CONGREGATIONS and Charitable Choice

Campbell Chapel A.M.E. Zion Church is the sort of place that people point to when they argue that religious organizations can play a greater role in delivering social services.

The church has only about 50 members. They meet for worship in a plain white building in an out-of-the-way location on the near west side. Yet Campbell Chapel’s community influence far exceeds its size and visibility. In the summer of 2000, it served about 25 children in a program of supervised recreational and educational activities. During the school year, the church offers a similar but shorter after-school program, Monday through Thursday. The children get refreshments, help with their homework, and positive adult role models. For adults, Campbell Chapel sponsors a job skills program that meets every weekday, offering unemployed people help with learning computer software and basic employment skills.

“We want to be a church that’s not open just on Sundays and on Wednesday nights for prayer meetings,” explains Steve Bonds, the church’s director of youth and family services. “There are churches that have a lot more money, a better building, more members—but their doors are locked up tight all week long. We don’t want to do that. We want to be open seven days a week to help people.”

Four years ago, the federal government passed legislation intended to help congregations such as Campbell Chapel help more people. Congress approved, and President Clinton signed, the Personal Responsibility and Work Opportunity Act, commonly known as the Welfare Reform Act. Section 104, the Charitable Choice provision, speaks directly to the role of faith-based organizations in providing social services.

It stipulates that “religious organizations are eligible, on the same basis as any other private organization,” to submit proposals and receive funding for social service programs. A key point is that Charitable Choice does not create a new revenue stream channeled to faith-based organizations doing social work. It simply allows congregations to compete with other organizations in the proposal process, and it eliminates obstacles to their participation.

Campbell Chapel A.M.E. Zion Church runs summer and after-school programs for kids.
For example, the provision stipulates that a congregation cannot be forced to “alter its form of internal governance or remove religious art, icons, scripture, or other symbols” as a prerequisite for contracting with a state government. At the same time, clients cannot be denied service because they refuse to participate in a religious activity; additionally, if they object to the religious nature of the service provider, they must be offered an alternative “within a reasonable period of time after the date of such objection.”

The ideas behind charitable choice were prominent in the recent presidential campaign, with both major-party candidates articulating support for it. Locally, former Indianapolis Mayor Stephen Goldsmith established the Front Porch Alliance, an example of faith-based partnership with government, in 1997 (see related story, page 4).

But the specifics of Charitable Choice remain largely a mystery to the public—and to most congregations. A survey conducted by The Polis Center in 1999 found that only about one-third of Marion County residents claimed familiarity with the Charitable Choice provision, and few of those could give any details about it. Statewide, the percentage of congregations familiar with Charitable Choice is also about one-third.

Participation is even lower. In November 1999, Governor Frank O’Bannon announced the creation of FaithWorks, a state-supported agency whose purpose is to educate congregations about Charitable Choice and give them technical assistance in writing proposals. In the early months of this year, FaithWorks sponsored four seminars designed to acquaint congregations with the basics of Charitable Choice. Of more than 9,000 congregations in Indiana, about 300 people attended the seminars; only about one-tenth of that number now have contracts with the state. These are heavily concentrated in the state’s urban areas. About half are in Lake County, in the far northwestern part of Indiana and within the orbit of Chicago. Another one-fourth are in the Indianapolis area.

Indiana’s congregations are not alone in their low rates of participation. A survey sponsored by the Center for Public Justice found that, in the first three years after Charitable Choice took effect, it produced a total of only 84 new partnerships in nine states—and the survey included the populous states of California, Illinois, and Texas.

In an analysis published in the American Sociological Review, sociologist Mark Chaves reported that only about one-third of congregations nationwide would even be willing to apply for government funding. For theological or practical reasons, most simply do not want to become partners with the government.

Chaves noted this curious aspect of his findings: those people most likely to support Charitable Choice in theory are the least likely to support it in practice. That is, although political conservatives have been the most enthusiastic advocates of “devolving” responsibility for welfare relief to the local and private level, only 28 percent of religiously conservative congregations would be willing to apply for government funding to support a program. By contrast, 41 percent of liberal and moderate congregations would.

