

Non-Government Funding: Increasing Private Support

- 1.** A major increase in financial support is needed from private individuals, foundations, corporations, and other philanthropic institutions for community-based and faith-based groups working effectively to address poverty and related unmet human needs.
- 2.** To encourage individual giving, non-itemizers should be allowed to deduct charitable contributions, and penalties on donations from IRAs should be eliminated. To encourage corporate giving, restrictions on in-kind contributions, such as non-deductibility of transportation and storage costs, should be eased.
- 3.** Institutional funders should review blanket restrictions on applications from faith-based organizations that are working to address human needs in their communities.
- 4.** Foundations, other philanthropic institutions, and corporations should create more programs that give smaller community-based and faith-based groups access to small-scale grants.
- 5.** Additional efforts are needed to encourage contributions to community-based and faith-based organizations, and reduce transactions costs for both donors and recipient organizations.

Direct Government Support

- 6.** Congress and the Executive Branch should take steps to increase the participation in federal programs of effective organizations that, because of their small size, have difficulty pursuing available funds.
- 7.** In the design and implementation of direct funding programs, Government agencies should not set limitations or conditions that apply, in context, to the benefit or to the detriment of faith-based organizations as compared to more secular groups, unless they understand them to be constitutionally or legally required.
- 8.** Government agencies should be fully transparent, providing plain statements on eligibility as well as any conditions, prohibitions or restrictions, including those relating to the religious nature or activities of potential applicants. (Linked with Recommendation 20)

Government Indirect and In-Kind Assistance

- 9.** Government agencies should increase technical assistance to smaller organizations and individuals working at the grass roots level and make it available to all, consistent with constitutional standards.

10. Experience demonstrates that Government can, under a variety of conditions, work with faith-based organizations, including churches, houses of worship and other faith-saturated organizations, to deliver assistance to persons in need.

11. Congress and the Executive branch should expand opportunities for service in VISTA and other AmeriCorps programs, as currently practiced, in order to supplement the staff and significantly increase the capacity of faith-based and community-based organizations to meet human needs, when government funding goes to the support of the national service participants.

Capacity Building

12. Private technical assistance should be increased to expand the capacity of smaller faith-based and community-based organizations providing services to those in need.

13. More and better intermediary organizations should be established to provide fiscal sponsorship and other forms of support for faith-based and community-based groups.

14. Churches, congregations, and houses of worship that operate social services programs for which they seek government funds should create separate 501(c)(3) corporations, or enter into partnerships with existing 501(c)(3) organizations.

15. Congress and the IRS should create a "EZ application form" for a 501(c)(3), waive existing filing fees, and take other steps to help smaller organizations to form separate 501(c)(3) organizations.

16. Government and the private sector should develop formal capacity to facilitate voluntary, cooperative resolution of conflicts in this area of government collaboration with faith-based and community-based organizations.

Employment Practices

17. Privately funded faith-based organizations should continue to enjoy the freedom to pursue their religious mission - including continued enjoyment of statutory authority to use religious preferences in employment.

18. Where government requires that certain staff for publicly-supported social services programs or activities must be selected without regard to religious beliefs or practices, it is appropriate that such restrictions apply only to those programs or activities, and not to others within the same organization.

19. No racially discriminatory employment policy should be permitted, even if that policy is ostensibly based on religious beliefs.

20. Any organization that intends to use religious preferences in employment decisions concerning government-funded programs should be required to report such policies in applications for government funding. (Linked with Recommendation 8)

The Need for Results: Achieving Effective Outcomes

21. Public and non-government funders should insist on effective performance and outcomes on the part of all providers of services.

22. All organizations that operate with public and private money should operate with high levels of accountability regarding money, and have the ability to comply with rules and regulations intended to safeguard consumers and tax dollars.

23. All organizations that operate with public and private money should foster empowerment of individuals and communities as an integral component of sustainable change.

24. Tools to measure and assess outcomes and effectiveness should be continually reevaluated, improved, and incorporated into all stages of program development, funding, and evaluation.

25. Government and philanthropic organizations should support empirical and peer-reviewed evaluation research to test the relative effectiveness and costs of all providers, including faithbased, in areas such as drug treatment, tutoring and mentoring.

26. Research and evaluation should pay attention to the issues that arise from the different types of faith-based and community organizations in the provision of service, and from the inclusion of a greater number and variety of faith-based and community organizations in service provision.

27. In fields of service where certification is required, accreditation agencies should work to incorporate outcomes into standards uniformly applicable to all providers of services, whether faith-based or secular.

Next Steps to Improving Public Dialogue and Expanding Areas of Agreement

28. Individual leaders and organizations should use the recommendations in this report as springboards for action, and a starting point to build new agreements at the national, state, and local level.

29. Americans need a better understanding of the variety of faith-based and other non-profit organizations, and participants in public discussions and debates need to be attentive to the reality that the current vocabulary of public discussion can serve to confuse and divide.