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The Impact of Religion and Faith-Based Organizations on the Lives of Low Income Families

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Access and Stability:
Comparing Faith-based and Secular Nonprofit Service Providers

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Abstract

Discussion and debate over an expanded role for faith-based service organizations within the safety net has occurred largely in the absence of data that can accurately portray how faith-based service organizations provide assistance to low-income populations. Of particular concern here, there is little evidence that faith-based service providers are more accessible than secular organizations, or that they provide assistance well-matched to the needs of their communities. Drawing on unique survey data, this paper examines differences in social service provision across faith-based and secular organizations in three urban communities. While most faith-based service organizations address basic material needs of low-income populations, faith-segmented organizations are more accessible to poor populations than faith-based agencies that integrate religious elements into service provision. Such findings provide support for efforts to boost the role of faith-based service organizations within our communities, but perhaps in a different direction than is imagined typically.

Introduction

How do society and our communities assist low-income populations? Typically, welfare cash assistance, Food Stamps, Medicaid, and the Earned Income Tax Credit (EITC) are identified as primary sources of support for poor populations. These commonly identified antipoverty programs compose only a part of how society and communities help low-income populations. Instead, social services that promote work activity and greater personal well-being (e.g., job training, adult education, child care, substance abuse or mental health services, temporary emergency assistance) have become a primary mode of assistance for low-income families over the past few decades.¹ Whereas governmental spending on welfare, Food Stamps, Medicaid for working age adults, and the EITC total about \$140 billion in spending annually, expenditures for means-tested governmental social service programs have grown over the past three decades from \$47 billion to about \$110 billion.² Today, social service programs compose a larger share of governmental safety net expenditures than many other antipoverty programs combined.

This paper focuses on two important implications of safety net reliance upon social service programs. First, social services cannot be mailed or electronically transferred to an individual. Instead, poor persons must often visit a social service agency to receive assistance. Ensuring that low-income populations have access to social service providers is critical, therefore, as inadequate access to providers is tantamount to being denied aid. Second, because the safety net is reliant upon community-based nonprofits to deliver social services to low-income populations, we should pay particular attention to how nonprofit service organizations operate within our communities. Not only should we be concerned with where nonprofit service organizations locate and which populations they assist, but whether those agencies are stable sources of support for low-income populations.

¹Social services are defined slightly differently in other research settings. See Steven Rathgeb Smith, "Social Services." In *State of Nonprofit America*. Ed. Lester M. Salamon. Washington, DC, USA: Brookings Institution Press, 2002.

²Amounts are reported in \$2006. Congressional Research Services, 2003, "Cash and Noncash Benefits for Persons with Limited Income: Eligibility Rules, Recipient and Expenditure Data, FY2000-FY2002." Report # RL32233, p. CRS-10.

Local nonprofit social service sectors consist of secular and religious nonprofits. Both secular and religious nonprofit service providers deliver a wide range of publicly and privately funded programs to poor populations. Yet, just as popular perceptions of the safety net tend to look past the importance of social service programs within the broader safety net, much of the popular discussion about social service provision looks past the critical role that religious nonprofits play within local safety nets. Religious nonprofits or faith-based service organizations (FBOs), such as Catholic Charities and Lutheran Social Services, have provided social service programs to low-income populations for decades. In many communities, these types of religious nonprofits operate with capacity and professional staff comparable to a public agency. Complementing more prominent faith-based nonprofit organizations, communities also contain a number of smaller religious organizations and places of worship that offer assistance to needy populations.

Faith-based service organizations have become a prominent topic of discussion among politicians and policy experts in recent years. Greater salience of faith-based service providers can be attributed to many factors. Of most direct consequence, the Bush Administration has taken steps through the Office of Faith-based and Community Initiatives (OFBCI) to encourage faith-based organizations to become more involved in government-funded human service programs. Moreover, there is the growing perception that FBOs are well-suited to perform antipoverty missions. Faith-based organizations are thought to be more likely to operate in high poverty neighborhoods than secular organizations. Thus, FBOs should be more trusted in those neighborhoods and more responsive to community priorities than secular providers. Many argue that FBOs offer more holistic services or highly personalized programs to low-income persons than is the case in secular agencies typically. To a greater degree than other types of service providers, therefore, faith-based organizations are thought to provide help to poor populations

that may otherwise slip through the cracks of the safety net.³ It comes as no surprise, therefore, that rising needs and finite public resources have led communities to seek new faith-based partners to improve programs of assistance for the poor.

Expanded activity of faith-based organizations within local safety nets also generates controversy. Some are critical of efforts that allow government to purchase services from or contract with faith-based organizations that are “pervasively sectarian” in nature and administer programs with inherent religious elements. Critics also believe that efforts to link faith-based organizations to government funding will violate the First Amendment and weaken the separation between church and state. Pointing to the practice among religious organizations to hire or serve those with shared religious beliefs or orientations, critics argue that public funding of FBOs implicitly supports organizations that discriminate in hiring and service delivery.⁴ Others find little evidence that faith-based service organizations are more effective than comparable secular nonprofits.⁵

For the most part, however, discussion about the proper role of faith-based organizations within the safety net occurs without data or evidence that directly compares FBOs to secular nonprofit or governmental organizations. Many studies focus on the assistance provided by religious congregations and places of worship, but do not look at faith-based agencies outside of congregations or comparable

³Smith, Steven Rathgeb. 2007. “Comparative Case Studies of Faith-based and Secular Service Agencies: An Overview and Synthesis of Key Findings.” in *A Comparative View of the Role and Effect of Faith in Social Services*. eds. Smith, Steven Rathgeb, John P. Bartkowski, and Susan Grettenberger. Rockefeller Institute of Government. The Roundtable on Religion and Social Welfare Policy; Smith, Steven Rathgeb and Sosin Michael R. 2001. “The Varieties of Faith-Related Agencies.” *Public Administration Review*. 61(6): 651-70; Greenberg, Anna. 2000. “Doing Whose Work? Faith-based Organizations and Government Partnerships.” In *Who Will Provide? The Changing Role of Religion in American Social Welfare*. Eds. Mary Jo Bane, Brent Coffin, and Ronald Thiemann, Boulder: Westview Press. pp. 178-97; Owens, Michael Leo and R. Drew Smith. 2005. “Congregations in Low-Income Neighborhoods and the Implications for Social Welfare Policy Research.” *Nonprofit and Voluntary Sector Quarterly*. 34(3): 316-39; John J. DiIulio, Jr. 1999. “Supporting Black Churches.” *The Brookings Review*. 17(2): 42-45; Mark Chaves and William Tsitsos. 2001. “Congregations and Social Services: What They Do, How They Do It, and With Whom.” *Nonprofit and Voluntary Sector Quarterly*. 30(4): 660-683; Campbell, David. 2002. “Beyond Charitable Choice: The Diverse Service Delivery Approaches of Local Faith-Related Organizations.” *Nonprofit and Voluntary Sector Quarterly*. 31(2): 207-30; Chaves, Mark. 1999. “Religious Congregations and Welfare Reform: Who Will Take Advantage of ‘Charitable Choice’?” *American Sociological Review*. 64(6): 836-46; Elizabeth A. Graddy. 2006. “How Do They Fit? Assessing the Role of Faith-Based Organizations in Social Service Provision.” *Journal of Religion & Spirituality in Social Work*. 25(3/4): 129-50.

⁴Sheila Sues Kennedy and Wolfgang Bielefeld. 2006. *Charitable Choice at Work*. Washington, D.C.: Georgetown University Press, pp. 148-53; Ronald J. Sider and Heidi Rolland Unruh. 1999. “No Aid to Religion? Charitable Choice and the First Amendment.” *The Brookings Review*. 17(2): 46-49.

⁵Carlson-Thies, Stanley. 2004. Implementing the faith-based initiative. *The Public Interest* 155: 57-74; Smith, Bartkowski, and Grettenberger (2007).

secular nonprofit organizations. Few studies explore service delivery, client characteristics, or organizational characteristics across faith-based and secular organizations in a diverse array of settings. As a result, even the most informed policymakers and researchers must operate with few data points when discussing what faith-based service agencies contribute to communities and how those contributions differ from secular service agencies.⁶

There are many reasons why debate of the comparative strengths of faith-based versus secular nonprofit service organizations should be informed by objective and rigorous data. First, although there is interest in identifying which types of nonprofit organizations perform better, we should have a rigorous understanding of what FBOs and secular nonprofits do and whom they serve. To the extent that each sector serves different client populations or attend to separate service niches, it may be difficult to make meaningful comparisons about the relative efficacy of faith-based versus secular nonprofits. Moreover, given that the government and private donors direct tens of billions of dollars to nonprofit service organizations each year, a proper account of what nonprofit service providers actually deliver within communities should be of importance to many policymakers, concerned citizens, and community leaders.

Next, we should consider whether faith-based organizations are located in different types of neighborhoods or communities than secular organizations. The geography of service provision is an important, but often overlooked, element of local safety nets. Poor populations with limited access to transportation resources and complex commutes, cannot readily access agencies that are not located nearby. Because there are many religious congregations located in or near high poverty neighborhoods, it often is assumed that faith-based service organizations will operate in the most impoverished parts of our communities. Yet, there is no evidence to indicate that faith-based service organizations will be more accessible to poor persons than secular nonprofits or government agencies. If faith-based or secular

⁶Carol J. DeVita. 1999. "Nonprofits and Devolution: What Do We Know?" in *Nonprofits and Government: Collaboration and Conflict*, eds. Elizabeth T. Boris and C. Eugene Steuerle. Washington, D.C.: The Urban Institute Press, pp. 213-33.

nonprofits are to strengthen impoverished communities and help low-income families, it is important that they provide services to poor persons living in high poverty areas. Also, to the extent communities are seeking to strengthen or expand services available to the poor, it is important to avoid duplication or redundancy in the allocation of new resources.

Finally, nonprofit social service agencies increasingly must fill the gaps left by retrenchment of public assistance programs. Despite the perceived success of welfare reform, there remain many unmet needs. The number of persons living in poverty has increased in recent years, yet public assistance programs appear less responsive to these increases than has been the case in recent decades. For instance, the number of families living below the poverty line increased by 18.9 percent between 2000 and 2003 (6.4 million to 7.6 million). During that same time, the number of families receiving TANF decreased by 8 percent during the same time period, from 2.2 million to 2.0 million. Receipt of Food Stamps and Medicaid also has declined in recent years, leaving low-income households more reliant perhaps on community-based service organizations for assistance in providing for basic material needs. Pavetti and Kauff (2006) find long-term recipients of welfare struggling with many different barriers to employment that are not adequately addressed by the current welfare system. Of significant concern, the authors found low cognitive functioning, severe physical health limitations, and untreated mental health problems to be so prevalent among welfare recipients reaching program time limits that many were unable to complete basic household tasks, let alone balance work and household responsibilities. Further, as can be seen when looking at the impact of job losses in states like Michigan in the past few years, severe or sustained economic recession will increase volatility in housing arrangements, increase food insufficiency, and lead to negative health impacts on adults and children. Social service programs

are critical to meeting existing needs of fragile and vulnerable families, as well as addressing the challenges that prolonged economic recession might pose.⁷

With these considerations in mind, this paper poses a number of policy-relevant research questions remain regarding the role and characteristics of faith-based versus secular service organizations. Do patterns of service delivery vary between faith-based and secular organizations? Do FBOs reach different types of populations or operate in different types of neighborhoods than secular organizations? From where do FBOs draw funding? Is service provision more stable and consistent within faith-based organizations than secular organizations? Are there differences in service delivery or operation between religious nonprofits that integrate faith elements into service delivery versus those that keep matters of faith segmented from service delivery?

To begin to answer these questions, this paper examines data from the Multi-City Survey of Social Service Providers (MSSSP), which I conducted with social service providers helping low-income populations in the metropolitan areas between November 2004 and August 2005. Working from a detailed database of service providers in each site, trained interviewers conducted almost 1,500 telephone interviews with program managers and executive directors. The MSSSP survey contains detailed geographically-sensitive information on services provided, clients served, funding, and organizational characteristics from a range of governmental, nonprofit, and faith-based social service providers.

This paper will proceed as follows. First, I briefly discuss how social service programs have become central components within our local safety nets and the role that FBOs occupy within this service-based safety net system. Drawing upon data from the MSSSP, I explore social service provision across three different urban settings. In particular, I focus upon mismatches and instabilities within the

⁷Department of Health and Human Services. 2001. U.S. welfare caseloads information. <http://www.acf.dhhs.gov/news/stats/newstat2.shtml>; U.S. Census Bureau. 2006. Number of Families Below the Poverty Level and Poverty Rate: 1959 to 2005. <http://www.census.gov/hhes/www/poverty/histpov/hstpov13.html>; Pavetti, LaDonna A. and Jacqueline Kauff. 2006. *When Five Years Is Not Enough: Identifying and Addressing the Needs of Families Nearing the TANF Time Limit in Ramsey County, Minnesota*. Washington, D.C.: Mathematica Policy Research, Inc.; Jack Kresnak. "Getting a grip on poverty: More state, metro Detroit kids worse off as agencies seek answers." *Detroit Free Press*, June 26, 2006.

provision of social service programs. Finally, I conclude by discussing the implications of my findings for future social welfare policymaking and efforts to better incorporate religious nonprofits into local safety nets.

The Recent Rise of Social Services amidst the Downsizing of Welfare

Popular impressions of antipoverty assistance in America often highlight the role played by welfare cash assistance. In fact, expansion of Aid to Families with Dependent Children (AFDC) welfare caseloads over the latter half of the 20th Century is one of the most frequently discussed trends in American social policy. AFDC caseloads grew from 534,000 recipients in 1936 to 2,205,000 in 1950, and reached 4.3 million recipients by 1965. Welfare caseloads continued to expand throughout the 1970s, 80s, and 90s, reaching a historical high of 14.2 million recipients receiving nearly \$40 billion in assistance in 1993 (in \$2006).

