The Sound of Silent Partners
A Study of Charitable Choice and the Perceptions of Nonprofit Leaders Regarding the Effects of Government Funding on Religiously-Based Nonprofit Organizational Mission

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Abstract:

This study examines the relationship between government funding and faith-based nonprofit organizational development and professionalization. By conducting an online survey of 1,632 executive directors at Habitat for Humanity affiliates in the United States, followed by telephone and email interviews with selected leaders from the organization, this mixed-method case study examined the organizational tensions, opportunities, bureaucratization, and professionalization of a religiously-based nonprofit as it transitioned from primarily private funding to broad acceptance of public monies. Habitat for Humanity provided an excellent prospect for this research, as the organization announced one year before the study began that its 27-year tradition of not seeking or accepting government funding (with the exception of grants for infrastructure) would change in July 2006. The study utilized Barry Dym and Harry Hutson’s stages of organizational development, particularly their concept of professionalization, as an analytical framework for the study, with particular emphasis on the potential effects government funding may have on Habitat’s organizational structure. The study suggested a close relationship between increasing professionalization at the organization’s national office and the decision of national leadership to allow local affiliates to pursue government funding for construction. In addition, survey and interview data indicated that this change has been accompanied by a corresponding decrease in emphasis on religious mission, or at least a less conservative (and in some cases more pluralistic) approach to religious aims, than was evident in a 1995 International Partner training session in which the researcher participated.
Acknowledgements

I would like to offer my most sincere thanks Dr. Max Stephenson for serving as the chair of my doctoral committee and for all of his invaluable help on this effort. His tireless dedication to teaching and academia sets a wonderful example for all of his students, and he is an inspiration to academics who wish to make the world a better place. I would also like to thank the members of my doctoral committee, Dr. Casey Dawkins, Dr. Ted Koebel, and Dr. Joyce Rothschild. This effort would not have been possible without their contributions, and I greatly appreciate their kindness and encouragement throughout the process of writing this dissertation. On a personal note, I would like to thank my husband Daniel Reany for his endless support of my desire to complete my Ph.D. He has been my best friend and greatest ally, and I am eternally grateful. Finally, I would like to thank the executive directors and leaders from Habitat for Humanity who work tirelessly to demonstrate their faith in Christ by building houses for those in need. I greatly appreciate that despite their busy schedules, they took time to participate in this study.

Dedication

I dedicate this study to my father-in-law, Burton E. Reany, who died on the day I defended this dissertation. He was like a second father to me, and always showed an interest in my doctoral studies. He was an intelligent and well-informed advisor, and was also a gifted computer programmer who remained intellectually vigorous, politically aware, and economically active well into his sixties.

Tragically, he was killed by a drunk driver on his way home from work. He survived 12 grueling days, parts of which were spent in a coma, before succumbing to multiple complications caused by the automobile accident. We were told that if he had been wearing his seat belt, he probably would have survived. The other driver was wearing his seatbelt, and was mobile enough to flee the scene as police arrived at the accident. The driver was later apprehended and detained for his third D.U.I.

So, in honor of Burton E. Reany, I humbly ask that you never drive under the influence of alcohol or other intoxicating substances. And please always wear your seatbelt, and insist that your loved ones do the same.
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Introduction

Charitable choice, a provision first introduced in the Welfare Reform legislation of 1996 and expanded with George W. Bush’s administration’s Faith-Based and Community Initiatives programs, allows the national government to provide funding to faith-based nonprofits without regard to their religious mission. Because charitable choice seeks to treat religious affiliation neutrally for organizations providing social services, some faith-based organizations have been encouraged to venture into the realm of governmental funding partnerships that previously avoided such relationships.

Charitable choice has generated concern among policymakers and analysts from several vantage points. It raises issues regarding the separation of church and state in that charitable choice allows for public money to support religious institutions. It has also been critiqued on the view that government money given to faith-based organizations specifically for social services frees up funds that may then be used for religious purposes. Additionally, other critics have argued that public funding can pose a risk to religious mission even if the government takes a neutral stance toward organizations’ religious affiliations, either by dictating that faith-related activities must be separated from social service provision or by de facto creating a dependence on government money that can lead to a loss of organizational autonomy and hinder religious enthusiasm.

In July 2006, Habitat for Humanity, a major international Christian nonprofit housing organization, changed a 27-year old institutional policy when that organization’s Board voted to make it possible for U.S. affiliates to accept government money for construction. Prior to this decision,
Habitat had limited its use of public funding exclusively to infrastructure costs or to purchase land. This organizational policy change provides a unique opportunity to investigate relevant issues and clarify what is at stake when faith-based nonprofits begin to accept public funding. This study examines changes in leader and worker perceptions on accepting financial support from the government, as well as the perceived impact of such funding on religious mission, and institutional bureaucracy (or bureaucratic changes within the organization). The analysis highlights the dynamics of collaborative partnerships between faith-based nonprofits and governmental funding agencies, and raises issues for future study of charitable choice and the Faith-Based and Community Initiatives, and their potential impact (such as increased accounting and accountability demands, the need to add more managerial staff, or a decline in emphasis on faith-based components of the program) on religiously based nonprofit organizations.

Justification

In 1967, Bob Pierce, the founder and President of World Vision, “resigned” from his position as its CEO. According to Franklin Graham’s biography of Pierce, This One Thing I Do, the entrepreneur of child sponsorship objected to public funding for the international Christian development organization he founded. Graham asserts that disagreements between Pierce and the World Vision board over government funding were a major factor in his departure, and claims that Pierce was ultimately replaced by leadership that was more amenable to using public money as a renewable and ongoing funding source. World Vision now receives millions of dollars from the United States government each year, and raised $1.5 billion in total revenue (from all sources) in 2004, and $1.97 billion in 2005. According to World Vision’s 2007
Consolidated Financial Statements, around 45% of its revenue now comes from private sources, including individuals, World Vision clubs in schools, corporations and foundations, while 23% comes from governments and multilateral aid agencies. An additional 32% comes from other World Vision programs and nonprofit organizations as Gifts in Kind. Even though less than a quarter of its total budget is derived from government grants, this close financial partnership between a faith-based nonprofit organization and the federal government, which involves $220,000,000 dollars of public tax money, raises questions about the separation of church and state. In her research on social advocacy Nancy Matthews (1994) has suggested that public funding might have an impact on the dedication of employees to an organization’s advocacy mission, which may be generalizable to faith-related (Christian) missions. This last matter raises questions about the effect that public support might have on other faith-based nonprofits in practice.

This same concern regarding government funding for a faith-based nonprofit has recently been repeated at Habitat for Humanity, whose Board replaced its founder and CEO Millard Fuller just a few months before announcing a decision to change the organization’s policy on public support. According to participants interviewed for this study, Fuller objected to partnering with government out of concern that it would impose restrictions on Habitat’s Christian mission. His conflict with Habitat’s International Board over public funding was well known among those working for the organization, and the announcement of Habitat’s change in policy only months after his dismissal surprised few close to the organization’s national office. So just as Bob Pierce was asked to step down in order to permit World Vision’s Board of Directors to pursue partnership with government, Habitat for Humanity dismissed its founder immediately prior to the Board’s announcement that it would pursue the
same path. These two examples suggest that public funding may indeed have an impact on the leadership (which could conceivably affect the religious mission) of faith-based nonprofits, particularly those that are undergoing what Dym & Hutson\(^3\) have called a professionalization phase, a stage of organizational development that is characterized by an effort to develop ongoing resources for the organization. By surveying executive directors of domestic Habitat affiliates, and using interview data collected from selected leaders from the International headquarters of the organization, this study examines the perceived tensions that may exist between public funding and the faith-based mission of religiously-based nonprofits.

Analysis of the effects of government funding on faith-based nonprofits could serve as one method of analyzing the nation’s new legislative and executive policies regarding the fiscal treatment of religiously based organizations. As a controversial policy that raises issues of religious freedom and the separation of church and state, the Faith-Based Initiative, which seeks to increase national government funding to faith-based nonprofits, demands further inquiry. To date, very little qualitative research has assessed the government/faith-based partnerships in action, including the perceptions of that relationship among nonprofit organization leaders as they transition to a funding relationship with government. The primary goal of this study was to inquire into the effects these partnerships have on the missions of faith-based nonprofits in practice according to nonprofit leader perceptions. It examined the feasibility of successful partnership between government and religiously based organizations evidenced by the perceptions of faith-based leaders regarding charitable choice issues that affect their behavior on the ground, and their willingness to participate and comply with public constraints necessitated by the establishment clause.
Carl Esbeck (1999) has explored the operating restrictions imposed by acceptance of government funding, (his research has focused on legal documents, court cases and legislation) in an effort to catalog the current official requirements for partnerships between faith-based organizations and public funding sources. But, there have been few inquiries into how these legal requirements actually play out in practice. This analysis explores how faith-based leaders actually behave with regard to their religious mission. For example, do they (or those they lead) proselytize or evangelize despite accepting public funding? Are they willing to refrain from proselytizing in order to receive a government grant that prohibited it? With what restrictions were they willing to comply? How might governmental regulations affect the integrity of the religious mission of a publicly funded organization, (particularly concerning its commitment to sharing the faith it represents)? What are the concerns, opinions, feelings, and attitudes regarding what Carl Esbeck has called the vulnerabilities and precariousness (to imposed organizational change) of faith-based organizations that receive government funding, including prohibitions on religious symbols, religious hiring, shared use of religious facilities, and the realistic possibility of separating instruction, worship, prayer, and other inherently devotional activity from the delivery of services (in Habitat’s case, housing)? This study is rooted in the view that the tangible behavior and perceptions of faith-based leaders and workers likely determine the actual degree of church/state separation in a faith-based public funding situation. Their reaction to such funding also defines the impacts it may have on the religious mission of the organization.

Habitat for Humanity provides an excellent case for this inquiry. The fact that Habitat has only recently allowed government funding for its affiliates provides a window of opportunity to examine the decision-making process undertaken by the organization as its leaders strive to
balance their avowedly Christian mission with their need for funds. The
decision to accept public funds more broadly represents a profound shift
in Habitat’s organizational culture that has been hotly debated and
contested for several years. The timing of this new organizational policy is
such that those affiliates that have decided to accept government
funding will have a fresh memory and perspective on the process leading
to that decision, as will those who recently rejected the idea. While there
are older organizations that have been reliant on government funding for
decades (such as World Vision and the Salvation Army), Habitat is unique
in that it refused to risk the compromise of its evangelical mission to gain
public funding for anything other than land acquisition and infrastructure
development until last year. The organization’s chapter employees are
still adjusting to the new policy and are able to provide an enlightening
glimpse into the field-level perception of the policy issue. Since the
evangelical leaders and workers in a faith-based organization are
expected to comply with any legally mandated requirements or
restrictions, their perceptions are perhaps the most relevant to analysis of
the change in Habitat’s policy.

Paradigm and Prototype: Dym & Hutson’s Stages of Organizational
Development

This study recognizes that people are reflexive, they may alter their
behavior based on the ordering of questions, the presence of the
researcher, or on the findings they assume the researcher may be
seeking. The analysis employs Dym & Hutson’s Leadership in Nonprofit
Organizations as a theoretical structure or model for understanding and
interpreting the research. This framework is not taken to be a factual
depiction in the positivistic sense, but is accepted cautiously with due
acknowledgement that it represents an effort at phenomenological
Dym & Hutson’s text is best known for its suggestion that the fit, or alignment, of leaders with their respective organizations is the most important element in leadership effectiveness and success. In developing that argument, they present a theory of organizational development tied to an imperative of adaptive leadership. Their model provides a useful framework for analyzing organizational development. Although it was not created specifically to apply to organizations with religious missions, the framework is nevertheless readily applicable to faith-based organizations. Dym & Hutson’s approach to organizational life cycle includes the following stages: conceptual, developmental, developmental challenge, professionalization of management, early maturity, maturity and stability.

The characteristics of each of these stages are described in detail and applied to Habitat for Humanity using survey data on leader perceptions and qualitative interview data conducted with selected leaders of the organization. The study then examines how public funding has corresponded with changes in Habitat’s organizational development, both in the earlier forms of infrastructure grants and the recent decision to allow affiliates to accept funding for any element of its programs. Particular emphasis is placed on determining the connections, if any, between professionalization and acceptance of government funding.

Professionalization is defined as that phase of organizational development in which the governance of an organization shifts from entrepreneurial/grassroots leadership to specialized management. The challenge at this stage of organizational life-cycle is for an institution to acquire and maintain a sufficient and sustainable stream of funding managed with professional and transparent accounting procedures. Evidence of professionalization includes the hiring of professionally-trained...
managers (versus those with a personal relationship with the founder, etc.), the creation of institutionalized organizational policy guidelines, the utilization of professional business consultants, and the replacement of founding organizational entrepreneurs (which Dym & Hutson suggest occurs often).

The primary tension created by professionalization is the imperative it creates to balance the traditional organizational mission against a need to ensure a professionally managed and reliable stream of funding. If government funding is vital to funding security, but compromises organizational mission, this creates a tension between an organization’s need to become sustainable and its commitment to its mission and purpose. By examining Habitat’s stages of development in light of the various public funding partnerships it has developed (or in which it has engaged), the study explores how government funding may affect organizational change, as suggested by the perceptions of organization leaders. The discovered effects of government funding on this religiously based nonprofit organization are analyzed to provide a framework for examining the implications of “on-the-ground” applications of charitable choice policies.

**Bias/Threats to Reliability**

I am a Christian and I have worked for faith-based organizations, including Habitat for Humanity. When I began this study, I was for the most part undecided on the issue of faith-based funding. After completing this research, I admit that I tend to be somewhat ideologically opposed to charitable choice and many elements of the Faith-Based initiative, although I do understand the frustration of some faith-based nonprofit organizations that have been excluded from public funding on the basis of their religious character. My opposition to these policies is
rooted in my own commitment to the separation of church and state, although unlike many separationists, I am primarily concerned with the possibility that faith-based organizations might become dependent upon, or controlled by, government bodies providing funding, which could hinder their religious mission. I do not believe that religion should be “scrubbed” or privatized from the public sphere, and fully support faith-based social service work, but I have traditionally believed that organizations providing such services should be funded by voluntary donations rather than governmental grants. While fully acknowledging a slight political bias, I do not believe it has in any way threatened the collection or interpretation of data, since the study involved analysis of expressly stated participant perceptions. I have made every effort to convey the intent of informants as they articulated it, and to collect, translate, and interpret all data with equanimity. The goal of this study was to produce grounded theory on the effects and feasibility of the Faith-based initiatives based on the perceptions of participants, not to develop a body of evidence to support any particular political stance regarding policy.
Chapter Two: Description of Study  
Overview of Study, Research Questions, Definitions

Overview of Study

This study utilized key respondent interviews, a survey, and participant observation during an in-house training session to examine the relationship between government funding (as provided for by charitable choice and the Faith-Based Initiatives) and faith-based organizations. The analysis focuses particularly on how religious leaders perceive the risks and opportunities of public funding for their faith-based programs, how public regulation might be perceived to influence, shape, or even straightjacket the religious mission of faith-based nonprofits, and how governmental funding may correlate with the organizational maturation and professionalization process.

The study employed a survey of the executive directors of domestic Habitat affiliates (N=1632) to determine whether their local chapters had decided to accept government funding after the change in policy permitting such action occurred at the national level. An introductory note was emailed to the executive director of every Habitat affiliate in the United States with an email address listed in the Habitat International online directory of contact information. The email outlined the nature of the study and requested that they complete an online questionnaire hosted by VT Survey.

The survey included questions that asked how much government money had been accepted, what percentage this sum comprised of the respondent’s total budget, and what regulations or changes in accounting or organizational management processes were necessitated by public funding. This study did not assume a direct relationship between the amount of funding and the degree of governmental regulatory control, although I recognize that one may exist. The survey also included
questions aimed at gathering perceptions on public funding, including concerns that directors may have regarding their organization’s relationship with government and its potential impacts on the integrity of their religious mission.

Qualitative interviews using a semi-structured instrument were also conducted with 11 selected executive directors at local affiliates and 3 leaders at Habitat’s International office. The goal of the interviews was to gain a deeper and broader understanding of stakeholder perceptions of governmental regulation and its impact on religious mission, evangelism, and proselytization. The 11 affiliates were selected randomly from a list of contact information posted on Habitat’s website. The 3 international office interviewees were included to explore those leader’s perceptions of government funding, how it might affect their organization’s religious mission, and whether and how it might be linked to their organization’s professionalization. Thus, the total sample for qualitative interviews was N = 14. Key informant interview data was used to explore the frequently posited tension inherent in government partnership with faith-based organizations, the regulatory issues that may arise that affect religious mission, and the possible correlation between government funding and professionalization, using Dym & Hutson’s typology (as described in the literature review) of organizational life cycle/development.

Informal interviews were also conducted during a participant observation of an International Partner training session attended by the researcher in 1995 at the organization’s international headquarters. I was employed by the organization from 1995-1997 and used data collected as a participant observer during this period for longitudinal comparisons. Those observations should be considered with caution and seen as suggestive only, but they are nonetheless helpful to the extent they
highlight dimensions of organizational culture and key direction(s) of change.

**Research Questions**

The study examined the following research questions:

1. What are nonprofit leader perceptions regarding the relationship between government funding and greater professionalization of a faith-based nonprofit organization?
   a. Using Dym & Hutson’s taxonomy for the stages of organizational professionalization, what professionalization phase tends to occur with various types of government funding?
   b. How are government regulations perceived to affect the mission and operation of faith-based nonprofit organizations?

2. What are leader’s perceptions of government funding within faith-based organizations?
   a. What concerns exist among leaders of faith-based organizations about government partnership?
   b. According to leader perceptions, how does (or how might) government funding influence an evangelical mission in the field?
   c. According to leader perceptions, how does (or how might) government funding shape proselytization efforts in the field?

3. What tensions are created between religious mission and delivery of social services when government support is accepted?
a. How are faith-based nonprofit organizations regulated (in practice) when they accept public funding? (i.e. - what restrictions are placed on them, and how are they monitored)?

b. How do (or might) funding regulations affect the religious integrity and mission of the organizations?

Definitions
Definitions for key terms are provided below:

**Evangelical** – an individual or Christian church believing in the sole authority and inerrancy of the Bible, in salvation only through regeneration, and in a spiritually transformed personal life. The term evangelical typically connotes the spirit of sharing the tenets of a religious faith as a call or duty among the faithful, which could include acts of charity undertaken as an expression of religious belief, as well as the sharing of personal testimonies about how faith has changed one’s life in order to encourage others to adopt those beliefs.

**Proselytization** – the act or process of trying to convert someone to a religious faith.

**Religious Mission** – refers to the organizational goal of spreading a religious faith, or practicing charity in the name of a religious faith, which is often considered paramount to the delivery of social services by faith-based organizations.
Chapter Three: Research Methods
Survey and Interviews
A Description of Research Methods Employed by the Study

Habitat Affiliates Survey

I obtained Virginia Tech Institutional Review Board approval for the research design and questionnaire before beginning the research.

Survey Construction and Administration

The Survey was designed as an online instrument using Survey VT, and participants responded to multiple choice, Likert scale, and open-ended questions. Their responses were scored directly and posted online, and Survey VT recorded and compiled the results into a chart that was initially stored on the Virginia Tech server and then exported into an Excel file.

The survey was introduced to potential respondents in an introductory email sent to the 1,632 executive directors of the Habitat affiliates in the United States with available email addresses. The Habitat International Affiliate Desk Director granted permission to interview and survey affiliates. The introductory email identified the researcher as a former Habitat International Representative to Egypt who was currently completing a doctoral dissertation at Virginia Tech on the professionalization and government funding of faith-based nonprofit organizations. The note stated that the research was being undertaken under guidelines provided by Virginia Tech’s Institutional Review Board (IRB), and informed possible respondents that their identity would be kept confidential in any publication.

The introductory email including a link to the online survey was sent in waves to regional groupings of affiliates using a ListServ provided by Virginia Tech. The ListServ allowed multiple notes to be forwarded
simultaneously, and also allowed affiliate email addresses to be added and removed in bulk. Affiliate electronic addresses were collected from Habitat’s website, which in 2007, had an online directory of 1,734 U.S. affiliates. Of these, 1,632 had email addresses listed. The addresses collected from the website were listed in separate Word files by state. Once saved as Word files, the ListServ allowed the record to be uploaded and deleted in bulk as needed. Since they were organized by state, listings could be collected into regional groupings and sent to particular areas of the country in waves. This staggering of email submissions was strictly for organizational convenience, but also allowed the researcher not to overburden the Virginia Tech Survey server with hundreds of simultaneous mailings and responses.

The introduction email was first sent to the state of Alabama, chosen alphabetically, as a test run to make sure the ListServ and online survey were working correctly. This provided an opportunity to reassess the survey questions, which were deemed to be acceptable as they were, and to examine the effectiveness of the introductory email, which was also deemed acceptable based on initial response rates. After a day or two, the remaining states from the Southeastern region received the introductory email. Then the other regions including the Middle Atlantic, Northeast, Midwest, Southwest, Pacific, and Northwest were targeted, each with 1-2 days in between to allow the affiliates to respond before targeting the next group. The first wave of emails was completed in one week.

A week after the initial introductory email, a second email including a link to the online survey was circulated in regional waves following the same pattern. The second email thanked everyone who had participated, and expressed appreciation for the high level of participation the initial mailing had generated. It asked that executive
directors who had not yet responded take a few minutes to participate if they had not already done so. The second wave of emails was also completed in one week.

Finally, two weeks after the initial note was sent, a third email including a link to the online survey was dispatched in regional waves as described above. The third contact thanked everyone who had participated again, and expressed appreciation for the even higher level of involvement since the second email. The third note also asked that remaining executive directors participate, and included a deadline on which the survey would be closing (approximately one week from dispatch of the first wave of the third email).

**Objectives for Survey**
The survey questions were written to address the first two research questions, as described in Chapter Two.

**Part A. Funding Questions**
1. Which domestic Habitat affiliates sought government funding? Why did they do so?
   - How much money have they applied for?
   - How much have they received?
   - What percentage of their total budget is comprised of government funding?

2. What policies were imposed on the organization as a result of the funding?
   - Were new accounting or other management procedures necessitated?
- Did they hire new staff to manage the government funding process?
- Did they have to undergo training for the process?
- What was the nature of their agreement with the government regarding their religious mission?
- Did they have to adjust their program to accommodate government regulations?
- Did they have to make any changes in the religious portion of their services?

Part B. Perceptions Data

According to executive director’s perceptions:

a. What concerns exist among leaders of faith-based organizations about government partnership?

b. How does government funding influence evangelical behavior in the field?

c. How does government funding affect proselytization in the field?

d. What tensions are created between religious mission and delivery of social services?

e. How does the faith-based initiative’s funding program influence an organization’s religious mission?

Population:

Executive Directors of all local Habitat affiliates in the United States

N=1,632 (in a 2007 count, there were 1,734 affiliates listed in the United States, 1,632 with available email addresses). A total of 324 executive directors replied for a response rate of 19.85%.
Unit of Analysis:
Individual executive directors of local affiliates

Sampling Frame:
All Habitat affiliates with email addresses listed on the online directory from Habitat for Humanity International’s website.

Respondent/Informant:
Executive directors acted as both respondents and informants, giving information about their own perceptions, as well as the views of their local board members, service recipients, and other stakeholders.

Questionnaire Construction:
The survey employed a combination of multiple choice, short answer, comment/essay, and Likert-scale questions, using Survey VT. A link was emailed to executive directors with a letter of introduction that identified the researcher as a former Habitat employee completing graduate work at Virginia Tech.

Pretest:
As noted above, the introductory email was initially sent to affiliates in Alabama only (chosen alphabetically), in order to assess its relative efficacy as well as to test the online survey link.

Questionnaire revision:
The results of the survey pretest were examined, and no adjustments to the survey instrument or to the introductory email were deemed necessary.
Coding:
The survey questionnaire used multiple choice coding for funding questions (Part A), and a Likert-scale for perceptions data (Part B). It also utilized some short answer and comment/essay questions in Part B. The objective (multiple choice/Likert-scale) survey data is summarized by percentages in data analysis. The subjective (short answer/comment/essay) survey data was examined for patterns according to categories that emerged inductively from the data, as in grounded theory.

Data Entry:
The data was entered directly online as respondents took the survey using VT Survey. The results of the survey were then exported to Excel for analysis.

Analysis:
Data was analyzed for patterns, similarities, and differences in perceptions between those directors whose affiliates accept government funding and those that do not. The analysis also sought to identify factors that may affect the decision to refuse government funding and to generate a profile of the perceptions most commonly held by executive directors of Habitat affiliates regarding the religious mission of the organization and how it relates to government funding.

Funding:
No funding was required for the survey.

Research Paradigm for Survey and Interviews: Post-positivist
This analysis assumed that people are reflexive, meaning they may alter their behavior based on the ordering of questions, the presence of the
researcher, or on the findings they assume the researcher may be seeking.

**Individual Interviews with Selected Leaders**

Interviews with related respondents were conducted that addressed the research questions listed below.

**Objectives/Research Questions Addressed with Interviews**

1. What are the Faith-Based Organization’s (FBO) leader’s perceptions of government funding?
   a. What concerns exist among leaders of faith-based organizations about government partnership?
   b. How does government funding shape evangelical behavior in the field?
   c. According to FBO leaders, how does public funding influence proselytization in the field?
   d. What tensions are created between religious mission and delivery of social services?

2. What are the perceived relationships between government funding and increased professionalization within faith-based nonprofit organizations?
   a. Using Dym & Hutson’s framework for the stages of organizational professionalization, what professionalization phase tends to correlate with government funding?
   b. How do governmentally-imposed bureaucratic and regulatory requirements affect the mission and operation of faith-based nonprofit organizations?
Interview Construction:

Two types of interviews were conducted

1. Interviews with leaders at the international level of Habitat’s organizational hierarchy, with the objective of gaining a better understanding of the relationship between government funding and faith-based nonprofit organizations from a policy perspective.

2. Affiliate interviews with executive directors at the local (domestic) level of Habitat’s organizational hierarchy, with two objectives:
   a. Gaining a better understanding of the relationship between government funding and faith-based nonprofit organizations from a field perspective
   b. Gathering perceptions data on how FBCI/government funding regulations affect the religious mission of faith-based nonprofit organizations.

Sample: N=14

Interviews were conducted with three Habitat leaders from the international office; two were via telephone, while one international leader asked to respond to the questions via email because she was posted temporarily at the Bangkok office. A total of eleven executive directors from various U.S. affiliates were also interviewed, for a total of fourteen interviews. The interviews with executive directors averaged around 16-18 minutes while those with national leaders averaged 30-40 minutes.

Interviews (Telephone and email)

Two Habitat leaders from the international office (whose position and experience with the organization would suggest relevant knowledge
of professionalization and government funding) were interviewed by telephone, and one via email. These participants were selected using recommendations from within the organization in response to initial inquiry (snowballing) and by previous knowledge of the researcher who served as a participant observer from 1995-1997. An additional eleven selected executive directors were chosen at random for telephone interviews on the topic of study. The objective of these interviews was to explore the relationship between government funding and professionalization of faith-based nonprofit organizations, and to examine leaders’ perceptions of the implications of government regulation of funding for faith-based organizations. (See Objectives/Research Questions above).

Telephone interviews were recorded using a digital recorder connected electronically to the telephone with the informant's permission. The recorded interviews were transcribed as soon as feasible after completion. One interview was not recorded because of a technological recording error. The recording problem was detected within seconds of the start of the interview and copious notes were taken instead. These were transcribed immediately following the interview. As noted above, one interview was conducted using email at the request of the participant—who was participating in the study from overseas. Transcriptions and notes have been maintained in MS Word files, and are included in the Appendix.

**Unit of Analysis:**

Individual, executive directors of local affiliates, Habitat leaders from international office.

**Sampling Frame:**

- Telephone interviews with national, international leadership: N=3
Telephone Interviews with U.S. executive directors: N=11

Respondent/Informant:
Those interviewed acted as respondents, commenting on their own perceptions.

Questionnaire Construction:
The semi-structured interview instrument used during the telephone interview included open-ended, broad questions that were followed-up with selected prompts as needed. Improvised prompts were utilized as needed to keep the interviews moving.

Pretest:
No specified pretest was utilized for the telephone interviews, but the semi-structured interview instrument was revised slightly during each use. For example, question order was adjusted slightly to fit the circumstances of each individual interview more appropriately. Each interview participant answered the same basic questions, but the ordering and structure of the conversations varied somewhat among the interviewees to allow for natural flow.

Questionnaire revision:
The semi-structured questionnaires were adjusted slightly to fit the circumstances of each interview, and revised as needed but each respondent ultimately addressed the same set of questions.

Data Entry and Analysis:
After transcription of all interviews, interview data was analyzed for patterns either through general comparison/contrast, or in some cases by
counting the number of particular responses (or freely associated terminology in responses) to open-ended questions. Observations and conclusions were developed that were grounded in the data collected.

**Funding:** No funding was required for the survey.

**Generalizability:**

Since Habitat has only recently begun to allow government funding for its programs (as opposed to infrastructure), the patterns and perceptions that develop from this analysis may not apply to organizations that have a long history of accepting government funding, such as World Vision, the Salvation Army, or many well-organized, professionalized organizations, and thus will have limited application to such institutions. These larger organizations have a tradition of working in partnership with the government, and have negotiated a collaborative compromise that balances their desire to proselytize against their desire to utilize public money for social service provision. However, the findings that emerge from this analysis could inform emerging faith-based organizations that are considering government sources of funding as they enter the professionalization phase, who wish to understand more fully the possible effects that funding might have for their religious missions.

Funding for nonprofits rarely comes from “silent partners,” as both corporate and private funding often have accompanying expectations and regulatory requirements, just as government funding does. But this study specifically investigates the “sound of silent partners” in faith-based/government partnerships, meaning the managerial expectations, legal restrictions, and regulatory demands imposed by government on faith-based organizations accepting its funds. This analysis is meant to inform faith-based organizations that might otherwise expect the
government to be a silent partner, and its findings are most applicable to religiously-based nonprofits entering or undergoing Dym & Hutson’s professionalization phase.
Chapter Four: Conceptual Context

The Legacy of Charitable Choice: Collaborative Partnership between the Government and Faith-Based Organizations in the Delivery of Social Services

If not for the political controversy spurred by charitable choice legislation and President George W. Bush’s Faith-Based Initiatives, the effect of government funding on the professionalization (and the religious mission) of Habitat for Humanity, or any other faith-based organization, would probably not be an especially salient concern. While many large faith-based organizations such as World Vision and the Salvation Army have partnered with the government for decades, some legal experts have nevertheless viewed those funding relationships as precarious at best. Susceptibility to the effect of regime change (on the consistency of government funding to faith-based nonprofits) led legal scholar Carl Esbeck to begin to investigate how religiously-based nonprofits might obtain the legal right to compete on equal grounds with secular organizations and minimize their vulnerability to changes in administration. A law professor at the University of Missouri, Esbeck eventually created mock legislation to address the problem. His effort found its way to then Missouri Senator John Ashcroft (R), who attached what has come to be known as “charitable choice” legislation to the 1996 welfare reform bill. The new opportunities provided by the charitable choice language led some previously wary organizations to venture into relationships with government that they had traditionally avoided. This new proliferation of partnerships between government and faith-based organizations has created a need to analyze how faith-based policies might be affecting the leadership and missions of religious groups that decide to participate.
The Theoretical Path Toward Welfare Reform and Charitable Choice

The 1996 decision of the United States Congress to end the entitlement to welfare benefits for those dubbed eligible in America was probably influenced more strongly by journalist and editor Marvin Olasky than by any other thinker on the subject. The decision was not a sudden development, but rather the culmination of a long lobbying process rooted in a body of thought that claimed that government was just too large, cumbersome, and bureaucratic to respond to the needy in a sensitive, effective, and efficient manner. Government welfare was seen to be indiscriminate and non-discerning. It could not say yes to some and no to others on any qualitative basis, but instead had to rely on measures that, according to critics, had no power to distinguish the truly needy from those that might take advantage of the system. Opponents claimed the government had merely created generations of dependence and suggested that nonprofit organizations might provide a more compassionate means of delivering social services and transforming lives.

Within this anti-welfare rhetorical social and political context, various coalitions began to mobilize in Congress and efforts were made to pass legislation limiting or ending federal welfare benefits altogether. Yet, their efforts were halted in the executive office by President Clinton’s veto. However, in 1996, Marvin Olasky, a journalism professor, publisher of World magazine, and an advisor to then-Governor George W. Bush, wrote a book that would come to have a significant influence in the welfare debate. Olasky, who was raised Jewish and later converted to Christianity, had written extensively on the superiority of faith-based nonprofits over government programs in providing public assistance. In *The Tragedy of American Compassion*, Olasky examined the last 300 years of charitable activity in America, highlighting how changing worldviews from the religiosity of the Victorian period to the secularism of
the post 1960s era had shaped the ways in which communities provided for those in need. Olasky claimed that faith-based nonprofit organizations were better equipped to create real and lasting transformations in recipient’s lives than the government was, arguing that the religious elements of the programs were able to reach the needy on a deeper level and bring about lasting personal change that could stop the cycle of dependency. His claims were so appealing to Newt Gingrich that the (then) Speaker of the House recommended Olasky’s book to all incoming members of Congress. Olasky’s claims were ultimately used as a justification for the devolution of government programs and the provision of public funding to faith-based organizations in the United States.

Notably, nowhere in Olasky’s text does he recommend that the government subsidize faith-based nonprofit organizations. However, it was published at a time in which secular nonprofits had assumed increasing responsibilities for providing social services funded through government contracts. The fact that many small, religiously-based nonprofits were not able to compete for such public funds caused some to question whether the faith-based organizations were in fact being discriminated against under then current funding arrangements.

According to Mary Seger’s *Faith-Based Initiative and the Bush Administration* (with Renee Formicola and Paul Weber), religious organizations such as the Salvation Army, Catholic Charities, and Lutheran Services were already receiving government funding prior to welfare reform and its accompanying Charitable Choice provisions which expanded government funding to faith-based nonprofits. However, Seger writes that these larger organizations agreed to “be incorporated separately from their churches, to keep separate books, to refrain from evangelizing, and to follow federal nondiscrimination standards in hiring.”

Charitable Choice legislation would ultimately extend government
funding to smaller and more diverse community-based religious groups by easing the restrictions placed on these entities, which has aimed at allowing smaller organizations to participate in the delivery of government-funded programs without sacrificing the integrity of their religious mission.

Critics of Charitable Choice, however, argue that faith-based nonprofits that accept public funds should also accept strict limits on the evangelical elements of their missions. They insist that these organizations should be required not to limit their hiring to those belonging to the faith to avoid discriminatory hiring practices, despite the exemption granted to churches in the Civil Rights Act of 1964 that allows religious congregations to restrict their hiring to those that share their faith. Some opponents of Charitable Choice also question the fundamental claim that faith-based nonprofits are more efficacious than government in delivering social services...an assertion that Olasky supported with historical philosophical arguments, but limited quantitative and qualitative data. Nonetheless, Olasky’s rhetoric influenced Newt Gingrich, George Bush, and other elected leaders to argue for reform and greater devolution of government assistance programs to faith-based nonprofits.

Central to Olasky’s argument is the age-old adage about teaching a person to fish. Olasky used historical analysis to examine different approaches to charity, and concludes that the most successful programs are those that ask recipients to work for the help they receive. He adamantly opposed the forms of family support (which he called doles) that gained acceptance during the Great Society years in which advocates claimed that an end to poverty could be accomplished by redistributing wealth. Olasky countered that “the (welfare) law became a handmaiden of income transfer, and a way of battering anyone who stood in the way. ‘Justice’ equaled income redistribution, and
government officials soon worked alongside protesters\textsuperscript{6} to take from the haves and give to the have nots. Critics of Olasky’s work complain that his line of reasoning ignores the structural causes of poverty, and places too much emphasis on individual weakness or failure rather than acknowledging the shortcomings of a capitalistic economy.

Olasky argued that prior to the 1960s, most Americans associated the acceptance of public support with stigma of failure or shame. He points out that even during the Great Depression, many preferred to live in poverty rather than accept public assistance, forcing the Roosevelt administration to find creative means such as the Civilian Conservation Corps (CCC) camps to create work programs to help impoverished populations that would otherwise not accept public support. But, Olasky argues that by the 1950s, the United States had “stopped holding people accountable for their behavior and began assigning blame to society.”\textsuperscript{7} He writes that a series of deliberate public education campaigns were carried out to shift public opinion regarding welfare, teaching citizens that they should not be ashamed to accept government money even when they didn’t work for it, in an attempt to shift values to reflect Great Society ideals of shared resources. This movement corresponded to a broader trend toward increasing secularization in society as well as the professionalization of the social work profession.

According to Olasky, the twentieth century underwent a shift from conservative (and religious) ideals that promoted individual responsibility and the work ethic to a liberal (and secular) belief in income redistribution and sharing of resources that did not require those in need to work for the assistance they received. To demonstrate this paradigm shift from an ideology of work to an attitude of entitlement, he contrasted the nonprofit approaches of various time periods. For example, in the Victorian era, Olasky argues that public assistance typically included some kind of works
or wood-chop program, wherein the needy person agreed to undertake even the most menial of jobs in exchange for a meal and a bed. In this system, the individual was held personally accountable for their situation despite the hardships and circumstances they may have encountered in life. Help was given and personal relationships were established and maintained in an attempt to get the person back on their feet. On the other hand, the post-1960s attitude toward assistance tended to hold society at large accountable for the hardships individuals faced. After this entitlement revolution, money, services, and goods in-kind were provided with few expectations placed on the recipient. Fewer relationships and thus reduced expectations for attitudinal change were developed. Olasky argued that this form of aid was less productive in transforming people’s lives than assistance that required them to take responsibility for their situations.

While Olasky cited extensive historic research to support his arguments, his claims could benefit from a body of both qualitative and quantitative research seeking to measure the effectiveness and efficiency of faith-based organizations as compared to secular or public programs, particularly since the federal government has utilized his conclusions to inform public policy. However, this type of comparative data is extremely difficult to obtain with validity and reliability.

One recent study has suggested that faith-based organizations are not always more effective than secular programs. Researchers from the Center for Urban Policy and the Environment, with funds provided by the Ford Foundation, established the Charitable Choice Research Project in an effort to study the assumption that faith-based organizations are more effective in providing social services than their secular counterparts. An OMB Watch report on the Center’s research states that “Contrary to the President’s belief, after three years of study this new research found that
faith-based organizations operating job-training programs placed 31 percent of their clients in full-time employment, compared to 53 percent by the secular-based organizations. Moreover, clients who received job training from faith-based providers were substantially less likely to receive health insurance.”8 This study concedes that its research is limited and broad conclusions should not be drawn based on it. However, according to OMB Watch, the study also found that “states are not monitoring constitutional violations and did little to educate grantees about constitutional compliance.”9 This could indicate that more studies are needed to analyze religious workers in the field to determine their understanding of and willingness to comply with governmental regulations.

While Olasky is widely considered to be the voice of compassionate conservatism, other authors, such as nonprofit specialist Peter Dobkin Hall and sociologist Peter L. Berger, have buttressed his theories on secularization in government. In The Limits of Social Cohesion, Berger claimed that the United States is in the midst of a culture war in which “normative conflict manifests itself as a moral and even quasi-religious struggle to define the meaning of America.”10 Berger argues that policy debates (such as those partly inspired by Olasky’s writings) are not only about the particular issues that manifest themselves in such dialogues. He writes that “there are layers of subterranean friction and hostility that animate these disputes over governmental policy... (There are) different and competing understandings of what is real and the means by which we can know what is real; different and competing understandings of what is good and true and the means by which we can know what is good and true. These conflicting cultural impulses, and the moral visions that give them form, are, at their core, animated by conflicting metaphysical assumptions.”11 Underlying Olasky’s explanations of the
varying approaches to charity was this unique tension regarding individual versus societal responsibility that is based on differing understandings of what is real, and how we come to know that it is real. In short, it is an issue of faith and worldview, and decisions regarding policy are, according to Berger, manifestations of these varying interpretations of reality and goodness. Consequently, the debate surrounding public assistance is not only about funding... it is about perceptions of absolute truth, enlightenment ideals of government and faith, and the metaphysical assumptions of individuals and how those are translated (or not) into social claims and norms.

In *Inventing the Nonprofit Sector*, Peter Dobkin Hall presented a history of the third sector in which he contended that nonprofit organizations provide an arena in which citizens can be active participants in helping others. He quotes Peter Drucker, who claimed, “in the political culture of mainstream society, individuals, no matter how well-educated, how successful, how achieving, or how wealthy, can only vote and pay taxes. They can only react, can only be passive. In the counterculture of the third sector, they are active citizens. This may be the most important contribution of the third sector.” Indeed, Olasky has also claimed that the active participation engendered by nonprofit organizations contributes to their ability to transform lives. This active participation leads to relationships between those in need and those who want to show compassion, and this single factor is what Olasky claims differentiates government programs from third sector offerings. The nonprofit organization provides a means for citizens to extend the cup of compassion to another human being. Both parties can experience love, gratitude, and grace. Olasky contends that these responses do not occur when citizens pay taxes (by legal requirement) to support the needs of others, and suggests there is an innate value of the element of
personalized intent. Peter Dobkin Hall argues that as early as the 1870s, some were making the case that democracy attains its “fullest institutional expression not through government action, but through government encouragement of private action, including grants of incorporation, tax exemptions, tax regulations providing incentives to individuals who make donations to nonprofit organizations, and the ability to set property aside in perpetuity for charitable and educational purposes.” Others, however, claimed that “leaving such essential public concerns as culture, education, health, and social welfare to the discretion (or to the neglect) of the few wealthy enough to concern themselves with such issues was as dangerous to democracy as leaving the banking, transportation, and communications systems unregulated.”

Lester Salamon’s “Partners in Public Service: The Scope and Theory of Governmental-Nonprofit Relations” sought to describe relationships between the state and nonprofit organizations. Salamon argued that government had always funded nonprofits, and claimed that government had become their most important source of funding. He explained that early theories saw the voluntary sector as a product of market failure and emphasized the inherent limitations of both the private market and government in producing collective goods. Salamon’s nonprofit proxy theory held that nonprofits were often the most natural and best choice for the delivery of some services to their respective communities. Salamon claimed that in the normal delivery of services, contract failure could occur when some goods and services (such as care for the aged) were given to those who do not purchase them; in other words, there were situations in which the purchaser was not the consumer. In these instances, normal market mechanisms that involve consumer choice on the basis of adequate information do not function properly. Nonprofits, he claimed, could serve as a proxy to offer the purchaser a
degree of assurance that the goods and services meet standards of quality and quantity when the purchaser was not the consumer. Salamon explained that nonprofits were not as tempted as businesses to betray social trust, however this claim is contested by those who hold that government might have even fewer reasons to betray purchaser trust than would nonprofit organizations. Nonetheless, Salamon recommends a partnership of “third-party government” that separates the role of social service provider from the role of service delivery. In this system, nongovernmental entities carry out governmental purposes and exercise substantial discretion over the expenditure of public funds and the exercise of public authority. In this arrangement, the federal government performs a funding and managerial function, but leaves substantial discretion to its nongovernmental or nonfederal partners. Salamon claimed that government could often carry out its social service goals more affordably by outsourcing rather than creating a new department.

In suggesting that the voluntary sector was often the preferred sector to undertake particular jobs, especially for social services, Salamon suggested four ways in which nonprofit organizations might require governmental support in what he called voluntary failure theory. First, Salamon discussed Philanthropic Insufficiency, a situation in which donations to nonprofit organizations are not sufficient to accommodate or address a societal need. Because there is a risk that some members of the society might not be helped, he emphasized that the governmental role cannot be downplayed. He argued that everyone in society benefits from caring for the needy, but noted there is a free-rider problem in that not everyone gives to support that purpose, specifically because there is incentive to let neighbors bear the cost of helping others. He concluded that only involuntary contributions, like taxes, are likely to be sufficient and consistent, and concluded that the law is an agency for “bringing up the
“laggards,” noting that when people need help the most, others are often least able to assist them.\textsuperscript{16}

Second, Salamon expressed concern over \textit{Philanthropic Particularism}, the phenomenon that finds voluntary organizations and their benefactors focusing on particular subgroups of the population. He notes that this tendency can be strengthened if certain needy groups are brought to the forefront of a societal agenda. However, some subgroups are not represented in the structure and that can leave serious gaps in coverage. Salamon explains that this also can be wasteful if assistance to particular subgroups is duplicated by multiple agencies.

Salamon’s third concern regarding voluntary failure is what he has labeled \textit{Philanthropic Paternalism}, a situation in which most of the influence for the definition of community needs is placed in the hands of those with the greatest resources. Those in control of charitable resources are able to determine what the sector does and whom it serves, which can lead to elitism. The nature of the sector is shaped by the preferences of the donor community (wealthy members) rather than the entire community, and services favored by the wealthy, such as the arts and education, may be promoted at the expense of others. This money also constitutes foregone public revenues, and the situation is undemocratic and potentially self-defeating. In contrast to Olasky, Salamon contends this can create dependence on the part of the poor when aid is given as charity and not as a right.

Finally, Salamon expresses concern over \textit{Philanthropic Amateurism}, which occurs when nonprofits take amateur rather than professionalized approaches to coping with human problems. He claimed that voluntary workers are often more interested in moral suasion and religious instruction than in medical aid or job training. This critique is directly relevant to issues regarding Charitable Choice. Salamon
contrasts with Olasky in claiming that turn of the century advocates feared donations to charity would siphon off funding that could produce more professional public care. By comparison, Olasky claimed that this change in sentiment regarding professionalization did not occur until the time between the New Deal and Great Society programs. Regardless, Salamon claims that government and nonprofits complement one other in a natural way.

Despite his encouragement of third-party affiliations, Salamon noted several problems with public-nonprofit organization partnerships. For example, he warned against the loss of *Agency Independence*, or a loss of autonomy and operating latitude that can result when nonprofits partner with government. He claimed that partnerships can tame or straitjacket the advocacy role of nonprofits, and warned that they might lose their capability or become vulnerable to political retaliation if they are outspoken on controversial issues. He observed that some nonprofits might begin to tailor their programs to the particular interests of political representatives, as well. However, Salamon also noted that *Agency Independence* is threatened by private funds that can come with strings attached.

A second concern Salamon expressed regarding third-party government is the possibility of *Vendorism*, which occurs when government partnership distorts a nonprofit organization’s mission by enticing a group to concentrate its efforts in areas that do not reflect its core values. However, he indicated that some studies have found evidence that government funding has actually enabled nonprofits to carry out their respective missions better. He also acknowledged that pressures to alter agency purpose can emanate from private sources as well. Foundations are often accused of preferring new experimental
programs, thereby making funding more difficult for established programs and approaches.

Finally, Salamon claimed that public funding might lead to more demanding systems of Management and Bureaucratization, particularly when standards of performance are necessary. He argued that government programs often require more reporting, cumbersome application processes, etc., than do other sources of funding, which might require the hiring of more professional (and expensive) staff. According to Salamon, most nonprofits report that corporate and foundation support is easier to deal with than government funding, and claim that regulatory provisions lead to greater reliance on professional staff and less on volunteers. Increased professionalization is often a necessity, which can rob a nonprofit of some of its spontaneity and entrepreneurship.

While Salamon’s excellent analysis of third-party government did not distinguish between faith-based and secular nonprofit organizations, heightened concern can develop among politically liberal critics or separationist organizations when the nonprofit organization in question is religiously based. Aside from First Amendment issues regarding the establishment of religion, many of these analysts are concerned that public funding of religiously based organizations may interfere with their ability to exercise their faith freely (Salamon’s vendorism and agency independence concerns) if governmental regulation prohibits certain elements of their programs. In 1996, the year Congress passed the Welfare Reform Act, the Center for Public Justice published a much-cited study on the topic by Carl Esbeck. As noted above, Esbeck is credited with drafting the original Charitable Choice language introduced by Senator Ashcroft during the Welfare Reform movement, and he has undertaken extensive studies into church and state matters as they relate to the issue of government/FBO (faith-based organization) partnerships.
“The Regulation of Religious Organizations as Recipients of Governmental Assistance,” Esbeck undertook a technical study of the law regarding public funding of faith-based nonprofits. In describing the conditions imposed to separate church and state before Charitable Choice legislation was introduced, Esbeck cited five types of textual provisions:

1. The requirement that the central religious body form a separate nonprofit corporation to receive and administer the aid
2. Prohibitions on funds being used for the purchase or improvement of sectarian-use real estate
3. Prohibitions on benefits being used to render services in a building where the facility itself has religious symbols or fixtures
4. Prohibitions on benefits being used to obtain training or education to enter a religious vocation
5. Prohibitions on benefits being used for religious instruction, worship, prayer, or other inherently religious activity.

Esbeck argued that such provisions made it difficult for faith-based nonprofits to compete fairly with secular nonprofits without changing the inherent nature of their programs. For example, smaller religious nonprofits might not have the resources to form a separate nonprofit corporation, which some claimed was merely a paper wall, at best. Similarly, Olasky’s arguments suggested that the removal of religious symbols and the restrictions placed on faith-based instruction might alter a nonprofit program’s effectiveness. Those who would eventually favor Charitable Choice, and who accepted Olasky’s perspective of religious organizations, went so far as to ask the question “What if religion itself is the social service?”

Esbeck cited several practical examples of how provisions aimed at securing the separation of church and state interfered in practice with the ability of nonprofit organizations ability to compete fairly. One such instance involved an entanglement with the U.S. Department of Housing
and Urban Development (HUD) regarding the Emergency Shelter Grants Program (ESGP), adopted by Congress in 1986. ESGP authorized HUD to make grants to private nonprofit organizations for the conversion of buildings for use as emergency shelters for the homeless and for certain expenses related to their operation. However, HUD issued proposed regulations that stated that buildings owned by churches and other “primarily religious organizations” were completely prohibited from receiving funds to renovate, rehabilitate, or convert their buildings for homeless shelters. Critics of HUD’s proposed ban on grants to religious organizations claimed that funds should be made available to such institutions under the condition that no worship was provided in connection with the grant and that no sectarian or faith-related symbols were used in the portion of the facility used for the homeless. HUD lifted the ban on grants to religious ministries based on the limiting provisions, but required that accounts of public and private funds be kept distinctly separate in order to avoid administrative entanglement between church and state. Critics suggested that the requirement that religious symbols be stripped from the shelters, thereby creating a religion-free zone, was an attempt to generate the impression that aid was being delivered by a secular agency. They suggested that mere exposure to religious symbols did not constitute coercion or establishment of religion, while others felt the separate accounting procedures and distinct corporate shell was not capable of addressing substantive concerns regarding the establishment clause.

Such situations provided the impetus for Carl Esbeck to conclude that faith-based nonprofit organizations were not operating on a level playing field. He argued that those that did accept public funds did so out of a relationship of convenience, and if the government decided at any time to withdraw funding, current precedents could be applied to
justify the termination of support. He contended that the legal status of faith-based organizations in 1996 was precarious at best, and believed that their vulnerability could be alleviated with the introduction of legislation that protected what he perceived to be their right to compete on an equal footing for government funds. Esbeck initially wrote and circulated draft legislation as a proposed remedy for the problems facing FBOs at an academic conference at which he was presenting a paper on the ways that government funds led to the secularization of religious entities. Interestingly, one of his law students, Anne Billings White, later went to work for then-Senator John Ashcroft. When Ashcroft asked his staff how he might enable welfare reform to help faith-based organizations working with the poor, White showed Ashcroft her former professor’s draft legislation which, as noted above, eventually formed the basis for charitable choice legislation in the Welfare Reform Act of 1996.

Esbeck concluded that despite the reasoning critics might cite for avoiding public aid to religion, be it the separation of church and state or the concern that government might interfere with the religious mission, that “modern liberal democracy, including its notion of full religious liberty, is dependent on religion doing public good...religious faith gives meaning and direction to the citizenry and a fixed moral code, prompting them to good deeds, self-discipline, and unselfish service to neighbor, including support for the democratic state and its legal structures.” He argued that religious institutions provided a valuable service to democratic society, and sought to find ways that the government might allow faith-based organizations to receive public funding for the social services they were already providing without engaging in excessive regulation and control of their religious missions. This debate regarding which institution should provide aid to the needy (including how and why) is older than our
nation, and could benefit from more systematic evaluative research that informs the issue.

**Charitable Choice Introduced**

Largely responding to the new wave of theory and argument emanating from faith-oriented academics such as Olasky and Esbeck (whose ideas were picked up by key policy makers), the 104th Congress passed the *Personal Responsibility and Work Opportunity Act* in 1996. Legislative action had been initiated by Carl Esbeck’s draft legislation which had been introduced by John Ashcroft a year earlier, in 1995, as a charitable choice package while the debates on comprehensive welfare reform were ongoing. Ashcroft’s charitable choice language found its way into Senator Robert (Bob) Dole’s (R.Ks.) welfare bill providing that “religious organizations who participated in welfare reform’s new state block grant program were to retain their independence from government, and that organizations could not deny aid to needy families with children on the basis of religion, religious belief, or refusal to participate in a religious practice.ˮ20 One of Ashcroft’s goals was to “encourage faith-based organizations to expand their involvement in the welfare reform effort by providing assurances that their religious integrity would be protected.”21

Charitable choice became law when President Bill Clinton signed the *Personal Responsibility and Work Opportunity Act* on August 22, 1996. This action was the apex of the welfare reform movement, but while the idea of ending an entitlement to welfare benefits was contentious and fervently debated, the charitable choice language within the law, which allowed public funding to go to faith-based organizations, passed with relatively little fanfare. Welfare reform discussions had been dominated by issues such as overall spending levels and ending welfare as an
entitlement, and charitable choice received comparatively little attention considering the controversial nature of the church-state partnership it sought explicitly to permit and expand.

Charitable choice refers to direct government funding of religious or faith-based nonprofit organizations to provide social services, and implies that recipients of social services have the right to choose a faith-based nonprofit program to deliver their services provided they are offered an equivalent nonreligious option. According to the Center for Public Justice, which was instrumental in drafting charitable choice language along with Esbeck, charitable choice was based on four principles:

**A Level Playing Field:** Faith-based providers should be eligible to compete for funds on the same basis as any other providers, and should neither be excluded nor included because they are religious, too religious or of the wrong religion.

**Integrity of Religious Mission:** The religious character of faith-based providers is protected by allowing them to retain control over the definition, development, practice, and expression of their religious beliefs. Neither federal nor state government can require a religious provider to alter its form of internal governance or remove religious art, icons, scripture or other symbols in order to be a program participant.

**Non-Discrimination of Clients:** When rendering assistance, religious organizations may not discriminate against an individual on the basis of religion, a religious belief, or refusal to participate actively in a religious practice. If an individual objects to the religious character of a program, a secular alternative must be provided.

**Church-State Separation:** Government funds can only be used to provide social services, and no direct government funding can be used for
inherently religious activities such as worship, religious instruction, or proselytization.22

Governmental regulations concerning faith-based nonprofits have been issued further to the charitable choice provisions of the Personal Responsibility and Work Opportunity Reconciliation Act [PRWOR]. When Congress devolved welfare authority to the states within a framework comprised of several basic guidelines, it included the "charitable choice" provision of Section 104. Section 104 sought to reflect U.S. Supreme Court precedents for governmental neutrality between faith-based and secular providers of services, to protect the religious integrity of faith-based providers, and to ensure the religious liberty of beneficiaries.

