



WELCOME

# Orientation

National Economic Challenges Facing  
Pastoral Leaders Initiative

February 1, 2024



Lilly Endowment Inc.  
A Private Philanthropic Foundation

# Lilly Endowment Inc.

Lilly Endowment Inc is an Indianapolis based, private philanthropic foundation.

The Endowment was 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 from their pharmaceutical business, Eli Lilly and Company.



Colonel Eli Lilly  
(1838-1898)



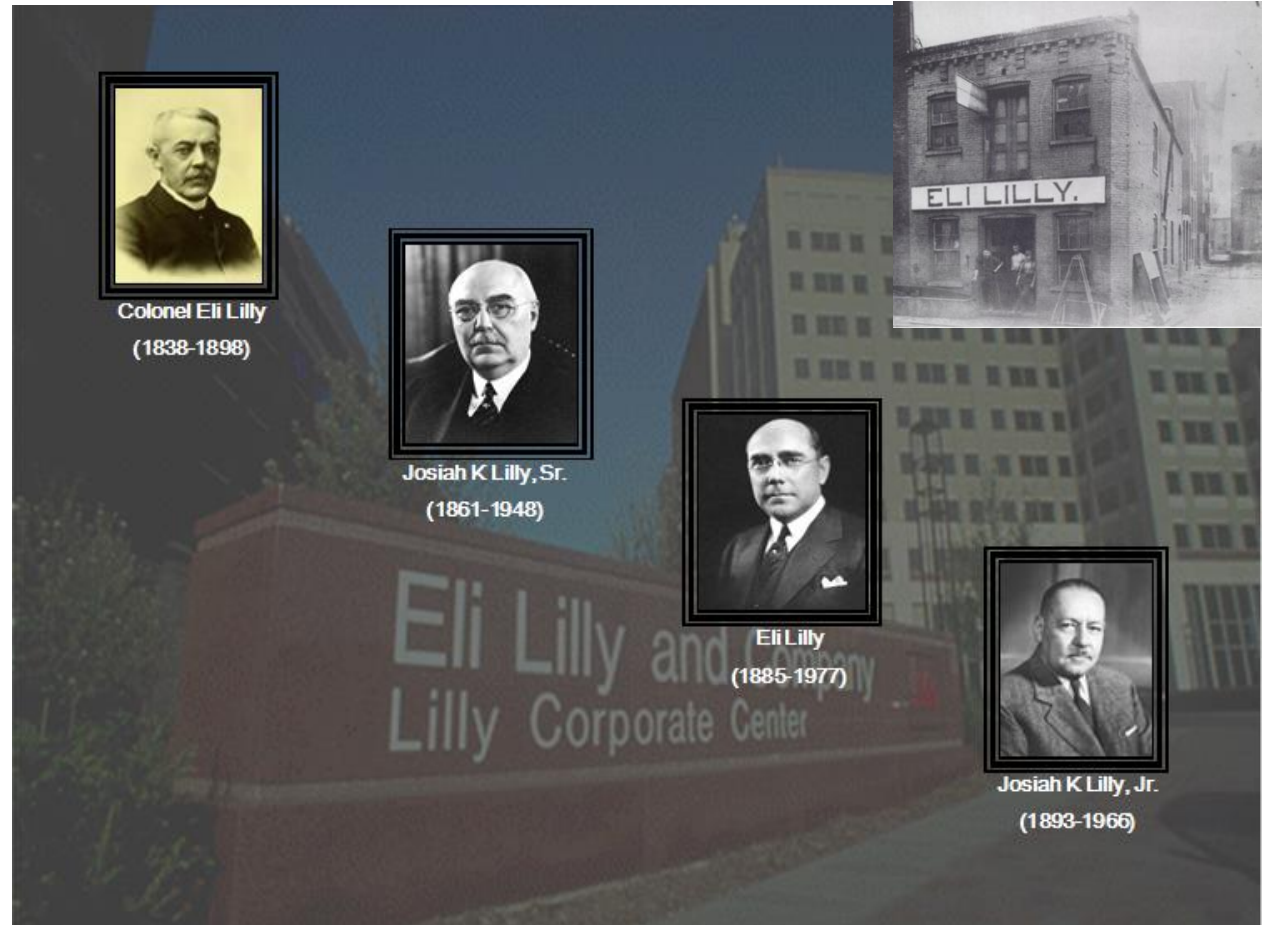
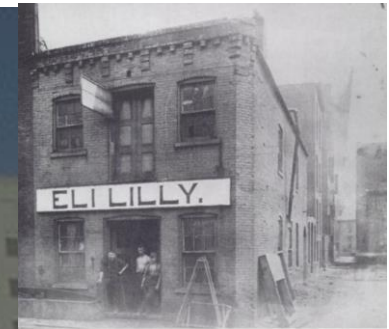
Josiah K Lilly, Sr.  
(1861-1948)