Growth in welfare caseloads led to passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), commonly referred to as welfare reform, which sought to reduce welfare dependency and promote work activity among recipients by requiring work as a condition of assistance, limiting lifetime welfare receipt to five years, and expanding state discretion over welfare program administration. Implementation of welfare reform and the robust economy of the 1990s combined to produce an equally well-documented decrease in welfare caseloads since 1993. From 1993 to 2005, welfare caseloads dropped from 14.2 million to 4.6 million – a decline of almost 70 percent. Expenditures for welfare cash assistance similarly diminished substantially in the last decade. Federal and state expenditures for TANF welfare cash assistance amounted to about \$11 billion in 2004.⁸

⁸Coll, Blanche D. 1995. *The Safety Net*. New Brunswick: Rutgers University Press; and Stevens, Robert B. 1970. *Statutory History of the United States: Income Security*. Chelsea House Publishers: New York; U.S. Department of Health & Human Services, Administration for Children and Families. 2001. Average Monthly Families and Recipients for Calendar Years 1936 – 2001. <http://www.acf.hhs.gov/news/stats/3697.htm>; Department of Health and Human Services. 2000. Temporary Assistance for Needy Families (TANF) Percent of Total U.S. Population, 1960-1999. <http://www.acf.hhs.gov/news/stats/6097rf.htm>; Department of Health and Human Services. 2004. Fiscal Year 2004 TANF Financial Data. http://www.acf.hhs.gov/programs/ofis/data/tanf_2004.html.

Less well understood, however, is the growth of social service program expenditures during this same period. Prior to the War on Poverty of the 1960s, there were only relatively modest public expenditures for social service programs helping poor households address basic material needs, support employment, or promote personal well-being (e.g., substance abuse or mental health services, food pantries or soup kitchens, temporary or emergency cash assistance, child care assistance, job training and adult education programs, housing assistance, transportation assistance). For example, the federal government spent about \$124 million on social service programs in 1953-54, nearly \$1 billion today. State and local social service program expenditures totaled \$605 million, almost \$4.5 billion in inflation-adjusted dollars.⁹

In the wake of the War on Poverty, however, both public and private funding of social service programs expanded significantly. Initially, expanded federal and state funds for social service programs came from the public welfare titles of the Social Security Act (SSA). Federal funds for social services under Title IV-A of the SSA grew from \$281 million in 1967 to \$1.6 billion in 1972.¹⁰ Many other federal social service programs followed in the ensuing decades. For instance, the Comprehensive Employment and Training Act (CETA), Job Training Partnership Act (JTPA), and Workforce Investment Act (WIA) have funded tens of billions of dollars in services and programs to help youth and adults overcome barriers to employment. Later, programs such as the Community Services Block Grant (CSBG) and the Community Development Block Grant (CDBG) consolidated many categorical grant programs funding social services. The federal Substance Abuse and Mental Health Services Administration (SAMHSA)

⁹Smith, Steven Rathgeb and Michael Lipsky. 1993. *Nonprofits for Hire*. Cambridge (MA): Harvard University Press, pp. 51-53.

¹⁰In particular, amendments to the SSA in 1962 and 1967 encouraged states to and communities to provide public assistance recipients with a range of social services that would help them find work and leave the welfare rolls. The 1967 Amendments provided a generous three dollar federal match for every dollar that a state generated from public or private sources to provide services promoting economic self-sufficiency, well-being, and child welfare. Congress capped Title IV-A funding in 1972 and then transferred most of those programs to Title XX of the Social Security Act in 1975. These social service funds were again reduced in size and formed into the Social Services Block Grant (SSBG) in 1981. See Steven Rathgeb Smith and Michael Lipsky. 1993. *Nonprofits for Hire*. Cambridge (MA): Harvard University Press, p. 53-55; House Committee on Ways and Means, U.S. House of Representatives. *2004 Green Book*, p. 10-2; Trattner, Walter I. 1989. *From Poor Law to Welfare State: A History of Social Work in America*. New York: The Free Press Inc., pp. 277-304; Lynn, Jr., Laurence E. 2001. "Social Services and the State: The Public Appropriation of Private Charity." *Social Service Review*, 76: 58-82.

currently administers roughly \$3 billion dollars of grant programs and contracts annually to address substance abuse and mental health problems. Medicaid also has provided states and communities with several billion dollars in fees and reimbursements for substance abuse and mental health programs in recent years, particularly programs that help expecting mothers or women who have recently given birth. In addition to expanded federal funding of social services, state and local governments developed their own programs in the last several decades to complement or augment federal efforts.

Not as well-publicized as caseload reduction and required work activity, but as important to the long-term contours of social welfare policy in America, the type of assistance provided to welfare recipients has changed recently as well. Recurring monthly welfare checks, defined by the law as “assistance,” are no longer the primary source of assistance for welfare recipients. Instead, welfare-to-work programs now fund a range of social services that are defined as “non-assistance,” which include childcare, job search assistance, mental health services, substance-abuse treatment, domestic violence counseling, and temporary income support intended to support work activity and help recipients overcome barriers to employment. Rather than a welfare system reliant on welfare checks, the system now uses a wide range of tools to transform individual behavior, increase work-readiness, and promote economic self-sufficiency.¹¹

The changes in welfare assistance that have occurred since 1996 are not only striking, they are historic. The percentage of federal welfare dollars devoted to cash assistance fell from 77 percent in 1997 to 33 percent in 2004. At the same time, the percentage of federal welfare dollars going to non-cash assistance – services supporting work activity - increased from 23 in 1997 percent to 58 percent in 2004.

¹¹TANF assistance is defined as either “assistance” or “non-assistance.” The federal government does not require states to provide detail about what is categorized as assistance or non-assistance and the definitions themselves are not clear cut. The term “assistance” includes ongoing benefits of a cash or non-cash nature, typically monthly cash grants, but also at times support services like child care to individuals who are not employed. “Non-assistance” is defined as support services that are not income support and cash assistance that is not recurring or ongoing (less than four months in duration). See, Parrott, Sharon, Liz Schott, Eileen Sweeney, Allegra Baider, Evelyn Ganzglass, Mark Greenberg, Elizabeth Lower-Basch, Elisa Minoff, and Vicki Turetsky. 2007. “Implementing the TANF Changes in the Deficit Reduction Act: ‘Win-Win’ Solutions for Families and States.” Second edition. Center on Budget and Policy Priorities and Center for Law and Social Policy. <http://www.clasp.org/publications/tanfguide.pdf>.

Taking transfers to the CCDBG and SSBG into account, 64.6 percent of federal TANF monies were spent on social services in 2004. TANF-funded social services and transfers to other service programs totaled about \$17.5 billion in 2004, close to twice the amount spent on cash assistance.¹²

Moreover, since 1990 the Earned Income Tax Credit (EITC) has become the largest means-tested program providing cash assistance to low-income households in America. The EITC provided nearly \$36 billion in credits to 19.8 million working poor families in 2002, with average credits of almost \$2,000 per working poor family. Today, the EITC provides four times as much cash assistance to roughly four times as many families as does TANF.¹³ Yet, one must work to receive the EITC, which places greater emphasis on providing adult education, literacy, job training, and job search programs that can help poor adults find work. In this way, social services are not simply a solution to the work-related needs of the poor - they also serve as gateways to other social welfare benefits.

Totaling a limited set of means-tested child care programs, housing assistance, education programs, job training, TANF-funded family services, and the Social Services Block Grant at the federal, state, and local level, Congressional Research Services estimates that real dollar federal, state, and local expenditures for social services more than doubled since 1975, from \$47 billion roughly \$110 billion in 2002 (in \$2006).¹⁴ Such an estimate certainly understates the size of the public social service sector, however, as it excludes a wide range of job training, substance abuse and mental health treatment, child care, housing, and energy assistance programs operated by federal, state, and local governments.

¹²All dollar figures are in \$2006. Congressional Research Services, 2003, "Cash and Noncash Benefits for Persons with Limited Income: Eligibility Rules, Recipient and Expenditure Data, FY2000-FY2002." Report # RL32233, pp. CRS-227 to CRS-239; House Committee on Ways and Means, U.S. House of Representatives. *1998 Green Book*, p. 411; Department of Health and Human Services. 2004. Fiscal Year 2004 TANF Financial Data. http://www.acf.hhs.gov/programs/ofs/data/tanf_2004.html.

¹³These data do not include state earned income credits, which are available in 20 states. See House Committee on Ways and Means, U.S. House of Representatives. *2004 Green Book*, p. 13-41; Steve Holt. 2006. "The Earned Income Tax Credit at Age 30: What We Know." The Brookings Institution, Metropolitan Policy Program, Survey Series. Data for 2003 EITC recipients reported in the 2004 Green Book are estimates. Analyzing IRS data on its own, the Brookings Institution estimates that 21.4 million families received the EITC in 2003. See Alan Berube. 2006. "The New Safety Net: How the Tax Code Helped Low-Income Working Families During the Early 2000s." The Brookings Institution, Metropolitan Policy Program, Survey Series.

¹⁴Congressional Research Services, 2003, "Cash and Noncash Benefits for Persons with Limited Income: Eligibility Rules, Recipient and Expenditure Data, FY2000-FY2002." Report # RL32233, pp. CRS-227 to CRS-239.

Governmental social service programs frequently depend upon local nonprofit service organizations to deliver assistance to populations in need. As a result, both the number of nonprofit service agencies and the total revenues of the nonprofit service sector have increased dramatically since 1970. For example, the number of organizations filing nonprofit status with the IRS increased by 115 percent between 1977 and 1997. Data from the National Center for Charitable Statistics (NCCS) indicate that the number of nonprofit human service and job training service providers increased by 60 percent between 1990 and 2003. Revenues for social service nonprofit organizations more than doubled from 1977 to 1997 in real dollars, with revenue from government sources increasing by 200 percent.¹⁵ Similarly, NCCS data indicate that total revenues for nonprofit human service organizations more than doubled in real dollars from about \$50 billion to \$100 billion between 1990 and 2003.¹⁶

Based on these many different estimates of social service expenditures, it appears that governmental and nonprofit agencies combine to spend around \$200 billion for services targeted at low-income populations each year. To put this figure in perspective, consider that on top of the roughly \$10 billion spent on welfare cash assistance and the \$36 billion spent by the federal government on the EITC, the Food Stamps program provides approximately \$26 billion in assistance to low-income households each year and Medicaid spends about \$70 billion each year on health care for low-income working-age, non-disabled adults.¹⁷ Contrary to popular impressions about antipoverty assistance, the American safety net spends at least twenty times as much on social services for poor people as it does on welfare cash assistance and nearly as much on social services as four of the largest antipoverty programs combined.

¹⁵Lester M. Salamon, pp. 30-33, "The Resilient Sector: The State of Nonprofit America," in Salamon, Lester M.(Editor). *State of Nonprofit America*. Washington, DC, USA: Brookings Institution Press, 2002; Boris, Elizabeth T. 1999. "The Nonprofit Sector in the 1990s." in *Philanthropy and the Nonprofit Sector in a Changing America*, eds. Charles T. Clotfelter and Thomas Ehrlich. Bloomington: Indiana University Press, p. 9; Twombly, Eric C. 2001. "Human Service Nonprofits in Metropolitan Areas during Devolution and Welfare Reform." The Urban Institute, Center on Nonprofits and Philanthropy, Charting Civil Society, No. 10. p. 2.

¹⁶Author's estimates of 501(c)(3) organizations based on data from the National Center for Charitable Statistics.

¹⁷House Committee on Ways and Means, U.S. House of Representatives. *2004 Green Book*, p. 13-41; Steve Holt. 2006. "The Earned Income Tax Credit at Age 30: What We Know." The Brookings Institution, Metropolitan Policy Program, Survey Series.

Although there are a number of implications of maintaining a safety net reliant upon social services as the primary vehicle for helping poor persons, issues of accessibility to service providers are of primary importance. A poor person cannot readily participate in a social service program located many miles away, making proximity to service providers critical to receiving help. Information about services or assistance available is likely to be a function of proximity because one will know more about the agencies and services present in their immediate community or neighborhood than in communities and neighborhoods farther away. To the extent that such information is provided, it is reasonable to expect that caseworkers will provide low-income individuals with information about programs and resources in their immediate community. Proximity to providers also reduces the burden of commuting. For working adults with children, visits to service providers must be coordinated with already complex commutes between home, child care, and work. Further, the limitations of public transportation in many communities and low rates of automobile ownership among low-income households make it even more critical that providers are located nearby. Simply put, in a service-based welfare system or safety net, inadequate availability or accessibility of social services is tantamount to being denied aid.

Faith-based Service Providers in the Contemporary Safety Net

Although the American welfare state has its roots in religious service organizations and congregations, faith-based or religious nonprofit organizations continue to occupy an important position within the contemporary social service-oriented American safety net. Expansion of governmental social service programs in the last forty years has been the catalyst for growth of both the secular and faith-based nonprofit service sector. Today, DiIulio (2004) observes that “faith-based programs, especially in urban communities, are the backbone of broader networks of voluntary organizations that benefit the

least, the last, and the lost of society.”¹⁸ Although the role of faith-based service organizations (FBOs) varies from community to community, Grønbjerg and Smith (1999) estimate that roughly one-fifth of all nonprofit human service organizations are religious organizations.¹⁹

While FBOs are prominent components of local safety nets, it is difficult to define exactly what constitutes a faith-based organization. Precise definitions of faith-based service providers are challenging to formulate. There exists no legal or regulatory definition of a faith-based organization. Moreover, the manner in which a service agency incorporates religious elements or is affiliated with a religious organization can vary widely. Some providers may be religious congregations that explicitly involve prayer and worship into service delivery. Other congregations may operate programs, but make no effort to discuss matters of faith with clients. FBOs that do not integrate religion into service provision may have financial or administrative affiliations with religious organizations that do. Many faith-based agencies may have originated within a religious organization or congregation, but have since separated from that founding religious organization or congregation and more closely resemble a secular nonprofit than the religious nature of their organizational name may suggest. Still other faith-based organizations are driven by traditional religious values emphasizing service and compassion for the needy, yet maintain daily operations that make them nearly indistinguishable from secular nonprofits that draw their mission from similar concerns for the poor.

