Evaluating the Effectiveness of Faith-based Social Services

(NOTE: This is an edited transcript of a panel discussion hosted by FASTEN at the 2003 annual conference of the Philanthropy Roundtable. The panel was moderated by Julie Sulc of the Pew Charitable Trusts.)

Julie Sulc, Religion Officer, *The Pew Charitable Trusts*

This morning we have a wonderful panel for you. I think that they're diverse in almost every way in terms of bringing together a really kaleidoscopic picture on this question of evaluating the effectiveness of faith-based social services. I come to this conference because I'm an officer in the Religion Program of The Pew Charitable Trusts and for the last three years we've been doing work on the role of religious organizations in our social welfare system. So we're very interested in it, and there are a number of other foundations who share this concern. Perhaps some of you represented here are doing work in this area. The Annie E. Casey is one. The W. K. Kellogg Foundation has done some excellent work in this area and, since we're in California, I cannot neglect to mention The Irvine Foundation which has produced some wonderful work with University of Southern California. And they have some extraordinary publications out there that have helped track federal initiatives, state initiatives, and how government is partnering with faith-based organizations.

First, let me introduce our panel to you. We have Carole Thompson, who's a Senior Program Officer with the Annie E. Casey Foundation. Carole's portfolio includes work with faith-based organizations. She's also been doing work on technical assistance in the cities where Casey has their "Making Connections" program. And for those of you who are not familiar, Making Connections seeks to engender long-term change in neighborhoods to bring about good outcomes for families. So, their focus is really on the family unit. Carole, prior to coming to Casey, worked with two different school districts in their community outreach. She worked in Baltimore and before that in Philadelphia. Carole also has a long history of philanthropic work. In fact, before her involvement with the school districts, she worked with corporate philanthropy.

Betty Alvarez-Ham is also with us today. She's a local from Oxnard, California. Betty comes to us because she is the founder and president of City Impact, which touches the lives of 2,500 at-risk children and youth and their families. She will describe her program in more detail for you shortly. You would also be interested to know that Betty is an ordained minister and teaches at Azusa Pacific University. And she's a leader in working with churches nationwide to engage in collaboration with government and with other organizations. In fact, in this role she has been asked by President Bush to serve on a council advising him in this area. She also advises her local county government.

We also have Calvin Edwards with us. He provides a different perspective. Calvin has been working with nonprofit organizations for more than twenty years. And out of the growth of his wisdom and experience, he founded his own company, Calvin Edwards & Company. Through this company, he counsels particularly high wealth or high capacity individuals on their giving to faith-based organizations. So, he has specialized expertise here. While Carole and I represent large foundations doing giving, Calvin represents smaller foundations and individuals. With that in mind, I think we have a wonderful balance here. Calvin's also has experience with faith-based nonprofit organizations. And he was vice president of Walk Through the Bible, as well the vice president of Ron Blue and Company, where he advised individuals on giving.

Evaluating Faith-based Organizations: Some Key Questions

So our topic today is evaluating faith-based organizations. There has been a lot of discussion nationwide recently about the role of faith-base organizations. What do they do? What is their distinctive capacity? Some of this conversation has focused on their unique contribution. I think the most instructive debates I've heard are really about what are the niches where faith-based organizations may be particularly well-suited to doing some kind of service. In other words, how can FBOs reach a certain distinct population in a better way than secular nonprofits or traditional government services? *But we want to take a different tack and not talk about the debate over whether they are more effective or less effective or whether they should they be partnering with government. The focus of our conversation is really about, "How do you work with faith-based organizations assuming that you might see them as a unique asset in your community?" We want to grapple with the question of: Should FBOs be treated the same or distinctively because of their unique characteristics? We'd also like to discuss the "how's and why's" of evaluation. What's a reasonable level of evaluation to assure accountability and good stewardship? Some of the principles and the lessons we'll take home today, hopefully, will be uniform, whether you're talking about faith-based or other nonprofit organizations.*

So let me start with Carole. I've heard other program officers from Casey talk about how your foundation does evaluation. Would you tell us, then, a bit about your portfolio and the type of evaluation that you do?