Eli Lilly  
(1885-1977)



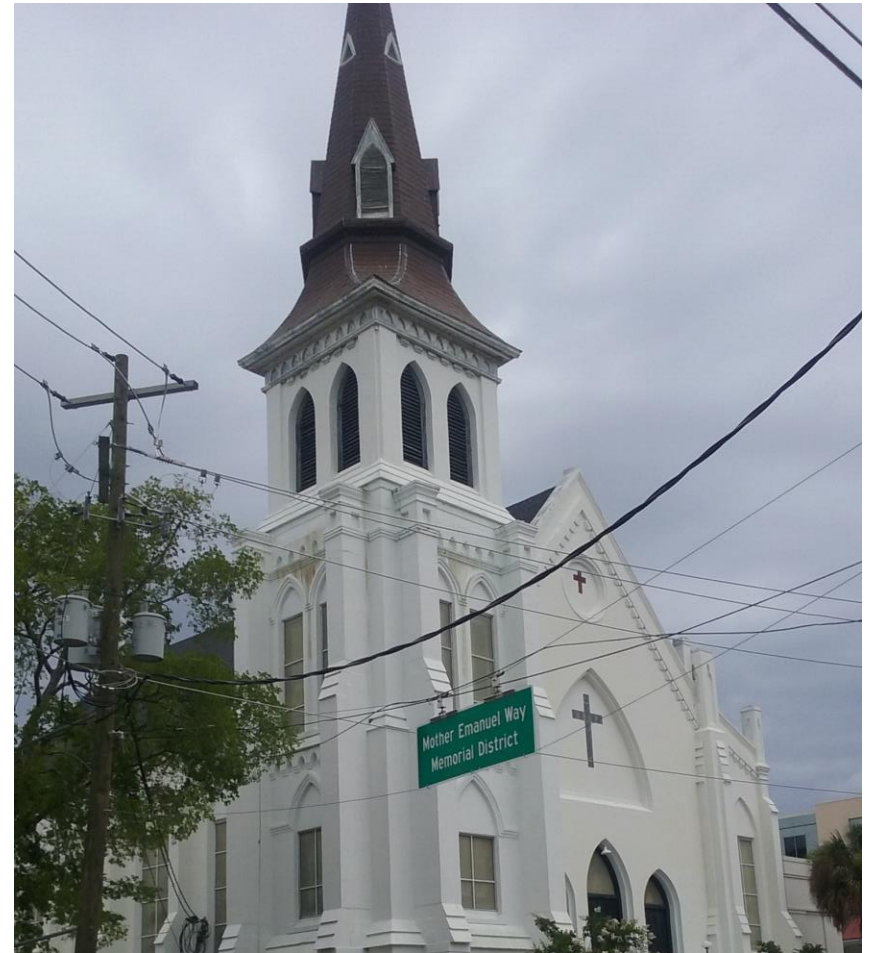
Josiah K Lilly, Jr.  
(1893-1966)



