

HEALTHY OR UNHEALTHY?
USING GOVERNMENT FUNDING TO PROVIDE JEWISH SOCIAL SERVICES

By

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Abstract

In common discourse about government funding, one may hear that government funding is challenging to manage, has overwhelming reporting requirements, and may not be worth pursuing for the effort required. Professionals at Jewish social service agencies often believe the same things. However, this thesis demonstrates that at Jewish social service agencies across the country government funding has an overall positive effect on organizational health and growth and does not have a negative impact on the organization's Jewish identity.

Recognizing that no current research exclusively explores any effect government funding may have on Jewish social service agencies, this thesis first explains the size and scope of government financing at Jewish social service agencies across the country and then looks at how this particular funding source affects organizational health, growth, and Jewish identity. To do this, I surveyed 73 Executive Directors of Jewish social service agencies across the country. These individuals shared their organizational practices and opinions related to this funding source. Then, I identified trends related to organizational health, growth, and Jewish identity as defined by certain characteristics, such as ability to operate at a balanced budget or with a surplus and the percentage of clientele or board of directors at the agency that identify as Jewish.

The research found that Jewish social service agencies can rely on government funding (have 20% or more of their total annual revenue coming from this funding source) and still maintain a balanced budget, show organizational growth through actions like expanding programming or hiring staff with higher levels of education, and maintain a strong Jewish identity. This research suggests that executive teams and development professionals should reconsider and perhaps even prioritize government funding as a viable and worthwhile funding source.

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Introduction

In January 2015, Federation Employment and Guidance Service Inc. (FEGS) announced it would soon close its doors. As one of the largest social service agencies in New York, and a Jewish one at that, its annual budget had grown to over \$250 million dollars, and it had \$202 million dollars in multiple-year contracts with the state and the city (Stanley, 2015). However, FEGS had lost over 19 million dollars in its previous fiscal year and was unable to recover from that loss (Agovino, 2015). The almost eighty-year-old Jewish agency was forced to transfer its government service contracts to other nonprofit agencies and file for Chapter 11 bankruptcy in March 2015 (FEGS, 2015). A Commission out of the Human Services Council (another organization in New York City) was set-up to review the circumstances surrounding this exceptional event, as it has been suggested that complex problems related to the agency's government contracts contributed to the financial mismanagement that led to its demise (Stanley, 2015). The Commission released their findings in February 2016. In broad terms, the Commission found that human service nonprofits in their catchment area are financially distressed and that underfunded government payments rates are the main reason for this distress (Human Services Council, 2016).

In January 2016, another New York Jewish social service agency, CenterLight Healthcare, agreed to repay \$47 million (\$18.7 million to the federal and \$28 million to the state governments) to settle charges of Medicaid fraud after admitting that it had enrolled ineligible clients in a Medicaid-funded managed care plan (Nathan-Kazis, 2016). In this instance, unlike with FEGS, the financial mismanagement was clear. Still, together these examples raise questions about the relationships between funding sources, financial management, and organizational health at social service agencies. They also draw attention to two major Jewish

social service agencies that were part of the safety net in a major United States city. These examples also support what is often heard in common discourse about government funding: that it is challenging to manage, it has overwhelming reporting requirements, and it may not be worth pursuing for the effort required. Professionals at Jewish social service agencies often believe the same things.

As a social worker and Jewish nonprofit professional, I am interested in exploring points of intersection between civic and religious communities, especially when the focus is on a community's well-being. I see social service provision coordinated out of sectarian agencies as one such intersection point. I consider Jewish communities as groups that can leverage their strength (usually organizational and financial) as providers for the social service safety net in their respective communities. I considered this thesis as an opportunity to explore the intersection of civic communities with Jewish communities through the use of government funding and its potential influence at Jewish social service organizations. Yet before looking at this funding source's areas of influence, I needed to establish how often it is used. Therefore, this study fulfills two needs. First, it describes the current usage of government funding at Jewish social service agencies nationally. Then, it illustrates the effects government funding has at Jewish social service agencies in regards to an agency's organizational health, growth, and Jewish identity. The following questions guided this report:

1. What is the size and scope of government financing at Jewish social service agencies across the country?
2. Is it healthy or unhealthy for Jewish social service agencies to rely on government funding?
3. It is possible for Jewish agencies to rely on government funding and maintain their

Jewish identities?

