

Contract No.: HHSP233200700005T  
MPR Reference No.: 6391-007

**MATHEMATICA**  
Policy Research, Inc.

**The Role of State  
Faith Community  
Liaisons in  
Charitable Choice  
Implementation**

*Final Report*

*December 18, 2008*

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## ACKNOWLEDGMENTS

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We would like to thank the faith community liaisons (FCLs) and their staff, the representatives of the faith-based and community organizations (FBCOs), the advisory board members, and other key partners who met with us during our site visits to Alabama, the District of Columbia, Florida, Illinois, New Jersey, New Mexico, Texas, and Virginia. They were extremely generous with their time and in sharing their perspectives on the work of the FCLs and the FBCOs in their states and communities. Without their help, this study would not have been possible.

We are particularly grateful to our key contacts in each site who organized our visits, graciously hosted us, and reviewed and commented on draft sections of this report. They included: Lisa Castaldo and Sydney Hoffman in Alabama, Pat Henry in the District of Columbia, Suzanne Yack and Kay Kammel in Florida, Fred Nettles in Illinois, Eddie LaPorte and Sharon Iphill in New Jersey, Nancy Pope in New Mexico, Erin Brackney and Chris Bugbee in Texas, and Jane Brown in Virginia. In addition, we spoke with representatives of an array of FBCOs, several chairs and members of advisory boards to the FCLs, and administrators and staff in other government agencies and private organizations that collaborate with the FCLs. They were also very helpful in offering their thoughts about their own work, the faith-based and community initiatives, and the work of the FCLs.

Alana Landey, our project officer from the Office of the Assistant Secretary for Planning and Evaluation (ASPE), US Department of Health and Human Services (DHHS), provided insightful, collegial, and invaluable guidance, review, and support throughout the project. Ben O'Dell of the DHHS Center for Faith-Based and Community Initiatives was also extremely helpful in providing perceptive guidance at key stages of the project.

Stanley Carlson-Thies of the Center for Public Justice and Amy Sherman of the Sagamore Institute for Policy Research reviewed drafts of various study products and offered essential assistance and advice throughout the study. Rebecca Sager of Loyola Marymount University provided both unique data and very helpful feedback. Krista Sisterhen, former FCL for the state of Ohio, offered her thoughts on the project early on,

and two other former FCLs contributed their perspectives on the status of the FCL function in various states.

At Mathematica Policy Research, Sheena McConnell reviewed drafts of project reports and presentations and provided thoughtful feedback. Shawn Marsh and his data team made it possible for this study to draw on state survey data from a previous Mathematica study for ASPE that explored implementation of Charitable Choice. The report was edited by Marc DeFrancis and Amanda Bernhardt, and was expertly produced by Donna Dorsey and Lisa Walls.

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## EXECUTIVE SUMMARY

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To build a better understanding of the role that faith community liaisons (FCLs) play in the implementation of Charitable Choice within states and localities, the Assistant Secretary for Planning and Evaluation (ASPE) at the U.S. Department of Health and Human Services (DHHS) in 2007 funded a study titled, “The Role of State Faith Community Liaisons in Charitable Choice Implementation.” The study focused in particular on FCLs’ efforts to promote the states’ implementation of Charitable Choice policies and regulations that govern how states and localities contract with faith-based organizations (FBOs), and to expand public partnerships with FBOs.

More specifically, the study aimed to:

1. Assess the current status of the FCLs
2. Learn about the FCLs’ policies and practices for fulfilling their roles
3. Gauge FCLs’ effectiveness in expanding FBO-government partnerships and facilitating key stakeholders’ accurate understanding of Charitable Choice, and
4. Assess how the FCLs’ status and practices appear to be linked to their relative effectiveness.

The study was conducted by Mathematica Policy Research (MPR), with the assistance of subcontractors Dr. Stanley Carlson-Thies of the Center for Public Justice (CPJ) and Dr. Amy Sherman of the Sagamore Institute for Policy Research. Dr. Rebecca Sager of Loyola Marymount University (Los Angeles) served as a study consultant, providing data on FCLs and related initiatives. The study focused on DHHS-funded programs covered by Charitable Choice, as well as other social service programs covered by similar “equal treatment” provisions. In carrying out this research, MPR built on its own prior work for ASPE (Jacobson, Marsh and Winston, 2005), research conducted by others, and new data gathered and analyzed by the study team.

## POLICY CONTEXT

The FCLs worked to implement Charitable Choice within a somewhat evolving federal policy context and within differing state circumstances. The Charitable Choice provisions, part of the broad Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, were intended to “level the playing field” for FBOs as they competed with other service providers for TANF funding. Since the enactment of PRWORA, Charitable Choice has expanded to additional federal programs. Further, the implementation of “equal treatment” principles has been advanced by executive order. Issued in January 2001, Executive Order 13199 created the White House Office of Faith-Based and Community Initiatives (OFBCI). Executive Order 13198, issued the same day, created Centers for Faith-Based and Community Initiatives (CFBCI) in five cabinet agencies. Ultimately, 12 centers were created in federal agencies. In August 2001, a White House report titled “Unlevel Playing Field” concluded that while “no faith-based service group has an automatic right to obtain federal funding... both faith-based and community organizations should have an equal opportunity to obtain such funding, if they choose to seek it.” A 2002 executive order (13279), “Equal Protection of the Laws for Faith-based and Community Organizations,” essentially extended the “equal treatment” principles of Charitable Choice to all federally funded social services to the extent allowed by law. In 2003, DHHS issued regulations covering the application of Charitable Choice to its programs.<sup>1</sup>

Under the new regulations, FBOs whose services are funded by programs covered by Charitable Choice can maintain their religious character as long as they do not infringe on the religious freedom of service recipients. More specifically, FBOs are no longer required to remove religious art or symbols and can retain religious standards for organizational governance and hiring. Those receiving direct government funding are forbidden from using government funds for “inherently religious activities,” such as religious instruction, worship, or proselytizing, and are forbidden from discriminating against clients on the basis of their religion or lack of religion, or to require participation in religious activities. The responsible public funding agency is required to ensure that clients objecting to the religious nature of the provider are offered an alternative provider. Finally, Charitable Choice provisions generally do not preempt state laws or constitutional provisions.

This has opened up eligibility for public grant or contracting partnerships to some religious organizations that, prior to Charitable Choice, would have been ineligible.

The implementation of Charitable Choice and equal treatment principles at the federal level has not been static, however, and the broader Faith-Based and Community Initiative (FBCI) has taken shape in the states. One director of the White House OFBCI described in an interview the evolution of the office’s work and the federal initiative using the metaphor of an hourglass (Roundtable on Religion and Social Welfare Policy, 2008). The first phase of the FBCI was broad and wide-reaching, followed by a phase with a more narrow emphasis

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<sup>1</sup> 68 *Federal Register* 56430, 56449, 56466 (September 30, 2003).

on “carrying out regulatory reforms and leveling the playing field.” That phase in turn was followed by the most recent period, during which the focus again broadened, this time to facilitate partnerships with grassroots faith-based and community organizations to address key social problems. This apparent ebb and flow—between explicitly emphasizing access for faith-based groups and implementing Charitable Choice regulations, on the one hand, and working broadly to build partnerships with both faith-based and community organizations to solve pressing social problems, on the other—was a pattern that this study found echoed at the state level as well.

The laws surrounding the federal FBCI and Charitable Choice have also evolved over time. Since the enactment of PRWORA and the promulgation of Charitable Choice regulations, court cases have further shaped the way Charitable Choice is defined and implemented, and individual federal agencies have provided more specific guidance on permissible and impermissible activities (see Lupu and Tuttle, 2008).

## **METHODOLOGY AND SITE SELECTION**

The FCL study sought to understand better how Charitable Choice and the FBCI were being cultivated through FCLs at the state level using a methodology that had two main components.

The first component was the compilation and analysis of state-specific data from a prior ASPE/MPR survey on Charitable Choice implementation within state agencies (Jacobson, Marsh, and Winston, 2005) and from other sources, designed to examine an array of FCL characteristics and potential measures of effectiveness. The results of that analysis were used to select eight case-study sites where evidence showed effectiveness in increasing partnerships with FBOs, efforts to ensure that they are legal and appropriate, understanding within state agencies of FBO rights and responsibilities under Charitable Choice, and a level of institutional security for the FCL function.

Of the eight case studies selected, six were states with formal FCLs, one was a city<sup>2</sup>, and one was a state with an informal FCL function that nonetheless evidenced active implementation of Charitable Choice. The case study sites reflected diversity along other characteristics as well, including geographic location, source of legal authority, organizational structure, and political environment. The eight sites were: Alabama, the District of Columbia, Florida, Illinois, New Jersey, New Mexico, Texas, and Virginia.

The second component of the study was the collection and analysis of case-study data gathered through site visits, interviews, and document review in each of the selected sites to learn more about policies and practices for advancing implementation and increasing understanding of Charitable Choice. We conducted individual and small group semi-structured interviews across the sites with the FCLs, their key staff, FBO and CBO partners

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<sup>2</sup> This site, the District of Columbia, is treated as a state for many purposes. For this reason, and in the interests of simplicity, it is referred to in the report as a “state” along with the other seven sites.

(grantees and others), advisory board members, public agency partners, and other government officials or relevant stakeholders.

## **KEY FINDINGS AND IMPLICATIONS**

**Both the FBCI and the FCL's formal role in advancing it have been emphasized in different ways and to substantially different degrees across the 50 states.**

Thirty-six of the 50 states (and the District of Columbia) and some cities appear to have some formal FCL function (White House Office of Faith-Based and Community Initiatives, 2008). The function is generally authorized by executive order (in 13 of the 36 states), by statute (in three of the 36), or by some other type of administrative action (in the remaining states). Just under half of the 36 states with formal FCLs house them in governors' offices. Most of the rest locate them in state agencies. In three states, FCL functions are located in nonprofit organizations. FCLs perform their functions with a mix of full-time (in about half the states) and part-time positions, although FCLs often juggle responsibilities in addition to the FBCI. Several states appear to be moving the initiative forward without a formally designated FCL. In just over half of the 36 states with formal FCLs, the study team found evidence of a relatively high level of engagement or investment in the function or else progress in some aspect of Charitable Choice implementation.

In the eight study sites, the FCLs reflected a range of structures, histories, and resources devoted to the function (see Table ES.1). Among the case studies, one FCL function was established by statute, three by executive order, one by a combination of the two, and three by other administrative action. One could be considered a governor-centered model, two were nonprofit organizations, and in five studied sites the FCL function or office was embedded in a state agency. Several were established fairly early in the federal FBCI, while others came later, and several have taken different shapes over time. Finally, about half of the FCLs we studied had access to a significant level of resources, while the resources available to the others were more limited.

**Study respondents generally saw the FBCI and Charitable Choice as entailing three major elements: (1) development of partnerships with and within the FBCO sector, especially with FBOs; (2) development of the capacity of FBCOs; and (3) education about Charitable Choice regulations and equal treatment principles.**

The FCLs in all eight case-study sites focused on capacity building and various types of partnerships with both FBOs and CBOs, and all showed evidence of success. Some focused more strongly on education about and implementation of Charitable Choice regulations while others focused more on partnerships and capacity-building. This variation among states seemed to reflect the fact that the FBCI and the FCL functions were in different developmental stages in different sites, as well as differences among the sites in their legal and political contexts and their resources.

**Table ES.1. Context and Resources for Case Study FCLs' Work**

State	Where Current FCL Housed	Year Current FCL Entity Established	How Established	Type of Structure	Staff and Resource Levels <sup>a</sup>
AL	Governor's Office of Faith-Based and Community Initiatives	2004	Executive order	Governor-centered	Significant
DC	Office of Partnership and Grants Services	1998	Administrative action	Embedded in state agency	Limited
FL	Volunteer Florida Foundation	1996	Executive order, Statute	Nonprofit organization	Significant
IL	Office of Strategic Planning, Department of Human Services	1996 <sup>b</sup>	Administrative action	Embedded in state agency	Limited
NJ	New Jersey Office of Faith Based Initiatives, Department of State	2002 <sup>c</sup>	Executive order	Embedded in state agency	Significant
NM	Governor Bill Richardson's Office of Faith-Based and Community Initiatives, Department of Aging and Long-term Services	2005	Administrative action	Embedded in state agency	Limited
TX	OneStar Foundation: Texas Center for Social Impact <sup>d</sup>	2004 <sup>e</sup>	Executive order	Nonprofit organization	Significant
VA	Division of Community and Volunteer Services, Department of Social Services	2002 <sup>f</sup>	Statute	Embedded in state agency	Limited

<sup>a</sup> This includes at least one dedicated full-time staff person, a significant budget for the FCL function, and independent grant-making authority.

<sup>b</sup> Partners for Hope, the state program in which the informal FCL is housed, was established in 1996.

<sup>c</sup> A Faith-Based Initiative program was established in 1998.

<sup>d</sup> After the research team's site visit, OneStar underwent reorganization, revised its name to include the Texas Center for Social Impact, and revised its mission.

<sup>e</sup> A taskforce was established in 1996 and the resulting FBCI office was located in the Texas Workforce Commission until OneStar was established.

<sup>f</sup> A General Assembly taskforce was established in 1999 and led to enactment of the 2002 statute.

By the time of the study, the sites were focusing most on addressing pressing social problems, working with FBOs and CBOs as important partners. Outreach to newly eligible FBOs and a push for their greater inclusion in the work of government were sometimes secondary to this. Table ES.2 highlights the major emphases of the activities the FCLs in the study undertook at the time of the study.

**Table ES.2. Major Emphases of FCL Activities in Study Sites**

State	Conduct General Outreach and Provide Information to FBCOs	Fund Public Partnerships with FBCOs	Encourage Partnerships Among FBCOs	Provide Capacity-building Training/TA for FBCOs	Educate FBOs About Charitable Choice Regulations	Educate State/Local Agencies About Charitable Choice Regulations
AL	√	√	√	√	√	√
DC	√		√	√		
FL	√	√ <sup>a</sup>	√	√	√	
IL	√		√	√		
NJ	√	√	√	√		
NM	√	√	√	√		
TX	√	√	√	√	√	√
VA	√	√	√	√	√	√

<sup>a</sup> Limited to Compassion Florida CCF demonstration grant funds.

**Particularly in those sites that have had the FCL function the longest, the focus appears to have evolved from an effort targeting FBOs and reducing barriers to partnering with them, to an effort with a broader emphasis on FBCOs, sometimes embracing the nonprofit sector as a whole.**

While they stressed a continued “welcome” to FBOs, FCLs in these sites seemed to feel that a foundation for Charitable Choice implementation had to some extent already been built, and some also cited strategic decisions to widen reach to FBCOs and the broader nonprofit sector.

### **The FCLs in the study worked to facilitate partnerships of many types.**

Some partnerships were funded contracts or grants with state agencies (including the FCL office itself) using state or federal funds, and some were unfunded partnerships or collaborations between public agencies and FBCOs. Many study sites also saw an important role for themselves in facilitating unfunded and even funded partnerships *within* the FBCO sector, and between FBCOs and other private organizations. This “linking” function was regarded as an important goal of several of the formal FCL-sponsored capacity-building programs that sought to help participants share ideas and resources and establish lasting



relationships. Most said they made a particular effort to reach out to faith-based organizations to let them know about partnering opportunities of different types.

**Capacity building was viewed as a key need, and considerable resources were invested in it.**

All the FCLs considered capacity building to be essential for FBCOs, and many saw it as a necessary first step for the small FBOs that were a major focus of Charitable Choice; they invested considerable energy in helping to build this capacity. A wide range of respondents indicated that the FCLs had succeeded well in it. Some undertook comprehensive, multiphase programs that included training, technical assistance (TA), and small grants (aided by Compassion Capital Fund (CCF) demonstration grants in two sites). All offered individual workshops and/or one-on-one TA. In general, the FCLs and their staff and capacity-building partners reported that they worked in similar ways with FBOs and CBOs to develop their capacity, viewing their basic needs as largely more similar than different. But without basic organizational capacity, small FBOs, in particular, were viewed as potentially at risk of both unintentionally crossing church-state lines and failing to meet the financial or service requirements of government grants or contracts (though small CBOs, of course, could also face challenges meeting financial and service requirements). All FCLs worked with them through formal programs or individualized TA.

**The FCLs differed in how and how much they focused on educating FBOs and state and local agencies about Charitable Choice regulations, for a range of reasons.**

By the time of the study, about half the FCLs in the study sites—three early adopters and one recently established office with a clear mandate to implement Charitable Choice—explicitly emphasized educating FBOs and state or local agencies about Charitable Choice opportunities and requirements. The others appeared to lack the resources, sense of mission, and/or legal or political authority to place a strong emphasis on educating FBOs and state agencies about Charitable Choice, and saw other priorities as higher. Among those that focused on FBO education about Charitable Choice, methods such as presentations at capacity-building workshops, individualized TA, and written materials such as handbooks or information packets were cited as effective, as were referrals to federal or independent organizations' resources. The sites currently emphasizing education of state or local agencies said they responded to agency requests for information, did their own presentations and brought in outside speakers or experts, met regularly with agency heads and staff, and/or worked to educate agency staff in the context of issue-focused or informal collaborations. No FCL offices systematically assessed either FBO or agency personnel's understanding of Charitable Choice.

**Several perceived risks associated with implementing Charitable Choice seemed to contribute to a cautious approach.**

The legal ground underpinning Charitable Choice and the legally permissible practices allowed under it were viewed by many FCLs and FBCOs as somewhat unsettled and complex. The potential for lawsuits or other legal action, evolving federal guidance, and the possibility of court decisions further shaping the parameters of permissible activity appeared

to encourage a cautious approach on the part of some FCLs working with small FBOs. Numerous respondents stressed that small FBOs with minimal resources were vulnerable to causing unintentional breaches in church-state separation, and several FCLs emphasized that they did not want to steer wrong any of the FBOs with which they worked. Some seemed to feel that they themselves had sufficient expertise to guide FBOs appropriately, but others stressed the need for these FBOs to consult legal counsel and/or federal or state funders if they were likely to tread into any of the “gray” areas of church-state law. Respondents stressed that major missteps by these FBOs were both bad for them and damaging to the faith-based initiative as a whole. More than one FCL also suggested that the incentives to FBOs to participate in funded government partnerships were limited, given the complex requirements and constrained funding, especially for the small, more faith-oriented ones newly eligible under Charitable Choice.

**The different FCL structural models have been effective in the different study sites, but each had distinctive pluses and minuses. Resources and FCL experience mattered in all.**

We saw three basic models of organizational structure among the eight sites we visited: FCLs within the governor’s office, FCLs embedded within state agencies, and FCLs in nonprofit entities. In some cases, a state began with one structure and evolved into another over time. In others, the structure has remained generally unchanged. The different models offered trade-offs in resources, authority, and perceived political neutrality, but they seem to have been used effectively within these sites’ particular contexts. In addition, each model had special implications for the sustainability of the FCL function.

The governor-centered model offered the obvious advantages of the strong support and authority of an influential politician, which could bring access both to FBOs and state agencies, and could also bring resources. But this model also presented the inevitable challenge of political transition. FCLs operating within the governor-centered model acknowledged needing to plan explicitly for the transition from one governor to another, knowing that their agendas may vary. Term limits in one site made the FCL and other partners very conscious of the “window of opportunity” they had for implementing the initiative and planning for sustainability.

The embedded model can provide knowledge about and access to partnership opportunities within state and/or local agencies, a relatively secure resource base, a level of perceived political neutrality, and sustainability over time. A potential drawback of the embedded model, however, may be that it lacks authority relative to other state agencies since an embedded FCL may be in a position to persuade but is typically not able to require cooperation of other staff in other agencies. It appears, however, that the function can be effectively situated within the bureaucracy if it is led by a dynamic, committed, and mission-driven individual who has the inclination, expertise, experience, and skill to use bureaucratic channels and relationships to good effect. “Bringing money to the table” for partnerships with other state agencies can also help gain their cooperation, according to one FCL. The sites using the embedded model are somewhat buffered from political volatility that might affect their sustainability, but they may not be in a position to benefit from an influential political champion who can fight for sustaining resources. The embedded model carries a

heavy reliance on the strengths of the individual FCL and the relationships they have cultivated with both agencies and FBCOs. There may be limited institutional support beyond the power of the FCL him- or herself, leaving the function vulnerable if the person holding the position leaves.

The nonprofit model seems to bring flexibility, relatively quick decision-making, the ability to raise private funds, and a sense of shared identity with others in the nonprofit sector. Like the embedded model, the nonprofit model may also somewhat shield the FCL from the unpredictability associated with political transition. But at the same time, nonprofit entities may lack direct access to state or local agencies, and their status may make it more difficult to reach important political players. In the two study sites with this structure, however, governors have been strong advocates, and support can also be found in influential boards that can facilitate private fundraising. Some of the study respondents suggested that the nonprofit model (or some variation of it) might offer the greatest opportunity for sustainability over time.

Finally, staff and financial resources were important in all of these models. The range of activities and the ability to focus effectively on outreach, capacity building, and FBO and agency education were all associated with a sufficient level of funding and staff. But FCL and staff experience, knowledge, and relationships were able to contribute to significant achievements even with limited or inconsistent resources. In particular, a strong “grassroots” presence—with FCLs and their staff visible and responsive to FBCOs—was seen as essential to a credible and effective FCL function.

## AREAS FOR FURTHER EXPLORATION

The study findings suggest several directions for future research into the role of FCLs and the implementation of Charitable Choice. These include:

- *A further examination of the systemic changes that states have made to their procurement systems in order to expand partnerships with FBOs and protect service recipients’ religious freedom rights.* Two of the FCLs in this study cited these changes as important in their states’ implementation of Charitable Choice and efforts to educate stakeholders about both opportunities and responsibilities. Future work could investigate more broadly where this has occurred across the states, what types of specific changes to the contracting or grant-making process or documents have been made, and what the apparent effect has been.
- *A broader exploration, across all state FCLs, to examine the activities they have undertaken to educate key stakeholders about Charitable Choice regulations.* A study of the activities of all 36 FCLs, looking at what they do and do not do to educate FBOs and state and local agency staff about Charitable Choice regulations, would help identify the hurdles and opportunities they face in more detail, and suggest potential ways to address them.
- *Further study of the FCLs’ capacity-building efforts.* Such an exploration could help policymakers and practitioners to understand better the most effective capacity-

building approaches for FBCOs seeking to partner with government. It could also assess, to the extent possible, the effect of these efforts on the number and nature of state and local partnerships with FBCOs.

- *A systematic assessment of FBOs' understanding of the opportunities and requirements of Charitable Choice.* A survey or other somewhat systematic examination of FBOs' knowledge about Charitable Choice would provide valuable information about whether there remains a significant need for more or better education. Gauging more precisely the extent and areas of uncertainty among FBOs receiving federal funds would also help federal and state policymakers and officials, as well as FCLs and others, identify where greater clarity and guidance is needed.

# CHAPTER I

## INTRODUCTION

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To build a better understanding of the role that faith community liaisons (FCLs) play in implementing Charitable Choice within states and localities, the Assistant Secretary for Planning and Evaluation (ASPE) at the U.S. Department of Health and Human Services (DHHS) in 2007 funded a study entitled “The Role of State Faith Community Liaisons in Charitable Choice Implementation.” It focused on FCLs’ efforts to promote the states’ implementation of Charitable Choice policies and the related regulations governing how states and localities may contract with faith-based organizations (FBOs), as well as FCLs’ efforts to expand public partnerships with FBOs.

More specifically, the study goals were to:

- Assess the current status of the FCL function across the states
- Examine the relationship between certain characteristics of FCLs (such as their formal and informal functions, the origins of their positions, their locations in state bureaucracies, and their tenure in office) and the evident effectiveness of Charitable Choice implementation
- Identify model ways in which states have used FCLs to implement Charitable Choice effectively.

The study was conducted by Mathematica Policy Research (MPR), with the assistance of subcontractors Dr. Stanley Carlson–Thies of the Center for Public Justice (CPJ) and Dr. Amy Sherman of the Sagamore Institute for Policy Research. Dr. Rebecca Sager of Loyola Marymount University (Los Angeles) served as a study consultant, providing data on FCLs and related initiatives.

The study focused on DHHS-funded programs covered by Charitable Choice as well as other social service programs covered by “equal treatment” provisions. In carrying out the study, MPR built on its own prior work for ASPE, research conducted by others, and new data gathered and analyzed by the study team.

In this chapter, we describe how that prior research by ASPE and MPR served as a basis for the present study's work on Charitable Choice, outline the study's research questions, and discuss the federal policy context for implementing Charitable Choice in the states. Finally, we describe the study's methodology and the purposes of this report.

### **A. PRIOR ASPE AND MPR STUDY ON CHARITABLE CHOICE**

In 2003, ASPE contracted with MPR to conduct a survey-based study of state and local contracting for social services under Charitable Choice, aiming to learn more about how state and local officials understood and applied the Charitable Choice provisions. The objectives of the study were to determine the extent to which state and local grant agencies for Temporary Assistance for Needy Families (TANF) and state agencies for Substance Abuse Prevention and Treatment (SAPT) contracted with FBOs and to assess the understanding of Charitable Choice provisions among agency officials. The study involved a survey—conducted in 2004—of TANF and SAPT agencies responsible for service contracting.

In that study, TANF and SAPT contracting with FBOs was reported as having increased in the aggregate across the states between 2001 and 2004, both in dollar amounts and in proportions of contracts (Jacobson, Marsh, and Winston, 2005). At the same time, most TANF and SAPT agencies reported that Charitable Choice law had little or no effect on the preexisting policies that governed their contracting with FBOs. Despite this, many of the agencies reported undertaking significant outreach efforts to encourage prospective faith-based providers to partner with government and to remove barriers, and some cited activity by state or regional FCLs or by statewide offices of faith-based and community initiatives (FBCIs). Nearly all agencies recognized that certain characteristics and behaviors make FBOs ineligible for funding under Charitable Choice. However, several did not appear to know or to apply the relevant Charitable Choice provisions. In the study we noted lingering uncertainty about Charitable Choice implementation and suggested a further exploration of the FCLs' role in facilitating implementation in the states. The present study is intended to respond to that call.

### **B. RESEARCH QUESTIONS ADDRESSED BY THE FCL STUDY**

"The Role of State Faith Community Liaisons in Charitable Choice Implementation" aimed to address five basic sets of research questions:

1. What is the current status of the FCL function across states? Specifically, among states with FCLs, what is the defined role of the FCL? What legislation or regulations establish or define this role? How do levels of institutional support for the function differ across states? How has the role evolved over time? What is the broader policy, economic/budgetary, and social context within which the FCL operates?
2. How are FCL characteristics—such as specific duties, overall mandate, personal background of leadership and/or staff, evident effectiveness, outreach and "inreach" efforts to FBO communities and public agencies, and legal status

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of the function—associated with an accurate understanding and communication of Charitable Choice and equal treatment rules to potential or actual contractors at the state level?

3. How have FCLs contributed to observable changes in the way states reach out to and partner with FBOs in their sites? How and why has this evolved over time?
4. What models of FCL implementation and activity appear to be the most promising in promoting partnerships with FBOs and in encouraging effective implementation of Charitable Choice rules?
5. What kinds of information or guidance on effective practices can help states and FCLs support state-FBO partnerships and Charitable Choice implementation?

Those five sets of questions guided the research team’s data collection and analysis activities and essentially required that we:

- Assess the current status of the FCLs
- Learn about the FCLs’ policies and practices for fulfilling their roles
- Gauge FCLs’ effectiveness in expanding FBO-government partnerships and facilitating key stakeholders’ accurate understanding of Charitable Choice, and
- Assess how the FCLs’ status and practices appear to be linked to their relative effectiveness.

This report describes the results of those efforts.

### **C. POLICY CONTEXT<sup>3</sup>**

The Charitable Choice provisions, part of the broad Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, were intended to “level the playing field” for FBOs as they competed with other service providers for TANF funding. Since the enactment of PRWORA, Charitable Choice has expanded: similar provisions were added to the U.S. Department of Labor’s now-defunct Welfare-to-Work (WtW) program in 1997, to DHHS’s Community Services Block Grant (CSBG) program in 1998, and to several programs funded by the Substance Abuse and Mental Health Services Administration (SAMHSA), the largest of which was the SAPT block grant, in 2000.

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<sup>3</sup> Much of this section is drawn from Jacobson, Marsh, and Winston, 2005, and from the White House OFBCI website: <http://www.whitehouse.gov/government/fbci/>.

In January 2001, Executive Order 13199 was issued, creating the White House Office of Faith-Based and Community Initiatives (OFBCI). Executive Order 13198, issued the same day, created Centers for Faith-Based and Community Initiatives (CFBCIs) in five cabinet agencies: DHHS, Housing and Urban Development, Education, Labor (DOL), and Justice. DHHS and DOL were required to review policies and practices governing TANF and WtW funding covered by Charitable Choice and to work to ensure compliance with Charitable Choice provisions. Each agency's CFBCI was also required to perform a department-wide audit to identify all existing barriers to the participation of faith-based and other community organizations in the delivery of social services through the department. This review included but was not limited to regulations, rules, orders, and procurement, other internal policies and practices, and outreach activities that either facially discriminated against or otherwise discouraged or disadvantaged the participation of faith-based and other community organizations in federal programs.

In August 2001, a White House report titled "Unlevel Playing Field" summarized the audits, concluding that while "no faith-based service group has an automatic right to obtain federal funding... both faith-based and community organizations should have an equal opportunity to obtain such funding, if they choose to seek it." Issued in 2002, Executive Order 13279, "Equal Protection of the Laws for Faith-based and Community Organizations," essentially extended the "equal treatment" principles of Charitable Choice to those federally funded social service programs not already covered by it, to the extent permissible by law. This included services and programs directly administered by the federal government, as well as those administered by states and localities but drawing on federal funds.

In 2003, DHHS issued regulations covering the application of Charitable Choice to its programs.<sup>4</sup>

Essentially, the regulations established that FBOs providing services funded by programs covered by Charitable Choice would be able to preserve their own religious character as long as they did not infringe on the religious freedom of service recipients.<sup>5</sup> This opened up eligibility for public grant or contracting partnerships to some religious organizations that, prior to Charitable Choice, would have been ineligible. Although there were some variations across programs, basically the Charitable Choice rules specified that:

- FBOs were no longer required to remove religious icons, symbols, and scripture while delivering services funded by the federal government and could retain religious standards for organizational governance.

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<sup>4</sup> 68 *Federal Register* 56430, 56449, 56466 (September 30, 2003).

<sup>5</sup> Charitable Choice applies to federal program funds administered by federal agencies or by state or local agencies. It also applies to state and local funds commingled with these federal funds.



- FBOs receiving federal funds could hire on the basis of religion unless otherwise prohibited by law.
- FBOs receiving direct government funding were forbidden to use government contracts or grants for “inherently religious activities,” such as religious instruction, worship, or proselytizing.
- FBOs receiving direct government funding were forbidden to discriminate against prospective or current clients on the basis of their religion or lack of religion or to require participation in religious activities as a condition of receiving federally funded services.
- The public agency responsible for funding had to ensure that clients objecting to the religious nature of the provider were offered an alternative provider to which they did not object on religious grounds.
- Charitable Choice provisions would not preempt state laws or constitutional provisions that restrict the use of state funds for religious organizations.

The implementation of Charitable Choice and equal treatment principles at the federal level has not been static, however, and the broader FBCI has taken shape at the state level as well. Jay Hein, the director of the White House OFBCI at the time of the FCL study, described in an interview the evolution of the office’s work and the federal initiative using the metaphor of an hourglass (Roundtable on Religion and Social Welfare Policy, 2008). The first phase of the FBCI was broad and wide-reaching, he said, adding, “the President had a very big vision that was on display in the early days.” That phase was followed by a period with a more narrow emphasis on “implementing the vision and carrying out regulatory reforms and leveling the playing field,” according to Hein. This was followed by the most recent period, in which the focus broadened again, this time to facilitate partnerships with faith-based and community organizations to address key social problems. In this most recent period, “[as director] I was able to grow partnerships to take on these different policy pursuits,” he said, “... play[ing] to my strengths to consider new strategies for stubborn social problems and to work within the agencies... for more effective partnerships. We expanded our strategies all across government and into the states... When we see human need, we’ll care and we’ll respond ... by looking for faith-based and community groups.”

This apparent ebb and flow—between explicitly emphasizing access for faith-based groups and implementing the Charitable Choice regulations, on the one hand, and promoting partnerships with both faith-based and community organizations to solve pressing social problems, on the other—was a pattern that this study found echoed at the state level as well. One state FCL staff member interviewed for the FCL study noted that, “Jay Hein put the community back in FBCI.” The relatively broad approach that the White House OFBCI was taking by 2007 seemed consistent with the approach many states were

taking by that time.<sup>6</sup> The OFBCI itself reflected this in its website description of the role of “state liaisons or offices for faith-based and community initiatives”:

“...the White House Office of Faith-Based and Community Initiatives works with States and localities to assist them in engaging grassroots organizations in addressing critical needs in their communities. Several States have either an office or a liaison for faith-based and community organizations in the Governor's office, a State agency, or a Governor-appointed foundation. These positions provide information and resources to faith-based and community organizations about partnering with the State government to provide social services.”<sup>7</sup>

The law surrounding the federal FBCI and Charitable Choice has evolved over time as well. Since enactment of PRWORA and the promulgation of Charitable Choice regulations, court rulings have shaped the parameters of how Charitable Choice is defined and how it may be implemented, and individual federal agencies have provided more guidance on permissible and impermissible activities (see Lupu and Tuttle, 2008). After the settlement of one court case, *American Civil Liberties Union of Massachusetts v. Leavitt*, DHHS issued guidance on appropriate and inappropriate spending of grant funds for sexual abstinence programs for minors. In this 2008 guidance memo to Healthy Marriage Initiative grantees, DHHS specified that curriculum materials are required to be “neutral with respect to religion”; further, the memo gave examples of program curricula that would not be eligible for direct government funding because they included religious content (Lupu and Tuttle, 2008).

#### **D. METHODOLOGY**

By the fall of 2008, 36 states had formally established liaisons with their FBCO communities to encourage partnerships for the provision of health and human services (White House OFBCI, 2008). The FCL study aimed to explore the role of these liaisons in the implementation of Charitable Choice and related provisions within the context described above. This resulting report emphasizes both implementation of Charitable Choice regulations and equal treatment principles and FCLs’ efforts to expand partnerships and help FBOs and CBOs develop the capacity to participate in these partnerships.

The methodological approach of the FCL study had two main components. These were: (1) compilation and analysis of state-specific data from the prior ASPE/MPR survey and other sources to examine a wide array of FCL characteristics and potential measures of effectiveness, which then informed the selection of eight case-study sites with seemingly effective or otherwise noteworthy FCLs; (2) collection and analysis of case-study data gathered through site visits, interviews, and document review in each of the selected sites to

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<sup>6</sup> Because of the emphasis on a broad approach by 2007 when the FCL study was conducted, this report uses the phrase “faith-based and community organization (FBCO)” unless we are specifically differentiating between FBOs and secular community-based organizations (CBOs).

