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# Accessibility and Stability of Nonprofit Service Providers: Faith-Based and Community-Based Service Organizations in Urban and Rural America

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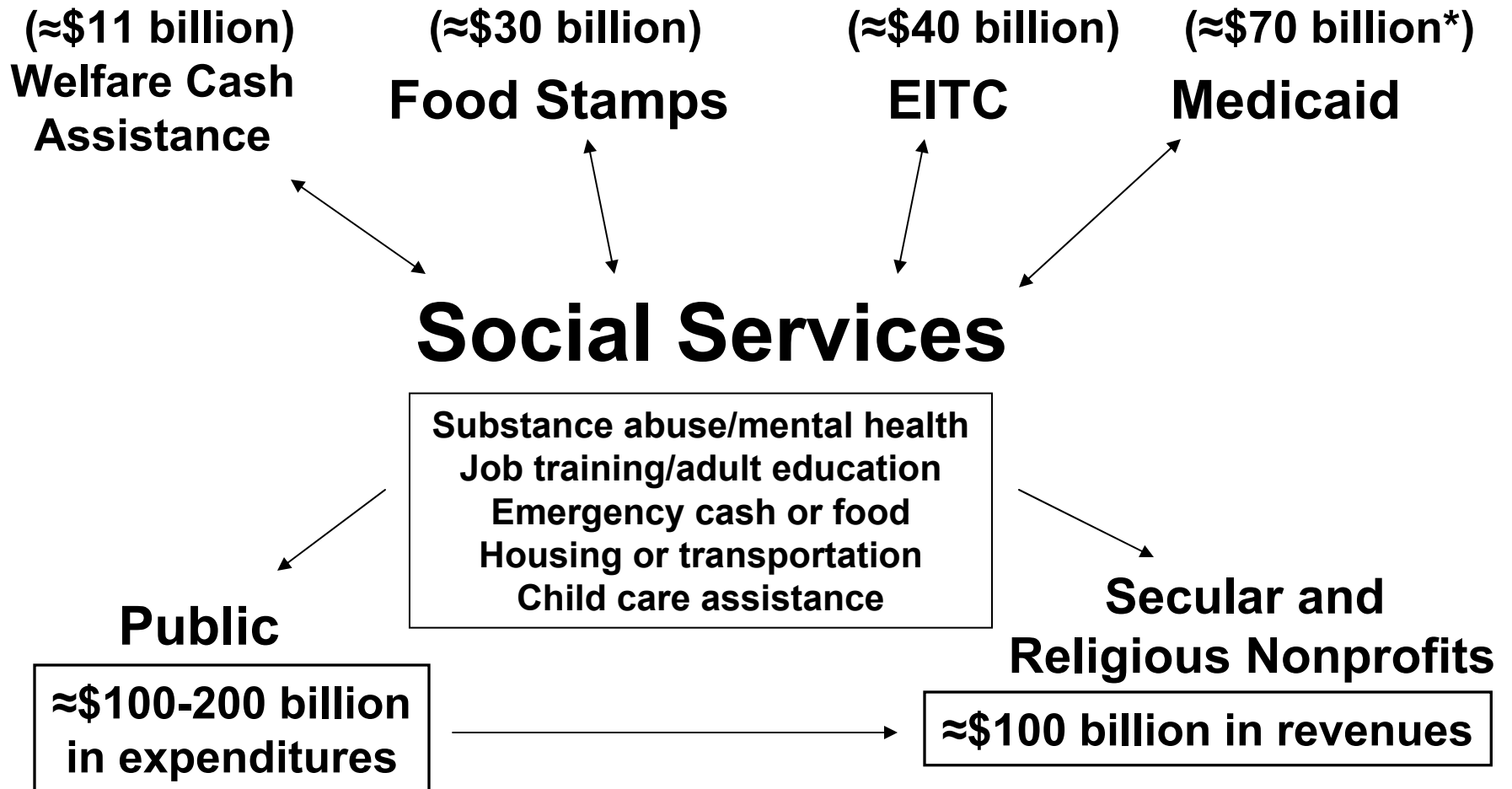
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# What is the Safety Net? (for non-disabled working-age adults)



Figures reported are annual expenditures in current dollars.

