The Roundtable
on Religion and Social Welfare Policy

Getting a Piece of the Pie:

Federal Grants to Faith-Based Social Service Organizations

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INTRODUCTION

The Bush Administration's Faith-Based and Community Initiative is intended to expand the participation of faith-based organizations in social services; in part, by increasing opportunities for public funding of their efforts through government contracts and grants. But to what extent do FBOs receive federal discretionary grant awards?

Previous research by The Roundtable on Religion and Social Welfare Policy notes that the bulk of federal funding for social services flows through state and local governments, where administrative decentralization and the lack of capacity to identify the faith-character of grantees and contractors present significant obstacles for tracking the award of federal funds to religious groups.[1] This study adds to what is known about the extent and trend of federal support for faith-based organizations by examining the direct recipients of discretionary grant awards made by the federal agencies expressly part of the Bush Administration's Faith-Based and Community Initiative.

Background [2]

In his first days in the Oval Office in 2001, President George W. Bush created the White Office of Faith-Based and Community Initiatives (OFBCI) through issuance of an Executive Order. The function of the OFBCI is to expand the participation of faith-based and community-based organizations to provide social services and, through newly-established federal agency Centers for Faith-Based and Community Initiatives also created through Executive Orders, identify and remove policy and regulatory barriers so that FBOs may compete for federal funding on an equal basis with other providers.

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[1] Burke, Courtney, James Fossett and Thomas Gais (2004). *Funding Faith-Based Social Services in a Time of Fiscal Pressure.* Albany, NY: The Roundtable on Religion and Social Welfare Policy. http://www.religionandsocialpolicy.org/docs/research/10-26-02_Funding_FB_SS-FiscalPressures.pdf. Ragan, Mark, Lisa M. Montiel and David J. Wright (2003). *Scanning the Policy Environment for Faith-based Social Services in the United States: Results of a 50-State Study.* Albany, NY: The Roundtable on Religion and Social Welfare Policy. http://www.religionandsocialpolicy.org/docs/events/2003_annual_conference/11-17-2003_state_scan.pdf. Ragan, Mark and David J. Wright (2005). *The Policy Environment for Faith-Based Social Services in the United States: What has Changed Since 2002?* Albany, NY: The Roundtable on Religion and Social Welfare Policy. http://www.religionandsocialpolicy.org/docs/policy/State_Scan_2005_report.pdf.

[2] See Appendix A for a full treatment of the project's methodology.

To reach these objectives, the White House OFBCI provides information, resources, workshops, and conferences on the federal grants process. The OFBCI also works closely with the centers for faith-based and community initiatives within ten federal agencies.[3]

The Bush Administration has launched several new programs that incorporate in their design outreach to, and potential partnerships with, religious organizations active in social service delivery. In general, however, the Administration has emphasized that the general thrust of the FBCI has been to "level the playing field" in opening up the competition for existing grant and contract programs.

To assess the extent of federal support of faith-based social service providers, we identified and examined all of the federal funding announcements that invited faith-based organizations to apply from April 2003 to October 2004.[4] Grant programs were selected for study if: the request for applications stated that FBOs were eligible applicants, the program was listed in the White House catalog of federal funding opportunities for faith-based and community-based organizations, or a federal agency/department stated the program was available for FBO applicants.[5]

In order to report on the trend of discretionary grants to FBOs rather than on the level in a given year, we tracked the FBO-eligible grant opportunities we had identified back to fiscal year 2002, as well as forward through fiscal year 2004. Grant opportunities that continued over fiscal years 2002, 2003, and 2004, and for which information on awardees could be obtained, were included in the present study.[6] This resulted in an examination of 99 federal discretionary grant

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[3] The Centers for Faith-Based and Community Initiatives within the US Departments of Education, Health and Human Services, Housing and Urban Development, Justice and Labor were the first to be created by Executive Order in 2001, immediately following the creation of the White House OFBCI. The Centers within the Departments of Agriculture, Commerce, Small Business Administration and the US Agency for International Development were created through Executive Orders that followed in subsequent years. The Corporation for National and Community Service, an independent federal entity, has also implemented a Faith-based and Community Initiative.

[4] The nineteen-month time period was selected to capture funding opportunities for 2003 operating either on a program year or a fiscal year basis. Primary sources for grantee data included: Federal Assistance Award Data System, online grant databases, public award announcements, personal communication with federal officials, and Freedom of Information Act requests. Grants are typically reported on the basis of the amount obligated to be awarded, and do not generally reflect later adjustments in expenditures for the award that may be made by the granting agency.

[5] The White House Office of Faith-based and Community Initiatives (2004). Federal Funds for Organizations That Help Those in Need. Washington D.C.: The White House. http://www.whitehouse.gov/government/fbci/GrantCatalog2004.pdf. It is possible that faith-based organizations may choose to apply for federal discretionary grant programs that do not explicitly list FBOs as eligible applicants. The Bush Administration has made it a priority for agencies to be broadly inclusive about identifying and communicating the availability of grants and contracts for FBOs, however. It is also particularly likely that groups that are new to federal funding would depend on promoted eligibility criteria in deciding whether or not to apply. The list of grant programs noting eligibility/suitability for FBOs is sufficiently close to being all-inclusive to serve the purposes of this analysis.

[6] Our interest in assessing the trend of grant awards to FBOs over a minimum of three years precluded us from including grant programs created since the 2002 fiscal year. The focus here is on the extent to which existing grant programs made awards to faith-based organizations, and the trend of such awards.

programs from among nine federal entities: Agency for International Development, Corporation for National and Community Service, and the Departments of Agriculture, Commerce, Education, Health and Human Services, Housing and Urban Development, Justice, and Labor. A listing of the specific programs can be found in Appendix B.[7] All told, this produced a collection of over 28,000 federal discretionary grant awards that were reviewed.

Along with a consistent set of programs over time, the objective of this study requires an identification of the faith character of organizations receiving federal discretionary grant awards; whether organizations receiving grant awards are, or are not, "faith-based." Although certain federal programs now invite grant applicants to voluntarily identify themselves as a faith-based organization, this information is sparse and partial; is maintained as unrelated to grant awards; and is not collected or reported among program data on grant awards.

This study uses five variables shown through past research to be salient in defining the faith character of organizations.[8] The first characteristic is the organization's *public face*, referring to the organization's overt use of religious words and/or symbols in their name, logo, or slogan that publicly express their faith character. The second characteristic is a *religious or spiritual reference in the organization's mission or value statement*. A third variable considers *religious or spiritual elements in an organization's history*, such as whether the group was founded by a religious order or for an expressed religious purpose, or was established and staffed by people of faith. The fourth characteristic is an *explicit religious affiliation*, and the fifth variable involves the *presence of religious activities or elements in the content of services that are provided*, which may involve the study of religious texts, worship, or religious services.

Of the federal grantees classified as faith-based organizations by this study, over 80 percent have three or more of these faith elements present. One quarter of the organizations have all five faith elements, while only four percent were classified as FBOs on the basis of one faith element being present.

Faith-based organizations identified by this study are further classified as belonging to one of six types[9]:

> **(1) Congregation-based FBOs**, consisting of churches, synagogues, mosques, or other houses of worship that provide social services directly,

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[7] The study examines new awards made under these grant programs, not continuation awards. Most grant opportunities are represented by a single funding opportunity that is released on an annual basis. In a few circumstances, however, funding opportunities within an agency were aggregated into a single program area in order to make grant programs comparable across years.

[8] Jeavons (1998, 2004); Monsma (2002); Netting (2004); Sider and Unruh (2004); Smith and Sosin (2001); Working Group (2002)

[9] This is a classification of organizations, not of the services or programs provided, and it is based on data collected from September 2004 to October 2005. For a fuller discussion of the definitions and methodology, see Appendix A.

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without an institutional separation between the religious institution and its social service arm;

Independent, religiously affiliated organizations – separately incorporated social service groups affiliated with a religious community that typically have religious roots or ideologies, and depending on geographic scope are: **(2) local or regional**, **(3) multi-state**, or **(4) international**.

(5) Faith-based intermediaries, which provide training, technical assistance, financial or project management services in support of the work of FBOs that are smaller or more local; and

(6) Faith-based coalitions, comprising a number of organizations, some or all of which share a core religious tradition or are interfaith, and are banding together to address a common purpose.

FINDINGS

Participation by Faith-Based Organizations

Of the more than 28,000 federal grant awards reviewed for this study, 3,526 awards were distributed among the 1,146 organizations we identified as faith-based. Table 1 summarizes the number of faith-based organizations we identified, by type, and the share each type represents of the total number of FBOs identified from the three years of grant awards included in this study.

Table 1. FBOs by Type, 2002-2004

Types of Faith-Based Organizations	Number of FBOs Defined	Percentage of FBOs Defined
Congregation-based	101	8.8
Independent Religiously-Affiliated		
Local or regional	731	63.8
Multi-state or national	132	11.5
International	52	4.5
Scope unknown	10	.9
Faith-Based Intermediaries	16	1.4
Faith-Based Coalition	81	7.1
Unidentified FBO[10]	23	2.0
Total	*1,146*	*100.0*

Over the three year period 2002-2004, we found a slight increase in both the number of FBOs receiving a grant from one or more of the programs studied, and in the total number of grants received by the FBOs identified. These results can be seen in Table 2, which reports the number of faith-based organizations receiving a federal grant and the number of grants going to FBOs year by year.

Table 2. Annual Breakdown of Federal Grants to FBOs, 2002-2004

	Number of FBOs Receiving a Grant	Number of Grants to Faith-Based Organizations
2002	665	1042
2003	688	1152
2004	762	1332

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[10] FBOs were placed in this category if we had enough information about an organization to classify it as faith-based (i.e. mission statement has a religious reference, overt religious logo), yet we did not have information on whether the organization is a separate entity from a religious organization, the geographic scope of services they provide, and/or their relationship to and interaction with other organizations.

We also looked for evidence that federal funding opportunities were increasing to faith-based organizations that had never received federal funding, and found that the data is modest and inconclusive. For 2003, 391 of the 688 faith-based organizations (57 percent) that received federal grants did not receive a grant in 2002 within the federal agency funding them. Of the 762 faith-based organizations that received grants in 2004, 353 (or about 46 percent) had not received a grant the previous two years from the federal agency funding them.[11]

Table 3 reports the number of FBOs that received funding in 2004 by agency, and the percentage of those FBOs that are new grantees -- meaning that they had not received funding in either of the previous two years in the grant programs we reviewed.

Table 3. "New" Grantees as a Share of FBO Grant Recipients in 2004, by Agency

	Number of FBOs	Number of FBOs not funded previously	Percentage of FBOs that are New Grantees
AID	44	12	27.3
CNCS	10	9	90.0
AG	23	14	60.9
DOC	1	1	100.0
EDU	40	22	55.0
HHS	230	132	57.4
HUD	377	134	35.5
DOJ	20	18	90.0
DOL	17	11	64.7
TOTAL	*762*	*353*	*46.3*

Grant Awards to FBOs

Two broad measures are used in this study to report on recent trends in the level of federal grant funding to FBOs, each in turn. First, we examine and report on the number of discretionary federal grants awarded to FBOs (labeled "awards"). Next, we report on the trend in federal support to FBOs based on the dollar value of discretionary federal grants ("funding") awarded.

Federal Grant Awards to Faith-Based Organizations Increased from 2002 to 2004

In 2002, faith-based organizations received 11.6 percent of the total number of grants awarded under the ninety-nine programs in our study. By 2004, they received 12.8 percent of the total grants awarded. The absolute numbers also

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[11] We can not say with certainty if any of those 279 organizations received grants in 2002 and 2003 within other agencies.

increased from 1042 grant awards in 2002 to 1332 grant awards in 2004. These results can be seen in Table 4.

