kwok into letting us take 52."

Laredo and his colleagues based their decisions strictly on the playing, with no regard for nationality, age or gender. The elimination process became even more difficult after contestants from 20 countries – Albania to Yugoslavia – arrived in Indianapolis and began to compete in the preliminary round of 30-minute recitals.

"It's excruciating," says Laredo, a former Gingold student who succeeded his mentor as

*above: The competition among the world's most accomplished young violinists is keen, indeed, and "the day" for many will have to wait until later.*

*below: Barnabas Kelemen, a 24-year-old from Hungary who has performed at top venues in Europe and been recognized at other international competitions, captured the first prize in Indianapolis.*



president of the nine-member IVCI jury. “For me, the most difficult part is narrowing the field to 16. The playing is so incredible, and many of the musicians are very close.”

### **No strings attached**

The preliminary, semifinal and final rounds of competition constitute the heart of the festival, but a range of nonperformance events provides diversion for the musicians and for audience members before and between recitals. A statewide student art contest attracted 32,000 participants and produced 120 regional winners and 30 grand-award winners. The Indianapolis Children’s Museum mounted a juried exhibition, sponsored by community partner Bank One. The youthful artists later saw their drawings reproduced as note cards.

“We sent educational packets to teachers, including slides of artwork using the violin from throughout history,” says Kwok. “We also sent compact discs with snippets of performances by past laureates and gave teachers much information about the violin to discuss with their students.”

The campuses of Butler University and the University of Indianapolis served as sites for forums and panel discussions ranging from “Preparing for a Career in Music” to “Understanding the Physical and Psychological Challenges of String Players.” At “Meet the Jury” at the Indiana Historical Society, the public heard IVCI judges explain their criteria.

“The judges look for artists who are technically phenomenal, musically interesting and charismatic in their performances,” summarizes Kwok. “They must all be fantastic players to get into the final round. The question after that is, ‘What sets you apart?’”

### **Honoring the past**

Just as this year’s IVCI carried on the tradition of showcasing young violinists, so did it continue to honor past virtuosos. Just steps from the state historical society where the preliminary round of competition unfolded, the Eiteljorg Museum of



American Indians and Western Art presented a tribute to one of America’s most famous musical artists, “Isaac Stern: An American Superstar.” Included in the display was the 1737 Panette Guarneri del Gesù violin that Stern played on many of his early recordings.

Kwok was able to borrow the instrument for the Indianapolis exhibit only after he agreed to assume yet another “hat” as IVCI executive director. The philanthropist who currently owns the “Panette” was willing to lend the instrument on the condition that Kwok act as personal courier for the violin’s round trip from Seattle. Not until after he flew the first leg of the journey did he learn that the loan would have special meaning for him as well.

“The owner gave me permission to play it,” explains Kwok, who viewed the extraordinary invitation in much the same way that young musicians have come to view invitations to compete in Indianapolis. Says Kwok, “It’s the opportunity of a lifetime.”

---

*World-acclaimed violinist and conductor Jaime Laredo (left), chairman of the screening panel, said judging the assembled talent was “excruciating.” Internationally known pianist Rohan De Silva accompanied the finalists.*



"What I remember most about opening day at the new Indiana State Museum is not the well-crafted speeches or the impressive fireworks, but the sight of hundreds of schoolchildren rushing the doors as if it were bat day at the baseball stadium," says Ralph Appelbaum, renowned exhibit designer who returned to Indianapolis and its White River State Park this spring to help unveil the imposing limestone structure. "The new museum is a wonderful setting for intergenerational learning and a testament to the state's rich heritage."

## STATE MUSEUM LINKS GENERATIONS OF HOOSIERS

# Rooms to Grow

"**THE EXHIBIT DEVELOPMENT WAS DEFINITELY** a 50-50 partnership," says Jim May, director of collections and interpretation at the museum. What emerged from the partnership, according to May, "looks like a Ralph Appelbaum exhibit but is filled with Indiana imagery, sounds and objects."



### Sharing a vision

The museum construction project, launched in 1999 and completed in May 2002, was the culmination of many years of dreaming and planning by a devoted group of museum supporters who believed the museum's impressive collections could never be adequately exhibited at the former site.

The project also resulted from an unusual partnership. State government allocated \$65 million to design and build the multilevel facility, and the private sector was asked to provide \$40 million for the creation and maintenance of the exhibits. Lilly Endowment's \$21.8 million grant to the museum's foundation included a dollar-for-dollar challenge that helped foundation officials launch a statewide fund-raising effort.

"We recruited three chairmen for the campaign – one from northern Indiana, one from southern Indiana and one from central Indiana," explains J. Ronald Newlin, executive director of the Indiana State Museum Foundation. "It was important for us to show that this project had widespread support beyond Indianapolis."

### Forging new partnerships

As Newlin began the task of crisscrossing the state to generate excitement and solicit gifts for what he promised would be a first-class venue occupying the prime acreage between the Eiteljorg Museum of American Indians and Western Art and the NCAA Hall of Champions, he had to find common ground and create new alliances with groups throughout Indiana.

A visit to Delaware County yielded both a welcome gift and a new idea. Two foundations based in Muncie made generous contributions to the state museum's endowment campaign. The gifts specified that the funds would support collaborative ventures between the museum and Muncie's Minnetrista Cultural Center. "This kind of agreement will serve as a model for us in the future," predicts Newlin.

Even the distance between the Indianapolis and Evansville art communities became less daunting when a sculpture exhibit, organized by



the Evansville Museum of Arts, History and Science, was booked to make a stop in Indianapolis shortly after the state museum opened.

Newlin and his colleagues invited Evansville arts patrons to attend the show and to celebrate the fact that the sculptor, Don Gummer, grew up in Indiana and studied at the Herron School of Art in Indianapolis. Like the Muncie collaboration, this shared project with a sister institution is likely to be replicated, according to Newlin. "Now

opposite: *Tomorrow's Indiana gallery at the new state museum draws youngsters to interactive displays that invite them to make decisions about what Indiana might be like in 2025.* above: *Blue and gold letters spell out INDIANA, a sculpture which rises 55 feet in the lobby. Indiana native Robert Indiana, famous for his LOVE sculpture, was commissioned for this piece.*





that we have the potential to serve all of Indiana, we're going to look for ways to reach out to museums around the state," he says.

Efforts to broaden the appeal of the 270,000-square-foot museum and prompt repeat visits also include rotating the permanent collection of 485,000 items. With 12,000 square feet of changing exhibit space available, curators now have the flexibility to show the diversity of the vast inventory. "We don't want this museum to become a place that never changes," says Kathleen McLary, vice president of programs. "Our challenge is to keep it fresh by constantly mounting new exhibits in the large gallery and rotating components in the glass cases in the lobby."

### **Not your father's state museum**

But anyone expecting to see an assortment of typical trappings is in for a surprise. Part of the new museum's appeal is its mix of the old and new, the expected and the unpredictable. "Quite honestly, some state museums are deadly dull, very

traditional and lack the power to inspire repeat visits," says Susan Williams, director of the museum. "All those issues were addressed in the location, architecture and exhibit design of the Indiana State Museum. This is no cookie-cutter project; everything here is unique."

Future exhibits promise many surprises. A comprehensive look at the human brain and, later, an assortment of gigantic robotic reptiles is on the agenda. The emphasis at this museum also is on the future with exhibits in a 5,000-square-foot gallery called Tomorrow's Indiana. Sections of this gallery, Innovations and Indiana Advances, will highlight technology and scientific advances by Indiana companies and universities.

The exhibits will generate discussions about ongoing initiatives in the state, such as the Central

*Lifelike statues entice young visitors to reach out and touch the Indian maiden. The spacious museum – 12,000 square feet of changing exhibit space – allows much flexibility in designing and scheduling attractions.*

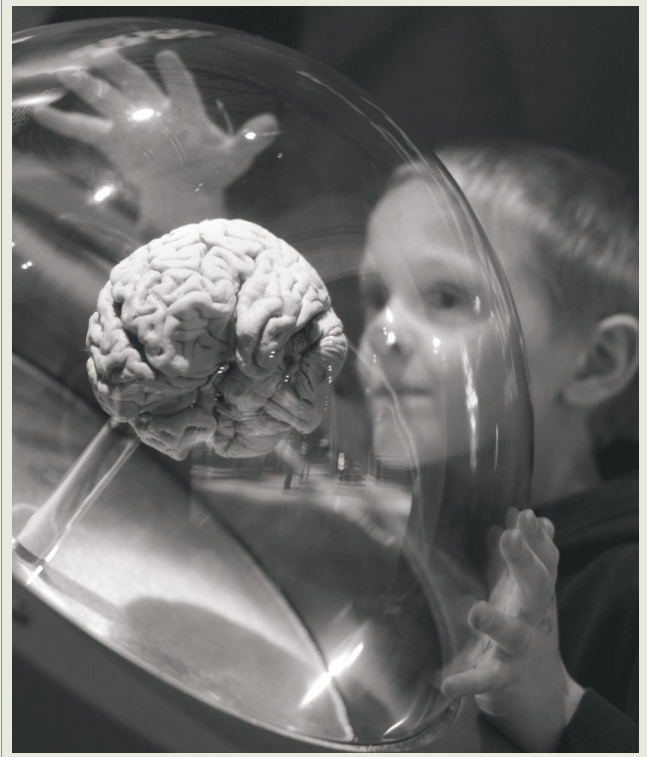


Indiana Life Sciences Initiative and the Indiana Genomics Initiative at the Indiana University School of Medicine. Companies and educational institutions like Purdue and Ball State universities and Rose-Hulman Institute of Technology will showcase the new technologies in Indiana. All are geared to grab attention, raise questions, convey information and invite second and third visits. "Our mandate is education," says Williams.

### Tailor-made tours

This emphasis on education goes far beyond reaching out to fourth-grade students who study Indiana history as part of their required curriculum. A learning laboratory, a multipurpose room, a resource center, lesson plans, distance-learning hookups and customized tours are available to teachers and students – kindergartners through high school seniors – who visit the new facility or tap into its programs. Although the museum now charges an admission fee for visitors, school groups from Indiana always enter free. A class can begin its trip with a tour and then participate in a workshop designed to support what the students have seen or what they are studying in their classrooms at home.

"I like to set up a three-tiered approach to a visit," says Colleen Smyth, director of education. This includes activities to prepare students for their visit, the on-site museum experience and, finally, some post-visit activities. She also is experimenting



with new programs to attract older students who, she says, "bring a lot of energy to the building." To emphasize that the museum is a resource for Hoosiers of all ages, Smyth and her staff planned a September seminar for high school students to survey "careers of tomorrow." Guests included guidance counselors, students, panelists and discussion leaders from across the state.

"My goal for the education program is to instill a desire to learn more about the art, science and culture of Indiana," says Smyth. "If they leave here being touched in some way, remembering something and wanting to learn more about that, then we've done our jobs well."

**above:** *A special exhibit on the brain attracts the attention of 7-year-old Adam Spilley of Greenfield, Ind.*

**left:** *The process of extracting limestone from the Indiana earth is an especially appropriate museum exhibit. Indiana limestone is the building block of many national structures, including the National Cathedral in Washington and the post-Sept. 11 rebuilt Pentagon. Some 40,000 square feet of rough-back Indiana limestone are included in the state museum structure.*



## EDUCATION DIVISION

Lilly Endowment views education at all levels as indispensable to personal, civic and economic success. It remains alarmed, therefore, about Indiana's ranking as one of the lowest states in the nation in the percentage of adults over 25 with a bachelor's degree. Accordingly, raising the educational attainment level of Indiana citizens has been the overriding objective of the Endowment's education grantmaking for several years.

To address an apparent sense of complacency about the value of education, the Endowment has encouraged a groundswell of concern and action in Indiana communities through the competitive Community Alliances to Promote Education (CAPE) initiative. Communities in 44 of Indiana's 92 counties have assessed their most compelling educational needs and planned strategies that they now are implementing to meet these needs. In its home county, Marion County, the Endowment is pleased to see the implementation of programs funded through recent competitive initiatives for public and private K-12 schools.

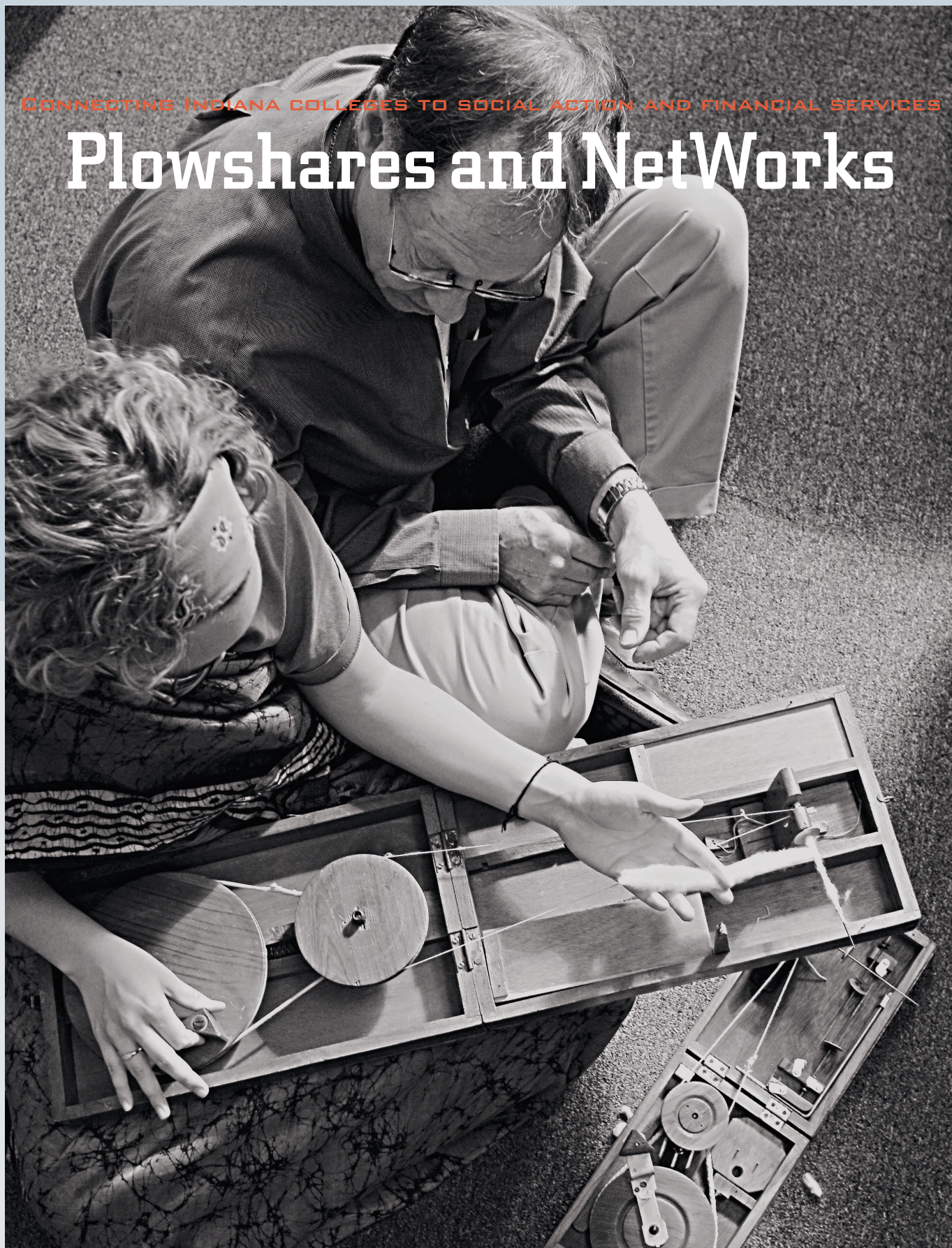
The Endowment continues to invite selected Indiana colleges to achieve new levels of excellence that will build the state's vital intellectual capital. It has begun efforts to stimulate increased philanthropy and engagement from college board members, alumni, faculties, staff, parents and students. The Endowment is pleased to see the common ground being built through connections among the colleges and universities, their constituents and through other progressive programs and organizations in Indiana.

*The love of learning is exemplified by a sculpture on the campus of the University of North Carolina at Chapel Hill, where an Endowment-funded survey of youth and religion is under way. In the education arena, the Endowment focuses its attention on improving the educational attainment level of Indiana citizens.*



CONNECTING INDIANA COLLEGES TO SOCIAL ACTION AND FINANCIAL SERVICES

# Plowshares and NetWorks





**The practice of peacemaking and the business of banking and insurance** seem to have little in common at first glance, but there is a connection: Both endeavors are important areas of teaching, research and learning on Indiana college campuses.

In 1999 Lilly Endowment made the first in a series of grants to help Indiana colleges and universities build on their reserves of knowledge and expertise with bold, imaginative programs that could catapult them – and the state of Indiana – to new levels. The Endowment recognizes that, despite Indiana’s many challenges in the area of education, the state has the seeds of greatness on its college campuses. Armed with new resources, those colleges and universities can reach new heights and in the process inspire other Indiana institutions to greater achievement.

Two new grants in 2002 – the Plowshares collaboration and NetWorks – continue that goal of rewarding and advancing excellence in higher education in Indiana.

### Learn war no more

Isaiah 2:4 proclaims: “He shall judge between the nations, and shall arbitrate for many peoples; they shall beat their swords into plowshares, and their spears into pruning hooks; nation shall not lift up sword against nation, neither shall they learn war anymore.”

Like their peers on college campuses across the country, students at Earlham College, Goshen College and Manchester College study subjects like accounting, biology and literature. They also study peace, that seemingly elusive state of being for humankind that is a shared tradition among Quakers, Mennonites and the Church of the

*opposite: Manchester College senior Rachael Waas Smith shows Kenneth Brown how to spin thread on an Indian portable spinning wheel. Brown is professor of religion and philosophy and director of peace studies at the college. Smith was among a group of students who visited India for a close look at the land of Mahatma Gandhi.*

*above: College presidents (l-r) Douglas C. Bennett of Earlham, Shirley H. Showalter of Goshen and Parker G. Marden of Manchester join forces in Indianapolis to plow ahead with plans for the Plowshares collaboration.*



Brethren. These three denominations cite biblical passages like the one in Isaiah for their deeply held belief in nonviolence.

Earlham (Quaker), Goshen (Mennonite) and Manchester (Church of the Brethren) are well-regarded, private Indiana colleges, each with around 1,000 students. On their campuses, peace, social justice and conflict resolution are important parts of the undergraduate experience.