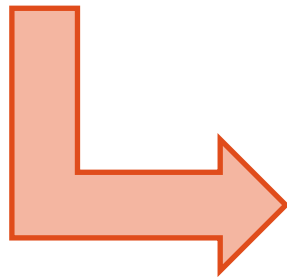
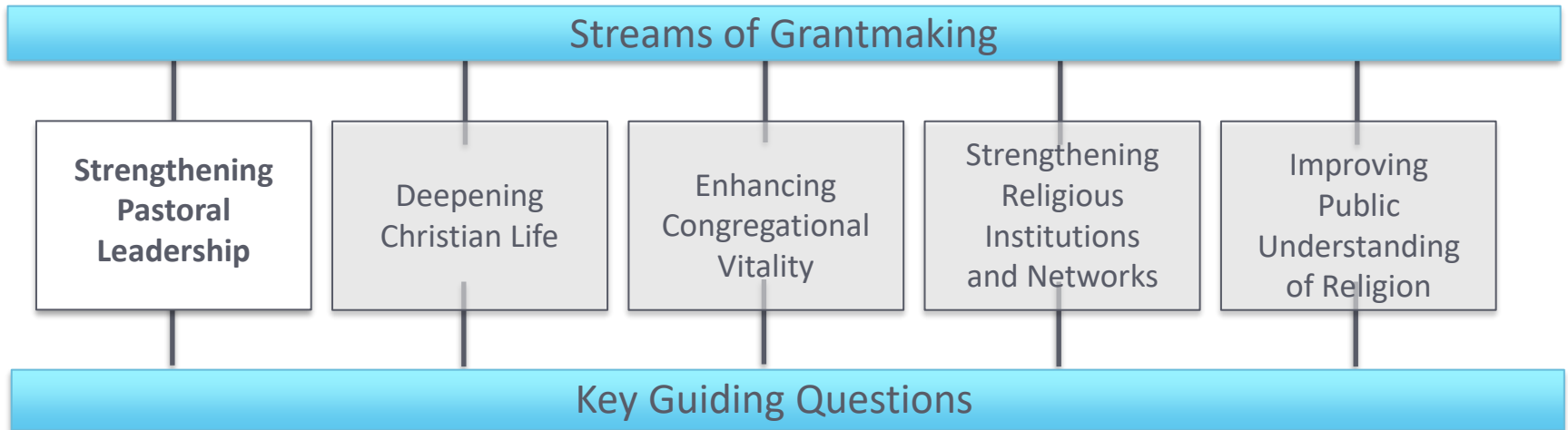
# Grantmaking in Religion

The principle aim of Lilly Endowment's grantmaking in religion is to deepen and enrich the lives of American Christians, primarily by seeking out and supporting efforts that enhance the vitality of congregations and strengthen the pastoral and lay leadership of Christian communities.

In addition, the Endowment seeks to improve public understanding of religion by supporting fair and accurate portrayals of the role religion plays in the United States and across the globe and thus increasing knowledge of and fostering greater understanding about diverse religious traditions.



# Grantmaking in Religion



- How can a new generation of talented pastors be identified, called forth, educated and prepared for faithful and effective leadership in Christian congregations?
- What fosters and sustains excellence in pastoral ministry?
- How can the leadership skills and capacities of current pastors be strengthened and sustained over time?



## Why Lilly Endowment Cares About Economic Challenges Facing Pastoral Leaders

- Financial burdens carried by pastoral leaders are significant barriers to effective, faithful and fruitful ministry.
- Personal financial literacy contributes to healthier and stronger pastoral leadership.
- Ministers who are capable of providing excellent financial and managerial leadership can make invaluable contributions to the health and vitality of ministry in the parishes they serve.
- Flourishing local congregations, with capable financial and managerial leadership from clergy and laity alike, can better fund ministries that share and participate in the generosity of God for all creation.



