



CENTER FOR RESEARCH
ON RELIGION AND
URBAN CIVIL SOCIETY

Working Faith

*How Religious Organizations Provide
Welfare-to-Work Services*

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CRRUCS, the Center for Research on Religion and Urban Civil Society, is part of the School of Arts and Sciences at the University of Pennsylvania. Founded in 2000, CRRUCS is dedicated to producing and disseminating cutting-edge empirical knowledge about the role of religion in contemporary urban America. With an interdisciplinary team of Penn-based colleagues, and in close working partnerships with other major universities, think tanks, research intermediaries, and news organizations, CRRUCS focuses on how national and local faith-based organizations help to solve big-city social problems; how religion relates to contemporary urban political participation, civic engagement, and social well-being; and how local congregations, grassroots ministries, and other communities of faith matter in the daily lives of disadvantaged urban children, youth, and families.



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One acquires debts of gratitude in the process of conducting a study of the magnitude reported on here. First, I need to thank the hundreds of welfare-to-work programs in four cities that took the time to respond to our questionnaire. Almost without exception they did so carefully and thoughtfully. Without their willing cooperation there could be no study. I also wish to thank the directors, staffs, and clients of 46 welfare-to-work programs who agreed to the intrusive process site visits and being interviewed in person.

I also wish to thank the Smith Richardson Foundation for its generous financial support of this project. Its grant made possible the study whose findings are reported here. Pepperdine University—and especially the Social Science Division and the Davenport Institute for Public Policy—played a key role in supporting this project with resources, giving me time off from my normal teaching duties, and helping in the publication of this report. Deserving of special mention are Christopher Soper, the chair of the Social Science Division, and Jonathan Kemp, the director of the Davenport Institute. My colleague, Khanh Bui, provided invaluable help in the statistical analysis of the data. The Calvin College Social Research Center and its assistant director, Ann Annis, played a vital role in conducting the mailed questionnaire portion of the study. Also providing crucial help in the production and distribution of this report are the Center for Research on Religion and Urban Civil Society (CRRUCS), its director Byron Johnson, and the Manhattan Institute.

Finally, I owe a special debt of gratitude to Carolyn Mounts, who brought dedication, skill, experience, and a delightfully even temperament to her role as the associate researcher in this study. Although I wrote this report and am solely responsible for its contents, she was involved at every stage of the research and her comments on successive drafts of this report notably improved it.

I also wish to point out that this report is the precursor of a more complete, book-length treatment of this study. Hopefully, it will be available in 2003. Also, I am developing further the Los Angeles portion of this study in an attempt to shed more light on the vital question of what types of welfare-to-work programs are more effective in achieving their goal of assisting welfare recipients to move from welfare dependence to economic self-sufficiency.

STEPHEN V. MONSMA

This study examines how faith-based welfare-to-work programs differ from their government-run, for-profit, and secular non-profit counterparts in four American cities: Philadelphia, Chicago, Dallas and Los Angeles. It considers 500 welfare-to-work programs, and assesses how the faith-based programs differ from the other types of programs in three areas: (a) funding from, and contacts with, government; (b) services offered; and (c) overall size and staffing. Among the key findings are:

- Government funding of faith-based welfare-to-work programs is extensive. Fifty percent of all faith-based welfare-to-work programs already receive government funding.
- Among those faith-based programs that receive government funds, the amount of funding received is limited, but significant. Government funds comprise 50 percent of the budgets of less-religious faith-based programs, and 30 percent of the budgets of those that integrate religious elements into the services they provide.
- There is some evidence of discrimination against faith-based groups in the disbursement of government funds. Secular nonprofits receive much more government funding than do faith-based groups, and 21 percent of all faith-based programs that have applied for government funding were turned down, compared with only 7 percent of similar applications from secular nonprofits.
- There is little evidence that faith-based groups have to reduce their religious emphasis or practices as a result of receiving government funding. Only 3 of the 60 faith-based programs receiving government funding reported having to reduce these practices as a result of receipt of these funds.
- Nearly 40 percent of faith-based groups have an internal policy of not applying for government funding. Most do so out of general fears of governmental interference with their operations.
- Most faith-based programs have many informal contacts with government agencies and are largely satisfied with those contacts.
- About 40 percent of the faith-based programs explicitly integrate religious practices into the services they provide. A majority of religious groups that run faith-based programs do not make explicit religious messages a central feature of their work.
- Over 40 percent of the religiously-integrated programs receive government funding.
- Government-run programs, for-profit firms, and secular non-profits are much larger in size than their faith-based counterparts.

“Much of what is freshest and best in American politics has converged in the debate about faith-based initiatives, and almost no matter how the debate turns out, I rather expect to be happy that it has taken place.”¹

—Peter Steinfels

W

ith the above words the *New York Times* columnist, Peter Steinfels, characterized the consequential, refreshing nature of the current public policy debate surrounding the appropriate nature and role of faith-based and other nongovernmental organizations in the provision of social services to the most needy in our society. This debate was brought into the nation’s headlines by the faith-based initiative of the Bush Administration, but its roots are broader and deeper than that. President Bush’s new White House Office of Faith-Based and Community Initiatives and various actions and proposals flowing from it are more in the nature of a catalyst than of an initiative created *de novo*.

The question of the role of faith-based and other non-governmental providers of social services and their proper relationship with government lies at the confluence of three basic, ongoing trends in American society and politics. One is the trend towards devolving greater responsibility for shaping and carrying out public policies from centralized government to decentralized governments on the state and local levels and to nongovernmental entities, whether nonprofit or for-profit. A second trend is the renewed concern with public virtue and a nagging fear that the sense of personal responsibility and inner moral strength needed for a free and open society has been slowly atrophying. This has led to a growing concern with civil society and the values and religious faiths that are nurtured in our religious, family, and community institutions. Especially after the attacks of September 11, American society is asking very basic questions of values, community, and faith.

A third trend is changing religious-freedom interpretations by the Supreme Court. At one point the Court had appeared to erect a solid wall of separation between church and state that would preclude almost all government funding of religiously-based educational and social services programs. But in recent years the Supreme Court has held Constitutional a wide variety of government-religious faith interactions, as long as government is not favoring religion but treating it in an evenhanded, neutral manner. On this basis it has approved voluntary religious clubs meeting in university and public school classrooms, a religious display on a state capitol grounds, government funding for a religious student publication, public school remedial teachers in faith-based schools, and the governmental provision of computers and library books for faith-based schools.²

The confluence of these three trends has led to the current debate over the delivery of needed social services. If it makes sense to devolve certain public services to lower units of government and to nongovernmental entities,

if a renewed moral sense that stresses personal responsibilities is needed, and if the Supreme Court is saying some forms of cooperation between government and faith-based organizations is Constitutional, then it is understandable that many voices are calling today for the delivery of needed social services by way of government partnerships with community groups, including faith-based groups. It is also understandable when other voices fear the rise of such partnerships.

The debate has been vigorous and sometimes bitter. One side believes simple justice demands that faith-based groups should be able to compete equally with other community groups for government funding. The other side fears the chipping away at the wall of church-state separation that has served us well. One side argues seemingly intractable social ills require the moral voice and strength that religious faith can provide; the other side argues that with government funds the moral voice and strength of religion will be sapped and co-opted.

Often, these debates seem to have led more to confusion than to clarification of the contending issues. But almost all observers have concluded that we simply do not know very much about faith-based and community, grass-roots providers of social services. As a recent report from a respected group headed by former Senator Harris Wofford wrote: “More sophisticated understandings of what it means to be faith-based and community-based needs to be developed.”³ The formation of effective, appropriate public policies in this area has been hampered by an absence of information and a lack of well developed concepts with which to frame the questions at issue.

This report is an attempt to stimulate more enlightened discussion and, ultimately, more enlightened public policies in the area of social services to the needy of our society by reporting on a study of welfare-to-work⁴ programs in four major American cities: Los Angeles, Chicago, Philadelphia, and Dallas. We chose these four cities because of their geographic distribution, large size, and strategic importance; we chose the welfare-to-work field because of its vital importance in light of the upcoming reauthorization of existing TANF (Temporary Assistance for Needy Families) legislation and the prospect of many TANF recipients soon exhausting their five years of eligibility for assistance. This study relies on the results of completed questionnaires from over 500 programs—governmental, for-profit, nonprofit, and faith-based—and in-person, in-depth visits to 46 of these programs. (See the Methodological Note at the end of this report for more details on how this study was conducted.)

We seek to answer and report on three basic sets of questions:

The Providers: Who is currently providing welfare-to-work services in the four cities? What is the relative role and potential of government agencies, for-profit providers, secular nonprofit agencies, and faith-based organizations in providing welfare-to-work services?

The Services: Do different types of providers differ in the number and types of services offered, or do they all largely provide the same services?

The Providers and Government: What is the current relationship between faith-based and other nonprofit providers and government? Do they already receive significant amounts of tax dollars? Are they otherwise integrated into an over-all network of welfare-to-work providers?

These three sets of questions are considered in the following three sections of this report. As we do so, additional light will be thrown on seven public policy questions that are currently swirling around proposals to make greater use of faith-based and other nongovernmental providers to deliver vital social services.