Carole Thompson, *The Annie E. Casey Foundation*

Yes, thank you. The *Casey Foundation* focus has been thought of as a kid's' foundation. But we have broadened that because we had our own "little epiphany" in thinking about how to improve outcomes for children. And we came to this very obvious conclusion: You have to focus on the *institutions* that are important to children. And the most important institution is the family. So, it does matter also in terms of a "place-based context" where those are families located and what the services and supports are that they have access to. We found that children do well when families do well, and families do well when they live in supportive neighborhoods. We came to this point of talking about "neighborhood transformation and family development." And part of our learning process involves hosting consultative sessions. In fact, we've held more than six hundred of them over the last five or six years. What became clear in talking with residents, practitioners, scholars, researchers, the whole gamut--if you really care about neighborhood transformation and family development, then you need to be smart about the role faith plays in both personal and community transformation. And that's how *Casey* came to its portfolio, which we call a "knowledge development portfolio." It focuses on understanding the different and the specific roles that faith plays in family strengthening and community building.

At *Casey*, all of our grants are held to the same standard of evaluation. We look for one of three things:

- Does it have impact in terms of changing the conditions in which children and families live?
- Does the grant influence a change in behavior, attitude, or policy?
- And is this grant able to leverage additional resources?

So, as *Casey* looks at the role of faith (and we've come to a point of both acknowledgement and respect for the role that faith does have in neighborhood transformation and family development), we've identified some key characteristics of why we say *faith matters*. First, faith matters because it fosters individual spiritual development which we think is a good thing. It also is rich in networks of social capital. Again when we look at poor and primarily isolated families, sometimes their only networks are through the congregational setting that's there to help them. The faith community is able to strategically leverage a lot of community investment and they are holders of substantial economic and volunteer resources. And when we speak of faith, we mean the diverse faith traditions and cultural aspects of both the sacred and secular that we believe are rich and contribute to a stronger family, a stronger community and a stronger character. And this is all from a secular foundation. And so, this is really a point for us of understanding the families we hope to help and also of acknowledging, and respecting where they are in terms of the role of faith in their lives.

Julie Sulc, *The Pew Charitable Trusts*:
Thanks Carole, that's instructive. Betty, you are on the other side of the equation. You represent one of the organizations that Carole would potentially reach out to and you have quite a diverse set of funders. So, could you speak to us about the types of requirements that these various funders are asking you to meet?

Betty Alvarez-Ham, *City Impact*:

First, we are a faith-based organization. We have a statement of faith, every one that is employed with *City Impact* comes from a faith perspective. So in that role, it does have some "ups and downs" and some struggles and growth areas for us. But I do not shy away from who we are at *City Impact*. I am an ordained minister, so when I do make presentations, I let people know that I come from that perspective. *City Impact* has been blessed by having a number of diverse funding sources.

First, we were birthed out of Youth for Christ, where my husband and I spent a number of years doing teen evangelism. But we found we weren't happy with working with the child and not working with the whole family. Part of that perspective is because I'm a Latina, first generation Latina, and we believe in *interdependence*. For me, a model of youth ministry that takes kids out of their families takes away all their strength. It's also personal—this first generation Latina marries an Anglo man and you bring them together, as well as their families--and you start having *menudo* for breakfast, for example. It has a way of pushing you to integrate the different aspects of who you are. Well, that's how *City Impact* was birthed. First, we started working with the schools because all the children are there, or they should be there. Working with schools, we believe, is your connection to the families. In fact, our first funding agencies actually were schools. When my husband and I originally came to Ventura County, we went to the schools. And because we're proponents of education, we went to a high school and said we'd like to do groups for them. "What kind of groups?" they asked. "Well, I heard you're ministers." And I would say, "You know, yes, we are ministers, but I promise you I won't bring my Bible and I won't pray with the kids because 'give Caesar what is Caesar's and give God what is God's.'" During that time we did support groups. And we're now doing over fifty-eight support groups in schools on a weekly basis that are funded by the schools. We sponsor grief groups as well as leadership groups, which are basically working with gang kids and we say they're leaders. Now let's just try to take those leadership qualities and actually channel them in positive directions. So we began doing those types of things. Then, the school started asking us to be involved in academics with them. Tutoring programs, and guess where we put them? In the church. So we started getting funding and then we said to our churches, "your folks are the ones tutoring and you're utilizing your church. Why don't we just be the conduit?" And so they give the money to *City Impact* and we, in turn, fund the churches.

Other factors? Because of some of the programs we've been involved with, we're working with probation. So I have probation funds. The schools hire our therapists. There is a program right now which is using electronic monitors – so the kids don't have to be institutionalized. It's *City Impact* staff members that are actually working with those families and those kids that are on electronic monitors. And we are paid by the city for that. We also have county funds. County funds, I think, are the most difficult to work with.

