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On January 29, 2001, President George W. Bush signed the first two Executive Orders of his Administration, creating the White House Office of Faith-Based and Community Initiatives (OFBCI) and similar offices within five Federal agencies. The President's goal was to eliminate government barriers inhibiting partnerships with faith-based and grassroots charities and to strengthen the work of America's armies of compassion in tackling society's toughest problems.

Exactly seven years later, on January 29, 2008, President Bush visited the Jericho Program in Baltimore to commemorate the profound changes his Faith-Based and Community Initiative (FBCI) has brought to government, the nonprofit sector, communities, and individual lives both at home and abroad. This report chronicles the remarkable progress achieved during the past seven years, as the President's signature compassion agenda moved from vision to reality.

The Federal Government has long partnered with states and nonprofit organizations to deliver social services, yet no president had ever embraced the faith-based and community nonprofit sector as a central player in that effort. As George W. Bush promised in his first major policy speech as a Presidential candidate, on July 22, 1999, "In every instance where my Administration sees a responsibility to help people, we will look first to faith-based organizations, to charities, and to community groups."

President Bush understands that the 21st century's challenges are broad and complex and require the participation of every willing contributor. His FBCI, therefore, focused on expanding partnerships with nonprofit sector partners and soliciting private sector co-investors. Consistent with the FBCI's core objectives, government has become more welcoming to faith-based and grassroots partners while also strengthening existing partnerships with well-established nonprofit organizations.

The first Presidential initiative launched by the Bush Administration, the FBCI has grown each year and adapted to emerging challenges and expanded its influence at home and abroad. The framework of this activity includes:

- Five Executive Orders expanding the FBCI reach across the Federal Government;
- Sixteen agency-level rule changes and a myriad of smaller scale policy reforms to level the playing field for faith-based and community organizations;
- More than a dozen presidential initiatives aimed at some of society's most stubborn social problems;
- Provision of in-person training to build capacity for more than 100,000 social entrepreneurs;
- Measurement of the FBCI's progress, and ongoing improvement of program components as necessary;
- Replication at the State- and local-government level.

The FBCI initiated a profound cultural change resulting in wider acceptance of faith-based organizations in community problem-solving, as well as a heightened understanding of results-driven collaborations between government and the nonprofit sector. As this report shows, the FBCI has been a quiet revolution

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in how government engages community partners to address human need and how public and private interests combine for the common good.

The chapters of this report each present a distinct element of the quiet revolution advanced by the FBCI. While each chapter features a specific emphasis of the Initiative's reform or innovation, they combine to illustrate interdependent parts of a transformation of government to embed solutions to need in local communities and achieve better results through expanded public-private partnerships.

Chapter 1: Determined Attack on Need

At the heart of the President's FBCI is a shift from the large, distant, and impersonal transaction of Federal programs to the small, local and individualized care of effective faith-based and neighborhood organizations. Chapter 1 features a series of priority programs launched by President Bush, as well as agency-driven initiatives designed to test new public-private partnerships that address society's most challenging problems, including homelessness, addiction, unemployment, school dropout rates, and lack of access to health care. This chapter offers windows into the FBCI at work in eleven Federal agencies.

Chapter 2: Transforming Government

The FBCI was not designed to be an "add-on" to existing Federal programs, but rather to fundamentally alter the way government addresses human need. This work required identifying and then removing barriers to partnership between government and grassroots nonprofits. Chapter 2 describes the barriers identified in the FBCI's 2001 "Unlevel Playing Field Report" and the actions taken to address them. These changes were completed through policy reforms and the adoption of new regulations at each of the eleven Federal agencies operating the FBCI, positioning nonprofit organizations as a central player to address problems from prisoner reentry to HIV/AIDS in Africa. Finally, since all FBCI actions have been guided by established legal and Constitutional principles, this chapter also addresses the case law undergirding the FBCI and the Equal Treatment regulations adopted to set clear, legal guidelines for government partnership with faith-based and community organizations.

Chapter 3: Strengthening Faith-Based and Community Organizations

As the capabilities of nonprofits grow, their ability to solve community problems and meet needs expand. Promoting the growth of charitable organizations has been central to the FBCI, from increasing their access to Federal funds to in-depth training on specific operations issues such as outcomes tracking or board development. Chapter 3 explores these capacity-building efforts, including national and regional White House FBCI Conferences and training events hosted by FBCI Centers, as well as a series of technology-based trainings and other resources. To date, more than 100,000 of America's social entrepreneurs have received in-person training through these efforts, and countless more through other mediums, ranging from webinars and teleconferences to on-site technical assistance.

Chapter 4: Measurement Matters

Each of the FBCI's efforts point toward a single, overarching goal: enabling real results for people in need. Chapter 4 describes the objectives and accountability enforced across government to advance this goal, as well as the measurement mechanisms to evaluate its success. The chapter explains how the President's Management Agenda sets standards for the FBCI and holds agencies accountable for their implementation. It also describes the annual FBCI grant data collection to evaluate progress toward a "level playing field" in competitive Federal grants. One form of this effort will be an FBCI National

Conference on Research, Outcomes & Evaluation, scheduled for June 2008, where an expansive range of studies, evaluations, and reports on the outcomes achieved through the FBCI will be presented. In addition, this chapter highlights a number of programs and policy issues of major focus for the FBCI along with portraits of their outcomes to date.