Capacity: Are there faith-based and other nongovernmental welfare-to-work programs in sufficient numbers and with sufficient interest and capacity to make a major contribution to helping welfare recipients move to productive employment?

A Constitutional Issue: Do religious congregations that provide welfare-to-work services (in distinction from 501(c)(3) nonprofit faith-based organizations) present new and unique constitutional challenges to governmental funding?

Holistic Services: Do faith-based organizations offer welfare-to-work services in a different, more holistic manner than do government agencies and other organizations?

For-Profit Providers and the Profit Motive: Do for-profit providers emphasize the bottom line over effective, compassionate help to those in need?

Discrimination against Faith-Based Organizations: Are faith-based welfare-to-work providers being discriminated against in the receipt of government funding? Or are they already receiving government funding without having to restrict their faith-inspired practices?

Provider Networking: Are faith-based and other nongovernmental welfare-to-work providers integrated into a comprehensive network of services for those on welfare, or are they largely acting independently and in isolation from each other?

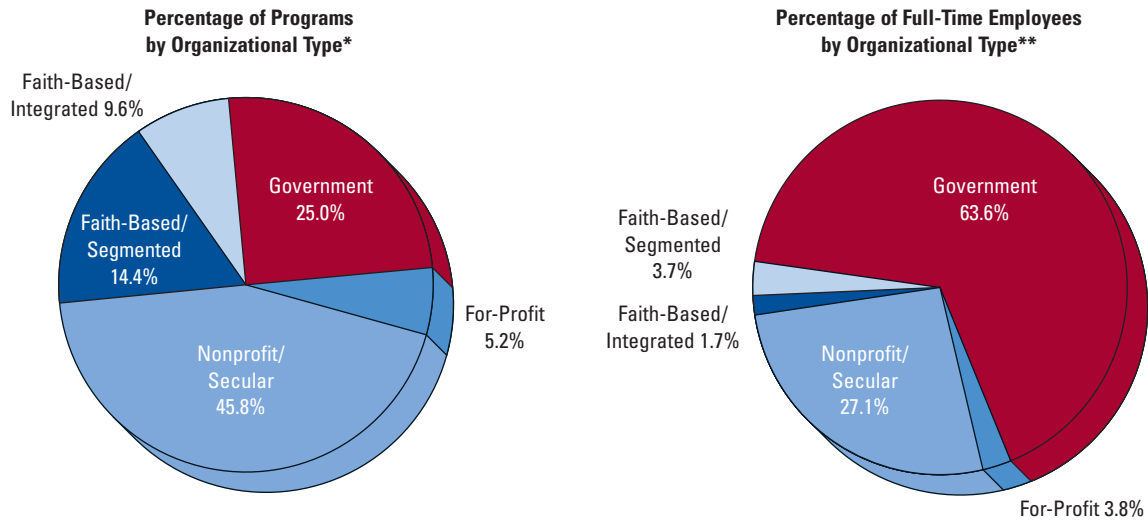
The Bush Administration's Faith-Based Initiative: Is the Bush Administration's faith-based initiative a sharp break with current practice or an extension of the status quo?

This study does not purport to offer definitive answers to all of these questions. Far from it. But it does offer significant new information and insight on them. By doing so, it is our hope that the cause of thoughtful, enlightened democratic discussion will be advanced, and, ultimately, better public policies will result.

The Providers

In attempting to analyze what types of welfare-to-work programs are providing what types of services, we first asked all of the responding programs to indicate whether they were government programs run by government agencies, for-profit programs, nonprofit programs without a religious nature, or nonprofit programs with a religious orientation. Next, we subdivided the programs that stated they had a religious orientation into those that integrate religious elements into the welfare-related services they provide and those whose religious activities are largely separate from the welfare related services that they provide.⁵ We termed the former faith-based/integrated and the latter faith-based/segmented. What we here call faith-based/integrated is close to what has also sometimes been referred to as holistic programs. Ronald Sider and Heidi Unruh have defined holistic providers as those “who combine techniques from the medical and social sciences with inherently religious components such as prayer, worship, and the study of sacred texts.”⁶ This is an important distinction since much of the debate surrounding the use of faith-based organizations to deliver public social services has revolved around the appropriateness and value of government partnering with these two different types of faith-based efforts.

Figure 1. Comparison of Number of Providers & Number of Full-Time Employees Among the 5 Organizational Types



* Percentages are based on the total number of programs studied (500).

** The percentages are based on the total number of full-time, paid employees working for the programs studied (16,369).

The number of programs that fell into each of the five categories of programs is given in Table 1. Two patterns are immediately clear from this table. First, the number of nonprofit welfare-to-work programs in the four cities that responded to the questionnaire by far outnumbered the government programs (349—when one combines the secular and faith-based programs—to 125) and the for-profit programs (349 to 26).⁷ Any understanding of the welfare-to-work efforts in all four of the cities needs to take into account the huge contribution being made by nonprofit agencies and their programs. Second, among the nonprofit programs, the secular programs easily outnumbered the faith-based programs: 229 to 120. Of all the welfare-to-work programs, 24% are faith-based in nature. This means there indeed are many faith-based welfare-to-work programs; in fact, almost as many faith-based programs as government-run programs responded to our questionnaire. But in the overall picture, faith-based welfare-to-work programs are only a minority of the programs in the four cities.

It is also worth noting that of the faith-based programs 40% fell into the “integrated” category; that is, these are programs that take a holistic approach that integrates religious elements and values into the services provided. The fact that the segmented and integrated faith-based programs truly differ on the degree to which religious elements are integrated into their programming can be seen from Table 2. Here the questionnaire’s laundry list of ten possible faith-based practices, plus an eleventh, “other” category, are given along with the percentages of the two types of faith-based providers that indicated they engaged in each of these practices. Religious art, prayer, voluntary religious exercises, use of religious values, hiring decisions based on religion, and urging clients to make religious commitments were all common among the faith-based/integrated programs, but not among the faith-based/segmented programs. There currently is debate on whether or not holistic programs should qualify for government funding. Whatever one’s position on this issue, our data show it is not a trivial question since many of the faith-based welfare-to-work programs fall into this holistic or “integrated” category. They truly seek to integrate religious aspects into the services they provide. Someone attending a faith-based/integrated welfare-to-work program will know they are in a faith-based program.

Table 3 shows the five types of welfare-to-work programs, divided by the four cities we studied. Several interesting patterns emerge. Chicago is marked by the large number of nonprofit/secular programs—63% of the total. Dallas and Philadelphia are notable for the large proportion of welfare-to-work programs being provided by faith-based agencies (36% and 40% respectively when one combines the integrated and the segmented faith-based programs). These are higher proportions than is the case for the other 2 cities, and may reflect the emphasis that Texas under former Governor George W. Bush and that Mayor John Street of Philadelphia have put on faith-based approaches in meeting social needs. Dallas also has a higher proportion of for-profit providers (11%) than is the case in the other cities, but it still remains a small proportion of all providers. Los Angeles is notable for its stronger reliance on governmental programs than the other three cities, although it also relies heavily on nonprofit/secular providers. It has the smallest proportion of faith-based providers of the four cities studied.

Although the numbers in the various categories of programs tell us something, they say nothing about the relative size of the programs. Figure 1 compares the total number of government, for-profit, nonprofit/secular, faith-based/segmented, and faith-based/integrated programs in the four cities with the total number of full-time staff employed by the five types of programs. We used the number of full-time, paid employees as the most reliable measure of the programs' size. This figure dramatically shows that the government programs in our study tend to be significantly larger than the other types of programs. Although only 25% of the programs were government programs, those programs employ 64% of the full-time staff employed by all of the programs in our study. Meanwhile, even though the faith-based programs constituted 24% of all the programs studied, they employ only 5% of the full-time staff. Also, the non-profit/secular programs went from 46% of the programs to 27% of the full-time employees.

It could be argued that the nonprofit/secular and faith-based programs are actually larger than indicated by their number of full-time employees since they may rely more heavily on part-time employees and volunteers than do the government and for-profit programs. Table 4 shows the median number of part-time employees and volunteers the various types of organizations reported.⁸ The various types of programs hardly vary at all in the number of part-time employees used, but they do differ in the use of volunteers. The faith-based, and especially the faith-based/integrated, programs reported using many more volunteers in the typical month than did the nonprofit/secular programs (13.5 and 10 per month versus 4 per month), and volunteers were almost nonexistent among the government and for-profit programs.

These findings, however, do not substantially change our earlier conclusion of the dominance of government programs in the welfare-to-work field. A generous estimate of the average number of hours put in by volunteers would be 10 hours a month. This means the median faith-based/integrated program would receive 135 volunteer hours a month, or the equivalent of .8 of a full-time employee, and the median faith-based/segmented program would receive 100 volunteer hours a month, or the equivalent of .6 of a full-time employee. The use of volunteers needs to be taken into account in assessing the size of faith-based programs, but doing so does not change the fact that they are overshadowed in size by the other types of programs, and especially by the government-run programs.

Table 5 shows the median number of clients served and median budgets for the five types of programs. Again, the pattern of government programs tending to be larger than the others, and the for-profit and non-profit/secular being larger than the faith-based programs is clear.

