

Foundation Grantmaking in Indiana

(includes independent, corporate, and community foundations)

Sponsored by Indiana Grantmakers Alliance

Researched and written by

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Indiana foundations made an estimated \$964.9 million in grants in 2005, the most recent year for which complete data are available. This includes independent, community, and corporate foundations. Nearly half (47%) of the amount donated (\$450.1 million) went to educational organizations, including many institutions of higher education. Giving to education includes grants from Lilly Endowment Inc. and Lumina Foundation for Education. Another \$136.6 million, or 14 percent of grant dollars, went to human services organizations such as food banks, shelters, and the American Red Cross.

Public-society benefit charities received \$126.6 million from Indiana foundations (13% of grant dollars). This type of charity includes the United Way, community development initiatives, leadership programs and other organizations.

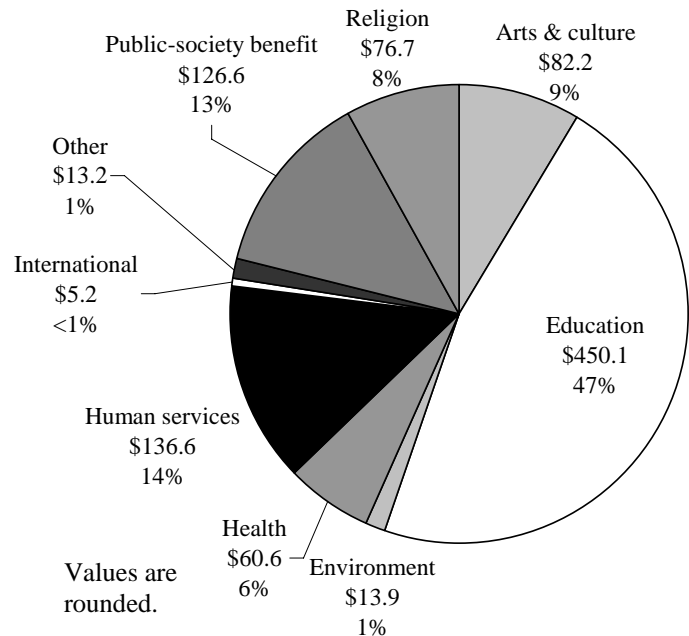
International aid nonprofits and environmental groups each received 1 percent or less of Indiana grant dollars.

The average grant size statewide was \$46,029, and varies considerably across different regions.

Average and Median Grant Size by Location

Region	Mean	Median
Central	\$82,650	\$4,300
East Central	\$23,430	\$1,000
Northeast	\$17,710	\$4,000
Northwest	\$21,395	\$4,000
South Central	\$18,524	\$5,390
Southwest	\$9,850	\$4,000
Southeast	\$19,683	\$1,000
West Central	\$5,444	\$2,000
Indiana w/ Lilly Endowment	\$46,029	\$4,000
Indiana w/o Lilly Endowment	\$26,684	\$4,000

Indiana Foundation Grantmaking by Type of Recipient, 2005
\$964.9 million Total Estimated Grantmaking
(Dollars in millions)



The highest average grant amount was \$82,650 from Central Indiana foundations. Even when grants from Lilly Endowment—the state’s largest foundation and the sixth largest in the nation in 2005—are excluded, the Central Indiana average grant size is above that of other regions. Central Indiana grantmaking reflects high foundation assets in the state’s largest metropolitan area.

