

# National Association for State Community Services Programs

ISSUE BRIEF

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## A Match Made in Heaven Community Action Agencies and Faith-Based Organizations

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### Introduction

Faith-based organizations (FBOs) have been garnering much attention from federal policymakers in recent years and the threat of competition, whether perceived or real, for scarce resources is gaining significance within the non-profit sector. But how might this affect Community Action? Is there cause for alarm and should the issue be ignored or addressed? This issue brief attempts to address these questions and provides some examples of how Community Action Agencies (CAAs) around the country are embracing these new opportunities and challenges as a catalyst to enhance partnerships and service delivery.

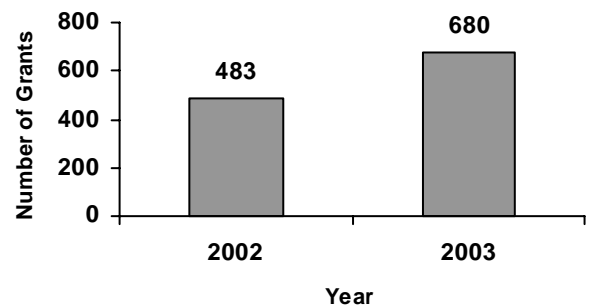
### Background

There is quite a disparity in identifying what a FBO is and is not. Generally such organizations are classified as church congregations, national networks, or nonprofit religious organizations. These organizations tend to be smaller in size and reliant upon volunteer staff. These characteristic aspects make it difficult for such organizations to track progress, collect data and actively monitor themselves. In 2003, federal agencies began collecting data to assist in identifying which grantees qualify as community and FBOs.

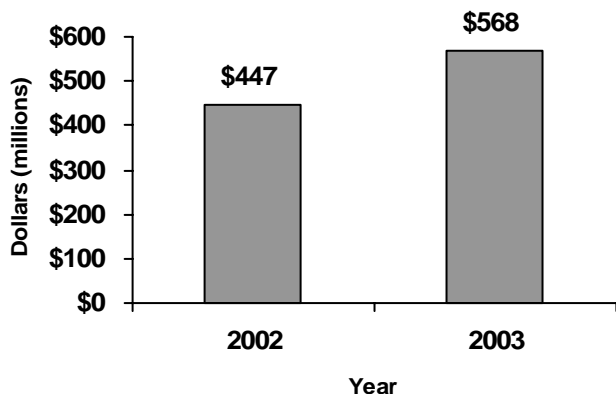
Many of these community and FBOs provide a myriad of emergency services and immediate assistance. Yet these organizations typically have limited resources, capacity and experience to apply and win public funds.

Prior to the community and faith-based initiative launched by President Bush and the "charitable choice" legislation in 1996, the federal government was already funding national FBOs such as Catholic Charities USA, United Jewish Communities and the Salvation Army. For years these organizations received large amounts of public funds crucial to their daily operations. For example, in FY 2001, Catholic Relief Services received \$88 million in federal funds and World Vision Inc. received \$124 million.

**HHS Faith-Based Grants  
2002-2003**



### HHS Faith-Based Funding 2002-2003



In FY 2003, the Department of Health and Human Services (HHS) awarded 680 grants to FBOs, an increase in 41% from FY 2002, totaling a \$91 million increase in funding to FBOs. There was a 50% increase in first-time grantees in FY 2003; further increasing FBOs' funding 19% from FY 2002. In addition, the Department of Housing and Urban Development (HUD) awarded 765 grants to FBOs in FY 2003, an increase of 16% from the previous year, totaling \$53 million for FY 2003. Overall, of the \$14.5 billion in Federal competitive grants awarded at five agencies in FY 2003, \$1.17 billion was awarded to FBOs. In FY 2003, HHS and HUD saw a combined increase in funding to FBOs of \$144 million.<sup>1</sup>

