



*The Role of*  
**Faith-Based Organizations**  
*in the Social Welfare System*

**A Report on the  
2003 Spring Research Forum**



# The Role of Faith-Based Organizations in the Social Welfare System

## The 2003 Spring Research Forum

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### About INDEPENDENT SECTOR

INDEPENDENT SECTOR is a nonprofit, nonpartisan coalition of more than 700 national organizations, foundations, and corporate philanthropy programs, collectively representing tens of thousands of charitable groups in every state across the nation. Its mission is to promote, strengthen, and advance the nonprofit and philanthropic community to foster private initiative for the public good.

Since its inception in 1980, INDEPENDENT SECTOR has been a leader in establishing research on the nonprofit sector by pioneering the first comprehensive study of nationwide giving and volunteering trends, helping to establish many academic centers that research and teach nonprofit studies, charting the size and scope of the nonprofit sector, and promoting dialogue between researchers and practitioners in the sector.

As part of its goal to stimulate lively exploration of the wider-ranging questions that might relate to our understanding and improvement of philanthropy, voluntary action, and not-for-profit enterprise, in 1983 INDEPENDENT SECTOR launched the Spring Research Forum, bringing together practitioners and researchers around important issues.

[www.IndependentSector.org](http://www.IndependentSector.org)

### About THE ROUNDTABLE ON RELIGION AND SOCIAL WELFARE POLICY

The Roundtable on Religion and Social Welfare Policy was established in the spring of 2002 by a grant from The Pew Charitable Trusts. The Roundtable is based at the Rockefeller Institute of Government, the public policy research arm of the State University of New York in Albany. Partnering with Rockefeller on the project are the George Washington University Law School and Search for Common Ground.

The Roundtable studies existing and developing policies related to religious social service providers at the federal, state, and local levels. Its mission is to assess and build upon extant research on the scope and efficacy of faith-based social services and to engage policymakers, religious and civic leaders, and the media in an informed, sustained discussion on whether and how best to involve faith-based and faith-affiliated institutions in meeting community needs.

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**The Roundtable**

on Religion and Social Welfare Policy

# Introduction

From small neighborhood congregations to large national service agencies, for decades faith-based organizations have played a vital role in helping America's most vulnerable populations. Today, some of our nation's top policymakers are seeking to expand that role—in large part by increasing access to government funding by faith-based entities. This has prompted a vigorous nationwide debate about the relationship between religion and government in the area of human service delivery.

What has been missing from the discussion to date, however, has been a sophisticated understanding of the nature of the role that faith-based organizations play in serving the needy in this country. What are they doing now? What are their strengths and weaknesses as social service providers? To what extent does faith itself play a role in their social service work? If government is going to partner more extensively with these organizations, what will make those partnerships effective? And what are the ramifications for organizations that provide services to these populations?

In an effort to begin finding answers to these and other questions, INDEPENDENT SECTOR and The Roundtable on Religion and Social Welfare Policy joined together to sponsor the 2003 Spring Research Forum, *The Role of Faith-Based Organizations in the Social Welfare System*. Held in early March 2003 in metropolitan Washington, D.C., the Forum convened hundreds of researchers, government officials, and religious and nonprofit sector leaders for two days of in-depth discussions of the latest research on the topic.

This report is based on the Spring Research Forum. Its goal is to provide an engaging overview of the issues and of what researchers are just beginning to understand about the role of faith-based organizations in social service delivery.

Our hope is that this report, like the Spring Research Forum itself, sheds new light on a subject that greatly needs it. We extend our deep appreciation to all of the participants in the forum for contributing to this important and ongoing discussion. We invite you to convene your own meetings and use this report as a basis for your discussions. And as always, we welcome your feedback.



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REV. J. BRYAN HEHIR  
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“My sense of the faith-based initiative is that it is a multidimensional reality that too often gets discussed in a unidimensional way.”  
—Rev. J. Bryan Hehir,  
Catholic Charities USA

## Religion, Politics, and the Public Interest

In a December 2002 speech in Philadelphia, President George W. Bush made it abundantly clear that the pending war with Iraq and other issues had not distracted him from his oft-stated goal of expanding government support for the social service work of faith-based organizations.

“Government has often been slow to recognize the importance of faith-based and community efforts,” the president said, touting his ongoing commitment to the “faith-based initiative” first outlined during his 2000 campaign (see sidebar, page 4). “That’s changing. And more changes are needed.”

The changes that have been advocated—and, in some cases, already implemented—by the Bush administration have sparked a passionate debate about the role of faith-based organizations in the nation’s social welfare system. And, while the debate has often devolved into shouting matches over the separation of church and state, it is really about much more than that. It is a debate that raises important questions about the role of faith and religion in private and public life.

Proponents of an expanded role for faith-based organizations in the social welfare system argue that there is a moral and a spiritual dimension to many of the social problems America faces today. Not only are faith-based organizations better equipped to address these problems, but they bring high levels of compassion and commitment to their work, as well as unrivalled access to volunteers and other community supports.

Opponents, however, fear that faith-based providers would be tempted to use government funding to preach or proselytize to those they serve. Opponents also argue that these organizations do not have the resources, the expertise, or even the inclination to deal with entrenched social problems—particularly those, such as AIDS, teen pregnancy, and addiction, that can spur intense moral arguments over how to respond.

“My sense of the faith-based initiative is that it is a multidimensional reality that too often gets discussed in a unidimensional way,” said the Reverend

J. Bryan Hehir, president of Catholic Charities USA.

According to Hehir, there are three important dimensions to the issue. In addition to the much-discussed constitutional questions about church-state separation, the president’s proposals raise very real questions in the areas of theology and social policy.

The theological questions look at the church-state relationship from the side of the church. “It is not how far should government go, but how far is it good for religion to go in relationship to being tied to government?” Hehir asked.

As for social policy, the question is this: What combination of public and private actions works best to address America’s social ills? Or, as Hehir put it, “Can we reshape public-private participation to meet some of the questions that don’t yield easily to either government solutions or to the preaching of religious communities?”

### The Constitutional Question

The First Amendment to the U.S. Constitution begins, “Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof.”

Opponents of the president’s faith-based initiative regularly make their case based on First Amendment grounds and the need for church-state separation. The fear is that expanded government support of faith-based organizations would heighten the risk of public funding being used for religious purposes, even if the programs in question are considered secular in nature. Opponents also argue that expanded public support for these organizations would interfere with religious freedom.

In addition, one of the major stumbling blocks to the president’s initiative has been the argument that government support cannot and should

not go to organizations that might discriminate in whom they hire or serve, based on their religious beliefs. Another concern is that clients might be encouraged or compelled to embrace the organization's religious theology as a condition of receiving benefits.

Peter Shiras, senior vice president for programs of INDEPENDENT SECTOR, said the president's proposals raise important questions of "competing goods."

"How do we balance the good of church-state separation with the good of fully addressing human needs?" Shiras asked. "How do we balance the good of religious freedom on the one hand with the good of non-discrimination in the use of government funds on the other?"

The First Amendment has played an invaluable role in preventing majority religions from dominating minority ones, noted Diana Aviv, formerly director of the Washington office of United Jewish Communities and now president and CEO of INDEPENDENT SECTOR. At the same time, however, commitment to church-state separation has not prevented government from contracting for more than a century with religiously affiliated organizations to provide needed services.

Noting that a significant proportion of public funds for social services already flows through religious entities, Aviv argued that policymakers should move with great care as they seek to expand the role of faith-based organizations in the social welfare system.

"It's government's job to ensure that providers do not discriminate in whom they serve and do not include religious program content that is a burden to clients of different religions," Aviv said.

Professor Alan Wolfe, however, suggested that concerns about the religious content of faith-based social services may be overstated. A professor of political science and director of the Boisi Center for Religion and American Public Life at Boston College, Wolfe said that religious believers in America

are, with the exception of some atypical evangelicals, not intent on proselytizing or discriminating against others with different beliefs.

"The critics who tell us that any turn toward a greater role for faith in American life will mean greater dogmatism are not right," Wolfe said, noting that Americans tend to view faith as a largely personal matter.

## Theology and the "Prophetic Voice"

It is not just government that needs to be cautious about engaging with religious entities, according to many observers. Faith-based organizations themselves need to think long and hard before accepting public money to support their social service work.

The Reverend Robert Franklin, a professor at the Candler School of Theology at Emory University, said that the traditional role of the faith community in America has been as a conscience for the larger society, raising important questions of right and wrong. He cautioned that in applying for and receiving government funds, religious entities need to take care that they remain true to their missions.