Counties decide to pay you when the state pays them, and you know what's happening in California, so I don't have to go any further on that. And then we have federal funds. But part of the organization's funding is becoming more difficult, and so we have to be more sophisticated. For example, *City Impact* developed other accounting funds to keep our "oranges and our apples and our pineapples" separate. Now we are a faith-based organization, but I do believe you must have proper accounting of your work. If a *Pew Charitable Trusts* or the *Annie E. Casey Foundation* would fund us, they would fund us for impact: objectives met. You can't just say "This kid is changing, can't you see?" They would say, "Are they attending school more?" Have their grades improved? Has their delinquency decreased?" Those are the factors they ask from us. Churches just want to know, "Are these kids coming into the church?" My religious funders want to know, "How many kids have made commitments to Christ?" So we receive funding from diversified sources. And we keep distinct records for objectives on each one of those grants because those are the objectives they want to see met.

I believe, as a faith-based organization, you have a greater responsibility in meeting those objectives. I have a chairman of the board who is a business man. And he uses the phrase "bang for the buck." If we, as a faith-based organization, can't give bang for the buck, than nobody can. But odds are that you must have source documentation on everything they have asked of you and show how their dollars have made an impact in a youngster's life and a family's life.

Julie Sulc, *The Pew Charitable Trusts:*

Now, Calvin, we've heard Carole talk about a large family foundation and the type of evaluation that they do, and Betty talked about several funders that are big – county, city, federal government, -- would you tell us about the smaller donors and help us think through what kind of evaluation could, or should, they expect for a smaller gift? What are some examples of things that you've advised people to do? Help us think about the ranges of evaluation.

Calvin Edwards, *Calvin Edwards & Company:*

Let me start with a quick story. I was meeting with a client last week. We'd had lunch and I said to him, "What is the most important thing to you when you're making a giving decision?" He's an investment banker in Atlanta, who gives out of current income and is a high capacity donor. And I said, "What's the one thing that you're looking for when you make a giving decision?" As quick as a wink, he says "results." That was the first thing. He didn't even have to think about it--results. To this group, I don't have to keep beating that drum, but at the risk of beating it, two articles in the last week, one from *USA Today*, "Donors wise up about giving," and the other from the October 26, *Washington Post*, "Groups Check to see if Charities Measure Up." So I know we're preaching to the choir here. But this is a theme that's recurring everywhere. People want to see results. They want to know what the outcomes are. They don't want to be giving blindly anymore. This is such a big change in mindset.

Concerning the question of *how* family donors, individual donors, smaller and medium-sized family foundations can do evaluations, I do think that they're quite different. I wish that it weren't, but to do full scale, outcome-based evaluation on an organization, or for the organization to do it, or to have an outside consultant come in, is quite a substantial investment. And your smaller donors can't command that. Their donation doesn't warrant that. I'm not sure what comes to your mind when you think about smaller donations. Let me just give you some kind of scale here. What we're talking about is somewhere in the range of $25,000 to $250,000. Certainly less than that would obviously be smaller, too. What donors tend to do is to substitute organizational evaluation in the place of programmatic evaluation. If the organization doesn't measure outcomes and maybe can't measure outcomes, they put more energy into assessing the organization upfront. They want to make sure that organizationally, it is sound, has good governance management, good practices, and a strategy that's been well-thought-out. And so they're looking at things like that rather than the hard core data at the back end. So if you think of evaluation as happening before you make a grant, while you make a grant, and after you make a grant, program evaluation is really on the back end. How did we do? What happened? What are the results? So what happens with smaller donors is that they basically put the energy to the front of the process. Try to find those good organizations and then trust them.

Now I want to add one comment. I think that every donor ought to be pushing, (the gentle finger in the chest), towards outcome measurement. Not just outputs, but outcomes, changes in human behavior, attitudes and lifestyle. Maybe your grant can't underwrite that, and maybe you can't single handedly persuade an organization to start doing that if they're not already. But I think there should always be that constant finger in the chest, pushing them in that direction.

Betty Alvarez-Ham, *City Impact*:

I'd like to add to what Calvin has said. A few years ago, *City Impact* staff started to grow and we outgrew our building. We went to one of our donors, probably in the area of between $20,000 and $30,000 per year. And so I met with this donor and my development director. We wanted him to actually start us on a capital campaign. And, unbeknownst to me, that was not what he was going to do. In fact, he said to me, "Betty, how many staff do you have?" And I told him. And he said, "How many churches do you have in your county?" And I said 498. He said, "You have 498 buildings then." And when I left, to be honest with you, I was a little bothered. Because I'm thinking, don't we need a building? And I had all these reasons to believe we did. I really had to think past that because there is a church building on every corner. And so he did a critical thing. About a month later he called me and said, "I will give you what you were expecting." And at that point I didn't even know what I was expecting. "I want to see if you can help utilize and empower churches in your community." And so, I said "Okay." And so he had me put a plan together. He did give me some up front money. And now, I can tell you, the majority of our services are in churches throughout the county. But that all happened because a donor was brave enough to say, "Betty, why do you need a building? Go put them in churches. They're underutilized assets in your community."