Based on their size alone, government welfare-to-work programs play the largest role in the four cities studied. In spite of all the talk in public policy circles of devolving welfare-to-work services to faith-based organizations, other nonprofit agencies, and for-profit providers, when one takes into account program size, government agencies and programs dominate the field, nonprofit/secular agencies are major players, and faith-based and for-profit providers are small players.

To complete the picture, however, we need to look not only at the relative size of the various types of welfare-to-work programs, but also at their relative rates of growth and their plans and desires to expand. Table 6 shows the reported rates of growth from 1996 to 2001 for the five types of programs. There were no significant differences in the rates of growth for the various types of providers. Tables 7 and 8 are more revealing. Table 7 shows the expansion plans of the various types of programs. The most frequently chosen option for all five types of programs was that they plan to expand somewhat. More faith-based/integrated providers, however, stated they plan to expand greatly than did any other type of provider, and 92% said they plan to expand either greatly or somewhat (again, more than any other type of provider). Similarly, Table 8 shows that when asked about the desire to expand, the faith-based/integrated programs again ranked higher than the government, faith-based/segmented, and nonprofit/secular providers, with 62% saying they wished to expand greatly and another 36% that they wished to expand somewhat. Perhaps proving that the American entrepreneurial spirit is not dead, the for-profit providers indicated an even greater desire to expand.

In our visits to faith-based providers it was clear that these reported expansion plans are more than fond hopes; time and again persons we interviewed were able to cite concrete plans their organizations were actively pursuing. The assistant director of one faith-based group in Dallas, for example, spoke enthusiastically of plans to develop a new “technology center that will be based on the model of a cyber café” where after-school youths and adults can come to receive computer training and conduct job searches. A Latino Baptist pastor in Philadelphia spoke about his organization’s plans to start a Christian junior college in cooperation with a local four-year Christian college, to develop and enlarge a charter school already in existence, to add other education options, and to do more in housing and economic development in their neighborhood. He tied these plans directly into his organization’s faith-based mission as it sees it when he said: “We see ourselves as an organization that will continue to grow around certain key services that define who we are. And all of that will continue as an expression of who we are as an organization, which is a call to be of service to those around us.” We were struck by how many of the nonprofit/secular organizations seemed to wait for a government grant program to become available, rather than actively moving into areas of perceived need. The job developer at a secular nonprofit agency in Philadelphia that receives all of its jobs funding from the government stated: “The main question in an organization like this is, ‘What does the government require us to do with the money?’ Because if you don’t do that, you lose the money and that might not be the optimal way to do it.”

There are important public policy implications in these patterns. Some have questioned whether faith-based programs have the interest and the capacity to meet a significant amount of social service needs. Our study shows that in the welfare-to-work area their current capacity is very limited, but that they have the interest and desire to meet a much larger portion of the need than they are now capable of meeting. Making greater use of both for-profit companies and faith-based programs that integrate their religious elements into their delivery of services are—for different reasons—controversial, and may or may not occur. This study shows that should public policy makers decide to move in these directions, there are for-profit and faith-based providers ready to play a larger role in the provision of welfare-to-work services.

A final observation concerning the types of welfare-to-work programs relates to the entities sponsoring and running the faith-based programs. Much of the current debate concerning government funding of faith-based social service programs revolves around the question of the constitutionality and appropriateness of government funding the social service activities of religious congregations. It is widely assumed that social service activities run directly by religious congregations are more likely to integrate religious elements into their programming than are social service activities sponsored by entities legally separate from actual congregations, such as 501 (c) (3) nonprofit entities. The observation Senator Joe Lieberman made in a recent speech is typical: “Traditionally, faith-based charities that receive federal funds to provide social services have had to set up separate non-profits that were free of any religious involvement.”⁹ Similarly, two researchers wrote that what distinguishes the proposed faith-based initiative of the Bush Administration “from past practice is that for the first time pervasively religious groups, such as churches, mosques, and synagogues, can receive government funds directly rather than through a nonprofit organization affiliated with the congregation.”¹⁰

Our study reveals a quite different picture. If anything, the more holistic providers—those that integrate religious elements into their welfare-to-work programming—were *less* likely to be run by a congregation than by a separate entity, and the less integrally religious programs were slightly *more* likely to be run directly by a congregation. When our questionnaire asked faith-based welfare-to-work programs concerning their sponsoring entities, 32% of the faith-based/segmented programs and only 23% of the faith-based/integrated programs reported they were sponsored and run by a religious congregation. (See Table 9.) Eighty percent of the faith-based/integrated programs and 59% of the faith-based/segmented programs reported they were run by a legally separate entity—such as a 501 (c) (3) nonprofit entity—that is sponsored or supported by a religious congregation, several congregations working together, a national denomination, a regional network of congregations, or individual sponsors. In short, the providers that integrate religious elements into their programming were actually less likely to be run directly by a congregation itself than were the providers that do not integrate religious elements into their services—the exact opposite from conventional wisdom.

These findings can be reinforced by noting from Table 2 the many religiously-based practices that the faith-based/integrated programs reported engaging in, and then realizing that 80% of these programs are not congregations, but entities legally separate from any congregation or network of congregations. This was also confirmed by our site visits. Listen to an executive of a faith-based/integrated provider that is an independent 501 (c) (3) nonprofit entity sponsored by several local churches describe her agency’s philosophy: “We are faith-based—we strive to be the hands of Christ for the homeless. Our desire is to touch them as if they are Christ Himself. We don’t preach to them; we don’t require them to attend any church services. But everything comes from a biblical perspective.” This faith-based organization and many others we visited or who responded to our questionnaire demonstrate the often-made assumption that congregation-run programs are more integrally religious than programs run by separate entities is patently false.

The Services

The claim is sometimes made that faith-based programs are more effective providers of social services because they deal with the whole person in his or her material, emotional, and spiritual needs. Is there any evidence from the services offered that faith-based programs approach the task of working with persons receiving welfare benefits any differently than other types of programs? Some scholars have claimed that faith-based providers are in actual fact more likely to offer short-term, temporary help such as emergency clothing or food than longer-term, more holistic social services.¹¹ Our study shows that in the welfare-to-work field this conclusion is less than accurate.

We have already noted the religiously-inspired activities the faith-based/integrated providers include in their programs. In addition, our questionnaire asked the five types of providers to indicate which of a laundry list of 11 possible services they provide. Table 10 shows what services each type of program provides (more shortly on the job-oriented versus life-oriented distinction). It clearly demonstrates, first, that faith-based welfare-to-work programs offer a wide range of services. On the other hand, it also shows that the average number of services offered decreases as one moves from government providers, to nonprofit/secular, to for-profit, to faith-based/segmented, to faith-based/integrated. The mean number of services offered by faith-based providers was notably smaller than the mean number offered by the other types of providers, and especially by government providers. Government programs offered an average of 6.3 services, more than that offered by any other type of organization, although nonprofit/secular programs offered almost as many (an average of 5.9). This pattern no doubt reflects the larger size of the government programs we have already noted. It reinforces the idea that government programs, along with a substantial presence of nonprofit/secular programs, dominate the welfare-to-work field. Not only are they the largest programs, but they also offer the widest variety of services.

To answer more directly the question of the holistic nature of the services offered by faith-based providers, we noted 3 of the 11 services listed in our questionnaire that are related to the behavior, attitudes, and values of welfare recipients. These services are ones that are concerned with issues such as self-esteem, work habits, attitudes towards supervisors, and attitudes towards work itself. The three on our list that we put into this camp and labeled “life oriented” are work preparedness, life skills, and mentoring services. The remaining 8 services (see Table 10) relate to teaching certain skills or putting persons in touch with job opportunities. These we termed “job-oriented” services. Table 11 shows the mean number of job-oriented and life-oriented services offered by each the five types of programs. The five types of programs all provided about the same number of life-oriented services, but fewer job-oriented services were offered as one moves from government providers, to nonprofit/secular, to for-profit, to faith-based/segmented, and to faith-based/integrated. This means the faith-based programs offered a higher percentage of life-oriented services than did the three types of secular programs. This is seen in Table 12, which shows the mean percentage of life-oriented services the five types of providers offered. Almost 40% of the faith-based providers’ services were life-oriented while only about one-fourth of the government’s services were life-oriented. The differences here—while not dramatic—are significant and in the expected direction.

It must kept in mind, however, that this higher percentage of life-oriented services is the result, not of the faith-based programs offering more life-oriented services, but of their offering fewer job-oriented services than the secular providers. Yet it is noteworthy that when the usually small faith-based providers had to decide which services to provide and which ones not to provide, they opted to provide as many life-oriented services as their

larger secular counterparts and reduced the number of job-oriented services. It should be noted that the faith-based providers still offer more job-oriented than life-oriented services, thereby demonstrating an attempt to have a holistic balance between the two types of services.

It is also worth noting that the faith-based/segmented and the faith-based/integrated programs did not differ in the mean percentage of life-oriented services they provide. This is somewhat surprising, given the fact that these two types of faith-based programs differ in many other ways that we have explored and will explore later in this report. This finding offers at least partial confirmation of a claim made by many of the persons we interviewed from faith-based/segmented programs, namely, that although they do not include many explicitly religious elements in their programs, they nevertheless are shaped by their faith commitment and it is implicitly present in much of what they do.