"These hard-working, well-intentioned folks are overwhelmed; they do need help," he said. "But my prayer and hope is that that help doesn't come in a form that disables their prophetic voices."

"If this is to be done [i.e., if government intends to expand its support for faith-based organizations], then we must find ways to do it that do not violate the values nor alter the mission of these organizations," agreed Thomas Jeavons, general secretary of the Philadelphia Yearly Meeting of the Religious Society of Friends (Quakers). Government support, he added, must not be allowed to compromise the integrity and vitality of faith-based organizations as "distinctly religious entities."

Wolfe, however, said that those who argue that faith-based organizations should avoid becoming more connected to government ignore the fact that congregations and other religious institutions are not the



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"The critics who tell us that any turn toward a greater role for faith in American life will mean greater dogmatism are not right."

—Alan Wolfe, Boisi Center for Religion and American Public Life, Boston College



**JIM TOWEY**  
 DIRECTOR  
 WHITE HOUSE OFFICE  
 OF FAITH-BASED AND  
 COMMUNITY INITIATIVES

### The President's Faith-Based Initiative in Profile

One of George W. Bush's first official acts as president was to create the White House Office of Faith-Based and Community Initiatives. The office was tasked at its inception with leading a "determined attack on need" by strengthening and expanding the role of faith-based and community organizations in addressing the nation's social problems.

President Bush also created Centers for Faith-Based and Community Initiatives in seven federal agencies to promote the faith-based initiative.

The White House has since identified three key priorities for its ongoing efforts:

1. Working legislatively to encourage the good works of faith-based and community organizations and give them the fullest opportunity permitted by law to compete for federal funding;
2. Identifying and eliminating improper federal barriers to the full participation of faith-based and community-serving programs in the provision of social services; and
3. Encouraging greater corporate and philanthropic support for faith-based and community organizations, through public education and outreach activities.

For more information, see [www.whitehouse.gov/government/fbci](http://www.whitehouse.gov/government/fbci).

"counter-cultural" force that many consider them to be.

"I see an American religion that doesn't want to resist the rest of the culture but wants to be a part of the rest of the culture," Wolfe argued. Rabbi David Saperstein of Georgetown University added that faith-based organizations can indeed provide secular services while remaining true to their religious traditions. "The debate about whether an organization has to give up its religious identity to get government funds presumes that when Catholic Charities sets up a program to house the homeless, that is not a deep and profound religious act," he said.

"The assumption is that if you are engaged in a religious act, you have to be proselytizing," Saperstein added. "That is wrong."

The main way to protect faith-based organizations, according to Saperstein and others, is to make sure they create separate legal entities to collect government funds and engage in publicly supported service activities. "If government merely facilitated groups to set up [service organizations] that are not pervasively religious and are run as separate entities that are operated transparently, then we wouldn't have to go through all of this discussion and debate," Saperstein said.

Jim Towey, director of the White House Office of Faith-Based and Community Initiatives, also advised that religious entities establish a separate service arm and operate it as a charitable 501(c)(3) organization, according to Internal Revenue Service rules. At the same time, however, Towey acknowledged that creating a 501(c)(3) is "an artificial solution" and does not fully solve the problems that can arise when a congregation or religious organization accepts public funds.

Citing his work with Mother Teresa, who never accepted government monies but at the same time never preached to the people she cared for, Towey argued that public support is not right for every organization, particularly those that "rely too much on the spoken word."

"It is a real risk, and you need to be

able to walk away from it," Towey said. Faith-based organizations need to remain true to their calling, said the Reverend Ray Rivera, who directs the Latino Pastoral Action Center in the South Bronx neighborhood of New York City. With a \$6 million budget and a staff of more than 200, the Center relies on government support for many of its service programs. While acknowledging that there will "always be tension when you work for the state," Rivera said that government funds do not necessarily have to muzzle a religious organization's prophetic voice.

For faith-based service providers, he explained, the important thing is to enter into the partnership with government with a firm sense of what you are and are not willing to give up. "We go into this proposition of receiving funds but always with the understanding that we are not going to bow," Rivera said. "If it means bowing, we'll leave the money at a minute's notice."

### Social Policy: Debating the Right Balance

Whether or not individual religious organizations choose to enter into a funding relationship with government, the broader question remains: To what extent are society's interests served by opening up the social service system to more faith-based groups?

The White House's Jim Towey said that faith-based organizations are already working in communities across America to address problems ranging from drug abuse to recidivism among ex-convicts. In launching the faith-based initiative, Towey explained, the president is merely seeking ways for the federal government to work more effectively with these organizations, to open up the process to others, and to make sure that faith-based providers are treated fairly in the social service delivery system.

It is a question of balance, Towey said, pointing out that researchers are beginning to identify specific "service niches" in which faith-based organizations may be especially effective (see page 9 for a broader

discussion of these service niches). Proponents also argue that faith-based organizations can potentially extend the reach of existing social services by providing assistance to individuals and families who are not enrolled in government programs.

"The research and policy question really ought to be, 'What difference does it make to have faith groups provide services versus secular groups?'" said Richard Nathan, director of The Roundtable on Religion and Social Welfare Policy and The Nelson A. Rockefeller Institute of Government.

"There are some things in the social sector that government can't do well," Nathan added. "And we ought to learn more about areas where faith groups may do better than government, such as helping people understand how to engage in marriages that work, or helping teenagers understand family responsibilities."

One of the main criticisms of the White House approach, however, is that it provides no new funds for social services and instead seeks to redistribute public monies among a larger group of providers.

Jim Wallis—executive director of *Sojourners: Christians for Justice and Peace*, editor-in-chief of *Sojourners* magazine, and the convener of *Call to Renewal*, a faith-inspired movement to overcome poverty—said he has strongly supported the "direction and content" of the faith-based initiative from the start. His concern, however, is that it could be "reduced to equal access to the crumbs falling from the table in a resource scheme where the poor are being pushed off the agenda altogether."

Rabbi Saperstein of Georgetown University pointed out that the faith-based initiative has become the focal point in a major political battle over the role of government in American life. "There is a conservative view that wants to privatize the provision of social services," he said, arguing that the ultimate strategy of many of the proponents of the faith-based initiative is to reduce government spending on these programs.

Reducing spending and opening

up the process to more providers is not a formula for success, Saperstein noted. "If we open up the floodgates and allow any church to set up any kind of program and compete for a shrinking pot of money, a lot of very good providers who have been doing this for years will end up with less," he said. Looking ahead, said INDEPENDENT SECTOR's Diana Aviv, policymakers need to recognize the indispensable role of government in meeting the nation's social service needs. Religious and community-based organizations, she noted, are eager to do their part by delivering needed services, identifying unmet needs, and informing government about what programs work and why.

But relying on the charitable sector to pick up the slack as the state and federal governments face a mounting budget crisis is a strategy that flies in the face of reality.

"Religious and secular organizations can't possibly replace or match public sector resources," Aviv said, arguing that who provides a particular service is not the issue. "There should be more resources, or sufficient resources, to help people in need."

"The research and policy question really ought to be, 'What difference does it make to have faith groups provide services versus secular groups?'"

—Richard Nathan, The Roundtable on Religion and Social Welfare Policy, Rockefeller Institute of Government

### What Is a Faith-Based Organization?

Is the Salvation Army a faith-based organization? What about the church, the mosque, or the synagogue down the street?

The lack of a common understanding of what is meant by the words "faith-based organization" has caused considerable confusion among both casual and expert observers.

For the purposes of this report, "faith-based organization" is used in its broadest sense to include the full range of organizations that are either motivated by or founded on religious conviction. This includes national service organizations such as the Salvation Army and Catholic Charities, as well as local congregations and religiously motivated community service agencies.

To bring added clarity to the discussion of faith-based organizations, researchers are beginning to differentiate among them according to their connections to faith. Researchers at The Roundtable on Religion and Social Welfare Policy, for example, have devised a "Faith Integration Scale" that places organizations along a continuum ranging from those that are indistinguishable from secular organizations to those that have a high degree of religious integration in their mission, identity, programs, or services. The Roundtable's scale weighs everything from the mission, management, and staffing practices of the organization to the physical characteristics of its facilities.

For more information, see [www.ReligionandSocialPolicy.org](http://www.ReligionandSocialPolicy.org).