<sup>7</sup> From the White House OFBCI website link to its list of state FCLs, <http://www.whitehouse.gov/government/fbci/contact-states.html>.

learn more about policies and practices for increasing understanding of Charitable Choice and improving implementation. Appendix A provides additional detail on the approach.

**The Lay of the Land and Case Study Selection.** The study team drew on a number of data sources: the survey results from the ASPE/MPR survey conducted in 2004; information provided by study consultant Rebecca Sager on FCL characteristics for 30 of the 33 states that had FCLs at the time of her research (Sager, 2006); a search of the Lexis-Nexis legal database for state legislative activity related to faith-based and community initiatives from 1996 through 2007; and input from experts on the FBCI at the federal, state, and local levels. Compiling these data provided us with a “snapshot” of the status of the FCL function broadly, and assisted us in identifying case studies—states (or possibly cities) where the FCL has played an important role in the effective implementation of Charitable Choice under a range of circumstances, and where it appears case studies could provide valuable information on site characteristics, strategies, and practices to support effectiveness.

**The Eight Case Studies.** After selecting these case studies (and gaining the FCLs’ agreement to participate), the study team conducted site visits and document review to gather information about their offices or functions, the context within which they operated, their practices and activities, and perceptions and evidence of their effectiveness. The case studies were conducted between April and June 2008, lasted two to three days each, and entailed both interviews and, where possible, observations of FCL activities, using discussion and observation guides that mirrored the research questions. On site, we conducted individual and small group interviews, speaking to a total of 74 people across the sites. Respondents included the FCLs, their key staff, FBO and CBO partners (grantees and others), advisory board members, public agency partners, and other government officials or relevant stakeholders (Table A.1 in Appendix A provides detail about each site visit).

Our study team’s analysis drew on the site selection data, case-study summaries, and site materials and documents. We also considered timelines of the key stages of site development, site organizational charts, and other representations of site activities and practices. We laid out the data for each site, integrating as systematically as possible the evidence from our various sources, assessing what it revealed about the effectiveness of key policies and practices and discerning any themes or lessons learned from the cases. Through this process of analytical “sifting and sorting” we worked toward a systematic yet nuanced understanding of the FCLs’ positions and practices and the most important issues related to them. To assess which practices and activities were most effective or promising, we triangulated the evidence, drawing on multiple supporting sources. We considered essential contextual factors, such as the state FBCI’s stage of development; the legal, policy, and funding environment; the social service context; and the availability and capacity of potential partner FBCOs, intermediaries, and others.

**Study Limitations.** The study has limitations. First among them is that it is based on studies of only eight FCLs. While we distilled themes that emerged from the case study sites as carefully as possible, those themes might ultimately be more specific to the sites we visited than generalizable to the FCL function across the states. We also lacked systematic data on the number or quality of partnerships. We recorded people’s perceptions of effectiveness

and the way outcomes changed over time, but we had only limited “hard evidence” of the number of contracts or partnerships of different types or the changes in stakeholder understanding.

Further, in each case the FCLs were working within shifting political, budgetary, and social contexts, and it was not possible to know what would have occurred in the absence of the FCL’s work. We were also limited in our ability to gain a thorough historical understanding in a few of the early-adopting sites. While the FBCIs there had been in existence for many years, the current FCL and staff were relatively new and therefore limited in their knowledge about previous practices or contextual factors. The structure of the offices had also changed markedly, in some cases making assessment over time difficult. Therefore, while practices undertaken in the past are mentioned in this report they are not generally explored in detail.

Nonetheless, in this report and its appendices we provide a detailed account of the circumstances and activities of individual FCLs in a selection of sites chosen for their high level of activity and apparent effectiveness. The study offers a cross-cutting assessment of patterns observed across the sites, including successes, challenges, and lessons learned about the implementation of Charitable Choice in the states. Our intention in presenting these findings is to provide information that can be useful both to federal policymakers, and to state and local policymakers and practitioners as they work to implement Charitable Choice and to advance the federal and state initiatives.

## **E. ROADMAP TO REPORT**

In Chapter II, we provide an overview of the FCL function across the states and outline how and why the eight case studies were selected. In Chapter III, we describe the context in which the FCLs in the study sites operated, the legal origins of the functions, and their missions, structures, and resources. In Chapter IV, we discuss the key activities that the FCLs undertook to implement the FBCI and Charitable Choice in their states. In Chapter V, we examine the role of the FCLs and their evident effectiveness in implementing Charitable Choice across a range of dimensions. Chapter VI outlines the main conclusions of the study and explores areas for possible future research. Throughout the report, text boxes highlight a selection of promising practice models from the study sites. Appendix A details the study’s methodological approach, and Appendix B presents summaries of each of the site case studies. Appendix C provides further detail on site initiatives focused on specific issues.

## CHAPTER II

### OVERVIEW OF THE FCL FUNCTION AND SELECTION OF THE CASE STUDIES

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Our preliminary assessment of the “lay of the land” of the FCL function across the states had two major purposes. First, it provided a broad overview of the status of the function across the 50 states (and the District of Columbia). Second, it allowed us to identify a set of relatively active and effective sites for case studies that could provide lessons on the implementation of Charitable Choice and the FBCI. In this chapter we outline how this assessment was undertaken, present broad findings for the 50 states, and elaborate on the selection of the eight state case-study sites from among those that appeared to be most active and effective.<sup>8</sup>

#### A. APPROACH TO PRELIMINARY ANALYSIS

We analyzed several sources of data to identify states where the FCL appeared to have played an important role in the effective implementation of the FBCI and Charitable Choice under a range of circumstances. These included:

- The 2004 ASPE/MPR survey of state TANF and SAPT agency contracting staff regarding their policies and practices related to Charitable Choice
- Data from interviews with state FCLs conducted by Dr. Sager as part of her dissertation research
- Data gathered by Dr. Sager through a systematic Lexis-Nexis search of state legislation related to faith-based initiatives from 1996 through 2007, and

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<sup>8</sup> We explored the FCL function in a number of cities and ultimately selected the District of Columbia for a case study. For the sake of simplicity, we refer to the case study sites as states throughout the report.

- The results of interviews, email requests, and other consultation with six experts in the area of state faith-based initiatives (including study subcontractors Stanley Carlson-Thies and Amy Sherman), as well as with Dr. Sager.

Where possible, we verified or supplemented these data with information available on state faith-based initiative websites. We also gathered information on potential city-level FCLs, drawing on U.S. Conference of Mayors publications (Maharaj, 2004; Maharaj and Bullock, 2003), research from the Kennedy School of Government (Goldsmith, 2003), and telephone calls to the mayors' offices in several cities. Integrated analyses of these disparate types of information provided an overview of the status of the FCL function across the states, and also gave us a basis for case-study site selection.

In examining these data, we looked for (1) evidence of significant and/or increasing partnerships between contracting agencies and FBOs; (2) evidence that key participants have an understanding of the rights and responsibilities of the FBOs that provide government-funded services under Charitable Choice; (3) evidence that key actors within the community are taking actions to encourage FBOs to provide social services and ensuring that they do so legally and appropriately; and (4) evidence that the FCL position, where it exists, is relatively secure in its institutional position and resources.

We compiled the salient data items from each source into 50-state tables organized by the type of data most relevant to each of the four criteria listed above. We then winnowed this broad set of data elements down to those most closely linked to each of the key criteria and those for which the data quality was highest. Condensing the data items to those most closely related to the criteria, we developed an initial list of 19 possible case-study candidates. These were the places where evidence of effectiveness—based on the four criteria described above—was relatively strong. After consulting with our expert informants, we also distilled their recommendations into a summary table. Promises of confidentiality to survey respondents prohibit us from reporting publicly on any state-level findings from the ASPE/MPR survey and Sager interview data, but Table II.1 provides a descriptive overview of the FCL function in the 50 states and the District of Columbia.

## **B. FINDINGS FROM THE PRELIMINARY ANALYSIS OF 50-STATE DATA**

As Table II.1 indicates, of the 50 states and the District of Columbia, 36 had formalized FCL positions at the time of the study.<sup>9</sup> Of these, three were established in statute, 13 were established through executive order, and 17 were appointed by the governor, by another official in the executive branch, or through some other type of administrative action. Somewhat fewer than half of the FCL positions were housed in the governor's office, with the rest located in state agencies or nonprofit organizations. Half were full-time positions, although it was not always clear if they were dedicated solely to work with the faith-based or

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<sup>9</sup> The study team did not independently verify the White House OFBCI or Sager data. We have data on establishment only for the FCLs included in Dr. Sager's study.

faith-based and community initiative in the state, or were expected to juggle other responsibilities.

**Table II.1. Overview of the FCL Function in the 50 States**

State	White House Office of Faith-Based and Community Initiatives Data (2008)		Sager Dissertation Data (2003-2005)		
	Formal FCL Exists	Where Position Housed	How Position Established	Status of Position (Full-time or Part-time)	Experts Noted FCL Activity
AL	Yes	Governor's Office of Faith-Based and Community Initiatives	Executive Order (EO)	Part-Time (PT)	Yes
AK	Yes	Department of Health and Social Services, Office of Faith-Based and Community Initiatives	EO	PT	Yes
AZ	Yes	Office of the Governor	Appointed	PT	Yes
AR	Yes	Department of Human Services, Division of Volunteerism	Appointed	PT	
CA	No				Yes (County FCLs)
CO	No				
CT	Yes	Office of Faith-Based and Community Based Initiatives	EO	PT	Yes
DC	Yes	Mayor's Office of Partnerships and Grants Services	Appointed	PT	Yes
DE	No				
FL	Yes	Governor's Volunteer Florida Foundation	EO	Full-Time (FT)	Yes
GA	Yes	Department of Human Resources/Division of Family and Children Services, Faith-Based and Community Initiatives	Appointed	PT	Yes
HI	Yes	No information	Appointed	PT	Yes
IA	Yes	Larned A. Waterman Iowa Nonprofit Resource Center	No information		
ID	Yes	No information	Appointed	PT	Yes
IL	No				
IN	Yes	Governor's Office of Faith-Based and Community Initiatives	EO	FT	Yes
KS	Yes	Office of the Governor, Grants Program	Appointed	PT	
KY	Yes	Office of the Governor, Governor's Faith-Based and Community Initiative	No information		
LA	Yes	Governor's Office of Community Programs	Appointed	FT	
MA	No				
MD	Yes	Governor's Office of Community Initiatives	EO	FT	
MI	Yes	Office of the Governor	EO	FT	
MN	Yes	Governor's Office of Faith-Based and Community Initiatives	EO	FT	Yes

White House Office of Faith-Based and Community Initiatives Data (2008)			Sager Dissertation Data (2003-2005)		
State	Formal FCL Exists	Where Position Housed	How Position Established	Status of Position (Full-time or Part-time)	Experts Noted FCL Activity
MO	Yes	Office of the Governor	Statute	No information	Yes
MS	Yes	Office of the Governor	No information		Yes
MT	Yes	Department of Health and Human Services, Human and Community Services Division	Appointed	PT	Yes
NC	Yes	No information	Appointed	FT	
ND	Yes	Department of Commerce, Workforce Development Division	Statute	PT	
NE	No				
NJ	Yes	Department of State, Office of Faith-Based Initiatives	EO	FT	Yes
NH	Yes	Department of Health and Human Services	No information		
NM	Yes	Governor's Office of Faith-Based and Community Initiatives	EO	FT	Yes
NV	No				
NY	Yes	Office of Children and Family Services	Appointed	PT	
OH	Yes	Governor's Office of Faith-Based and Community Initiatives	Statute	FT	Yes
OK	Yes	Office of Faith-Based and Community Initiatives	Appointed	FT	Yes
OR	No				
PA	No				
RI	No				
SC	Yes	Office of the Governor	Appointed	PT	
SD	No				
TN	No				
TX	Yes	OneStar Foundation	EO	FT	Yes
UT	Yes	Office of Faith-Based and Community Initiatives	Appointed	PT	Yes
VA	Yes	Division of Community and Volunteer Services	Statute	PT	Yes
VT	No				
WA	Yes	Office of the Governor	No information		
WI	Yes	Office of Community and Faith-Based Partnerships	No information		
WV	No				
WY	Yes	Office of Faith-Based and Community Initiatives	Appointed	PT	Yes

Source: White House Office of Faith-Based and Community Initiatives, [www.whitehouse.gov/government/fbci/contact-states.html](http://www.whitehouse.gov/government/fbci/contact-states.html), accessed September 22, 2008.

Sager, Rebecca. 2006. The "Purpose Driven" Policy? Explaining State-Level Variation in the Faith-Based Initiative (Unpublished dissertation).

## *II: Overview of the FCL*



Expert advice also played a major role in informing us about particularly engaged FCLs, those who had taken on noteworthy initiatives, and/or those who worked under challenging or otherwise significant circumstances. Two scholars of faith-based initiatives, three highly active former FCLs, a federal agency FBCI center staff member, and our study consultant all provided their feedback on which sites might serve as useful case studies. There was substantial agreement among these experts, with more than half of them recommending five of the eight sites that were ultimately selected; the other three selected sites received fewer recommendations but were supported by other data sources.

Drawing from the diverse data sources, we triangulated the evidence to identify those sites whose inclusion in the study appeared to be most strongly justified. We sought suggestive patterns from the evidence, taking into consideration the timeliness and quality of the various sources and the relative balance of selection criteria. Ultimately, we actively considered all those sites for which evidence from the ASPE/MPR or Sager data was strong, and for which there were expert recommendations of significant activity or effectiveness. This yielded a set of 18 states, the District of Columbia, and several additional cities.

### C. FINDINGS ON THE SITES CONSIDERED FOR CASE STUDY SELECTION

In this section we describe the data for those 19 states (including the District of Columbia) where Charitable Choice implementation appeared to be relatively effective according to the five criteria outlined above (increasing public partnerships with FBOs, actions by state officials to encourage such partnerships, efforts by state officials to ensure the legality and appropriateness of partnerships, agency staff understanding of FBO rights and responsibilities, and the institutional security of the FCL function). As noted, confidentiality agreements with respondents to the ASPE/MPR survey and Sager interviews prohibit reporting state-specific findings. As such, we discuss the evidence of effectiveness on each of the criteria only in the aggregate.

**Increased Partnerships.** In seeking evidence that partnerships with FBOs were increasing over time, we focused on two key TANF contracting indicators. These were calculated from the 2004 ASPE/MPR data, combined with 2001 data from a U.S. Government Accountability Office (GAO) survey of TANF contracting; that GAO data had been used as the benchmark in the ASPE/MPR Charitable Choice study (Jacobson, Marsh, and Winston, 2005). The first indicator was the change from 2001 to 2004 in the percent of TANF contracting *funds* going to FBOs. The second was the change from 2001 to 2004 in the percent of TANF *contracts* held with FBOs. The first indicator allowed us to control for possible declines (or increases) in contracting broadly and to focus on what proportion of funding was devoted to FBOs. The second indicator allowed us to gauge whether FBOs were obtaining a higher proportion of contracts, even if these contracts were not for large amounts of money (perhaps indicating an effort by states to issue more small contracts that would be more accessible to a wider range of organizations). Among the states considered, about half (nine of the 19) had experienced increased partnerships between 2001-2004, as measured either in dollars or in the proportion of state contracts going to FBOs, or both. The other half either saw no increase or had insufficient data for us to measure any increase.

**Actions to Encourage Partnerships.** We used data from the 2004 ASPE/MPR Charitable Choice survey and the Sager dissertation to gauge actions to encourage partnerships: nine ASPE/MPR survey items focused on outreach or policy change in response to the enactment of Charitable Choice, and data items from the Sager dissertation interviews focused on 10 state activities. This yielded a total of 19 items indicating that a state was engaged in activities to encourage FBO partnerships. Examples of outreach activities or policy changes included: informing FBOs of funding opportunities, workshops and seminars for FBOs, and changes in the language of requests for proposals (RFPs) or grant announcements to communicate the rights and responsibilities of FBOs. We again summed the scores to rank the states' activity level as "high" (engaged in 10 or more of the 19 items), "moderate" (engaged in six to nine), or "low" (engaged in five or fewer of the items). Of the 19 states with sufficient data and/or activity to analyze, most were fairly active, with eight states rated high, six rated moderate, and four rated low (one had insufficient data).

**Efforts Toward Legal and Appropriate Partnerships.** To gauge state efforts to ensure that partnerships with FBOs were legal and appropriate, we included eight ASPE/MPR survey items related to the communication of essential Charitable Choice policies to FBOs. These eight included two items related to the rights of FBOs, three items on the rights of clients being served by FBOs, and three items related to restrictions on FBOs using TANF or SAPT funds. We also included four items related to monitoring the protection of FBO and client rights. Summing these 12 items, we again ranked states as having high (six or more), moderate (four to five), or low (three or fewer) levels of effort in this area. Compared to more general outreach to encourage partnerships, effort levels were somewhat lower with respect to the legality and appropriateness of partnerships: on this topic, five states were ranked low, three were ranked moderate, and four were ranked high.

**Understanding of FBO Rights and Responsibilities.** The ASPE/MPR survey was also the primary source of evidence that stakeholders understood FBO rights and responsibilities under Charitable Choice. It included a set of "hypothetical questions" that were intended to gauge agency respondents' understanding of key elements of Charitable Choice. While those respondents were TANF or SAPT agency officials, and not FCLs or FBOs, we believed their responses to these questions might indicate the relative effectiveness of the FCL in "getting the message out" on key provisions of Charitable Choice. We focused on seven items within two broad categories: first, FBO characteristics that are generally incompatible with the appropriate implementation of Charitable Choice (four items), and second, FBO characteristics that are generally compatible with it (three items). Summing the number of essentially correct responses, we ranked respondents as having a high (seven correct responses), moderate (five to six correct responses), or low level of understanding (four or fewer correct responses) of Charitable Choice provisions. In general, understanding was moderate or better—five states were ranked high, nine were ranked moderate, and only one was ranked as low.

**Institutional Security.** Finally, to gauge evidence of the institutional security of an FCL—how securely positioned it seemed to be within state/local government and how well supported by resources—we used data from Dr. Sager’s dissertation research, with updates from state websites where feasible. We considered the following factors as evidence of greater or lesser institutional security:

- The year the position was established
- Whether it was established by legislation or by executive order
- Whether it was housed in the governor’s office, a state agency, or elsewhere
- Whether the position was full-time or part-time, and the availability and extent of other staff resources
- The source of the budget (and if it was a salaried position)
- Whether the FCL reported to the governor, to a mayor, or to a foundation
- Whether the FBO received a Compassion Capital Fund (CCF) grant (as indicative of site capacity and resources), and
- Whether the FCL had some discretion in funding decisions.

In general, sites were considered more secure if the data indicated the position had existed a relatively long time, was created by legislation, was full-time and/or had additional staff, reported to the executive or an entity such as a foundation, was salaried and/or had a significant budget, had a CCF grant, and the FCL had some discretion in funding decisions.

We sought to ensure, to the extent possible, that the case-study sites would also reflect different contextual factors. So, in addition to the evidence noted above, we considered the following:

- Geographic region
- Evidence of continued activity under difficult circumstances, such as turnover, limited resources, a less supportive political environment, and/or high need
- Participation in important special initiatives, in particular, disaster relief, and/or
- The existence of an active local FCL where no state FCL existed.

We also considered states without formal FCLs but where there was nonetheless some significant evidence of effectiveness in Charitable Choice implementation. Given the different strengths and limitations of the various data sources, as well as the need to consider additional contextual factors, the site selection process necessarily involved some degree of

subjective judgment by the research team. Finally, the case for or against inclusion of any particular site depended, at least in part, on the other sites that were recommended, given that we sought balance on a range of criteria and characteristics.

#### **D. SELECTION OF THE EIGHT CASE STUDIES**

In making our selection we balanced the strengths and limitations of the systematic data available from the ASPE/MPR survey, the relative breadth and depth of the Sager dissertation data, the legal “snapshot” available from the Lexis-Nexis data, and the front-line expertise and timeliness of the recommendations from the experts. We also included the other structural considerations noted above, namely geographic and political diversity, noteworthy institutional structures and initiatives, and evidence of relative success under challenging circumstances. We ultimately selected seven states and the District of Columbia for inclusion as case studies. Two additional sites (one state and one city) were invited to participate in the study as well, but declined.

Table II.2 provides an overview of the case study sites. As the table demonstrates, the selection offered variety in several characteristics of interest. Several organizational structures were represented in this group, in particular with respect to the FCLs’ relationship to the governor and state agencies. One FCL was situated in the governor’s office (Alabama), while three resided in agencies (District of Columbia, New Jersey, and Virginia), and another had ties to both the governor’s office and a state agency (New Mexico). Two of the states (Texas and Florida) had FCLs housed in nonprofit organizations. The final site (Illinois) did not have a formal FCL function but was selected because a range of sources indicated activity in partnerships and other dimensions, and also because the inclusion of an informal FCL promised to be informative regarding alternative structures that appeared to be effective to some degree. The group of states also represented diverse political environments, urban and rural areas, and a mix of regions.

**Table II.2. Case-Study Site Table**

Site	Office	FCL Title	Agency Location
Alabama	Governor's Office of Faith-based and Community Initiatives (GFBCI)	Director, GFBCI	Governor's Office
District of Columbia	Office of Partnerships and Grants Services (OPGS)	Manager, Nonprofit and Faithbased Relations	District of Columbia OPGS
Florida	Compassion Florida, Volunteer Florida Foundation (VFF)	Director, Compassion Florida, The Florida Faith-based and Community Initiative	VFF
Illinois	Office of Strategic Planning	Director, Partners for Hope; Liaison, Team Illinois	IL Department of Human Services (IDHS)
New Jersey	Office of Faith-Based Initiatives (OFBI)	Executive Director, OFBI	NJ Department of State
New Mexico	Governor Bill Richardson's Office of Faith-Based and Community Initiatives	Director, OFBCI	NM Department of Aging and Long-term Services <sup>a</sup>
Texas	OneStar Foundation: Texas Center for Social Impact <sup>b</sup>	Director, Texas Center for Social Impact	OneStar Foundation
Virginia	Division of Community and Volunteer Services	Director, Office of Community Programs	VA Department of Social Services (VDSS)

<sup>a</sup> The OFBCI is administratively supported by the Department of Aging but is generally independent of it.

<sup>b</sup> After the research team's site visit, OneStar underwent reorganization and revised its name to include the Texas Center for Social Impact.

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## CHAPTER III

### THE CONTEXT AND RESOURCES FOR THE FCLs' WORK

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The contexts and resources of the eight case-study sites differed substantially from one another in ways that affected how the FCLs have worked to implement Charitable Choice and the FBCI. In this chapter we describe the major characteristics of the environments in which the FCLs have been operating, the legal authority upon which they draw, the FCLs' structures and resources, and other key characteristics of the FCLs at the time of the study.

#### A. CONTEXT

**Political, Legal, and Socioeconomic Contexts at FCL Sites.** As Table III.1 indicates, the political, legal, and socioeconomic contexts among the study sites varied considerably.

While both governors' offices and legislatures were solidly Republican controlled in two states (Florida and Texas), four sites were controlled by Democrats at the time of the study (the District of Columbia, Illinois, New Jersey, and New Mexico), and two other sites had divided party control (Alabama and Virginia).

The sites' legal environments also varied. Strict constitutional language in one state (Florida) has prohibited the use of state funds for FBOs, and respondents there expressed sensitivity about the FCL's role in building partnerships between FBOs and state agencies using state funds. In New Jersey, the state constitution has been interpreted as requiring nonprofit 501(c)(3) tax status for FBOs contracting with the government, and state law prohibits organizations contracting with the state from hiring on the basis of religion, effectively precluding implementation of these two aspects of federal Charitable Choice policy (Lupu and Tuttle 2002). In the remaining states, constitutional language limited some types of funding of FBOs but did not seem to inhibit the FCLs' activities significantly.

The FCLs were generally working in a climate of tightening state budgets and, according to several FCLs, with a growing demand for both their own services and social services more

broadly. The main social policy issues that states were dealing with, not surprisingly, differed as well. The Gulf states faced natural disasters and the necessity to plan for and respond to the needs these disasters had created. All sites, however, confronted a range of social concerns such as education, employment, prisoner reentry, substance abuse, HIV/AIDS, poverty, and other problems.

**Table III.1. Site Context**

State	Party Control	Legal Environment	Race/Ethnicity	Major Issues
AL	Republican Governor, Democratic Legislature	Constitutional language focused on education and property does not seem to have affected GFBCI.	White 69%, Black 26%, Hispanic 3%, Asian 1%	Disaster response and preparedness, education, poverty
DC	Democratic Mayor and City Council	District code does not appear to have affected FCL's work.	White 32%, Black 57%, Hispanic 8%, Asian 3%	HIV/AIDS, employment, affordable housing
FL	Republican Governor and Legislature	Strict constitutional language limiting state-FBO funded partnerships.	White 61%, Black 16%, Hispanic 20%, Asian 2%	Disaster response and preparedness, migrant labor issues and rural poverty, HIV/AIDS
IL	Democratic Governor and Legislature	Constitutional language does not seem to have affected FCL's work.	White 65%, Black 15%, Hispanic 15%, Asian 4%	Community economic development, welfare, employment, rural issues
NJ	Democratic Governor and Legislature	Constitutional language interpreted as requiring 501(c)(3) status for contracting. Religious hiring prohibited.	White 63%, Black 15%, Hispanic 16%, Asian 7%	Affordable housing, employment, youth, substance abuse
NM	Democratic Governor and Legislature	Constitutional language applies to schools. 2005-2007 Freedom From Religion lawsuit (dropped).	White 43%, Black 3%, Hispanic 44%, Native American 10%, Asian 1%	Hunger, poverty, immigrant population, lack of services in rural areas
TX	Republican Governor and Legislature	Constitutional language does not seem to have affected FBCI. Early lawsuits regarding alternative accreditation and church/state separation.	White 48%, Black 12%, Hispanic 36%, Asian 3%	Education, youth, foster care, prisoner reentry, poverty
VA	Democratic Governor, Divided Legislature	Constitutional language, but state attorney general interpreted in manner not significantly limiting FCL's work.	White 68%, Black 20%, Hispanic 6%, Asian 5%	Prisoner reentry, family functioning, housing

Sources: Site interviews and materials.  
 U.S. Census Bureau. "State & County QuickFacts," 2006. Available at <http://quickfacts.census.gov/qfd/index.html>.  
 Lupu, Ira C., and Robert W. Tuttle. "Government Partnerships with Faith-Based Service Providers: The State of the Law 2002." Albany, NY: The Roundtable on Religion and Social Welfare Policy, December 2002.

### *III: The Context and Resources for the FCLs' Work*



The states ranged in their social characteristics as well. Alabama was predominantly white (69 percent) and black (26 percent), with limited ethnic diversity. In contrast, Florida, New Mexico, and Texas all had populations that were more than 20 percent Hispanic. While all sites were predominantly Christian, there was some variation among them, with Baptists constituting the highest percentage in Alabama (37 percent), and Catholics the highest in New Mexico (40 percent). The proportion of Jews was highest in New Jersey (4 percent), and Mormons/LDS were highest in New Mexico (3 percent). Muslims reached no more than 1 percent in any of the study sites (Kusman, Mayer, and Keysar 2001).

**A Broad History of Charitable Choice and the FBCIs in the Sites.** Many study sites were adopted the FCL function and the Faith-Based and Community Initiative early on, moving the initiative forward even before President George W. Bush took office in 2001 (see Table III.2). This was the case in the District of Columbia, Florida, Illinois, New Jersey, Texas, and Virginia. In some states, these efforts were linked to implementation of welfare reform in the 1990s (the FCLs in Virginia and Illinois, in particular, noted this).

The initiative in many of these “early-adopting” sites has evolved considerably. The changes in structure and emphasis have probably been greatest in Texas and Florida, where the current nonprofit foundations evolved from an FBCI task force and a disaster relief support structure, respectively. While these two foundations are closely linked to their governors’ offices, they are separate, nonprofit organizations. Both also changed their focus over time. The initial emphasis in Texas and Florida was on barrier identification/reduction and public education, and, in the case of Texas, state agency compliance with Charitable Choice. Over time, the focus broadened to emphasize partnerships within the FBCO and nonprofit sector together with capacity building for the FBCO sector through demonstration grants from the federal Compassion Capital Fund (CCF) and other means.

The other early-adopting sites—Virginia, New Jersey, the District of Columbia, and Illinois—have also seen changes over time, though they have been less dramatic:

- In Virginia, the current FCL has held the position continually since the beginning of the initiative (initially as a liaison to a legislative task force established in 1999, and since 2001 as the FCL). The Virginia FBCI’s emphasis on broad education and understanding of the new laws and policies has also evolved into a focus on building and maintaining partnerships and increasing FBCO capacity, but the changes have been more modest than in Texas and Florida.
- In New Jersey, the office started in 1998 as a program of then-Governor Christine Todd Whitman that some saw as an effort to reach out to the state’s black churches (Roper 2004). By 2002, it had evolved into a formal state office within the New Jersey Department of State and was working to broaden its outreach. Its emphasis on implementing the federal Charitable Choice regulations, however, appears to have been somewhat limited by the interpretation of the state’s constitution that affects the types of FBOs that can partner with the state.

**Table III.2. Establishment of FCL Function**

State	Year Established	Legal Authority	Formal Mission <sup>a</sup>
AL	2004	Executive order (#21)	"To build the capacity of individuals and organizations to serve and transform the communities in which they live. ... to increase (1) an ethic of service and volunteerism in the State of Alabama, (2) the capacity of faith-based and community organizations within the state to better compete for funding opportunities and (3) the collaboration among the people and organizations that are trying to meet the greatest needs of our state."
DC	1998	Administrative action	To advance DC's strategic priorities and improve the quality of life for residents by (1) establishing partnerships between public and private, for-profit, and nonprofit organizations and (2) pursuing financial support and technical assistance from public and private sources.
FL	1996 (Volunteer Florida Foundation)	Executive order (#04-245); Statute (2006 IV.14.31)	"...To strengthen Florida by meeting community and family needs.... through development of initiatives in volunteerism and community service, under the leadership of Governor Charlie Crist and the Governor's Commission on Volunteerism and Community Service." "Compassion Florida rolls out training, technical assistance, mini-grants for grassroots groups."
IL	1996 (Partners for Hope) 2003 (Team Illinois)	Administrative action	Partners for Hope: a non-fiduciary "interfaith welfare-to-work initiative" partnership between IDHS local offices and faith communities. Team Illinois: an initiative of Gov. Blagojevich to forge economic development partnerships between state agencies and challenged communities.
NJ	1998 (FBI program) 2002 (OFBI established by Executive Order)	Executive order (#31)	"To develop relationships and strengthen partnerships with federal and state agencies, corporations, foundations, institutions of higher learning, and capacity-building training organizations in an effort to create greater access to funding and other resource opportunities for Faith Based and Community Based Organizations."
NM	2005	Administrative action	To "improve human service delivery to New Mexicans most in need, support and build capacity of faith-based and nonprofit community organizations, [and] connect New Mexican nonprofit organizations to federal funding sources."
TX	1996 (Task Force) 2004 (OneStar Foundation)	Executive order (RP30)	"OneStar leads the Governor's Faith-Based and Community Initiative, which was created by Governor Rick Perry in 2004.... [to:] 1) Encourage cross-sector collaborations between government, faith-based and community groups and other entities, such as private sector businesses, 2) Ensure that faith-based and community groups are ready to succeed in their partnerships by strengthening their organizational capacity and their work together to achieve common goals, and 3) Encourage research and evaluation to measure the impact of these partnerships in effectively serving Texans in need."
VA	1999 (Task Force) 2002 (FBCI responsibilities codified)	Statute (Section 63.2-703 of the Code of Virginia)	"The FBCI works across state agencies and with local government to: Serve as the clearing house and gateway for community and faith-based organizations interested in collaboration with government to address community needs; Promote partnerships between public agencies and community and faith-based groups to meet local needs; Provide training and technical assistance to help community-based organizations build their capacity to provide effective services; Expand the state's pool of effective service providers; Coordinate offers of assistance from the faith community at the time of emergencies or natural disasters."

<sup>a</sup>The formal missions are largely taken directly from the FCL websites, though in some cases FCLs provided updates or revisions.

- In the District of Columbia, the current structure for outreach to faith communities began under Mayor Anthony Williams, who sought to reform the District government’s relationships with the faith community. Despite some early uncertainty surrounding the 2007 transition to Mayor Adrian Fenty, the FCL’s position has remained relatively unchanged.
- Although Illinois has never established a formal state-level FCL role or position, the Department of Human Services established one program, Partners for Hope, in 1996 to build nonfinancial partnerships between local human services offices and faith communities; its emphasis was not explicitly on Charitable Choice regulations, however, given the nonfinancial nature of the partnerships. Since 2003, the informal FCL’s focus has moved to Team Illinois, a community-oriented economic development initiative.

In two other states—Alabama and New Mexico—implementation of the FBCI and Charitable Choice began later:

- The initiative was formally established in Alabama in 2004 with the creation of the Governor’s Office of Faith-Based and Community Initiatives (GFBCI), and the executive order establishing it clearly authorized the office to implement Charitable Choice with barrier reduction and required state agency collaboration (citing the federal law).
- In New Mexico, Governor Bill Richardson’s Office of Faith-Based and Community Initiatives was established in 2005. There, efforts have focused on outreach to and capacity building among the entire nonprofit sector.

In several of the case-study sites, there was a particularly strong early emphasis on education about the legal requirements of Charitable Choice and equal treatment, and especially on bringing in faith-based groups. All sites have emphasized developing FBO partnerships and collaborations of various types with government from the start. However, broader outreach to the FBCO sector, and capacity building for FBCOs and nonprofits generally, seems to have grown in emphasis over time in many sites. These shifts mirrored the evolution of the White House OFBCI, discussed in Chapter I.

## **B. MISSION OF THE FCL FUNCTION**

For virtually all the entities where the FCLs resided, the language defining their formal missions reflected a generally inclusive approach toward FBOs and CBOs, a strong focus on capacity building, and development of collaborations and partnerships (See Table III.2).

The sites’ missions emphasized the role of faith-based and community organizations, “grassroots” groups, and/or nonprofit organizations. In three sites (the District of Columbia, New Jersey, and Texas), the missions suggest the possibility of partnerships with for-profit organizations or corporations. With varying levels of emphasis, nearly all (seven of the eight) indicated that a key goal of the FCL or FBCI is to help build the capacity of the sector through means such as training and technical assistance, acting as a conduit for

information, and funding assistance. Establishing and maintaining partnerships and collaborations between government and private organizations were also cited as key goals in six sites. Principles of outreach to, and inclusion of, FBOs were highlighted in several mission statements, although none explicitly cited Charitable Choice. The mission of the OneStar Foundation in Texas was also noteworthy for explicitly citing the office's work in research and evaluation.

The reasons for the FCLs' frequently inclusive approach to faith- and community-based organizations, as reflected in their missions, appeared to differ. In Texas, the OneStar Foundation president suggested that this was partly a strategic decision made after several years of a strong emphasis on the faith-based sector. By bringing FBOs, CBOs, and larger nonprofits together for capacity building and other events, OneStar hoped to cultivate a greater sense of commonality and collaboration among these organizations, allowing them to "learn each others' language and practices," rather than segregating the faith-based community over the long term. Nonetheless, OneStar's president stressed the importance of continuing to reach out to communities of faith.