As a result, scholars attempt to locate service providers on a faith-based organization continuum that distinguishes the degree to which religion or faith permeates service delivery, rather than come up with a simple dichotomy that may blur important differences between religious nonprofits. For instance, Monsma (2004) distinguishes faith-based/segmented from faith-based/integrated nonprofit service providers. Faith-based/segmented organizations have some type of formal religious affiliation or

¹⁸DiIulio, Jr., John J. 2004. “Getting Faith-based Programs Right.” *The Public Interest*. Issue 155: 75-88.

¹⁹Kirsten A. Grønbjerg and Steven Rathgeb Smith. 1999. “Nonprofit Organizations and Public Policies in the Delivery of Human Services.” in *Philanthropy and the Nonprofit Sector in a Changing America*, eds. Charles T. Clotfelter and Thomas Ehrlich. Bloomington: Indiana University Press.

background, but do not incorporate religion or faith elements into service delivery. Faith-based/integrated organizations purposively incorporate religious symbols, principles, and worship into service delivery, as well as hire staff and accept clients based on the compatibility of their religious beliefs. Smith and Sosin (2001) identify three dimensions along which combine to determine the degree to which religious activities or values are embedded in service delivery: degree to which resources are drawn from religious organizations; the extent to which an agency is operates independently from the authority of a religious organization; and the strength of religious culture within an organization. Ebaugh et al. (2003) distinguish secular from faith-based service organizations by the religiosity of an organization's culture, which is reflected by whether staff pray with clients, promote particular religious viewpoints to clients, speaking about spiritual matters to clients, or discuss behavioral issues using religious principles.²⁰

When exploring FBOs, many studies to date have focused upon religious congregations and places of worship. In a review of the literature on faith-based service organizations, Scott (2003) identifies five national samples of FBOs, all of which were congregations. Of studies looking at FBOs across multiple states or within a particular local place, more than half focused upon congregations exclusively.²¹ A fair amount of what we know about FBOs is drawn from studies of religious congregations. For example, data from the National Congregations Study (NCS) indicate that 57 percent of churches or places of worship "participated in or supported social service, community development, or neighborhood organizing projects" within the past year. Also, it is estimated that 20 percent of church

²⁰Monsma, Steven V. 2004. *Putting Faith in Partnerships: Welfare-to-Work in Four Cities*. Ann Arbor: University of Michigan Press, pp. 42-45, 58-59; Smith, Steven Rathgeb and Sosin Michael R. 2001. "The Varieties of Faith-Related Agencies." *Public Administration Review*. 61(6): 651-70, pp. 654-56; Ebaugh, Helen Rose, Paula F. Pipes, Janet Saltzman Chafetz, and Martha Daniels. 2003. "Where's the Religion? Distinguishing Faith-Based from Secular Social Service Agencies." *Journal for the Scientific Study of Religion*. 42(3): 411-26. See also, Ronald J. Sider and Heidi Rolland Unruh. 2004. "Typology of Religious Characteristics of Social Service and Educational Organizations and Programs." *Nonprofit Voluntary Sector Quarterly*. 33(1): 109-34.

²¹Jason D. Scott. 2003. "The Scope and Scale of Faith-Based Social Services: A Review of the Research Literature Focusing on the Activities of Faith-based Organizations in the Delivery of Social Services." *The Roundtable on Religion and Social Welfare Policy*.

income is dedicated to social services, translating into roughly \$12.6 billion in assistance annually.²² Most studies find that faith-based service providers typically deliver food and emergency assistance to meet basic material needs, youth programming, and family counseling. Faith-based organizations have been found less likely to deliver services that require professionally trained staff and seek to address human capital, mental health, or substance abuse barriers to employment. Moreover, just 11 percent of religious congregations receive funding from sources outside the congregation and only 3 percent receive governmental funding.²³

In many communities, religious nonprofits such as Catholic Charities, the Salvation Army, or Lutheran Social Services have provided critical service delivery capacity for several decades in a wide range of areas: job training; adult education; domestic violence counseling; child welfare; emergency food or cash assistance. Although the mission to serve poor population emerges from a religious or faith tradition, religious or faith elements are much less prominent or entirely absent from the daily routine of service delivery for these types of faith-based service organizations. Moreover, FBOs of this type have extensive experience partnering with government agencies and receiving funding from government programs. Expansion of public funding for social service programs in the last few decades has created

²²DiIulio, Jr., John J. 2004. "Getting Faith-based Programs Right." *The Public Interest*. Issue 155: 75-88; Kirsten A. Grønberg and Steven Rathgeb Smith. 1999. "Nonprofit Organizations and Public Policies in the Delivery of Human Services." in *Philanthropy and the Nonprofit Sector in a Changing America*, eds. Charles T. Clotfelter and Thomas Ehrlich. Bloomington: Indiana University Press, p. 164; Chaves, Mark. 1999. "Religious Congregations and Welfare Reform: Who Will Take Advantage of 'Charitable Choice?'" *American Sociological Review*. 64(6): 836-46. Biddle (1992) found that between 20 and 30 percent of church expenditures are dedicated to health, education, and human service programs. See Jeff Biddle. 1992. "Religious Organizations" in *Who Benefits From the Nonprofit Sector?* Ed. Charles T. Clotfelter, Chicago: University of Chicago Press,, p. 98.

²³Jeff Biddle. 1992. "Religious Organizations" in *Who Benefits From the Nonprofit Sector?* Ed. Charles T. Clotfelter, Chicago: University of Chicago Press, p. 102; Thiemann, Ronald, Samuel Herring, and Betsy Perabo. 2000. "Responsibilities and Risks for Faith-based Organizations." In *Who Will Provide? The Changing Role of Religion in American Social Welfare*. Eds. Mary Jo Bane, Brent Coffin, and Ronald Thiemann, Boulder: Westview Press. pp. 51-70, p. 56; Kirsten A. Grønberg and Steven Rathgeb Smith. 1999. "Nonprofit Organizations and Public Policies in the Delivery of Human Services." in *Philanthropy and the Nonprofit Sector in a Changing America*, eds. Charles T. Clotfelter and Thomas Ehrlich. Bloomington: Indiana University Press, p. 164; Mark Chaves and William Tsitsos. 2001. "Congregations and Social Services: What They Do, How They Do It, and With Whom." *Nonprofit and Voluntary Sector Quarterly*. 30(4): 660-683; Owens, Michael Leo and R. Drew Smith. 2005. "Congregations in Low-Income Neighborhoods and the Implications for Social Welfare Policy Research." *Nonprofit and Voluntary Sector Quarterly*. 34(3): 316-39; Chaves, Mark. 1999. "Religious Congregations and Welfare Reform: Who Will Take Advantage of 'Charitable Choice?'" *American Sociological Review*. 64(6): 836-46.

more opportunity for these types of faith-based organizations to provide assistance to low-income populations, strengthen their communities, and fulfill their antipoverty service missions.

Although there is a greater body of literature on faith-based service provision today than even a few years ago, there remains little data that examine how service provision differs between faith-based and secular service agencies, or that assess whether FBOs are more effective than secular nonprofit service organizations.²⁴ In part this is because many existing studies of FBOs and most program evaluations do not permit comparisons between faith-based and secular nonprofits. Yet, when summarizing a set of case studies that compare the performance of FBOs to secular nonprofits in parenting education, substance abuse services, and transitional housing programs, Smith (2007) finds few differences in service delivery or performance across faith-based and secular providers.²⁵

However defined by scholars, FBOs are not permitted by law to use public funds for worship or proselytizing activities, nor can they incorporate elements of faith into service programs that receive support from government funds or contracts. Public funding of faith-based or faith-related service organizations should be limited to programs that do not have an explicit religious purpose, that are not primarily designed to promote a religious viewpoint, and that do not involve substantial “entanglement” between religious organizations and public offices or bureaucracies. Keeping faith components distinct from service components has been a condition for receipt of governmental funding for the past 35 years.²⁶

Despite increases in federal funding for social service programs over the past several decades and the important role of many faith-based organizations in providing services to poor persons at the street-

²⁴Carol J. DeVita. 1999. “Nonprofits and Devolution: What Do We Know?” in *Nonprofits and Government: Collaboration and Conflict*, eds. Elizabeth T. Boris and C. Eugene Steuerle. Washington, D.C.: The Urban Institute Press, pp. 213-33; Carlson-Thies, Stanley. 2004. Implementing the faith-based initiative. *The Public Interest* 155: 57-74.

²⁵Smith, Steven Rathgeb. 2007. “Comparative Case Studies of Faith-based and Secular Service Agencies: An Overview and Synthesis of Key Findings.” in *A Comparative View of the Role and Effect of Faith in Social Services*. eds. Smith, Steven Rathgeb, John P. Bartkowski, and Susan Grettenberger. Rockefeller Institute of Government. The Roundtable on Religion and Social Welfare Policy.

²⁶Greenberg, Anna. 2000. “Doing Whose Work? Faith-based Organizations and Government Partnerships.” In *Who Will Provide? The Changing Role of Religion in American Social Welfare*. Eds. Mary Jo Bane, Brent Coffin, and Ronald Thiemann, Boulder: Westview Press. pp. 178-97, p. 180.

level, it was not until passage of welfare reform in 1996 when discussion of faith-based service organizations became salient in national policy discussion surrounding social welfare policy. PRWORA contained a Charitable Choice provision that required states implementing social service contracts under TANF to treat FBOs the same as secular nonprofit organizations. This little debated component of welfare reform permitted religious organizations receiving governmental contracts to maintain hiring practices that favored religious guidelines and provide services in facilities with overt religious symbols or elements. While Charitable Choice required states to treat religious service organizations the same as secular nonprofits in contracting, it did not permit FBOs to use public funds to support worship or proselytization. It also required states contracting with faith-based organizations to provide services, to give welfare recipients a secular alternative for those services.²⁷

Upon taking office in 2001, President Bush created the White House Office of Faith-Based and Community Initiatives (OFBCI). The President also established faith-based initiative agency centers in five cabinet-level departments (Departments of Justice, Housing and Urban Development, Labor, Education, and Health and Human Services), later creating similar agency centers elsewhere in the federal government (Departments of Agriculture, Homeland Security, and Commerce, as well as in the Agency for International Development, the Department of Veterans Affairs, and the Small Business Administration). The mission of the OFBCI and agency centers has been to reduce barriers faith-based organizations might face when seeking federal funding opportunities and to increase their capacity to deliver social services to populations in need.²⁸ Agency centers also have begun to administer new programs with modest funding that engage local FBOs in social service provision. For instance, the

²⁷In the second-term of Clinton's presidency, Charitable Choice provisions were extended to other block grant programs. The Children's Health Act of 2000 applied Charitable Choice to the Substance Abuse Prevention and Treatment (SAPT) block grant program that funds substance abuse treatment and services; the Community Opportunities, Accountability, and Training and Educational Services Act of 1998 applied Charitable Choice to the Community Services Block Grant (CSBG) program that funds child care, adult education, job training, and other services for low-income populations. Despite these extensions, Charitable Choice did not provide grants and contracts to many faith-based service organizations not previously engaged in service contracting.

²⁸Formicola, Jo Renee, Mary C. Segers, and Paul Weber. 2003. *Faith-Based Initiatives and the Bush Administration*. Lanham: Rowman & Littlefield Publishers, Inc., pp. 5-23.

Department of Labor has allocated \$22.5 million for the Ready4Work prisoner reentry program that seeks to improve employment opportunities and reduce recidivism among ex-offenders by through employment service and mentoring programs run by local faith-based service organizations in partnership with local employers and local corrections staff.²⁹

Similarly, the White House has used the OFBCI to strengthen partnerships between government and faith-based organizations in communities across the country. For instance, Congress has appropriated \$230 million in funding to the Compassion Capital Fund (CCF) from FY 2003 to FY 2006. The mission of the Compassion Capital Fund is to “help faith-based and community organizations increase their effectiveness, enhance their ability to provide social services to serve those most in need, expand their organizations, diversify their funding sources, and create collaborations to better serve those in need.” For instance, the CCF Demonstration Program provides funding to intermediary community organizations that in turn “help smaller organizations operate and manage their programs effectively, access funding from varied sources, develop and train staff, expand the types and reach of social service programs in their communities, and replicate promising programs.” From 2002 to 2005, the CCF has provided \$125 million in funding to sixty-five community intermediary organizations to help smaller faith-based organizations develop organizational capacity to administer grants and service programs.³⁰

One such intermediary organization is the Providence Plan located in Providence, RI, which received \$950,000 from the CCF in 2005. Through its New Roots Providence program, the Providence Plan administers a small-grants program that has issued 30 capacity-building grants to local faith-based and community nonprofit organizations currently offering welfare-to-work, at-risk youth, and prison re-entry programs. New Roots Providence has provided monthly seminars on strategic planning, program development, and fundraising to over 130 local faith-based and community organizations. Monthly

²⁹Department of Labor, Center for Faith-Based and Community Initiatives. 2004. Ready4Work: Business Perspectives on Ex-Offender Reentry. http://www.dol.gov/cfbci/images/Focus_Group_Reentry.pdf

³⁰Department of Health and Human Services, Administration of Children and Families. 2006. 2002–2005 Funding for Demonstration Program Grantees. http://www.acf.hhs.gov/programs/ccf/about_ccf/ccf_pdf/2005fundingdemo.pdf.

seminars also offer opportunities for faith-based organizations to build partnerships with other community nonprofits and government agencies to address a particular community need or issue. With the support of the CCF, New Roots Providence is helping dozens of small faith and community-based service organizations develop additional organizational capacity, build connections with other service agencies, and seek funds to expand services for low-income populations in the community (New Roots Providence).