But the most dramatic divergence in attitudes is race-based. Nearly two-thirds of African American congregations would accept government funding, while only 28 percent of predominately white congregations would do so. According to Chaves, “a congregation’s ethnic composition is by far the most important predictor of its willingness to apply for government funds.”

Indiana’s statistics vary somewhat from these national numbers. A higher percentage of conservative congregations are open to applying for government funds in Indiana, although the contrast with liberal congregations remains stark: 45 versus 69 percent, respectively. In total, fewer than 3 percent of Indiana congregations receive some sort of government funding for their programs—close to the national average—but nearly half say they are willing to apply for such funding, a significantly higher percentage than the national average.

Indiana’s large congregations, and those in urban or suburban areas, report the most openness to receiving government funds. About 16 percent have a policy against receiving any type of government money, a figure about equal to the national average.

If nearly half the 9,000 congregations in Indiana are apparently willing to cooperate with the government in providing social services, why does FaithWorks currently have only two to three-dozen congregational clients?
One reason is that Charitable Choice guarantees a congregation’s right to bid for state funding, but it does not guarantee a contract. Some congregations’ proposals have been rejected. Another reason is that congregations often provide social services piecemeal. Mark Chaves observes that they are “more likely to engage in addressing the immediate needs of individuals for food, clothing, and shelter than in projects or programs that require sustained involvement to meet longer-term needs.” In short, eligibility for funding requires a greater level of commitment and resources than many congregations are willing—or able—to invest.

A third, related reason is intimidation: congregations are discouraged by the barriers to entering what seems like a foreign world. They typically have no formal system to track program results, and they usually have little practice at writing grant proposals. As a result, most are unprepared to enter the world of government funding.

The accounting/consulting firm Crowe-Chizek has a contract with the state to administer FaithWorks. David Rolfs, a consultant with Crowe-Chizek, says that congregations are competing against secular organizations “who have been doing this for a long time. Providing these services—that isn’t a capacity that can be created overnight, or even within a year. It requires an educational process.”

Rolfs says that many congregations are initially discouraged by the nature of government funding. They expect that, if their proposal is accepted, they will receive grant money up front to cover the cost of implementing a program. But in fact, they usually receive nothing at the outset. Funding is performance-based, so the congregation has to prove that its program works before it receives any money. “That’s difficult for a lot of these organizations,” Rolfs says, “because they don’t have the cash flow to start a program without a subsidy.

This setup, in which payment is based on performance, makes record keeping a crucial part of any state-funded social service program. And that creates headaches for congregations lacking the staff and sophistication to keep up.

“There’s a ton of paperwork, so you feel like a government agency or welfare department submitting a claim,” says Campbell Chapels Steve Bonds. Campbell Chapel has received grants from various organizations. As a result of Charitable Choice, it has applied for state funding for its job skills program. Bonds says he has become familiar with grant-writing and reporting procedures, so they no longer discourage him. But “someone new to it sees all you have to do for so little in return, and they don’t want to be a part of it.”

Critics of Charitable Choice argue that congregations are fundamentally altered when they become social service providers. As a writer for Policy and Practice of Public Human Services warned, Charitable Choice may bring about “the end of churches as we know them” because, for all its good intentions, it “creates a spiritual poverty trap for religious charities by attracting them with government dollars and then forcing them, through a web of regulations and ambiguities, to forfeit time, resources, and, ultimately, mission.”

Others claim that Charitable Choice erodes the wall separating church and state. Americans United for the Separation of Church and State, for example, considers the provision’s safeguards against proselytizing a sham, arguing that Charitable Choice amounts to “a massive program of state-supported religion” that “should be resisted with all the intensity directed against church taxes in previous centuries.”

For these reasons, or for reasons of their own, a number of religious organizations have publicly expressed opposition to Charitable Choice. These include most of the mainline Christian denominations, in addition to the Union of American Hebrew Congregations.

Still, Charitable Choice has many supporters, and they cannot be easily pigeonholed. Conservatives have been its most ardent advocates. But the Nation, a magazine associated with the political left, published an essay praising Charitable Choice as “an unusual opportunity” because “a broad cross section of groups has found terms under which it wants to spend public money on the poor.”