THOMAS JEAVONS  
GENERAL SECRETARY  
PHILADELPHIA YEARLY  
MEETING OF THE  
RELIGIOUS SOCIETY OF  
FRIENDS (QUAKERS)

“History suggests that religion has often been a primary motivator and shaper of many efforts to improve the lot of humankind.”

—Thomas Jeavons,  
Philadelphia Yearly  
Meeting of the  
Religious Society of  
Friends (Quakers)

## Faith-Based Organizations As Social Service Providers: A Closer Look

Faith-based organizations have provided important social services throughout American history. From individual congregations to large, faith-based charities such as the Salvation Army and Lutheran Social Services, these organizations have tackled issues ranging from hunger to homelessness, with or without government support.

“History suggests that religion has often been a primary motivator and shaper of many efforts to improve the lot of humankind—and that there has been a greater persistence and consistency to these efforts than we generally see coming from any other quarter of our society,” observed Thomas Jeavons, general secretary of the Philadelphia Yearly Meeting of the Religious Society of Friends (Quakers).

The launch of President Bush’s faith-based initiative, however, has focused new attention on the role of faith-based organizations in the social welfare system. Researchers are just beginning to understand some of the potential strengths of faith-based organizations as social service providers, as well as the challenges involved in expanding their capacity to do this work. The hope is that this continuing research will create a better sense of the specific roles that these organizations can be expected to play in addressing the nation’s social ills, as well as how best to get them involved.

### The Strengths of Faith-Based Organizations . . .

The Judeo-Christian tradition says that a society will be judged by the way it treats its weakest members.

Contributing to the welfare of one’s community through the giving of alms and doing works of mercy is essential to the practice of Islam. And Buddhism teaches that acts of compassion are steps along the path to enlightenment.

Jeavons pointed to these and other faith traditions to suggest that the most important contribution of faith-based organizations to the work of social services is a commitment to act in the interests of others. These organizations “operate on a foundation of, or at least with reference to, a clear set of values and admonitions that have non-

negotiable moral weight for the actors,” Jeavons said. These values and admonitions, in turn, “get at the heart of what it means to act compassionately, to care for others, and to work for justice in the human community.”

This bedrock commitment to service, in Jeavons’s view, explains why levels of charitable giving are consistently much higher among people who are religiously active than among those who are not. It also may explain why faith-based organizations find it easier to engage volunteers, raise private funds, and deliver services with a level of care and compassion that government and secular agencies may find it hard to match.

Seeking to find out more about the unique qualities that faith-based organizations bring to social service work, the University of Pennsylvania’s Center for Research on Religion and Urban Civil Society studied 37 organizations serving at-risk youth throughout the United States. All of the organizations were faith-based, and all were working in partnership with federal, state, and local governments.

Among the researchers’ main findings: The “faith commitment” of these organizations and their leaders is a critical factor in all aspects of their work.

Speaking of the teen mothers served by her organization, Donna Speer, director of Families in Touch in Waukegan, Illinois, told the researchers: “We can’t always change their circumstances. But we can point them to a loving God who can give them the strength and peace to sustain them on the road to responsible adulthood.”

President Bush’s faith-based initiative has triggered an often-heated debate about the religious content of

the social services provided by organizations such as Speer's. But Joseph Loconte of The Heritage Foundation, who oversaw the University of Pennsylvania study, said that a "religious approach" is what makes these organizations effective.

"They consider exposure to religious values and beliefs a crucial part of their strategy for helping needy kids—and structure their programs accordingly, while at the same time respecting church-state boundaries," Loconte said.

Also affirming the value and merit of a religion-oriented approach to pressing social issues was the Reverend Ray Rivera, who directs the Latino Pastoral Action Center in the South Bronx neighborhood of New York City. "The prophetic tradition always spoke to public issues," Rivera said. "It speaks to the poor, the marginalized, to those who have been excluded. And it has a very clear voice."

"Our faith is an integral part of what we do," Rivera said of his work at the center. "And I think we should be able to accept the transcendence that this can bring."

In addition to their faith commitment, faith-based organizations bring another important strength to the challenge of meeting basic human needs, according to Rivera: They bring a capacity to open up the social welfare system to traditionally underserved audiences.

One important, if unintentional, contribution of the president's faith-based initiative, Rivera noted, has been to "open up the possibility for more indigenous, community-of-color organizations to enter [a] social service system that has historically been monopolized by one group."

Rivera's comments were echoed in the research of Richard L. Wood of the University of New Mexico, who set out to study the degree to which faith-based community organizations are able to mobilize diverse constituencies to effect community change. Looking at 100 faith-based organizations that work for social justice in areas from housing and health care to jobs, Wood found that they were "extraordinarily

diverse" in both their leadership and their membership.

According to Wood, 36 percent of the organizations were predominantly white, 35 percent were predominantly black, and 21 percent were predominantly Hispanic. What's more, Wood found remarkable diversity even within the groups, a large majority of which bring members of at least two religious denominations together to address community concerns.

As an example of how faith-based organizations can mobilize and serve traditionally underserved populations, Wood highlighted the work of the Pacific Institute for Community Organization (PICO) and its California Project. A multi-faith collaborative of 350 congregations throughout the state, the project seeks to "bring the voices and concerns of regular Californians to the statewide policy arena," according to the PICO website. Among other achievements, the collaborative played a key role in a successful 1998 bond initiative that provided \$9.2 billion for new school construction and repairs.

Wood said that PICO and the other organizations he studied show that faith-based community organizing "appears to be unparalleled in its ability to build social capital that bridges races and ethnic communities, religious traditions, and the immigrant-native divide."

Why might faith-based organizations be more effective than their secular counterparts at reaching underserved groups? One answer, according to Jill Witmer Sinha, may be that faith-based organizations are rooted in specific neighborhoods and communities.

Sinha, a fellow with the Program for the Study of Organized Religion and Social Work at the University of Pennsylvania, was one of a group of researchers who recently studied the work of the North Philadelphia Cluster of United Methodist Churches to address the needs of at-risk youth in the area.

According to Sinha, four of the eight congregations that are part of the cluster have 75 to 99 percent of their



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Latino Pastoral Action  
Center



REV. DONNA L. JONES  
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METHODIST CHURCH



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SCHOOL OF SOCIAL  
WORK

“How, given increased financial pressures, will [faith-based organizations] be monitored to assure that consumers of service are not pressured to conform to the particular religious dogma practiced by the religious service provider?”  
—Marguerite Rosenthal, Salem State College

members living within a one-mile radius of the church. This means that the congregations' members are likely to know the young people whom their churches are serving, and are therefore well-suited to provide mentoring and other “culturally relevant” supports, Sinha said.

“In neighborhoods where the local congregation remains one of the few enduring and respected institutions, the civic community cannot afford to overlook their niche in the realm of social service provision,” Sinha and her fellow researchers concluded.

Rev. Donna L. Jones, pastor of one of the churches in the cluster, Philadelphia's Cookman United Methodist, framed the issue more simply. “People at the community level are best to provide in that community,” she said.

### ... And the Challenges of Expanding Their Service Role

At the same time that faith-based organizations bring a number of potential strengths to their social service work, they also raise a number of challenges. Chief among these, according to many observers, is the possibility that faith-based service providers might seek to impose their religious beliefs upon those they serve.

While many view the religious content of these programs as a benefit, others see the potential for real problems. Not only would a publicly funded service activity that is expressly religious in nature raise constitutional questions, but the religious content also might compromise the activity's effectiveness and reach—for example, by keeping away individuals who might benefit from the provided services but who do not want to be subjected to religious lecturing or proselytizing.

Researchers and government officials intent on expanding the role of faith-based providers in the social welfare system have paid insufficient attention to the religious content of the services they provide, according to Marguerite G. Rosenthal of Salem State College in Salem, Massachusetts. In particular, she noted that the relaxation in federal government regulations,

coupled with mounting budgetary pressure on the states, has led to a drop-off in monitoring of publicly supported social service initiatives.

Based on a small study of faith-based social service providers in her home state, Rosenthal noted that Massachusetts agencies make very little effort to probe the religious content of these programs. This, in Rosenthal's mind, raises a very important question as the United States weighs the notion of expanding the role of faith-based organizations in social service delivery.

“How, given increased financial pressures, will [faith-based organizations] be monitored to assure that consumers of service indeed have choice or are not pressured to conform to the particular religious dogma practiced by the religious service provider?” she asked.

A second challenge raised by the drive to expand the role of faith-based organizations as social service providers involves the fact that these organizations may not have the expertise, the capacity, or even the inclination to address complicated social issues.

