

FAITH IN COMMUNITIES: BRIEFING ON CHARITABLE CHOICE IMPLEMENTATION EFFORTS IN THE STATES

National Press Club, April 24, 2002

Background

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) (Public Law 104-193) includes the Charitable Choice provision which opened doors for new partnerships between States and faith-based organizations (FBOs) to serve those in need. This report covers the faith-based briefing at the National Press Club held April 24, 2002.

Purpose

The Hudson Institute, with the Center for Public Justice, hosted a panel discussion at the National Press Club in Washington, DC on April 24, 2002. The dual purposes of this panel were: 1) to announce the release of a study by Amy Sherman, Ph.D., a Senior Fellow at Hudson, dealing with the partnerships between State and local governments and faith-based service providers, and; 2) to discuss the particular strategies employed by Summit County (Akron), Ohio for partnering with the faith-based community.

Members of the panel included Dr. Sherman; Jay Hein of Hudson's Welfare Policy Center; Daisy Alford-Smith, Ph.D., Director of the Summit County Department of Job & Family Services, and; Reverend Jeffrey Dennis, Pastor at Mt. Calvary Baptist Church and Director of Project AGAPE – Academically Growing and Promoting Excellence. Other speakers included Mr. James Towey, Deputy Assistant to the President and Director of the Office of Faith Based and Community Initiatives; Wade Horn, Ph.D., Assistant Secretary for Children and Families, DHHS, and; James Skillan, Ph.D., President of the Center for Public Justice.

Findings

After introductory remarks by Mr. Hein, Dr. Sherman provided an overview of the findings of her study, *Collaborations Catalogue: A Report on Charitable Choice Implementation in 15 States*. These results, described by Dr. Sherman as the “descriptive” phase of the study, will be supplemented by the “analytical results” to be released later this summer. Dr. Sherman and her team gathered information on faith-based social service delivery governed by Charitable Choice¹ in 15 States.² In total, Dr. Sherman and her team

¹ Dr. Sherman only counted those partnerships governed by the provisions of Charitable Choice. Therefore, only those faith-based organizations providing services funded by Temporary Assistance for Needy Families, Welfare-to-Work, Community Services Block Grant, and the Substance Abuse and Mental Health Services Administration.

cite 726 such partnerships, worth a total of \$123,784,621. Among the key findings of the report:

There has been a significant growth in the number and scope of partnerships between governments and faith-based organizations. In Dr. Sherman's initial assessment of Charitable Choice implementation (*The Growing Impact of Charitable Choice: A Catalogue of New Collaborations Between Government and Faith-Based Organizations in Nine States*; Center for Public Justice, March 2000), she found approximately \$7.5 million worth of contracts awarded to faith-based providers. This new study documents more than \$88 million. Growth in the number of faith-based providers in three States illustrates this trend. In California, the number of faith-based service providers under contract grew from 11 to 107; in Michigan from 9 to 129, and in Massachusetts from 3 to 22.

A wider range of services is being provided by faith-based organizations. Because of previous TANF surpluses, States had the flexibility to implement pilot programs and work with faith-based organizations in new and creative ways. Also, while only TANF and Welfare-to-Work (WtW) supported contracts were discovered in the initial study, all four funding streams of interest were found to be supporting partnerships with faith-based providers in this study.

Contracts are increasingly being awarded to congregations (as opposed to 501(c)(3) branches) and to providers with no history of government funding. While only about 3 percent of contract holders in the initial study were congregations, this new study documents an increase to 22 percent.

Faith-based initiatives not governed by Charitable Choice are increasingly common in several States. Governors, Mayors, and State Legislatures in many States are seeking creative ways to draw upon the strengths of the faith-based community.

More information on Dr. Sherman's study is available online at:

<http://www.hudsonfaithincommunities.org>.

Dr. Daisy Alford-Smith, Director of the Summit County Department of Job & Family Services, shared some of her experiences with developing successful partnerships with the faith-based provider community. Dr. Alford-Smith highlighted four key steps to success:

Infrastructure assessment – Agencies must review internal practices and policies, especially with respect to their mission and vision. This is the only way to move toward the goals of

² AL, CA, CO, FL, IL, IN, MI, MA, MS, NY, OH, OK, TX, VA, WI.

self-sufficiency, self-determination, and a high quality of life. People must have access to the necessary resources to achieve these goals. Skills training should be competency-based.