The opposing sides will argue their cases as Charitable Choice becomes more familiar. It does seem certain that Charitable Choice will be given a fair trial, since neither major political party has voiced strong opposition to it. For the moment, at least, the nation is committed to a policy of engaging faith-based organizations as more active partners in social service provision.

—Ted Sltz
The idea that “values-producing” organizations can address the problems of the poor better than government agencies is not new. Such organizations as Catholic Charities and Lutheran Family Services have long been active in providing for the needy, often with the support of government funds. But in 1996, when Congress enacted the Charitable Choice provision of the Welfare Reform Act, it seemed to promise a new era of smaller government and a larger public role for faith-based organizations.

When Stephen Goldsmith, Republican, became mayor of Indianapolis in 1992, federal aid to cities had been effectively halved from previous levels—a policy in accord with his own views. Goldsmith saw a role for government in social and economic affairs—but as facilitator, not as solution of first resort. He cut taxes, privatized many city services, and lured businesses into rebuilding downtown by offering tax credits, selling off city-owned properties, and cutting red tape.

In 1997, Goldsmith turned his attention to those sectors of the city left behind by economic growth. He offered no costly relief programs, but created the Front Porch Alliance (FPA) to mobilize churches and neighborhood organizations to improve conditions in the inner city. The FPA aimed to encourage cooperation among city agencies, faith-based organizations, and neighborhood groups, helping them to connect, providing information and expertise, and in some cases helping them to obtain funding—though not necessarily from the city coffers. "Goldsmith thinks government’s first obligation should be to help people help themselves," says Art Farnsley, senior research associate with The Polis Center.

John Hall, now manager of community relations for Health and Hospital Corp., was deputy mayor in Goldsmith’s administration. "The Front Porch Alliance grew out of the mayor’s concept that government can’t teach values, but churches and community organizations can," says Hall. "We thought that if we could plant this small seed, it would over time grow into something large."

Initially, FPA targeted its efforts on two neighborhoods in the center city: small sections of the United Northwest Area (UNWA) and of Fountain Square. The plan was to identify neighborhood groups and congregations that were doing good work, and help them obtain financial support or technical assistance. If a church was sponsoring 15 neighborhood kids in a summer youth program, FPA would encourage it to expand that number to 30 kids.

As originally conceived, the Front Porch Alliance would be a controlled experiment, producing measurable results in social indicators such as crime rates, out-of-wedlock births, and applications for welfare assistance.

The city asked The Polis Center, which had experience working with neighborhood groups and congregations, to advise FPA at the outset. As a politician, Goldsmith wanted to show quick results, with documented successes. Polis pointed out, however, that it would be impossible in the short run to determine whether FPA efforts were responsible for any improvements in the target neighborhoods.

There was another factor at work, that would soon change the focus of FPA.

"Everyone wanted in on it," says Farnsley.

"The program quickly spread beyond the boundaries we had first considered," says Hall. "It became a hotline for the entire city."

FPA had its offices on the 25th floor of the City-County Building in downtown Indianapolis—next door to the mayor’s office. People assumed, with some justification, that FPA had the mayor’s ear.
“FPA became a kind of clearing house,” says Farnsley—and that wasn’t a bad thing. I heard pastors say, ‘When you call over there, you get an answer or somebody calls you back.’"

Goldsmith appointed Bill Stanczykiewicz, now director of the Indiana Youth Institute, as the Front Porch Alliance’s first director. Stanczykiewicz came to the job from Washington, D.C., where he had served as a policy advisor to Senator Dan Coats of Indiana—one of the original proponents of Charitable Choice. Stanczykiewicz says that the concept of FPA as a limited, focused effort “lasted all of five minutes.” But he defends the decision to expand the program: “We were building the car as we were driving it. We were customer-responsive.”

Under its revised plan, FPA divided the central city into regions, and assigned staff to help all organizations requesting or needing assistance within their area of responsibility. Most organizations approached FPA seeking funding. FPA was not set up as a funding organization, though it did administer the Porch Light Program, which provided supplemental funding to summer youth programs. FPA could, however, point neighborhood organizations toward resources such as Community Enhancement Funds and Community Development Block Grant funds, and help them through the application process.