Kathleen Tangenberg of the University of Iowa recently conducted interviews with officials from 22 providers of faith-based social services in the northwestern and midwestern regions of the United States. The objective of the interviews was to develop a better sense of “the spiritual values and practices characterizing faith-based service delivery,” Tangenberg said.

According to Tangenberg, very few of the faith-based social service providers in the study had attempted to address such issues as addiction and mental health problems, even though these were very common among the populations served. All of the programs she studied relied heavily on volunteers, Tangenberg added, with the volunteers acting primarily in “a support role” and not becoming involved in such activities as “counseling, treatment for chemical dependency, or any attempt to resolve an individual or family problem.”

Jo Anne Schneider and Michael

Foley reported similar findings in a study of 200 local “worship communities” serving immigrants in the Washington, D.C., area. These worship communities ran the gamut from large Catholic churches and mosques serving thousands to tiny evangelical and Pentecostal churches. Most of these congregations, according to Schneider and Foley, said they are involved in providing emergency service activities such as collecting food, clothing, or other donations; working in a soup kitchen; or organizing blood drives. By contrast, just 9 percent indicated involvement in more complex and long-term services such as counseling and job training.

Even when faith-based service organizations *do* become involved in providing complex services, there is still the question of how effective those services are. While examples abound of faith-based providers bringing sophisticated approaches to bear on community problems, Jeavons said that some religious organizations tend to approach their social service role with “a simplistic vision or naiveté about social problems and human nature.”

“This can lead to a devaluation or dismissal of the need to address practical realities and systemic issues, and to employ good tools and techniques in the work,” he continued. “It has led some to think that the level of expertise or quality of skills they bring to serving others doesn’t matter, so long as they care enough about or pray hard enough for those they serve.”

### Identifying Service Niches

Schneider and Foley described the faith-based organizations they studied in Washington as part of an “ancillary services system” that provides emergency services, health care, child care, and other supports to families in need. Compared to the federal, state, and local governments, Schneider said, congregations such as these are “a tiny part of the social welfare system.” “Churches are important, but it is wrong to overestimate their role,” she added.

Tangenberg agreed, saying that the lack of expertise among many of

these organizations—together with their lack of experience in addressing difficult social problems—underscores the importance of maintaining a strong role for government in social service delivery. Government has to stay actively involved, Tangenberg concluded, “both through social welfare spending and by allocating funds to organizations with trained workers competent to address complex conditions such as those involving chemical dependency and/or addiction.”

Bob Wineburg, who recently conducted a comprehensive study of the role of faith-based organizations in a local social welfare system, pointed out that the delivery of human services at the community level is “enormously complex.” The idea that faith-based providers could eventually supplant the role of government, he opined, is “a fantasy.”

“The political idea that we can get rid of government services and programs—many of them mandated services for people with real needs—just doesn’t fly,” Wineburg said.

A better approach, according to Wineburg and others, is to look at the relative strengths and weaknesses of faith-based providers in the context of a comprehensive assessment of what communities truly need. This, in fact, was one of the goals of a recent study of nonprofit organizations in New York by Julian Wolpert of Princeton University and John E. Seley of the City University of New York.

In a report on their study, based on an analysis of IRS records and an extensive mail survey, Wolpert and Seley identified some of the specific service niches of religious and secular providers operating in New York.

“At one extreme were a set of services, such as right-to-life counseling, food banks, and services to prisoners and ex-offenders and their families, that appear to be in the religious domain and are largely unchallenged by secular organizations,” Wolpert explained. “At the opposite end are civil and legal rights activities, family planning, employment training, and economic development that are



BOB WINEBURG  
JEFFERSON PILOT  
EXCELLENCE  
PROFESSOR  
UNIVERSITY OF NORTH  
CAROLINA AT  
GREENSBORO

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—Bob Wineburg,  
University of North  
Carolina at Greensboro

### INDEPENDENT SECTOR Research on Religious Congregations and Faith-Based Giving

INDEPENDENT SECTOR Research documents the giving and volunteering trends of American philanthropy and the size and scope of the nonprofit sector. An integral component of this work is our data on the multidimensional roles of America’s religious congregations in the sector. Recent reports explore the connection between charitable behavior and participation in religious services, efforts to measure the impact of congregations, and government funding of social services provided by congregations. For more information on the research, see [www.IndependentSector.org](http://www.IndependentSector.org).



JIM VANDERWOERD  
ASSISTANT PROFESSOR  
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DORDT COLLEGE

Government funding is not perceived as a threat but is “sought out precisely because of its capacity to enable the organization to fulfill its religiously motivated mission.”

—Jim Vanderwoerd,  
Dordt College

covered almost exclusively by secular agencies.”

Wolpert pointed out that his and Seley’s research points to clear “complementarities” between the work of faith-based and secular social service providers. The success of any effort to expand the role of faith-based organizations in the social welfare

system, he said, will depend on a better understanding of those complementarities, as well as a determination to ensure that all agencies, secular or religious, recognize their comparative strengths and avoid encroaching with limited public dollars in service areas where they lack experience and expertise.

### **How Do Government Funds Influence Faith-Based Providers?**

Some critics of increased public funding for faith-based social service providers say that religious organizations risk losing their “religiousness” when they become more reliant on government funding. Apparently, this is not a problem for two organizations studied by researcher Jim Vanderwoerd.

Vanderwoerd characterized the organizations, each of which receives about 60 percent of its funding from government, as “thoroughly shaped and driven by their religious beliefs and heritage.” According to Vanderwoerd, the two organizations “believe they can—indeed, intentionally choose to—interact with the world and still maintain the core of who they are.” Government funding, therefore, is not perceived as a threat but is “sought out precisely because of its capacity to enable the organization to fulfill its religiously motivated mission.”

Of course, whether the motivations of these two organizations reflect the majority of faith-based social service providers is an open question.

Yet another concern is that increased public funding could result in faith-based organizations receiving less private charity. But, in a 2001 survey of nearly 800 Georgia residents, almost three-fourths of those who give money to faith-based organizations said their giving would stay about the same if those organizations started receiving government funds. What’s more, of those who said that their giving levels would change, two-thirds said they would give more rather than less.

“At a minimum, our findings provide a pause in the drumbeat of commentary that suggests a crowding out of private dollars” in response to increased public funding for faith-based organizations, observed researchers Christopher Horne, David M. Van Slyke, and Janet L. Johnson of Georgia State University.

# Private Decisions, Public Dollars: Vouchers and Government Funding of Faith-Based Social Services

In his State of the Union address in January 2003, President Bush urged Congress to authorize \$600 million for a program that would help an additional 300,000 people receive drug treatment services from a range of providers, including faith-based organizations. The program would accomplish this by providing addicts with publicly funded vouchers that they could use at the treatment center of their choice.

Why vouchers? As Professor Ira C. Lupu of The George Washington University Law School quipped, “The president at last had found some pretty good lawyers in the federal government to advise him that this was the path of least constitutional resistance.”

What Lupu meant was that President Bush had finally found a way to meet his goal of directing new resources to faith-based social service providers without becoming bogged down in potential court fights over the separation of church and state.

As policymakers continue to wrestle with the question of expanding the role of faith-based organizations in the social welfare system, vouchers have attracted new attention as a way to do it. A government-granted subsidy enabling people to purchase a restricted set of goods or services, a voucher puts the onus on the individual to choose. As a result, the government itself is removed from the position of directly investing in individual service providers. And, with government out of the decision-making picture, the theory goes that vouchers should pass constitutional muster as a way for more public funds to end up in the coffers of faith-based organizations.

It is a theory that received a big boost from the Supreme Court in a 2002 decision in the case of *Zelman v. Simmons-Harris*. The decision in the *Zelman* case upheld the constitutionality of a Cleveland, Ohio, program allowing parents to use state-funded vouchers to send their children to religiously affiliated elementary and secondary schools. The principle behind the decision was that *direct* government funding of these schools might not be appropriate, but that

government could indeed fund them *indirectly* through vouchers.

The *Zelman* decision, according to Lupu, wasn't important solely because of what it said about how government pays for education, but also because of what it said about how government pays for the full range of social services.

“There is no reason to think that the principles announced in the Cleveland case, the distinction being between direct and indirect financing, are limited to schools,” said Lupu, who also serves as co-director of the Legal Tracking Project of The Roundtable on Religion and Social Welfare Policy. “Indeed, there is every reason to think that the distinction would apply across the range of social services that faith-based organizations might provide.”