Table 4. Federal Discretionary Grant Awards to FBOs, 2002-2004

	2002			2003			2004		
	Secular	FBO	Unidentified	Secular	FBO	Unidentified	Secular	FBO	Unidentified
AID	67.5	32.5	0.0	69.3	30.0	0.7	72.6	26.4	1.0
CNCS	92.9	6.0	1.2	86.0	11.2	2.8	90.1	7.9	2.0
AG	91.9	6.8	1.2	92.4	5.3	2.2	90.1	6.7	3.2
DOC	92.0	0.0	8.0	96.4	3.6	0.0	96.3	3.7	0.0
EDU	93.6	4.7	1.7	92.9	5.7	1.4	91.5	7.0	1.5
HHS	89.5	8.5	2.0	87.1	10.1	2.7	85.7	11.1	3.1
HUD	82.1	15.1	2.7	82.5	15.1	2.4	81.8	15.5	2.6
DOJ	92.5	1.9	5.7	96.1	1.4	2.5	95.5	3.3	1.3
DOL	80.8	16.3	2.9	86.4	12.8	0.8	82.2	15.5	2.3
Overall	*86.0*	***11.6***	*2.4*	*85.5*	***12.2***	*2.3*	*84.7*	***12.8***	*2.5*

Table 4 also illustrates that the share of grants awarded to FBOs increased from 2002 to 2004 in six of the federal agencies studied. These include the Corporation for National and Community Service and the US Departments of Commerce, Education, Health and Human Services, Housing and Urban Development, and Justice. By contrast, the share of grants awarded to FBOs declined slightly from 2002 to 2004 for the Department of Agriculture, in percentage terms, and by somewhat larger relative shares of awards in the Agency for International Development and the Department of Labor.

Federal Grant Awards have Shifted Toward Larger FBOs Rather than Congregations

Of the total number of grant awards that went to faith-based organizations in 2002, 4.4 percent were awarded to congregation-based FBOs, 47.4 percent were awarded to independent religiously-affiliated organizations that were local or regional in nature, and 34.7 percent of the grants to FBOs were awarded to multi-state or national organizations with a religious affiliation. Of the grant awards going to FBOs in 2004, however, the share awarded to congregation-based FBOs declined to 2.9 percent, the share to independent religiously-affiliated organizations that were local or regional had fallen to 43.1, and the share awarded to multi-state or national organizations with religious affiliations had risen to 40.3 percent.

**Table 5. Federal Grant Awards to Faith-Based Organizations
by Type and Year, 2002-2004**

	Congregation-based	Independent, religiously affiliated organizations				Intermediary	Coalition	Unidentified FBO
		Local/regional	National	International	Unknown size			
2002	4.4	47.4	34.7	6.3	0.1	0.7	5.0	1.3
2003	4.0	45.1	39.3	4.3	0.3	0.9	5.3	0.8
2004	2.9	43.1	40.3	5.4	0.5	1.0	5.6	1.2

Increased shares of grant awards to national organizations with religious affiliations were found among four of the nine agencies in our study: the Corporation for National and Community Service, and the US Departments of Education, Health and Human Services, and Housing and Urban Development.

Federal Grant Funding to FBOs

On Average, Faith-Based Organizations Received Over 17 Percent Of Discretionary Federal Grant Funding From 2002 To 2004.

In 2002, faith-based organizations received 17.8 percent of the total dollar amount awarded from the ninety-nine grant programs in our study. In 2003, that share of dollars awarded dropped slightly to 17.1 percent, but then it returned to 17.8 percent in 2004. This fact, which is illustrated in Table 6, is all the more notable because total funding for the discretionary grant programs themselves dropped appreciably over this period, by more than $230 million. Thus, while faith-based organizations received 17.8 percent of program awards in both 2002 and 2004, the dollar amount declined from $669,522,328 in 2002 to $625,928,212 in 2004 percent.

Table 6. Federal Discretionary Grant Funding to FBOs By Agency, 2002-2004

	2002			2003			2004		
	Secular	FBO	Unidentified	Secular	FBO	Unidentified	Secular	FBO	Unidentified
AID	73.5	26.5		74.4	23.0	2.7	79.3	17.6	3.1
CNCS	94.0	5.5	0.5	74.2	23.6	2.2	91.9	7.4	0.7
AG	79.8	19.3	0.9	87.6	10.9	1.6	74.4	18.5	7.1
DOC	94.2		5.8	97.5	2.5		96.2	3.8	
EDU	94.6	4.3	1.1	94.5	4.6	0.9	92.8	6.0	1.2
HHS	89.9	7.2	2.9	87.2	9.7	3.1	88.4	8.4	3.2
HUD	69.5	27.0	3.5	74.2	22.3	3.5	74.5	22.8	2.7
DOJ	95.5	1.0	3.6	96.1	1.7	2.2	97.5	1.9	0.5
DOL	99.2	0.8	0.1	92.7	7.3		70.1	29.8	0.1
Overall	*79.5*	***17.8***	*2.7*	*80.0*	***17.1***	*2.9*	*79.5*	***17.8***	*2.7*

As Table 6 also reports, there was considerable variation by agency in the trend of federal grant funding to FBOs between 2002 and 2004. *Six out of the nine federal agencies had net increases from 2002 to 2004 in the share of funding awarded to faith-based organizations.* These include the Corporation for National and Community Service (+1.9) and the US Departments of Commerce (+3.8), Education (+1.7), Health and Human Services (+1.2), Justice (+1.0), and Labor (+29.0).

Three agencies had decreases in the percentage of funding to FBOs from 2002 to 2004 – the Department of Agriculture, Agency for International Development, and Department of Housing and Urban Development. These agencies were nonetheless among the top four in terms of the highest percentages of funding going to FBOs.

Federal Grant Funding to FBOs, Like Awards, Have Shifted to Favor Larger Organizations.

Of the total dollar amounts awarded by federal discretionary grant programs to faith-based organizations in 2002, 10.7 percent went to congregation-based FBOs, 41.2 percent went to independent religiously-affiliated organizations that were local or regional in character, and 34.5 percent went to multi-state or national organizations with religious affiliations. By 2004, as illustrated in Table 7, the share of funding awarded to congregation-based FBOs and local/regional religiously-affiliated organizations had dropped to 8.8 percent and 33.8 percent respectively, while the share awarded to multi-state or national organizations with religious affiliations had risen to 41.7 percent.

Table 7. Federal Discretionary Grant Funding to Faith-Based Organizations by Type and Year, 2002-2004

	Congregation-based	Independent, religiously affiliated organizations				Intermediary	Coalition	Unidentified FBO
		Local/regional	National	International	Unknown size			
2002	10.7	41.2	34.5	9.0	0.1	0.6	3.2	0.7
2003	10.8	36.4	39.1	8.8	0.4	0.6	3.6	0.3
2004	8.8	33.8	41.7	12.0	0.5	0.5	2.1	0.6

Five of the nine agencies in our study had increases in the share of their FBO funding that was awarded to multi-state or national organizations: the Corporation for National and Community Service and the US Departments of Agriculture, Education, Health and Human Services, and Housing and Urban Development.

In the discussion of agency-level trends that follows, we find that certain agencies did have increases in the share of funding awarded to smaller faith-based

organizations. The Agency for International Development and the Department of Justice had increases in the share of funding awarded to both congregation-based and local/regional independent religiously-affiliated organizations. The Departments of Education and HHS had increases in the share of funding awarded to congregation-based organizations. For each year in our study, the largest share of funding to congregation-based FBOs was provided by the Department of Housing and Urban Development and the Department of Education.

Individual Agency Results

Agency for International Development

- *While the Agency for International Development had a decrease in funding and awards to FBOs from 2002 to 2004, the agency still funds a higher percentage of FBOs than most other agencies in our study.*

Although funding to faith-based organizations declined for the five AID grant programs in our study,[12] the share of funding to FBOs under AID programs was still high relative to programs in other agencies -- at between 17 percent and 27 percent of total funding in each year of our study (Table 8). The percentage of awards granted to faith-based organizations also declined, though by 2004 faith-based organizations still received over one-quarter of all the awards through the Agency for International Development grant program areas we reviewed.

Table 8. Funding and Award Percentages - Agency for International Development

	Funding Percentages			Award Percentages		
	Secular	FBO	Unidentified	Secular	FBO	Unidentified
2002	73.5	26.5		67.5	32.5	
2003	74.2	23.6	2.2	69.3	30.0	0.7
2004	79.3	17.6	3.1	72.6	26.4	1.0

Internationally focused faith-based organizations received the majority of funding and awards going to faith-based organizations under AID (Table 9). Like the Department of Agriculture grants discussed below, programs through the Agency for International Development are for services provided in foreign countries, so one would expect these types of faith-based organizations to be the award recipients.

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[12] Not included in the present study are the millions of dollars in AID grants for the President's Emergency Plan for AIDS Relief. Grants under this initiative are not included because the awards did not begin until 2003.

**Table 9. Funding and Award Percentages to Faith-Based Organizations –
Agency for International Development**

	Funding Percentages to Faith-Based Organizations					Award Percentages to Faith-Based Organizations				
	Congregation-based	Independent, religiously affiliated organizations			Other FBO	Congregation-based	Independent, religiously affiliated organizations			Other FBO
		Local/ Regional	National	International			Local/ Regional	National	International	
2002		0.4	4.3	95.3			2.0	8.0	90.0	
2003	2.6	16.3	2.7	73.7	4.7	2.2	11.1	4.4	80.0	2.2
2004	3.1	3.0	3.0	91.0		1.8	3.6	5.5	89.1	

Congregation-based organizations did not receive any funding from the AID grant programs reviewed in 2002, but by 2004 they are receiving 3.1 percent of the funding and 1.8 percent of the awards to faith-based organizations. Local/regional independent religiously-affiliated organizations also had an increase from 0.4 percent of the funding and 2.0 percent of the awards to FBOs in 2002 to 3.0 percent of the funding and 3.6 percent of the awards in 2004. This increase in funding and awards to smaller organizations is even more significant considering that the percentage of funding and awards to faith-based organizations as a whole declined in almost every Agency for International Development grant program in our study.

Corporation for National and Community Service

- *Corporation for National and Community Service funding and awards to faith-based organizations have increased from 2002 to 2004 for the grant programs in our study.*

Funding to faith-based organizations varied for fiscal years 2002 through 2004 within the four CNCS grant programs we reviewed. In 2002, 5.5 percent of the total funding for the four grant programs went to faith-based organizations. In 2003, the percentage jumped to 23.6 percent and then dropped in 2004 to 7.4 percent (Table 10). A similar fluctuation occurred in the total number of awards that went to FBOs through CNCS: 6.0 percent went to faith-based applicants in 2002, 11.2 percent in 2003, and 7.9 percent in 2004.

**Table 10. Funding and Award Percentages –
Corporation for National and Community Service**

	Funding Percentages			Award Percentages		
	Secular	FBO	Unidentified	Secular	FBO	Unidentified
2002	94.0	5.5	0.5	92.9	6.0	1.2
2003	74.2	23.6	2.2	86.0	11.2	2.8
2004	91.9	7.4	0.7	90.1	7.9	2.0

Local/regional religiously-affiliated organizations received the majority of the awards made by CNCS to FBOs in 2002 while the majority of the Corporation's funding to FBOs went to international organizations in that year (Table 11). By 2004, multi-state/national FBOs are receiving the majority of both funding and awards provided by the Corporation to faith-based organizations (over 40 percent of the faith-based awards and 75 percent of the funding).

**Table 11. Funding and Award Percentages to Faith-Based Organizations –
Corporation for National and Community Service**

	Funding Percentages to Faith-Based Organizations					Award Percentages to Faith-Based Organizations				
		Independent, religiously affiliated organizations					Independent, religiously affiliated organizations			
	Congregation-based	Local/Regional	National	International	Other FBO	Congregation-based	Local/Regional	National	International	Other FBO
2002		15.8	12.1	45.1	27.0		40.0	20.0	20.0	20.0
2003	0.3	0.3	4.9	92.7	1.8	8.3	8.3	41.7	33.3	8.3
2004		12.1	75.1	6.0	6.8		25.0	41.7	8.3	25.0

Department of Agriculture

- *Faith-based organizations receive an average of about 16 percent of the total funding and about 6 percent of the total awards for the eight Department of Agriculture grant programs in our study.*

While funding from the Ag Department to faith-based organizations decreased in 2003, in both 2002 and 2004 they account for about 19 percent of the total funds and almost 7 percent of the total awards (Table 12) made by the Department under these programs.