On August 3, 2004, the President announced \$43 million in 145 grants for organizations providing services and support through compassionate programs such as soup kitchens, drug

treatment centers and job training programs. The purpose of these grants is to give 'armies of compassion' resources needed to continue their social services. To date, the Compassionate Capital Fund has granted \$99.5 million to 1,906 organizations. By September 30, 2004, 1,709 grass-roots community and FBOs will have received federal funds.<sup>2</sup> The Bush Administration's attempt at 'leveling the playing field' for these organizations now creates new opportunities and challenges. The abundance of new eligible grantees will be quite challenging given that charitable social welfare agencies and FBOs grew from 739,000 in 1977 to 1.19 million in 1997.<sup>3</sup>

### State Responses to the Faith-Based Initiative

In recent promotion of his executive orders expanding the community and faith-based initiative to a total of nine federal agencies, the President identified the need for having the governors' support. In response to those funds block granted to states, such as the Community Services Block Grant (CSBG), the President commented on the need for governors to have "a faith-based office [in order to] understand the vast potential of changing their state." He further commented that part of the expansion of the community and faith-based initiative is to "work with [them] to help change the attitude at the state level"<sup>4</sup> to welcome such organizations. Currently at the state level, 20 governors have staff actively working with community and FBOs, mainly in the social services and workforce development areas.

Additionally, some states, such as Indiana, Texas and Virginia passed legislation on their own faith-based initiatives. FaithWorks Indiana was established in 1999 by former Governor Frank O'Bannon within the state's Family and Social Services Administration (FSSA) Division of Family and Children. The initiative aims to promote the inclusion of community and FBOs' support services throughout Indiana. The Governor called for including these organizations to offer emergency services, counseling, mentoring, child care, youth and after school programs and job training. In 2002, the initiative was expanded in the Department of Workforce Development with a \$1 million grant from the Department of Labor to include faith and community based organizations into the WorkOne system, part of Indiana's Workforce Investment effort.

In 1996, Governor Bush in Texas released a *Faith in Action* report to highlight collaborative efforts to improve the delivery of services to Texans. Governor Bush urged multiple agencies to implement "Charitable Choice" provisions in 1997. The Texas Department of Human Services (TDHS) called upon a task force to identify partnerships in place and barriers to implementing "Charitable Choice." Since implementing "Charitable Choice," TDHS has a better understanding of its programming, service delivery and opportunity to engage in developing community capacities to fill in service gaps and reduce duplication of services. TDHS has also amended language in their contracts to prohibit dis-

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crimination against FBOs as eligible entities for funding.

In Virginia, the General Assembly called for a task force to investigate the opportunities for FBOs to be involved in the delivery of social services. In 2002, the General Assembly passed legislation making the Department of Social Services responsible for facilitating collaboration between public agencies and FBOs. From there, a network of 121 social services departments and 25 CAAs joined together to help faith and community based organizations partner with public agencies and access funding. Staff members from the Virginia Faith-Based & Community Initiative continue to reach out to organizations and offer technical assistance on applying for federal funding, grant writing, and collaborating with volunteer programs.

In addition to state level support, a survey conducted by the US Conference of Mayors in 2001 reported that 121 mayors had appointed liaisons to the faith community and 37 more were planning on appointing liaisons.<sup>5</sup> Noteworthy initiatives include Georgia's city of Macon Faith-Based Initiative under Mayor C. Jack Ellis; city of Orlando, Florida Mayor Buddy Dyer's Faith-Based and Community Matching grants; and Mayor John Street of Philadelphia, Pennsylvania Mayor's Office of Faith-Based Initiatives.

### **Community Action Agencies Responses to Faith-Based Organizations**

In a survey released in May 2001, 285 CAAs responded on their current relationships with community and FBOs. Close to 69% of agencies responded they had a FBO represented on their agency Board of Directors. In partnering with such organizations, 87% currently worked with nonprofit, FBOs and similarly 64% worked with interfaith alliances or ministerial associations. Overall, 63% of agencies surveyed responded that they utilized volunteers from FBOs and 40% contracted with FBOs to deliver services. Finally, 97% responded they cross-referred clients to local FBOs.<sup>6</sup>

### **Community Action Agencies Working with Faith-Based Organizations**

The extent to which FBOs working with 'intermediary organizations' has significant ramifications for their administration of grant programs. By working with an 'intermediary,' a FBO has access to additional staff and resources.<sup>7</sup> This relationship can be mutually beneficial as evident in numerous states where CAAs partner with community and FBOs to solicit funds, volunteers and support. The following anecdotes are some of the numerous types of partnerships between CAAs and FBOs from across the country.