## The Attractiveness of Vouchers

Vouchers, according to Eugene Steuerle, could indeed become a popular way for policymakers to use government funds to support an array of faith-based social services. Steuerle, a senior fellow at the Urban Institute and author of *Vouchers and the Provision of Public Services*, cited the following as the perceived benefits of vouchers:

- **Choice.** Policymakers like vouchers, Steuerle explained, because they allow individuals to choose the services they want. “Of course, choice is one of those great words like ‘family’ and ‘goodness.’ It’s sort of hard to be against choice,” said Steuerle.
- **Increased competition.** Another reason policymakers like vouchers, Steuerle said, is because of the general perception that they increase



EUGENE STEUERLE  
SENIOR FELLOW  
URBAN INSTITUTE

“Choice is one of those great words like ‘family’ and ‘goodness.’ It’s sort of hard to be against choice.”  
—Eugene Steuerle,  
Urban Institute



JILL SCHUMANN  
PRESIDENT AND CEO  
LUTHERAN SERVICES OF  
AMERICA

“As consumers make choices with their vouchers, transparency and the ability to speak a common language will be very important.”

—Jill Schumann,  
Lutheran Services of  
America

competition among providers and weaken monopolies. With consumers of goods or services making the decisions about where to spend their vouchers, providers would theoretically have to compete harder for their business.

- **Restricted use.** Vouchers are also an appealing policy option because they allow policymakers to have a say in recipients' decisions. “By the very act of designating a voucher for a specific set of goods and services, policymakers can use them to formally restrict what may be bought,” said Steuerle.
- **Budget control.** By providing a limited subsidy rather than open-ended funding, vouchers also let policymakers exercise some control over the government budget. Some policymakers, Steuerle added, view vouchers as a way for government to replace existing programs that are a big drain on public resources—such as government-subsidized healthcare—with less expensive programs that put consumers, rather than government, in charge.

President Bush's case for vouchers, Steuerle noted, rests primarily on the notion that they increase competition among providers. The president “believes [faith-based organizations] are sometimes more successful at reaching a particular social goal than are other organizations,” Steuerle said.

### **At Issue: Real Choice**

Steuerle noted, however, that most of the perceived benefits of vouchers are still just that: perceptions. He added that the merits of using vouchers over alternative policy tools—from direct government funding to government-provided loans, grants, and tax credits—have to be weighed very carefully by policymakers.

One concern that many observers have about the wider use of vouchers has to do with the question of choice. According to Lupu, the critical issue for policymakers is not the religious content of indirectly funded programs but the availability of “genuine and private choice”

among religious and secular options.

Based on his reading of the Supreme Court decision in the Cleveland case, Lupu framed the issue as follows: “So long as beneficiaries have genuine, independent, un-coerced choices among religious and secular options, indirect financing of faith-based and ‘faith-rich’ programs is now constitutionally acceptable.”

In education, Lupu added, people presumably have a clear choice between religious and secular options because of the presence of secular public schools in every community in the country. But what about services such as drug treatment or family planning, where there is no guarantee that secular providers would exist in a given community? And how is government supposed to go about certifying that these kinds of choices are indeed present on a community-by-community basis?

Related to the issue of choice is the capacity of people to make an informed decision among secular and religious providers. True choice, said Jill Schumann, president and CEO of Lutheran Services of America, requires that people have “sufficient time and information to make a choice and also a clear articulation of alternatives.” For vouchers to work, she noted that people will need more information about faith-based programs, including “the degree of faith integration, faith saturation, and what behavior is expected” of beneficiaries.

“As consumers make choices with their vouchers, transparency and the ability to speak a common language will be very important,” Schumann said.

It will also be important, Schumann and others argued, to consider cases where consumers might not be able to choose wisely even when they have the necessary information. Lupu cited the example of a faith-based substance abuse program in Milwaukee, Wisconsin. Called FaithWorks, the program is funded in part by the state Department of Corrections, which allows drug offenders to choose among several religious and secular treatment options. Another funding stream comes from

the state's Department of Workforce Development, which contracts directly with FaithWorks to provide treatment services for individuals moving from welfare to work.

In January 2002, a federal district court ruled that Wisconsin's direct funding of FaithWorks through the Department of Workforce Development was unconstitutional. The court, however, postponed a decision on the Department of Corrections' "beneficiary choice" program pending the Supreme Court's ruling in the Cleveland school voucher case. Then, after the Supreme Court decided that Cleveland's voucher program was in line with the First Amendment, the district court ruled that Wisconsin's indirect funding of FaithWorks was, too. In the spring of 2003, a federal appellate court affirmed the decision in favor of FaithWorks and the state.

The presence of choice may have been clear in the Wisconsin case, but Lupu said it raises another important issue: "Unlike the school voucher case, the drug program involved people who had substance addiction, and so there would always be questions ... about their capacity and their competence to make good and free and independent choices among the options."

### **Making Vouchers Work**

The bottom line, according to Lupu and others, is that even under a voucher system, government still needs to play an active role in monitoring faith-based social service programs, both in terms of the specific content and effectiveness of their services and in terms of what else is available in the local community.

"In a directly financed program, the government monitors would have the job of making sure there was no religious content in the program being run by the faith-based organization," Lupu said. "In a beneficiary choice or voucher program, the issues would be much more subtle."

Advocates of vouchers, Steuerle observed, tend to argue that they will release government from the obligation of "heavy regulation" of faith-based and

other providers. But some degree of regulation is still inevitable, he said, and proponents may be underestimating the degree to which government will have to monitor voucher-supported service providers.

"At a minimum, the government has to try to ensure that the voucher is spent on the goods and services prescribed, and not on those proscribed, and that only eligible individuals receive the vouchers," Steuerle said. Beyond that, government also might be prompted to ensure that providers abide by applicable labor and civil rights laws, and that their programs deliver certifiable results.

"There is a real need to assure accountability," agreed Schumann of Lutheran Services of America, noting that vouchers sound great in theory but can get "messy on the ground." For instance, she said, "We need to identify the parameters for provider qualifications to receive the vouchers and to articulate the rules very carefully."

The need for new kinds of government monitoring, in turn, gets back to the question of church-state separation, bringing the discussion full circle. "One can imagine a kind of interaction and conversation between government and religious officials that would have constitutional lawyers worried about the degree of intrusion on religious [activity] that monitoring might create," said Lupu.

Given the questions raised by voucher programs, Schumann said that policymakers need to think long and hard about why they want to rely more on vouchers to fund faith-based social services. Is the goal to truly expand the social safety net? Or is it to reduce government's involvement in the care of its neediest citizens?

"As the economy languishes and as state and federal budgets are cut and resources are shifted, the private sector will simply not be able to take more than its part," she said. "Vouchers will not be the answer if the goal is simply to shift the burden to the private, faith-based sectors, and we must make sure that there isn't a subsequent drop in the resources that government is putting toward care of its citizens."



IRA C. LUPU  
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THE GEORGE  
WASHINGTON  
UNIVERSITY LAW  
SCHOOL

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—Ira Lupu, The George Washington University Law School



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UNIVERSITY-PURDUE  
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“The state had no idea that finding all the religious providers in the state was going to be that difficult.”

—Edward Queen,  
Indiana University-  
Purdue University  
Indianapolis

## Charitable Choice: Making It Work

Supporters of an expanded role for faith-based organizations in the nation's social welfare system achieved an important victory with the enactment of federal welfare reform legislation in 1996. Under the law's "charitable choice" provisions, states were encouraged to contract with faith-based organizations to provide anti-poverty services.

Before the 1996 law, faith-based organizations working in partnership with the government traditionally were required to do so through separate organizations set up to provide social services in a "nonsectarian" way. Now, under charitable choice, these organizations are no longer required to wall off their religious nature from their social service work. The only stipulation is that public monies not be used to fund such activities as worship, religious instruction, or proselytizing.

Researchers are just now beginning to understand how states are responding to charitable choice. A 2002 report by the U.S. General Accounting Office (GAO) cited research indicating that 19 states had signed contracts with faith-based organizations using federal welfare monies. State activities, according to GAO, have included everything from hosting educational meetings for faith-based organizations to changing state procurement requirements to actually entering into financial contracts with these providers.

Among the states that have been working hardest on these issues are Indiana and California. A look at their experiences to date suggests important lessons for other states, as well as the federal officials charged with making charitable choice and similar measures work.

### Indiana

Increasing the involvement of faith-based organizations in the delivery of social services is a priority of Indiana Governor Frank O'Bannon, according to Edward L. Queen of Indiana University-Purdue University in Indianapolis.