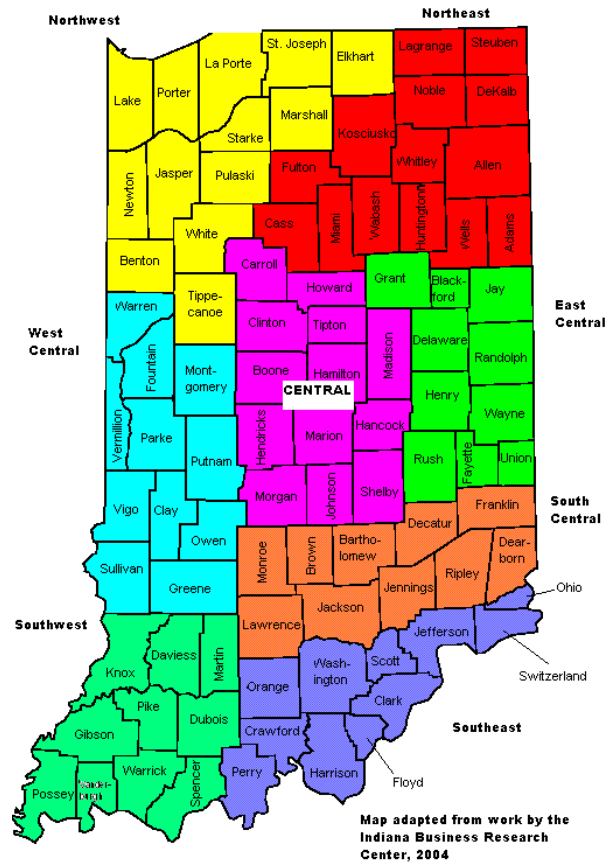
Grants from the Southwest and the West Central regions averaged \$9,850 and \$5,444, respectively. These are the two lowest average grant amounts for Indiana regions. A map showing the regions appears on the next page.

This study uses eight regions in Indiana, which range from highly developed Central Indiana and northern Indiana to more rural counties such as Orange, Spencer, and Perry in the south. The region of the foundation is used, not the region of the recipient.

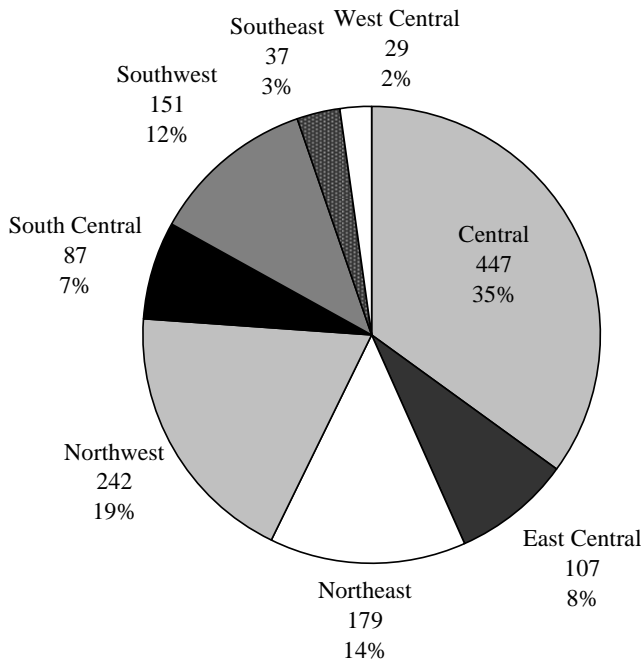
This study focuses on paid grants in 2005. Data were collected from IRS Forms 990 (for community foundations) and 990-PF for private (independent and corporate) foundations. Every effort was made to identify every foundation and to enter a record for each grant of \$4,000 or more. A sample was used for grants of less than \$4,000. Some elements of this report use only the record of grants of \$4,000 or more. These are noted.

Each Indiana county has a community foundation or a fund within a community foundation, reflecting contributions from donors throughout the state and investments by Lilly Endowment.

In five Indiana regions, community foundation giving accounts for 20 percent or more (twice the national rate) of the grant dollars awarded. Community foundations nationally contribute 10 percent of the grant dollars. Statewide, community foundations account for 8 percent of total dollars awarded.



Distribution of Indiana Foundations by Region, 2005 (1,279 foundations)



Grants from 1,279 Indiana independent, community, and corporate foundations totaled \$964.9 million in 2005. Just over one-third of those foundations are in Central Indiana. Another 14 percent are located in Northwest Indiana and 19 percent in Northeast Indiana. West Central Indiana recorded 29 grantmaking foundations in 2005, the lowest number for all Indiana regions. The West Central foundations accounted for 2 percent of Indiana foundations.