Recognition of safety-net providers -- Many times, the smaller faith-based organizations require a one-on-one relationship to guide them through the new world of government contracting. This helps to prevent the faith-based organizations veering away from its expertise in order to attempt to meet some need identified by the government. Doing so detracts from the very quality that attracted the government to the provider initially.

Recognize the concerns of the faith-community – Faith-based organizations may have some concerns about these new partnerships. Dr. Alford-Smith found many groups to be fearful that the government was looking for someone to blame if their welfare implementation plans failed. Education efforts and the communication of a clear vision can ameliorate these concerns.

Provide technical assistance – Faith-based providers need technical assistance around such issues as 501(c)(3) formation, budgeting, allowable costs, reimbursement processes, reporting, tracking, and evaluation. Using intermediary organizations to administer smaller contracts allows groups with minimal infrastructure to play a role in social services. Services provided by the faith-based partners of the Summit County Department of Job and Family Services include:

- Tutoring
- Mentoring
- Child enrichment
- Parent education
- Counseling for relatives of the incarcerated
- Family development
- Life skills training
- After school programming

Summit County claims broad multi-denominational success with partners from AME, Apostolic, Baptist, Catholic, Church of God, Episcopal, Evangelical, Judaism, Lutheran, Methodist, Mennonite, and Presbyterian denominations as well as non-denominational representatives. The County supports these partners by offering capacity building, executive coaching, leadership skills, and training to the organization board members. One partner is the Mt. Calvary Baptist Church's AGAPE Program.

Project AGAPE – Academically Growing and Promoting Excellence – is run by Reverend Jeffrey Dennis. It provides for the education and social development of young men aged six to 17. A 501(c)(3) organization, it strives for educational support, economic

development, community empowerment, health, cultural awareness, family-building, and value systems.

Through strategic partnerships with Summit County, and other social services providers (including 2 churches, a public school, a community school, and a youth center), Project AGAPE provides the following services:

- Tutoring – focuses on K-12 mathematics and reading comprehension.
- Counseling – individual, group, family, self-esteem, depression, anger management, crisis intervention
- Workshops – for youth and parents (if youth are enrolled, parents must attend the complementary sessions). Youth topics include peer pressure, drugs, depression, self-esteem, and life choices. Parental topics include self-sufficiency and financial freedom.
- Consulting – Serves as an intermediary for other nonprofits looking to build their infrastructure.

Reverend Dennis has nine reasons why his partnership with Summit County is successful:

1. Commitment from high-level personnel
2. Desire to Serve
3. Understanding of Community Needs
4. Communication
5. Commitment to work through difficult times
6. Common goals & complementary vision
7. Dedication to empowering families
8. Commitment to excellence and perseverance
9. “Win-win” situation for everyone involved.

Following Reverend Dennis, Mr. Towey and Dr. Horn each spoke for approximately ten minutes. Mr. Towey, diligently working on the passage of the Care Act, focused his comments on the need to develop intermediary organizations. He also commented that a balance between collecting the necessary data on the extent of the involvement of faith-based groups and the concerns over the ‘sorting’ that such an effort would necessitate needs to be reached.

Dr. Horn is working on increasing the funding of the Compassion Capital Fund from its initial level of \$30 million to \$100 million per year. The Fund serves to build the internal capacity of faith-based organizations. This is a priority because Dr. Horn identifies a lack of knowledge about Charitable Choice at the State and Federal levels and the lack of experience at the community level as two reasons why more faith-based organizations are not yet

engaged in the provision of government-funded social services. Dr. Horn pointed out the need for universal standards of evaluation – that faith-based providers should not be held to standards which are any more or less stringent than those applied to their secular counterparts. Rather, according to Dr. Horn, we should have effective, results-oriented evaluation criteria which are universally applied.

Conclusion

Dr. Skillan concluded the panel session with his remarks about the need for full interagency coordination to serve families most effectively. Dr. Skillan also spoke eloquently about the misinformation about Charitable Choice and its objectives in both the media and in legislative circles and the implications this misinformation might have on agencies, front-line workers and, eventually, families. Dr. Skillan couched his arguments in a theme of freedom and justice noting that the decision to deny a person in need his or her right to choose to receive services from a faith-based provider would be an egregious violation of that person's rights.