Complementing these federal efforts, many states and communities are seeking to involve religious congregations and faith-based service providers more directly in the provision of social services for low-income populations. Twenty-seven states have enacted legislation since 2003 that increases the role of faith-based organizations in delivery of social services. Thirty-two states have designated an administrative agency office or staff person to function as a liaison between the state and faith-based organizations. Twenty percent of states have pursued capacity-building activities in the faith community and half have provided technical assistance to faith-based organizations that may have little experience with service provision or government contracting.³¹

Despite these capacity-building efforts and initiatives, however, there remains relatively modest information about what faith-based versus secular service organizations provide at the street-level. There are very few comparisons of services offered by the religious, secular nonprofit, and governmental service sectors. Little data can be leveraged to cast insight into the unique characteristics, roles, or potential of different types of service organizations within our local safety nets. Scholars and policymakers often are able to do little more than speculate about the capacity of faith-based versus secular service organizations to address the needs of high poverty neighborhoods and low-income populations more broadly.

³¹Ragan, Mark, and David J. Wright. 2005. "The Policy Environment for Faith-based Social Services in the United States: What has Changed Since 2002?" Albany: Rockefeller Institute of Government, The Roundtable on Religion and Social Welfare Policy.

Identifying Faith-based Organizations in the Multi-City Survey of Social Service Providers (MSSSP)

In this paper, I compare secular and faith-based nonprofit organizations interviewed by the Multi-City Survey of Social Service Providers (MSSSP), a survey of social service providers conducted between November 2004 and August 2005. The MSSSP conducted telephone survey interviews with executives and managers from 1,487 governmental and nongovernmental social service providers in three cities (Chicago, Los Angeles, Washington, D.C.). At the time of the interview, agencies reported providing any of a number of different services to low-income populations: welfare-to-work; job training; mental health; substance abuse; housing assistance; adult education; emergency assistance. In addition to collecting information about available services, the MSSSP gathered detailed information on clients served, funding, location, and organizational characteristics. With response rates of nearly 70 percent, the MSSSP is the most unique, comprehensive, and geographically sensitive surveys of service provision among governmental, secular nonprofit, and faith-based organizations working with poor populations currently available. Further detail about the MSSSP can be found in Appendix 1.

Data from the MSSSP improve upon the most common sources of data about social service providers. First, because it draws upon a wide range of data sources and types of service organizations, the MSSSP is uniquely positioned to compare faith-based, governmental, and secular nonprofit service agencies. Any religious congregation or place of worship listed in community directories or advertising as offering a social service program was included in the sample.³² Places of worship offering informal or infrequent assistance, counseling, or relief were not included in the survey, meaning that the MSSSP reflects those faith-based providers most ready to take advantage of a faith-based service initiative and most likely to have the capacity to expand social service activities in the short-term. Unlike IRS tax-exempt filings (990 forms), the MSSSP gathers information at the sites or offices where services are

³²Both Grønberg and Nelson (1998) and Smith, Bartkowski, and Grettenberger (2007) note that many religious service organizations are not listed in community service directories because they do not separate faith from service programs. See Kirsten A. Grønberg and Sheila Nelson. 1998. "Mapping Small Religious Nonprofit Organizations: An Illinois Profile." *Nonprofit and Voluntary Sector Quarterly*. 27(1): 13-31; and Smith, Steven Rathgeb, John P. Bartkowski, and Susan Grettenberger. 2007. *A Comparative View of the Role and Effect of Faith in Social Services*. Rockefeller Institute of Government. The Roundtable on Religion and Social Welfare Policy.

delivered, rather than from administrative headquarters. Similarly, the MSSSP collects much more information than is available from printed community directories or online listings.

Consistent with findings of other studies, Figure 1 shows that nonprofit service organizations compose about two-thirds of all respondents to the MSSSP. Roughly one-third of the nonprofit service organizations interviewed by the MSSSP self-identify as faith-based service organizations (i.e., either religious congregations or faith-based nonprofits). Of the FBOs interviewed, 54 percent identified as religious congregations or places of worship, about one of every six nonprofit service providers in the MSSSP.³³

(Figure 1 about here)

To distinguish FBOs that integrate religious or faith elements into service provision from those that do not, respondents were asked how frequently each of the following activities occurred during the course of service provision: staff prays with clients; staff promotes particular religious viewpoints to clients; or staff discusses behavioral or lifestyle issues using religious principles.³⁴ Given resource and time limitations, I chose a small number of items that would capture the degree to which religious elements played an explicit role in service provision. To be clear, however, these items do not capture the presence of religious symbols, the degree to which religious elements are embedded within organizational culture, or the specific nature of an agency's religious affiliations or partnerships. Moreover, we might expect nonprofit service organizations receiving public funding may be more likely to downplay their faith connections or activities, rather than risk admitting activity that may jeopardize those public funds. Nevertheless, these measures should help to distinguish nonprofits that routinely

³³Although the findings reported below are consistent across the three study sites, the prevalence of faith-based service organizations varies slightly across the service sectors within each community. In Chicago, 29 percent of nonprofit service organizations identify as religious agencies, versus 31 percent in Los Angeles, and 41 percent in Washington, D.C.

³⁴Survey questions were drawn from several sources: Monsma, Steven V. 2004. *Putting Faith in Partnerships: Welfare-to-Work in Four Cities*. Ann Arbor: University of Michigan Press, pp. 42-45, 58-59; Ebaugh, Helen Rose, Paula F. Pipes, Janet Saltzman Chafetz, and Martha Daniels. 2003. "Where's the Religion/ Distinguishing Faith-Based from Secular Social Service Agencies." *Journal for the Scientific Study of Religion*. 42(3): 411-26; Ronald J. Sider and Heidi Rolland Unruh. 2004. "Typology of Religious Characteristics of Social Service and Educational Organizations and Programs." *Nonprofit Voluntary Sector Quarterly*. 33(1): 109-34.

incorporate faith into programs from those that do not. Figure 2 sorts self-reported faith activity across religious nonprofits and religious congregations.

As might be expected, religious congregations are much more likely to report frequent involvement of faith or religious activities in service provision than religious nonprofits. Congregations indicate frequent promotion of a particular religious viewpoint to clients almost three times as often as faith-based providers (17 percent versus 6 percent), and frequently discussed lifestyle issues using religious principles at much higher rates than religious nonprofits (22 percent versus 13.5 percent respectively). Prayer with clients, the most common faith activity among the religious nonprofits interviewed, occurs frequently in 36 percent of religious congregations and 13 percent of the time in religious nonprofit organizations.

(Figure 2 about here)

Many more faith-based service organizations report integrating religious content or activities at least occasionally into the delivery of social services or assistance. For instance, while 22 percent of religious congregations frequently discuss lifestyle issues using religious principles, more than 40 percent report doing so occasionally. Similarly, the percentage of religious nonprofits reporting staff occasionally pray with clients is more than twice the percentage of religious nonprofits reporting frequent prayer activity (32 percent versus 13 percent respectively).

Just as one might expect there to be a continuum of religiosity along which providers might locate, certain activities appear to contain more explicit religious content and thus be less likely to occur across faith-based service organizations than activities with less specific religious content. For example, faith-based organizations are less likely to report promoting a particular religious viewpoint to clients than any other type of activity. Among religious nonprofits, frequent or occasional effort by staff to promote a religious viewpoint is reported one-third to one-fifth as often as discussion of religious principles or prayer. Similar patterns are evident among congregations. Prayer, which may be more

voluntary and may involve less direction, content, or instruction from staff, occurs to some degree within three-quarters of religious congregations offering social services and in nearly half of all religious nonprofits.

While recognizing that not all faith components of service provision may be equal, the bottom panel of Figure 2 examines the frequency with which faith-based service organizations pursue any of the three faith activities discussed in the survey. Roughly 20 percent of religious nonprofits and 40 percent of religious congregations report engaging in one of these three faith activities frequently. Forty-three percent of religious nonprofits and 51 percent of religious congregations indicate staff members are occasionally involved in at least one of these three faith activities. A large share of faith-based organizations, however, reports no religious content along these three dimensions of staff-client interactions. About half of religious nonprofits and almost 20 percent of congregations report no involvement of religious viewpoints, religious principles, or prayer in service delivery.

Using survey responses to questions about organizational affiliation and faith activity in service provision, I sort nonprofit organizations into three categories: secular nonprofits; faith-segmented nonprofits, and faith-integrated nonprofits. Secular nonprofit organizations are those agencies that self-identify as secular nonprofit agencies. FBOs that do not frequently involve prayer, religious viewpoints, or religious principles in service delivery are classified as faith-segmented organizations; FBOs indicating frequent use of prayer, religious viewpoints, and/or religious principles during service delivery are classified as faith-integrated organizations.³⁵

With this approach, I define 70 percent of FBOs in the MSSSP as faith-segmented and 30 percent as faith-integrated. Religious congregations or places of worship compose 66 percent of all faith-integrated service providers and 46 percent of all faith-segmented service providers. Just 7 percent of all providers offering social assistance to low-income populations in the MSSSP are classified as faith-

³⁵Although I draw these labels from Monsma (2004) and use them to distinguish between FBOs with low versus high levels of religiosity, my classification scheme is based on fewer survey items.

integrated agencies. These findings can be viewed as consistent with Campbell's (2002) conclusion that many faith-based service organizations do not involve religious elements in service delivery, as becoming involved in service delivery is intended to "bring the churches' own faith commitments to life, rather than engender new virtues in clients."³⁶ Using data available in the MSSSP, it appears that faith activities play no role or only a modest role in the daily service routines of most faith-based service organizations.

Moreover, despite differences in the share of FBOs that identify as religious congregations across the three cities, there is modest variation in the percentage of religious organizations coded as faith-segmented versus faith-integrated service providers across the three cities. Thirty-two percent of religious service providers in Chicago are categorized as faith-integrated, versus thirty-four percent in Los Angeles and seventeen percent in Washington, D.C.³⁷ Although religious congregations compose a large share of the nonprofit service providers in Los Angeles and Washington, D.C., the vast majority of congregations in those cities do not report explicitly incorporating faith elements into service delivery.

Characteristics of Faith-based and Secular Service Providers

While distinctions between secular nonprofit, faith-segmented, and faith-integrated agencies matter to normative debates about the safety net and to legal definitions of who can receive public funding, are there differences in what these various types of service organizations provide, who they help, or where they are located?

To begin to answer this question, I compare service provision across governmental, secular, and faith-based agencies in Figure 3. Consistent with existing empirical research, services requiring trained professional staff, such as mental health treatment, employment services, or substance abuse programs,

³⁶Campbell, David. 2002. "Beyond Charitable Choice: The Diverse Service Delivery Approaches of Local Faith-Related Organizations." *Nonprofit and Voluntary Sector Quarterly*. 31(2): 207-30. Elizabeth A. Graddy. 2006. "How Do They Fit? Assessing the Role of Faith-Based Organizations in Social Service Provision." *Journal of Religion & Spirituality in Social Work*. 25(3/4): 129-50.

³⁷The share of providers that are religious congregations varies across the different cities, comprising roughly 20 percent of nonprofit service providers in Los Angeles and metropolitan Washington, D.C., but only 7 percent of nonprofit service organizations in Chicago.

are more common among secular organizations than religious organizations. For instance, 30.5 percent of government agencies and 37 percent of secular nonprofit organizations provide outpatient mental health, compared to 23 percent of faith-integrated organizations. Outpatient substance abuse services are offered twice as often by secular nonprofits than by faith-segmented religious nonprofit organizations (35 percent versus 18 percent respectively).

(Figure 3 about here)

Differences between secular and religious service organizations are even more pronounced among social services intended to improve work outcomes and economic self-sufficiency among poor adults. Seventy percent of government agencies and fifty one percent of secular nonprofits offer employment services, but only 31 percent of faith-segmented and 34 percent of faith-integrated organizations offer such assistance to low-income populations. A similar pattern exists for adult education programs, where nearly 57 percent of governmental organizations offer education, GED, or literacy programs to low-income adults, compared to 24 percent of faith-integrated organizations.

Religious organizations, particularly faith-segmented organizations, focus more effort on providing assistance to address basic material needs. Whether operating a food pantry or meals program, helping a working poor family make a car payment, or covering utility bills during a particularly expensive winter season, religious nonprofit organizations are more likely to offer cash and in-kind assistance than secular nonprofits. For example, faith-integrated organizations are much more likely to offer food assistance (85 percent respectively) than secular nonprofit organizations (43 percent respectively). Similarly, faith-integrated organizations report providing emergency cash assistance nearly twice as often as secular nonprofit organizations or government agencies.³⁸

³⁸Chaves (2002) finds that less than ten percent of congregations are involved in providing services outside basic food, clothing, or housing needs. See Mark Chaves. 2002. "Religious Congregations." in *The State of Nonprofit America*, ed. Lester M. Salamon. Washington, D.C.: The Brookings Institution Press. p. 288. Also see Carol J. DeVita. 1999. "Nonprofits and Devolution: What Do We Know?" in *Nonprofits and Government: Collaboration and Conflict*, eds. Elizabeth T. Boris and C. Eugene Steuerle. Washington, D.C.: The Urban Institute Press, pp. 223; Elizabeth A. Graddy. 2006. "How Do They Fit? Assessing the Role of Faith-Based Organizations in Social Service Provision." *Journal of Religion & Spirituality in Social Work*. 25(3/4): 129-50.