\*Medicaid estimate excludes expenditures for disabled populations.

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# Implications of a Service-based Safety Net

## ■ Access to services matters

- No access = no assistance
- Service provision varies by neighborhood

## ■ Stability and volatility of funding

- Social service funding varies from year to year
- Funding contracts during recessionary periods

## ■ Local safety nets rely upon nonprofit sector

- Role of faith-based versus secular nonprofits
- Nonprofits strengthen civic community and neighborhoods

## ■ Practical consequences

- 60 Million Americans near or below poverty line
  - Effective and efficient use of resources
  - Issues of inequality and social justice
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## Understanding the role of Faith-based Service Organizations (FBOs)

- Do FBOs reach **different populations or neighborhoods** than secular organizations?
  - Do FBOs **draw funding from different sources** than secular agencies?
  - Do FBOs offer **more stable or consistent services** than secular agencies?
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# Data

- Telephone surveys of service agencies in 7 sites
    - Conducted between November 2004 to June 2006
    - Offer mental health, substance abuse, employment, adult education, or emergency assistance at no or low cost
    - Response rates over 60%
  - Multi-City Survey of Social Service Providers (n=1,390)
    - Chicago, Los Angeles, Washington, D.C.
  - Rural Survey of Social Service Providers (n=470)
    - Southeast Kentucky, Southcentral Georgia, Southeast New Mexico, border counties in Oregon-California
  - 1,172 secular or faith-based nonprofits in two surveys
    - About 60 percent of all agencies interviewed were nonprofits
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# Classifying FBOs

- **“How frequently do staff integrate the following faith activities into service provision?”**
  - Prayer with clients
  - Promote particular religious viewpoints to clients
  - Discuss lifestyle or behavioral issues using religious principles
- **Secular nonprofit:** Self-identified as secular nonprofit
  - 67% of nonprofits in MSSSP; 61% of nonprofits in RSSSP
- **Faith-integrated:** Religious nonprofit reporting frequent integration of at least one faith activity into service delivery
  - 10% of nonprofits in MSSSP; 18% of nonprofits in RSSSP
- **Faith-segmented:** Religious nonprofit reporting no or only occasional integration of faith activities into service delivery
  - 23% of nonprofits in MSSSP; 21% of nonprofits in RSSSP

# Comparing Service Mission

Percentage of Service Organizations

	MSSSP			RSSSP		
	Faith-Integrated	Faith-Segmented	Secular Nonprofit	Faith-Integrated	Faith-Segmented	Secular Nonprofit
<b>Emergency Assistance</b>	<b>87.9<sup>ab</sup></b>	<b>68.7<sup>ac</sup></b>	<b>49.8<sup>abc</sup></b>	<b>85.1<sup>a</sup></b>	<b>87.0<sup>b</sup></b>	<b>50.0<sup>ab</sup></b>
<b>Mental Health/Substance Abuse</b>	<b>37.8</b>	<b>32.7<sup>a</sup></b>	<b>51.1<sup>a</sup></b>	<b>31.9<sup>a</sup></b>	<b>9.3<sup>ab</sup></b>	<b>36.3<sup>b</sup></b>
<b>Employment-related Services</b>	<b>43.3<sup>a</sup></b>	<b>51.2</b>	<b>57.6<sup>a</sup></b>	<b>38.3</b>	<b>33.3<sup>a</sup></b>	<b>56.0<sup>a</sup></b>
<b>N</b>	<b>91</b>	<b>211</b>	<b>609</b>	<b>47</b>	<b>54</b>	<b>160</b>

<sup>a, b, c</sup> Notations identify sets of paired cells within a row associated with a particular survey, where the mean difference in service access between the two cells is significant at the .10 level or below.

<sup>†</sup> Chi-square tests indicate statistically significant variation in this panel at the .10 level or below across faith-integrated, faith-segmented, and secular nonprofit organizations in the MSSSP and in the RSSSP.