Table 12. Funding and Award Percentages - Department of Agriculture

	Funding Percentages			Award Percentages		
	Secular	FBO	Unidentified	Secular	FBO	Unidentified
2002	79.8	19.3	0.9	91.9	6.8	1.2
2003	87.6	10.9	1.6	92.4	5.3	2.2
2004	74.4	18.5	7.1	90.1	6.7	3.2

Funding to congregation-based FBOs declined from 1.9 percent of the Agriculture Department's funding amounts to FBOs in 2002 to zero in 2004 (Table 13). Nonetheless, while the grants awarded to congregation-based FBOs may have represented a small share of funding in 2002, it represented 12.1 percent of the awards to FBOs – the highest percentage among all nine of the federal agencies in our study. Local and regional religiously-affiliated organizations fell from 2002 to 2004 in their share of funding, but their share of faith-based awards increased.

**Table 13. Funding and Award Percentages to Faith-Based Organizations –
Department of Agriculture**

	Funding Percentages to Faith-Based Organizations					Award Percentages to Faith-Based Organizations				
	Congregation-based	Independent, religiously affiliated organizations			Other FBO	Congregation-based	Independent, religiously affiliated organizations			Other FBO
		Local/ Regional	National	International			Local/ Regional	National	International	
2002	1.9	18.8	6.4	73.0		12.1	30.3	15.2	42.4	
2003	0.5	33.6	28.5	36.4	1.0	4.2	45.8	25.0	20.8	4.2
2004		11.6	19.8	68.4	0.3		37.0	11.1	44.4	7.4

International organizations received 73 percent of the funding and 42.4 percent of the Department's awards to FBOs in 2002. By 2004, international organizations were still receiving the majority of Agriculture's faith-based grants with 68.4 percent of the funding and 44.4 percent of the award.

The high percentage of international organizations receiving Department of Agriculture grants is not surprising considering two of the eight programs in our study (Food for Education and Food for Progress) are for services that operate outside of the United States.   In fact, the majority of funding and awards to faith-based organizations within the Department of Agriculture are through the Food for Progress and Food for Education programs (72 percent of the awards and 59 percent of the funding in 2002 and 63 percent of the awards and 54 percent of the funding in 2004).

Department of Commerce

- *For all three years in our study, only two out of eighty grants in the single Department of Commerce program we examined went to faith-based organizations.*

There is only one Department of Commerce grant program in our study – the "Technology Opportunities Program." No faith-based organizations received funding in 2002 and only one was funded in 2003 and 2004. Both faith-based organizations funded are local/regional independent religiously-affiliated organizations.

Department of Education

- *Funding and awards to faith-based organizations have increased within the Department of Education programs we reviewed.*

Faith-based organizations have seen an increase in the percentages of both funding and awards under Department of Education discretionary grant programs (Table 14). In 2002, faith-based organizations received 4.3 percent of the total funding and 4.7 percent of the total awards for the nine grant programs we reviewed in the Department of Education. By 2004, the percentages increased to 6.0 percent of the funding and 7.0 percent of the awards under these programs.

Table 14. Funding and Award Percentages – Department of Education

	Funding Percentages			Award Percentages		
	Secular	FBO	Unidentified	Secular	FBO	Unidentified
2002	94.6	4.3	1.1	93.6	4.7	1.7
2003	94.5	4.6	0.9	92.9	5.7	1.4
2004	92.8	6.0	1.2	91.5	7.0	1.5

In 2002, congregation-based FBOs received 4.3 percent of the funding that went to faith-based organizations and 9.7 percent of the awards under the Department of Education (Table 15). By 2004, the percentage of funding increased to 5.8 percent but the percentage of awards dropped to 7.1 percent. This suggests that congregation-based organizations are receiving fewer grants of larger amounts.

**Table 15. Funding and Award Percentages to Faith-Based Organizations –
Department of Education**

	Funding Percentages to Faith-Based Organizations					**Award Percentages to Faith-Based Organizations**				
		Independent, religiously affiliated organizations					Independent, religiously affiliated organizations			
	Congregation-based	Local/ Regional	National	International	Other FBO	Congregation-based	Local/ Regional	National	International	Other FBO
2002	4.3	66.0	28.2		1.5	9.7	54.8	32.3		3.2
2003	8.4	56.1	29.7		5.8	10.8	45.9	37.8		5.4
2004	5.8	43.0	49.1	0.6	1.4	7.1	42.9	44.6	1.8	3.6

Of the total funding awarded to FBOs, the share to local/regional organizations declined from 66 percent in 2002 to 43 percent in 2004 but the funding to multi-state/national FBOs increased from 28.2 percent to 49.1 percent (Table 15). Likewise, the percentage of the faith-based awards that went to local/regional organizations declined over the three years in our study from 54.8 percent to 42.9 percent as the share of awards to multi-state/national FBOs increased from 32.3 percent to 44.6 percent.

The largest increase in funding to faith-based organizations within the Department of Education was from the Carol M. White Physical Education Program. The percentage of funding and awards to faith-based organizations also increased under the following grant programs: Community Technology and Resource Centers, Mentoring Programs, and High School Equivalency Program.

Department of Health and Human Services

- *The percentage of grants and dollars to faith-based organizations has increased in the forty-one HHS grant programs/program areas in our study.*

The share of funding to faith-based organizations under HHS discretionary grant programs rose from 7.2 percent in 2002 to 8.4 percent in 2004 (Table 16). As will be discussed below, two agencies within HHS – Health Resources and Services Administration and Substance Abuse and Mental Health Administration – had increases in the share of their funding going to faith-based organizations.

Table 16. Funding and Award Percentages – Department of Health and Human Services

	Funding Percentages			Award Percentages		
	Secular	FBO	Unidentified	Secular	FBO	Unidentified
2002	89.9	7.2	2.9	89.5	8.5	2.0
2003	87.2	9.7	3.1	87.1	10.1	2.7
2004	88.4	8.4	3.2	85.7	11.1	3.1

The share of awards under HHS discretionary grant programs going to faith-based organizations also increased from 8.5 percent in 2002 to 11.1 percent in 2004. The increases in awards are mainly through programs within two agencies of HHS – Administration for Children and Families and Health Resources and Services Administration.

Of the faith-based organizations being funded through the Department of Health and Human Services, there is an increase in both the share of funding and share of awards provided to congregation-based FBOs, though 2003 had the peak of activity (Table 17). Funding to congregation-based FBOs increased from 0.9 percent in 2002 to 2.7 percent in 2004 and awards increased from 1.3 percent to 3.2 percent for the same years.

Table 17. Funding and Award Percentages to Faith-Based Organizations – Department of Health and Human Services

	Funding Percentages to Faith-Based Organizations					Award Percentages to Faith-Based Organizations				
		Independent, religiously affiliated organizations					Independent, religiously affiliated organizations			
	Congregation-based	Local/Regional	National	International	Other FBO	Congregation-based	Local/Regional	National	International	Other FBO
2002	0.9	78.0	11.4	2.9	6.8	1.3	84.8	8.7	0.9	4.3
2003	7.2	74.6	9.7	0.2	8.3	6.0	75.2	10.1	0.5	8.3
2004	2.7	64.5	24.5	3.1	5.2	3.2	69.5	17.9	0.7	8.6

The share of HHS grant funding to FBOs awarded to local religiously-affiliated organizations decreased from 78 percent to 64.5 percent between 2002 and 2004 and their share of awards decreased from 84.8 percent to 69.5 percent over this time period. Conversely, funding to national organizations with religious affiliations increased from 11.4 percent of the dollar value of HHS grants to FBOs in 2002 to 24.5 percent in 2004, and their share of awards increased from 8.7 percent to 17.9 percent over this time frame. However, independent, religiously-affiliated organizations with local or regional character are still the predominant type of faith-based provider in these programs.

And finally, it is worth noting that there is an increase in the percentages of both funding and awards to faith-based coalitions from 2002 to 2004. Funding to faith-based coalitions increased from 0.7 percent of the funding to faith-based organizations in 2002 to 1.9 percent in 2004. Similarly, the percentage of awards to faith-based organizations that went to coalitions increased from 1.3 percent in 2002 to 5.0 percent in 2004.

The HHS grant programs in our study are from three agencies: Administration for Children and Families, Health Resources and Services Administration, and Substance Abuse and Mental Health Services Administration. In order to better understand the trends discussed above for HHS, we analyzed the funding and awards to FBOs within each of these three sub-agencies.

HHS – Administration for Children and Families

- ***More grants went out to faith-based organizations though the Administration for Children and Families with less money.***

In 2002, faith-based organizations received 9.0 percent of the total funding in the sixteen Administration for Children and Families grant program areas we reviewed (Table 18). That figure drops to 8.1 percent in 2004. Despite this moderate decrease in the share of funding, faith-based organizations had an increase in their share of ACF program grant awards from 6.9 percent in 2002 to 13.6 percent in 2004.

Table 18. Funding and Award Percentages – Administration for Children and Families

	Funding Percentages			Award Percentages		
	Secular	FBO	Unidentified	Secular	FBO	Unidentified
2002	85.9	9.0	5.1	90.1	6.9	2.9
2003	88.3	8.7	3.0	88.4	9.3	2.3
2004	89.7	8.1	2.2	83.6	13.6	2.8

Much of this increase in awards is through the "Job Opportunities for Low-Income Individuals," "Basic Center Program," and the "Street Outreach Program." *Interestingly, fewer dollars and awards went to faith-based organizations though ACF's Compassion Capital Fund.* In 2002, the first year for the "Compassion Capital Fund Program," faith-based organizations received 37.0 percent of the newly-awarded funding but by 2004 they only received 27.7 percent of the newly-awarded – a decrease of 9.3 percent in relative terms.

HHS – Health Resources and Services Administration

- *Faith-based organizations are receiving more of the total funding and awards though the twenty-one HRSA grant programs in our study.*

There has been a steady increase in the both the share of total funding and the share of total awards made to faith-based organizations within the HRSA grant programs. Funding to FBOs increased from 7.2 percent to 8.5 percent from 2002 to 2004 and awards increased from 10.5 percent to 12.3 percent (Table 19).

Table 19. Funding and Award Percentages – Health Resources and Services Administration

	Funding Percentages			Award Percentages		
	Secular	FBO	Unidentified	Secular	FBO	Unidentified
2002	91.2	7.2	1.6	88.0	10.5	1.5
2003	85.3	11.3	3.4	85.1	11.7	3.2
2004	87.5	8.5	3.9	84.6	12.3	3.1

Increases in the share of dollars going to faith-based organizations were seen primarily in the following grant programs: Healthy Tomorrows Partnership for Children, Integrated Health and Behavioral Health Care for Children, Adolescents and Their Families-Implementation Grants, Basic Nurse Education and Practice Grants, and Healthy Communities Access Program.

HHS – Substance Abuse and Mental Health Services Administration

- *Faith-based organizations are receiving larger amounts in grant awards from the Substance Abuse and Mental Health Services Administration, especially through the Center for Substance Abuse Prevention.*

In 2002, faith-based organizations received 4.3 percent of the funding under SAMHSA's five discretionary grant program areas, but by 2004 they were receiving 8.5 percent of the total funding (Table 20). However, FBOs received a slightly lower share of the total grant awards in 2004 than they did in 2002. Faith-based organizations appear to be receiving fewer awards but of larger dollar amounts.