On average, faith-based organizations are much smaller than secular providers.³⁹ Whereas 51 percent of secular nonprofit agencies and 63 percent of government organizations have annual budgets in excess of \$1 million, only 35 percent of faith-integrated and 25 percent of faith-segmented organizations report budgets over the \$1 million mark. In contrast, almost one-third of faith-integrated providers have operating budgets for service programs that are less than \$50,000 annually, compared to 4.5 percent of secular nonprofit organizations. Consistent with these differences in annual budgets, the median governmental and secular nonprofit organizations retain much larger staffs than faith-based organizations. For instance, the median government agency employs 20 full-time staff responsible for delivering services, compared to 10 staff for the median secular nonprofit, 4 staff for the median faith-segmented provider, and 3 for the median faith-segmented provider.

Differences in organizational size are due in part to differences in the service missions of faith-based versus secular nonprofits and government agencies. Specifically, faith-based providers are much more likely to offer basic material assistance than secular organizations. Emergency assistance and food assistance providers, however, maintain smaller budgets on average than providers offering more resource-intensive services.

Disparities in staffing between secular and faith-based organizations, however, do persist when comparing organizations operating within a specific service area. For instance, the median faith-integrated organization offering outpatient substance abuse services employs 4 full-time staff compared to 6 full-time staff in the median faith-segmented provider, 17 in the median secular nonprofit, and 48 full-time staff in the median government agency offering outpatient substance abuse. Such patterns hold up across adult education and employment service programs as well: religious organizations retain fewer full-time staff than secular organizations.

³⁹These figures represent funding at the particular office or service delivery site, rather than organization-wide figures.

The number of clients served in a typical month is another measure of organizational capacity. By this measure, the median faith-based nonprofit is quite similar to the median secular nonprofit. Although the median government agency serves 528 adult clients in a typical month, the median nonprofit service provider, religious or not, serves 150 adult clients per month. Such cross-organizational similarities persist even when comparing client caseloads within a particular service or treatment area. Consider employment service programs, where the median secular nonprofit organization serves 193 low-income adult clients in a typical month and the median faith-integrated provider assists about 200 adult clients.⁴⁰

A number of factors may explain why religious and secular nonprofit organizations differ in budget and staffing levels, yet maintain no significant differences in client caseload sizes. First, it is likely that overhead and staffing costs are higher among governmental and secular nonprofit agencies than faith-based organizations. Religious organizations often have access to office facilities through parent organizations at low or no cost. Many rely upon volunteers to deliver services or assistance.⁴¹ Such resources may not be easily captured by questions about the size of an agency's budget, but likely compose a significant share of the total resources devoted to assisting low-income populations. Moreover, employees of public agencies are likely to be unionized and receive more expensive compensation packages compared to employees of secular nonprofits and religious service organizations. Nonprofits, particularly religious nonprofits, may draw upon volunteers to deliver much of the assistance or services available to poor persons.⁴² It is also possible may be that faith-integrated and faith-segmented providers may offer qualitatively different services than secular nonprofits. Differences in full-time staffing, under this line of thought, can be interpreted as proxies for the sophistication and

⁴⁰It is important to note that caseload sizes do not reflect the number of persons actually receiving a given program or service. Instead, caseload sizes reported reflect the number of clients at an agency offering a particular type of service.

⁴¹Faith-based organizations may rely heavily upon volunteers, particularly when it comes to providing emergency cash and food assistance. The MSSSP, however, only gathers information about full-time staff.

⁴²Since the MSSSP only contains information about full-time staff, it is difficult to assess the degree to which volunteerism explains the differences between staffing and caseload sizes observed here.

professionalized nature of services offered by religious versus secular providers. For example, a faith-integrated provider may offer mental health programs that are more group-oriented and less reliant upon intensive clinical treatment than is the case in secular nonprofit and government agencies.

Accessibility of Faith-based Versus Secular Providers

One of the more compelling justifications for broader funding and involvement of faith-based service providers in local safety nets revolves around perceptions that religious organizations are better connected to communities and persons in need than governmental or secular nonprofit agencies. Religious organizations are perceived as institutions of trust in high poverty communities that reach out to the most disadvantaged groups. An expanded role for faith-based organizations within the safety net, therefore, should increase the availability and accessibility of services among poor populations and neighborhoods.

Most social service providers in the MSSSP target their programs at low-income populations. Nearly 83 percent of faith-integrated providers have caseloads that are at least 50 percent persons living below the poverty line; 76 percent of faith-segmented agencies assist client caseloads that are at least 50 percent persons living below the poverty line. By comparison, 77 percent of secular nonprofit and 64 percent of government service agencies report client caseloads that are at least fifty percent persons living in poverty.

Faith-integrated organizations, however, are more likely to maintain client caseloads that are predominately poor than other types of agencies. For instance, almost 64 percent of faith-integrated service providers operate with caseloads that are three-quarters poor persons, compared to just 47 percent of government agencies. Such findings may provide support for initiatives to expand the role of FBOs in our communities, but should be viewed in light of the fact that faith-integrated service organizations primarily provide emergency food and cash assistance programs that almost exclusively

serve persons with income very near or below the poverty line. In contrast, government agencies and other types of nonprofits provide an array of programs for a broader range of poor and non-poor populations.

Faith-integrated service providers also are more likely to maintain caseloads composed of higher percentages of African Americans than other types of service organizations. One-third of faith-integrated providers have caseloads that are at least 75 percent African Americans, almost three times as high as the percentage of government agencies serving mostly African American clients (12 percent). Also, faith-segmented and secular nonprofit organizations are twice as likely as governmental agencies to serve caseloads comprised predominately of African Americans. These findings are consistent with arguments that churches and places of worship play a particularly key role in high poverty and predominately African American neighborhoods. Again, however, faith-segmented organizations serving large percentages of African Americans primarily provide emergency food and cash assistance, offering adult education or outpatient mental health and substance abuse services at much lower rates. While faith-integrated organizations may reach poor black populations, they frequently do not provide the breadth of services necessary to address the barriers to employment experienced by many poor blacks living in high poverty neighborhoods.

Differences in client characteristics are suggestive, but alone do not provide much information about the geography of safety net opportunities in a particular community or the accessibility of service providers. Since most agencies draw a large share of their clients from the immediate neighborhood, it is important to understand the characteristics of the neighborhoods in which service providers locate.⁴³ A number of factors may shape an agency's decision of where to locate apart from the poverty rate of the tract. Availability of suitable office space, affordability of space, the explicit mission to serve certain

⁴³Forty-five percent of faith-segmented agencies and 43 percent of government agencies draw more than 75 percent of their clients from within 3 miles; 39 percent of secular nonprofits and 35 percent of faith-integrated organizations report that a majority of their caseload come from the immediate community.

neighborhoods, access to private donors, and proximity to adequate densities of potential clients all shape location decisions of service providers. Religious nonprofits may face an additional set of constraints upon location decisions. For example, FBOs may choose to locate near congregational partners or within a parish boundary, or they may be limited to occupying church-owned facilities.

Given these constraints, it is not surprising that FBOs are no more likely and in some instances less likely to locate in high poverty areas than secular organizations. For example, 45 percent of secular nonprofits are located in Census tracts where the poverty rate exceeded 20 percent in the year 2000. By comparison, 37 percent of faith-segmented organizations and 29 percent of faith-integrated providers were located in similar high poverty tracts. Only one-third of government agencies are located in tracts where the poverty rate exceeds 20 percent.

The poverty rate of the surrounding Census tract is an imprecise estimate of accessibility, however, as it does not capture the number of poor persons in the community, nor proximity to tracts and neighborhoods nearby that may contain large numbers of poor persons. More accurate assessments of access to services should take into account the potential demand surrounding a service provider, as well as capacity of the organization to offer assistance. To this end, I calculate service accessibility scores for each type of service organization that reflect a given residential tract's relative access to service opportunities offered by any agency, and then to specific types of agencies (i.e., governmental, secular nonprofit, faith-segmented, faith-integrated). These scores are calculated for a radius of three miles around each tract, weighting for both the capacity of the agencies and the number of poor persons within that radius. In effect, these accessibility scores are both supply and demand-weighted measures of service opportunity.

Appendix 2 provides more detail for the reader, but service accessibility scores reported below can be interpreted to make comparisons between a residential tract and the metropolitan average, as well as between two residential tracts: Residential Tract or Neighborhood A with an access score of 1.10 for

governmental services is located within 3 miles 10 percent more service opportunities provided by government agencies than the metropolitan mean tract; Residential Tract or Neighborhood B with an access score of 0.90 is located near 10 percent fewer government service opportunities than the metropolitan mean tract. Access scores can also be used to reflect the magnitude of differences in access between two neighborhoods or two types of Census tracts. For instance, if Neighborhood A has an access score of 1.10 and Neighborhood B has an access score of 0.90, then it can be said that Neighborhood A has access to 22 percent more providers than Neighborhood B ($1.10 \div 0.90 = 1.22$).

Service accessibility scores will indicate whether providers are well-distributed across a given community. If providers are equitably located or distributed, then service accessibility scores should be close to 1 and will be comparable across different neighborhoods. Mismatches in service accessibility or availability will exist when high poverty areas will be proximate to fewer providers than low poverty areas, or vice versa. Figures 4 and 5 chart access to all service providers across low, moderate, high, and extreme high poverty tracts in the three study cities.

When controlling for potential demand for assistance in our communities, higher poverty neighborhoods have less access to social service opportunities than low poverty neighborhoods. Figure 4 reports the mean or average service accessibility score for low, moderate, high, and extreme high poverty tracts in each city using the basic measure of service accessibility reflecting proximity to all social service agencies compared to the average neighborhood or Census tract. Low poverty tracts in Chicago and Los Angeles have much greater access to services than high poverty tracts in those cities. For example, low poverty tracts in Chicago have access to nearly twice as many providers as high and extreme high poverty tracts (1.306 versus 0.700 and 0.726 respectively). The differences in Los Angeles are quite similar, as low poverty tracts have almost twice as much access to services as high poverty and extreme high poverty tracts (1.294 versus 0.764 and 0.670 respectively). Although metropolitan Washington, D. C. displays the same basic relationships between poverty rate and service accessibility, the differences in

access are much smaller and are not statistically significant. Nevertheless, taken together these findings suggest that providers are not equitably distributed across lower and higher poverty neighborhoods. Instead, we have evidence of mismatches in service accessibility across low and high poverty areas of the urban communities examined here.

(Figure 4 about here)

Looking at the set of access scores specific to faith-based and secular organizations in Figure 5, there is evidence that faith-segmented and secular nonprofit service organizations are much more accessible to individuals living in high poverty neighborhoods than governmental and faith-integrated organizations. Persons living in extremely high poverty tracts have nearly twice as much access to faith-segmented agencies (1.209), as faith-integrated or governmental agencies (0.605 and 0.581 respectively). Secular nonprofits are also more accessible to high poverty areas than governmental agencies and faith-integrated service providers. Poor populations in high and extreme high poverty areas have access to roughly twenty to twenty-five percent more secular nonprofit service opportunities than to service opportunities from government agencies or faith-integrated agencies.

(Figure 5 about here)

In fact, faith-integrated agencies are not well-matched to populations in need. Neighborhoods with poverty rates below 10 percent have access to twice as many faith-integrated service providers, as do neighborhoods with poverty rates over 40 percent (1.300 versus 0.605 respectively). Government agencies are as poorly matched to high poverty areas as faith-integrated agencies. For instance, low poverty neighborhoods have access to more than twice as many governmental agencies as do extreme high poverty neighborhoods (1.310 versus 0.581 respectively). Similar comparisons can be made when looking at high poverty tracts, public agencies and faith-integrated service agencies are not as accessible to poor populations as other types of organizations.

Evidence as to whether faith-based, secular nonprofit, or government agencies are better equipped to provide assistance to low-income populations is mixed. Faith-based organizations serve larger percentages of clients living below the poverty line. At the same time, most faith-based organizations emphasize food and emergency assistance, rather than job training, mental health, substance abuse services that address barriers to employment. Many faith-based organizations also operate with few staff and resources, suggesting limited capacity to serve poor populations. When controlling for supply of services and demand for assistance, however, there is evidence indicating that faith-segmented providers are the most accessible component of the safety net. While faith-segmented agencies are less likely to offer more capacity-intensive services than government or secular nonprofit agencies, these types of providers also serve higher percentages of clients from the immediate community and are much more accessible to high poverty neighborhoods than government or secular nonprofit agencies. Faith-integrated agencies, in large part because they are not located in high poverty areas and represent just a small portion of agencies operating within local safety nets, are among the least accessible agencies to high poverty neighborhoods.

Religious Service Providers and Funding of the Safety Net

Setting aside issues of service accessibility aside for a moment, I now turn to examining the extent to which FBOs receive governmental funding compared to other sources of service funding. Until recently, legal restrictions have prevented faith or religious activities from being directly involved in service provision funded by public dollars. Although unsuccessful at targeting significant sums of federal funding at faith-integrated organizations or religious congregations, the Bush Administration has made effort to lower the barriers to public funding faced by religious service organizations. Relatively little data exists, however, that provides insight into the funding of services across religious and secular nonprofit organizations. To fill this void in part, I compare funding from five key sources across religious

and secular nonprofit organizations in the MSSSP: government grants or contracts (excluding Medicaid); Medicaid reimbursements; grants or contracts funded by nonprofit organizations or foundations; private giving from individuals; and, revenues earned from fees or commercial sales (excluding Medicaid).⁴⁴

As can be seen in the top line of Figure 6, governmental funding is much more prevalent among religious nonprofit organizations than one might expect. Nearly 85 percent of secular nonprofits report receiving government funding of some kind, compared to 58 percent of faith-segmented organizations and one-third of faith-integrated service organizations.