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# Calculating Service Accessibility Scores

Neighborhood A

**Access Score = 1.30**

**Access to  
30% more service  
opportunities than  
mean neighborhood**

**85% more  
opportunities than  
neighborhood B**

$$\text{Access}_i = (\Sigma(\text{Clients}_i) / \Sigma(\# \text{ in Pov}_i)) \div \text{Metro Mean Access Score}$$

Average Neighborhood

**Access Score =  
1.00**

**Mean level of  
access**

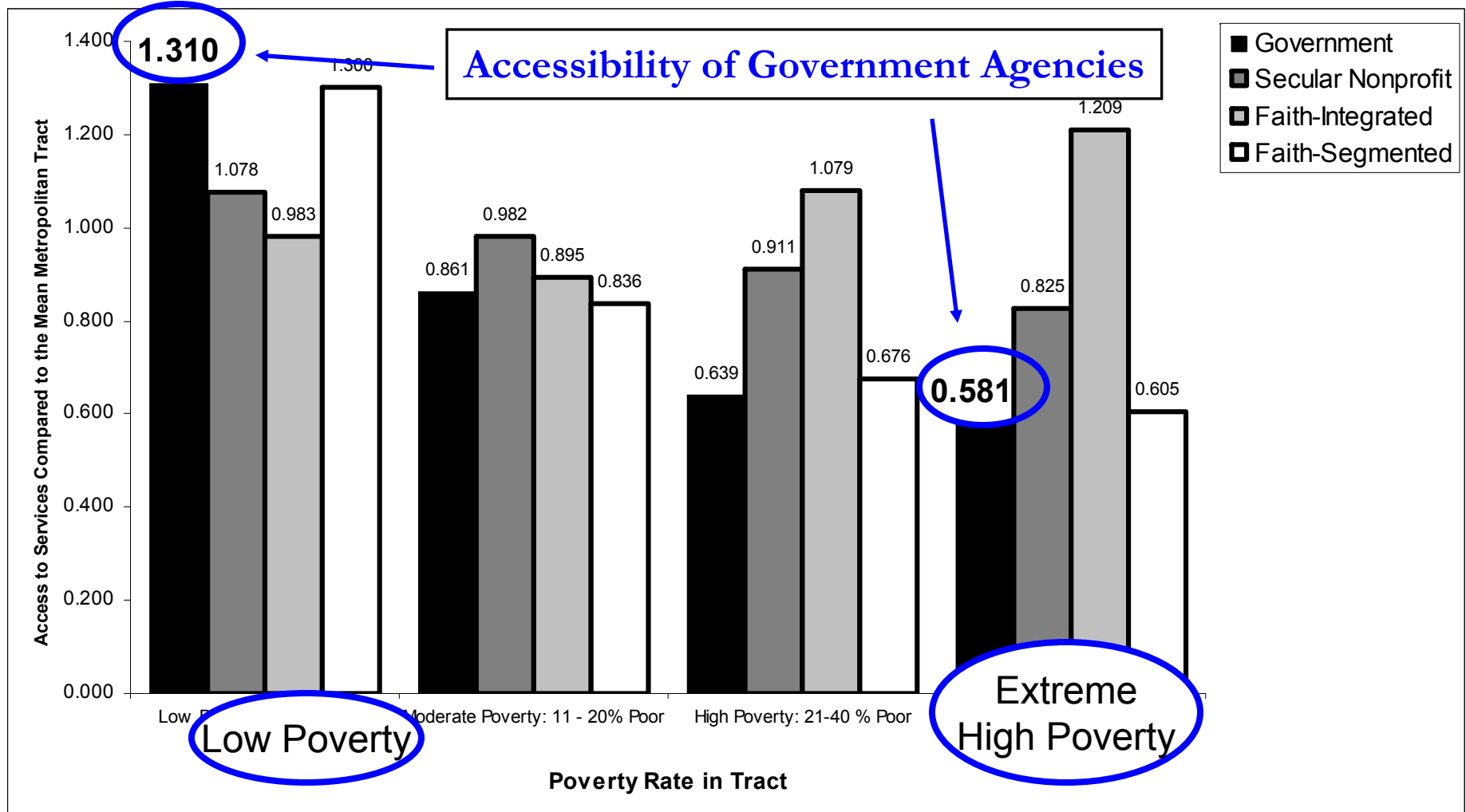
Neighborhood B

**Access Score = 0.70**

**Access to  
30% fewer service  
opportunities than  
mean neighborhood**

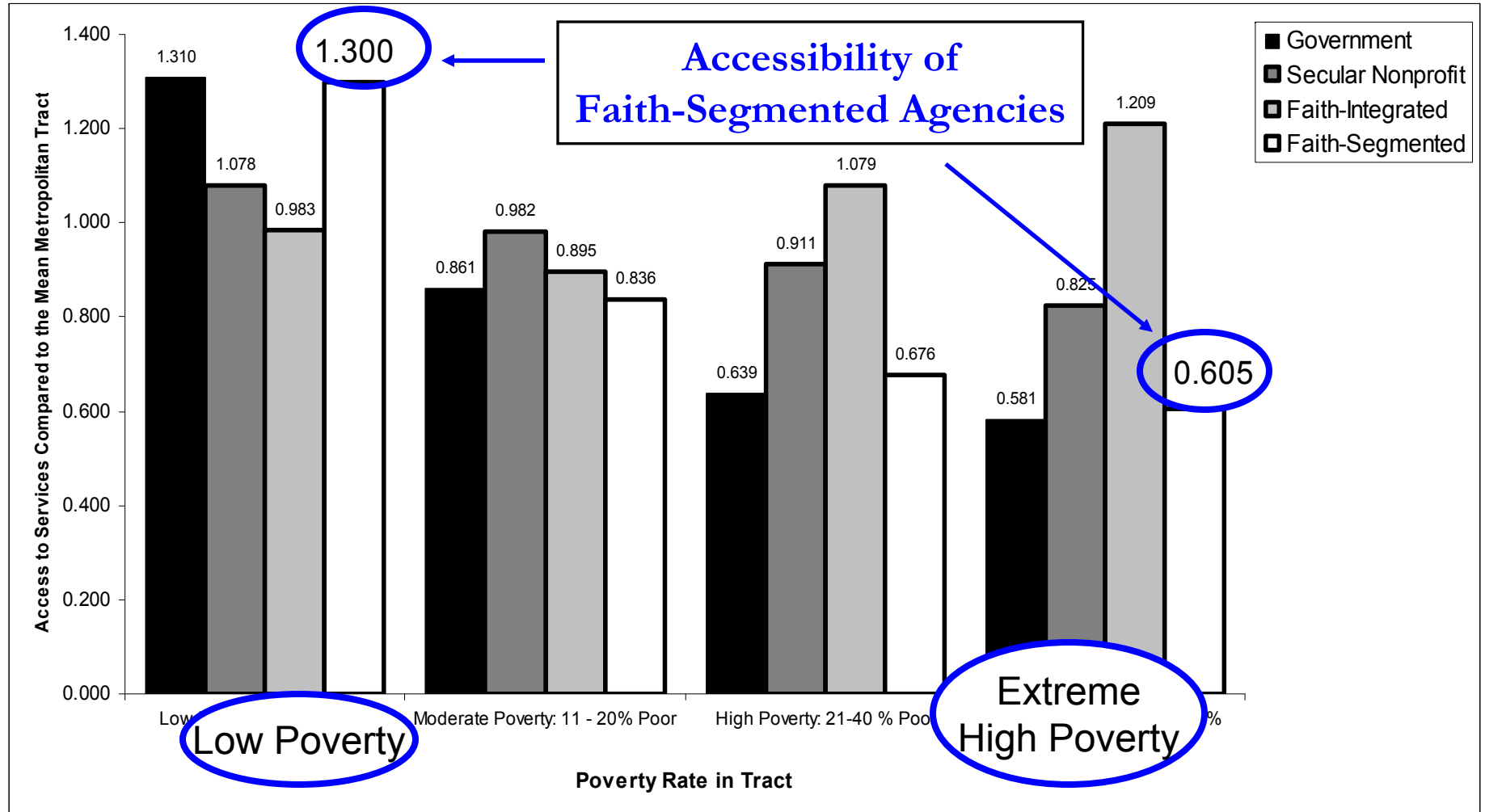
**85% fewer  
opportunities than  
neighborhood A**