A survey of 73 executive directors representing a wide range of Jewish social service agencies around the United States collected data to test the following two hypotheses:

1. Reliance on government funding would positively impact an agency's organizational health and growth.
2. Reliance on government funding would negatively impact the agency's Jewish identity.

After completing this research and analysis, I found that my first hypothesis was supported and my second hypothesis was not. The survey results suggest that reliance on government funding positively impacts an agency's organizational health and growth and either does not affect or may even positively affect Jewish identity. This study will help Jewish nonprofit professionals understand how Jewish social service agencies can rely on government funding to fulfill their missions and still maintain their Jewish identities within their larger civic communities.

The history below explains how social service agencies came to be in the United States and how the complex relationship between government agencies and social service agencies (secular and Jewish) has evolved to where it is today. It also illustrates how government agencies and social service agencies can partner to achieve positive outcomes in vulnerable communities.

The Roots of Sectarian Social Service Delivery

Social service delivery has been an inherent component of American Jewish communities since the first Jews arrived in the New World. When the earliest Jews arrived in what would later become the United States, they were forbidden from depending on existing communal structures. In response to Peter Stuyvesant's 1654 petition to expel the Jews from New Amsterdam, the Dutch West India Company instead insisted that if the Jews remain "the poor among them shall

not become a burden to the company or to the community, but be supported by their own nation” (Mendes-Flohr & Reinharz, 1995, p. 452). Following this precedent, other early Jewish communities also created their own systems and, eventually, formal Jewish institutions to care for their own poor, weak, orphaned, or widowed. As a result, Jewish communities across the United States have in this way been grounded in social service delivery almost since their inceptions (Diner, 2004).

Jews were not the only group of individuals focused on social service delivery in colonial and early United States history. Though they may not have been forced to do so, other early settlers also formed their own charitable institutions to confront issues facing their distinct communities. These institutions were often referred to as voluntary or charity institutions or associations. People came together to create churches and schools, distribute books or food to those in need, and generally meet unmet needs within early American society (Arnsberger, Ludlum, Riley, & Stanton, 2008). Sometimes, groups came together to serve individuals similar to themselves or of a similar mindset. Some of these early institutions were labeled as sectarian or religious institutions because they had some tie or connection to a religion. Other times, groups formed to serve anyone in need. These “public serving” institutions can be considered precursors to today’s tax-exempt, charitable organizations (Arnsberger et al., 2008).

Twentieth Century Social Service Delivery

As American history progressed participation in voluntary and charitable organizations (sectarian and secular) continued to grow (Hall, 2004). In the early nineteenth century, national voluntary associations with local chapters grew in popularity as powerful mechanisms to promote specific reformative initiatives. Churches began organizing national denominations and supporting social change too. From the mid-to-late nineteenth century until the beginning of

WWI, associational activity at all levels of society increased. Immigrants created and joined mutual benefit associations, trade unions represented workers, and professional associations were created to set industry standards. Advocacy groups also arose championing issues like charity reform and women's rights (Hall, 2004). Growth in all of these realms occurred outside of any government infrastructure and represented one way in which citizens across the country came together to fill voids related to their political, social, and economic well-being or that of others in their communities.