The inclusive approach of New Jersey's Office of Faith Based Initiatives seemed to reflect both the legal constraints in the state noted earlier and, according to several respondents, the prevailing political culture. In Alabama and Virginia, some activities, such as outreach, were focused in particular on FBOs, but others, such as capacity building, addressed issues common across the FBCO sector. Most of the FCLs suggested that it was necessary to strengthen the capacity of both FBOs and CBOs if they were to be capable of meeting the demands of public contracts or grants and of providing better social services.

FCLs and their staffs identified a the following specific roles and duties for the office:

- Providing FBCOs with information on public and private funding opportunities
- Conducting broad outreach at community and "issue-specific" events
- Acting as an informal ombudsman or advocate for FBCOs collaborating with state, local, or private agencies
- Facilitating unfunded collaboration opportunities
- Offering technical assistance tailored to individual FBCOs
- Working with the governor's office, the legislature, and/or advisory boards to advance the initiatives
- Serving as "issue experts" for public agencies and potential private partners
- Acting as a liaison to the FBCI at the federal level (the White House office and federal agency centers).

FCLs also answered a wide range of questions about the FBCI and the offices' work and generally helped to "translate" government language and policy for FBCOs. The OFBCIs in several sites also focused on managing AmeriCorps and other programs funded by federal funding streams.

### **C. LEGAL AUTHORITY FOR THE FCL POSITION**

In all sites except Illinois, the FCL position, office, or set of functions has been formally established by statute, executive order, and/or administrative action (as Table III.2 indicates), although in several cases the particular form of and authority for the office has changed over time. One state (Virginia) established the functions by means of statute, three (Alabama, New Jersey, and Texas) by executive orders, and two (the District of Columbia and New Mexico) undertook FCL functions through administrative action. In Florida, the functions that comprised the FCL's work arose through a combination of executive orders and statute. In Illinois, quasi-FCL functions have been undertaken through administrative action within the state's Department of Human Services. The sites also established the functions at different times.

In several sites, the legal authority for the FCL function has changed over time. In Florida, both Governor Lawton Chiles (D) and Governor Jeb Bush (R) issued executive orders calling for activities that would eventually fall to the Volunteer Florida Foundation (VFF), where the FCL is housed. At the same time, statutes charged VFF with supporting the Governor's Commission on Volunteerism and Community Service, as well as the Faith-Based and Community-Based Advisory Council, which guides the FBCI. In Texas, the 1996 task force established by then-Governor George W. Bush, and the effective mandate to implement Charitable Choice and equal treatment principles, were authorized by executive order GWB 96-10. A 2004 executive order issued by current Governor Rick Perry (R) paved the way for establishment of the OneStar Foundation.

In Virginia, a 1999 General Assembly joint resolution established that state's task force, leading to a 2002 statute outlining the responsibilities of the Virginia Department of Social Services (VDSS) to further the goals of Charitable Choice and the FBCI. In New Jersey, Governor Whitman established the faith-based initiative within one state agency; it was formalized by executive order in 2002 and moved to the New Jersey Department of State by her Democratic successor. In the other four study sites, the legal authority for the FBCIs has remained essentially unchanged since their establishment.

Exactly what that legal authority did varied across the sites. In Virginia, where statute codified the FCL functions, the law did not prescribe establishment of an FCL office or position. Rather, it assigned to the Virginia Department of Social Services certain responsibilities for encouraging implementation of Charitable Choice and the FBCI across agencies; these responsibilities could be dispersed throughout the agency or housed in one office or individual. In Florida, one statute explicitly charged VFF "to assist in securing training, technical assistance, and other administrative support needed to accomplish the purpose of the Florida Volunteer and Community Service Act of 2001" (State of Florida, 2004), while the statute establishing the Faith-Based and Community-Based Advisory Council charged VFF with administrative support for the council.

The executive orders differed across the sites in how explicitly they framed the FCLs' mission and gave the position the authority to pursue it, including authority to require state agencies to cooperate in implementing Charitable Choice and equal treatment principles. Alabama's executive order established the Governor's Office of Faith Based and Community Initiatives (GFBCI), changing the name of the Governor's Office on National and Community Service to the GFBCI and subsuming AmeriCorps and other national service, volunteer, and disaster preparedness and relief programs into it. The order also provided the GFBCI with significant authority to implement Charitable Choice and the initiative. The other states' executive orders generally established the responsibilities of the FCL function more broadly.

Across the sites, respondents suggested that authority and sustainability were related to the source of legal authority; all things being equal, statutes were regarded as providing a certain "clout" and durability. In sites where the FCL's office and/or activities were at least in part codified by statute (Florida and Virginia), respondents cited this as an important asset. It was seen as able to protect the office, to some extent, from shifting political support and able to give it legitimacy beyond the endorsement of a particular administration or political party.

In Virginia, for example, both supporters and opponents of the initiative had some systematic opportunity to express their concerns through legislative public hearings and other meetings, and in some cases these concerns changed the shape of the legislation enacted (see Practice Model 1). The FCL noted that a revision to the state's procurement statute to require written notice to program applicants and clients of their right to be free from religious (or other) discrimination and to have access to an alternative provider if they object to an existing provider's religious character, were enacted in response to concerns raised at public hearings and meetings. Given the unpredictable nature of law-making, however, creating a statute (as distinct from relying on executive order or other administrative action) can also bring risks, as several respondents observed, opening up the possibility of unintended provisions.

#### **Practice Model 1. Developing Support Through the Political Process**

In Virginia, the process by which the FBCI was first developed and implemented appears to offer a promising model for building support over time. The political process by which the Virginia FBCI was established—with the 1999-2001 task force on faith-based and community groups holding multiple meetings around the state—was seen as relatively deliberate and open, providing opportunities for opponents and supporters to make their views known. Some of this input was said to lead to concrete changes, such as the revisions to the state procurement statute requiring notifying participants and applicants of their rights. The implementation process also entailed several stages, including (1) broad education, (2) identification of partnership resources, (3) capacity assessment and building, and (4) development of collaborations. The FCL suggested that the statute has been implemented in a way that's "been very broad but locally focused" so that it has become a "part of the culture of the state," and she felt the state had effectively balanced the pursuit of public-FBO partnerships with the preservation of appropriate church-state separation.

Executive orders may provide somewhat less stability than statutes, but nonetheless they can offer significant authority. Several respondents noted that such explicit backing from the governor carried weight both inside and outside government. A lack of either statute or executive order was seen as leaving the FCL function potentially vulnerable. Nevertheless, while statutory or executive authority were certainly useful, neither appears to have been sufficient by itself to guarantee authority to implement Charitable Choice or to ensure sustainability for the office.

#### **D. ORGANIZATIONAL STRUCTURE**

The sites have developed a range of organizational structures (see Table III.3), which largely grew out of their sources of legal authority, their resources, and the evolution of the FBCI within each of the jurisdictions. Among the eight sites, three basic models of organizational structure emerged: (1) FCLs in nonprofit organizations, (2) FCLs within the governor's office, and (3) FCLs embedded within state agencies. Some sites began with one structure and evolved to another over time. In others, the structure has remained generally unchanged. Each of the three basic structural models has had advantages and drawbacks in the sites, according to respondents.

**Nonprofit Entities.** In Florida and Texas, initiatives that had originally been spurred by governors were spun off into nonprofit foundations. In Florida, an executive order was used to establish the organization—now called the Governor's Commission on Volunteerism and Community Service—that eventually gave rise to the establishment of VFF. VFF's independent structure allows the Commission to solicit funds and to direct them toward activities that are a priority for the governor without running afoul of the state constitution. In Texas, Governor Perry's executive order designated the OneStar Foundation as the administrative arm of the state's national service (AmeriCorps) commission, and supporters filed the necessary documents to establish the nonprofit foundation, according to respondents. While both foundations are nonprofit organizations, they take significant direction from the governors' offices in terms of key priorities and leadership. In Texas, both the OneStar president and the advisory board are the governor's appointees. As the FCL there described it, "we are not a state agency but are an agent of the state." It should be noted that Governor Perry, who spearheaded the foundation's establishment, is still in office so OneStar Foundation has not yet experienced a major political transition (the governorship is not subject to term limits in Texas).

In contrast, Florida has undergone the transition from a governor for whom the faith-based initiative was a central priority to a governor for whom it is less so. Despite this, the FCL has maintained some consistency (see Practice Model 2). In discussing the utility of the VFF organizational model, one respondent close to the process used the metaphor of a train, with each car representing a different priority issue or activity of the foundation; each new governor can add some cars and remove others consistent with his agenda, but the whole train will continue to move along. Other advantages of the nonprofit structure cited by respondents included the ability to fund-raise from private and other sources; flexibility to hire, fire, and restructure staff outside civil service and other public agency requirements; and a perceived neutrality from political forces.

**Table III.3. Structure of FCL Position**

State	Location	Type
AL	Governor's Office of Faith-Based and Community Initiatives	Governor-centered
DC	Office of Partnership and Grants Services	Embedded
FL	Faith-Based and Community Initiative within Volunteer Florida Foundation	Nonprofit organization
IL	Office of Strategic Planning, Department of Human Services	Embedded
NJ	New Jersey Office of Faith Based Initiatives, Department of State	Embedded
NM	Governor Bill Richardson's Office of Faith-Based and Community Initiatives, Department of Aging and Long-term Services	Embedded
TX	OneStar Foundation: Texas Center for Social Impact <sup>a</sup>	Nonprofit organization
VA	Division of Community and Volunteer Services, Department of Social Services	Embedded

<sup>a</sup> After the research team's site visit, OneStar underwent reorganization, and revised its name to include the Texas Center for Social Impact.

Disadvantages cited by respondents included greater complexity in partnering with public agencies, since interagency agreements may no longer be permissible and formal contracts may be required; the need to develop legal counsel and other resources, since they are outside the jurisdiction of statewide agencies, such as the attorney general's office; and somewhat greater distance from political actors who might otherwise be champions. Being a nongovernmental agency also appears to limit the FCLs' ability to encourage state agencies to cooperate in the implementation of the FBCI and different aspects of Charitable Choice, even with the general support of the governor. As one foundation-based FCL noted, "we are not enforcers but equippers."

#### **Practice Model 2. Sustainability Through Organizational Independence**

The Faith-Based and Community Initiative in Florida is housed in the private, nonprofit Volunteer Florida Foundation (VFF). Given Florida's strict constitutional language limiting state funding of FBOs, VFF's 501(c)(3) status allows the organization to raise private funds, which may be directed toward the activities of sectarian organizations. At the same time, as a quasi-independent nonprofit, VFF can remain somewhat outside of the often contentious political sphere. Nevertheless VFF was established to provide direct support to the Governor's Commission on Volunteerism and Community Service, and having close ties to the governor's office "sends a message," in the words of one respondent, that VFF's initiatives have important political support. Because VFF is generally responsive to the governor's office, however, the various initiatives under the Foundation's purview have been intentionally "siloed" to allow the organization the flexibility to direct resources toward successive governors' differing agendas. In describing this structure, the VFF president used a metaphor of a train, with each governor adding some boxcars and removing others while the whole train continues to move along. Texas has pursued a somewhat similar approach through establishment of the OneStar Foundation.



**Governor-Centered Offices.** While the two foundations participating in the study had some history as governor-centered offices, by the time of our site visits only one state in the study (Alabama) followed a clear governor-centered model. Two other sites (New Jersey and New Mexico) also began as governor-centered offices, relatively speaking, but by and large have evolved to become embedded offices (see below). Several respondents referred to the governor-centered structure as “the White House model” since it significantly mirrored the centralized structure of the White House Office of Faith-Based and Community Initiatives, with a network of FBCI centers or contacts in the agencies. This model has the advantage of carrying the authority of the governor’s office, which can be a great asset in bringing public and private actors to the table, especially with a governor who is invested in the office and its functions. In the case of Alabama, the model was further strengthened by the governor’s strong commitment to Charitable Choice and the GFBCI, according to respondents, and by the powers provided to the office by the executive order establishing it.<sup>10</sup> Further, the FCL reported to the governor’s chief of staff and attended regular meetings of the governor’s cabinet, giving her additional access to agency heads and others in the governor’s office.

However, it should be noted that structural, legal, and political proximity to the governor can be a double-edged sword. When the sponsoring governor leaves office, a period of uncertainty and instability appears inevitable, even if the party does not change. As one FCL noted, “every new governor wants to put their stamp on the office.” In Alabama, the FCL and staff, as well as other public partners, spoke explicitly about their “window of opportunity” for implementation and planning for sustainability when the inevitable transition occurs.

**Embedded Functions.** Five of the study sites followed what could be called an “embedded model,” with FCLs located in state agencies even if their mandate was government-wide. In New Jersey, the formal statewide Office of Faith Based Initiatives exists within the Department of State. Similarly, in two other sites, the District of Columbia and New Mexico, there is a statewide initiative to support public partnerships with FBCOs, originated by executives (Mayor Anthony Williams in DC and Governor Bill Richardson in New Mexico), but housed in agencies. In Virginia, the statutorily mandated government-wide FCL functions are broadly the responsibility of the VDSS and currently are performed by the director of the Office of Community Partnerships and staff within a division of VDSS. In Illinois, an individual within the state’s Department of Human Services (IDHS) is explicitly charged with outreach to FBOs around the state and regional IDHS representatives work to cultivate public partnerships with FBCOs in their area.

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<sup>10</sup> It created an interagency Advisory Board on Faith-Based and Community Initiatives, chaired by the FCL and comprised of the heads of eight major public agencies whose functions are most likely to be covered by Charitable Choice and equal treatment principles. The board is also mandated to “cause the provisions of this order to be implemented by all appropriate agencies of state government,” and all state agencies are directed to “cooperate fully” with the office and the board in implementing the faith-based and community initiative in the state, citing among other reasons PRWORA’s Charitable Choice provisions.

Being embedded within a bureaucratic structure can buffer the FCL role from political pressures and help ensure a relatively stable and integrated FCL function, particularly if the person in the role has the experience, skill, and credibility to establish strong relationships within the bureaucracy and the FBCO community. In this model, the FCL can “hunker down” within an agency to focus on doing the work, even during politically difficult situations. The embedded model does present some risk that the FCL function will become too diffuse or low-profile, or too reliant on the strengths of an individual liaison who may leave the job one day. Nevertheless, in the hands of an FCL skillful at bureaucratic and community relationships and rules, the embedded model can also be successful, given the stability these arrangements appear to offer. Particularly if the FCL can cultivate the support of political officials—for example, through its advisory board, as was the case in New Jersey—the embedded structure can allow both for stability and a political champion.

As noted, several of the study sites shifted from one model to another, moving from the governor-centered approach to either the nonprofit or embedded model. In a sense, this might be a natural progression to a greater level of institutionalization. In certain cases (Texas and New Jersey) this seemed explicitly intended to provide greater sustainability, among other purposes; in others (Florida and New Mexico) it appeared to be more a pragmatic step, given the legal and political context of the sites. One long-time FCL stressed that the office’s main champion should not be an elected official, since those officials face so many competing pressures and turn over with some frequency. Instead, this FCL thought that a committed advocate, such as an advisory board member “who is able to navigate both sides of the aisle,” would provide the FCL with both access and political neutrality.

Finally, it is worth noting that most sites, regardless of their structure, have had advisory commissions or boards, at least at some point in their evolution. Their roles varied from heavily involved advocates or advisors to providers of periodic feedback (see Practice Model 3). In several sites (Alabama, Florida, New Jersey, and Texas), they were cited as particularly engaged at the time of the study. In others, they had played a greater or lesser role at different times, depending on the particular members serving and the needs of the FCL.

### **Practice Model 3. Activating the FBCI Advisory Commission for Sustainability**

The Executive Order signed in 2002 by New Jersey’s then-Governor James McGreevey (D) situated the Office of Faith Based Initiatives (OFBI) within the Department of State and at the same time established a 23-member Advisory Commission on Faith-Based Initiatives, with the OFBI acting as staff to the commission. The diverse make-up of the commission and its members’ relationships to important constituencies around the state have provided the OFBI with access to the governor, legislators, state agencies, and other potential supporters. The commission’s members include eight non-voting state agency heads; 15 voting members representing houses of worship, business, higher education, and other nongovernmental organizations, appointed by the governor; and a chair, also appointed by the governor. The formal roles of the commission are to advise the FCL on policy, to advocate for the OFBI on budget and other matters, and to review the OFBI’s recommendations for grant awards for its RFPs. The commission’s advocacy role has become particularly important in recent years since the departure of the previous secretary of state, who had been highly involved in the OFBI. Over time, the FCL has come to rely increasingly on the commission and its chair for advice and advocacy, as well as for their formal roles.

## E. ORGANIZATIONAL RESOURCES

The sites varied significantly in the resources available to the FCL. As shown in Table III.4, they varied in whether they had staff dedicated to a formal and explicit “faith-based and community initiative” or whether they merged their FCL work with other community-focused efforts. They also varied markedly in the amount of staff and funding they had for the FCL function and in what these resources could be used for (see Table III.5).

**Table III.4. Staff Resources for FCL Function**

State	Nature of FCL Position	Staff Resources
AL	FT (but FBCI integrated into other duties)	9 full-time staff and 4 AmeriCorps volunteers, but not dedicated only to FBCI
DC	FT	5 full-time OPGS staff, but only FCL dedicated to FBCI
FL	FT	FCL is only staff within VFF dedicated to FBCI
IL	FT (but FBCI integrated into other duties)	FCL only
NJ	FT	4 full-time staff dedicated to OFBI
NM	FT	FCL only
TX	FT (but FBCI integrated into other duties)	30 full-time and 2 part-time staff, but not dedicated to FBCI. Site estimates that the equivalent of 9 full-time staff dedicated to it.
VA	FT (but FBCI integrated into other duties)	4 full-time staff, but not dedicated to FBCI

**Staff Resources.** Staff resources for the FCL function ranged considerably among the sites. Several sites had FCLs whose position was dedicated exclusively to the FBCI (Florida, New Jersey, and New Mexico). Others (Alabama, the District of Columbia, Texas, and Virginia) focused strongly on FBCI partnerships and activities, but did so in a way that integrated the FBCI with other related functions, such as AmeriCorps and volunteerism, broad nonprofit organizational development, mentoring initiatives, and/or emergency management. Finally, in one site (Illinois), the development of FBO-public partnerships was embedded in the work of the informal FCL. Similarly, the sites varied in the size of their staffs and in whether they were dedicated to the FBCI. In New Jersey, the staff of four full-time equivalent employees (FTEs) worked for the state’s Office of Faith Based Initiatives without competing responsibilities. In Texas, the staff of 32 worked on the foundation’s broad mission of forging effective partnerships and cultivating the state’s nonprofit sector, including its FBCOs. OneStar leadership had made a deliberate strategic decision to blend or “de-silo” its initiatives and the associated staff, but it estimated that the equivalent of nine FTEs could be considered as doing the work of the FBCI. In Virginia, a staff of four full-time VDSS employees worked on a wide range of purposes as part of the Division of Community and Volunteer Services; this work includes developing partnerships and the capacity of the state’s FBCOs. New Mexico had a clear FBCI, but it was staffed only by the FCL, who was full-time. In at least one case (Alabama), another public agency acted as the FCL office’s fiduciary agent.

**Table III.5. Funding for FCL Function**

State	Budget for Function	Independent Grant-Making Authority	Main Funding Sources
AL	\$750,000 for GFBCI in FY 2008, limited administrative funding from other grant programs (funds not dedicated to FBCI)	Yes, for AmeriCorps state grants and Citizen Corps Councils (CCC), but not for FBCI specifically.	AmeriCorps, state general funds, state Education Trust Fund, AL Department of Homeland Security (CCC), AL Department of Education, some private funds.
DC	\$500,000 FY 2008 budget for Strengthening Partners Initiative	No	District general funds
FL	\$500,000/year from 3-year CCF grant. FCL position funded through VFF administrative funds.	Yes, for Compassion Florida (CCF grant)	CCF Demonstration Program grant VFF administrative funds (private)
IL	No	No	IDHS funding for Team Illinois
NJ	\$2.5 million in FY 2008 for OFBI-administered grants to FBCOs, staff funded through other sources.	Yes, dedicated funds for capacity building, direct service, intermediary grants.	State general revenues, NJ Department of Human Services (TANF), NJ Department of Corrections (US Departments of Justice and Labor funds)
NM	\$100,000 for staff and administration	No	Department of Aging and Long-term Services
TX	\$14.1 million in 2007 for OneStar (including \$11 million in AmeriCorps pass-through funds). An estimated 42% of remaining \$3.1 million budget (about \$1.3 million) estimated as dedicated to FBCI's work.	Yes, for Texas Workforce Commission-funded capacity-building grants and TA program for FBCOs, state AmeriCorps grants, 2006-2007 Texas Demonstration Project (CCF grant).	Texas Workforce Commission (Wagner-Peyser and TANF), Corporation for National and Community Service (AmeriCorps), Governor's Criminal Justice Division (US Education Department funds). CCF Demonstration Program Grant (2006-2007).
VA	No dedicated funding. FBCI function integrated into staff and administrative functions of VDSS.	No, not for FBCI	Administrative and staff support through state general funds, cost allocation from multiple federal funding streams.

**Funding.** The FCLs across the sites also differed in their access to funding, although comparisons are difficult (see Table III.5). While the Texas OneStar Foundation's budget of \$14.1 million (for 2007) seems very large, the foundation's work includes management of AmeriCorps (with \$11 million in pass-through grant funds), volunteerism and mentoring, emergency management, and research, as well as the FBCI. The New Mexico FCL's budget consisted only of funding for her position and associated administration. The Virginia FCL had no dedicated funding, nor did the FCL in Illinois.

Several states have been able to make direct grants or issue contracts to FBCOs, but this was not the norm. Only New Jersey dedicated state funds to capacity building and other direct grants to FBCOs under the initiative. New Jersey's OFBI grant-making budget has

varied from \$5 million per year for the first several years, to a low of \$1.5 million in FY 2007 (it was back up to \$2.5 million in FY 2008). Two other sites (Texas and Florida) have had federal Compassion Capital Fund (CCF) demonstration grants to award capacity-building sub-grants directly to FBCOs. Other FCLs and their offices drew on a range of federal, state, and private funds to make programmatic grants to FBCOs, but they typically partnered with state agencies to do so. Several FCLs with overlapping duties played an administrative role in grant-making but for purposes not explicitly linked to the FBCI. In three cases (DC, Illinois, and New Mexico), the FCL did not play any direct role in making grants to FBCOs.

## **F. CHARACTERISTICS OF CURRENT FCLs**

The FCLs in the case-study sites came to the position from a range of backgrounds, including business, the FBCI at the federal level, capacity-building work within the FBCO sector, other work within the FCL office, state and local agencies, and the faith community itself (see Table III.6). The New Mexico FCL had a business background, while the Texas FCL had worked in the White House OFBCI, the federal DHHS FBCI center, and state government before becoming FCL. Three FCLs—in the District of Columbia, Florida, and New Jersey—had worked in the FBCO sector, with extensive experience in capacity building and training. Two FCLs were working in state and local government when they took on the position: the District of Columbia FCL moved from a position in District government (after many years with FBCOs) into the FCL role, while the Virginia FCL came to her position with 30 years of experience at the local and state levels within the VDSS. Several FCLs (Alabama, Florida, and New Jersey) had worked in different positions within the FBCI office in their sites before taking on the director's role. Finally, Illinois' liaison with the faith community had worked within IDHS, but was also a pastor with his own congregation.

The tenure of the FCLs also varied, from two who have been on the job since the beginning of those sites' initiatives in the late 1990s (Virginia and DC), to two who held the position for two to three years (Florida and New Mexico). During study period, the latter two resigned, both taking other work in the FBCO sector.

The participating FCLs stressed a number of attributes that they felt contributed to their effectiveness. Foremost was a knowledge of the FBO and CBO communities, and respect for the full diversity of faith groups represented in the state or city. Recognizing the need—and taking the steps necessary—to reach out and educate themselves and their staff about the rituals and requirements of different faiths was described as essential. “Get out from behind the desk,” stressed one FCL, a sentiment echoed by other FCLs and their partners. Another FCL highlighted being able to “speak their [FBCOs] language,” and translate the language and requirements of government for them. Advice from personal guides who come from within particular faith communities can help the FCL better understand both the faiths and the needs of the community, and can assist in establishing linkages. FCLs and/or their staff should possess a knowledge of the capacity-building and technical assistance needs of small FBCOs and the “best practices” for meeting them, several respondents said. Critically, several respondents said, FCLs must also possess empathy for small FBCOs' missions and circumstances. One FCL also cited the value of basic business skills, enabling a new FCL to establish a start-up organization and develop and execute a strategic plan.

**Table III.6. FCL Characteristics**

State	Year FCL Took Current Position	FCL Background
AL	2006	Director of Citizen Corps Council program within GFBCI (2004–2005), Acting Director (2006). Previously was in nursing.
DC	1998	Worked for over 25 years in nonprofit and community organizations, and a year in DC government before applying for newly created FCL position.
FL <sup>a</sup>	2006	Worked with an interfaith FBO; created the community-based “virtual warehouse,” Women to the Rescue, to organize relief during the 2005 hurricanes. Journalism background.
IL	2005	Downstate coordinator for Partners For Hope (2001–2005), director (2005). Previously worked in IL Department of Human Services and US Air Force. Pastor of Living Word Ministries in Springfield, IL. Master’s degree in public administration.
NJ	2003	Program manager within OFBI (1999 to 2003), Interim Director (2003), Executive Director (2004). Previously specialized in capacity building/TA with New Jersey FBCO.
NM <sup>a</sup>	2005	Development director at FBO. Investment banking experience, business owner. Master’s degree in marketing.
TX	2006	Served in Center for FBCI at DHHS, as Associate Director of Special Projects in White House OFBCI, in intergovernmental affairs at the US Department of Labor. Worked at the state and local levels in Texas. Appointed manager of the Governor’s Faith-Based and Community Initiative within OneStar (2006), Director of Texas Center for Social Impact (2008). Has MA in public administration.
VA	2001	VDSS liaison to FBCI task force from 1999 to 2001. Served over 30 years in local, regional, and state social services. Worked on welfare reform at the state level VDSS. Has BA in social work and MA in public administration and judicial process.

<sup>a</sup> Since our site visits in spring 2008, the FCL that participated in the study has resigned.

Having—or being able to cultivate—strong relationships in the public bureaucracy was also identified as important, as was an intimate understanding of how government works and the avenues for building partnerships in the bureaucracy. Many respondents noted the value of longstanding experience and strong relationships within government. According to several respondents, FCLs should possess or develop a deep understanding of the law, both statutory and constitutional, as it pertains to Charitable Choice, as well as federal and state policy. Similarly, understanding the federal initiative and its history was seen in several sites as important to doing the job. One FCL in particular noted the importance of this knowledge for addressing FBCO, agency, and public questions about Charitable Choice and equal treatment principles, calling it key for “moving the program forward and making sure the needed protections are in place.”<sup>11</sup>

<sup>11</sup> We did not systematically assess the accuracy of any respondents’ understanding of specific provisions of the Charitable Choice regulations or equal treatment principles. Based on our interviews, however, we have no reason to think the FCLs themselves or their staffs were unclear about the rules (many distributed a range of written materials explaining the rules and policies from a range of government and independent sources), although the office staff appeared to possess varying degrees of self-defined expertise.

## CHAPTER IV

### THE FCLs' KEY ACTIVITIES AND PRACTICES

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The FCLs in the study pursued a wide range of activities and practices to move the initiative forward in their sites. Most of the sites undertook a mix of both sector-specific activities focused on FBOs, CBOs, and/or the nonprofit sector more broadly, and issue-specific activities focused on particular public concerns or social problems in their locations. How explicitly they focused on implementing Charitable Choice regulations and equal treatment principles differed somewhat by site, as did the extent of “inreach” to and education of state and local agencies. But all sites strongly emphasized outreach to FBCOs and the development of various types of partnerships, both between public agencies and FBCOs and among FBCOs. Most also strongly emphasized training and technical assistance (TA) for broad capacity building. The varying availability of different funding streams appeared to contribute to different approaches, as did the FCLs’ varying missions, structures, and resources, and the context in which the function operated. In this chapter we describe the range of the FCLs’ activities, and highlight a number of their collaborative efforts with FBCOs and public agencies to address key issues within their states or localities.

#### A. SECTOR-SPECIFIC ACTIVITIES AND PRACTICES

##### Outreach to FBCOs

**General outreach.** All of the sites focused on reaching out to the FBCO community, and some to the wider nonprofit community as well, to provide information and encourage their interest in partnerships. These outreach efforts ultimately aimed to educate FBCOs about funded and unfunded partnership opportunities, facilitate training and TA, and help develop and sustain partnerships between these FBCOS and public agencies, and also among FBCOS. Some sites made a particular effort to reach out to FBOs, addressed in more detail below.

#### Practice Model 4. Facilitating Access to Federal Funds

Organized by the New Mexico FCL and held in March 2007, Governor Bill Richardson's (D) Conference for Faith-Based and Community Organizations focused on improving FBCOs' access to federal discretionary grants. Jay Hein, then-director of the White House OFBCI, gave the keynote speech and representatives from five major federal agencies (the departments of Education, Housing and Urban Development, Health and Human Services, Agriculture, and Labor) offered sessions on funding opportunities with their agencies. The FCL publicized the event using her database of nonprofit contacts and ultimately about 350 people attended, with 200 more on the waiting list. The FCL said that key to the event's success were the in-kind contributions she received from the University of New Mexico (which provided space and catering) and the United Way (which managed registration); these partners' contributions kept registration costs low. The conference was viewed by the FCL and other respondents as hugely successful. In particular, in the grant cycle following the conference, New Mexico saw a sharp increase—from \$8.2 to \$28.6 million—in the federal discretionary grants coming into the state, though it was not clear exactly how much of this could be attributed to the event.

Outreach was a fundamental mission of each of the FCLs in the study, although they varied in the way they approached it and in their emphases. Every FCL used a range of strategies to build relationships with and within the FBCO community and to make groups and individuals aware of the purposes, programs, and services of the office. All stressed meeting with FBCO leaders, staff, and members, participating in key conferences and events, and providing information in a range of formats. The FCLs and many of their staff spent a great deal of time “on the road”—in fact, one FCL essentially gave up her office since she largely worked out of her car. Even when the FCL was based in a capital, FCL staff spent much of their time in the field and on the phone with grantees, partners, and other organizations or individuals interested in the initiative and/or the parameters of Charitable Choice.

Many FCLs sponsored major regular conferences or events with the goals of outreach, networking, and relationship building, as well as training and education. For example, in New Jersey, a series of three “Expos” sponsored by the state OFBI between 2000 and 2005 were said to have reached between 600 and 1,300 attendees, and an annual Governor's Nonprofit Leadership Conference in Texas reached about 700 participants. The District of Columbia FCL described her office's annual Public-Private Partnership Conference as the area's premier conference for FBCOs; it is currently in its 10th year and draws over 300 attendees each year. Others sponsored outreach and networking events more intermittently. In Alabama, a June 2008 Governor's Faith-Based and Community Summit combined outreach, networking, and capacity building, and was attended by about 400 participants, according to FCL staff. New Mexico's Conference for Faith-Based and Community Organizations focused on helping FBCOs gain access to federal grants (see Practice Model 4). Several other sites have worked with the White House OFBCI to host conferences for FBCOs. They also have frequently presented information about the initiative in their states at conferences and events sponsored by other organizations, often focused on specific issues such as volunteerism, mentoring, prisoner reentry, marriage, and fatherhood.



Most sites developed databases, which they sometimes shared with other agencies or which formed the basis of listservs or mailing lists they used to send information to partners. The FCL in one state (Virginia) established a statewide on-line directory of FBCOs and public agencies working in a range of program areas that have identified themselves as interested in partnering with other groups. All sites have used email and/or hard copy newsletters, or “interested party” emails, to reach out to FBCOs and others with information about funding, partnership opportunities, training or networking events, or other news. All had websites, though their accessibility and content varied.

Sites facilitated a mix of funded and unfunded collaborations, though several with limited resources placed a greater emphasis on unfunded partnerships. Depending on the site, the FCL focused to varying degrees on partnerships between FBCOs and state or local agencies, including the FCL’s office, or placed a greater emphasis on facilitating partnerships among FBCOs and other private organizations. FCL respondents at sites with less focus on state agency partnerships cited faith liaisons within those agencies as the key players in promoting such activities. Some FCLs and their staff also indicated that they felt their resources were better spent helping small FBCOs to develop the organizational capacity to handle the requirements of public contracts or grants.

**Outreach to FBOs in particular.** Most sites maintained a special focus on outreach to FBOs, including churches, faith-based 501(c)(3)s, denominational and nondenominational associations, interfaith organizations, and others. FCLs in the early-adopting sites stressed the need, especially early in the evolution of their state’s FBCI, to reach out to FBOs and respond to their questions about Charitable Choice. In particular, they reported the need to address a widespread misconception that there was a new pot of money dedicated exclusively to FBOs (variously called “bible-based” or “faith-based money” in different locations). Most FCLs have worked to address FBO concerns or discomfort about partnering with public agencies or with other FBCOs, as well as uncertainty about the boundaries of permissible activities under Charitable Choice. As noted in Chapter III, a number of FCLs stressed the need to reach into the faith community to learn about and build relationships with diverse faith groups. Trying to bring in minority faiths and/or language minorities could be especially challenging, though several FCLs said they made particular efforts in this area.

Approaches to outreach grew in part out of the particular circumstances of each site. In Illinois, the unofficial FCL (a pastor himself) has long reached out to churches and other FBOs and saw this as the primary focus of his work, facilitating unfunded partnerships, particularly among the FBOs themselves. Alabama worked to cultivate relationships with FBOs in its disaster preparedness and response activities and other efforts, although in its own grant-making relationships it has dealt with FBOs and CBOs in similar ways. In Texas, the early barrier assessment and reduction efforts have evolved into a broader emphasis on the nonprofit sector, but the state tries to identify and bring in a range of faith-oriented groups. In recent months, the OneStar Foundation has been developing a mapping project in partnership with the governor’s office, designed to identify and locate nonprofits delivering social services, including small and rural FBOs that may not have 501(c)(3) status and therefore cannot be tracked through tax records.

Outreach was often targeted to FBOs related to services that they were considered to be particularly effective at providing. As discussed below, sites' issue-specific needs varied—for example, disaster preparedness and relief were a major focus in Alabama, Florida, and Texas; prisoner reentry was an emphasis in Virginia; hunger was a key issue in New Mexico; and HIV/AIDS was a pressing concern in DC. FBOs were seen as particularly valuable in responding to such issues. Many FBOs have access to dedicated and mission-driven volunteers, church members, and others who can act as effective mentors; and churches and their associations—as well as interfaith groups—can activate networks and harness resources. Especially in relatively poor states like Alabama and New Mexico, FBOs were seen as representing an insufficiently tapped resource for addressing social need. In the words of one respondent, FBOs were “boots on the ground” that FCLs sought to help equip and activate in order to address pressing social problems more effectively. In part because the need outpaced the resources, no matter what the level of state support for public services, respondents noted, mission-driven grass-roots FBOs could provide vital services in communities in a responsive fashion.