Section 104 set down four legal rules:

1. If a state elects to involve independent-sector organizations in the delivery of social services, it may not exclude those (faith-based) providers because of their religious character.

2. If a faith-based organization is selected as a provider of government-financed social services, its religious expression and identity may not be censored or otherwise diminished on account of its participation in the welfare program.

3. A faith-based provider may not discriminate against a beneficiary on the basis of religion nor require the beneficiary to participate actively in religious practices.

4. If a beneficiary objects to receiving social services from a faith-based provider, he or she has a right to obtain services from another provider.23
The Center for Public Justice has explained Charitable Choice as follows:

The goal of Section 104 of the 1996 federal welfare-reform legislation is to expand the involvement of the independent sector, including faith-based organizations, in the delivery of government-supported social services. A large proportion of nongovernmental providers of assistance to the needy are faith-based nonprofit organizations. Some are affiliated with churches, synagogues, mosques, or temples. Others, though self-standing, are inspired by religious beliefs and were established to carry out a religious mission of care for the poor and needy.

These religious charities are among the most effective providers of help and are typically willing to serve even the most distressed families and neighborhoods. They are flexible, take a personal approach, are deeply committed to the needy, and provide help that is guided by a moral code and evokes personal responsibility. Such assistance is particularly important when individuals, families, and communities are mired in long-term poverty and self-destructive patterns of behavior.

Many faith-based providers currently participate in government-funded programs. However, they have been subject to governmental pressures to downplay or discard their religious emphases. Many other faith-based organizations are wary about involvement with the government because they fear they might lose their religious character and independence. Section 104 invites the increased involvement of religious organizations in the provision of social services while safeguarding their religious character, which is the very source of their genius and success.

Expanding Charitable Choice

While the section 104 provisions are somewhat vague and general, prior to that law, it was assumed that all religious symbols should be stripped from the premises of buildings occupied by institutions receiving public funds, and entirely separate legal organizations (which some have called “paper walls”) created to qualify for government funding. While President Clinton suggested that Congress remove the charitable choice language, he nonetheless signed the bill into law when it did not. Congress allowed government officials to purchase services from religious providers using Temporary Assistance for Needy Families (TANF), Welfare-
to-Work, and Community Services Block Grant (CSBG) funds. In late 2000, Congress authorized the Substance Abuse and Mental Health Services Administration (SAMHSA) to provide funds to faith based organizations. However, according to Black, Koopman and Ryden (2004), Representative Bobby Scott (D-VA) published a claim on the U.S. House of Representatives website contending that President Clinton had used his administrative powers to void charitable choice in all executive departments, writing a guidance letter to federal administrators that prohibited “religiously affiliated organizations that are “pervasively sectarian” from eligibility to compete for federal funds.25

In contrast, the Bush Administration has focused on expanding the collaboration between government and faith-based organizations by vigorously implementing Section 104 and encouraging related new legislation. Those who are pressing to expand charitable choice through the faith-based initiatives are pushing for the inclusion of specific provisions that enforce and enumerate the basic legal content outlined above. For example, they have tried to legislate additional exemptions for religiously based hiring decisions, for the protection of religious symbols, and other actions by government that would exclude or inhibit the expression of religion by faith-based organizations. The White House Office of Faith-Based Initiatives has generally sought to implement and expand the scope and interpretation of provisions already established under Section 104.

On January 29, 2001, Bush issued Executive Order 13199 which created the White House Office of Faith-Based & Community Initiatives (WHOFBCI), and called for vigorous implementation of charitable choice policy already on the books. The new President also encouraged Congress to initiate and enact legislation that would expand the capabilities of government to partner with faith based nonprofit
organizations in the delivery of social services, which both the House and the Senate attempted in H.R.7 and the CARE act. While Congressional legislation has centered on tax laws aimed at encouraging charitable giving, the executive departments and the WHOFBCI have expanded charitable choice and increased funding to faith-based nonprofit organizations providing social services using a variety of approaches, including eliminating barriers and offering training to religious organizations on the government grant proposal process.

The 1996 charitable choice provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 [PRWOR] remain the most significant statements on the issue of governmental funding of faith-based organizations now available. President G.W. Bush has sought to implement Section 104 with 6 executive orders that essentially direct the executive department agencies (such as Education, Interior, HUD, HHS, etc) concerning how to treat faith-based organizations in their grant making. In particular, President Bush has created Faith-Based Initiative offices in 12 executive departments, each of which is charged with actively seeking ways to expand funding opportunities and train faith-based organizations on how to receive public money. These departments and offices include:

**Agency Centers for Faith-Based and Community Initiatives**

1. Agency for International Development
2. Corporation for National and Community Service
3. Department of Agriculture
4. Department of Commerce
5. Department of Education
6. Department of Health and Human Services
7. Department of Homeland Security
Congressional action has been less robust. House bill, H.R.7, which sought to amend the Internal Revenue Code of 1986 to provide tax incentives for charitable contributions to faith-based organizations, passed the House of Representatives but stalled in the Senate, largely over concern over religion-related hiring discrimination. The Senate did not expand the Section 104 provisions, but the revised CARE Act, ultimately only as a tax package, eventually passed both houses contingent on the review of certain revisions, with some portions of the final version of CARE (the Charity, Aid, Recovery and Empowerment Act), being incorporated into the Tax Relief Act of 2005, S. 2020 and signed into law on May 17, 2006.

Overall, the charitable choice provisions constitute the most influential force or instrument defining the government’s role in funding faith-based nonprofits. The offices created under Bush’s Faith-based initiative have expanded the number of faith-based organizations accepting public money, although religious organizations remain a significant minority when compared to secular organizations receiving government funds.

**H.R. 7 – Community Solutions Act**

In March 2001 Republican Representative J.C. Watts of Oklahoma and Democratic Representative Tony Hall of Ohio along with forty-two co-sponsors introduced the Community Solutions Act (H.R. 7) in the House of
Representatives. Critics of the bill complained that it lacked a compassion capital fund (that would provide training to faith-based and community nonprofits on the government grant process), that the bill did not insist on separation of religious and nonreligious program elements, and did not contain a secondary opt-out which would allow recipients of social services to eschew the religious elements (but continue the nonreligious portions) of a program after they had started. Those who were against a secondary opt-out contended that since the recipients had the option of choosing a religious or secular program from the outset, the secondary opt-out was excluded from the new legislation.

The bill did, however, enlarge and detail federal tax incentives for charitable giving, and section 101 allowed taxpayers who do not itemize their income tax returns to take a deduction for charitable giving. While the Community Solutions Act passed the House in July 2001 by a vote of 233 to 198, its tax deduction for non-itemizers was criticized by some Members who claimed that it placed a greater burden on the lower income brackets for caring for the poor while the taxes on the wealthy were being progressively lowered.

Controversy also attended the bill, particularly around the issue of hiring discretion and funding proselytization with government dollars. Critics complained that if government provided money to religiously-based nonprofits that were free to hire only those who shared their faith (or fire those who did not), the government would then be funding discrimination. While religious organizations already had the legal right to hiring discretion s a result of the exemption granted to churches in the Civil Rights Act of 1964 (based on the notion that a religious group could not maintain the integrity of its mission if it was forced by the government to hire pastors or staff that did not believe in its particular faith), the idea of hiring discrimination was perhaps the most hotly contested issue regarding
the House initiative. According to political theorists Black, Koopman, and Ryden (Of Little Faith, 2004), opponents tried to have a hiring discrimination amendment added to the bill, and the legislation only passed when the bill’s principal sponsor, J.C. Watts, promised to “fix the hiring discretion problem later in the legislative process.”

The most vehement opposition to the bill came from Democrats Bobby Scott of Virginia and Chet Edwards of Texas who linked the faith-based issue to civil rights. Scott was concerned the initiative would invite federally funded bigotry based on religion, race, and sexual preference, arguments that were based on his view of the “Christian academies” that sprouted up in the 1960s as local residents “avoided government steps to integrate public schools.” Chet Edwards was an active Methodist who feared the faith-based initiative would lead to unhealthy competition among religious groups, as he observed “the separation of church and state has worked magnificently well...our churches are filled. And their social outreach programs are great successes. The state subsidized churches of Europe are empty. Why would we want to be like them?” While Edwards and Scott were not successful in preventing House passage of H.R. 7, they continued their efforts to defeat it when the bill was sent to the Senate.

Charity, Aid, Recovery, and Empowerment (CARE) Act (S. 476)

While faith-based supporters in the Senate had been optimistic about pushing their own version of H.R. 7 through quickly, the effort stalled after the tragedy of 9/11 when public and government interest shifted from domestic to international affairs. Senators Rick Santorum (R-PA) and Joseph Lieberman (D-CT) were key figures in drafting the legislation that finally reached the Senate as the CARE Act in February 2002. While earlier drafts of the bill contained provisions that would have allowed faith-based
groups to discriminate on the basis of religion in matters of hiring, this language was removed before the bill could pass the Senate. After several efforts, the U.S. Senate passed the CARE Act (S. 476) on April 9, 2003, by a vote of 95 to 5. The House passed its companion bill, a revised H.R. 7, on September 17, 2003 by a vote of 408 to 13.

As passed, the CARE Act primarily contained important tax incentives to encourage charitable giving, including:

- A deduction for a portion of charitable contributions made by individuals who do not itemize deductions (single filers would be allowed to deduct total contributions over $250 up to a ceiling of $500; for joint filers, the amounts are $500 up to a ceiling of $1,000);
- Tax-free distributions to charities from individual retirement accounts
- Charitable deductions for contributions of food and book inventories;
- Expansion of the charitable deduction for scientific property used for research and for computer technology and equipment used for educational purposes;
- An adjustment to the basis of S corporation stock for certain charitable contributions;
- An enhanced deduction for charitable contributions of literary, musical, artistic and scholarly compositions;
- Mileage reimbursements for charity organization volunteers excluded from gross income;
- Ten-year divestiture period for certain excess business holdings of private foundations;
- Exemption of qualified 501(c)(3) bonds for nursing homes
- Extend excise tax exemptions for all blood collector organizations; and
- Tax-exempt forestry bonds that permit certain nonprofit organizations to use tax-exempt bond financing to acquire forest land.29

The bill also restored funding for the Social Services Block Grant to an annual appropriation of $2.8 billion, expanded the Individual Development Account program, and simplified the lobbying expenditure limitation for charitable nonprofits. This provision allowed
charitable nonprofits to spend their total advocacy allowance on any combination of grassroots and direct advocacy efforts. The measure also included "sunshine" provisions aimed at improving the oversight of tax-exempt organizations, specifically oversight operations of the IRS. In response to 9/11, the oversight provisions authorized the Service to suspend the tax-exempt status of an organization that has been designated by the president or the secretary of state as a terrorist organization or as supporting terrorist activities.

The CARE Act’s Compassion Capital Fund included provisions that authorized several agencies (Health and Human Services, Corporation for National and Community Service, Department of Justice, and HUD) to issue grants and enter into cooperative agreements with nongovernmental organizations to provide technical assistance to community-based organizations. Additionally, an amendment authorized the Secretary of HHS to award competitive grants to states, local governments, Indian tribes, or public or private nonprofit organizations to establish or expand maternity group homes.

The White House Office of Faith-Based and Community Initiatives (WHOFBCI)

While Congressional action has been limited essentially to a financial package that encouraged charitable giving, the executive departments led by the WHOFBCI created by the Bush administration have sought to expand charitable choice and increase funding to faith-based nonprofit organizations providing social services in a variety of ways, including eliminating barriers that religiously-based organizations might face in obtaining government grants such as restrictive eligibility requirements or application and reporting processes that might be too
cumbersome for smaller, grassroots organizations to handle. To carry out his plans, President Bush has issued the following Executive Orders:

**Executive Orders (See Appendix 1-6 for full texts)**


- **Executive Order 13280** created additional two Centers for Faith-Based and Community Initiatives on December 12, 2002.

- **Executive Order 13279** required equal protection for faith-based and community organizations as of December 12, 2002.

- **Executive Order 13342** created three new Centers for Faith-Based & Community Initiatives at the Departments of Commerce and Veterans Affairs and the Small Business Administration on June 1, 2004.


The WHOFBCI describes its official mission as:

- Identifying and eliminating barriers that impede the full participation of faith-based and community organizations (FBCOs) in the Federal grants process.
- Ensuring that Federally-funded social services administered by State and local governments are consistent with equal treatment provisions.
- Encouraging greater corporate and philanthropic support for FBCOs' social service programs through public education and outreach activities.
- Pursuing legislative efforts to extend charitable choice provisions that prevent discrimination against faith-based organizations,
protect the religious freedom of beneficiaries, and preserve religious hiring rights of faith-based charities.30

The WHOFBCI states that the underlying premise of the President’s Initiative is that a “more open and competitive Federal grant-making process will increase the delivery of effective social services to those whose needs are greatest.” The office seeks to carry out the initiative by making information more accessible, providing training and technical assistance, broadening program eligibility, changing regulations, streamlining grant applications, focusing on the unique needs of grassroots organizations, and eliminating preferential treatment for existing and former grantees. Each of the eleven Agency Centers maintains its own support team offering program grants, support and training to eligible faith-based and community organizations and seeking to remove barriers or preferential treatment to secular applicants for funding.

The WHOFBCI was initially headed by Princeton University scholar and Democrat John DiIulio whose “academic interests in the faith-based initiative grew out of his research on crime and prison policy as he discovered the success of religion in combating crime.” 31 DiIulio has described having a “born-again Catholic” experience which lead to his discovery of a calling to work with people living in poverty in the nation’s inner cities. Karl Rove made a concerted effort to include DiIulio in Bush’s presidential campaign, and later invited him to lead the new Faith-Based Initiatives office. DiIulio agreed only to a six month stint, after which time he resigned as promised. But his tenure was not without controversy, and his liberal leanings stirred criticism from Republicans and particularly from the conservative evangelical community that, to Bush’s surprise, were not supporting the initiative as anticipated. The evangelical community expressed concern that public support might open the door to the
funding of fringe religions or inhibit the religious missions of faith-based nonprofits, which they termed “hijacking the faith.” Dilulio particularly angered the evangelical community in a speech to the National Association of Evangelicals (NAE) on March 7, 2001, by responding to their concerns about governmental funding with the comment that Christians needed to “get real—about helping the poor, the sick, the imprisoned, and others among ‘the least of these’” (adding that) it was “fine to fret about ‘hijacked faith,’ but such frets would persuade more and rankle less if they were backed by real human and financial help.”32 The media framed the speech as an attack on religious conservatives in white suburban churches, which deepened an emergent rift between the new administration and evangelical conservatives. Evangelicals who opposed the initiative were concerned that the federal government would seek to secularize faith-based programs radically under Dilulio’s leadership.

So, Dilulio’s resignation after six months would have come as no surprise even if he had not planned it from the outset. After his departure, President Bush made several structural changes to the position before assigning Jim Towey as his successor. While Dilulio had served as an Assistant to the President, the highest-ranking title granted to White House staff (and signifying that the position reports directly to the President), Towey was named Deputy Assistant to the President, reporting to John Bridgeland, an assistant to the President who was selected to head the USA Freedom Corps. This gave Towey less authority and status than Dilulio had enjoyed, although Dilulio had lamented that he did not make more frequent use of Bush’s offer to “put him on his dance card anytime.” However, Jim Towey was later promoted to Assistant to the President on January 13, 2005 as Director of the Office of Faith-based and Community Initiatives and remained in that reporting relationship until his resignation in May 2006.
Before joining the WHOFBCI, Towey spent ten years as a senior advisor to Republican U.S. Senator Mark Hatfield (R-OR) and also served as the secretary of Florida’s Health and Social Services Agency under Florida’s Democratic Governor Lawton Chiles. After leaving state government he created a planning document called Five Wishes, which is a kind of Living Will that lets people document how they want to be cared for if they become seriously ill and unable to make decisions on their own. It allows individuals to address their medical wishes, while taking into consideration emotional and spiritual needs, and acknowledging the importance of preplanning funeral, cremation and cemetery arrangements. Towey’s work with the needy earned him six honorary doctorates and an award from Pope John Paul II. Perhaps his most significant and noted achievement has been his work with Mother Teresa of Calcutta. According to his official White House biography, Towey “met Mother Teresa in 1985 and went on to serve as her legal counsel for 12 years. He lived for a year in Mexico in one of Mother Teresa’s missions and in 1990 worked full-time in her Washington, DC AIDS home. He had the privilege to travel on occasion with Mother Teresa to see first-hand her faith and compassion in action.” Towey’s appointment earned the Administration renewed credibility and support from the evangelical community.

Towey served as assistant to the President and director of the White House Office of Faith-Based and Community Initiatives from 2002 to May 2006. He was replaced by Jay F. Hein, who was named Deputy Assistant to the President and Director of the Office of Faith-Based and Community Initiatives on August 3, 2006. Hein founded the Sagamore Institute for Policy Research, an international public policy research firm headquartered in Indianapolis, Indiana. Prior to his work at the Sagamore Institute, Hein served as Executive Director of Civil Society Programs at The
Hudson Institute (also in Indianapolis), including the Welfare Policy Center, the Faith in Communities initiative, and community-based healthcare reform. Hein also served as Vice President and Chief Executive Officer of the Foundation for American Renewal, which provides financial grants and other support to community-based organizations. He also worked on policy research for state-level welfare reform in Wisconsin.

**Controversy**

Opponents of charitable choice, including organizations such as the Americans United for the Separation of Church and State, Freedom From Religion, or atheist.org, express concern in their online and print advocacy publications that the faith-based initiative’s executive orders and ensuing legislation have blurred the separation of church and state. They argue that federal funding for faith-based organizations may create an opportunity for abuse and bias towards groups affiliated with one particular denomination or religious tradition. For example, the Anti-Defamation League argues, “The opening of this process (of public funding) to pervasively sectarian institutions (churches, synagogues, mosques) is deeply troubling because many “charitable choice” plans have been put forth without adequate safeguards to ensure that religious activity, including proselytizing, is not a part of that service delivery.”

Some conservative religious organizations also oppose the legislation, partly because of a concern that partnership with the government may lead to excessive regulation or bureaucratic difficulties that infringe on their religious mission. For example, The Interfaith Alliance, which seeks to defend religious liberty, opposes charitable choice because of its potential impact “on the vitality of the prophetic voice of faith, the integrity of religious autonomy, excessive government entanglement in the affairs of religious institutions and the overarching
temptation to abuse religion and manipulate faith to achieve political power.”35 Similarly, Dr. Joseph Chuman of the Ethical Culture Society argues that it is unrealistic to believe that faith-based organizations should or could demonstrate that public funds have not been used to pay for religious speech, including proselytization. He writes:

Whom [sic] are we kidding? (Do supporters of charitable choice) really believe that when confronted with a commandment from God Almighty to win souls, committed evangelicals will be deterred by what will seem like a bureaucratic nicety? Why should they, when the guiding premise of charitable choice is that services rendered through faith commitments are superior to those delivered by secular agencies? Moreover, charitable choice permits faith-based organizations to serve the needy in religious sanctuaries rather than in secular settings, as has pertained. The stage is set for rampant missioning. No one should ever be placed in the demeaning position of having to compromise his or her religious conscience in the face of neediness and dependence on others. Charitable choice will make this violation commonplace.36

He argued further that charitable choice augurs other dangers. He suggested it can set church against church in a battle for public funds, and force the courts to pass judgment on competing theological positions in order to determine which churches are pervasively sectarian and which not. He has observed “Government oversight of public funds will be either rigorous or lax. If lax, churches will be tempted to use funding for their ongoing religious purposes. If strict, government agents will show up at church doors demanding to audit their books. Is that what we want in a nation that professes religious freedom?”37

The primary concern regarding bureaucratic claims that accompany public funding for faith-based organizations is that government regulations will conflict with religious mission on certain occasions. For example, many faith-based organizations were randomly disqualified from competing for funds based on factors such as whether their organization had a cross on the wall, and were frequently required to go through an expensive process of separate incorporation in order to qualify. At one point, as noted above, HUD refused to consider any faith-
based organization applications for particular types of funding. According to Carl Esbeck, the law, at least as interpreted, also did not protect large and professional faith-based organizations that had a tradition of accepting government funds in that their missions were vulnerable to the changing claims and preferences of funding agents. Esbeck sought to delineate the limits and boundaries of funding agent engagement with faith-based social service organizations. Section 104 was an initial step towards defining the relationship and limiting possible government claims, but faith-based proponents say it did not go far enough in defining exactly what the government could and could not demand from recipient FBOs. Thus far, the executive departments have changed their policies regarding grants to FBOs so as to come into accord with Bush’s executive orders. But Congress has been less successful in enumerating the specific boundaries of government/FBO partnerships.

In their analysis of the Faith-Based and Community Initiative (FBCI), Of Little Faith, The Politics of George W. Bush’s Faith-Based Initiative, Amy Black, Douglas Koopman, and David Ryden identified two types of conservatives that promoted charitable choice, purists and pragmatists, in accord with their response to executive efforts regarding government collaboration with religiously-based organizations. According to these authors, purists are most concerned with allowing religiously-based organizations to compete fairly with non-faith based institutions. Purists call for greater official support for orthodox religion in the public square, but worry that government might possibly interfere with the religious nature of faith-based organizations by imposing requirements for funding that sap the vitality of religious social programs. They argue that faith-based programs are superior to other forms of social service delivery because of their religious affiliation, and claim that only the freedom to be
fully religious will keep these programs effective. Purists have called for a new government attitude toward religion: a neutral view to replace what they perceive to be a prevailing antireligious position. Some purists, however, go further and want the government to give explicit preference to evangelical Christianity, and block so-called “fringe” religious groups from receiving funds.

On the other hand, pragmatists also seek a level playing field in which the government neither advances nor discourages religion, in which government agencies are merely blind to (or ignorant of) the religiosity of a provider rather than hostile to it. However, they are more willing than purists to separate government funds from private contributions and religious program elements from nonreligious elements. They do not object to allowing beneficiaries to opt out of the religious elements of a program in which they participate. While both purists and pragmatists agree that beneficiaries should have the right to choose a non-faith-based alternative from the outset, purists argue that once a beneficiary has chosen a program they should be expected to accept all of its religious content and programming, while pragmatists are willing to support a “secondary opt-out” that would allow recipients in a faith-based program to elect not to participate in the religious parts of a program while engaging in the rest. Some programs, such as those providing emergency food, allow for religious messages easily to be separated from program delivery, while others such as drug rehabilitation, are more integrated with religious teachings. Purists worry that eliminating the faith elements of such programs will reduce their effectiveness.

Overall, the purists seek a relationship between faith-based programs and the government in which the religiosity of participant organizations is not altered by public funding. They contend that faith-based programs are more effective than their comparable secular counterparts because of
their religious character, and desire an opportunity to compete for federal funding without undue governmental regulation of those religious elements which they believe differentiate their service delivery from secular programs.

Aside from the controversy surrounding whether secular or religious programs are most effective, some have claimed that the faith-based initiatives were more about politics than efficiency in helping the needy. For example, David Kuo, who served as the Deputy Director for the Office of Faith-Based and Community Initiatives, has claimed that the Faith-Based and Community Initiatives were promoted primarily to make the Republican party appear more compassionate. In his book *Tempting Faith*, he argued that despite the fact that Bush promised over $6 billion to charities in 2003, “there wasn’t really any money available” 38 because of the Iraq war and slow economy. Kuo claimed that the actual program was a “cut-rate version of the Compassion Capital Fund that accidentally discriminated against non-Christian organizations,” 39 and eventually quit his position at the Office of FBCI when he felt he was not “doing anything more than campaigning.” 40

**Worldviews and Charitable Choice**

The fact that government has continued a tradition of funding secular nonprofits, (while restricting or prohibiting funding for faith-based organizations), has generated a discourse on church/state relations that has sought to define the issue in terms of religious discrimination. In short, those who favor Charitable Choice have claimed that there was a societal tension between the secular and the religious, and that if government funded secular (but not religious) organizations, it was in fact providing an advantage to the secular worldview at the expense of the religious one. These analysts claim that the secular worldview is not
neutral, but in fact a worldview that denies God. Stephen Monsma argued in *When Sacred and Secular Mix, Religious Nonprofit Organizations & Public Money:*

Religious neutrality is violated when broadly, but not universally, accepted religious elements are present in government-sponsored programs, but one can argue with equal force that their removal from all governmental programs also violates religious neutrality. When all religious references, acknowledgments, ceremonies, and beliefs have been carefully removed from an activity or institution one does not end up with an activity or institution that occupies a neutral, middle ground between religious and secularism. One ends up with an activity or institution that, for most intents and purposes, is secular, not religious.41

Similarly, political scientist A. James Reichley contended in *Religion in American Public Life* that “banishment of religion does not represent neutrality between religion and secularism; conduct of public institutions without any acknowledgment of religion is secularism.”42

Supporters of Charitable Choice claimed that secularism was rooted in suppositions, perspectives, and underlying beliefs about God that had as much bearing on recipients as those offering a religious worldview. According to David Noebel’s *Understanding the Times: The Religious Worldviews of Our Day and the Search for Truth*, “the term *worldview* refers to any ideology, philosophy, theology, movement or religion that provides an overarching approach to understanding God, the world, and man’s relations to God and the world.”43 Specifically a worldview typically contains a “particular perspective regarding each of the following ten disciplines: theology, philosophy, ethics, biology, psychology, sociology, law, politics, economics, and history.” Noebel explains that Biblical Christianity contains a specific attitude toward all ten disciplines, and is thus by his definition, a worldview. Since it contains a theology, it is by implication a religious worldview. However, he extends this definition to claim that secular humanism also contains a theology, (albeit one that denies God), and similarly speaks to the other nine
disciplines. He writes that these two “disciplines are not value free. Each
discipline demands basic assumptions about the nature of reality in order
to grant meaning to specific approaches to it.”

Noebel’s comparison of secular humanism to Biblical Christianity on each of the ten disciplines is outlined in the following chart:

Table 1. David Noebel’s Comparison of the Secular and Christian Worldview

<table>
<thead>
<tr>
<th>Theology</th>
<th>Philosophy</th>
<th>Ethics</th>
<th>Biology</th>
<th>Psychology</th>
<th>Sociology</th>
<th>Law</th>
<th>Politics</th>
<th>Economics</th>
<th>History</th>
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<tr>
<td>Secular</td>
<td>Atheism</td>
<td>Naturalism</td>
<td>Ethical Relativism</td>
<td>Darwinian Evolution</td>
<td>Monistic Self-Actualization</td>
<td>Non-Traditional World State Ethical Society</td>
<td>Positive Law</td>
<td>World Gov’t Globalization</td>
<td>Socialism</td>
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<tr>
<td>Biblical</td>
<td>Theism</td>
<td>Supernaturalism</td>
<td>Ethical Absolutes</td>
<td>Special Creationism</td>
<td>Dualism</td>
<td>Home Church State</td>
<td>Biblical/ Natural Law</td>
<td>Justice Freedom Order</td>
<td>Stewardship Of Property</td>
</tr>
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So, many who supported charitable choice have operated from a
worldview that contended that secularism was not neutral, but instead
was itself a worldview that directly contradicted their personal values in
the ten disciplines named above. Thus, they argued that government
funding of secular programs that denied God, religion, and the values
that accompanied a Christian worldview was providing an advantage to
the secular worldview in society with the net result of privatizing religion.

The Supreme Court on Neutrality

Such worldview claims involving religion and secularism generate
great complexity at a policy level, and many experts have looked to the
American court system to articulate what constitutes a neutral position
with regard to religion. From a legal standpoint, the First Amendment
provides the basis for determining church/state relations:

Congress shall make no law respecting an
establishment of religion, or prohibiting the free
exercise thereof.
The amendment also states that the government must similarly refrain from "abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the government for a redress of grievances." However, there is no mention in the elsewhere in the Constitution or in the First Amendment of a wall of separation between church and state. The wall of separation phrase actually came from a letter Thomas Jefferson wrote to the Danbury Baptists, a religious group in Connecticut that had complained in an earlier letter to him that the religious liberties they enjoyed in their state were not viewed as immutable rights, but as privileges granted by the legislature—as "favors granted." Jefferson's reply did not address their concerns about problems with state establishment of religion, but instead addressed the concern on the national level. Jefferson's letter contains the phrase "wall of separation between church and state," which led to the short-hand for the Establishment Clause that we use today: "Separation of church and state." Jefferson wrote:

I contemplate with sovereign reverence that act of the whole American people which declared that their legislature should "make no law respecting an establishment of religion, or prohibiting the free exercise thereof," thus building a wall of separation between Church & State.

In interpreting Jefferson's intent in the Danbury letter, it is important to consider his earlier construction of the "Declaration of Independence" which made significant references to God that reflected his personal worldview, in which he wrote:

When in the Course of human events it becomes necessary for one people to dissolve the political bands which have connected them with another and to assume among the powers of the earth, the separate and equal station to which the Laws of Nature and of Nature's God entitle them, a decent respect to the opinions of mankind requires that they...
should declare the causes which impel them to the separation. We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.

It is clear from Jefferson's statements regarding “Nature’s God” and the rights “endowed by their Creator” that he, and his colleagues that approved of the document, were operating from a religious, (or some have claimed deist), rather than secular, worldview.

It is noteworthy that despite the documented Christianity of the founding fathers, who could have chosen to institute a theocracy had they wished to do so, instead they opted to create a republican form of government that demanded freedom of religion. In his draft of the Virginia Statute for Religious Freedom, Jefferson wrote:

> to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves and abhors, is sinful and tyrannical; that even the forcing him to support this or that teacher of his own religious persuasion, is depriving him of the comfortable liberty of giving his contributions to the particular pastor whose morals he would make his pattern, and whose powers he feels most persuasive to righteousness;\textsuperscript{49}

It seems possible to infer from this quotation that Jefferson might not be in favor Charitable Choice if such an enactment required individuals to pay taxes that would go to support the religious mission of organizations professing faiths with which they did not agree. However, Carl Esbeck has pointed out that tax payments go to many activities that citizens may not directly support. For example, taxes may pay the salaries of officials for whom citizens did not vote and with whom they may disagree, or it may support wars to which voters are opposed. However, none of these
activities are prohibited by the First Amendment as is the direct support of or establishment of religion.

The First Amendment is typically approached as containing two separate and distinct clauses, the Establishment Clause and the Free Exercise Clause. The Establishment Clause simply reads “Congress shall make no law respecting the establishment of religion.” This can be interpreted to mean Congress cannot make any law, period, that has to do with religion. In this interpretation, the Civil Rights Act of 1964 which allows religious organizations to practice hiring discrimination on the basis of religion would be unconstitutional, simply because it is a law passed by Congress that addressed religion. However, most Supreme Court justices have sought to understand the Establishment Clause in terms of its determinant term: establishment. Since the Civil Rights Act of 1964 did not attempt to establish a religion, but merely exempt religion from laws that other organizations must follow regarding hiring decisions, the Court has suggested that no breach of the Constitution occurred. However, those who define establishment as preferring religion contest this interpretation. In The Faith-Based Initiatives and the Bush Administration, The Good, the Bad, and the Ugly (2003), Paul Weber argued that Charitable Choice and the Establishment Clause raise “two probable areas for conflict: preferring some religious groups to others, and coercing religious exposure or participation on needy but uninterested clients.” He claims that unequal religious preferences might manifest themselves as the government decides which religious groups to fund, using the Nation of Islam and the Church of Scientology as examples of entities that might be contested. Weber claims it is utterly unrealistic to believe that Charitable Choice’s requirement of secular alternatives to programs can be met. For example, in rural areas the resources may not be available for more than
one provider of a particular service. He notes that this requirement may require the duplication of services.

However, most Constitutional analysis of Charitable Choice is rooted in Supreme Court precedent on separation of church and state issues. Perhaps the most relevant precedent was set with Bowen v. Kendrick in 1988, which tested the constitutionality of the Adolescent Family Life Act. Kendrick alleged that some organizations with ties to religious denominations received grant money in violation of the Establishment Clause. The Supreme Court held that preventing adolescent pregnancies is a valid secular purpose of the legislation. Thus, it allowed religious organizations, along with a wide variety of other groups, to receive grants without regard to their religious or secular worldview. In this instance, the Supreme Court found that a secular purpose superseded religious affiliation. Preventing teen pregnancy was seen to have a “secular” and thus nonreligious benefit, and thus the religious ties of the organization furthering that goal were a matter of indifference.

The Bowen case was based on several precedents that had taken this approach to religious neutrality, most notably Kurtzman v. Lemon (1971) which involved public assistance to private (sectarian) schools. The majority opinion in the Lemon case, written by Justice Burger, read “First, the statute must have a secular legislative purpose; second, its principal or primary effect must be one that neither advances or inhibits religion; finally, the statute must not foster an excessive government entanglement with religion.” This decision created the well-known Lemon test for neutrality with regards to religion, which was modified in Agostini v. Felton (another private school case) to determine neutrality by addressing the following questions:

1. Does the program result in government indoctrination?

2. Does the program define its recipients with respect to religion?
3. Does the program create excessive entanglements (between religion and government)?

This set of rules is often referred to as the “new neutrality.”

The stance was embraced again by the Supreme Court in *Zelman v. Simmons* (2002), which held that the use of educational vouchers would be permitted to continue which allowed pupils in failing public schools to choose to attend private religious or nonreligious schools, to attend public schools in neighboring districts, or to receive tutorial assistance if they remained in the public schools. Justice O’Connor, who was often the swing vote on church/state issues while a member of the Court, wrote a concurring opinion on what Paul Weber argues is the most likely standard for the faith-based initiative challenges coming before the Court. Justice O’Connor observed “Courts are instructed to consider two factors: first, whether the program administers aid in a neutral fashion, without differentiation based on the religious status of beneficiaries or providers of services; second, and more importantly, whether beneficiaries of indirect aid have a genuine choice among religious and nonreligious organizations when determining the organization to which they will direct that aid. If the answer to either query is “no,” the program should be struck down under the Establishment Clause.”

On the other side of the issue, the Free Exercise clause of the First Amendment is sometimes held to be at odds with the Establishment Clause. The Free Exercise Clause is the end fragment of the one sentence regarding religion in the First Amendment, which reads “Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof.” The Free Exercise Clause can be interpreted to mean that Congress is not permitted to make any law that would prohibit the exercise of religion, meaning the government is prohibited from interfering in any way with the religious practices of its citizenry. Some
have taken this to mean that the government does not have the right to privatize religion by pushing it from the public square. Thus, one of the primary areas of contention in First Amendment interpretation revolves around whether the Establishment clause, which forbids government from supporting or privileging religion, can be used to justify the privatization of religion and the removal of religion from the public square, including religious symbols, language, teachings, and values.

Just prior to passage of the Welfare Reform Act in 1996, the free exercise of religion and free speech began to enjoy an expanding recognition in Supreme Court rulings regarding church-state relations. Perhaps the free speech case most relevant to Charitable Choice was Rust v. Sullivan (1991) which dealt with regulations that prohibited projects receiving Department of Health and Human Services funds from not only providing abortions, but also counseling, advising, or promoting the idea that a woman seek an abortion. The Court ruled in 1991 that “the government can, without violating the Constitution, selectively fund a program to encourage certain activities it believes to be in the public interest, without at the same time funding an alternative program which seeks to deal with the problem in another way.”\textsuperscript{53} The attorney for the government in this case was none other than now Supreme Court Chief Justice John Roberts, who based his case on the premise that Roe v. Wade was wrongly decided. According to Paul Weber (in the Good, the Bad, and the Ugly), the decision in Rust v. Sullivan allows “governments to discriminate between social service providers based on the message they deliver—for example, (the government can) fund providers that teach sexual abstinence”\textsuperscript{54} rather than other alternatives.

Another free speech case relevant to Charitable Choice was Rosenberger v. Rector and Visitors of the University of Virginia, in which the court ruled that it was unconstitutional for a university’s Student Activities
Fund to pay for publication of all student newspapers and newsletters except religious ones. The court ruled that refusing to fund religious student publications was not a neutral position, but a violation of free speech, stating that the contested fund established a limited public forum (limited in that funding was available only to student organizations), and thus student religious speech had to be funded along with the rest. **Rosenberger** followed the precedent set in **Lamb’s Chapel v. Center Moriches Union Free School District**, (1993) where the court had ruled that “to permit school property to be used for the presentation of all views about family issues and childrearing except those dealing with the subject matter from a religious standpoint” is viewpoint discriminatory. The significance of **Rosenberger** and **Lamb’s Chapel** lay in the new understanding of neutrality that each case promoted, in which free speech and free exercise of religion cannot be superseded by privatization in the name of the Establishment Clause.

A final area of Supreme Court concern relevant to Charitable Choice revolves around the issue of hiring discrimination, originally addressed in the Civil Rights Act of 1964. The Civil Rights Act was intended to prohibit discrimination in hiring or termination on the basis of race, color, national origin, religion, sex, age, and (later) disability (disability was added in Section 504 of the Rehabilitation Act of 1973). However, the original 1964 act contained two exemptions to the law. First, Title VII exempted religious employers from the ban on religious discrimination, which was originally extended only to persons in clerical or religious ministry (such as priests, nuns, or rabbis), but in 1972 was extended by Congress to include all employees of religious organizations. This basically gives religious organizations the right to hire only those who share their particular faith. The second exemption, often called the ministerial exemption, was created in the judiciary as a right for churches to be autonomous in
making internal decisions “in matters of discipline, faith, internal organization, or ecclesiastical rule, custom, or law.” This protects religious organizations from judicial interference and is based on an 1871 case, *Watson v. Jones*, which involved a property dispute between pro and anti-slavery factions of a divided Presbyterian congregation in post-bellum Kentucky. The *Watson* court held that disputes in hierarchical churches should be decided by a rule of judicial deference to the ecclesiastical hierarchy. The intent of the case was to ensure that religious groups had the right to make decisions based on their own beliefs and governing structures and to prevent judges from making decisions on theological matters.

The Supreme Court has upheld the Title VII exemption of the Civil Rights Act. In *Corporation of Presiding Bishop v. Amos* (1987), the Church of Jesus Christ of Latter Day Saints fired two employees that did not embrace the beliefs of that faith. A unanimous Court upheld the federal Civil Rights law that specifically allows religious organizations to discriminate in their hiring policies on the basis of religion. Writing for the court, Justice Byron White stated that “as applied to the nonprofit activities of religious employers (the federal law that allows religious discrimination in hiring) is rationally related to the legitimate purpose of alleviating significant governmental interference with the ability of religious organizations to define and carry out their religious mission.” Those who support the Amos decision often cite the fact that organizations such as Planned Parenthood hire only employees who share their particular ideology on family planning, and argue that it is a rational and wise decision to support a religion’s right to maintain the integrity of its beliefs by employing those who share its views, at its discretion.

However, the Supreme Court has not always come down on the side of the Amos decision, nor have sectarian institutions been given free rein
to ignore the Civil Rights Act. In Grove City College v. Bell, for example, which involved a private religious college that accepted government funding indirectly through student financial aid, the court ruled that the school was still subject to anti-discrimination laws regarding sex discrimination. So, while the court has upheld the exemption for religious discrimination in hiring practices of sectarian organizations, this exception does not extend to discrimination in other areas such as race, gender, national origin, etc. Interestingly, religious hiring discrimination, which was already permitted in both legislation and judicial case law, would become a stumbling block for both Charitable Choice and the Faith-Based Initiative that followed in its wake.

The Faith-Based Initiatives have recently gained the attention of the Supreme Court. The Bush administration’s Faith-Based Initiative policies are being challenged in Hein vs. The Freedom From Religion Foundation Inc., a case between the director of the FBCI office and a Wisconsin-based group of atheists and agnostics that claim that the White House has singled out faith-based organizations to receive government funding to the exclusion of other organizations. Members of the group filed suit as taxpayers who objected to having their tax money used to support religion, and the case revolves around the issue of taxpayer standing to sue. Government lawyers argued that the Freedom From Religion Foundation did not have the legal right to bring suit because none of the plaintiffs were able to show that they had personally suffered any injury. In most cases, taxpayers lack legal standing to sue the government merely because they object to how the government is spending tax dollars. The legal standing requirement is designed to prevent courts from becoming legislative agencies in which policy arguments are debated rather than their original intention, which is to decide specific legal disputes.
However, Ira C. Lupu, a nationally recognized scholar in constitutional law claims, has argued, "The establishment clause is different. It is designed to limit the government from doing things which tend to favor or help people without necessarily hurting anybody in any obvious material way." Professor Lupu has observed. "Because of that, the rules about who can sue to complain about alleged violations of the clause are unusually important." He believes that the normal rules, which state that you have to be injured in some direct way before you can complain about what the government has done, would prevent the establishment clause from being enforced in the courts. Lupu argues that "The government would put up crèches and crosses and menorahs and would spend money on religion, and nobody could challenge it because nobody is hurt in obvious ways by those kinds of activities."58

When the case was heard in Illinois, the 7th Circuit U.S. Court of Appeals in Chicago sided with Freedom from Religion, and the case was referred to the Supreme Court by those hoping they would overturn the lower court. Some have argued that the Supreme Court should not hear the case, a claim based on whether taxpayers have the right to bring a lawsuit against the FBCI in the first place. The Bush administration has argued that spending government money for speeches and meetings of executive branch officials does not involve spending federal money outside the government and therefore taxpayers are not entitled to challenge it. The attorneys for Freedom from Religion claimed that taxpayer standing was not restricted to grants outside the government. So, the Supreme Court case examined the extent the Freedom from Religion group had legal standing to file federal lawsuits alleging that the White House’s faith-based initiative amounts to unconstitutional entanglement of church and state.
On June 25, 2007, the Cable News Network (CNN) reported that “The Supreme Court Monday upheld the legality of an internal White House office that forcefully pushes federal aid for religious charities, a case with an unusual nexus of constitutional, financial and political implications. By a 5-4 vote, a conservative majority concluded taxpayers did not have "standing" to challenge in court the discretionary spending authority of the executive branch for its Office of Faith-Based and Community Initiatives.” CNN explained further that “Normally, citizens are barred from contesting in court how the federal government spends its money. But a 1968 Supreme Court ruling carved out a narrow exception, saying taxpayers can sue over Congress' tax-and-spend authority for specific programs favoring or promoting religion. But the majority found this latest appeal (Hein vs. Freedom from Religion) did not meet the 1968 exception.” CNN included Justice Samuel Alito's explanation for the controlling majority, who claimed since Congress did not specifically authorize how the White House should fund its "day-to-day activities," such expenditures were subject only to the executive's discretion. Alito argued that Freedom from Religion (taxpayers) had, "set out a parade of horribles that they claim could occur" by allowing such faith-based funding to continue, suggesting the federal government could build a national house of worship, or buy Jewish Stars of David and distribute them to public employees.

"Of course none of these things has happened," said Alito, and "in the unlikely event that any of these executive actions did take place, Congress could quickly step in." Speaking for the justices in dissent, David Souter said the majority "closes the door on these taxpayers because the executive branch, and not the legislative branch, caused their injury. I see no basis for this distinction."
The Need for Research

The actions taken in the executive, legislative and judicial branches have raised concerns and claims, and collectively created a demand for more research into the issue of government partnership with faith-based nonprofit organizations. Research that examines the efficiency and effectiveness of faith-based organizations could support legislation and litigation, particularly where policy decisions have been based on Olasky’s premise that the religiosity of faith-based organizations actually contributes to their success, a claim that has not yet been proven or supported by broadly accepted research. However, it is difficult to construct reliable studies on efficiency and effectiveness that would be generalizable to all faith-based organizations, because such great diversity exists among them in capacity, professionalism, and specific missions. For example, even though the study (mentioned above) on job-training found that secular employment-placement organizations experienced greater success than the religious groups sampled, it is difficult to generalize this finding to other social services, or even to make claims about religious job assistance programs specifically.

Others, such as Carl Esbeck, have approached the topic from a legal standpoint, and have catalogued legislation and litigation relevant to government funding of faith-based organizations. While these arguments are useful in understanding the legal ramifications of regulatory provisions, they are limited in that the law in theory does not always play out in practice. Despite what a court rules in a specific case, there may be similar incidents in which no case is brought, or in which enforcement of the law is not carried out. And while legislation may prohibit proselytization under certain settings, it may occur regardless if those accepting the grant are not aware of the law or if a statute cannot possibly be enforced. Similarly, the law might allow organizations to
include their religious traditions, symbols, and teachings in a particular program under certain circumstances, but a faith-based organization might prevent such action through self-regulation out of concern that government money prevents them from undertaking such activities even if they are, strictly speaking, legal.
Chapter Five. Survey Findings
Survey Results and Analysis

Survey Results

This chapter examines the results of the online survey. Three waves of emails were sent to recipients working in the regions listed below, including:

1. Southeast - Alabama, Georgia, Mississippi, South Carolina, Florida, Arkansas, Louisiana, Tennessee
2. Middle Atlantic – Virginia, Maryland, North Carolina, Pennsylvania, Delaware, District of Columbia, West Virginia
4. Midwest – Illinois, Indiana, North Dakota, South Dakota, Kansas, Oklahoma, Wisconsin, Iowa, Kentucky, Michigan, Minnesota, Missouri, Nebraska, Ohio, Oklahoma
5. Southwest – Texas, New Mexico, Arizona
6. Pacific – California, Colorado, Hawaii, Nevada, Oregon, Utah

A total of 324 of the 1,632 solicited executive directors or similar personnel responded to the survey, producing a response rate of 19.8%. A response rate of 10-15% was considered sufficient for valid analysis (in the research proposal for this study. In terms of geographic distribution, the Midwest generated the largest proportion, with approximately a fourth of all responses coming from that region. The Southeastern and Middle Atlantic regions produced just under 20% of responses apiece, while the remaining regions comprised less than 10% each of the total 324 responses. Geographic representation was not notably skewed.
Survey Analysis

Budgets and House Numbers

Of those responding to the survey, the majority (82%) of Habitat affiliates built from one to ten houses in 2006, and 73% expected to do the same in 2007. One quarter of all Habitat affiliates responding will be operating on a budget of less than $100,000 dollars this year while only 19% had a budget over $1,000,000 dollars for 2007. Taken as a whole, the responses suggest that the typical Habitat affiliate is building one to ten houses per year, with an average annual budget of less than $250,000. Sweat equity, or volunteer labor, which lowers overall building costs, accounts for much of the remaining funding for house construction.

The majority of affiliate funding comes from private sources. According to survey respondents, 45% of affiliates received no government funding at all in 2006, and 40% did not expect to accept any government funds in 2007, even though the Habitat International Board changed its policy regarding government funding in July 2006. Almost half of the representatives responding to the survey did not accept government funding for any purposes in 2006-2007. And there was only a five percent increase in the percentage of affiliates choosing to accept government funds between 2006 and 2007. Of those that did accept government funds, 19% of the affiliates accepted amounts that represented 10-25% of their total revenues. Very few affiliates, only five percent of those responding to the survey, had public funding that comprised 25-50% of their overall budgets, and only one percent reported that they allowed government funds to total 50-75% of their revenues. No affiliates reported government funds totaling 75-100% of their gross revenue.
According to the survey, 28% of the affiliates accepting public funding (of any amount) had to develop new accounting or other management procedures to satisfy government requirements. In an open-ended, short answer question on the survey, one executive director explained that his affiliate had to “make changes in accounting and management so that they were consistent with government funding/auditing.” Another director reported that his affiliate accepted American Dream Downpayment Initiative (ADDI) grants that required increased financial information from homeowner applicants as well as education classes for homeowners. Similarly, the Capacity Building grant from HUD accepted by some affiliates reportedly had increased reporting requirements beyond what affiliates were required to do for private funding. One affiliate director also explained that their office had to prepare monthly reports for HUD grants and comply with an A-133 external audit, while another respondent reported being asked to redesign their Habitat homes to comply with government grant requirements (although they did not identify the particular grant when responding to the survey).

Several executive directors explained in response to open-ended questions that HUD Self-Help Ownership Program (SHOP) grants, which had been used before the July 2006 policy change, had already required specific construction contracts, charts of accounts, and maintenance of records procedures. These grants also required appraisals for land purchases and environmental reviews. Affiliates were required to keep separate accounts to differentiate HUD funds from other funding sources, and prepare follow-up reports (monthly, quarterly, and annually) that demonstrated proof of expenditures. Government funds could not be comingled with other operational funds.
According to responding affiliates, the accounting and reporting requirements from the SHOP grants created pressure on their limited staff. One executive director wrote “the paperwork to get the grants isn’t too bad, (but) the follow-up reporting as you are using the money is sometimes overwhelming. As a small affiliate where there is only me and one part-time office person, the paperwork sometimes consumes entire work days.”64 Another small affiliate referred to the expenditure reports as a “huge amount of paperwork.”65 Still another executive director wrote that they had to provide “dozens of pages of reports and copies of invoices, cancelled checks, etc. to prove where the (government) funds went.”66 So, those affiliates that were already accepting HUD’s SHOP grants had many of these procedures in place before the Habitat policy change ever occurred, but the additional reporting and accounting requirements seemed to create a pressure on smaller affiliates with limited accounting and professional staff.

**Government Funding and Management Issues**

Ninety-nine respondents mentioned a variety of managerial issues that accompanied government funding. For example, affiliates reported that public funding necessitated written policies and procedures for procurement (bids), raised anti-discrimination and Equal Employment Opportunity issues, and necessitated a code of conduct for governing employees, officers and volunteers engaged in the award of all contracts using federal funds. One executive director explained that “additional information had to be collected from applicant families, including copies of all family member social security cards, proof of disability status of all family members (not just the adult applicants), veteran’s status, ethnicity, etc.”67 In addition, they continued, “all partner families are now referred for extensive homebuyer education as required for HUD funded down
payment assistance grants." Other affiliates reported that they had to document procedures for family selection, assure a drug-free workplace, and offer a certification course for their families to assure they met specific criteria when accepting government funds. One respondent wrote "much staff time — from construction director, finance director, executive director, and office assistant must be allocated to the proper completion of required documents." In order to simplify the procedure, he expressed a "hope that the Feds will develop an on-line granting system—with a database management system for information/ application/ reporting storage in the Community Development Block Grant (CDBG), HOME (a HUD grant authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act), SHOP, and other grant documents." Some directors expressed an understanding of the necessity of this paperwork to assure various forms of accountability, and one even suggested that an additional form be added, commenting that he felt homeowners "needed to sign affordable housing covenants which include restrictions on the resale of the homes.">

Despite the numerous accounting and managerial requirements accompanying government funding, only six percent of responding affiliates reported having to hire new professional staff to manage the public funding process. Fifty-five percent said they did not hire any new staff, while 38% said the question did not apply. This seems to indicate that not much added cost has been incurred in order to pursue and accurately manage government funding. However, several affiliate executives expressed that they could use new staff members, but could not afford them. Other respondents explained that they were fully volunteer-driven. One reported hiring a Purchaser and Closing Agent (mortgage counselor) to "help purchasers through government hoops to qualify for second mortgages which act as grants to reduce purchaser's
Several respondents explained that they decided to hire full-time Development Directors, Resource Development Managers, Grant Writers and Administrators, Financial Controllers, Compliance Specialists and other staff who work to meet the requirements for government grants.

**Government Funding and Additional Training Requirements**

While only six percent of responding affiliates seemed to have added new staff, a few more, 20%, said they had provided training for either newly hired or previously employed staff in order to meet government requirements. Among those that did provide training, the type of assistance varied, ranging from an in-house class on drug policy to training sessions lead by governmental units to inform affiliate members how to apply for, acquire, and maintain public funding grants and packages. One affiliate executive reported that a city official came and trained their staff to complete required reports, while others participated in on-line courses or government-sponsored training sessions from HUD’s SHOP grant.

According to survey respondents, some funding sources provide mandatory training sessions, some training is provided free, while other sessions are fee-based. Habitat for Humanity’s International office also now provides on-line training for affiliates regarding government funding. Some of the subjects covered include learning what financing is considered in qualifying families, income guidelines, orientation to financial policies, auditing, grant regulations, bidding processes, personnel policies and overall reporting. The number of training sessions attended by representatives of an affiliate depends on the funding it is pursuing or accepting, but respondents reported a range of training opportunities
starting with just a few individual (non-repeating) sessions up to 1-2 recurring sessions per year.

**The Government Funding Paradox: Positive Perceptions/Low Priority**

Despite the increased requirements in auditing, accounting, and training, a total of 41% of executive directors responding to the survey say attaining government funding is a top priority, although on a Likert scale, only eight percent of those respondents **strongly** agreed that public funding was a top priority. Fifteen percent agreed and 18% somewhat agreed. Fifty-eight percent of responding U.S. affiliates reported that pursuing government funding was not a high level concern.

Interestingly, however, 81% of respondents believed that government funding provides a positive opportunity to help more families obtain a home. Yet only half of this number, 41%, agreed (or somewhat agreed) that public funding was a top priority for their affiliate. It appears that the executive directors responding to the survey see government funding potential positively, but have not made it a priority. Yet 80% of respondents say that the majority of their Boards of Directors were in favor of accepting public funds. So there seems to be a mismatch between the perceived value of government funding and actual pursuit of that support.

This apparent lag between perception and action could indicate that some concerns may remain regarding acceptance of government funding despite Habitat’s change in internal policy, or perhaps it is simply reflective of the lag time between policy change and implementation at the affiliate level. Several survey questions were designed to examine what concerns executive directors might have that might conceivably prevent them from pursuing funds which the vast majority (81%) believed held positive potential. When asked if they agreed with the statement
that government funding was incompatible with the Christian mission of the organization, a strong majority (71%) said they disagreed. Only 29% of the executive directors participating in the survey felt that the Christian mission of Habitat was incompatible with government funding. Similarly, the majority (59%) of respondents disagreed with a statement saying that a Christian organization should rely primarily on faith that God will provide funds needed to carry out its mission rather than developing consistent sources of funding from the government. By contrast, a fairly strong minority (38%) agreed with the statement. Most of the respondents (69%), however, did NOT believe that government funding made it necessary to make compromises to the Christian mission of the organization. Only one affiliate reported ever having to withhold a Bible at a house dedication because of public funding, and only three affiliates (one percent) said they had been asked to refrain from discussing religious faith with families that were receiving a home.

So, concern over religious compromise did not seem to be the cause for the mismatch between the perceived value of government funding and the number of affiliates actually pursuing it. When asked directly if government funding should be avoided because it presents a risk to their Christian mission, a strong majority (71%) of respondents disagreed with the statement, while only 29% agreed, suggesting that most executive directors do not perceive government funding as a threat to their organization’s religious mission. However, when asked if the faith-based initiatives (which seek to protect the Christian mission of an organization when they accept government funding) had made their affiliate believe it was safe to pursue government funds, 35% of respondents said they agreed on some level, 28% said they disagreed, and 35% said they were not familiar enough with the faith-based initiatives to answer. So, about a third of the affiliate representatives suggest they
have been motivated by the FBCIs to pursue or accept government funding, a little under a third have not been motivated by the policies, and just over a third are not familiar with the initiatives.

**Separation of Church and State and the Pursuit of Government Funding**

If concerns over the potential compromise of religious mission do not seem to be the cause for the mismatch or disjuncture between the perceived potential of government funding and the actual pursuit of these funds, another possible explanation might be the issue of the separation of church and state. If executive directors and board members expressed concerns over the need to maintain a separation of church and state, or perhaps the converse, if they expressed anxiety that there had been too much religious ‘scrubbing” from the public sphere, then this might be a potential explanation for why more respondents seemed to see potential in government funding than were actually pursuing it.