In summary, the faith-based programs showed evidence of offering welfare-to-work services in a holistic manner. For the faith-based/integrated this is seen in their inclusion of faith-based elements in their programs, and for both types of faith-based programs in their offering a higher proportion of life-oriented services than do the other types of programs.

Another claim often made is that for-profit companies will not exhibit the same sense of compassion and caring as will government agencies and nonprofit providers (whether faith-based or secular). For-profit providers, so the claim goes, will put the bottom line over personalized, compassionate help. Our study cannot directly confirm or disprove this claim, but our visits to eight for-profit welfare-to-work programs cast doubt on it. When we asked the directors or supervisors of for-profit programs about the charge that they will put profits before serving people, they would make the plausible retort that they in fact have strong incentives to serve people effectively. “If we do not,” they would say, “we will not have our contract renewed and we will be out of business.” On that basis they claimed they were under more pressures to produce than are nonprofit providers.

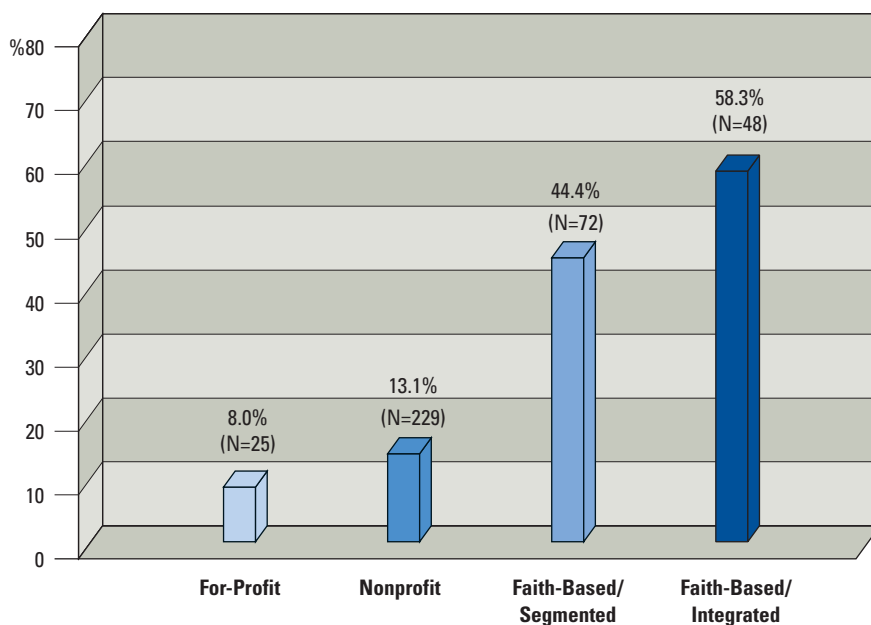
Even more persuasive were the comments made by for-profit staff members when asked about their motivations for the work they are doing. Not atypical was the moving comment of one case worker from a large for-profit company in Philadelphia: “I enjoy the rewards when my clients make it. When they turn from a caterpillar into a butterfly! That is my reward.”

The Providers and Government

This section considers financial and other relationships between government, other nonprofits and faith-based programs. Figure 2 shows the percentage of organizations that reported receiving no government funds for their welfare-to-work programs. It clearly reveals that as one moves from for-profit, to nonprofit/secular, to faith-based/segmented, to faith-based/integrated more and more programs receive no government funding. Almost 60% of faith-based/integrated programs stated they operate without any government funding.

Figure 3 includes only the programs that reported receiving government funding and shows the average percentage of government funding out of their total budgets. The pattern is clear. The faith-based/integrated programs that did receive public funding reported receiving the least amount of government funding, with the faith-based/segmented reporting the next smallest amount of government funding. Both were easily outstripped by the nonprofit/secular programs in the average amount of government funding reported (50% and 30% of the faith-based providers’ budgets versus 73% of the nonprofit/secular providers’ budgets).

Figure 2. Percentage of Organizational Types that do Not Receive Government Funding
 $\chi^2 (3) = 64.78, p < .001$

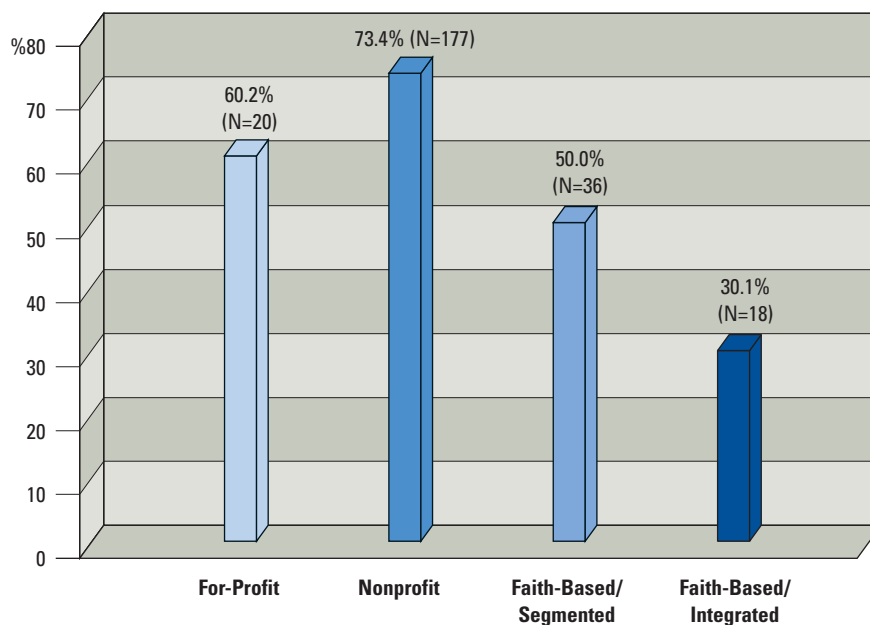


In describing these data the old question of whether the glass is half-empty or half-full emerges. Compared to the nonprofit/secular programs, the faith-based programs are faring much worse in terms of receiving government funding. That is the half-empty glass side of the picture, and we will return to it in a moment to explore why this is the case. But there is also a half-full side of the picture. In fact, a majority of the faith-based/segmented programs reported receiving government funding and over 40% of even the faith-based/integrated programs did so. This indicates President Bush's faith-based initiative—which would, among other things, broaden the coverage of Charitable Choice¹²—is not a wholly new initiative or a sharp break with current practices; instead it is an attempt to regularize and expand what is an existing public policy practice in the United States. More on this later.

This leaves the question of why many of the faith-based programs are not receiving public funds. Table 13 throws light on this issue by showing the reasons nonprofit/secular, faith-based/segmented, and faith-based/integrated programs that do not receive government funding gave for not doing so. The reason faith-based organizations most frequently gave for not receiving government funds was a self-conscious decision not to seek government funds. Another large number of programs had either applied for government funds, but had not received any, or had inquired about receiving government funds but had decided not to apply. A much larger number of the secular nonprofits not receiving public funds reported this was due to this being “just the way things have worked out.” In other words, it was not the result of a self-conscious decision or of having applied or inquired but not receiving any funds.

Do these patterns support the current claims being made that there are many barriers to faith-based nonprofit organizations being able to access government funds? Some 44% of the faith-based/segmented and 58% of the faith-based/integrated programs do not receive any government funds. Those that do receive government funds average less than 50% of their budgets from the government. This is in sharp contrast with their secular nonprofit counterparts, with almost 90% receiving an average of 73% of their budgets from government funding. In addition, 21% of the faith-based programs have been turned down for funding, compared to less than 7% of the nonprofit/secular programs. Thus a *prima facie* case can be made that discrimination is going on. But there

Figure 3. Mean Percentage of Funding from Government, by Program Type
 $F(3,247) = 16.21, p < .001$



is still room to question whether faith-based organizations are being discriminated against because of their religious nature, or whether there are other factors in play.

Therefore, in our visits to those faith-based programs that do not receive government funds we probed further in regard to the reasons for their not receiving public funds. Time and again, fear for their religious freedom, a more general fear of cumbersome, time-consuming government regulations, or not being able to pursue the programs they feel called to pursue (or all three) were cited. For example, one assistant director of a faith-based/integrated program that does not accept government funds reflected two of these fears: “One day we got a check for \$10,000 from the government and along with it a big box filled with the paperwork that needed to be filled out. Ben [the director] packed it all up and sent it back! There seems to be so much red tape involved with government. We probably could take some money for some programs, but then we would have to be so careful about when we talk about Christ. Ben’s philosophy is that if we do not have to have it, it is better to get along without it.” The senior pastor of a Philadelphia church heavily involved in inner city ministries and one that does not receive government funds said that the church “would be very cautious in regard to any arrangement with the government that would in any way compromise the autonomy of our ministry, and especially our message.... To us the message is everything—word and deed are both important—the word message is essential to the action. We do not want to compromise that.” The head of a Los Angeles faith-based program that has applied for but not received government funding insisted that “we don’t want to compromise parts of our program for governmental sources of funding.”