In several sites (Illinois, Texas, and Virginia), systemic changes to the procurement systems have been undertaken to facilitate FBOs' participation in public contracting. In 1998, the Texas Department of Human Services (TDHS) issued a guidance document that required adding language to contracts and RFPs to emphasize FBOs' rights to religious freedom and otherwise mirroring the main Charitable Choice provisions; these policies were adopted in other agencies as well (Ebaugh 2003). In Virginia, the General Assembly revised the state public procurement act in 2001, adding language that explicitly authorized “public bodies to enter into contracts with faith-based organizations for the purposes described in this section on the same basis as any other nongovernmental source without impairing the religious character of such organization and without diminishing the religious freedom of the beneficiaries of assistance....”<sup>12</sup> The law explicitly noted the right to hire on the basis of religion, and required public entities to include a statement in all RFPs that they do not discriminate against FBOs. It also required public agencies to provide program applicants or participants with a written notice of their right not to be discriminated against on the basis of religion (or other protected characteristics) and the right to an alternative provider. In Illinois, the FCL reported that in anticipation of welfare reform his agency altered its procurement language to include specific reference to FBOs.

It was difficult for FCLs to assess objectively the proportion or number of contracts going to FBOs or the change in these numbers over time. Of the eight sites studied here, four administered contracts or grants through the FCL, and two of these did not gather information in a systematic way or did not synthesize it regularly enough to support such analyses. In two cases, however, the FCLs tracked their own grant-making and found that a substantial proportion of their grants went to organizations that self-identified as FBOs. In New Jersey, approximately 70 percent of the OFBI's grantees for FY 2008 were self-

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<sup>12</sup> Section 2.2-4343.1 of the Code of Virginia.

identified FBOs, according to data from FCL staff. In Texas, about 52 percent of OneStar's capacity-building grantees in 2006-2008 were self-identified FBOs.<sup>13</sup>

It should also be noted that the definition of an FBO versus a CBO was not always clear, even when organizations self-identified. Several FBCO respondents themselves said that they defined themselves differently for different purposes or in different contexts.

### Education of FBCOs about Charitable Choice

As part of their work to ensure effective public partnerships with FBCOs, most FCLs provided at least some formal guidance to their own would-be grantees or other organizations regarding both FBOs' and public agencies' opportunities and requirements under Charitable Choice (see Table IV.1). By definition, FBOs are the private organizations most directly affected by Charitable Choice and equal treatment principles. But other private groups, including those with which FBOs might partner, could also gain from such knowledge, in part because it can reduce misunderstanding between secular and faith organizations.

**Table IV.1. Major FCL Activities to Educate FBCOs about Charitable Choice**

State	FCL-Provided Education for FBCOs
AL	Quarterly workshops, conferences, technical assistance (TA), respond to inquiries. Materials distributed at events, and general inquiries. Website links to guidance information.
DC	Not major current emphasis. Annual partnerships conference, respond to inquiries.
FL	Regional roundtables and workshops, individual TA, respond to inquiries. RFPs for Compassion Florida grants.
IL	Not major current emphasis. Individual TA, respond to inquiries.
NJ	RFP orientation sessions (cover some aspects of regulations), respond to inquiries.
NM	Not major current emphasis. Respond to inquiries, federal grants conference (2007).
TX	Workshops, presentations, conference calls, webinar sessions, respond to inquiries, and TA to grantees and prospective applicants. Materials distributed at events, TA sessions. Website links to guidance materials.
VA	Individual TA, respond to inquiries, presentations at issue-focused conferences. Technical Assistance Handbook. Website links to guidance materials.

Others provided information about Charitable Choice rules and opportunities through broad capacity-building presentations, handbooks, and handouts for FBOs, CBOs, or other interested parties that were not necessarily direct grantees. For example, materials distributed and discussed by the Alabama FCL and staff during their quarterly capacity-building workshops, conferences, and TA sessions, and that were provided to people inquiring about

<sup>13</sup> OneStar staff also noted that the foundation's revised website, implemented in September 2008, has a new event registration system that will allow organizations to self-identify as FBOs to help in future tracking.

the initiative, included an array of documents emphasizing both the rights of FBOs and the responsibilities to protect applicants and clients' religious freedom (see Practice Model 5). The Virginia FCL made frequent use in her TA sessions and at other events of a technical assistance handbook, *Community Connections: Strengthening Virginia Communities* (developed by the FCL in consultation with an advisory board and others) that emphasized the opportunities and requirements of Charitable Choice and equal treatment (see Practice Model 6).

#### **Practice Model 5. Integrating Charitable Choice Into Capacity Building**

A quarterly capacity-building workshop series offered by the Alabama GFBCI provided an effective method for reaching small FBOs and others and teaching them about the essentials of Charitable Choice. The workshops, which last a half day, largely address organizational basics such as board development, management, financial accountability, and other key topics. They also include discussion of the GFBCI's purposes, the FBCI at the federal level, and key elements of Charitable Choice and equal treatment principles. Materials packets presented at the workshops—and available from the GFBCI at other events and by request—emphasize both the rights of FBOs and their responsibilities to protect applicants' and clients' religious freedom. Particular documents include: "Charitable Choice 101—An Introduction," by the Center for Public Justice (CPJ); an "Overview of the HHS Equal Treatment Regulations," also from CPJ; a "Brief Do's and Don'ts" handout focused on Charitable Choice and equal treatment rights and responsibilities; and a checklist of FBOs considering partnerships, "Is Your Faith-Based Organization Ready to Partner with Government? A Decision-Making Checklist with Tips for Preparedness." The packets also include federal documents and Charitable Choice guidance, and a list of "faith-based web resource sites." The workshops are offered free to keep them accessible to small organizations, and take place in Montgomery, the state capital, because it is centrally located.

Other site events, such as Texas's ongoing capacity-building workshops around the state and New Jersey's Expos, also addressed—to varying degrees and in varying levels of detail—issues related to Charitable Choice and equal treatment. Some FCL websites also provided links to "dos and don'ts" guidelines and other resources available from federal agencies, the White House OFBCI, and independent organizations such as the Center for Public Justice, the Sagamore Institute for Policy Research, and the Roundtable on Religion and Social Welfare Policy. A number of FCLs stressed that they make referrals for additional information on Charitable Choice more generally to state agencies or the federal FBCI centers and White House.

FCLs and their staff indicated that they did not generally conduct systematic assessment of FBOs' or others' understanding of—or practices related to—Charitable Choice. However, a number of sites said that they monitor their own grantees' financial reports. One site stressed their review of cost reimbursement submissions, focusing in part on the legal appropriateness of the items for which reimbursements were requested. Among FCLs that manage a significant number of grants directly, most monitoring seemed to be focused on service delivery and financial reporting, although FCLs and staff indicated that they also kept an eye out for possible infringements of Charitable Choice requirements. Respondents noted the vulnerability of some small FBOs, especially churches, to unintentionally violating the financial requirements of government contracting or grants, since these organizations often

lack the infrastructure or routines for careful book-keeping. By contrast, respondents generally felt that the larger groups receiving public funds typically understood the basic financial rules, as well as Charitable Choice provisions.

**Practice Model 6. The Virginia Technical Assistance Handbook: A Tool for Charitable Choice Implementation**

A technical assistance handbook, *Community Connections: Strengthening Virginia Communities*, was developed some years ago by the current FCL in Virginia, with assistance from staff and other contributors, and has since been updated several times. It addresses organizational assessment and development and capacity building broadly for FBCOs. It also emphasizes the opportunities and requirements of Charitable Choice and equal treatment, and discusses potential funding sources and accountability requirements. The handbook also provides detail about the faith-based and community initiative in Virginia; the statutes authorizing the initiative and FCL's work; questions for FBCOs to consider before contracting with public agencies (including special considerations for FBOs); a "Top Ten Tips for Ministries" and "Top Ten Tips for Public Officials" developed by the Center for Public Justice; and a list of internet resources. The handbook is used as a basic guide at training, technical assistance, and outreach sessions with individual churches, FBOs, and CBOs, as well as at larger meetings and conferences. The handbook was cited as a valuable and accessible tool for education about Charitable Choice and equal treatment. It is available in hard copy and there are plans to put it online.

Where FBCOs received funding through other state or local agencies or funding streams, FCLs sometimes said that they referred them to the administering agencies for guidance on questions about specific allowable or disallowable activities. Several of the FCLs in the study suggested that education about Charitable Choice regulations and related policies, as well as monitoring of compliance, were the responsibilities of the federal, state, and/or local agencies actually contracting with FBCOs. At the same time, FBO respondents in some sites described incidents that highlight the complexities surrounding such issues. For example, one FBO recipient of a federal grant felt that the granting agency's regional representative had interpreted Charitable Choice policy too narrowly by insisting that nondenominational but spiritual content be removed from the group's curricular materials for the funded program. At the other end of the spectrum, another FBO respondent appeared to take an extremely open view of religious content in her state-funded program; when asked if officials from the agency had objected, she explained that they had never scheduled a site visit since the program services were provided in the evening and agency officials only worked nine to five.

### **Capacity-Building Training and Technical Assistance**

In order to facilitate the most effective involvement of FBCO "boots on the ground," the FCLs almost universally said they worked to improve the organizational and/or service capacity of FBCOs. The need for capacity building within the sector was seen as "tremendous," especially among small FBOs and CBOs. Table IV.2 describes some of the sites' major efforts in this area. They included carefully designed, multi-day, relatively well-funded courses or seminars with progression through key topics such as board and staff development, establishment of a 501(c)(3), strategic planning, grant writing, and financial management. Sites also offered one-time, several-hour "101" courses that focused on the

basics of organizational development and provided extensive one-on-one technical assistance.

**Table IV.2. FCL's Capacity-Building and Technical Assistance Activities**

State	Main Activities
AL	Quarterly workshops, individual technical assistance (TA), 2008 Faith Based and Community Summit, referrals to intermediaries. Workshop materials, newsletter information on TA, other TA opportunities.
DC	Annual Public-Private Partnerships Conference, Strengthening Partners Initiative and Effi Barry HIV/AIDS Capacity-Building Initiative. Referrals to pro bono consultants.
FL	Compassion Florida Roundtables and Workshops, small grants. Individual capacity-building TA. Workshop materials. Referrals to experts and experienced FBCO peers.
IL	Fostering linkages among FBCOs to share resources and increase capacity. Individual TA, referrals to IDHS Office of Grants Administration.
NJ	TA and small grants program focused on fledgling organizations, intermediaries, direct service. Training Institutes and individual TA. Workshop materials. Referrals to partner intermediaries.
NM	Individual TA, courses through Center for Nonprofit Excellence, FBCO conference on accessing federal discretionary grants. Online assessment tools. Small FBCOs matched to nonprofit mentors. Referrals to consultants, intermediaries.
TX	Small grant programs with training and customized TA. Workshops and symposia adapted to specific regions. Partnerships to sponsor/facilitate nonprofit Strategic Management Institutes. Conference on evaluation of faith-based social service models; other conferences. Education of government and private funders about capacity building. Individual capacity building/TA. Scholarships for FBCOs to attend events. Referrals to consultant partners and "management support" agencies. Resources on website and in event materials.
VA	Individual TA. Presentations at local, state, national events. Technical Assistance Handbook. Online assessment tools and TA resource information. Referrals to federal and independent sources.

Several sites (Florida, New Jersey, and Texas) coupled capacity-building training and technical assistance with relatively small grants to assist FBCOs' organizational development. Compassion Florida, that state's CCF demonstration project, included a two-tiered structure with a series of one-day workshops addressing broad "101" themes for large audiences, followed by a series of five regional roundtables that addressed specific organizational development issues in-depth for a small cohort of grant applicants. In New Jersey, the OFBI has used a CCF-like model of grant-making since 2004, incorporating both training and technical assistance, and small grants using state funding that require FBCOs to partner with each other and/or public agencies (see Practice Model 7). The 2006-2007 Texas Demonstration Project, also funded by a CCF demonstration grant, constituted a major component of OneStar's recent capacity building efforts. It was developed in partnership

with a faith-based intermediary, the Cornerstone Assistance Network (CAN), and other partners, and combined capacity-building training for any interested FBCO with a small grants competition and intensive assessment and support for grantees (see Practice Model 8).

#### **Practice Model 7. Complementary Grants to Build Sector Capacity**

The New Jersey OFBI draws on dedicated state funding for grant-making to build organizational capacity. Three types of grants addressed diverse types of organizations as well as partnerships with and assistance from intermediary organizations. Organizational Infrastructure Development (OID) grants are awarded to emerging organizations (with annual budgets of less than \$150,000). OID grants are typically about \$20,000 and are used to help small FBCOs develop organizationally, with TA and other assistance. Direct Service grants are awarded to organizations that have concrete plans to collaborate with other organizations in service delivery, a minimum level of capacity, and at least some diversity in funding. Awards range from \$20,000 to \$50,000 and have typically focused on five programmatic areas: youth, homeless, seniors, English language, and substance abuse treatment and prevention. Finally, Intermediary Grants are awarded each year to a selection of organizations to assist FBCOs throughout the state to develop their capacity, particularly for partnering with public entities. In 2008, five grants were awarded to both faith-based and secular intermediaries.

Other sites employed elements of the CCF model. While the Alabama GFBCI did not offer small grants specifically for organizational development, the office's quarterly workshops provided capacity-building information and sought to spur organizations to think about board development, management, and financial accountability, among other critical topics. The District of Columbia's Strengthening Partners Initiative (SPI) is a one-year development program for emerging FBCOs (see Practice Model 9). Some sites (Alabama and New Jersey) referred FBCOs to partner intermediary organizations for more advanced or targeted assistance. Others (New Mexico and Virginia) largely conducted one-on-one TA and capacity building and periodically offered training at their own or other organizations' conferences or events. Several sites provided materials focused on organizational assessment and capacity building, both on-line and to people or groups making inquiries to the FCL's office.

While FCL efforts often emphasized smaller organizations (those with annual budgets of \$500,000 or less), in some cases they extended to the nonprofit sector more broadly. In Texas, the Governor's Nonprofit Leadership Conference and OneStar partnerships with the University of Texas on three Strategic Management Institutes sought to reach out and address development for a wide range of organizations across the nonprofit sector. Similarly, New Jersey's Expos, DC's annual Public-Private Partnership Conference, and Alabama's annual Governor's Volunteer Leadership Conference all included a range of nonprofit organizations.

By and large, the sites did not differentiate significantly between CBOs and FBOs in their capacity-building activities. Instead, they tended to approach most small faith-based or community organizations as "emerging organizations" that could benefit from assistance in improving their capacity to deliver services and (if they chose to pursue this) to meet the requirements of government grants or contracts.

### Practice Model 8. A Three-Phase Approach to Capacity Building

The Texas Demonstration Project (TDP) entailed broad outreach and focused capacity-building for small FBCOs in four major urban counties. It was funded by a 2005 Compassion Capital Fund (CCF) demonstration grant awarded to the OneStar Foundation. OneStar worked with a faith-based intermediary, the Cornerstone Assistance Network (CAN), and other partners such as Baylor University, the Urban Alternative, Venture CD (a technology provider), and the Texas Health and Human Services Commission, to develop and implement TDP in 2006 and 2007. TDP used a three-phase model adapted from CAN's prior capacity-building work. First, OneStar and its partners reached out to FBCOs, offering a series of six broad capacity-building symposia followed by focused workshops in each of the counties (for a total of 24 events). The events were open to all and addressed topics including organizational development, leadership, collaborations, funding, and service delivery. One workshop addressed the rights and responsibilities of FBOs under Charitable Choice. Second, OneStar held a grants competition, with the prerequisite that applicants had participated in at least four of the six sessions offered in their county. Twenty-five organizations received grants ranging from \$8,000 to \$30,000. Third, CAN staff, consultants, and intermediaries provided intensive assessment, individualized TA, and consulting services for grantees, with a one-year follow-up retreat. Grantees were asked to account for the funds they had received, note additional money they had brought in, and identify best practices they had developed as a result of the grants and services. FCL and CAN facilitators highlighted the benefits of using organizational assessments to help FBCOs identify and rank their capacity-building needs and stressed the importance of determining organizations' "readiness to change" so that TA could be tailored most effectively. TDP ended in 2007.

One offshoot of this focus on capacity was the fact that many FCLs (and some of their intermediaries) said they encouraged FBOs as well as CBOs to gain 501(c)(3) tax status, despite the fact that FBOs are not required to do so under federal Charitable Choice law.<sup>14</sup> While FCLs and their staff seemed fully aware that the 501(c)(3) status is not necessary under Charitable Choice, they generally viewed having this status as a wise option. In one state that has strongly emphasized implementation of Charitable Choice, the FCL noted that the majority of FBCOs already have 501(c)(3) status if they are going to compete for private foundation or public money. "I do recommend it," she said, because she sees it as a good business practice, to help ensure appropriate separation of church and state and to protect against liability. In another location with a strong emphasis on implementing Charitable Choice and equal treatment principles, FCL staff said they encouraged small organizations first to "back up" and build their basic capacity and understanding of the complexity of federal requirements before pursuing federal grants. Staff and leadership indicated that they generally encourage FBCOs to gain 501(c)(3) tax status if they are going to participate in public funding, both because it indicates a level of capacity and for the organizations' own protection.

<sup>14</sup> In some cases, states may require organizations with grants or contracts to have such tax status. Federal Charitable Choice provisions allow religious organizations to segregate their TANF-related accounts from their other funds, if they do not choose to establish a separate nonprofit 501(c)(3) entity. In these cases, only the segregated funds are subject to government audit.



### **Practice Model 9. Strengthening Partners Initiative: Leadership Development for FBCO Executives**

Funded through the District of Columbia Mayor's Office of Partnerships and Grants Services, the Strengthening Partners Initiative (SPI) is a one-year comprehensive training program for leaders of emerging FBCOs in the District. The program is designed to strengthen participants' executive leadership skills, build their organizational capacity, and improve their access to funding. The program began in 2002 and serves about 20 FBCO leaders each year, who are selected through a competitive application process. For the first six months, the program offers biweekly capacity-building instruction on core topics such as fundraising, financial management, and board development. It also provides several months of individual coaching with professionals from local nonprofits, businesses, and government. At the end of the program, participants are required to present a project demonstrating how they plan to use the tools gained from SPI to improve their organizations. All participants who successfully complete the program are eligible for a mini-grant to support additional capacity-building efforts. Participants from organizations providing a wide range of services have participated in SPI, and the cohort structure of the program supports on-going relationships and even the development of formal partnerships between participants. The FCL, who is the administrator of SPI, has worked to increase the number of FBO participants from just a few in early cohorts to about half the total in recent cohorts. Former SPI participants reported that the relationships they formed in the program—with the FCL, consultants, and other FBCO executives—were among the most valuable assets they gained from the program. The District also collaborates with the DC Department of Health to offer the Effi Barry HIV/AIDS Capacity Building Initiative, an executive training program modeled on SPI and designed specifically for leaders from FBCOs working on HIV/AIDS issues.

### **“Inreach” to Public Agencies**

Most FCLs also worked with public agency leaders and staff at the state and/or local levels to help foster partnerships with FBCOs and, in some cases, to inform them about Charitable Choice and equal treatment principles. Often this work was related to specific issue-focused initiatives (discussed further below). The extent of emphasis on this “inreach” to and education of state or local agencies varied by site, however, depending on a number of factors. These included: 1) where the FCL was in its evolution; 2) the state legal/constitutional environment; 3) the FCL's political, financial, and other resources; and 4) the extent to which gaining state or local agency cooperation in partnerships and educating agencies about Charitable Choice law were seen as an explicit mission of the FCL function. As noted above, sites at an early stage in their development sometimes appeared to focus more explicitly on education about the rules and opportunities associated with Charitable Choice. The states' constitutional and legal environments could limit funded state partnerships with FBOs or the types of FBOs that could legally partner with the state. Diminished financial resources could bring an end to certain activities. Finally, some FCLs' missions were strongly focused on partnerships and capacity building within the FBCO sector to address social problems and Charitable Choice per se was not a major emphasis.

Table IV.3 outlines several states' practices for educating state or local agencies about the requirements of Charitable Choice. As noted in Chapter III, a number of the early-adopting sites—in particular, Texas, Virginia, and Florida—placed significant weight on inreach and education of state and local agencies early in their evolution. The Alabama FBCI, somewhat earlier in its development, currently has a strong focus on inreach.

**Table IV.3. Major FCL Practices to Educate Public Agencies about Charitable Choice Regulations**

State	FCL Practices	Other State Factors
AL	FCL's role as chair of interagency GFBCI Faith Based Advisory board, participation in Governor's cabinet meetings. Outside speakers addressed agencies on policy, legal issues. FCL provides expertise and facilitates agency consultation with outside experts.	Executive Order 21
FL	FCL's role vis-à-vis Faith-Based and Community-Based Advisory Council. Some agency participation in CCF workshops.	Executive Order 04-245 Statute (2006 IV.14.31)
TX	OneStar outreach to and partnerships with agencies for capacity building includes education on the rights and responsibilities of Charitable Choice and equal treatment principles. Provides expertise to agencies.	Executive Order GWB 96-10 1998 state policy requiring human services contract and RFP language 2005 state agency assessment of remaining barriers to FBO participation
VA	FCL met with agencies to educate them on Charitable Choice and provide guidance materials in early years. Agency held 10 regional meetings throughout the state in 2001 to educate organizations and state/local agencies. FCL also presented information at regional local DSS directors' meetings and Community Action Agency association meetings, encouraged development/education of local liaison network. Currently provides expertise as needed.	Authorizing statute (Section 63.2-703) State procurement law revisions

The FCLs, supported by assertive policies, appear to have played a role in this. The most substantial "inreach" efforts included:

- In Texas, then-Governor George W. Bush's 1996 executive order directed "all pertinent executive branch agencies to: (i) take all necessary steps to implement the 'charitable choice' provisions of the federal welfare law; and (ii) take affirmative steps prescribed by the Act to protect the religious integrity and the functional autonomy of participating faith-based providers and the religious freedom of their beneficiaries" (State of Texas, 1996). The governor's advisory taskforce also issued a 1996 report that focused on identifying legal/regulatory barriers to FBO participation and recommendations for ways to lift the barriers. Further, in 1999, the state legislature required the state human services agency to designate regional liaisons to reach out to FBOs; soon afterwards, the Texas Workforce Commission (which at that point housed the FCL's office) established faith-based liaisons in each of the state's 28 regional workforce boards to promote partnerships "in a manner that respects [FBOs'] unique religious character" (Ebaugh, 2003).

- The FCL in Virginia described several stages to educating state and local agencies there. Initially, she met agency leadership and staff, providing guidance materials and answering questions, noting that the year the initiative was launched, her office held 10 regional meetings throughout the state to educate organizations and public agencies about its opportunities and requirements. Now, she noted, the FCL was doing some outreach to public agency staff, but she indicated that she felt a basic understanding had been established. The FCL stressed the importance of local agencies in fostering partnerships and implementing Charitable Choice (Virginia's public social service system is county administered, with 120 local agencies divided into regions), and the FBCI statute requires VDSS to encourage a statewide network of local liaisons. The FCL has worked to establish contacts and a base of knowledge within local agencies, noting that at the start, "I went to every regional local directors' meeting in the state and all the CAA [Community Action Agency] association meetings." She said she continues to work with agencies, both through specific initiatives and as the need for further clarification arises.
- Another early adopter, Florida, also developed a system of faith liaisons within state agencies, although the FCL's level of interaction with these agency liaisons appears to have waxed and waned over time. In his 2004 executive order that established the Governor's Faith-Based and Community Advisory Board, then-Governor Jeb Bush directed all executive agencies to cooperate with and assist the board. Since 2006, when the board was codified as the Faith-Based and Community-Based Advisory Council, it has specifically pressed for further inreach to agencies in each of its annual reports, focusing on transparency, access, and barrier reduction.
- The Alabama GFBCI appears to be very much focused on the 2004 executive order founding the office that explicitly requires all state agencies affected by Charitable Choice to implement its provisions. Further, the FCL has worked to educate agencies and promote partnerships through the interagency faith-based advisory board established in the executive order, which she chairs.<sup>15</sup> In Alabama, the combination of the executive order's requirements, the authority that the order and the governor have given to the FCL, and actions the office has taken all appear to have made inreach and education a significant part of the FCL's role (see Practice Model 10).

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<sup>15</sup> The board is composed of the heads of eight major public agencies: Human Resources, Mental Health/Mental Retardation, Education, Health, the Child Abuse and Neglect Prevention Board/Children's Trust Fund of Alabama, Economic and Community Affairs, Youth Services, and Corrections.

### **Practice Model 10. Authority and Access to Support FCL Inreach to Agencies**

The director of the GFBCI in Alabama appears to have unusual authority and resources to pursue the education of state agencies about Charitable Choice and to encourage their implementation of it. Four related sources contribute to this: the language of the executive order establishing the faith-based and community initiative, the FCL's regular access to social service agency heads, the FCL's position within the governor's office, and the governor's personal commitment to the initiative. The executive order establishing the GFBCI also established the interagency Advisory Board on Faith-Based and Community Initiatives whose membership consists of the heads of eight major public agencies most likely to be covered by Charitable Choice and equal treatment principles. The FCL (the director of the GFBCI) is the chair of the interagency board and presides over its meetings. In addition, the FCL reports to the governor's chief of staff and sits in on two of the four regular meetings of the governor's cabinet, specifically those focused on human services and public safety, the two greatest areas of emphasis for Charitable Choice and the FBCI in Alabama. Moreover, the executive order specifically references the Charitable Choice provisions of PRWORA and mandates the interagency board to "cause the provisions of this order to be implemented by all appropriate agencies of state government," and "cooperate fully" with the GFBCI and the board in implementing the initiative. This combination of access to the governor and to the agencies, coupled with the governor's clear support for the initiative and for the FCL, appears to have allowed the FCL to work energetically for implementation of Charitable Choice and equal treatment provisions.

In other sites, the FCLs have focused intensely on bringing state and/or local agencies into partnerships—funded and unfunded—with FBCOs, but they appear to have placed somewhat less emphasis on educating state agencies about Charitable Choice itself. Several respondents suggested that this education was, at least in part, the responsibility of the federal agencies that fund many state-administered programs. In two states, Florida and New Jersey, the constitutional or legal provisions have limited the range and types of funded partnerships that are possible. Finally, in those sites where FCLs appear to lack the resources to foster funded partnerships, and instead emphasize unfunded collaborations, education about Charitable Choice appears to be less relevant and therefore receives less emphasis.

### **Partnering with Intermediaries**

The sites have developed formal and informal relationships with intermediary organizations to varying degrees and for a variety of purposes. Three FCLs (in Texas, Florida, and New Jersey) maintained formal financial partnerships with intermediaries that helped them reach out to and/or provide services to FBOs and CBOs that were beyond the capacity of the FCL office. Other sites had more informal relationships with them.

- For the Texas Demonstration Project (TDP) funded by CCF, the OneStar Foundation employed CAN to help in reaching out to the smaller FBOs with which it had existing relationships and which might not have been aware of OneStar and its work. CAN brought its model of combining required training, small grants, and intensive assessment and consulting service from prior capacity-building initiatives it had undertaken in Fort Worth, and its staff managed many essential aspects of the TDP program. For the TDP, OneStar also worked with partners including Baylor University, the Urban Alternative (a

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Christian ministry founded by Dr. Tony Evans), and Venture CD (a technology provider).

- Like Texas, Florida has worked with an intermediary—the Florida Institute of Government at Florida State University—to carry out its CCF demonstration.
- Finally, the New Jersey OFBI has grants with five intermediaries within the state—Faith Fellowship, The Center for Non-Profits, Pro Bono Partnership, Thomas Edison College’s John S. Watson Institute, and Universal Development Corporation—that assist FBCOs in their organizational development and partnering, focusing on different specialties, including legal advice.

Some FCLs have also developed non-financial relationships with intermediaries. The Alabama FCL has developed relationships with several organizations, in particular the Birmingham-based Nonprofit Resource Center of Alabama (NRCA) and Alabama Community Foundations. Groups that could benefit from more advanced capacity building than the GFBCI staff felt equipped to provide could be referred to NRCA for assistance. The FCL also suggested that strengthening these partnerships could help with the long-term sustainability of the GFBCI’s mission. Even if support for the office were to decline in the future, these intermediaries could continue to provide capacity-building services and other supports to FBCOs. Other sites indicated that they might refer FBCOs to a range of private organizations in their states, but these seemed to entail ad hoc relationships. No FCL or staff indicated that their office played a significant role in educating intermediaries about Charitable Choice rules and regulations.

## **B. ISSUE-SPECIFIC ACTIVITIES AND PRACTICES**

Complementing the broad goals discussed above, FCLs focused on pressing substantive issues of importance to their states. These issue-specific initiatives often provided them with additional opportunities to facilitate partnerships and capacity building and to develop a greater understanding of Charitable Choice in their states. The substance of these initiatives varied in response to the sites’ geographic, political, economic, and social contexts, as well as available funding sources and other factors. Appendix C identifies the main issue-focused initiatives and the key partners in each site at the time of the study, and several are highlighted here.

In the wake of hurricanes Ivan, Katrina, and Rita, the three Gulf Coast states in the study (Alabama, Florida, and Texas) initiated more coordinated public-FBCO partnerships focused on disaster preparedness and response, in particular the more effective management of volunteers and donations. Respondents almost universally said that the suddenness and scale of the need the hurricanes created, and the uneven ability of the states and FBCOs to respond effectively, drove home the urgency of better harnessing the resources and mobility of the FBCO sector, especially churches and small FBOs and their volunteers.

In Alabama, the integration of the state’s FBCO and volunteer communities into public emergency preparedness and response activities has been a key focus since the GFBCI’s founding. The office manages Alabama Department of Homeland Security (ADHS) grants

to Alabama Civilian Corps Councils (CCC), which are part of a locally focused disaster preparation and relief program sponsored by the U.S. Department of Homeland Security. The GFBCI also manages grants and training related to community emergency response and long-term recovery, runs its own VISTA disaster response and recovery team, and works with ADHS to develop and manage a range of “Be Ready Alabama” activities to help citizens prepare for disasters. Finally, when the governor declares an emergency, the GFBCI “flips” and becomes an operational center for managing volunteers and donations. In this case, the office becomes the Volunteer and Donation Management Coordinator for the state, is the lead agency at the State Emergency Operations Center for management of volunteers and donations, and maintains a call center for this purpose.

The FCLs also focused on issues such as hunger, HIV/AIDS, and prisoner reentry. After a national score card ranked the state’s people as most vulnerable in the nation to food insecurity, the FCL in New Mexico worked with state agencies and a range of large and small nonprofit organizations to develop a “Plan to End Hunger.” Rather than adding a new program—which would require new resources—the FCL and others brought together resources already available among state agencies, foundations, and the FBCO community. The plan laid out clear goals for addressing hunger in the state and participating organizations were encouraged to identify the particular niche where they could play the most effective role.

Similarly responding to a local crisis, the District of Columbia undertook a capacity-building initiative for groups providing HIV/AIDS prevention and treatment services. With the HIV/AIDS epidemic exploding in the District, local leaders saw the need to involve FBCOs, in particular because some religious groups were perceived to misunderstand the disease. Modeled on the sector-specific Strengthening Partners Initiative, the FCL worked in close partnership with the local Department of Health (DOH) to develop the Effi Barry HIV/AIDS Capacity-Building Initiative. With DOH funding, the FCL administered the program, providing leadership training to annual cohorts of 10 to 15 FBCO executives.

#### **Practice Model 11. Working Together to Support Successful Prisoner Reentry**

The Virginia Reentry Policy Academy is a public interagency partnership that identifies barriers to successful prisoner reentry in the state and develops strategies to reduce recidivism. It includes essential partnerships with FBCOs. The state Policy Academy grew out of the FCL’s and others’ participation in a National Governor’s Association effort to spur state initiatives to reduce recidivism rates by improving pre- and post-release services. Virginia Governor Tim Kaine (D) also identified reentry as a priority and issued an executive order directing state agencies to work together in the Policy Academy to develop more effective programs. By spring 2008, seven Virginia localities had voluntarily established reentry councils, a key component of the model, and are now implementing the approach, with a formal evaluation. The work of the councils entails regular coordination between state and local social service and criminal justice agencies and local FBCOs, including churches, for improved services for people leaving incarceration. The FCL works closely with each of the councils to maintain consistency with the model and to share information and facilitate linkages within and across councils. Mentoring has been an important part of the model, and FBOs and churches are seen as particularly well-suited to provide mentors. The initiative receives no dedicated funding, however, which has proven challenging to sustaining the effort.

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Finally, the FCL in Virginia has been coordinating the Virginia Reentry Policy Academy, a largely unfunded public interagency partnership with FBCOs to identify barriers to successful prisoner reentry in the state and to reduce recidivism through better pre- and post-release planning and service coordination for prisoners leaving incarceration (see Practice Model 11).

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## CHAPTER V

### THE EVIDENT EFFECTIVENESS OF CHARITABLE CHOICE IMPLEMENTATION

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By design, the FCL sites selected for inclusion in the case studies were those that the study team's initial assessment found to have exhibited some evidence of effectiveness in Charitable Choice implementation across a range of dimensions. Through the case studies, we explored in greater detail the role of FCLs in the implementation of Charitable Choice. In this chapter we discuss what the case-study research found regarding the FCLs' relative effectiveness in the main components of Charitable Choice implementation. We then explore the apparent relationship between the FCLs' characteristics, resources, and activities and their evident effectiveness. It should be stressed that most of these assessments are based on the perceptions of respondents and the inferences of the study team.

As noted in Chapter IV, across the eight study sites respondents perceived their work implementing Charitable Choice as entailing these three main components:

1. Facilitation of partnerships with and among FBCOs to solve pressing social problems, by means of outreach and other strategies
2. Development of FBCOs' capacity, especially for "emerging organizations," to improve their ability to partner effectively and responsibly with government agencies and others, as well as to better contribute to solving social problems, and
3. Fostering among FBOs, state/local agencies, and other concerned parties an accurate understanding of the opportunities and requirements of Charitable Choice and equal treatment principles on the state and federal levels.

The eight sites placed somewhat different emphases on each of these components, depending on their context, their resources, their stage of development, and other factors.

## A. INCREASING PARTNERSHIPS

An essential element—probably the most essential element—of Charitable Choice from the perspective of the sites has been outreach to and cultivation of partnerships *between* public agencies and FBCOs and *within* the FBCO community. All FCLs saw fostering partnerships as a major part of their mission. There appeared to be great consistency across sites in this aspect of Charitable Choice implementation, and all the sites seem to have experienced some success. Further, most respondents in most sites suggested that they felt the FCLs had played an important and generally effective role in initiating and supporting partnerships with FBCOs.

### Partnerships Between FBCOs and Public Agencies

Most sites placed an emphasis on outreach to and partnerships with both FBOs and CBOs, although some engaged in more concerted outreach to churches and other small FBOs. Even in sites where the focus was broad, most FCL staff still attempted to have what one FCL leader called “a high welcome factor for faith.” The types of partnerships the FCLs facilitated differed, however.