The survey included several questions regarding perceptions of the separation of church and state, and how these might influence the decision to pursue government funding. An interesting finding is that a very strong share (89%) of respondents agreed with the statement that it is acceptable for a religiously based organization to accept government funding if the organization was providing a social service. This suggests that most executive directors do not have any psychological conflict or cognitive dissonance around the issue of using government funds to support the social service portion of their ministry.

Similarly, a strong majority (88%) agreed that it was acceptable for a faith-based nonprofit organization to share religious beliefs with those in need. In fact, when asked directly if it is acceptable for a church or faith-based organization to share the Gospel even if they have accepted
government funding for the social service portion of their service provision, a full 83% agreed. The vast majority of organizational leaders surveyed believe that it is acceptable for a church or faith-based organization to share the Gospel even if they have accepted government funding for the social service portion of their service provision. However, some opposed this idea. That concern was expressed well by one executive director who wrote, “America was founded on the principle of freedom of religion and that precept must be respected by those who accept Federal funding.”72

One potentially controversial question on the survey asked if it was acceptable for a church or faith-based organization to share the Gospel with vulnerable populations that have suffered through a trauma such as a natural disaster, famine, act of war or other form of distress. A strong majority of respondents (83%) agreed that this was acceptable, while 14% disagreed. Fewer respondents (58%) agreed that hearing the Gospel (meaning the Christian message that Christ had died for their sins so that they could be forgiven) was an integral part of a needy person’s transformation and healing. However, one executive director felt so strongly about this question that he sent a personal email explaining why he had disagreed with this statement. He wrote that he believed the needy were often more spiritual or religious than those helping them, and therefore he did not feel that “sharing the Gospel” was as important for these needy recipients’ healing process, because they might have a “closer relationship to Christ” than those administering the assistance.

During the debate over charitable choice legislation, one of the primary concerns expressed regarding government funding for faith-based organizations involved whether religious organizations had been discriminated against when denied eligibility for public funds. Some FBCI proponents argued that religion was being scrubbed from the public sphere, and that this policy trend was causing some of the most effective
nonprofit organizations to be passed over by government funding agencies if they had a religious mission or message at their organizational core. The majority (51%) of respondents to the survey disagreed with this claim, while 45% agreed that religious organizations had suffered discrimination by being denied government funding. So the perception of discrimination was split down the middle, with just over half believing religious organizations had experienced no discrimination, and just less than 50% believing there had been some discrimination against religious organizations when administering government funds.

The responses above suggest that executive directors of this multinational, faith-based nonprofit organization do not perceive much conflict between private and public support for social services. However, just over a third (35%) of those responding to the survey believed that the government should be the primary provider of welfare to those in need. Conversely, almost three fifths (59%) suggested that nonprofit organizations supported by private donations should be the primary providers for the welfare of those in need. As might be expected, almost all respondents (98%) believe that faith-based nonprofits provide an opportunity for individuals to show mercy and extend compassion. But, a smaller majority, 70%, also believes that government-funded social services supported by taxation provide an opportunity for individuals to show mercy and extend compassion.

This represents a dramatic departure from Marvin Olasky’s claims regarding perceptions of taxation in *Tragedy of American Compassion*. He argued that most people do not view tax payments as a compassionate act. The publisher of *World* contended that donating to a nonprofit is perceived as an act of mercy, while paying taxes is viewed more as an obligation. He used this argument to promote the idea that faith-based nonprofits make better social service providers because they
promote feelings of compassion in society. However, Habitat executive directors’ perceptions do not align with Olasky’s view as the majority of respondents reported their perception that government-funded social services supported by taxation provided an opportunity for individuals to show mercy and extend compassion.

In summary, most executive directors of Habitat affiliates responding to the survey report that it is acceptable for faith-based organizations to share the Gospel with those they are helping, although fewer respondents perceive this to be an essential component of the recipient’s healing process. The vast majority suggest that it is acceptable for a faith-based organization to accept government funding for the social service portion of their mission, and note that funding supported by taxation is as much an act of compassion as privately donated funds. Most respondents report that faith-based nonprofits funded by private sources should be the primary provider for the needy, but slightly more than a third indicate that the government should play that role.

**Why Aren’t Habitat Affiliates Accepting Government Funding at a Higher Rate?**

Even though the June 2006 change in policy at Habitat allowed affiliates to accept government funding for construction, almost half of U.S. affiliates had not yet pursued it after one full year, and those affiliates that were accepting government funds had kept their total at less than 10-25% of their overall budget. Nonetheless, the majority of respondents did not report serious concerns regarding the risk public funding might present to religious mission. Many respondents expressed the belief that Christians could communicate their faith by example, and did not need to rely on words. They seemed to believe that actions (in this case, building houses) showed their faith more than verbally “sharing the
Gospel," and many respondents saw no conflict with allowing the government to fund houses that they believed expressed their compassionate faith. Even though many of the executive directors said in open-ended responses that they would reject government funding if it came with any risk of compromising the mission and faith of the organization, few respondents expressed concern or experiences in which these potential risks to religious mission had actually taken place.

In fact, several executive directors claimed that government funding had very little impact on their affiliate’s ability to share the Gospel, verbally or otherwise. For example, one Florida respondent wrote that “Some government funding does stipulate the need to withhold religious interpretations. (But) in the state of Florida very few grants/government funding have this requirement. We have always been upfront and have not had a problem. ... I just don't see how it (government funding) would influence (our) mission.” 73

Just as the survey results do not indicate much concern over compromise of religious mission, they similarly did not indicate much apprehension about crossing any line of separation of church and state. The executive directors seem to indicate few conflicts with their own faith, or their personal political beliefs regarding allowing public money to support religious efforts. One explanation for this apparent lack of controversy could be that the provision of housing is easily separated from proselytization. Most respondents seemed to believe that because the housing portion was easily separated from the verbal ministry, few conflicts existed. As one executive director wrote, “the mission can exist without interfering with the service.” 74 He seemed to imply that the government could fund the service without compromising the mission.

Critics of this view might claim that when the government funds a service, such as housing or foster care provided by a faith-based
organization, it creates fungible funds that can then be used for the
religious mission. This fungibility theory is exemplified by one respondent to
the survey who observed, “If government funding can help an
organization increase their (sic.) capacity to serve more individuals or
families, then the organization has more opportunity to share the Gospel
with individuals through one-on-one relationships. For our affiliate, the
more families we serve, the more families we can share Christ with through
our interaction with them and through building a home alongside
them.”75 This executive director observed that more government funds
increase the capacity of the religious mission even when funding is
earmarked exclusively for the social service (housing) portion of
organizational operations. But he continued, “I think government funding
has less of a negative influence on organizations that have an indirect
approach to sharing the Gospel (like Habitat), but could possibly damage
organizations like churches that are more forward in their approach.”76

Another respondent noted that Habitat did not use religion as a
criterion in selecting future homeowners or for hiring staff, and saw no
reason why government funding should be an issue for their services. One
affiliate went so far as to observe: “We don’t share the Gospel in our work.
We are focused on social justice,”77 suggesting that some affiliates may
focus exclusively on the social service (housing) aspect and, for the most
part, ignore the religious element of their organizational mission.

Opinions among executive directors seem to vary widely regarding
how they interpret Habitat’s religious mission. A recurring theme among
executive directors (in open-ended questions and follow-up interviews)
was their belief that the act of building houses was their testimony and the
way they shared their faith, so they had no conflict about accepting
government funds because the housing, to them, was their religious
message. They did not feel the need to proselytize, and thus had no
conflicts with the “strings” that might be attached to government funds. For example, one executive director wrote “Our affiliate believes that demonstrating the Gospel is far more effective and Christ-like than an overbearing discussion of any particular volunteer’s understanding of the Bible.”

Another shared, “Since we do not preach to our people, it (government funding) probably would make very little difference. We already have rules against proselytizing and feel we teach best by Christian example. We do use a dedication Bible; we have a Christian land blessing before builds and a Christian home dedication when the home is completed. I would not like government interference in either of these rituals.”

This general stance (not preaching the Gospel) contrasts with Habitat’s original mission statement, which stated that the organization’s first and most important goal was to “spread the love and teachings of Jesus Christ.” In the original mission statement, religious evangelization was considered the preeminent goal, and in International Partner training/orientation attended by this researcher in 1995 at Habitat’s International headquarters, this evangelical role was presented as more important than the construction of houses.

By contrast, 258 executive directors responded to an open-ended question asking what risks faith-based organizations face when accepting government funds. One director wrote: “government funding ultimately (could) replace reliance on the Holy Spirit,” meaning reliance on public funding could come to supersede faith that God would provide for the needs of the organization. Another wrote of government assistance and religious mission quite simply and succinctly: “The two should not mix.”

Another executive director noted that the Christian message should never be silenced or altered to receive public support. Among the concerns executive directors expressed regarding governmental restrictions that
could accompany funding, one respondent mentioned that the government might:

- Not allow prayer and/or devotions on the worksite.
- Not allow people to witness about their faith in proximity of a client.
- Not allow people to invite a client to church with them.
- Not allow God to be mentioned in the work.
- Not allow God to be mentioned in our mission materials.
- Make us separate our accounting from mission and non-mission expenses.82

Even though many respondents maintain that they would decline government funds if it placed restrictions on their Christian mission, most say they have not experienced any conflict when accepting public money. One executive director wrote that “no government entity has ever discouraged us from praying or sharing our mission with any one.”83 Another respondent explained, “To date we have accepted numerous CDBG monies with no restrictions on our mission by any government agency. We, however, do not actively preach or overtly share the Gospel with our families as an internal policy of this affiliate. Our volunteers let their works and actions do the talking instead of words. How much more can a hug or a smile say than quoting scripture?”84

These attitudes reflect a notable departure from the original founder’s intention for the organization, which was meant to be a venue for Christian evangelism, and evidence a greater emphasis on social service (housing) provision than religious proselytization. As a further example of this shift in perspective apparent in some affiliates, another executive director wrote:
It is important to keep the separation between church and state. If non-profit organizations wish to use government monies, they need not to impose their beliefs on those receiving the benefits. I am opposed to the use of faith-based organizations to provide social services where they feel the need to use the opportunity to impose their religious beliefs. There are many secular nonprofits who can provide the services without subjecting the recipients to religious teachings. I believe that Habitat for Humanity is in the business of providing housing for all those in need, without discrimination as to race, religion gender or sexual preference. I also believe that we must respect a person’s beliefs, and not subject them to our beliefs.85

Along these same lines, one affiliate director reported “We do not proselytize to the people we build for. We declare our position as a Christian organization but we do not impose any of our faiths (which are many) on the family receiving the home. We do not base our decision on whether they receive a home on their faith, only on their need.”86

One Executive Director deviated quite drastically from the original organizational mission, writing “I don’t see sharing the Gospel with our families as integral to our mission. We are not supposed to select families on the basis of their religion. It would not be appropriate for us to ‘share the Gospel’ even without government funding.”87 According to interview data (discussed in the next section), this perspective conflicts with the original intent of Millard Fuller, the founder of the organization, and also deviates from the original mission of Habitat for Humanity International as published in its literature.

Yet, interestingly, despite the fact that Habitat’s founder considered himself and the organization’s early volunteers and employees missionaries, and also saw the organization’s first priority as “spreading the love and teachings of Jesus Christ,” one executive director wrote:

We are not missionaries, spreading the gospel...An amazing number of people are of a certain faith simply because their parents were of that persuasion. Should they be penalized, or converted to another faith-oriented congregation? We think not.88
This executive director expressed a more pluralistic view than was offered by respondents who agreed that Habitat should take a more religiously diverse position, but because of (not despite) their Christian mission. As one respondent wrote:

We are an interfaith affiliate, we have a Jewish board president and we are actively seeking people of non Christian faiths to join us in our mission. We are respectful of all of "God's" people at all times. While we Christians in this ministry are proud that it is a Christian-based and founded organization we are not excluding non-Christians. How can one show by example the love of Christ if you are not in the midst of non Christians? How do you share the word of Christ if you are separate from all the "others?" Christ ministered to all people starting with his own people the Jews, then the Gentiles – ALL- not some. If Government funding comes with any restrictions of our sharing our ministry we will reject that money.89

It should be noted that from the organization’s inception, homes were built for people of all faiths, and recipient families were not required to convert in order to receive a home. However, the evangelistic role of Habitat was considered paramount in the first decades of the organization’s existence. The belief that Habitat’s primary goal is housing rather than evangelism was voiced by one executive director who observed:

I don’t believe our mission as an organization is to share the Gospel. Our mission is to act on our faith and demonstrate Christ’s love by helping people in need to be decently housed. We don’t in any way give our families the impression that they have to be or become Christians in order to be helped. We do give out a Bible at home dedications and have never had anyone turn it down. And actually, we have had a lot more static from corporate America, especially employee volunteer groups, than we have from the government on these issues.90

Similarly, another respondent explained, “Habitat seeks to demonstrate Christian principles, but does not seek to convert/preach or otherwise impose those principles on anyone—homeowners, volunteers or staff. Since Habitat provides homes to those of any (or no) faith who otherwise qualify, acceptance of government funding to assist our mission should not have any effect.”91 Perhaps the most adamant executive
director stated outright that “Our mission is not an evangelistic one, we are here to serve and provide safe and decent places for low-income families to live and own.” This executive director’s perception is perhaps more closely aligned to a Social Gospel ideology than to the traditional mission of Habitat. One director summarized this new way of thinking about Christian charity, noting “We are more interested in meeting codes than Gospel. Nothing can be accomplished without funding.”

So, the range of executive director interpretations of the religious mission varies from those who are strongly opposed to proselytizing to those who would avoid government funding altogether in an attempt to protect the religious integrity of the organization. But religion does not seem to be a primary concern in affiliates’ decisions to accept government funding at Habitat for Humanity, particularly because most leaders who responded to the survey believed their product (the house) was the primary expression of their faith, and thus they did not feel the need to proselytize. And, even some of the executive directors who did believe in direct (verbal) evangelism to families still felt there was no conflict in accepting government funding. Those who were against proselytization in any case naturally felt it was acceptable to partner with government to provide housing.

Managerial (Rather than Religious) Concerns Over Government Funding

Rather than religion, the primary concern expressed by most respondents regarding the acceptance of government funding tended to revolve around managerial, accounting, or reporting issues. The vast majority of affiliates that had accepted government funds claimed that the extra reporting requirements imposed by that decision placed a moderate to heavy reporting burden on existing staff. Many of those that had not hired professional staff to handle the new accounting and
reporting procedures claimed they would like to add additional 
professionals to their offices, but could not afford to do so. 

When asked in an open-ended question what risks government 
funding might impose, a few executive directors expressed concern over 
their religious mission. When the 258 responses to this question were coded 
for similarity of patterns, only 83 (32%) of respondents freely generated any 
term (or terms) that had to do with religious mission, faith, or the 
separation of church and state. Of these 258 respondents, 14 (five 
percent) mentioned the word faith (and the potential risk to the faith of 
the organization), 11 (four percent) noted the possible risk to witnessing 
the Gospel or sharing Christian values, and only 15 (six percent) 
associated the separation of church and state with the question, raise 
religion and politics or separationist comments related to religious issues. 
However, a larger number, 35 (14%) raised the potential risk to the mission 
of the organization, although they did not specifically mention the words 
religious or faith along with the word mission. 

Thus, a minority of all respondents (32%) to the open-ended 
question regarding the risks of government funding used the words faith, 
mission, church and state, religion and politics, or sharing the Gospel. Only 
one respondent used the word God in their answer. Similarly, one used 
the words Holy Spirit and one used the word evangelism. In fact, 39 of 
the 258 respondents (15%) said they believed there were no risks of any 
kind (or at least none of which they were aware) for faith-based 
organizations accepting government funds. 

The majority of respondents (just over half) were concerned about 
issues such as need for increased accountability, becoming dependent 
on government funding by failing to diversify, failing to comply with 
required procedures for reporting or accounting, being denied or having 
to return funding, the risk of operational interference, excessive
paperwork, lack of expertise or necessary staff, expense of adding new staff, additional auditing, more outside influence, or excessive governmental involvement in organizational operations. Several respondents expressed concern over potential loss of private donor support or loss of volunteers. One executive director expressed the view that Habitat might lose their “face” as a volunteer-based organization and be viewed as “just another government program.”

Several executive directors expressed concerns over the reliability or dependability of government funding. For example, one respondent explained that these funds might build capacity that could later be taken away. Others expressed concerns that changes in political administrations might affect the availability or continuation of public support. As one executive director argued, “Funding may be asked to be returned if legislatures suddenly change their mind on the rules under which the money was distributed.” Another director pointed out the changing nature of ideology within political parties writing, “Any time a government change-over occurs the organization risks running against the majority thinking of the leading party. Habitat is interesting in that in many circles we are touted as the ultimate Democratic Party non-profit of which much of that is owed to the presence of former President Carter. But we see an open period now under President Bush where there is a larger acceptance of faith based organizations taking on more responsibility instead of relying on the government to solve all of the social issues. By not being an entitlement or handout program are we really not more Republican in our thinking of personal responsibility for personal actions by asking a family to repay their debt?”

Many of the respondents expressed concerns over the reporting and paperwork requirements necessitated by government funding. In fact, there were 29 mentions of the word “paperwork” in response to survey
question 32 alone. As one executive director wrote “My experience with government funding is that salaries and paperwork eat up most of the funding anyway and many government restrictions get in the way of an organization getting the most meaningful, helpful and efficient results for their efforts.”97 Another director complained that the paperwork is often difficult to maintain, writing that there is “too much paperwork and record keeping that is actually ridiculous in the way it is worded.”98 This comment suggests that the paperwork required by the government would be difficult for a non-professional or volunteer staff to complete without specific training or development of new expertise. As one respondent observed, “One risk is that government funding can lead to a need for more staff (accounting, paperwork, meeting attendance) and thus it would take money away from our homebuilding efforts.”99

Apparently, however, quite a few affiliates have managed to master the paperwork requirements, as was demonstrated by this executive director who wrote, “Our regulations come in the form of compliance with follow-up paperwork. Because we are willing to provide the requested materials, background information and reports, we benefit from a positive relationship with the local government and are in a position to receive funding in the future.”100

In summary, the survey responses suggest that the primary perceived hindrance linked to government funding is rooted primarily in managerial concerns with less than a third reporting potential threats to the religious mission of the organization, or even conflicts over the separation of church and state. As one executive director commented, “As long as the government does not interfere with the operational procedures of the organization (which their bureaucracy inevitably does), no problem exists. The "Christian" objective should have nothing to do with it.”101
One respondent seemed to reflect the overall response to this survey question when they succinctly summarized their perceptions of risk, suggesting:

Most of the risks that I see to faith based organizations are the same as for non-faith-based organizations either profit or not for profit. (They are): 1. Relying too heavily on any one source of funding is risky to the long-term survival of an organization regardless of its source. 2. Regulations, reporting requirements and project standards imposed by government funding can be too costly for the organization to practically absorb. 3. If government regulations regarding the expression of religious faith by Habitat volunteers and employees as individuals were prohibited in the same way as they are in the public schools, we would lose part of who we are.102

Perceived Effects of Governmental Regulation as Experienced by Affiliates

In terms of actual experience with government regulation, respondents offered a diverse array of responses, ranging from those who had not experienced any regulations or restrictions attached to public funding to those who reported limitations on what the organization could say or do. Most of the regulations described in response to this open-ended question involved minor paperwork or accounting procedures. As one executive director wrote, “Paperwork, paperwork, paperwork. Perhaps some of it is helpful and necessary; it seems a little over the top at times.”103

Several respondents expressed that their faith-based nonprofit affiliates were regulated in the same way that other nonprofits (or even for-profit organizations) were overseen. For example, one executive director observed, “In our case we are not regulated differently, which may actually be the problem. We are expected to follow the same guidelines as for-profit companies receiving government funding but in many cases we don’t function the same way. It is actually more difficult for us to meet the guidelines than it would be for a for-profit company.”104 An executive director from Florida commented that “the law is very clear as to ... what
we can not do especially when an action can be construed to be discriminatory. So we all follow those rules anyway."105

Similarly, another executive suggested:

The regulation that we have experienced as a result of government funding has been largely related to environmental standards and business practices as stated in HUD HOME and CDBG grant regulations. These standards and practices are imposed on all organizations who accept this type of government funding, not just faith-based ones. We are non-discriminatory in our partner selection process in terms of race, creed, color, religion, national origin or physical disability out of a concern for social justice rather than in reaction to government regulation and government funds.106

One respondent summed up her organization’s regulatory experiences as follows:

- They must be non-discriminatory in all practices
- They must provide equal opportunity for all
- They must provide equal access for all in its programs
- SHOP - certain employees cannot participate in voter registration
- SHOP - cannot speak out or sign petitions against government housing policies
- AmeriCorps/VISTA - cannot lead prayer or devotional
- AmeriCorps/VISTA - cannot lead a faith-related program107

Regarding AmeriCorps, which is a volunteer program managed by the Federal government that has a partnership with Habitat, several directors mentioned (both in the survey as well as in follow-up interviews) that AmeriCorps volunteers are not supposed to lead religious events when working with the organization. This includes attending morning devotions on construction sites, and also house dedications that involve giving the homeowner a Bible.

Among those executive directors who have experienced public regulation, several suggested that they have been told where houses are to be built, who will receive them, who can serve on the controlling board,
what the recipient family incomes must be, and how much sweat equity must be completed. Among those with negative experiences, one respondent expressed explicitly that management rather than faith or mission was regulated. She writes, “Our experience has not been that government has meddled in our decisions or influenced our expressions of faith. Rather, government has micromanaged us, requiring extensive reporting and documentation of our expenses to justify drawing down funds.” However, several respondents noted that the government would enforce their rule that affiliates could not discriminate on the basis of religion (or presumably other factors) when providing services. One respondent mentioned that they had limitations placed on religious symbols in their structures when accepting Federal funds. Still another commented that their “funding (could not) go towards any program that promotes God and/or Christ during or part of the hand-outs.”

Interestingly, some executive directors acknowledged that they had experienced government regulations that had perhaps stressed their affiliate administratively, but they nonetheless ultimately defended those requirements. One such respondent commented, “The primary regulations that I see have to do with accounting practices and completing the various forms necessary to receive the grants and receive the payments. Another regulation area is the need for environmental assessments before funds can be received. These regulations add a lot of administrative burden, but I don’t see them as serious inhibitors to our mission.” Along these same lines, another director claimed that the governmental funding process could actually motivate an organization, explaining that affiliates “are regulated by mandates on the population served, the areas within which homes can be built, the governance of the faith-based organization, and sometimes by the ratio of types of revenue streams. The mandates, however, can be seen as opportunities rather than barriers in
most cases. They force an organization to be creative and to be inclusive while searching for clients and board members. It also forces the organization to be constantly aware of becoming overly dependent upon grants and government funding while getting lazy on grass roots support.”111

Another director who supports public regulation of grants wrote “Sometimes the regulation can be healthy in that government funds require a high level of accountability! The accountability measures do inhibit efficiency. However the accountability is important.”112 Still another explained that “An affiliate receiving SHOP funds must be prepared for strict accounting, reporting and a final audit; however, I do not see this as anything more than what HFH affiliates should be doing to respond to their responsibilities as stewards of money and resources donated or otherwise made available to support the ministry.”113 One respondent summed up this attitude by saying:

For the most part, the regulations that government funding brings are healthy and make Habitat as streamlined as possible. Compliance with the A-133 and IRS Forms 990 force us to audit ourselves and hold ourselves to high standards and this is good. Occasionally, government funding comes with requirements regarding vendor outreach or affordability periods, but as an affiliate we are not forced to accept government money and could always turn it down if the regulations seemed unacceptable to us.114

But, not every director agreed that the additional regulations that accompany public assistance are worth the added managerial effort. One respondent said, “We applied and were rewarded with a Community Development Block Grant. We chose to not accept it because there were too many restrictions that would have cost too much money, involved too many volunteers, and would have prevented us from serving all four selected families this year.”115 Similarly, another executive director suggested, “Completion deadlines force us to adjust our schedule around dates rather than individuals. This requires more planning and may not
always be bad. It does, however, put a strain on the Christian first, housing second priority of the organization."  Similarly, one respondent warned that affiliates accepting government funds could be “straight-jacketed into the government approach to doing things and making sure what is done is documented, which increases costs.”

Still other affiliates have pursued government funding, but found they were barred from participation because of regulatory requirements. As one executive director explained, “Our affiliate has applied to the state of Georgia to train prison inmates in construction and electrical trades. Our requests have been turned down twice because of the way the Georgia constitution is written. The attorneys for the Georgia Department of Corrections believe HFH will be the beneficiary of prison labor and therefore is not eligible to provide training. We have not requested any funding from the state of Georgia." By contrast, quite a few affiliates say they have not been overly regulated, or as one director writes, “In my experience (faith-based nonprofits accepting government funding) aren’t impacted (sic) at all.”

Overall, most respondents who had experienced regulations attached to public support claimed it was primarily administrative, in the form of increased paperwork and reporting. One director explained “We are not regulated in practice except for certain reporting requirements.” Another observed that affiliates do “not experience any more regulation than that required to be accountable for the funds they have accepted and spent.”

Should a Faith-based Organization Accept Government Funds?

The perceived risks of seeking government assistance for the vast majority of respondents revolve most around issues of administrative accountability and reporting. Less concern was expressed over the
regulation of religious mission. Additionally, very few respondents reported any severe regulation of their organizational activities resulting from acceptance of public funds. Thus, it is not surprising to note that when asked if faith-based organizations should accept government support, most responding executive directors said yes.

One respondent expressed this belief when he wrote, “In a time when charitable dollars are shrinking and non-profit organizations are increasing, we will have to look for outside sources of funding. If we expect to grow I believe we will have to look at outside sources for operation expenses like land purchase, infrastructure and construction. Many non-profits with limited funding sources will be forced to explore government funds to survive. I would rather compromise some of our standards to continue to help those in need than to reduce the number of people we can help because of limited funding.”

Most of those responding to the survey seemed to agree that, yes, faith-based nonprofits should accept government aid if it allowed them to help more people. However, several directors added that the funding should only be accepted if it came with no strings attached and if it did not inhibit the (presumably religious) mission. As one respondent put it, “Given the cost of building homes and developing infrastructure, there is little choice. It is annoying to deal with some of the silly regulations imposed by government grants, but this is a small price to pay. No one has asked us to compromise our faith when we apply for a government grant.” But, another director argued, “No organization should accept funds from any organization or entity if it re-directs the organizations goals or mission in any way. Organizations should have a strong sense of mission with attendant goals and objectives and use them to guide the grant seeking process. Too many organizations get off track trying to match the organization’s goals with that of the funders.”
Some executive directors took their affirmative response a step farther, communicating that the government has a responsibility to help nonprofits, faith-based or otherwise. For example, one respondent suggested, “Faith-based organizations are filling a gap in society. Government should recognize that and help defray that cost.” Another executive director added “Yes, because it is the money of the people and most people would want their money used in this manner.” As yet another respondent put it, “In a perfect world, where sufficient persons took responsibility to be their brothers and sisters’ keepers, government intervention wouldn’t be necessary. It was only 100 years ago that all the hospitals, orphanages and other social services were run by churches. In our case today, we would be limited in the kind of scale of project we could undertake, if we restricted ourselves to private funding.”

Even some executive directors who would prefer to have faith-based nonprofits funded privately expressed the need for public assistance. One such respondent commented, “Ideally, I think that faith-based organizations should function primarily on voluntary contributions from individuals and groups, and I believe taxes should be lower so that people can give to the organizations they choose instead of having the government regulate where that portion of tax money is being spent. I think that social services should be the responsibility of not-for-profits, not government. However, that is not the case in America today. Government funding is going to be used somewhere, and if faith-based organizations can put that funding to good use then I think they should apply for and accept government funds. I would rather have my tax dollar spent by a faith-based organization than any other group.”

Continuing with this theory of the common good, one executive director observed:
Just as faith-based nonprofits must be accountable when they accept government funds, the government must be made accountable to the people for the way that tax dollars are spent. The best way for people to get their money’s worth out of the tax dollar is to let the money be spent on the local level through local nonprofits providing the hands-on direct services. The services are provided directly to the people in the most cost efficient method. It is the best “bang for the buck” that taxpayers can possibly get. There must be some regulation, but it’s still a fantastic marriage of service—volunteers—and satisfying huge needs.\textsuperscript{128}

This line of reasoning reflects Marvin Olasky’s view that faith-based nonprofits are the best providers of social services, primarily because they are purported to be more efficient and better discriminators of those in need. Olasky argued that faith-based nonprofits could be more discerning in determining who to help than could public officials. The biggest criticism of Olasky’s theory is that government involvement, even when limited only to funding, might take away the grassroots personality that allows a nonprofit to be more responsive and sensitive on a human level. However, most of those responding to the survey did not report much direct interference from public representatives in any case.

Other directors explained that they believed faith-based nonprofits should accept government aid because they had an equal right to see tax dollars supporting their particular faith-based perspective. As one respondent observed, “Members of faith-based organizations pay taxes and should be able to see that their taxes benefit organizations that support their views of social services.”\textsuperscript{129} Another executive director also mentioned that “I think (faith-based organizations) can stretch the government funds better than strictly secular organizations because people are more motivated to volunteer.”\textsuperscript{130}

Some directors tended to argue that accepting public support was merely a matter of preference. Others took a more motivation-oriented approach, as one director who suggested, “HFH will always be administering bandages if we fail to participate in revenue sources which allow us to expand our capacity. The reason that HFH in Florida occupies
most of the top 10 producing Habitat affiliates list is because there are some outstanding housing funding programs from the state of Florida. The question which we really need to be asking ourselves is what is really important. I vote for families in need of affordable housing."131 Similarly, another respondent reflected, “Yes. Our mission is to build simple, decent affordable housing for low income families. Government funds help us to do this. I see no problem in utilizing government funds to help our families. I believe in a just society that cares about its poor, its underprivileged and strives to bring all people into a standard of living that provides at a minimum simple decent housing. We are partners with our government in making this goal a reality."132

One particularly articulate executive director summarized her view on faith-based organizations accepting government funding as follows: “Yes, (faith-based nonprofits should accept government funding) with the following three caveats: 1. That government funds not exceed 30% of the total annual revenue; 2. That expressions of Christianity as historically practiced in our organization not be curtailed; 3. That acceptance of those funds will allow the organization to serve more people; and 4. There should be a periodic review by organizational leadership to evaluate the impact of government funds on our organizational mission.”133

This succinct listing summarizes the views expressed by the majority of respondents, with most saying yes, public support should be accepted, provided it does not interfere with the mission. Since less than 1/3 of the affiliates reported (in an earlier question) any concerns that government funding regulations might interfere with religious mission or the faith claims guiding the organization, the response to this question stands as a strong affirmative. Almost all of the respondents said yes, indeed, Habitat affiliates should accept government funds. The overall tone of the responses to this survey in 2007 is decidedly less religious than the original
founder’s writings (and the original mission statement of the organization), which suggests that a shift in how the organization views its mission has allowed it to move towards the pursuit of public assistance. This shift change seems to correspond with a move toward professionalization, which appears to be propelled in part by the need to meet the government’s requirements for proper accounting and reporting on funding and in part by growth and institutional maturation.
Chapter Six. Professionalization and Government Funding
Application of Dym & Hutson’s Organizational Lifecycle Model and Analysis of Interview Data

Introduction: The Professionalization of an Organization

In keeping with the survey results, interviews with selected leadership at the national and local level suggested that Habitat for Humanity is an organization in the process of professionalization. Using Dym & Hutson’s organizational lifecycle model (Leadership in Nonprofit Organizations, 2005), this section examines the stages of professionalization at Habitat using key informant interviews and longitudinal comparisons drawn from the personal experience of the researcher. Some portions of this section will be written in first person in order to draw a contrast between the organization’s personality ten years ago, as experienced through participation observation when the researcher worked for the nonprofit, and the evidence presented in interviews with selected Habitat leaders serving in the organization today.

Habitat in 1995-7: Personal Experiences of the Researcher

From 1995-1997, I served as the International Representative to Egypt for Habitat for Humanity. At the beginning of my appointment, I was required to attend an International Partner training session at the organization’s national office. These experiences as a participant observer are used informally as a referent for longitudinal comparison to interview data. Training materials such as required texts and notebooks, as well as notes taken contemporaneously have been reviewed to ensure the accuracy of ideas represented.

When comparing personal experiences working for Habitat from 1995-1997 with the perceptions gathered from interviews with current
leaders at Habitat, it appears that the organization is in a state of transition from a decidedly grassroots orientation to a more professional one, and from a Christian evangelical perspective to a more religiously secular or at least, pluralistic, view. Walking into Habitat’s national office in Americus, GA in the summer of 1995 felt a bit like walking into a church. Habitat’s International office was located in the heart of the Bible Belt and the structure was a peaceful, open space staffed by kind and helpful Christian workers who radiated a sincere southern hospitality. The staff was diverse, reflecting the organization’s founder’s dedication to battle racism in the South. In addition to the slow, southern intonations of the greeters downstairs, there were representatives from numerous countries and continents, and an incoming International Partner might hear various African, Asian and South American dialects mixed with the southern accents of the local staff.

Having just finished my Master’s degree in Architecture at UCLA, I was hired as an International Partner to Egypt for a two year contract. In preparation for my tenure overseas, I was asked to join an “International Partner (IP)” class of around 35 new employees, all of whom would be serving the organization abroad. Before being hired, every new staff member was asked to write a statement, called a testimony, about their personal Christian faith. The vast majority of the class was comprised of evangelical, conservative Christians who wanted to serve in a developing nation through their position with Habitat. The job was considered a missionary post, and even though Habitat paid for housing, living expenses, and provided a reasonable stipend (which was more than enough to live comfortably in a developing country), the International Partners were encouraged to do a month of fund-raising by asking for support from various churches in their home states before coming to Americus for training. This method of fund-raising is common among
missionaries on their way overseas, and some IP’s were able to cover the entire cost of their two or three year post in the months prior to IP training by speaking at a few churches near their homes.

The majority of the individuals in the International Partner (IP) training class could be described as servant leaders searching for an opportunity to give more meaning to their lives by acting out the Christian faith through acts of compassion in areas of need. Many had given up professional jobs to move to a third world country and live in quite primitive conditions, so there was also a certain element of sacrifice involved. A leader at Habitat’s international office during the 1995 training session (and who has since been promoted to the new international office in Atlanta) commented on the changing nature of employees in an email exchange with me in 2007. She wrote “The biggest change for me is the absence of the international partner program and the type of sacrifice that was called for from many of the people that felt called to those positions. It is a matter of degree. Many former IP’s hold leadership positions within the organization—three of the area vice presidents were former IP’s. I do worry sometimes that we aren’t nurturing that type of leadership within the organization anymore.”

One middle-aged married couple at the IP training in 1995 had quit their jobs and sold their two-story house in Indiana to move to a rural, underdeveloped region of Venezuela after being inspired by Millard Fuller, the founder of Habitat for Humanity, whom they had hosted as a speaker at their church. The IP’s could be considered radically religious in that they were seeking to forego the materialistic pursuits of most Americans and instead dedicate their time and passion to helping those in need. The vast majority of these IP’s were motivated to make these bold life changes by their faith. This level of religious zeal was not reflected by many of the current Habitat leaders interviewed for this study.
Each morning of the training session in 1995 began with a devotional, which is a kind of prayer service. A worship leader would play guitar and lead the group in singing praise songs, and someone would share their testimony or tell some kind of story about how their life had been transformed by their relationship to Christ. After the devotional, the IP’s met with various instructors who taught the group the origins, mission, and philosophy of Habitat for Humanity, which was presented as an overtly Christian and religious endeavor. Before any training was provided on the logistics of actually doing the assigned jobs, the religious mission of Habitat was inculcated. Only after the IP’s had been given a thorough background on the Christian purposes of Habitat’s work did attention turn to the daily requirements of successful employment (such as accounting, reporting procedures, international communication techniques, finance, or fund-raising).

Many evenings after training sessions had ended, small groups of IP’s met together for Bible study and prayer groups. The religious mission of Habitat for Humanity was a definite priority to trainers and trainees alike, and it was openly stated as such: “to spread the love and teachings of Jesus Christ.” Eliminating poverty housing was a secondary goal of the organization. This status was illustrated by the verbal instructions during IP training and by the published mission of the orientation provided to new employees.

Before the training session had begun, the IP’s had been asked to read several books about the foundation of the organization and its religious roots. Habitat’s foundation narrative is one of tremendous sacrifice for religious reasons. As James MacGregor Burns suggested in *Transforming Leadership*, many charismatic leaders make extreme sacrifices for their cause. The founder of Habitat for Humanity gave up tremendous material and professional success (worth several million
dollars back in the 1970s) in an effort to serve his faith with more integrity and dedication, eventually going to Africa to build houses for the needy in Zaire. During IP training, stories about Millard Fuller were elaborated, although he was not presented as without flaws. Individuals who had been with the organization had accused Millard of various imperfections, one of which was being a bit too “affectionate” with females in the office. (Specifically, there were claims that he hugged the young women around the office too much, or held on a little too long. His defenders said he was just as affectionate with everyone regardless of gender or age). However, there was a forgiving and accepting atmosphere, and religion and the Christian faith was openly discussed sometimes on an hourly basis throughout the session.

Government funding was a somewhat taboo topic. The founder of the organization was against it for his own personal reasons. Although it was not explicitly stated during training, it was implied that government funding was an affront to the Christian mission, because it interfered with the evangelical notion of the “Holy Spirit.” Specifically, this meant that if Habitat accepted public assistance God would have less opportunity to work through the compassion of believers. The organization’s faith would then be placed in the government rather than with God. God’s will would thereby become subservient to the policies and rules of government. However, it is important to keep in mind that even in 1995, Habitat accepted some public funding for the purchase of land or the development of infrastructure.

The feeling, personality, discourse and decision-making process at Habitat International in 1995-7 was very religious. Most of the employees were zealously trying to live out their faith by serving disadvantaged communities and most considered themselves missionaries. It was not simply a grassroots organization. It was a religious grassroots organization.
However, interviews with current Habitat leaders suggest that the organization’s personality or culture may have changed over the last ten years as it has professionalized, and attitudes toward government funding have shifted as that process has unfolded.

**Ten Years Later: Habitat in 2007**

In a series of telephone interviews conducted in autumn 2007, I spoke with executive directors, resource officers, and development coordinators at eleven domestic Habitat affiliates, and also with three individuals in selected leadership positions at Habitat International offices in Americus and Atlanta, GA. I used a semi-structured interview questionnaire that was revised periodically based on the information from previous interviews, but which consistently maintained the same core questions. In general, each interview inquired into the perceptions of the participant concerning government funding and its potential impact on the organization’s religious mission, grassroots personality or culture, and relative degree of professionalization.

**Religious versus Pragmatic Mission in 2007**

While most of the leaders interviewed professed to be Christian, there seemed to be a greater variance among them along a continuum between evangelical Christianity and what might be termed “nominal” Christianity than was evident in 1995. It is typical of evangelicals to accept a conservative Biblical doctrine of the faith, including the belief that the acceptance of Christ is the only way to salvation. So-called Nominal Christians are more likely to hold the belief that most peaceful religions are different expressions of the same force, and thus tend to be less adamant about being identified as exclusively “Christian.”

Several of the leaders interviewed used discourse that was much
more tolerant of varying religious views, and indicated that they are attempting to create a more religiously diverse environment at their affiliate. For example, an executive director from Arizona was asked to estimate how many times per year people from his affiliate had the opportunity to share the Gospel verbally. His response was, “Our affiliate does not promote evangelizing on site. We do have prayers at meetings and on the site. But evangelization is not promoted. All faiths are welcome on the building site, and houses are constructed for people from many faiths. Our individual mission…even mentions that Habitat is for all faiths and all faiths are welcome.” When asked if local affiliates were allowed to have missions that differ from Habitat International, he replied, “Yes, it is kind of like a franchise. There are certain elements of Habitat International that we are expected to maintain, but we can also tailor the mission to the local community.” As a follow up, he was asked if a multi-faith approach was more appropriate for his community, and he replied, “Yes, a multi-faith approach works better in our area which has a lot of diversity. Usually, staff-led activities are Christian, and they might lead a group in prayer, but we usually encourage everyone to pray in their own faith tradition.”

While this approach to religious diversity is more typical of secular institutions today, it is quite a departure from the Habitat approach in 1995 as it was presented in IP training. While the organization has always built houses and accepted volunteers from a variety of faith backgrounds, it was not common in 1995 to hear that evangelism was discouraged on site, or that an affiliate’s mission could be tailored to meet the diversity needs of its area. The organization was founded as a mission group to “spread the love and teachings of Jesus Christ,” and that goal was much more strongly emphasized in the training sessions of 1995 than was reflected by this leader from Arizona. This change would indicate a shift
away from evangelism towards a more secular approach to meeting community needs by organizational leaders.

Similarly, an executive director from Pennsylvania expressed a less evangelically-focused view than was typical 12 years earlier. This particular executive director was a younger female, perhaps in her late twenties and professionally trained with a college degree. When asked if sharing the Gospel on the worksite was something that she saw much at her local affiliate, she answered, “We actually do not share the Gospel overtly on our site at all...we talk about God’s love for all people and we are all working together in fellowship; but the only time you would see overt references to the Gospel itself would be at dedications where we hand the Bible out to the partner family.”136 As a follow-up question, she was asked if that was something the affiliate had consciously tried to do for its area. She confirmed, saying it was actually in the bylaws of the local affiliate, partly because they “have such a diverse religious base of our core volunteers.” She continued, saying “We are not Christian ecumenical at all...we have synagogues who are in covenant with us.”137 She explained that they wanted to make their affiliate more diverse and use a kind of a multi-faith approach, and had written the local mission to reflect this aspiration. When asked if their affiliate had any conflicts with the mission statement of International, she said, “Not at all...We redefined our mission statement for our affiliate but, it is in keeping with it (International)...it just does not mention Jesus Christ, for example.”138

The fact that this Pennsylvania affiliate deliberately has chosen not to mention Jesus Christ in its mission statement is a direct departure from the original organizational mission at Habitat. It is interesting that they have experienced no conflict with Habitat International about this decision. The international organization now publishes the following statement about its approach to Christian ministry on its website:
Habitat for Humanity International is a nonprofit, ecumenical Christian organization dedicated to eliminating substandard housing and homelessness worldwide and to making adequate, affordable shelter a matter of conscience and action. Habitat is founded on the conviction that every man, woman and child should have a simple, decent, affordable place to live in dignity and safety. Habitat has an open-door policy: All who desire to be a part of this work are welcome, regardless of religious preference or background. Habitat for Humanity has always had a policy of building with people in need regardless of race or religion, and we welcome volunteers and supporters from all backgrounds.¹³⁹

This statement emphasizes Habitat International’s desire to welcome a religiously diverse set of volunteers, employees, and homeowners. However, in contrast to the Pennsylvania affiliate mission statement, it does explicitly mention that it is a Christian organization, and Christ is mentioned several other times in the article that follows the mission statement. Even so, there is a definite shift in the tone of the discourse from that used in 1995, with more emphasis on diversity and less on overt evangelism.

When asked if the affiliate would accept government funding if the regulations explicitly stated that they would not be able to hand out the Bible and mention Jesus Christ, the executive director from Pennsylvania replied, “That’s an interesting question. My hunch is we may pass on it, um (brief pause), although we are in need of funding like so many other affiliates. We can’t really change the mission of our name or what’s associated with our name and think of ourselves as successful, so we would play with that.”¹⁴⁰ This executive director seemed to imply that her affiliate might try to find a way to get the funding by working around the issue, but would not accept it if the requirements overtly stated they could not mention Jesus Christ. Yet they have already decided not to include the name Jesus Christ in their local mission statement.

Similarly, an Alaska executive director indicated that the original religious mission of the organization had been supplanted explaining that there had been a movement away from being a church outreach
program toward more of a community organization. She laughingly asserted, "I think ... given (our city in Alaska) and its oddness as opposed to the lower 48, (this affiliate) just kind of does its own thing its own way because things don’t always fit the model up here," (referring to the diversity of the various groups in her state). “But I would say that yeah, there isn’t the church base that you see in big cities where you have churches of 10,000 people and you see a lot of old money. So, and everybody is... well I won’t say everybody, but people up here are pretty transient, you know. They’ll be here 2 or 3 years with the service, the government or the oil companies. And then they’ll have to leave. And so churches aren’t/haven’t been our biggest ... as we’ve expanded they haven’t kept up the percentage of homes that they used to because there isn’t that kind of funding base or we haven’t been able to develop that funding base... we’re trying to get more churches involved.”

Other leaders seemed to downplay the religious mission, making it subservient to the pragmatic goals of construction and land development. For these participants, the primary goal of Habitat was to eliminate poverty housing rather than pursue the evangelical goal of spreading “the love and teachings of Jesus Christ,” the central mission taught in the training sessions in 1995. They often expressed the values of partnering with government in an effort to streamline the efficiency of both Habitat and government efforts to work in housing. For example, an executive director from a Georgia affiliate explained his view that “it would be a good idea (for government to partner with faith-based nonprofits) to utilize existing resources to solve the problems of affordable housing, (rather) than spend a bunch more government money in recreating new organizations or oversight organizations to spend the money for affordable housing. I think its okay to give Habitat government funding,” despite the fact that it is a faith-based organization.
This particular executive director acknowledged that he was aware of “groups out there that don’t believe that religious organizations should receive government funding …because it might interfere with…the separation of church and state.” But when asked how often evangelization occurred on the worksite, he explained that he had never witnessed this behavior, specifying, “By doing a soul-saving call, no, I have never been around anyone (who) was saved on a Habitat job site… I have never seen that done at this affiliate.”

When asked whether he had any concerns about evangelism and government money he said, “If they restricted the use of our funds by saying that we could not be evangelical on the site… I think that that would be an acceptable policy.” To clarify, he was asked if he meant it would be okay for the government to require “no evangelizing on site?” And he replied, “I think so…based on the concept of “Give to Caesar what is Caesar’s, and to God what is God’s. You’ve gotta follow your government rules.”

This executive director indicated a definite priority for building houses over the evangelical or religious role of Habitat. The fact that he doubted there was much evangelization on site anyway indicates a diminished focus on sharing the Gospel, and heightened emphasis in the organization’s culture on meeting a need, specifically building a house, over the last decade. However, this executive director used religious discourse frequently, and even quoted Biblical references during the course of the interview, showing that he identifies himself predominantly with the Christian faith. However, his responses to the questions were much less evangelical, and indicated a different set of priorities than I observed during IP training in 1995 or during my service in the ensuing two years.
Not all Habitat affiliates seemed to have redefined the character of their faith-based roots, however. Even though the executive director at one of Habitat’s oldest domestic affiliates says she does “not see the evangelism (on the worksite)”\textsuperscript{147}, she explains, “We do of course say a prayer as we start our day, and ... we are very comfortable talking about our religious convictions, but not trying to convert people into Christians. I don’t see that happening.”\textsuperscript{148} And when asked if her affiliate would accept government funds if they came with strings attached that restricted prayer on the site, or the sharing of Bibles with homeowners, she replied that she thought her local Board of Directors “would reject it.”\textsuperscript{149} She continued:

We were involved with the AmeriCorps program, where AmeriCorps provides access to individuals who are willing to work with nonprofits such as Habitat, and one of the requirements for AmeriCorps is that ... you can’t demand participation in Christian rituals. I had one individual that I didn’t even know—I inherited him when I got there—who was an agnostic. And during a construction meeting I asked if he would lead us in prayer, and that caused all kinds of uproar. And so, I declined to participate in AmeriCorps again because (our religion is) critical to who we are. And yes it was this affiliate’s decision to hire that individual and engage that individual, but my goodness.\textsuperscript{150}

This executive director’s attitude was much more similar and reflective of the kinds of comments that might have been heard at IP training decade ago. It is not surprising that she leads one of the oldest Habitat affiliates in America, and is located in the Bible belt a few minutes away from Habitat’s traditional international office complex in Americus, GA. (Although a second international office has recently been added in Atlanta, the Americus office tends to maintain a more conservative and traditional approach as reflected in interviews). When asked if, in her opinion, it would be more important to maintain the religious mission than to get a volunteer or conditional funding, she responded “Absolutely.”\textsuperscript{151}

Another executive director from Arkansas mentioned the AmeriCorps program when asked about sharing the Gospel on the
worksite. She responded, “I would not necessarily say... sharing the
Gospel (occurs on the worksite, but) at our home dedication I think that is
the most religious/spiritual in that we do bless the home and it’s a
dedication of the home and the family. I mean, there is a prayer that is
not being led by people paid by the government if that is any kind of
concern...in fact we do have AmeriCorps members right now that are
working on our site and that’s one of our rules that they cannot lead
devotion or prayer or anything like that. So, at several of the affiliates,
even those with a focus on maintaining the religiosity of the organization,
the executive directors were willing to comply with the government
restriction on AmeriCorps volunteers leading prayer in order to receive the
donated labor.

In summary, several of the executive directors interviewed
expressed a more secular attitude towards the religious mission of the
organization than was voiced by organizational representatives in the
1995 training. Interviewed leaders tended to emphasize diversity, and
were less concerned about evangelism or strict adherence to Habitat
International's original mission. However, most of these same leaders used
Christian discourse, indicating that they identified closely with the Christian
religion themselves. A few interviewees expressed more conservative
attitudes, however, and articulated a general goal of maintaining a
strong tie with the Christian roots of the organization. Overall, the
interviews suggest an organization in transition, with the older leaders (and
those who had been with the organization longer) tending to adhere
more closely to the traditional religious mission of Habitat, and the
younger leadership (and those who had joined the organization more
recently) gravitating toward a more secular and less evangelical
approach, emphasizing their community role over their religious one.
Increasing Capacity through Government Funding

Several executive directors indicated a desire for compromise between religious and community/government goals, indicating that they were not mutually exclusive. Leaders with this view tended to emphasize partnership with the government, and to evidence the belief that the mutual goal of building houses could be accomplished by working with the government in a limited capacity. For example, a top leader with Habitat’s International Office who has worked with the organization for around 30 years asserted, “The bigger we get and the more that we build and do, the more we realize that if you really want to make an impact, you have to be willing to (work with the government) even to buy land...because you and your donors can’t do it all. I mean, and to me it’s like, the government has a responsibility for part of this... we have finally come around to realize that you have to do that.”

This high level development manager continued:

When I first started working with Habitat, we didn’t accept any government money at all. I mean that was just the bottom line...we didn’t take any. Then it got to the point where it was like, okay, some of our international programs accept government monies...Like the embassies or something, so they were taking government monies, basically. And then we also realized that, you know, you need to learn to work with the government. Because the government is here, it’s not a bad thing, so we need to figure out how to do that. And the way we did it is realizing that, okay, we can not take government money but it’s only used to set the stage. Because if you are developing a piece of land and have to put that infrastructure in it, it costs a lot of money. So why not use that money to actually do that. But the actual house money comes from donations.

When asked why the answer was no to just about any government funding in the early days of the organization, she replied, “I think it was just because it was how Millard Fuller felt about it at the time, and I think also that you have to think back into the eighties and late seventies, early eighties...there was a bitter feeling about the government at that point.
Just a feeling that maybe it was not such a good idea to...there wasn't such a good feeling about government at that particular time" because of Watergate and other governmental controversies that had transpired.

This particular individual was a high level leader within the organization, and had served at the organization's founder's original affiliate in Africa, so she knew Millard Fuller personally. But, when asked why he was so against government funds, she responded "I think some of that was just Millard, the same way he was against having endowments. You know, he always felt like we should never have an endowment, we should always be spending every penny that we have... One of the things I always remember Millard talking about and I think it is probably true about government funding as well is that...he talked about you know, taking... gambling money or something (like taking money from Phillip Morris, a tobacco company)...what his theory was is that if your affiliate can withstand that money...like for instance if your donors aren't going to fall off because you are doing it, then go ahead and do it. In some areas of the country you couldn't get away with it. But some regions or places or whatever ...it'd be perfectly acceptable."154 When asked if she, personally, thought the funding source made any difference, she replied, "For me personally, it doesn't...I really wouldn't get too upset about it, whether I was giving to an organization or what. I mean to me...if I'm a donor, then what I want to know is that the money is being spent the way I would ...responsibly."155

Traditionally, public funding for the purchase of land and the development of infrastructure was allowed, but no money for construction could be used. In this way, Habitat was able to avoid many of the separationist issues and regulations that would prevent things like Bible dedications or prayers on the worksite. When asked how the government works around the mention of "Jesus Christ" in the organization's mission, a
Development Leader at Habitat International laughingly replied, “Well, you know, I think its probably just ignoring it... we’re not, at least in the United States we are just taking money to set the stage, so it’s not really building the houses, so maybe that’s how they get around it, I don’t know.”\textsuperscript{156} She claimed that she had never heard of any situations in her 30 years of service in which the government had told an affiliate that they could not share the Gospel on the worksite or anything similar. However, the separationist issue could no longer be avoided in this particular manner with the change in Habitat’s policy (July 2006) which allowed affiliates to accept government funding for construction. This new policy meant that a religiously-based organization was accepting government money directly for the services it was providing.

Several leaders at Habitat voiced the belief that the larger scale of Habitat’s building projects necessitated a shift toward accepting government funds. These individuals seemed willing to focus more on community development than the religious evangelization that might create separationist tension. One executive director interviewed claimed that he believed the new policy on government funding was a move in the right direction as Habitat transitioned from an organization that built individual houses to one that constructed communities. He suggested:

\begin{quote}
I think the whole emphasis at Habitat is changing and that happens as it has matured. I think part of it is it used to be really a focus on one family, one house. And now it’s becoming more of a (partnership) in this with the larger community. ...which is a really different emphasis. (We are) thinking about the impact and understanding how our building homes or our building communities, and more and more of the affiliates have built to the point where we are not just building homes, they are building communities. We have built out in kind of an outlying area of (an Ohio suburb), that eventually will have 50 homes in it.\textsuperscript{157}
\end{quote}

He explained that it was more efficient to buy a larger plot of land and develop it as a neighborhood, which would be difficult to do without government grants. He observed “it is more cost effective. I mean
you've got economy of scale. And the other thing that people really
don’t think about is the volunteers. You have them out at one site, and if
something isn’t going really well at that house, you can move them to the
house across the street."\textsuperscript{158}

Several other executive directors alluded to the need to utilize
government funding in order to increase their capacity without
specifically using the term. The consensus among all of those interviewed
was that government funding was a positive force that enabled them to
carry out their mission (of buildings houses and communities, but not
religious evangelization) more effectively. They frequently mentioned that
Habitat needed government help when developing large plots of
property (rather than building single homes), and the general attitude
toward this partnership was that it was a necessary next step in order to
allow Habitat to grow and help more people. Overall, every leader
interviewed expressed positive feelings about accepting government
money in order to increase their capacity, although with a few cautions
rooted in their own personal experiences. However, the concerns tended
to revolve around accounting, managerial, and reporting issues rather
than religious ones.

The majority view of the interviewees could be summed up by this
quotation from an executive director of an affiliate in Pennsylvania.
Regarding government funding and increasing organizational capacity,
she commented, “I think we are at a different point in the productivity of
Habitat for Humanity International. With over 90 countries now being
serviced by our affiliates...its something like every 21 minutes a family that
was in poverty housing is moving into one of our houses. I think the kinds
of notions (about government funding) that he (Fuller) had in the past
were completely appropriate for their time, but we’ve really maximized
that strategy and in order to remain as successful as we are with the
increase in building I think we really need to look at alternative revenue sources because the ultimate goal is not proving that God is working through our hands to build, but actually building.”159 This well-constructed comment demonstrates both the lessened concern for evangelism and the growing focus on increasing organizational capacity, which appears to be motivating increased professionalization and a rising willingness to accept public support.