#### **Homeless Services**

DC's Northwest Church Family Network (NCFN) is a faith-based, non-profit community organization that consists of a consortium of churches and civic leaders organized in 1996 by Father David Bava. The network assists formerly homeless families by providing them with caseworkers who facilitate the delivery of social services and access to resources that empower and motivate families to become self-sufficient within three to five years. CSBG funds have been utilized to fund the salaries for two of the four caseworkers.

The Human Resources Council (HRC) District XII, a CAA in Montana, administers the "Help the Homeless Feed the Hungry" program in Butte. The agency has partnered with its local Continuum of Care provider, a group of FBOs and the social service agencies including the Assembly of God, Unity Church and St. James Healthcare. Together the organizations coordinate a schedule to prepare and deliver lunches for the homeless. Partners are responsible for food preparation and delivery when scheduled. HRC District XII is responsible for delivery on Mondays, Wednesdays and Fridays. CSBG funds are utilized to supply agency employees with gasoline and other items pertinent to the delivery of goods and services to the homeless. Combined, HRC District

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XII and its partners serve about 45 individuals daily in Butte.

Knoxville-Knox County Community Action Committee in Tennessee works actively with the Compassion Coalition, a group of more than 25 area churches that seek out the needs in the community, publish data, and recruit other churches to join. Organized in April 2002, the Coalition is a 501(c)3 operating with a board of directors. The Coalition is not involved directly with ministry, but serves as a catalyst to assist area churches to build capacity. The three main objectives of the Coalition are to research community needs and resources, build capacity for community outreach, and bridge the churches and the community. Coalition volunteers work with individuals and families to provide tutoring, skills enhancement and donations. One member, Bridgewater Church, welcomes transient families, homeless persons and families, and families with emergency needs. Other services offered by the coalition include a food pantry, clothing closet, financial counseling, and furniture and house wares donations.

Bergen County Community Action Program (CAP) in New Jersey hired professional staff to supervise the faith-based overflow shelter, a 'search and rescue' van service, and 24-hour staff to aid those seeking food and shelter. The successful partnership has assisted the agency in planning for an expanded homeless shelter. Bergen County CAP also provides a daily lunch at a local shelter and collaborates with the Interreligious Fellowship for the Homeless (IRF) to provide evening meals in Hackensack.

## Housing Services

NCFN in Washington, DC used public and private funds to purchase a vacant apartment building, Augusta Louisa, and convert it into a complex to house 30 homeless families. The apartments are leased to homeless families currently living in a Washington Catholic Charities shelter. While housed by NCFN, the families work with a case manager on various issues such as improving education, employment, parenting, financial literacy skills and access to healthcare and childcare.

Group Workcamps Foundation has emerged as a popular venue for young people of faith organizations to give back to their community or other communities in need. The mission of Workcamps is to help young adults experience Christian service on the front lines of the real world. The Colorado-based program organizes about 80 Workcamps annually, typically engaging members of church youth groups to participate in building homes while also building relationships. The national program has been welcomed by many CAAs as a chance to engage youth in improving housing for low-income families and seniors.

Southeast New Mexico Community Action Corporation (SNMCAC) operates a Workcamp to assist in rehabilitating homes for low-income families and the elderly. SNMCAC coordinates the projects and manages volunteers from local community and faith-based organizations. To help fund the program, SNMCAC received an \$18,000 grant from the Public Service Company of New Mexico (PNM) to sponsor its 500 Workcamp volunteers.

In July 2004, Skagit County Community Action in Washington State sponsored a Workcamp for 250 young adult volunteers. The local chapter of this nationwide program assisted in repairing and administering regular maintenance on 39 homes in Skagit County.

In Oklahoma, CAAs collaborate in bringing youth from across the country to repair low-income housing for one week during the summer. In July 2004, Northeast Community Action Agency sponsored a camp for 400 young adults from the Dream Catchers Group Workcamp to paint, re-roof and replace drywall in 67 homes. To fund the Workcamp, Northeast Community Action Agency raised \$25,000 to purchase building materials used by camp participants and in the process, will generate \$200,000 in matching funds for the agency to bring the homes up to electrical and plumbing codes.