(Figure 6 about here)

The prevalence of public funding among faith-based service organizations may be surprising, particularly given that previous studies find religious congregations to rarely report receiving governmental funding.⁴⁵ On the one hand, these findings run counter to the rhetoric of the faith-based initiative, which suggests religious nonprofits are excluded from public funding opportunities. On the other hand, these findings may draw concern because public funding typically is not permitted to finance services that openly incorporate faith elements.

Findings about the prevalence of governmental funding within FBOs should be viewed with a few considerations in mind. First, these data may slightly overstate the degree to which public funds penetrate faith-integrated service providers. The MSSSP interviewed FBOs with established and advertised programs that will be more likely to receive public funding than smaller informal

⁴⁴A few caveats about the data. Providers were asked about the share of revenues from one of five sources in the most recent fiscal year: government grants or contracts; grants or contracts funded by nonprofit organizations or foundations; private giving from individuals; Medicaid reimbursements; and, revenues earned from fees or commercial sales. Government funds combine many different sources of public funding, including grants, contracts, vouchers, and tax credits. Providers were then asked about whether funding from a particular source had increased or decreased in the previous three years. In most instances providers were not able to generate estimates of which funding source supported which service. Given the complex funding and service delivery arrangements in many large service providers, this is not surprising.

⁴⁵Mark Chaves. 2002. "Religious Congregations." in *The State of Nonprofit America*, ed. Lester M. Salamon. Washington, D.C.: The Brookings Institution Press. p. 288; Kirsten A. Grønberg and Sheila Nelson. 1998. "Mapping Small Religious Nonprofit Organizations: An Illinois Profile." *Nonprofit and Voluntary Sector Quarterly*. 27(1): 13-31, p. 19. In a recent study, however, Smith, Bartkowski, and Grettenberger (2007) report similar findings to those presented here. See Smith, Steven Rathgeb, John P. Bartkowski, and Susan Grettenberger. 2007. *A Comparative View of the Role and Effect of Faith in Social Services*. Rockefeller Institute of Government. The Roundtable on Religion and Social Welfare Policy, pp. 25-26.

congregational programs of assistance less likely to be found in the survey. In fact, a study of implementation of Charitable Choice provisions found FBOs “more often constrained by budget and organizational capacity than by ideological disinclination of [governmental] funding agencies to foster ties with the religious community.” Smaller FBOs in particular often lack the administrative capacity to manage a public grant or contract.⁴⁶ Further, limitations of the MSSSP prevent us from making any conclusions about whether religious nonprofits are using public funds inappropriately. The MSSSP suggests that many FBOs do not incorporate faith into service provision, making it quite possible that FBOs receiving government funds do not use those funds to support religious activities. Even those agencies that incorporate faith elements into some services may fund those programs with nongovernmental revenue sources and use governmental funds for programs without religious content.

Perhaps even more importantly, governmental funding does not provide a substantial share of operating revenues for faith-integrated organizations. In Figure 6, I define an organization as being dependent upon a particular revenue source if it draws at least 50 percent of their operational budget in the most recent fiscal year. While 57 percent of secular nonprofit service organizations and 35 percent of faith-segmented agencies receiving governmental funding rely upon those funds for at least 50 percent of their total revenues, only 17 percent of faith-integrated agencies receiving public funding draw most of their annual budget from those funds. Less than two percent of all nonprofits dependent on public funds are faith-integrated agencies and nine out of every ten FBOs dependent upon public funding are faith-segmented agencies.⁴⁷

⁴⁶Kramer, Fredrica D., Kenneth Finegold, Carol J. De Vita, and Laura Wherry. 2005. “Implementing the Federal Faith-Based Agenda: Charitable Choice and Compassion Capital Initiatives.” The Urban Institute, *Assessing the New Federalism*. Series A, No. A-69.

⁴⁷These findings are consistent with other studies. Monsma (1996) concludes that child service agencies high on his religious practice scale were less likely to be dependent upon public funds than secular nonprofits or faith-based providers exhibiting low levels of religiosity. See Stephen V. Monsma. 1996. *When Sacred & Secular Mix*. Lanham: Rowman & Littlefield, pp. 77-78. In another study, Grønberg and Nelson (1998) found 38 percent of “large” religious nonprofits received more than 50 percent of their total funds from government. See Kirsten A. Grønberg and Sheila Nelson. 1998. “Mapping Small Religious Nonprofit Organizations: An Illinois Profile.” *Nonprofit and Voluntary Sector Quarterly*. 27(1): 13-31, p. 27.

Although it is difficult to ascertain the interest of faith-integrated or faith-segmented organizations in receiving governmental funding, the MSSSP does ask providers whether they are “aware of a national initiative that would make it easier for religious organizations to apply for government money to support their human service programs.” To the extent that providers are not aware of the federal government’s efforts to expand public funding opportunities for faith-based organizations, they may not be eager applicants or targets for such funding. While most organizations are aware of the faith-based initiative alluded to in the survey interview, a surprisingly large number did not indicate an awareness of a faith-based initiative at the national level. Less than 60 percent of faith-integrated service providers and only 70 percent of faith-segmented service providers report familiarity with a national initiative to improve access to public funding opportunities. Oddly, FBOs receiving governmental funds were no more likely to be aware of this initiative than faith-based agencies not receiving governmental funds, nor were faith-based agencies in higher poverty communities more aware of the Bush Administration’s current faith-based initiative.

If governmental grants and contracts are less prevalent among religious nonprofits than secular nonprofits, from where do religious nonprofit service providers draw funding? A small share of religious and secular nonprofit organizations report funds from Medicaid or earned revenue sources. About 10 percent of faith-based service providers and 30 percent of secular nonprofit organizations report receiving any funds from Medicaid, but again such funds comprise a small share of total revenues for most nonprofits.

A slightly larger percentage of nonprofit service organizations draw earned revenue from fees, dues, sales, or commercial ventures. For example, 39 percent of faith-segmented and 36 percent of secular nonprofit organizations report earned revenues, three times the share of faith-integrated service providers that report earned revenue sources (12 percent). Earned revenue, however, provides less than

a quarter of total revenue for nearly two-thirds of all nonprofit service organizations receiving such funds.

Much higher percentages of nonprofit organizations, religious and secular organizations alike, report funding from other nonprofit organizations and from private giving. For faith-integrated organizations, funding from the nonprofit sector and from private donors provides critical support. Fifty-six percent of faith-integrated providers receive funding from nonprofit grants and over 90 percent receive funding from private donors. Nonprofit funding and private giving compose a significant share of funding for faith-integrated agencies. Nearly 35 percent of faith-integrated agencies rely upon grants from other nonprofit organizations for a majority of their funding, with 51 percent drawing a majority of organizational revenues from private giving.⁴⁸

Faith-segmented and secular nonprofit service providers draw upon nonprofit and private giving somewhat differently. While three-quarters of faith-segmented agencies report funds from nonprofit grant programs and ninety percent report funds from private donors, less than 20 percent of faith-segmented agencies receiving funds from these sources rely upon them for a majority of their revenues. Similarly, even though three-quarters of secular nonprofits report revenues from nonprofit funding sources and/or private giving, very few secular nonprofits are dependent upon those sources of funding.

In short, the revenue story that emerges from the MSSSP is one where secular nonprofits are dependent upon governmental grants, faith-segmented service providers maintains more balanced funding streams, and faith-integrated agencies are highly reliant upon private giving.

Observed differences in funding sources across faith-based and secular nonprofit organizations may translate into different degrees of vulnerability to reductions in funding. Any funding decrease will affect service delivery, but loss of funds from a primary or key source of revenue will be particularly important. Since program funding has an inherent “blockiness” quality, meaning that programs often are

⁴⁸Similar findings are reported in Elizabeth T. Boris. 1999. “The Nonprofit Sector in the 1990s.” in *Philanthropy and the Nonprofit Sector in a Changing America*, eds. Charles T. Clotfelter and Thomas Ehrlich. Bloomington: Indiana University Press, p. 15.

funded in full or not at all, any loss or increase in a primary revenue source will have significant impact upon how an agency operates. Lost funds from a primary revenue stream create obvious challenges for service agencies, particularly if organizations cultivate few other funding sources and cannot find substitute revenues readily. In addition to seeking replacement funds, agencies may have to choose whether to reduce staff, lower program costs, or trim client caseloads in order to fit program activities within a more constrained budget.

When looking at increases and decreases in funding sources in the three years prior to the survey, it appears that both religious and secular service providers recently have experienced substantial volatility or change in the composition of agency funding. Forty-five percent of all nonprofits report a decrease in the previous three years within one of the five key funding sources examined by the MSSSP; 50 percent of all nonprofit service organizations report an increase in funding in the previous three years from these same revenue sources (figures not shown in Figure 6). Twenty-one percent of all nonprofit service organizations report a decrease in a primary funding source in the previous three years, compared to 17 percent that experienced an increase in funds from a primary revenue source.

Unfortunately, the MSSSP does not contain enough detail about funding arrangements to discern whether increases and decreases in funding leave agencies with in net positive or negative budgetary position. It does appear that many agencies reporting lost funds from one source do not replace those funds with increased funding from another source. For example, 54 percent of secular nonprofits that reported a loss of funds in the previous three years did not report an increase in other funding sources over that time (not shown in Figure 6). By comparison, 61.5 percent of faith-segmented and 46.4 percent of faith-integrated agencies do not report increases in funding that might offset decreases in funding. About one-third of nonprofit agencies reporting a loss in a primary funding source indicate an increase of some kind in another revenue stream.

The bottom panel of Figure 6 indicates that secular nonprofit organizations are more vulnerable than governmental or religious service agencies to decreases in a primary revenue source. Nearly fifty percent of secular nonprofits report a decrease in any revenue source in the previous three years, with almost 25 percent experiencing a decrease in a primary revenue source during that time. By comparison, 39 percent of faith-segmented agencies and 30 percent of faith-integrated agencies report a funding decrease.⁴⁹ FBOs experience decreases in primary funding sources even less frequently. Only 12 percent of faith-integrated and 15 percent of faith-segmented agencies report a loss of funds from a primary funding stream in the three years preceding the survey.⁵⁰ The fact that secular nonprofit organizations are more likely to experience funding cuts within a primary revenue source than FBOs is due to greater dependence upon public funding sources that change frequently from year to year.

Any cut in program funding will have an immediate and negative effect upon nonprofit service providers. Reduction in governmental and nongovernmental revenue sources will create fiscal uncertainty and instability that can force agencies to make immediate modifications to service provision. Accordingly, the MSSSP asks governmental and nongovernmental service providers whether recent funding problems or shortages have forced changes to service delivery. In particular, agencies experiencing funding decreases were asked whether they had pursued any of the following four responses to such funding losses in the previous year: reductions in staffing levels; reductions in services offered; reductions in numbers of clients served; or temporary closure of their facility.

More than half of all nonprofit service providers experiencing a cut in program funding – fifty-four percent – report reducing staff, reducing services, reducing clients served, or temporarily halting operations in response. Even though faith-based organizations are less likely to experience funding cuts than secular nonprofits, those that do are as likely to report changes to service provision as secular

⁴⁹Looking at a wide range of religious nonprofits in Illinois, Grønbjerg and Nelson (1998), find that 38 percent of large religious nonprofits report an operating loss in the previous fiscal year. See Kirsten A. Grønbjerg and Sheila Nelson. 1998. "Mapping Small Religious Nonprofit Organizations: An Illinois Profile." *Nonprofit and Voluntary Sector Quarterly*. 27(1): 13-31, p. 19.

⁵⁰Although not presented in Figure 6, approximately one-quarter of government agencies report any decrease in funding.

nonprofits. For example, 36 percent of faith-integrated agencies cut the number of clients served in response to funding cuts; 39 percent secular nonprofit organizations report serving fewer clients as a result of decreases in funding. Secular nonprofits and governmental agencies, because they carry larger staffs than religious nonprofit service providers, are much more likely to reduce staff in response to funding cuts. Seventy-one percent of government agencies and nearly sixty-two percent of secular nonprofit agencies indicated cutting staff in the wake of funding losses, compared to forty-three percent of faith-integrated organizations.

(Figure 7 about here)

Whether looking at the governmental, secular nonprofit, or faith-based components of the safety net, volatility and instability in service delivery arrangements appear to be quite common. Thirty-two percent of all nonprofit agencies report a cut in funding in the recent year that forced a change or reduction in service, compared to 18 percent of government agencies. Thirty-five percent of secular nonprofits, compared to 27 percent of faith-segmented and 18.5 percent of faith-integrated agencies experienced a reduction in service provision of some kind as a result of a funding cut.

The prevalence of instability and volatility in service provision should be of significant concern to policymakers, community leaders, and scholars, as it is generally assumed that social service programs are consistently and readily available to low-income populations. These findings also provide empirical evidence of the ripple effects that cuts in public funding can have within local safety nets.

Conclusion

Faith-based organizations are an important component of the safety net, both public and private. Examining data from the Multi-City Survey of Social Service Providers, I find faith-based service organizations play a critical role in providing basic material assistance to low-income households, many of whom may fall through the cracks of governmental programs or may not be eligible for governmental

assistance. Yet, the fact that roughly one-third of religious service providers offer adult education or employment assistance suggests that many faith-based organizations also offer services that address a broader range of barriers to employment among the poor. Contrary to popular impressions, a substantial percentage of religious nonprofit service organizations report receiving public funding for service programs. Half of all religious nonprofits report receiving government grants or contracts, although most do not draw a large share of organizational revenues from public sources. About one-third of faith-segmented agencies, those that do not incorporate faith activities into everyday service provision, are reliant upon such funds for a majority of their operating revenues. FBOs incorporating religious elements into service delivery, those I label faith-integrated service providers, are much more reliant upon private giving than other types of funding.