**Changes in the Grassroots Personality of the Organization**

While few interviewees expressed much concern about the impact of government funding on religious mission, several Habitat leaders expressed dismay at the change in the personality of the organization. For example, one executive director from Nebraska commented that Habitat was no longer an “Oye! organization,” making a reference to a rallying cry that was used frequently at the IP training session in 1995. (In the early days of Habitat, “Oye!” was often called out to a crowd of IP’s or volunteers, and shouted back with enthusiasm, a tradition that reflected the organization’s African roots). She actually seemed to appreciate the shift to a more businesslike atmosphere when she commented that, “it’s not really down home folks but it’s people who have handled big businesses and they are putting in more controls and it’s not just the jumping up and down and shouting “Oye! Oye!”... I’ve heard a lot of it (Oye!), and being a business person I would have to say that I appreciate this (more professional) atmosphere.”160 However, she did mention that the more professional atmosphere might “have taken away some of the excitement of the ‘lets get out and dig in the dirt’ atmosphere.”161 But, she implied that she appreciated the shift towards professionalization, commenting “I just come at it a little differently in the situation, which is a business background.”162
In contrast, another leader who has worked at Habitat’s International Office for more than 10 years expressed a less favorable view of the changes in the organization’s culture. She commented, “It’s just such a drastic change in the complete leadership. You know the type of people that are being hired now...I think at one time it was just volunteers, or people locally here...kind of town people, or people (who) would come from other states and work for Habitat. Whereas now it’s completely different from...because we have the office in Atlanta, more professional people are coming to work versus maybe what it was like 10 years ago.”

This particular leader said she had worked in another nonprofit before coming to Habitat, and witnessed the same move toward professionalization. She noted that the organization:

feels different... the people that are in Americus (rather than the new International office in Atlanta) worry ‘are they going to want to relocate us’ and, you know, we don’t want to leave Americus. And a lot of times it’s not always our decision. And leadership says (sounding bitter) we think this is better for the organization. And we love our job and care about it and have a passion for the job, and then it may not be feasible for our families to relocate. And so that’s kind of one of the things that I see has changed among the people that are here. There’s like a little cloud over your head. Are they going to come in one day and say “oh we think everything should be in Atlanta...we don’t want anything in Americus anymore.”

This Habitat veteran evidenced genuine worry in her voice as she spoke of the possibility of being transferred from her home of 10 years because of the professionalization process. She even seemed concerned that the new management might eliminate her position altogether, as she mentioned:

You know, people say that’s not going to happen ...but you know it’s just that the trust is not there like it should be... that happens everyday in corporate America. So why would we think anything would be different? Since we are actually seeing and experiencing the changes that are coming forth. (But when the organization was more grassroots with the original founder), I don’t think people had that big of a fear for their job unless they were not doing it, you know. If you knew you were doing your
job, you didn’t have that fear of losing it. And now you’re like “oh my job could be taken away from me.”

One of the major changes in the culture or personality of the organization is that it feels more corporate, and more threatening in terms of job security since there is an increased focus on productivity, efficiency, and effectiveness. When asked why she thought this shift was happening, the leader replied that since the organization was growing, perhaps upper management might be “wanting to bring in new ideas and get away from what was the status quo...we’ve always done it this way, I hear that a lot. Oh we've done this for 10 years (imitating)...but the change has come about to bring in new ideas and see how these ideas work.”

When asked if the traditional, grassroots approach could handle the same capacity as a more professionalized administrative structure, this Habitat veteran replied:

in my opinion, I think we got more accomplished with less people. All I've really seen is more people hired. I mean since I don't work with them day by day I don't know how it has changed, I just see where more people have been hired to do a job that maybe ...where it took less people to do it. We may not have been as efficient, I won't say that, because we were stressed out all the time. (laughing). We were like, oh you’re here, you’ve got to do two or three people’s jobs, you know? You just got used to it. So it is a little bit different. I guess in time you may see the results of it.”

This leader again expressed some concern over job security, explaining that the organization may be hiring too many people who will have to be let go if a recession were to occur. She explained “it just kind of bothers me ...when they come in one day and they just don’t have a job. Their security is gone.”

In summary, Habitat veteran leaders interviewed agreed that the organization’s personality had changed, as it shifted away from an emphasis on grassroots involvement towards more professional leadership. However, there was some diversity in attitudinal response to the change,
with some executive directors appreciating the more businesslike approach, and some lamenting the loss of some of the security and enthusiasm they felt in the earlier days of the organization’s life.

**Experiences with Government Funding in 2007**

Traditionally, Habitat allowed affiliates to accept government funding only for the purchase of land or the development of infrastructure. During the first 30 years of the organization’s history, many affiliates took advantage of local government funding opportunities, as well as several government funding programs passed-through Habitat International, to obtain extra resources for these two permitted purposes. Yet, approximately one year after Habitat International changed its policy regarding acceptance of government funding, which allowed affiliates to use the funds for construction rather than just land and infrastructure, very few domestic affiliates had changed their local goals in order to take advantage of the opportunity. The majority of affiliate executive directors interviewed for this study had not yet begun to accept government money for construction.

The most commonly mentioned public funds that were being pursued included CDBG and SHOP grants. The SHOP grant is administered through HUD, and given directly to Habitat International to disburse to affiliates at its discretion. The HUD website describes the partnership with Habitat, explaining that the faith-based nonprofit receives over $10 million dollars “in urban, suburban and rural areas to facilitate and encourage innovative homeownership opportunities through the provision of self-help housing.” It goes on to explain that “SHOP funds will be used to purchase land and make necessary infrastructure improvements, primarily in support of new construction. Once the large grant is given to Habitat International, local affiliates compete to receive SHOP funding from
Habitat on a national basis. Completed properties will be transferred to homebuyers who, along with other volunteer help, contribute a significant amount of sweat equity toward the construction of the house. HFHI will produce a minimum of 1,081 housing units.\textsuperscript{170} The language used on HUD’s website is nearly identical in format to that used on Habitat’s website to describe Habitat’s traditional (former) policy limiting government funding to land and infrastructure.

CDBGs are also administered through HUD, and are described on the organization’s website as follows: “The Community Development Block Grant (CDBG) program is a flexible program that provides communities with resources to address a wide range of unique community development needs... The CDBG program provides annual grants on a formula basis to 1180 general units of local government and States.”\textsuperscript{171} Some of the key program areas for the CDBG grants include:

**CDBG Program Areas**

**Entitlement Communities**
The CDBG entitlement program allocates annual grants to larger cities and urban counties to develop viable communities by providing decent housing, a suitable living environment, and opportunities to expand economic opportunities, principally for low- and moderate-income persons.

**State Administered CDBG**
Also known as the Small Cities CDBG program, States award grants to smaller units of general local government that carry out community development activities. Annually, each State develops funding priorities and criteria for selecting projects.

**Section 108 Loan Guarantee Program**
CDBG entitlement communities are eligible to apply for assistance through the section 108 loan guarantee program. CDBG non-entitlement communities may also apply, provided their State agrees to pledge the CDBG funds necessary to secure the loan. Applicants may receive a loan guarantee directly or designate another public entity, such as an industrial development authority, to carry out their Section 108 assisted project.

**HUD Administered Small Cities**
The HUD Honolulu Office directly administers the CDBG program for non-entitlement communities in the State of Hawaii.

**Insular Areas**
The Insular Areas CDBG program provides grants to four designated insular areas: American Samoa; Guam; Northern Mariana Islands; and the Virgin Islands.
Disaster Recovery Assistance
HUD provides flexible grants to help cities, counties, and States recover from Presidential declared disasters, especially in low-income areas, subject to availability of supplemental appropriations.

Colonias
Texas, Arizona, California, and New Mexico set aside up to 10 percent of their State CDBG funds for improving living conditions for colonias residents.

Renewal Communities/ Empowerment Zones/ Enterprise Communities (RC/EZ/EC)
This is a program that uses an innovative approach to revitalization, bringing communities together through public and private partnerships to attract the investment necessary for sustainable economic and community development. 172

Habitat affiliates are eligible to compete for grants from a variety of these programs individually, depending on the demographics and programs offered in their respective states. One executive director mentioned the empowerment program, which provides grants to disadvantaged populations, and some affiliates were receiving entitlement grant funds when their leaders surveyed. Several affiliates mentioned other funding opportunities available in their local municipal community, such as one that paid off homeowner mortgages, and another that provides money towards closing costs if homeowner income was in the appropriate range.

When asked about “real-world strings” attached to the funding, most Habitat leaders interviewed expressed more concern over accounting and reporting requirements than any issues related to religious mission. This finding is consistent with the survey results, which indicated more concern among respondents over financial issues than religious ones.

A few leaders interviewed claimed that the financial reporting required by government is already in place. But the majority of those surveyed argued the government required much more paperwork for its grants than private funding agencies. As an example, the executive director of one of Habitat’s oldest affiliates was asked if public funds it had
received had required more in terms of standard accounting procedures, audits or additional paperwork. She replied, “Yes they do. We have some government funding through an Empowerment grant, because a community that’s in our service area (has) income standards … (that) are so low they are part of an empowerment plan. And their grant requires more reporting and the application process is more rigorous than any other. We got a $15,000 dollar grant with them two years ago that had a 96-page application and quarterly reporting and auditing visits.”173 For comparison, she explained that the government grant had also required a quarterly report of five pages, while they had received a larger grant from Home Depot, commenting, “we got a $20,000 dollar grant on an email... and one request for an update report is all.”174 She explained that there were very few restrictions on the Home Depot grant, given specifically for a tornado disaster, and remarked that they just wanted to know how it was used.

Most of the directors who had worked with government money agreed with the attitudes of survey respondents, namely that public support comes with substantial paperwork tied to accountability requirements. And some even expressed concern about various barriers to productivity brought about by public agency regulations. For example, one director mentioned a local grant that required the affiliate to put a binder (an intent to purchase) on the land, then get the grant, then buy it, which posed some administrative challenges. But, in general, the leaders interviewed indicated that despite the paperwork, they believed government grants to be a positive and necessary source of aid for affiliates. One executive director even commented that the government treated Habitat quite well, suggesting that the partnership was viewed favorably from the government side, as well.
In conclusion, most of the executive directors surveyed had accepted government funding solely in the traditional form of limiting its use to land purchases and infrastructure development. And most of the strings attached to that aid that they had experienced tended to center on reporting, managerial, and accounting issues rather than on restrictions on religious evangelization or proselytization practices. Echoing the survey results, most interviewees said they would turn down funds if asked to withhold their religious mission entirely, but no one reported ever having had this happen. However, one executive director said he would not mind if the government insisted that the affiliate refrain from proselytizing on the site, and several said they do not evangelize anyway. So, the biggest field-level concern was establishing a balance between promoting growth in organizational/managerial capacities and dealing effectively with the resultant increased reporting requirements imposed by public support. Most executive directors said government funds required much more paperwork than private grants, and cautioned smaller affiliates about accepting such assistance before they had the staff in place to undertake the reporting and accounting required. Some directors even claimed that they knew of affiliates that had been forced to pay grant money back to municipal funding sources because of non-compliance with government regulations on reporting. The consensus was that an affiliate should accept government money if they had the staff to handle the reporting requirements that accompanied it. In general, this indicates a push for professionalization, as more-educated and better-trained staff is often required in order to manage the increased reporting required by government funds.
Dym & Hutson’s Stages of Professionalization

The changes that have occurred in Habitat’s approach to organizational professionalization fit neatly within Michael Dym and Harry Hutson’s taxonomy set forth in their influential text *Leadership in Nonprofit Organizations*, which will be used below as an analytical structure or model for understanding and interpreting the research. This framework is used cautiously with due acknowledgement that it is merely an effort at phenomenological representation, used for the purpose of generalization, categorization, and classification.

Dym & Hutson suggest that professionalization can be defined as that phase of organizational growth in which the governance of an organization shifts from entrepreneurial/grassroots leadership to professional management. The challenge at the professionalization stage is for the organization to acquire and maintain a sufficient and sustainable stream of funding which is managed with professional and transparent accounting procedures. Evidence of professionalization includes the hiring of professionally-trained managers (versus those with a personal relationship with the founder, etc.), the creation of institutionalized organizational policy guidelines, the use of professional business consultants, and the replacement of original organizational entrepreneurs.

The following section provides an outline of Dym & Hutson’s stages of organizational development (expanded slightly to include concerns that are specific to faith-based nonprofits) with a description of how Habitat for Humanity seems to have progressed through each stage.

Stage One: Conceptual Stage (Clarifying the Vision)

According to Dym & Hutson, nonprofits are often led by entrepreneurs in the initial stages of their development. In this stage,
leaders tend to be dreamers who have the ability to imagine and articulate ideas and draw others into that vision. They tend to be more charismatic and to lead by presenting innovative ideas that motivate others to join their effort. In a faith-based organization, the religious mission often provides the primary motivation for the development of the nonprofit’s efforts.

At Habitat for Humanity, the entrepreneur and founder of the organization displayed charismatic traits by making unexpected personal financial sacrifices to pursue his dream of eliminating poverty housing and evangelizing in the process. The IP training session I experienced in 1995 was heavily focused on sharing and inculcating the origin story of Habitat, providing numerous details about the founder of the organization’s life and the sacrifices he made to promote the work it does. Beyond being a dreamer, the founder of Habitat took colossal risks with his own family’s financial security to travel to developing regions to build houses and rally support for his cause. His religious mission of spreading “the love and teachings of Jesus Christ” was paramount in the early life of the organization. In fact, the vision of Habitat, during this phase, was offered entirely through a faith-based lens, and organizational discourse and behavior was expected to be subservient to Christian ethics and goals.

Several books have been published on the founding story of Habitat that detail the start-up phase of the nonprofit. Perhaps the best known was written by the founder himself, a text that outlined the personal experiences that led him to begin his efforts in poverty housing. This book was required reading for all participants in the 1995 training session in Americus, and it was decidedly religious. There were no secular motivations for the vision of Habitat as explained by the founder. He sought to root his every decision in his faith, not his
politics. When clarifying the organization’s initial vision, the founder explicitly communicated a religious purpose.

**Stage Two: Developmental Stage (From Vision to Plan)**

According to Dym & Hutson, once the value of the initial vision has been established, it must be turned into a blueprint for future action. These authors explain that practical plans (such as how to go about sharing the Gospel while eliminating poverty housing on a mass scale) must be good enough to attract support, and effective leadership must emerge and consolidate its role. At this point, committees typically develop for incorporation, finance, philosophy, site selection, curriculum, development of bylaws, etc. Dym & Hutson claim that during the developmental stage power may be shared by executives who complement the leaders’ enthusiasm, but boards may merely rubber stamp the founder’s strong personality. Both pure entrepreneurial and combined entrepreneurial-management styles work very well at this stage. For faith-based organizations, the religious vision of the organization continues to be a key element in strategic planning.

The interview data gathered for this project suggests the developmental stage at Habitat occurred haphazardly. There were few planning meetings. Instead, problems were typically addressed as they arose, and organizational capacity was developed, as events demanded. According to the origin stories shared at IP training in 1995, the founder of the organization and his wife just started to work rather than doing extensive planning. They began by helping some underprivileged families near Koinonia Farm in Georgia, which was a small, interracial, Christian farming community outside of Americus, Georgia founded by farmer and biblical scholar Clarence Jordan. Jordan was a white minister famous for his efforts to promote racial
equality in the segregated South. Jordan had started the Christian commune in 1942. The Fullers joined in 1965 after Millard gave up his millions to pursue a more religious life. After moving to the commune, the Fullers worked with Clarence Jordan on issues of racial inequality, and also began to build houses for needy families living near the community. Over time, they developed what would become the building model for Habitat for Humanity, which included building homes at cost, with no profit and no interest, as well as the sweat equity of the future homeowner, who would work alongside volunteers to keep costs low. The homeowner would pay for the house, but the payments would go into a revolving fund so other members of the community could also get a new home as earlier recipients paid for the cost of their houses.

The Fullers applied this model overseas where they traveled to Zaire to serve as missionaries for three years. While living in the Congo region, they began the first International Habitat affiliate, building houses for many local families in the area. There were local committee meetings to generate volunteer efforts in the communities where they were building. Fuller would often preach his version of the age-old proverb that says “one man cannot build a house, but many men can build many houses.” Acting as a charismatic leader, Fuller rallied local communities to pitch in, and many families had homes constructed. There was very little pre-planning, and the work was largely done on the fly, whenever and wherever there was a need. After several successes with this model, Fuller began to speak at various churches, attracting volunteers and interest on a larger scale in the United States. As more volunteers got involved, Fuller was able to expand into different regions.

According to the IP training session in 1995, the Habitat model for development began to spread much faster than the organization actually had capacity to maintain. The 1995 training session implied that
Habitat’s Developmental Stage was marked by trial and error, with a focus on growth and helping as many people as possible with less concern being given to managerial or accounting issues. Reporting systems were introduced, but there was often not much consistency between one community and others. As the organization grew, the primary challenge became standardizing and institutionalizing the various accounting, reporting, and procedural tasks of the organization. These are well described by Dym & Hutson’s next stage of organizational evolution.

**Stage Three: Developmental Challenge (Making the Vision a Reality)**

According to Dym & Hutson, once the internal structure of an organization has taken form, strategic plans are developed and implemented and the implementation of plans turns dreams into reality. At this stage, the leader must play many roles, so according to the authors, the versatility and flexibility of the leader trumps management skills. Habitat’s founder definitely displayed flexibility as he alternated doing actual construction on homes in the Congo with rallying financial support from churches and managing/advising new groups (eventually called affiliates) that wanted to apply his model of no-profit home building with a revolving fund. During the developmental challenge stage, the leader of a faith-based organization could be expected to remain firmly planted in the religious values that provided a foundation for organizational mission, while demonstrating flexibility in other areas. Certainly Millard Fuller continued to maintain a strong religious focus, even when pursuing seemingly nonreligious activities. For example, the title of his book on those years of organizational development referred to both religion and building, reflecting his personal theory of the religiosity of the
act of construction, a set of actions normally considered religiously neutral.

In the case of Habitat, strategic plans for a national office began to be developed as the number of independent affiliates was increasing in Africa, the United States, and eventually South America and Asia, as well. However, Habitat leaders continued to emphasize what is called “following the Holy Spirit” in Christian theology. In general, the IP training session of 1995 suggested that Fuller wished the organization to be flexible enough to permit affiliates to follow God’s will through prayerful discernment. Strategic planning often provided more general guidance than specific goals since its claims were expected to be shaped by spiritual discernment as needs unfolded.

During this stage, Fuller’s leadership role grew with the organization and he sought to avoid accepting government funds. Instead, he preferred to accept private donations from those seeking to promote the Christian mission, and insisted on using those funds immediately for construction, rather than investing them or creating any kind of endowment. His goal was to “rely on the Holy Spirit” (in Christian terms), to provide, and to promote the absolute best in stewardship of any resources that came to the organization.

At this time, other leaders began to develop alongside Fuller and his wife. Perhaps the pivotal step in Habitat’s developmental stage was when the founder’s enthusiasm generated enough interest to begin to attract various leaders and politicians to support the cause. In particular, former President Jimmy Carter, himself a Georgia native who lived close to Habitat’s offices in Americus, Georgia, began to take an interest in the organization in 1984. The President’s interest and involvement marked a turning point in Habitat’s developmental challenge stage. President Carter’s engagement brought unprecedented prestige to the
organization, and attracted other high profile government leaders to get involved with Habitat’s efforts. Other leaders of high standing began to participate on Habitat’s Board of Directors, or agreed to volunteer (often involving the press).

Around this time, Millard Fuller’s status within the organization gained new heights as he began to become a national personality. With the attention generated by political leaders, Fuller himself became even better known, and he began to make television and radio appearances to appear in large circulation magazines, and to speak to large audiences and churches across the nation. Habitat became an item on the national political and media agenda, which eventually trickled over to the public agenda. Within a decade or so, Habitat grew from its roots in a remote commune in Georgia to a multinational organization recognized by most citizens of the United States, and in dozens of countries around the world. This kind of growth, of course, necessitated the development of numerous managerial and reporting procedures that were not in place as this phase began. The training session of 1995 implied that these were developed as needed, often after they were needed. Habitat evidenced a “catch-up” mentality that ranked pursuit of mission over organizational capacity building. The primary focus was definitely on growth and spreading the mission globally, with little attention (and usually after-the-fact) devoted to management issues. A long-time Habitat veteran interviewee was asked her opinion about the organization’s professionalization process, and she claimed that Habitat’s professional development was “the opposite of what should have really happened. I’ve lived through it.”\textsuperscript{175} She explained that the organization frequently did not have the managerial and professional capacity in place to handle the rapid growth the organization underwent during its developmental years between the early 1980s and 1995. However, as
the developmental challenge phase was coming to a close just prior to 1995, leaders were beginning to value institutionalization and strategic planning more, and the need for these efforts was communicated during the IP training session I attended that year.

Stage Four: Professionalization of Management (And Developing Ongoing Resources)

In Dym & Hutson’s model, once many organizational goals have been achieved and implemented, the roles of leadership are frequently defined and differentiated. The organization begins to transition from a grassroots effort to a professionally managed entity that is sufficiently funded. Evaluations are institutionalized in an effort to hold the organization and its employees accountable. Training programs are implemented to share the organization’s vision with employees and partners. For the first time, management skills begin to trump versatility. At this stage, the religious values of a faith-based organization may come into conflict with its desire to develop resources. The values of newly-hired professional managers may differ from the original faith-based leader’s zeal for absolute adherence to the organization’s religious mission.

The professionalization of management was already beginning to occur during the 1995 training session in which I participated. Numerous policy manuals and procedural documents were being written and implemented around this time. As a case in point, the Assistant Area Director for the Africa/Middle East department was a recently returned International Partner who had served for three years with his wife in Uganda. He accepted the promotion with the organization rather than attend a graduate program in nonprofit management, although he stated that he made this choice with the intention of learning and applying professional management principles in the new position. He
placed a high priority on the institutionalization of standard operating procedures at the organization, and focused his efforts on writing numerous policy manuals for the department. In contrast, his immediate boss, the Area Director for the Africa department had grown up as the child of missionary doctor in Zaire. Despite his Caucasian heritage, he included on his business card the title of “tribal chief,” reflecting the honored title he had received from a tribe of the Congo region. He worked with Habitat both in the United States and in the Fuller’s original affiliate in Zaire, and frequently used African terminology to give colorful speeches. He would often go into a crowd and shout “Oye!,” and the crowd would inevitably shout “Oye!” in return. He led by motivation and team-building, while the assistant director seemed to fit Dym & Hutson’s model of new professional leadership, concerning himself with organization, reporting, and standardization.

When the newer Assistant Director (who was more amenable to professionalizing the nonprofit) compared himself to his boss, the assistant AD explained that in his opinion, organizational leadership needed to be divided between visionaries and organizers/implementers. He elucidated that he, personally, was more of a policy implementer. By contrast, he explained that his boss was more of a motivator. They both claimed that they complemented each other, and their contrast neatly reflects the transition from grassroots to professionalized organizational leadership.

However, while the trend toward professionalization may indeed have contributed to increasing the organization’s capacity to carry out its social service mission, it may have had a limiting effect on Habitat’s religious mission. As a case in point, one executive director from Arizona surveyed for this study demonstrated this shift away from evangelical mission towards a more managerial approach when he said he had no concerns about government funding and its potential impact
on evangelization. He commented that “those who hold closer to the roots of Habitat tend to have (these) concerns.” When asked what he meant by roots, he replied “Well, the initial mission of the founder... In those days it was more like a barn-raising. People donated material and time.” He implied that it was difficult to increase capacity with this early approach. His attitude exemplifies Dym & Hutson’s argument that there is a transition from a grassroots effort to professionally managed entity in the professionalization phase.

Another leader at the Habitat International Office in 1995 commented on the transition the organization was undergoing already at that time. He explained that there were stages (similar to Dym & Hutson’s model) through which an organization traversed in its development that could be compared to human developmental stages. He said that Habitat had passed through its infancy and childhood, and was now (in 1995) in its adolescence. He claimed that like an adolescent teenager, Habitat was in the midst of a kind of identity struggle that would require differing visions to be reconciled (and presumably institutionalized). He was reflecting on the contrast between the charismatic, “Oye” organization of previous years and the professionalizing entity that was developing. This director’s approach fits well with Dym & Hutson’s claim that the values of newly-hired professional managers may differ from the organization’s original leader’s values.

Stage Five: Early Maturity – Managing Growth and Establishing Sustainability

According to Dym & Hutson, the early maturity phase of an organization’s life is marked by a professional management style that is thoroughly integrated. Management, rather than entrepreneurial or charismatic styles prevail in this stage. If the entrepreneur happens to
create resource problems, such as was the case at Habitat when the founder of the organization decided to refuse government funding for construction, then Dym & Hetson claim it typical for the board to step in and remain powerful after the “problem” has subsided. The authors argue that often, new and powerful leaders rise up and create rubber stamp boards again, which may create cycles within the stages of development in which the fit between leader and organizations can be different at each stage. When applied to faith-based organizations, this dynamic may initiate a secularization process.

Dym & Hutson’s claim that organizational founders are often replaced during this phase suggests that Habitat for Humanity is entering Early Maturity. Last June, the founder of the organization was asked to resign, along with his wife and co-founder. With new policies and a fresh CEO, Habitat appears to have entered a new era characterized by professionalization and managing growth. When interviewed for this study, one executive director from one of the organization’s oldest affiliates said that the current “process requirements demand more knowledgeable individuals in order to be able to conduct the business of the affiliate.” She explained, “I have not hired MBAs but I have hired college graduates to work at the affiliate and in fact I just got back from the ED (Executive Director) conference that Habitat held in New Orleans and they made a comment that Habitat had become the Habitat of the head and not the heart. And having worked in the corporate world I understand the difference. And I do see a movement towards more of a business orientation than a ministry orientation.”

A veteran Habitat leader working in its international office reinforced this view when she commented, “as you get bigger and you take in more money and you have to be responsible with that money, then you have to put in more procedures and stuff which then makes you become more
professional. And I think that’s really one of the reasons that kind of drove us to really realizing that we needed another office in Atlanta if you were going to attract the kind of (professional) people that you needed to attract.” Professionalization seems also to have influenced the volunteer community of Habitat. An executive director from Pennsylvania observed, “A lot people who volunteer with us are also professionals and run businesses, and they want to network…(or find) a team-building activity for their employees. So, they’ll organize a day at Habitat so they (the employees) understand what goes into not just building the home but also the accounting for it.”

A ten-year veteran working at Habitat’s international office suggested that in order to deal with the larger scale of their projects and the government funding helping to pay for them, they have actually “brought in more management, because there’s so many issues that you have to deal with.” She explained:

I really don’t think we have (brought in) as much staff as much as management because … we’re trying to develop our systems where it’s more efficient. So you don’t have to do the paperwork when it comes to this and this and this, but when it comes to making decisions, and dealing with issues, a clerk can’t do that. So, you have to have more of the management. I’ve seen that actually change over the years and it’s been very helpful. It really has, it’s made a difference…you know being able to streamline things for people doing the clerical.”

She continued:

Even with the programmatic side they’ve gone more toward getting more managers to oversee and deal with issues….so the clerical people don’t have to be bogged down because you know there’s reporting requirements. We have to have everything in by a certain date, and if you don’t make those deadlines, it just puts you in jeopardy of (not) receiving (government funds). So you don’t want the clerical staff having to deal with issues all the time. So that’s where the management comes in and develops policies and all of that. They say “this is the way we’re going to handle this problem” and that’s it.
She explained that the new managers were developing manuals and institutionalizing what the organization does, which limits the discretion available to clerical or volunteer staff. While she contended this makes the organization more efficient, it also places some of the grassroots (and perhaps) religious zeal at risk, because it restricts the flexibility that individuals have to respond to issues on a personal level. However, she also noted that in order to benefit from government grants, you have to “have the staff to handle (government funding). It is very necessary to have the right staff … that can handle (public funding regulations and reporting) plus having the number of people that you need to handle these grants. Because you know it can become so stressful. Before they take on that challenge they need to really think... I can handle this. They just have to be honest with themselves if they cannot handle it. Once you’re in it, it can kind of mess up your reputation... It’s a risk.”

Interview data obtained for this study suggests that Habit is currently transitioning from Dym & Hutson’s professionalization phase into early maturity. They have replaced their entrepreneurial founder. Management, rather than religious zeal or entrepreneurial and motivational leadership, is now the norm at International Headquarters, although there appears to be a mix of leadership styles. While there are veteran leaders who still exhibit some of Habitat’s traditional, Christian enthusiasm, these now work alongside professional and highly educated managers who seem to be more focused on increasing capacity than promoting religious tenets. The organizational cultures of the affiliates are diverse and lie along a continuum between grassroots, religiously-focused groups and professional, nearly secular community organizations that are more focused on house-building and less on religion. This divide would suggest that Habitat affiliates may be following different paths toward
professionalization and early maturity, as might be expected because of their disparate geographic, economic, and social contexts. Overall, the international office appears to be further along in the process of professionalization than many of the affiliates, which is to be expected as newly adopted policies and perspectives implemented at headquarters will take time to diffuse and be adopted by the organization’s many affiliates.

Stage Six: Maturity – Harvesting the Field

According to Dym & Hutson, mature organizations face the challenge of maximizing what has been built during the previous stages of development. Organizations at this stage of the life cycle emphasize capacity and efficient utilization of resources. Indeed this emphasis is already apparent at Habitat International as well as in some larger Habitat affiliates. In the maturity phase, an organization is relatively stable and well-funded. According to Dym & Hutson, leadership is likely to be more community-oriented and less entrepreneurial or revolutionary at this stage. Faith-based leadership may have been supplanted by managers more focused on accountability than religious mission, and may be more community-oriented than religiously focused.

Habitat International is definitely on its way to the Maturity stage according to interview data collected in 2007. However, the thousands of local affiliates appear to be operating at different levels of maturity, professionalization, and grassroots involvement, and it is thus difficult to classify or predict the professionalization of the organization as a whole definitively.

Today, according to its website, Habitat for Humanity has built more than 200,000 houses, sheltering more than 1,000,000 people in more than 3,000 communities worldwide. As several executive directors observed, it
is difficult to build at this magnitude without consistent funding streams and professional management to oversee the extensive reporting requirements that accompanies large disbursements from any source, but particularly government funding. Interviews with current leadership suggest that overall, Habitat is professionalized, and their International Headquarters may perhaps be in early maturity, with every indication that the various affiliates will be moving toward maturity over the next decade at paces mediated by their unique capacities and contexts.

**Stage Seven: Stability (Continuously Changing and Renewing)**

Once an organization reaches the stability stage, it tends to grow more conservative. According to Dym & Hutson, bureaucratic tendencies emerge and harden the organization, and innovation can wane or even be discouraged. They claim that traditions can become limitations at this point, and argue that the ideal leader for a stable organization is one who fits its culture but who is nevertheless determined to build for the future. The leader must be able to overcome inertia and resistance from the traditionalists in the organization. They must also be strong, inner-directed, and able to take a direction in spite of what other people say. This leader is often brought in from outside and not part of the current culture. At this stage, Dym & Hutson argue that there is value in not quite fitting because without fit, there must be change. They argue that leaders and organizations must adapt to one another, which can be a creative process. Faith-based organizations that have secularized may have a hardened focus on service delivery and institutionalized accountability rather than religious mission.

Dym & Hutson’s analysis suggests the likelihood that Habitat’s current CEO (who replaced the organization’s founder) will be replaced
by an even more professional (and perhaps still less evangelical) manager when the organization enters its stability phase. Its current CEO has a background in both high-level professional management as well as the ministry, having served as a pastor of several churches.

Certainly, the unprecedented scale at which Habitat is building homes, and the high costs of land acquisition and building materials creates a constant need for funding on a mass scale. This study’s interview and survey data suggests government funding is an attractive choice for organizations that need such large sums of money to carry out their service. However, both survey and interview data also indicate that acceptance of public support has indeed necessitated a shift away from the relaxed, grassroots attitudes of Habitat’s origins and created an increased demand for professionalization at all levels of the organization. As one respondent to the survey commented, "(Traditionally), Habitat culture tends to be a little less deadline committed than government funding is tolerant of. If we agree to take their money, we must agree to keep the schedules we committed to."\textsuperscript{182} As Habitat pursues the reliability of government assistance, it does indeed risk changing its culture or personality. In 2008, there still seems to be some resistance to this trend at the affiliate level, despite the recognized need for a stable funding source and the increased capacity that it permits.

The existence of this tension raises the question of whether government funding can be generated and distributed without (or with lessened impact) on the religious mission of the organization. If not, then as Habitat enters its stabilization phase, the organization may well shift away still more from its Christian roots and become a larger, more bureaucratic home builder funded largely by the government and managed by professional managers who focus more on efficiency and
economy than ministry. In fact, interview data suggests that this transition may already be underway.

Habitat’s Transition Towards Professionalization

The interview data indicates that Habitat for Humanity is in a state of transition in terms of professionalization and adherence to the traditional, religious roots of the organization. The organization seems to be moving toward a less religious and more professional approach. The table below codes interview responses to determine how far along the respondent’s perceptions placed them in the professionalization phase. The interview data was coded for comments on religion and these were categorized as either evangelical or secular. Evangelical responses included mentions of sharing the Gospel, conservative Biblical interpretations, the promotion of overt evangelism, positive and proactive discussions of proselytization, and other traditional views of the Christian faith and founding precepts of Habitat. Secular comments included mentions of diversity, the acceptance of a variety of faiths, and other mentions of non-Christian religious views or emphasis. Similarly, the interview data was coded for comments on professionalization, comparing positive comments on grassroots participation verses managerial and businesslike approaches. A commitment to a grassroots approach was coded when volunteers or the direct participation of non-professionals was mentioned positively. Professionalization was coded when the interview respondent discussed managerial issues or the use of professionals within the organization. The interview responses are classified in the following heuristic:
Table 2. Professionalization Taxonomy of Interview Data

<table>
<thead>
<tr>
<th>Resp.</th>
<th>Approx. Age of Resp.</th>
<th>Years with Habitat</th>
<th>Affiliate Location</th>
<th>Evangelical Factor</th>
<th>Secular Factor</th>
<th>Evangelical vs. Secular</th>
<th>Grassroots Factor</th>
<th>Professional Factor</th>
<th>Grassroots vs. Professional Factor</th>
<th>How Religious?</th>
<th>How Professional?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>50</td>
<td>15</td>
<td>International</td>
<td>4/6</td>
<td>2/6</td>
<td>4/2</td>
<td>6/12</td>
<td>6/12</td>
<td>100%</td>
<td>67%</td>
<td>86%</td>
</tr>
<tr>
<td>2</td>
<td>50</td>
<td>23</td>
<td>International</td>
<td>7/8</td>
<td>1/8</td>
<td>1/7</td>
<td>4/12</td>
<td>8/12</td>
<td>86%</td>
<td>48%</td>
<td>100%</td>
</tr>
<tr>
<td>3</td>
<td>45</td>
<td>9</td>
<td>International</td>
<td>2/2</td>
<td>0/2</td>
<td>2/0</td>
<td>4/17</td>
<td>13/17</td>
<td>100%</td>
<td>43%</td>
<td>76%</td>
</tr>
<tr>
<td>4</td>
<td>27</td>
<td>2</td>
<td>Alabama</td>
<td>2/6</td>
<td>4/6</td>
<td>2/4</td>
<td>1/10</td>
<td>9/10</td>
<td>33%</td>
<td>37%</td>
<td>90%</td>
</tr>
<tr>
<td>5</td>
<td>35</td>
<td>4</td>
<td>Alaska</td>
<td>1/9</td>
<td>8/9</td>
<td>1/18</td>
<td>2/21</td>
<td>19/21</td>
<td>10%</td>
<td>88%</td>
<td>90%</td>
</tr>
<tr>
<td>6</td>
<td>27</td>
<td>1</td>
<td>Arkansas</td>
<td>3/6</td>
<td>3/6</td>
<td>3/3</td>
<td>3/22</td>
<td>19/22</td>
<td>31%</td>
<td>50%</td>
<td>86%</td>
</tr>
<tr>
<td>7</td>
<td>24</td>
<td>1.5</td>
<td>Arizona</td>
<td>3/12</td>
<td>9/12</td>
<td>3/9</td>
<td>2/18</td>
<td>16/16</td>
<td>21%</td>
<td>25%</td>
<td>86%</td>
</tr>
<tr>
<td>8</td>
<td>28</td>
<td>2</td>
<td>Georgia 1</td>
<td>1/17</td>
<td>6/7</td>
<td>1/14</td>
<td>0/27</td>
<td>27/27</td>
<td>0/27</td>
<td>14%</td>
<td>100%</td>
</tr>
<tr>
<td>9</td>
<td>50</td>
<td>3</td>
<td>Georgia 2</td>
<td>5/7</td>
<td>2/7</td>
<td>5/2</td>
<td>5/20</td>
<td>15/20</td>
<td>51%</td>
<td>71%</td>
<td>75%</td>
</tr>
<tr>
<td>10</td>
<td>50</td>
<td>8</td>
<td>Nebraska</td>
<td>2/4</td>
<td>2/4</td>
<td>2/2</td>
<td>10/19</td>
<td>9/19</td>
<td>10%</td>
<td>50%</td>
<td>47%</td>
</tr>
<tr>
<td>11</td>
<td>40</td>
<td>.16</td>
<td>Ohio</td>
<td>4/8</td>
<td>4/8</td>
<td>4/4</td>
<td>1/11</td>
<td>10/11</td>
<td>10%</td>
<td>50%</td>
<td>90%</td>
</tr>
<tr>
<td>12</td>
<td>30</td>
<td>2</td>
<td>Oregon</td>
<td>2/4</td>
<td>2/4</td>
<td>2/2</td>
<td>1/10</td>
<td>9/10</td>
<td>1%</td>
<td>50%</td>
<td>90%</td>
</tr>
<tr>
<td>13</td>
<td>28</td>
<td>1</td>
<td>Pennsylvania</td>
<td>2/11</td>
<td>9/11</td>
<td>2/9</td>
<td>4/23</td>
<td>19/23</td>
<td>41%</td>
<td>18%</td>
<td>82%</td>
</tr>
<tr>
<td>14</td>
<td>43</td>
<td>5</td>
<td>Virginia</td>
<td>5/7</td>
<td>2/7</td>
<td>5/2</td>
<td>1/21</td>
<td>20/21</td>
<td>12%</td>
<td>71%</td>
<td>95%</td>
</tr>
</tbody>
</table>

Evangelical Factor: Number of evangelical comments over total mentions of religion
Secular Factor: Number of pluralistic comments over total mentions of religion
Evangelical vs. Pluralistic Ratio: ratio of evangelical to pluralistic comments
Grassroots vs. Professional Ratio: ratio of grassroots to professional comments
How Religious?: Evangelical responses divided by total references to religious
How Professional?: Professionalized responses divided by total references to professionalized and grassroots approaches.

The taxonomy suggests that younger directors tend to be less evangelical than older directors, and the more evangelical directors tended to exhibit slightly less emphasis on professionalization. For example, all of those with an evangelical score of higher than 67% had a professional score of less than 76% with one exception. While the respondents from the International office tended to be more religious, they noted that the current trend at International was toward professionalization. All three respondents from the International Office were fairly religious, had a positive attitude toward government funding and moderate to favorable attitudes toward professionalization. Those respondents who were less religious seemed to emphasize professionalization to a high degree. Those respondents with an evangelical score less than 50% had a professional score ranging from 86-100% with the exception of one respondent, (who scored a 50% on the evangelical score and a 47% on the professional score).
Table 3 (below) provides a comparison to the interview data summarized in the taxonomy above. It was compiled by coding for professional, symbolic, and evangelical responses to questions on the survey, and shows varying levels of transition to professionalization with corresponding variance in commitment to an evangelical interpretation of religious mission. In the coding scheme, Professional verses Grassroots responses included references to managerial issues that correspond to Dym & Hutson’s professional phase of organizational growth such as the need to develop continued funding streams and to develop administrative capacity to handle increased reporting requirements associated with government funding. Evangelical verses Symbolic responses included references to deep commitments to the religious mission of the organization rather than a continuation of symbolic rituals and reflected the traditional views of the founder. Coding the survey results produced the following results:

Table 3. Percentage of Professional, Symbolic, or Evangelical Responses from Survey

<table>
<thead>
<tr>
<th>Responses to questions on:</th>
<th>Professional Responses</th>
<th>Grassroots Responses</th>
<th>Symbolic Responses</th>
<th>Evangelical Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management Issues</td>
<td>28% 6% 20%</td>
<td>33% 55% 35%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Percentage on Management Issues</td>
<td>18%</td>
<td>41%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government Funding</td>
<td>41% 81% 35% 38% 70%</td>
<td>58% 18% 28% 59% 27%</td>
<td>88%</td>
<td>29% 36% 9% 45% 83%</td>
</tr>
<tr>
<td>Average Percentage on Government Funding</td>
<td>47.5%</td>
<td>46%</td>
<td>55%</td>
<td>43%</td>
</tr>
<tr>
<td>Perceptions on Proselytization</td>
<td></td>
<td>12%</td>
<td>88%</td>
<td></td>
</tr>
<tr>
<td>Average Percentage on Approval (not Practice) of Proselytization</td>
<td></td>
<td>25.5%</td>
<td>73%</td>
<td></td>
</tr>
</tbody>
</table>

According to Table 3, the organization seems to be split down the middle over the issue of government funding. A slight majority of
respondents took a more professional stance regarding the acceptance of public funds, while less than half maintained a more grassroots approach. Similarly, just over half of the respondents reflected a more symbolic than evangelical viewpoint.

When asked directly about management issues, respondents tended to reflect a grassroots preference, although the percentage was still less than half of all affiliates. Similarly, when asked overtly about whether or not it was acceptable to proselytize, they reflected a more evangelical view. However, according to the interview data, virtually no overt evangelism or proselytization is taking place on the worksites, which seems to reflect a dichotomy between perception and practice which could be a symptom of organizational transition. So at the affiliate level, it seems the organization still expresses a grassroots, evangelical identity, although interview data suggests that evangelism is not practiced (and even discouraged on site), while the desire to professionalize and receive government funding is increasing.
Dym & Hutson suggest that the primary tension created by professionalization is the need to balance the pursuit of a traditional organizational mission while simultaneously ensuring a reliable stream of funding that is professionally managed. However, for faith-based organizations, if government funding compromises organizational mission, this creates a tension between an organization’s need to remain sustainable as it grows, and its commitment to its religious mission and purpose. Charitable choice was created to allow faith-based organizations to accept public funds while maintaining their religious missions. However, this study’s findings suggest that as a religious organization enters the professionalization phase and begins to pursue government support (regardless of which comes first), there is a corresponding shift away from religiosity towards a more secular community/social service role. If there is indeed a correlation between diminished emphasis on religion and accelerated pursuit of government funding, there is a chance that the policy is redundant (or even irrelevant).

Are the Faith-Based Initiatives Redundant?

A primary goal of the charitable choice provisions of the Welfare Reform Act of 1996, and later the Faith-Based and Community Initiatives, was to encourage neutral treatment of religious affiliation when making government funding decisions. However, this study found that neutral treatment may not be an issue, particularly for larger faith-based nonprofits. Instead, for Habitat, as for many similar-sized nonprofits,
government funding pathways existed prior to the introduction of charitable choice legislation. While slightly more than half of responding Habitat affiliates reported that they had accepted some form of public aid for limited purposes (many prior to charitable choice legislation), none of this study’s respondents suggested ever having government regulations interfere with their religious mission, even before the Faith-Based and Community Initiatives were introduced.

However, the survey and interview data gathered for this study also suggests that as Habitat is professionalizing and has begun to seek government funding on a larger scale, its headquarters staff and affiliates appear to be placing increasingly less emphasis on the organization’s founding religious tenets. Professionalized affiliates pursuing government funding may already be more concerned with social service provision than evangelizing, and so have less need to emphasize neutrality in government aid provision or to protect the organization’s religious mission. There does indeed seem to be a close relationship between the professionalization of affiliates, pursuit of government funding, and declining emphasis and attention to evangelical mission. However, it is not clear from this study, (which was not designed to test cause and effect), whether this relationship between government funding and the relative decline of religious zeal as a central preoccupation of the organization was prompted by the funding itself, or if professionalization necessitated by public assistance (and the different type of leadership and management produced by professionalization) has created a more secular organizational culture.

It seems clear, at least for Habitat for Humanity, that the more professional a faith-based organization becomes, the more government funding it begins to pursue and receive, the more it is likely to emphasize the social service portion of its mission over its religious aims. Once Habitat
began aggressively to seek public funds, its leaders may already have begun to subordinate its religious mission to social service provision. And of course, since government funds lead to increased reporting, which demands still greater professional capacity, it seems likely that Habitat’s religious mission will be further marginalized as professionalization, and its increased reliance on public funds, proceeds.

This raises the question of whether charitable choice and the Faith-Based Initiatives have served their overarching intended purpose—to protect the religious missions of faith-based organizations. If, indeed, many faith-based organizations had already begun to emphasize social service provision over religious mission before they seriously began to pursue government funding, charitable choice and the FBCI may simply be unnecessary. Indeed, by the time of this study, Habitat’s more traditional affiliates (those that were more religiously conservative and operating in a manner that was more consistent with the beliefs of founder Millard Fuller) were still not pursuing public support, even though the International office had made it acceptable to do so. In fact, of the affiliates responding to the survey in 2007 (one year after the new policy went into effect), 45% indicated they were receiving no government money. While 30% were accepting public funds, these comprised less than a tenth of their collective total operating budget. And most of this funding was still being used for the purchase of land or infrastructure, rather than construction. Only seven percent of Habitat affiliates were accepting government funds that made up more than 25% of their budget. Some of these respondents claimed that they were concerned the government might impose strings on their religious mission in the future if they accepted funding or grants, despite the fact that the FBCI’s were already in place purportedly to protect the organization from this fate. However, most expressed concern over the accounting and reporting requirements that
would accompany public funding, which incidentally would bring
increased professionalization that might threaten the religious mission of
the organization in a more subtle and indirect way. Overall, it seems that
the affiliates that were more concerned with religious mission were not
influenced by the FBCI’s claim to maintain neutrality, and did not trust the
policy to allow them to pursue their faith-related claims.

By contrast, affiliates that were pursuing government funding seemed
to rank building houses higher as a priority than the traditional evangelical
role of the organization. So, they expressed very little concern over
government interference in their religious mission. For example, a younger
and more professional executive director from Georgia said in an
interview, “if they restricted the use of our funds by saying that we could
not be evangelical on the site... I think that that would be an acceptable
policy.” So it is not clear that the Faith-Based Initiatives are actually
having their intended impact on Habitat for Humanity, in that they do not
seem to be encouraging more participation among the religiously-
focused affiliates, and the more professionalized ones appear less
concerned about their evangelical role in the first place and thus do not
seem to believe the FBCI’s are particularly necessary.

Paradoxically, when asked if the faith-based initiatives made people
involved with an affiliate feel it was safe for a Christian organization to
accept government funding, 35% of respondents indicated they were not
familiar enough with the policy to comment. So, for more than 1/3 of
professional Habitat affiliate directors, the policy had yet to have its
intended impact. Only two percent of respondents strongly agreed that
the faith-based initiatives made religious nonprofits feel safer about taking
government money while 15% agreed. An additional 18% said they
“somewhat agreed” with the statement. So, a total of 35% agreed on
some level that the faith-based initiatives made religious nonprofits feel
safer about accepting government money. Yet, 40-45% of the affiliates were still not pursuing or accepting government money in any form at the time of the survey. To date at least, the policy does not appear to have had much effect on the perceptions and actions of Habitat executive directors.

Are the Faith-Based Initiatives Meeting Their Original Intention?

This study does not suggest that the FBCI policy has been particularly efficacious. In examining the policy’s usefulness, it might be helpful to compare this study’s findings to Carl Esbeck’s original claims. Esbeck described the conditions imposed to separate church and state before Charitable Choice legislation was introduced. He claimed that faith-based nonprofits accepting government funds were often required to form a separate nonprofit corporation to receive and administer aid. He noted that there were often prohibitions on funds being used for the purchase or improvement of sectarian-use real estate, as well as on benefits being used to render services in a building where the facility itself has religious symbols and fixtures. In addition, there were often restrictions or prohibitions on training or education to enter a religious vocation, and other forms of religious instruction, worship, prayer, or other inherently faith-based activity. None of the respondents to the survey or those interviewed for this study reported experiencing any of these restrictions or prohibitions, even when accepting government funding prior to the advent of the charitable choice or Faith-Based and Community Initiatives.

As a faith-based nonprofit housing organization, many of Esbeck’s original claims do not seem to apply to Habitat for Humanity. Because Habitat can easily separate its social service portion (house construction) from its evangelical activities, restrictions on training and prayer were not really an issue. However, Habitat often does host prayers on site, and
several respondents reported having small conflicts with AmeriCorps volunteers, who are not allowed to lead prayer or worship. Many executive directors claimed that they still had prayers on site despite the fact that they were using government funding for land or infrastructure, yet no one interviewed reported ever seeing any actual evangelizing on work sites. So, before the new Habitat policy that expanded the potential use of government funding to construction, and before the faith-based initiatives, prayers already occurred in the presence of government funding, and no one reported ever having a problem with a government agency over the situation.

Overall, no one at Habitat reported ever having any significant conflicts with government funding agencies before charitable choice and the Faith-Based and Community Initiatives were implemented, despite the organization’s openly religious mission to “spread the love and teachings of Jesus Christ.” In fact, a leader from Habitat’s International Office commented, even before Habitat’s new policy was implemented, the government really just “ignored the religious mission” when providing grants, which is quite similar to treating it neutrally. She explained that, in her opinion, the government was able to sidestep the issue of religion by limiting funding to purchase of land or development of infrastructure rather than for construction. And, the results of this study suggest that most domestic Habitat affiliates still show a preference for using government money exclusively for land or infrastructure. So, it is not clear that the FBCI’s are really affecting the organization in terms of encouraging new uses of public funding, or paving new avenues for partnership with the government while protecting religious mission.

Habitat for Humanity is certainly not the only faith-based nonprofit to have partnered with government prior to the advent of charitable choice legislation. The Salvation Army, World Vision, Lutheran Services,
and many more traditional Christian organizations have been funded partly by the government for decades. Habitat, like other large-scale, faith-based nonprofits, has often found ways to accept government money despite its religious orientation, even without the Faith-Based and Community Initiatives in place. Perhaps this is because the larger organizations are able to incorporate the professional staff to handle the accounting and reporting requirements necessitated by public funding. However, Esbeck’s initial brief for charitable choice legislation argued that smaller organizations were more vulnerable than their larger counterparts to losing government funding due to changes in administration. So despite the fact that this study seems to suggest a redundancy or futility for charitable choice and the Faith-Based Initiatives, these policies could be more necessary or useful for smaller faith-based organizations who wish to compete for government money on a neutral and equal basis. However, it is important to note that smaller organizations that accept public funds would perhaps subsequently professionalize, in order at least to adapt to enhanced reporting requirements, which may in turn affect their religious missions or grassroots personalities as well.

The Effect of Government Funding on the Grassroots Personality of the Organization

The grassroots personality of Habitat for Humanity and its religious mission have traditionally been connected (as evidenced by its largely religious volunteer base). Over the history of the organization, many of Habitat’s volunteers have come from various churches, so much so that the organization has frequently been labeled a parachurch. A parachurch could be defined as a Christian, faith-based organization that carries out its religious mission usually independent of church oversight. And even though the religious mission of Habitat seems
increasingly to have been supplanted by its secular goal of building houses as the organization has matured (according to interview data), many of the organization’s volunteers continue to come from churches, presumably with a religious motivation for donating their time. However, interview data also suggests that as the management and leadership of Habitat has transitioned to a more professional orientation, the volunteer population has also professionalized somewhat, with volunteers coming from businesses or other non-religious sources. As the executive director from Arkansas commented (above), “A lot of people who volunteer with us are also professionals and run businesses, and they want a team-building activity for their employees.”

As another example, an executive director from Alaska commented that they did not have “the church base that you see in big cities where you have churches of 10,000 people and you see a lot of old money...And so churches haven’t been our biggest (source for volunteers)” She added that on their last project, they had “over 2,600 different volunteers. And some of those come once, some come twice, some come everyday. Some of them come once a month. There are 2,600 different ones and we’ve already logged over 42,000 hours on this project alone.” She explained that the volunteer labor was often enough to account for a first mortgage equity equivalent (meaning the 20% required down payment that avoids private mortgage insurance [PMI]). Yet, much of this volunteer labor force was not coming from the churches, a new phenomenon for Habitat.

In contrast, a 15-year veteran leader of the International office writes that in the early days of Habitat “Many (leadership) positions were held by (grassroots) volunteers. The international field work was carried out by partners, individuals, couples, families that volunteered for three years with the support of a small stipend from HFHI.” She expressed
concern that there had been a change in the level of what might be called “missionary zeal” in favor of a more business-like approach. This long-time Habitat employee argued that by changing the nature of the grassroots culture of the organization, the personality of future leadership would also be affected because so many former volunteers had wound up in management positions within the organization.

Comparing the organizational personality in 2007 to that which prevailed in 1995 when she started working for Habitat, this International leader noted that the organization is definitely less grassroots and “more professional.”\textsuperscript{191} She explained that as the organization had grown, they have “hired experts where originally, (they) filled positions with people that had a ‘good heart,’ but were not exactly skilled in their position.”\textsuperscript{192} She continued to explain:

\begin{quote}
We are not a “mom and pop” organization anymore. I think size is as much a source of change as anything else. Also we have high recognition, a brand that is highly valued and that we want to protect. Those factors create a change in the overall culture of the organization. I think that the passion and religious mission is still very strong, however. Many professional people come to Habitat for the mission – not for the ‘job’ and certainly not for the money. We are not even close to being competitive with corporate salaries.\textsuperscript{193}
\end{quote}

In short, even though the organization has professionalized, many who volunteer or work for the organization are still making some sacrifices to pursue its religious or community mission.

Jerome Baggett has alluded to this shift in Habitat’s volunteer demographics. The author writes, “As a parachurch organization, Habitat for Humanity owes much of its success to the fact that it institutionalizes a pragmatic, nondoctrinal, and individualistic form of religiosity well adapted to the secular climate of modernity; ironically, this form of religiosity is problematic for marshaling an ideological resistance to the class divisions and instrumental logic of the market that impinges
on Habitat's organizational culture." Baggett's idea of a nondoctrinal form of religiosity does not reconcile easily with the organizational founder's vision for Habitat. However, Baggett's conception of a practical, pragmatic organization filling a social service need for either religious or secular purposes fits well with the interview and survey data collected in 2007, and seems to describe the change in the organization's volunteer base. The survey suggests that this more tolerant approach described by Baggett, which provides a variety of both religious and nonreligious motivations for volunteers, could make it more likely that professionalization will continue to occur and encourage Habitat to increase its government funding further.