Julie Sulc, *The Pew Charitable Trusts:*

"That's really good!"

Calvin E. Edwards, *Calvin Edwards & Company*

One of the things that I think should go with every donation—no matter what size it is—is "designation compliance." There needs to be an evaluation that, in fact, the terms and conditions of the grant were met. This is different than measuring the outcomes. I'm using the term "evaluation" here rather broadly. Technically, it refers to the kinds of things that Carole was talking about regarding evaluating program outcomes. But just using the term a little more broadly, there should always be some form of evaluation on whether the terms of the grant, the designations were complied with significantly. And I'll give just one more example about outputs and outcomes. I had a client who gave money to fund the establishment of a counseling office inside a homeless shelter. They were providing day care for women and children, job training, a lot of assistance, many programs. They were mostly to do with public transportation, getting social security numbers, getting kids in school, and a lot of things like that. They did not have a counseling program, so we were funding one. This meant having a full-time, certified counselor on site, available eight hours a day. And in that case, we were looking for outputs which were the number of persons seen, number of hours counseling, and so forth. That's a start. That's for a small donation. If we're throwing millions of dollars at this, you'd look for outcomes such as, What difference did having a counseling office make versus not having one? It's a much harder thing to assess and much more expensive to do. So, my point is, start with the scale, measure the evaluation to the size of your grant and the capabilities of the organization – scale it. But do all that you can to evaluate given those circumstances.

Julie Sulc, *The Pew Charitable Trusts*:

That's very helpful. I think one point you both brought out is that it's a conversation, a conversation between the donor and the nonprofit organization. One other thing I hope to discuss a little bit later is this: How are you as a donor actually helping the organization by causing them to think about impact? Sometimes by just having that conversation, the grantee can use the data they're collecting for you to improve their own management of the work they are doing. It helps them track what they're doing. But before we go there, I'd like to talk more about this conversation. I'm struck thinking about the dialects that we've heard today, well in the last twenty-four hours. Just last night, I was sitting at the dinner with William Bratton. I found it really funny coming from Philadelphia to hear that accent in California. It's very much an East Coast accent. And we have another accent on the far end of this table. So, sometimes I wonder, in speaking with faith-based organizations, if we're asking Calvin Edwards to talk like William Bratton. So there's a different language that faith-based organizations sometimes use to talk about their work. We don't know exactly how to talk to one another about what we're doing. Carole, I think you funded some projects to look at this issue about distinct measures for faith-based organizations where we're maybe meeting them in the middle. In other words, helping them talk about their work in the way they think about their work.

Carole Thompson, The Annie E. Casey Foundation:

One of the things at *Casey* where we feel we can "add value" is in technical assistance for building capacity. And I hope at some point during the morning, Julie, you're going to talk about FASTEN and the Catalysts' work. Because this idea of how many small nonprofits could a national foundation really reach and add value to is one we think about very seriously. And so one of the ways that we believe we can add value, help build capacity, is by strengthening the intermediary organizations that come in contact with grass roots or smaller, less established ministries or programs that serve the needs of communities. One large intermediary organization is your United Ways. And United Ways around the country typically serve faith-based organizations but they typically serve them for secular purposes. Think about The Jewish Federation, Catholic Charities, even the secular work of a very "faith saturated" Salvation Army. But the FBOs are expected to split that part of them which is sacred from that part which is secular. The United Way of Massachusetts Bay has a unique program called *Faith in Action*. And as part of their work in youth development, they began funding these small, for the most part, para-ministries or outreach ministries of smaller congregations around this issue of youth development, focusing specifically on "at-risk" children. And we came to know about this in, I think 1998. We sat down with them and they talked about wanting to influence other United Ways around the country to take this leap of faith and begin funding that which is explicitly faith-based and sacred in terms of the work they do for children and families. But they knew they needed to be able to speak in those evaluative ways to influence their peers to fund these nontraditional youth development programs.