**Table 20. Funding and Award Percentages – Substance Abuse and
Mental Health Services Administration**

	Funding Percentages			Award Percentages		
	Secular	FBO	Unidentified	Secular	FBO	Unidentified
2002	92.8	4.3	2.9	93.9	3.7	2.3
2003	92.1	5.8	2.1	92.1	5.7	2.1
2004	89.3	8.5	2.2	93.0	3.3	3.7

The increase in funding to faith-based organizations within SAMHSA is mainly through the Center for Substance Abuse Prevention Grants in which FBOs had a 21.4 percent net increase in funding from 2002 to 2004.

Department of Housing and Urban Development

- ***The Department of Housing and Urban Development awarded around one-fourth of their grant dollars to FBOs in each year of our study.***

As Table 21 shows, funding amounts to faith-based organizations under HUD did decline from 2002 to 2004 (27.0 percent to 22.8 percent). However, these funding levels still comprise a significant share of the total dollars awarded for these grant programs. Although the funding amounts decreased, faith-based organizations still received about 15 percent of the grants in each of the three years we studied.

**Table 21. Funding and Award Percentages – Department of Housing
and Urban Development**

	Funding Percentages			Award Percentages		
	Secular	FBO	Unidentified	Secular	FBO	Unidentified
2002	69.5	27.0	3.5	82.1	15.1	2.7
2003	74.2	22.3	3.5	82.5	15.1	2.4
2004	74.5	22.8	2.7	81.8	15.5	2.6

The share of FBO funding awarded to congregation-based organizations decreased from 12.8 percent in 2002 to 10.9 percent in 2004, and their share of grant awards decreased from 5.1 percent in 2002 to 2.4 percent in 2004 (Table 22). Meanwhile, the share of funding awarded to multi-state/national religiously-affiliated organizations increased from 39.8 percent in 2002 to 47.2 percent in 2004, and their percentage of grant awards also increased from 46.8 percent in 2002 to 51.1 percent in 2004. This indicates that smaller FBOs are receiving fewer grants while larger FBOs are receiving more.

**Table 22. Funding and Award Percentages to Faith-Based Organizations –
Department of Housing and Urban Development**

	Funding Percentages to Faith-Based Organizations					Award Percentages to Faith-Based Organizations				
		Independent, religiously affiliated organizations					Independent, religiously affiliated organizations			
	Congregation-based	Local/ Regional	National	International	Other FBO	Congregation-based	Local/ Regional	National	International	Other FBO
2002	12.8	40.4	39.8	2.1	5.0	5.1	38.9	46.8	0.4	8.8
2003	12.6	33.8	45.7	3.0	4.9	3.2	39.2	49.8	0.3	7.6
2004	10.9	34.9	47.2	3.0	4.0	2.4	37.9	51.1	0.3	8.2

The largest increase in share of HUD funding awarded to faith-based organizations is through the "Assisted Living Conversion" program that had a 26.4 net increase from 2002 to 2004, even though the total amount available for awards declined. Faith-based organizations also had a significant increase in their share of funding though the "Rural Housing and Economic Development Program."

The largest increase in percentage of HUD awards to faith-based organizations occurred in the "Self-Help Homeownership Opportunity Program" with a 66.7 percent increase. The "Rural Housing and Economic Development Program" and "Assisted Living Conversion Program" also had significant increases in the share of awards made to faith-based organizations.

Department of Justice

- *Few faith-based organizations received Department of Justice grants in the nine program areas of our study though there appears to be a trend to fund more types of faith-based organizations.*

Less than 2 percent of the total funding and 4 percent of the total awards in the DOJ programs in our study have gone to faith-based organizations (Table 23). While these percentages are not high, they do indicate an increase in funding to faith-based organizations from 1 percent in 2002 to 1.9 percent in 2004. It is also worth noting that there is an increase in the percentage of the total awards that have gone to faith-based organizations from 1.9 percent in 2002 to 3.3 percent in 2004.

Table 23. Funding and Award Percentages – Department of Justice

	Funding Percentages			Award Percentages		
	Secular	FBO	Unidentified	Secular	FBO	Unidentified
2002	95.5	1.0	3.6	92.5	1.9	5.7
2003	96.1	1.7	2.2	96.1	1.4	2.5
2004	97.5	1.9	0.5	95.5	3.3	1.3

Until 2004, among FBOs, only local/regional and multi-state/national organizations with religious affiliation received these grants. In 2004, there is a diversification in the types of faith-based organizations receiving funding. While over 90 percent of the funding and 67 percent of the grants to faith-based organizations still went to the aforementioned types, other types of faith-based organizations are now recipients of the grants (Table 24).

Table 24. Funding and Award Percentages to Faith-Based Organizations – Department of Justice

	Funding Percentages to Faith-Based Organizations					
	Congregation-based	Independent, religiously affiliated organizations				Other FBO
		Local/Regional	National	Intermediary	Coalition	
2002		21.7	69.8			8.4
2003		70.1	29.9			
2004	0.9	44.1	50.3	0.4	3.7	0.5

	Award Percentages to Faith-Based Organizations					
	Congregation-based	Independent, religiously affiliated organizations				Other FBO
		Local/Regional	National	Intermediary	Coalition	
2002		28.6	57.1			14.3
2003		62.5	37.5			
2004	9.5	33.3	33.3	4.8	14.3	4.8

Congregation-based FBOs received only 0.9 percent of the funding to faith-based organizations in 2004, but 9.5 percent of the awards. Faith-based intermediaries also received a small percentage of the funding to faith-based organizations in 2004 (only 0.4 percent) but received 4.8 percent of the awards to faith-based organizations. Faith-based coalitions received 3.7 percent of the funding to faith-based organizations and over 14 percent of the awards.

The increases in the percentage of funding and awards to faith-based organizations are mainly within three grant programs: Crime Victim Assistance Discretionary Grants, Legal Assistance for Victims' Grant Program, and Grants to Reduce Violent Crimes Against Women on Campus.

Department of Labor

- *The Department of Labor has had the most significant increase in funding to faith-based organizations among the nine agencies in our study.*

In 2002, faith-based organizations received less than 1 percent of the total funding and about 16 percent of the five DOL grant program areas in our study (Table 25). In 2003, the amount of funding to faith-based organizations rose to over 7 percent, but only accounted for about 13 percent of the grants. By 2004, faith-based organizations received 29.8 percent of the funding and almost 16 percent of the grants again.

Table 25. Funding and Award Percentages – Department of Labor

	Funding Percentages			Award Percentages		
	Secular	FBO	Unidentified	Secular	FBO	Unidentified
2002	99.2	0.8	0.1	80.8	16.3	2.9
2003	92.7	7.3	0.0	86.4	12.8	0.8
2004	70.1	29.8	0.1	82.2	15.5	2.3

International faith-based organizations received over 93 percent of the funding to faith-based organizations in 2004 – up dramatically from 20.8 percent in 2002 (Table 26). Congregation-based, local/regional, and national and faith-based groups all had declines in their funding from 2002 to 2004. International faith-based organizations also had an increase in the percentage of awards to faith-based organizations, though not as sharp an increase as that in funding. In fact, by 2004 local religiously-affiliated organizations are receiving the majority of the faith-based awards, even though they are only receiving less than 3 percent of the faith-based funding.

**Table 26. Funding and Award Percentages to Faith-Based Organizations –
Department of Labor**

	Funding Percentages to Faith-Based Organizations					Award Percentages to Faith-Based Organizations				
	Congregation-based	Independent, religiously affiliated organizations			Other FBO	Congregation-based	Independent, religiously affiliated organizations			Other FBO
		Local/Regional	National	International			Local/Regional	National	International	
2002	1.6	35.6	36.4	20.8	5.6	11.8	41.2	29.4	5.9	11.8
2003	0.3	4.2	17.5	74.8	3.2	6.3	31.3	43.8	12.5	6.3
2004	0.2	2.3	2.9	93.5	1.0	10.0	35.0	20.0	20.0	15.0

These results suggest that while 93.5 percent of the funding to faith-based groups is going to international organizations in the form of 20 percent of the awards, the remaining 6.5 percent of funding to faith-based groups is being divided up into 80 percent of the awards to the other types of faith-based organizations.

The increase in funding to international FBOs can mainly be attributed to one grant program – the "Combating Exploitive Child Labor through Education" program. This program, like the "Food for Progress" and "Food for Education" programs within the Department of Agriculture and programs within the Agency for International Development, exclusively supports projects that provide services internationally.

Interestingly, while there was an <u>increase</u> in the percentage of dollars that went to faith-based organizations in the "Grants for Small Grassroots (Faith-Based and Community-Based Non-Profit) Organizations" program, there was a 31.4 percent <u>decrease</u> in the percentage of awards. In 2002, 31 percent of the award recipients were faith-based organizations, but in 2004, only 21 percent of the award recipients were faith-based organizations. This means that fewer faith-based organizations were recipients of the "Grants for Small Faith-based and Community-based Non-profit Organizations," but as a group they received a larger percentage of the funding amount.

Individual Grant Program Results

Eighteen of the ninety-nine grant programs/program areas in our study had no awards to faith-based organizations in any of the years of our study. Among the remaining eighty-one that did fund faith-based organizations, there are certain programs in which we found evidence of increasing funding and awards to FBOs from 2002 to 2004.

Table 27 lists the grant programs/program areas that had the largest net increases in the percentage of funding awarded to faith-based organizations from 2002 to 2004. Each federal agency in our study has a grant program represented in this list. The grant programs within each agency that had the largest net increase are: AID's "Ocean Freight Reimbursement" program, CNCS's "Retired and Senior Volunteer Program," AG's "Food for Progress," DOC's "Technology Opportunities Program," EDU's "Carol M. White Physical Education Program," HHS/ACF's "Child Care Bureau" and "Street Outreach Program," HHS/HRSA's "Healthy Tomorrow's Partnership for Children Program," HHS/SAMHSA's "Center for Mental Health Services grants," HUD's "Assisted Living Conversion Program for Eligible Multifamily Housing Projects," DOJ's "Crime Victim Assistance Discretionary Grants," and DOL's "Combating Exploitative Child Labor Through Education."

Table 27. Programs with the Largest Net Increases in Share of Funding Awarded to Faith-Based Organizations, 2002 to 2004

Agency	Program	Net change
DOL	Combating Exploitive Child Labor Through Education	30.8
HUD	Assisted Living Conversion Program for Eligible Multifamily Housing Projects	26.4
HHS/SAMHSA	Center for Mental Health Services Grants	21.4
HHS/ACF	Child Care Bureau Research Scholars	20.4
HHS/HRSA	Healthy Tomorrows Partnership for Children Program	16.8
CNCS	Retired and Senior Volunteer Program	14.4
CNCS	AmeriCorps - National Direct	13.8
DOJ	Crime Victim Assistance Discretionary Grants	13.0
HHS/ACF	Street Outreach Program	12.8
HHS/HRSA	Integrated Health and Behavioral Health Care for Children, Adolescents and Their Families	12.6
DOJ	Grants to Reduce Violent Crimes Against Women on Campus	9.2
HHS/ACF	Basic Center Program for Runaway and Homeless Youth	6.8
HHS/HRSA	Basic Nurse Education and Practice Grants	6.6
EDU	Carol M. White Physical Education Program	6.4
DOL	Grants for Small Faith-Based and Community-Based Non-Profit Organizations	5.6
AG	Food for Progress Program	5.3
AID	Ocean Freight Reimbursement	5.3
HHS/HRSA	Healthy Communities Access Program	4.4
DOC	Technology Opportunities Program	3.8
HHS/ACF	Job Opportunities for Low-Income Individuals Program	3.7

The largest net increase in FBO funding is through DOL's "Combating Exploitative Child Labor Through Education" and HUD's "Assisted Living Conversion Program for Eligible Multifamily Housing Projects." While the total amount available for new grants under HUD's "Assisted Living Conversion

Program for Eligible Multifamily Housing Projects" has declined from 2002 to 2004, FBOs are receiving more of a percentage of the funding. The total dollar amount available for the DOL grant program has more than doubled from 2002 to 2004 and while the average award amount has stayed relatively stable, more FBOs are being funded. For this reason, the "Combating Exploitative Child Labor through Education" program is also among the grant programs with the highest increase in share of awards to FBOs (Table 28).