It is not clear from this study that there is any direct connection between growing government funding and the changes occurring in the volunteer body for Habitat, nor is it possible to determine if public funding per se is changing the demographics of the volunteers or vice versa. However, as was the case with religious mission, there does seem to be a definite relationship between professionalization, increased pursuit of government funding, and changes in the grassroots personality of the organization. One executive director responding expressed the tension inherent between accepting government funding and maintaining the grassroots passion of volunteers. She wrote:

There are some Habitat supporters who enjoy feeling that volunteer labor and grass-roots fundraising are solely responsible for Habitat's success. In the Twin Cities, this is simply not the case. It costs more than $180,000 to build every house. As a result, diversification of revenue streams is a must. Accepting public funding can play an important role in that diversification. At the same time, it is important to make sure that donors and volunteers feel comfortable with the good works that Habitat performs and sees taxpayer subsidy of Habitat positively.
This comment indicates that executive directors may be acutely aware of the potential impact government funding could have on the perceptions of their volunteers, and may actively seek to balance the need to accept public funds while simultaneously encouraging high levels of commitment from their volunteers. While this study focused on the perceptions of executive directors, it would be interesting to conduct similar research that examines the perceptions of volunteers to examine whether the acceptance of government funding affects the motivation to volunteer, or contributes to a change in demographics of those who choose to volunteer for the organization. For example, do volunteers become more professional or less religious when public funding is involved? This type of research might also examine whether organizations become more or less democratic (as determined by the influence exerted by volunteers on the decision-making process of faith-based nonprofits) when government money is accepted.

From a societal perspective, it may not matter much if the volunteers for Habitat for Humanity are more professional or less religious. In terms of volunteering, the mere act of donating one’s time to a nonprofit, regardless of motivation, may have inherent value. Peter Drucker, quoted above, argued that individuals can be active citizens only in the third sector. If Drucker is correct, the primary role of volunteering may be to combat feelings of passivity in the citizenry, in which case the religiosity of the organization may not be an issue.

However, Marvin Olasky has suggested that active religious participation of faith-based nonprofit organizations contributes to their ability to transform lives, which would indicate that the motivation behind the volunteering could make a difference. He has argued this active partaking leads to relationships between those in need and those who want to show compassion, and that characteristic often leads to greater
organizational effectiveness. In his *Tragedy of American Compassion*, he suggested there is an innate value to the element of intent or motivation. If Olasky is correct, then changing the religiosity of the volunteer force might indeed have some impact on Habitat and even the society within which it interacts and operates. For example, if the motivation of the volunteers were to change from a Christian one, (based on forgiveness, mercy, and compassion), to professional team-building (which might be seen as a pragmatic goal with some individualistic or even financial benefits to a volunteering organization), then the value of voluntary activities might be altered or even compromised. If Olasky is correct, a shift away from religious motivations for volunteering would indeed have an impact on the personality of the organization and perhaps even its efficacy in touching the lives of the needy recipients who receive homes from the organization.

**The Effect of Government Funding on Religious Mission**

While Olasky contended that the religious elements of nonprofit programs were able to reach the needy on a deeper level and bring about lasting change that could stop the cycle of dependency, it should be noted that his goal in writing was not to promote government funding to faith-based nonprofits, but rather to promote the devolution of social services away from the government and into the hands of religiously-oriented nonprofit organizations which he believed would do a more discerning job of assisting the needy. In fact, Olasky was not originally in favor of government funding to faith-based organizations, preferring private monetary sources. And if his theory about the efficacy of religious groups in providing assistance is the foundation for the charitable choice and the Faith-Based Initiatives, then it is vital to investigate the impact that public funding might have on the religious mission of faith-based
organizations. If this funding places their religious mission at risk, this would undermine the very foundation for creating the policy, which is that the organization’s religiosity makes faith-based nonprofits more sensitive and effective at transforming the lives of the needy than the government.

The findings of this research are inconclusive regarding any direct impact that government funding may have on religious mission, although an indirect effect was suggested. No respondent reported any direct regulation of religious mission at the affiliate or national level, yet several executive directors reported concern that this might happen if they pursued more public funding. Most respondents reported that, in actual experience, they had been treated well by the various branches of the government, and no one reported being asked to restrict their religious activities or separate their religious activities from secular spaces. The one exception involved AmeriCorps volunteers who were not allowed to lead prayer or worship services because they were employees of the federal government. However, they were allowed to attend the services provided they were not required to participate or take a leadership role.

Interestingly, many of the survey and interview respondents echoed Olasky’s belief in the role of faith in transformation and healing, while simultaneously explaining that evangelism (meaning the verbal sharing of the Gospel) was not necessary in communicating faith. They suggested that their affiliates could offer grace and demonstrate their faith by their actions without ever discussing religion. One executive director summarized this belief by quoting a phrase often attributed to St. Francis of Assisi, writing “Preach the Gospel always and if necessary use words.” Because many affiliates were not directly encouraging spoken evangelism on the worksites, there were no direct conflicts reported over Habitat affiliates’ accepting various types of funding and the religious elements of their mission. It
seems that Habitat’s religious goals were often integrated into the act of building houses, and the government apparently had expressed no concern over the internal motivations (religious or otherwise) that may have lead the Habitat employees and volunteers to decide to help the needy. So again, charitable choice legislation appears from this study to be redundant, at least for Habitat for Humanity.

But, even if this policy may seem to be superfluous, the question remains: does government funding have any impact on the religious mission of a faith-based nonprofit? And if the Faith-Based and Community Initiatives Act ultimately fosters more partnership between the government and religious organizations, will this relationship affect the religious mission of those nonprofits? The survey and interview data from this study suggest an indirect effect. Since 45% of the affiliates were not pursuing any kind of government funding, almost half of the population being studied could not offer any perceptions on how such support would affect their religious efforts. Of those that did accept public assistance, the vast majority accepted the equivalent of 10% or less of their overall budget, most of which was still being used for infrastructure and land acquisition. Even in Habitat affiliates that continue to maintain strong ties to their traditional religious roots, the purchase of land or development of infrastructure are activities that were typically kept separate from their evangelical activities, which were usually limited to providing a Bible at a house dedication or leading prayers on the worksite. So, even among those affiliates accepting government money, most of the funding was used for activities that were far-removed from any religious activities.

Had more affiliates reported involvement with government aid, if it had made up a larger percentage of their budgets, or if the executive directors had reported regulatory restrictions and prohibitions from government agencies, it would have been more possible to examine the
immediate effect of public funding on religious mission. With the data obtained, including limited involvement with government funds and no regulation of faith-based activities being reported, it is difficult to form a generalizeable theory concerning whether government funding influences religious mission directly.

When comparing the responses to the survey and interview questions to the training session at Habitat’s international headquarters in 1995, the organization seemed to be decidedly less religious than before. In 1995, much of the discourse was religious and the original mission to “spread the love and teachings of Jesus Christ” was emphasized. However, the data collected in this study suggested that many of the leaders in the organization took a more secular approach to the organization in 2007. They tended to emphasize the social service dimension (namely, construction of low-income housing) of their mission more than the religious one, and some even expressed a secular worldview promoting religious diversity which was not in evidence at the training session twelve years earlier. There seemed to be much greater variance in the 2007 religious tendencies toward conservative evangelism than was demonstrated in 1995.

However, it is not clear if this change occurred as a result of government funding or the maturation process of professionalization described by Dym & Hutson. One possibility is that as the organization matured and professionalized, the entrepreneurial spirit of the founder, who in this case happened to be very religious, waned as more conservative managers and leaders were brought into the organization to help manage the expansive growth. Dym & Hutson’s model of professionalization suggests that as an organization matures, it naturally becomes more rigid and bureaucratic, which is definitely at odds with the entrepreneurial vibrancy of the religious/missionary focus predominant in
Habitat’s early days. If this were the case, government funding may have simply been a by-product of the professionalization process with which it is correlated, but not the cause of the loss of any dedication to religious mission.

However, another possibility is that the professionalization described above may have occurred as the organization sought to promote the acceptance of government grants. And if government funding was the impetus for professionalization, it could be argued that it was indirectly the cause of the loss of religious or evangelical zeal, assuming this mission shift occurred as a direct result of professionalization. Lester Salamon has argued in “Partners in Public Service: The Scope and Theory of Governmental-Nonprofit Relations” that government funding can lead to more demanding systems of management and bureaucratization, particularly when standards of performance are necessary. He writes that public programs often require more reporting, cumbersome application processes, etc., than do other sources of funding, which might require the hiring of more professional (and expensive) staff. According to Salamon, most nonprofits report that corporate and foundation support is easier to deal with than government funding, and claim that regulatory provisions lead to greater reliance on professional staff and less on volunteers. Salamon’s arguments are consistent with the findings of this study, as the observations of the majority of executive directors responding to the survey, as well as higher-level leadership in the organization, confirm his argument. Thus, if it is true that increased professionalization is often a necessity when government funding is accepted, and if increased professionalization can rob a nonprofit of some of its spontaneity and entrepreneurship that helps support religious or missionary dedication, then public funding could potentially have an impact on the religious mission of an organization.
Indeed several leaders at Habitat explained that government funding necessitated the use of more professionals, who often replaced the (perhaps more zealous and more religious) volunteers. Professionals would presumably have different motivations for working with the organization that may or may not include personal faith. In this scenario, professionalization may have occurred as a result of the organization’s desire to pursue government funding, and thus public aid may have had an indirect impact on the loss of religious zeal in the organization. In fact, several executive directors commented on the fact that Habitat seemed more professional and less religious than in years past. And many Habitat leaders explained the need to professionalize before pursuing government funding. However, responses varied regarding which came first, professionalization or the pursuit of government funds.

In summary, this study suggests that the organization is less religious and more professionalized than it was in 1995, and is simultaneously more open to pursuing government funding to support its primary goal of house-building. Since the principal mission at the organization’s founding was Christian evangelization while the primary goal in 2007 seemed to be house construction, it can be concluded that the religious mission appears to have been affected by professionalization, which seems to correlate with the increased acceptance of the pursuit of government funding. So, this study can demonstrate a relationship between increased professionalization, increased emphasis on government funding, and reduced focus on religious mission, but cannot determine cause and effect.

Other research on social movement theory confirms this study’s findings and has suggested that government funding can affect or even straight-jacket an organization’s advocacy roles. In the case of Habitat for Humanity, its advocacy role could be seen as its evangelical or
religious mission. Social movement research seems to indicate that
government funding is likely to have a significant impact on the
evangelical role of Habitat as well as the grassroots personality of the
organization, with the likely result of redefining its mission and restructuring
its volunteer base. For example, in a study done on rape crisis centers by
Nancy Matthews entitled *Confronting Rape: The Feminist Anti-Rape
Movement and the State*, the researcher found that the early crisis
center movement originally wanted to define rape as *violence*, brought
on largely as a byproduct of dominance and unequal power relations
between the genders. However, after funding the movement, the
government made its support contingent on the redefinition of the issue
as one of managing victims’ needs and providing suitable services for
coping. This inhibited the anti-rape movement’s feminist advocacy role
and removed some of the pressure that violence against women had
provided (which had been used as a justification for raising awareness
regarding unequal power relations between the sexes). In the case of
Matthews’ study of rape-crisis centers, as well as a similar study
conducted by Claire Reinelt on battered women’s shelters, both feminist
organizations lost some of their power when their advocacy role was
redefined as social service provision as a result of government funding.
Similarly, as Habitat for Humanity has professionalized, interview and
survey data suggests that its religious role (which can be seen as an
advocacy role) has been redefined into social service provision, namely
building houses. It could be surmised that this type of funding relationship
could place a faith-based organization’s religious or evangelical mission
in jeopardy, particularly if it prohibits or limits evangelism (which could be
considered a type of religious advocacy). While the faith-based initiative
was designed to protect the religious mission, this study does not indicate
that it is having that primary effect.
The primary disparity between Habitat’s mission and those of social movement organizations, however, is the difference between advocacy and religious evangelism, and this difference may or may not suggest limited generalizability between the studies. Discussions at the 1995 International Partner Training Session at Habitat for Humanity’s headquarters indicated the motives of the organization were not so much about social change (advocacy) but rather an expression of faith. Interview data collected in 2007 suggests this is still an evident motivation with many leaders at Habitat, even though the evangelical role of the organization seems to be in decline. There is a great contrast between advocating for a political claim at the societal level and seeking individual transformation through religious relationships. Habitat might not be considered a true social movement, and therefore social movement theory may not be broadly generalizable to Habitat’s evangelical mission.

However, the impact government funding has had on the advocacy roles of social movements could still be a predictor of what might happen to the evangelical (or religious advocacy) roles in faith-based organizations. Social movement literature seems to suggest that the increased pursuit and acceptance of government funding is likely to lead to redefinition of Habitat’s primary purpose, from one of evangelism to one of social service provision, just as was the case with the rape crisis centers Matthews’ studied that were redefined away from advocacy for more equal power relations to the role of managing the problems caused by rape. And certainly the survey and interview data collected in 2007 displays a lesser focus on religious mission (if taken as an advocacy role or not) than was apparent in the training session of 1995. In fact, the Matthews and Reinelt studies might suggest that Habitat was at risk of becoming a contractor for governmental housing provision, at which
point its mission would have to be redefined to provide consistency with political rather than religious goals.

**Suggestions for Future Research**

Since a relationship was found between professionalization, government funding, and a declining emphasis on religion, future research may be warranted which could evaluate the causal relationship of these variables. For example, it would be useful to understand if professionalization was indeed driven largely by government funding relationships, and if professionalization then affected religious mission directly. Additionally, it would be useful to conduct further policy analysis to investigate the usefulness of the Faith-based Initiatives on other, perhaps smaller, faith-based nonprofits to determine how many of these organizations had experienced discrimination because of their religious orientations, and whether charitable choice legislation had prevented further infractions. Similarly, additional studies that investigate the direct and indirect impact government money has had on religious mission are definitely warranted. If charitable choice is founded on the idea that faith-based nonprofits are more effective because of their religiosity, and if government funding leads to a decline in religiosity, then it could be concluded that public support would make those organizations less effective. Further, future studies are warranted that could evaluate the role religiosity plays in the effectiveness of nonprofits. If it was shown that faith-based organizations were indeed more effective as Olasky suggested, and government funding reduced religiosity, the Faith-Based Initiatives could be considered counter-productive.

The fact that this study suggests the charitable choice policies may be redundant in the case of Habitat for Humanity certainly suggests that future research is needed to ensure the protection of religious mission, to
encourage the effectiveness of nonprofit organizations, and to promote the most effective use of resources, both public and private. The results of this study indicate that even prior to the Faith-Based Initiative, the government seemed to be a “Silent Partner” when it came to religious issues, but a rather vocal one in terms of accounting and reporting. But, despite the audible silence on religion, these public regulations have tended to encourage professionalization of the organization, which seems to have indirectly affected its religious mission. Thus, further research is needed to evaluate the partnership between faith-based organizations and government to ensure that religious integrity is maintained in these socially important institutions.

In 1995, Habitat for Humanity was very much a parachurch organization, although professionalization was starting to encourage the institutionalization of organizational procedures. In 2007, the interview data collected for this study suggested that the organization had become less evangelical, and seemed now to be placing more emphasis on construction and house building than on overtly religious activities. Prayers were still being held on the worksite, and Bibles were still being handed out at house dedications, but the religious zeal that was present 12 years earlier seemed to have waned at the International Headquarters, as well as at many affiliates around the United States. Simultaneously, the interview and survey data also suggests that there has been a paradigm shift in perceptions and attitudes regarding government funding. While it was actively discouraged in 1995, most executive directors and international leaders now see public support as a way to increase capacity, produce economies of scale, and expand services. However, almost half of U.S. affiliates are still refraining from any use of government funds.
A majority of leaders responding to the study recognize the added professional requirements that public funding necessitates in order to manage the additional reporting and accounting requirements. Yet, there has been a definite move towards professionalization that has corresponded with the changing (more positive) attitudes on government funding and the potential to increase organizational capacity that it carries with it.

Overall, charitable choice legislation does not appear to have had much impact on Habitat for Humanity in terms of changing perceptions or inspiring changed behaviors regarding government funding. Because the Faith-Based Initiatives are based on the goal of encouraging neutrality in the treatment of faith-based institutions, and because none of the 324 respondents to the survey or 14 leaders interviewed reported ever having any conflict over religion with any government agency before or after the policies were implemented, the initiatives do not appear to be particularly important for this organization. It appears that even before the Faith-Based Initiatives, the government was somewhat silent concerning religious issues at Habitat for Humanity, and ironically, the indirect effect of the charitable choice policies may be actually to silence the religious voice they sought to protect (through the process of professionalization) when government funding is actually pursued.
Appendix A: VT Survey Results

Results of Survey:

Survey on Government Funding at Habitat for Humanity (324 Entries)

A. Thank you for taking the time to take the survey! Please type the name of your affiliate in the box provided.  
306 responses

B. Please type your city and state.  
307 responses

1. Approximately how many houses does your affiliate expect to build in 2007?

<table>
<thead>
<tr>
<th>Number of Houses</th>
<th>Responses</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>10</td>
<td>3%</td>
</tr>
<tr>
<td>1-10</td>
<td>265</td>
<td>82%</td>
</tr>
<tr>
<td>11-20</td>
<td>23</td>
<td>7%</td>
</tr>
<tr>
<td>21-30</td>
<td>10</td>
<td>3%</td>
</tr>
<tr>
<td>31-40</td>
<td>5</td>
<td>2%</td>
</tr>
<tr>
<td>41-50</td>
<td>1</td>
<td>0%</td>
</tr>
<tr>
<td>More than 50</td>
<td>7</td>
<td>2%</td>
</tr>
<tr>
<td>No answer</td>
<td>3</td>
<td>1%</td>
</tr>
</tbody>
</table>

2. Approximately how many houses did your affiliate build in 2006?

<table>
<thead>
<tr>
<th>Number of Houses</th>
<th>Responses</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>44</td>
<td>14%</td>
</tr>
<tr>
<td>1-10</td>
<td>238</td>
<td>73%</td>
</tr>
<tr>
<td>11-20</td>
<td>27</td>
<td>8%</td>
</tr>
<tr>
<td>21-30</td>
<td>5</td>
<td>2%</td>
</tr>
<tr>
<td>31-40</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>41-50</td>
<td>3</td>
<td>1%</td>
</tr>
<tr>
<td>More than 50</td>
<td>5</td>
<td>2%</td>
</tr>
<tr>
<td>No answer</td>
<td>2</td>
<td>1%</td>
</tr>
</tbody>
</table>

3. Approximately what is your affiliate's annual budget for 2007?

<table>
<thead>
<tr>
<th>Budget Range</th>
<th>Responses</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $100,000</td>
<td>81</td>
<td>25%</td>
</tr>
<tr>
<td>$100,000 - $250,000</td>
<td>72</td>
<td>22%</td>
</tr>
<tr>
<td>$250,000 - $500,000</td>
<td>60</td>
<td>19%</td>
</tr>
<tr>
<td>$500,000 - $1,000,000</td>
<td>45</td>
<td>14%</td>
</tr>
<tr>
<td>Over $1,000,000</td>
<td>63</td>
<td>19%</td>
</tr>
<tr>
<td>No answer</td>
<td>3</td>
<td>1%</td>
</tr>
</tbody>
</table>
4. Approximately what percentage of your affiliate’s annual budget will come from government funding in 2007?

- None: 129 (40%)
- Less than 10%: 89 (27%)
- 10-25%: 70 (22%)
- 25-50%: 21 (6%)
- 50-75%: 5 (2%)
- 75-100%: 1 (0%)
- No answer: 9 (3%)  

5. Approximately what percentage of your affiliate’s annual budget came from government funding in 2006?

- None: 145 (45%)
- Less than 10%: 95 (29%)
- 10-25%: 62 (19%)
- 25-50%: 17 (5%)
- 50-75%: 2 (1%)
- 75-100%: 0 (0%)
- No answer: 3 (1%)  

6. If your affiliate has accepted government funding, did your organization have to develop any new accounting or other management procedures to satisfy government requirements?

- Yes: 92 (28%)
- No: 107 (33%)
- Does Not Apply: 121 (37%)
- No answer: 4 (1%)  

7. If you answered “yes” to question six, please describe what accounting or management procedures were changed or developed.

99 responses

Please see Appendix B for a list of all responses to this question.

8. If your affiliate has accepted government funding, did your organization hire new professional staff to manage the government funding process?

- Yes: 20 (6%)
- No: 178 (55%)
- Does Not Apply: 122 (38%)
- No answer: 4 (1%)  

9. If you answered “yes” to question eight, please describe what professional staff was hired.

29 responses

Please see Appendix C for a list of all responses to this question.
10. If your affiliate has accepted government funding, did your organization provide training for newly hired or previously hired staff to meet government requirements?

- Yes: 64 (20%)
- No: 117 (36%)
- Does Not Apply: 137 (42%)
- No answer: 6 (2%)

11. If you answered "yes" to the question above, please describe what training you had to provide. 67 responses

Please see Appendix D for a list of all responses to this question.

Directions. For the next grouping of questions, please respond by selecting how strongly you agree or disagree with the statements that follow:

12. Our affiliate makes attaining government funding a top priority.

- Strongly Agree: 26 (8%)
- Agree: 48 (15%)
- Somewhat Agree: 57 (18%)
- Disagree: 123 (38%)
- Strongly Disagree: 66 (20%)
- No answer: 4 (1%)

13. Our affiliate believes government funding provides a positive opportunity to help more families obtain a home.

- Strongly Agree: 74 (23%)
- Agree: 103 (32%)
- Somewhat Agree: 84 (26%)
- Disagree: 43 (13%)
- Strongly Disagree: 17 (5%)
- No answer: 3 (1%)

14. Our affiliate believes government funding is incompatible with the Christian mission of our organization.

- Strongly Agree: 23 (7%)
- Agree: 29 (9%)
- Somewhat Agree: 41 (13%)
- Disagree: 155 (48%)
- Strongly Disagree: 74 (23%)
- No answer: 2 (1%)

15. The majority of our affiliate’s Board was in favor of allowing Habitat affiliates to accept government funds.

- Strongly Agree: 74 (23%)
Agree 125 (39%) 
Somewhat Agree 57 (18%) 
Disagree 46 (14%) 
Strongly Disagree 11 (3%) 
no answer 11 (3%) 

16. Our affiliate believes Christian organizations should rely primarily on faith that God will provide the funds needed to carry out their mission rather than focusing on developing consistent sources of funding from the government.

Strongly Agree 23 (7%) 
Agree 52 (16%) 
Somewhat Agree 48 (15%) 
Disagree 140 (43%) 
Strongly Disagree 53 (16%) 
no answer 8 (2%) 

17. Government funding makes it necessary, at times, to make compromises to the Christian mission of the organization.

Strongly Agree 18 (6%) 
Agree 31 (10%) 
Somewhat Agree 46 (14%) 
Disagree 161 (50%) 
Strongly Disagree 63 (19%) 
no answer 5 (2%) 

18. Which of the following has your affiliate been asked to do in order to receive government funds? (Select all that apply)

Withhold from offering a Bible at a house dedication 1 (0%) 
Refrain from discussing religious faith with families that are receiving a home 3 (1%) 
Provide separate work spaces for religious activities 3 (1%) 
Maintain separate accounting procedures for gov’t funding 53 (16%) 
Does Not Apply 238 (73%) 

19. The faith-based initiatives implemented by President George W. Bush made people involved with our affiliate feel it was safe for a Christian organization to accept government funding.

Strongly Agree 7 (2%) 
Agree 47 (15%) 
Somewhat Agree 58 (18%) 
Disagree 69 (21%) 
Strongly Disagree 22 (7%) 
I am not familiar enough with the faith-based initiatives to answer 114 (35%) 
no answer 7 (2%)
20. It is acceptable for a religiously-based organization to accept government funding if the organization is providing a social service.

- Strongly Agree: 59 (18%)
- Agree: 151 (47%)
- Somewhat Agree: 79 (24%)
- Disagree: 24 (7%)
- Strongly Disagree: 5 (2%)
- No answer: 6 (2%)

21. It is acceptable for a faith-based nonprofit organization to share religious beliefs with those in need.

- Strongly Agree: 78 (24%)
- Agree: 125 (39%)
- Somewhat Agree: 80 (25%)
- Disagree: 31 (10%)
- Strongly Disagree: 5 (2%)
- No answer: 5 (2%)

22. Hearing and accepting the Gospel from a faith-based nonprofit organization or church is an integral part of a needy person’s transformation and healing.

- Strongly Agree: 42 (13%)
- Agree: 52 (16%)
- Somewhat Agree: 94 (29%)
- Disagree: 98 (30%)
- Strongly Disagree: 29 (9%)
- No answer: 9 (3%)

23. Acceptance of government funding to faith-based nonprofits should be avoided because it presents a risk to their Christian mission.

- Strongly Agree: 9 (3%)
- Agree: 20 (6%)
- Somewhat Agree: 59 (18%)
- Disagree: 185 (57%)
- Strongly Disagree: 45 (14%)
- No answer: 6 (2%)

24. Faith-based nonprofits have been discriminated against in that they have specifically been denied government funds because of their religious affiliation.

- Strongly Agree: 13 (4%)
- Agree: 38 (12%)
- Somewhat Agree: 93 (29%)
- Disagree: 139 (43%)
- Strongly Disagree: 25 (8%)

180
25. The government should be the primary provider for the welfare of those in need.

<table>
<thead>
<tr>
<th>Agreement Level</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>10</td>
<td>3%</td>
</tr>
<tr>
<td>Agree</td>
<td>28</td>
<td>9%</td>
</tr>
<tr>
<td>Somewhat Agree</td>
<td>74</td>
<td>23%</td>
</tr>
<tr>
<td>Disagree</td>
<td>137</td>
<td>42%</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>70</td>
<td>22%</td>
</tr>
<tr>
<td>no answer</td>
<td>5</td>
<td>2%</td>
</tr>
</tbody>
</table>

26. Nonprofit organizations, supported by private donations, should be the primary providers for the welfare of those in need.

<table>
<thead>
<tr>
<th>Agreement Level</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>24</td>
<td>7%</td>
</tr>
<tr>
<td>Agree</td>
<td>59</td>
<td>18%</td>
</tr>
<tr>
<td>Somewhat Agree</td>
<td>109</td>
<td>34%</td>
</tr>
<tr>
<td>Disagree</td>
<td>104</td>
<td>32%</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>20</td>
<td>6%</td>
</tr>
<tr>
<td>no answer</td>
<td>8</td>
<td>2%</td>
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</table>

27. Faith-based nonprofits provide an opportunity for individuals to show mercy and extend compassion.

<table>
<thead>
<tr>
<th>Agreement Level</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
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<td>54%</td>
</tr>
<tr>
<td>Agree</td>
<td>126</td>
<td>39%</td>
</tr>
<tr>
<td>Somewhat Agree</td>
<td>12</td>
<td>4%</td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>1%</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>3</td>
<td>1%</td>
</tr>
<tr>
<td>no answer</td>
<td>7</td>
<td>2%</td>
</tr>
</tbody>
</table>

28. Government-funded social services (supported by taxation) provide an opportunity for individuals to show mercy and extend compassion.

<table>
<thead>
<tr>
<th>Agreement Level</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
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<td>11%</td>
</tr>
<tr>
<td>Agree</td>
<td>113</td>
<td>35%</td>
</tr>
<tr>
<td>Somewhat Agree</td>
<td>78</td>
<td>24%</td>
</tr>
<tr>
<td>Disagree</td>
<td>72</td>
<td>22%</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>16</td>
<td>5%</td>
</tr>
<tr>
<td>no answer</td>
<td>9</td>
<td>3%</td>
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</table>

29. It is acceptable for a church or faith-based organization to share the gospel with vulnerable populations who have suffered through a trauma such as a natural disaster, famine, act of war, or other form of distress.

<table>
<thead>
<tr>
<th>Agreement Level</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>72</td>
<td>22%</td>
</tr>
<tr>
<td>Agree</td>
<td>117</td>
<td>36%</td>
</tr>
<tr>
<td>Somewhat Agree</td>
<td>80</td>
<td>25%</td>
</tr>
</tbody>
</table>
30. It is acceptable for a church or faith-based organization to share the gospel even if they have accepted government funding for the social service portion of their service provision.

<table>
<thead>
<tr>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Somewhat Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>no answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>64 (20%)</td>
<td>126 (39%)</td>
<td>77 (24%)</td>
<td>37 (11%)</td>
<td>11 (3%)</td>
<td>9 (3%)</td>
</tr>
</tbody>
</table>

Directions. Please type your responses to the next group of questions in the boxes provided.

31. How does (or how might) government funding influence the Christian mission of the organization, specifically the sharing of the Gospel?

256 responses

Please see Appendix E for a complete list of responses.

32. What risks face faith-based organizations that accept government funding?

258 responses

Please see Appendix F for a complete list of responses.

33. In what ways (if any) are faith-based nonprofit organizations regulated (in actual practice) when they accept government funding?

246 responses

Please see Appendix G for a complete list of responses.

34. Should a faith-based organization accept government funds? Why or why not?

265 responses

Please see Appendix for a complete list of responses.

35. If your affiliate has accepted government funding, have you had to adjust your program to accommodate government regulations? Please describe what accommodations have been made.

239 responses

Please see Appendix I for a complete list of responses.
Appendix B

Question # 7. Please describe what accounting or management procedures were changed or developed.

#1: 2007-07-09 17:11:08
We did have to change our accounting. We use policies that are consistent w/ government funding/auditing.

#8: 2007-07-10 14:08:46
Shop funds require a dual system of record keeping, more intricate bidding system, advertising, Environmental Review, etc.

#11: 2007-07-10 14:53:25
SHOP grants -- Changed construction contracts, chart of accounts, maintenance of records procedures. Added appraisals for land purchases, Phase 1 environmental reviews. HOME grants -- changed closing documents on land purchases and sales to our homeowners after construction ADDI grants -- changed education classes for homeowners; increased financial information needed from homeowner applicants; changed closing documents with home owners Capacity Building grant from HUD -- increased reporting requirements.

#13: 2007-07-10 15:15:30
Nothing terribly difficult --- just a more formalized record keeping process. We also have to complete monthly reports for HUD that take about 1/2 day per month. Nothing difficult and nothing that isn't just basic good business but it does take time.

#16: 2007-07-10 15:42:09
Had to comply with an A-133 external audit
Had to redesign homes to comply with different grant requirements
Need to prepare monthly reports for HUD grants through HFHI, called SHOP

#18: 2007-07-10 16:03:04
Adhere to procurement procedures.

#21: 2007-07-10 16:46:31
1) Procurement standards for construction purchases;
2) To receive second mortgages as subsidies, Habitat had to get additional documents from our purchasers to submit to local municipality for qualifying purposes.

#23: 2007-07-10 18:54:45
Separate account to separate HUD funds from other funding sources.

#27: 2007-07-11 08:58:02
Changed to meet HFHI standards, which are generally to meet government guidelines.

#28: 2007-07-11 09:56:17
Not Applicable

#30: 2007-07-11 11:30:52
We are a CHDO, so 1/3 of our board must represent the lower-income community. We will be receiving SHOP funding through HFHI in 2007, which has included some policy development and office management for the reporting.

#34: 2007-07-11 11:43:40
We had an audit done of our previous tax years so that we can have that as a certified record to present.

#38: 2007-07-11 12:02:44
Much of the government money needs to be kept in a separate account until it is used for the specific purpose for which it was granted. It's not a big deal for that part. Although, in most cases the paperwork to get the grants isn't too bad, the follow up reporting as you are using the money is sometimes overwhelming. As a small affiliate where there is only me and one part time office person, the paperwork sometimes consumes entire work days.

#41: 2007-07-11 13:02:47
Only as relates to reporting requirements.

If the amount is substantial, we have had to have our annual audit be a "yellow book" audit. This has not happened in several years. And our auditor counts SHOP and Capacity Building funds as "Governmental funding." Some auditors do not since the money comes from HFHI to us, even though it comes originally from HUD

special reporting and drawdown request procedures

Our affiliate receives some direct gov't funds, but larger amounts from an independent nonprofit that has been set up specifically to receive gov't funds and then distribute them to nonprofit housing providers. Through this process, we receive approx. $10,000 at each house closing through the HUD HOME program. Also, the NC Legislature has established a nonprofit, NC Housing Finance Agency, that provides zero interest loans and funding to affiliates.

Use of federal standard accounting system as dictated by HUD/OEM

#56: 2007-07-11 14:54:45
HUD funds require monthly reports, separate bank accounts, and proof of expenditures such as receipts, and significant record-keeping. Gov't funds also require appraisals of the houses and inspections before funds are released - this requires more staff time to set up and monitor. When we build without gov't funds we don't do appraisals at all and the inspection process is more limited.

#57: 2007-07-11 14:54:46
We are in process of applying for a SHOP grant which is HUD. It will require a separate bank account to manage the money and an unbelievable amount of additional paper work to create the audit trail which they require.

#58: 2007-07-11 15:18:51
We set up a separate bank account to receive SHOP Funds. We have more detailed accounting procedures now that we are accepting state and federal funds.

We had to develop our board of directors membership to include more members who either lived in or were elected to serve low income areas of the community as defined by HUD.

Monthly, quarterly, annual reports were required along with specific documentation for each expense covered by government funds.

#67: 2007-07-11 17:04:49
Audit had to list out government funds separately. Additionally we had to provided dozens of pages of reports and copies of invoices, canceled checks, etc to prove where the funds went.

#70:  2007-07-11 18:05:08
funding must be kept in a non-interest bearing dda account and must not be co-mingled with operational funds.

Separate bank accounts for some of the government grants- SHOP grants; establish written policies & procedures for; procurement(bids), anti-discrimination, Equal Employment Opportunity, code of conduct governing employees, officers or volunteers engaged in the award of contract using federal funds. A majority of our government funds come from our County government and are not Federal funds. These funds have very few requirements for special handling.

Procurement policy had to be embellished.

#82:  2007-07-11 19:26:00
We have used HUD / SHOP Grants. To use the grants we had to put several policies in place... including a drug policy, procurement procedures and a non-discrimination policy (for employees and selected families.

#87:  2007-07-12 08:01:06
copying all checks and invoices to send to obtain reimbursement.

#90:  2007-07-12 09:17:53
Separate bank accounts for grant funds.

#92:  2007-07-12 10:33:57
Reformatting closing costs

#96:  2007-07-12 11:19:57
We get HUD money through HFHI which requires us to set up separate accounts for the infrastructure only funds we receive from HUD. We also have to complete a yearly audit with a representative from the SHOP Dept. in Americus.

special audit for "Shop" grants from HUD which made us set many new policies.

#111:  2007-07-12 13:35:06
MORE DETAILED RECORDS ON QUALIFYING FAMILIES. INFORMATION REGARDING HISTORICAL AND ENVIRONMENTAL SITE EVALUATIONS

setting up separate accounts to receive money, monitoring requirements, environmental clearances, changes in construction requirements

See question 33 below for an explanation

#122:  2007-07-12 14:23:10
We are able to sell our mortgages to Wyoming Community Development Authority at no discount. The homeowners must have two years of good mortgage payment records. The families still pay us and we stand in the principal to WCDA. We also have to have a six-month reserve account equal to the principal for each mortgage we sell.

#124:  2007-07-12 14:32:12
Additional tracking of funding to make sure that everything necessary was accounted for.

We had to develop a way to track receipt and expenditure of government funds.

Upon receiving Arizona Dept of Housing Grant, PAHH is required to itemize expenditures and report periodically on the progress and constraints. A designated volunteer (unpaid position) will manage all files, reporting and structure with President/Treasurer and Executive Director approval and guidance.

We created a CHDO...community housing development organization which required another 501c3

Additional information had to be collected from applicant families, including copies of all family member social security cards, proof of disability status of all family members (not just the adult applicants), veterans status, ethnicity, etc. All partner families are now referred for extensive homebuyer education as required for HUD funded down payment assistance grants. We keep a special no-interest checking account for grant funds received to ensure that those funds are used only for the designated programs.

SHOP funding – We had to open a new account and follow new procedures for that accounts mgmt. We also had to adopt several new policies for corporate, personnel, office, financial, mgmt, etc. We enlisted the help of a government employee to help navigate and do the special reporting required.

The money we received was in the form of grants for site improvement and utilities such as city sewer and water. We had to make detailed grant applications and account for the use of the funds.

The money we received was in the form of grants for site improvement and utilities such as city sewer and water. We had to make detailed grant applications and account for the use of the funds.

Stricter Applicant research, accountability before receiving funds.

We have had an audit done for the first time to make us more eligible for grants.

CHANGE TO QUICKBOOKS ACCOUNTING SYSTEM

Documented procedures for family selection. Documented policy and procedure to assure a drug free workplace. Certification course for our families to assure they meet specific criteria. Accounting system to track house construction costs by category. Uniform mortgage and note documents. Multiple additional reports.
With SHOP Funds and CDBG Funds we have to complete additional reporting requirements and track the use of funds. SHOP requires an annual audit. This is very time consuming for affiliates.

#159: 2007-07-13 11:36:06
HOME dollars require high level of record keeping and subcontractor wage monitoring

Our government funding came through the city of Peoria and we are a CHDO which is a separate 501c3 corp. called HAND UP DEVELOPMENT CORP which we set up based on HFH's policy at the time that we were not to use government funds to build houses but government funds coming through a third party were not considered government funds so Hand Up was the third party. The requirements have now changed permitting Government funding

#163: 2007-07-13 12:08:27
N/A

#172: 2007-07-14 18:08:13
We had to have our attorney use HUD forms for closing procedures for the buyer.

Annual audit required, cost of audit $7K

A CPA writes an opinion on our books annually.

#178: 2007-07-15 17:19:21
OMB A133 Audit procedures

several policy changes were required

The HUD/HFHI/SHOP grant requires completion of strict environmental assessment requirements before any site-related work can begin. Also, any contracting has to meet federal procurement standards and non-discrimination covenants running with the land must be part of any deed of SHOP-funded property to Habitat Homeowners. Monthly reporting of progress on each SHOP-funded site is required. SHOP funds must be kept separate from all other affiliate funds and require a non-interest bearing bank account. SHOP funds are awarded in a 75%grant, 25% no-interest loan, with repayments starting in 3 years. These requirements really didn’t mean a significant amount of extra work because of the size and experience of our affiliate but would likely prove onerous for a smaller affiliate with 1-2 staff or even volunteer-run.

#181: 2007-07-16 10:35:19
Only minor additional requirements were needed to complete quarterly reports and compile statistics.

#183: 2007-07-16 10:49:31
affirmative action plan, procurement plan, marketing plan, conduct a phase 1 environmental report on all properties.

#187: 2007-07-16 11:05:27
New auditing procedures

#188: 2007-07-16 11:19:31
Money can only be used for infrastructure. All bids and bills are kept strictly separate. We work with a grant writer, hired by the county and city, who gets this funding for our county and city. He does almost all of the paperwork in applying and drawing down the funds.
SHOP and Community Development Block grants with cities require record keeping and reporting.

We had to open an additional bank account which was non-interest bearing.

SHOP training and separate filing systems have been required for our SHOP funding. Our only other government grant, received through HUD (CHIP grant) is administered by the city and does not require any special accounting procedures.

The agency that determines and dispenses the funding has become more involved in our family selection process, doing credit checks and setting standards for assessing payment ability, and is also pressuring us to raise our prices and the income level required of our families.

Requirements for SHOP grant, including separate bank account, reporting, etc.

Amount of federal funding received in 2006 spurred the requirement of a single audit.

Needed a special audit of our government funds and some additional ways to account for and track expenses.

In our first few years, we were very lucky to have a SHOP 2002 grant that required us to develop financial policies which are applicable throughout our financial processes. It is a good discipline to have developed.

We did receive a SHOP grant to develop property, which we should begin to access in 2008. It requires that a separate account be created.

Formal procurement procedures developed, separate bank account established for SHOP program

We had to develop new forms and stricter reporting requirements. The funds are handled in a separate account.

We are in this process so we are working on the particulars. Do not have an accurate answer for you at this time.

Strict fund accounting approach to meet required reporting to the government.
Significant investment in time required of team leadership to certify requirements prior to beginning and following completion construction

#255: 2007-07-19 18:01:32
separate accounting and bank account for the government funds
maintain demographics of homeowners and employees
Equal Opportunity Clause posted in office

#256: 2007-07-20 11:57:03
We’ve had to do more paperwork in terms of verifying household income.

#257: 2007-07-20 15:30:24
We actually had to hire an administrative person to help us do all of the paperwork necessary to report on grants, mostly government grants.

#270: 2007-07-25 12:08:54
We are aware of accounting procedures on bidding and records that must be following on any jobs with government money. We participated in a AHP block by block grant in 98 and in State capacity grant in 04.

we are developing an "auditable" system for review

Government funding often includes requirements for vendor outreach and compliance with Section III of the HUD Act of 1968. While no accounting or management procedures were changed per se, Twin Cities Habitat has added language into its subcontractor bidding processes to ensure that subcontractors and vendors that we work with have not been debarred and that all equal opportunity and fair housing laws are being observed.

CHDO requirements
for Board composition
for "Match"
for reporting

#278: 2007-07-25 13:02:48
We expanded our General ledger to track revenues & expenses by grant if required. We also setup on management project tracking system for reporting requirements and other grant requirements.

#287: 2007-07-25 14:02:15
Personnel policies, accounting procedures, new bank account, reporting monthly

#288: 2007-07-25 14:07:22
We have not used govt. funding in the past but are currently working with state on funding package. Unless you count AmeriCorps members as a govt. funded matching program. Then we have used govt. funds.

Perhaps not new procedures but we have had to dedicate time to do reports and they take a lot of staff time.

#290: 2007-07-25 14:36:48
Governmental funding, while appreciated by this organization, is typically accompanied by copious amounts of reporting/paperwork. In addition, governmental funding comes with (financial and construction-related) auditing requirements by internal and external bodies (county officials, HUD officials, etc) - in addition to the GAAP standard annual audits (and building code/environmental code exercises) already in place. Therefore, much staff time - from construction
director, finance director, executive director, and office assistant must be allocated to the proper completion of required documents. My hope is that the Feds will develop an on-line granting system - with a database management system for information/application/reporting storage in the CDBG, HOME, SHOP, and other grant documents.

#297: 2007-07-25 18:08:25
Actions were minimal. The Finance Manager had to develop a new understanding and system for accruing the grant receivable and for accounting for the receipt and use.

We needed to sign affordable housing covenants which include restrictions on the resale of the homes.

#306: 2007-07-26 12:44:39
We had to open separate accounts, drug free work place, adopt procurement procedures...all the typical HOME and SHOP stuff.

#308: 2007-07-26 16:18:14
More detailed and regular reporting as well as written procedures and controls.

#314: 2007-07-27 12:04:11
Some modest recordkeeping requirements were implemented. We have not been able to secure any HUD or SHOP funding so far, so the requirements have been limited.

Resolution passed by board to accept funding for houses without affecting our Christian identity. Additional documents for house closings Additional internal procedures double-checking that all requirements were met

#322: 2007-08-01 23:32:54
Incorporated the reporting requirements for the government funding

#323: 2007-08-03 13:53:04
Requires more staff time to report, get the grant and to provide the auditing trail.
Appendix C

Question 9. If you answered “yes” to question eight, please describe what professional staff was hired.

#8: 2007-07-10 14:08:46
We could have used one but could not afford it.

#21: 2007-07-10 16:46:31
Purchaser; closing agent (mortgage counselor) to help purchasers through government hoops to qualify for second mortgages which act as grants to reduce purchaser’s principal.

#28: 2007-07-11 09:56:17
Not applicable

#34: 2007-07-11 11:43:40
We are a fully volunteer staff

#56: 2007-07-11 14:54:45
I was hired as Development Director, in part to deal with gov’t funds, although that is not my primary duty. There is also additional burden on our admin staff requiring more admin resources. I’d estimate that using the gov’t funds has added an equivalent of 1/2 a person to the staff.

#77: 2007-07-11 19:06:02
We now have a full-time Development Director who works in cooperation with our Office Manager to ensure the compliance required for these grants.

We reassigned a staff person to be the Compliance Specialist for all grants. This person is responsible for all grant monitoring and ensures all grant requirements are being met.

#96: 2007-07-12 11:19:57
Not Applicable

#97: 2007-07-12 11:32:15
We have a Project Manager in our construction department whose job it is to apply for, track and report on grants (in addition to other work).

#99: 2007-07-12 12:32:01
Resource Development Manager (20 hrs/wk)

Full time grant writer and administrator

#125: 2007-07-12 14:37:10
There was a development associate hired to oversee all government funding projects.

#144: 2007-07-12 19:32:19
We are proud that we achieve results with volunteers. The only personnel we hire is a private contractor who supervises volunteer help at the building sites.

#163: 2007-07-13 12:08:27
N/A

#166: 2007-07-13 18:14:47
We have hired a full time development director and she manages the grants along with her other work.
Director of Real Estate who handles all applications and draws for government funding.

See answer to #7. We have one full time employee - an Executive Director, and one very part-time receptionist. If it were not for the grant writer hired by the county and city, we would not be able to access this funding, as the paperwork is copious.

Grant specialist paid through Small Cities Grant by Towns

We didn't hire new staff, but we designated an existing staff member to spend a portion of her time on managing the government funding process.

N/A

Grant Manager to apply for funding and keep compliance records

These funds on top of the other funds we are sending out to the affiliates requires that we hire someone to do grants and loan management on a half time basis. We have not received the state funds yet but expect to within a month.

Financial controller

see above

We would need to hire another staff person to insure this was done consistently.

In the summer of 2005, Twin Cities Habitat for Humanity hired a staff member to coordinate all public sector funding. This staff member applies for funds on the front end and follows up with all related reporting and procedural requirements as needed.

Executive Director

Office assistant - at approximately %50 of total staff time allocated to grant documentation, reporting prep, etc.
Appendix D

11. If you answered "yes" to the question above, please describe what training you had to provide.

#8: 2007-07-10 14:08:46
Drug policy is an example of one area we had to add.

#11: 2007-07-10 14:53:25
SHOP training, conducted by Habitat International
HOME grant training -- done ad hoc, since very little formal training is readily accessible
ADDI grant training -- same as HOME grant
Capacity Building grant training -- conducted by Habitat International

Governmental unit provided training.

#13: 2007-07-10 15:15:30
There is a formal training process from HUD as well as local consultation with the county community
development program staff.

#16: 2007-07-10 15:42:09
Training seminars run the Florida Housing Finance Authority (for HOP grant), the SHOP department of
HFHI and Jacksonville Housing Department training for SHIP grants.

#18: 2007-07-10 16:03:04
City official came and trained staff to complete reports

#19: 2007-07-10 16:29:50
Training through HFHI-- SHOP Grant Training

#21: 2007-07-10 16:46:31
In house training on the procedures.

#23: 2007-07-10 18:54:45
Sent to CHDO training

#28: 2007-07-11 09:56:17
Not applicable

#38: 2007-07-11 12:02:44
There is an on-line course for those who receive HUD S.H.O.P. (Self-Help Homeownership Program)
money through Habitat International. When I hired my office assistant I asked her to go through the
training.

the funding sources provide mandatory training sessions

basic review of paperwork procedures and record keeping

#56: 2007-07-11 14:54:45
I am the person who handles grants including federal. The training consisted mostly of self-training.
There were some sessions sponsored by the State Housing Authority where we get most of our
grants, but the sessions were of minimal value. Mostly, it is a case of learning by experience.

#58: 2007-07-11 15:18:51
We took advantage of training that HFHI provided and that the state agency we received funding
from provided.
Training was provided by HFHI via required training events.

HUD training sessions.

We were required to participate in the SHOP funding training.

Habitat International provides on-line training

SHOP grants have a training program that can be taken online. New staff was familiar with government grant requirements

We attended HOME training that was offered by our state housing authority and some HFHI events.

We did send several staff members to several seminars hosted by the state Housing Department and one by HUD to receive training on some of the reporting requirements.

SHOP Training was mandatory for affiliates using these funds

Not Applicable

Treasurer had to be instructed in the auditing system for Cache Co. Utah funding

training for the shop audit to bookkeeper

On-line; one-on-one; state conference training

The development associate has attended several training sessions, both online and in person, to help understand government requirements. The associate has attending several Tacoma Housing Consortiums and HUD meetings which discuss government funding and their requirements.

Some grants require training during the application process. This training, however, is usually performed online by the grantee. For me, the Executive Director before me was responsible for my training.

General training in understanding the specific requirements of the grant - eligible expenses, reimbursement procedures, etc.

The training was provided by Habitat for Humanity of Colorado and consisted of a series of conference calls and workshops that explained requirements, application procedures, forms to be submitted, auditing requirements, etc.
Training is scheduled in July/August to assist staff (non-paid position) in the reporting processes and guidelines necessary for ADOH.

#139: 2007-07-12 16:31:21
As Executive Director I write and administer all grants received, which has required attendance at various grant workshops to learn how to write the application, how to keep necessary documentation and how to complete necessary reports. We have collaborated extensively with the local Community Action Program to submit cooperative grant applications for HOME and HCRI funds.

#154: 2007-07-13 09:33:30
Online certification courses for at least two staff members in the organization.

We had an AmeriCorps Direct grant and we were mandated to provide training for the AmeriCorps members who served the local HFH affiliates in our state.

All the record keeping, how to handle the annual application.

#163: 2007-07-13 12:08:27
N/A

#172: 2007-07-14 18:08:13
The Virginia State Support Organization (SSO) provided the training.

#181: 2007-07-16 10:35:19
HFHI provided orientation training.

#183: 2007-07-16 10:49:31
Fair housing policy workshops, accounting practices workshops, affirmative action in hiring workshops with CHRO.

#188: 2007-07-16 11:19:31
Executive Director is an experienced grant writer.

#192: 2007-07-16 11:53:23
SHOP training.

#193: 2007-07-16 12:59:52
HFHI provided training for the HUD - SHOP funds.

#196: 2007-07-16 14:13:10
HFHI provides free on-line SHOP training.

#199: 2007-07-16 16:26:51
Attended SHOP grant training.

#201: 2007-07-16 17:02:12
Conducting and documenting bid process; reporting requirements.

#203: 2007-07-16 18:03:06
Made sure they understood the requirements associated with each source of government funds. In some cases, the governments also provided training.

#204: 2007-07-16 18:54:25
We had to go to a HUD workshop to learn about what finances are considered in qualifying families for their income guidelines.

#215: 2007-07-17 10:52:56
N/A

#228: 2007-07-17 15:12:55
orientation to financial policies; audit; grant regulations; bidding process; personnel policies; reports.

#229: 2007-07-17 15:19:52
Training for bookkeeper, trying to hire and train someone to help manage grant

#238: 2007-07-17 18:49:57
We will have to train the staff on each of the grants and loans we handle.

no hired - all volunteer staff

#255: 2007-07-19 18:01:32
SHOP training

#256: 2007-07-20 11:57:03
In house training on grant compliance requirements

#257: 2007-07-20 15:30:24
HUD funding and SHOP grant training

Twin Cities Habitat for Humanity has trained its family services staff on income verification using the Part V methodology that is HUD’s preferred method for HOME and CDBG income verification. Additionally, staff have attended HUD workshops to learn more about the HOME and CDBG programs.

We aren’t required by the government (that I know of) to provide training, but much of the grant reporting takes some special attention. That is what we train for.

#278: 2007-07-25 13:02:48
We typically attend 2-3 government grant trainings each year. Some are sponsored by the granting agency and others are fee based.

North Carolina Housing Finance Agency offered a training course on filling out their applications. In addition, we had to attend System Vision training for the energy efficiency reimbursement portion of the NCHFA grants.

#287: 2007-07-25 14:02:15
Attended HFHI sponsored SHOP training

#290: 2007-07-25 14:36:48
1) One-on-one training with three National HUD officers based in Richmond, VA.

2) Attorney for Habitat International SHOP program provided total staff affiliate office training.

#306: 2007-07-26 12:44:39
HFHI does training....current staff had a background in government funding.

#308: 2007-07-26 16:18:14
The online SHOP training offered by HFHI.

#317: 2007-07-28 11:01:56
Attended required training session held in Lexington

Specific SHOP, Capacity Building Grant training as well as ensuring our Finance Manager stays current on all license annual training

#323: 2007-08-03 13:53:04
Training was provided by the government entity, awarding the grant.
Appendix E

31. How does (or how might) government funding influence the Christian mission of the organization, specifically the sharing of the Gospel?

#2: 2007-07-09 18:38:50
Christians can still directly influence those we serve through our actions. If we are compassionate and show mercy, we are the hands and feet of Christ everyday. We should live by example, not rely on our words.

#3: 2007-07-09 20:44:27
Government funding allows us to reach more families.

#4: 2007-07-10 09:16:28
Government funding has no impact on our Christian purpose.

#5: 2007-07-10 10:28:35
Knowing a non-profit is Christian based and what its mission states, and the govt still allows funding, then the mission of the non profit is not in jeopardy.

#6: 2007-07-10 12:18:50
Compromise Christian principles through not being able to provide Bibles and discussions involving Christianity.

#8: 2007-07-10 14:08:46
First of all it is difficult to lump Habitat in with other types of faith based and especially church organizations. Some of the questions do not directly apply. Our govt. funding is from HUD through SHOP program administered by HFHI.

The sharing of the gospel might have to be more indirect in some situations where govt. funding is involved.

#9: 2007-07-10 14:14:44
I think our actions are what shows we live our beliefs. I think it is not our place to “share the gospel” but rather, to do what we have said we will in meeting our mission.

#11: 2007-07-10 14:53:25
Through limitations on what the organization can say to the person we’re trying to help; through limitations on providing funds and the form in which they can be provided [particularly in states with Blaine Amendments].

Hasn’t affected our experience; each individual volunteer has own comfort level in sharing the Gospel.

#13: 2007-07-10 15:15:30
Government funding has had no impact on our affiliate’s ability to meet our mission or to share the gospel. We believe in demonstrating our faith with actions. If our actions cause someone to ask about our faith, we are free to share. We do not require someone to believe as we do in order to take advantage of our services.

#14: 2007-07-10 15:27:30
Some government funding does stipulate the need to withhold religious interpretations. In the State of Florida very few grants/government funding have this requirement. We have always been upfront and have not had a problem. I have not gone for National/Federal Grants so I don’t know how they operate. I just don’t see how it would influence the way our mission is...
It does not. Our mission at Habitat is to build simple decent affordable housing for the glory of God. Our primary mission is not to proselytize.

#17: 2007-07-10 15:57:48
The mission of Habitat and the faith that is demonstrated through the mission of Habitat cannot be compromised by the need for funds. Accepting Govt. funds should only be done when the funds can be received without compromising the mission and the faith.

#20: 2007-07-10 16:32:27
It does not. We do not believe that sharing the gospel is the same as imposing our beliefs on anyone.

#21: 2007-07-10 16:46:31
may influence the hiring of staff

#22: 2007-07-10 17:01:40
What is sharing the Gospel? Saint Francis said "Preach the Gospel at all times, and if necessary use words" It is what we do, whether we accept Govt. money or not. Therefore it doesn't influence us one way or the other.

#23: 2007-07-10 18:54:45
As an ecumenical housing ministry, Habitat accepts people of all faiths or no faiths. We share the gospel through our actions.

#24: 2007-07-10 19:26:10
I'm not sure I agree with the premise of the question, Habitat would only be using govt funding to advance what it is doing (building housing in a faith based communal way). Therefore, it can boost Habitat's work and frankly help share the message of the gospel.

#25: 2007-07-11 08:20:21
Acceptance of Gov't funding with any restrictions would dampen the passion behind the mission

#26: 2007-07-11 08:25:52
Government funding probably doesn't affect the Christian mission - but should, if not already, separate the service from the mission. The mission can exist without interfering with the service.

#27: 2007-07-11 08:58:02
If it does influence the mission, the funding should be refused.

#28: 2007-07-11 09:56:17
Government funding does not influence the Christian mission of the organization.

Should not effect the mission of the non profit

#30: 2007-07-11 11:30:52
It might prevent us from sharing the reason why we're doing this in the first place!