As a result of O'Bannon's advocacy and strong support, the state's efforts to implement charitable choice received "a visibility and a political importance it might otherwise have lacked," said

Queen. Indiana, in Queen's view, took a "fairly considered approach" to the task, embarking on a yearlong planning process and then seeking out a private contractor to provide a better picture of the role of faith-based and secular providers in Indiana's social service delivery system.

When the proposals came in from contractors seeking this work, however, the costs far exceeded the amount budgeted by the state. "The state had no idea that finding all the religious providers in the state was going to be that difficult," Queen said.

Ultimately, the state signed a contract with a for-profit consulting firm, which, in addition to providing a map of social service providers in the state, held a series of informational meetings with faith-based and secular organizations who were interested in gaining access to federal welfare monies.

Initially, Indiana signed contracts with 14 faith-based organizations to provide welfare services. All of the organizations were in either Marion or Lake County, the two most populous counties in the state. And most of the contracts, Queen said, were with "fairly new and fairly small" organizations. Although Queen reported that it is too early to know how effective these organizations have been, or what capabilities they have added to social service delivery in Indiana, he said his chief concern is that they may not be receiving the support they need to fulfill their new roles.

"There wasn't a lot of linkage between the contractors and other service providers other than what happened within the welfare system of a county naturally," Queen said. Even though Indiana officials were "very intentional" in trying to bring in new organizations, the effort is "purely a relationship between the state and the contractors with no wider support

system, no wider buy-in by the religious community in Indiana.”

## California

Unlike Indiana, California implemented charitable choice in a highly decentralized way, a reflection of the fact that the welfare system in California is administered by counties and not the state. CalWORKS, the California program crafted in response to the federal welfare reform law, required each of California’s 58 counties to develop its own plan for moving welfare recipients into gainful employment, and to do so with the help of faith-based organizations.

According to John Orr and Peter Spoto, researchers at the University of Southern California, the state’s decentralized approach has had advantages and disadvantages. On the one hand, Orr and Spoto said, the approach has unleashed “a lot of creativity” among the counties in how best to meet the needs of people in poverty. At the same time, however, with 58 counties adopting their own practices and programs, it has been very hard to get a detailed sense of what different counties are doing and what practices are proving most effective.

“County and state administrators could still benefit from informed, statewide analysis of what it takes to create healthy partnerships between public agencies and faith-based organizations,” Orr and Spoto concluded.

In an effort to step into the void, Orr and Spoto are working with the James Irvine Foundation and the California Council of Churches to identify “promising public practices” that individual counties are adopting as they work to enlist more faith-based organizations in the delivery of services for the poor.

Shasta County, for example, has committed itself to “an aggressively collaborative approach” to delivering welfare-to-work services, Orr and Spoto noted. Among other activities, the northern California county’s Department of Social Services has created a variety of councils and task

forces—referred to as “community tables”—that include representatives of faith-based and other organizations.

“This sort of collaboration is habit for us now,” the department’s deputy director, Barbara McKend, told the researchers. “There is no agenda, only an openness and willingness to work together.”

Kern County’s Department of Social Services has worked to encourage collaborative approaches in a different way, issuing open-ended requests for proposals that encourage faith-based and community organizations to use their imaginations in weighing where they might fit into the continuum of services for welfare-to-work participants. Just as important, Kern County, a rural county in the southern part of the state, set up an elaborate support system to help these organizations, both while they are crafting proposals and once they enter into a contract with the county.

Kern County’s model for balancing open-ended requests for proposals with intensive support services has also been used by the California Employment Development Department. Charged with implementing a state law providing one-time employment training grants to community and faith-based organizations, the department makes a point of helping these organizations navigate their way through the bidding process. Then, when organizations are selected, department staff help them comply with government contract procedures, development of reporting systems, accounting, and other issues.

The obvious drawback of an approach like this, according to Spoto, is that it costs money. “These models of collaboration are expensive,” he said. “And so the idea that devolution [of responsibility to the counties] is going to result in instant cost reductions has to be revisited with the proviso that there were expenditures and outlays that were really not discussed as part of the overall package.”

## More Rules Needed?

In addition to weighing the up-front costs of promising approaches such as



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“County and state administrators could still benefit from informed, statewide analysis of what it takes to create healthy partnerships between public agencies and faith-based organizations.”  
—John Orr and Peter Spoto, University of Southern California



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## Roundtable Research Assesses Charitable Choice Implementation by States

The Roundtable on Religion and Social Welfare Policy recently established a 50-state field network to study the implementation of charitable choice initiatives across the country. For more information and project updates, see [www.ReligionandSocialPolicy.org](http://www.ReligionandSocialPolicy.org).

Kern County's, policymakers would be wise to consider offering more guidance to those agencies and individuals charged with implementing charitable choice and similar measures, according to Orr and Spoto.

"In our interviews with state contract officers, we repeatedly heard complaints about the absence of regulations," Orr and Spoto noted. In particular, the researchers said individuals at the state and county levels want more guidance in the development of contracts with faith-based organizations.

As one county welfare administrator told Orr and Spoto: "On the one hand, charitable choice says

that federal dollars can't be used to advance religion. On the other hand, it tells religious organizations that they don't have to give up their own religious identities when they contract with us. Well, their identities usually involve advancing their faiths."

This type of confusion is not uncommon. When the General Accounting Office was asked to consider what factors have limited collaboration between states and faith-based organizations under charitable choice, the list started with the following item: "Lack of awareness and understanding of charitable choice provisions on the part of states and faith-based organizations."

## Religious Leaders Speak Out About the Faith-Based Initiative, Working with Government

How have the leaders of individual congregations responded to the new opportunities presented in policy measures aimed at expanding their role in the social welfare system? According to Urban Institute researchers Carol J. De Vita and Pho S. Palmer, the reaction among a sample of Washington, D.C., organizations was mixed.

De Vita and Palmer identified 103 congregations from the highest-poverty areas in the city. Among these, 83 were congregations involved in delivering complex social services and/or recipients of government funding. De Vita and Palmer then randomly selected 18 congregations to approach for interviews, and spoke with pastors or clergy from five of these congregations. In addition, they held a focus group with eight other pastors from congregations in the high-poverty neighborhoods. Among the findings:

- 1. Reactions to the president's faith-based initiative were mixed.** One called it "very exciting, long overdue, and wonderful." Said another: "I'll believe it when I see it. My history with government made me cautious and skeptical."
- 2. There was universal agreement that working with government is a complicated process.** One pastor called it "bewildering." Another told the researchers that working with government "takes the heart out of good people who do the right thing."
- 3. Staffing constraints and infrastructure limitations make it difficult for smaller congregations in low-income areas to partner with government.** As the size, intensity, and complexity of the social ministry program grows, so does the likelihood that the staffing and administration of the program will become more time-consuming, demanding, and professional. As one church official told the researchers: "We have people with wonderful hearts, but they have needs that sometimes don't allow them to solely volunteer."
- 4. Technical assistance is needed but not enough.** Many church officials called the technical assistance workshops for organizations seeking government funds "a good start," but said they needed assistance with the administrative aspects of these government-funded programs. Those who had received government support said they often lost money implementing the programs.
- 5. What's needed most is money.** Asked to comment on the president's faith-based initiative, one individual said, "This just sets up a lot of competition with community-based organizations and government agencies for a few dollars." Others cited the "real costs" of providing effective services. "Particularly in low-income neighborhoods, we need to invest in [staff] with interest and skills by giving them education and training."

De Vita said policymakers need to pay close attention to the views of individuals such as these if they want to expand or strengthen faith-based initiatives. "This type of skepticism and the difficulty of working with government are going to be the most difficult barriers to overcome if we're going to implement this kind of a program," she said.

# Measure for Measure: Evaluating the Effectiveness of Faith-Based Organizations

Many of the arguments in favor of expanding the role of faith-based organizations in the social welfare system rest on the perception that these organizations are uniquely effective in addressing problems from hunger and homelessness to drug abuse and addiction. Some claim that faith-based organizations can actually do a better job—and at a lower cost—than traditional, secular providers. The idea is that “leveling the playing field” between secular and faith-based organizations will create new efficiencies and bring new ideas to bear on the challenge of addressing America’s social ills.

The only problem with these arguments is that they cannot yet be proven true. Researchers are just now beginning to study the effectiveness of faith-based social service providers in relation to their secular counterparts (see “Evaluation in Action” sidebars, this page and page 20).

