BUILDING *the* FAITH

STRATEGIES FOR BUILDING THE CAPACITY OF
FAITH-BASED ORGANIZATIONS AND CONGREGATIONS
SERVING ALLEGHENY COUNTY, PENNSYLVANIA

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FRAMING THE ISSUE

For as long as anyone can remember, congregations[1] have played a vital role in nurturing the spirit of the community. Aside from being a source for spiritual grounding, congregations also provide social ministries to address the needs of the community. Over time, these social ministries have developed into more formal and professional faith-based programs and organizations, which often function independently from those offered by their founding congregations. Such national organizations as Catholic Charities, Young Men's Christian Association and the United Jewish Federation, and such local organizations as Holy Family Institute, Pittsburgh Project, the Jewish Community Center and East End Cooperative Ministries, have emerged from congregations as ways to respond to the social needs of the community.

While faith-based organizations (FBOs) have played important roles in their communities for many years, the issue of public funding for their efforts has become the subject of extensive public debate relatively recently. The current national dialogue can be traced back to 1996 and the Clinton administration's support for changes to what has been called "charitable choice" legislation: making federal contracts more readily available to support the work of congregations and FBOs. Subsequently, in 2001, the Bush administration established the Office of Faith-Based and Community Initiatives as a way to further address the needs of FBOs.

Despite the great variety of beliefs represented by FBOs, they share some important characteristics: a broad commitment to community; support for spiritual growth and social justice; and a willingness to serve in areas of great need. These characteristics were confirmed by a recent survey of incorporated 501(c)(3) faith-based organizations carried out by a team of researchers led by Dr. Kevin Kearns, Associate Professor at the University of Pittsburgh. For example, the team found that when compared to their secular counterparts, FBOs benefit from much higher levels of commitment from volunteers, and this commitment does not abate as the organizations grow larger and gain more professional staff.[2]

In recent years, government at all levels has come to rely on FBOs to deliver services to populations in need. Annually, FBOs in the United States provide more than $15 billion in social and human services, serving approximately 70 million persons.[3] In some communities, government contracts with FBOs have increased more than 500% within the last two years.[4] In 2002, the Hudson Institute released a study that examined government contracting with FBOs in fifteen states. Their report cited 726 examples of government contracting with FBOs, totaling almost $125 million. (Nine states were studied in the year 2000 and an additional six in 2002.) This study also found that government contracting with FBOs in eight of nine originally surveyed states increased substantially, from over $7.5 million in 2000 to over $88 million in 2002.[5]

1. Congregations, defined as the relatively small-scale, local collectivities and organizations in and through which people engage in religious activity, are a basic unit of American religious life. Congregations refer to houses of worship and communal meetings of all religions and faiths. Adapted from "The National Congregations Study: Background, Methods, and Selected Results," by Mark Chaves, et al. *Journal for the Scientific Study of Religion,* 1999, 38(4):458-476.
2. Kevin Kearns, Chi Sung Park, and Linda Yankoski (2003). *Comparing Faith-Based and Secular Human Service Corporations in Pittsburgh*. University of Pittsburgh. Available online at http://www.forbesfunds.org/tropman/projects.cfm.
3. Byron R. Johnson, Ralph Brett Tompkins, and Derek Webb (2002). *Objective Hope: Assessing the Effectiveness of Faith-Based Organizations.* Center for Research on Religion and Urban Civil Society, University of Pennsylvania.
4. John Green and Amy Sherman (2002). *Fruitful Collaboration: A Survey of Government Funded Faith-Based Programs in 15 States.* Hudson Institute, Inc.
5. Ibid.

BUILDINGS AND CAPITAL EXPENDITURES

Several of the smaller nonprofits and congregations discussed their aging buildings and the challenges they face regarding upkeep and capital improvements. Establishing a small, easy-to-access, quick-response grant fund for building repairs or emergency capital improvements would begin to address this challenge.

CAPACITY

Assistance with information technology, such as systems for client tracking, would be a key service for faith-based providers. Making relevant software available, offering training on database creation and management, facilitating Internet access, and providing on-site assistance for congregation-specific information technology needs would all be invaluable to these providers. Some of the challenges consistently raised among the smaller nonprofits and congregational programs focused on tracking clients for program evaluation and measurement of outcomes. With limited technical capacity, client tracking has not been as well managed or as potentially valuable as it should be.

Another area of capacity-building revolves around pastors, who often carry overwhelming loads in fulfilling multiple roles as church leaders, counselors, fundraisers, organization managers, etc. Convening pastors from churches that offer social services with the purpose of providing peer support, counseling, problem solving, and access to additional resources could further empower, refresh, and re-invigorate pastors who are approaching burnout.

The concept of shared staff was raised in several of the focus groups and met with a fairly consistent positive response. The areas that were mentioned as potentially conducive to staff sharing included fundraising and development, technology, human resources, and administrative services. A feasibility study of shared staff as a solution to the problem of affording desperately needed expertise for these organizations is suggested.