We do not accept government funding because it could lead to compromises in our mission that we are not willing to make.

Habitat would not accept funding if it influenced sharing of the Gospel. We have volunteers who aren't Christians, but see the need to help those in need.

If it places restrictions on sharing the Gospel or who we can reach out to, or if it requires additional staffing in order to handle the government paperwork requirements it can negatively influence our mission.

When we are restricted from any expression of our spirituality, on the job site, or in the presence of partner families that would definitely influence my attitude toward government participation.

#38: 2007-07-11 12:02:44
If any government funding would restrict our expression of our Christian mission, we would be unable to accept the funds.

Would not affect our Christian mission

#41: 2007-07-11 13:02:47
It doesn't, nor would we accept funding from any source that proscribed an appropriate sharing (not proselytizing).

We do not want to be guided by any other entity's principles other than our own. Accepting any funding comes with the responsibility to adhere to what the funder intended it to be used for. An organization should always know what strings are attached and weigh their options. Besides SHOP and Capacity Build money, we only receive minimal amounts of support from local governments (less than $10,000) and it comes with no strings.

I personally do not believe that sharing the Gospel should influence any type of fundraising, i.e. government or private sector funding. Raising funds to support community development - housing, such as what Habitat for Humanity provides, should be kept separate from our Christian beliefs.

I believe that the mission of the organization doesn't need to change when accepting funds from government. We will continue to share the Gospel with our families and volunteers. Since we are ecumenical and accept people from all faiths both as partner families and volunteers we do so in a way that is not offensive to any. We don't believe in hammering home a message but sharing it through actions and deeds.

government funding could influence an organization to keep evangelism under wraps

our affiliate does not evangelize, ie spread the gospel through active preaching and conversion. I don't know of any Habitat affiliate that does. We demonstrate our Christian principles through the work that we do. We don't require that families be Christian to live in a Habitat home.

HFHI does not allow affiliates to evangelize.

In one sense, since government funding can't go directly towards spreading the gospel, the organizations may be forced to focus their efforts solely on service and neglect to spread the gospel. On the other hand, if government funding can help an organization increase their capacity to serve more individuals or families then the organization has more opportunity to share the gospel with individuals through one-on-one relationships. For our affiliate, the more families we serve, the more families we can share Christ with through our interaction with them and through building a home alongside them. I think government funding has less of a negative influence on organizations
that have an indirect approach to sharing the gospel (like habitat) but could possibly damage organizations like churches that are more forward in their approach.

#52: 2007-07-11 14:01:55
Not at all. The moneys would go toward providing a specific service and not for the promotion of any ideals, theologies or ideologies.

We are not currently accepting government funding.

#54: 2007-07-11 14:29:25
Government funding shouldn’t affect the mission. Christian organizations are providing services that strengthen families, communities, and our country. The government should welcome what we do; it’s going to save them money in the long run.

May restrict sharing based on federal nondiscriminatory regulations

#56: 2007-07-11 14:54:45
I see little effect on our Christian mission. We are faith based, but we do not use religion as a criteria in selecting future homeowners into our program or in hiring staff. Much of our volunteer support and funding comes from area churches and I have seen no effect on them from the grants.

We do present a bible during house dedications and we have a prayer to start the day at our build sites, but there is no mandatory participation.

#57: 2007-07-11 14:54:46
It does not affect us- we are a Christian organization and will share the Gospel as led by God not based on what the government says.

#58: 2007-07-11 15:18:51
It may prevent an organization whose main focus is to convert the “needy” from their mission.

Some of the activities in which we participate in our office and at the home building work sites are religious discussion, singing, and prayer. All of these things may be inhibited by HUD regulations.

#60: 2007-07-11 16:11:35
it will have no impact

I do not see this as an issue - if government funding requires that the organization refrain from “testifying”, it is up to the organization to decide what its priorities are and accept or decline the funds.

#66: 2007-07-11 16:45:51
A faith-based non-profit organization should not necessarily need to change its mission simply because of where it receives its funding.

#67: 2007-07-11 17:04:49
Currently it doesn’t. That has not always been the case, and it may not be the case in the future. If it does, we won’t ask for them.

#68: 2007-07-11 17:11:07
We don’t share the gospel in our work. We are focused on social justice.

#70: 2007-07-11 18:05:08
We don't share the gospel per se. We follow the Equal Housing lending and housing Act which means that any family regardless of race, creed, religion, etc is eligible for housing. We don't only lend to Christian families. Sharing the gospel is done through role modeling instead of preaching.

We do not accept government funds that would restrict our Christian mission.

I do not believe that receiving government funds has to have any impact on sharing the gospel.

There comes a question of percentages -- do you share the Gospel 50% of the time if you get 50% of your funding from private sources and 50% from the government? Can you effectively demonstrate the love of Christ if you accept government funds? Yes, but at what cost -- explicit evangelism. In our case, as long as we could present a Bible to the families at the end of the build, and as long as devotions/prayer could be a part of our workdays then I'm okay. We don't do explicit evangelism to our families...we also don't look for government funding. I'm from the old school of separation of church and state and just haven't jumped that hurdle yet. I'm also in a rural area with a smaller pie of funding.

#75: 2007-07-11 18:47:43
may limit the Christian influence that the organization may have because of government involvement and the concern for separation of church and state

#77: 2007-07-11 19:06:02
Under the current administration and interpretation of who can use government funds I do not think that we are inhibited at all. I would like to add that we are not trying to convert people to Christianity or preach. We do what we do because we are motivated by the teachings of Jesus Christ and we want others to know this.

the government would eventually take over and dictate what the mission would and could do.

#79: 2007-07-11 19:12:34
The Christian mission of an organization can be positively influenced by government funding by supporting the organization in serving more people. It can have a negative influence if the conditions placed on that funding are so restrictive as to eradicate the fact that the organization is even Christian or if it diverts the organization from it's core Christian mission. As we define our Christian mission in this affiliate, it is not to share the Gospel per se but to live the Gospel as outlined in James, Chapter 2, for example. "Sharing the Gospel" is not specifically defined for the purposes of this survey. If it means teaching and preaching, this affiliate doesn't do that and I would expect that some controls might be placed on us regarding that by government grant administrators. If it means demonstrating our faith by what we do and in not compromising what we have in place that clearly shows that we are Christian (house blessings and simple Christian services at the start and end of a build, the presentation of a Bible to the home owner at dedication) then not at all.

#80: 2007-07-11 19:17:50
I don't see sharing the Gospel with our families as integral to our mission. We are not supposed to select families on the basis of their religion. It would not be appropriate for us to "share the Gospel" even without government funding.

#82: 2007-07-11 19:26:00
It does not influence it. We have never been too pushy with our Christian identity.

#83: 2007-07-11 20:08:44
No government entity has ever discouraged us from praying or sharing our mission with any one

It is important to keep the separation between church and state. If non profit organizations wish to use government monies, they need not impose their beliefs on those receiving the benefits. I am opposed to the use of faith based organizations to provide social services where they feel the need to impose their religious beliefs. There are many secular non profits who can provide the services without subjecting the recipients to religious teachings. I believe that Habitat for Humanity is in the business of providing housing for all those in need, without discrimination as to race, religion gender or sexual preference. I also believe that we must respect a persons beliefs, and not subject them to our beliefs. We are in the business of providing housing to spread our beliefs, but to carry out the love of our Lord to all people.

#87: 2007-07-12 08:01:06
It shouldn't, or the organization shouldn't accept the funds.

#88: 2007-07-12 08:40:27
Restrictions on what is allowed.

#90: 2007-07-12 09:17:53
Certainly there are cases where this happens, but our affiliate has not encountered this since we do not accept government funds for housing.

#91: 2007-07-12 10:04:43
Government funding ultimately replaces reliance on the power of the Holy Spirit.

#92: 2007-07-12 10:33:57
No effect. They can always decline any funds that have unreasonable restrictions.

#93: 2007-07-12 10:45:15
Simply, I think we would begin to focus as much, if not more, on political correctness and restrictions than we would on our mission.

#94: 2007-07-12 10:51:56
Government funding has not influenced the Christian mission of our organization.

#95: 2007-07-12 11:05:29
Government funding should not influence the Christian mission. If the availability of government funding is ever at odds with sharing the Christian message, then the government funding must be dropped. The Christian message should never be silenced or altered to receive government funding.

#97: 2007-07-12 11:32:15
In California, there is a live-and-let-live mentality. There is not this either/or feeling about government funding and faith, but we do not push faith on our families like some affiliates do.

#98: 2007-07-12 11:58:36
I hope not at all but perhaps that is naive. With all of the labor to build a Habitat House being volunteer - there are many Christians involved as volunteers. In my experience over the years in this and other affiliate it is Christian Action that takes place. I have never seen literature or blatant coercing or preaching going on at all. But I have seen many churches all over the United States opening their facilities and providing food to the workers and homeowners.

#100: 2007-07-12 12:47:28
Persons benefiting from the social service have a right to hear the Christian mission or decline to hear it.

#101: 2007-07-12 12:47:59
Could provide many stumbling blocks. Since we do not preach to our people, it probably would make very little difference. We already have rules against proselytizing and feel we teach best by Christian example. We do use a dedication Bible, we have a Christian land blessing before builds.
and a Christian home dedication when the home is completed. I would not like government interference in either of these rituals.

#102: 2007-07-12 12:53:30
We do not proselytize to the people we build for. We declare our position as a Christian organization but we do not impose any of our faiths (which are many) on the family receiving the home. We do not base our decision on whether they receive a home on their faith, only on their need. The gov't funding we receive goes for land purchase and infrastructure.

#103: 2007-07-12 12:54:05
There's a fine line between the separation of church and State. Quite honestly, I appreciate the opportunity to receive funding from the government as a faith based non-profit but concerned about the precedent it will set in regards to other "religious" issues.

#104: 2007-07-12 13:09:12
We would likely compromise our declaration the gospel or amend our strategy if we thought such changes we necessary to retain government funding. We shouldn't, but we likely would.

#106: 2007-07-12 13:26:36
By limiting the voice of the Christian mission;
By requiring adherence to guidelines that do not fit the mission;
Could change the perception of what the organization really is.

so far, we have not experienced this outright.

Not at all

We would be bound by the restrictions placed on the acceptance of the moneys. It is hard to justify one religious view when you've accepted funds from a public with many differing views. We are a faith based organization and need to be able to share that. Eves saying that we have differing religious views among our board.

#111: 2007-07-12 13:35:06
Our affiliate would not accept government funds if we were told we could not share the Gospel.

Habitat is a Christian Ministry and should maintain that identity. Here in rural Ohio that is the philosophy of our board of directors and our community. We do not struggle with that concept in any way.

#112: 2007-07-12 13:36:48
We have not been restricted in any fashion.

#113: 2007-07-12 13:37:32
IT WOULD DILUTE IT, COMPROMISE IT, AND WE WOULD BE TWPTED TO preach the gospel while being funded with federal money. We share the gospel quietly through our actions. If we do a good job, then we have succeeded. We do not need to use our mouths to try to convert them or make them feel uncomfortable for accepting our services if they do not share our religious convictions. It is a very slippery slope.

#114: 2007-07-12 13:37:46
It should allow FBO to expand and offer more services. My personal feeling is that “the sharing of the gospel” is not proselytizing, but assisting those in need. Our witness is precisely what we do for others and the spirit in which we do it. (see James and most of Matthew)

I believe government funding should assist faith based organizations that do not REQUIRE those who utilize their services to accept a Christian life. However, I believe that faith based nonprofits, both govt funded and not, should make clients aware of the benefits of a Christian lifestyle.

Since it is Habitat's goal to be “radically inclusive” toward those of other faiths, it is incumbent on all of us to demonstrate respect of others and their faith, so long as it is not destructive to human life. One can have respect for another and still be able to articulate one's belief respectfully. In my opinion, funding should not be contingent upon the type of message, so long as it is not destructive nor disrespectful.

Our affiliate has not experienced any restrictions on our Christian identity by representatives or agencies of the government.

#118: 2007-07-12 13:59:02
The Government can limit the sharing of the Gospel of a Christian organization or church if it accepts funding, in that portion of the mission that the funding supports.

No influence

#120: 2007-07-12 14:16:01
The potential strings attached to tax payer funding may limit the ability to follow through on our stated mission and purpose. It may lead to Christian organizations being hindered in sharing the Gospel. We currently believe it is best to avoid tax payer funding because, while strings may not be attached at this time, they could easily be added at a later date by a different administration.

#121: 2007-07-12 14:21:24
I do not believe that the mission is negatively influenced by accepting government funding. In fact, accepting these funds allows our organization to reach out to even more people and share the Gospel.

#122: 2007-07-12 14:23:10
Government funding does not influence Habitat’s mission. We simply describe our organization as an ecumenical Christian organization. Habitat International, our parent organization, requires affiliates to follow HUD guidelines. The ultimate goal is to eliminate poverty housing. We share the good news by example.

#123: 2007-07-12 14:23:30
What do you mean by “share”? This is a vary ambiguous word in my mind that mean many things to different people. I can think of ways in which and situations in which I do not think it is appropriate to “share” the Gospel depending on what you mean by “share.”

#124: 2007-07-12 14:32:12
It would be important for an organization to have a firm foundation of who they are. Although there is prayer as we build, every person is invited - not forced - to participate. The mission of building simple, decent homes for God's people in need could be accelerated by additional funding. The social service that is afforded a family goes far beyond the construction of a home as families work side-by-side volunteers of every walk of life. My sense is that we put our faith in action. If this is sharing the Gospel, it is done in a way that models what people do to make the world a better place. Although I can imagine some people might see it differently, I don't really see government funding having much of an influence in a negative way.
More money means that we can provide adequate housing for more people. Thus, resulting in more opportunities to share the love and mercy of Christ. God provides in many ways; even through government funding. "Give to Caesar what is Caesar's and give to God what is God's."

It might restrict or determine the future focus of the organization.

As an ecumenical Christian Housing ministry we are not "forcing" Christianity on anyone. However, through our actions of building decent affordable housing in partnership with families in need and our communities; to make adequate housing a matter of conscience and action for all, we share the Gospel. Maybe we have been lucky, but our Christian mission at this affiliate has never been influenced by government funding.

I view faith-based groups who require recipients of social services funded by public monies to participate in, be directed to, or otherwise maneuvered to religious activities as coercive and manipulative. If a Christian or other faith group believes that a primary deciding factor in someone receiving help is the exposure to, witnessing to, conversion of the one being helped, then they must provide that service without the help of public monies. If their mission is saving souls or however else they phrase it, they need to leave the social services out of it or else provide them without public monies.

There need be no conflict in partnering with governmental agencies to help needy people. However, I do not believe that direct proselytizing of our families should be part of our approach. I strongly believe that "by their faith you shall know them." Our families know our faith by the good works we perform. If they approach us with questions of our faith and wish to join us in worship, that is wonderful but we should not make our caring or our volunteering conditional upon their joining us in our faith.

There will always be 'strings' to such funds which pose a threat to the fundamental purposes and mission of the non-profit's autonomy. For this Habitat affiliate 'sharing the gospel' is done via the compassion, grace, and actions of those involved. A Bible is always presented to the family at the dedication of the house which is done in Christ's name and a prayer of dedication.

Government funding allows us to complete our mission to provide decent, affordable housing and in our efforts we are able to deliver compassion, love and blessings all the better. Sharing the Gospel and the specific teachings of the bible is not our core goal... Offering a house is, and the money is vital to assist low-income families the opportunity to OWN a house in the communities they choose to live.

HFHPC has strong support of our local government. They know that we provide compassion, emotional support, education and a life changing event for the partner families. The local government knows that we will take a rehab house in a blighted neighborhood and produce a finished product that is an improvement to the community and provide support for the families success in home ownership. And we do all that with out needing funding for special education programs. We do it through our volunteers following their Christian calling to share God's grace. We have not had one foreclosure. That is something to be said for an organization going on faith with our partner families that they can make it compared to commercial banks lending to some of the highest income and educated people. Just take a look at Ohio's foreclosure rate, we are now 6th in the nation. Not a good spot to be.
We are a smaller Habitat organization that has started its growth in just the past 4 years to producing 4 - 5 homes per year. Having taken our time and growing slowly we have overcome many hurdles that have brought us success and support of our community and local government.

#135: 2007-07-12 15:29:07
It is not likely the government funding would influence the Christian mission of our organization but it might it might affect our use of prayer in the providing our service. That funding may also put at risk the funding we receive from our other sources: individuals, churches, & businesses.

#136: 2007-07-12 15:38:56
Sharing the Gospel should be acceptable. Requiring that it be heard or accepted is not morally or legally acceptable.

#137: 2007-07-12 15:43:56
Our Habitat does not preach, or proselytize. We share the Gospel during celebrations and to ask for help, others who do not wish to join in are encouraged in advance that they do not have to participate.

#138: 2007-07-12 15:49:17
I don't think it should affect it at all. The funding is for building.

#139: 2007-07-12 16:31:21
Some government funding might require that affiliates refrain from holding public groundbreaking and dedication ceremonies that are Christian in nature. To date our affiliate has not seen that kind of criteria for use of government funds.

#140: 2007-07-12 16:39:33
Government funding might limit the sharing of the Gospel.

#141: 2007-07-12 16:52:17
Applicants are made aware that this is a Christian Based organization. Although there is prayer on the construction site, and at functions, no one is forced to participate -- it is voluntary participation. We believe in evangelizing by actions more than by preaching, so we don't think we would be in violation of any mandates.

#142: 2007-07-12 18:31:13
The government could limit ability to share faith with recipients of the funds, in that case we might turn funding down. We accept the funds when they don't put restrictions on whom we serve. I believe it is wrong to "cram" religion down someone who is not open to that sharing. Religion can have "harmful" as well as "saving" elements and needs to be handled with "tender loving care", meaning respect for the individual. When religion becomes "punitive" and "exclusive", harm can result that destroys the good that can come of sharing one's faith.

#143: 2007-07-12 18:54:18
At our affiliate, accepting SHOP funds from HUD has not affected the way we share our faith with our homeowners. That said, I have to admit that we don't proselytize, but rather we let our actions make the statement for us.

#144: 2007-07-12 19:32:19
Money will come with limitations.

#145: 2007-07-12 19:32:25
Money will come with limitations.

#146: 2007-07-12 21:17:19
I don't think it influences it at all.

There is no influence from our funding source that prevents us from sharing the Gospel.

Individuals might be afraid or concerned about sharing freely.

Our affiliate believes that demonstrating the gospel is far more effective and Christ-like than an overbearing discussion of any particular volunteer’s understanding of the bible. Real understanding grows only when families ask why we do what we do. Government funding provides a cash-flow to allow us to continue our work, nothing more. We participate only in CHIP grants, so we have not had to deal with the restrictions of, say, the SHOP grant program. Our mission should be to follow the teachings of Christ himself to feed the hungry, clothe the naked, and care for the poor. Habitat traditionally has avoided theological constructions that require a particular belief-system - the theology of the hammer, and I believe that allows us to follow Christ more faithfully.

I personally do not believe that it would compromise as I do not use this agency as an avenue to disseminate or convert others to my or the agencies Christian and religious beliefs. Whoever the actions of our agency and our mission I do believe demonstrates what Christ taught and the message of the Gospel as well as teachings of the Torah, the Qur'an as well as many other faiths.

By providing more funding there is more opportunity to share the Gospel with a larger population.

A faith based organization MUST have and retain the ability to share the gospel or they loose the point of being faith based. Therefore, a faith based organization must be careful to keep the percentage of support it receives from the government to a percentage of its total budget. Government funding should never be the primary source of support for a Faith based org. Government funding should not come with strings attached that prevent faith based orgs from sharing the gospel. In the last 40+ years the whole separation of church and state has gotten turned around. Our founding fathers put the separation of church and state in our constitution so that the state could not run the church; it was not so that the church could not be a part of the state.

In the past we have had grants but there were no restrictions on sharing the Gospel.

As long as the government does not interfere in the operational procedures of the organization (which their bureaucracy inevitably does), no problem exists. The “Christian” adjective should have nothing to do with it. Our volunteers, donors, and home applicants are from all faiths and beliefs (or none). Our mission is to help all to achieve a quality of life that includes simple, decent housing. We are not missionaries, spreading the gospel. Our opinion is, Millard Fuller was a strongly grounded Christian when he started Habitat. That fact motivated him to move forward, but did not frame his operational plan. One can be proud of their Christian beliefs, but never belittle, or treat as inferior someone who does not share those beliefs. And we must never leverage our homeowner selection plan, or fundraising, based on the applicant’s (donor’s) religious beliefs. An amazing number of people are of a certain faith simply because their parents were of that persuasion. Should they be penalized, or converted to another faith oriented congregation? We think not.

America was founded on the principle of freedom of religion and that precept must be respected by those who accept Federal funding. Habitat for Humanity asks for those of any faith, or no faith, to join in the work. We must put our faith into action but respect the beliefs of those we serve: the Partner Families and the volunteers.
I don’t believe that the two need to be mutually exclusive. Faith based organizations have a mission to uphold and the government can choose to fund them if they wish.

It has been my experience that it has little effect on our ability to fulfill our Christian mission and sharing our faith.

It allows us to do more good for people in need.

Not sure.

I’m not sure a government funded organization should be sharing the Gospel or the Koran or any other religious outlook.

I believe the way our religious freedoms are headed, we may not be permitted to share the faith with anyone let alone receiving the funding stipulations.

It may prohibit it.

It impedes the free exercise of religion.

negatively

Government funding should come with restrictions which confine its use to socially helpful purposes. It should not be used for spreading the gospel overtly. Organizations that believe they should preach the gospel as they improve the living situation of the poor should not accept government funds for that purpose.

All of my answers are personal - not for our affiliate. Since I have no experience with government funding I cannot answer this question. I know non-profits that do, however, and they are Christian and do not compromise their mission.

It has the danger of curtailing the sharing of the Gospel.

I am in favor of not using government funding to share the gospel of Jesus Christ. I believe we do that through our work, i.e. it is implied, but I do not believe that we should use our jobsite or our meetings to proselytize. I strongly believe in the separation of church and state.

Non-profit organizations can best serve in a Christian mission when they are not influenced by the guidelines required by government programs.

Government organizations always exercise control and establish conduct. Habitat must maintain its first two priorities; i.e., Habitat is a Christian organization and secondly that Habitat builds houses.
These two must be maintained and maintained in that order. Any government program that infringes on that should immediately be discarded. Our government has already established that they cannot construct and maintain public housing. Habitat has developed and implemented a successful model that our government needs. Maintaining our standards must come first while we allow the government to subsidize without too much control.

#177: 2007-07-15 17:15:46
Government should not be involved in decisions made in a faith based organization. Period.

#178: 2007-07-15 17:19:21
I think the 2 can co-exist

Does not influence our mission; it does influence procedures. We always tell families as we interview them for a house that we do this as a Christian organization because we believe it is what God wants us to do. We do not discriminate against non-Christian applicants.

While we would and do willingly share our faith with those who want it, we do not force our beliefs or activities upon anyone else.

If the funding source requires no faith discussion among volunteers and Partner Families on the work site, that rules out devotions at the morning break or prayers at the beginning of the work day. These are integral parts of Habitat’s ministry in that they show that the volunteers are gathered as witnesses to Christ’s love of neighbor and his call to serve those in need. Our Partner families are not required to participate in these times, nor are any volunteers so required. It is hoped that the example of volunteers working as Christ’s hands presents a vivid testimony of Gospel love and service and provides an opportunity for those who do not have a faith connection to ask questions and start their own journey toward Christ’s way.

#181: 2007-07-16 10:35:19
Our affiliate will not accept government funding if there are any limitations to our ability to share our witness with others.

#182: 2007-07-16 10:44:48
We have not been restricted from anything we wanted to do.

#183: 2007-07-16 10:49:31
Our organization is serving a extremely diverse culture with many different faiths. We are Christian but have to navigate through the maze of different people coming to us without offending or “turning off”. We share the Gospel through our actions rather than our words. We make it clear that we are doing this because we are Christian, but we do not require a dogma or confession of faith to participate. We also do not “push” our views upon anyone. So, I can’t see where government funds will influence our mission one way or another.

#184: 2007-07-16 10:55:03
Our affiliate gives emotional, construction and financial support to our family partners and does not actively discuss the Gospel, whatever that means.

#185: 2007-07-16 11:00:01
The funding source has no influence on how our organization lives the gospel in the execution of our stated mission and purpose. Living the gospel is the most effective means of sharing the gospel.

#186: 2007-07-16 11:00:45
No influence.

#189: 2007-07-16 11:37:35
We are an interfaith affiliate, we have a Jewish board president and we are actively seeking people of non-Christian faiths to join us in our mission. We are respectful of all of "God's" people at all times. While we Christians in this ministry are proud that it is a Christian based and founded organization we are not excluding non-Christians. How can one show by example the love of Christ if you are not in the midst of non-Christians? How do you share the word of Christ if you are separate from all the "others"? Christ ministered to all people starting with his own people the Jews, then the Gentiles - ALL not some. If Government funding comes with any restrictions of our sharing our ministry we will reject that money.

#190: 2007-07-16 11:40:07
The government may prohibit witnessing to needy individuals by bringing up separation of church and state.

#192: 2007-07-16 11:53:23
We believe this could negatively impact our ability to carry out our Christian ministry.

#193: 2007-07-16 12:59:52
My Christian witness is and should be not in a forceful manner, but merely by the acts of kindness, and the way I live. Forcing views is not acceptable for me.

#194: 2007-07-16 13:26:58
We have been involved with gov’t funding and there have been no restrictions - We established that up front and the gov’t organization conceded. We were willing to walk away and they were not.

#195: 2007-07-16 14:09:11
CARE MUST BE TAKEN THAT GOVERNMENT FUNDING DOES NOT HINDER THE PROGRESS MADE THROUGH FAITH BASED HOME BUILDING. IF IT DOES INTERFER, THEN THE FUNDS SHOULD NOT BE ACCEPTED.

#197: 2007-07-16 14:23:22
No impact.

#198: 2007-07-16 14:37:21
I don't believe our mission as an organization is to share the gospel. Our mission is to act on our faith and demonstrate Christ's love by helping people in need to be decently housed. We don't in any way give our families the impression that they have to be or become Christians in order to be helped. We do give out a Bible at home dedications and have never had anyone turn it down. And actually, we have had a lot more static from corporate America, especially employee volunteer groups, than we have from the government on these issues.

#199: 2007-07-16 16:26:51
In the case of Habitat for Humanity, it does not. Habitat seeks to demonstrate Christian principles, but does not seek to convert/preach or otherwise impose those principles on anyone -- homeowners, volunteers or staff. Since Habitat provides homes to those of any (or no) faith who otherwise qualify, acceptance of government funding to assist our mission should not have any effect.

#200: 2007-07-16 16:37:47
May prohibit the sharing of the Gospel in organized activities.

#201: 2007-07-16 17:02:12
I think if the funding prohibits some of the things that an HFHSL affiliate generally does (such as presenting a bible at dedication) is would be a negative influence. However, none of the govt funding programs we have worked with prohibited this activity.

#202: 2007-07-16 17:42:00
I think Christians should be prepared to help those in need without expecting them to follow the beliefs they hold. Our affiliate has volunteers with many different beliefs. Our best workers have often been non church going volunteers.

#203: 2007-07-16 18:03:06
Habitat is not supposed to be sharing the Gospel verbally! Our theology is based on putting faith in ACTION, and on accepting people of all faith -- or NO faith -- to be a recipient or participants in our mission.

#204: 2007-07-16 18:54:25
very limited...just can’t pray at dedication on the property.

It has not affected us in this regard

I haven’t studied this enough to have a well-formed opinion. Mainly I believe the funding source should not influence the mission of the organization.

#208: 2007-07-17 08:44:33
Accepting government funding has not influenced the Christian mission of the organization, nor should it, given a “marketplace of ideas” approach to the first amendment. The free exercise clause doesn’t guarantee a person the right not to hear religious opinions with which she does not agree. Nor does the establishment clause preclude, in my view, government support of religion in limited ways. The jurisprudence of the First Amendment has in the last 40 years or so tended to assume that we are incapable of mounting our own rational resources to consider religious claims

#209: 2007-07-17 10:12:40
Would probably prevent it.

#210: 2007-07-17 10:24:32
Any kind of funding to a Christian Mission can only benefit those in need

#212: 2007-07-17 10:29:34
I suppose if certain stipulations come along with the funds that prohibit that sort of activity, it could limit an organization’s ability to adhere to its core values and mission.

#213: 2007-07-17 10:34:51
It shouldn’t. "One Nation Under God"

#215: 2007-07-17 10:52:56
It completely depends on the rules of the government giving out the monies. If the government is uncomfortable with organizations sharing the Gospel; the government’s rules should be followed if the monies are accepted by the organization. If the government is okay with organizations sharing the Gospel then it is up to the people receiving help if they want to hear or not.

#217: 2007-07-17 11:17:34
The two should not mix

#218: 2007-07-17 11:47:09
That is the concern many affiliates have - will it impact our sharing of the gospel? Will be able to lead events with prayers, can we talk about Christ and God in our literature, etc.? We have not explored these question yet but would before we accept gov’t funding.

#221: 2007-07-17 11:56:01
If the funding were are apply for specifically stated that "sharing of the gospel" was prohibited, then our affiliate would not apply for those funds.
It does not influence it at all. We share the gospel/Christianity through our actions, not through words. The mission of this organization is not to share the gospel...it is to provide homeownership opportunities to very low-income households.

- requiring that the faith-based organization refrain from emphasizing their Christian mission
- preventing the faith-based organization from providing literature, Bibles, or other Christian materials to partner families
- cause the faith-based organization to lose its Christian focus and become dependent upon the government, rather than God

If a faith-based organization receives government funding, it should not, in my opinion:  
1. proselytize
2. Make services dependent on religious belief or membership.
3. use funds for services to advance a particular religious message or expand a particular church.

Government funds should not restrict sharing the Gospel. We are reluctant to accept funds because we don't want those restrictions.

If Government provides the money, then they want to say how it is spent
We receive Michigan State Housing Development Authority buy down grants in the amount of $10,000 for each family that is within 45% of the State of Michigan median income. Therefore dropping the sale of their mortgage down $10,000. This is really a great savings for low-come families.

We have not had a government requirement that restricts us from demonstrating our faith. We offer faith guidance if sought by the family, but we do not require their involvement in church or any religious activity.

Governmental funding has no influence.

Government funding should not influence the Christian mission of an organization. If the organization can not accept the terms of government funding without compromising their mission than the organization should not accept, or even apply for, government funding.

For me, I would prefer the government not be involved with the non-profit organization. HFH is a faith based organization but not necessarily one that proselytizes it's religious beliefs. HFH is for everyone, I don’t believe that the Christian mission of the organization would change for this organization, we just don't like the idea.

If there are any restrictions or qualifications for receiving it or using it....then the it can not help but influence the means and message.

We have no experience with this issue since we have not received any government funding. But, as long as the funds are used for infrastructure and there’s no restrictions on our faith sharing, gov’t funding could be compatible with the completion of our mission.

We do not believe in “forcing” the Gospel on a family in need. We make clear that ours is a Christian ministry & we believe that by our actions, we are known.

It does not affect it. The Gospel is as likely to be shared by Habitat partner families to the members of Waco HFH as the other way around.

Government funding may specifically limit or exclude the promotion of any set of beliefs in the course of carrying out the government-funded activity.

somewhat.

It is doubtful that in a small market like ours that this would become a problem

could compromise it by placing some restrictions

We have not experienced any restriction of how we serve our families and volunteers and donors.
I am not aware that it would effect the sharing of the gospel any differently than we do now if we accepted government funding. The reason we haven't is we cannot meet the timelines that go with the government funding.

Strings attached preventing.

It should NOT be able to influence it at all.

It can restrict it significantly

Our affiliate has received government funding in the past and it has never been required to deny our Christian based mission.

If and when the government does not allow a Christian mission to share its faith, that is the time for the mission to refuse to accept any more funds.

Not allow prayer and/or devotions on the worksite.
Not allow people to witness about their faith in proximity of a client.
Not allow people to invite a client to church with them.
Not allow God to be mentioned in the work.
Not allow God to be mentioned in our mission materials.
Make us separate our accounting from mission and non-mission expenses.

Accepting gov’t funding may take the emphasis away from being a Christian organization and make it non-religious in order to not “offend” anyone.

Sharing the gospel is an optional part of participation in Habitat... Government funding is not to support sharing the gospel.

Acceptance of government funding, which is given for infrastructure development, house building, homeowner education workshops, would not influence the sharing of the Gospel.

Twin Cities Habitat for Humanity is an ecumenical Christian organization. That said, however, we are also a lender and follow all equal housing opportunity laws. We do not discriminate in our lending procedures based on religion. While we present partner families with a Bible at the house dedication, we do not consider religion at any point in the family selection process.

I don't believe it does, but our affiliate also does not “share the gospel” in a way that would be non-compliant with government funding. We believe in faith in action rather than faith in words-- if someone happens to ask what motivates us to do what we do, the opening is there to share with them Christian teachings.

Should not if the non-profit keeps the percentage of government funding low.
I don't know. Our mission is that of providing affordable homeownership opportunities; not proselytizing a particular religion.

By adding specific requirements to the grant agreement.

It would not influence it.

There is no relation between government funding and our Christian ministry.

With restrictions on sharing the Christian beliefs of the organization.

If Christian influence is taken out of the equation, our mission becomes a hand out, not a hand up.

Government funding of any welfare has historically developed an entitlement mentality which does nothing to improve the individual's welfare and leads to increase burden on society now and creates an overwhelming threat to future generations survivability.

It might ask us to stop sharing the Gospel, stop giving Bibles and such.

It might does reduce the ability of the organization to freely share the Gospel.

Preach the gospel often, use words if necessary....

I believe it is possible to share our faith in our actions and have more influence than those of words...

I don't believe that we are in the business of telling people how or what to believe. I believe that we can share the Gospel as we know/believe, but also believe that we are an ecumenical ministry accepting people of all faiths or no faith into our midst. If there were parameters around government funding that precluded our basic tenants, then I would probably not apply for those funds. However, given that we don't do much in government funding, my experience and views are fairly limited.

In the answers above - marked by this survey participant as "somewhat agree" - please note a parallel response.

It is important that - as an affiliate - we celebrate our Christian founding and organizational principles, while, simultaneously, honoring the individual's right to freedom of expression in faith. Our affiliate celebrates many faiths - building homes in partnership with a variety of religious groups - demonstrated in a home we call "House of Faith". Our Christian roots are celebrated in another house we call "Apostle's Build". Richmond Habitat also has several faiths represented on our Board of Directors, including, but not limited to, Christianity, Muslim tradition, and Judaism.

Ours is not a selfish faith - rather a faith of love, acceptance, and mercy. When the term "the gospel" is used above, this specifically refers to the books of the Bible documents our Christ's life as reported by His disciples. I believe that every opportunity - build, governmental, volunteer, etc,
is an opportunity to demonstrate Christ’s love. But, I do not think that I should - nor should any organization ostracize, or deny the opportunity of service and service acceptance to anyone due to faith eschewed.

Our mission is not an evangelistic one, we are here to serve and provide safe and decent places for low-income families to live and own.

#292: 2007-07-25 17:09:15
It would impede any possibility, if the guidance on the use of the funding is directed not to spread words of faith.

#293: 2007-07-25 17:19:36
Restrictive

As the population in our Country continues in flux, the Gospel of Jesus Christ can be seen by many to be a challenge to other’s beliefs. Governments many times silence speech rather than deal with disagreements, no matter how minor or major they may be.

#296: 2007-07-25 18:00:01
It should not influence our Christian mission at all. We hesitate to accept government funding for fear they would try to make us put our religious beliefs aside. Our religious beliefs and compassion are what has made Habitat such a success and I personally will not set those aside for any reason.

#297: 2007-07-25 18:08:25
It is my opinion that we act out our gospel. We are faith in action and that action speaks volumes. We do not have to verbally communicate beliefs to share our faith. Our mission "acts out" the teachings of Jesus to impact poverty housing. Our mission is not about teaching theology or conversion. Therefore, I do not believe that government funding will negatively impact the mission. Requests for proposals are clear in their expectations. If a government funding opportunity requires action that is not in the best interest of the affiliate, either religiously or otherwise, you are not obligated to reply and request support. Affiliates need to weight the requirements of the funding source (government or other) to determine if those requirements will interfere with the mission.

If anything I believe increased funding allows us to fulfill our mission which becomes a public statement of our faith based principles

#299: 2007-07-25 21:50:05
I believe that if government funding is accepted by a Christian organization, that soon the government will be telling you what you can and cannot say.

#300: 2007-07-26 22:41:56
Our actions of service and sharing speak to those we’re serving. Those in need probably don’t differentiate between the source of funding if there are individual, humans with loving hearts delivering the service and working side-by-side with them.

It’s the conduit, not the source of funding that’s most important

#301: 2007-07-26 02:31:12
should not influence the mission.

#302: 2007-07-26 11:26:01
would be reluctant to accept such funding with that string attached

The organization might feel compelled not to do things as they have always done, i.e. sharing the gospel. However I feel it would be improper to force an individual to be a party to religion if they chose not to. It would be alright if they were comfortable with the religious component.

#304:  2007-07-26 11:44:36
Might not be able to be as open and direct about it because of the funding and the association that some people might make when knowing Gov’t funds are at work.

#305:  2007-07-26 11:47:16
Our receipt of government funding does not affect our ability to provide our mission which is to work in partnership with God and people everywhere, from all walks of life, to develop communities with people in need by building and renovating houses, so that there are decent houses in decent communities in which every person can experience God’s love and can live and grow into all that God intends. We experience God’s love and we act in accordance to that love. That doesn’t mean that we share the Gospel. Our way of sharing God’s love includes developing partnerships, working side-by-side with people of all walks of life to build houses. By building houses and building communities we support each other. It is the love that we provide through construction, education and partnership that builds hope.

#306:  2007-07-26 12:44:39
Hearing about the Gospel should be strictly voluntary and should never be a condition of receiving service.

#307:  2007-07-26 14:40:32
The Gospel should stay at home or your house of worship!, unless our families want the gospel. We are here only to provide adequate housing to our partner families in need not to push religion. To answer this question, government funding would not influence our affiliate at all.

#308:  2007-07-26 16:18:14
If it influences our mission, we should not accept it.

#309:  2007-07-26 16:28:05
Our affiliate does not make ‘evangelism’ a part of our program. However, the ability to pray with, share our own faith journey with, or present and discuss the Bible with families could be impacted by some government grants/funding. We do not seek government grants for this reason. We may apply for a faith-based capacity building grant in the future, if they continue, as the materials we received last year indicated that no such problems would occur with that grant.

#310:  2007-07-26 18:07:09
Government funding always has or will someday come with strings attached which will be contrary to the mission of Christians

By not allowing prayer at ground breaking or blessing of our homes. In our area we have no such influence affecting our operations.

#314:  2007-07-27 12:04:11
Government funding could might limit the sharing of Christian principles and the Gospel.

Could not share the Gospel

#316:  2007-07-27 16:00:12
It shouldn’t and govt. funding should not be accepted if it would adversely effect the orgs. mission or compromise its beliefs.

#317:  2007-07-28 11:01:56
If we are to get anything accomplished, we have to try all funding sources. We have no industry and very small churches. We are a small agricultural county. We are more interested in meeting codes, than gospel. Nothing can be accomplished without funding.

This affiliate doesn’t allow any organization dictate or influence how we go about our daily work. We lead by example, not by preaching, therefore, showing the love of Christ by action.

#320: 2007-07-31 11:09:56
separation of church and state

#322: 2007-08-01 23:32:54
Limitations on religious activities might be place as a condition of accepting government funding. When so done, then the faith based organization must determine if the limitation imposed is acceptable to the organization.

#323: 2007-08-03 13:53:04
Our affiliate maintains the right to do certain faith related activities, regardless of the funding. We do not evangelize our recipients but we do value our roots.
Appendix F

32. What risks face faith-based organizations that accept government funding?

#2: 2007-07-09 18:38:50
We can become hardened or callous toward sharing our faith if we cannot speak what we know. We will have to focus on our actions and deeds to express our mission.

#3: 2007-07-09 20:44:27
We have accepted government funding in three cases:

1. The city of Pell City donated back by check what we paid them for water and sewer connection. The effect of this, if any, showed city building inspectors mayor and council members interest in Habitat for Humanity.
2. The affordable housing grants from the Federal Home Loan Bank through Colonial Bank and the Alabama Association of Habitat Affiliates have helped each Habitat Partner Family with $6,000 towards closing costs and down payment. There is a $800 application fee which keeps the Alabama Association of Habitat Affiliates in business.
3. The Alabama Housing Finance Authority buys one-half of our mortgage notes (continued in 33)

#4: 2007-07-10 09:16:28
Becoming too reliant on that source.

#5: 2007-07-10 10:28:35
That the faith based non profit becomes dependent on the govt and when funding is removed they are no longer able to continue its mission.

#6: 2007-07-10 12:18:50
Watered down missions or loose them entirely.

#8: 2007-07-10 14:08:46
Each organization will have to weigh the risks against their mission and methods. I do not see any faith related risks involving Habitat.

#9: 2007-07-10 14:14:44
They need to be willing to follow the rules as they are set forth in order to receive funds.

#10: 2007-07-10 14:30:56
Government funding has always been tied up with all kinds of bureaucratic red tape, multitudes of restrictions and requirements that ultimately make compliance more expensive than the benefit of the funds.

#11: 2007-07-10 14:53:25
Failing to follow the procedures required, necessitating return of funds; building in anticipation of receiving government funds that end up not appropriated or dis-appropriated, or delayed for political reasons; inability to be as effective in helping those in need due to limitations placed on the faith-based organization -- e.g., what can be said to or shared with the client.

They build capacity that then may be taken away. Not reliable.

#13: 2007-07-10 15:15:30
A requirement to be more accountable for our actions and to take a more professional approach to the delivery of our services.

#14: 2007-07-10 15:27:30
I don’t really see a risk other than the lack of knowledgeable staff to maintain the required paperwork and documentations required for the funding. In our affiliate I (CEO) do all followups on paperwork and required docs.
None at present.

There is no risk when accepting funds with the understanding that Habitat will continue to fulfill its mission and demonstrate its faith through its actions.

In my opinion, there is no risk.

None - if you do not let it.

reluctance to witness to the full power of the Gospel

That they become too dependent on this kind of money. It can be very fleeting.

Government interference in the operations of the affiliate.

Other faith-based groups engaging in other social services maybe more prone to conflicts due to gov’t funding, but risks to a Habitat aren’t evident to me. A Habitat is going to obey Fair Housing and other laws.

The only concern that comes to mind it gov’t program rules can nevertheless be too incompatible to work for the Habitat model.

Dampening the passion or forcing compromise of faith’s values

Not enough knowledge to reply.

unknown

No risk involved.

Bigotry

One of the biggest risks that we’re facing is that this funding, while important, has caused our board to be extremely lazy when it comes to fundraising. This large chunk of money has been great, but there’s no one following that voice in the wilderness that’s saying we have to keep looking ahead—getting more folks involved with our mission by donating.

They may be asked to tone down the faith message and increase the social services message, which defeats one of the original purposes of Habitat. Also, once an affiliate accepts government funding, it can become addictive and Habitat would eventually become “just another social program.”
Hopefully, none.

Restrictions on who to help, how we go about accomplishing our mission, who to hire and how many to staff.

Not familiar enough to discuss or debate any part of risks.

You risk the possibility of losing the funding, or having to pay it back because we just don’t have the expertise or the bodies needed to keep up with all the paperwork after the fact.

More paperwork and restrictions and perceived restrictions

Any funder, including private foundations, have “strings,” expectations associated with their investment. If the conditions don’t fit your organization, don’t seek that funding.

In our opinion, the organization should be non-discriminatory and offer equal opportunity to all people. If they are not, this would certainly be a requirement to deal with.

All funding usually comes with some strings. Organizations should be honest about this and accept only those that they can feel comfortable with adhering to.

The old adage of Religion and Politics should not mix is the only risk that I believe faith-based organization face when accepting government funding. However, funding to help those in need should not face risks of any sort and fundraising is fundraising.

It depends upon the funding requirements. This is too broad a question to answer without the experience to back it up.

as with any funding source, you don’t want to put all your eggs in one basket. there might be overt or covert pressure to avoid references to God or faith in order to keep the funding.

Typically only the issues that they are unyielding about...We have accepted funds for years and have never had a single question raised about devotions, presentation of bibles, etc.

none

Accepting government funding opens an organization to more government involvement and auditing.

Trying to change its core mission to only get the money
We have never looked into accepting government grabf

#54: 2007-07-11 14:29:25
They face risks of being micro-managed and being told what they can and cannot do for others.

Limiting the opportunity to share Christian values

#56: 2007-07-11 14:54:45
We have not experienced any religious issues based upon government funding. Most of our funding, even if the source is federal, is distributed through the State Housing Authority or through Habitat International. I cannot identify any particular risks of a religious nature.

#57: 2007-07-11 14:54:46
The only risk is having the funds reclaimed by the government for failing to account for the proper spending of the funds.

#58: 2007-07-11 15:18:51
I am really not certain.

Having to compromise the religious activities in order to gain the needed funds to complete the mission of eliminating substandard housing.

#60: 2007-07-11 16:11:35
I guess some risk to the organization's ability to engage in ministry.

The greatest risks, as I see them are:
1. Potentially losing control of in-house decision-making as a result of having to comply with government demands.
2. The other risk, particularly for smaller affiliates without administrative manpower, is being buried alive under documentation demands!

#65: 2007-07-11 16:44:30
That they will lose their focus on their primary mission—to bring the Gospel of Jesus Christ to the world.

#67: 2007-07-11 17:04:49
They may change the rules.

#68: 2007-07-11 17:11:07
I don't feel that government funding should be spent on anything other than programs that do not proselytize. There should be a clear separation. Organizations must be able to do this.

#70: 2007-07-11 18:05:08
None at this time.

Not sure.

I think there is a risk of not counting on the general public to support the organization and tend to rely on the government funds. With different administrations, there will always be different priorities for funding. If you don't continue to build your local support, you could be caught short.
Evangalism (or lack thereof); increased paperwork; paper trails; training of staff; loss of time worked toward mission (to do paperwork/training)

#75: 2007-07-11 18:47:43
more control of financial resources and accountability; more outside influence

#77: 2007-07-11 19:06:02
None that I am aware of. Hosting AmeriCorps Members was more restrictive than using government funds.

loss of control.

#79: 2007-07-11 19:12:34
Most of the risks that I see to faith based organizations are the same as for non-faith based organizations either profit or not for profit. 1. Relying too heavily on any one source of funding is risky to the long term survival of an organization regardless of its source. 2. Regulations, reporting requirements and project standards imposed by government funding can be too costly for the organization to practically absorb. 3. If government regulations regarding the expression of religious faith by Habitat volunteers and employees as individuals were prohibited in the same way as they are in the public schools, we would lose part of who we are.

#80: 2007-07-11 19:17:50
Entanglement of church-state issues. Limitation on religious practices and "sharing the Gospel" attached to government funding.

#82: 2007-07-11 19:26:00
I'm not sure

Government funding should only be provided to those who are willing to provide service to all in need without subjecting the recipients to religious teachings.

#87: 2007-07-12 08:01:06
none, if the funds are used in the manner they were represented to be used.

#88: 2007-07-12 08:40:27
Risk of not being able to fulfill their mission.

#90: 2007-07-12 09:17:53
Not sure.

#91: 2007-07-12 10:04:43
Accepting government funding results in dependence on the government instead of dependence on the Holy Spirit.

#92: 2007-07-12 10:33:57
Little or no risk if they understand all restrictions that apply.

#93: 2007-07-12 10:45:15
Compromising our faith principles

#94: 2007-07-12 10:51:56
Our affiliate has not faced any risks.

#95: 2007-07-12 11:05:29
The only risk that I can see is the loss of government funding for failing to follow government policy of not sharing your faith with recipients of your program--if that ever becomes the policy in the future.

#97:  2007-07-12 11:32:15
none that I see.

#98:  2007-07-12 11:58:36
I don't know.

#100:  2007-07-12 12:47:28
Faith-based organizations need to accept the separation of church and state.

#101:  2007-07-12 12:47:59
My experience with govt. funding is that salaries and paper work eat up most of the funding anyway and many government restrictions get in the way of an organization getting the most meaningful, helpful and efficient results for their efforts.

#102:  2007-07-12 12:53:30
If conditions are imposed on the organization about saying that they are faith based, then they need to seriously consider whether they need the funding that way. However, God can work just as well thru govt funding as thru individuals.

#103:  2007-07-12 12:54:05
What ever stipulations are placed on the receipt of the funds. The organization always has the option to say 'no' and avoid any risk such as compromising the values or practices of their mission.

#104:  2007-07-12 13:09:12
Again, the primary risk is the compromise of the mission. Also, volunteer energy can diminish when government funds are accepted. Possibly, there is the risk of dependence upon government funding and the cessation of the organization if and when government funding is withdrawn.

#106:  2007-07-12 13:26:36
Being seen as "just another government program."
Loosing the "face" of Habitat as a volunteer based organization
Loosing other donors contributions because of the belief that the government funds Habitat.

There is a serious risk of extensive reporting and paper overload if government funds are accepted. The additional work required in the office may not be worth the funds given. If you have to hire additional people just to complete the reporting requirements, this is disproportional work requirements and funds should be carefully considered before being accepted.

too much paperwork and record keeping that is actually ridiculous in the way it is worded.

Funding may be asked to be returned if legislatures suddenly change their mind on the rules under which the money was distributed

They risk losing their identity and their ability to fulfill their mission statement without compromising their mission to meet governmental regulations.

#111:  2007-07-12 13:35:06
Our Christian identity could be diluted by the temptation to abandon our Christian identity in order to accept funds.

In an ever increasing struggle for non-profits to obtain private funding some affiliates (and there are some) are willing to "sell out" in order to accept government funding.
However, some affiliates are more focused on capacity building than on Christian identity anyway.

The temptation to not offend anybody is prevalent in today's society.

#112:  2007-07-12 13:36:48
Know of no risks beyond the terms that we accepted upon receiving the funding (i.e.: terms of repayment, etc.)

#114:  2007-07-12 13:37:46
Dependency is the biggest risk. If the organization can overcome the barriers to access for this funding, it becomes tempting to use government funds to the exclusion (or minimization) of community funding. (This was always Millard Fuller's concern.) We need to be doing both.

The other risk is a performance issue. Habitat culture tends to be a little less deadline committed that government funding is tolerant of. If we agree to take their money, we must agree to keep the schedules we committed to.

I believe that government funding requires a great deal of additional information for record keeping. Many faith-based organizations have few or no paid employees that can dedicate time to completing the paperwork and meeting the deadlines.

Our board of directors feels that we are supported by our constituents who believe in our mission. If we were to accept gov't funds, we are then supported by the general public, who may or may not support our mission.

If it moves the organization away from its primary mission, it should not be considered. The mission and vision of the organization comes first.

To allocate significant resources/ activities that need to be done to comply with the rules of a particular program

#118:  2007-07-12 13:59:02
The loss of donations by supporters - as they see the Governments taking over the non-profit organization.

No risk

#120:  2007-07-12 14:16:01
Once tax payer funding is accepted, government control could seriously alter our mission and purpose. In addition, we could rely too heavily on government funding instead of developing alternative funding sources.

#121:  2007-07-12 14:21:24
As long as we stick to our mission, accepting these funds does not cause any problems.

#122:  2007-07-12 14:23:10
I am not aware of the risk. If there were we would not accept government funding. The only drawback to government funding that we have experienced is extra paperwork.

#123:  2007-07-12 14:23:30
Over-regulation and curtailing their witness to Christ.

#124:  2007-07-12 14:32:12

226
Becoming bogged down in paperwork.

#126: 2007-07-12 14:43:29
We cannot rely totally on government funding. Our local communities must be involved in changing the lives of those within their own community. At Habitat we should always rely primarily on local volunteers, and donors.

#128: 2007-07-12 14:49:10
Too much dependence on the government dole may weaken the infrastructure of the org. which will lose the ability to fund raise independently.

#129: 2007-07-12 14:52:43
The risk is not knowing upfront what restrictions would be place upon the organization. If the restrictions limit our Christian mission, then it is the responsibility of the organization NOT to accept it.

#130: 2007-07-12 15:02:27
I don’t think there is any risk to a faith-based group accepting government funding, if they are providing the services based on their own faith and sense of compassion and mercy. If they’re serving others based on a need to convert others, then there could be a big risk to the faith-based group, as well there should be: risk to their non-profit status and risk to their eligibility for government funds.

#131: 2007-07-12 15:21:49
I don’t see the risks.

Same as above.

#133: 2007-07-12 15:27:24
Our organization is a small entity with one full-time employee to manage multiple facets including public relations, fund-raising, volunteer activities, etc. With the additional documentation, intense project management, and separate ledgers it may cause us to look for smaller, individual partnerships to accomplish our task. The latter takes a lot of time, but without the financial constraints and political insecurity from one year to the next.

#134: 2007-07-12 15:29:01
The largest problem we have is in the income limits placed on partner families. You have a family that is $500 - $1000 over the low/mod income limit and they do not qualify for government subsidy. Yet the next county over they may qualify as the limits are different per each county based on the 7 year census review. How quickly the economics can change. I understand the need for caps on income, but, what about a tolerance for families that have special needs children with higher than normal medical experiences. There are no exceptions!!! There is no compassion!!!

The second issue that our Board of Directors still struggle with is that some of the government funding has a lifetime mortgage to the property. Therefore, the family will never truly own the property without paying back the subsidy, even after 30-40 years. In some cases if the partner family becomes TOO successful and start earning into the middle income bracket they could be required to repay the government funding. Why would we not want to encourage our families to make change in the family dynamics, adopt “faith based” morals, become educated or work hard for better paying jobs?

#135: 2007-07-12 15:29:07
The one cited above.

#136: 2007-07-12 15:38:56
There such organizations are discriminated against because they are faith-based.

#137: 2007-07-12 15:43:56
It is a very fine line to walk. People who are receiving government funded services should not be subjected to people preaching the Gospel at them, on the other hand many charitable organizations are run by Christian and non-Christian Ministries.

#138: 2007-07-12 15:49:17
The risk is that government may try to force the faith-based organizations to jump through their hoops.

#139: 2007-07-12 16:31:21
The biggest concern I see is that faith-based organizations may fail to build the important local donor base needed for long-term stability and growth because they rely too heavily on government funding, especially since that government funding is may not always be available.

#140: 2007-07-12 16:39:33
Having the government tell the faith-based organizations how to run their organizations.

#141: 2007-07-12 16:52:17
We have not accepted or sought government funds except through SHOP. The competition is pretty steep for government funds in our area, so others may be selected to be funded over us anyhow.

#142: 2007-07-12 18:31:13
"Control" contrary to what is, or isn't, healthy. Religious oppression. Faith/Religion is an integral part of who someone is. To totally deny, or to force, your beliefs on someone else are equally dangerous in a free society. There needs to be balance, or boundaries, in the way we treat others. Respect for personhood within limits. The problem is how do we determine limits, and agree to disagree without harming society and those who live in it.

#143: 2007-07-12 18:54:18
I'm not sure. I haven't seen anything to indicate that accepting government funds might be a problem for us. The biggest problem we have with accepting SHOP funds is the onerous requirements for paperwork and reporting.

#144: 2007-07-12 19:32:19
Intrusion in local activities.

#145: 2007-07-12 19:32:25
Intrusion in local activities.

#146: 2007-07-12 21:17:19
None.