In a 2002 report entitled *Objective Hope*, Byron R. Johnson and other researchers at the University of Pennsylvania conducted a systematic review of nearly 800 studies of the effectiveness of faith-based providers. Their conclusion: Although the studies as a whole showed generally favorable findings, in most areas the services provided by these organizations “have not been the subject of serious evaluation research.”

Even the individual who is overseeing President Bush’s efforts to direct more government funding to faith-based organizations acknowledges the need for more rigorous evaluation of their work. “I’m hoping that ... there’s an openness and transparency that we say this money is to be used for its intended purpose ... and there needs to be a measurement of outcomes,” said Jim Towey, director of the White House Office of Faith-Based and Community Initiatives.

The challenge for researchers, then, is to figure out exactly how to measure a specific program’s success, as well as how to determine the role of a program’s “faith component” in any outcomes it achieves. Adding to the challenge is the fact that research on the effectiveness of *secular* providers of social services is lacking, too.

“The rush to evaluate [faith-based providers] should be tempered with an understanding that outcome data on

many secular services are either sparse or nonexistent,” concluded Robert L. Fischer of Case Western Reserve University.

## Measuring Outcomes, Not Outputs

In a paper on how to apply outcome measurement approaches to faith-based organizations, Fischer cited research by INDEPENDENT SECTOR and others showing that nonprofit organizations of all types are often unable to demonstrate the effectiveness of their work. He went on to cite the efforts of the United Way of America to promote the use of outcome measurement among local United Way grantees.

The United Way approach, he said, provides a “useful starting point” for examining the effectiveness of both secular and faith-based social service providers. It lays out eight steps that providers can take in order to develop their own measurement systems. While service agencies traditionally have discussed their effectiveness in terms of the *outputs* of their work (such as the number of clients served), the United Way model forces them to think in terms of *program outcomes*. These are defined by the developers of the United Way approach as “benefits or changes for individuals or populations during or after participating in program activities.”

Examples of measurable outcomes would include rates of recidivism for participants in a prison fellowship program, or information on employment status and income levels for graduates of a job training class.

Even the United Way model has its limitations, however. Fischer cited the example of a prevention-focused service program—for example, in the

## Evaluation in Action: Client Perceptions of Organizational Effectiveness

As Robert Wuthnow sees it, most of the attempts that have been made to date to assess the effectiveness of faith-based organizations have focused either on specific organizations that are already presumed to be particularly effective or on specific outcomes that are easily measurable, such as recidivism or response to drug treatment.

To assess the effectiveness of faith-based social service providers in the Lehigh Valley area of northeastern Pennsylvania, Wuthnow and his colleagues at Princeton University decided to do something different. They decided to look at how the organizations are perceived by the recipients of social services themselves. One of the researchers’ motivations, according to Wuthnow, was to study the concept of trust and how it relates to the delivery of social services among low-income communities.

The research team analyzed data from a 2002 survey of more than 2,000 area residents who were asked to rate the effectiveness and trustworthiness of all of the organizations from which they had sought assistance in the previous two years. At the time, according to the researchers, 25 organizations provided nearly all of the social services in the Lehigh Valley. Respondents were presented with a list of these organizations and asked if they or someone in their household had contacted them. Then, for each organization that had been contacted, respondents were asked to grade its effectiveness in meeting their needs.

Among those who reported receiving assistance from the organizations, hospitals had provided services for 61 percent of the respondents, nonsectarian organizations for 40 percent, government welfare agencies for 36 percent, and faith-based service providers for 28 percent. In addition, 22 percent reported receiving direct aid from a church.

Receiving the lowest grade for effectiveness were public welfare agencies, which got a C+ on average from the respondents, according to researcher Conrad Hackett. The highest grades went to congregations and hospitals, both of which received a B+ from the respondents. Falling somewhere in between were

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nonsectarian service organizations and faith-based organizations, Hackett said.

Mean effectiveness scores for all organizations, Hackett noted, were lowest among African Americans and individuals with more family problems and higher among older people, those with higher incomes, and those reporting higher levels of support from family and friends. As Hackett explained, "These patterns suggest that effectiveness evaluations are based not only on the experience respondents have with agencies but also on their own needs and their alternate sources of support."

Looking at measures of trust, nonsectarian organizations and faith-based organizations tended to be perceived similarly, receiving a B+ and a B, respectively. Once again, public welfare agencies received the lowest average grade (B-), while congregations fared very well on the trustworthiness score, receiving an A.

"The main thing we are taking away from this," observed Wuthnow, "is that the faith-based organizations and the nonsectarian organizations really are quite similar to each other. Despite a lot of the claims that we see in the literature that there are special advantages to faith-based organizations, we just didn't find it."

area of youth development—where real outcomes might not be seen for years. And what about the problem of "creaming"—where agencies that establish outcome measures by which to judge the success of their programs begin to adjust their recruitment efforts in order to improve results (for example, by focusing services on less troubled individuals)?

Fischer said that faith-based organizations seeking to make outcome measurement a part of what they do should "begin small." He suggested that they start by looking at one program or service area on the assumption that the staff will gain useful knowledge that they can apply to the evaluation of other programs down the line.

In addition, Fischer noted that organizations should focus on measures that are "both meaningful and practical ... indicators that will be viewed by stakeholders as acceptable measures of program impact."

Last but not least, Fischer said that faith-based organizations should consider creating an evaluation advisory committee of key stakeholders who can help identify what to measure and provide continuing support for the evaluation effort. Ideally, Fischer said, the committee should include program staff and board members, as well as outside researchers, program clients, and others with a stake in the program's success.

## Evaluation Lessons from Volunteers of America

The United Way is not alone among national service organizations that are seeking to get a better handle on the effectiveness of locally sponsored programs, whether faith-based or not. Over the last three years, Volunteers of America has embarked on "a very serious approach" to evaluation and outcome measurement, according to the organization's Laura Skaff.

Volunteers of America (VOA) describes itself as "a national, nonprofit, spiritually based organization providing local human service programs and opportunities for individual and community involvement." With services delivered through 39 local affiliates throughout the country, the organization

serves roughly 1.7 million individuals per year, with the bulk of its funding coming from state and local governments.

VOA launched its evaluation effort with the goal of gathering information that will help improve the quality of the organization's programs; Skaff said that the ultimate objective is "to create a culture of self-improvement." The first phase in the effort, she added, has VOA staff looking at 10 of the organization's 100 program areas and seeking to identify outcome measures in each.

As a result of its work to date, VOA has learned some important early lessons about how to structure program evaluations. These include:

1. **Adopt a "no-sanctions" policy.** Early in the development of the VOA system, the organization's leadership made it clear that the outcome information would remain confidential and would not be used to punish local offices that failed to achieve a high level of success. "We didn't want to create a disincentive for outcome data collection," Skaff said, nor did VOA want to encourage offices to begin creaming for clients who would be most likely to succeed.
2. **Aim for the "critical few."** VOA wanted to focus its evaluation efforts on key outcomes only. "There is always a strong tendency to want to collect a lot of data ... but to overload these programs with an array of outcome information they need to collect is just not practical," Skaff said. VOA's response has been to identify just two or three outcomes for each program.
3. **Pilot, then implement.** Before fully implementing new evaluation measures, VOA spends a full six months testing them in a pilot phase. "We always have changes to what we thought were excellent outcome measures in the beginning just because of the practical experience of trying to apply these measures," said Skaff.
4. **Recognize that different programs demand different strategies.** VOA makes a distinction between two program types in its evaluation

efforts: “ongoing” programs, such as assisted living in which services are relatively constant, and “sequential” programs, such as drug treatment in which participants go through a series of distinctive services toward a defined completion point.

In the case of the ongoing programs, VOA collects outcome data for all participants who have been in the program for at least a defined period of days. For participants in sequential programs, data is collected only after people complete the program. “To collect outcome information if they haven’t finished the program really doesn’t make sense to us,” Skaff said, noting that organizations should simultaneously pay attention to drop-out rates and try to assess the reasons people may not be finishing a program.

## Measuring Faith

All of the lessons learned by Volunteers of America can be applied just as easily to evaluating the success of secular and faith-based organizations. The same is true of the United Way’s outcomes measurement model. Even Fischer’s suggestions about how faith-based organizations should approach the issue of measurement—starting small, convening an advisory committee, etc.—would be relevant to secular providers.