To read the full text of this study, log onto The Forbes Funds' web site at www.forbesfunds.org.

DO GOVERNMENT PURCHASE-OF-SERVICE CONTRACTS UNDERMINE RELIGIOUS MISSION? THE HOLY FAMILY INSTITUTE CASE STUDY PROVIDES ONE ANSWER

By Linda Yankoski, Executive Director, Holy Family Institute (2003)

To take government money or not to take government money? That is the question that administrators of many religiously affiliated agencies face. The First Amendment of the United States Constitution prohibits the use of government monies to establish or prohibit religion. Does entering into government purchase-of-service contracts oblige administrators to alter the way they express religious values in their agencies or how they create organizational culture and deliver services?

In 2001, the Bush administration established the Office of Faith-Based and Community Initiatives. The office was established to equalize the access that all community-based organizations, including faith-based organizations (FBOs), have to government contracts and grants for the provision of social and community services. The Bush administration hoped that faith-based administrators would revisit decisions not to participate in government contracts or grants. In many cases, the decisions had been based on fear of government-imposed limits on religious expression.

If administrators turned to social science literature for help in decision-making, they probably discovered the ambiguity of the term *government funding.* Many researchers use that term instead of precisely defining the contract or grant that is the mechanism for the exchange of services.[31] In answering the question about the effect of "government funding" on religious mission, the literature is likewise ambiguous. Some researchers point to government funding as one road to secularization.[32] Others, such as Monsma, demonstrate that religious organizations can maintain religious character without significant government interference.[33] Administrators may also have noted the lack of long-term case studies in social science literature about government contracts and FBOs.

THE CONTEXT OF CHARITABLE CHOICE

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 allows states to fund social services through contracts with charitable, religious, or private organizations.[34] In addition, the act says that, if more than one provider is available, the service beneficiary may use a state-funded voucher to pay the preferred provider. The ability to select among providers — which could be charitable, religious, or private organizations — gives one section of this act its common name, "Charitable Choice."

Although Charitable Choice may appear new to some, the fact is that government in the United States has been purchasing services from religiously affiliated providers for decades. In 1899, the United States Supreme Court upheld the government's right to enter into a contract with a Catholic hospital. The Court's ruling distinguished between the *services* provided by the Roman Catholic sisters who staffed the hospital and the *religious body* to which the sisters belonged.[35] In 1988, the Supreme Court ruled that a purchase-of-service contract with a religiously affiliated corporation was not, on its face, unconstitutional.[36] Even in Pennsylvania, where the state constitution says explicitly that "no appropriation shall be made for charitable, educational or benevolent purposes to any … denomination and sectarian institution,"[37] religiously affiliated organizations have long been parties to government contracts. In *Schade v. Allegheny County Institution District,* for example, the state court ruled that religiously affiliated child care centers received government reimbursements, not appropriations.[38]

Charitable Choice attempts to clarify three issues. First, religiously affiliated organizations may compete for government contracts on a footing equal to that of other agencies. Second, government must be able to ascertain that FBOs deliver services in a way that conforms to the First Amendment. Third, the FBO has the right to deliver services in a manner and environment that respect the FBO's identity and legitimate legal concerns. Despite the attempt at clarification that Charitable Choice represents, many administrators remain skittish about government funding. To take government money or not to take government money? In the current social service economy, an agency's very life may depend on the answer, as may the quality of life of the people the agency serves.

THE HOLY FAMILY INSTITUTE CASE STUDY

A century's worth of records from Holy Family Institute (HFI) were analyzed to discover if participation in government contracts had affected HFI's religious identity and mission; and, if so, how. Founded in 1900 by the Sisters of the Holy Family of Nazareth, a Roman Catholic order, HFI was originally an orphanage. The institute served a need rooted in the industrial heritage of the Pittsburgh region. Many of its clients were the children of Polish workers killed or injured in mill or mine accidents. The agency changed with the needs of the region's population. Today HFI is a fully accredited social service agency that serves abused and neglected children at its campus in Emsworth, Pennsylvania., and in other community locations.

SOURCES OF GOVERNMENT MONIES

The government paid HFI for its care of children as early as 1910.[39] Government entities that purchased services included Allegheny County Juvenile Court and the City of Pittsburgh. In 1935, Allegheny County purchased services directly rather than through the county court system.[40] In the 1960s, passage of the Social Security Act increased the availability of county grants and contracts, because the act allowed the federal government to provide welfare funds to states. In Pennsylvania, the state gave the funds, through contracts and grants, to the counties. The counties allocated payments to individual agencies. Amendments to the act, in 1962 and 1967, allowed state governments to enlist nonprofit organizations, including religious organizations, to deliver welfare services.[41]