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Also this year in Oklahoma, Central Oklahoma Community Action Agency (COCAA) hosted 180 young adults from the Frontier Group Workcamp in Seminole to tend to 29 homes. The camp was funded by the agency, community donations of \$20,000, the city of Seminole, and Canadian Valley Electric Co-op Foundation.

Community Action Team Inc. (CAT) in Columbia County Oregon and four local churches formed the Columbia County Faith-Based Housing Support Network. The network serves at-risk households that come to CAT for housing assistance. At CAT a needs assessment is completed and if funds are not available, clients are referred to one of the church partners. The churches also help families who may need furniture and immediate assistance in preventing eviction or funds to pay utility bills. In such instances when funds are available, the churches send money to landlords or utility companies. In the past year the Columbia County Faith-Based Housing Support network was able to help over 400 households.

### Emergency Services

In 1997, Western Idaho Community Action Program, Inc. (WICAP) responded to flooding in 13 counties by hosting national disaster relief agencies such as the Federal Emergency Management Agency (FEMA) and the Red Cross. WICAP also worked as the lead agency in coordinating volunteers from about 25 local community and FBOs as well as national organizations such as Church World Services from Utah. Many local FBOs, including the Salvation Army, Methodists, Mennonites, Brethren, and Seventh Day Adventists, joined together in assisting the disaster relief efforts. These efforts led to the creation of a new entity, Volunteer Organizations Active in Disasters (VOAD) in the state of Idaho. WICAP continues to support and collaborate with the VOAD program and the Citizen's Corps which have recently been united as one program. WICAP still relies on their local network of faith-based volunteer organizations to act as 'first-responders' to summon volunteers to assist in disaster areas. Based on their success in dealing with past disasters and a reliable network comprised of faith-based organizations, WICAP published a disaster plan for the eight counties and the 17 disaster sites they serve. The comprehensive plan has been distributed to all counties and shared with other states looking to implement similar plans.

### Transportation

Tri-County Community Action Program, Inc. (Tri-CAP) in Minnesota participated in the Welfare Reform Partnership that developed a car loan program and expanded the public transit system. The resulting bus and volunteer driver programs operate 10 buses and services about 5,000 one-way trips a month. The programs are now funded by the Minnesota Department of Transportation and CSBG dollars are utilized to cover administrative costs to allow the other federal funds to go toward direct services. Tri-CAP continues to participate with several FBOs to build a coalition of leaders with the goal of eliminating transportation as a barrier to self-sufficiency. Currently one organization, the Rural Stearns Faith In Action program, hopes to receive a grant to operate adult day care services out of the Mother of Mercy Nursing Home and incorporate Tri-CAP's bus system as a transportation option for program participants.

### Elderly

Oklahoma's CSBG office works with community and FBOs and other local entities to support the Cell Phones for Seniors Program. FBOs assist Southwest Oklahoma Community Action Group in collecting and promoting cell phone donations that are then taken to the Retired and Senior Volunteers Programs (RSVP) office. Currently the agency partners with the Heartland of Southwest Oklahoma United Way, local police stations and town offices, the Mangum Ministerial Alliance and the Associated Christian Ministries, Inc (ACMI). The Ministerial Alliance represents 12 churches and ACMI represents three major churches in the area. Donated wireless

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phones are refurbished, tested and distributed free of charge to local senior citizens who may use the phones on a short or long term basis to reach 911 or other emergency services free of charge.

### Asset Building

The Milwaukee Asset Building Coalition (MABC) is housed at the Social Development Commission, a CAA in Wisconsin. The program owes success to its partnerships with community and FBOs along with banks and local, state and federal government. For the past two years, MABC has partnered with FBOs to assist in staffing and hosting Volunteer Income Tax Assistance (VITA) program sites. Greater Mount Sinai Church of God in Christ hosted a VITA site at their church every Saturday during the tax season. The church also assisted in training volunteers and together filed 571 tax returns for a combined federal refund total of \$675,773. At the MABC VITA site, volunteers from Greater Galilee Baptist Church stepped up to assist the short-staffed agency in assisting with tax returns twice a week. The volunteers from Greater Galilee helped prepare 145 returns totaling \$132,345 in federal returns. The churches also assist the program by promoting and spreading the word about the VITA sites.