At Earlham, for example, nearly every student takes at least one Peace and Global Studies course, and more than 40 percent of the students are involved in a social-action organization on campus. At Goshen College, the vast majority of students – as well as its president and most of the faculty – are Mennonites, raised in the nonviolent tradition of that church, and more than 70 percent of the students spend an entire semester of service learning in a foreign country. Manchester is home to the nation’s oldest peace studies program, and many students sport a green ribbon on their commencement robes as a public symbol of

support for the Graduation Pledge Alliance “of social and environmental responsibility,” a national movement based on the socially conscious Manchester campus.

“It is remarkable that Indiana has three peace church-affiliated colleges,” says Douglas C. Bennett, president of Earlham College. “The similarities between our campuses are striking in mission and history.”

### **Supporting excellence in education**

Earlham, Goshen and Manchester now share more than tradition: The three institutions have united in the Plowshares collaboration, a common effort to strengthen peace studies and conflict resolution on their campuses, in Indiana and across the United States. The alliance is funded by grants to the three colleges totaling \$13.9 million.

The idea for the Plowshares collaboration was conceived a little more than three years ago during discussions among Bennett; Shirley H. Showalter, president of Goshen College, and Parker G. Marden, president of Manchester College. The three quickly focused on their colleges’ shared pacifist traditions and continuing mission to promote peace.

The grant boosts each college’s existing campus-based peace program. Each college will hire a nationally recognized scholar-teacher to lead Plowshares efforts on campus. The grant provides funds for faculty development, guest speakers, library materials and mini-grants for student internships. Students from other Indiana colleges and universities will be invited to their campuses for semester-long visits.

The grant also allows each campus to enhance its capacity for instructional technology. “Smart classrooms” will make it possible for students to take courses at another Plowshares school. Each college has already begun to digitize its collections of peace studies and conflict resolution materials, allowing students and faculty to share in the significant wealth of intellectual work done in the field, according to Marden.

“By sharing our programs, we take each

other’s interests into account in order to build something bigger,” Marden says. “This has really been a collaboration of equals, of three colleges with similar missions of promoting peace and justice.”

In one of the most significant pieces of the Plowshares collaboration, students will be given the opportunity to take what they’ve learned in the classroom to a Peace House to be established in Indianapolis by 2004.

“We immediately identified Indianapolis as a place where students could study conflict resolution in a broader context than is available on our campuses,” Marden says.

### **Connecting with community peacemakers**

Meetings with the staff of the Indianapolis mayor’s office, public school officials and others solidified the choice of Indianapolis as an urban environment where students from all three campuses could share in field experiences. The Peace House will serve as a base for students to work with other pacifist and conflict resolution organizations in the city and provide a forum for community events featuring prominent guest speakers.

Indianapolis stands to benefit from the Peace House project, too, according to Carolyn Coleman, deputy mayor for neighborhoods in Indianapolis. “Any opportunity for college students to become active in community service is important to the future of the city,” she says. Coleman also believes that the Peace House has the potential to keep important conflict resolution work alive.

“If there’s one thing I’ve learned in my job, it’s that in this community there is really a spirit of coming together to solve problems, really a spirit of collaboration,” Coleman says. “But every community can have unfortunate times of crisis. Sometimes you don’t know how much stored tension or pressure





might exist. An initiative like Plowshares and its Peace House may help provide a vehicle to let off steam before a situation becomes a pressure cooker and explodes. It's a good thing for Indianapolis."

Showalter points out that although planning for the grant took place before the events of Sept. 11, 2001, "the events of that day and the worsening world situation create a sense of urgency for the work of peacemakers everywhere."

The three colleges are contributing to Indianapolis, on a collective basis, "literally hundreds of years of experience" in peace and justice work, which may have a ripple effect that no one can predict.

"We're not expecting to solve international disputes, but when people come together, especially with the amount of spiritual and intellectual capital involved in this project, amazing things can happen," Showalter says. "You never know what will happen when you throw your pebble into the pond."

### Banking on financial services

Corporate scandals, economic uncertainty and volatile markets have caused many Americans – from consumers to Congress – to take note of trends and changes in the nation's financial services industry.

Indiana State University (ISU) is bravely wading into the fray with NetWorks, an outreach of the ISU School of Business, which will offer new directions in financial services for Indiana and the nation.

NetWorks, funded by a \$20 million Endowment grant to the university's foundation, builds on ISU's existing strength in its nationally recognized academic major in insurance and risk management, as well as Indiana's economic development interests in the banking and insurance industry, according to Lloyd W. Benjamin III, ISU president.

*opposite: Indiana State President Lloyd W. Benjamin III says NetWorks will "put new lenses on issues that are critical to the world's economy." above: Aurmaudra Bradley, junior accounting major and insurance minor from Indianapolis, took center stage at the public announcement of the grant.*



The new center, based in Indianapolis, also will have offices in Terre Haute, Washington and Europe, "providing a means for students, faculty and financial services professionals to form relationships and share ideas and information around the world," Benjamin says. "In the process, NetWorks will enhance ISU's national reputation, increase its national visibility and attract some of the best state and national students who are interested in careers in the financial services industry.

"This grant has the potential to transform Indiana State University by providing unprecedented potential for our faculty to address contemporary problems by involving students in experiential learning," he says. "Nothing quite like this exists anywhere else."

"Bringing order to a fragmented and disconnected industry will be the first order of business," according to Benjamin. NetWorks will gather information about financial services programs available nationally and internationally and create a directory of those programs in an effort to connect them through a Web site, an annual conference, publications and seminars.

ISU also plans to attract respected experts from industry, government and academia as senior fellows to teach and conduct research. Their expertise will be available to students, alumni and even Indiana K-12 schools as ISU develops partnerships with school districts to introduce students to the financial services industry.

"Research is another important component of NetWorks," Benjamin says. "NetWorks Research Fellows, housed in the new center, will research, develop and propose solutions – and perhaps even new products – for the industry. The impact of globalization, the ethics issues that have become apparent through recent events, megamergers, privacy issues – all need to be addressed. These are areas ripe for research."

A third component is the application of the knowledge that accumulates through NetWorks' activities. Ronald Green, dean of the ISU School of Business, doesn't want anyone to mistake NetWorks for a passive think tank. Instead, the focus will be on "reality-based" approaches to dealing with emerging issues and trends in the financial services industry.

"We're using the term 'intellectual incubator' instead of 'think tank,'" Green says. "We hope to give birth to ideas and solutions to the industry that has had such a hard time recently." Senior fellows, research fellows, ISU faculty and staff and students will put their ideas to work in the financial services industry, bringing creative new solutions to the table.

### **New approaches for an industry in turmoil**

"NetWorks is greatly needed," according to Charles T. Richardson, an attorney in the Washington offices of the law firm of Baker & Daniels. "The financial services industry is a complex environment that has numerous issues to be sorted out carefully and thoughtfully."

Richardson's office, for example, deals with 50 state insurance regulators, federal and state banking and securities regulators, congressional and state legislators, industry and consumer groups – all with a vested interest in what hap-

pens in the financial services industry.

"You need only to look at the recent turmoil in financial markets and the continuing corporate irresponsibility and economic fallout to realize how important it is for educators, business leaders, government officials and consumers to have a financial services center that can bring new thoughts, new approaches and new solutions," he says.

Richardson was part of a "jump-start" advisory group lending legal and financial expertise and a national and global perspective to ISU officials in the development of NetWorks. The 34-member group included representatives from banking, insurance, accounting, equity markets, personal retirement, health care, government, business, philanthropy and ISU faculty members.

"Bringing that advisory group together was an important first step for NetWorks, which will engage the best and brightest minds from industry, government and academia," Richardson says. "The hard work is just beginning, but NetWorks holds immense promise of economic and academic leadership. It is extraordinarily important to the state of Indiana."

The financial industry has become the locus of economic change and development throughout Indiana, the nation and the world, according to Benjamin. In 1997 Indiana's financial services sector employed more than 120,000 people, with more than 13,500 establishments, \$33 billion in revenue and an annual payroll of more than \$4 billion. According to the Indiana Department of Workforce Development, the financial services workforce in Indiana is expected to grow to more than 153,000 people by 2008.

"Building on ISU's specialized area of expertise will create opportunities for students, faculty and citizens in Indiana," Benjamin says. "As we try to change Indiana for the better, it makes sense for us to take on the challenges of this industry. This program is a good fit for us, and has the potential to affect Indiana profoundly."



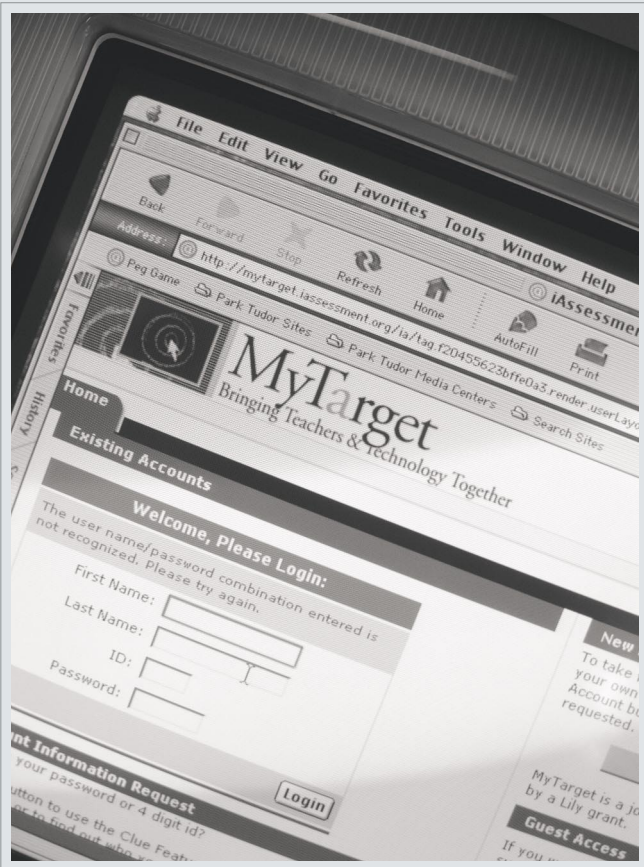
If technology is supposed to make our lives better,  
why did Anne Appleton cry over a computer?

TARGETING TECHNOLOGY TO TEACHERS

# Chalkboards on chips







**Three years ago, Anne Appleton, an experienced third-grade teacher at George Earle Elementary School in Hobart, Ind., listened as Hobart technology coordinator Debbie Matthys, during a professional development workshop, introduced elementary-school teachers to a new computer-based program called MyTarget.**

Matthys explained to the teachers how MyTarget's online skill assessment helps Indiana educators identify how much – or how little – they know about technology and computers, then links them to Web tools and workshops to help fill in their skill gaps and teach them new ways to incorporate computers into classroom learning.

Appleton's initial reaction: a long, blank stare at the computer screen. Then tears.

"I walked out crying," Appleton recalls. "I felt guilty because I wasn't doing enough with computers in the classroom, and I didn't feel that I knew what to do or where to start."

With information from MyTarget and some coaching from Matthys, Appleton has become a believer in and a user of technology in the class-

room. Each year, for example, she gives her elementary-science students amaryllis bulbs to plant. Her third-graders use computers to re-search the plant's origin, track their own bulb's growth and present findings to their classmates. Appleton admits she might not have incorporated technology in her teaching without prompting.

"MyTarget helped me focus on what I needed to know, which allowed me to jump in and do some things with my students," she says. "A lot of younger teachers come out of college much more computer literate than I am because there just wasn't the technology available when I graduated in 1979. MyTarget helped me see what I can use in the classroom."

Appleton is one of more than 14,000 Indiana educators who have logged onto MyTarget since its development in 2000 by the Corporation for Educational Technology (CET). The project, modeled after a similar one in Utah, was initially funded with a \$400,000 Lilly Endowment grant. In 2001 the Endowment committed an additional \$33,000 to enhance the highly successful Web site.

MyTarget grew out of a series of focus groups in which Indiana educators repeatedly expressed that while they have access to technology, they do not know how to use it or how to teach their students to use it, according to Marvin Bailey, president of CET.

"One thing that struck me is how much training we need to do for teachers," Bailey says. "While there has been an overwhelming cry for more training, most teachers could not articulate what kind of training they needed. They didn't know what they didn't know. We needed some kind of assessment tool to help define what skills they need and where they could go for training."

MyTarget has become an important tool for

previous page and above: *Hobart, Ind., teacher Anne Appleton concentrates on helping one of her third-graders at the computer as other youngsters want attention. Appleton and other teachers have made good use of MyTarget, a computer-based program designed especially to help them learn how to use technology effectively in their classrooms.*



schools' attempts to comply with Indiana Public Law 221, which insists on data-driven decision-making and extensive professional development for schools throughout the state, Bailey explains.

Because results from the assessment test are confidential and available only to the user, teachers have no reason to fear that MyTarget will label them as unskilled users of technology. Instead, users are encouraged to improve their own skill level at more than 500 training classes, workshops or Web site locations – often at no cost to educators.

"In the 1980s and '90s, the push was to get equipment for schools," Bailey says. "Now, the push is for training. Because computer interfaces have improved, teachers have picked up skills like word processing, but there is still a fear factor when it comes to really using technology in the classroom," he says. "That's why MyTarget is so important. We're helping teachers zero in on what they don't know, giving them a target to shoot for, so to speak."

CET also has joined forces with Arizona and California, two states that use a product similar to MyTarget, to leverage their collective buying

power with iAssessment, the software company that developed each state's system. With Endowment funding and participation in the three-state consortium, MyTarget will benefit from cost-effective enhancements, according to Bailey.

Among the improvements: automated e-mail to communicate with each other and to notify teachers of new resources; the ability to establish individual learning plans for each user, and new icons that help users identify the kinds of resources they may want.

### **With PRISM, time shrinks, universe expands**

MyTarget is just one of the technology-driven projects the Endowment hopes will help Indiana's K-12 teachers in their effort to provide the best educational opportunities for their students.

Another such project links Indiana middle-school science, math and technology teachers with the capabilities of one of the nation's leading engineering schools. At Rose-Hulman Institute of Technology in Terre Haute, Ind., development of a

*above: Marvin Bailey, president of the Corporation for Educational Technology, has spearheaded MyTarget's use for teachers, who can choose among 500 training classes, workshops or Web sites for help. below: Meanwhile, Rose-Hulman Institute of Technology aims PRISM at Indiana's middle-school science and math teachers. Patricia Carlson (right), professor of new media, and Web-Portal director Ryan Smith work with teachers Tammy Beck (left) and Peggy Diehl at Sarah Scott Middle School in Terre Haute, Ind.*



special Web-Portal is under way, funded in 2002 by a three-year, \$1.8 million grant by the Endowment.

The grant has allowed Rose-Hulman to create a new resource center – located in the virtual universe of the Internet – that is a World Wide Web portal, or gateway, through which teachers can find creative teaching techniques and curricula.

Science teachers, for example, could find a set of classroom activities to help students grasp the concepts of mass, density and volume. “Instead of using a whole class period taking notes on how fast various fluids cool, students could use simulation software (also readily available on the Web) to show cooling curves for a variety of liquids,” says Patricia Carlson, project director and Rose-Hulman professor of new media.

“In a typical science lab, by the time you gather your data, you have no time to do anything with it,” Carlson says. “Newer teaching techniques and the latest software allow for creativity and help students develop a higher level of cognitive skills.”

### **PRISM cuts search time**

Now called PRISM (Portal for Resources in Indiana Science and Mathematics), the site was designed and built by Rose-Hulman students and faculty to provide teachers with access to up-to-date information on the Web. Teachers can use PRISM’s links on their own or use it with the help of a trained digital librarian online or by telephone.

Besides finding the best available practices in science, math and technology, teachers using PRISM can easily check to see how those prac-

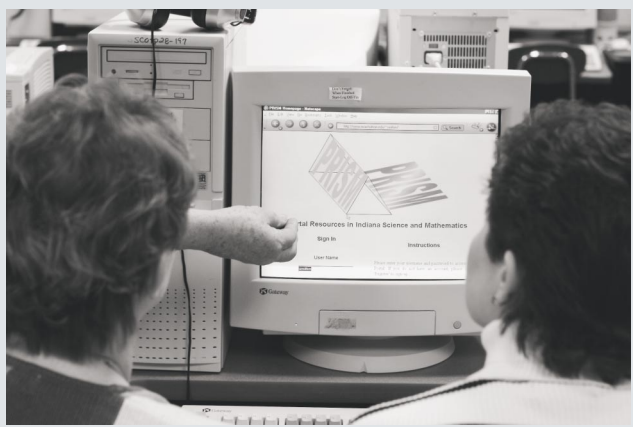
tices match Indiana’s new academic standards. The highly interactive site will allow educators to match the content they want to teach with the technology available at their school and their own skill proficiency. If they are unsure about their own abilities, PRISM will link them to MyTarget’s training resources.

“Teachers also can post opinions about the information they find on the Web site, letting other teachers know what has worked for them,” according to Carlson. “We want teachers to find kindred spirits across the state, to share ideas.”

PRISM is the result of Rose-Hulman’s experience with middle-school teachers in Vigo County, where Rose-Hulman is located, while implementing an earlier Endowment grant. Some middle-school teachers, looking for new teaching techniques and information on the Web, were frustrated by cumbersome and time-consuming Internet searches. Other teachers, despite having Internet access in their classrooms, were not using the resources available because they did not know where they were or how to use them.

With those two groups of teachers in mind, Rose-Hulman developed the idea of the PRISM concept. “Technology has advanced way ahead of the ability to make good use of it in the classroom, and teachers need extra resources to harness new knowledge,” according to Rose-Hulman President Samuel F. Hulbert.

“Our teachers in the classrooms are heroes, incredibly busy,” Hulbert says. “At the same time, we know that, particularly in middle school, students lose interest in science and mathematics. When they do so, they limit their own potential and the ability to make intelligent decisions about their future. It is in our own enlightened self-interest to make sure that all Indiana students have access to the best science and mathematics instruction available,” he says.



*The highly interactive PRISM site shows teachers the best practices available for their needs and eliminates time-consuming and frustrating Internet searches.*



**They came from nearly every county across Indiana to celebrate successes, discuss issues, hear new ideas and connect with each other. Lilly Endowment's first-ever Education Symposium at the Westin Hotel Indianapolis Oct. 23 brought together nearly 400 participants representing community-based education organizations, nonprofit groups, K-12 school systems and Indiana colleges and universities.**

## INDIANA CONFRONTS CHALLENGES OF EDUCATION

**THE GOAL:** to help individuals working to advance education in their communities connect with colleagues across the state who share their commitment to educational opportunity throughout Indiana.