But having said this, the seemingly endless paperwork and a fear of not being able to pursue certain desired programs seem to play as large a role in staying away from government funding as does the fear of compromising their faith-based practices. All three deterrents are important to acknowledge.

There are some policy advocates who argue faith-based organizations miss out on government funding their secular counterparts are receiving simply because of government funders’ bias against them and because the faith-based organizations fear their religious mission will be limited. Our study indicates that in the welfare-to-work field they have overstated their case.¹³ Other factors also play a role. But it appears to be equally true that those

policy advocates on the opposite side of this issue—who have argued that faith-based organizations are facing no barriers to participating as partners with government—are also overstating their case. The barriers are there, but they consist not only of fears of having to tone down the organizations’ religious practices, but also of nonreligious factors such as red tape and constricting regulations.

These conclusions mean that any public policy initiative seeking to enable faith-based welfare-to-work programs to partner more frequently with government will need to address issues of overly complex application and reporting processes and of rigid, constricting program criteria, as well as the more frequently-cited limitations on their faith-based practices.

A final factor that may help explain why the faith-based programs rely much less on government funding than is the case for the nonprofit/secular programs is that the faith-based organizations have a greater potential to raise funds on their own. In visiting faith-based as compared to nonprofit/secular programs, we were often struck by the tendency of nonprofit/secular organizations to have the attitude that if there is no government contract available to provide a given service, there is nothing they can do. Whereas faith-based organizations seemed to have other sources of funds, so that even if they were receiving government funding and if they saw a need not covered by their government contract, they would meet it out of existing funds or go out and try to raise money to meet this need. Whether this was due to their being tied into networks of churches and individuals that are potential sources of funds, or due to their having a different, less government-dependent mindset, we do not know. But this difference was often present.

For example, when visiting a secular nonprofit agency that receives 100% of its welfare-to-work funding from government contracts we interviewed several staff members who work directly with welfare recipients. They told us that basic life skills are very much needed by their clients. When asked if they favor more spending on life skill classes they responded: “Yes! On budgeting, saving, and buying what they need before luxuries, on nutrition, cooking instead of snack foods. Self-esteem training is needed.... Many have no knowledge of nutrition—their kids get too much sugar, and therefore they are hyper at school and the teacher wants to medicate them. One thing leads to another.” Then when asked why such classes are not offered their response was simply there are no government grants available for such classes. In contrast, a faith-based inner city ministry in the same city that receives 40% of its funding from government sources and 60% from private donations moves into new fields to meet new needs as they recognize and define them. The assistant executive director told us that there are now fewer single mothers on welfare in their area, “but former welfare recipients who are single moms are now working one or two jobs trying to make it. Their kids are left to wander the neighborhood, so now we have shifted our programming to provide a safety net for unsupervised children.”

In a similar vein, the head of a faith-based, inner city program that has received government funding expressed strong opinions about what she saw as the harshness of the government regulations and her program’s use of private funds to overcome them: “They [the government] make it difficult for us to do what you know people need because they tell people they have to leave [the program after a period of time].... So we, in the interest of continuity, we have programs set up for continuity.”

In addition to inquiring about government funding, we also asked concerning other types of contacts with government. The results are seen in Table 14. The most striking aspect of this table is the very few programs that reported no contacts with government. Right across the board, the programs—including the faith-based programs—reported multiple contacts with government. Majorities of all five types of providers reported receiving referrals from government. Near majorities reported making referrals to government and—perhaps most

significantly—majorities reported having “had informal consultations or exchanges of information with government offices.” Even though there were very large differences in the receipt of government funds among nonprofit/secular, faith-based/segmented, and faith-based/integrated programs, there were almost no differences among them in the number and type of contacts with government. The picture that emerges is not of nongovernmental welfare-to-work programs working in isolation from government, but of their being woven into a web of relationships. This was true whether they were secular or faith-based and whether or not they received government funding. It is not a misnomer to speak of a network of welfare-to-work programs and services in the four cities.

Another noteworthy finding is that programs of all types reported largely being satisfied with their contacts with government. Sometimes from Washington one gets the impression that government is an oppressive force under whose bureaucratic weight local agencies struggle to survive. When one talks to the persons actually running programs a different picture emerges. We sought to measure the various programs’ level of satisfaction with government in two ways. First, for those that receive government funding, we posed a laundry list of ten possible results of their receiving public funds and asked which of them they had experienced. Five of these results would be considered positive in nature and five negative in nature.

Table 15 lists these ten results in the order of the frequency with which they were cited—with the five positive results listed first and the five negative results later—and gives the percentage of organizations that indicated each result was a consequence of their receiving government money. The positive results were clearly selected much more frequently than the negative results, except for the frequent complaint about too much paperwork. Table 16 reveals the generally positive assessments of government funding cuts across the various types of programs, including the faith-based ones. For each program we subtracted the number of negative results cited from the number of positive results cited. Thus, if a program cited as many negative results as positive results it would have a score of 0; if it cited more positive results than negative results it would have a positive score; if it cited more negative results than positive results it would have a negative score. Table 16 shows that all four types of programs receiving government money were about equally positive in judging the results of receiving that money. Also, it is instructive to note that only 3 of 54 faith-based agencies receiving government funding cited the negative result of having to reduce their religious emphasis or practices. In fact, not one of the 18 faith-based/integrated programs receiving government funds (the very programs one would expect would most likely have run into this problem) reported having to curtail any of their religious practices.

Many directors of faith-based programs that receive government funding bore witness to the fact that they have been able to do so without compromising their religious commitments and goals. As the director of one Chicago program that receives government funds stated: “We have been amazingly free of requirements to limit our religion. No questions have been raised.”

From extensive interviews with directors and staff members in many faith-based programs in four different cities one comes away with the clear impression that as long as persons of all faiths or no faith at all are welcomed and provided with services and as long as proselytizing is not a direct, overt part of the program, little or no problems are experienced. As Table 2 reveals, only two of the 120 faith-based programs studied gave preference to clients of the program’s own faith, and in almost all of the faith-based programs we visited proselytizing was, at the most, seen as an indirect or secondary goal. This was also true of the conservative Protestant, or evangelical programs, where one might most likely expect to see strong proselytizing efforts. The director of one such program put it this way: “Our call is for life transformation; we do not proselytize, do not say if you get saved

everything will be OK. But we say you are precious—you reflect God’s image and that you need to find the good work that God created for you to do.” This was a recurrent theme, especially among the more religiously conservative programs. The assistant executive director of another program put it this way: “What we have here is an extension of our individual faith. We as a group do not feel we need to go evangelize or proselytize. If someone asks questions we will talk to them about faith matters. We do not hide it. But neither do we lead with it. That is not our purpose. When we take this approach there is no hidden agenda to shove your beliefs onto others.”

Many may be surprised at the lack of reported government limitations on religious practices in programs it helps fund. The more one actually gets out in the field and observes on-going programs, the more irrelevant many of the Washington and academic government-funding debates appear. We were introduced to a healthy dose of reality by an assistant director of an inner city faith-based program that receives government funding and has done so for some years, when he said: “My theory is that in the inner city nobody really cares what you do. One can evangelize, etc. without persons asking questions. This is different in the suburbs—there the ACLU would be all over you.... The political alliances are different here in the inner city. The ACLU and we are on the same side on many issues, not at odds. This helps.”

When the executive director of a Chicago faith-based agency that receives limited government funding discussed the ambiguity surrounding government money and what they may and may not do of a spiritual nature, the interviewer suggested that perhaps it was a don’t ask, don’t tell policy. She responded: “Exactly!” and then went on to compare the situation to that of the city building code, which is workable only because it is usually not enforced in all its particulars. Similarly, she suggested that as long as they welcome persons of all faiths and do not require participation in religious exercises, and as long as she maintains a good working relationship with the government officials, questions were not raised about their faith-based practices.

A second measure of satisfaction with government was asked of all programs, and not only those that receive government funding. After asking the programs concerning the number and types of contacts they have with government, they were asked whether or not they found their contacts with government to be satisfactory. Table 17 gives the results by program type. Overwhelming majorities—in the area of 70%—of all five types of programs report that they are very or usually satisfied with their contacts with government. Although it is a minority it is worth noting that 16% of the faith-based/integrated programs indicated they are usually unsatisfied with their contacts with government. This is a higher figure than any other type of program exhibited.

Talking to persons in the field, however, leads to a somewhat less sanguine view of government contacts. A recurrent theme from both faith-based and secular nonprofit providers was that the individuals in government with whom they deal are good, understanding, helpful persons who truly care for the poor whom they both are seeking to serve, but that the bureaucratic structures are difficult to deal with because decision-making authority is diffused through several levels. Thus one has to go to one person to get his or her approval, but then he or she needs to go to several supervisors up in the hierarchy since they too need to sign off on the decision. And all this takes enormous amounts of time and effort. This perspective was summarized neatly by the director of a faith-based inner city ministry when he reported many contacts with the “U.S. attorney’s office, school officials, housing authority, city council members, etc., etc. On the individual level without exception these contacts are delightful and helpful. On the bureaucratic level—it just doesn’t move!”