Faith-based organizations have much smaller budgets and fewer full-time staff than secular nonprofit or governmental service organizations. While many faith-based organizations may rely upon volunteers to a greater degree than secular organizations and thus be able to serve larger numbers of clients than one might otherwise assume, FBOs with few resources or staff members will struggle to respond to changes in the community or in the policy environment. Cuts in funding or surges in demand for help may pose particularly difficult challenges for modestly staffed FBOs. Small FBOs may have difficulty expanding programs, even when opportunities present themselves. Scant budgets and professional staff will limit the ease with which FBOs can transition to resource-intensive services or programs requiring professionally trained staff. Smaller agencies also will struggle to meet administrative and evaluation requirements often attached to large public and nonprofit grants for services.

When looking at where secular and faith-based service organizations are located in our communities, I find evidence that faith-segmented organizations - those that do not involve matters of faith in service provision - are the most geographically accessible sources of support to high poverty

communities. These agencies are more than twice as accessible to persons living high poverty neighborhoods as government agencies. Moreover, when examining the stability of social service provision across the nonprofit sector, I find faith-segmented agencies to be less likely to report changes in service provision due to funding cuts.

On the other hand, faith-integrated organizations are less accessible to poor populations. This is puzzling at first glance, as there are numerous religious congregations and places of worship in high poverty neighborhoods that maintain a mission to serve disadvantaged groups and might be providing some help to poor populations. Faith-integrated providers might be less spatially accessible than other types of nonprofits for several reasons. First, whether out of lack of interest or lack of resources, faith-integrated providers in high poverty areas may simply not offer much in the way of social services for poor populations. Such conclusions are confirmed by studies of religious congregations, which find places of worship to focus on material needs and to offer less formalized service programs. Even when programs are present, many congregations in high poverty areas may not generate donations from members necessary to offer help to large numbers of poor persons. Moreover, faith-integrated providers may not be interested in expanding their mission to include a broader array of clients, services, or programs. Evidence that high poverty neighborhoods have less access to faith-integrated agencies than other types of organizations, therefore, may reflect the priorities and preferences of religious organizations.

It is also possible that congregations already have spun off social service programs into separate nonprofit agencies. Legal limitations and barriers to public funding previously in place may have led many religious congregations to pursue their service mission through separate nonprofit organizations that would be eligible for public grants and contracts. This would explain in part why faith-segmented agencies, those with religious affiliations but without explicit religious elements in service provision, are more accessible to high poverty neighborhoods where we might expect many religious congregations to

be located. Consistent with this explanation, 80 percent of faith-segmented agencies in the MSSSP report partnerships and collaborative efforts with other faith-based organizations.⁵¹

Findings reported here provide cautious evidence in support of faith-based service initiatives. Strengthening the role of faith-segmented nonprofits within local safety nets – particularly the role of faith-segmented agencies located within high poverty neighborhoods – may be a logical next step for community leaders seeking to expand the assistance available to poor populations. Faith-segmented agencies may be best able to expand services in high poverty neighborhoods. Such agencies often are widely recognized and trusted within communities, which may make them less vulnerable to suspicion and apprehension that often accompanies efforts to strengthen the faith-based service community. Most importantly, these agencies have experience and capacity to build upon, which makes them one of the most effective avenues for expanding social service provision to currently underserved areas.

To the extent that religious congregations and faith-integrated agencies located in high poverty areas are interested in expanding their service missions and demonstrate that they can attract clients, communities should consider cultivating greater service delivery capacity among faith-integrated nonprofit organizations and congregations. Given limited staff and administrative capacity, however, community leaders should be realistic about the impact of technical assistance programs on what smaller faith-integrated agencies might be able to accomplish. It may be that these organizations are not interested or are not able to offer services with enough breadth or professionalism to justify diverting resources away from other types of agencies.

Moreover, aside from direct services, there are many other roles for FBOs within local safety nets. Faith-based organizations can be critical agents for raising funds and resources to support services provided by other agencies. Fifty-five percent of secular nonprofit organizations receive funds from

⁵¹Chaves and Tsitsos (2001) find that 84 percent of religious congregations have at least one collaborator with whom they work with to provide social services. Fifty-nine percent of congregations report partnering with a secular organization and twenty-one percent with a government agency. See Mark Chaves and William Tsitsos. 2001. "Congregations and Social Services: What They Do, How They Do It, and With Whom." *Nonprofit and Voluntary Sector Quarterly*. 30(4): 660-683.

faith-based organizations to support service delivery and programs. The average secular nonprofit agency in the MSSSP receiving funding from other FBOs draws about 20 percent of total revenues from those faith-based organizations. Given that individuals attending religious services are more likely to give to nonprofit organizations and social causes than those who do not, local safety nets may seek to cultivate stronger working relationships with religious congregations to access private philanthropy.⁵²

Communities should also strengthen linkages between faith-based organizations, safety net programs, and poor communities. For instance, two-thirds of public and secular nonprofit agencies in the MSSSP receive client referrals and contacts through religious organizations and churches. Because faith-based organizations and religious congregations may be more trusted community institutions, they may help poor persons overcome concerns of stigma or feelings of distrust that may discourage participation in social service programs. Faith-based organizations also can serve as advocates for social programs. FBOs may be important members of coalitions seeking to improve support of social service programs and policies that will improve delivery of assistance to low-income populations.

Efforts to cultivate a stronger faith-based service sector should weigh a number of factors, however, in order to avoid suboptimal outcomes or outcomes that hamper local safety nets' ability to help low-income populations. First, the faith-based sector should not be seen as a replacement for public funding. Private giving to religious nonprofits serving low-income populations would have to expand more than ten-fold to replace public expenditures to nonprofit agencies, an unlikely increase no matter what types of faith-based initiative is launched nationally or in our communities.⁵³ Expansion of the religious nonprofit service sector, therefore, should complement and improve delivery of public safety net programs.

Given the volatility in service delivery reported by both faith-based and secular nonprofits, community leaders and policymakers should seek strategies to increase the stability of existing social

⁵²Brooks, Arthur C. 2006. *Who Really Cares* New York: Basic Books.

⁵³Allard, Scott W. Forthcoming. *Out of Place: The New Geography of the Safety Net*. New Haven: Yale University Press.

service programs and providers. Poor persons may be less likely to seek help from an agency that is unreliable or unable to sustain programs. Clearly communities should not continue to support programs that do not work or that do not meet performance benchmarks, but data from the MSSSP indicate that 1 out of every 2 nonprofits are forced to make significant changes to service delivery as a result of funding cuts. In part this suggests government should pay attention to how cuts in social service programs affect impoverished neighborhoods and communities. Such findings also suggest that communities need to take steps to diversify the funding streams of nonprofit service agencies, so that they may weather or compensate for lost government revenues.

Communities should consider the potential efficiency trade-offs involved with cultivating capacity among faith-integrated nonprofit organizations. Simply allocating greater resources to faith-based organizations will not guarantee better results. Faith-integrated organizations with little experience administering grants or contracts, or with little capacity to deliver assistance outside of emergency assistance programs, may face steep administrative startup costs. Investments in new staff and professional training will be required, which may yield far fewer new service opportunities than may be achieved by increasing funding to faith-segmented or secular nonprofit agencies.

Concern about efficiency of cultivating new service delivery capacity must also weigh the role of place in service provision. Inadequate access to service providers is tantamount to being denied aid by those providers. To the extent that communities invest in the same spatially mismatched system of social service provision, they will only reproduce and expand gaps in service accessibility. Given findings presented here, investment in faith-integrated organizations and religious congregations without addressing issues of accessibility or location may not yield greater availability of social assistance within poor communities. Community-based efforts to better incorporate faith-based organizations into local safety nets should ensure that they create new and additional service opportunities, rather than simply

divert funds from existing providers in a manner that may risk exacerbating existing mismatches in the safety net assistance observed here.

Instead, communities should play to their existing needs and strengths. Short of evidence that faith-based agencies not already offering programs have the necessary capacity to do expand service delivery, are more accessible to populations in need, or are likely to function more effectively than other types of nonprofit or government agencies, communities may wish to target funds at secular nonprofits and FBOs currently operating programs in high poverty areas. Working to expand the capacity of existing faith-based service providers operating in high poverty communities should translate into more direct services and assistance for the poor. Targeting new program resources and capacity building efforts at faith-based and secular nonprofit agencies already experienced in impoverished neighborhoods should be more effective at reducing mismatches in access to social assistance.

Finally, although it may seem contrary on the surface, a successful faith-based initiative also will need to dedicate greater resources to secular providers. Current law requires communities contracting for services or administering voucher programs with faith-based service providers to also offer clients a secular option. Yet, as we have seen, many high poverty neighborhoods are not proximate to secular nonprofit organizations or government agencies. Greater emphasis on providing services through faith-integrated agencies, therefore, should lead communities to target greater resources at secular organizations to ensure there are options accessible to low-income populations who prefer a secular provider. Moreover, because government programs are the most likely source for expanded funding to faith-based and secular nonprofit service providers, a successful faith-based initiative will require a stronger public commitment to social service programs and expenditures, not a withdrawal of support for government antipoverty programs.

Figure 1: Governmental versus Nonprofit Social Service Providers in the MSSSP

Organizational Type	Percentage of All Organizations		
	Chicago	Los Angeles	Washington, D.C.
Governmental	23.9	36.5	24.2
Nonprofit	70.9	59.9	73.6
Secular Nonprofits	50.2	40.9	43.5
Religious Nonprofits	20.2	18.3	29.8
N	445	548	399

Note: Columns do not total to 100, because for-profit service organizations are not included.

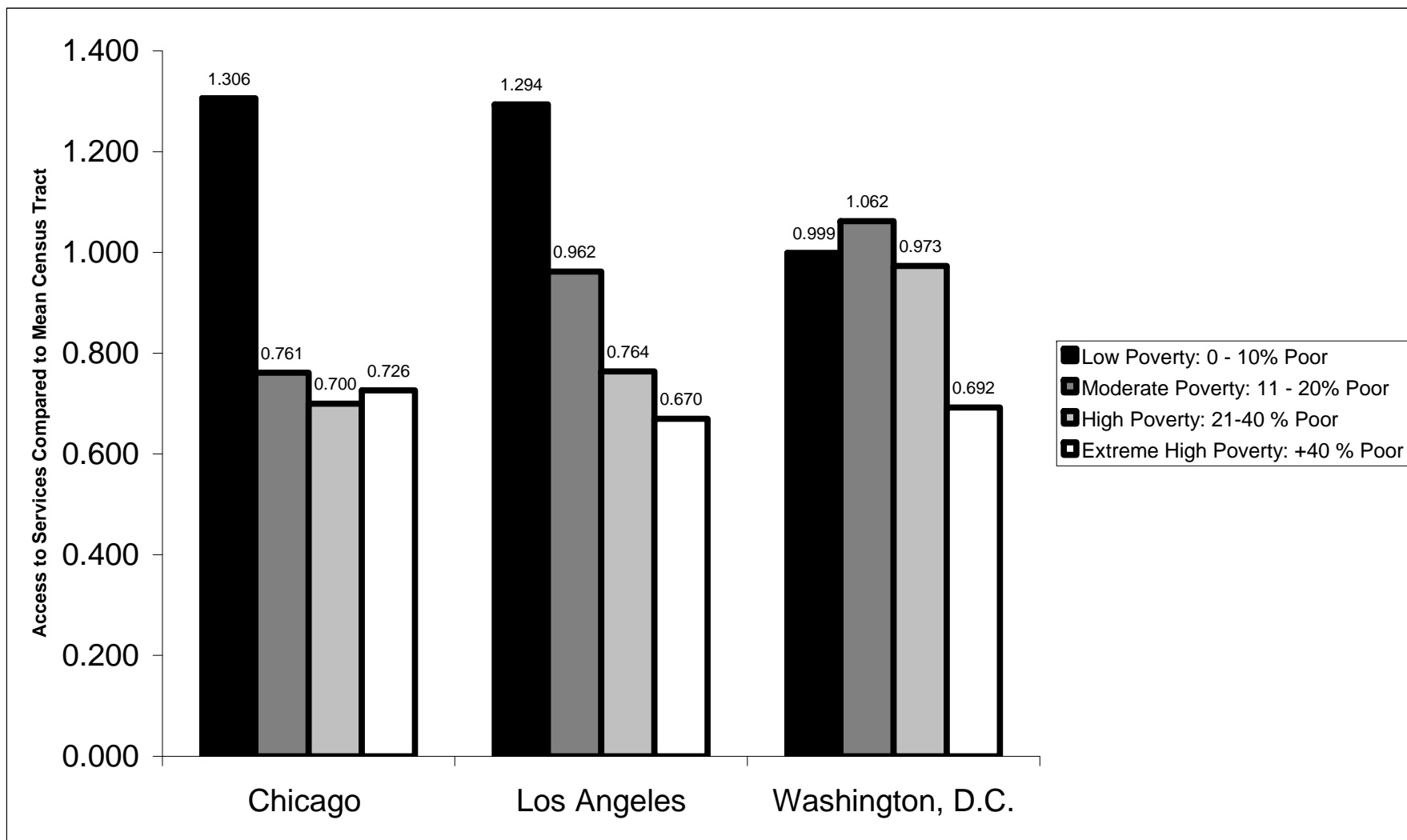
Figure 2: Religious or Faith Activity Among Religious Nonprofit Social Service Providers in the MSSSP