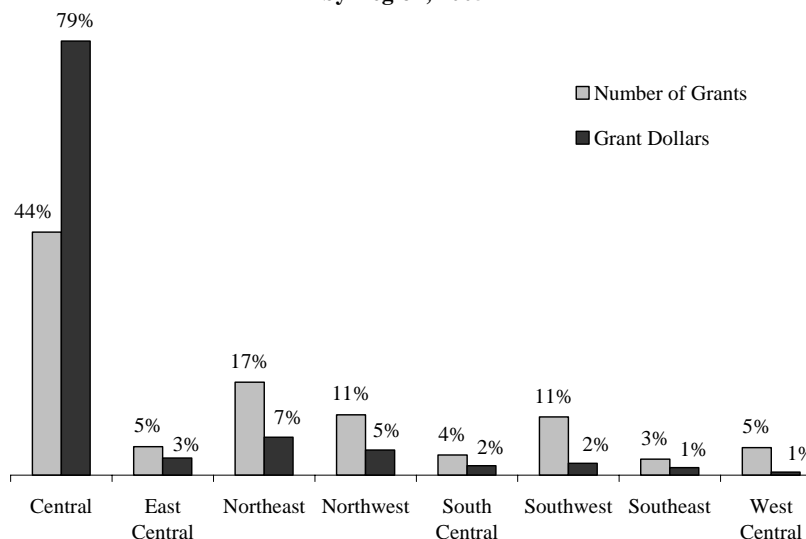
Types of foundations: Independent foundations have a principal fund managed by trustees or directors who serve the public good primarily by making grants to other nonprofit organizations. Corporate foundations are a type of private foundation that is funded by companies. Community foundations raise funds from the public and engage community representatives to identify priorities.

Independent foundations gave 82 percent of the grant dollars awarded statewide, or an estimated \$793 million. Community foundations granted 8 percent (\$74.8 million) of the total and corporate foundations gave 10 percent (\$96.8 million). There were regional variations, with independent foundation grantmaking the highest in Central Indiana (88 percent) and community foundation grantmaking highest in Southwest Indiana (44 percent). Regional reports that accompany this summary present more information about grantmaking in each region.

While 35 percent of foundations are located in Central Indiana, these foundations gave 44 percent of the number of grants and 79 percent of grant dollars.

Lilly Endowment Inc. accounted for \$427.5 million in grant dollars (44 percent of the state total). When the Endowment is excluded, total Indiana grant dollars were \$537.4 million. Central Indiana grantors awarded 63 percent of that amount.

Distribution of Indiana Grantmaking by Region, 2005



Foundations located in Northeast Indiana made 17 percent of grants, accounting for 7 percent of grant dollars. This is the region with the second-largest share of Indiana grantmaking. The Northwest had 11 percent of the grants and 5 percent of grant dollars. Other regions each account for smaller shares of both the number and dollar value of grants.

68 percent of grant dollars stayed in Indiana in 2005. In all regions, the majority of grant dollars remained in the state. The average grant amount is lower for grants that stay in Indiana. Grants made in the state include many relatively small grants such as scholarships, awards to small human service agencies, and distributions from donor-advised funds to local charities.

Allocation of number of grants by location of recipient, grants \$4,000 and above

	Number	Average	Median
Indiana	6,000	\$82,956	\$11,242
U.S., not Indiana	2,434	\$92,600	\$20,000
Other country	30	\$90,126	\$15,000
Unreported and not identified during analysis*	1,186	\$13,145	\$7,500