Table 28. Programs with the Largest Net Increases in Share of Awards to Faith-Based Organizations, 2002 to 2004

Agency	Program	Net change
DOJ	Crime Victim Assistance Discretionary Grants	31.4
DOL	Combating Exploitive Child Labor Through Education	22.1
HHS/ACF	Child Care Bureau Research Scholars	20.0
CNCS	Retired and Senior Volunteer Program	19.3
CNCS	AmeriCorps - National Direct	19.0
HHS/HRSA	Healthy Tomorrows Partnership for Children Program	16.7
HUD	Self-Help Homeownership Opportunity Program	13.3
HHS/ACF	Street Outreach Program	13.2
HHS/HRSA	Integrated Health and Behavioral Health Care for Children, Adolescents and Their Families	12.5
HHS/ACF	Job Opportunities for Low-Income Individuals Program	8.3
HUD	Assisted Living Conversion Program for Eligible Multifamily Housing Projects	7.1
HHS/ACF	Basic Center Program for Runaway and Homeless Youth	5.9
DOJ	Grants to Reduce Violent Crimes Against Women on Campus	5.7
HHS/HRSA	Nursing Workforce Diversity Grants	5.4
HHS/HRSA	Basic Nurse Education and Practice Grants	4.8
EDU	Carol M. White Physical Education Program	4.3
DOC	Technology Opportunities Program	3.7
HHS/HRSA	Healthy Communities Access Program	3.3
EDU	Community Technology Centers Program	2.9
EDU	Mentoring Programs	2.8

Most of the grant programs with the largest net increases in share of funding to faith-based organizations also appear among those programs with the largest net increases in share of grant awards. There are a few notable exceptions, however. The "Grants for Small Faith-Based and Community-Based Non-Profit Organizations" and "Ocean Freight Reimbursement" programs are among those at the high end of increases in share of funding to FBOs, but both actually had a decline in the share of awards made to FBOs. This indicates that for these two grant programs, fewer awards are going to FBOs but the dollar amounts of the grants that FBOs are receiving in 2004 are larger than in 2002.

Table 29 is a list of the grant programs with the largest net decreases in funding to faith-based organizations from 2002 to 2004. Many of the programs on this list are for grants that support activities that would require specialized expertise (i.e. "Healthy Homes and Lead Technical Studies" and "Allied Health Projects"), the capacity to provide services internationally (i.e. "Matching Grant Program/Nongovernmental Organization Strengthening" and "American Schools and Hospitals Abroad"), or for geographically specific areas (i.e. "Section 514 and Section 516 Farm Labor Housing"). For these reasons, there are probably only a limited number of FBOs applying for these grants, so it is not surprising that they are on the list with the largest net decreases in funding percentages to FBOs.

In fact, fifteen of the twenty grant programs in Table 30 are also among the top seventeen grant programs with the largest net decreases in the percentage of awards to FBOs (the other two of the seventeen are the "Grants for Small Faith-Based and Community-Based Non-Profit Organizations" and "Ocean Freight Reimbursement" discussed above). Nonetheless, all of the grant programs in Table 30 did have net decreases in award percentages.

Table 29. Programs with the Largest Net Decrease in Share of Funding to Faith-Based Organizations, 2002 to 2004

Agency	Program	Net change
HUD	Healthy Homes and Lead Technical Studies	-26.5
AID	Matching Grant Program/Nongovernmental Organization Strengthening	-19.3
AG	Section 514 Farm Labor Housing Loans and Section 516 Farm Labor Housing Grants for Off-Farm Housing	-14.9
HHS/HRSA	Nurse Anesthetist Traineeships	-11.8
HHS/HRSA	Allied Health Projects	-10.5
AG	McGovern-Dole International Food for Education and Child Nutrition Program	-10.1
HHS/ACF	Compassion Capital Fund Program	-9.3
AID	Child Survival and Health Grants	-9.0
AID	American Schools and Hospitals Abroad	-8.3
CNCS	Foster Grandparents	-7.0
HHS/ACF	Assets for Independence Demonstration Program	-6.4
HUD	Section 202 Supportive Housing for the Elderly Program	-6.1
HUD	Housing Opportunities for Persons with AIDS	-6.0
HHS/SAMHSA	Conference Grants	-5.7
HHS/HRSA	Special Projects of Regional and National Significance: Community-Based Abstinence Education Project Grants	-5.4
HHS/HRSA	Title III: Funding For Early Intervention Services Grants	-4.7
HHS/HRSA	Rural Health Outreach Grant	-4.7
HHS/ACF	Community Food and Nutrition Program	-4.2
CNCS	AmeriCorps - State Competitive Awards	-3.9
HUD	Section 811 Supportive Housing for Persons with Disabilities Program	-3.7

- ***There Are Five Programs That Had Increases In Awards To Congregation-Based Organizations From 2002 To 2004.***

There are five grant programs with increases in the share of awards made to congregation-based FBOs: American Schools and Hospitals Abroad (AID), Community-Based Abstinence Education Project Grants (HHS/HRSA), Compassion Capital Fund (HHS/ACF), Crime Victim Assistance Discretionary Grants (DOJ), and Mentoring Programs (ED). These are grant programs that did not make any awards to congregation-based FBOs in 2002. Together, the awards in these five programs make up one-third of all the awards to congregation-based FBOs within the ninety-nine grant programs for 2004.

A State Level Look at the Federal Grants to Faith-Based Organizations

- ***Geographically, faith-based organizations in a handful of states have received the majority of the federal funds going to faith-based groups for the three years in our study.***

We analyzed the distribution among states of funding and awards that went to faith-based organizations from 2002 to 2004.[13] Three states had decreases in <u>both</u> funding and awards to faith-based organizations: Kansas, Kentucky and New York. However, New York has been in the top ten states that has received the highest amount of funding and awards to faith-based organizations for all three years.

When we look at the states where faith-based organizations received the most amount of funding, most of the same states appear in the top ten for all three years of our study (Table 30): California, Florida, Illinois, New York, Ohio, Pennsylvania and Texas.

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[13] It is important to note that geographic location is reported for the organization receiving the grant and not necessarily the location of services delivered. This has particular implications for showing geographic location of multi-state or national and international organizations, which happen to be headquartered in a given state but are servicing an area or areas elsewhere.

Table 30. Ten States with the Largest Amount of Funding to Faith-Based Organizations

	2002		2003		2004
California	$82,276,918	Illinois	$51,842,335	California	$71,419,804
Florida	$61,566,486	Florida	$45,497,132	Maryland	$43,242,992
New York	$57,061,186	Georgia	$44,712,772	Illinois	$38,453,747
Pennsylvania	$41,214,957	California	$40,076,100	Texas	$35,554,283
Maryland	$37,192,381	New Jersey	$30,594,796	Florida	$34,518,306
Illinois	$37,120,975	New York	$29,207,796	Washington	$33,090,772
Texas	$35,715,271	Pennsylvania	$27,463,586	New Jersey	$32,484,187
Missouri	$28,360,864	Ohio	$25,466,265	New York	$32,082,473
Ohio	$27,827,838	Michigan	$25,222,309	Ohio	$30,693,497
Georgia	$16,314,751	Texas	$23,196,898	Pennsylvania	$30,119,086

Six of these seven states are also in the top ten receiving the largest number of awards for all years in our study. States that are in the top ten for the highest number of awards going to faith-based organizations for all three years in our study are (Table 31): California, Florida, Illinois, Maryland, New York, Pennsylvania, Texas, and Washington. States in the top ten of both funding and awards to faith-based organizations for all three years are: California, Florida, Illinois, New York, Pennsylvania, and Texas.

Table 31. Ten States with the Largest Number of Awards to Faith-Based Organizations

	2002		2003		2004
New York	89	California	101	California	123
California	76	Illinois	88	New York	75
Florida	66	New York	78	Florida	75
Pennsylvania	65	Florida	60	Pennsylvania	74
Texas	65	Maryland	58	Maryland	73
Maryland	55	Texas	53	Texas	73
Illinois	49	Pennsylvania	52	Illinois	71
Ohio	48	Washington	47	Washington	69
Washington	42	Ohio	46	Louisiana	59
New Jersey	32	Louisiana	41	Michigan	51

o   When we analyze the trends from 2002 to 2004, we see there are sixteen states that had increases in both the amount of funding and the number of awards that went to faith-based organizations (Figure 1): Alabama, Arizona, Georgia, Illinois, Indiana, Louisiana, Massachusetts, Maryland, Michigan, Minnesota, Nebraska, New Hampshire, New Jersey, North Carolina, Utah and

Washington. Only three states had decreases in both the amount and the number of awards that went to FBOs: Kansas, Kentucky and New York.

Figure 1. States Where Both Federal Funding and Awards Increased/Decreased to FBOs: 2002 to 2004
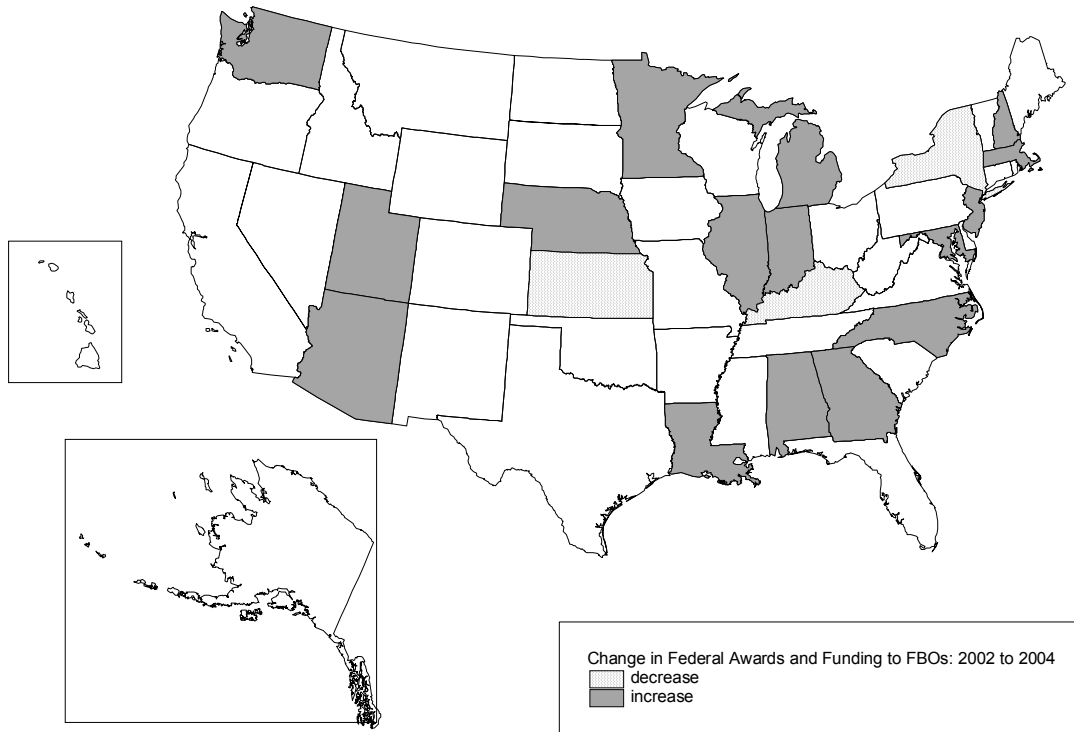
While half of the states had decreases in <u>funding amounts</u> to faith-based organizations from 2002 to 2004, only a few had any significant decreases in the <u>number of grants</u> awarded to faith-based organizations (Figure 2). In fact, three-quarters of the states had increases in the number of awards going to faith-based organizations.

o   *This is consistent with the overall results of our research: less federal money is being divided into more grants.*

Figure 2. States with Increases in the Number of Awards to FBOs from 2002 to 2004

Increase in Awards from 2002 to 2004
increase
significant increase

CONCLUSION

This study provides the only independent assessment available of the trend of federal grant funding to faith-based organizations. It covers all the programs for which eligibility of faith-based and community organizations has been highlighted by agencies of the federal government, and for which consist data is available for 2002, 2003, and 2004 – a three-year period immediately following creation of the President's Faith-Based and Community Initiative.