# Why Lilly Endowment cares about addressing economic challenges facing pastors

- Reluctant Steward in 1992 and Reluctant Steward Revisited in 2002
  - two-thirds of Protestant and Catholic pastors were not satisfied with their administrative and financial management skills
  - pastors believed money was an important part of spiritual life but did not feel comfortable preaching about it or managing church funds
  - 84% of Protestant and 94% of Catholic seminary presidents and deans felt courses in leadership, stewardship and management should be provided by someone else (i.e. judicatories, dioceses or free-standing institutions)
- Bishop Rick Foss developed a model that helped LEI pilot an initiative with Protestant middle judicatories in Indiana beginning in 2007. The pilot in many ways was the proto-type for the national initiative.



# Core Questions

- What *are* the economic challenges facing pastoral leaders?
- Whose economic challenges are they?
- What are the most effective strategies we can apply to address these challenges?



# Aims of the Initiative

- To assist invited national and regional church-related organizations in developing new or strengthening existing programs to reduce or alleviate some of the key financial pressures that inhibit effective pastoral leadership;
- To improve the financial literacy and management skills of pastoral leadership through educational programs and other efforts to increase their ability to provide capable fiscal leadership for the parishes and ministries under their care.





# ECFPL Initiative

2007 - 8

- Indiana Pilot (16 grants)

2012

- Theological Schools

2015

- 1<sup>st</sup> National Cohort (23 grants) +  
Resource organizations & Coordination  
Program (5 grants)

2016

- 2<sup>nd</sup> National Cohort (14 grants)

2018 -19

- Scaling & Sustainability (43 grants)

2021

- 3<sup>rd</sup> National Cohort (8 grants)



# ECFIP impact

- Financial literacy has improved
- Congregations and judicatories have a better understanding of their pastors' needs
- Conversations about faith and finances are no longer off limits
- Relationships between judicatories and their member churches have strengthened



## OVERVIEW OF THE ECFFM INITIATIVE

More than **\$16.5 million** from Lilly Endowment Inc. to **67** institutions

Impacting US theological schools in **27** states

Representing **27** denominations

Reaching **17,670** students

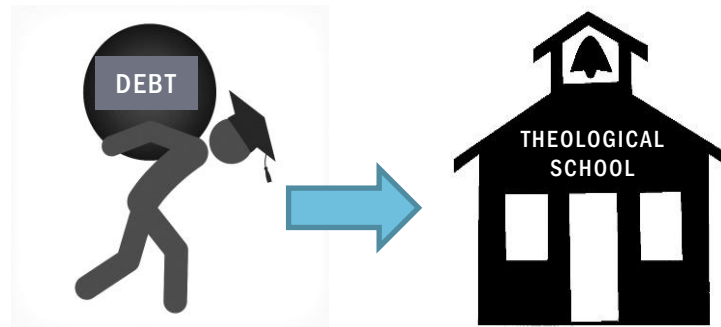


## Student loans: what they bring

47% bring student loans to theological school

\$32,600 average amount of loans brought

\$5,700 increase in average amount brought since 2008



Source: The ATS Entering Student Questionnaire, Fall 2018



# Student loans: total at graduation

**59%** graduate with student loans

**\$44,500** average amount student loans

**\$8,300** increase in average amount since 2008



Source: The ATS Graduating Student Questionnaire, Fall 2018



# Impact of debt on alums

Retirement?

In the first five years, among borrowers...