"The symposium has really been like having a support group," says Judith Sorg, executive director of CAPE-DeKalb County in Auburn, Ind. "The opportunity to network is invaluable. We can see that we're addressing many of the same issues that take place in 92 Indiana counties."

Sorg was among the participants representing Indiana's community foundations and recipients of Endowment CAPE (Community Alliances to Promote Education) grants. The competitive grants, first awarded in 2000 and so far totaling \$186 million for 44 counties, have funded community-based efforts to identify and solve Indiana's most compelling education needs.





The idea for the symposium came directly from men and women around the state working on behalf of CAPE and other Endowment initiatives. For several years Endowment staff had been hearing from people who wanted to know what their counterparts were doing and to hear what was working – or not working – in other communities. Instead of responding on an ad hoc basis, the Endowment sponsored the symposium so that participants could exchange ideas and hear from experts in different areas of education.

One of those experts was keynote speaker and internationally known futurist Jeff Wacker, vice president and chief technical officer of Global Industry Groups, Electronic Data Systems Corp. Wacker delivered a fast-paced synopsis of the past century's technological and cultural advancements that have changed the way people live, work and learn – and he predicted more changes to come.

Information, he told the group, is exploding. "The total amount of knowledge available to the human race – everything that has ever been known from the beginning of recorded time – will

double within 13 months," Wacker predicted. The digital revolution has made all kinds of information readily available on the Internet and is also quickly changing everything from clothing to medicine, with profound effects. "For example, medical advances mean that within 20 years, the life expectancy for many Americans will be 120 or 130 years," he said.

Those kinds of revolutionary changes pose challenges for society, including the ways in which education is delivered. "Textbooks now are outdated quickly, so digitally assisted learning is more important. But for learners of all ages, human teachers and hands-on learning remain the most basic teaching tools for the future," he said. "Lifelong learning is already a necessity for every successful worker. What you learn today will be obsolete in a few years. Continuous learning is critical."

Wacker applauded the efforts of those present but challenged the symposium attendees to "create lightning in a bottle. Help make Indiana number one."

### Questions from the grassroots

Afterward, participants joined work sessions on a number of topics, including how to engage parents in education, encourage lifelong learning and adult education, develop models of effective collaboration to improve educational attainment, develop a sense of urgency about the importance of education, and address the education needs of diverse communities. Experts from around the state and nation discussed successful techniques for strengthening Indiana's learning culture.

In the symposium resource room, more than 35 organizations displayed new ideas and projects to promote academic achievement in Indiana.

In sessions especially for CAPE recipients, John L. Krauss, senior fellow at the Indiana University Center for Urban Policy and the Environment, asked participants to share their success stories and challenges. They discussed at least 20 important "how to" topics, including how to develop

*previous page: John L. Krauss, senior fellow at the Indiana University Center for Urban Policy and the Environment, leads a lively discussion at the Endowment's Education Symposium. above: Wendy Oberlin, executive director of the DeKalb County Community Foundation, and Bob Cadwallader, CAPE board member from Crawford County, exchange ideas and views, "buy-ins" and "take-aways" during the session.*



community “buy-ins” for education initiatives, engage parents in education, support lifelong and adult-education programs, align education priorities with local employer needs, and create effective models of educational attainment.

Participants identified “take-aways,” or ideas to apply to their own communities. Some were simple, such as a recommendation that CAPE programs publicize existing educational opportunities. Others were challenging, such as building trust in communities that have been left behind by the traditional educational structure.

### **More to come**

The conversations left many participants wanting more. Mike Stone, director of CAPE-Wabash County, thought the symposium was helpful but that it only scratched the surface of the educational challenges facing Indiana communities. “I’d like to hear more,” he said, “especially about developing other funding sources for community education programs and other practical ideas.”

Beth Munk, project leader of CAPE-Noble County, also wished the participants had more time together, but held out hope that connections made would yield future successes throughout the state. “It was really good to hear what was going well in other communities,” she said. “I’d like to hear more.”

The Endowment is working to respond to those pleas for more conversations. Less than a month after the symposium, the Endowment established [www.educationsymposium.org](http://www.educationsymposium.org) (a new Web site) with links to organizations, speakers and presenters who participated. The site will offer an electronic mechanism for participants to continue the exchange of ideas.

---

*Wendy Robinson, deputy superintendent of the Fort Wayne Community Schools, explains how Allen County tackles certain issues. The county's collaborative CAPE program is called “Everybody Reads.”*





## RELIGION DIVISION

In its religion grantmaking, Lilly Endowment seeks to enhance the quality and depth of the religious lives of American Christians. Attention is focused primarily on the one religious institution in which virtually every active Christian is most deeply involved – the local congregation – and on the leader of that institution – the pastor.

The Endowment's efforts are aimed at helping congregations be strong and vital, and it is convinced that the quality of pastoral leadership is critical to the health of the congregation. Congregations tend to thrive when they are led by able, caring, thoughtful, imaginative pastors.

To provide a stronger support system for current pastors, the Endowment offers programs to provide both new and experienced pastors with access to resources and opportunities for personal, spiritual and professional renewal. Other programs enable a range of institutions to promote and sustain good ministry over the long haul.

Far too few young people pursue the ministry as a profession. Therefore, the Endowment is concentrating on strengthening a network of institutions and programs through which congregations, colleges, theological schools, denominations and other religious institutions introduce to youth compelling visions of the Christian faith and life and encourage them to explore the ministry as a calling.

To complement these efforts, the Endowment also supports many programs to promote better public understanding of the role of religion in American life.

*The Rev. Richard Lawrence of St. Vincent de Paul Church in Baltimore examines a picture of the prophet Elijah. Lawrence and other priests are participants in the Mantle of Elijah project, funded by a Sustaining Pastoral Excellence grant to St. Mary's Seminary and University. The 162-year-old church sits in the oldest Catholic parish in the country.*

## AWAKENING THE CALL TO MINISTRY

A young theology student who oversees a campus ministry program in Atlanta tells the story of a woman who approached him with questions about how she, too, might become a pastor. Delighted by her interest, the theologian-in-training offered to arrange a guided tour of the nearby seminary where he was pursuing a master of divinity degree. “Seminary?” asked the woman, confused. “Is that one of those new suburbs out by Decatur?”

**Her response – outrageous but true – is one that Melissa Wiginton often cites to illustrate her point that ministry has “slipped off the radar screen” of many high school and college students who are weighing their career options.**

“Even young people with strong church backgrounds have no idea how a person prepares for professional ministry or what a pastor does besides preach on Sunday mornings, conduct funerals and perform weddings,” says Wiginton, a theology school graduate who practiced law before assuming duties as director of ministries and programs for the Partnership for Excellence initiative at the Fund for Theological Education (FTE) in Atlanta. “It’s not that ministry has a poor image among youth; it’s that ministry has no image at all.”

### **An integrated approach**

With Lilly Endowment support for a number of FTE projects, Wiginton and her colleagues are determined to restore congregational ministry as a visible and attractive vocational choice. Since 1997 FTE has established multiple programs to provide young people with opportunities to consider and explore ministry. FTE also serves as the coordinator for several Endowment grant programs with the same purpose. Through these efforts FTE strives to build a network of individuals and organizations to awaken the call to ministry in talented young people.

Among FTE programs are:

**Undergraduate Fellows Program** – Talented students receive funds to apply toward educational costs or to underwrite a project for further exploration of ministry. FTE has supported 250 students through this program in the past five years.

**Ministry Fellows Program** – Students pursuing master of divinity degrees interact with veteran theologians at conferences and receive grants to





design summer projects to enrich their formation for ministry. FTE has made awards to 160 seminarians for this purpose.

**Congregation-based Pastoral Leadership Recruitment Program** – Working with FTE and their denominational bodies, congregations take a lead role in identifying young people and encouraging them to consider careers in pastoral ministry. These pastoral candidates are offered a trial year in a seminary.

**Pastoral Leadership Search Effort** – Congregations submit names of youth to include in a database that denominations and seminaries can use to contact and court candidates.

Among the Endowment grant programs that are coordinated by FTE are:

**Theological Programs for High School Youth** – Seminaries offer teens opportunities to engage in theological inquiry and education. The Endowment has made grant awards to 49 seminaries to launch youth theology programs.

**Theological Exploration of Vocation** – Colleges and universities create experiences that help students understand their future work in light of their faith commitments and encourage talented students to explore Christian ministry. Eighty-eight schools are participating in this program.

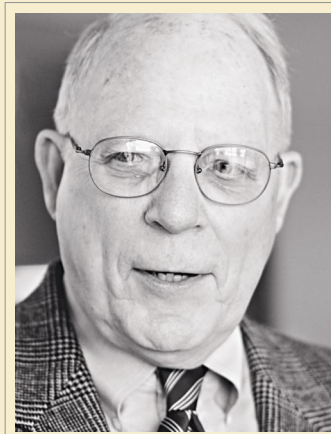
### Testing the waters

The various FTE programs serve as points of entry for high school or college students interested in exploring the world of professional ministry. The initiatives flow into each other, and all stream toward ordination.

*opposite: Melissa Wiginton of the Atlanta-based Fund for Theological Education is instrumental in organizing programs that try to get talented young people to consider the ministry as an exciting and rewarding vocation.*

*above: James Waits, president of FTE, oversees grants and programs attempting to create a “critical mass” of students, seminarians, congregations, colleges and churches to replenish the supply of good ministers to lead healthy congregations.*

Playing key roles are pastors, professors, campus ministers, counselors, congregations, institutions and agencies in positions to initiate or amplify the call to ministry. If successful, the integrated efforts will shore up the shrinking number of clergy by replenishing the ranks with dynamic young leaders who possess the necessary gifts and passion for ministry.



“We’re seeing a crisis in the recruitment of potential pastors,” says James Waits, president of FTE and former executive director of the Association of Theological Schools. “In most mainline denominations today, fewer than 7 percent of the pastors are under the age of 35. That’s a serious supply issue, but our motivation has always gone beyond supply. We want to highlight excellence, giftedness and creative leadership for the church.”

Early indications suggest positive outcomes for FTE programs aimed at teens, undergraduate students and seminarians. “We’re creating a growing community through our fellowships and summer conferences,” says Waits. “Now we’re watching as our first graduates move into professional careers. It’s our hope that a significant percentage will find their way into pastoral positions. If that is so, it will help seed the whole life of the church.”

### Responding to the call

Typical of the candidate who has taken advantage of the full range of FTE programs is Jennie Barrett, currently pursuing a master of divinity degree at Harvard Divinity School. Barrett first felt the call to ministry during her freshman year in high school.

That call became stronger after she participated in the Youth Theology Institute (YTI), an early Endowment-funded initiative at Candler School of Theology at Emory University.

"I had been struggling with trying to answer the age-old question, 'What do you want to do when you grow up?'" recalls Barrett. "My experience at YTI was incredible! I explored my beliefs, as well as my role in ministry, and left YTI feeling more certain about my call."

She enrolled at Vassar College, earned an FTE undergraduate fellowship and benefited from a mentoring relationship with the director of the office of religious and spiritual life, who helped her identify campus activities that would sustain her call. Wiginton then stepped in and arranged an internship at Lake Park Lutheran Church (Evangelical Lutheran Church in America) in Milwaukee where Barrett worked under co-pastors trying to invigorate a struggling congregation.

"I had the opportunity to dabble in just about every area of ministry, including worship leadership," says Barrett. "I was so grateful for the experience because it removed any doubts that I had about applying to divinity school."

She enrolled at Harvard, was selected as an FTE ministry fellow and recruited by an FTE selection committee member to assume the field-education position at Wellesley Village Congregational Church. She is interacting with a cross-section of the membership and coordinating the middle-school youth group. "This position has

helped me more fully understand my calling as one who can serve all ages within a congregation," she says.

Eventually, Barrett's involvement with FTE – from her teen years through ordination – will culminate when she takes her place in professional church leadership. "I'm not exactly sure what type of position I want to find, but I hope I'll be involved with worship leadership and pastoral care," says Barrett. "If I am a solo pastor, I will have a chance to practice all aspects of parish ministry. What a blessing!"

### **Discerning the call**

The Rev. H. William Bixby, director of the Theological Education with Youth (TEY) ministry based at Lutheran Theological Seminary in Philadelphia and now including Lutheran Theological Seminary in Gettysburg, Pa., likes to keep track of students after they have attended his Summer Theological Academy (STA). Many teenage participants are "works in progress," whose stories don't yet have endings.

Kim Citrone came to the first-ever STA certain that she would study international business in college. But something happened that changed her sense of vocation. "The academy inspired me to keep on studying theology and to consider a vocation in public ministry," she says.

She now is a second-year student at Lebanon Valley College in Pennsylvania, majoring in religion and political science.

For two summers she has returned to the academy as a discernment-workshop leader. "It's great to speak with the teenagers and to try to convey my experience in a way that opens them to what God is doing in their lives," she says.

Not all FTE stories, however, end in the pulpit. Bixby tells of Terence Scheg,



who came to the 2001 academy convinced he would be a pastor someday. Now a first-year student at Wittenberg University, Scheg has changed his career aspirations and his major. "I think the academy helped me see that vocation is always changing, and I should be ready to change my mind," he says. He now intends to major in English and is thriving in those classes while keeping open the option of becoming a pastor.



### Refining the call

For students who feel affirmed in their call to ministry, FTE opportunities can lead them to the area of pastoral leadership most compatible with their talents. Nathan Williams, a senior religious studies major at Grinnell College, used his participation in the Theological Exploration of Vocation Program to acquire some hands-on training that gave him insights into himself and his future.

"The importance of an undergraduate experience is the ability to fall flat on your face, dust yourself off and see what might come next," says Williams. "That requires the guts to try something. I tried a solo student pastorate at a small church near campus. I served for 10 months and

came to two important conclusions. First, I knew that particular church was not right for me. It had been right for 10 months, but I had gotten to a point where I had done everything I could do. Second, I knew I felt at home in that kind of ministry situation. It reaffirmed my sense of call."

Williams, now active in a pre-religious vocations group at Grinnell, plans to attend seminary after graduation and take his place alongside Jennie Barrett, Kim Citrone and others whose choices have led them to consider the ministry. However, for some participants in the recruitment programs, the career path to ministry isn't so direct. Some students choose to pursue other professions, at least for a while.

"But people don't always stay in the careers that they start with," says Wiginton, who has the statistics to back up her statement. "I don't think we're going to know for another 10, 15 or 20 years whether some of these young people go into ministry. Sometimes it's as if we're putting pebbles in their shoes, and they may walk down the road a good long way before they just can't stand it. They sit down, take off the shoes and ask themselves, 'What is this thing that is bothering me?' At FTE we like to take the long view of what we're doing."

**opposite:** *The Call to Pastoral Ministry Forum drew attendees from around the country to Indianapolis in January. Among the participants were Carolina Oster (left), FTE fellow at Yale University from Saskatoon, Saskatchewan, and Alison Buttrick Patton, director of recruitment and financial aid at Chicago Theological Seminary.*

**above:** *Panel discussions at Indianapolis included newly ordained pastors such as the Rev. David Dragseth (left) from Lake Park Lutheran Church in Milwaukee and the Rev. Bill Lamar from Greater St. Paul African Methodist Episcopal Church in Orlando, Fla.*



# Faith of Our Children

DEFINITIVE DATA WON'T BE AVAILABLE UNTIL NEXT AUTUMN, BUT EARLY FINDINGS REFUTE THE NOTION THAT AMERICAN TEENAGERS ARE TURNED OFF BY TRADITIONAL RELIGION.

**"A lot of literature suggests that today's youth are alienated by the institutional church and that if the church doesn't come up with a contemporary program immediately, it will lose all its young people," says Christian Smith, associate professor and chairman of sociology at the University of North Carolina at Chapel Hill.**

One year into the largest, most comprehensive study ever attempted of the religious experiences of youth, Smith notes, "That's not the impression I'm getting." Early findings reveal that a high percentage of teenagers intentionally engage in religious activities and a majority attend church.

The National Study of Youth and Religion (NSYR), launched in 2001 and supported by a \$4 million Lilly Endowment grant, is a four-year project that probes the influence of religion and spirituality on American adolescents, ages 13 to 17. More than merely describing the extent to which youth participate in and benefit from programs that faith communities offer, the study is identifying specific practices that contribute to the religious, moral and social formation of teenagers.

## **Creating a benchmark**

Completing its first year, much of NSYR's work has focused on consolidating existing information about the religious involvement and attitudes of

youth. The early findings indicate that there are positive correlations between religious participation and healthy behaviors. For example, youth who participate in religious activities are less likely to engage in at-risk behavior involving drugs and alcohol and more likely to join constructive youth activities, have higher levels of self-esteem, volunteer, have more positive relationships with their fathers, exercise regularly and play sports.

Pushing beyond these initial findings, the project's national survey of youth will examine how youth participate in religious activities and what difference it makes in their lives. Smith estimates that NSYR will be relevant for up to 10 years and establish a new benchmark for understanding the religious practices and commitments of American youth.



NSYR grew out of research supported by a planning grant from the Endowment in 2000. Smith and his team consulted youth-ministry specialists, investigated existing projects, conducted pilot interviews with teenagers from a variety of ethnic and faith backgrounds, and formed a public advisory board to help shape the project.

Members of the advisory panel (many of whom continue in a similar capacity with NSYR) offered insights about how the project's findings could have application beyond the academic and religious worlds. Smith describes the planning period as "enormously helpful" because it allowed researchers "to make better decisions about how we should structure the big project."

One aspect of NSYR that sets it apart from others is the participation of parents. At the end of 2002, researchers had completed their highly structured telephone survey with about half the targeted 3,000 parents and youth. After they have collected all survey data, they will conduct face-to-face interviews with 200 to 300 teenagers who were part of that telephone survey.

### Helping church leaders

Researchers – led by Smith as principal investigator – believe that the findings will spark a national discussion about the impact of religion on the lives of young people.

The dissemination plan will specifically target church leaders. Denominations will be able to review the effectiveness of their programs and compare their outcomes to those achieved by programs of other faith communities. The research team will be able to break down data by



age, gender, geographic location, religious affiliation or any other pertinent characteristic of the respondents.

"We'll be able to see how religion works differently in different kinds of people's lives," says Smith. "For example, we might write reports for Catholic bishops or for the United Methodist Church or for the Assemblies of God that say, 'Here is a sample of your teenagers; here's what they are doing, and here's the direction they seem to be taking.' The institutions will analyze the information and decide whether to act on it."