Conclusions and Observations

We can now return to the seven public policy questions raised at the beginning of this report and suggest the answers that our data give to them:

Capacity: There are many faith-based and for-profit programs that are providing welfare-to-work services and they generally are eager to expand and to play a larger role than they do now. When one takes into account the relative size of the programs, however, it is clear that the welfare-to-work field is still dominated by government agencies and programs, with nonprofit/secular programs also serving a significant number of persons. For-profit and faith-based programs serve a comparatively small number of persons. They have the capacity to play a much larger role than they do now, but it is a potential capacity, not a currently existing capacity.

A Constitutional Issue: Religious congregations that provide welfare-to-work services (in distinction from 501 (c) (3) nonprofit faith-based organizations) do not present new and unique constitutional challenges to governmental funding. Faith-based 501 (c) (3) nonprofit entities are as likely to integrate religious elements into the services they provide as are programs sponsored and directly run by a religious congregation. There may be fiscal accountability or other prudential reasons to require faith-based providers receiving government funding to form entities separate from religious congregations, but the same constitutional issues are present, whether funding religious congregations' or separate entities' welfare-to-work services.

Holistic Services: Faith-based organizations tend to offer welfare-to-work services in a different, more holistic manner than do government agencies and other secular organizations. Many faith-based welfare-to-work programs integrate religious elements into the services they provide. In addition, faith-based programs offer a higher proportion of life-oriented services, as compared to job-oriented services, than do secular programs.

For-Profit Providers and the Profit Motive: We did not find evidence that for-profit providers emphasize the bottom line over effective, compassionate help to those in need.

Discrimination against Faith-Based Organizations: The evidence is mixed on whether or not faith-based welfare-to-work providers are being discriminated against in the receipt of government funding. A much higher proportion of nonprofit/secular programs receive government funding than do faith-based programs and they receive much larger amounts of money. Also, a much higher proportion of faith-based programs have been turned down for government funding than have nonprofit/secular programs. On the other hand, about one-half of the faith-based welfare-to-work programs receive government funding (including those that integrate religious elements into the services delivered), and they do so with few complaints about government restrictions on their faith-based practices.

Provider Networking: Faith-based and other nongovernmental welfare-to-work providers are integrated into a comprehensive network of services for those on welfare. All of the nongovernmental programs—whether for-profit, nonprofit/secular, or faith-based and whether or not they receive government funding—have many contacts and interactions with relevant government agencies. They generally report these contacts to be positive in nature, but many experience frustrations with the delays often associated with bureaucratized government offices.

The Bush Administration's Faith-Based Initiative: In the welfare-to-work area, the Bush Administration's faith-based initiative is more of an extension and regularization of current practice than a sharp break from it.

As noted above, many faith-based groups—including 40% of those that integrate faith elements into their services—already receive at least limited government funding, and do so with few restrictions on their faith-based practices.

This study and these conclusions shed light on a number of issues currently being debated in Washington and around the country. Among these no issue is being more vigorously debated than whether or not the portion of President Bush's faith-based initiative that would extend Charitable Choice provisions to additional social service areas should be enacted. Doing so would allow faith-based providers to compete with secular providers for government funds on a level playing field without having to give up their faith-based practices, including the right to make hiring decisions based on religion. One side argues there are now severe barriers to faith-based groups as they seek government funding and that when they do receive government funding they are often required to tone down or eliminate practices their faith has led them to include in their programs. The other side argues the barriers are few or nonexistent as long as faith-based providers are willing to separate their faith-based practices from the social services they provide. If they are not willing to separate their faith-based practices, this side insists, they should not be eligible for government funding.

The findings reported here pose both support and problems for the two sides in this debate, as it applies to the welfare-to-work area. Those favoring government funding of faith-based efforts need to realize that about half of the faith-based welfare-to-work programs in our study already receive government funding, including over 40% of the faith-based programs that integrate religious elements into their services. And those that receive government funds seem to have few if any complaints about undue government restrictions, even on their faith-based practices. On the other hand, they can point to the fact that a majority of the faith-based/integrated programs do not receive public funds and those that do, receive much less funding than do their secular counterparts. Especially when one looks at the nonprofit/secular programs—with close to 90% of them receiving an average of 75% of their budgets from government—a *prima facie* case can be made that discrimination is going on. The fact that over 20% of the faith-based/integrated programs have applied but been turned down for government funding—compared to 7% for the nonprofit/secular programs—bolsters this case.

Those who oppose government funding of faith-based welfare-to-work programs—and especially funding of faith-based programs that integrate religious elements into their services—also have some support and some problems in the findings reported here. As pointed out above, there is a basis for them to question the need for new legislation, since many faith-based programs are already receiving government funding. But they also face a problem. Some 40% of the faith-based/integrated programs are already receiving public money. These are programs that engage in such activities as making hiring decisions on the basis of religion and use religious beliefs in seeking to change clients' attitudes or values. Many have done so for years without liberal and strict church-state separationist groups raising any complaints. Persons in this camp have frequently argued that the reason they have not objected to current programs of government funding is that funds are now only going to nonprofit, 501 (c)(3) organizations that have separated out their religious elements so that they now offer thoroughly secular services. But this study has shown this is factually inaccurate.

The data gathered in this study and our observations of many faith-based and other programs we visited in four different cities indicate that at least in the welfare-to-work area the chief effect of the Bush faith-based initiative would, if fully enacted, be neither to introduce a wholly new era nor simply to ratify existing practices. Instead, President Bush's faith-based initiative would regularize and expand an already existing practice. First, it would regularize and legally protect what appears to be the common practice of funding faith-based welfare-to-work programs that (1) accept all clients irrespective of their religious beliefs, (2) do not overtly or aggressively proselytize, and (3) have the skill and persistence to pursue government funds. Even those faith-based programs that engage in a wide range of faith-based practices—such as voluntary religious exercises, references to religious values and perspectives in the program, and hiring decisions based in part on religion—are often successful in forming financial partnerships with government. Although this is already the frequent practice among the welfare-to-work programs we visited, it was also clear that often it is done on a “don't ask, don't tell” basis, and is supported more by the political alliances and skills faith-based programs can develop than by clear legal provisions and precedents. Clarifying and regularizing what is now an often legally uncertain area would clearly have the effect of encouraging wider participation of faith-based social service programs in government funding partnerships.

Second, the Bush faith-based initiative, if fully enacted, would tend to extend government funding to additional faith-based welfare-to-work and other social services programs. More of the 50% of the faith-based/segmented and of the 60% of faith-based/integrated programs that now do not receive government funds would be encouraged to pursue government funding, and government funding agencies would be encouraged to more readily grant more money to more faith-based programs. Current practice would expand.

All this is not to say that the outcome of the current public policy debates as they relate to faith-based and other nongovernmental welfare-to-work programs are inconsequential. Far from it. Public policy is almost always made incrementally in the American system. The consequences even of incremental change in the welfare-to-work and broader social service area are great—for the future of private-governmental partnership, for the faith-based and other nongovernmental welfare-to-work programs, and, most importantly of all, for our fellow citizens struggling to escape the web of poverty and welfare-dependence in which they are now caught.

A Methodological Note

This study is based on the results of a mailed questionnaire we sent to comprehensive lists of welfare-to-work programs in the four targeted cities: Chicago, Dallas, Los Angeles, and Philadelphia. We defined a welfare-to-work program as any program offering welfare recipients one or more of the services listed in Table 2. Our goal was to identify all of the welfare-to-work programs operating in the four cities. One or the other of the two researchers spent approximately two weeks in each of the four cities, working on compiling these lists. Our student assistants and we made many follow-up telephone calls. We were able to identify a total of 1,559 welfare-to-work programs in these four cities. One means we used both to check the accuracy of our initial lists and to add any programs that we may have missed, was to ask the questionnaire respondents to give the names and addresses “of three programs or organizations in your area that you know are providing similar services to those that your program provides or other programs that help persons on welfare to improve their economic circumstances.”

The returned questionnaires named a total of 422 programs or organizations in response to this question. Of these 422 programs 301, or 71.3%, either were already on our lists of welfare-to-work programs in the four cities or had been eliminated earlier due to our determining that they do not offer the type of welfare-to-work services that were the focus of our study. Of the remaining 28.7%, an unknown number no doubt did not provide welfare-to-work services of the type we were researching. Based on this, we would judge that our original lists that we used for mailing out the questionnaires included 75–80% of all the welfare-to-work programs in the four target cities. While less than 100%, we believe this helps confirm that our original lists included the vast majority of welfare-to-work programs operating in the four cities.

Also, of the programs or agencies that were named by two or more respondents, 92% were already on our lists. This helps to confirm that we included on our original mailing lists all of the programs that were at all significant players in the welfare-to-work field in the four cities. If there is any bias in the lists of welfare-to-work programs that we used, it would be in the direction of missing a small number of very small, not-well-known programs. We did, of course, mail questionnaires to all of the programs that were listed by our respondents and who were not on our original lists. Thus most of the apparently very small, not-well-known programs that we did miss were also ultimately included in our study.