**38%** take an extra job

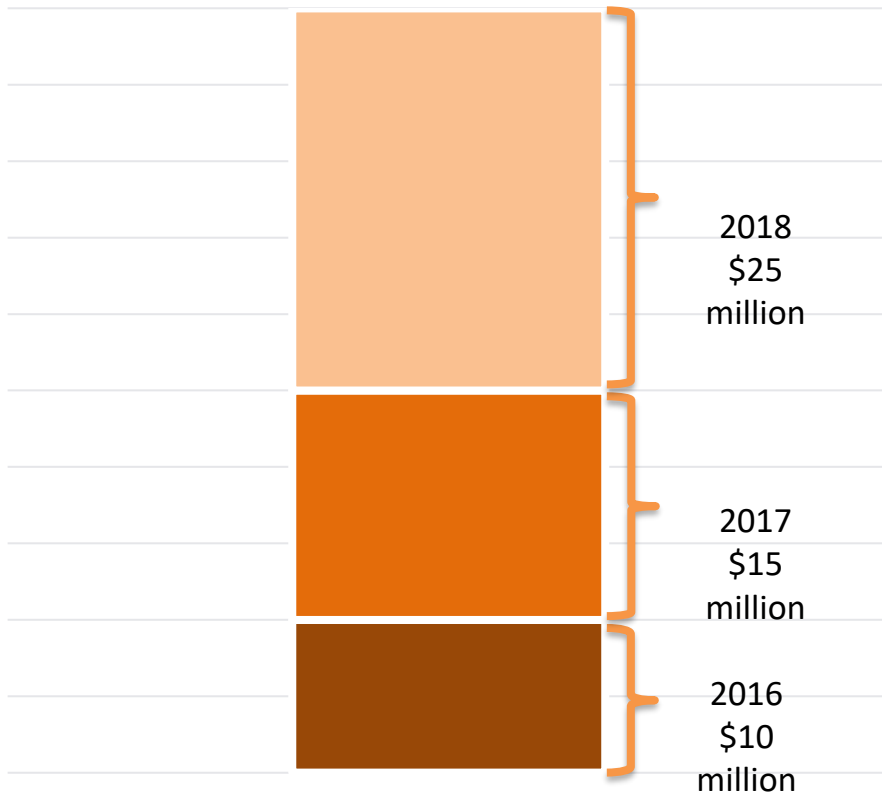
**33%** seek a higher paying job

**19%** postpone healthcare

Source: The ATS Mapping the Workforce Survey, 2016



# The Impact of the ECFFM Initiative



Estimated Amount of  
Student Loans  
NOT BORROWED  
since 2015:

~\$50 million

*Based on data from 60% of  
ATS schools...*

*It could be as much*

*as...  
\$75 million*

Source: The ATS Entering and Graduating Student Questionnaires (Masters graduates only) 2016 to 2018

“There appears to be a latent sense of guilt among pastors and their families about having financial concerns.... Pastors tend to blame themselves rather than their income level. They feel bad needing money....

Finances represent a ‘theological challenges’ for pastors. Their calling was to serve God and the church, so on one hand they believe that finances should in no way influence their work or life. On the other hand, financial needs and problems are very real in their lives. These needs and problems create very real tensions, stresses, and negative outcomes.”