### Opportunities and Challenges

Expanding FBOs' access to federal funds may create a few challenges. The expansion of funding could strengthen delivery of services, possibly increase the quality of services in local areas and strengthen partnerships between CAAs and FBOs. 'Leveling the playing field' could lead the way for a competitive market wherein clients will benefit from better service delivery while participating agencies benefit from lower operating costs and increased capacity. An effective partnership also ensures adequate community needs and asset assessments are completed so that services are not duplicated and all resources are utilized. In this way, the entire community benefits from a comprehensive, efficient and holistic delivery system.

One common concern about faith-based involvement in social services is the possibility that new initiatives focused on FBOs will disrupt already well functioning partnerships and may result in unnecessary competition and dilution of funds. Traditionally, CAAs have partnered with FBOs in service delivery and in some small communities it is impossible not to interact or rely on such organizations. Encouraging such partners to compete for funding could transform the current social service delivery process into a contestable market and possibly generate adversarial relationships such as those in the 1960s between private CAAs and local governments.

On the other hand, effective partnerships between Community Action and FBOs suggest that even seemingly disparate organizations can unite around a common goal—alleviating poverty. Sharing best practices, skills and resources with FBOs provides CAAs entrée into a whole new realm of possibility for impacting low-income individuals and communities. Examples such as those detailed in this issue brief illustrate clearly the great potential for effective partnerships between Community Action Agencies and faith-based organizations.

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<sup>1</sup>White House Office of Faith-based and Community Initiatives, Press Release, "Select Grants to Faith-Based Organizations at Five Agencies," 2 March 2004. <[http://www.whitehouse.gov/government/fbci/3-2\\_final\\_pres.pdf](http://www.whitehouse.gov/government/fbci/3-2_final_pres.pdf)>. (2 Aug 2004).

<sup>2</sup>United States Department of Health and Human Services, Press Release, "President Announces \$43 Million in Grants from Compassion Capital Fund," 3 Aug 2004. Online. <<http://www.hhs.gov/news/press/2004pres/20040803b.html>>. (3 Aug 2004).

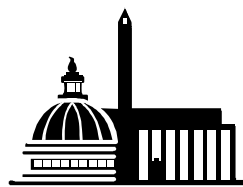
<sup>3</sup>Dana Clark Felty, "Lingering questions and a lack of manpower and skills hobble smaller nonprofits in their quest to use the highly-touted federal program," *Savannah Morning News*, 29 Feb 2004. Online. <[http://savannahnow.com/stories/022904/LOC\\_faith.shtml](http://savannahnow.com/stories/022904/LOC_faith.shtml)>. (28 Jul 2004).

<sup>4</sup>George W. Bush. "America's Compassion in Action" Presented at the White House National Conference on Faith-Based and Community Initiatives, Washington. Hilton and Towers, Washington. 1 Jun 2004. Online. <<http://whitehouse.gov/news/releases/2004/06/print/20040601-10.html>>. (28 Jul 2004).

<sup>5</sup>U.S. Library of Congress. Congressional Research Service. *Faith-Based Organizations and their Relationship with State and Local Governments: analysis of recent initiatives*, by Ben Canada. 23 Jan 2003. Online. <<http://weller.house.gov/UploadedFiles/FBO%20-%20Faith-Based%20Organizations%20and%20Their%20Relationship%20with%20State%20and%20Local%20Governments%20Analysis%20of%20Recent%20Initiatives.pdf>>. (28 Jul 2004).

<sup>6</sup>Oklahoma Association of Community Action Agencies. "NACAA Releases Initial Results from Survey on Faith-Based Organizations," *OK-CAA Community Action Solutions* (Jun 2001), v2, i12.

<sup>7</sup>U.S. Library of Congress. Congressional Research Service. *Faith-Based Organizations and their Relationship with State and Local Governments: analysis of recent initiatives*.



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