Considering that it had a high profile in the city, and was even garnering national attention, FPA operated on a shoe-string. In 1997, its first year of operation, FPA’s budget was $100,000. At its height, in 1999, FPA had a budget of $400,000 and nine staff members. For comparison: Community Centers of Indianapolis has an annual budget of $12 million; the city’s Parks and Recreation Department has an annual budget of $30 million.

Applications for grants through FPA dropped off sharply after the first year, says Farnsley. “It was a lot of trouble to write those grants,” he says, “and if you did get one, it was only three or four thousand dollars.”

Was the Front Porch Alliance a success?

“A few organizations did pretty well,” says Farnsley. “FPA pushed for more of the Community Development Block Grants that come from Housing and Urban Development to go to faith-based groups. And some of that was real money.”

Metro Church, with its array of social programs and good political connections, was one of those organizations that did well. Metro received a $5,000 Community Enhancement Fund grant through FPA for its after-school program. Metro also received three Community Development Block Grants, averaging $100,000 per year, to support its transitional housing program and adult learning center.

Lamont Hulse, director of the Indianapolis Neighborhood Resource Center, says that FPA was “something of a moving target, so it’s difficult to say whether it succeeded by its own terms.” The program started out to bring neighborhood associations and groups together, he says, “but at some point the focus shifted from neighborhoods to churches. It became a steeple alliance.”

Hulse sees an inherent problem with efforts to replace secular agencies with congregational programs. “There was implicit in FPA the notion that churches would bring clients in touch with a higher power, and that would solve their problems,” he says. “But should government be giving money for this purpose?”

The issue of church-state separation invariably arises when government becomes involved with faith-based organizations. But it may be that, so far at least, the degree of church-state collaboration is more symbolic than significant.

John Orr, senior scholar at the Center for Religion and Civic Culture at the University of Southern California, notes that in the past year, “only 11 congregations in all of California received Charitable Choice money,” in part because “the bidding process is impervious to understanding.”

In Indianapolis, the FPA tried to make the process a bit more explicit by offering to help community groups with grant applications—all but writing the applications for them in some cases.

Mark Chaves, a sociologist at the University of Arizona, conducted a national survey of congregations in 1998. He says it is “unrealistic” to expect religious congregations to operate social service programs in significant numbers, as most lack the resources and the inclination. What congregations are good at, he says, is “motivating volunteers to carry out short-term, small-scale, well-defined projects.”

FPA supporters often recount the story of a crime-infested alley that became a “community garden,” as the result of volunteer action. The alley in question was a notorious hang-out for drug dealers. A coalition of church, community, business, and youth groups, together with city agencies, worked to chase off the dealers, seal off the alley, and create a garden in its place.

On closer examination, the garden, in a gritty neighborhood a few blocks east of downtown, proves to be a narrow divider, about 4 yards wide and 50 yards long, separating the parking lots of a Starvin’ Marvin convenience store and a boarded-up fast food restaurant. Trash litters the ground around some distressed-looking trees and a few dying plantings of flowers. The law of entropy applies with particular harshness where social structures are weak and no one is responsible for maintenance. Any good that is done tends to come undone pretty quickly.

continued on page 8

The Front Porch Alliance provided Christamore House, a faith-based community center on the west side, with funding for its after-school program, computers, and fund raising assistance.
WORKING TOGETHER to Address Community Needs

Long before Charitable Choice, congregations worked with secular organizations on issues of importance to their communities. Each group found that by working together, they could address social problems in ways they could not accomplish alone.

In Indianapolis, Goodwill Industries is a partner in Faith and Families, a four-year-old program that matches vulnerable families with mentoring congregations. Goodwill provides space for the program and helps find appropriate participants.

Faith and Families is a consortium of 25 congregations whose members work with needy families. The goal is to “help them to self-sufficiency,” says acting director Jo Ada Haralson.

The congregational mentors lend the kind of support that many people take for granted, says Cindy Graham, vice president of marketing for Goodwill Industries of Indianapolis. They help get them on the right track to a job and deal with the challenges of staying employed. The privately funded program started in Mississippi and has since spread to several other states.