Smith and his colleagues will release the information in a variety of ways. An Internet Web site, [www.youthandreligion.org](http://www.youthandreligion.org), established during the planning phase, will serve as a central information source, offer an overview, publish reports and newsletters, summarize advisory board meetings and suggest links to related materials.

"We walk a fine line," says Smith. "On one hand, we describe and analyze the world; we don't tell people what to do with our findings. On the other hand, we know these findings have relevance and implications. Different people in different communities are going to have to figure out what the findings mean for them. Our goals are to put some questions on the table, draw attention to the issues and encourage a lively discussion."

**opposite:** *Christian Smith, professor of sociology at the University of North Carolina at Chapel Hill, is director of the comprehensive National Study of Youth and Religion which began with a telephone survey of about 3,000 parents and young people.* **above:** *NSYR findings should help churches decide how best to reach their young people. Here (l-r) Gunnar, Beth, Christian and Erik Tysklind worship at Bethlehem Lutheran Church in Indianapolis.*



BUILDING ON PASTORAL EXCELLENCE

# "The Group Plan"





**Twenty years** into his successful career as a Methodist pastor in Alabama, Larry Dill participated in an experiment that changed his life forever.

**Dill had just settled into a new pulpit appointment when he learned the Dixon Foundation, based in Birmingham, was offering grants to Methodist clergy willing to take sabbaticals and enroll in a program to upgrade their preaching skills.**

He was enthralled by the opportunity but knew “it wasn’t in the cards for me to go” so soon after a change of assignments. His solution: He and a colleague proposed an idea that stretched the grant guidelines to accommodate their church responsibilities and their professional interests.

“We had been in school most of our lives studying what other people thought we should study to prepare for careers as pastors and preachers,” explains Dill. “We now felt ready to take charge of our own learning.”

The concept they created proved so innovative that the Dixon Foundation not only accepted it but made it a model for the foundation’s MELS (Methodist Education Leave Society) program. In 1998 the MELS model served as the basis for a pilot project at the Christian Theological Seminary (CTS) in Indianapolis, and this year it helped shape Lilly Endowment’s national Sustaining Pastoral Excellence initiative.

“We proposed that we would form a group of eight clergy peers who would study together over a period of three or four years,” recalls Dill. Members of the group would be invited to partic-

ipate rather than be selected at random; they would not have to take sabbaticals but could juggle their professional duties with their shared activities, and they would bypass a prescribed curriculum in favor of designing their own learning program.

“We pitched the idea on the basis that our plan might be more effective than the sabbatical plan because our learning would take place over time and would have a cumulative effect,” says Dill, who has recently retired as senior pastor of Trinity United Methodist Church in Huntsville, Ala.

### **Building on MELS**

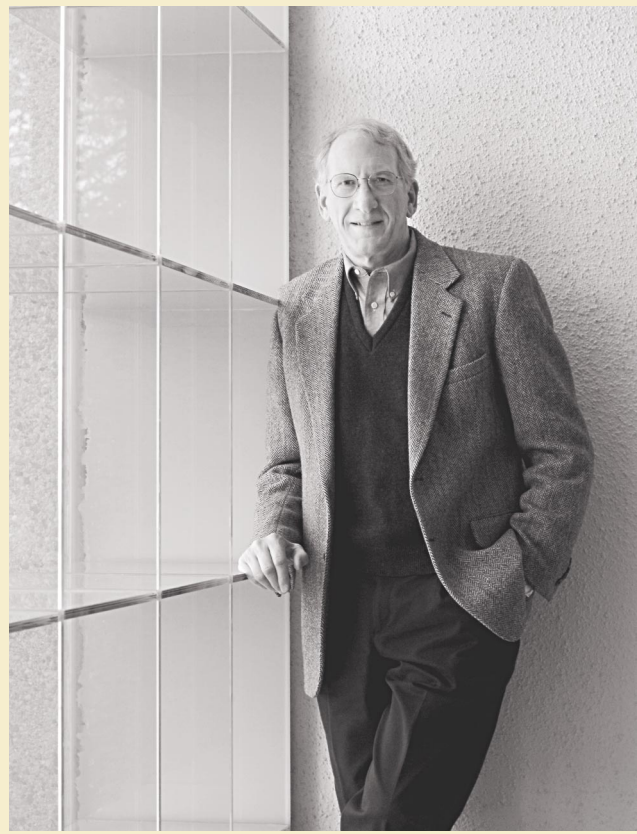
The Alabama experiment resulted in a four-year odyssey for Dill that tallied amazing outcomes. He and his colleagues traveled around the country to study under exemplary preachers and, once back home, applied their learning to their own sermons. They held themselves accountable by submitting videotapes of their sermons for the group’s critique.

“It completely changed our preaching,” says Dill. “We also realized that through improved preaching we were acquiring a more comprehensive set of skills.” By the time the group disbanded, the experience had affected members’ views on leadership, theories of ministry, church growth, evangelism and pastoral care.

The success of the experiment led to the formation of other MELS groups, and participation

*opposite: Birmingham-Southern College was the scene for a recent meeting of the Institute for Clergy Excellence, which grew out of a Sustaining Pastoral Excellence grant to the North Alabama Conference of the United Methodist Church. Members attending were (l-r) David Dixon, Michael Stewart, Mack Chapman, Edwin Dixon, Larry Dill, Ken Dunivant, Jeanie Baker, Jay Robinson and Scott Selman. right: The Rev. Larry Dill, who began his ministerial career with a similar program for Methodist ministers 20 years ago, now heads the ICE board.*





in the program soon became an indicator of excellence. Churches with empty pulpits in the North Alabama Conference began requesting that their bishop appoint pastors who had taken part in MELS training. By the time the Dixon Foundation ended the program in October of this year, 135 pastors had benefited from the peer-learning opportunity. MELS had run its course, but the concept was gaining momentum. What was winding down in Alabama was gearing up in Indiana.

### **Taking an ecumenical approach**

“The program at the Christian Theological Seminary is modeled after MELS,” says Bruce Roberts, a CTS professor who became an advocate of MELS after the Dixon Foundation hired him to evaluate its program in 1997. “We went to Birmingham and had long talks with many people – Larry Dill among them – who had been active in MELS.”

With support from the Endowment, Roberts and his colleagues studied the Alabama model,

expanded its scope and rolled out CTS’ pilot project in 1999 as the Indiana Clergy Peer Group Study Program. Appropriately, Dill agreed to serve on the advisory panel as “historian” and in that capacity witnessed the continued evolution of his idea.

“We are ecumenical, and they were not,” says Roberts, summarizing the differences between MELS and the CTS program. “They focused primarily on preaching, and we are focusing more generally on leadership; we asked for several kinds of diversity in our groups, and their groups were made up of only United Methodists, most of whom were men.”

The Indiana version was slow to catch on, perhaps due to pastors’ reluctance to obligate themselves to yet another time commitment. Roberts estimates it took 3½ years to assemble the first seven study groups but only four months to double that number. Early recruits praised the program, and word of mouth spread the message. A formal evaluation is in the works, but indications are that the Indiana Clergy Peer Group Study Program is enjoying success similar to that of its predecessor in Alabama.

“Our first group is nearly 3 years old now and is made up of pastors who come from isolated areas of southern Indiana,” says Roberts. They’ve worked a lot on self-care and spirituality because they were beginning to experience burnout. Some group members have told us that this program came along at exactly the right time for them.”

### **Expanding on excellence**

After tracking the success of MELS and documenting the progress of the CTS program, as well as several other pilot projects that tested the benefits of peer learning, the Endowment last year invited national faith-based organizations to propose ideas for programs that would “sustain pastoral excellence” within the broad expanse of

---

*Bruce Roberts, professor of congregational education and leadership at Christian Theological Seminary in Indianapolis, has shepherded the Indiana Clergy Peer Group Study Program since 1999.*

the Christian community. From the more than 700 proposals it received, the Endowment selected 47 to receive grants that totaled \$57.8 million. Many of the successful programs included components first pioneered by MELS and later refined by the CTS model. (See sidebars “Connected in Christ” and “Mantle of Elijah.”) More than half called for the formation of small groups to engage in self-directed study. A sampling:

**Walking in the Spirit** – Proposed by the Church of God School of Theology, Cleveland, Tenn., this pilot program will bring together 100 pastors in 10 pastoral covenant groups to support each other in attaining personal goals of pastoral development.

**Building Networks, Broadening Vision** – Lott Carey Baptist Foreign Mission Society in Washington will assemble small groups to engage in a series of international ministry experiences followed by peer-to-peer mentoring opportunities.

**Center for Pastoral Refreshment (CPR)** – Westminster Theological Seminary in Escondido, Calif.,

will establish CPR to serve Korean Presbyterian ministers in southern California with a series of retreats. The retreats will integrate Scripture study with God’s revelation through nature and include physical assessment, personal counseling and exercise planning.

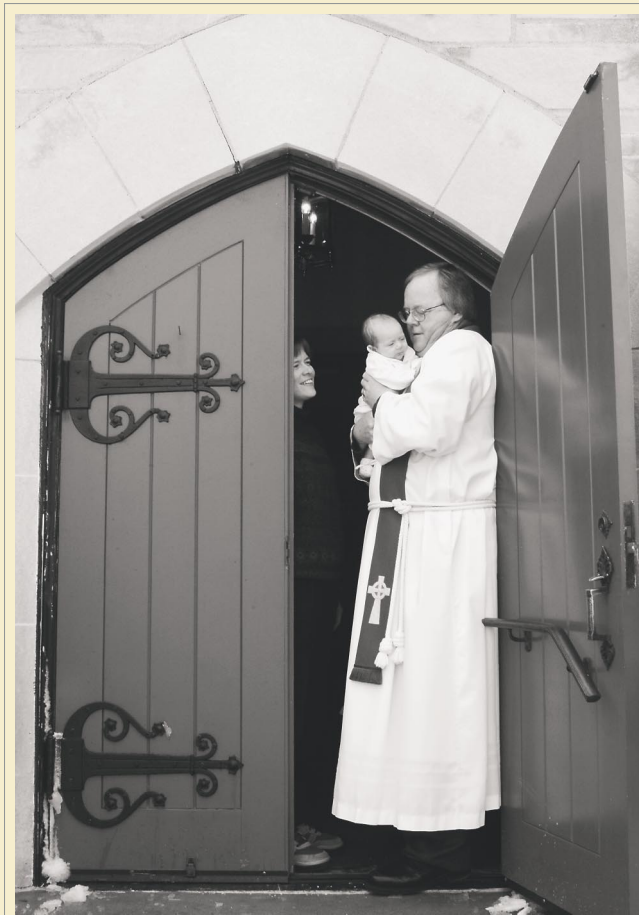
**Sustaining Excellent Pastors** – The Dominican House of Studies – along with the Archdiocese of Washington and the Center for Applied Research in the Apostolate (CARA) – will work on a three-step initiative involving researching “excellent” pastors, nine programs for the continued formation of pastors based on that research, and assessment of the initiative’s impact on promoting pastoral excellence.

**Rural Pastors Institute** – Proposed by the Center for New Community in Oak Park, Ill., the institute will involve annual, weeklong, summer intensive sessions, followed by regional gatherings. The project will serve an ecumenical mix of pastors of congregations in 20 states.

**Sustaining Urban Pastoral Excellence Program** – Boston University is developing a program to enable groups of urban pastors to undertake six-month collaborative programs of study and spiritual discipline to address issues that face urban and inner-city pastors.

**Creating a Culture of Pastoral Excellence** – Based in Grand Rapids, Mich., the Christian Reformed Church in North America plans to foster systemic change in how pastors, congregations and judicatories relate to one another.

**College of Pastoral Leaders (CPL)** – The Austin (Texas) Presbyterian Theological Seminary will provide new pastors with ongoing access to its learning environment. CPL will support self-directed, peer-group learning cohorts and will serve pastors and congregational leaders from a range of denominations.



*The Rev. J. William Novak of Indianapolis' Bethlehem Lutheran Church welcomes tiny new parishioner, Sara Cummings, and her mother, Laura, on a blustery winter Sunday.*





### Coming full circle

One successful proposal, submitted by the North Alabama Conference of the United Methodist Church, outlines plans for an Institute for Clergy Excellence that will reach out to clergy, especially those within the first seven years of their ordination. The founding executive director of the institute is the Rev. Larry Dill. In accepting the assignment, Dill brings his education ministry full circle. The institute he will lead blends the best of MELS with several characteristics of the CTS program. To this mix he plans to add a few innovations.

"The things we did, by accident or evolution, in the 1980s became foundational principles of MELS and were carried forward into Indiana," says Dill. "These are the same principles we have put in place at the new Institute for Clergy Excel-

*above: Indianapolis' Lutherpalians, a small group of ministers who study common issues, meet regularly and plan to visit similar churches in Albuquerque, N.M., and Portland, Ore. A recent session at St. Paul's Episcopal Church drew (clockwise from head of table) the Rev. Nancy Ferriani of Trinity Episcopal Church, the Rev. J. William Novak of Bethlehem Lutheran Church, the Rev. Laurin Vance of Salem Lutheran Church, the Rev. Sue Reid of St. Alban's Episcopal Church, the Rev. Lyle McKee of Our Redeemer Lutheran Church, and the Rev. James Leehan of St. Paul's. right: The Rev. Janice Riggle Huie (center), bishop of the United Methodist Church's Arkansas Area, started the Connected in Christ program to boost leadership through the state and keep ministers in touch with each other.*

lence. But perhaps the most exciting aspect of the institute is that each pastor who participates in a peer group will have up to five laity from their local church working with them as a support team. That idea goes beyond what MELS and the CTS programs did and truly breaks new ground."

## CONNECTED IN CHRIST

**Shortly after her appointment as bishop of the United Methodist Church's Arkansas Area, the Rev. Janice Riggle Huie crisscrossed the state to meet representatives of the 735 congregations in her charge. "I asked them, 'What are your hopes and dreams for your church?' and 'What are your challenges?'" she says. "Then I did a lot of listening." The churches ranged in size from 10 to 1,000 worshippers, and "by the time I had gotten through half the visits, I saw common themes emerge."**

Effective pastoral leadership topped the list of concerns. "From my point of view, this is the number-one challenge facing not only Methodists in Arkansas but facing denominations everywhere," says Huie, who responded with a two-pronged action plan.

First, she instigated the development of "Connected in Christ" (CIC), a peer-learning initiative to revitalize church leadership throughout the state. Second, she encouraged her denomination to participate in a national effort to identify future candidates for ministry. Two Lilly Endowment programs – Sustaining Pastoral Excellence and Partnership for Excellence – offered support on both fronts.



"We tried some off-the-shelf kinds of programs, but nothing was holistic enough," says Huie, recalling early attempts to strengthen current leadership ranks. Some programs targeted clergy and ignored laity, which she knew could result in conflict. Guided by research and expertise from inside and outside the church, Huie assembled a task force and designed CIC.

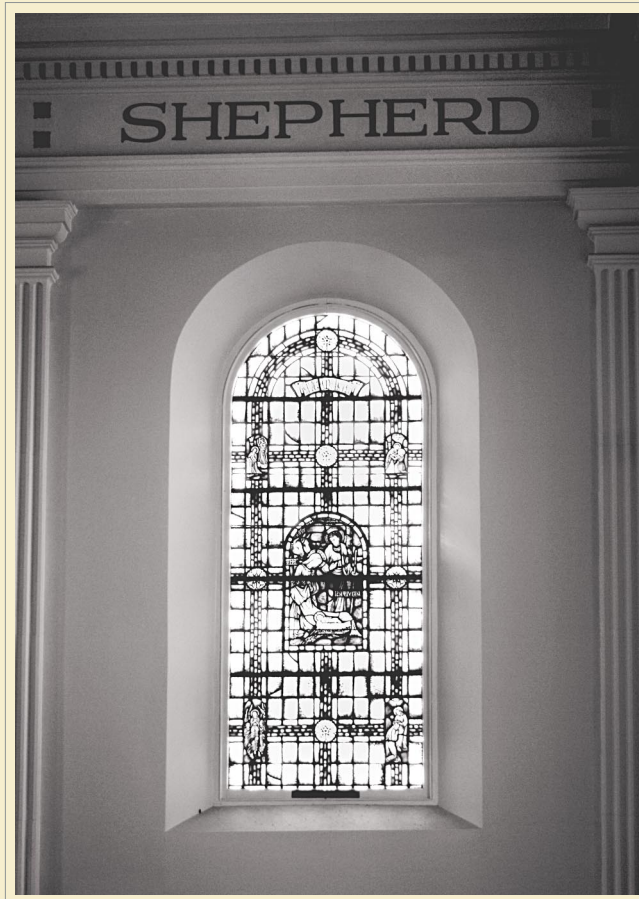
### **Taking off blinders**

More of a process than a program, CIC is built on the premise that excellent ministry is rarely accomplished by a single leader working in isolation. Teams of clergy and laity – at first convening separately and then blending together – set objectives, create ministry plans and put their shared visions in motion. The initial group, formed in May 2001, mixed pastors from the state's large urban congregations with clergy from tiny rural charges.

"The first week focused on helping us see ministry in a different way," says the Rev. Jim Lenderman, who claims he felt the "blinders removed from my eyes as I began to see what could happen even in a small church in a small town." As pastor of First United Methodist Church in Prescott (population 3,600), he had watched his community and his congregation slowly diminish in size. On the eve of the church's 125th anniversary, the membership was "graying," and the congregation "had a history of relying on the minister to do it all."

The climate seemed ripe for change. Using the skills acquired in their CIC training, Lenderman and his congregation set a goal of reaching out to the unchurched segment of Prescott's population. They surveyed their community, formed focus groups and tried to determine what kind of ministry would motivate their target audience to attend services.

They renovated a vacant building, launched a contemporary Wednesday night worship experience, revamped their Sunday school program and opened a youth facility for local teens. A year later, they're catching their collective breath, evaluating



their progress and planning for the future.

"We've got growing pains," admits Lenderman, "but enthusiasm is still high. Connected in Christ is not something you do for two years and then you graduate. It's a way of approaching ministry, and it's ongoing."

### **Recruiting the next generation**

Huie cites the Prescott success story as proof that "the future can be better than the past." She also recognizes that strengthening current leaders is only half the challenge of securing that better future. "We're seeing a shortage of young pastors," she says. "Ideally, denominations should be identifying gifted young people for ministry. We should be helping laity look for young people and encour-

*"Shepherd" seems to appropriately summarize the work of all good ministers. This stained-glass artistry appears in St. Vincent de Paul Church, the third oldest church in Baltimore.*

aging them to put an arm around a high school junior and ask, 'Do you think God might be calling you into ordained ministry?' People say that about being a doctor or lawyer or computer programmer. Why not say it about being a pastor?"