How Often Do Staff . . .	Percentage of Organizations	
	Religious Nonprofit Organizations	Religious Congregations
Promote Particular Religious Viewpoint to Clients		
Frequently	5.9	17.0
Occasionally	5.2	23.5
Not At All	88.9	59.5
Discuss Lifestyle or Behavioral Issues Using Religious Principles		
Frequently	13.5	22.2
Occasionally	22.6	40.5
Not At All	63.9	37.3
Pray with Clients		
Frequently	13.4	36.1
Occasionally	32.1	40.7
Not At All	54.5	23.2
Percentage <i>Frequently Engaging in At Least One of the Three</i> Faith Activities	19.3	38.6
Percentage <i>Occasionally Engaging in At Least One of the Three</i> Faith Activities	43.0	51.3
Percentage <i>Not Engaging in Any of the Three</i> Faith Activities	46.6	19.5
N	135	158

Figure 3: Comparing Service Provision Across Faith-based and Secular Service Organizations

	Percentage of Organizations			
	Faith-Integrated	Faith-Segmented	Secular Nonprofit	Government Agency
Services Offered to Low-Income Populations				
Outpatient Mental Health	23.1	25.7	36.8	30.5
Outpatient Substance Abuse	27.5	18.0	35.2	23.4
Adult Education/GED	24.2	35.1	30.6	56.7
Employment Services	34.1	31.3	50.8	70.3
Emergency Assistance	53.9	41.7	30.5	33.5
Food Assistance	84.8	63.8	43.0	41.6
Size of Annual Budget				
More than \$1 million	35.1	25.3	50.6	62.5
\$1 million - \$200,000	22.1	35.0	33.4	25.0
\$200,000 - \$50,000	13.0	26.9	11.5	9.7
Less than \$50,000	29.9	12.9	4.5	2.8
Median Number of Full-time Staff	3	4	10	20
Median Number of Clients Served in Typical Month	150	150	150	528
Percentage of Clients Who Are Living Below Poverty Line				
0-25 % clients	6.8	14.7	9.8	17.4
26-50 % clients	10.2	9.3	13.3	18.8
51-75 % clients	19.3	23.0	19.8	17.4
+75 % clients	63.6	52.9	57.1	46.5
Percentage of Clients Who Are African American				
0-25 % clients	35.6	50.2	43.0	56.0
26-50 % clients	15.6	17.9	20.2	22.8
51-75 % clients	13.3	9.7	12.3	9.2
+75 % clients	35.6	22.2	24.5	12.0
N	92	211	609	394

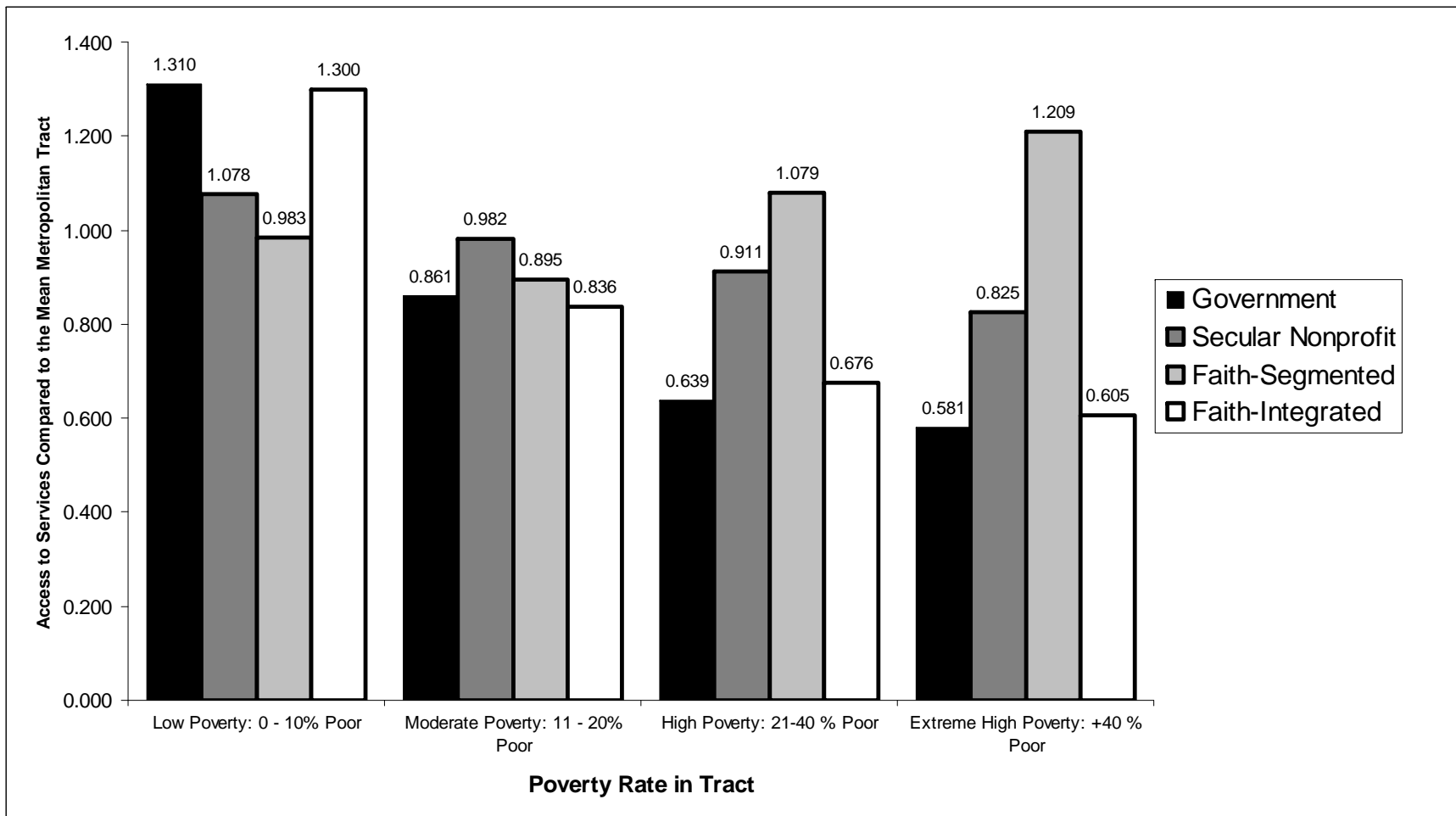
Figure 4: Access to All Social Service Providers by Poverty Rate, Controlling for Caseload Size and Potential Demand



Note: Access scores are calculated for a three mile radius around each tract, weighted to reflect caseload size and relative demand for assistance.

Source: Multi-City Survey of Social Service Providers (MSSSP), 2000 Census

Figure 5: Access to Religious and Secular Social Service Providers by Poverty Rate, Controlling for Potential Demand and Client Caseload



Note: Access scores are weighted to reflect relative demand for assistance.
 Source: Multi-City Survey of Social Service Providers (MSSSP), 2000 Census

Figure 6: Funding of Faith-based and Secular Service Providers in the MSSSP

	Percentage of Organizations		
	Faith-Integrated	Faith-Segmented	Secular Nonprofit
Percent Receiving Government Funds/Grants	33.3	58.4	83.3
Percent Dependent Upon Government Funds for at least 50% of operational budget	16.7	34.5	57.3
Percent Receiving Medicaid Funds	8.8	11.9	28.6
Percent Dependent Upon Medicaid Funds for at least 50% of operational budget	12.5	16.7	27.6
Percent Receiving Earned Revenues/Fees	12.1	38.5	36.4
Percent Dependent Upon Earned Revenues for at least 50% of operational budget	27.3	19.1	16.4
Percent Receiving Nonprofit Funds/Grants	56.0	74.2	73.4
Percent Dependent Upon Nonprofit Funds for at least 50% of operational budget	34.8	15.6	11.4
Percent Receiving Private Giving/Donations	93.5	90.0	74.5
Percent Dependent Upon Private Giving for at least 50% of operational budget	51.3	17.9	5.9
<i>Decrease in Funding from Any Revenue Source</i> in Previous Three Years	30.4	39.3	49.1
<i>Increase in Funding from Any Revenue Source</i> in Previous Three Years	52.2	47.4	52.2
<i>Decrease in Funding from a Primary Revenue Source</i> in Previous Three Years	12.0	14.7	24.3

Figure 7: Responses to Funding Decreases Across Faith-based and Secular Nonprofit Service Providers

	Percentage of Organizations			
	Faith-Integrated	Faith-Segmented	Secular Nonprofit	Government Agency
Organizations Reducing the Number of Staff Due to Decrease in Funding	42.9	48.2	61.5	71.4
Organizations Reducing the Number of Services Offered Due to Decrease in Funding	42.9	51.8	44.6	53.9
Organizations Reducing the Number of Clients Served Due to Decrease in Funding	35.7	40.2	39.3	34.1
Organizations Temporarily Closing Site Due to Decrease in Funding	10.7	4.9	7.7	5.5

Appendix 1: The Multi-City Survey of Social Service Providers and The Rural Survey of Social Service Providers

The Multi-City Survey of Social Service Providers (MSSSP) is a telephone surveys of executives and managers from almost 1,500 social service providers in three cities (Chicago, Los Angeles, Washington, D.C.). The survey interviewed providers from a wide range of areas (welfare-to-work, job training, mental health, substance abuse, adult education, housing, emergency assistance, youth programming), who reported serving populations near or below the federal poverty line. In each community, a large database of governmental and nongovernmental providers was created from community directories, social service directories, county agency referral lists, phonebooks, and internet searches.

Because community directories of social service agencies and referral directories can become quickly out of date, a survey research team at Brown University contacted each provider in this initial database to verify services delivered, populations served, street address or location, and to identify a program manager or executive director who could complete a longer interview at a later date. Given the project's interest in spatial access to services, agencies were not included in the initial database if they did not offer services to poor populations broadly defined, if they traveled to clients' homes to deliver services, or if they required clients to live on the premises to receive assistance. Providers were excluded from the survey if services were in-patient or residential in nature, or if services were restricted to a particular population (e.g., elderly, ex-convicts, homeless, individuals with disabilities, HIV/AIDS patients). Also, agencies that only delivered assistance to clients through the mail/electronically or that only provided reimbursements for services also were not included. For instance, a food pantry that assisted low-income families would be included, an office that only provided Food Stamps would not. A program that offered job training services on site would be included, but an agency that only provided clients with vouchers for a job training program would not be included.

Using a five-callback minimum rule, 11,343 verification calls were made to the 5,313 organizations in the initial database of providers between June 2004 and December 2004. Perhaps most surprising, about one-third of agencies in Los Angeles and Washington, D.C. and 43 percent of agencies in Chicago were either not operational at the time of the verification call or were no longer offering services to low-income households on-site. This is true even the provider databases were drawn from recent community directories and phonebooks. About 3 percent of all agencies refused to participate in the study and no contact was made with about 4 percent of all agencies included in the original multi-city service provider database.

A total of 2,746 verification call surveys were completed with agencies determined to be eligible for the longer survey. Based upon information received from verification calls that yielded social service delivery sites not included in the original verification call database, an additional 207 organizations were added to the final survey database. Between November 2004 and August 2005, a trained telephone survey team contacted each of the 2,953 eligible sites to complete the longer survey. Respondents were contacted a minimum of five times and contact was attempted eight or more times to most agencies not completing the survey. About one-third of the agencies thought to be eligible for the longer telephone survey were deemed ineligible after follow-up contact was made by the survey team to complete the longer interview. When speaking with program administrators or executives, it was discovered that many programs were no longer operational or were restricted in access. Surveys were completed surveys with 1,487 of the remaining 2,183 social service providers, for a response rate of 68 percent. Again, there was substantial cooperation with the survey project – very few respondents refused to participate in the second survey. Response rates were slightly higher in Chicago and Washington, D.C. than in Los Angeles. When modeling response rates, the poverty rate of the neighborhood in which a provider is located is not statistically related to whether the provider completed the second survey.

Appendix 2: Calculating Service Accessibility Scores for the MSSSP

Service accessibility scores are calculated for each Census tract in the three study sites. Scores are calculated by first summing the total the number of clients served by agencies within 3 miles of each residential Census tract. This figure provides a sense of the supply of services or capacity of service agencies within three miles of a given tract or neighborhood. I calculate this for all agencies and for service agencies of a certain type (i.e., governmental, secular nonprofit, faith-segmented nonprofit, and faith-integrated nonprofit). To account for potential demand for services, I calculate the number of individuals with income below the poverty line within 3 miles of each residential tract. A radius of 3 miles is selected because interviews with social service program managers indicate that clients typically are not expected to commute more than a few miles to a social service provider.

With these data, I calculate a set of demand-, distance-, and organizational-weighted service accessibility scores as follows:

$$IA_i = \Sigma(W_j) \div \Sigma(P_j) \text{ for } d_{ij} = 0 \text{ to } d_{ij} = 3 \quad (1)$$

Where, IA_i is a particular initial access score. W_j reflects the number of clients served in a typical month for all providers or for a certain type of provider (i.e., governmental, secular nonprofit, faith-segmented nonprofit, and faith-integrated nonprofit). I sum the number of clients served (W_j) and number of poor persons (P_j) across tracts j that are within a 3 mile radius (d_{ij}) of tract i . To make service accessibility scores more readily interpretable, I divide each tract's score for a given access measure IA_i by the metropolitan area mean score for that particular access measure. Thus, the scores reported below will reflect service accessibility for a given tract with respect to the mean tract in the area.

$$A_i = IA_i \div \text{Metropolitan Mean of } IA_i \text{ across } j \text{ tracts} \quad (2)$$