Of the more than 28,000 grant awards made in those three years by the nine federal agencies and ninety-nine federal programs examined, 3,526 grants were distributed among 1,146 organizations classified by the study as faith-based. The share of discretionary grant funding going to faith-based organizations was 17.8 percent in 2002, 17.1 percent in 2003 and 17.8 percent in 2004. The share of awards that went to FBOs increased from 11.6 percent of grants in 2002 to 12.8 percent in 2004.

This period coincided with a time of significant reductions in total spending under these federal discretionary grant programs, however. While the number and share of grants made to FBOs increased, and the share of total funding under these programs going to FBOs was relatively stable, the total dollar value of grants to FBOs declined.

Several federal agencies have increased funding and awards to congregation-based organizations. These include the Departments of Justice and Health and Human Services, as well as the Agency for International Development. A select few grant programs are increasing their awards to congregation-based organizations. The overall results looking across the nine federal agencies show a decrease in the share of funding and awards made to small faith-based organizations. There is evidence, however, that

In general, among grant awards made to FBOs from 2002 to 2004, the percentage going to large national faith-based organizations increased. Increases from 2002 to 2004 in the share of both funding and awards to national FBOs are found among programs for the Corporation for National and Community Service, Department of Education, Department of Health and Human Services and Department of Housing and Urban Development.

Because of the focus on trend analysis, this study examined grant programs that continued to make new awards for each of the three years 2002-2004. However, it is worth noting that a number of other grant programs with too short a history to be included in this study now exist. In particular, the "Mentoring Children of Prisoners" grant program through the Department of Health and Human Services and the "Prisoner Re-entry Initiative" through the Department of Labor have both awarded large shares of grants and funding to congregation-based FBOs and local/regional independent religiously-affiliated organizations.

The "Prisoner Re-entry Initiative" awarded almost $20 million in 2005, the first year that grants were awarded under the program. Faith-based organizations received 30 percent of the total funding and awards. Of these grants going to FBOs, congregation-based and religiously-affiliated organizations that are local/regional – the smaller FBOs – were awarded 77 percent of the funding and 89 percent of the grants.

Small faith-based organizations also received a large percentage of the federal funding under HHS's "Mentoring Children of Prisoners" program. When the grant program began in 2003, FBOs received 12 percent of the total funding and awards; of that amount to FBOs, 60 percent of that funding and 33 percent of the awards went to congregation-based or local/regional religiously-affiliated organizations. For the second year of this program, fiscal year 2004, $35 million in new discretionary grants were awarded. FBOs received an even greater percentage of the total – 19 percent of the funding and 20 percent of the awards – with smaller faith-based organizations receiving 53 percent of this funding and 55 percent of the awards.

These programs have not been operating long enough for a trend to be observable, and the impact they may have on shares of federal funding to FBOs – in the context of other changes to other grant programs – is a matter for future study. From what is known now, faith-based organizations are receiving about 17 percent of the funding and about 12 percent of the awards made through discretionary federal grant programs. Even with less money being allocated to these social service grant programs, faith-based organizations are getting their piece of the pie.

GLOSSARY OF ACRONYMS

ACF	Administration for Children and Families
AG	Department of Agriculture
AID	United States Agency for International Development
CFDA	Catalog of Federal Domestic Assistance
CNCS	Corporation for National and Community Service
DOC	Department of Commerce
DOJ	Department of Justice
DOL	Department of Labor
EDU	Department of Education
FAADS	Federal Assistance Award Data System
FBO	Faith-based organization
HHS	Department of Health and Human Services
HRSA	Health Resources and Services Administration
HUD	Department of Housing and Urban Development
RFA	Request For Application
SAMHSA	Substance Abuse and Mental Health Services Administration

Appendix A

METHODOLOGY

The purpose of this study is to assess the trend of federal grant funding to faith-based organizations in the immediate wake of the Bush Administration's Faith-Based and Community Initiative, which began in 2001. The study began with a collection of all federal discretionary grant programs identified by the Bush White House or federal agency communiqués as eligible for faith-based or other community organization applicants.

Federal Agencies

The study examined programs in all ten agencies that were instructed by President Bush through Executive Order to review their regulatory barriers and establish centers for faith-based and community initiatives. The Corporation for National and Community Service – an independent federal entity – was also included, since there was a directive in Executive Order 13331 for CNCS to make its programs more accessible to faith-based organizations.

Table A.1 Federal Agencies and Executive Orders Regarding Faith-based Organizations

Federal Agency	Executive Order	Date of E.O.
Education	13198	January 29, 2001
Health and Human Services	13198	January 29, 2001
Housing and Urban Development	13198	January 29, 2001
Justice	13198	January 29, 2001
Labor	13198	January 29, 2001
Agency for International Development	13280	December 12, 2002
Agriculture	13280	December 12, 2002
Corporation for National and Community Service	13331	February 27, 2004
Commerce	13342	June 1, 2004
Small Business Administration	13342	June 1, 2004
Veterans Affairs	13342	June 1, 2004

Data limitations precluded the Department of Veterans Affairs and the Small Business Administration from being included in the study, however. Each of these agencies had one grant program of particular interest, but neither of these agencies publicly report detailed information on their grant programs, and contact with agency program officers was unfruitful. A Freedom of Information Act request did produce the needed data from the VA, but the grant program made no awards in 2002 and therefore did not meet the requirements for inclusion in the study.

Grant Programs

Appendix B lists the ninety-nine grant programs/program areas included in this study. Most of these grant programs represent a single funding opportunity that is released on an annual basis. In several circumstances, however, funding opportunities were combined into a single program area in order to make grant programs comparable across years..

Grant program refers to a discretionary competitive grant in which a single request for application (RFA) is issued. Grants shown for the Corporation for National and Community Service in Table A.2 offer an illustration – each of the four RFAs corresponds to one among four discretionary grant programs.

Table A.2 . Count of Grant Programs/Program Areas and RFAs in the Study

Agency	Number of Grant Programs or Program Areas	Number of RFAs		
		2002	2003	2004
CNCS	4	4	4	4
AG	8	8	8	8
DOC	1	1	1	1
ED	9	9	9	9
HHS – ACF	16	19	20	31
HHS – HRSA	21	26	22	21
HHS- SAMHSA	4	24	24	17
HUD	17	17	17	17
DOJ	9	16	14	12
DOL	5	9	13	14
USAID	5	5	5	5
TOTAL	**99**	**138**	**137**	**139**

In other cases, in order to have consistent comparisons across the three years studied, it was necessary to combine more than one RFA into a ***grant program area***. For this reason, the number of RFAs in our database differs from the number of grant programs. Table A.2 reports that five Department of Labor grant programs/program areas are covered in this study, but they incorporate nine RFAs in 2002, thirteen in 2003 and fourteen in 2004.

Some grant programs use multiple RFAs in order to differentiate between targeted elements -- such as population or geographic area to be served -- that may change each year. For example, the "Combating Exploitative Child Labor through Education" grants program in the Department of Labor each year has different priority countries in which funded projects will operate. So in fiscal year 2002, there were four requests for applications for projects to serve four geographic areas (Bolivia/Peru, Pakistan, Togo, and Zambia); in 2003, there were seven RFAs for seven geographic areas (Benin/Burkina Faso/Mali, Brazil, Cambodia, Dominican Republic, Morocco, Philippines, Uganda); and in 2004 there were eight RFAs (Central America, Ecuador,

Ethiopia/Mozambique/Rwanda/Zambia, Indonesia, Middle East/North Africa, Panama, South Africa, Turkey). All of these requests for applications for each year are combined under the "Combating Exploitative Child Labor through Education" title and represented in Table A.2 as one grant program area within the Department of Labor.

Other examples where we combined several RFAs are the following program areas: "Susan Harwood Training Grant Program" in the Department of Labor, "Family Violence Prevention and Services Program" and "Community Services Block Grant" in the Department of Health and Human Services, and "Crime Victim Assistance Discretionary Grants" in the Department of Justice.

Grants funded through the Substance Abuse and Mental Health Services Administration posed a special case. Each year the services, populations and topics of the individual RFAs issued by SAMHSA vary considerably. Most of the grant opportunities in which faith-based organizations are eligible to apply fall under one general category of "Projects of Regional and National Significance" in the Catalog of Federal Domestic Assistance. In order to track the SAMHSA funding opportunities year-to-year in a comparable fashion, it was necessary to group all eligible RFAs by the SAMHSA center offering the grant. Hence, all of the RFAs in which faith-based organizations are considered eligible applicants are presented here as "Center for Mental Health Services Grants," "Center for Substance Abuse Prevention Grants," or "Center for Substance Abuse Treatment Grants," in addition to a category for conference grants.

This study includes those grant programs/program areas that specifically invite faith-based organizations, were offered for each year from 2002 to 2004, and for which comparable data could be collected. Standing announcements would not have been collected in our methodology.

We attempted to review every possible RFA for discretionary competitive grants that invited faith-based organizations from April 2003 to October 2004. Based on the list of grant programs we selected, we tracked those grant programs back to fiscal year 2002 and forward through fiscal year 2004. Grant programs were not included if they were not offered for all three fiscal years (2002 though 2004). For example, the "President's Emergency Plan for AIDS Relief" in USAID and the "Mentoring Children of Prisoners" in HHS are not included in the present study because the awards did not begin until 2003. Grant programs from the Centers for Disease Control and Prevention and the National Institutes of Health were not included in this study because we could not combine the individual RFAs into a grant program area to be comparable across years.

Our selection methodology of using a base time span to select which grant programs would be tracked back to 2002 and forward through 2004 does have the limitation of not capturing some funding opportunities. If a RFA was not released within our base time span or was not released in a regular funding announcement venue, it might not have been included in our study. Standing announcements – RFAs that are released and left open ("standing") for a multi-year period with applications accepted on a continual basis or with a fixed deadline for each year – also might have been missed in our study methodology.

SOURCES OF DATA ON GRANT AWARDS

Collecting the grant award listings was an endeavor that began in February 2004 and continued through October 2005. There were five main sources for obtaining grantee data: the Federal Assistance Award Data System (FAADS), agency/department online grant databases, press releases of award announcements, personal contacts with program officers, grants management officials and other agency staff, and in a few cases, filing Freedom of Information Act requests.

Most of our sources provide information on the grant amount that was obligated to be awarded, not necessarily the amount that was expended. Therefore, if a grant was awarded to an organization but the amount was later adjusted by the granting agency, the adjusted amount would not necessarily be reflected in our database.

Federal Assistance Award Data System

The Federal Assistance Award Data System (FAADS) was the main source of grant award information for many of the grant programs in this study. The FAADS is a central repository of federal assistance award transactions to state governments, local governments, and other organizations.[14] The data system is operated by the Bureau of the Census which compiles the information (reported by the federal agencies/departments themselves) on a quarterly basis and provides online public access to the data.[15] Policy oversight of the data system is provided by the Office of Management and Budget. The FAADS serves the purpose of a mandated requirement of the federal government to report financial and program-related information to state governments, local governments and Congress.[16]

Thirty-three executive branch agencies and departments report information on approximately 600 federal assistance programs for the FAADS. Most of these programs represent federal assistance going to state and local governments, however, the FAADS also includes discretionary grant awards.

Information was gathered from FAADS to some extent for all nine agencies in this study. Obtaining the needed information required extraction of the data using each grant program's Catalog of Federal Domestic Assistance number (CFDA). The CFDA is a compendium of federal assistance, financial and nonfinancial, maintained by the General Services Administration. Each federal assistance program is assigned a five digit number with the first two digits indicative of the federal agency/department that administers the program and the last three digits specific to the program.

The data extracted from the FAADS on grant programs typically included the specific grantee name, location (usually city and state), and award amount. Data in FAADS is released on a quarterly basis, requiring that four data sets to be consolidated for each fiscal year in order to obtain a complete list of each program's grantees.