Though many volunteer, charity, and sectarian agencies existed before the stock market crash of 1929, these organizations, in conjunction with existing government infrastructure, were unable to handle the widespread need that followed in its wake. Mass unemployment and business failures spread across the country. In response to the Great Depression, the United States government expanded its infrastructure through domestic programs known together as the New Deal. As a result, the 1930s, 1940s, and 1950s saw significant government growth. In those decades, government programming expanded to include the nation's first security net. Social security, health, housing, and education became basic entitlements for the nation's citizens (Gilbert & Terrell, 2013; Hall, 2004). Then, in the 1960s, Lyndon Johnson initiated the War on Poverty and the nation saw the birth of the Great Society programs. In that decade, Medicare, Medicaid, job training programs, food stamps, mental health, and other social services were either enacted or expanded. As a result, and in an attempt to meet the growing need across the nation, over the latter half of the 20th century the federal government began contracting with state and local agencies, as well as non-governmental agencies like the voluntary and sectarian organizations described above, to carry out some of these new programs (Ryden & Polet, 2005).

Though the 20th century is often viewed as a time of immense growth and relationship

building between sectarian social service agencies and government funders, Schneider, Polk, and Morrison (2010) argue that faith communities have “always been an integral component” of the United States’ social welfare system (p. 165). This is true to a certain degree. In earlier years, prior to the New Deal, only specific sectarian agencies were given opportunities to partner with government funders. As a result, limited faith communities or agencies were able to play an integral role throughout this country’s history. So as to not transgress against the Establishment Clause in the First Amendment and cross the line of demarcation between religion and government in the United States, government agencies only contracted with sectarian agencies that were essentially comparable to their secular counterparts. This decision limited the number of “sectarian” agencies government agencies could contract with. Only some Jewish, Lutheran, and Catholic organizations—like Catholic Charities, the Salvation Army, Lutheran Social Services, and Jewish Family and Children’s Services—had access to government funding prior to this period of immense growth (Ebaugh, Chafetz, & Pipes, 2005; Vanderwoerd, 2004).

Rather than use the term “sectarian,” Ryden and Polet (2005) categorize organizations like Catholic Charities and Lutheran Social Services as “religiously affiliated groups” because they have some tie to a religious body (in name and/or historical founding) (p. 2). However, their social services are delivered through organizations separate from any organized body that spearheads a religious movement. Similarly, Jewish Family and Children’s Agencies across the country may cite Jewish ideas in their mission statements or organizational histories, but a formal, religiously affiliated body (like the Orthodox Union or the Union for Reform Judaism) never ran or governed these agencies. Therefore, these agencies were always viewed as similar to their secular counterparts (and partnering with them did not transgress the Establishment Clause), and they were able to take advantage of government funding prior to this period of

intense growth in the 1930s-1960s.

Though these types of sectarian agencies had been providing government-funded social services prior to the middle of the 20th century, no legislation was in place to regulate the relationship between a federal government body and a sectarian organization. Until the 1960s, the federal government had even discouraged financial transactions between nonprofits and government agencies, and relationships between sectarian agencies and government funders were more common at the state or local rather than the federal level (Grønbjerg, 1993).

Growth of Government Partnerships with Nonprofit Organizations

In the midst of this growth of partnerships in the 20th century, the modern tax code was also established. In the late 19th century, federal legislation was passed that offered public service and charitable organizations like the social service agencies described above tax-exempt status. However, the legislation governing these institutions was refined and modified a dozen times over, and it wasn't until the Revenue Act of 1954 (the modern tax code) that the 501(c)(3) classification for nonprofit organizations that is so well-known today came into existence (Arnsberger et al., 2008).

Today, many of the organizations that administer government contracts are 501(c)(3) organizations. To be considered a 501(c)(3) an organization must be organized and operated exclusively for one or more exempt purpose(s). Exempt purposes are: charitable, religious, educational, scientific, literary, testing for public safety, fostering national or international amateur sports competition, or preventing cruelty to animals and children. Most nonprofit organizations are commonly referred to as charitable organizations (Internal Revenue Service [IRS], 2015). According to Hall (2004), it wasn't until the 1970s that the nonprofit "sector" arose. In the mid-twentieth century, around 60,000 nonprofits had registered with the IRS. By

1980, there were 526,000 registered nonprofits (Hall, 2004). Amidst this growth, the number of sectarian nonprofits continued to rise as well. As the nonprofit sector grew so too did scholarly interest in the field. More specifically, scholars hoped to better understand the relationship between nonprofit organizations and their public funders. Government funding had emerged as a common and dependable funding source for nonprofits across the country, yet economic, social, and political cycles—all unpredictable forces—could affect this relationship.