As a means of stepping up recruitment efforts, Huie has endorsed the United Methodist Church's participation in the PLSE program (Pastoral Leadership Search Effort) coordinated by the FTE's Partnership for Excellence program (see related story on page 42). As part of this initiative, FTE is setting up a database and inviting congregations to submit names of youth who are potential candidates for ministry. Colleges and seminaries will be able to use the database so they can invite the youth to events that will keep the invitation to ministry in front of them.

"We have to keep track of talented young people," says Huie. "These are mobile times, and it's possible to identify prospects in high school but then lose them when they go to college. The tracking system allows denominations to have students' names and e-mail addresses on file so we can contact them."

## MANTLE OF ELIJAH

**The idea surfaced as "five or six of us sat around the table one afternoon," recalls the Rev. Richard Lawrence, veteran pastor of St. Vincent de Paul Parish in downtown Baltimore. The group was discussing appropriate names for a new program that would train experienced priests to serve as mentors to newly ordained clergy. Someone mentioned the story of Elijah, the prophet who relinquished his coat to his young colleague just before entering heaven aboard a fiery chariot (2 Kings 2:13).**

"Elijah is the only prophet who selects his own successor when he gives his mantle to El-isha," explains the Rev. Robert Leavitt, president of St. Mary's Seminary and University in Baltimore, which will offer the training program through its Center for Continuing Formation. "One purpose is to give priests the opportunity to help develop their successors. We think this pro-

gram encourages gifted and experienced pastors to pass on their gifts to the next generation."

### **Bridging the generation gap**

A grant for almost \$600,000 – part of the Endowment's Sustaining Pastoral Excellence initiative – will support research, design, testing and implementation of the program now called the Mantle of Elijah. The project's intent is to promote and preserve pastoral excellence by building bridges between generations of clergy. Veteran priests will assist newly ordained priests in integrating the human, spiritual, intellectual and pastoral aspects of their lives. Research activities promise to provide the foundation for a pilot program.

The first step in the research phase, a questionnaire sent to 178 Roman Catholic dioceses across the country, is educating program planners on current mentoring activities in the church. "We're trying to find out exactly what is going on in mentoring," says Christa Klein, dean of the center and director of the Mantle of Elijah project. "Are there programs that we can learn from? Is mentoring a formal or informal practice? With about 50 percent of the questionnaires returned, my impression is that few formal programs exist and very rarely are mentors prepared intentionally for their work."

Klein and her colleagues also are looking beyond the church community to learn how mentoring takes place in professions such as medicine, law, social work and education. "We know this is an area that we can further develop, so we want to identify and learn from the best practices that are out there," she says.

The program is timely, Klein believes, because a shortage of priests has led to an increase in duties and a shortened apprenticeship for many recently ordained clergy. Gone are the days when a priest worked as an assistant or an associate in a parish with three or four other priests for a decade or more before assuming a senior leadership position. "The learning curve has to be brief," says Klein. "This means that we must find ways to have clergy in place to provide support, encouragement and critique."





The projected program design will require prospective mentors to spend 12 days in training at the Center for Continuing Formation. Case studies will spark discussion and motivate participants to share their experiences.

“Rather than structuring a curriculum around experts who come in and lecture, we want to tap the wisdom that is already present in the group,” says Lawrence, who will celebrate 35 years in ministry this spring. “We’re looking at a skills process more than an informational process. We can teach the principles in a morning, but skills development is what we’re going to do for the rest of the 10- to 12-day seminar.”

*Christa Klein, dean of the Center for Continuing Formation at St. Mary's Seminary and University, is director of the Mantle of Elijah project. Here she goes over survey responses with the Rev. Richard Lawrence at St. Vincent de Paul Church in Baltimore. The project calls for a close examination of how well mentoring works and its possibilities for future church programs.*

Ideally, a diocese will send several clergy for the training, thus ensuring that a newly ordained priest will be able to interview and select his mentor from a pool of skilled candidates. “Everything we’ve read about successful programs emphasizes that the relationship must be based on trust and respect,” says Klein.

The overall goal of the program is to continue the lifelong formation of pastors – both for the mentors and the mentored. Effective ministry is, according to Leavitt, “a kind of art, skill and science all wrapped together” and often requires years to master. Those priests who “display zeal and energy for ministry and are good preachers, pastors and administrators” are likely candidates to learn how to pass on the Mantle of Elijah. “This program is not so much about sharing struggles as it is about guiding, directing and coaching priests through and past those struggles,” says Leavitt.

# FINANCES AND GRANTMAKING

THE FOUNDERS OF LILLY ENDOWMENT WOULD UNDOUBTEDLY BE PLEASED THAT IN ITS 65 YEARS OF EXISTENCE, THE ENDOWMENT HAS MADE GRANT PAYMENTS JUST OVER THE \$4.7 BILLION MARK – AND THAT MUCH OF THAT AMOUNT HAS GONE TO HELP BUILD COMMON GROUND AMONG ORGANIZATIONS AND PEOPLE DETERMINED TO BUILD BETTER COMMUNITIES AND LIVES FOR THEMSELVES AND OTHERS.

On Dec. 31, 2002, the assets of Lilly Endowment stood at \$10.1 billion, down from \$12.8 billion at the end of 2001 (see chart 1). In 2002 the Endowment was pleased to approve \$649.2 million in grants and make grant payments of \$563 million.

CHART 1

## 10-Year History Market Value of Assets

(DOLLARS IN BILLIONS)

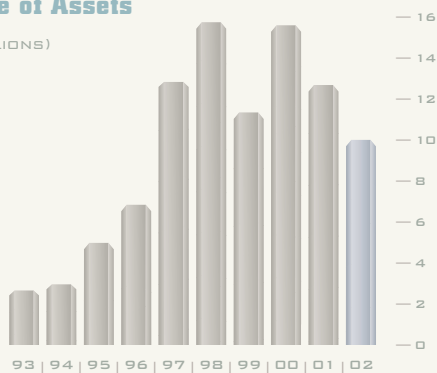


CHART 2

## 10-Year History Grants Paid

(DOLLARS IN MILLIONS)

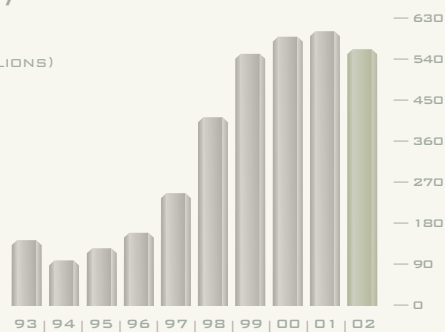
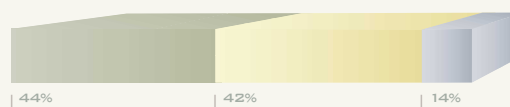


CHART 3

## Grants Paid by Division (2002)

EDUCATION	\$246.5 MILLION
RELIGION	\$237.0 MILLION
COMMUNITY DEVELOPMENT	\$79.5 MILLION
<b>TOTAL</b>	<b>\$563.0 MILLION</b>



## Grants paid

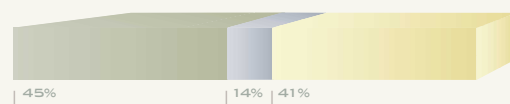
In 2002 the Endowment paid grants of \$563 million (see chart 2). The 2002 figure put the Endowment's total grant payments since its founding in 1937 at \$4.71 billion.

In the grants-paid category (see chart 3), the Education Division paid \$246.5 million, or 44 percent; the Religion Division paid \$237 million or 42 percent; the Community Development Division paid \$79.5 million or 14 percent of the total.

CHART 4

## Grants Paid by Geographic Location (2002)

INDIANA (NON-MARION COUNTY)	\$251.6 MILLION
MARION COUNTY (INDIANAPOLIS)	\$78.8 MILLION
NATIONAL	\$232.6 MILLION
<b>TOTAL</b>	<b>\$563.0 MILLION</b>

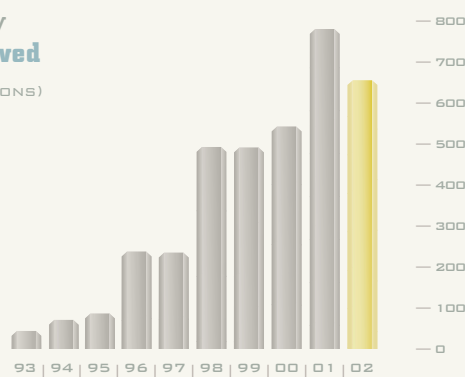


As in previous years, most of the grants paid went to organizations in Indiana – a total of \$330.4 million or 59 percent (see chart 4). Of the grant payment total of \$563 million, \$78.8 million or 14 percent went to Marion County (Indianapolis) grantees, and \$251.6 million or 45 percent was paid to other Indiana grantees. Most of these funds came from grants in the Education and Community Development divisions. National organizations were paid \$232.6 million or 41 percent, mostly from the Religion Division.

CHART 5

### 10-Year History Grants Approved

(DOLLARS IN MILLIONS)



### Grants approved

During 2002 the Endowment approved \$649.2 million to 707 grantees, 260 of them new to the Endowment (see chart 5).

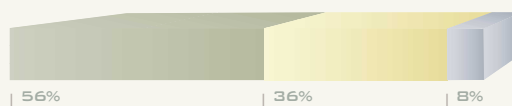
Education Division grants accounted for the most dollars, \$361.2 million or 56 percent of the total. Approvals for the Religion Division totaled \$233.9 million or 36 percent, while approvals for Community Development Division grants totaled \$54.1 million or 8 percent (see chart 6).

The geographic pattern for the grants-approved category is much like the grants-paid category: \$51.6 million or 8 percent for Marion County, \$367.2 million or 57 percent for Indiana grantees outside Indianapolis. The total approvals for Indiana grants amounted to \$418.8 million or 65 percent of the total. The non-Indiana grant approvals totaled \$230.4 million or 35 percent (see chart 7).

CHART 6

### Grants Approved by Division (2002)

EDUCATION	\$ 361.2 MILLION
RELIGION	\$ 233.9 MILLION
COMMUNITY DEVELOPMENT	\$ 54.1 MILLION
<b>TOTAL</b>	<b>\$ 649.2 MILLION</b>



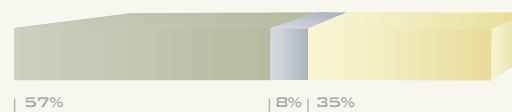
### Perspective

Since 1937 the Endowment has paid \$4.71 billion in grants to 5,983 grantees. Of that \$4.71 billion total, Education accounts for \$1.84 billion or 39 percent, Community Development for \$1.75 billion or 37 percent, and Religion for \$1.12 billion or 24 percent.

CHART 7

### Grants Approved by Geographic Location (2002)

INDIANA (NON-MARION COUNTY)	\$ 367.2 MILLION
MARION COUNTY (INDIANAPOLIS)	\$ 51.6 MILLION
NATIONAL	\$ 229.4 MILLION
INTERNATIONAL (NOT SHOWN)	\$ 1.0 MILLION
<b>TOTAL</b>	<b>\$ 649.2 MILLION</b>



Board-approved grants are listed in the back of this report and are divided into Community Development, Education and Religion divisions. Youth Programming and Leadership Education grants are included with the Education and Religion divisions, respectively. Discretionary grants of up to \$7,500, authorized by the officers, are listed as a single line item for each division.

The Endowment's match for the charitable contributions of staff, retirees and Board members is reported as a single line item before the total of all grants approved. "Guidelines & Procedures" are outlined on pages 82-83.





■ Ernst & Young LLP  
111 Monument Circle, Suite 2600  
P.O. Box 44972  
Indianapolis, Indiana 46204-2094

■ Phone: (317) 681-7000  
Fax: (317) 681-7216  
www.ey.com

## Report of Independent Auditors

Board of Directors  
Lilly Endowment Inc.

We have audited the accompanying statements of financial position of Lilly Endowment Inc. as of December 31, 2002 and 2001, and the related statements of activities and changes in unrestricted net assets and cash flows for the years then ended. These financial statements are the responsibility of the Endowment's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lilly Endowment Inc. at December 31, 2002 and 2001, and the results of its changes in unrestricted net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

*Ernst & Young LLP*

February 10, 2003

## STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31

2002

2001

### Assets

Cash and equivalents .....	\$ 7,728,743	\$ 188,244,035
Investments – at fair value:		
Eli Lilly and Company common stock		
(cost – \$87,960,793 at December 31, 2002,		
and \$88,320,126 at December 31, 2001) .....	10,045,751,054	12,626,153,546
Other assets .....	551,753	–
	<u>\$ 10,054,031,550</u>	<u>\$ 12,814,397,581</u>

### Liabilities

Amounts appropriated for future grants .....	\$ 336,533,494	\$ 258,303,503
Federal excise tax payable .....	–	7,125

### Unrestricted net assets .....

9,717,498,056	12,556,086,953
<u>\$ 10,054,031,550</u>	<u>\$ 12,814,397,581</u>

SEE ACCOMPANYING NOTES.

# STATEMENTS OF ACTIVITIES AND CHANGES IN UNRESTRICTED NET ASSETS

YEAR ENDED DECEMBER 31	2002	2001
Income:		
Dividends .....	\$ 196,703,747	\$ 182,146,500
Interest .....	7,588,750	22,587,125
Total income .....	204,292,497	204,733,625
Deductions:		
Grants approved .....	635,327,514	777,955,880
Expenses:		
Program support .....	9,068,589	7,660,973
Operational support .....	8,804,712	6,713,660
Federal excise tax .....	3,903,247	4,450,809
Total grants approved and expenses .....	657,104,062	796,781,322
Gain on sale of Eli Lilly and Company common stock (shares – 2,560,000 in 2002 and 3,020,000 in 2001) .....	194,265,827	249,911,837
Decrease in unrealized appreciation of marketable securities .....	(2,580,043,159)	(2,617,843,334)
Decrease in unrestricted net assets .....	(2,838,588,897)	(2,959,979,194)
Unrestricted net assets:		
Balance at beginning of year .....	12,556,086,953	15,516,066,147
Decrease in unrestricted net assets .....	(2,838,588,897)	(2,959,979,194)
Balance at end of year .....	\$ 9,717,498,056	\$ 12,556,086,953
SEE ACCOMPANYING NOTES.		



## STATEMENTS OF CASH FLOWS

YEAR ENDED DECEMBER 31

2002

2001

**Cash flows used for operating activities:**

Dividends and interest received .....	\$ 204,292,497	\$ 204,733,625
Grants paid .....	(557,097,523)	(595,199,657)
Program support .....	(9,068,589)	(7,660,973)
Operational support .....	(8,696,203)	(6,596,108)
Federal excise tax .....	(4,462,125)	(4,568,065)
Net cash used for operating activities .....	(375,031,943)	(409,291,178)

**Cash flows provided by investing activities:**

Sale of Eli Lilly and Company stock .....	194,625,160	250,335,738
Purchase of interest-bearing obligations .....	(1,633,995,112)	(981,692,170)
Sale of interest-bearing obligations .....	1,633,995,112	1,321,903,127
Investment-related expenses .....	(108,509)	(117,552)
Net cash provided by investing activities .....	194,516,651	590,429,143

Net increase (decrease) in cash .....	(180,515,292)	181,137,965
Cash and equivalents at beginning of year .....	188,244,035	7,106,070
Cash and equivalents at end of year .....	\$ 7,728,743	\$ 188,244,035

SEE ACCOMPANYING NOTES.

# NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2002

## 1. Significant Accounting Policies

### Description of Organization

Lilly Endowment Inc. (the Endowment) is an Indianapolis-based, private philanthropic foundation created by three members of the Lilly family through gifts of stock in their pharmaceutical business, Eli Lilly and Company. The stock of Eli Lilly and Company continues to be the Endowment's most significant asset. The Endowment supports the causes of religion, education and community development. The Internal Revenue Service has determined that the Endowment is exempt from federal income tax under Section 501(a) of the Internal Revenue Code. It remains a private foundation subject to federal excise tax on net investment income.

### Income and Expenses

Interest and dividend income is recorded as received, and operating expenses are recorded as paid. The federal excise tax is accrued. Grants are recorded when approved by the Board of Directors.

Realized gains and losses from the sales of Eli Lilly and Company common stock are calculated using the first-in, first-out method of allocating cost.

### Investments

Investments are stated at fair value.

### Facilities and Equipment

Expenditures for facilities and equipment are expensed as paid.

### Use of Estimates

Preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income, expense, and related disclosures at the date of the financial statements and during the reporting period. Actual results could differ from those estimates.

## 2. Required Distributions

The Internal Revenue Code provides that the Endowment generally must distribute for charitable purposes five percent of the average market value of its assets. The Endowment must make additional qualifying distributions of approximately \$470,000,000, before January 1, 2004, to meet the 2002 minimum distribution requirements.