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[14]The FAADS User's Guide we utilized for this study can be found online at http://ftp2.census.gov/govs/faads/guide2003.pdf. (accessed 1/2006)
[15] http://www.census.gov/govs/www/faads.html (accessed 1/2006)
[16] USC Title 31, Section 6102(a)

The data system contains a field for each grant entry that identifies the type of federal assistance. These include block grant, formula grant, project grant, cooperative agreement, direct loans and direct payments. We only extracted information that was identified as a project grant or a cooperative agreement. This assisted us when the CFDA number was not specific to a single discretionary grant program. In addition, we were sometimes able to identify an individual grant program from information contained in the "project description" field, though in most cases, this was a blank field or merely repetitive of the CFDA program title.

Information provided in FAADS on individual awards includes a code to identify new assistance from renewal or continuation awards. The accuracy of this code varied considerably across federal agencies/departments. For that reason, we utilized other sources of information (award announcement, agency grant tracking database, personal contact with program officers) to cross-check for accuracy.

Data quality problems that we encountered using the FAADS include lack of reporting to FAADS by some agencies, late reporting for a fiscal year (becomes included in the following fiscal year information), and federal agencies/departments reporting award information in an accounting fashion, in that they report the obligated award in one fiscal quarter, then report a negative amount in the another fiscal quarter to reflect the amount expended.

In addition to the above issues of working with FAADS data, there are also methodological issues of the sheer size of the data files and the need for a program to read the data files. The FAADS is not a dataset in that a user can not readily manipulate and query the information. The user must have a program that can extract and format the sequential text files. The sizes of the data files are very large – over 120mb for each quarter – making it difficult for some users to download and manipulate the data using their own personal computer.

Grant Databases

Some federal agencies have started to provide public online databases of their grant awards. The two most sophisticated web-based systems are the Department of Health and Human Services' Tracking Accountability in Government Grants System (TAGGS) and the Department of Education's Grant Award Database.

While HHS's TAGGS does not allow for downloading information, ED's Grant Award Database does provide a spreadsheet export function. Both systems are limited in that the user can only select a certain amount of information by year and CFDA number. Both databases have been upgraded with additional archived grant award data being added periodically.

Certain programs in our study had their own online grant award database. The "Technology Opportunities Program" in the Department of Commerce has its own public online database of grants awarded back to 1994. Information on projects funded under USAID's "Child Survival and Health Grants" can be accessed back to 1985.

Public Award Announcements

Many agencies/departments make public their awarding of discretionary grants through press releases. While coverage is not always complete, press releases of award announcements were a vital source of information for our study   and were also used to corroborate other sources of information.

As an example, the Department of Housing and Urban Development has designed a section of its website that lists most of the Department's discretionary award announcements. Over the last year, the website has grown to include archived fiscal years going back to 1999. HUD's funding announcement website was invaluable as the information provided in FAADS was incomplete in many instances or reported to FAADS in the first quarter of the following fiscal year.

However, award announcements are not always made public and even when they are, they often do not contain necessary detail . Many times, award announcements provide the names of the grantees, but not the dollar amount of the individual awards. In addition, previous fiscal year award announcement are sometimes removed from agency/department websites. Nonetheless, we were able to obtain press releases using federal agency websites in many instances, especially for the most recent year in our study – fiscal year 2004.

Personal Communication

Personal contact with federal agency officials was sometimes necessary to acquire grant information, confirm data from other sources and to cross-check information. Turnover in program officers, lack of access to their agency's archived information, workload, and a general hesitancy by federal officials to provide specific financial information on awards made it occasionally challenging to obtain data. Some offices were very responsive to our requests and especially helpful in assisting us to locate the correct information.

Freedom of Information Act Requests (FOIA)

There were a few cases when we could not obtain specific grant award information from the above sources or these sources proved insufficient. In these instances, we filed Freedom of Information Act requests to obtain the lists of award recipients and their award amounts.

We were able to successfully obtain grantee award information utilizing FOIA requests for the following programs in our study:

- Homeless Providers Grant and Per Diem Program through the Department of Veterans Affairs for all years in our study (however, there were no capital grants awarded in 2002 so this program is not included in the present study);
- Section 533 Housing Preservation Grants Program for fiscal year 2004 through the Department of Agriculture and;
- Fiscal year 2004 information for the Retired Senior Volunteer Program, Foster Grandparents, AmeriCorps State Competitive, AmeriCorps National Direct, AmeriCorps VISTA, and Senior Companion programs through the Corporation for

National and Community Service (though the latter two programs were not included in our study since new awards were not made for all three fiscal years).

DATA COLLECTION

The collection of information on grant award recipients was conducted by Roundtable staff from September 2004 to October 2005. The data collected about the recipient organizations include variables that allow us to define whether an organization is faith-based or secular. Organizations that were defined in this manner as faith-based were investigated further and classified as one of six types of faith-based organizations.

Defining a Faith-Based Organization

Defining the faith-character of federal grantees is a prerequisite for assessing the level and trend of federal grant support provided to faith-based organizations. The White House report "Unlevel Playing Field" notes that the lack of a standard definition of "faith-based organization" was one of the complications federal agencies encountered in attempting to address how much federal funding was going to faith-based organizations.[17]

In order for our study to remain objective, comparable, and replicable we use five variables past research has shown to be salient in defining an organization as faith-based.[18] The five variables are the organization's public face/self identification, mission/value statements, history, religious affiliation and program content.

The first characteristic is the organization's ***public face and self identification***. Public face refers to the organization's overt use of religious words and/or symbols in their name, logo, and/or slogan that publicly express their faith character. Self-identification means that the organization refers to itself as a faith-based organization, religious organization, or faith-affiliated organizations (i.e. "Christian organization").

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[17] White House (2001). *Unlevel Playing Field: Barriers to Participation by Faith-Based and Community Organizations in Federal Social Service Programs*. Washington D. C., The White House.

[18] Jeavons, Thomas H. (1998). Identifying Characteristics of "Religious" Organizations: An Exploratory Proposal. *Sacred Companies: Organizational Aspects of Religion and Religious Aspects of Organizations*. N. J. Demerath III, P. D. Hall, T. Schmitt, and R. H. Williams. New York, Oxford University Press: 79-95. Jeavons, Thomas. H. (2004). "Religious and Faith-based Organizations: Do We Know One When We See One?" *Nonprofit and Voluntary Sector Quarterly* 33(1): 140-145. Monsma, Stephen V. and Carolyn M. Mounts (2002). *Working Faith: How Religious Organizations Provide Welfare-to-Work Services*. Philadelphia, Center for Research on Religion and Urban Civil Society. Netting, Ellen F. (2004). Commentary on Typology of Religious Characteristics of Social Service and Educational Organizations and Programs. *Nonprofit and Voluntary Sector Quarterly* 33(1): 135-139. Sider, Ronald J., and Heidi R. Unruh (2004). Typology of Religious Characteristics of Social Service and Educational Organizations and Programs. *Nonprofit and Voluntary Sector Quarterly* 33(1): 109-134. Smith, Steven Rathgeb and Michael R. Sosin (2001). "The Varieties of Faith-Related Agencies." *Public Administration Review* 61(6): 651-670. Working Group on Human Needs and Faith-Based and Community Initiatives (2002). *Finding Common Ground: 29 Recommendations of the Working Group on Human Needs and Faith-Based and Community Initiatives*. Working Group. http://www.working-group.org/report.pdf.

The second characteristic is a ***religious or spiritual reference in the organization's mission statement or value statement***. Specific references to God, Christ, or a denomination were considered to be a religious reference, though general references to "spiritual well-being" were not.

We also consider ***religious or spiritual elements in an organization's history***. Examples include a religious basis for the organization's purpose of establishment, founding by a religious group(s), providing religious-based services or programs and/or staffing with people of faith in the past, and direct financial support by a church/religious group to establish the organization. However, we did not consider an organization's history to have religious elements if the only indication was that its founder also happened to be a religious official.

The fourth characteristic that aids in our identification of a faith-based organization is an ***explicit religious affiliation***. Many times, an organization's religious affiliation is explicit and recognizable, such as Catholic, Baptist, Methodist, Lutheran, Presbyterian, Protestant and Muslim. In other cases, a reference to religious affiliation was less specific, such as Church of God, United Churches, and Church of the Living God. We did not include elements such as "we are a Christian organization" in this characteristic (instead, this example would be considered a characteristic of self identification above).

The final characteristic we examined for identifying a faith-based organization is the ***presence of religious activities or elements in the content of the programs they provide***. Explicit religious activity would be bible study, prayer, and attending religious service. An example of a more subtle religious element would be a mentoring program based in Christian principles.

In our study, we collected information on each of the five characteristics that indicate an expression of faith in an organization's identity. An organization did not need to have religious elements in all five areas in order to be defined as a faith-based organization.

Over half of the organizations (53%) identified as faith-based have religious elements in 4-5 variables, and only a handful of organizations were defined based on only one of the five containing religious elements. Table A.3 below shows the frequency of faith-based organizations defined by the number of variables containing a faith characteristic.

Table A.3 Frequency of Organizational Characteristics Used to Define Faith-Based Organizations

Number of variables to define FBO	Number of FBOs defined	Percentage of FBOs defined
All 5 variables	291	25%
4 variables	320	28%
3 variables	314	27%
2 variables	170	15%
1 variable	51	4%
Total	*1146*	*100%*

If staff collected information on religious elements in any of the five variables, the individual award recipients were double-checked by another staff. The final verification of designating an organization as faith-based was made by the senior authors. In addition to the classifications of organizations as faith-based or secular, we also had an unidentified category. While all efforts were made to collect enough information on each organization in order to determine if it was faith-based or secular, in some cases, there simply was not enough information. We were unable to identify with confidence about 6% of the total number of organizations which were therefore categorized as "unidentified" for this stage of our research.

Classifying Faith-Based Organizations

Organizations defined as faith-based were then classified into one of six types. This is a classification of organizations, not a classification of the services or programs provided. The classification below is mainly based on the strength/nature of an organization's linkages to a religious entity or entities, and the geographic scope of services offered.

The first type is a *congregation-based faith-based organization*. These are houses of worship that directly provide social services, without doing so through a distinct and separate nonprofit organization. Congregation-based FBOs do not have an institutional or organizational separation between the entity providing the social service and the house of worship itself. This type of faith-based organization may be a church, synagogue, mosque, or other religious institution and may be small or large in membership and reach. The social services offered may or may not be provided at the same location used for religious worship.

A hypothetical example of an organization that we would classify as a congregation-based FBO would be St. Paul's Episcopal Church that has an outreach ministry called "A Safe Place" providing walk-in service to homeless adults (shower, laundry, storage). The program is operated by the Church, not by a separate nonprofit, so we would classify it as a congregation-based FBO.

The next three types of faith-based organizations in our preliminary scheme are all independent religiously-affiliated organizations. They are all social service providers with their own institutional/corporate status. The organizations are separate from, but in some way related to, a religious community. At the very least, these independent religiously-affiliated nonprofits have religious roots in their origin or ideology.

The three types of independent religiously-affiliated organizations are distinct from one another based on the geographic scope of the services they provide. The *local or regional independent religiously-affiliated organization* may be affiliated with an individual locally-based congregation or may be regional in its geographical service area, and is affiliated with a religious community or has religious roots/ideology.

An example would be a church that sets up a separate nonprofit organization called "Food for Life" to operate a soup kitchen, or a city-wide after-school tutoring program. Included in this

category may be religiously-affiliated hospitals, clinics, colleges, residential facilities and community development corporations.

The ***multi-state or national independent religiously-affiliated organizations*** are service providers whose geographic service area is larger than the local or regional independent religiously-affiliated nonprofit. In many instances, this type of faith-based organization has branches that operate locally. Examples include Catholic Charities, Lutheran Social Services, Salvation Army, Habitat for Humanity, Saint Vincent de Paul Society, Episcopal Community Services, YMCA, Covenant House, National Church Residences, and Volunteers of America.