All of which begs the question: What’s different about evaluating faith-based organizations? According to Skaff, not a whole lot. “Are faith-based organizations any more or less easy to evaluate or should they be less subject to evaluation?” she asked. “The answer is no.”

In the view of Volunteers of America, Skaff continued, the faith element of any service program overseen by a faith-based organization is merely a “process variable”—something to evaluate just as one would evaluate any of the other strategies that an organization uses in its service work.

Fischer also argued against adopting an “inherently different approach” to evaluating faith-based versus secular organizations. “I have seen published comments and other

comments about how faith-based organizations are so radically different from other services in their formulation, in their ethos, that it really would be inappropriate to use more secular social science methods,” Fischer said. “And I just think that’s a little bit rash to jump to that conclusion.”

Fischer went on to cite some of the key issues in the continuing discussion of nonprofit effectiveness in general: the relative effectiveness of services, issues of accountability and cost-effectiveness, and the role of the operating philosophy of the organization and its volunteers and staff in the delivery of services.

“When you get right down to it, faith-based and nonsectarian services that are focused on jobs, the homeless, or whatever the target is have to have some overlap in terms of key outcomes,” Fischer said. “Do you look at other areas of emphasis? Sure. But the basic measures of effectiveness are really one and the same.”

Researchers also needn’t worry about the relative openness of faith-based organizations to having their services evaluated, according to David Campbell of the University of California-Davis and Eric Glunt of the California Employment Development Department.

Glunt’s department has been responsible for managing a \$9 million effort to fund 40 faith-related and community-based organizations that are helping hard-to-employ individuals prepare for, find, and retain employment. The program includes a rigorous evaluation component aimed at finding out how—and how well—the funded programs are meeting the goal of helping people not typically served by existing government efforts.

“We thought these organizations, since they’re serving the very hard-to-employ, would back away from effectiveness comparisons and would start to tell us all the reasons why we should take a lot of caveats into account in adding up their employment numbers,” said Campbell, who assisted with the evaluation. “And, in point of fact, what they’ve told us, the majority of them, is they welcome these comparisons.”



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—Laura Skaff,  
Volunteers of America

## Roundtable Research Focuses on Effectiveness

Part of the mission of The Roundtable on Religion and Social Welfare Policy is to study the effectiveness of faith-based organizations in the role of providing social services. An important focus of this research is to determine the differences in effectiveness between religious providers and their secular counterparts.

Recent and ongoing Roundtable studies are looking at the methods and results of drug treatment programs in the state of Washington, employment and training programs in the state of Indiana, homeless housing programs in the state of Michigan, responsible parenting programs in Mississippi, and other services in California.

For more information and updates on the research, see [www.ReligionandSocialPolicy.org](http://www.ReligionandSocialPolicy.org).



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“I think our results raise some important questions about whether faith-based programs that are not faith-infused are really going to be effective.”  
—Christopher Winship, Harvard University

## Evaluation in Action: “Management Challenges” for Faith-Based and Other Organizations

When researchers at Indiana University-Purdue University in Indianapolis were designing a study to assess the effectiveness of faith-based and secular job training providers in Indiana, they decided to ask the organizations about a variety of fairly obvious factors in an organization’s success, from technology and financial health to recruitment and on-the-job training. At the same time, they wanted a deeper sense of the management challenges these organizations faced, as well as how those challenges might vary among providers based on their level of “faith influence” and other factors.

“Our goal was to be a bit more exploratory, to let management describe what they saw as challenges,” explained the lead researcher, Wolfgang Bielefeld. “So we are really talking about whether management sees itself as effective.”

The research team interviewed 30 organizations participating in the Indiana Manpower Placement and Comprehensive Training Program (IMPACT), a statewide initiative funded by a welfare-to-work block grant from the U.S. government. Launched in the wake of the 1996 federal welfare reform law, IMPACT contracts for employment services with newly formed and traditional faith-based and secular providers throughout the state. Of the organizations interviewed by the researchers, 13 reported either a moderate or strong faith influence, and 17 reported none.

Based on their interviews, the researchers noted “a fair degree of management challenges in these organizations,” according to Bielefeld. These challenges covered areas from the clarity of the organization’s mission and the management of board-staff relations to marketing, human resources, and strategic planning.

When the researchers compared their findings on management challenges to the degree of faith influence in an organization, they found that faith-influenced organizations reported fewer challenges related to achieving their mission. Overall, however, the stronger the faith influence in an organization, the more likely it was to report management challenges. In particular, faith-influenced providers indicated greater challenges in the areas of strategic planning and managing facilities.

At the same time, organizations with no faith influence also faced challenges, specifically in the areas of achieving their mission, communicating internally, developing and maintaining good relations with other organizations, and using technology effectively to provide services.

Bielefeld said his research team hopes to build on these initial findings by evaluating job outcomes for individuals served by the organizations, as well as by conducting interviews with program clients about their perceptions of the services.

“This is very much a work in progress,” he said.

## Evaluation in Action: Religious Beliefs and Client Behavior

Christopher Winship of Harvard University has adopted a client-centered approach to judging the relative effectiveness of faith-based organizations as social service providers. Looking across four programs serving inner-city adolescent girls, Winship and co-researcher Amy Reynolds of Georgetown University assessed the role of the participants’ faith commitment in how they think about moral issues and their lives.

The programs studied by Winship and Reynolds ranged from a secular enrichment program to one in which faith and prayer were the crucial elements. For each of the programs, the researchers interviewed between four and five participants, while also observing three of the four programs and engaging in discussions with some of the youth leaders involved.

During their interviews with the girls, the researchers found that participants in all of the programs were strong believers in God. However, the degree to which they connected their religious beliefs to their moral values and life plans varied widely. While those in the two most secular programs made little or no connection between the two domains, the girls in the programs that were more “faith-intensive” seemed to be more capable of seeing how their religious beliefs affected the rest of their lives.

Discussing the moral values of the girls in the more faith-intensive programs, the researchers observed, “For some it is a desire to love God that propels them to do right—for others, it is because God is a judge and they must do the right things.”

While they do not see a need for programs to focus on instilling beliefs, Winship and Reynolds say their research suggests that faith-based programs with explicit religious content are more likely to be effective in helping individuals use their religious identity and beliefs to connect to the rest of their lives.

The researchers went on to argue that faith-based programs, in order to reach their full potential, should become more rather than less “faith-infused.” It is a conclusion, according to Winship, that raises an important issue in the debate over government support for faith-based organizations.

“To the degree that one’s theory is a theory about faith and commitment leading to changes in morals and behavior, I think our results at least raise some important questions about whether faith-based programs that are not faith-infused are really going to be effective,” he said.

# Looking Ahead

Faith-based organizations play a critical and often under-appreciated role in the delivery of social services in America today. Looking ahead, efforts to build on and expand that role will require researchers, religious leaders, policymakers, and others to address a number of critical questions.

Chief among these, according to Spring Research Forum Conference Chair Steven Rathgeb Smith, associate professor and director of the Nonprofit Management Program at the University of Washington and editor of *Nonprofit and Voluntary Sector Quarterly*, is the question of how to account for the unique capacities and varying interests of all the different faith-based organizations that are out there.

"There is great diversity among faith-based organizations," said Smith, citing denominational differences as well as the distinction between large nonprofit service organizations and small community congregations. "We need to learn more about what that diversity means in terms of management practices, the relationship between these organizations and government, and their capacity to raise resources in a time of scarce public budgets."

Another important question, Smith added, is how to integrate new players into the delivery of local community services. Many communities, he said, have "fairly established patterns of service delivery," whether by faith-

based, secular, or government entities. Bringing in other organizations that have not been a part of the existing network could pose a challenge, particularly when the entry of a new service provider might mean fewer resources for an established organization.

Last but not least, Smith suggested that policymakers and researchers keep in mind that the effectiveness of faith-based organizations as service providers will be forever linked to the effectiveness of government itself. "The health of faith-based organizations—and I would argue the voluntary nonprofit sector in general—is dependent, in part, on a healthy public sector."

Looking ahead, he said, everyone involved in the debate over the role of faith-based organizations in the social welfare system should pay close attention to the relationship between these organizations and government. The key, he said, is to "find innovative program models that link the government and the faith-based sector in the effort of delivering effective services to people in need."



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## Working Papers and Transcripts Available

For more on the Spring Research Forum—including the working papers presented by participating panelists and transcripts of the sessions—see [www.IndependentSector.org](http://www.IndependentSector.org) and [www.ReligionandSocialPolicy.org](http://www.ReligionandSocialPolicy.org).

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