This leaves the question of whether the welfare-to-work programs that completed our questionnaire were representative of our entire list, or whether a bias was introduced by those who did or did not respond. We mailed out a total of 1,559 questionnaires, and received a total of 582 back for a response rate of 37.3%. Of these 73, or 12.5% stated they in fact were not providing any welfare-to-work services at that time. This left us with 509 completed, usable questionnaires. Our general impression, based on two weeks spent in each city becoming acquainted with its welfare-to-work structure and ferreting out welfare-to-work programs, is that the responding programs are at least roughly representative of all the welfare-to-work programs in the four cities.

We sought to verify this general impression by determining whether or not the welfare-to-work programs that responded to our questionnaire were representative of all the programs on our mailing list by checking the zip codes of the responding questionnaires with those of all the programs on our list. Since zip codes, or geographic locations, tend to correspond to characteristics such as racial and ethnic makeup and socio-economic status, we felt that if the responding programs were representative geographically of all programs receiving the questionnaire, our confidence in the representativeness of our respondents would be significantly increased.

We divided each of our four cities into a number of neighborhoods based on similar ethnicity and socio-economic characteristics. We ended up with 13 such neighborhoods in Los Angeles, 8 in Chicago, 8 in Dallas, and 6 in Philadelphia. Next we determined the percentage of programs on our original list that fell into each of these neighborhoods for each of the four cities, and then determined the percentage of the responding programs that fell into each of these neighborhoods. Then we determined for each of the 35 neighborhoods the differences between the percentage each neighborhood contributed to the mailing list for each city and the percentage each contributed to the total number of responding programs for each city. The average difference for each city was as follows: Los Angeles, 2.3 percentage points; Chicago, 2.5 percentage points; Dallas, 1.7 percentage points; and Philadelphia, 2.1 percentage points. The overall average for all 35 neighborhoods was only 2.2 percentage points, indicating that, based on neighborhood or geographic location, the programs that responded to our questionnaire were indeed closely reflective of all the programs on our list.

TABLE 1.

Types of Welfare-to-Work Programs

	Number	Percent of Total
Government	125	25.0%
For-Profit	26	5.2%
Nonprofit/Secular	229	45.8%
Faith-Based/Segmented	72	14.4%
Faith-Based/Integrated	48	9.6%
Total	500	100.0%

TABLE 2.

Religiously Based Practices,
Segmented vs. Integrated Faith-Based Programs

	Faith-Based/ Segmented (N=72)	Faith-Based/ Integrated (N=48)
Religious symbols or pictures in facility	29.2%	50.0%
Opening or closing sessions with prayer	16.7%	79.2%
Using religious values in motivating staff	66.7%	87.5%
Voluntary religious exercises, such as worship or Bible studies	25.0%	60.4%
Required religious exercises, such as worship or Bible studies	0.0%	25.0%
Using religious values to encourage clients to change attitudes	37.5%	95.8%
Encouraging clients to make personal religious commitments	5.6%	64.6%
Giving preference in hiring staff to persons in religious agreement	6.9%	33.3%
Only hiring staff in religious agreement	2.8%	29.2%
Giving preference to clients in religious agreement	1.4%	2.1%
Other religion-based practices	16.7%	14.6%

TABLE 3.

Types of Welfare-to-Work Programs by City

	Chicago		Dallas		Los Angeles		Philadelphia	
	N	%	N	%	N	%	N	%
Government	13	10.1	16	17.0	86	43.9	10	12.3
For-Profit	8	6.2	10	10.6	4	2.0	4	4.9
Nonprofit/Secular	81	62.8	34	36.2	79	40.3	35	43.2
Faith-Based/Segmented	17	13.2	22	23.4	17	8.7	16	19.8
Faith-Based/Integrated	10	7.8	12	12.8	10	5.1	16	19.8
Total	129	100.1	94	100.0	196	100.1	81	100.0

$\chi^2 (12) = 93.59, p < .001$

TABLE 4.

Median Number of Part-time Employees and Volunteers, by Organization Type

	Median Number of Part-time Employees*	Programs Reporting Number of Part-time Employees	Median Number of Volunteers in a Month**	Programs Reporting Number of Volunteers in a Month
Government	3.0	110	0.0	112
For-Profit	2.0	23	0.0	25
Nonprofit/Secular	2.0	220	4.0	216
Faith-Based/Segmented	1.0	69	10.0	69
Faith-Based/Integrated	2.0	48	13.5	48

* $\chi^2(4) = 9.22, p = .06$ (based on the Kruskal-Wallis H test)

** $\chi^2(4) = 82.87, p < .001$ (based on the Kruskal-Wallis H test)

TABLE 5.

Median Budgets and Number of Clients Served, by Organization Type

	Median Budget*	Programs Reporting Size of Budgets	Median Number of Clients**	Programs Reporting Number of Clients
Government	\$500,000	87	580	118
For-Profit	\$500,000	17	290	25
Nonprofit/Secular	\$434,000	198	300	221
Faith-Based/Segmented	\$90,000	53	200	69
Faith-Based/Integrated	\$114,082	40	110	47

* $\chi^2(4) = 46.64, p < .001$ (based on the Kruskal-Wallis H test)

** $\chi^2(4) = 21.22, p < .001$ (based on the Kruskal-Wallis H test)

TABLE 6.

Growth in Clients Served, 1996–2001, by Organization Type

	100% + Increase in Clients	21%–99% Increase in Clients	0–20% Increase in Clients	Serving Fewer Clients	N	Total
Government	28.9%	23.7%	25.0%	22.4%	76	100.0%
For-Profit	42.9%	21.4%	21.4%	14.3%	14	100.0%
Nonprofit/Secular	37.9%	29.0%	16.6%	16.6%	145	100.1%
Faith-Based/Segmented	27.9%	20.9%	25.6%	25.6%	43	100.0%
Faith-Based/Integrated	37.0%	25.9%	29.6%	7.4%	27	99.9%

$\chi^2(12) = 10.55, p = .57$ (Chi-square test was conducted on the raw frequencies in the cells.)

TABLE 7.

Type of Organization and Expansion Plans

	Expand Greatly	Expand Somewhat	Stay Same Size as Now	Reduce Size of Program	N	Total
Government	18.2%	43.0%	27.3%	11.6%	121	100.1%
For-Profit	28.0%	48.0%	12.0%	12.0%	25	100.0%
Nonprofit/Secular	29.2%	43.8%	16.4%	10.6%	226	100.0%
Faith-Based/Segmented	18.6%	47.1%	27.1%	7.1%	70	99.9%
Faith-Based/Integrated	40.4%	51.1%	6.4%	2.1%	47	100.0%

$\chi^2 (12) = 25.66, p = .05$ (Chi-square test was conducted on the raw frequencies in the cells.)

TABLE 8.

Type of Organization and Expansion Desires

	Expand Greatly	Expand Somewhat	Stay Same Size as Now	N	Total
Government	49.6%	43.9%	6.5%	123	100.0%
For-Profit	72.0%	24.0%	4.0%	25	100.0%
Nonprofit/Secular	47.3%	48.2%	4.4%	226	99.9%
Faith-Based/Segmented	40.0%	51.4%	8.6%	70	100.0%
Faith-Based/Integrated	61.7%	36.2%	2.1%	47	100.0%

$\chi^2 (8) = 12.95, p = .11$ (Chi-square test was conducted on the raw frequencies in the cells.)

TABLE 9.

Sponsoring Entities of Faith-Based Programs*

	Faith-Based/Segmented	Faith-Based/Integrated	Faith-Based Total
Sponsored & run by religious congregation	32.4%	23.4%	28.8%
Sponsored & run by a nat'l. denomination or regional network of congregations	4.2%	4.3%	4.2%
Run by a separate entity such as a 501 (c) (3)**	59.2%	80.0%	67.8%
Other	11.3%	8.5%	10.2%
Number of responding faith-based programs	71	47	118

*The percentages total to more than 100% since a number of programs checked more than one option.

**And sponsored by a religious congregation, several congregations, a national denomination or regional network, or individuals.

TABLE 10.

Services Provided, by Program Type

	Government	For-Profit	Nonprofit/ Secular	Faith-Based/ Segmented	Faith-Based/ Integrated
Job Oriented Searches:					
Job Search	62.4%	69.2%	73.6%	48.6%	45.8%
Education/literacy	62.4%	26.9%	46.7%	38.9%	35.4%
Education/ESL	58.4%	19.2%	31.3%	25.0%	22.9%
Education/GED Preparation	60.8%	26.9%	39.2%	33.3%	29.2%
Education/vocational training, work skills	65.6%	57.7%	52.9%	31.9%	27.1%
Job Placement	59.2%	69.2%	63.9%	37.5%	35.4%
Job internships/apprenticeships	42.4%	23.1%	38.8%	22.2%	14.6%
Client Assessment	52.8%	30.8%	67.4%	45.8%	45.8%
Life Oriented Services:					
Work Preparedness	70.4%	57.7%	73.6%	55.6%	50.0%
Life skills	64.8%	69.2%	70.0%	58.3%	60.4%
Mentoring	37.6%	46.2%	37.4%	43.1%	52.1%
Mean number of services offered	6.3	5.0	5.9	4.4	4.2
N	125	26	227	72	48

TABLE 11.