At HFI, revenues from government grants and contracts increased dramatically from 1960 to 1979. In this period, monies from these contracts doubled — in some cases, quadrupled — every five years.[42] Government monies as a percentage of all revenue went from a low of 17.5% in 1914 to a high of 91.6% in 1979. By 2002, 80% of HFI's $26 million annual budget was from purchase-of-service contracts with government entities or fees from public school districts.[43]

ANALYZING RELIGIOUS CHARACTER

This study gathered data about the religious environment of HFI from three sources: documents, interviews with 33 alumni who lived at HFI at some time between 1919 and 1998, and a survey of HFI leaders. It organized the data according to the organizational dimensions of culture, resources, and authority, and triangulation was used as a form of cross-validation.[44]

To quantify religious identity and expression at HFI, a scoring system was applied relating to four existing typologies: the Common Ground typology[45] and the typologies developed by Monsma,[46] Benne[47] and Jeavons.[48] Each typology used different criteria to assess the religiosity of an organization. All four typologies are generic, meaning they do not rely on any particular theological tradition or perspective.

The HFI data reflected two distinct periods: 1900–1964, when the sum of government monies was steadily rising, and 1965–2002. The later period was, for HFI, a time of dramatically increasing government monies, growing professionalism and changing religious practices. At the beginning of the second period, the Second Vatican Council called Catholics and their organizations to embrace ecumenism, religious liberty, and amplified roles for the laity in the Church.

FINDINGS

According to all four typologies, HFI before 1965 was a highly religious, faith-saturated, orthodox institution. Until the mid-1960s HFI was staffed by all sisters and the children were predominantly Catholic. The typology scores relating to the second period revealed HFI (1965–2002) as a moderately religious, faith-related organization. During the latter time period HFI was staffed by lay individuals and most children were not Catholic.

The post-1964 typology-based scores indicated religious diminishment in the period that receipt of government monies soared. The scores seemed to suggest that participation in government contracts had undermined religious character. However, the alumni interviews and survey relating to the same period told a different story. They testified to a continuously strong religious character.

To resolve the discrepancy by studying the typology criteria, the typologies attribute high religiosity to an agency that:

- Hires staff according to the agency's faith commitment;
- Serves clients whose religious affiliation matches that of the agency;
- Makes religious activities mandatory; and
- Draws resources primarily from people or organizations that share its faith.

These criteria led to a paradox: the more HFI adhered to the theological and social teaching of its Church, such as increased ecumenical sensitivity in hiring and program outreach and the respect for religious diversity and freedom of its clients, the more points HFI lost for religiosity, according to the typologies. HFI lost points because HFI does not require staff to be Catholic. The fact that HFI's 1904 charter requires the agency to serve children without respect to religion also lowered the agency's religiosity score. HFI lost more points because it does not require clients to participate in religious activities.

A NEW YARDSTICK OF RELIGIOUS CHARACTER

The typologies did not consider the theological distinctions of the Catholic Church. Therefore, the generic typologies were an unreliable means of measuring HFI's religious character. To provide a way to analyze the religious character of a Catholic organization, a Catholic Typology for Social Service Organizations (CTSSO) was constructed. The CTSSO assesses religiosity according to 14 criteria that relate to authority, culture, and resources *as Catholicism defines them*.

A critical difference between the CTSSO and the generic typologies is that the CTSSO emphasizes how an agency *allocates* resources, not the sources from which it receives them. Using this typology, it is concluded that HFI is a highly religious organization because HFI's policies reflect Catholic social teachings requiring just wages and family benefits. In other assessment areas, HFI also met CTSSO criteria for a highly religious agency.

CONCLUSIONS

HFI's Catholic identity and mission, though expressed differently at the beginning of the twentieth century than at present, are intact; HFI did not substantively dilute its religious identity or mission by entering into contracts with government entities. HFI's formal mission integration program is credited for maintaining the institute's vital religious identity. The program acts as a bulwark against the pressures that encourage individual organizations to become like others in their environment. In addition, HFI's credits it strong religious character to its link to the founding order, the Sisters of the Holy Family of Nazareth, which remains active in institute governance and administration. It is noted that Catholic emphasis on ecumenism and religious freedom prepares Catholic institutions well for pursuing government contracts: Catholic institutions should not have to dilute their identity to deliver professional services that respect clients' freedom of conscience.

This study acknowledged that government monies had increased the number and variety of programs at HFI. Also, participation in government contracts had accelerated the pace of professionalism at the institute. However, professionalism is not viewed as a threat to religious identity and mission: "Licensing, accreditation, and formal education are not antithetical to religious activity."[49]

One means of ensuring a smooth relationship between a service provider and a government entity is to establish outcome-based criteria as a means of service evaluation. "Public policy such as Charitable Choice, which encourages cooperation between government and religious organizations, can be an important tool to help meet the needs of the vulnerable in society, as long as it fosters and does not hinder the legitimate exercise of religious freedom for the institution and those it is meant to serve."[50]