Chapter 5: Taking Root in the Heartland

While placing primary focus on the Federal Government, the FBCI has also worked aggressively to expand implementation of the FBCI vision at the State and local level. Today, 35 governors—19 Democrats and 16 Republicans—have offices or liaisons dedicated to strengthening faith-based and community organizations and extending their work within the community. More than 100 mayors have established similar offices or liaisons, as well. Chapter 5 describes how these chief executives from across the political spectrum have embraced the FBCI vision as a practical way to solve real-world problems. This activity is thriving even in states without a formal FBCI office. For example, California doesn't yet have an official FBCI; yet, in 2006, its nonprofits won more than 1,550 competitive Federal grants totaling nearly \$1.1 billion dollars to serve their neighbors in need including implementation of a number of the President's signature FBCI initiatives (e.g., Prisoner Reentry). This chapter reveals how all States have implemented core elements of the FBCI, as well as the remarkable progress and diversity of State-led action.

TEN INNOVATIONS ADVANCED BY PRESIDENT BUSH'S FAITH-BASED AND COMMUNITY INITIATIVE

As detailed in this report, President Bush's Faith-Based and Community Initiative (FBCI) has championed a "determined attack on need" that fundamentally shifts the way government addresses poverty, disease, and other ills. This quiet revolution has been sweeping in scope and effect. However, certain signature innovations reverberate across most every aspect of the FBCI. These themes reflect the President's belief that while government can marshal great resources in response to human need, it is best administered through the personal touch of local charities and caring neighbors that individual lives can be transformed so that their distress is not merely mitigated but ultimately conquered.

Innovation #1: Leveling the Playing Field

President Bush's Executive Orders required his cabinet agencies to identify and remove all unwarranted barriers inhibiting government partnerships with faith-based and grassroots charities. Such barriers were identified in comprehensive audits completed by agency FBCI Centers and engaged through a combination of 16 rule changes and a myriad of smaller-scale policy reforms affecting virtually all human service programming in the Federal Government. These changes brought virtually all Federal programs and policies in line with modern First Amendment jurisprudences and "Charitable Choice" principles that protect the rights and integrity of religious charities as well as the rights of recipients of services. Today, faith-based charities are welcomed as respected and equal partners in all Federal programs, and clear Constitutional guidelines guide their use of public funds.

Innovation #2: Expanding Partnership with Grassroots Organizations

FBCI audits identified barriers to the participation of small and new charities, as well. In addition to extensive policy changes to minimize these barriers, the Administration has harnessed a portfolio of program models including vouchers, mini-grants, and intermediary grantees to vastly increase the number of grassroots organizations partnering with government. For example, the Compassion Capital Fund has used sub-granting through intermediaries and mini-grants to provide \$264 million to over 5,000 neighborhood-based groups. Mini-grants administered by the U.S. Department of Labor have demonstrated that smaller grants of \$25,000 to \$75,000 enable grassroots organizations to win grant competitions for the first time, while leveraging strong results in return. Vouchers have been applied successfully through the President's Access to Recovery (ATR) program, which has served nearly 200,000 clients (60 percent over goal).

Early evaluations suggest results that outpace traditional service models. The strong results were achieved through the holistic approach to recovery provided by the 5,494 partners engaged through ATR's voucher mechanism. Nearly one-third of ATR providers were faith-based organizations, and large percentages were first-time partners with government (e.g. 40 percent in Connecticut; 70 percent in Louisiana). These and other innovative models are being used across a wide range of programs, from the fight against HIV/AIDS in Africa to domestic violence prevention in the U.S.

Innovation #3: Implementing the FBCI through cabinet agencies

Rather than establishing the FBCI as a simple communications strategy or stand-alone program, President Bush embedded the Initiative within Federal agencies that administer human service programs. The result has been new and strengthened partnerships that further each agency's mission on issues

ranging from economic development in distressed neighborhoods (U.S. Department of Commerce), education outcomes (U.S. Department of Education), crime reduction (U.S. Department of Justice), employment opportunity (U.S. Department of Labor), homelessness (U.S. Department of Housing and Urban Development), substance abuse (U.S. Department of Health and Human Services), and food security (U.S. Department of Agriculture).

Innovation #4: Building Mutually-Reinforcing Clusters of Service

Many social ills are so intertwined they cannot be resolved by addressing just one isolated problem. Reflecting on this reality, FBCI programs often form a “cluster” of efforts directed at interconnected issues. One signature domestic application of the FBCI is a *justice cluster* of initiatives aimed at decreasing crime among adults, improving life outcomes for ex-offenders, and preventing criminal behavior by at-risk youth. President Bush announced the Prisoner Reentry Initiative (led by DOL and DOJ), the Mentoring Children of Prisoners program (led by HHS), and related efforts in State of the Union addresses, and his Administration has supported their implementation with hundreds of millions of dollars in new funding. These, and related initiatives, place special focus on recruitment of mentors from religious organizations and other community groups to provide life coaching and support to adults and youth. Early results from these initiatives indicate that ex-offenders participating in the program are half as likely to return to crime as the national average; separately, more than 70,000 individuals have answered the call to serve as mentors for children of prisoners in order to break the cycle of crime in families.