# Access to Nonprofit Service Providers in the MSSSP



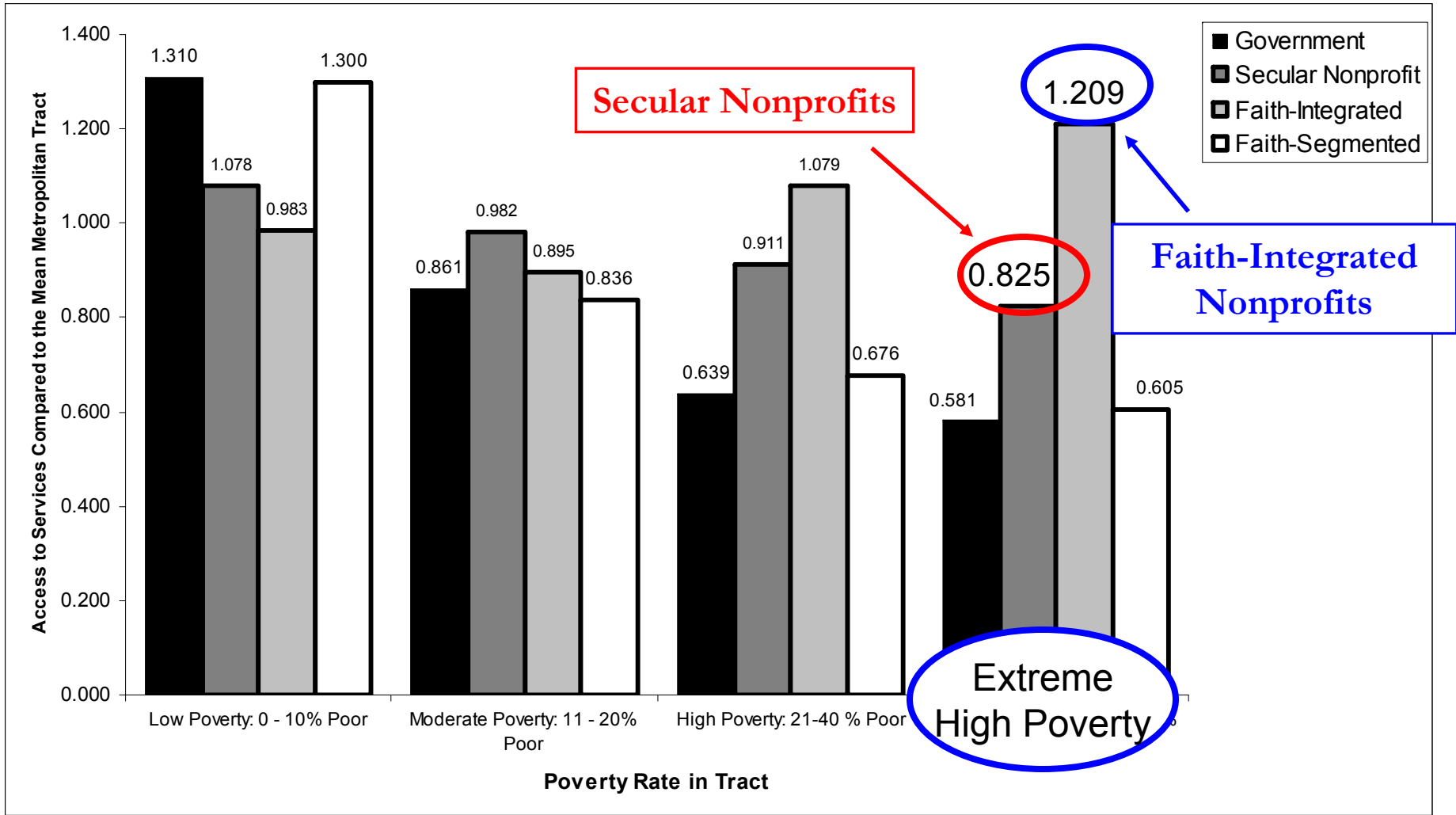
Note: Scores reflect access compared to metropolitan mean and are weighted by potential demand, as well as supply of assistance.