2002 GRANT APPROVALS





## COMMUNITY DEVELOPMENT DIVISION GRANTS

DOLLAR AMOUNT APPROVED IN 2002

<b>American Cabaret Theatre</b> Indianapolis, IN General operating support 125,000	<b>Coalition for Homeless Intervention and Prevention</b> Indianapolis, IN General operating support 250,000
<b>American Enterprise Institute for Public Policy Research</b> Washington, DC General operating support 100,000	<b>COLAP (Community Organizations Legal Assistance Project)</b> Indianapolis, IN General operating support and special projects 35,500
<b>American Pianists Association</b> Indianapolis, IN Support for classical competition 165,000	<b>Dance Kaleidoscope</b> Indianapolis, IN General operating support 75,000 Special project 15,000
<b>Arts Council of Indianapolis</b> Indianapolis, IN "Art and Soul at the Artsgarden" 87,500 Creative Renewal Fellowship Program 544,000 General operating support 300,000	<b>Eiteljorg Museum of American Indians and Western Art</b> Indianapolis, IN Eiteljorg Fellowship for Native American Fine Art 470,000 General operating support 1,147,500 Partnership with the National Museum of the American Indian 1,526,050
<b>Atlas Economic Research Foundation</b> Fairfax, VA General operating support 500,000	<b>Executive Service Corps of Indianapolis</b> Indianapolis, IN Expansion of capacity to provide consulting to the nonprofit sector 440,653
<b>Best Buddies Indiana</b> Miami, FL Start-up and capacity building for Indiana program 49,500	<b>Foundation for Research on Economics and the Environment</b> Bozeman, MT General operating support 200,000
<b>Booth Tarkington Civic Theatre</b> Indianapolis, IN Development initiatives 30,000	<b>Fraser Institute</b> Vancouver, BC General operating support 300,000
<b>CICOA Foundation</b> (Central Indiana Council on Aging Foundation) Indianapolis, IN General operating support 100,000	<b>Freedom House</b> New York, NY General operating support 100,000
<b>CICP Foundation (Central Indiana Corporate Partnership Foundation)</b> Indianapolis, IN General operating support 4,000,000	<b>George Mason University Foundation</b> Fairfax, VA General operating support 100,000

**previous page:** *The Endowment helps fund more than 100 activities for Indianapolis young people with its Summer Youth Program Fund. Here kids who attend the summer day camp of Brookside United Methodist Church get a quick cool-down at Brookside Park.*

## COMMUNITY DEVELOPMENT DIVISION GRANTS

DOLLAR AMOUNT APPROVED IN 2002

<b>Heartland Film Festival</b> Indianapolis, IN	
General operating support	300,000
<b>Hudson Institute</b> Indianapolis, IN	
General operating support	400,000
Special projects	275,000
<b>Indiana Association for Community Economic Development</b> Indianapolis, IN	
General operating support	100,000
<b>Indiana Association of United Ways</b> Indianapolis, IN	
Continuation of Project Jumpstart	1,200,000
<b>Indiana Bar Foundation</b> Indianapolis, IN	
Assistance in fund-raising development	50,000
<b>Indiana Film Society</b> Indianapolis, IN	
Kid's World TV project	25,000
<b>Indiana Grantmakers Alliance</b> Indianapolis, IN	
General operating support	260,000
<b>Indiana Grantmakers Alliance Foundation</b> Indianapolis, IN	
Technical assistance for Giving Indiana Funds for Tomorrow (GIFT) initiative	515,393
<b>Indiana Historical Society</b> Indianapolis, IN	
Acquisition of rare collection of Abraham Lincoln documents and manuscripts, including original, wet-plate negative of famous Lincoln photograph	2,980,000

<b>Indiana Humanities Council</b> Indianapolis, IN	
Building operational capacity	400,000
2003 Indiana Leadership Summit	50,000
<b>Indiana Opera Society</b> Indianapolis, IN	
General operating support	123,750
Strategic capacity-building efforts	500,000
<b>Indiana Repertory Theatre</b> Indianapolis, IN	
General operating support	300,000
<b>Indiana Symphony Society</b> Indianapolis, IN	
General operating support	1,237,500
<b>Indiana University Foundation</b> Bloomington, IN	
Center for Urban Policy and the Environment	4,000,000
<b>Indiana White River State Park Development Commission</b> Indianapolis, IN	
Educational programs for IMAX Theater	25,000
<b>Indiana-World Skating Academy</b> Indianapolis, IN	
General operating support, maintenance and skating equipment	340,000
<b>Indianapolis Art Center</b> Indianapolis, IN	
General operating support	200,000
<b>Indianapolis Chamber of Commerce Foundation</b> Indianapolis, IN	
National Governors Association Annual Meeting	100,000
<b>Indianapolis Children's Choir</b> Indianapolis, IN	
Support to conduct a community assessment	50,000

## COMMUNITY DEVELOPMENT DIVISION GRANTS

DOLLAR AMOUNT APPROVED IN 2002

<b>Indianapolis Downtown Inc.</b> Indianapolis, IN Enhancement of fund-raising effectiveness 200,000	<b>International Center of Indianapolis</b> Indianapolis, IN General operating support 300,000
<b>Indianapolis Museum of Art</b> Indianapolis, IN General operating support 500,000	<b>Keep Indianapolis Beautiful</b> Indianapolis, IN Program and general support 286,000
<b>Indianapolis Neighborhood Housing Partnership</b> Indianapolis, IN Support for programs, housing system infrastructure and administrative costs 5,290,000 Working capital and transitional expenses for Loan Pool III 1,800,000	<b>Lighthouse Ministries</b> Indianapolis, IN Capital projects 110,000
<b>Indianapolis Neighborhood Resource Center</b> Indianapolis, IN Neighborhood development 250,000	<b>Local Initiatives Support Corp.</b> New York, NY Indianapolis LISC neighborhood development program 500,000
<b>Indianapolis Urban League</b> Indianapolis, IN Transitional support 266,000	<b>Madame Walker Urban Life Center</b> Indianapolis, IN Transitional and general operating support 455,000
<b>Indianapolis Zoological Society</b> Indianapolis, IN General operating support 1,116,720	<b>Manhattan Institute for Policy Research</b> New York, NY General operating support 200,000
<b>Indy Jazz Fest</b> Indianapolis, IN Support for 2002 festival 225,000	<b>National Center for Policy Analysis</b> Dallas, TX General operating support 150,000
<b>Institute for Research on the Economics of Taxation</b> Washington, DC General operating support 85,000	<b>New Harmony Project</b> Indianapolis, IN General operating support 50,000
<b>Intercollegiate Studies Institute</b> Wilmington, DE General operating support 125,000	<b>Noble Centers</b> Indianapolis, IN Noble Communitas – Phases II and III 3,000,000
	<b>Pacific Research Institute for Public Policy</b> San Francisco, CA General operating support 175,000



## COMMUNITY DEVELOPMENT DIVISION GRANTS

DOLLAR AMOUNT APPROVED IN 2002

<b>Political Economy Research Center</b> Bozeman, MT General operating support 50,000	<b>Wheeler Mission Ministries</b> Indianapolis, IN Acquisition of building for program expansion 600,000
<b>Reason Foundation</b> Los Angeles, CA General operating support 225,000	<b>Writers' Center of Indianapolis</b> Indianapolis, IN Capacity-building activities 15,000
<b>Rehab Resource</b> Indianapolis, IN General operating support 75,000	<b>Young Audiences of Indiana</b> Indianapolis, IN Transitional and general operating support 301,750
<b>Salvation Army</b> Alexandria, VA Volunteers to the Rescue training program 4,660,100	<b>Holiday Assistance Fund</b> (12 grants ranging from \$2,300 to \$75,000) 200,000 Catholic Social Services Community Action of Greater Indianapolis Flanner House Indiana Black Expo Indiana Department of Correction, Indiana Girls' School Indianapolis Jaycee Charities Indianapolis Urban League New Covenant Church and Ministries Salvation Army United Northwest Area United Way of Central Indiana Westminster United Presbyterian Church
<b>Social Philosophy and Policy Foundation</b> Bowling Green, OH General operating support 100,000	
<b>Stanford University</b> Stanford, CA General support for Stanford's Hoover Institution 125,000	
<b>United Way of America</b> Alexandria, VA Organizational transformation 3,000,000	
<b>United Way of Central Indiana</b> Indianapolis, IN SAVI database management and operation 950,075 Targeted Initiatives Fund 550,000 2002 Campaign 3,750,000	<b>Subtotal - Community Development</b> Division Grants 53,902,991 Community Development Division Discretionary Grants 163,875
<b>University of Southern Indiana</b> Evansville, IN General operating support for Historic New Harmony programs 125,000	<b>Total - Community Development</b> Division Grants <b>54,066,866</b>

## EDUCATION DIVISION AND YOUTH PROGRAMMING GRANTS

DOLLAR AMOUNT APPROVED IN 2002

<b>Butler University</b> Indianapolis, IN	
Supplemental funding for performing arts complex and arts education planning	1,382,346
<b>Earlham College</b> Richmond, IN	
Plowshares, a collaboration in peace studies with Manchester and Goshen colleges	4,627,344
<b>Eastern Pulaski Community School Corp.</b> Winamac, IN	
Initiative to enhance pre-K, K-12 and adult education in Pulaski County (Community Alliances to Promote Education initiative)	4,997,680
<b>Goshen College</b> Goshen, IN	
Plowshares, a collaboration in peace studies with Earlham and Manchester colleges	4,627,343
<b>Independent Colleges of Indiana</b> Indianapolis, IN	
Administration of Lilly Endowment Community Scholarship Program	698,680
Continuation of the <i>Grade Report</i>	150,000
Enriching the <i>Grade Report</i> and enrollment and retention database	970,000
Lilly Endowment Community Scholarship Program (2002-2003)	50,125,000
<b>Indiana Humanities Council</b> Indianapolis, IN	
Indiana Learning Portal, prototype development of Web-based access to all education opportunities in the state	140,000
<b>Indiana Information Technology Association (INITA) Foundation</b> Indianapolis, IN	
Expansion of public understanding of uses of information technology	500,000

<b>Indiana Literacy Foundation</b> Indianapolis, IN	
Evaluation and transition funding	47,775
Support for consulting services through organizational transition	35,650
<b>Indiana School for the Deaf</b> Indianapolis, IN	
Construction of a playground and an accessible house to teach independent living skills	1,909,565
<b>Indiana State University</b> Terre Haute, IN	
Extending Teacher Creativity 2003: A Summer Workshop for Teacher Creativity Fellows	126,425
<b>Indiana State University Foundation</b> Terre Haute, IN	
Establishment of NetWorks, a center for research, education and application in financial services	20,000,000
<b>Indiana Student Financial Aid Association</b> Indianapolis, IN	
College Goal Sunday 2003	71,986
<b>Indiana University Foundation</b> Bloomington, IN	
Campus Compact: Strengthening the Public Purposes of Higher Education	1,082,507
Supplemental funding for the Indiana Genomics Initiative	50,000,000
<b>Indiana Youth Institute</b> Indianapolis, IN	
Web site project design and feasibility assessment	40,600
<b>Ivy Tech State College</b> Indianapolis, IN	
Continuation of the Second Chance Center for non-high-school graduates	253,956

## EDUCATION DIVISION AND YOUTH PROGRAMMING GRANTS

DOLLAR AMOUNT APPROVED IN 2002

<b>Manchester College</b> North Manchester, IN	
Plowshares, a collaboration in peace studies with Earlham and Goshen colleges	4,627,343
<b>Rose-Hulman Institute of Technology</b> Terre Haute, IN	
Accreditation and assessment strategies workshop	49,612
Expansion and enhancement of Rose-Hulman Ventures	24,976,866
<b>St. Joseph Institute for the Deaf</b> Chesterfield, MO	
Operating support for St. Joseph Institute for the Deaf, a satellite school in Indianapolis	90,000
<b>Teachers' Treasures</b> Indianapolis, IN	
General operating support	30,000
<b>United Negro College Fund</b> Fairfax, Va	
2003 Indianapolis telethon and fund-raising program	50,000
<b>University of Evansville</b> Evansville, IN	
Middle Grades Reading Network	599,944
<b>Initiative to Strengthen Philanthropy for Indiana Higher Education Institutions</b>	
Program to encourage philanthropy for Indiana colleges and universities from parents, students, alumni, faculty and staff	
(3 planning grants of \$150,000 each to Ball State University, Indiana State University and University of Southern Indiana)	450,000
(35 planning grants of \$150,000 each)	5,250,000
(38 matching implementation grants of \$3,500,000 each)	133,000,000
Ancilla College	
Anderson University	
*Ball State University Foundation	
Bethel College	
Butler University	

Calumet College of St. Joseph  
 DePauw University  
 Earlham College  
 Franklin College  
 Goshen College  
 Grace College  
 Hanover College  
 Holy Cross College  
 Huntington College  
 Indiana Institute of Technology  
 \*Indiana State University Foundation  
 Indiana University Foundation  
 Indiana Wesleyan University  
 Ivy Tech Foundation  
 Manchester College  
 Marian College  
 Martin University  
 Oakland City University  
 Purdue Research Foundation  
 Rose-Hulman Institute of Technology  
 St. Joseph's College  
 St. Mary-of-the-Woods College  
 St. Mary's College  
 Taylor University  
 Tri-State University  
 University of Evansville  
 University of Indianapolis  
 University of Notre Dame  
 University of St. Francis  
 \*University of Southern Indiana Foundation  
 Valparaiso University  
 Vincennes University Foundation  
 Wabash College

\*The \$150,000 planning grant was made to the university with which this foundation is associated.



## EDUCATION DIVISION AND YOUTH PROGRAMMING GRANTS

DOLLAR AMOUNT APPROVED IN 2002

### Initiative to Strengthen Governing Board Philanthropy

Program to encourage philanthropy by board members of Indiana colleges and universities  
(38 grants of \$1,000,000 each) 38,000,000

Ancilla College  
Anderson University  
Ball State University Foundation  
Bethel College  
Butler University  
Calumet College of St. Joseph  
DePauw University  
Earlham College  
Franklin College  
Goshen College  
Grace College  
Hanover College  
Holy Cross College  
Huntington College  
Indiana Institute of Technology  
Indiana State University Foundation  
Indiana University Foundation  
Indiana Wesleyan University  
Ivy Tech Foundation  
Manchester College  
Marian College  
Martin University  
Oakland City University  
Purdue Research Foundation  
Rose-Hulman Institute of Technology  
St. Joseph's College  
St. Mary-of-the-Woods College  
St. Mary's College  
Taylor University  
Tri-State University

University of Evansville  
University of Indianapolis  
University of Notre Dame  
University of St. Francis  
University of Southern Indiana Foundation  
Valparaiso University  
Vincennes University Foundation  
Wabash College

### Teacher Creativity Fellowship Program

Competitive summer program for renewal of Indiana schoolteachers  
(100 grants of \$7,500 each) 750,000

### YOUTH PROGRAMMING

#### At-Your-School (AYS) Child Services

Indianapolis, IN  
Professional development services for staff of before- and after-school programs 40,190

#### Bicycle Action Project

Indianapolis, IN  
Support for the Earn-A-Bike program and building improvements at the Keystone Avenue site 150,000

#### Big Brothers Big Sisters of Central Indiana

Indianapolis, IN  
Transition expenses associated with the merger of Big Brothers of Greater Indianapolis and Big Sisters of Central Indiana 400,000

#### Boys & Girls Clubs of Indianapolis

Indianapolis, IN  
Improvement of resource and board development 150,000

#### Camp Tecumseh YMCA Outdoor Center

Brookston, IN  
Capital campaign 750,000

## EDUCATION DIVISION AND YOUTH PROGRAMMING GRANTS

DOLLAR AMOUNT APPROVED IN 2002

<b>Center for Leadership Development</b> Indianapolis, IN Operating support and consultant services 250,000	<b>Indiana Amateur Baseball Association</b> Indianapolis, IN General operating support 85,000
<b>Center for Youth As Resources</b> Washington, DC Support for general operations of Central Region Office (Indianapolis), programs in juvenile-justice settings and publications about model programs 400,000	<b>Indiana Association of Cities and Towns Foundation</b> Indianapolis, IN Support for Youth Development in Indiana Cities and Towns Initiative 250,000
<b>Community Action of Greater Indianapolis</b> Indianapolis, IN Partial support for Community Action Mediation Program (CAMP), a youth violence-prevention program 50,000	<b>Indiana Black Expo</b> Indianapolis, IN Capital improvements to IBE headquarters 120,000 General operating support 500,000
<b>Community Partnerships with Youth</b> Indianapolis, IN Fellowship program for current and potential youth-service professionals 900,000	<b>Indianapolis Art Center</b> Indianapolis, IN Continuing support for the Artist Mentor Apprenticeship Program (AMAP) 50,000
<b>Fathers and Families Resource/Research Center</b> Indianapolis, IN Building rehabilitation costs for Fathers and Families Resource/Research Center headquarters 48,500	<b>James Whitcomb Riley Memorial Association</b> Indianapolis, IN Printing costs for additional copies of <i>Caring for Kids</i> , a parent-education handbook 90,000 Renovation of Lilly Village at Bradford Woods 268,000
<b>Girls Inc.</b> Indianapolis, IN Expansion of outreach programs – pilot phase 100,000	<b>Junior Achievement of Central Indiana</b> Indianapolis, IN Exchange City expansion 275,000
<b>IARCCA Institute for Excellence</b> Indianapolis, IN Implementation of a multiagency, statewide, performance-outcomes project 738,908	<b>Marion County Family Advocacy Center</b> Indianapolis, IN Office renovation, equipment and furnishings for relocation of the center 100,000
<b>Indiana Advocates for Children</b> Indianapolis, IN Expansion of training and educational opportunities for professionals and volunteers in the child-welfare and juvenile-justice systems 684,521	<b>National Assembly of Health and Human Service Organizations</b> Washington, DC Improvement of professional development opportunities for youth workers 495,828
	<b>National Federation of State High School Associations</b> Indianapolis, IN 2002 National Student Leadership Conference 75,000

## EDUCATION DIVISION AND YOUTH PROGRAMMING GRANTS

DOLLAR AMOUNT APPROVED IN 2002

<b>National Urban Fellows</b> New York, NY	
Support for Urban Fellows in Indianapolis and for building Indiana support for NUF	125,000
<b>Offender Aid and Restoration of Marion County</b> Indianapolis, IN	
Return on Investment 2, program to serve children of incarcerated fathers	35,000
<b>Ronald McDonald House</b> Indianapolis, IN	
Building security systems	50,000
<b>Ruth Lilly Center for Health Education</b> Indianapolis, IN	
Capital and program development for Health Education for the 21st Century, a collaborative project with Indiana University School of Informatics and School of Allied Health Sciences	3,000,000
<b>St. Mary's Child Center</b> Indianapolis, IN	
Strengthening of development capacity	160,000
<b>Search Institute</b> Minneapolis, MN	
2002 Healthy Communities, Healthy Youth Conference	50,000
<b>Society of American Magicians Magic Endowment Fund</b> Hackensack, NJ	
General operating support for the central Indiana Society of Young Magicians program	25,000
<b>Villages of Indiana</b> Indianapolis, IN	
Collaborative project to improve child-abuse prevention services of four youth-service organizations in the state	49,900
Support "For the Love of Kids" Conference	40,000