Irvington Congregations as Partners participates in a homeless prevention program with a similar structure. ICAP, an association of eight churches on the near east side of Indianapolis, has teamed with the John H. Boner Community Center to work intensively with 12 neighborhood families a year. The Boner Center provides case management services; the churches have hired a volunteer mentor coordinator, and they provide the mentor families.

“Churches have a tremendous resource in volunteers,” says James Taylor, executive director of the Boner Center. “They can transport clients to and from appointments and do things that social service organizations traditionally have not been able to do. We might have three mentors matched up with one particular family. The amount of person hours invested with a family is tremendous.”

East Tenth United Methodist Church has been involved in community partnerships for years. “It’s our mission—to work with other organizations to improve the community,” says the church’s pastor, the Rev. Darren Cushman-Wood. East Tenth teams with the Boner Center and the Indianapolis Parks Department on Summer Days for Youth, and also works with Young Audiences of Indiana and Indianapolis Public School 15.

It makes its child care program available to families in a program called Career Corner, designed to get people back on their feet economically. The program is run by Goodwill and housed at the Boner Center, which contributes social services and crisis assistance—everything from the basics needs of food, clothing, and shelter to rent and utility assistance.

The Career Corner has been in operation since 1988, serving 500 people a year. “We work with people who have barriers to employment: those with mental and physical disabilities, people coming out of the criminal justice system, immigrants, and people going from welfare to work,” says Graham. Goodwill provides vocational training and “soft skills” training, such as goal setting and short-term paid work experience for those with no work background.

Faith-based partnerships at their best pool resources among organizations with a common mission. It can be a win-win situation if certain pitfalls are avoided.

“The greatest pitfall is for each to view the other as a competitor,” Taylor says. “We’re all trying to raise money to do our work. It’s an easy trap to fall into: competing for the same dollars.”

There are also occasional differences in values, Taylor says. “A core value of social work is the belief that individuals have the right to make their own decisions, to determine their own courses of action. But when you’re working with religious organizations, a person’s decision—for example, to have an abortion—might be contrary to the belief or value of that particular church.” Taylor says ICAP’s steering committee has been invaluable in navigating these sorts of rough waters.

The challenge, says John Hay, Jr., an ordained Nazarene minister and a cofounder of the Boner Center, is to partner with the existing infrastructure. “There is no one model of how these partnerships work. Everybody in the community has a piece of the puzzle. You have to figure out the creative mix.”

The strength of a faith-based and community service partnership is that congregations have a desire to help, and community service organizations know where the help is needed. “People want to help,” Haralson says. “They need to know how.”

— Kathy Whyde Jesse
Religion and Social Welfare in Indianapolis

Faith-based organizations have long played a primary role in creating local institutions to care for the poor. The Salvation Army established its first Corps in the city in 1889. Wheeler Mission, founded in 1893 to care for “lost souls” in need, has continued that mission to the present day.

The Social Gospel movement, holding particular sway among mainline Protestants, originated in the late 19th century. It was motivated by the belief that religious salvation of the poor depended on first offering them “social redemption”: meeting their material needs and improving their living and working conditions. Fletcher Place Church Community Center (1913) provided day care for working mothers and free dental and health clinics. Mayer Chapel and Neighborhood House (1917), supported by Second Presbyterian Church, offered extensive social and recreation programs to neighborhood residents.

Not all faith-based social service stemmed from the Social Gospel, however. Catholics and Jews were strongly motivated to “take care of their own”—not least because they feared losing members to evangelizing Protestants.

The Catholic Church established Little Sisters of the Poor to care for the elderly, and Good Shepherd Sisters to care for orphans. In 1910, the Catholic Women’s Association established a home for “friendless” girls. A key event was the creation, in 1919, of Catholic Charities, designed to coordinate existing services and foster the development of new ones.

The Jewish community began offering its members charitable services soon after Jews settled in the city. The Hebrew Ladies Benevolent Society was formed in the 1850s. A half-century later, with a new wave of Jewish immigration to the city, women’s groups founded Shelter House (1904), a home for transient Jews. The Jewish Federation was founded in 1905 to coordinate the city’s various Jewish benevolent enterprises and centralize their fund raising.