**Funded partnerships.** Most FCLs emphasized public-FBCO partnerships in the context of state and/or federal programs. In half the sites, the FCL office itself had access to federal or state resources to make grants or issue contracts to FBCOs for general capacity-building purposes and/or direct services. In two cases, these included CCF subgrants, and in two they included AmeriCorps state grants. None limited these grants to FBOs; all were for FBCOs more broadly, though they often focused on small “emerging” organizations. As one FCL staff member described it, the “initiative should not be perceived as affirmative action for faith-based organizations or as a federal set-aside—it is increased accessibility, openness, and transparency of the competitive grant process.” In these and the other sites, the FCLs often also worked to facilitate funded partnerships between other public agencies and FBCOs by providing information on grant opportunities, assisting with grant writing, “translating” government language and requirements, and making referrals to other public or private organizations for assistance.

The number of funded FCL-FBCO partnerships fluctuated over time in most locations, depending on available funds. By and large, however, the FCLs, agency partners, and FBCO respondents interviewed for the study said they felt that the number of funded partnerships had increased overall, although they lacked hard data to support this. Even where the number of funded partnerships may have leveled off in recent years, many respondents suggested that the quality of public-FBCO partnerships had improved over time, due at least in part to TA and guidance from the FCL. One FCL who faced inconsistent resource levels said she felt that, regardless of the exact numbers of partnerships, “the FBCI at the federal and state level has created a culture of collaboration so that public agencies partnering with community and faith-based organizations is now recognized as the most effective way for communities to meet social needs.”

While the states lacked systematic and accessible information on changes in the numbers of public-FBCO funded partnerships over time (and the proportion of these with FBOs), in five of the eight case studies the data from the ASPE/MPR survey on changes between 2001 and 2004 in state TANF and SAPT contracting with FBOs indicated some increases.<sup>16</sup> On a smaller scale, in two of the four case-study states in which the FCLs have grantmaking authority, the proportion of their own grantees between 2006 and 2008 that self-identified as FBOs were 52 and 70 percent (in Texas and New Jersey, respectively), according to data provided by FCL staff. Several respondents, however, described a continuing reluctance on the part of some public agency staff to partner financially with FBOs, especially with small, less established organizations, apparently based on the fear that they did not have the capacity to meet the range of government requirements. Similarly, many respondents said that some FBOs, particularly smaller, more faith-oriented ones (which could be considered “newly eligible” under Charitable Choice), were also hesitant to partner financially with government agencies.

**Unfunded partnerships.** All the FCLs also focused to some extent on fostering unfunded partnerships between state agencies and FBCOs, again with some apparent success. There is even less information about the numbers and types of these often informal partnerships. Nonetheless, our study found evidence of significant FCL activity in this area. For example, the mapping project under development in Texas described in Chapter IV is designed to locate social service FBCOs across the state (some without 501(c)(3) status) in an effort to help expand partnerships. The Virginia Prisoner Reentry initiative was centered on facilitating effective linkages—largely unfunded—between and among state and local agencies and FBCOs, including church-based mentors. The Virginia FBCI directory was also intended to foster unfunded as well as funded partnerships. The New Mexico Taskforce to End Hunger brought together members from key state agencies, as well as other public and private organizations. Alabama’s approach to disaster preparation and relief entailed frequent collaboration among state agencies and both FBOs and CBOs in local communities, much of it unfunded. In Illinois, the FCL’s work was almost entirely focused on unfunded partnerships. The FCLs, as well as public agency and FBCO partners interviewed for the study, indicated that many of these unfunded collaborations had resulted in marked improvements in the coordination and delivery of essential services.

### **Partnerships Among FBCOs**

Finally, several FCLs focused on encouraging and facilitating partnerships among FBCOs, or between FBCOs and other private organizations. In Florida, the state’s strict constitutional language limited the FCL’s ability to encourage state-FBCO partnerships. On the other hand, a major focus of the FCL’s work with grantees in Florida funded through the CCF demonstration grant program was on building partnerships within the FBCO sector and between FBCOs and foundations and other private funders. In both Illinois and New Mexico, the FCLs felt that the great potential of the many FBCOs around the state could be

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<sup>16</sup> Because of confidentiality agreements with state agency respondents, we cannot provide state-specific data.

better tapped if groups were working together, and these FCLs explicitly sought to encourage and support such collaborations. In the District of Columbia, the cohort structure of the FCL's two executive leadership programs (the Strengthening Partners Initiative and the Effi Barry initiative, both discussed in Chapter IV) facilitated formal and informal partnerships among participants, both during and after participation. A range of FBCO and other respondents suggested that the FCLs in most locations had been helpful in connecting FBCOs to each other to share resources and ideas, in building a sense of greater cohesion among potentially disparate organizations within the nonprofit sector, and in linking FBCOs to potential new private funding sources.

## **B. BUILDING CAPACITY AMONG FBCOS**

Virtually all of the FCLs emphasized developing the management and service capacity of FBCOs, especially that of emerging organizations. FBCO respondents, public agency partners, and intermediaries and other private partners—as well as the FCLs and their staffs—indicated that the FCLs had played a critical role in providing training, TA, and other opportunities for FBCOs to improve their organizational effectiveness. By the time of the study, this was universally seen as a major part of the FCLs' missions, and they were generally viewed as effective in pursuing it.

Among the approaches that both FCLs and FBCO respondents cited as especially effective were:

- Workshops or presentations that encouraged FBCOs to assess their key organizational development needs, such as board development and strategic planning
- Programs that allowed FBCO “cohorts” to build relationships and share resources
- Organizational capacity assessments to help FBCOs identify and rank their capacity development needs
- Technical assistance handbooks and online materials, and
- Determining and then building on organizations' stage of development or “readiness to change.”

## **C. INCREASING UNDERSTANDING AND IMPLEMENTATION OF CHARITABLE CHOICE**

The evident effectiveness of the FCLs in increasing understanding and implementation of Charitable Choice regulations and equal treatment principles was more mixed across the sites. The FCLs' interpretation of their respective missions appeared to influence the degree to which they explicitly emphasized Charitable Choice rules per se; the varying degrees of emphasis also seemed attributable, in part, to variations in the FCLs' stages of development, site contexts, and resources.

Gauging the understanding of FBOs and state agencies within the sites about Charitable Choice regulations is also difficult. The study sites did not systematically assess FBO or agency knowledge, and even if they had the extent to which this knowledge could be attributed specifically to the FCLs' activities or other factors would be difficult, if not impossible, to assess. Nonetheless, some observations can be made about the effectiveness of FCLs in focusing on FBOs' and agencies' accurate understanding.

As noted in Chapter IV, several of the early-adopting sites focused explicitly on furthering understanding and implementation of Charitable Choice opportunities and rules early on in the evolution of their FBCIs. To this end, they used meetings and other public education efforts, outreach to and education of state agencies, revisions to procurement law and agency guidelines, and other means to inform FBOs, agencies, and the general public and to persuade agencies to move the initiative forward. By the time of this study, the early adopters were generally no longer pursuing this emphasis as strongly. This shift appeared to be due in part to a sense that a base of understanding had been developed in these states after the initial intense focus. It also reflected decisions within the FCL entity about the most fruitful direction for the initiative, the level of FCL authority and resources to reach state agencies and FBOs, and the budgetary and legal environment.

In addition, it reflected the White House OFBCI's pattern of evolution. In Texas, for example, the early efforts were followed by a shift toward the cultivation of partnerships and building of capacity across and within the FBCO/nonprofit sector. FCL leadership indicated that this was a strategic decision motivated in part by the desire not to "segregate" FBOs and to facilitate a greater sense of commonality and collaboration within the nonprofit sector, as well as a sense of urgency about building the sector's capacity to partner with government effectively. Early activities in Virginia by the FCL and others focused strongly on education about and implementation of Charitable Choice rules; by 2008, the FCL sought to integrate an emphasis on the FBCI and Charitable Choice throughout her work, noting that it was less "an initiative" than an overarching emphasis on partnerships. The FCLs in both these states have continued to provide detailed information about Charitable Choice "dos and don'ts" and to work collaboratively with state agencies in ways that allow them to reinforce the value of partnering with FBCOs and appropriate guidelines for doing so. Further, FBO and agency respondents cited their assistance in understanding the legal and policy parameters. Nevertheless, the focus appears to have evolved.

In New Jersey, another early adopting site, the range of applicable Charitable Choice regulations was narrower because of the state's legal constraints noted in Chapter III (the prohibitions on hiring based on religion and contracting without a 501(c)(3) designation). Although Alabama was a later adopter, that state's 2004 executive order (which cites Charitable Choice and strongly reflects its language) and the authority provided the FCL by the governor appear to have helped the FCL gain the cooperation of state agencies and advance implementation.

In a number of sites, however, even some of those where the FCL has taken significant steps to increase understanding and implementation of Charitable Choice, the FCLs indicated that they did not regard educating FBOs about regulations as primarily their role or

their top priority. Instead, they suggested that the public agencies with which FBCOs contract bore primary responsibility for such training. Some FCLs likewise did not regard it as primarily their role to educate state agencies about Charitable Choice or require their compliance, suggesting instead that this was largely the responsibility of those federal agencies providing program funding to the states.

While the FCLs themselves generally seemed to understand clearly the parameters of Charitable Choice law, some expressed concern about informing—or misinforming—individual FBOs about the legality of their own situations. A few seemed quite confident in this role, but others said they advised highly faith-oriented FBOs to consult attorneys before pursuing public funds rather than rely only on their guidance. Further, the still-unsettled legal ground and complexity of the issues (several respondents noted the lurking possibility of litigation or other legal trouble) may have limited some FCLs’ comfort in going beyond the basics of Charitable Choice law.<sup>17</sup> Several FCLs stressed that they did not want to “get [their partners] into trouble,” and one remarked that she hoped to make it through her tenure in office “without a lawsuit called [her name] v. Freedom From Religion Foundation.”

Respondents indicated that misunderstanding about Charitable Choice was still common, especially among small FBOs, with one respondent from an intermediary organization noting, “if [FBOs in the state] were at zero understanding prior to Charitable Choice, they’re at about 10 percent now.” But he credited much of the albeit modest increase to the FCL’s work. Other FBO respondents in other states said the FCLs there had contributed in useful ways to greater understanding. One local agency partner cited the FCL’s help in “reminding us of what we can and can’t do, reminding us that not everyone is Christian,” and in trying to “give everyone a level playing field.” A representative of a church exploring public funding for its programs said of the FCL in his state, “having an office like [hers] that can come by and provide detailed information, ... without that, the process would take longer or not happen at all.”

One aspect of Charitable Choice implementation that the FCLs have generally not sought to implement is the ability of FBOs to contract with government without 501(c)(3) status. As noted in Chapter IV, some FCLs and other respondents, such as their board members and intermediaries, indicated that they strongly encouraged FBOs to gain nonprofit tax status, largely because it is seen both as a “good business practice” that indicates a level of capacity and as providing FBOs with a degree of legal protection.

#### **D. FCL CHARACTERISTICS AND RESOURCES LINKED TO EVIDENT EFFECTIVENESS**

The FCLs and other respondents, as well as our own analysis, highlighted characteristics of the FCLs and types of resources available to the office that seemed most closely linked to greater effectiveness of the function.

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<sup>17</sup> Changing guidance at the federal level was also said by several respondents to exacerbate this uncertainty.

## FCL Characteristics

A number of key FCL characteristics stood out as helpful in building public-FBCO partnerships, increasing capacity, and developing understanding of Charitable Choice law. These were:

**A knowledge of the FBCO community and respect for the diverse faith groups represented in the state or localities.** FCLs and their partners stressed the importance of the FCL—and staff—going out into the community, asking respectful questions, and listening closely, in order to build knowledge, relationships, and credibility. Respondents also noted the importance of trying to meet the particular needs of religious groups at major FCL events and activities. For example, at one site, staff said they provided time and space for Muslim prayer during their large events, avoided event scheduling that would run into the Jewish Sabbath, and offered food that met various faiths’ dietary restrictions. “You aren’t always going to get it right,” a staffer said, but it is important to try, suggesting that “[you need to] swallow your pride and ask. It’s better to ask than [to assume].”

**An intimate understanding of how government works, and the avenues for partnership within bureaucracy.** Experience and strong relationships within government—not only formal government “clout” or authority—were seen as key by many respondents. The knowledge of who to go to and how decisions are really made matters, as does the ability to form strong relationships to actually take advantage of this knowledge. Related to this, respondents from several sites mentioned the usefulness of being able to “translate” between government employees’ and FBCOs’ respective ways of communicating.

**A deep understanding of the law, both statutory and constitutional, and of federal and state policy related to Charitable Choice and the FBCI.** This knowledge can help the FCL to address FBCO, agency, and public questions. While some FCLs tended to refer questions to outside legal experts or agency officials, possession of this knowledge seemed to contribute to a sense among FBCO and agency partners that the FCL had authority and expertise, enhancing his or her position.

**Possession of—or the ability to cultivate—strong relationships.** What might be called a “high touch” approach was universally identified as important by FCLs, FBCO, and agency respondents. “Get out from behind the desk,” stressed one FCL, a sentiment echoed by both FCLs and their partners, who also stressed the importance of a high level of responsiveness to and empathy for small FBCOs. One FBO respondent saw effectiveness as linked to what she called “a circuit rider” approach that entailed much time on the road with FBCOs around the state. Although political authority can be helpful, the FCL and/or office staff must be capable of taking a grassroots approach as well. Related to this, being seen as credible and fair was identified by multiple respondents as critical to positive relationships. One long-time FCL stressed that in his work, “my word is my bond.”

**A knowledge of the capacity-building and technical assistance needs of small FBCOs, and how to meet them.** Several FCLs emphasized that many of their states’ FBCOs have only minimal organizational capacity; helping them to be effective required the skills and empathy to help them build this capacity from the ground up. On the other side of

the relationship, if FBCOs believe that the FCL office and its intermediaries or other TA partners understand their circumstances and needs and will provide something concretely useful to them, they are more likely to become and remain engaged. Several FBCO respondents indicated that they tried to maintain relationships with the FCL and staff even after the training sessions and grants ended, in part because they thought they could be useful resources in the future.

### **FCL Resources**

Evidence indicated that the resources most closely linked to effectiveness in the FCL position were these:

**Political authority.** Where the FCL was located within the governor’s office and had the strong backing of the governor, the position seemed to have considerable authority to work with both state agencies and FBCOs. In addition to specific powers granted by executive order, the general stature of the office itself can lend authority. As one FBO respondent noted, “people pay attention when the governor’s office comes to call.” Where the position is removed from the governor’s office (in the foundation or embedded models), the governor and/or high level liaisons to the governor, an influential advisory board, or other political champions can provide essential support in gaining agency cooperation, resources for the office, and engagement by the state’s FBCO sector. Further, the FCLs’ own attention to “making the case” for their work through reports, research on the results of FBCO-public partnerships, and outreach to political and government officials, as well as community leaders, can help build and maintain support.

**Statutory authority.** Respondents regarded the codification of FCL functions in statute as contributing to the position’s effectiveness over time. Even in some of those sites lacking a statute, legislation was seen as offering potential durability and authority to the function. They noted, however, that a statute did not in and of itself guarantee sustainability, since depending on its language, functions could potentially be dispersed throughout the responsible state agency rather than distilled in one position. Several respondents also noted the risks intrinsic in the legislative process, such as the possibility of unwanted provisions being added during legislative debate. Nonetheless, they regarded it as beneficial to have at least some aspects of the FCL function codified.

**Structure.** The three basic structural models—governor-centered, embedded, and foundation—all offered the potential for effectiveness in the case study sites, though their benefits and challenges differed somewhat. In addition, three sites’ FCL functions were structurally linked to their states’ AmeriCorps programs and state service commissions. Respondents suggested some potential advantages to building on the institutional strengths and potential for collaboration this could provide, though AmeriCorps programs could also compete for FCLs’ time and resources (see Practice Model 12).

**Funding.** Not surprisingly, sufficient and reliable funding—in particular a budget for FCL grantmaking to FBCOs—was seen as linked to effectiveness, especially in partnership- and capacity building. Having a state budget line dedicated to grantmaking was unusual, however. Of the case study sites, only New Jersey had dedicated state funds for OFBI grants



to FBCOs. FCLs pointed to insufficient funds, overly “patchworked” funds from many sources, and erratic funding levels as sometimes limiting their effectiveness. One FCL noted that the lack of dedicated “faith-based money” for FBOs, combined with a lack of grantmaking funds within the OFBCI and a limited pot of general federal and state social-service money, made it “a harder sell” to persuade FBOs newly eligible under Charitable Choice to master federal or state requirements, and to change their practices and limit their faith, all for a shot at a funding pie that might be shrinking.

#### **Practice Model 12. Building on the Foundation of AmeriCorps/State Service Commissions**

Three sites’ FCL functions were organizationally linked with the states’ AmeriCorps national service commissions. In Florida, the FCL has remained largely structurally separate from VFF’s AmeriCorps functions. In Texas and Alabama, the FCL function as currently structured was essentially integrated into the existing state service commissions. In 2003, Texas’s existing state service commission was dissolved and a new nonprofit, OneStar Foundation, was established. In December of that year, Governor Rick Perry issued an executive order that designated a new OneStar National Service Commission. This order charged OneStar with providing administrative functions for the commission and bringing together the state’s FBCI and a range of volunteer and mentoring initiatives. In Alabama, the GFBCI was established through executive order, which changed the name of the Governor’s Office on National and Community Service to the GFBCI and subsumed AmeriCorps and other national service, volunteer, and disaster preparedness and relief programs into it. The order also established a gubernatorially appointed Advisory Council on Faith-Based and Community Initiatives as a subset of the Alabama Commission on National and Community Service to provide advice to the commission and the governor. Some of the advantages of this structure cited were the shared mission of both the FBCI and AmeriCorps to strengthen communities, the knowledge within the AmeriCorps program about federal and state grants management, and the experience and resources of the state CNCS commission.

**Staff.** Finally, having a sufficient number of staff with the time, experience, and skills to do the work was seen as critical. “Don’t let anyone tell you you can do this with one person,” said one long-time FCL. In another site, FCL leadership indicated that having at least one position explicitly dedicated to the FBCI was critical, although it appeared in other sites that experienced and skillful staff could work effectively to integrate the FBCI into other complementary priorities. Having a formal FCL function did seem to be linked to a basic level of resources and support, however. In several sites, FBCO grantees also stressed the particular value of responsive, empathetic frontline staff.

### **E. FCL ACTIVITIES LINKED TO EVIDENT EFFECTIVENESS**

Certain FCL activities were cited by FBCO partners, the FCLs, public agency partners, and others as contributing in particularly important ways to the FCLs’ effectiveness. A number of them are noted here, and some are described in greater detail as promising practice models.

#### **Outreach and Education Activities for FBCOs**

Respondents highlighted efforts to reach out, build relationships, and bring information and TA to the FBCO community. Events such as Florida’s CCF roundtables and

workshops; New Jersey’s Expos, training institutes, and small grants programs; New Mexico’s conference on federal discretionary grants; the District’s annual Public-Private Partnerships Conference and executive leadership courses; Alabama’s quarterly workshops; and Texas’s CCF/TDP symposia, workshops, grants, and consulting assistance were cited by a range of sources. FBCO respondents also highlighted the importance of one-on-one education and training by several states’ FCLs.

Written materials distributed in training sessions and, in some cases, online were also cited as effective for providing funding information, capacity-building resources, and education about the parameters of Charitable Choice. Virginia’s technical assistance handbook was identified as particularly useful for all three purposes, as were Alabama’s training materials. In several sites, FCLs and other respondents highlighted FCL listservs as effective tools, in particular for sharing information about funding, partnering, and training opportunities. Some FCLs also shared their contact lists with public agencies seeking to reach out to FBCOs.

### **Inreach Activities to Agencies**

Several FCL activities designed to “reach in” to agencies stood out as apparently helpful in efforts to foster partnerships and educate agency officials about Charitable Choice. The role of the Alabama FCL and her activities within the governor’s office were noteworthy, giving her access, as she put it, “to all the pieces” to help move the initiative forward. The New Jersey FCL’s funded partnerships with the state DHS (and other agencies) and FBCO grantees were cited by agency staff, FCL staff, and FBCOs as helping to foster collaborative relationships between state agencies and FBCOs. The early inreach activities within Texas and Virginia also appear to have helped advance Charitable Choice and the state initiative. While we lack concrete evidence of how effective these steps were, some respondents indicated that they helped increase knowledge about—and acceptance of—partnering with FBOs among state agencies.

### **Issue-Specific Collaborations**

The work that FCLs did for issue-specific initiatives also appeared to contribute to their effectiveness in building partnerships, capacity, and understanding of Charitable Choice among both FBCOs and state and local agencies. The Virginia FCL’s work with the prisoner reentry initiative gave her extensive opportunity to cultivate relationships and knowledge among agencies, FBOs, and CBOs. Alabama’s emergency management work and the collaborative approach of the FCL there were said to have improved the capacity of state FBCOs to prepare for and respond to disasters. Texas’s work in disaster preparedness and response allowed the OneStar Foundation to help build relationships among FBCOs and interfaith groups. New Mexico’s FCL described positive consequences of her work on hunger issues: improved communication between the public and private sectors and among large and small nonprofits and churches. She noted, “For once in 400 years, we’re talking to each other!” Finally, the District of Columbia’s Effi Barry leadership development program on HIV/AIDS allowed FBCOs to build a “cohort” of leaders to share resources and ideas over time.

## CHAPTER VI

### KEY STUDY CONCLUSIONS AND AREAS FOR FURTHER EXPLORATION

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The states' FCLs shared similarities—and also differed—along a range of dimensions, including how they saw their central mission, the activities they undertook, and the emphases they placed on different practices to advance the FBCI and Charitable Choice. In this chapter we summarize the study's key conclusions about the sites' characteristics and the role of the FCLs in Charitable Choice implementation. Finally, we suggest several areas for further exploration.

#### A. MAJOR STUDY CONCLUSIONS

**The FBCI and the FCL's formal role in advancing it have been emphasized in different ways and to substantially different degrees across the 50 states.**

Thirty-six of the 50 states (and the District of Columbia) and some cities appear to have some formal FCL function. The function is generally authorized by executive order (in 13 of the 36 states), by statute (in three of the 36), or by some other type of administrative action (in the remaining states). Just under half of the 36 states with formal FCLs house them in governors' offices and most of the rest locate them in state agencies. In three states, however, FCL functions are located in nonprofit organizations. FCLs perform the functions in a mix of full-time (in about half the states) and part-time positions, although FCLs often juggle responsibilities in addition to the FBCI. Several states appear to be moving the initiative forward without a formally designated FCL. In just over half of the 36 states with formal FCLs, the study team found evidence of a relatively high level of engagement or investment in the function or progress in some aspect of Charitable Choice implementation.

**Study respondents generally saw the FBCI and Charitable Choice as entailing three major elements: (1) development of partnerships with and within the FBCO sector, especially with FBOs; (2) development of the capacity of FBCOs; and (3) education about Charitable Choice regulations and equal treatment principles.**

All FCLs in the eight study sites focused on capacity building and various types of partnerships with both FBOs and CBOs, and all showed evidence of success. Some focused

more strongly on education about and implementation of Charitable Choice regulations while others focused more on partnerships and capacity building. The reasons for this variation among states included the developmental stage of the FBCI and of the FCL function, their legal and political contexts, and their resources.

By the time of the study, the sites were focusing most on addressing pressing social problems, working with FBOs and CBOs as important partners. Emphasis on this was generally somewhat stronger than emphasis on outreach to newly eligible FBOs and their greater inclusion in the work of government. Several sites emphasized both, but all emphasized the first.

**Particularly in the sites that developed an FCL function relatively early, the focus appears to have evolved from an effort targeting FBOs and reducing barriers to partnering with them, to an effort emphasizing FBCOs more broadly, sometimes embracing the nonprofit sector as a whole.**

While they stressed a continued “welcome” to FBOs, FCLs in these sites seemed to feel that a foundation for Charitable Choice implementation had been built (at least to some extent), and some also cited strategic decisions to widen reach to FBCOs and the broader nonprofit sector. Several respondents in both early- and later-adopting sites suggested that this balancing of emphases also reflected the evolution of the White House OFBCI’s approach. One FCL staffer said that the then-director had helped “put the community back in the FBCI.” In addition, several FBCO respondents noted the difficulty of trying to neatly define organizations as either faith-based or secular, saying that they themselves self-defined as different kinds of organizations for different purposes.

**The FCLs in the study worked to facilitate partnerships of many types.**

Some partnerships were funded grants or contracts with state agencies (including the FCL office itself), using state or federal funds. FCLs also worked to facilitate unfunded partnerships or collaborations between public agencies and FBCOs; most FCLs made substantial efforts to connect these entities for informal relationships. Many sites also saw an important role for themselves in facilitating unfunded and even funded partnerships *within* the FBCO sector and between FBCOs and other private organizations. This “linking” function was regarded as an important goal of several of the formal FCL-sponsored capacity-building programs that sought to help participants share ideas and resources and establish lasting relationships. Most FCLs said they made a particular effort to reach out to faith-based organizations to let them know about partnering opportunities of different types.

In their own formal grantmaking or contracting, FCLs said they generally worked with FBOs and CBOs similarly. One staff member stressed that Charitable Choice was about opening up access and leveling the playing field, and “not affirmative action” for FBOs. Across the case-study states we found broad support for greater FBO involvement in partnerships with government agencies. This support did not appear to be strongly associated with political party, either across states or within individual states over time. It was within these contexts that the FCLs worked to establish partnerships.

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**Capacity building was viewed as a key need, and considerable resources were invested in it.**

All the FCLs considered capacity building to be important for FBCOs, and many saw it as a necessary first step for the small FBOs that were a major focus of Charitable Choice; they invested considerable energy in helping to build this capacity. A wide range of respondents indicated that the FCLs had succeeded well with it. Some undertook comprehensive, multiphase programs that included training, TA, and small grants (aided by CCF demonstration grants in two cases). All offered individual workshops and/or one-on-one TA. In general, the FCLs and their staff and capacity-building partners reported that they worked similarly with FBOs and CBOs to develop their capacity, viewing their basic needs as generally more similar than different.

At the same time, small FBOs were sometimes described as particularly “vulnerable” and were said to consist at times of a single paid staff member. All FCLs worked with small FBOs through formal programs or individualized TA. Lacking basic organizational capacity, small FBOs were viewed as running the risk of unintentionally crossing church-state lines or failing to meet the financial or service requirements of government grants or contracts (small CBOs, of course, could also face challenges meeting financial and service requirements). One FCL called federal funds “expensive money” for these groups, and an FBO respondent spoke passionately about the challenges for small churches or other small FBOs of mastering OMB circulars and other requirements of government grants or contracts.

This concern about FBO capacity led several FCLs, their staff, and intermediary partners to say that they generally encouraged these small organizations to establish a 501(c)(3) and gain a greater degree of organizational capacity before pursuing government funds. These respondents viewed attainment of 501(c)(3) tax status as a threshold indicating a basic level of organizational development and providing some level of protection from government scrutiny of the organization’s finances or other potential legal problems. Nonprofit tax status was no guarantee of capacity, however, and small CBOs were also cited as sometimes struggling to meet grant or contract requirements (although they were less vulnerable to legal challenges related to church/state separation). Nevertheless, this tax status was regarded as helpful by FCLs and by a number of FBCO and intermediary respondents.

**The FCLs differed in how much and how they focused on educating FBOs—and state and local agencies—about Charitable Choice regulations, for a range of reasons.**

By the time of the study, about half of the FCLs in the study sites—three early adopters and one recently established office with a clear mandate to implement Charitable Choice—explicitly emphasized educating FBOs and state or local agencies about Charitable Choice opportunities and requirements. The others appeared to lack the resources, sense of mission, and/or legal or political authority to place a strong emphasis on educating FBOs and state agencies about Charitable Choice, and saw other priorities as higher. In some cases, respondents also indicated that they viewed this instruction as fundamentally the responsibility of state and federal funding agencies.

Among those that focused on FBO education on Charitable Choice, effective methods cited included presentations at capacity-building workshops, individualized TA, and written materials such as handbooks or information packets. Referrals to federal agency, White House, or independent organizations' resources were also cited as helpful. One site also noted its review of its grantee cost reimbursement submissions to identify potentially inappropriate activities and opportunities for clarification of Charitable Choice policy. The sites currently emphasizing education of state or local agencies said they responded to agency requests for information, did their own presentations, brought in outside speakers or experts, met regularly with agency heads and staff, and/or worked to educate agency staff in the context of issue-focused or informal collaborations. No FCL offices systematically assessed either FBO or agency personnel's understanding of Charitable Choice.

**A number of perceived risks associated with implementing Charitable Choice seemed to contribute to a relatively cautious approach.**

The legal ground underpinning Charitable Choice and the legally permissible practices allowed under it were viewed by many FCLs and FBCOs as somewhat unsettled and complex. The potential for lawsuits or other legal action, evolving federal guidance, and the possibility of court decisions further shaping the parameters of permissible activity appeared to encourage a cautious approach on the part of some FCLs working with faith-infused small FBOs. Numerous respondents stressed that small FBOs with minimal resources were vulnerable to unintentionally breaching church-state separation, and several FCLs emphasized that they did not want to steer wrong any of the FBOs with which they worked. Some seemed to feel that they themselves had sufficient expertise to guide FBOs appropriately, but others stressed the need for these FBOs to consult legal counsel and/or federal or state funders if they were likely to tread into any of the "gray" area of church-state law. It was noted that CBOs, too, could run afoul of state or federal financial accountability and other requirements if they did not have the knowledge or systems to meet them. But small FBOs, particularly those with an evangelizing mission, were viewed as potentially at risk on multiple fronts. Respondents stressed that major missteps by these FBOs were not only bad for them but also damaging to the faith-based initiative as a whole; some suggested that caution was in the interests of everyone.

More than one FCL also suggested that the incentives to FBOs to participate in funded government partnerships were limited, especially for the small, more faith-infused ones newly eligible under Charitable Choice. The lack of dedicated "faith-based money" and limited federal and state social service funds made it harder to persuade these FBOs to master complex federal or state grant or contracting requirements, change their administrative procedures, and possibly limit their faith-oriented practices, all for a shot at a steady or shrinking competitive funding pot.

**The different FCL structural models have been effective in the different study sites, but each had distinctive strengths and limitations. Resources and FCL experience mattered in all.**

The different models—governor-centered offices, embedded functions, and nonprofit entities—offered trade-offs in terms of resources, authority, and perceived political

neutrality, but they seem to have been used effectively within these sites' particular contexts. In addition, each model has special implications for the sustainability of the FCL function.

The governor-centered model offers the advantages of the strong support and authority of a powerful politician, which can bring access both to FBCOs and state agencies and could bring resources as well. But it also presents the inevitable challenge of political transition. FCLs operating within the governor-centered model acknowledged needing to plan explicitly for the transition from one governor to another, knowing that their agendas may vary. Term limits in one site made the FCL and other partners very conscious of the "window of opportunity" they had for implementing the initiative and planning for sustainability and succession. Though time was limited, there was also the advantage of knowing exactly when transition would occur, encouraging this FCL to think concretely about a sustainability strategy.

The embedded model—in which the FCL is located within an agency—can provide knowledge about and access to partnership opportunities within state and/or local agencies, a relatively secure resource base, a level of perceived political neutrality, and durability over time. A potential drawback of the embedded model, however, may be a lack of authority relative to other state agencies since an embedded FCL may be in a position to persuade but is typically not able to require the cooperation of other staff in other agencies. The function can be effectively situated within the bureaucracy if it is led by a dynamic, committed, and mission-driven individual who has the inclination, expertise, experience, and skill to use bureaucratic channels and relationships to good effect. "Bringing money to the table" for partnerships with other state agencies can also help gain their cooperation, according to one FCL. With respect to sustainability, the sites using the embedded model are somewhat buffered from political volatility, but the model does not necessarily benefit from an influential champion who can fight for sustaining resources. In one case, the position was strengthened because the FCL had developed a strong relationship with his board chair who was one step removed from politics but was able to reach out to key political players, helping the FCL to leverage political support indirectly. But the embedded model carries a heavy reliance on the strengths of the individual FCL and the relationships they have cultivated with both agencies and FBCOs. There may be limited institutional support beyond the power of the FCL him- or herself, leaving the function vulnerable if the person holding the position leaves.

The nonprofit model seemed to bring flexibility, relatively quick decision-making, the ability to raise private funds, and a sense of shared identity with others in the nonprofit sector. Like the embedded model, the nonprofit model can also shield the FCL from political volatility. But at the same time, nonprofit entities may lack direct access to state or local agencies, which can inhibit their ability to promote Charitable Choice implementation among them. Their status may also make it more difficult to reach important political players (though in the two study sites with this structure, the governors have to varying degrees been strong advocates). Stakeholders may be able to compensate somewhat for this drawback through board members who are politically well connected, and influential boards can also facilitate private fundraising. This may be critical if, as in Florida, state law places strict limitations on the use of state funds for activities conducted by FBOs. Some of the study

respondents suggested that the nonprofit model (or some variation on it) may also offer the greatest opportunity for sustainability over time, though the fact that the FCL had reached the stage of establishing a nonprofit may reflect a level of support that would, in and of itself, reinforce sustainability.

Several of the study sites shifted from one model to another over time, moving from the governor-centered approach to either the nonprofit or embedded model. In some cases this seemed explicitly intended to provide greater sustainability. In other cases it appeared to be more the result of ebbs and flows in the intensity of key elected officials' support.

Finally, staff and financial resources were important in all of these models. The range of activities and the ability to focus effectively on outreach, capacity building, and FBO and agency education were all associated with a sufficient level of funding and staff. But FCL and staff experience, knowledge, and relationships could contribute to significant achievements even with limited or inconsistent resources. In particular, a strong "grassroots" presence—with FCLs and their staff visible and responsive to FBCOs—was seen as essential to a credible and effective FCL function.

## **B. DIRECTIONS FOR FUTURE RESEARCH**

The study findings suggest several directions for future research into the role of FCLs and the implementation of Charitable Choice. The FCLs in the study sites have approached Charitable Choice implementation in different ways, although all sites have consistently pursued faith-based and community initiatives. To the extent that federal policy and research are focused on Charitable Choice regulations and equal treatment principles—and specifically on increasing the participation of small "newly eligible" faith-based organizations in government partnerships—further exploration of the hurdles to this implementation could be helpful.

Several of the sites in this study undertook systemic changes to their procurement systems to expand partnerships with FBOs and/or protect service recipients' religious freedom rights. Two of those FCLs cited these changes as important in their states' implementation of Charitable Choice and in efforts to educate stakeholders about both opportunities and responsibilities. Future research could investigate where this has occurred across the states, the types of specific changes to contract documents that have been made, and the apparent effects of these changes, to the extent they can be determined. The 2005 ASPE/MPR study touched on this, although not in detail. A survey of state contracting officials in key programs covered by Charitable Choice—or of FCLs in those states that have them (who might not be directly involved in these efforts, but would be in a position to find out about them)—might be one approach. An important element of that research would be the collection of procurement statutes, policies, and documents. Another approach might be a brief telephone scan of FCLs, followed by semi-structured interviews with a mix of knowledgeable respondents the FCLs help identify in a selection of states, and complemented by document review.