So *Casey* and United Way convened a small roundtable that brought in some scholars, evaluators and some of the faith-based providers. We spent a day talking about how evaluation would be different for a FBO as opposed to your more traditional secular youth development. They came up with some characteristics that they thought were important to capture the spirit, the essence, the faith factor in terms of the delivery of services. The group advised that they form "a community of investigation." This community of investigation would work together. They would meet and begin to get comfortable with the idea of, "Look we're to measure what is the essence of who we are and what we do." For many of them, this was a new experience. And so they spent a year going through what is evaluation and how you might do it and what are the important aspects that you want to capture.

The group also thought it was important to not just do "quantitative data collection." Rather, when you talk about your faith, talk about this experience with God which is relational. So it would be very important to get the qualitative aspects. They used an ethnographic approach of storytelling to capture the experience these young people were having and how that had produced impact and changes in their lives, outcomes for them and their families. So they did a piece of the ethnographic research, but then because of the nature of how United Way does their work, and for those of you all that have served on United Way committees, they are committees of peers that make the funding decisions, right? They're business leaders, they're program service providers. They're community residents – community of peers. And so they thought about "What do the community of peers think the effectiveness or the efficacy of these faith-based programs is compared to the traditional youth development program?" So they brought in Ronald Thiemann from Harvard Divinity School to do community impact assessment. They identified 88 community agents and these were local residents, local business and service providers, police, government workers and the clergy. These are the folks that would come in contact with at-risk youth, for the most part. They asked them to assess six of the *Faith in Action* programs and six of the traditional youth development programs in five categories. These included technical goals, personal goals, community goals, preventative goals and then faith-oriented goals. What they found out is, that from the perspective of the people that come in contact with at-risk youth, these *Faith in Action* groups are as efficacious as the secular youth development groups. In the report they talk about why.

But if you go back to how *Casey* measures grants, the impact, influence and leverage, one of the "influence" measures that we found was that as faith-based institutions become more competent at delivering services in formal and predictable ways, communities are assured diverse and increasingly comprehensive means of addressing the needs of children and families. Diverse points of entry into social services increases the likelihood that needs are being met and that neighborhoods are healthy. In terms of leverage, the *Faith in Action* agency directors who use their status as a United Way funded program in printed reports and brochures, report that they are receiving inquiries from regional and out-of-state agencies wanting to use their programs as models for new development. Additional leverage was a result of the *Faith in Action* initiative.

The United Way, in collaboration with two other faith-based agencies, received a three-year grant of two million per year, to build the capacity of faith and community based organizations in Boston. That was one of the Compassion Capital grants. And then, in terms of impact to date, in addition to providing program and capacity building support to more than 50 organizations, the grant has enhanced the capacity of consultants with faith-based experience to respond to the needs of FBOs. Perhaps the most enduring impact of United Way's *Faith in Action* initiative will be the experience program directors had of seeing the results of a community of investigation that shared empowerment goals and expanded inquiry past their boarders to create a lasting benefit for society at large. Today, program directors see the value of measuring results and making continued program improvements. That's a real important result for us who want to build the capacity of organizations to do what they do better and more effectively.

The other result of this grant was that they were able to document how they went about doing outcome measurement and they've done it in a user-friendly way that other FBOs use. As Calvin and Betty talked about, as you receive that grant, what is the outcome that you want to be achieved? And so, as you're starting the planning for this work, you must develop your own framework for outcome measurement.

Julie Sulc, *The Pew Charitable Trusts*

That's great and gives me a segue way into the work that we're doing at Pew. We have two big projects that grew out of the work we've been doing in Philadelphia. One, The Roundtable on Religion and Social Welfare Policy, is aimed more at policy makers and is answering the questions that they have in this whole debate about FBOS. This project is looking at: What does the law say? Where does the constitutional debate on separation of church and state stand now? They have some scholars looking at these important questions. Their writing is in very digestible, short pieces and that's up on the Web site of this project (www.religionandsocialwelfarepolicy.org). They're also following all the policy changes in the states and summarizing that, as well. And they're conducting social science research on the comparative effectiveness of FBOs. This work is different than the work that the Templeton Foundation is doing on the faith factor and social capital. So that's one project.

But the other project that I've highlighted for you in these brochures is called the Faith and Service Technical Education Network (FASTEN). About three years ago, when we followed this debate, we thought, Congress has been talking for quite some time; meanwhile, FBOs are already partnering with their local governments, with the Federal government and with private funders. How can we help them think about how to best work together to meet pressing human needs? So, we have supported an initiative titled the Faith and Service Technical Educational Network, or FASTEN, that is developing information on effective practices in faith-based social service programs. In addition, FASTEN has documented on model partnerships between FBOs and private funders, as well as between FBOs and government. All this information, like Roundtable's information, is practical, user-friendly and available on this project Web site: www.fastennetwork.org.