The third type is an ***international independent religiously-affiliated organization.*** These are social service providers whose geographic service area is mainly international in scope. These include World Vision, Catholic Relief Services, World Relief, and Operation Blessing.

If we identified a faith-based organization as an independent religiously-affiliated organization, but could not determine the geographic area it serves, we classified it as an independent religiously-affiliated nonprofit of unknown size.

The fifth type of faith-based organization in our classification is the most difficult to identify. ***Faith-based intermediaries*** are organizations whose primary function is to support the work of other (usually smaller) faith-based and other organizations through training and other technical assistance. These are also organizations that serve as a conduit and intermediary manager between larger, outside sources of financial support and small faith-based organizations operating at the community level. Often, they self-identify as an "intermediary" or are identified as such by a government source or a financial supporter.

The final type of faith-based organization is a ***faith-based coalition***. This type of faith-based organization is composed of a number of organizations, some or all of which are faith-based themselves. The organization's name may contain the words "interfaith" or "ministerial alliance," though we discovered that sometimes an organization that began years ago as an interfaith coalition evolved into a distinct independent religiously affiliated nonprofit, yet retained their name that includes "interfaith." Examples of faith-based coalitions are hospitality networks or PADS (Public Action to Deliver Shelter). These are coalitions of congregations that rotate the responsibility of providing services/beds for homeless individuals.

If an organization was categorized as faith-based yet we were unable with the information available to define the FBO into one of the above six types, the organization was classified as an "unidentified FBO." These represent 2% of the total number of faith-based organizations in our study. Generally speaking, if we had enough information on an organization in order to identify it as a faith-based, then we had enough information to classify it into one of the six types. The following table summarizes the number and percentages of the types of faith-based organizations we identified for all years of our study.

**Table A.4 Frequency and Percentage of Faith-based Organizations Identified:
2002 to 2004**

Types of Faith-Based Organizations	Number of FBOs Defined	Percentage of FBOs Defined
Congregation-based	101	8.8
Independent Religiously-Affiliated		
Local or regional	731	63.8
Multi-state or national	132	11.5
International	52	4.5
Scope unknown	10	.9
Faith-Based Intermediaries	16	1.4
Faith-Based Coalition	81	7.1
Unidentified FBO[19]	23	2.0
Total	*1146*	*100.0*

Collecting Data on Organizations

Staff collected data on the five characteristics above for all grantees in our study. Data were collected on a form in Microsoft Access. A coding manual and training sessions were provided to all of the staff collecting information in order to standardize the collection procedure. After verifying and validating the data, we identified 1,146 faith-based organizations that received at least one grant from at least one program on our list of discretionary grant programs at some point between 2002 and 2004.

The majority of information we collected came from the organizations' own websites and Guidestar's online database. GuideStar (aka Philanthropic Research Inc) operates a web-based system of searchable information on over 1.5 million public charities, private foundations and other exempt organizations. The information provided for each organization includes the organization's address, IRS-assigned Employer Identification Number, financial information, and usually a summary of services provided, program accomplishments and goals. GuideStar collects this information from IRS Forms, the IRS Business Master File of exempt organizations, and from the organizations themselves if they voluntarily provide GuideStar with information on their programs, accomplishments, goals, board members and management staff.

Each organization listed in GuideStar's database has an Employer Identification Number (EIN). This is a unique identifier assigned by the IRS for federal tax purposes. Organizations, including houses of worship and religious organizations, which file for tax-exempt status, are assigned an EIN by the IRS. Houses of worship and other faith-based organizations are not required to file

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[19] FBOs were placed in this category if we had enough information about an organization to classify it as faith-based (i.e. mission statement has a religious reference, overt religious logo), yet we did not have information on whether the organization is a separate entity from a religious organization, the geographic scope of services they provide, and/or their relationship to and interaction with other organizations.

with the IRS for tax-exempt status, but GuideStar will include them if they provide proof of their tax-exempt status.

We used each organization's EIN as a unique identifier in our database of grantees. In cases where an organization does not have an EIN or we could not determine the organization's EIN, we created a unique identifier. By using these unique identifiers, we are able to aggregate individual grantee information for the faith-based organizations identified.

At the end of the coding process, we tested the reliability of our instruments and the reliability of the data collected. From the entire list of grantees, a set of 95 organizations were chosen randomly and the six coders were asked to code them independently. All coders were asked to locate each organization's EIN and to apply the coding instrument based on the data they collected. Their results were compared with the coding results finalized by researchers for inter-coder reliability using two reliability indices, the Percent Agreement and Cohen's Kappa.

Table A.5: Results of Reliability Tests

	Coder 1	Coder 2	Coder 3	Coder 4	Coder 5	Coder 6
Reliability score for locating EIN (Percent Agreement)	0.99	0.99	0.93	1.00	0.98	0.88
Reliability score for identifying organizations as secular or faith-based (Percent Agreement)	1.00	1.00	0.98	0.98	0.99	0.97
Reliability score for identifying organizations as secular or faith-based (Cohen's Kappa)	1.00	1.00	0.89	0.90	0.95	0.75

Table A.5 shows the results of the reliability tests of the coding instruments and the data. The first test was to determine if the coders, given only the organization's name and location, could reliably locate the EIN in GuideStar. Four coders (1, 2, 4, 5) achieved over the acceptable 95% agreement.

The next two tests were to determine the reliability of the coders to correctly identify an organization's faith character based on the data they collected with the coding instrument. In the first of these reliability tests, all six coders achieved over 95% agreement. In the second test, the values of Cohen's Kappa for all but one coder (6) were above the acceptable level of 0.80. Due to the few reliability scores which were below the acceptable levels, we felt it was necessary to review their data again to improve the accuracy of the data and the consistency of coding.

In the final coding stage, the data believed to be inaccurate and any coding that was inconsistent across coders were selected and the researchers repeated the entire coding procedure. The researchers reviewed, supplemented and finalized the coding data in this manner for approximately 25% of all grantees in our database.

Appendix B

GRANT PROGRAMS OR PROGRAM AREAS IN OUR STUDY (N=99)

Corporation for National and Community Service
1. AmeriCorps - National Direct
2. AmeriCorps - State Competitive Awards
3. Foster Grandparents
4. Retired and Senior Volunteer Program

Department of Agriculture
1. Community Food Projects Competitive Grants Program
2. Distance Learning and Telemedicine Loan and Grant Program
3. Food for Progress Program
4. McGovern-Dole International Food for Education and Child Nutrition Program
5. Rural Business Opportunity Grants
6. Section 514 Farm Labor Housing Loans and Section 516 Farm Labor Housing Grants for Off-Farm Housing
7. Section 523 Mutual and Self-Help Technical Assistance Grants
8. Section 533 Housing Preservation Grants

Department of Commerce
1. Technology Opportunities Program

Department of Education
1. Carol M. White Physical Education Program
2. College Assistance Migrant Program
3. Community Technology Centers Program
4. Early Childhood Educator Professional Development Program
5. High School Equivalency Program
6. Mentoring Programs
7. Migrant Education Even Start Family Literacy Program
8. Native Hawaiian Education Program
9. Parental Information and Resource Centers

Department of Health and Human Services – Administration for Children and Families
1. Administration on Developmental Disabilities Projects of National Significance
2. Assets for Independence Demonstration Program
3. Basic Center Program for Runaway and Homeless Youth
4. Child Care Bureau Research Scholars
5. Compassion Capital Fund Program*
6. Community Food and Nutrition Program
7. Community Services Block Grant: Community Economic Development Program*
8. Community Services Block Grant: Training, Technical Assistance and Capacity-Building Program*

9. Early Learning Opportunities Act Discretionary Awards
10. Family Violence Prevention and Services Program*
11. Head Start - Graduate Student Research Grants
12. Head Start - Higher Education Partnerships
13. Job Opportunities for Low-Income Individuals Program
14. Native American Language projects
15. Social and Economic Development Strategies
16. Street Outreach Program

Department of Health and Human Services – Health Resources and Services Administration
1. Advanced Education Nursing Grants
2. Advanced Education Nursing Traineeships
3. Allied Health Projects
4. Basic Nurse Education and Practice Grants
5. Centers of Excellence
6. Genetic Services Projects
7. Healthy Communities Access Program
8. Healthy Tomorrows Partnership for Children Program
9. Increase in Medical Capacity in Programs Funded Under the Health Care Consolidation Act of 1996
10. Integrated Health and Behavioral Health Care for Children, Adolescents and Their Families
11. New Delivery Sites and New Starts in Programs Funded Under the Health Centers Consolidation Act*
12. Nurse Anesthetist Traineeships
13. Nursing Workforce Diversity Grants
14. Rural Health Network Development Grant Program
15. Rural Health Outreach Grant
16. Ryan White Care Act Capacity Building Grants*
17. Social and Behavioral Interventions to Increase Organ and Tissue Donation
18. Special Projects of Regional and National Significance: Community-Based Abstinence Education Project Grants
19. Title III: Funding For Early Intervention Services Grants
20. Title IV Grants for Coordinated HIV Services and Access to Research for Women, Infants, Children, and Youth
21. Training In Primary Care Medicine and Dentistry

Department of Health and Human Services – Substance Abuse and Mental Health Services Administration
1. Center for Mental Health Services Grants*
2. Center for Substance Abuse Prevention Grants*
3. Center for Substance Abuse Treatment Grants*
4. Conference Grants*

Department of Housing and Urban Development
1. Assisted Living Conversion Program for Eligible Multifamily Housing Projects
2. Continuum of Care Homeless Assistance Programs - Shelter Plus Care
3. Continuum of Care Homeless Assistance Programs - Supportive Housing Program
4. Healthy Homes and Lead Technical Studies
5. Healthy Homes Demonstration Program
6. HOME Technical Assistance
7. HOPWA Technical Assistance
8. Housing Counseling Program
9. Housing Opportunities for Persons with AIDS
10. McKinney-Vento Act Homeless Assistance Programs Technical Assistance
11. Operation Lead Elimination Action Program
12. Public and Indian Housing Resident Opportunities and Self Sufficiency Program
13. Rural Housing and Economic Development Program
14. Section 202 Supportive Housing for the Elderly Program
15. Section 811 Supportive Housing for Persons with Disabilities Program
16. Self-Help Homeownership Opportunity Program
17. Youthbuild Program

Department of Justice
1. Crime Victim Assistance Discretionary Grants*
2. Drug-Free Communities Support Program
3. Grants to Reduce Violent Crimes Against Women on Campus
4. Grants to State Sexual Assault and Domestic Violence Coalitions Program
5. Legal Assistance for Victims' Grant Program
6. Research, Evaluation, and Development Project Grants
7. Rural Domestic Violence and Child Victimization Enforcement Discretionary Grant Program
8. Safe Havens: Supervised Visitation and Safe Exchange Grant Program
9. Training Grants to Stop Abuse and Sexual Assault Against Older Individuals or Individuals with Disabilities

Department of Labor
1. Combating Exploitive Child Labor Through Education*
2. Grants for Small Faith-Based and Community-Based Non-Profit Organizations
3. Homeless Veterans' Reintegration Program
4. Senior Community Service Employment Program Grants
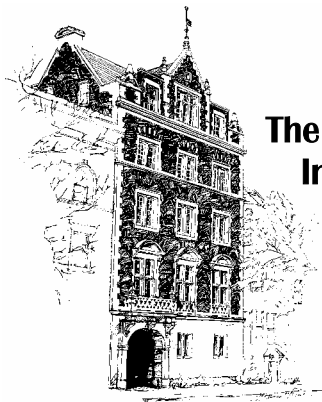5. Susan Harwood Training Grant Program*

United States Agency for International Development
1. American Schools and Hospitals Abroad
2. Child Survival and Health Grants
3. Cooperative Development Program
4. Matching Grant Program
5. Nongovernmental Organization Strengthening Ocean Freight Reimbursement

Note: Asterisk indicates a program area.