In 1993, Grønbjerg published a study exploring the nonprofit funding sources at social service agencies in the greater Chicago area. She conducted interviews at agencies and found that public funding was the largest source of revenue for the social service agencies studied (Grønbjerg, 1993). Some of the agency directors interviewed even believed that government funding was a predictable source of funding for their agency each year. Furthermore, the directors believed that engaging in funding relationships with government entities gave the agency legitimate access to the political process and political players, helped to professionalize the agency, and led to a formal recognition of the agency's ability to provide the services on which its programming focused. Generally, though government funding was seen as the most stable revenue source considered, it was still the least preferred source of funding because of the administrative work it required. Government funding limited the management's discretion because of its accountability requirements. As a result of this funding source, organizations with were at the mercy of economic cycles and political processes, an increasing bureaucratization at the nonprofit organizations to fulfill the many requirements of such funding sources (Grønbjerg, 1993).

A few years later a similar study was published focusing exclusively on the use of public money at religious nonprofit organizations. Monsma (1996) researched the use of government

funding at religious child service agencies, colleges and universities, and international aid agencies and found, across the board, that even these types of religious nonprofits received quite a bit of public funding. Furthermore, they were fully able to participate in public-nonprofit partnerships without having to compromise their religious missions. However, Monsma (1996) noted that for the most part, the programs supported by government funding were still primarily secular. These “religious” organizations did not involve practicing or living out the “social, public implications of [the agency’s] core religious beliefs” (Monsma, 1996, p. 113). Furthermore, he judged that “for the most part [the nonprofits studied] operate[d] free from severe limitations on their freedom to live out their religious commitments and beliefs” (Monsma, 1996, p. 105). Still, he correctly hypothesized that stricter regulations related to relationships between government agencies and religious nonprofits were on the horizon.

Charitable Choice

Monsma’s attention to this topic illustrated a larger trend. By the mid-1990s, religious/sectarian nonprofits had risen to the center of policy maker debates. After the 1994 Republican takeover of Congress, the then current welfare system came into question. The conservative congressional majority felt that religious nonprofits were better equipped to handle the needs of American society, and they “advocated with increasing forcefulness for greater direct interaction between the government and religious institutions” (Ryden & Polet, 2005, p. 2). Two years later, laws referred to as “Charitable Choice” were passed as part of the larger Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193). For the first time, federal legislation encouraged states to contract with community and religious nonprofit organizations to provide federally funded welfare services.

Prior to the 1996 Charitable Choice laws, as previously stated, some sectarian agencies had been at a disadvantage for certain government contracts/grants. Agencies that were “more intensely or overtly religious” or “relied more openly on religious practice and belief” had not been eligible to receive government funds (Ryden & Polet, 2005, p. 2). Charitable Choice laws allowed (what are now sometimes categorized as) Faith Based Organizations (FBOs) “to maintain their religious characteristics during federally funded service delivery. For example, the display of religious symbols and items, the use of an organization’s own faith-based approach, and the emphasis on religious values during provision of the service have all been permitted” (Hong, 2012, p. 137-138). Federal officials were also required to consider sectarian agencies as comparable to secular agencies when awarding funding. On the other hand, religious agencies were required to provide secular alternatives for service delivery out of respect to any client that solicited their services and requested such treatment. With Charitable Choice, sectarian agencies were better able to protect their religious character and still serve their clients and communities.

Following this welfare reform, public debates ensued about the legality of Charitable Choice policies. Shortly thereafter, two Supreme Court cases, *Agostini v. Felton* (1997) and *Mitchell v. Helms* (2000), upheld that government funding at “pervasively sectarian” religious organizations is legal as long as the funds are used for secular purposes (Bielefeld & Cleveland, 2013b, p.479). On the tail end of these debates, interest in “faith-based,” rather than “sectarian” organizations grew. Though these catch-all terms have no definitive definition, “faith-based” organizations have been defined as, “religious[ly] influenced organizations [that] have a more explicit goal and focus on providing services” (Bielefeld & Cleveland, 2013a, p. 3). Through this definition, one can see that the emphasis at a faith-based organization can be on service delivery and not on the faith that is in some way an influence at the agency. In 2001, President George W.