### Summer Youth Program Fund

Grants for organizations providing summer activities for youth	
(103 competitive grants to support 138 programs ranging from \$1,500 to \$131,290)	895,000
Aiki Concepts	
American Cabaret Theatre	
American Diabetes Association, Indiana Affiliate	
American Lung Association of Indiana	
ARC of Indiana	
Area Youth Ministry	
Barnes United Methodist Church	
Bicycle Action Project	
Big Brothers Big Sisters of Central Indiana	
Boys & Girls Clubs of Indianapolis (9)	
Broadway United Methodist Church	
Brookside United Methodist Church	
Butler-Tarkington Neighborhood Association	
Calvary Temple of Indianapolis	
Camp Fire Boys and Girls	
Camptown	
Catholic Social Services (2)	
Catholic Youth Organization	
Cherubims	
Children's Bureau of Indianapolis	
Clarian Health Partners	
Community Centers of Indianapolis (13)	
Cosmo Knights Scholarship Fund	
Damar Services	
Dayspring Center	
Diabetic Youth Foundation of Indiana	
Dirty Dozen Hunting and Fishing Club	
Dyslexia Institute of Indiana	
Ebenezer Missionary Baptist Church	
Edna Martin Christian Center	
Far Northwest Community Development Corp.	
First Baptist Church, North Indianapolis	
First-Meridian Heights Presbyterian Church (2)	
Freetown Village	



## EDUCATION DIVISION AND YOUTH PROGRAMMING GRANTS

DOLLAR AMOUNT APPROVED IN 2002

Garden City Christian Church	Oasis Christian Community Development Corp.
Girls Inc. (2)	Old Centrum Foundation
Good News Mission	100 Black Men of Indianapolis
Great Commission Church of God	Our Home Resident Management Corp.
Happy Hollow Children's Camp	Peace Learning Center
Hemophilia of Indiana	People's Burn Foundation
Hispanic Wholistic Education Center	Philharmonic Orchestra of Indianapolis
Hoosier Capital Girl Scout Council	Project IMPACT, Indianapolis
Indiana Deaf Camps Foundation	Project SEED
Indiana Sports Corp.	Redeemer Hospitality Mission
Indiana State Fair Commission (2)	Robinson Community Social Service Foundation
Indianapolis Algebra Project	Ruth Lilly Center for Health Education
Indianapolis Art Center	St. Florian Center
Indianapolis Humane Society	St. Francis Healthcare Foundation
Indianapolis Junior Golf Foundation	St. Philip Neri Catholic Church
Indianapolis Northside Interfaith Hospitality Network	St. Richard's School Foundation
Indianapolis Parks Foundation (5)	Salvation Army
Indianapolis Public Housing Agency	School on Wheels
Indianapolis Symphonic Choir	Second Baptist Church
James Whitcomb Riley Memorial Association	Southeast Neighborhood Development
Jameson Camp	Speedway Baptist Church
Jireh Sports	Theater on the Square
KIDS (Kids in Discipleship and Service)	Urban Arts Consortium of Indianapolis
Life Line Community Center	Visions Ministries
Little Bethel Missionary Baptist Church	Vivian Smith House Teen Parenting Program
Little Red Door Cancer Agency	VSA Arts of Indiana
Lutheran Child and Family Services of Indiana	Westminster United Presbyterian Church
Madame Walker Urban Life Center	Witherspoon Performing Arts Center
Marian College (2)	YMCA of Indianapolis (7)
Messiah Missionary Baptist Church	Young Audiences of Indiana
Metro Ministries	Youth Job Preparedness Program
Metropolitan School District of Perry Township	YWCA of Indianapolis
Metropolitan School District of Washington Township	
Muscular Dystrophy Association	<b>Subtotal</b> - Education Division Grants 349,660,622
National Junior Tennis League of Indianapolis	<b>Subtotal</b> - Youth Programming Grants 11,400,847
New Covenant Church & Ministries	Education Division Discretionary Grants 158,199
Notre Dame Club of Indianapolis	
	<b>Total</b> - Education Division and Youth Programming Grants 361,219,668

## RELIGION DIVISION AND LEADERSHIP EDUCATION GRANTS

DOLLAR AMOUNT APPROVED IN 2002

<b>Alban Institute</b> Bethesda, MD		<b>Fund for Theological Education</b> Atlanta, GA	
Strengthening of the institute for the next generation of leadership	2,175,751	Coordination of programs to strengthen congregational ministry	2,419,829
Supplemental support for Indianapolis Center for Congregations project	753,805	Ministerial-recruitment pilot project and database	2,338,322
Support for "Congregational Resource Guide" Web site and other collaborative projects with Indianapolis Center for Congregations	2,089,539		
<b>Association of Theological Schools</b> Pittsburgh, PA		<b>General Assembly of the Christian Church</b> Indianapolis, IN	
Enhancement of ATS data resources and revision of ATS <i>Fact Book on Theological Education</i>	247,500	Study of mainline Protestant evangelism	465,364
Project on developing an economic model for the future of ATS	49,984		
Support of ATS Technology and Educational Practices program	1,354,000		
<b>Boston University</b> Boston, MA		<b>In Trust</b> Washington, DC	
Production of <i>Listening for God</i> education materials	206,181	General operating support	630,342
		Theological school conferences on leadership roles of governing boards	445,319
<b>Christian Performing Artists Fellowship</b> Haymarket, VA		<b>Indiana University Foundation</b> Bloomington, IN	
Partial support for MasterWorks Festival	75,000	Partial support of Spirit & Place civic festival	400,000
		Young Scholars in American Religion program	1,199,375
<b>Duke University</b> Durham, NC		<b>Indianapolis Center for Congregations</b> Indianapolis, IN	
Dissemination of Pulpit & Pew project findings	589,060	General operating support	6,782,000
<b>Educational Broadcasting Corp.</b> New York, NY		<b>Institute for American Values</b> New York, NY	
Support for sixth season of <i>Religion &amp; Ethics NewsWeekly</i> public television program	6,600,000	Completion of research on the moral and spiritual experience of children of divorce	298,000
<b>Emory University</b> Atlanta, GA		<b>Interdenominational Theological Center</b> Atlanta, GA	
Continuing support for Youth Theological Initiative	2,182,200	Institute of Church Administration and Management strategic-planning project assistance to the Congress of National Black Churches	475,086
Development of new graduate program in practical theology and religious practices	10,000,000	Support for Institute of Church Administration and Management project	2,500,000
		Support for presidential search	50,000
		<b>Jesuit School of Theology</b> Berkeley, CA	
		Writing of concluding volume of series on contemporary U.S. Roman Catholic women religious	93,872

## RELIGION DIVISION AND LEADERSHIP EDUCATION GRANTS

DOLLAR AMOUNT APPROVED IN 2002

<b>Louisville Presbyterian Theological Seminary</b> Louisville, KY Continuation of "Resources for American Christianity" Web site and consultation for Endowment-funded Web site projects 1,483,429	<b>Research Foundation of the City University of New York</b> New York, NY Dissemination of study of Latino congregations 537,022
<b>National Council of the Churches of Christ</b> New York, NY Strengthening of institutional development 500,000	<b>St. John's University School of Theology</b> Collegeville, MN Evaluation in the field of religion and writing of book on ministry 297,889
<b>National Pastoral Life Center</b> New York, NY Program development 500,000	<b>Southern California School of Theology</b> Claremont, CA Project on cultivating youth for Christian leadership 644,860
<b>Northwestern University</b> Evanston, IL Development of master's degree program in religion, spirituality and ethics reporting 499,630	<b>Stanford University</b> Stanford, CA Martin Luther King Jr. Papers Project 110,672
<b>Pennsylvania State University</b> University Park, PA Continuation of American Religion Data Archive Project 627,722	<b>Temple University</b> Philadelphia, PA Additional funding to complete book on black women in the church 66,061
<b>Points of Light Foundation</b> Washington, DC Support for services to the Interfaith Community Ministry Network 107,750	<b>University of Notre Dame</b> Notre Dame, IN Completion of project on outstanding congregational leadership 809,448
<b>Presbyterian Church (USA)</b> Louisville, KY Resources for congregations from the U.S. Congregational Life Survey 1,630,182	<b>University of South Carolina Research Foundation</b> Columbia, SC Media seminar for clergy and church leaders 39,004
<b>Princeton University</b> Princeton, NJ Research on Christian responses to religious diversity 665,000	<b>University of Texas at Austin</b> Austin, TX National Survey of Religion and Family Life 697,722
<b>Protestant Episcopal Theological Seminary in Virginia</b> Alexandria, VA Study of vital mainline congregations 612,198	<b>University of Virginia</b> Charlottesville, VA Continuation of the Project on Lived Theology 990,934
	<b>Valparaiso University</b> Valparaiso, IN Education and Formation of People in Faith Project 3,294,058



## RELIGION DIVISION AND LEADERSHIP EDUCATION GRANTS

DOLLAR AMOUNT APPROVED IN 2002

### Western Theological Seminary of the Reformed Church in America

Holland, MI

Development of mission-focused leadership  
resources for congregations and denominations 675,628

### Clergy Renewal Program for Indiana Congregations

Program to strengthen Indiana  
congregations by supporting renewal  
and reflection periods for pastors

(37 grants ranging from \$14,247 to \$30,000) 1,043,015

Belmont Mennonite Church, Elkhart  
Bethlehem Evangelical Lutheran Church  
(Lutheran Church/Missouri Synod), Fort Wayne  
Christ Temple Apostolic Church of Muncie  
Congregation Beth-El Zedeck, Indianapolis  
Crossroads Community Church, Elizabethtown  
Crossroads Community Church, Schererville  
East Side Church of God, Anderson  
Eastminster Presbyterian Church  
(Presbyterian Church USA [PCUSA]), Evansville  
Faith United Methodist Church, Fort Wayne  
Family Bible Church, Portage  
First Mennonite Church of Middlebury  
Gloria Dei Lutheran Church (Evangelical Lutheran  
Church in America [ELCA]), Highland  
Grace Evangelical Church of Indianapolis  
(Evangelical Free Church of America)  
Greater First Baptist Church of East Chicago  
(Full Gospel Baptist Fellowship)  
King's Chapel Assembly  
(Pentecostal Assemblies of the World), Fort Wayne  
Maryland Community Church  
(independent), Terre Haute  
Peace Lutheran Church (Lutheran Church/  
Missouri Synod), Fremont  
Plainfield Friends Meeting  
Pleasant Run United Church of Christ, Indianapolis  
Prince of Peace Church of the Brethren, South Bend  
Russiaville United Methodist Church  
St. Andrew's Episcopal Church, Greencastle  
St. Bartholomew Roman Catholic Parish, Columbus  
St. John's United Church  
(United Church of Christ and PCUSA), Chesterton

St. Joseph Ministries (St. Joseph United Methodist  
Church), Fort Wayne

St. Lawrence Catholic Church, Lafayette

St. Luke's United Methodist Church, Indianapolis

St. Mark's United Methodist Church, Decatur

St. Paul Lutheran Church (Lutheran Church/Missouri  
Synod), Mishawaka

St. Teresa Benedicta of the Cross Catholic Community,  
Lawrenceburg

Shelbyville Baptist Temple (Baptist Bible Fellowship  
International Association)

Sycamore Friends Meeting, Greentown

University Heights United Methodist Church, Indianapolis

Westminster Presbyterian Church (PCUSA), Marion

Westview Christian Church (Disciples of Christ),  
Indianapolis

Woodburn Missionary Church

Yellow Creek Mennonite Church, Goshen

### National Clergy Renewal Program

(135 grants ranging from \$5,433 to \$30,000) 3,532,041

All Saints Catholic Church, St. Peters, Mo.

All Saints Lutheran Church (ELCA), Aurora, Colo

Beautiful Savior Lutheran Church (ELCA),  
Vancouver, Wash.

Bethany Lutheran Church (ELCA), Nevis, Minn.

Bethel Church of Cleveland Heights  
(Baptist General Conference), Ohio

Bethel-Trinity Lutheran Church (ELCA), Bovey, Minn.

Bethesda Mennonite Church, Henderson, Neb.

Bread of Life Christian Ministry  
(PCUSA), Charlotte, N.C.

Brewster (Mass.) Baptist Church  
(American Baptist Church)

Calvary Evangelical Lutheran Church (ELCA),  
West Chester, Pa.

Cambridge (Mass.) Community Fellowship Church

Cathedral Church of St. Paul (Episcopal), Detroit

Cathedral Church of the Incarnation (Episcopal),  
Baltimore

Celebration Lutheran Church (ELCA), Mount Juliet, Tenn.

Celebration Lutheran Church (ELCA), Peoria, Ariz.

Chauncey (Ohio) Christian Church (Disciples of Christ)

## RELIGION DIVISION AND LEADERSHIP EDUCATION GRANTS

DOLLAR AMOUNT APPROVED IN 2002

Christ Church (United Church of Christ),  
Orrville, Ohio

Christ Church, Presbyterian (PCUSA), Burlington, Vt.

Christ Congregational Church (United Church of Christ),  
Silver Spring, Md.

Christ Episcopal Church, East Orange, N.J.

Christ Protestant Episcopal Church, Alexandria, Va.

Christ United Methodist Church, Fort Collins, Colo.

Church of the Ascension (Episcopal), Silver Spring, Md.

Church of the Epiphany (Episcopal), Washington

Church of the Nativity (Episcopal), Fayetteville, Ga.

College Church (independent), Northampton, Mass.

Concord (Calif.) First Church of the Nazarene

Covenant Christian Church (Disciples of Christ),  
Cary, N.C.

Dale Heights Presbyterian Church (PCUSA),  
Madison, Wis.

Episcopal Church of the Redeemer, Garden City, Calif.

Eureka (Mo.) United Methodist Church

Fairfax (Calif.) Community Church  
(United Church of Christ)

Fairview Church of God, Falkville, Ala.

Faith Community Lutheran Church (ELCA),  
Longmont, Colo.

Faith Evangelical Lutheran Church (ELCA),  
Jacksonville, Ill.

Fallbrook (Calif.) United Presbyterian Church (PCUSA)

First Baptist Church (Cooperative Baptist Fellowship),  
Wilson, N.C.

First Christian Church (Disciples of Christ),  
Ardmore, Okla.

First Christian Church (Disciples of Christ),  
Hagerstown, Md.

First Christian Church (Disciples of Christ),  
Pittsburg, Kan.

First Christian Church (Disciples of Christ), Seattle

First Church of the Brethren of Reading,  
Wyomissing, Pa.

First Congregational Church (United Church of  
Christ), Sandusky, Ohio

First Congregational Church (United Church of  
Christ), Woodstock, Conn.

First Ithaca (N.Y.) Chinese Christian Church  
(Evangelical Free Churches of America)

First Parish (Unitarian Universalist), Cambridge, Mass.

First United Methodist Church, Albany, Ore.

First United Methodist Church, Corvallis, Ore.

First United Methodist Church, Georgetown, Texas

Foursquare Gospel Church, Cedar Rapids, Iowa

Friedens United Church of Christ, Sumneytown, Pa.

Good Samaritan Community Covenant Church  
(Evangelical Covenant Church), Valley Springs, Calif.

Good Shepherd Lutheran Church (ELCA), Lawrence, Kan.

Good Shepherd United Church of Christ, Sahuarita, Ariz.

Grace and Peace Fellowship (Presbyterian Church  
in America), St. Louis, Mo.

Grace Episcopal Church of Chicago

Grace Evangelical Lutheran Church (ELCA),  
Des Moines, Iowa

Grace Presbyterian Church (PCUSA), Fort Mill, S.C.

Grace United Church of Christ, Lancaster, Ohio

Greeneville (Tenn.) Cumberland Presbyterian Church

Heritage Presbyterian Church (PCUSA), Benicia, Calif.

Holy Trinity Episcopal Church, Greensboro, N.C.

Holy Trinity Episcopal Church, Iron Mountain, Mich.

Hopewell Presbyterian Church (PCUSA),  
Huntersville, N.C.

Hosanna Lutheran Church (Lutheran Church/Missouri  
Synod), Littleton, Colo.

Immanuel Presbyterian Church (PCUSA), Tucson, Ariz.

Korean Presbyterian Church (PCUSA), Tuscaloosa, Ala.

Lamb of God Lutheran Church (ELCA),  
Fort Myers, Fla.

Las Placitas (N.M.) Presbyterian Church (PCUSA)

Lexington (Va.) Presbyterian Church (PCUSA)

Lovely Lane United Methodist Church,  
Cedar Rapids, Iowa

Lutheran Church of the Nativity (ELCA), Arden, N.C.

McMinnville (Ore.) Covenant Church  
(Evangelical Covenant Church)

Mechanic Grove Church of the Brethren, Quarryville, Pa.

Messiah Evangelical Lutheran Church (ELCA),  
Mountain Iron, Minn.

Morgantown (W.Va.) Church of the Brethren

Most Holy Trinity Roman Catholic Church, Brooklyn, N.Y.

Mount Hope Congregational Church  
(National Association of Congregational Christian  
Churches), Livonia, Mich.

## RELIGION DIVISION AND LEADERSHIP EDUCATION GRANTS

DOLLAR AMOUNT APPROVED IN 2002

Mount Moriah Baptist Church  
(National Baptist Convention), Spartanburg, S.C.

Mountain Community Mennonite Church,  
Palmer Lake, Colo.

Mountain View Presbyterian Church (PCUSA),  
Marysville, Wash.

Olivet Congregational Church of Merriam Park  
(United Church of Christ), St. Paul, Minn.

Olivet Lutheran Church (ELCA), Fargo, N.D.

Ortega United Methodist Church, Jacksonville, Fla.

Our Saviour's Lutheran Church (ELCA), Lincoln, Neb.

Park Place Christian Church (Disciples of Christ),  
Wichita Falls, Texas

Peace Christian Reformed Church, Cedar Rapids, Iowa

Peace Lutheran Church (ELCA), Palm Bay, Fla.

Phinney Ridge Lutheran Church (ELCA), Seattle

Plymouth Congregational Church (United Church  
of Christ), Minneapolis

Presbyterian Church in Chinatown (PCUSA),  
San Francisco

Presbyterian Church of Liberty Corner (PCUSA), N.J.

Presbyterian Church of Sequim (PCUSA), Wash.

Prince of Peace Lutheran Church (ELCA),  
Eagle River, Wis.

Prince of Peace Lutheran Church (ELCA),  
Saratoga, Calif.

Providence Presbyterian Church (PCUSA),  
West Columbia, S.C.

Pulaski Heights Baptist Church (Southern Baptist  
Convention), Little Rock, Ariz.

Reedville Presbyterian Church (PCUSA),  
Aloha, Ore.

Reformed Church of the Thousand Isles,  
Alexandria Bay, N.Y.

Resurrection Lutheran Church (ELCA),  
Franklin Park, Ill.

Resurrection Lutheran Church (Lutheran  
Church/Missouri Synod), Spring, Texas

Rivermont Avenue Baptist Church (autonomous),  
Lynchburg, Va.

Rocky River (Ohio) United Methodist Church

St. Andrew Lutheran Church (ELCA), Charlestown, R.I.

St. Andrew's Episcopal Church, Richmond, Va.