A broader exploration across all FCLs of their potential role in educating key stakeholders about Charitable Choice regulations could help identify hurdles and



opportunities they face in more detail. The present study found that some FCLs do not see this education as a primary part of their work, but it is unclear if this is typical of the position or more specific to the case study sites. If it is common, a broader exploration could help policymakers and others determine the reasons and what, if anything, might allow FCLs to play a greater or more effective role. Telephone interviews with the 36 FCLs and possibly some limited staff would help shed light on these questions.

Further study of the FCLs' capacity-building efforts could help policymakers and practitioners understand better the most effective capacity-building approaches for FBCOs seeking to partner with government. It could also assess, to the extent possible, the effect of these efforts on the number and nature of state and local partnerships with FBCOs. This study found that all the case-study FCLs pursued capacity building with FBCOs, though they often took different approaches. Delving more specifically into the characteristics of these various approaches could help federal, state, and local policymakers more effectively support successful public-FBCO partnerships.

Finally, a systematic assessment of FBOs' understanding of the opportunities and requirements of Charitable Choice would provide valuable information about whether there remains a significant need for more or better education.<sup>18</sup> Several respondents to this study said that confusion still existed among FBOs, especially among small organizations, and all FCLs said that methodical assessment of FBO understanding was not part of their work. The 2005 ASPE/MPR study indicated that state agencies did not monitor this consistently at the time of the survey either. Gauging more precisely the extent and areas of uncertainty among FBOs receiving federal funds, possibly by means of a survey, focus groups, and/or a semi-structured telephone scan, would be challenging but would also help federal and state policymakers and officials, FCLs, and others identify the areas where greater clarity and guidance is needed.

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<sup>18</sup> A 2002 study by John C. Green and Amy L. Sherman surveyed about 400 faith-based contractors in 15 states about their knowledge of Charitable Choice and their practices to meet its requirements (Green and Sherman 2002). Further study could update and expand on this work.

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# APPENDIX A

## STUDY METHODS

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### A. SITE SELECTION PROCESS

The broad goal of site selection was to identify sites where the FCL played an important role in the effective implementation of Charitable Choice under a range of circumstances, and where it appeared case studies could provide valuable information on effective site characteristics, strategies, and practices. Sites were chosen based on: (1) evidence of significant and/or increasing partnerships between contracting agencies and FBOs; (2) evidence of an understanding among key participants of the rights and responsibilities of FBOs that provide government-funded services under Charitable Choice; (3) evidence that key actors within the community are taking actions to encourage social service provisions by FBOs and to ensure that it is legal and appropriate; and (4) evidence that the FCL position, where it exists, is relatively secure in terms of its institutional position and resources.

We also sought to ensure that, to the extent possible, the case study sites reflected different contextual factors, so in addition we considered: geographic balance; receipt of Compassion Capital Fund (CCF) grants, which might be considered a proxy for site capacity; legislative activity in the state generally supportive of the faith-based initiative; the existence of an active local FCL where no state FCL exists; evidence of continued activity under difficult circumstances such as turnover, limited resources, a less supportive political environment, and/or high need; and/or participation in important special initiatives, in particular disaster relief.

Given the diversity of data sources (with different strengths and limitations in terms of how current, complete, and/or precise they were), as well as the need to consider additional contextual factors, the site selection process necessarily involved some degree of subjective judgment by the research team and DHHS. Moreover, the case for or against inclusion of any particular site depended at least in part on the other sites that were recommended for the study, given that we sought to balance a range of criteria and characteristics.

## B. DATA SOURCES

Overall, we drew on four major data sources for our analysis for site selection recommendations:

- The 2004 ASPE/MPR survey of state Temporary Assistance for Needy Families (TANF) and Substance Abuse Prevention and Treatment (SAPT) agencies on their policies and practices related to Charitable Choice<sup>19</sup>;
- Data from interviews with state faith community liaisons (FCLs) conducted in 2003-2005 by study consultant Rebecca Sager, Ph.D., as part of her dissertation research;
- Data gathered by Dr. Sager by means of a systematic Lexis-Nexis search of state legislation related to state faith-based initiatives from 1996 through 2007; and
- The results of interviews, email requests, and other consultation with six experts in the area of state faith-based initiatives, as well as with Dr. Sager.

We compiled the available data items from each source into comprehensive 50-state tables organized by the type of data most relevant to each of the criteria. Through a series of team working sessions, we winnowed the broad set of data elements to those most closely linked to each of the key criteria and for which the data quality was highest. After condensing the data items to those most closely related to the criteria, we developed an initial list of possible site candidates. After consulting with our expert informants, we also distilled their recommendations into a summary table.

Drawing on the various data sources, we triangulated the evidence to identify those sites for which the case for study inclusion appears to be the strongest. We sought suggestive patterns from the evidence, taking into consideration the timeliness and quality of the various sources, and the relative balance of selection criteria. For example, while evidence of increased partnerships is important, because the survey data is several years old and there are some questions about its precision (given the possibility of shifting definitions of FBOs among the state agencies that reported on FBO contracting), several sites that had not shown evidence of increased partnerships but had strong expert recommendations and other supportive factors were included on the recommended list. Ultimately we actively considered all sites with evidence from the ASPE/MPR or Sager data, and/or expert recommendations of currently effective FCLs.

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<sup>19</sup> The survey was conducted for the ASPE-funded study, “State and Local Contracting for Social Services Under Charitable Choice,” and national findings were released in 2005 (see Jacobson, Marsh, and Winston 2005). For site selection under this study, we drew on unpublished state-level responses. While the 2004 survey also included county-level respondents, we did not use these data.



Where possible, we verified or supplemented these data with information available on state faith-based initiative websites. To gather information on possible local FCL sites, we drew on U.S. Conference of Mayors publications (Maharaj 2004, Maharaj and Bullock 2003), research from the Kennedy School of Government (Goldsmith 2003), and telephone calls to the mayors' offices in Philadelphia and Miami.

### C. CASE-STUDY ACTIVITIES

For the case studies, we used several qualitative data collection methods: (1) review of documents, websites, and other online or written materials; and (2) site visits with individual in-person interviews and small group interviews with key respondents, as well as observations of outreach, education, technical assistance, and other FCL activities, when feasible. We also conducted telephone interviews when key respondents were not available for an in-person interview, or to clarify information after site visits.

Study preparation, site visits, and wrap-up activities occurred between early March and early July 2008. They were conducted by two MPR researchers (Pamela Winston and Ann Person) and an analyst (Elizabeth Clary); four visits were conducted by a two-person team and four were conducted by one researcher.

In late February and early March the team sent an email invitation and study description to a selection of the recommended sites to request their participation. Recruitment of sites proved somewhat more difficult than anticipated. After some negotiation, two sites declined to participate and alternatives were selected. Ultimately, eight sites agreed to participate:

- Six states with formal FCL functions;
- One state without a formal FCL function, but with evidence of activity focused on the faith-based and community initiative (FBCI); and
- One city with a formal FCL.

They represented a range of geographic regions, as well as varied FCL origins, structures, priorities, and approaches.

After the sites agreed to participate, we provided the FCL with examples of the types of respondents we would like to interview (for example, both them and their key staff, public agency partners, other public officials who played an important facilitating or supporting role, advisory board chairs, and representatives from a mix of faith-based and community organizations (FBCOs) with whom they have partnered, both recently and over the long term). We stressed, however, that they should suggest respondents who would be best positioned to help us understand their work. In general, the FCLs assisted in scheduling the interviews, though in two cases, they were unable to and the study team scheduled the discussions.

On site, we conducted individual and small group interviews, speaking to a total of 72 people across the sites. In some cases, the respondents had unfunded partnerships or other types of relationships with the FCL, and in others they were grantees. We emphasized the need to interview respondents without the FCL present; usually, but not always, this was accommodated. Where it was not, we conducted phone interviews with selected key respondents after the visit. The interviews ranged in length from 3 hours or more (in the case of several of the FCLs) to about 45 minutes for some less essential partners. In some sites, where the timing of our visit allowed, we also observed meetings, workshops, and other activities typical of the FCL's work. Most visits lasted two or three days—this generally varied according to the size and complexity of the office—and most entailed visits to multiple cities to interview both the FCL and partners who were located throughout the state.

The broad emphasis of our interviews and other data collection was the FCLs' role in effective implementation of Charitable Choice and other equal treatment provisions. We developed a detailed discussion guide, and the main topics for site visits and document reviews were:

- Formal and informal roles of the FCL;
- Location of the FCL within the state government and implications of this;
- Policy, legal, political, and economic/budgetary environments within which the FCL operates;
- Structure of the FCL function and resources available;
- Types of regular activities the FCL conducts to promote collaboration with FBOs, including outreach, providing information about funding opportunities, technical assistance (such as training in grant writing), other capacity-building activities, and finding ways to leverage funds;
- Types of regular “inreach” activities the FCL conducts to promote an accurate understanding of the opportunities and responsibilities within Charitable Choice provisions, such as holding conferences, developing educational materials, and communicating with state, local, and private agencies, as well as federal agencies and FBOs;
- The site's social service environment, such as the population base, community history, pressing social problems, and access to public and private services, including those offered by FBOs;
- Any additional concrete measures of the FCL's effectiveness that might be available at the site; and

- Perceptions of the FCL's effectiveness and most helpful activities among key partners and stakeholders, such as other government officials and leadership and staff at FBOs and intermediary organizations.

Table A.1 describes the team's site visit activities.

**Table A.1. Summary of Site Visit Activities**

Site	Date of visit (2008)	Researcher(s)	Main Respondents	Other Activities
AL: Montgomery and Mobile	May 5-7	Winston	FCL and staff, director of Department of Homeland Security; governor's chief of staff and legal advisor; CBO grantee; FBO partner; FBCI advisory council chair.	Visited partner homeless services program, AmeriCorps volunteer services grantee
DC	June 13 and 26	Person	FCL; staff at Department of Health; FBO partners.	
FL: Tallahassee and Orlando	May 6-7	Person/Clary	FCL; foundation president; former agency FCL; staff at Agency for Workforce Innovation; intermediary partner; FBO grantees and partners.	Observed Orlando Roundtable and small group TA session
IL: Springfield, Peoria, and Chicago	June 3-4	Person/Clary	FCL; agency staff at Department of Human Services; FBO grantees and partners.	Visited two partner sites engaged in broad community development
NJ: Trenton, Bayonne, and Garfield	April 10-11	Person/Winston	FCL and staff; NJ Department of Human Services transitional services staff; CBO grantee; FBO grantee; intermediary partner; OFBI advisory committee chair.	Visited CBO grantee employment services program
NM: Albuquerque	June 10-12	Person	FCL; FBO and CBO partners.	
TX: Austin	April 16-18	Winston/ Clary	FCL and foundation staff; governor's office liaison; foundation president; Department of Family and Protective Services FCL; FBO partner; FBO grantee; CBO grantee; 2 intermediary partners.	Visited CBO grantee youth services program
VA: Richmond and Culpeper	June 9-10	Winston	FCL; FBO partners; church partners; director of county Department of Social Services.	Observed two local prisoner reentry council meetings, visited FBO partner multi-services program

After each visit we ensured that our interview notes were complete and drafted internal site visit summaries that followed the format of the study discussion guides. We also reviewed documents such as statutes and executive orders, reports, and other materials

provided by the FCL and other respondents or located through preparatory research. After the first site visit and each subsequent pair of visits, the MPR study team debriefed to discussed emerging themes and any issues that needed to be addressed. We also held periodic discussions with ASPE.

For analysis of the data, the study team drew on the site selection data, the case study summaries, site materials and documents, and cross-site memo. We also considered timelines of the key stages of site development, site organizational charts, and other representations of site activities and practices. We laid out the data for each site, and attempted to integrate as systematically as possible the evidence from our various sources, assessing what they revealed about the effectiveness of key policies and practices within and across sites, and themes or lessons learned from the cases. Through this process of analytical “sifting and sorting” we attempted to develop a systematic but nuanced understanding of the FCLs’ positions and practices and the most important issues related to them. In assessing those practices and activities that appeared to be most effective or promising, we attempted to triangulate the evidence, drawing on multiple supporting sources. We considered essential contextual factors, such as the state OFBCI’s stage of development; the legal, policy, and funding environment; the social service context; and the availability and capacity of potential partner FBCOs, intermediaries, and others.

The results of the final round of data analysis are being presented in two products to disseminate the study’s findings: first, this final report, and second, a brief targeted to state policymakers and practitioners.

**APPENDIX B**  
**SITE SUMMARIES**

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## ALABAMA

**Faith Community Liaison:** Sydney Hoffman, Director, Governor's Office of Faith-Based and Community Initiatives

**Site Visit Dates:** May 5-7, 2008

### SITE CONTEXT AND RESOURCES

The Alabama Governor's Office of Faith-Based and Community Initiatives (GFBCI) was established by executive order in June 2004 by Governor Bob Riley (R). Hurricane Ivan hit in September 2004, followed a year later by Hurricanes Katrina and Rita; these disasters sharpened the office's focus on emergency management and preparedness, and activated and supported the FBCO sector to provide essential social services.

The GFBCI was established through Executive Order #21. It changed the name of the Governor's Office on National and Community Service to the GFBCI and subsumed AmeriCorps and other national service, volunteer, and disaster preparedness and relief programs into it. It also established a gubernatorially appointed Advisory *Council* on Faith-Based and Community Initiatives as a subset of the Alabama Commission on National and Community Service to provide advice to the commission and governor. In addition, it established an interagency Advisory *Board* on Faith-Based and Community Initiatives whose members are the heads of eight major public agencies whose functions are most likely to be covered by Charitable Choice and equal treatment principles. The executive order mandates the board to "cause the provisions of this order to be implemented by all appropriate agencies of state government," and further directs all state agencies to "cooperate fully" with the office and the board in implementing the faith-based and community initiative in the state, citing among other reasons the Charitable Choice provisions of PRWORA.

Governor Riley, whose term ends in 2010, has been a strong champion of the FCL's work. Although the legislature is controlled by Democrats, the Alabama political and legal environment is said to be generally supportive of the initiative and the role of FBOs in provision of services; there appears to have been little controversy surrounding the GFBCI. Faith orientation is said to be very strong in the state, and Sydney Hoffman, the GFBCI director, suggested that support for the initiative is generally bipartisan because it is widely recognized there is not enough public money for services. Office staff indicate, however, that they are aware of the possibility of legal challenge if they or individual FBOs cross church-state lines, however unintentionally.

The state is predominantly Protestant, with Baptists making up 37 percent of the population and Methodists 9 percent. Thirteen percent of residents are Catholic, and about 1 percent each are Jewish and Mormon/LDS. Muslims compose less than 1 percent of the population (Kusmin, Mayer, and Keysar, 2001). Ethnically, Alabama is predominantly White (69 percent) and Black (26 percent), and it has the second-lowest per capita income among

the 50 states (U.S. Census Bureau, 2006). The state has seen an influx of new jobs in recent years, however, with the arrival of several foreign-owned manufacturing plants.

The formal mission of the office, according to its website, is “to increase: (1) an ethic of service and volunteerism in the State of Alabama, (2) the capacity of faith-based and community organizations within the state to better compete for funding opportunities and (3) the collaboration among the people and organizations that are trying to meet the greatest needs of our state.” The staff noted that they: work to foster and coordinate relationships between public agencies and FBCOs, do training and present at conferences (with “lots of event planning”), administer the state AmeriCorps program, work with the state Department of Homeland Security (DHS) to prepare Alabama citizens for and respond to disaster, and manage the statewide Citizen Corps Council (CCC). The director chairs the State Interagency Council on Homelessness (established by executive order in 2005), and the GFBCI staffs it. The director also acts as liaison with the White House OFBCI, offers expertise about FBCO issues to public agencies and others, and responds to requests from the governor.

The GFBCI director and her staff are appointed by the governor and the director reports to the governor’s chief of staff. Ms. Hoffman is considered senior staff to the governor and participates in human services and public safety cabinet meetings; she also chairs the interagency FBCI advisory board. The separate FBCI advisory council serves in an advisory role to the GFBCI’s work; the council’s members—like the director—are gubernatorial appointees. The GFBCI also has a close relationship to the state Department of Homeland Security (DHS), which funds some of its activities. The state service commission, established through federal statute (the National and Community Service Act of 1990), serves as the effective board for the GFBCI consistent with the Executive Order 21. It has statutory authority over AmeriCorps and advises on all other aspects of the office.

The GFBCI’s main functions—emergency management, the FBCI, management of AmeriCorps, mentoring initiatives, and volunteer and donations management—are integrated, making it difficult to separate staff and resources dedicated to the FBCI. The office budget is about \$750,000 for FY08. The total staff is nine full-time positions, plus about four AmeriCorps volunteers each year. Another state agency acts as the GFBCI’s fiscal agent. According to the director, resources and support for the office have remained fairly consistent since its founding, although specific funding sources and activities have changed over time in response to events such as the hurricanes and acquisition of new responsibilities such as the Homelessness Council.

Ms. Hoffman came to the GFBCI in 2004 as director of the CCC program, the US Department of Homeland Security-sponsored, locally focused disaster preparation and relief program. Prior to that, her background was in nursing. When the previous director of the GFBCI left in 2005, Ms. Hoffman came on as acting director and then was appointed permanently in August 2006. The backgrounds of the staff include public health and AmeriCorps.



## KEY ACTIVITIES TO FURTHER IMPLEMENTATION OF CHARITABLE CHOICE AND THE FBCI

### Sector-Specific Activities

The office undertakes a number of general outreach and training/capacity-building activities aimed at FBOs and the FBCO community more generally. These include a biweekly email newsletter, identifying federal, state, local, and private (both corporate and foundation) funding opportunities, as well as information on available training and TA activities. The GFBCI also offers quarterly nonprofit capacity-building workshops and an annual Governor's volunteer leadership conference, and sponsored a June 2008 FBCO "summit," which brought together FBCOs to discuss effective strategies and next steps. The GFBCI website has links to funding information and guidance on Charitable Choice. The staff noted that a key goal is to keep events and seminars free or low-cost, and they are generally offered in Montgomery, the capital, because it is centrally located (and is also the GFBCI's home). As of spring 2008, the office planned to recruit a new VISTA volunteer to "go on the road" to offer outreach and training.

The GFBCI's quarterly workshops last a half day and largely address organizational "basics" since staff indicated there is still a strong need for the "101 version" of training. The goal is generally to get organizations to ask themselves key questions about board development, management, and financial accountability, among other topics. Organizations are referred to the Nonprofit Resource Center of Alabama (NRCA), a Birmingham-based intermediary with offices around the state, and federal agency websites and materials for further capacity building information. Materials distributed at these workshops and events, and to organizations or individuals requesting additional information, include an array of materials emphasizing both the rights of FBOs and the responsibilities to protect applicants' and clients' religious freedom. These include: "Charitable Choice 101—An Introduction," by Stanley Carlson-Thies of the Center for Public Justice (CPJ); "Overview of the HHS Equal Treatment Regulations," also from CPJ; a "Brief Do's and Don'ts" handout focused on Charitable Choice and equal treatment rights and responsibilities; and "Is Your Faith-Based Organization Ready to Partner with Government? A Decision-Making Checklist with Tips for Preparedness." Information packets also include a copy of President Bush's 2002 Executive Order extending equal treatment to all federal social service programs, federal guidance documents, and a list of "faith-based web resource sites." The events also include presentations and handouts about essential elements of Charitable Choice and equal treatment principles, such as the federal focus on barrier identification and elimination, and "dos and don'ts" for individual organizations. They stress the need for FBCOs to possess basic organizational capacity in order to be ready partners.

In addition to working with FBCOs on Charitable Choice and capacity building more broadly, the GFBCI has worked with public agencies. Executive Order 21 explicitly requires all state agencies affected by Charitable Choice to "1) Make all necessary changes to actively engage in collaborative efforts (in the form of contracts, grants, vouchers, or other forms of disbursements, or volunteer programs) with faith-based organizations for the provision of social services on the same basis as other non-governmental providers, using neutral criteria that neither favors nor disfavors religion, to the fullest extent permitted under the law; and

2) Take all necessary steps to implement the Charitable Choice provisions of the federal Personal Responsibility and Work Opportunity Reconciliation Act, the Welfare-to-Work Grant Program, the Community Services Block Grant Program, the Community Renewal Tax Relief Act, and any current or future legislation adopting a Charitable Choice provision; and 3) Take affirmative steps prescribed by the Charitable Choice provision of the Personal Responsibility and Work Opportunity Reconciliation Act to respect the religious integrity and the functional autonomy of participating faith-based social service providers and the religious freedom of their beneficiaries.” Further, the interagency Faith-Based Advisory Board, which Ms. Hoffman chairs, gives her additional opportunity to educate these state agencies<sup>20</sup> and leverage their implementation of Charitable Choice, as does her regular attendance at the governor’s cabinet meetings and the governor’s personal commitment to the faith-based initiative and implementation of Charitable Choice.

The GFBCI has sought to build relationships with several intermediary organizations, in particular NRCA and Alabama Community Foundations. Groups that could benefit from more advanced capacity building than the GFBCI staff feel equipped to provide may be referred to NRCA for assistance. Ms. Hoffman also suggested that strengthening partnerships with these groups and their ability to aid FBCOs can help with long-term sustainability of the GFBCI’s mission; even if support for the office declines in the future with political transition, these groups can continue to provide capacity-building services and other supports to FBCOs.

### **Issue-Specific Activities**

Administration of the state’s AmeriCorps program and grantee management are a major emphasis of the GFBCI. Since Hurricanes Ivan and Katrina, the integration of the state’s FBCO and volunteer communities (the “boots on the ground,” in the words of one public agency partner) into public emergency preparedness and response activities has also been a key focus. The office manages DHS grants to Alabama CCCs, manages grants and training related to community emergency response and long-term recovery, runs its own VISTA disaster response and recovery team, and works with DHS to develop and manage a range of “Be Ready Alabama” activities to help citizens prepare for disasters. Finally, when the governor declares an emergency, the GFBCI “flips” and becomes an operational center for managing volunteers and donations. In case of disaster, the office becomes the Volunteer and Donation Management Coordinator for the state, is the lead agency at the State Emergency Operations Center for management of volunteers and donations, and maintains a call center for this purpose.

Other issue-specific activities include staffing of the interagency homelessness council (including development of a recent statewide data report on homelessness in Alabama) and a new high school drop-out prevention partnership with the state education department to

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<sup>20</sup> Human Resources, Mental Health/Mental Retardation, Education, Health, the Child Abuse and Neglect Prevention Board/Children’s Trust Fund of Alabama, Economic and Community Affairs, Youth Services, and Corrections.

cultivate mentors for at-risk students. In addition, the GFBCI has an unfunded consulting relationship with the state Department of Corrections for which the director is offering advice on partnering with FBOs and has brought in Prof. Robert Tuttle of George Washington University law school and the Pew Roundtable on Religion and Social Welfare Policy to help ensure that a developing prisoner reentry initiative with a residential component does not run afoul of the law.

The GFBCI has not undertaken systematic assessment of the extent to which state FBCOs—or state agencies—specifically understand Charitable Choice rights and requirements and/or are following them. Staff note that they give significant attention to these issues in training and TA sessions, providing concrete “time and space” examples to stress the importance of the limits on FBOs’ practices. But they also note that they are not lawyers and that FBOs should “be very careful” and consult legal experts before moving forward into “gray areas.” They indicate that there are still small FBOs that do not fully understand the limits on religious activities that Charitable Choice requires; staff tends to encourage small organizations first to build their basic capacity and understanding of the complexity of federal requirements before pursuing federal grants. In addition, staff and leadership encourage FBCOs to gain 501(c)(3) tax status if they are going to participate in public funding, both because it indicates a level of capacity and for the organizations’ own protection. The office does monitor its own grantees for compliance with service and financial accounting requirements, and has greatly improved the CNCS-required AmeriCorps standards review for that program.

### **SUCCESSES, CHALLENGES, AND LESSONS LEARNED**

The FCL cited as one major source of success the structure of the GFBCI within the governor’s office and the relationships it has allowed her to develop. These, Ms. Hoffman said, give the director access to “all the pieces” necessary to convene and move action forward on key state issues. Inreach to state agencies appears to be very much facilitated by fact that the director is so frequently “at the table” with other agencies and others in the governor’s office.

Respondents highlighted as a major success the ultimate results of the response to Hurricane Katrina, which one called “a crucible;” ultimately, the GFBCI and its partners felt they had succeeded in developing far better planning and response systems for future disasters. The GFBCI can now “stand up and stand down” thousands of volunteers, noted one staff member. Respondents also cited the Be Ready Alabama campaign, AmeriCorps program improvements, and GFBCI’s staff work on the homelessness council, including development of the homelessness databook. FBCO respondents noted a high level of staff accessibility, creativity, and responsiveness. One GFBCI staff member suggested a “legacy” of the office would be as a “great convener—we’re seen as neutral, people trust us.”

Respondents identified several challenges, as well. Some FBOs are fundamentally reluctant to partner with government, and initially many held the misconception that there would be dedicated new money. The future sustainability of the GFBCI in its current form may be uncertain—even in a generally supportive environment, turnover in the governor’s office could bring significant changes. A “patchwork” of funding sources and limited staff

make it difficult to address all the issues the office would like. Finally, the state's location leaves it consistently vulnerable to natural disasters.

The director and other respondents emphasized several lessons. Being part of the governor's office can facilitate agency and local cooperation and give the office authority, but while the director may be focused on the capitol, the staff needs to be focused on the grassroots. Collaborating with both state agencies and large nonprofits can help leverage more resources for the FBCO community and the initiative. Hiring good staff who "come to the table and stay at the table" can help to build and maintain credibility with sometimes skeptical partners. And the office and its priorities must be tailored to the state's particular needs—in Alabama, FBOs, CBOs, and their volunteers can be an important "combat multiplier" during natural disasters.

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## DISTRICT OF COLUMBIA

**Faith Community Liaison:** Pat Henry, Manager, Nonprofit and Faith-Based Relations, Office of Partnerships and Grants Services

**Site Visit Dates:** June 13 and 26, 2008

### SITE CONTEXT AND RESOURCES

The District of Columbia Office of Partnerships and Grant Services (OPGS, formerly the Office of Partnerships and Grants Development) is a gateway to the District government for nonprofit groups and faith-based and community organizations. The FCL position was established within OPGS in 1998 by Mayor Anthony Williams, who sought to move away from what many perceived as a “quid pro quo” relationship between DC politicians and churches (i.e., the city would deliver resources to those churches that delivered votes). Pat Henry was hired for the FCL position within it; the office and position are bureaucratic entities and were not established by executive order or statute. The District government is solidly Democratic, with a Democratic mayor (Adrian Fenty) and Democratic control of the City Council. About a third of the District budget comes from the federal government. The largest denominational groups in DC are Roman Catholic (27 percent) and Baptist (19 percent) (Kusmin, Mayer, and Keysar, 2001); the largest racial/ethnic groups are African-Americans (57 percent) and Whites (38 percent) (U.S. Census Bureau, 2006).

At the time of the mayoral transition (from Williams to Fenty) in 2007, there was some uncertainty surrounding the future of District government’s approach to faith-based and community-based initiatives. Ms. Henry, however, reports that her activities have not changed significantly under Fenty. In one noteworthy exception, the Mayor’s Office of Religious Affairs had, under Williams, hosted monthly meetings of an interfaith advisory board (in which Ms. Henry had participated); under Fenty, the group did not meet for over a year, but with the mayor’s appointment of an advisor for religious affairs, they recently resumed activities.

OPGS is part of the DC government’s comprehensive approach to cultivating the nonprofit sector. OPGS offers an array of services, among which the FCL oversees a few key programs. The office’s formal mission is to advance the District’s strategic priorities and to improve the quality of life for residents through (1) establishing partnerships between public and private, for-profit and nonprofit organizations, and (2) pursuing financial support and technical assistance from public and private sources. Ms. Henry views her own role as building the capacity of the nonprofit sector (especially small nonprofits); providing one-on-one assistance to such groups, in particular with respect to accessing funding; and building relationships and partnerships between DC government, the federal government, and FBCOs.

Ms. Henry reports to the OPGS Director, who reports directly to the Mayor. She does not have a staff dedicated exclusively to work with FBCOs, but she does receive assistance from OPGS staff members, including clerical support and support from the Grants Information Resource Center (GIRC), which provides technical assistance, access to computers and software, and information on grant opportunities to clients. The budget for Ms. Henry’s work is integrated with the OPGS annual budget, making it difficult to distinguish the resources dedicated specifically to FCL initiatives.

Resources aligned most closely with the FCL function are her salary and the costs of the Strengthening Partners Initiative (SPI, described more below) and the Annual Public-Private Partnership Conference. OPGS materials are distributed in all DC government offices and to City Council members; most DC agencies have a faith-based liaison of some sort, but the FCL's relationship with them is not formally established. Moreover, Ms. Henry reports that in recent years the resources available to District agencies for services targeted to FBOs have declined.

Prior to taking the FCL position, Ms. Henry had spent over 25 years in nonprofit and community organizations, doing similar work with small nonprofits. She reports that the relationships she developed in her earlier work with grassroots organizations have given her access to and an understanding of the FBCOs that she works with in her role at OPGS. Early in her tenure, she held focus groups to assess the needs of DC's FBCOs, and she emphasized the importance of listening to them and "not stringing them along."

## **KEY ACTIVITIES TO FURTHER IMPLEMENTATION OF CHARITABLE CHOICE AND THE FBCI**

### **Sector-Specific Activities**

As noted above, Ms. Henry's primary focus is nonprofit capacity building. The centerpiece of these efforts is the SPI, a one-year comprehensive training program for leaders of emerging nonprofits and FBOs to strengthen their executive leadership skills and organizational capacity. The program is organized for annual cohorts of about 20 individuals, and is designed to support the participants' management skills and help them gain greater access to grants and related resources. At the same time, the cohort structure serves to develop and support networks among nonprofit organizations. Earlier cohorts had fewer FBO representatives, but more recently participants come from both faith-based and community organizations.

Another major activity led by the FCL is the Annual Public-Private Partnership Conference, which focuses on issues around capacity and sustainability of nonprofits, including resource development, budgeting and financial management, and legal issues. The FCL describes the event as the area's premier conference for FBCOs; it is currently in its tenth year and it draws over 300 attendees each year. Among speakers at these yearly conferences are many representatives from federal agencies, including their Faith-Based Centers. Finally, Ms. Henry sends out a weekly "Funding Alert," a newsletter on grant opportunities, which goes out to some 3,000 recipients.

### **Issue-Specific Activities**

Ms. Henry's central issue-specific program is similar to SPI. The Effi Barry HIV/AIDS Capacity-Building Initiative is funded through the DC Department of Health (DOH) and administered in partnership with OPGS. DOH viewed the role of FBCOs as potentially important in addressing DC's HIV/AIDS crisis, which had been "medicalized," in the words of one respondent, but needed also to be addressed as a social problem. At the same time, however, DOH recognized that many FBCOs did not have the capacity to handle public grants, so the Barry program is designed to address that problem. The program began as an initiative of the DOH director but is administered by Ms. Henry because of her capacity-building work with SPI and connections in the faith community.

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## SUCCESSSES, CHALLENGES, AND LESSONS LEARNED

Ms. Henry views both the SPI and the related Effi Barry program as “hugely successful,” both in terms of participants’ individual professional outcomes and the impact of the programs on DC communities. Her views were echoed by other respondents, one of whom was especially enthusiastic about the development of evidence-based interventions implemented by FBCOs, which is one of the focuses of the Barry program. A major challenge, however, is securing resources to hire high-quality trainers to work with participants in these programs (especially for SPI, since the Barry program receives greater funding from the DOH). An additional challenge noted by one respondent (and echoed in other sites) was the extremely low organizational capacity of many FBCOs. This respondent suggested that an alternative approach to partnering with diverse groups—less cumbersome than contracting and grants—would be helpful. Similarly, FBCO respondents reported that their experiences with public funding had been difficult, especially in terms of accounting and other record-keeping requirements.

Two related lessons emerged from the experiences of DC respondents. First, Ms. Henry cited the importance of listening to FBCOs to gauge their needs, not imposing responses on them. The FCL needs to reach out and engage organizations, according to Ms. Henry, but she also stressed that it is very important not to “string them along” if you can’t meet their needs. A second lesson was cited by another DC respondent (and by individuals at other sites), who felt it was important to find alternative ways to allow low-capacity FBCOs to participate in providing social services beyond public grants and contracts, which they may be ill-equipped to handle, even with extensive technical assistance.

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## FLORIDA

**Faith Community Liaison:** Suzanne Yack, Director, Compassion Florida, the Florida Faith-Based and Community Initiative, Governor's Volunteer Florida Foundation

**Site Visit Dates:** May 5-7, 2008

### SITE CONTEXT AND RESOURCES

The Faith-Based and Community Initiative in Florida is housed in the private, nonprofit Volunteer Florida Foundation (VFF). The Governor's Commission on Volunteerism and Community Service, the organization that eventually gave rise to VFF, was established by executive order of Governor Lawton Chiles (D) in 1993. In response to the series of hurricanes that hit the state in 2004, Governor Jeb Bush (R) established a recovery fund within VFF, which heightened the profile of the FBCI, since FBCOs were seen as uniquely well-placed to respond quickly to the crisis. The FCL is the Director of the FBCI, within VFF. Our respondent, Suzanne Yack, took the position with VFF in 2006 and left in August 2008.

Following the 2004 establishment of the hurricane recovery fund within VFF, Governor Bush issued an executive order (#04-245) forming a Faith-Based and Community Advisory Board, whose purpose was to "help state government coordinate efforts to utilize and expand opportunities for faith-based and community-based organizations to address social needs in Florida's communities." Bush also used the executive order to establish faith community liaisons within state agencies to reduce barriers faced by FBOs in their interactions with government. In 2006, Bush's last year in office, the Board was legally transformed into the Faith-Based and Community-Based Advisory Council with the passage of a new law (#2006 IV.14.31). Although the statute includes a 2011 sunset provision, its language establishing the Council basically codifies the faith-based initiative in Florida. Because it was a result of the political process, respondents viewed the statute as critical to the legitimacy, authority, and sustainability of the faith-based initiative in Florida.

The Council's stated purpose, according to the statute, is to "advise the Governor and the Legislature on policies, priorities, and objectives for the state's comprehensive effort to enlist, equip, enable, empower, and expand the work of faith-based, volunteer, and other community organizations to the full extent permitted by law." The statute lists 12 key areas in which the Council is to advise the governor and legislature, including ways to increase public partnerships with FBCOs, as well as to ensure efficacy and accountability in such partnerships. The law also specifically prohibits any activities by the Council that would conflict with the federal Establishment Clause. The law states that 17 members are to be appointed by the governor, and four each by the speaker of the house and the president of the senate. The Council is required to meet at least once per quarter and to provide its recommendations to the governor and legislature in the form of an annual report. Under the law, the Council, whose members are uncompensated, is housed in the executive office of the governor. In practice, the FCL acts as administrator for the Council. Ms. Yack's past

work with the chair of the Council (in disaster recovery) made this role “a natural fit.” With her departure, the VFF president has assumed the role.