Bush even created a White House Office for Faith-Based and Community Initiatives, which is now called the White House Office of Faith-Based and Neighborhood Partnerships, further legitimizing these agencies as potential service providers (see <https://www.whitehouse.gov/administration/eop/ofbnp/about>).

Modern Relationships between Government Agencies and Religious Nonprofits

By 2009, before the effects of the recent Recession hit the nonprofit field, there were over \$100 billion dollars worth of contracts between governments at all levels (national, state, local) and human service nonprofits. Some percentage of this funding, although the exact amount is unknown, was allocated to faith-based or sectarian agencies (Urban Institute, 2010). In 2010, Scheitle estimated that between 47,000-58,000 faith-based organizations submitted a Form 990, an annual reporting return that charitable, tax-exempt organizations are required to file with the IRS (as cited in Bielefeld & Cleveland, 2013b).

With the growing number of faith-based agencies, greater access to funding, and clearly stated regulations, competition for federal funding increased. One particular website, www.usaspending.gov, is a helpful tool that individuals can use to track how much federal funding a particular faith-based agency has received each year. The required transparency (grants must be posted to the site within 30 days of making the award) demonstrates to stakeholders how seriously government agencies take their responsibility to award grants and contracts to the agencies and programs achieving desired outcomes rather than award them to agencies that have traditionally received funds. The increase in the number of agencies applying for funding led to an increase in the competition for government contracts/grants. This, in turn, created organizations that offered more efficient services (Never & de Leon, 2014).

Unfortunately, negative effects of this growth have come to influence the field as well.

According to Calabrese (2013), public funding usually comes with transaction costs and external monitoring, both of which reduce an organization's financial reserves and detract from their service delivery. Transaction costs include, but are not limited to, cash delays, reporting and accountability requirements, and annual resubmission of applications to continue funding. External monitoring includes, but is not limited to, audit costs, disruption of staff routines, and additional training required for management or staff members to deal with grant/contract requirements. In a 2013 study conducted by the Urban Institute, human service nonprofits (a population that includes faith-based and/or sectarian human service agencies) across the country cited major issues with government contracts/grants, such as the government not paying the full cost of contracted services, the complexity and time required for reporting, a long and complex application process, late payments, and arbitrary changes to contract/grant terms (Urban Institute, 2013). These issues can potentially influence an organization's health and ability to fulfill its mission.

Not only can the presence of government funding complicate an agency's management practices, but it can also put increased secular pressures on faith-based or sectarian agencies. According to Vanderwoerd (2004), an organization's choice to engage with government funding means they "bring themselves into contexts in which they must confront and wrestle with conflicting religious and secular authorities" (p. 252). He argues that faith-based agencies must pay crucial attention to their missions and organizational identities and deeply understand the characteristics of the organization's religiousness so as to not lose these features to secular pressures (Vanderwoerd, 2004).

Policy makers and academia alike use catch-all terms like "faith-based" and "religious" freely, as I did above, and oftentimes each person who uses it has a different definition in mind.

This can sometimes lead to confusion and alludes to the ambiguity with which questions related to religion and social services are often treated. In 2004, Sider and Unruh proposed a six-fold typology to help define the religious character of an organization or a specific program at an organization. Their complex labeling system emphasizes how an organization's religious character can be completely separate from the programs it operates. When evaluating an organization (and not a program), Sider and Unruh (2004) pinpoint mission statement, founding, affiliation with external entities, selection of board, selection of senior management, selection of other staff members, financial support and nonfinancial resources, and organized religious practice of personnel as 8 distinct characteristics that may contribute to an organization's religiousness. For each of the 8 characteristics, the organization may fall within one of their 6 categories: faith-permeated, faith-centered, faith-affiliated, faith-background, faith-secular-partnership, and secular (see Table 1 in Sider & Unruh, 2004). The complexity of this typology suggests the difficulty one faces when trying to classify the religiousness of a sectarian nonprofit organization. In theory, professionals, funders, and potential donors could use this tool, or a similar one, as a mechanism for comparison and evaluation.