St. James Episcopal Church, Knoxville, Tenn.

St. John of the Cross Parish (Catholic),  
Western Springs, Ill.

St. John the Baptist Catholic Church, Mankato, Minn.

St. John's Episcopal Church, Westwood, Mass.

St. Joseph Church (Catholic), Red Lake Falls, Minn.

St. Joseph's Church (Catholic), Penfield, NY

St. Katherine's Episcopal Church, Williamston, Mich.

St. Mark United Methodist Church, Los Angeles

St. Mark's Episcopal Church, Richmond, Va.

St. Mary Catholic Church, DeKalb, Ill.

St. Paul Evangelical Lutheran Church (ELCA),  
Arlington, Mass.

St. Paul's United Methodist Church, Stevens Point, Wis.

St. Philip Lutheran Church (ELCA), Raleigh, N.C.

Seventh Avenue Presbyterian Church of  
San Francisco (PCUSA)

Summit Mennonite Church, Barberton, Ohio

Transfiguration Church (Episcopal), Silver Spring, Md.

Trinity Evangelical Lutheran Church (ELCA),  
Charleston, W.Va.

Trinity Lutheran Church (Lutheran Church/Missouri  
Synod), Baton Rouge, La.

Trinity United Methodist Church, Austin, Texas

Union Congregational Church (United Church of Christ),  
East Bridgewater, Mass.

United Church of Santa Fe  
(United Church of Christ), N.M.

United First Parish Church in Quincy  
(Unitarian Universalist), Mass.

Vestry of Redeemer Parish (Episcopal), Bethesda, Md.

Vine Congregational Church (United Church of Christ),  
Lincoln, Neb.

Vineyard Christian Fellowship-Westside,  
Los Angeles

Westminster United Presbyterian Church (PCUSA),  
Jackson, Mich.

Wheatland Salem United Methodist Church,  
Naperville, Ill.

Woodmont Christian Church (Disciples of Christ),  
Nashville, Tenn.

York Center Church of the Brethren, Lombard, Ill.

Zion Lutheran Church of Blackduck (ELCA), Minn.



## RELIGION DIVISION AND LEADERSHIP EDUCATION GRANTS

DOLLAR AMOUNT APPROVED IN 2002

### Sustaining Pastoral Excellence Programs

Effort to focus attention and energy on maintaining high caliber of country's pastoral leaders

(47 grants ranging from \$252,355

to \$2,000,000)

57,829,873

Akron (Ohio) Area Association of Churches

American Baptist Assembly, Green Lake, Wis.

American Baptist Board of Education and Publication, Valley Forge, Pa.

Ashland (Ohio) University

Asociacion para la Educacion Teologica Hispana, Austin, Texas

Auburn Theological Seminary, New York

Austin (Texas) Presbyterian Theological Seminary

Benedict Inn Retreat and Conference Center, Beech Grove/Indianapolis

Board of Church Extension of Disciples of Christ, Indianapolis

Boston University

Center for New Community, Oak Park, Ill.

Christian Reformed Church in North America Grand Rapids, Mich.

Church of God Ministries, Anderson, Ind.

Church of God School of Theology, Cleveland, Tenn.

Church of the Apostles, Lexington, Ky.

Columbia Theological Seminary, Decatur, Ga.

Cooperative Baptist Fellowship, Atlanta

Dominican House of Studies, Washington

Emmanuel Gospel Center, Boston

Episcopal Divinity School, Cambridge, Mass.

Foundation for the Mid South, Jackson, Miss.

Lott Carey Baptist Foreign Mission Society, Washington

Louisiana Annual Conference of the United Methodist Church, Baton Rouge

Massachusetts Conference of the United Church of Christ, Framingham

Memphis (Tenn.) Theological Seminary of the Cumberland Presbyterian Church

Millsaps College, Jackson, Miss.

Minnesota Annual Conference of the United Methodist Church, Minneapolis

National Association for Lay Ministry, Chicago

North Alabama Conference, United Methodist Church, Birmingham, Ala.

Oblate School of Theology, San Antonio, Texas

Princeton (N.J.) Theological Seminary

Protestant Episcopal Theological Seminary in Virginia, Alexandria

Roman Catholic Diocese of Tulsa, Okla.

St. John's University School of Theology, Collegeville, Minn.

St. Mary's Seminary and University, Baltimore

St. Paul's Monastery, St. Paul, Minn.

Samford University, Birmingham, Ala.

Seattle University School of Theology and Ministry

Triangle Pastoral Counseling, Raleigh, N.C.

Union Theological Seminary and Presbyterian School of Christian Education, Richmond, Va.

United Methodist Center (State Headquarters), Little Rock, Ark.

University of Notre Dame, Ind.

Upper Room, Nashville, Tenn.

Upstate New York Synod of the Evangelical Lutheran Church in America, Syracuse

Western Theological Seminary of the Reformed Church in America, Holland, Mich.

Westminster Theological Seminary in California, Escondido

Yale University, New Haven, Conn.

### Programs for the Theological Exploration of Vocation

Programs to support the establishment of theological vocational exploration programs at selected colleges and universities

(50 planning grants ranging from

\$25,000 to \$50,000)

2,370,006

(39 implementation grants ranging from

\$1,476,178 to \$2,000,000)

76,830,726

### Planning grants

Alverno College, Milwaukee

Anderson (Ind.) University

Asbury College, Wilmore, Ky

Augustana College, Rock Island, Ill.

Azusa (Calif.) Pacific University

Bluffton (Ohio) College

Brescia College, Owensboro, Ky.

Butler University, Indianapolis

Cardinal Stritch College, Milwaukee

## RELIGION DIVISION AND LEADERSHIP EDUCATION GRANTS

DOLLAR AMOUNT APPROVED IN 2002

Catawba College, Salisbury, N.C.  
 Claflin University, Orangeburg, S.C.  
 College of St. Benedict, St. Joseph, Minn.  
 College of Wooster, Ohio  
 Covenant College, Lookout Mountain, Ga.  
 Creighton University, Omaha, Neb.  
 Denison University, Granville, Ohio  
 Dordt College, Sioux City, Iowa  
 Elmhurst (Ill.) College  
 Evangel University, Springfield, Mo.  
 Franklin (Ind.) College  
 Geneva College, Beaver Falls, Pa.  
 Gordon College, Wenham, Mass.  
 Hamline University, St. Paul, Minn.  
 Hastings (Neb.) College  
 Hellenic College, Brookline, Mass.  
 Hiram (Ohio) College  
 Hope College, Holland, Mich.  
 Johnson C. Smith University, Charlotte, N.C.  
 Lee University, Cleveland, Tenn.  
 Manhattan College, Riverdale, N.Y.  
 Marian College, Indianapolis  
 Milligan (Tenn.) College  
 Mount St. Mary's College, Emmitsburg, Md.  
 Northwestern College, Orange City, Iowa  
 Occidental College, Los Angeles  
 Ohio Wesleyan University, Delaware, Ohio  
 Our Lady of the Lake University of San Antonio  
 Pacific Lutheran University, Tacoma, Wash.  
 Point Loma Nazarene University, San Diego  
 St. Bonaventure (N.Y.) University  
 St. Olaf College, Northfield, Minn.  
 Samford University, Birmingham, Ala.  
 Santa Clara (Calif.) College  
 Seton Hall University, South Orange, N.J.  
 Simpson College, Indianola, Iowa  
 Spelman College, Atlanta  
 Warren Wilson College, Asheville, N.C.  
 Wartburg College, Waverly, Iowa  
 Washington and Lee University, Lexington, Va.  
 Wheaton (Ill.) College

### Implementation grants

Asbury College, Wilmore, Ky.  
 Augustana College, Rock Island, Ill.  
 Azusa (Calif.) Pacific University  
 Bluffton (Ohio) College  
 Butler University, Indianapolis  
 Cardinal Stritch College, Milwaukee  
 Catawba College, Salisbury, N.C.  
 Claflin University, Orangeburg, S.C.  
 College of St. Benedict, St. Joseph, Minn.  
 College of Wooster, Ohio  
 Covenant College, Lookout Mountain, Ga.  
 Creighton University, Omaha, Neb.  
 Denison University, Granville, Ohio  
 Dordt College, Sioux City, Iowa  
 Elmhurst (Ill.) College  
 Evangel University, Springfield, Mo.  
 Geneva College, Beaver Falls, Pa.  
 Gordon College, Wenham, Mass.  
 Hamline University, St. Paul, Minn.  
 Hastings (Neb.) College  
 Hellenic College, Brookline, Mass.  
 Hope College, Holland, Mich.  
 Lee University, Cleveland, Tenn.  
 Marian College, Indianapolis  
 Milligan (Tenn.) College  
 Mount St. Mary's College, Emmitsburg, Md.  
 Northwestern College, Orange City, Iowa  
 Occidental College, Los Angeles  
 Ohio Wesleyan University, Delaware, Ohio  
 Our Lady of the Lake University of San Antonio  
 Pacific Lutheran University, Tacoma, Wash.  
 St. Bonaventure (N.Y.) University  
 St. Olaf College, Northfield, Minn.  
 Samford University, Birmingham, Ala.  
 Santa Clara (Calif.) College  
 Seton Hall University, South Orange, N.J.  
 Simpson College, Indianola, Iowa  
 Spelman College, Atlanta  
 Wartburg College, Waverly, Iowa

## RELIGION DIVISION AND LEADERSHIP EDUCATION GRANTS

DOLLAR AMOUNT APPROVED IN 2002

### Theological Programs for High School Youth 2001/2002

Seminary- and divinity-school-based programs to provide opportunities for high-school-age young people to engage in theological study and inquiry

(16 implementation grants ranging from \$591,659 to \$2,000,000) 25,325,928

Associated Mennonite Biblical Seminary, Elkhart, Ind.  
Azusa (Calif.) Pacific University  
Baptist Theological Seminary at Richmond, Va.  
Catholic Theological Union at Chicago  
Chicago Theological Seminary  
Christian Theological Seminary, Indianapolis  
Eastern Mennonite University, Harrisonburg, Va.  
Iliff School of Theology, Denver  
Interdenominational Theological Center, Atlanta  
Lutheran School of Theology at Chicago  
Lutheran Theological Seminary at Gettysburg, Pa.  
Mennonite Brethren Biblical Seminary, Fresno, Calif.  
Pacific School of Religion, Berkeley, Calif.  
Queen's Theological College, Kingston, Ontario  
St. Paul School of Theology, Kansas City, Mo.  
Southern Methodist University, Dallas

### Transition-into-Ministry II

Program for selected churches and organizations to help new pastors make the transition from seminary student to pastoral leader

(8 grants ranging from \$774,745 to \$1,600,000) 7,316,076

Charles Street AME Church (African Methodist Episcopal), Roxbury, Mass.  
Church of the Servant (Christian Reformed Church), Grand Rapids, Mich.  
Concord Baptist Church of Christ (Progressive National Baptist Convention and American Baptist Churches), Brooklyn, N.Y.  
Diocese of Chicago (Episcopal)  
National City Christian Church (Disciples of Christ), Washington  
St. James' Church (Episcopal), New York  
Wellesley (Mass.) Congregational Church (United Church of Christ)  
Wilshire Baptist Church (Cooperative Baptist Fellowship), Dallas

### LEADERSHIP EDUCATION

#### ARNOVA (Association for Research on Nonprofit Organizations and Voluntary Action)

Indianapolis, IN

General operating support 225,000

#### Foundation Center

New York, NY

General operating support 125,000

#### Indiana Grantmakers Alliance

Indianapolis, IN

Recognition program for nonprofit organizations 10,000

#### National Center for Black Philanthropy

Washington, DC

Partial support for a national conference on black philanthropy 30,000

**Subtotal - Religion Division Grants 233,457,403**

**Subtotal - Leadership Education Grants 390,000**

Religion Division Discretionary Grants 82,500

**Total - Religion Division and Leadership Education Grants 233,929,903**

**Grand Total - All Divisions 649,216,437**

Incentive Grants for Employee Giving 8,891,515

Total - All Grants Approved\* 658,107,952

\*Reconciliation to financial statements

To reconcile the total of all grants approved with the Financial Statements the following adjustments must be made:

Adjustments for decommitments (8,019,987)

Adjustments for refunds (14,760,451)

**Net Total - Grant Approvals 635,327,514**



## GUIDELINES & PROCEDURES

Lilly Endowment receives several thousand grant requests each year, but we can fund only a small percentage of many worthwhile proposals. These guidelines, formulated over the years by our founders and the Endowment's Board of Directors, govern our grantmaking decisions.

### Areas of interest

We consider proposals in three program areas: community development, education and religion. We also are interested in initiatives that benefit youth, that foster leadership education among nonprofit institutions, and that promote the causes of philanthropy and volunteerism.

### Community Development

Our community development grantmaking focuses primarily on the quality of life in Indianapolis and Indiana, and we grant funds for human/social needs, central-city and neighborhood revitalization, low-income housing, and arts and culture in Indianapolis. We also support amateur athletics and fitness organizations, facilities and programs that help advance the city's economic revitalization and community recreational opportunities.

On a statewide level, we provide major support for the development of the endowments of community foundations and the advancement of United Ways.



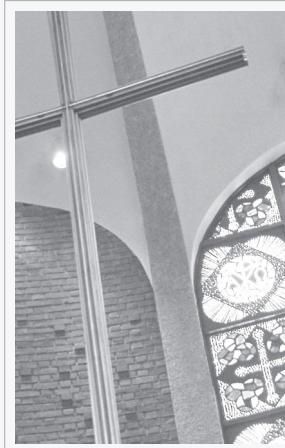
### Education

Our education grantmaking revolves primarily around our interest in improving education in Indiana, with special emphasis on higher education and on programs designed to increase the number of Indiana residents with bachelor's degrees. We support a

number of invitational grant programs, many of which are aimed at Indiana's colleges' and universities' abilities to increase the state's educational attainment level. We also support programs that increase access to higher education by African Americans, Native Americans and Hispanic Americans.

### Religion

Our primary aim in this field is to deepen and enrich the religious lives of American Christians, principally by supporting efforts to encourage, support and educate a new generation of talented pastors and to strengthen current pastors in their capacities for excellence in ministry. We seek to help congregations be vibrant, healthy communities of faith, and we encourage efforts that make available and accessible the wisdom of the Christian tradition for contemporary life. We support seminaries, theological schools and other educational and religious institutions that share these aims. We also support projects that strengthen the contributions which religious ideas, practices, values and institutions make to the common good of our society.



### Youth, Leadership Education, and Fund-raising and Philanthropy

Besides grantmaking in our three principal areas of community development, education and religion, the Endowment also awards grants in support of youth development, leadership education, and fund-raising and philanthropy.

Our youth grants support direct-service organizations in central Indiana, build the capacity of intermediary organizations throughout the state and provide professional development for the staffs and volunteer leadership of these organizations.

In leadership education, we seek to support and nurture good stewardship among the trustees and executives of the types of charitable organizations we primarily serve by funding scholarship on the characteristics of able trusteeship and good governance of nonprofit organizations.

On a limited basis, we also support programs (nationally and in Indiana) to increase charitable giving among Americans. We fund efforts to create

a body of reliable knowledge about giving and fund-raising and to encourage the scholarly pursuit of the subject.

### **Geographic priorities**

In keeping with the founders' wishes, the Endowment gives priority to efforts that improve the quality of life in Indianapolis and Indiana. This priority applies to grants for community development and elementary/secondary education (exceptions include occasional funding for national programs that complement or relate to our work in Indiana).

The Endowment's interest in higher education extends to Indiana colleges and universities and to historically black colleges nationwide. Grants to other institutions of higher learning outside Indiana generally are restricted to programs offered by the Endowment on an invitational basis.

Our work in religion is national in scope, as is our support for leadership education.

Grants for international purposes are limited to a small number of disaster-relief efforts and to a few United States-based economics and public policy programs affecting North and South American countries.



### **Limitations**

The Endowment generally does not support the following:

- **Loans or cash grants to private individuals.** Most grant money is awarded to charitable entities. We do not assist individuals with personal or business-related finances.
- **Health-care projects.**
- **Mass media projects.** The Endowment does not typically fund mass media projects and limits consideration to projects that fall squarely within our specific program areas.

■ **Endowments or endowed chairs.** The Endowment targets its grants for specific purposes. Except in unusual cases involving long-standing grantees or special initiatives, we do not contribute to endowments or endowed chairs.

■ **Libraries.** Except for special initiatives, the Endowment regularly declines grants to public libraries outside Marion County, Ind. Library grants to universities generally are confined to the state of Indiana and to invitees under certain Endowment grant initiatives.

■ **Outside Indiana.** Requests usually are declined for building campaigns, elementary/secondary education, arts and culture, human service projects, general operating funds and neighborhood projects (except as part of invitational grant programs).

### **Application process**

If you believe your charitable organization has a request that fits within our guidelines, we suggest that you write us a preliminary letter of no more than two pages. The letter should tell us about your organization, the project you have in mind and the amount of support you will need from us. We respond in writing to all preliminary inquiries. In cases that warrant further consideration, we may ask you to furnish a full proposal.

### **Approval process**

A program director generally reviews grant proposals. Those that meet the criteria for consideration proceed to the appropriate division or committee for review, then to the corporate officers, and finally to members of the Board of Directors. The Board of Directors considers grants in February, March, May, June, July, September, November and December. The grant-review process takes three to six months. All grantseekers receive written notification of our decisions.

*Please direct correspondence to:*



Program Office  
Lilly Endowment Inc.  
2801 N. Meridian St.  
P.O. Box 88068  
Indianapolis, IN 46208-0068  
Telephone 317/924-5471  
Fax 317/926-4431



## ACKNOWLEDGMENTS

### DESIGN & PRODUCTION

Stahl Partners Inc

### WRITING

Holly G. Miller

Alicia Dean Carlson

### PHOTOGRAPHY

Chris Minnick

### EDITING

Jean B. Rose  
Contributing Editor

### PRINTING

Mossberg & Company Inc.

Gordon Englehart  
Copy Editor

*Things seems to take a turn for the worse for little Clara Turner, at play on a Saturday afternoon in her soon-to-be redecorated bedroom in her family's new Indianapolis home.*

### CREDITS

*pages 7 and 17: Photos courtesy of the Salvation Army*

*page 52: Photo courtesy of United Methodist Church, Arkansas Area*





**Please direct correspondence to:**

Program Office  
Lilly Endowment Inc.  
2801 N. Meridian St.  
P.O. Box 88068  
Indianapolis, IN 46208-0068  
Telephone 317/924-5471  
Fax 317/926-4431