Governor Charlie Crist, Florida’s current governor, is a Republican and both houses of the legislature have large Republican majorities. There is currently a movement underway challenging the state’s strict constitutional language prohibiting state funds to FBOs and there have been lawsuits in the past around the use of public funds for religious education. While the state of Florida has a history of partnering with FBOs (Crew 2003), respondents close to VFF were sensitive to the fact that VFF’s work with FBOs is limited to non-state funding sources. The budgetary environment has tightened in recent years, with estimates of a \$1.5 billion short-fall in the coming year. The state’s population is quite diverse (about 20 percent Hispanic and 16 percent Black) (U.S. Census Bureau, 2006). The largest denominational groups are Catholics (26 percent) and Baptists (18 percent); about 12 percent identify as no religion (Kusmin, Mayer, and Keysar, 2001).

The FCL is a full-time position, housed in the VFF, and reporting to its president. The VFF’s stated mission is “to strengthen Florida by meeting community and family needs ... through development of initiatives in volunteerism and community service, under the leadership of Governor Charlie Crist and the Governor’s Commission on Volunteerism and Community Service,” according to its website. The president/CEO of VFF pointed to the FCL’s role as liaison between the Advisory Council, the governor, and VFF as a key responsibility. Ms. Yack identified her own central roles with the FBCI and Compassion Florida as providing technical assistance to FBCOs, establishing “learning communities” for FBCOs (through a series of roundtables), and connecting FBCOs to funding, media, experts, and foundations.

The position is the only personnel line in VFF that is dedicated exclusively to the FBCI, though in the past the VFF president essentially functioned as the FCL. Ms. Yack began at the foundation in the disaster recovery program, but her main duties after assuming responsibility of the FBCI related to the administration of the Compassion Florida program. Compassion Florida is funded through a three-year \$500,000 per year Compassion Capital Demonstration Grant awarded in 2007 to VFF and its partners at the Florida Institute of Government at Florida State University. After preparing the application and receiving the grant, Ms. Yack’s work with Compassion Florida included planning and hosting a regular series of workshops and roundtables at five regional centers around the state: Orlando, Tampa, Leesburg, Port St. Lucie, and Tallahassee (see details below). The grant also allows VFF to make about 20 mini-grants per year, ranging from \$2,000 to \$20,000 each, in 2008 and 2009.

VFF underwent structural changes in 2008, with some responsibilities spinning off to other organizations. The FCL role would have remained relatively unaffected, at least for the term of the Compassion Capital grant, but with Ms. Yack’s departure, responsibility for Compassion Florida and the FBCI shifted to the VFF president/CEO, at least until appointment of a new FCL.

Before coming to VFF, Ms. Yack worked for an interfaith community development nonprofit and spent a great deal of time in the field among community groups, lending her

legitimacy (or “street cred” in her words) among FBCOs. She also drew on a journalism background, which informed her work in helping FBCOs with “telling their story” through press releases and other marketing strategies.

## **KEY ACTIVITIES TO FURTHER IMPLEMENTATION OF CHARITABLE CHOICE AND THE FBCI**

### **Sector-Specific Activities and Practices**

During her tenure as FCL, Ms. Yack focused largely on building the capacity of small FBCOs. Toward this end, and as part of Compassion Florida (the CCF program), she organized a series of regional events for developing organizational capacity and sustainability. These included workshops, with general topics for larger audiences, and roundtables, focusing on specific topics for smaller groups of selected applicants. Topics for these events included accessing public and private grants, fundraising, publicity, board development, and legal issues for nonprofits. Workshops were intended as an introduction to issues surrounding the FBCI. The roundtables were designed to include the same participants over time, forming “learning communities” where FBCO leaders could make connections, collaborate, and solve problems together. Ms. Yack also maintained an active listserv, where she shared information on these activities, as well as grant opportunities and events of interest to the FBCO audience. Finally, she spent a great deal of time on the road, visiting FBCOs in their communities and providing small group or one-on-one support and technical assistance.

As noted above, in addition to running Compassion Florida, Ms. Yack was responsible for administrative work with the Faith-Based and Community-Based Advisory Council. Her role involved keeping the Council’s work in line with the state’s sunshine laws (for example, posting public notice of meetings and reminding members of pertinent regulations). Where appropriate, Ms. Yack’s functions with the Council also included acting on their advice. For example, in 2007 the Council recommended that VFF and Compassion Florida take the lead in efforts to inform nonprofits about funding opportunities with state agencies. Similarly, in their 2008 report to the governor and the legislature, the Council recommended that Compassion Florida continue to be the focus of their Education and Evaluation subcommittee, and that they “continue to study public agencies as they create greater transparency and openness to social service providers in the faith-based and community-based sector.” Since the FCL position resides in a quasi-independent nonprofit, there are no formal ties between the FCL and the various state agencies, but the Council’s recommendations do, nonetheless, carry some authority and the FCL and agency representatives have worked together.

With respect to Charitable Choice and equal treatment rules and regulations, Ms. Yack provided one-on-one or small group assistance to FBOs. Her methods typically involved interactive discussions of concrete examples of appropriate and inappropriate activities. Inreach to agencies followed the suggestion of the Advisory Council and focused on reducing barriers to FBO participation. One important step in this direction has been getting agencies to post funding opportunities to an online portal called “My Florida Marketplace,” as well as showing FBOs how to access it.

### **Issue-Specific Activities**

An important issue-specific focus of the Florida FCL (and VFF) is around disaster relief. Indeed, Ms. Yack's prior work at an FBO, where she developed a "virtual warehouse" to support hurricane recovery, led to her hiring by VFF. Before taking over the FBCI, she worked on disaster programming, adapting the virtual warehouse model for VFF. The VFF virtual warehouse became known as "Neighbors to the Rescue" and is designed to be activated during disasters using vetted volunteers, mainly from FBCOs, to locate and distribute donated items during times of crisis.

### **SUCCESSES, CHALLENGES, AND LESSONS LEARNED**

The FCL pointed to the Roundtables as her greatest success, citing specifically that FBCOs had been able to develop relationships and gain access to "wealth," media, experts, and foundations as a result of them. At the same time, however, she cited consistent attendance at workshops and roundtables as a challenge, and pointed to geographic mismatches between FBCOs requiring assistance and available expertise or resources. Another major challenge cited by the FCL, as well as other respondents, was the lack of capacity of small FBCOs, which requires the FCL to do a lot of "hand holding," sometimes acting almost as a "counselor," in the words of one respondent. The FCL and others cited the credibility of small organizations as a challenge, noting that agencies and other funders are sometimes suspicious of their sectarian affiliations and/or do not view them as sufficiently professional.

Respondents pointed to two key lessons from Florida. First, linkages to the governor can have both positive and negative consequences—i.e., they bring authority to the initiative, but can politicize the FCL's work. If, however, the governor is not viewed as standing behind the initiative, the rest of the state (agencies, especially) may be reluctant to support it. Related to this, two respondents felt that it was important to codify the initiative through legislation. One asserted that it is best to have a dedicated FCL position, staffed by a dynamic individual, "not just another bureaucrat" (a sentiment expressed in several sites), who knows how to interact with both FBOs and CBOs. This individual also needs to have the authority to make decisions—"running by committee" is, according to the FCL, not a good way to operate in this field since agreement can be hard to reach.

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## ILLINOIS

**Faith Community Liaison:** Reverend Fred Nettles, Director, Partners For Hope, Illinois Department of Human Services

**Site Visit Dates:** June 3-4, 2008

### SITE CONTEXT AND RESOURCES

Illinois is unique among the sites selected for this study in that there is no centralized formal faith-based initiative and no single state-level office dedicated specifically to partnerships with faith-based and/or community organizations. Within the Illinois Department of Human Services (IDHS), however, there is a comparable initiative in a program called Partners for Hope (PFH). IDHS initiated PFH in 1996 in anticipation of welfare reform and with the perception that FBOs would have increased access to resources and be asked to play an expanded role in service delivery. PFH was established to facilitate agency linkages with faith communities (with an emphasis on churches) and to coordinate services for families moving from welfare to work. PFH was not established by executive order or statute, but rather was an initiative of the departmental leadership. Reverend Fred Nettles is the Director of PFH and was our key respondent in Illinois.

The socioeconomic and political context in Illinois does seem to have influenced the evolution of Rev. Nettles' work with PFH. The program was established under a Republican governor, George Ryan, who was not involved in the program but was perceived as generally friendly to it. When Democratic Governor Rod Blagojevich took office in 2002, the state faced a significant budgetary short-fall, which led to large IDHS staff cuts (some 20 percent, according to Rev. Nettles). At the same time, Blagojevich was not involved with PFH, but established a similar initiative, Team Illinois (detailed below). Over time, the bulk of Rev. Nettles' work has shifted from PFH to Team Illinois, although he cites his PFH work as providing entrée into communities for Team Illinois.

While both houses of the state legislature have Democratic majorities, there has been conflict within the party in recent years. Moreover, there is an historical tension between the northern part of the state (Chicago and its suburbs) and the more rural, less affluent south ("downstate"). Illinois is ethnically diverse, with Blacks and Hispanics each making up about 15 percent of the population (U.S. Census Bureau, 2006). The largest denominational groups in the state include Roman Catholics (29 percent) and Baptists (11 percent); a relatively large number (15 percent) identify as having no religious denomination (Kusmin, Mayer, and Keysar, 2001).

PFH is a non-fiduciary partnership between IDHS local offices and faith communities. It was established in 1996 with a mission "to help individuals and families become and stay self-sufficient and reach their maximum level of independence," (according to the program's website). Over time, Rev. Nettles reports that the mission has evolved to focus more specifically on capacity building, and the official mission now is to "develop capacity among faith-based organizations to support families in their communities who are trying to achieve

self-sufficiency.” The program brings together a host of public and private service providers in communities around the state to offer, in essence, wrap-around services, addressing whatever needs might exist among individuals and families in the community who are eligible for public assistance. It is described on the IDHS website as an “interfaith welfare-to-work initiative,” but individuals need not be on welfare to receive services from participating organizations.

Rev. Nettles is currently the only IDHS employee specifically charged with PFH duties, although local IDHS officers also work to partner with FBCOs. There is no formal relationship between the PFH director and these other IDHS employees, although they do communicate. PFH was originally housed in the Division of Community Operations, but is now under the Office of Strategic Planning, which Rev. Nettles cites as useful since it provides access to all IDHS divisions (Human Capital Development, Alcohol and Substance Abuse, Developmental Disabilities, Mental Health, and Rehabilitation Services). Rev. Nettles is a full-time IDHS employee, but has few state resources beyond his salary and general operational support; he relies instead on a large network of church contacts and in-kind contributions from the faith community to facilitate his work (for instance, by hosting meetings and providing refreshments). Rev. Nettles applied for a CCF grant the first year of PFH, but did not receive one.

As noted above, Rev. Nettles’ formal duties have evolved over time, focusing less on PFH and more on Team Illinois responsibilities. In both cases, however, his formal role has been to foster relationships between FBCOs and local IDHS and other agency offices. He also cites capacity building as a major role. Less formally, he has placed great emphasis on connecting FBOs to each other. He believes he is well placed to make such connections, in particular because he is pastor of Living Word Fellowship Ministries in Springfield. In fact, he reports that he was chosen to direct PFH precisely because he was a minister. When he joined the program, there were only about 150 FBOs involved, but he noted that he quickly brought that number above 2,000. Rev. Nettles maintains an Excel database with information on about 800 of these groups, which he shares with agencies or others who request it. He says that his work as a pastor allows him to understand and communicate with FBOs. At the same time, as a state employee, he understands the bureaucracy and can “translate” between agencies and FBOs. Prior to his work as director of PFH, Rev. Nettles had worked in a supervisory position in IDHS facilities. Before that he had served in the US Air Force, where he worked in human resources, which allowed him to obtain an MPA. He was brought up Catholic, but left the church until he met his wife and became a born-again Christian.

#### **KEY ACTIVITIES TO FURTHER IMPLEMENTATION OF CHARITABLE CHOICE AND THE FBCI**

Currently, Rev. Nettles devotes the large majority of his time (about 80 percent) to work with Governor Blagojevich’s Team Illinois initiative. The Team Illinois program is similar to PFH, insofar as it targets FBOs, but the approach is different. Team Illinois was designed to bring integrated state agency services to a specific group of communities identified as having the greatest needs. IDHS is the lead agency in this effort, but representatives from other agencies also serve as Team Illinois liaisons to some communities. Rev. Nettles is the Team

Illinois liaison for two of the communities targeted for services, which requires that he spend time visiting the communities, assessing needs, and coordinating with public and private sector service providers there. Beyond this, he sees his role as promoting “cross-pollinization” among FBOs around broad community development issues. Toward this end, he has arranged for some of the particularly active groups and individuals to meet with others around the state.

In terms of capacity building, Rev. Nettles has worked with other IDHS departments (especially the Office of Grants Administration) to work with FBOs on program development, staffing, board development, and other legal or tax issues. These sessions have been as small as five people and as large as 200 or 300. Typically, Rev. Nettles arranges these in response to requests from faith groups and they are often tied to their conventions or convocations. He also uses his own church as a forum for offering such events; for example, he once invited a guest speaker on community development corporations and used the PFH database to broadcast an invitation.

Rev. Nettles has included the topic of Charitable Choice opportunities and requirements in past presentations around the state and he fields questions about it from both agencies and FBOs. Multiple respondents in Illinois emphasized that wherever public funds are involved (as in agency contracts with FBCOs), IDHS includes all the “dos and don’ts” of Charitable Choice in their contractual language.

## **SUCCESSSES, CHALLENGES, AND LESSONS LEARNED**

Rev. Nettles cited the expansion of the IDHS database of FBO contacts, from around 150 to nearly 2,500 organizations, as one of his greatest successes. He also felt that he had been instrumental in connecting FBOs to each other, especially around broad community development projects. Other IDHS employees felt that the department had been successful in “mending fences” with FBOs in communities around the state where government agencies are often viewed with suspicion. Many respondents, including Rev. Nettles, cited resource constraints as a major challenge. Major budget cuts have left Rev. Nettles—and IDHS as a whole—with the same amount of work (or more), but with far fewer resources to get it done. Related to this, Rev. Nettles notes that Illinois is a large state, and it is difficult for one individual to cover all the communities in need. An additional challenge that was specifically cited by one IDHS employee, and reflected in comments by Rev. Nettles and FBO representatives, was a sense of “entitlement” to public funding that appeared among some FBOs after welfare reform, and initial misperceptions about the availability of specifically “faith-based money.”

A number of lessons emerged from Illinois, some of which are similar to those from other sites. Rev. Nettles emphasized that it is important to discourage the perception of a “bureaucrat in an office... expecting people to come to you.” For the initiative to be successful, the FCL has to actively engage the faith community. This includes being a “caring person,” he said, who understands the nuances and “can speak their language” and translate government language for FBCOs. Rev. Nettles also asserted (and IDHS respondents echoed this) that if one can reach out and develop a trusting relationship with FBOs, they will actually contribute many in-kind resources, although this requires active outreach with the

onus on the FCL. In contrast, according to Rev. Nettles, FBOs “will only come to *you* if you have money.” Finally, Rev. Nettles suggested that the broader faith-based initiatives around the nation have opened doors to unscrupulous individuals or groups—e.g., contractors, grant writers, etc.—who might seek to take advantage of faith-based organizations. He felt that it is important to have vetted experts to whom FCLs can refer FBOs for specialized assistance.



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## NEW JERSEY

**Faith Community Liaison:** Edward LaPorte, Executive Director, New Jersey Office of Faith Based Initiatives, NJ Department of State

**Site Visit Dates:** April 10-11, 2008

### SITE CONTEXT AND RESOURCES

New Jersey's Office of Faith Based Initiatives (OFBI) was first established as a "project" of the state Department of Community Affairs under Governor Christine Todd Whitman (R) in 1998. The initiative initially was viewed by some as an effort to appeal politically to the state's black churches (Roper, 2004). It was formalized in 2002 by Governor James McGreevey (D) through Executive Order #31 and moved into the Department of State. The executive order focused on "faith-based community organizations," stressing their importance "in meeting the fundamental needs of many New Jersey citizens" and directing "all agencies of the state government to cooperate fully" with the OFBI. It also established a 23-member Advisory Commission on Faith-Based Initiatives, which has been an increasingly important resource for the FCL. The then-secretary of state (a member of the governor's cabinet) was a strong champion of the office until her departure in 2006.

Governor Jon Corzine (D) took office in 2006 and as of spring 2008, New Jersey was governed by both a Democratic governor and legislature. New Jersey is a diverse state in terms of race-ethnicity and religion. Its population is 63 percent White, 15 percent Black, 7 percent Asian, and 16 percent Hispanic (U.S. Census Bureau, 2006). Among the major faith groups, its residents are: Catholic (37 percent), Baptist (8 percent), Jewish (4 percent), and Mormon and Muslim (each 1 percent) (Kusmin, Mayer, and Keysar, 2001).

The state legal environment for Charitable Choice implementation is more constrained than in the other states participating in the study. The state's constitution has been interpreted as requiring 501(c)(3) status for receipt of government funds and state law prohibits hiring based on religion. The political culture has also supported a constrained approach. Given these factors, controversy about church-state separation "was never an issue," according to Edward LaPorte, director of the OFBI. Political party also does not seem to have played a significant role in support for the office.

The OFBI mission, according to its website, is: "...to develop relationships and strengthen partnerships with federal and state agencies, corporations, foundations, institutions of higher learning, and capacity-building training organizations in an effort to create greater access to funding and other resource opportunities for Faith Based and Community Based Organizations." The FCL described his office's major responsibilities as: improving access to funding and other partnering opportunities for FBCOs, providing technical assistance and training that will enhance the capacity of FBCOs to improve their day-to-day functioning, and serving informally as an advocate for FBCOs partnering with state or local agencies or other organizations. He says that "nine of ten things" he does involve one or more of these three responsibilities. Other staff noted the large amount of

time they spend on the telephone describing the OFBI's work, referring callers to staff in other state offices or organizations, and responding to callers in other ways.

The OFBI director reports to the secretary of state who, in turn, reports to the governor. The office is housed in the NJ Department of State, and as of spring 2008, its dedicated full-time staff of four included the director, two program managers, and one training associate. Mr. LaPorte's background includes employment in a number of FBCOs, including one focused on capacity building for minority organizations. His own work emphasized organizational development and technical assistance and he indicated that this experience has greatly informed his OFBI capacity-building work and helped him to build effective relationships with FBCOs. He joined the office in 1999 as a program manager and was appointed interim director in 2003 and director in 2004. Other staff previously worked with AmeriCorps, the Governor's Office of Volunteerism, and in customer service. All have been with the office since at least 2004.

The office's resources have fluctuated over time. When first established, it had an annual \$5 million budget for grant-making which was maintained for four years. By FY 2007, it had decreased to \$1.5 million; for FY 2008 it was \$2.5 million (in addition to funding tied to specific programs, such as Temporary Assistance for Needy Families (TANF), on which the OFBI partners with other state agencies). The staff positions are funded through the Department of State and programmatic funding streams. A major source of institutional support has been the Advisory Commission on Faith Based Initiatives (ACFBI). The OFBI acts as staff to the ACFBI, whose members include: eight non-voting state agency heads; 15 voting members representing houses of worship, business, higher education, and other nongovernmental organizations, appointed by the governor; and a chair, also appointed by the governor. The commission's make-up has provided the OFBI with access to the governor, legislators, and state agencies. Its work includes advising the director on policy, advocating for the OFBI on budget and other matters, and reviewing the OFBI's recommendations for grant awards for each RFP it issues.

OFBI staff noted the importance of reaching out and educating themselves about the rituals and requirements of different faiths, and attending services at different houses of worship, ideally aided by a guide from within the faith. They also noted that in all the OFBI's events and activities, they are careful to try to meet the particular needs of religious groups. For example, they provide time and space for Muslim prayer during their large events, try to avoid event scheduling that would run into the Jewish Sabbath, and offer food that meets various faiths' dietary restrictions. One staff member noted that "you aren't always going to get it right" but it is important to try, suggesting that "[you need to] swallow your pride and ask, it's better to ask than [to assume]."

## **KEY ACTIVITIES TO FURTHER IMPLEMENTATION OF CHARITABLE CHOICE AND THE FBCI**

### **Sector-Specific Activities**

The OFBI strongly emphasizes outreach, partnerships, and capacity building within the FBCO sector. As a component of its broad outreach and education mission, it seeks to reach out to FBOs, educate them about partnership opportunities, and inform them of the legal

rights and requirements entailed in Charitable Choice. OFBI staff, some public agency staff, and other respondents expressed the view that the state's 501(c)(3) requirement, hiring restrictions, political culture, and other characteristics somewhat limited the need to emphasize the legal requirements of Charitable Choice since grantees within the state were already constrained in what they could do. Nonetheless, the opportunities and requirements entailed in Charitable Choice and equal treatment provisions are addressed to some extent in the OFBI's major events, aspects are covered in the Request for Proposal (RFP) orientation sessions for prospective applicants, and are the topic of inquiries to the office. The director noted that some organizations choose not to apply for grants when they learn about the requirements and limits on allowable religious activities and content.

The OFBI takes a range of approaches to its broad outreach and education of FBCOs. Since 2000, the office has sponsored three "Expos," large statewide events attended by FBCOs and potential funders, including state and federal agencies. The Expos, the most recent of which was held in 2005, focus on education and training workshops, as well as partnership and networking opportunities. The OFBI has also used a Compassion Capital Fund-like model of grant-making since 2004, incorporating both capacity building and small grants that require FBCOs to partner with each other or public agencies. The model has three tracks: 1) Organizational Infrastructure Development (OID) grants to fledgling organizations with budgets under \$150,000 to help them develop basic capacity; 2) grants to five intermediary organizations that assist FBCOs in their organizational development and partnering, and 3) grants for direct services by FBCOs focused on youth, homelessness, and other pressing issues. During lean budget years, the office funded only the direct service grants. The office estimates that approximately 70 percent of its grantees are self-identified FBOs and 30 percent are self-identified CBOs. These proportions have remained roughly steady over the past five years. Currently, the office funds about 65 grantees per year. The OFBI also offers a periodic "training institute" with workshops addressing issues such as financial reporting and grant-writing at introductory to advanced levels. Finally, the OFBI maintains an email notification list and a website, which includes a link to the White House OFBCI, as well as information about OFBI activities and staff.

Executive Order 31 directs state agencies to work with the OFBI. In recent years, the OFBI appears to have used largely informal means to reach out to and educate state and local agency staff about Charitable Choice and the opportunities for partnerships with FBOs, though the FCL noted that meetings were held with state agencies to discuss the requirements early in the initiative. The OFBI generally works with individual public agencies to cultivate partnerships that include participation by FBOs. Given the state's legal constraints on Charitable Choice implementation, it may not be surprising that one agency staff member called "the faith based initiative" something of "a misnomer," suggesting that there had not been radical change from their prior partnerships with FBOs and CBOs. The OFBI's goal of expanding and supporting state-FBCO partnerships seems to have met with some success; state DHS staff were very positive about the OFBI's capacity building and support of grantees, citing the office's "excellent oversight... very detailed monitoring; [they are] very clear on issues and problems, and how to get them [resolved]."

The OFBI has worked with intermediaries since its establishment to supplement its services and to provide training and technical assistance to FBCOs. One, the New Jersey-based Center for Non-Profits, began working with the OFBI in 1998 and is still today. Another, a legal service organization called Pro Bono, receives a small amount of funding to provide legal advice to FBCOs referred by the OFBI. Other intermediary organizations have participated in differing ways over time, depending on the office's priorities and activities.

### **Issue-Specific Activities**

While the OFBI places great emphasis on cross-cutting capacity building and organizational development, it has pursued a number of initiatives focused on specific social issues, often in partnership with state agencies. Currently, the OFBI also manages a "post-TANF program," administering 25 grants with FBCOs who provide employment services to TANF recipients leaving the rolls, in partnership with the NJ Department of Human Services. As part of this project and its other work, the OFBI often acts as an ombudsman, negotiating between agencies and FBCOs when issues arise. Staff also systematically monitors these grantees, and requirements include site visits with "desk audits" and bi-annual reporting, as well as federally required monthly reports. As of the spring of 1998, the OFBI was also in the planning stages of partnership with the NJ Department of Corrections to administer and oversee a grant to an FBCO for a prisoner reentry program; the FBCO will provide post-release case management and support services to ex-offenders in Camden county. In addition, the office manages the small direct service grants noted above.

### **SUCCESSES, CHALLENGES, AND LESSONS LEARNED**

A number of key successes were highlighted by OFBI staff, FBCOs, and other respondents. The OFBI's ombudsman role was cited by both FBCO and public partners as a major success, as were the strong and trusting relationships the FCL and his office have developed with FBCOs, state agencies, intermediaries, and other stakeholders. The value of the office's capacity-building activities and "free consultant time"—typically tailored to the specific developmental stage and needs of the organization—were also cited. Combining grants programs with training and technical assistance has allowed more organizations to participate in partnerships and has given emerging organizations important help. Several respondents cited the FCL's insistence that FBCOs the office funds collaborate with each other and with agencies as having had a great impact on increasing and improving partnerships.

In addition to needing to correct the widespread misconception that the FBCI would bring a big pot of new money, the major challenges noted were: inconsistent funding and staffing levels; decreased grantmaking funds, which resulted in both smaller and shorter term grants; growing demand among FBCOs for funding and assistance; and association of the initiative with the Republican Party at the federal level, which has sometimes made it difficult to educate state legislators (who often turn over and are majority Democratic) about the value of the initiative.

The FCL and other respondents cited several additional lessons learned. Having funds to give out for grants in partnership with state agencies is strategically important, since it provides an incentive to state agencies to collaborate with the OFBI and FBCOs, according

to the FCL. Likewise, the FCL needs to work to establish strong partnerships with state agencies that may otherwise see the office as a competitor. The ombudsman/consultant relationship with FBCO grantees also can help build relationships with state agencies because—with the OFBI’s hands-on assistance—it can improve the quality of the services their FBCO grantees provide.

Allowing the office to be strongly associated with a political official can be risky, the FCL suggested, recommending instead supporting sustainability by developing advocates who are not elected officials and will last over political transitions. A basic and sustainable level of resources—and flexibility in using them—are essential since social needs change and FBCOs and their needs evolve (in one respondent’s word, “You can’t do TA 101 over and over again”). Finally, the FCL suggested that enacting a “friends of the OFBCI” structure in legislation could help the sustainability of and resources for the mission since such an entity could focus on more diversified funding sources, including private money.

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## NEW MEXICO

**Faith Community Liaison:** Nancy Pope, Director, Governor Bill Richardson's Office of Faith-Based and Community Initiatives

**Site Visit Dates:** June 10-12, 2008

### SITE CONTEXT AND RESOURCES

Governor Bill Richardson's Office of Faith-Based and Community Initiatives (OFBCI) was established in 2005, though not by executive order. While the office was originally conceived along the White House model (i.e., with strong links to the governor), it did not develop that way. After the first individual to hold the FCL position left (after just three months on the job), Governor Richardson (D) brought Nancy Pope on board. She originally worked to get an executive order issued and an advisory board formed, but over time felt that these efforts were distracting her from the OFBCI mission, and were perhaps unnecessary for realizing it. The composition of the advisory board had apparently been a sticking point, especially with the public agencies. While Ms. Pope reported that she was able to accomplish her goals for the office without the executive order or advisory board, the office may experience a relative lack of institutionalization, as well as low levels of authority vis-à-vis other state agencies. In July 2008, Ms. Pope resigned from the FCL position.

Although the FCL files reports to the governor, he was not her direct supervisor and he had relatively little involvement with the office since its early days. Originally, the position came under the direction of the five social service cabinet secretaries—Aging and Long-term Services; Children, Youth, and Families; Health; Education; and Human Services—and each agency contributed 20 percent of the funding for the office. According to Ms. Pope, the secretary of Aging had always been the most “pro-active” and involved of the agency heads with respect to the FCL's work, and after a year and a half, that department assumed full responsibility for the OFBCI, although the office retains the governor's name.

Ms. Pope described the state as politically or ideologically “divided,” although the Democrats hold a majority of seats in both houses of the state legislature. While Governor Richardson established the OFBCI, one Republican legislator was mentioned by several respondents for his role in supporting New Mexican FBCOs' access to federal funding opportunities, specifically by connecting them with a national intermediary organization that provided grant-writing assistance. The state's largest faith community is Roman Catholic (about 40 percent of the population), and that church plays a significant role in the delivery of social services, via a variety of organizations, large and small. The next largest group are those who self-identify as having no specific religious affiliation (18 percent). The state is ethnically diverse, with about 44 percent of its residents Hispanic and 10 percent Native American.

New Mexico's constitution specifically prohibits the use of state resources for sectarian education, and a 1999 opinion of the Attorney General explicitly extended the prohibition to a proposed education voucher program. The state also saw a Freedom From Religion

Foundation (FFRF) lawsuit go through the courts between 2005 and 2007. The suit centered on the state's contracting with the Corrections Corporation of America, a private prison administration firm that included faith-based programming in its New Mexico sites. FFRF eventually dropped the case after a federal judge indicated he might dismiss it on the grounds that FFRF lacked standing. During this time, Ms. Pope followed the case and provided updates on its status to the governor, but she did not become involved in it. Some sensitivities around church-state separation appear to remain, however, and study respondents referred to the case on several occasions.

According to the OFBCI website, the office's primary goals are: (1) to improve human service delivery to New Mexicans most in need; (2) to support and build capacity of faith-based and nonprofit community organizations; and (3) to connect New Mexican nonprofit organizations to federal funding sources. Ms. Pope developed the OFBCI strategic plan through an initial needs assessment among FBCOs around the state. She used the term "connecting office" to describe her position more generally, noting that realizing the office's mission requires attention to both "soft" and "hard" issues—i.e., building personal relationships and trust, as well as facilitating contact between service organizations and public agencies.

The FCL is the only staff member of the OFBCI. Originally, when the office was under the five cabinet secretaries, the FCL reported to all of them and met regularly with all of them. When Aging assumed full responsibility for the office, formal ties to the other agencies were dissolved, though contact is ongoing around specific projects with some of the agencies. The office has few state resources, with an annual budget of about \$100,000. Aside from the FCL's salary, the only resources are office space and operational support (the bulk of which goes to travel). Ms. Pope said she purposefully had no funds moving through her office, citing bureaucratic perceptions of competition for resources, as well as legal pitfalls associated with sectarian activities as reasons to avoid this. Ms. Pope described herself as "creative" at getting other groups to sponsor events and provide in-kind support to supplement state resources. A good example is a March 2007 conference she organized focused on accessing federal discretionary grants. The University of New Mexico allowed it to be held on campus, and provided food; the United Way handled registration for the event.

Indeed, Ms. Pope felt that her background in marketing (in which she holds a master's degree) and experience starting and running her own business (in investment banking) prepared her well for building the OFBCI, which she treated as a "start-up." When she joined the office, Ms. Pope had been working as development director at an FBO, but she had extensive background in the private sector. In getting the office off the ground, she developed a two-year strategic plan, paying attention to marketing details, such as developing a logo and a brief narrative about the office for networking purposes. In assessing FBCO needs, the FCL traveled a great deal around the state and also developed an on-line survey, which is linked to the OFBCI homepage.



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## KEY ACTIVITIES TO FURTHER IMPLEMENTATION OF CHARITABLE CHOICE AND THE FBCI

### Sector-Specific Activities

During her tenure as FCL, Ms. Pope focused heavily on general development of the nonprofit sector. As noted, she conducted initial and on-going assessment of FBCO needs and capacity both through an on-line survey and in-person outreach. After initial contacts, she entered detailed information on each nonprofit group into a database, which she used to conduct regular outreach and information sharing (e.g., around grant opportunities) via email and listserv. In addition to offering direct one-on-one consulting on her own, she collaborated a great deal with other capacity-building organizations like community foundations, the United Way, and the Center for Non-Profit Excellence, which have offices around the state. She also maintained a network of vetted consultants who were available for work on issues like organizational development, strategic planning, board development, and grant writing at reduced fees for FBCOs. Viewing the OFBCI as a “connecting” office, she worked explicitly to facilitate networking among nonprofits through mentoring, meetings, and other activities that encouraged groups to work together.

With respect to Charitable Choice regulations, Ms. Pope reported providing written materials, as well as in-person consultation. She also included information at the March 2007 Conference for Faith-Based and Community Organizations noted above. One session addressed the legal requirements that come with the receipt of government funds. In general, Ms. Pope felt that knowledge of Charitable Choice rules and equal treatment rules varied by organization (with larger groups typically having a clearer sense of the rules), but she viewed the promotion of such understanding as primarily the funding agencies’ responsibility. To the extent that a lack of information on Charitable Choice might affect FBCOs or agencies in New Mexico, Ms. Pope and other respondents felt that both kinds of groups probably err on the side of caution.

With respect to increasing partnerships, the March 2007 conference on federal discretionary funding was one of Ms. Pope’s most noteworthy activities. Such funds coming into New Mexico tripled the following year (from \$8.2 to \$28.6 million), which might be attributed, at least in part, to the conference. Co-sponsored with the University of New Mexico, the conference sought to inform FBCOs throughout New Mexico about available federal and state funding and partnership opportunities, and to assist them in expanding their services to those in need. White House OFBCI Director Jay Hein gave the keynote address and representatives from the federal Centers for Faith-Based and Community Initiatives at the U.S. Departments of Agriculture, Education, Health and Human Services, Housing and Urban Development, and Labor participated, leading technical assistance workshops. In addition to the session on legal requirements surrounding federal funds, topics included tips for writing successful grant applications and programs to strengthen rural communities. Over 350 people—including FBCO and agency representatives—attended the conference, and another 200 were on a waitlist.

### **Issue-Specific Activities**

Ms. Pope's greatest issue-specific involvement was concentrated on hunger. When New Mexico was again ranked first in the nation in food insecurity by the U.S. Department of Agriculture in 2005, she was asked to lead strategic planning with the state's Taskforce to End Hunger, which included members from key state agencies, as well as other public and private organizations. The FCL's work led to the elaboration of goals and strategies for what evolved into the New Mexico Plan to End Hunger. The collaborative effort eventually involved over 30 public and private organizations around the state, and the model allowed FBCOs to "come as they are" to offer their particular services to the mix of resources addressing hunger around the state. To the extent that Ms. Pope's work involved educating agencies, it centered on helping them to recognize gaps in services and to identify FBCOs that might play a role in filling those gaps. The Plan to End Hunger also provides a good example of the OFBCI's "connecting" role, in that it allowed organizations with different areas of expertise and different levels of capacity to join the effort without having to reorient their activities to fit the initiative.

### **SUCCESSES, CHALLENGES, AND LESSONS LEARNED**

Ms. Pope identified her database/listserv as a major success, calling it the "core" of her work and citing it as key to the office's sustainability after her departure. She felt that the "silos" of FBOs, CBOs, United Way, grant-makers, and the University were becoming more porous, in part through her efforts. The March 2007 conference was also cited as hugely successful—as evidenced in the participation and the large increase in federal discretionary grants the state received the following year. Ms. Pope attributed this success to the fact that the conference focused on themes of practical use to participants, costs were low, and the event was very accessible. A challenge to the FCL's work cited by all New Mexico respondents was a kind of "bureaucratic entrenchment" that often frames the initiative within a sort of zero-sum competition for resources. Ms. Pope cited additional challenges in starting the office "from scratch" where simple things like telephones and systems supports were not in place. She also pointed to the need to "stay on mission" and "not even look political" as a challenge, noting that people have sometimes questioned her motives.