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# Why Mismatches Might Exist

- **Demand for help exceeds supply**
  - **Revenue-seeking behavior of providers**
  - **Location of affordable, quality office space**
    - Agencies are less mobile than clients
  - **Agencies balance many stakeholders**
    - One location unlikely to meet multiple needs or missions
  - **Preference for certain locations/client populations**
  - **Presence of collaborators or partners**
  - **Lack of coordination in delivery or provision of services**
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# Funding of Social Service Agencies

- Nearly all secular nonprofits receive government funding ( $\approx 85\%$ )
  - Many faith-based organizations receive public funding
    - About 50-60% of faith-segmented
    - 1/3 of faith-integrated in cities, 1/8 of faith-integrated in rural areas
  - Secular nonprofits more dependent on government \$
  - Faith-integrated nonprofits highly dependent upon private donations
  - Faith-segmented agencies maintain more balanced revenue portfolios
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# Stability of Service Provision Across Nonprofits

	Percentage of Service Organizations					
	MSSSP			RSSSP		
	Faith-Integrated	Faith-Segmented	Secular Nonprofit	Faith-Integrated	Faith-Segmented	Secular Nonprofit
<b>Report Decrease in Funding from Any Revenue Source in Previous 3 Years</b>	<b>29.7<sup>a</sup></b>	<b>39.3<sup>b</sup></b>	<b>49.1<sup>ab</sup></b>	<b>25.5<sup>a</sup></b>	<b>44.4</b>	<b>47.5<sup>a</sup></b>
<b>Reduced Staff in Previous Year due to Funding Cut</b>	<b>44.4</b>	<b>48.2</b>	<b>61.5</b>	<b>8.3<sup>a</sup></b>	<b>29.2<sup>b</sup></b>	<b>63.2<sup>ab</sup></b>
<b>Reduced Services in Previous Year due to Funding Cut</b>	<b>44.4</b>	<b>51.8</b>	<b>44.6</b>	<b>41.7</b>	<b>62.5</b>	<b>48.7</b>
<b>Reduced Clients in Previous Year due to Funding Cut</b>	<b>37.0</b>	<b>40.2</b>	<b>39.3</b>	<b>33.3</b>	<b>50.0</b>	<b>43.4</b>
<b>Temporarily Closed Site in Previous Year due to Funding Cut</b>	<b>11.1</b>	<b>4.9</b>	<b>7.7</b>	<b>16.7</b>	<b>12.5</b>	<b>7.9</b>

<sup>a, b, c</sup> Notations identify sets of paired cells within a row associated with a particular survey, where the differences in percentage of providers receiving funding from a particular source, being dependent on that source, or experiencing cutbacks are significant below the .10 level.

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# Conclusions

- **Different roles of secular v. faith-based service organizations**
    - Staff-intensive services v. material needs
  - **Certain types of nonprofits more accessible than others**
    - Faith-integrated agencies = anti-poverty focus
    - Secular nonprofits = more accessible than gov'tal or faith-segmented agencies
    - Secular and faith-segmented nonprofits deliver vast share of assistance in urban and rural communities
  - **Volatility in nonprofit service organizations is pervasive**
    - Compromises ability to serve low-income populations and strengthen communities
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# Implications for Policy

- **What can federal-state-local government do?**
    - Improve connections of persons in need to available services
    - Address changing geography of poverty
    - Greater incentives for private giving
    - Maintain public resource commitments
  - **Cultivating capacity of faith-based and community-based organizations**
    - Non-service roles for faith-based organizations
    - Trade-offs of capacity-building v. investing in existing organizations
  - **Need for additional empirical research**
    - Little data on service provision or utilization
    - Service utilization and dynamics of service accessibility
    - How does faith matter - service provision or targeting of client populations?
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