African-Americans, themselves largely Protestant, formed their own institutions of social welfare because they were cut off from the services of white organizations. The Black Senate Avenue YMCA (1902) and the Phyllis Wheatley YWCA (1923), founded by prominent black citizens with the support of white philanthropists, became centers of education, recreation, and safe haven for the African-American community of Indianapolis.

The Church Federation played an important role in the history of social services in Indianapolis. In 1916, the Federation sponsored a conference in Indianapolis on “The Relation of the Church to Social Work.” The Federation’s Social Service Department, formed in 1922, worked with the courts to “save offenders from a life of crime,” and to address “one of the greatest social problems in Indianapolis,” i.e., “runaway husbands.”

The Great Depression of the 1930s brought a drastic increase in the need for social services, with the burden and power shifting toward government agencies. Faith-based organizations remained active, however, often working in partnership with government. Linn Tripp, director of the Church Federation’s Social Services Department, took a year’s leave to organize Marion County’s new Public Welfare Department and train its personnel.

Government’s role was strengthened in the 1960s with the War on Poverty. At the same time, much of the largesse flowing from Washington was funneled, ultimately, through faith-based organizations such as Catholic Charities. In the succeeding years, Indianapolis faith-based organizations, congregations, and clergy have worked to alleviate an array of social problems, including homelessness, domestic violence, and AIDS.

The Charitable Choice provision of the 1996 Welfare Reform Act has once again brought religious organizations into the spotlight as providers of social services. Underlying Charitable Choice is the belief, or the hope, that faith-based providers can impart salutary values to clients along with services; this, too, is a notion with roots in earlier efforts at social reform.

Information in this article is based on research by Mary Mapes, a historian with The Polis Center’s Project on Religion and Urban Culture, and from Sovereign to Servant: the Church Federation of Greater Indianapolis 1912–1985, by Edwin L. Becker.
continued from page 5

John Hall says that the city's greatest mistake regarding the Front Porch Alliance was the failure to make it a permanent agency. "In retrospect, associating FPA too closely with one person was a mistake," he says. "People viewed it as a Goldsmith agenda, even though it wasn't about politics."

In January of this year, Bart Peterson, a Democrat, took office as mayor of Indianapolis. Without formally announcing the program's demise, the new administration moved FPA offices from the 25th floor—away from the mayor's office—cut its staff, and removed all references to FPA from the city's Web site.

A call to City Hall confirms that the functions of the Front Porch Alliance have been dispersed among various city agencies. Lara Beck, media liaison, says that the city continues to provide funding to faith-based groups—not through FPA, but through the Department of Metropolitan Development and the township administrators.

Bill Stanczykiewicz says that FPA put Indianapolis on the cutting edge of a national consensus to include faith-based organizations in building communities. "This year the platforms of both major parties support the concept of faith-based inclusion," he says. "Governor O'Bannon's FaithWorks Indiana is in a similar spirit." (See related story, page 1.)

Isaac Randolph, now director of the Ten Point Coalition, was director of the Front Porch Alliance from 1998 to 1999. He echoes Hall's regret about "the failure to move FPA from being a mission to an institution"—to make it a line item in the budget.

"The unique qualifications of government," says Randolph, "are to convene people and groups, and to leverage public resources with private. Every dollar invested by the government through FPA brought in three dollars from other sectors. People have the notion that government picks winners. Government can highlight successes and raise the profile of programs that do good work but wouldn't otherwise get much attention."

What government can't do, he says, is change hearts and minds.

—Robert Cole

For information on the history of faith-based social services in Indianapolis, see the essay by Mary Mapes in the June 1999 issue of Research Notes, available from The Polis Center.

For a discussion of the issues posed by Charitable Choice, see Ten Good Questions by Arthur E. Farnsley II, available from The Polis Center.

RELIGION
COMMUNITY

is a newsletter of the Project on Religion and Urban Culture at the Polis Center, funded by a grant from Lilly Endowment Inc.

For further information, contact:

The Polis Center
IUPUI
1200 Waterway Boulevard
Indianapolis, IN 46202

Phone: (317) 274-2455
fax: (317) 278-1830
e-mail: polis@iupui.edu
home page: http://www.thepoliscenter.iupui.edu

Non-Profit Org.
U.S. Postage
PAID
Permit #245
Indianapolis, IN