Mean Number of Job-Oriented and Life-Oriented Services Provided, by Program Type

	Mean Number of Job-Oriented Services	Mean Number of Life-Oriented Services	Mean Number of Total Services Provided
Government (N=125)	4.6	1.7	6.3
For-Profit (N=26)	3.2	1.7	5.0
Nonprofit/Secular (N=227)	4.1	1.8	5.9
Faith-Based/Segmented (N=72)	2.8	1.6	4.4
Faith-Based/Integrated (N=48)	2.6	1.6	4.2

T A B L E 1 2 .

Mean Percentage of Life-Oriented Services Offered Out of all Services Offered, by Program Type

Government (N=123)	25.9%
For-Profit (N=26)	30.9%
Nonprofit/Secular (N=227)	30.5%
Faith-Based/Segmented (N=70)	38.2%
Faith-Based/Integrated (N=47)	37.2%

$F(4, 484) = 5.38, p < .001$

T A B L E 1 3 .

Type of Organization and Reasons for No Government Funds (percent citing reasons given)

	Self-Conscious Policy	Applied, Not Received	Inquired, Not Applied	Way Things Worked Out	N	Total
Non-Profit/Secular	19.4%	6.5%	16.1%	58.1%	31	100.1%
Faith-Based/Segmented	39.4%	21.2%	9.1%	30.3%	33	100.0%
Faith-Based/Integrated	37.9%	20.7%	20.7%	20.7%	29	100.0%

$\chi^2(6) = 12.80, p = .05$ (Chi-square test was conducted on the raw frequencies in the cells.)

T A B L E 1 4 .

Types of Organization and Contacts with Government (percent reporting various types of contacts)

	No Gov't Contacts	Referrals from Gov't	Referrals to Gov't	Licensed by Gov't	Safety Health Inspections	Clients in Gov't Jobs	Informal Consultation, Contracts	Other Contacts	N
Government	5.7%	72.9%	38.6%	11.4%	11.4%	31.4%	54.3%	18.6%	70
For-Profit	4.2%	79.2%	41.7%	29.2%	29.2%	16.7%	54.2%	20.8%	24
Nonprofit/Secular	6.0%	75.1%	43.8%	17.5%	26.7%	22.6%	58.1%	15.7%	217
Faith-Based/Segmented	13.4%	52.2%	41.8%	14.9%	32.8%	6.0%	56.7%	9.0%	67
Faith-Based/Integrated	6.3%	60.4%	47.9%	8.3%	37.5%	10.4%	56.3%	22.9%	48

T A B L E 1 5 .

Reported Results of Receiving Government Funds

Percent Reporting
each Result

Positive Results	
Expanded the number of clients we are able to serve	48.7%
Hired staff with stronger qualifications and more experience	27.5%
Provided services more professionally and effectively	26.9%
Hired Staff with higher levels of education	26.3%
Improved our facilities to better serve our clients	24.0%
Negative results	
Put more time and effort into paperwork than should be necessary	31.6%
Became more “bureaucratic” and less flexible and creative	15.7%
Became less efficient	2.2%
Cut down on our religious emphasis or practices	1.8%
Received fewer private gifts and volunteer hours than we otherwise would	1.2%
Total N	336

T A B L E 1 6 .

Type of Organization and Positive vs. Negative Results of Government Funds

	3-5 More Negative then Positive Results	1-2 More Negative then Positive Results	Same Number Negative and Positive	1-2 More Positive then Negative Results	3-5 More Positive then Negative Results	N	Total
For-Profit	0.0%	9.5%	19.0%	61.9%	9.5%	21	100%
Nonprofit/Secular	1.1%	18.7%	5.3%	38.5%	36.4%	187	100%
Faith-Based/Segmented	0.0%	14.7%	23.5%	29.4%	32.4%	34	100%
Faith-Based/Integrated	0.0%	16.7%	22.2%	50.0%	11.1%	18	100%

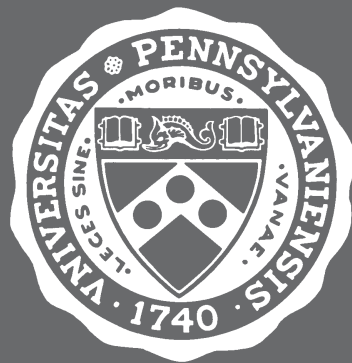
T A B L E 1 7 .

Type of Organization and Satisfaction with Government Contacts

	Very Satisfied	Usually Satisfied	Neither Satisfied or Unsatisfied	Usually Unsatisfied	Very Unsatisfied	N
Government	27.1%	64.3%	8.6%	0.0%	0.0	70
For-Profit	17.4%	52.2%	30.4%	0.0%	0.0	23
Non-Profit/Secular	17.2%	56.9%	17.2%	8.3%	0.5	204
Faith-Based/Segmented	28.1%	52.6%	14.0%	5.3%	0.0	57
Faith-Based/Integrated	18.6%	48.8%	16.3%	16.3%	0.0	43

NOTES

- ¹ Peter Stiefels, “Holy Waters: Plunging into the Sea of Faith-Based Initiatives,” in E. J. Dionne, Jr. and Ming Hsu Chen, eds., *Sacred Places, Civic Purposes: Should Government Help Faith-Based Charity?* (Washington, DC: Brookings, 2001), p. 329
- ² See *Widmar v. Vincent*, 454 U.S. 263 (1981), *Westside Community Schools v. Mergens*, 496 U.S. 226 (1990), *Capitol Square Review Board v. Pinette*, 515 U.S. 753 (1995), *Rosenberger v. Rector*, 515 U.S. 819 (1995), *Agostini v. Felton*, 521 U.S. 203 (1997), and *Mitchell v. Helms*, 120 Supreme Court Reporter 2530 (2000).
- ³ *Finding Common Ground: 29 Recommendation of the Working Group on Human Needs and Faith-Based and Community Initiatives* (Washington, DC: Search for Common Ground, 2002), p. 30.
- ⁴ We are using the phrase “welfare-to-work” here, as we do in the title of this report and elsewhere in it, very broadly to refer to all programs that are seeking to enable persons to move from welfare dependency to economic self-sufficiency. We are not referring only to the federal Department of Labor Welfare-to-Work program.
- ⁵ This was done based on the number and types of religiously-inspired practices the faith-based programs indicated they engaged in, chosen from a laundry list of religiously-inspired practices included in the questionnaire. Practices that implied a more integrative commitment, such as “Using religious values or motivations to encourage clients to change attitudes or values” and “Giving preference in hiring staff to persons in agreement with your religious orientation” were weighed more heavily than less integrative practices such as “Using religious values as a guiding motivation for staff in delivering services” and “Placing religious symbols or pictures in the facility where your program is held.”
- ⁶ Ronald J. Sider and Heidi Rolland Unruh, “No Aid for Religion? Charitable Choice and the First Amendment,” *Brookings Review*, (Spring, 1999), p. 48.
- ⁷ We want to be careful not to claim more for our findings than what the data strictly allow. Thus we refer here and elsewhere to the programs that responded to our questionnaire. As we demonstrate in the Methodological Note at the end of this report, however, there is reason to believe that the programs that completed our questionnaire are at least roughly representative of all the welfare-to-work programs in the four cities.
- ⁸ Here and when reporting the budget size and number of clients we use the median, rather than the mean, because in all four instances some very large outliers tended to distort the means we obtained. Thus we concluded that the median gave a more accurate picture of the relative size of the various types of programs.
- ⁹ Senator Joe Lieberman, “Lieberman Renews Call for Larger, Lawful Space for Faith in American Public Life,” (<http://www.senate.gov/~lieberman/speeches/01/03/2001821610.html>) Downloaded 12/19/01.
- ¹⁰ Carol J. De Vita and Sarah Wilson, “Faith-Based Initiatives: Sacred Deeds and Secular Dollars,” *Emerging Issues in Philanthropy Seminar Series*, (Washington, DC and Cambridge, MA: The Urban Institute and The Hauser Center for Nonprofit Organizations, 2001), p. 1.
- ¹¹ See, for example, Mark Chaves, “Going on Faith: Six Myths about Faith-Based Initiatives,” *The Christian Century*, (September 12-19, 2001), p. 21.
- ¹² The reference is to Section 104 of the 1996 Welfare Reform Act that sought (1) to assure faith-based groups could compete equally with secular groups for contracts to provide welfare related services, (2) to protect certain religious autonomy rights of the faith-based groups receiving government funds, and (3) to protect the rights of the recipients of services from faith-based providers. Similar language has been included the Welfare-to-Work Act (1997), the Community and Services Block Grant Program (1998), and the Substance Abuse and Mental Health Service Administration drug treatment program (2000).
- ¹³ This may not be the case in other social service areas. Running a welfare-to-work program calls for a fairly high level of sophistication, usually entailing multiple services and long-term contacts with clients. Thus the faith-based programs with enough sophistication to run a welfare-to-work program may also have the sophistication to navigate the governmental contract or grant process more successfully than faith-based programs in other areas that do not call for the same level of sophistication.



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