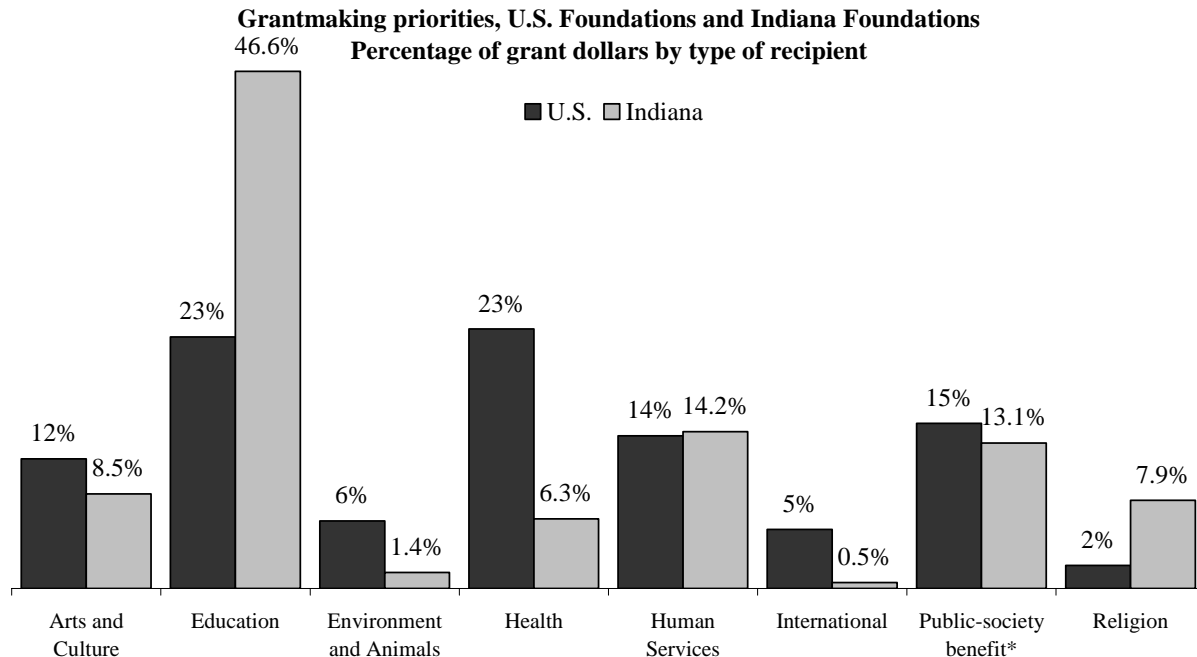
Allocation of grant dollars awarded by recipient location, by region

	Total	Central	East	North-east	North-west	South Central	South-west	South-east	West Central
Indiana	68%	65%	79%	80%	79%	74%	80%	84%	88%
U.S., not Indiana	26%	34%	14%	15%	16%	18%	19%	14%	7%
Other country	0%	0%	0%	0%	0%	2%	0%	0%	0%
Unreported; not identified*	6%	1%	7%	5%	5%	6%	1%	2%	5%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

* It is highly probable that most grants in this category are to Indiana organizations. Some IRS Forms 990 did not list the location of the recipient. Some could be identified as Indiana organizations based on the name; when the recipient location could not be confirmed, it was coded in this group.

Indiana foundations gave more of their dollars to education—and less to health—than national foundations. Compared with giving priorities published by the Foundation

Center (based on a sample of grants of \$25,000 and above), Indiana foundations give a far higher share to education (47% compared with a national share of 23%) and a lower share to health (6% of Indiana foundations' giving and 23% of national grant dollars).



U.S. data: The Foundation Center, based on a sample of grants of \$25,000 and above. Indiana data: The Center on Philanthropy, based on grants \$4,000 and above and a sample of grants less than \$4,000.

*includes public affairs, science and technology, social sciences for U.S.

1% of Indiana grant dollars are not categorized by recipient.

Foundation grantmaking information is useful in a variety of ways for different people.

For example, people who create foundations or donate to an existing foundation find it helpful to know what types of charities are most frequently supported currently by Indiana foundations as they determine the purposes that their foundation will support.

Organizations seeking funds from foundations in a region of Indiana are likely to find it helpful to know the mean and median (mid-point) grant amounts as they consider how much to request.

Policy makers, who are in a position to inspire philanthropic gifts through initiatives such as the Neighborhood Assistance Program, will benefit

from understanding more about which regions have a strong base of assets in foundations and which might benefit from incentives.

This study is based on data for fiscal years beginning or ending in 2005 (2004-2005 or 2005-2006). Grant information came from IRS Forms 990-PF filed by independent and corporate foundations and IRS Forms 990 filed by community foundations. The information was accessed through Foundation Center, FoundationSearch.com, and Guidestar.org.

Data about foundation grantmaking have been available nationally since 1952. This is the second study focusing on Indiana and the first to cover the different regions served by Indiana Grantmakers Alliance.