Several lessons emerged from New Mexico. First, two respondents felt that the FCL position requires more authority in order to deal effectively with state agencies, whom they cited as resistant to the FCL's work. One of these respondents suggested that the authority need not rest directly with the FCL, but rather, she suggested that it might suffice if non-agency funders in large collaborations (such as community foundations) were more involved in communication with public agencies, and if agencies, in turn, were responsible for being more proactive in communicating with the FCL and participating in decision making. A second lesson, cited by the FCL, was the need to assess FBCOs systematically—to "do some marketing due diligence," in her words—by sizing up the needs, looking at and applying viable models, and developing and following a strategic plan, among other things.

Finally, Ms. Pope cited the importance of understanding the federal FBCI in tandem with the state's initiative, in particular, paying attention to the history behind it in order to understand the roles of all those involved and the reactions that may arise. She felt that to be effective, an FCL must understand the politics around faith-based initiatives. At the same time, one must recognize that the focus of the federal initiative has evolved over time, and states should pay attention to this history.

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## TEXAS

**Faith Community Liaison:** Chris Bugbee, Director of Texas Center for Social Impact, OneStar Foundation

**Site Visit Dates:** April 16-18, 2008

### SITE CONTEXT AND RESOURCES

Texas has a comparatively long history with Charitable Choice and the faith-based and community initiative, evolving from an influential 1996 faith-based taskforce under then-Governor George W. Bush to the current OneStar Foundation. OneStar Foundation was established in December 2003 as the result of an executive order (RP30) issued by Governor Rick Perry (R) that designated a new OneStar National Service Commission to oversee state Corporation for National and Community Service programs (dissolving the prior AmeriCorps commission). This order established OneStar Foundation to provide administrative functions for the commission and bring together the state's FBCI and a range of volunteer and mentoring initiatives. OneStar became operational in 2004 as a private foundation that operates as a hybrid public-private entity and "supporting nonprofit" of the governor's office. In the words of the FCL, Chris Bugbee, "we are not a state agency but are an agent of the state."

The FBCI grew out of Gov. Bush's Advisory Task Force on Faith-Based Community Service Groups and a 1996 executive order (GWB 96-10), which directed "all pertinent executive branch agencies to: (i) take all necessary steps to implement the "charitable choice" provisions of the federal welfare law; and (ii) take affirmative steps prescribed by the Act to protect the religious integrity and the functional autonomy of participating faith-based providers and the religious freedom of their beneficiaries." The advisory taskforce also issued a 1996 report that focused on identifying legal/regulatory barriers to FBO participation and recommendations for ways to lift the barriers (Ebaugh, 2003). The Task Force evolved into an office within the Texas Workforce Commission (TWC), and the state continued to take steps to implement Charitable Choice and the FBCI. In 1998, the Texas Department of Human Services (TDHS) issued a guidance document that required adding language to contracts and requests for proposals to emphasize FBOs' rights to religious freedom and otherwise mirroring the main Charitable Choice provisions; these policies were adopted in other agencies as well (Ebaugh, 2003). In 1999, the state legislature passed HB 1017, which required TDHS to designate 11 regional liaisons to reach out to FBOs; soon after the TWC established faith-based liaisons in each of the state's 28 regional workforce boards to promote partnerships "in a manner that respects [FBOs'] unique religious character."

The political environment in Texas is generally supportive of the initiative, although there was some controversy and legal action in its early years. Contracting partnerships between government and FBOs have long been a part of Texas governance, and although the state constitution has a "no-funding" clause that prohibits funding of religious

organizations (Lupu and Tuttle 2002), it does not seem to have constrained the work of the initiative in a significant way.

The state's main religious denominations are: Catholic (28 percent), Baptist (21 percent), and Methodist (7 percent) (Kusmin, Mayer, and Keysar, 2001). Its ethnic composition is: 71 percent White, 12 percent Black, 31 percent Hispanic, and 3 percent Asian (U.S. Census Bureau, 2006). The governor is Republican, and both houses of the Texas legislature, which meet every other year, are led by a Republican majority.

OneStar's website describes the purposes of the Governor's Faith-Based and Community Initiative (GFBCI): "The social sector includes organizations that share a public mission with government to address, reduce and eventually eliminate social problems, thereby improving people's quality of life. In Texas, this sector is made up of both faith-based and secular nonprofit organizations that possess unique strengths in serving those in need that government cannot duplicate. In order to meet the growing need for social services, it is critical that individuals, private business, government and particularly faith-based and community organizations are all positioned to work together as committed and effective partners. Texas has long been a leader in reducing the obstacles that faith-based and community groups face when seeking to collaborate with each other and with state and federal government to better serve our communities. Building on this legacy, OneStar leads the Governor's Faith-Based and Community Initiative, which was created by Governor Rick Perry in 2004." The specific tasks cited are to: "1) Encourage cross-sector collaborations between government, faith-based and community groups and other entities, such as private sector businesses, 2) Ensure that faith-based and community groups are ready to succeed in their partnerships by strengthening their organizational capacity and their work together to achieve common goals, and 3) Encourage research and evaluation to measure the impact of these partnerships in effectively serving Texans in need." Bugbee and other OneStar staff also noted that they conduct general outreach to organizations and individuals eager to learn more about the initiative, do many speaking engagements and presentations at conferences, conduct training and capacity-building sessions, act as an ombudsman for FBCOs working with state agencies, are liaisons with the initiative at the federal level and in other states, and work with the legislature as well as the governor's office.

Chris Bugbee, director of the OneStar Texas Center for Social Impact (and FCL), reports to the foundation president/CEO, Susan Weddington. The president in turn reports to the governor; the governor also appoints all board members. Initially OneStar divided its main substantive focus into separate "initiatives" and "programs," including the GFBCI, National Service Initiative, Governor's Mentoring Initiative, Emergency Management, and Community Capacity Development programs. In 2007, the foundation underwent a strategic planning process and moved toward "de-siloing" the initiatives and integrating the various aspects of the foundation's work. Now, instead of having staff who are specifically assigned to FBCI, this work is spread across all functional areas of OneStar. A cross-functional team of staff from across the foundation works together to develop and coordinate activities, projects, and strategies as they relate to the GFBCI; they also focus on evaluating progress and ensuring that the organization is focused on meeting the goals and purposes of the GFBCI. Since the research team's site visit, OneStar has also somewhat reconfigured its structure to better serve its ultimate goal of strengthening the entire nonprofit sector in

Texas, developing four “focus areas” entitled Service and Volunteerism; Nonprofit Organizational Excellence; Research, Evaluation and Learning; and Social Innovation and Entrepreneurship (which is currently under development).

It is difficult to segregate staff and resources as specific to the GFBCI. The foundation currently has 30 full-time and two part-time staff, and had an annual budget of about \$14.1 million in 2007 (with approximately \$11 million passed through as AmeriCorps grants). OneStar estimates that about 9 FTEs and 42 percent of the non-AmeriCorps operating budget can be attributed to the work of the GFBCI.

Prior to joining OneStar as the FCL, Mr. Bugbee worked in the Center for Faith-Based and Community Initiatives at the U.S. Department of Health and Human Services. He also served as Associate Director of Special Projects in White House OFBCI and in intergovernmental affairs at the U.S. Department of Labor, and worked at the state and local levels in Texas. He joined OneStar as Manager of the Governor’s Faith-Based and Community Initiative in May 2006, though he overlapped for a few months with the prior director, Beau Egert.

## **KEY ACTIVITIES TO FURTHER IMPLEMENTATION OF CHARITABLE CHOICE AND THE FBCI**

### **Sector-Specific Activities**

OneStar focuses strongly on cross-cutting outreach and capacity building within the nonprofit sector, particularly for small organizations. In the early years of the GFBCI, the state emphasized education about and implementation of Charitable Choice and equal treatment principles, assessment and reduction of barriers to FBOs interested in public partnerships, and “inreach” to state agencies to educate them and gain their cooperation. By 2006, however, OneStar was focusing more broadly on capacity building within the nonprofit sector, particularly FBCOs, with Charitable Choice and equal treatment implementation a subset of this work. This approach appears to have evolved for several reasons. First, the groundwork laid by the intensive early efforts of the Task Force and GFBCI and the supportive state environment lessened the need for an ongoing intensive focus on implementation of Charitable Choice rules and regulations. And second, by taking an inclusive approach—bringing FBOs, CBOs, and larger nonprofits together for capacity building and other events—OneStar hoped to facilitate a greater sense of commonality, collaboration and capacity among these organizations, with the ultimate goal of strengthening the nonprofit sector to increase its impact on social problems. This would allow them to “learn each others’ language and practices,” according to OneStar’s president, rather than segregating the faith-based community over the long term. Nonetheless, the foundation continues to emphasize Charitable Choice opportunities and “dos and don’ts” in its training and capacity-building events, and the foundation president stressed the importance of being open to communities of faith.

A major component of OneStar’s early capacity-building efforts was the Texas Demonstration Project (TDP), which was funded by a Compassion Capital Fund demonstration grant awarded in 2005. Working with a faith-based intermediary, the

Cornerstone Assistance Network (CAN), as well as other project partners such as Baylor University, the Urban Alternative, Venture CD (a technology provider) and the Texas Health and Human Services Commission, it developed and implemented the TDP in four urban counties in 2006 and 2007. The TDP used a three-phase model adapted from prior capacity-building work by CAN in the Fort Worth area. First, the team provided a series of symposia and workshops focused on organizational development for FBCOs to anyone interested. Across the four counties, 24 training sessions focusing on five key areas of organizational development were held, with over 1,200 participants from 346 organizations participating (Johnson and Wubbenhorst, 2008). One workshop held in each of the four counties addressed the rights and responsibilities of FBOs under Charitable Choice, as well as their need to meet accounting standards and other government reporting requirements. Second, OneStar held a small grants competition, and selected 25 grantees from among 53 applicants. As a prerequisite, applicants were required to participate in four of the six symposium/workshop sessions offered in their county, and grant amounts ranged from \$8,000 to \$30,000 for a nine-month term. Third, CAN staff, consultants, and intermediaries provided intensive assessment, technical assistance (TA), and consulting services for grant winners, with a follow-up retreat for participants one year later. Finally, grantees were asked to account for the funds they received, note additional money they brought in, and identify best practices they felt they had accomplished by means of the grants and services. TDP ended in 2007.

Building upon their experience with the CCF grant, OneStar received three years of funding from the Texas Workforce Commission to provide capacity-building funding, training and TA to FBCOs offering workforce development services in rural and urban counties across Texas. OneStar has also received TANF and Safe and Drug Free Schools program funding for capacity-building work. It also is sponsoring: capacity-building workshops around the state to provide training adapted to specific regions (which include information on Charitable Choice); “strategic management institutes” for nonprofits in partnership with the University of Texas; and a fall 2008 conference designed to promote evaluation of faith-based social service models in partnership with Baylor University. OneStar has also focused more broadly on evaluation of capacity building and other initiatives, collaborating in recent years with the RGK Center at the University of Texas, and the Johns Hopkins Center for Civil Society Studies, among others, to understand better the nature of the nonprofit and FBCO sectors and the most effective ways to respond to their needs.

In addition, OneStar has partnered with the White House OFBCI to host two conferences for FBCOs, and conducts an annual Governor’s Nonprofit Leadership Conference. OneStar is also working in partnership with the governor’s office to develop a statewide map of social service organizations, including FBCOs that might not have 501(c)(3) status and therefore cannot be tracked through tax records; the goal is to address gaps in service provision and improve leveraging of resources. OneStar provides information regarding funding and training opportunities on its website, as well as links to information on the FBCI, Charitable Choice, and capacity building. It also sends out email updates and has about 8,000 current email addresses in its database, according to staff.



Although early efforts of the Texas GFBCI focused on education of state agencies about Charitable Choice, and identification and reduction of barriers, this has not been a major emphasis of OneStar. This may be due in part to the fact that Texas was an early adopter of the FBCI and this information has been widely available for over a decade. It may also be due in part to OneStar's nonprofit structure, which gives it certain advantages, but makes it—strictly speaking—neither a state agency nor a division of the governor's office, and limits its ability to mandate actions within state agencies. As Mr. Bugbee noted, “we are not enforcers but equippers,” leading OneStar to take approaches such as convening forums with state agencies, and seeking other opportunities to foster implementation and collaboration. According to OneStar staff, legislation introduced in the 2007 session (HB 289) would have created an FBCO liaison within many state agencies, with an interagency coordinating group to address barriers and facilitate partnerships between state agencies and FBCOs. It received broad bipartisan support, but with the short biennial session was unsuccessful. The FCL noted that state agencies also receive guidance on Charitable Choice and equal treatment principles from their respective federal counterparts.

The foundation does have some means of educating and influencing state agencies, however. Many OneStar events include agency staff and address issues related to implementation of Charitable Choice. Governor's office liaisons, which coordinate high-level issues among agencies, are another important means of working with state agencies. OneStar's liaison can, if need be, work with the governor's liaisons from other agencies to address concerns. OneStar staff have also worked with regional Councils of Government (COGs) to educate them about opportunities to partner with FBOs and CBOs, initially spurred by the challenges following Hurricanes Katrina and Rita. OneStar has recently developed a formal partnership by contract with the state Department of Family and Protective Services (DFPS). Legislation passed in 2007 required DFPS to work with OneStar, resulting in an evaluation of DFPS outreach practices for recruiting foster parents through FBOs in two regions of the state. Finally, according to the foundation president, OneStar is also seeking to develop partnerships with state agencies in which the foundation provides capacity-building services to nonprofits receiving state grants or contracts.

OneStar does not conduct systematic assessment of FBCOs' or state agencies' understanding of the opportunities and legal requirements entailed in Charitable Choice and equal treatment. Staff do use the process of reviewing OneStar grantees' requests for reimbursement as an opportunity to ensure that they are not engaging in any practices that violate federal requirements, either for church-state separation or for inappropriate use of funds for purposes such as lobbying or fundraising. Staff noted that this process gives them the opportunity to offer “very practical” feedback on equal treatment principles. They also conduct site visits of grantees. They stressed that it was important for the organizations' long-term sustainability that FBCOs understand the legal parameters of receiving federal funds.

### **Issue-Specific Activities**

While its major emphasis is on cross-cutting capacity building for the nonprofit sector, OneStar has also undertaken a number of issue-specific initiatives. It has an obvious focus on AmeriCorps and other service programs, given its role as the state service commission,

and a focus on volunteerism more broadly. In response to hurricanes, and the difficulty in coordinating private and public responses, OneStar has been working with interfaith groups and other FBCOs and public agencies to improve volunteer and donation management.

### **SUCSESSES, CHALLENGES, AND LESSONS LEARNED**

Many respondents cited as particularly successful OneStar's approach to capacity building and TA for FBCOs. Respondents noted the three-phase approach of the CCF grant, which used the "carrot" of grants to expand the number of organizations and individuals that participated in training focused on organizational development. The intensity of the assessments, consulting, and other services, and the opportunities to network with and learn from other FBCOs, were also noted as contributing to success by both CCF project facilitators and grantees. Respondents also saw an apparent increase in the extent to which FBCOs network with each other and understand the opportunities to partner with the state. The innovative structure of OneStar—a separate nonprofit that is closely aligned with the governor's office—was also identified as a success. Greater flexibility in staffing and fundraising, the ability to be somewhat buffered from politics, and the appeal to other nonprofits because of its identity as a nonprofit rather than government agency were seen as several advantages. In addition, FBCO partners praised OneStar staff for its high level of responsiveness and accessibility.

As in other sites, FBCO misperceptions—both about the availability of so-called "bible-based money" and the parameters of Charitable Choice—were cited as real challenges, especially in the early days. One respondent from an intermediary organization noted that misunderstanding of Charitable Choice was still common, but credited much of the increase in understanding that had occurred to work by OneStar. Reaching smaller religious and ethnic communities as well as small religious groups in rural locations (in particular those without nonprofit status) has proven especially challenging. The limited organizational capacity of many FBOs and CBOs was cited as a major challenge by OneStar and intermediary staff and FBCO representatives themselves. Finally, the foundation structure has presented some drawbacks as well as benefits. Working with state agencies now requires contracts not interagency agreements, because OneStar is a private nonprofit and thus not represented legally by the state Attorney General.

Finally, OneStar staff and other respondents noted several lessons learned from their experience. First, partnering with the range of groups in the faith community requires frequent, sensitive, and very local outreach. In particular, to reach smaller or more isolated FBCOs, such as those in rural areas or Hispanic communities, requires a real "grassroots effort." As one staff member said, "rapport and relationships take time but are crucial... [this approach] is nuanced, and demands respect not assumptions." Second, the GFBCI has evolved over time. After an initial focus on reducing barriers and a concerted outreach and education effort focused on faith-based and community groups, the more recent focus emphasizes capacity building within the nonprofit sector more broadly, "balanc[ing] integration and commitment to FBOs," in the words of the OneStar president. Third, a "well-situated" champion, such as a governor or legislator with substantial political authority, is critical for both influence and long-term sustainability. Finally, in capacity building, understanding the organizations' life stage is essential and requires an assessment that moves

beyond traditional nonprofit indicators such as budget size and years of operation. While partnerships with government necessitate a basic level of capacity, make a lasting impact on social issues will require mature organizations with adaptability, strong connections within the community, and effective leadership.

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## VIRGINIA

**Faith Community Liaison:** Jane Brown, Director, Office of Community Programs, Division of Community and Volunteer Services, Virginia Department of Social Services

**Site Visit Dates:** June 9-10, 2008

### SITE CONTEXT AND RESOURCES

Virginia was an early adopter of Charitable Choice and equal treatment principles. In 1999, the state general assembly passed a joint resolution establishing a task force, “The Special Task Force Studying Ways Faith-Based Community Service Groups May Provide Assistance to Meet Social Needs,” which operated from 1999 to 2001. It was chaired by then-Lieutenant Governor John Hager (R) and held meetings throughout the state over several years. Its work drew on a range of sources, including a “Memorandum of Legal Principles Related to the Participation of Faith-Based Groups in the Welfare Reform Process,” issued in late 1999 by the Virginia Office of the Attorney General. In 2000, on the recommendation of the task force, the Virginia General Assembly passed House Joint Resolution 289, which outlined the responsibilities of the Virginia Department of Social Services (VDSS) to further the goals of Charitable Choice and the FBCI; this role for VDSS was enacted in statute in 2002 (Section 63.2-703 of the Code of Virginia). Jane Brown, the FCL, has been involved in the initiative since its inception in 1999.

Under the statute, VDSS is directed to carry out a range of “faith-based and community initiative responsibilities,” including (but not limited to): leading and facilitating meetings; encouraging development of a network of local and agency liaisons; developing a statewide website list of organizations; providing information to FBCOs and public agencies; coordinating offers of assistance from FBCOs during natural disasters; making regular reports to the Governor and General Assembly; and performing other duties DSS “deems appropriate.” It notes that no additional funds or “contractual preferences” will be provided, “other than past or potential performance standards utilized under the Virginia Public Procurement Act.”

In 2001, the general assembly also revised the state procurement act (Section 2.2-4343.1) to further the goals of Charitable Choice and protect participants’ religious freedom. It added language that explicitly authorized “public bodies to enter into contracts with faith-based organizations for the purposes described in this section on the same basis as any other nongovernmental source without impairing the religious character of such organization, and without diminishing the religious freedom of the beneficiaries of assistance...” The language of the law essentially mirrored the language of Charitable Choice and explicitly noted the right to hire on the basis of religion, among other things. In addition, it introduced two other protections. One required public entities to include a statement in all requests for proposals that they do not discriminate against FBOs, and the other required public agencies to provide program applicants or participants with a written notice of their right not to be discriminated against on the basis of religion (or other protected characteristics) and the

right to an alternative provider. The statute holds across the state unless it is superseded by a county procurement code.

Since 1999, the state has had a Republican governor and two Democratic governors; it appears there have not been dramatic changes in support for the FCL between these administrations. Party control of the legislature is split. The VFBCI does not currently appear to be controversial. During its development, however, both opponents and supporters were said to have had many opportunities to express their concerns through the task force meetings and legislative deliberations. Some of these concerns were addressed in the subsequent legislation.

In terms of religious identification, the state's residents are 30 percent Baptist, 14 percent Catholic, 12 percent identify as "no religion," and about 1 percent each are Jewish, Mormon, and Muslim (Kusman, Mayer, and Keysar, 2001). Ethnically, Virginia is 68 percent White, 20 percent Black, 6 percent Hispanic, and 5 percent Asian.

The VDSS website describes the mission of the state's Faith-Based and Community Initiative (FBCI): "The FBCI works across state agencies and with local government to: Serve as the clearing house and gateway for community and faith-based organizations interested in collaboration with government to address community needs; Promote partnerships between public agencies and community and faith-based groups to meet local needs; Provide training and technical assistance to help community-based organizations build their capacity to provide effective services; Expand the state's pool of effective service providers; Coordinate offers of assistance from the faith community at the time of emergencies or natural disasters." Ms. Brown identified her main day-to-day responsibilities as: 1) identifying resources and facilitating community partnerships; 2) organizing capacity-building opportunities; 3) strengthening the effectiveness of FBCOs to deliver services and programs, and 4) some management of specific programs, which change over time depending on the available funding streams. A major strategy for the FCL's work is "facilitating linkages" and acting as "a catalyst."

Ms. Brown is the director of the Office of Community Partnerships. This office and the Office of Volunteerism and Community Services within the VDSS Division of Community and Volunteer Services facilitate outreach to community and faith-based organizations. The Virginia Social Services System is state-supervised and locally administered so counties and cities play a key role in most programs. VDSS addresses a range of issue areas and the FBCI is integrated throughout them; it is less "an initiative," Ms. Brown said, than an overarching emphasis on partnerships. The structure could be described as an "embedded" or integrated model, and, she suggested, key to its effectiveness are organizational and institutional connections to resources.

There is no dedicated funding for the FBCI. Operating costs come from the staff and administration budgets of the Office of Community Partnerships (about \$590,000) or the Office of Volunteerism and Community Services (about \$629,000). Four full-time employees from the Office of Community Partnerships and the Office of Volunteerism and Community Services dedicate a percentage of their time to support for the FBCI functions

but carry other program responsibilities as well.<sup>21</sup> Ms Brown herself does not work full time on the FBCI.

Ms. Brown has over 30 years of social services experience and has worked at the county, regional and state levels. She has a BA in social work, and an MA in public administration and judicial process; both her experience within VDSS at the county and state levels and her academic background appear to have strongly influenced her work. She was initially a VDSS liaison to the 1999 Task Force before being designated the FCL in 2001. When taking on the FCL responsibilities, she noted, it is important to understand both the faith- and community-based communities, as well as to have a deep understanding of the workings of public agencies. The FCL described herself as “a systems thinker,” and recommended looking to state “judicatories,” associations, and groups around both well-established religious traditions and smaller, more typically excluded communities. Ms. Brown also stressed that it is critical to have a grounding in the relevant state and federal statutes and policies, as well as constitutional issues, in order to be able to address FBCO, government agency, and public concerns and questions; this is very important for “moving the program forward and making sure the needed protections are in place.”

## **KEY ACTIVITIES TO FURTHER IMPLEMENTATION OF CHARITABLE CHOICE AND THE FBCI**

### **Sector-Specific Activities**

The FCL emphasizes a mix of general outreach and capacity building for the FBCO sector and issue-specific work. She provides one-on-one capacity building and technical assistance (TA), and makes presentations at conferences held by other agencies and organizations focused on issues such as marriage, juvenile justice, and mentoring for prisoner reentry. She also speaks at meetings held by church organizations. In addition, the VDSS Office of Volunteerism and Community Service has led “Best Practices Forums” in four localities over the last year; these events are intended to allow FBCOs and other nonprofit groups to share information on service needs in their community and effective approaches to addressing them.

Ms. Brown places a high emphasis on educating organizations on the parameters of Charitable Choice and on building partnerships among FBOs (including churches), CBOs, and government. The office’s “Technical Assistance Handbook” emphasizes the opportunities and requirements of Charitable Choice and equal treatment. It discusses potential funding sources—emphasizing that there is not “a special funding stream” available only to FBOs—and accountability requirements, including the fact that FBOs without separate 501(c)(3) status can segregate their funds in a separate account for auditing purposes. It also provides detail about the VFBCI authorizing statutes, questions for FBCOs to consider before contracting with public agencies (including special considerations

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<sup>21</sup> The Office of Community and Volunteer Services has the responsibility for volunteerism and the AmeriCorps Program and the Office of Community Partnerships works with family preservation activities funded by the Temporary Assistance to Needy Families (TANF) program, the Healthy Marriage Stable Families Initiative, Fatherhood, Mentoring and Prisoner Reentry.

for FBOs), a “Top Ten Tips for Ministries” and “Top Ten Tips for Public Officials” developed by the Center for Public Justice, and a list of internet resources. The handbook is used as a basic guide at training, TA, and outreach sessions with individual churches, FBOs, and CBOs, as well as at larger meetings and conferences.

VDSS also works to link FBCOs both to unfunded and funded partnership opportunities with agencies and each other. One method is the VDSS on-line “FBCI directory.” The directory lists about 400 FBCOs and local agencies that have explicitly expressed interest in establishing partnerships ([http://www.dss.virginia.gov/community/faith\\_directory.cgi](http://www.dss.virginia.gov/community/faith_directory.cgi)). The FCL also has an “interested parties” email list that she uses to send FBCOs information on funding, conferences, and other topics, and multiple VDSS programs target FBCOs with newsletters that include program, training and funding information. The FBCI page on the DSS website includes links to a FAQs handout about the parameters of the initiative, funding information, an “organizational capacity assessment tool,” a brief description of the technical assistance the office can offer, and a list of other resources focused on nonprofit management, grant writing, and emergency management. VDSS does not track the number of unfunded or funded partnerships among FBOs, CBOs, and/or public agencies, although both the FCL and other respondents indicated that they felt there has been an increase since the FBCI began formally in 2001.

The FCL described several stages to educating state and local agencies about Charitable Choice. Initially, she went out to agency leadership and staff, providing guidance materials and answering questions. She noted that the year the initiative was launched, her office held 10 regional meetings throughout the state to educate organizations and public agencies about its opportunities and requirements. Now Ms. Brown does some outreach to public agency staff, but feels that a basic understanding has been established. Because Virginia’s public social service system is county administered (with 120 local agencies divided into regions), she stressed the importance of local agencies in fostering partnerships and implementing Charitable Choice. She also noted that the FBCI statute requires VDSS to encourage a statewide network of local liaisons so she has worked to establish contacts and a base of knowledge within local agencies. Early on, she talked frequently with the local DSS network and community action agencies, noting, “I went to every regional local directors’ meeting in the state and all the CAA association meetings.” She continues to work with agencies, through specific initiatives and as there appears to be need for clarification. Ms. Brown indicated that she uses a range of sources of guidance on the legal and policy parameters, including the Pew Roundtable on Religion and Social Welfare Policy (especially the work of legal scholars Ira Lupu and Robert Tuttle), the Center for Public Justice, the Sagamore Institute, the Hudson Institute, and the Virginia attorney general’s 1999 interpretation of how Charitable Choice applies to the state; she has used these both to deepen her own understanding and to refer others to for a greater understanding of the law.

### **Issue-Specific Activities**

The FCL also manages and coordinates a range of projects focused on specific issues, some funded but a number unfunded. As of spring 2008, the most significant initiative was the Virginia Reentry Policy Academy, a public interagency partnership to identify barriers to successful prisoner reentry in the state and to develop strategies to reduce recidivism.



Virginia worked with a National Governor's Association (NGA) Policy Academy on Reentry, focused on reducing recidivism rates by improving pre-and post-release services, and Governor Tim Kaine (D) identified reentry as a priority, issuing an executive order that directed state agencies to work together in the Policy Academy to develop more effective reentry programs.

Ms. Brown represented VDSS on the NGA Policy Academy interagency team and in collaboration with others developed a model for better pre- and post-release planning and service coordination for prisoners leaving incarceration. Seven localities have voluntarily established reentry councils, a key component of the model, and are now implementing the approach (with a formal evaluation at Ms. Brown's urging), which entails regular coordination between state and local social service and criminal justice agencies, and local FBCOs, including churches. The FCL works closely with each of the local reentry councils to maintain consistency with the model and share information and facilitate linkages within and across councils. Mentoring is an important part of the model, which the FCL noted was a lesson from her prior work with welfare reform, and FBOs and churches are seen as particularly well-suited to provide mentors. The initiative receives no dedicated funding, however, which has proven challenging, since many of the local and state agencies involved are already strapped for funds and face a state hiring freeze.

The FCL also works on broad mentoring and fatherhood initiatives (both unfunded), oversees a college access and support program for TANF-eligible single female parents (TANF-funded), and partners with other DSS offices on programs to encourage healthy family functioning.

The FCL does not undertake systematic assessment of the extent to which FBCOs (or public agencies) understand their rights and responsibilities, or are complying with the requirements of Charitable Choice. She noted that it would be "hard to gauge that" in any quantitative way, but she does formally survey participants in training sessions to assess their own understanding before and after the session, and said that "pretty universally" they indicate they feel better educated afterwards. In her TA and issue-focused work, she is also attentive to participants' level of understanding and provides additional information and guidance where there appears to be uncertainty about the parameters of equal treatment policy. One local VDSS director cited Ms. Brown's help in "reminding us of what we can and can't do, reminding us that not everyone is Christian," offering perspectives from other county agencies, and trying to "give everyone a level playing field."

## **SUCCESSES, CHALLENGES, AND LESSONS LEARNED**

The FCL and other respondents identified a number of particular successes. One was the process by which the FBCI was implemented, which entailed several stages, including 1) education of the public, agencies, and FBCOs, 2) identification of resources, 3) capacity assessment and building, and 4) development of collaborations. The FCL suggested that the statute has been implemented in a way that's "been very broad but locally focused" so that it has become a "part of the culture of the state." The political process by which the FBCI was established was also seen as effective, providing opportunities for opponents and supporters to make their views known, some which led to concrete changes such as the revisions to the state procurement statute. The FCL's general approach and perceived authority were also

cited as particularly effective, with respondents noting her high level of dedication, accessibility, commitment, knowledge, and access to cross-agency partners. One FBO representative said, “[she] makes sure the faith community has equal opportunity to compete for grant opportunities.” A local partner suggested that the FCL had significant authority based on her relationships and experience, saying “she can get things done.” Several specific practices were identified as particularly useful for Charitable Choice implementation, including Brown’s presentations and the technical assistance handbook. Brown also noted the benefits of the directory, which provides FBCOs or local agencies with an easy way to find out who in their community might be appropriate partners, and helps organizations to collaborate.

A significant challenge has been the lack of dedicated funding and resources for both the FBCI functions and specific partnership initiatives, and sustainability of emphasis on the initiative over the long term may also prove challenging. The FCL position itself is not codified within statute. While having FBCI responsibilities in statute are helpful, it may not be sufficient over time since the responsibilities could, theoretically, be dispersed throughout the agency, rather than housed in one person or office. The FCL has made efforts to integrate these responsibilities throughout government—“I want it so ingrained institutionally that when I’m not here, it’s still moving forward,” she noted—but this may remain a challenge. Finally, as elsewhere, some respondents said there is still misunderstanding and a lack of trust among some potential FBO and public agency partners. One FBO leader said there is still a sense among some agencies that FBOs lack sufficient capacity. He also thought that more needs to be done to explain the separation of church and state, “the gray area.” Some churches, he suggested, still misunderstand the “dos and don’ts” of what they can do with government money, and don’t realize they need to separate program funds.

The FCL and other respondents identified several main lessons learned. It is important for the FCL to have a strong community organizing background and extensive experience within government. Effectiveness depends on where the role is placed organizationally, the experience of the person providing the leadership, and his or her ability to make connections between agencies and between FBCOs and agencies. An understanding of the statutes and policies that govern both the programs and Charitable Choice and the faith-based initiative more broadly is critical. There is also a need to have at least the responsibilities of the FCL function in statute to maintain sustainability. Finally, to be successful the FCL must be “able to respect the diversity that’s within the community and faith-based organizations ... of all shapes, sizes” and be willing to learn from them.

**APPENDIX C**  
**FCLs' MAJOR ISSUE-FOCUSED**  
**INITIATIVES**

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State	Initiatives	Main Public Partners	Main FBCO or Other Private Partners
AL	Disaster relief and preparedness/Be Ready Alabama Volunteerism/AmeriCorps Homelessness Drop-out prevention Prisoner reentry	AL Dept of Homeland Security AL Emergency Management Agency AL Dept of Education AL Dept of Corrections AL Dept of Human Resources ADECA Corporation for National and Community Service	Interfaith Disaster Network CCCs Long-term Recovery Councils AL Voluntary Organizations Active in Disaster (VOAD) Continua of Care (HUD Initiative) Community Prisoner Reentry Initiative (CPR) AmeriCorps host organizations
DC	Effi Barry HIV/AIDS Initiative	DC Dept of Health	Varies each year (cohort system)
FL	Disaster Relief Mentoring, Education, and Literacy	Dept of Financial Services Dept of Ed	Small FBCOs and nonprofits
IL	Community Economic Development (Team Illinois)	All state social service agencies	Varies by community
NJ	Post-TANF employment Prisoner Reentry OFBCI direct service grants: youth, homelessness, seniors, substance abuse	NJ Dept. of Human Services NJ Dept. of Corrections	FBCO Grantees Intermediaries for capacity building Direct service grantees with NJ Office of Faith Based Initiative
NM	Plan to End Hunger Civic Engagement Program (elderly focus)	Taskforce on Hunger members from public agencies Dept. of Aging and Long-term Services	Catholic Charities Lutheran and Jewish organizations State Conference of Churches Community Foundations
TX	Nonprofit Organizational Excellence Service and Volunteerism (including AmeriCorps State Program) Research, Evaluation and Learning Social Innovation and Entrepreneurship (under development) Disaster preparedness and relief	TX Dept of Family and Protective Services Governor's Division of Emergency Management. Texas Workforce Commission TX Health and Human Services Commission Governor's Criminal Justice Division TX Association of Regional Councils of Government Public Universities	TX Interagency Interfaith Disaster Response TX VOAD Private Universities Management Support Organizations and other capacity-building providers Private foundations (including Texas-based and national foundations)
VA	Prisoner reentry Mentoring Fatherhood Strengthening families Education and training for TANF-eligible parents Emergency preparedness	County Departments of Social Service State/local criminal justice agencies Local Workforce Investment Boards Community Action Agencies Commonwealth's Attorney Cooperative Extension Housing Authority VA Health Dept Mental Health agencies VA Education Dept State colleges and universities	Baptist General Convention Virginia Council of Churches VOADs New Canaan Baptist Church Ministerial Associations, denomination judicatories Chambers of Commerce Civic organizations