Innovation #5: Applying the FBCI Vision to International Aid and Development

The President’s Emergency Plan for AIDS Relief (PEPFAR) stands among the very best successes of the FBCI vision. First, it reflects a massive-scale response to the President’s call for a “determined attack on need,” saving lives and renewing communities ravaged by HIV/AIDS in Africa and around the globe. PEPFAR is structured to treat those afflicted with HIV/AIDS, care for the dying or orphaned, and prevent the spread of HIV/AIDS—and it establishes rigorous performance outcomes in each category. Second, despite its unprecedented scope and funding, PEPFAR centers its prevention, treatment, and care efforts around local community- and faith-based partners. Aggressive new partner strategies, such as a cap of 8 percent on the funding any one grantee can receive within focus countries, and other innovative policies translated into more than 80 percent of PEPFAR partners being indigenous faith- and/or community-based organizations. Other major international efforts, such as the President’s Malaria Initiative, also model these principles in action.

Innovation #6: Growing Key Elements of the FBCI in All 50 States

The FBCI is not merely a Federal initiative, but also a nation-wide vision taking root in all 50 States. Nonprofits in each state won a collective \$14 billion in direct, competitive Federal funding in 2006, ranging from nearly \$20 million in North Dakota to over \$1 billion in California. Many of these organizations are leading implementation of key FBCI programs, from prisoner reentry services to tutoring of at-risk youth. Meanwhile, even larger flows of Federal funds are provided to State and local government through formula and block grants. Governors increasingly recognize faith-based and community organizations as key allies in addressing their states’ most pressing needs, and more than two-thirds of state executives now seek to leverage such partnerships through state FBCI offices or liaisons. Even in states where a formal FBCI office does not yet exist, states are active, with demonstration projects, training for nonprofit leaders, Charitable Choice reforms, and expansion of public-private partnerships.

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Innovation #7: Building the Capacity of Nonprofit Sector Leaders through Training and Technology

The FBCI provides a host of training opportunities, technical assistance services, and other resources to social entrepreneurs that bolster the vitality of America's nonprofit sector. This, in turn, enables communities to benefit from strengthened private charities and the cross-sector collaboration that follows. The Compassion Capital Fund, alongside small grants for capacity-building, also provides grassroots grantees with intensive coaching on how to support growth and sustainability. Many small and new grantees of other programs also receive intensive technical aid and training. Additionally, the White House OFBCI and Federal agencies have provided in-person training to over 100,000 social entrepreneurs in skills such as competing for Federal grants, fund raising from private sources, building a stronger board of directors, recruiting volunteers, and performing outcome-based evaluations.

Innovations #8: Expanding Public-Private Partnerships

Just as equipping nonprofits with tools and resources benefits communities beyond any government-sponsored program's reach, so too does the FBCI's focus on increasing private capital for faith-based and community organizations. The most direct application of this strategy are Bush Administration-supported changes to tax policy, such as the 2006 changes allowing individual retirees to make tax-free donations to charities from their IRAs. The National Committee on Planned Giving reports that within the first year this option was available, 6,330 individual gifts were donated through IRA rollover, totaling \$111 million to the nonprofit sector. Public-private partnerships forged domestically by the U.S. Department of Commerce and internationally by the United States Agency for International Development have combined to deliver \$8 billion in private funds that have been directed to revitalizing distressed regions for job creation, economic development, and small business enterprise.

Innovation #9: Forge a United Strategy with the President's Call to Service

When President Bush formally launched his Faith-Based and Community Initiative in January 2001, he announced a partnership to give the FBCI reach into government and community service simultaneously. The FBCI partners with the Corporation for National and Community Service (CNCS) to administer the FBCI into ongoing CNCS programs. CNCS formed the Faith and Communities Engaged in Service (FACES) initiative to enhance the development of social capital and service infrastructure in communities across the country. Following 9/11, President Bush created USA Freedom Corps to build on the compassion of all Americans serving a cause greater than self and to coordinate domestic and international volunteer efforts. He also established the President's Council on Service and Civic Participation. The FBCI collaborates with all of these entities to fulfill the President's Call to Service and to more effectively manage volunteers at faith-based and community organizations.

Innovation #10: Catalyze the Compassion Agenda

The President's FBCI serves as a vehicle for the White House's compassion agenda. White House and Federal agency FBCI staff are instrumental in planning the budget for compassion agenda programs and extending related policies into existing programs. The Initiative sponsors monthly "Compassion in Action" events to heighten awareness of the greatest social crises of our day (e.g., prisoner reentry, school dropout rates, malaria) and profiles public and private strategies offering effective solutions to those same problems. These events feature interagency planning efforts that further collaborations across government as well as between government and civil society.