#147: 2007-07-12 21:20:35
Our board feels that the government would then control to some extent how we manage our affiliate.

The limiting of their faith-based mission. decrease in mission success due to funding source burdensome requirements, i.e. reporting, pre-approved spending, etc.

#149: 2007-07-12 22:53:50
regulations

#150: 2007-07-13 06:25:09
NOT SURE AT THIS POINT

#151: 2007-07-13 07:29:21
The risk for Habitat is that it will lose the initiatives of volunteer work and professionalize itself to sterility. It is happening now but that change stems more from the fallout of Enron than any perceived hostility from government.

Government funding typical is accompanied with limitations, bureaucracy, and exhaustive recordkeeping and paperwork. There may additionally be conflicts between the organizations mission and religious identity.

Possible government control.

They primarily risk the lose of funding because of government cut backs or relocation of funding.

I do not know of any

Obvious answer - separation of Church and State. Our concern is two-fold. Government funding must never compromise the religious beliefs that lie beneath the actions of the organization, whether it be Habitat or the United Jewish Appeal. That goes without saying. But, secondly, and more important in our minds, is the pervasive intrusion of government involvement in any endeavor, whether it be faith-based or otherwise. Simply put, if the acceptance of government funding in any way allows the providers to dictate the “who, what, where, how often or how many of any mission, then taking the funds is unacceptable.

Risk of having to modify their mission or operations to accommodate to government requirements

We all need to stay true to our mission to most effectively carry out our operations

Faith-based organizations do not face risks different from non-faith-based organizations.

None.

Government paperwork and mandates.

Control of their message, perhaps.

We do not currently seek out government funding. However, if we were we would only accept those that allowed us to continue our service in the manner that this board sees acceptable.

Compromise

If a faith based organization wants to promote its faith, then that is at risk. However, not all faith based organizations intend nor want to promote their faith. They want to promote love and justice.

I believe strongly in separation of church and state. Funding should be tied to the intended (in this case basic housing)support, not the organizations or recipients faith or lack of. God will take care of the rest.
Regulations that are in conflict with the mission of the organization.

restrictions on sharing our faith

If such organizations invest themselves too heavily in government funding, they might find their income at risk if the funding is shut down or if restrictions are imposed with limit their ability to accomplish their objectives.

I suppose there is a risk that someone could accuse an affiliate of using government funds to preach or spread the Gospel, i.e., through saying a prayer or giving of a bible at a home dedication. However, I am not concerned about this at the present time.

They may lose the focus on the mission and end up simply chasing dollars at any cost.

Our greatest form of capital is the individual. Government funding can quickly erode that capital and make us bankrupt. I am attempting to paste a URL from the Wall Street Journal and hope that you can follow this link.

http://online.wsj.com/article/SB1184349369419666055.html?mod=hpp_us_pageone

One of the worst things that can happened to a faith based organization is to have so much money that you do not need mine. If the organization does not need my time and money, then my personal faith does not grow and my interest is lost. Too much government money will erode the capital of Habitat.

They jeopardize the control of their mission.

I have not experienced any Government control - technically we say we only use government funds for infrastructure, not for houses, but is there really any difference between the two.

I have heard that some Habitat affiliate staff purposely do not identify themselves as part of a Christian ministry for fear of turning off prospective donors, volunteers, staff and/or applicants. Any government funding that encourages this by placing actual or perceived limits on the identification of HFH as a Christian ministry threatens to undermine the success of HFH.

We can become overly dependent on government funding

Be to dependant on it
I do not want Government in my religion. I do not want the government dictating what I believe and how I share that belief. I fear government funding will require the faith-based organization to forgo its mission and become secular.

Our affiliate has not seen any risks to our mission.

The greatest risk is the faith-based organization feeling they can ignore or work around the requirements and conditions attached to the government funding.

None

The ones they allow themselves to be exposed to. The first being dependence. The affiliate board should set a limit based on a percentage of the budget, making sure the affiliate can raise its own funds and not become reliant on government funding.

Same as 31 and they may start to rely on the government funding themselves and forget the true purpose of faith-based funding.

Having worked for both government and non-profit social service agencies, I have seen a definite dividing line between what is acceptable practice (sharing faith-based mission statements) and what is not.

While I believe that federal and state government can and do provide valuable and needed services, I would be very hesitant to accept government funds for Habitat programs. Eventually there will be imposed restrictions on Habitat's statements, or the message will be watered down.

Having to change who we are to meet federal guidelines.

If the government agencies restrict who we are and how we live, then we face a risk.

If they become dependent on the funding as their sole efforts, then once they become dependent on the funding as their major source, they may have to capitulate.

HISTORICALLY, THE GOVERNMENT WANTS CONTROL AND WILL TELL YOU WHAT YOU CAN AND CAN NOT DO. THIS WOULD BE A BIG MISTAKE IF HABITAT TAKES THIS ROAD.

The organization may be required to provide services without sharing their beliefs or participating in religious rituals.

The opponents may wrongly conclude that they must be subject to the "conversion" process to be eligible for any financial support.
The difficulties we have encountered have little to do with our faith-based work and more to do with the financial considerations we use to qualify and select our homeowners. The risk is that we will serve a less needy clientele than in the past, and leave the most needy without any opportunity for help.

The greatest is over-dependence on a source of funding that might not be available later. Government programs change at the whim of Congress or changes in public attitude. Other organizations with a religious as well as social services operations may have greater difficulty.

Not being allowed the opportunity to offer services as currently being offered.

Only that they can become too dependent upon it -- which is true of any source of funds.

rules are so rigid to limit service.

I am unsure. It has not posed a risk for us thus far.

There could be some perceived limitations, there could be some fear of noise from groups like ACLU, for example.

I suppose, given the current court climate, there is some risk of interference, but it would the height of looniness for anyone to sue a Habitat affiliate for expressing it beliefs. Who would the injured plaintiff be, the homeowner?

I cannot speak to this question personally. I would assume that the risk is taking the monies to help people in need while abiding by the government rules.

The inability to freely minister its programs based upon restrictions that are part of the funding programs.

I cannot speak to this question personally. I would assume that the risk is taking the monies to help people in need while abiding by the government rules.

That they will mix

One risk is that govt funding can lead to a need for more staff (accounting, paperwork, mtg attendance) and thus it would take money away from our homebuilding efforts. The other risk is that
your community can get the impression that private donations are not needed (since you are receiving gov’t funding).

#221: 2007-07-17 11:56:01
Risk of censorship and conversion.

#223: 2007-07-17 12:34:53
They may be overwhelmed by paperwork and reporting requirements.

#224: 2007-07-17 13:17:45
- see #3 above - basically, the faith-based organization risks becoming a secular social service agency.

#225: 2007-07-17 13:58:07
The risks that we have faced by accepting a limited amount of government funding is not apparent. Although it is clear that for some programs we would need to change the way we plan, which would not be a major problem.

#226: 2007-07-17 14:05:12
Bush administration may be supportive. Courts and the bureaucracy may not be.

#228: 2007-07-17 15:12:55
we must remain open minded and nondiscriminatory in our practices.

Anytime a government change over occurs the organization risks running against the majority thinking of the leading party. Habitat is interesting in that in many circles we are touted as the ultimate Democratic Party non-profit of which much of that is owed to the presence of former Pres. Carter. But we see an open period now under Pres Bush where there is a larger acceptance of faith based organizations taking on more responsibility instead of relying of the government to solve all of the social issues. By not being an entitlement or handout program are we really not more Republican in our thinking of personal responsibility for personal actions by asking a family to repay their debt?

#231: 2007-07-17 15:45:04
The terms should be evaluated before application is made.

#232: 2007-07-17 16:23:15
Have to follow their policies and procedures. Could be a huge problem if does not fit into our Mission. We have had no problems or conflicts with this as of yet.

#233: 2007-07-17 16:26:25
Not being able to tell recipients that it is a Christian organization (or faith-based) that is helping them.

#237: 2007-07-17 17:41:26
n/a

#238: 2007-07-17 18:49:57
So far we have not run into any risks.

#240: 2007-07-17 22:35:03
I see very little risk.

#241: 2007-07-18 00:27:20
Government control

#242: 2007-07-18 08:25:30

233
I don’t feel there are any risks as long as we do a great job of qualifying the candidates for Habitat homes.

None that I am aware of.

#245: 2007-07-18 13:40:40
None that I am aware of at this time

#247: 2007-07-18 16:02:47
The risk may be to water-down the mission or look-the-other-way and compromise something vital to the organizations mission when faced with the ability to receive needed operational dollars.

As non-profit organizations we face this dilemma daily. Sometimes even private donors or foundation donations come with restrictions that we have to look at closely to be sure we are not compromising our values.

I would hope none. But, I’m not sure

#249: 2007-07-18 22:44:18
Excessive and troublesome requirements on how, when use funding and to whom.

#250: 2007-07-19 05:24:48
It is a sell out. By both the government, and the church, regardless of the motivation.

The misinterpretation and application of the laws that govern the separation of church and state could lead some to restrict any or a part of our faith sharing activities while building or working with the families.
If we demand the right to share our faith and be government subsidized, we need to consider other faiths we might not agree with will and must be granted the same rights. I'm not sure mandatory government support for a radical Islamic group would be an acceptable trade off for gov't support.

#253: 2007-07-19 14:33:45
The risks are that the regulations that come along with government funding will hamper or substantially change the mission of the organization. If the organization can use funds without changing their mission, then that’s ok. Every instance of government funding comes with strings of one sort or another...each organization needs to look seriously at those strings & how that affect their mission. Some times it will work, and some times it won’t.

#257: 2007-07-20 15:30:24
I suppose that an organization may have to return funds if it is found not to comply with its specific requirements.

#258: 2007-07-20 16:45:41
Can lose the opportunity to share faith.

#259: 2007-07-20 21:29:16
Loss of tax free status
Bad publicity...incorrect message

compromising of their mission

#261: 2007-07-23 11:36:24
Mission Creep
Possible regulations that conflict with the mission of the faith-based organization.

the loss of control of their mission.

Not being able to share gospel.

Being told exactly what we HAVE to do or NOT do.

Discrimination by government and discrimination by other non-Christian organizations, etc.

I am not aware of any risks.

Being at mercy to the government's rules and regulations that may conflict with policy and beliefs of the organization.

Unnecessary growth of organization infrastructure to properly account and handle government requests and information.

Client confidential files and personal information open to government review.

They may require we not pray, advertise we are Christians, not give Bibles to new families etc if we accept funding from them.

Losing funding...

Fewer local donations from individuals, companies, churches, etc. Contributors may feel that they have already provided money to the organization through payment of government taxes.

There are some Habitat supporters who enjoy feeling that volunteer labor and grass-roots fundraising is solely responsible for Habitat's success. In the Twin Cities, this is simply not the case. It costs more than $180,000 to build every house. As a result, diversification of revenue streams is a must. Accepting public funding can play an important role in that diversification. At the same time, it is important to make sure that donors and volunteers feel comfortable with the good works that Habitat performs and sees taxpayer subsidy of Habitat positively.

That they stop serving their mission. For Habitat that is eradicating substandard housing by building simple, decent homes in partnership with God's people in need. When the government is allowed to set priorities for an affiliate including house design and selection criteria we have risked the focus on our mission.

That the Christian (or other) character of their mission may be compromised if acceptance of funds puts limitations on certain expressions (prayer, readings, symbols - Bible-) that are commonly employed by the faith-based non-profit.
Becoming too dependent on one pool of funds.

Dependence on a resource that could shrink or disappear.

Getting bogged down in paper work.

We have not experienced any risks related to our being a faith-based organization and receiving government funds.

That their missions may be compromised.

The level of help that is offered is diminished to only a donation. Emotional and spiritual healing are required if an individual is to succeed. When an organization is forced to leave out this type of service, our efforts are futile.

The risk is not just to the faith based organization, it is to society as a whole.

Strings attached that go against faith-based ideals, stop our faith sharing.

They may be required to hire persons without regard to whether they agree with the primary mission and or philosophical/spiritual professions of the organization. This would dilute the mission of the organization.

Faith based organizations that accept government funding run the risk of dealing with public perception and challenges, I would assume, just as schools do. However, I believe that we should probably be selective in what kind of funding and what the requirements/ramifications would be for selecting that particular source of funding. Given that we don’t pursue much in government funding, my input is probably not very useful.

None has been denied to us on the basis of religious tone in our organization.

We have not encountered any.

Potentially de-emphasizing the importance of faith in our ministry to the possible extinction of that faith in our ministry.

Lack of control, control by the government.

Government rules, regulations, and law many times are difficult for smaller affiliates to comply with, simply because of lack of personnel at the affiliate level and changes or lack of knowledge in the reporting procedures or documentation and deadline requirements. Also, cash flow issues are a huge factor when an Affiliate DOES qualify and funds are not transferred in a timely manner.
The risk of government wanting to control our faith-based organization and the risk of losing the remarkable program that has been created. Without faith, compassion, and hope we are nothing.

Those organizations that accept government funding must be prepared to act within certain laws; must be prepared to accept and respond to timely paperwork; must be managed in a way that documents accountability; and must be willing to separate church and state. Many affiliates have already progressed to these levels of corporate culture and face few risks with government funding. Many affiliates are dependent upon a specific religious community and may not be prepared to respond as needed.

There are risks of needing to comply with basic government regulations attached to the funding. This is a judgment call for those who must balance the risk with the benefit.

Government interference and influence.

Diminished interface with the community for support (financially and spiritually)

None. We have not be made aware of any risks.

external influences on defining and implementing our mission

The organization that relies too much upon government funding or tries to become something outside of their mission will cause themselves untold grief and probably doom themselves to failure.

Compromising their mission and witness. Too watered down.

Many types of funds require that a specific population or location benefit from the outcome of the funding. Any organization that accepts government funding has to choose to comply with those limitations.

They don’t follow the accounting procedures and end up losing credibility.

The risk of the government telling us what criteria of family we would have to place. We stay with the principle of Habitat for Humanity. Need, Ability to pay their mortgage, and sweet equity hours.

As I understand it government money should not change our operation. We are already applying all fair housing standards.

Increased government control over the selection process and the family support committee functions and religious aspects of our programs; potential loss of tax exempt status if such control was exerted not accepted by the faith-based organization.
Not follow their Christian mission just to get/maintain government funding.

we see none in this area

#314: 2007-07-27 12:04:11
It could place restrictions on the mission or the delivery of the mission.

Not aware of any

#316: 2007-07-27 16:00:12
We really don’t know since we have not received gov’t funds which have exposed us to any risk.

#317: 2007-07-28 11:01:56
We had no problems.

None by this organization, however, others (non- Habitat) that I have come in contact with do tend to over focus on what they can’t do as opposed to just doing.

#320: 2007-07-31 11:09:56
lose control of funds

#321: 2007-08-01 08:08:51
The regulations imposed would be too much work for small affiliates that are run by volunteers only.

#322: 2007-08-01 23:32:54
Restrictions on religious activities

Dependency on government funding

#323: 2007-08-03 13:53:04
As has happened with other church related institutions, i.e. colleges, it becomes difficult to be all things to all people and maintain a Christian focus.
Appendix G

33. In what ways (if any) are faith-based nonprofit organizations regulated (in actual practice) when they accept government funding?

#2: 2007-07-09 18:38:50
I am not sure since we have not accepted funding during my 4 year reign as Executive Director.

#3: 2007-07-09 20:44:27
[32. Continuation] We consider buying a zero percent mortgage note at face value to be a form of grant to us. If you do not want to consider this a government grant, consider that they are using money from the Department of Housing and Urban Development and the best offer from any other source (which we have never accepted) discounts the note 25% to 33%.

33. Knowing what will lead to approval of the affordable housing grant and the sale of 50% of the notes forces us to keep more detailed records of “sweat equity”, volunteer hours, donated and discounted materials.

#4: 2007-07-10 09:16:28
We have not been subjected to any regulations because of our acceptance of government funding.

#5: 2007-07-10 10:28:35
non different that I am aware of.

#6: 2007-07-10 12:18:50
NA Haven’t accepted any yet.

#8: 2007-07-10 14:08:46
I am not aware of any faith issues in the funding we have received, although I have not researched this in detail.

#9: 2007-07-10 14:14:44
Must follow all rules.

#10: 2007-07-10 14:30:56
They are restricted just as non faith-based orgs PLUS by laws prohibiting discrimination based on religion, etc.

#11: 2007-07-10 14:53:25
In limitations on what the organization can say or do; in being straight-jacketed into the government approach to doing things and making sure what is done is documented, which increases costs.

#13: 2007-07-10 15:15:30
can’t comment about anything but our situation --- there are regulations about record keeping and about using a bid process instead of just awarding a contract. There are also regulations about verifying the income eligibility of our clients. But again --- nothing that doesn’t make good business sense and helps insure we are good stewards of the donations that are provided to us.

#14: 2007-07-10 15:27:30
In no way, at least not in the State of Florida. The law is very clear as to what and what we can not do specially when an action can be construed to be discriminatory. So we all follow those rules anyways.

#16: 2007-07-10 15:42:09
The only restriction I am aware of is with the AmeriCorps volunteer program. The members of AmeriCorps are not suppose to lead religious events.

#17: 2007-07-10 15:57:48
Don't know haven't accepted any.

#20: 2007-07-10 16:32:27
Not sure

#21: 2007-07-10 16:46:31
The only regulation we have encountered is that we cannot require AmeriCorps to attend morning devotions on our construction sites.

#22: 2007-07-10 17:01:40
Too much paperwork.

#23: 2007-07-10 18:54:45
Have not experienced any regulations

#24: 2007-07-10 19:26:10
Faith based groups accepting gov't funding are naturally subject to the same rules as any other nonprofit corporation.

#25: 2007-07-11 08:20:21
I am not familiar enough with the laws to comment, other than to say that faith-based organizations are left open to legal challenges

#26: 2007-07-11 08:25:52
Not enough knowledge to reply.

#27: 2007-07-11 08:58:02
unknown

#28: 2007-07-11 09:56:17
Our affiliate here in Arcadia accepts County funding, and the affiliate has not gotten any regulations from the County. Our affiliate has not applied yet for Federal government funding and so we don't know what regulations will be imposed on us, if any.

Financial accountability

#30: 2007-07-11 11:30:52
Paperwork, paperwork, paperwork. Perhaps some of it is helpful and necessary; it seems a little over the top at times.

Do not know as we do not accept government funding.

I'm not aware of any.

#38: 2007-07-11 12:02:44
In our case we are not regulated differently, which may actually be the problem. We are expected to follow the same guidelines as for profit companies receiving government funding but in many cases we don't function the same way. It is actually more difficult for us to meet the guidelines than it would be for a for profit company.

I am not aware of the regulations

#41: 2007-07-11 13:02:47
In my experience, we are subject to the same reporting requirements as any other organization which receives funding from the government programs we participate in.

They must be non-discriminatory in all practices
They must provide equal opportunity for all
They must provide equal access for all in its programs
SHOP - certain employees cannot participate in voter registration
SHOP - cannot speak out or sign petitions against government housing policies
AmeriCorps/VISTA - cannot lead prayer or devotional
AmeriCorps/VISTA - cannot lead a faith-related program

I'm not aware of any difference in regulations.

It again depends upon the funding source and the requirements of each funding source.

our experience has not been that government has meddled in our decisions or influenced our expressions of faith, rather, government has micromanaged us, requiring extensive reporting and documentation of our expenses to justify drawing down funds.

none

not sure

They can not use the money to promote its ideology

not sure

I'm not sure.

Exclusion of providing Christian values due to limitations in Federal regulations.

The primary regulations that I see have to do with accounting practices and completing the various forms necessary to receive the grants and receive the payments.

Another regulation area is the need for environmental assessments before funds can be received.

These regulations add a lot of administrative burden, but I don't see them as serious inhibitors to our mission.

I don't know that they are.
Practically, I am not sure that faith-based organizations are regulated. My practical experience is that we have not had to change the way we do things because we are a faith-based non-profit organization.

They are regulated by mandates on the population served, the areas within which homes can be built, the governance of the faith-based organization, and sometimes by the ratio of types of revenue streams. The mandates, however, can be seen as opportunities rather than barriers in most cases. They force an organization to be creative and to be inclusive while searching for clients and board members. It also forces the organization to be constantly aware of becoming overly dependent upon grants and government funding while getting lazy on grass roots support.

Unsure

Regulation comes at the paper/documentation level, the possibility of site-visits and the documentation requirements of the parent organization. Failure to comply with these regulations can influence future monetary awards to the affiliates.

There are accountability measures required.

I do not know enough information to answer this question.

They are required to generate a mountain of paper.

No idea.

In the use of funds. They must be applied for and used for what the grants specify. That's just regulating that aspect of that resource. Regulations were probably developed for unethical practices used in the past. Just because this is a faith based organization, don't think that all Christians are ethical or honest, they are not. They can go to prison, too; and, should if they misappropriate funds from the government.

Don't know.

My understanding is that they can't force anyone to participate in a religious activity and they must make their services available to anyone regardless of faith.

Don’t know from personal experience.

total

The regulation that we have experienced as a result of government funding have been largely related to environmental standards and business practices as stated in HUD HOME and CDBG grant regulations. These standards and practices are imposed on all organizations who accept this type of government funding, not just faith-based ones. We are non-discriminatory in our partner selection.
process in terms of race, creed, color, religion, national origin or physical disability out of a concern for social justice rather than in reaction to government regulation and government funds.

#80: 2007-07-11 19:17:50
Limitations on religious symbols and church services in buildings funded with Federal funds. Can’t discriminate on the basis of religion in providing services.

#82: 2007-07-11 19:26:00
We have to follow policies like the ones mentioned in #7

#83: 2007-07-11 20:08:44
We have not been regulated in any way other than normally accepted rule governing disbursement and accounting just like any other non-profit

Faith-based non profits should not be allowed to discriminate in who they provide service to, and should not be able to use the provision of service as a means of spreading their beliefs.

#87: 2007-07-12 08:01:06
Other than meeting the federal (or state) requirements for record keeping and reporting, they should not accept funds if it changes the mission of their organization.

#88: 2007-07-12 08:40:27
Not sure

#90: 2007-07-12 09:17:53
Like any grantor/grantee relationship, the terms of spending the money are spelled out during the application process. If the grantor specifically excludes certain training or language in the program's literature from funding then the effect is a regulation of the religious message.

#92: 2007-07-12 10:33:57
They must spend and account for the funds as specified.

#93: 2007-07-12 10:45:15
I can’t speak to this since we have not actually received any government funds.

#94: 2007-07-12 10:51:56
Not applicable

#95: 2007-07-12 11:05:29
Faith based low-income house building organizations are regulated by the fair housing laws which prohibit discrimination of any of the protected classes of people.

#97: 2007-07-12 11:32:15
none that I see.

#98: 2007-07-12 11:58:36
I don’t know.

#100: 2007-07-12 12:47:28
Accountability for the funds

#101: 2007-07-12 12:47:59
The government calls the shots and make it another bureaucratic finger of the government control. Individuals in a community are less likely to offer support and the whole thing becomes impersonal.

#102: 2007-07-12 12:53:30
None in our experience
Depends on the parent or chartering organization.

I am not conversant with the specifics.

I had no experience with this

Huge amount of paperwork instead of fast moving responses to what is going on. This places people in an office rather than in the field.

I had no experience with this

Threat of asking for money back.

Don't really know. We haven't had any strings attached. Our governmental funds have been given in the form of city owned lots and rebates and discounts on building permits and fees.

So far we have not had a great difference in qualifying issues between our families whose builds are receiving government funds and those who are not. There is additional paperwork and building site inspections that are not required if all private funds are used.

Our receipt of government funds has so far been tied to specific builds, rather than used in our general budget.

Am not aware of any regulations placed on the affiliate upon receiving funds. We accepted the perimeters of the funding at the time of application.

I do not know. Never accepted any. The word regulated has few positive connotations when it comes to social work especially work associated with helping people.

FBO are held to the same standards that any other nonprofit or for profit organization is held to in NY. You agree to be audited (which we should all be doing anyway), you agree to the contract terms. FBO are asked to sign a nonsectarian agreement which states that your services/benefits are available to everyone--regardless of their faith.

Completing paperwork and meeting deadlines. More detailed accounting practices required of a potential volunteer accountant/treasurer.

Only in compliance with the grant requirements

We applied and were rewarded with a Community Development Block Grant. We chose to not accept it because there were too many restrictions that would have cost too much money, involved too many volunteers, and would have prevented us from serving all fours selected families this year.
2007-07-12 13:59:02
unknown

2007-07-12 13:59:55
Not different than our own policies of no discrimination

2007-07-12 14:16:01
We do not accept tax payer funding at this time so we do not have adequate information to answer this question.

2007-07-12 14:21:24
Unsure

2007-07-12 14:23:10
None that I'm aware of. If a particular grant to regulate our affiliate we would not apply.

2007-07-12 14:23:30
I don't know.

2007-07-12 14:32:12
There is always a lot of documentation with government funding. My expectation is that it would be much of the same.

2007-07-12 14:43:29
In how we allocate the funds. I have not experienced any compromise in my faith.

2007-07-12 14:49:10
Not sure

2007-07-12 14:52:43
Do not know

2007-07-12 15:02:27
They're regulated as any other non-profit. Certain audit and fiscal accountability standards apply. Reporting requirements are mandated. Public scrutiny of program information/methods may be applicable. Open hiring processes and non-discrimination practices need to be in place.

2007-07-12 15:21:49
We have not experienced any regulation other than that of good financial management.

2007-07-12 15:23:28
Don't know!

2007-07-12 15:27:24
Our ADOH Grant is the first government funding source we've receive and we have not developed an opinion on this practice as of yet.

2007-07-12 15:29:01
WE are regulated on income(see #32)

We are not regulated that we can not have prayer or share our Christian faith. We welcome all religions and welcome them to share their beliefs and cultures with us. We welcome our neighbor, share our neighbors joy and sorrow as Christ would want us to.

If this were to change we would not accept the funding and would have to look for other resources.

2007-07-12 15:29:07
I don't know.

#136: 2007-07-12 15:38:56
I am not sure. The only federal funds we have ever received have been SHOP grants through Habitat International.

#137: 2007-07-12 15:43:56
We have not experienced that yet, but I suppose much like the rest of things in America, someone will have to be offended and complain before monitoring takes place.

#139: 2007-07-12 16:31:21
They are required to keep specific records and have periodic independent audits, but these are best practices for any nonprofit organization.

#140: 2007-07-12 16:39:33
Accounting practices.

#141: 2007-07-12 16:52:17
There is much more reporting required. Some is good policy, other reporting is not necessary. It can take away form actually doing the work of Habitat.

#142: 2007-07-12 18:31:13
We have not experienced that regulation...as yet, because we don't limit serving one faith or religion over another.

#143: 2007-07-12 18:54:18
Onerous reporting and paperwork requirements.

#144: 2007-07-12 19:32:19
Don't know except for grants. The local grants have to be used for the purposes requested and for families within the low income guidelines.

#145: 2007-07-12 19:32:25
Don't know except for grants. The local grants have to be used for the purposes requested and for families within the low income guidelines.

#146: 2007-07-12 21:17:19
None so far.

#147: 2007-07-12 21:20:35
Unsure

See above

#149: 2007-07-12 22:53:50
?

#150: 2007-07-13 06:25:09
HAVE NOT BEEN FACED WITH ANY YET

#151: 2007-07-13 07:29:21
Chip grants really require only basic contractual and accountability documentation.

#152: 2007-07-13 07:57:12
I'm not sure as I have not as I have we do not actively seek government funding. I do know that we partner with several agencies that receive state and federal funding that is not through the faith
based innovative and we have changed some of our language and text in our programming that we partner with to meet the needs of those agencies.

#154: 2007-07-13 09:33:30
I can't speak to nonprofits in general. But the primary way that Habitat for Humanity affiliates are regulated in is the non-discrimination of selecting families for our program.

#155: 2007-07-13 10:04:03
I do not know

#156: 2007-07-13 10:20:12
We don't accept government funding, so we are not sufficiently familiar to answer.

#158: 2007-07-13 11:14:48
We may be asked to do things that are not ordinary or traditionally done. These may infringe upon our mission.

#159: 2007-07-13 11:36:06
Sometimes the regulation can be healthy in that government funds require a high level of accountability! The accountability measures do inhibit efficiency. However the accountability is important.

None that I know of except for building codes where we build.

#161: 2007-07-13 11:44:20
Don't know

#162: 2007-07-13 11:56:23
We've never accepted government funding, so have no idea of actual practice regulation.

#163: 2007-07-13 12:08:27
No familiar with any stipulations or guidelines.

#165: 2007-07-13 14:43:10
Limited

#166: 2007-07-13 18:14:47
Same as above

#169: 2007-07-14 06:15:49
I do not have sufficient experience to respond

#170: 2007-07-14 10:16:09
Not sure.

#171: 2007-07-14 15:10:11
DNA

#172: 2007-07-14 18:08:13
HFHI's guideline is to accept funding if it does not hinder our Christian witness.

Not aware

No experience.

Completion deadlines force us to adjust our schedule around dates rather than individuals. This requires more planning and may not always be bad. It does, however, put a strain on the Christian first, housing second priority of the organization.

If they hold the purse strings they have a say in how the money is spent.

only with higher accountability in accounting procedures.

Nondiscrimination in hiring, selecting families for homes - but we should not do that anyway.

On a practical basis, we have 2 or 3 mortgages per home because repayment of the grants disappears over time.

An affiliate receiving SHOP funds must be prepared for strict accounting, reporting and a final audit; however, I do not see this as anything more than what HFH affiliates should be doing to respond to their responsibilities as stewards of money and resources donated or otherwise made available to support the ministry.

I'm not sure if this is an applicable answer, but our affiliate has applied to the state of Georgia to train prison inmates in construction and electrical trades. Our requests have been turned down twice because of the way the Georgia constitution is written. The attorneys for the Georgia Department of Corrections believe HFH will be the beneficiary of prison labor and therefore is not eligible to provide training. We have not requested any funding from the state of Georgia.

We have not had enough experience in this field to answer this question.

Our affiliate works with our State Organization, which adheres to the requirements of the Grant.

This affiliate has not felt regulated in actual practice when accepting government funding.

None.

Do not know the answer

There are regulations in place that non-profit organizations have to follow. Government funding contain additional stipulations and limitations.

Reporting--restricting activities of staff (AmeriCorps/VISTA)

Not sure.
We have not had any issues here. Our issue has been that we cannot build enough fast enough to meet the guidelines for the type of funding we could really use.

#195:  2007-07-16 14:09:11
NOT APPICABLE.

#196:  2007-07-16 14:13:10
Unsure. We have not been regulated with the two funding sources we receive from the government.

#197:  2007-07-16 14:23:22
Have no experience on being regulated by federal government.

#198:  2007-07-16 14:37:21
When non-profits of any kind accept government funding, they are in a way becoming subcontractors to the government, carrying out policies and missions that the government has set and has hired them to carry out. If the mission is the same (i.e. provide a needed social service for the public welfare) then there isn’t any problem. If the non-profit’s mission is really to attract people to an organized faith, then I think they definitely will be limited in carrying out that mission, because the government, being supported by everyone’s taxes, cannot support one religion over another.

#199:  2007-07-16 16:26:51
We have to meet the same accounting practices as other groups receiving government funds.

#200:  2007-07-16 16:37:47
In my experience, we have not been required to do or not do something based on being a faith-based organization. If a requirement of receiving certain government funding included restrictions related directly to our ministry, this affiliate would likely refuse the money.

#201:  2007-07-16 17:02:12
Auditing requirements, reporting requirements - mostly accounting and financial, I think.

#203:  2007-07-16 18:03:06
In our lengthy experience, we have not in practice been regulated in any way.

#204:  2007-07-16 18:54:25
I strongly believe that religious groups who discriminate against gays, etc. should not receive help from the government.

Unsure. We have not has stipulations imposed on us thus far for accepting government funding.

I have no experience that would inform this answer. I do know that the acceptance of government funds may require more rigorous accounting, which may not be a bad thing.

#208:  2007-07-17 08:44:33
I have no direct evidence that they are regulated. We received a loan from a state agency, and there was no interference whatsoever.

#209:  2007-07-17 10:12:40
Must remain noncommittal on religion.

#210:  2007-07-17 10:24:32
None that I’m aware as it pertains to faith

#212:  2007-07-17 10:29:34
Mostly in the form of reporting requirements and, in some cases, who we can offer our services to (income guidelines).

#215: 2007-07-17 10:52:56
Again, I cannot speak to this question personally. I would assume the same answer as above.

#217: 2007-07-17 11:17:34
That the messages not mix

#218: 2007-07-17 11:47:09
Recently the City approached us about CHODO and asked us to consider participating. In reading the material it appears that to receive this gov’t funding we would have to follow criteria about board membership. This would definitely impact our practice. Since we only receive a very small amount of got funding, I don’t know in what other ways it would impact our actual practice.

#221: 2007-07-17 11:56:01
The additional regulations may increase the affiliate’s expenses having to meet government regulations.

#223: 2007-07-17 12:34:53
We haven’t experienced any actual practice regulation.

#224: 2007-07-17 13:17:45
- do not know, as we haven’t accepted any such funds to date

#225: 2007-07-17 13:58:07
Unknown. Our involvement has not included regulation.

#226: 2007-07-17 14:05:12
By their donors and public access to their activities.

#228: 2007-07-17 15:12:55
They cannot discriminate on the basis of faith, gender, age in relation to staffing, selection of partner families, or volunteers.

#229: 2007-07-17 15:19:52
In my experience they aren’t impacted at all.

To date we have not been overly regulated.

#231: 2007-07-17 15:45:04
By the same affirmative action rules with or without government funding.

#232: 2007-07-17 16:23:15
We have had no restrictions put upon us.

#233: 2007-07-17 16:26:25
Paperwork; certain guidelines to follow.

#237: 2007-07-17 17:41:26
n/a

#238: 2007-07-17 18:49:57
Stricter reporting requirements.

#240: 2007-07-17 22:35:03
I am unfamiliar enough to answer.
Where houses are to be built, who will receive them....make up of controlling board...The Government wants to say ...who,,where ... when and how much

The only way we are regulated is by the income, going through budgeting classes and getting in their 250 hours of "sweat equity".

None that I am aware of.

None that I am aware of.

We have not as yet accepted any government funding, however, I plan to apply for that funding to purchase land this fiscal year. I have not as yet seen any of the forms I will have to prepare, however, I don’t anticipate any faith-based issues to arise.

Habitat’s primary mission is to build houses.............. not to preach the gospel. While Christian values are a part of who we are and we all want to reflect those values in what we do and we certainly want to be clear that we are Christian people with Christian values in our own lives, our primary mission is not to "recruit" members to a church. In fact I would be unhappy if any staff or volunteer used the Habitat job-site as a recruiting forum. Habitat builds houses!!

I don’t know. we haven’t accepted any government funding to date.

(See # 32 above)

N.A.

Don’t have any specific experience with the question.

We have not used any of the “faith-based” monies...so I cannot answer related to that. the government funding we have used relates to programs already in place that our families can qualify for...

whether it is an individual family or the organization as a whole, you have to be able to meet the requirements of the funder, and if those requirements are too much of a burden, you have to be able to turn away from the money.

Accounting and accountability for using HUD or CDBG funding as proposed.

More stringent financial accountability. More red-tape, some useful, some not.

I haven’t seen much of anything that affects what we do.

Not familiar enough to reply
They should not experience any more regulation than that required to be accountable for the funds they have accepted and spent.

For habitat for humanity, the government funding has timelines which must be met that a small affiliate may not be able to meet.

We must follow the same procedures as non-faith based nonprofit organizations.

According to the government regulations regarding the funding, we must follow the same procedures as non-faith based nonprofit organizations.

Not allow the funding to go towards any program that promotes God and/or Christ during or part of the hand-outs.

We have not experienced any.

For the most part, the regulations that government funding brings are healthy and make Habitat as streamlined as possible. Compliance with the A-133 and IRS Form 990 force us to audit ourselves and hold ourselves to high standards and this is good. Occasionally, government funding comes with requirements regarding vendor outreach or affordability periods, but as an affiliate we are not forced to accept government money and could always turn it down if the regulations seemed unacceptable to us.

Building design, paperwork, etc.

We have not experienced any.
Our regulation is the same that other nonprofits.

#278: 2007-07-25 13:02:48
By grant agreement(self regulating), monitoring by the grant agency and by outside auditors performing an annual audit.

They must meet the same criteria as other non-profits; they cannot refuse service to individuals who do not agree or accept their message.

The only government funds we receive are no interest loans, and we have not had our organization regulated at due to the receipt of these funds

I do not have enough experience in this matter to answer this question.

#286: 2007-07-25 14:00:31
We have not accepted any at this time.

#287: 2007-07-25 14:02:15
Non-discrimination clauses in the offering of services

#288: 2007-07-25 14:07:22
It varies depending upon the funding mechanism.

I don’t believe that for the small amount of funding we get from the government that any regulations are applied other than what the money can be used for, which is, in our case, land. My experience, then, is limited.

#290: 2007-07-25 14:36:48
Extensive reporting, as previously discussed - which is the nature of gov’t funding at large!

We have to obey all local laws.

#292: 2007-07-25 17:09:15
Unknown

#293: 2007-07-25 17:19:36
Contractual agreements with rigid guidelines/lack of control by the affiliate

In NOT KNOWING what the whims of government will be from one administration to the next.

#296: 2007-07-25 18:00:01
Unsure

#297: 2007-07-25 18:08:25
Non-profits are governed and regulated by many factors. Faith based organizations must respond to the requirements of their funding sources (government or other). If the organization is not prepared to accept the terms of a funding source; they can choose not to request the funding.

#299: 2007-07-25 21:50:05
They accept the rules that go along with accepting the funding, some of which may be in direct conflict with what the organization might want.
We've had only one experience. Once it was determined our use of the funds matched the program guidelines, there was no further involvement or reporting.

2007-07-26 02:31:12
Not sure. Have not experienced any regulations or oversight.

2007-07-26 11:26:01
don't know

2007-07-26 11:32:47
To date my experience is has only been accounting changes in segregating funds.

2007-07-26 11:44:36
Through reporting.

2007-07-26 11:47:16
Our regulations come in the form of compliance with follow-up paperwork. Because we are willing to provide the requested materials, background information and reports, we benefit from a positive relationship with the local government and are in a position to receive funding in the future.

2007-07-26 12:44:39
Hearing about the Gospel should be strictly voluntary and should never be a condition of receiving service.

2007-07-26 16:18:14
They main impact of accepting government funds on a faith-based nonprofit is the added administrative burden of accounting for the use of funds.

2007-07-26 16:28:05
From my limited exposure to them, the grants that we would seek ( not including any new grants under pending legislation regarding low-income housing, etc ) would force a separate set of books to ensure that no government money was spent on anything like Bibles, etc.

2007-07-27 08:39:22
We must provide information on how the monies from grants or other funds are to be spent. We must show that the monies are helping the building of home for our families. The Title companies supply all required docs to the government.

2007-07-27 12:04:11
We have seen no regulation so far.

2007-07-27 15:14:14
Must meet the requirements and the excessive paperwork and accounting procedures

2007-07-27 16:00:12
Don't know.

2007-07-28 11:01:56
Nothing was said.

None from my personal experience.
We are not regulated in practice except for certain reporting requirements. In cases where unbearable regulations are put in place, we choose to not accept that particular funding.

So far, we have not experienced any problems but we are careful about the funding that we accept. If it restricts our ability to be faith based, we would not accept the funding no matter how much.
Appendix H
34. Should a faith-based organization accept government funds? Why or why not?

#2: 2007-07-09 18:38:50
In a time when charitable dollars are shrinking and non-profit organizations are increasing, we will have to look for outside sources of funding. If we expect to grow I believe we will have to look at outside sources for operation expenses like land purchase, infrastructure and construction. Many non-profits with limited funding sources will be forced to explore government funds to survive.

I would rather compromise some of our standards to continue to help those in need than to reduce the number of people we can help because of limited funding.

#3: 2007-07-09 20:44:27
Yes, it makes it possible to help more families and spread the Christian Faith to a wider audience.

#4: 2007-07-10 09:16:28
They should. Government funds help us to achieve our goals.

#5: 2007-07-10 10:28:35
Yes, do so while you can - just don’t make it the sole funder

#6: 2007-07-10 12:18:50
I believe personally that they should but I am concerned with building and wish to place as many in homes as possible. I believe in the long run it will hurt us and compromise our mission and the way we present it.

#8: 2007-07-10 14:08:46
Yes, they may be the best prepared to help in certain social needs. Care should be exercised to insure that the mission of the organization would not be compromised by accepting govt. funds.

#9: 2007-07-10 14:14:44
Yes, because it will help to meet the need

#10: 2007-07-10 14:30:56
Not unless they come with NO strings attached!

#11: 2007-07-10 14:53:25
They should if they have to help more people. Government funds are a form of community funds, though the decisions on their distribution are far from optimally made.

It has allowed us to serve more people. The funds were set aside and would have been used by other organizations who did not necessarily have the families' best interest at heart.

#13: 2007-07-10 15:15:30
Only to the extent that it doesn't inhibit the mission. Government funds come from citizens and are no different from foundation grants, etc.

#14: 2007-07-10 15:27:30
yes they should. The funding is available in order to help us build more homes. We will soon be strapped by the diminishing number of sponsors to a home, and as non-profit organizations increase in a given community... funding will soon be an issue. We have to look at all sources of funding, some communities may not have a problem but most of us do.

#16: 2007-07-10 15:42:09
Given the cost of building homes and developing infrastructure, there is little choice. It is annoying to deal with some of the silly regulations imposed by government grants but this is a small price to pay. No one has asked us to compromise our faith when we apply for a government grant.

#17: 2007-07-10 15:57:48
Yes, when they can be accepted with the understanding that they will be used for the mission of Habitat and the use of them, and any regulations attached, will not compromise the practice of our Christian faith.

#19: 2007-07-10 16:29:50
Yes. Faith-based organizations are filling a gap in society. Government should recognize that and help defray that cost.

#20: 2007-07-10 16:32:27
Yes, if they are not required to renounce their faith in doing so.

#21: 2007-07-10 16:46:31
The needs are so great, that we need to leverage private dollars with government funds. However, an organization should never become dependent on just one source of funds.

#22: 2007-07-10 17:01:40
Yes. Because they can!

#23: 2007-07-10 18:54:45
Yes. Provides funds to provide more homes.

#24: 2007-07-10 19:26:10
Yes, because we need the extra resources.

#25: 2007-07-11 08:20:21
Yes, if the Gov’t is willing to accept that the funds are being used for social services that will provide benefits to the individuals or groups designated, and the community at large. We believe that faith-based organizations (like Habitat), by and large, can provide services with greater efficiency and accountability than the Gov’t. Not true in all cases, but over-all, we believe a true statement.

#26: 2007-07-11 08:25:52
Yes, because needs of those providing service are often far greater than the ability to raise money independently and fulfill those services.

#27: 2007-07-11 08:58:02
Any funds should be accepted, assuming there are “No strings attached” as to the use of the funds or any “Unacceptable” requirements (ie publicity) attached and as long as the “Ultimate” mission of the organization is uncompromised.

#28: 2007-07-11 09:56:17
Yes, simply because faith-based organizations have been doing what the Federal government has been doing for the citizens in need. Private funding may run dry at times and the government should step into the plate and help by providing much-needed financial assistance.

Yes, get the most value for the money.

#30: 2007-07-11 11:30:52
There’s not an easy answer to this one. Should we be allowed to? Yes. Should we? That’s the age-old question. Will it help us to build our capacity? What’s right for one non-profit may not be right for others. A fellow ED here in West Virginia says that his affiliate will never accept government money
for the construction of a home. However, that same affiliate has sold about 75% of their mortgages. Our affiliate is just the opposite of that--accepting government funds, but having sold only about 12% of our mortgages.

No. For the reasons stated above.

Yes, as long it does not try to change the organizations beliefs and purpose.

I cannot speak for all faith-based organizations. Some may benefit substantially. I do not think Habitat would.

#38:  2007-07-11 12:02:44
The work being done by most faith-based organizations is very important and necessary in our communities. In most cases government funds go further through a faith-based organization because much of the work is being done by volunteers. In our case, $50,000 spent by the government is likely not enough to acquire and rehab one house in our area. That same $50,000 funneled through our affiliate can likely get houses ready for two families. Thus doubling the results that can be accomplished with the same amount of money.

Yes, because it is the money of the people and most people would want their money used in this manner.

#41:  2007-07-11 13:02:47
If we do not have to compromise our Christian identity and mission, which we have not had to do, government funds represent an important revenue stream supplementing private giving that helps us achieve our mission more effectively--so in our case the answer is "yes."

We would say, "Generally, no" however, we also know that government funds come through all sorts of channels making it hard to tell sometimes. We just are very cautious about the funds we accept and the requirements for the fund's usage.

Yes by all means. In order to build more homes for low-income families, we need to rely on the assistance of our government.

Sure the organization should accept the funds if it furthers their mission. If it interferes with the organizations mission it should not be sought or accepted.

No organization should accept funds from any organization or entity if it re-directs the organizations goals or mission in any way. Organizations should have a strong sense of mission with attendant goals and objectives and use them to guide the grant seeking process. Too many organizations get off track trying to match the organizations goals with that of the funder.

in a perfect world, where sufficient persons took responsibility to be their brothers and sisters' keepers, government intervention wouldn't be necessary. It was only 100 years ago that all the hospitals, orphanages and other social services were run by churches. In our case today, we would be limited in the kind of scale of project we could undertake, if we restricted ourselves to private funding.

we need funding of all types to further our mission. If we want to continue to build homes we have to accept funds that fit within our standards of fair and equal.

Yes, there are government funds that are specifically set aside for providing housing for low income people.

In my personal view -- naturally I have not consulted with our Board to fill out this survey -- I believe that faith-based organizations should only be entitled to government funding to the extent that they are set up as legitimate non-profit organizations -- as Habitat is -- and comply with the usual legal requirements. So, for our housing programs, I believe this to be a non-issue.

Ideally, I think that faith-based organizations should function primarily on voluntary contributions from individuals and groups, and I believe taxes should be lower so that people can give to the organizations they choose instead of having the government regulate where that portion of tax money is being spent. I think that social services should be the responsibility of not-for-profits, not government. However, that is not the case in America today. Government funding is going to be used somewhere, and if faith-based organizations can put that funding to good use then I think they should apply for and accept government funds. I would rather have my tax dollar spent by a faith-based organization than any other group.

#52: 2007-07-11 14:01:55
Yes, because it is another funding stream that can benefit the common good.

If the need if there they should look into it, then they would have to follow the rules that are with government funding.

#54: 2007-07-11 14:29:25
Yes, when those funds will allow the organization to accomplish its mission without compromising its values.

No, because of the above comments in 32 and 33.

#56: 2007-07-11 14:54:45
Yes, if it helps us meet our goals and does not force us to compromise our beliefs. If we were required to forgo our religious beliefs in order to receive govt funds, then we would not use them.

#57: 2007-07-11 14:54:46
Absolutely - if it furthers the mission of eliminating sub-standard homes in America.

#58: 2007-07-11 15:18:51
Yes, as long as it does not compromise the mission of the organization.

Yes, without question. Just as faith-based non profits must be accountable when they accept government funds, the government must be made accountable to the people for the way that tax dollars are spent. The best way for people to get their money's worth out of the tax dollar is to let the money be spent on the local level through local non profits providing the hands-on direct services. The services are provided directly to the people in the most cost efficient method. It is the best "bang for the buck" that taxpayers can possibly get. There must be some regulation, but it's still a fantastic marriage of service - volunteers - and satisfying huge needs.

#60: 2007-07-11 16:11:35
As long as it doesn't impact the ministry.
Funds should be accepted to the extent that it allows the organization to increase delivery of its mission and not compromise its own mission statement.

Yes, as long as it does not affect the organization's primary mission.

Sure. I feel that if the funds help my organization of Habitat for Humanity complete our mission, then I will accept them.

I think, as seems to be the current thought, that they should be allowed the same playing field as non-faith based organizations.

Yes--if specifically for programs that do not include preaching or proselytizing.

Absolutely. The underpinning of Habitat is to partner with families who need a hand up. This is NOT a welfare program. These families have limited incomes. In order to keep the cost of the homes for our families, we must be an advocate to procure and develop raw land. The lot prices here are well over $60,000 for a Habitat home. As developers of raw land, requesting government monies for infrastructure costs, for which we re-pay 25%, and all other expenses associated with developing land we can keep the cost of the lots at approximately $18,000. Those figures exemplify how government funding assists in providing low-income housing to our Habitat families.

In the case of HFH we can accept funds if they do not restrict us in sharing the love of Christ.

Yes. Members of Faith based organizations pay taxes and should be able to see that their taxes benefit organizations that support their views of social services. Sometimes the added record keeping, requirements and regulations make it more hassle then it is worth if you are only receiving a small amount of funds.

If they're big enough to handle the paperwork; if they fully understand the way their Christian evangelism will need to be changed; if the cost of these things outweigh the money to be received.

if needed to fulfill their mission; we have not seen the need in order to meet the needs of our community

Yes. I think that can stretch the government funds better than strictly secular organizations because people are more motivated to volunteer.

The old adage of...we have been doing so much, with so little, for so long, that we can do just about anything with nothing.

NO

Yes they should with these following three caveats: 1. That government funds not exceed 30% of the total annual revenue; 2. That expressions of Christianity as historically practiced in our organization
not be curtailed; 3. That acceptance of those funds will allow the organization to serve more people; and 4. There should be a periodic review by organizational leadership to evaluate the impact of government funds on our organizational mission.

#80: 2007-07-11 19:17:50
Habitat should because its mission is providing housing and eliminating poverty housing in the world. Although Habitat is a Christian organization, it is not conducting church services or "spreading the gospel" except by example. Other faith-based organizations need to look at their primary mission and determine if it will be compromised by the requirements that go along with federal funding.

#82: 2007-07-11 19:26:00
Sure, especially if they can provide needed services that the government cannot provide.

#83: 2007-07-11 20:08:44
YES. The funds are there. We can use them as well, if not better than many non-profits. Our overhead is generally lower than other np's. We usually have more experience and a better defined mission than many of the np's that we compete with for gov't funds.

If they are willing to provide service to all without discrimination, and not use the provision of service as a missionary outreach, then can accept government money.

#87: 2007-07-12 08:01:06
Yes-- as long as by accepting funds they can achieve their mission without compromise to their principles.

#88: 2007-07-12 08:40:27
If there are no strings attached.

#90: 2007-07-12 09:17:53
It is up to that organization.

#91: 2007-07-12 10:04:43
No, because of the reasons stated in # 31 & 32.

#92: 2007-07-12 10:33:57
Yes. They allow the non profit to provide more services.

#93: 2007-07-12 10:45:15
I can't speak for others, but I don't think we should because it would compromise our mission statement which involves our Christian principles/beliefs and that we will not do.

#94: 2007-07-12 10:51:56
Yes. Faith-based organizations should be open to accepting government funding unless it runs contrary to their mission. Government funding can open doors and help affiliates build capacity and serve more families in need of safe and affordable housing.

#95: 2007-07-12 11:05:29
Sure as long as the funding does not interfere with the message and mission of the Christian organization.

#97: 2007-07-12 11:32:15
Yes. Our government has funding to help the cause that we support "affordable housing". We should not limit our funding. We should do as much as we can. This is a legitimate source of funding. We need to balance and work to increase funding from our communities, but government funding should be part of the mix of funding sources.
If we are not prohibited from identifying ourselves as Christians I think we can.

If the regulations are not intrusive, government funds allow more help to more people.

I do not favor this because the more the government does, the less people in a community become involved on a personal level. In Habitat for Humanity, we need to be personally involved from the day a family is chosen until the last mortgage payment is made.

They can certainly accept gov't money unless it compromises their mission--if we were told we could no longer give a Bible or tell people that we were a Christian organization to receive the money, we would have to say that we did not need the money.

Why not? If good can be done with the money, I think it outweighs any "controversy" surrounding the source. Mother Theresa made a practice of doing this and the Catholic Church wants to canonize her.

It is acceptable for a faith-based organization to accept government funds. Jesus was more concerned with compassion than with the purity of the participants in the mission. A faith based organization would want to be alert to the potential problems named above.

Yes, under the right circumstances, "Government" funds are actually taxes from the population. This is simply another method of using the people’s money to reinvest in the society. Funds should never be accepted that limit the ability of Habitat to meet its mission.

NO!

yes, it can allow more people to be reached. In our case, more land to be purchased. It stretches the dollar further.

Limited basis only and then only when no strings of any kind are attached.

Yes. Faith based organizations are comprised of people who pay taxes. If the governmental agencies are willing to share their money with faith based organizations, then those organizations should be able to accept the governmental money with a minimum of oversight.

I see no reason that government funds should not be used by faith-based organizations as long as those organization do not compromise their Christian identity and principles in order to accept the funds.

Naive.....I suppose so.

CDBG and Home Funds have been a life-saver for us in order to purchase property for Habitat homes.
I will not speak for everyone. We should not. I know that. It would limit us, we would slowly become reliant on the government, and when the pool of money is shifted or cut, what then? Where are we back to square one. The issues we deal with in our community are community issues. Not federal problems. Being a native of DC, I can comfortably tell you most people there do not get the problems we deal with.

Government funds with no strings attached are almost as bad as those with strings. It still comes from the same source and causes us to get distracted.

HFH will always be administering bandages if we fail to participate in revenue sources which allow us to expand our capacity. The reason that HFH in Florida occupies most of the top 10 producing Habitat affiliates list is because there are some outstanding housing funding programs from the state of Florida. The question which we really need to be asking ourselves is what is really important. I vote for families in need of affordable housing.

Individual preference. Many organizations cannot survive without govt funds. Many organizations are dedicated to taking care of needs of people in our society that cannot be met through any other means. The govt should assist these organizations or they will become a financial drain on the govt in a multitude of ways.

However, our organization feels different. See answer #32.

Yes, if it allows the organization to focus and complete its mission.

Of course. In other Western Nations it is the government that provides these services to individuals in need. At the very least, if faith based organizations do the work, government should provide part of the funding.

I don't know.

Yes. It will help to serve more families

This would depend upon the ethics of the individuals making those decisions for the faith based organization. At this time, the Board of Directors of our organization believes it would be potentially compromising our Christian witness to accept tax payer funding.

Yes, if it does not affect our mission and what we are trying to accomplish.

Yes, if it does not affect the mission of the organization.

We have deemed it wiser not to so far.

As long as the organization understands the strings attached, it can make the decision to accept the funds. If the government were providing all the social services needed for the entire population, there would be no need for others to assist in that venue. Since this is not the case, assistance from
the government, to do what we are doing, would serve everyone - especially those in need. Why create another layer/organization to do what is being done well? Wouldn’t it make more sense to provide additional funding so that more people could be served?

#126:  2007-07-12 14:43:29
Yes. There was a man on a roof during a flood. Another man in a boat came by and asked if he could help. The man on the roof said no God will save me. Another man came by in a helicopter and asked if he could help, and again the man on the roof said no God is going to save me. So finally the man was swept away to Heaven in the storm water. When he got there he asked God why he didn’t save him. God replied; I sent you a boat and a helicopter. What more did you want? Maybe the boat and the helicopter were government owned?

#128:  2007-07-12 14:49:10
If the funding is for infrastructure building such as has happened with Habitat, this can be harmless funding. Only when the restrictions outweigh the monetary rewards should the funding be rejected. This is a subjective call.