Matt Bloom, “Well-Lived Pastoral Life,” The Flourishing in Ministry Project

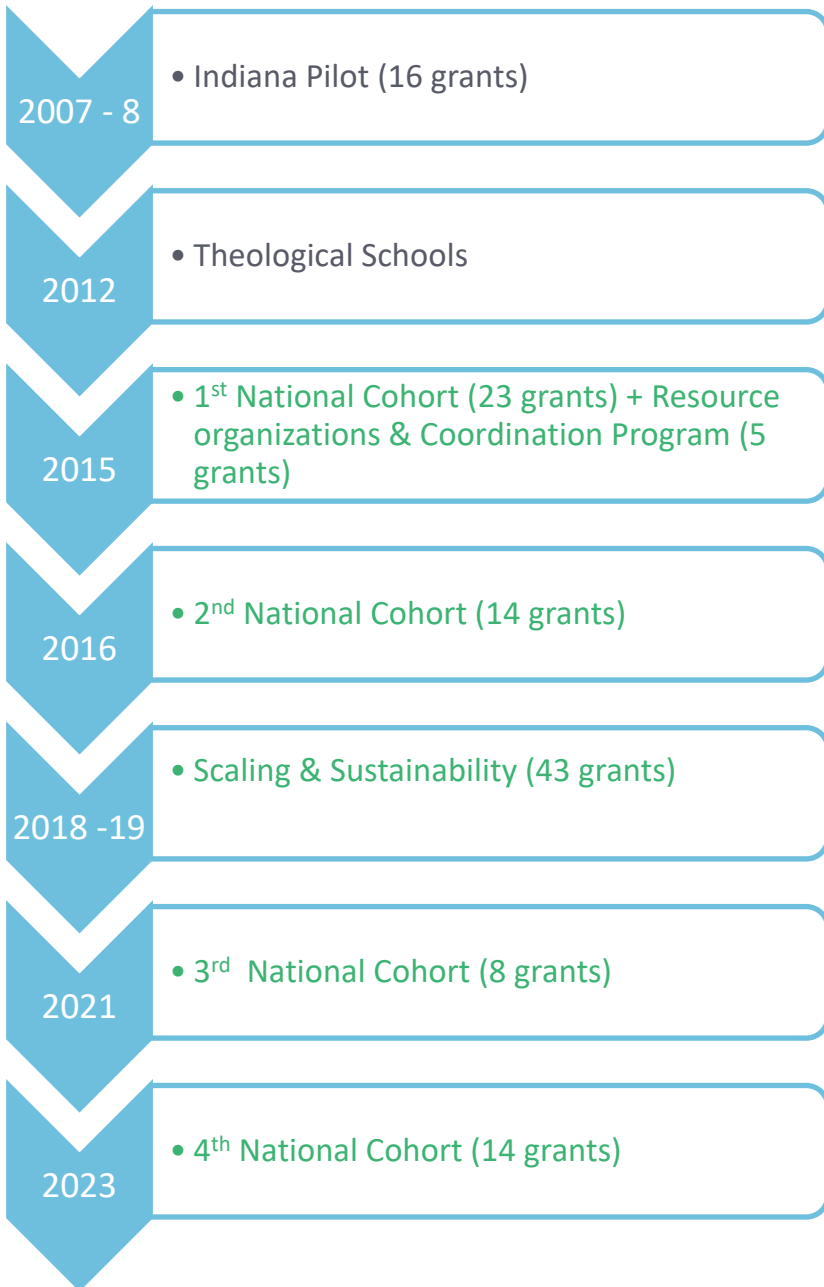
## Challenges to overcome

- Addressing psychological barriers
  - Understanding shame, blame, and anger
  - Breaking the code of silence
- Understanding cultural issues
  - The racial wealth gap
  - Prosperity gospel
- Addressing educational debt in isolation
  - Creating solutions that are not financially sustainable for the school
  - Needing to rebuild networks of support for theological schools and their students





# ECFPL Initiative



## Initiative Profile

- 64 programs representing a broad range of Christian traditions
- Touches well over 1/2 of congregations in U.S.
- Mix of institutions
  - Regional & National Judicatories
  - Denominations
  - Foundations and Pension Boards
  - Theological Schools
  - Church-Service Organizations



- Since 2015, the Endowment has invested in the National ECFPL initiative
- Gathering First Fruits Summit in January 2019 revealed much progress being made.

**We are learning...**



Addressing these challenges both  
upstream and downstream


**What are our hopes?**



# Address the Economic Challenges of Ministry

- To strengthen this nascent movement in formation
- Commitment to continuing the work





<sup>10</sup> He who supplies seed to the sower and bread for food will supply and multiply your seed for sowing and increase the harvest of your righteousness. <sup>11</sup> You will be enriched in every way for your great generosity, which will produce thanksgiving to God through us; <sup>12</sup> for the rendering of this ministry not only supplies the needs of the saints but also overflows with many thanksgivings to God. <sup>13</sup> Through the testing of this ministry you glorify God by your obedience to the confession of the gospel of Christ and by the generosity of your sharing with them and with all others, <sup>14</sup> while they long for you and pray for you because of the surpassing grace of God that he has given you. <sup>15</sup> Thanks be to God for his indescribable gift!

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2 Corinthians 9:10 - 15