#129:  2007-07-12 14:52:43
We have never had restrictions from government funds regarding our Christian mission at this affiliate. So as long as we hold to our mission, it is perfectly fine to apply for government funding.

#130:  2007-07-12 15:02:27
It’s really up to them to decide what their motivation is for providing the services they want government funds for and what service model they want to use in providing those services. If they want a Christian participation, conversion-type model, then they need to go it alone. If they have a non-religious-based model they can use, then going after government funds is just fine.

Habitat works great because volunteers generally come to Habitat’s work based on their faith and desire to serve, and Habitat provides the glorious services based on that faith without requiring any faith statements or participation from the partner families.

#131:  2007-07-12 15:21:49
Yes. Our mission is to build simple, decent affordable housing for low income families. Government funds help us to do this. I see no problem in utilizing government funds to help our families. I believe in a just society that cares about its poor, its underprivileged and strives to bring all people into a standard of living that provides at a minimum simple decent housing. We are partners with our government in making this goal a reality.

For us, it would no longer be ‘faith based’ as the very name carries the concept. The founding fathers of this Republic built a ‘wall of separation’ between Church and State. The Bush administration is using this issue for its own political gain.

#133:  2007-07-12 15:27:24
Absolutely! We [all non-profits] have missions to assist a specific niche in our communities that traditional government support misses. That’s why Faith based-or not, a consortium of non-profits speak loudly to local, politically active community members because it effects our communities, our schools, our employment force and our economy and we need access to government funds. Not for our own gain but to cycle the goodwill into the communities we serve.

#134:  2007-07-12 15:29:01
Yes, they should accept government funding. These subsidies assist us with building/renovating more homes than we could accomplish through donations and in-kind services/goods. Therefore, assisting more families.

There are two issues I see with using government funds. We could become too dependant on these funds. If they are reduced or cut could hinder our building program for several years. Secondly, if
there are more requests than funds available we could be shorted our request or passed by altogether.

#135: 2007-07-12 15:29:07
I don't think so. I would like to protect religion from the state by keeping them separate.

#136: 2007-07-12 15:38:56
Yes, unless it restricts the organization from accomplishing its mission.

#137: 2007-07-12 15:43:56
In the case of Habitat for Humanity it allows me to serve more families while meeting the HUD agenda

#138: 2007-07-12 15:49:17
Sure, why not? As long as it fits within their mission.

#139: 2007-07-12 16:31:21
Absolutely! One big change that Habitat for Humanity International has made recently is to allow affiliates to accept government funding for actual construction and not just lots and infrastructure, which was the past limitation. Habitat has seen that on the international front most foreign affiliates work with their governments. Habitat is now stressing the importance of collaboration and joining forces with like-minded organizations whose missions complement ours—to eliminate poverty housing. As always, affiliates must take care not to accept funds that would limit our ability to share the gospel and profess our faith. We refer to such funding as having "strings attached." Our experience has been that as long as we do what we say we will do in the grant application—serve x number of families in need, the governmental funders are just glad to see that service being provided.

#140: 2007-07-12 16:39:33
Only limited funds; the government may otherwise want to control everything a faith-based organization does.

#141: 2007-07-12 16:52:17
If they do not contradict the organizations mission, I see no problem with it.

#142: 2007-07-12 18:31:13
It's OK, as long as we can live with the regulations. We pay taxes, just as those who aren't faith based and should have a say in how "our" shared money is spent.

#143: 2007-07-12 18:54:18
I think it's OK to accept government funds unless they have requirements that are too restrictive.

#144: 2007-07-12 19:32:19
Only if government requirements do not run contrary to the organizations mission.

#145: 2007-07-12 19:32:25
Only if government requirements do not run contrary to the organizations mission.

#146: 2007-07-12 21:17:19
Yes. We have to use whatever means available to reach more people.

#147: 2007-07-12 21:20:35
Our board feels that we should not accept government funds.

Yes, the government needs to do as much as possible to help its people. If a faith-based group can do more with less, then this is good fiscal policy by gov't and brings people of faith into the area of helping others without the need for excessive fund raising.
yes-I personally view it as just another source of funds.

YES, AS LONG AS THEY DON'T TIE OUR HANDS

Yes.

For me this is a difficult question if i answer it from my own faith perspective I have a strong commitment to the separation of Church and State. I however do not believe that the majority of my board would agree with my personal stance on accepting Government funding

Yes, as long as the government doesn't try to control board action.

Yes, they should accept government funds up to a percentage of their total revenue because this funding helps us help more families. Faith based orgs must also be careful that there are not strings attached to the funding that prevent expressions of faith.

Yes, we should all work to help lower income people to become independent and returning tax money back so others may be able to get a hand up (not a hand out).

No, see above.

Yes, faith-based organizations provide vital resources to the community and it is an efficient way for the government to meet the needs of the community.

Yes, if it enables the faith-based organization to help more people and further fulfill its mission.

Out goal and the goal of HFHI is to build as many homes as possible to serve as many people as possible.

The cost of building homes has risen to the point that it is impossible to gain full sponsorships. The lack of building sites and the costs involved in buying them is a big factor in the increase in our costs. So we have to be creative in how we put together our funding and the use of government funds is one of our few alternatives. For us it means 5 homes /families per year in addition to the other funding we receive

Depends on strings attached by the government agencies.

In most cases, a faith-based organization, in my opinion, should not accept government funds because it could compromise its mission. However, in a major catastrophe, like New Orleans and the Texas/Louisiana coast hurricanes, a cooperation between faith-based missions and government seems to be working.
I believe if the funding is conducive to the need and beliefs of the organization than yes it is acceptable.

#165: 2007-07-13 14:43:10
Yes, as long as the funds are in keeping with the social services performed and not the funding of religious activities

#166: 2007-07-13 18:14:47
I personally would rather not see the mixing of government funds with faith based organization. I believe that it is the government that might use faith based organizations to promote one religion over another.

#167: 2007-07-13 21:08:52
See 32

#169: 2007-07-14 06:15:49
Not generally, but I speak from the point of view of a small, rural affiliate. Larger affiliates in metropolitan areas may face different challenges and so may have to reach some accommodation with government. But better local government or even state government than Federal government.

#170: 2007-07-14 10:16:09
Yes, as a small part of their income if the money is restricted to use in aiding the poor physically. Government funds are not in themselves tainted or evil

#171: 2007-07-14 15:10:11
I think it is necessary because there is just not enough money out there otherwise for most non-profits. Not sure what we'll do if offered the opportunity

#172: 2007-07-14 18:08:13
Cover in the first questions.

Yes, because the funds are there to help people and faith-based organizations normally exist to do the same. I believe faith-based organizations can help people using government funds within the parameters specified.
Appendix I

35. If your affiliate has accepted government funding, have you had to adjust your program to accommodate government regulations? Please describe what accommodations have been made.

#2: 2007-07-09 18:38:50
We have not accepted government funds or dealt with accommodations at this point. However, if we receive funds next year, we will face that issue.

#3: 2007-07-09 20:44:27
Only as reported in 33 above.

#4: 2007-07-10 09:16:28
No.

#5: 2007-07-10 10:28:35
No

#8: 2007-07-10 14:08:46
Not related to any faith based issues. Only accounting, etc.

#9: 2007-07-10 14:14:44
NO

#11: 2007-07-10 14:53:25
See above

More paperwork.

#13: 2007-07-10 15:15:30
No modifications to the program were required --- just to our money management approach.

#14: 2007-07-10 15:27:30
I really have not had government regulations that would go to an extent of making "accommodations". SHIP funding is very straight forward, CCTCP is very straight forward as well. At least in my case I have not had a problem

#16: 2007-07-10 15:42:09
The only accommodation is the home design attributes required by the grants.

#17: 2007-07-10 15:57:48
No compromise.

#20: 2007-07-10 16:32:27
Not applicable

#21: 2007-07-10 16:46:31
We take the majority of our government funds post construction - through second mortgages to help low-income families qualify for a reduction in their sales price. The funding municipality only wants to know that the house meets minimum criteria and that families qualify as low-income. They are not concerned as to why or how the house was built.

#22: 2007-07-10 17:01:40
No accommodation necessary.

#23: 2007-07-10 18:54:45
No adjustments have been necessary.
Not applicable. Our affiliate has not yet applied for Federal financial assistance.

Board make-up and dealing with paperwork. That's been the biggest part of it at this point.

Have not accepted government funding.

Our families have received down payment assistance. And our affiliate has used SHOP grants in the past which I seem to remember is government money. The SHOP grant was a lot of work and difficult for a small rural affiliate to meet all the deadlines and necessary requirements. The down payment assistance was also a lot of paperwork for the affiliate to administer.

We are part of a VERY successful international organization. If any adjustments to our program would be required to accept government funding, we simply would not accept the funding.

Does not apply. We have not accepted any funds from governmental sources.

My Resource Development Director (funded through the Capacity Building program) and I (since we receive SHOP funds) cannot sign certain petitions and we must refrain from participating in voter registration and a few other things. Nothing too demanding. We have been able to reconcile these requirements and feel comfortable enough with them to accept the funding.

We have only received funding from our county officials and county offices. We have not at this point in time accepted Federal funding.

not anything too significant, but one funding source we are contemplating requires minimum house sizes and room sizes and Energy Star compliance.
no we have not made adjustments, but feel constrained to share Christian information and values.

The adjustments are mostly administrative in nature - for example, we must get an environmental assessment if we use gov’t funding for houses. This can be a long, and frustrating experience. When we use private funding we are not required to do the environmental. There is also a lot of paperwork required throughout the gov’t funding process, but once you learn the ropes, it is not all that much of a burden.

The accommodations we have made relate to accounting and business practices and has not impacted they we carry out the mission of our affiliate.

No, not our program. Of course, we have to report quarterly that’s all.

The primary accommodation involved delegating the reporting requirements to a specific person & making sure they were being done. Also, some environmental impact studies were required by the government agency that would not normally be done during regular construction. The required studies & the resultant reporting requirements for those studies were time consuming and expensive-we felt it was a waste of the funds to have the studies done, and a waste of our time initiating them & reporting on them. It is understandable that these would be advantageous if an affiliate was developing a large tract of land, but for a single home that was going into an existing neighborhood, it translated into wasteful & extraneous red-tape!

yes, to accommodate the mountain of paper they use to justify their jobs.
Have not accepted government funds that required accommodations other than a lot of paperwork.

We currently are only receiving County funds, but intend to apply for State Housing Funds, and Federal SHOP (HUD) funds. These will require us to put many policy and procedures into writing and develop some that we currently do not have.

The only adjustments to our program have been or will be as follows:

1. When we accept more than $500,000 of government funds per year we will have to have an annual accounting audit rather than an accounting review (the former is much more costly)
2. We must place an equal opportunity housing logo on all of our family selection materials;
3. We must meet environmental standards higher than would be required of us without government funding
4. We have to gather statistics and complete reports that would otherwise not be required of us.

We have not received Federal funds. We have received local government funds that did not require accommodation. We expect to get HUD funds this year. The accommodations will be in record-keeping and documenting expenditures.

Only policies outlined in #7

This is not cogent to your research but YAHFH is in the process of dissolving. I personally have real concerns about government funding of any religious organization as I don't believe that proselytizing is a good thing and that organized religion in general is an "opiate for the people."

Only human animals seem to have a need for a "religious experience".

Other than record keeping practices, no adjustments have been made to accommodate the receipt of government funds.

None.
Accounting and reporting requirements have increased.

No accommodations have been made.

Yes, We have had to have financial audits annually.

There are requirements related to how we build homes that cause us trouble. If we receive federal funding, we have to meet federal standards. For homes in our VERY HIGH HOUSING cost area, adding amenities like big sound walls near transit cause us additional expense and even the for-profit developers don't add those amenities.

I don't believe so.

We have accepted HUD funds through SHOP. This paltry sum requires more regulation and paperwork than all of our other activities combined.

only learning the accounting procedures that they want us to do.

Just in the reporting and record keeping process. In reality, it actually took the Affiliate to the next level in it's accounting procedures.

We have not accepted government funding.

Have not yet accepted government funding.

no, only more paperwork.

Can't say yet, haven't really gotten any funding of any major kind.

As stated above we haven't accepted any governmental grants and what assistance we have received has been in the form of land or reduced or waived building permit fees. We haven't had to make any adjustments in our program.

We have never been asked to adjust our program as far as work site devotions or presentation of the Bible, etc.

Our board has to have annual training on Fair Housing Issues in order to accept the funds, but that is a good idea anyway.
Our qualifying families must undergo financial counseling outside our own program in order to qualify.

#112: 2007-07-12 13:36:48
We have received CDBG and Home Fund money to purchase property for Habitat Homes. We also have received Federal Home Bank Loans to finance mortgages. No accommodations were made.

#113: 2007-07-12 13:37:32
we have not accepted any.

#114: 2007-07-12 13:37:46
not really.

We accepted gov’t loans in 2000 - 2003. We modified our floor plans to meet ADA requirements, which we continue to do today.

Our volunteer staff was overwhelmed with the regular reports required for the loans.

No accommodations outside of additional procedures.

No.

#118: 2007-07-12 13:59:02
N/A

No

#120: 2007-07-12 14:16:01
We do not currently accept tax paying funding.

#121: 2007-07-12 14:21:24
Have not accepted funds yet.

#122: 2007-07-12 14:23:10
I described the one accommodation-the reserve account-which is their for our protection also. We are responsible for the mortgage. Because of the account we have a six-month window to place another family in that house if a family leaves.

#123: 2007-07-12 14:23:30
NA

#124: 2007-07-12 14:32:12
No - other than the paperwork commitment.

#126: 2007-07-12 14:43:29
we have changed some of our building practices for the better. We have been able to better accommodate folks with handicaps, and many other practices that have even saved us money.

#128: 2007-07-12 14:49:10
Yes, but only in a minor annoying way. Extra reporting, paying back a portion of unfulfilled obligations.

P.S. There were some confusing aspects to your survey. You start out asking about funding in 2007 and 2006 but then later questions sound more inclusive in dates. We did not accept funding in those years but have in the past. What years were you referring to?

#129: 2007-07-12 14:52:43
No adjustments have had to be made.

#130: 2007-07-12 15:02:27
no accommodations have been needed.

#131: 2007-07-12 15:21:49
We have had to make no adjustments other than to learn how to fill out a multitude of complex forms and provide good financial accounting of funds.

#133: 2007-07-12 15:27:24
Unknown at this time, but we don’t see any adjustments necessary other than accounting measures.

#134: 2007-07-12 15:29:01
No. Our only adjustment was filling out the requests and completing the homes within the time frame allotted the grant. We have also made adjustments to our financials to reflect the approved grants and then reflect when they are actually funded. Such a minor change to our current accounting practices.

#135: 2007-07-12 15:29:07
no

#136: 2007-07-12 15:38:56
No accommodations were required.

#137: 2007-07-12 15:43:56
Ours had more to do with accounting practices.

#138: 2007-07-12 15:49:17
n/a

#139: 2007-07-12 16:31:21
The only accommodations to date have been to the benefit of our program, including keeping more accurate records of volunteer hours and sweat equity hours, using caution to keep separate financial records of funds received, and providing additional homebuyer/credit counseling for our partner families. While the record keeping and reporting can be a burden, once the systems are in place it becomes much easier, and having those accurate records are beneficial for future funding requests.

#140: 2007-07-12 16:39:33
Several years ago, we accepted SHOP (government) funds; they required some accounting to them.

#141: 2007-07-12 16:52:17
As stated before, we have had to develop new systems for tracking and reporting and policies. Our government worker that handles our SHOP grant says that government grants are hard enough to track, you add the next level with Habitat and it makes he process more muddled.

#142: 2007-07-12 18:31:13
This is the first year for us to accept government funding. The standards are probably higher in terms of accountability. But that is no different than most individuals and institutions...those who have the money pull the strings. If you don’t like the conditions, you go elsewhere, or learn to get along without.

#143: 2007-07-12 18:54:18
We’ve accepted SHOP funds but we haven’t had to change our program.

#144: 2007-07-12 19:32:19
Very limited experience.

#145: 2007-07-12 19:32:25
Very limited experience.

#146: 2007-07-12 21:17:19
No.

See Above

#149: 2007-07-12 22:53:50
No, I don’t feel any program changes have been made.

#150: 2007-07-13 06:25:09
NO

#151: 2007-07-13 07:29:21
No.

#152: 2007-07-13 07:57:12
We have not accepted any government funding at this point.

#154: 2007-07-13 09:33:30
We have not had to make accommodations in terms of our program. But we have had to make accommodations in our operations (see above).

#155: 2007-07-13 10:04:03
Yes, Not for Faith but many restrictions on where and how we spend the money. It is difficult to meet some of there requirements in a small town.

#156: 2007-07-13 10:20:12
No, see above.

AmeriCorps members were not allowed to participate in devotions if they were wearing AmeriCorps insignia.

#158: 2007-07-13 11:14:48
We have used government funding for land and infrastructure. We have only modified our operations to accommodate for the reporting requirements of the grants. This is not much different than other private grants that we receive.

#159: 2007-07-13 11:36:06
No program adjustments have been made.

No
Our affiliate has not accepted government funding. Not that we wouldn’t take advantage of programs involving major construction, but we haven’t needed to at this point.

We have not accepted government funding.

No, we have remained fairly neutral in our religious expression regardless of the funding.

We receive an occasional lot from the local Urban Renewal Authority, which also pays for water and sewer tie-ins. We have not had to make any adjustments or accommodations in order to accept this help.

DNA

Cover in the first section.

no

N/A.

See 33 above.

N/A

no

Not much.

No significant accommodations have been made to my knowledge.

We have not had to make any adjustments to accommodate government regulations.

no

To be determined.
Since we work through our State organization, we have never had to adjust our program. We do ensure that housing costs do not exceed 25% of income.

No.

None

Yes, but minimally.

VISTA, AMERI Corps and SHOP funds to develop land as well as local initiatives for land development have been the means we have used to utilize government funds. These programs are involved, have time consuming reporting requirements, and training required of staff and participant is usually ineffective. However, the AC and VISTA members provide great resources to our work, and we accept these chores as worth it to have these committed, hard-working people involved in our ministry. We could not afford to develop infrastructure without the other programs. Programs with local governments are easier to manage than SHOP through Habitat International. These programs are necessary evils in order for us to keep increasing house production and serving low income families.

Yes. Certain policies have to be adopted, and detailed records of expenditures specific to the government funds must be maintained.

We have not adjusted anything.

NOT APPLICABLE. BUT I CAN SEE THAT HAPPENING, IF WE CAN WORK WITH THE FEDERAL HOUSING AND MAKE THINGS BETTER FOR THOSE IN NEED, WE SHOULD DO IT. THAT'S THE CHRISTIAN WAY.

No adjustments have been necessary.

No

I have partially answered this question in 32 and 7 above. We have changed our procedures for financially qualifying and selecting families. In addition, the state agency that determines and dispenses the federal grants in Rhode Island has influenced what land we can find and can afford to purchase to build on. In one case, they prevented us from purchasing a piece of land because they deemed it too expensive. We have had to reword our non-discrimination statements several times for ads etc. But it was a corporate employee group that asked us to change the wording in the statement they had to sign from "the Christian mission" to "the affordable housing mission" of the organization, that they were being asked to support when they worked on-site.

We have made no changes in our program or mission, only minor changes to accommodate accounting requirements.

The only adjustments we have needed to make have related to additional reporting requirements or documentation.
none other than some of the reporting requirements.

Nothing at all of significance.

only to pray outside at house dedication time.

No adjustments have been required of us.

We have avoided applying for grants that involve government funds because of the implied complexities and because we have been able to exist without assistance from the government.

Good luck with your dissertation and best wishes for continued success in your career.

n/a

We have not adjusted the way we deliver our programs due to the acceptance of government funding.

We have accepted government funding and we did not have to adjust our program.

We have had to build a 1200 square foot house with 3 bedrooms and 2 bathrooms, a 2 car garage, and a minimum 40 square foot front porch.

In advertising we need to put the following statement: "All qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin." Web site posts the Equal Housing Opportunity logo. Increased paperwork to track and justify funding.
Bookkeeping, additional detailed record keeping, carefully tracking affirmative action, grant reporting and grant writing which is much different from grants to foundations and other organizations. If we decide to seriously pursue federal grants, we need to hire a grant writer who is familiar with federal grants.

No, not to date. Just a few more reports on the use of funds.

Not at all at this point.

I am unfamiliar with the budget process and the amount of government funding as such.

We have not accepted government and don’t intend to in the future.

NO, the program was already in place.

I anticipate some accommodations to government regulations, like changes in bookkeeping/accounting/monitoring/reporting. Those accommodations are acceptable and I appreciate the government keeping close tabs on my tax dollars.

If we are asked to make any compromises in our values or the acceptable level of exhibiting those values, I would decline the funding.

For example: I would refuse to eliminate morning prayer, however participation is optional. I would refuse to warn people about Christian language on a job site. We give the family a bible at the house dedication...... I would not stop doing that.

We don’t evangelize at our job sites and we don’t try to recruit members to a certain church at our job sites so I can’t envision any situation where I would be asked to do something or to stop doing something that would be considered objectionable.
Yes. Changes in structure of Board of Directors; limits on residence location of prospective homeowner, etc.

No.

Not applicable

Not really. If we accepted much in the way of gov’t funding, we would have to hire someone to track it & keep up with the required paperwork. Very few all volunteer organizations can do this without hiring staff.

more paperwork, voluminous applications, and repetitive reporting

No

No government funds

have not accepted any at this point

No

NA

N/A

Only Bootstrap grants from TDHCA.

Does not apply

We have not been required to make any accommodations for government regulations.

N/A

Yes. Accounting reports, quarterly reports, audit, and copies, copies, and verification of all sorts of information on the project.

not applicable+

We have not changed (other than accounting system)...
Certain government programs have guidelines about the timing of activity. For example, no construction activity can occur prior to a grant agreement being executed. But, this sort of requirement is known ahead of time and should be budgeted and planned for accordingly. Government funding is often available at the end of project. In the Habitat world, this means floating costs until homeowner closing. Again, this is known and predictable and should be budgeted and planned for accordingly. There are other regulations regarding mortgage lending practices, hiring of and awarding bids to subcontractors and so forth. But these rules make us a stronger affiliate and should be followed whether there is funding or not.

Only in a reporting sense and living up to the requirements of being a CHDO. This is no harder than what other funders require when granting funds to the organization.

The only accommodation has been in an inordinate amount of reporting.

Yes, and mentioned above, we have expanded our accounting system to track the government funds in greater detail. We have also, added a tracking matrix for grant reporting requirements and other items. Finally in some cases, we have also had to speed up or slow down construction due to a requirement of government funding.

No, we have not.

No, not at all.

At this time, no we have not.

N.A.

N/A

We have had to be sure to incorporate non-discriminatory language, which is already a requirement of HFHI.

We have a very small amount of funding from government sources and the only really accommodation is to make sure we have enough staff time to do the paperwork associated with the funds. The funds we get are partial loan and partial grant.

Ditto.

Good luck and God bless with your studies. I look forward to receiving your compilation and related analysis.
No we have not made any adjustments at this point. We are very thankful to have their partnership. These are my tax dollars at work and I am happy to see them going to a good organization.

Have not accepted funds

N/A

Does VISTA count? We were asked not to have devotions during regular working hours. (We re-scheduled our devotions BEFORE working hours.) We did NOT re-schedule our on-site construction devotions.

Does not apply

Government funding has not impacted our programmatic guidelines or outcomes. Accommodations that might have to be made are related to paperwork accountability; minimal or maximum income guidelines (theirs may be within ours); specific means of accountability for goals, outcomes, and indicators. However, it has not changed who, how, or when we serve the people that benefit from our mission.

We needed to develop covenants that guarantee "permanent" affordability (actually up to 25 years) and negotiated an agreement that we will find a new buyer who will purchase the home from us at the standard Habitat 0% interest mortgage rate if the original owner chooses to sell within the 25 year time frame.

None to my knowledge.

No accommodations were made

No. Standard accounting practices are required.

no (we have received down-payment assistance on occasion)

Again just the segregation of funds. The monies themselves have reporting paperwork tied to them. That can be onerous but not un doable.

Not really

No, we have not altered our program to accommodate government regulations. What we do is something respected and needed in our community, namely, new construction and rehabs, home repair, and workshops.

We had to open separate accounts, drug free work place, adopt procurement procedures...all the typical HOME and SHOP stuff.
Simply more paperwork. This will necessitate the need for more staff as we grow.

We have not accepted government funding

Not applicable

No accommodations have been needed so far.

Had to enter into long term agreements and repayment agreements and ongoing monitoring

No.

Only to meet their codes, which are based on good housing.

Not by much other than paying close attention to GAP and relying on guidance from our auditor. Then again, Sarbanes-Oxley solved a lot of this for us. Using government funds has taken up any free time my Finance Manager had.

No significant adjustments other than adapting to the reporting requirements, bureaucracy and "jumping through the hoops" which we obviously feel are worth the effort.

No.
Appendix 1

Executive Order 13199
Establishment of White House Office of Faith-Based and Community Initiatives

By the authority vested in me as President of the United States by the Constitution and the laws of the United States of America, and in order to help the Federal Government coordinate a national effort to expand opportunities for faith-based and other community organizations and to strengthen their capacity to better meet social needs in America's communities, it is hereby ordered as follows:

Section 1. Policy. Faith-based and other community organizations are indispensable in meeting the needs of poor Americans and distressed neighborhoods. Government cannot be replaced by such organizations, but it can and should welcome them as partners. The paramount goal is compassionate results, and private and charitable community groups, including religious ones, should have the fullest opportunity permitted by law to compete on a level playing field, so long as they achieve valid public purposes, such as curbing crime, conquering addiction, strengthening families and neighborhoods, and overcoming poverty. This delivery of social services must be results oriented and should value the bedrock principles of pluralism, nondiscrimination, evenhandedness, and neutrality.

Sec. 2. Establishment. There is established a White House Office of Faith-Based and Community Initiatives (White House OFBCI) within the Executive Office of the President that will have lead responsibility in the executive branch to establish policies, priorities, and objectives for the Federal Government's comprehensive effort to enlist, equip, enable, empower, and expand the work of faith-based and other community organizations to the extent permitted by law.

Sec. 3. Functions. The principal functions of the White House OFBCI are, to the extent permitted by law:

(a) to develop, lead, and coordinate the Administration's policy agenda affecting faith-based and other community programs and initiatives, expand the role of such efforts in communities, and increase their capacity through executive action, legislation, Federal and private funding, and regulatory relief;

(b) to ensure that Administration and Federal Government policy decisions and programs are consistent with the President's stated goals with respect to faith-based and other community initiatives;

(c) to help integrate the President's policy agenda affecting faith-based and other community organizations across the Federal Government;

(d) to coordinate public education activities designed to mobilize public support for faith-based and community nonprofit initiatives through volunteerism, special projects, demonstration pilots, and public-private partnerships;

(e) to encourage private charitable giving to support faith-based and community initiatives;

(f) to bring concerns, ideas, and policy options to the President for assisting, strengthening, and replicating successful faith-based and other community programs;

(g) to provide policy and legal education to State, local, and community policymakers and public officials seeking ways to empower faith-based and other community organizations and to improve the opportunities, capacity, and expertise of such groups;
(h) to develop and implement strategic initiatives under the President's agenda to strengthen the institutions of civil society and America's families and communities;

(i) to showcase and herald innovative grassroots nonprofit organizations and civic initiatives;

(j) to eliminate unnecessary legislative, regulatory, and other bureaucratic barriers that impede effective faith-based and other community efforts to solve social problems;

(k) to monitor implementation of the President's agenda affecting faith-based and other community organizations; and

(l) to ensure that the efforts of faith-based and other community organizations meet high standards of excellence and accountability.

Sec. 4. Administration.

(a) The White House OFBCI may function through established or ad hoc committees, task forces, or interagency groups.

(b) The White House OFBCI shall have a staff to be headed by the Assistant to the President for Faith-Based and Community Initiatives. The White House OFBCI shall have such staff and other assistance, to the extent permitted by law, as may be necessary to carry out the provisions of this order. The White House OFBCI operations shall begin no later than 30 days from the date of this order.

(c) The White House OFBCI shall coordinate with the liaison and point of contact designated by each executive department and agency with respect to this initiative.

(d) All executive departments and agencies (agencies) shall cooperate with the White House OFBCI and provide such information, support, and assistance to the White House OFBCI as it may request, to the extent permitted by law.

(e) The agencies' actions directed by this Executive Order shall be carried out subject to the availability of appropriations and to the extent permitted by law.

Sec. 5. Judicial Review. This order does not create any right or benefit, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

GEORGE W. BUSH
THE WHITE HOUSE,
Executive Order 13198
Agency Responsibilities with Respect to Faith-Based and Community Initiatives

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to help the Federal Government coordinate a national effort to expand opportunities for faith-based and other community organizations and to strengthen their capacity to better meet social needs in America's communities, it is hereby ordered as follows:

Section 1. Establishment of Executive Department Centers for Faith-Based and Community Initiatives. (a) The Attorney General, the Secretary of Education, the Secretary of Labor, the Secretary of Health and Human Services, and the Secretary of Housing and Urban Development shall each establish within their respective departments a Center for Faith-Based and Community Initiatives (Center).

(b) Each executive department Center shall be supervised by a Director, appointed by the department head in consultation with the White House Office of Faith-Based and Community Initiatives (White House OFBCI).

(c) Each department shall provide its Center with appropriate staff, administrative support, and other resources to meet its responsibilities under this order.

(d) Each department's Center shall begin operations no later than 45 days from the date of this order.

Sec. 2. Purpose of Executive Department Centers for Faith-Based and Community Initiatives. The purpose of the executive department Centers will be to coordinate department efforts to eliminate regulatory, contracting, and other programmatic obstacles to the participation of faith-based and other community organizations in the provision of social services.

Sec. 3. Responsibilities of Executive Department Centers for Faith-Based and Community Initiatives. Each Center shall, to the extent permitted by law: (a) conduct, in coordination with the White House OFBCI, a department-wide audit to identify all existing barriers to the participation of faith-based and other community organizations in the delivery of social services by the department, including but not limited to regulations, rules, orders, procurement, and other internal policies and practices, and outreach activities that either facially discriminate against or otherwise discourage or disadvantage the participation of faith-based and other community organizations in Federal programs;

(b) coordinate a comprehensive departmental effort to incorporate faith-based and other community organizations in department programs and initiatives to the greatest extent possible;

(c) propose initiatives to remove barriers identified pursuant to section 3(a) of this order, including but not limited to reform of regulations, procurement, and other internal policies and practices, and outreach activities;

(d) propose the development of innovative pilot and demonstration programs to increase the participation of faith-based and other community organizations in Federal as well as State and local initiatives; and

(e) develop and coordinate department outreach efforts to disseminate information more effectively to faith-based and other community organizations with respect to programming changes, contracting opportunities, and other department initiatives, including but not limited to Web and Internet resources.
Sec. 4. Additional Responsibilities of the Department of Health and Human Services and the Department of Labor Centers. In addition to those responsibilities described in section 3 of this order, the Department of Health and Human Services and the Department of Labor Centers shall, to the extent permitted by law: (a) conduct a comprehensive review of policies and practices affecting existing funding streams governed by so-called "Charitable Choice" legislation to assess the department's compliance with the requirements of Charitable Choice; and (b) promote and ensure compliance with existing Charitable Choice legislation by the department, as well as its partners in State and local government, and their contractors.

Sec. 5. Reporting Requirements. (a) Report. Not later than 180 days after the date of this order and annually thereafter, each of the five executive department Centers described in section 1 of this order shall prepare and submit a report to the White House OFBCI.

(b) Contents. The report shall include a description of the department's efforts in carrying out its responsibilities under this order, including but not limited to:

(1) a comprehensive analysis of the barriers to the full participation of faith-based and other community organizations in the delivery of social services identified pursuant to section 3(a) of this order and the proposed strategies to eliminate those barriers; and

(2) a summary of the technical assistance and other information that will be available to faith-based and other community organizations regarding the program activities of the department and the preparation of applications or proposals for grants, cooperative agreements, contracts, and procurement.

(c) Performance Indicators. The first report, filed 180 days after the date of this order, shall include annual performance indicators and measurable objectives for department action. Each report filed thereafter shall measure the department's performance against the objectives set forth in the initial report.

Sec. 6. Responsibilities of All Executive Departments and Agencies. All executive departments and agencies (agencies) shall: (a) designate an agency employee to serve as the liaison and point of contact with the White House OFBCI; and

(b) cooperate with the White House OFBCI and provide such information, support, and assistance to the White House OFBCI as it may request, to the extent permitted by law.

Sec. 7. Administration and Judicial Review. (a) The agencies' actions directed by this Executive Order shall be carried out subject to the availability of appropriations and to the extent permitted by law.

(b) This order does not create any right or benefit, substantive or procedural, enforceable at law or equity against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

Appendix 3

Executive Order: 13280

Responsibilities of the Department of Agriculture and the Agency for International Development with Respect to Faith-based and Community Initiatives

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to help the Federal Government coordinate a national effort to expand opportunities for faith-based and other community organizations and to strengthen their capacity to better meet social needs in America’s communities, it is hereby ordered as follows:

Section 1. Establishment of Centers for Faith-Based and Community Initiatives at the Department of Agriculture and the Agency for International Development. (a) The Secretary of Agriculture and the Administrator of the Agency for International Development shall each establish within their respective agencies a Center for Faith-Based and Community Initiatives (Center).

(b) Each of these Centers shall be supervised by a Director, appointed by the agency head in consultation with the White House Office of Faith-Based and Community Initiatives (White House OFBCI).

(c) Each agency shall provide its Center with appropriate staff, administrative support, and other resources to meet its responsibilities under this order.

(d) Each Center shall begin operations no later than 45 days from the date of this order.

Sec. 2. Purpose of Executive Branch Centers for Faith-Based and Community Initiatives. The purpose of the agency Centers will be to coordinate agency efforts to eliminate regulatory, contracting, and other programmatic obstacles to the participation of faith-based and other community organizations in the provision of social services.

Sec. 3. Responsibilities of the Centers for Faith-Based and Community Initiatives. Each Center shall, to the extent permitted by law:

(a) conduct, in coordination with the White House OFBCI, an agency-wide audit to identify all existing barriers to the participation of faith-based and other community organizations in the delivery of social services by the agency, including but not limited to regulations, rules, orders, procurement, and other internal policies and practices, and outreach activities that either facially discriminate against or otherwise discourage or disadvantage the participation of faith-based and other community organizations in Federal programs;

(b) coordinate a comprehensive agency effort to incorporate faith-based and other community organizations in agency programs and initiatives to the greatest extent possible;

(c) propose initiatives to remove barriers identified pursuant to section 3(a) of this order, including but not limited to reform of regulations, procurement, and other internal policies and practices, and outreach activities;

(d) propose the development of innovative pilot and demonstration programs to increase the participation of faith-based and other community organizations in Federal as well as State and local initiatives; and

(e) develop and coordinate agency outreach efforts to disseminate information more effectively to faith-based and other community organizations with respect to programming changes.
contracting opportunities, and other agency initiatives, including but not limited to Web and Internet resources.

Sec. 4. Reporting Requirements.

(a) **Report.** Not later than 180 days from the date of this order and annually thereafter, each of the two Centers described in section 1 of this order shall prepare and submit a report to the White House OFBCI.

(b) **Contents.** The report shall include a description of the agency's efforts in carrying out its responsibilities under this order, including but not limited to:

(i) a comprehensive analysis of the barriers to the full participation of faith-based and other community organizations in the delivery of social services identified pursuant to section 3(a) of this order and the proposed strategies to eliminate those barriers; and

(ii) a summary of the technical assistance and other information that will be available to faith-based and other community organizations regarding the program activities of the agency and the preparation of applications or proposals for grants, cooperative agreements, contracts, and procurement.

(c) **Performance Indicators.** The first report, filed 180 days after the date of this order, shall include annual performance indicators and measurable objectives for agency action. Each report filed thereafter shall measure the agency's performance against the objectives set forth in the initial report.

Sec. 5. Responsibilities of the Secretary of Agriculture and the Administrator of the Agency for International Development. The Secretary and the Administrator shall:

(a) designate an employee within their respective agencies to serve as the liaison and point of contact with the White House OFBCI; and

(b) cooperate with the White House OFBCI and provide such information, support, and assistance to the White House OFBCI as it may request, to the extent permitted by law.

Sec. 6. Administration and Judicial Review. (a) The agency actions directed by this executive order shall be carried out subject to the availability of appropriations and to the extent permitted by law.

(b) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, or entities, its officers, employees or agents, or any other person.

GEORGE W. BUSH
THE WHITE HOUSE,
December 12, 2002.
Appendix 4

Executive Order: 13279

Equal Protection of the Laws for Faith-based and Community Organizations

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 121(a) of title 40, United States Code, and section 301 of title 3, United States Code, and in order to guide Federal agencies in formulating and developing policies with implications for faith-based organizations and other community organizations, to ensure equal protection of the laws for faith-based and community organizations, to further the national effort to expand opportunities for, and strengthen the capacity of, faith-based and other community organizations so that they may better meet social needs in America’s communities, and to ensure the economical and efficient administration and completion of Government contracts, it is hereby ordered as follows:

Section 1. Definitions. For purposes of this order:

(a) "Federal financial assistance" means assistance that non-Federal entities receive or administer in the form of grants, contracts, loans, loan guarantees, property, cooperative agreements, food commodities, direct appropriations, or other assistance, but does not include a tax credit, deduction, or exemption.

(b) "Social service program" means a program that is administered by the Federal Government, or by a State or local government using Federal financial assistance, and that provides services directed at reducing poverty, improving opportunities for low-income children, revitalizing low-income communities, empowering low-income families and low-income individuals to become self-sufficient, or otherwise helping people in need. Such programs include, but are not limited to, the following:

(i) child care services, protective services for children and adults, services for children and adults in foster care, adoption services, services related to the management and maintenance of the home, day care services for adults, and services to meet the special needs of children, older individuals, and individuals with disabilities (including physical, mental, or emotional disabilities);

(ii) transportation services;

(iii) job training and related services, and employment services;

(iv) information, referral, and counseling services;

(v) the preparation and delivery of meals and services related to soup kitchens or food banks;

(vi) health support services;

(vii) literacy and mentoring programs;

(viii) services for the prevention and treatment of juvenile delinquency and substance abuse, services for the prevention of crime and the provision of assistance to the victims and the families of criminal offenders, and services related to intervention in, and prevention of, domestic violence; and

(ix) services related to the provision of assistance for housing under Federal law.
(c) “Policies that have implications for faith-based and community organizations” refers to all policies, programs, and regulations, including official guidance and internal agency procedures, that have significant effects on faith-based organizations participating in or seeking to participate in social service programs supported with Federal financial assistance.

(d) "Agency" means a department or agency in the executive branch.

(e) "Specified agency heads" mean the Attorney General, the Secretaries of Agriculture, Education, Health and Human Services, Housing and Urban Development, and Labor, and the Administrator of the Agency for International Development.

Sec. 2. Fundamental Principles and Policymaking Criteria.

In formulating and implementing policies that have implications for faith-based and community organizations, agencies that administer social service programs supported with Federal financial assistance shall, to the extent permitted by law, be guided by the following fundamental principles:

(a) Federal financial assistance for social service programs should be distributed in the most effective and efficient manner possible;

(b) The Nation’s social service capacity will benefit if all eligible organizations, including faith-based and other community organizations, are able to compete on an equal footing for Federal financial assistance used to support social service programs;

(c) No organization should be discriminated against on the basis of religion or religious belief in the administration or distribution of Federal financial assistance under social service programs;

(d) All organizations that receive Federal financial assistance under social services programs should be prohibited from discriminating against beneficiaries or potential beneficiaries of the social services programs on the basis of religion or religious belief. Accordingly, organizations, in providing services supported in whole or in part with Federal financial assistance, and in their outreach activities related to such services, should not be allowed to discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to actively participate in a religious practice;

(e) The Federal Government must implement Federal programs in accordance with the Establishment Clause and the Free Exercise Clause of the First Amendment to the Constitution. Therefore, organizations that engage in inherently religious activities, such as worship, religious instruction, and proselytization, must offer those services separately in time or location from any programs or services supported with direct Federal financial assistance, and participation in any such inherently religious activities must be voluntary for the beneficiaries of the social service program supported with such Federal financial assistance; and

(f) Consistent with the Free Exercise Clause and the Free Speech Clause of the Constitution, faith-based organizations should be eligible to compete for Federal financial assistance used to support social service programs and to participate fully in the social service programs supported with Federal financial assistance without impairing their independence, autonomy, expression, or religious character. Accordingly, a faith-based organization that applies for or participates in a social service program supported with Federal financial assistance may retain its independence and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct Federal financial assistance to support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, faith-based organizations that receive Federal financial assistance may use their facilities to provide social services supported with Federal financial assistance, without removing or altering religious art, icons, scriptures, or other symbols from these facilities. In addition,
a faith-based organization that applies for or participates in a social service program supported with Federal financial assistance may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other chartering or governing documents.

Sec. 3. Agency Implementation.

(a) Specified agency heads shall, in coordination with the White House Office of Faith-Based and Community Initiatives (White House OFBCI), review and evaluate existing policies that have implications for faith-based and community organizations in order to assess the consistency of such policies with the fundamental principles and policymaking criteria articulated in section 2 of this order.

(b) Specified agency heads shall ensure that all policies that have implications for faith-based and community organizations are consistent with the fundamental principles and policymaking criteria articulated in section 2 of this order. Therefore, specified agency heads shall, to the extent permitted by law:

(i) amend all such existing policies of their respective agencies to ensure that they are consistent with the fundamental principles and policymaking criteria articulated in section 2 of this order;

(ii) where appropriate, implement new policies for their respective agencies that are consistent with and necessary to further the fundamental principles and policymaking criteria set forth in section 2 of this order; and

(iii) implement new policies that are necessary to ensure that their respective agencies collect data regarding the participation of faith-based and community organizations in social service programs that receive Federal financial assistance.

(c) Within 90 days after the date of this order, each specified agency head shall report to the President, through the Director of the White House OFBCI, the actions it proposes to undertake to accomplish the activities set forth in sections 3(a) and (b) of this order.

Sec. 4. Amendment of Executive Order 11246.

Pursuant to section 121(a) of title 40, United States Code, and section 301 of title 3, United States Code, and in order to further the strong Federal interest in ensuring that the cost and progress of Federal procurement contracts are not adversely affected by an artificial restriction of the labor pool caused by the unwarranted exclusion of faith-based organizations from such contracts, section 204 of Executive Order 11246 of September 24, 1965, as amended, is hereby further amended to read as follows:

"SEC. 204 (a) The Secretary of Labor may, when the Secretary deems that special circumstances in the national interest so require, exempt a contracting agency from the requirement of including any or all of the provisions of Section 202 of this Order in any specific contract, subcontract, or purchase order.

(b) The Secretary of Labor may, by rule or regulation, exempt certain classes of contracts, subcontracts, or purchase orders (1) whenever work is to be or has been performed outside the United States and no recruitment of workers within the limits of the United States is involved; (2) for standard commercial supplies or raw materials; (3) involving less than specified amounts of money or specified numbers of workers; or (4) to the extent that they involve subcontracts below a specified tier."
(c) Section 202 of this Order shall not apply to a Government contractor or subcontractor that is a religious corporation, association, educational institution, or society, with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution, or society of its activities. Such contractors and subcontractors are not exempted or excused from complying with the other requirements contained in this Order.

(d) The Secretary of Labor may also provide, by rule, regulation, or order, for the exemption of facilities of a contractor that are in all respects separate and distinct from activities of the contractor related to the performance of the contract; provided, that such an exemption will not interfere with or impede the effectuation of the purposes of this Order; and provided further, that in the absence of such an exemption all facilities shall be covered by the provisions of this Order.”

Sec. 5. General Provisions.

(a) This order supplements but does not supersede the requirements contained in Executive Orders 13198 and 13199 of January 29, 2001.

(b) The agencies shall coordinate with the White House OFBCI concerning the implementation of this order.

(c) Nothing in this order shall be construed to require an agency to take any action that would impair the conduct of foreign affairs or the national security.

Sec. 6. Responsibilities of Executive Departments and Agencies. All executive departments and agencies (agencies) shall:

(a) designate an agency employee to serve as the liaison and point of contact with the White House OFBCI; and

(b) cooperate with the White House OFBCI and provide such information, support, and assistance to the White House OFBCI as it may request, to the extent permitted by law.

Sec. 7. Judicial Review.

This order is intended only to improve the internal management of the executive branch, and it is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by a party against the United States, its agencies, or entities, its officers, employees or agents, or any person.

GEORGE W. BUSH
THE WHITE HOUSE,
December 12, 2002.
Executive Order: 13342

Responsibilities of the Department of Commerce and Veterans Affairs and the Small Business Administration with Respect to Faith-Based and Community Initiatives

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to help the Federal Government coordinate a national effort to expand opportunities for faith-based and other community organizations and to strengthen their capacity to better meet America's social and community needs, it is hereby ordered as follows:

Section 1. Establishment of Centers for Faith-Based and Community Initiatives at the Departments of Commerce and Veterans Affairs and the Small Business Administration.

(a) The Secretaries of Commerce and Veterans Affairs and the Administrator of the Small Business Administration shall each establish within their respective agencies a Center for Faith-Based and Community Initiatives (Center).

(b) Each of these Centers shall be supervised by a Director, appointed by the agency head in consultation with the White House Office of Faith-Based and Community Initiatives (White House OFBCI).

(c) Each agency shall provide its Center with appropriate staff, administrative support, and other resources to meet its responsibilities under this order.

(d) Each Center shall begin operations no later than 45 days from the date of this order.

Sec. 2. Purpose of Executive Branch Centers for Faith-Based and Community Initiatives. The purpose of the agency Centers will be to coordinate agency efforts to eliminate regulatory, contracting, and other programmatic obstacles to the participation of faith-based and other community organizations in the provision of social and community services.

Sec. 3. Responsibilities of the Centers for Faith-Based and Community Initiatives. Each Center shall, to the extent permitted by law:

(a) conduct, in coordination with the White House OFBCI, an agency-wide audit to identify all existing barriers to the participation of faith-based and other community organizations in the delivery of social and community services by the agency, including but not limited to regulations, rules, orders, procurement, and other internal policies and practices, and outreach activities that either facially discriminate against or otherwise discourage or disadvantage the participation of faith-based and other community organizations in Federal programs;

(b) coordinate a comprehensive agency effort to incorporate faith-based and other community organizations in agency programs and initiatives to the greatest extent possible;

(c) propose initiatives to remove barriers identified pursuant to section 3(a) of this order, including but not limited to reform of regulations, procurement, and other internal policies and practices, and outreach activities;

(d) propose the development of innovative pilot and demonstration programs to increase the participation of faith-based and other community organizations in Federal as well as State and local initiatives; and
(e) develop and coordinate agency outreach efforts to disseminate information more effectively
to faith-based and other community organizations with respect to programming changes,
contracting opportunities, and other agency initiatives, including but not limited to Web and
Internet resources.

Sec. 4. Reporting Requirements. (a) Report. Not later than 180 days from the date of this order and
annually there-after, each of the three Centers described in section 1 of this order shall prepare
and submit a report to the President through the White House OFBCI.

(b) Contents. The report shall include a description of the agency's efforts in carrying out its
responsibilities under this order, including but not limited to:

(i) a comprehensive analysis of the barriers to the full participation of faith-based and other
community organizations in the delivery of social and community services identified pursuant to
section 3(a) of this order and the proposed strategies to eliminate those barriers; and

(ii) a summary of the technical assistance and other information that will be available to faith-
based and other community organizations regarding the program activities of the agency and the
preparation of applications or proposals for grants, cooperative agreements, contracts, and
procurement.

(c) Performance Indicators. The first report, filed pursuant to section 4(a) of this order, shall include
annual performance indicators and measurable objectives for agency action. Each report filed
thereafter shall measure the agency's performance against the objectives set forth in the initial
report.

Sec. 5. Responsibilities of the Secretaries of Commerce and Veterans Affairs and the Administrator
of the Small Business Administration. The Secretaries and the Administrator shall:

(a) designate an employee within their respective agencies to serve as the liaison and point of
contact with the White House OFBCI; and

(b) cooperate with the White House OFBCI and provide such information, support, and assistance
to the White House OFBCI as it may request, to the extent permitted by law.

Sec. 6. Administration and Judicial Review. (a) The agency actions directed by this executive order
shall be carried out subject to the availability of appropriations and to the extent permitted by law.

(b) This order is not intended to, and does not, create any right or benefit, substantive or
procedural, enforceable at law or in equity by a party against the United States, its departments,
agencies, instrumentalities or entities, its officers, employees or agents, or any other person.

GEORGE W. BUSH THE WHITE HOUSE,

June 1, 2004.
Appendix 6

Executive Order: 13397
Responsibilities of the Department of Homeland Security with Respect to Faith-Based and Community Initiatives

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to help the Federal Government coordinate a national effort to expand opportunities for faith-based and other community organizations and to strengthen their capacity to better meet America's social and community needs, it is hereby ordered as follows:

Section 1. Establishment of a Center for Faith-Based and Community Initiatives at the Department of Homeland Security.

(a) The Secretary of Homeland Security (Secretary) shall establish within the Department of Homeland Security (Department) a Center for Faith-Based and Community Initiatives (Center).

(b) The Center shall be supervised by a Director appointed by Secretary. The Secretary shall consult with the Director of the White House Office of Faith-Based and Community Initiatives (WHOFBCI Director) prior to making such appointment.

(c) The Department shall provide the Center with appropriate staff, administrative support, and other resources to meet its responsibilities under this order.

(d) The Center shall begin operations no later than 45 days from the date of this order.

Sec. 2. Purpose of Center. The purpose of the Center shall be to coordinate agency efforts to eliminate regulatory, contracting, and other programmatic obstacles to the participation of faith-based and other community organizations in the provision of social and community services.

Sec. 3. Responsibilities of the Center for Faith-Based and Community Initiatives. In carrying out the purpose set forth in section 2 of this order, the Center shall:

(a) conduct, in coordination with the WHOFBCI Director, a department-wide audit to identify all existing barriers to the participation of faith-based and other community organizations in the delivery of social and community services by the Department, including but not limited to regulations, rules, orders, procurement, and other internal policies and practices, and outreach activities that unlawfully discriminate against, or otherwise discourage or disadvantage the participation of faith-based and other community organizations in Federal programs;

(b) coordinate a comprehensive departmental effort to incorporate faith-based and other community organizations in Department programs and initiatives to the greatest extent possible;

(c) propose initiatives to remove barriers identified pursuant to section 3(a) of this order, including but not limited to reform of regulations, procurement, and other internal policies and practices, and outreach activities;

(d) propose the development of innovative pilot and demonstration programs to increase the participation of faith-based and other community organizations in Federal as well as State and local initiatives; and
(e) develop and coordinate Departmental outreach efforts to disseminate information more effectively to faith-based and other community organizations with respect to programming changes, contracting opportunities, and other agency initiatives, including but not limited to Web and Internet resources.

Sec. 4. Reporting Requirements.

(a) Report. Not later than 180 days from the date of this order and annually thereafter, the Center shall prepare and submit a report to the WHOFBCI Director.

(b) Contents. The report shall include a description of the Department's efforts in carrying out its responsibilities under this order, including but not limited to:

(i) a comprehensive analysis of the barriers to the full participation of faith-based and other community organizations in the delivery of social and community services identified pursuant to section 3(a) of this order and the proposed strategies to eliminate those barriers; and

(ii) a summary of the technical assistance and other information that will be available to faith-based and other community organizations regarding the program activities of the agency and the preparation of applications or proposals for grants, cooperative agreements, contracts, and procurement.

(c) Performance Indicators. The first report shall include annual performance indicators and measurable objectives for Departmental action. Each report filed thereafter shall measure the Department's performance against the objectives set forth in the initial report.

Sec. 5. Responsibilities of the Secretary. The Secretary shall:

(a) designate an employee within the department to serve as the liaison and point of contact with the WHOFBCI Director; and

(b) cooperate with the WHOFBCI Director and provide such information, support, and assistance to the WHOFBCI Director as requested to implement this order.

Sec. 6. General Provisions. (a) This order shall be implemented subject to the availability of appropriations and to the extent permitted by law.

(b) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by a party against the United States, its agencies, or entities, its officers, employees, or agents, or any other person.

GEORGE W. BUSH

THE WHITE HOUSE,

March 7, 2006.
End Notes


9 OMB Watch staff. (2003).


34 Appendix C, Respondent 1, Question 7.
35 Appendix C, Respondent 38, Question 7.
36 Appendix H, Respondent 108.
37 Appendix C, Survey Respondent 67, Question 7.
38 Appendix C, Survey Respondent 139, Question 7.
39 Appendix C, Survey Respondent 139, Question 7.
40 Appendix C, Survey Respondent 290, Question 7.
41 Appendix C, Respondent 298, Question 7.
42 Appendix D, Respondent 21, Question 9.
43 Appendix F, Survey Respondent 157, question 31.
44 Appendix F, Survey Respondent 14, question 31.
45 Appendix F, Survey Respondent 26, question 31.
46 Appendix F, Survey Respondent 51, question 31.
47 Appendix F, Survey Respondent 68, question 31.
48 Appendix F, Survey Respondent 151, question 31.
50 Appendix F, Survey Respondent 91, question 31.
51 Appendix F, Survey Respondent 217, question 31.
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53 Appendix F, Survey Respondent 83, question 31.
54 Appendix F, Survey Respondent 230, question 31.
55 Appendix F, Survey Respondent 86, question 31.
56 Appendix F, Survey Respondent 102, question 31.
57 Appendix F, Survey Respondent 80, question 31.
58 Appendix F, Survey Respondent 156 question 31.
59 Appendix F, Survey Respondent 189, question 31.
60 Appendix F, Survey Respondent 198, question 31.
61 Appendix F, Survey Respondent 199, question 31.
63 Appendix F, Survey Respondent 317, question 31.
64 Appendix G, Survey Respondent 106, question 32.
65 Appendix G, Survey Respondent 109, question 32.
66 Appendix G, Survey Respondent 210, question 32.
67 Appendix G, Survey Respondent 101, question 32.
69 Appendix G, Survey Respondent 218, question 32.
70 Appendix G, Survey Respondent 305, question 32.
71 Appendix F, Survey Respondent 156 question 31.
72 Appendix G, Survey Respondent 79, question 32.
73 Appendix H, Survey Respondent 30, question 33.
74 Appendix H, Survey Respondent 38, question 33.
75 Appendix H, Survey Respondent 14, question 33.
76 Appendix H, Survey Respondent 79, question 33.
77 Appendix H, Survey Respondent 43, question 33.
78 Appendix H, Survey Respondent 46, question 33.
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80 Appendix H, Survey Respondent 56, question 33.
81 Appendix H, Survey Respondent 59, question 33.
82 Appendix H, Survey Respondent 158, question 33.
83 Appendix H, Survey Respondent 180, question 33.
84 Appendix H, Survey Respondent 274, question 33.
85 Appendix H, Survey Respondent 117, question 33.
86 Appendix H, Survey Respondent 176, question 33.
87 Appendix H, Survey Respondent 11, question 33.
88 Appendix H, Survey Respondent 181, question 33.
89 Appendix H, Survey Respondent 229, question 33.
90 Appendix H, Survey Respondent 261, question 33.
Appendix I, Survey Respondent 2, question 34.
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Interview Participant 3.

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187 Interview Participant 8.
188 Interview Participant 4.
189 Interview Participant 4.
190 Interview Participant 2.
191 Interview Participant 2.
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