Jewish Social Service Agencies

Similar to defining "religious," it is also nearly impossible to definitively define what is or can be "Jewish" at a Jewish social service agency or to use that label and be certain your audience agrees with or understands what you mean. Though many Jewish social service agencies started serving only or mostly Jews, today it is not always likely that a Jewish social service agency serves only Jewish clientele. Similarly, it is not always likely that the majority of its staff identify as Jewish. One has to wonder, if its board of directors is primarily Jewish does that make it Jewish? Or, if its founding documents or by-laws reflect a Jewish influence should it

be considered Jewish? Ellenson (2006) argues that Jewish values and concepts, such as the idea that all people are created in the divine image, and that justice, mercy, and moral responsibility exist between all people, are what maintain “Jewish character” at Jewish social service agencies. He goes on to argue that beliefs related to universalism and particularism have been a part of the Jewish belief system and that these ideas are the bedrock in which Jewish character lies. Ellenson (2006) does not believe that non-Jewish clientele at Jewish agencies today at all water down an agency’s Jewish context. Bielefeld and Cleveland (2013a) argue that Jewish assimilation throughout the last century forced Jewish social service agencies to expand their services. For them, like Ellenson, the shift in clientele does not at all detract from the agency’s Jewish character because the organizations were quite often founded on Jewish values or principles, which in turn justify serving a broader community (Bielefeld & Cleveland, 2013a). Today, it is common for mission statements at these types of organizations to include phrases that reference Jewish values or principles. For example, “guided by ethical and spiritual values of Judaism” is part of the mission statement of Jewish Family Service of Los Angeles, “guided by Jewish traditions of social responsibility, compassion, and respect” is part of the mission statement of Jewish Family & Children’s Services in Boston, and “inspired by Jewish values” is part of the mission statement of the National Council of Jewish Women, an organization that, at least in its Los Angeles chapter, provides social services in addition to advocacy work (see <http://www.jfsla.org/page.aspx?pid=200>, <http://www.jfcsboston.org/About/About-JF-CS>, and http://www.ncjw.org/content_76.cfm?navID=26).

One recent anthropologic study observed Jewish, Catholic, Protestant, Evangelical, African American, Quaker, and Mennonite social service agencies in Philadelphia, Baltimore, Washington D.C., and their surrounding communities. Through observation, interviews, and

analysis of key agency documents, Schneider et al. (2010) determined that a “moral sense of responsibility for the community and each other” is often prevalent within Jewish agencies (p. 173). They noted that key Jewish concepts like *tikkun olam* (repairing the world), *chesed* (kindness), and *tzedakah* (charitable giving) symbolize the religion’s philosophy related to social welfare and these key concepts are often employed as reasons for the work these agencies do (Schneider et al., 2010). Furthermore, Jewish social service agencies prioritize providing direct service from professionals rather than volunteers (Schneider et al., 2010). Though these researchers identified ways in which theology and religious culture influence an agency’s Jewishness, they did not introduce a tool or mechanism that “measures” an agency’s Jewish character that could be used as a point of comparison when looking at multiple agencies.

What one can learn from the various typologies and definitions above is that the Jewish nonprofit field may benefit from a typology of its own that helps define and compare Jewish organizations and Jewish social service organizations specifically, and a survey that illustrates the size and scope of government funding at these agencies can be used as a starting point. Since most Jewish social service agencies exist as part of their local civic landscape, professionals in the field should be able to use these tools regularly to have a comprehensive understanding of trends in the field and how these trends may change over time. No recent study has focused solely on Jewish social service agencies, their use of government funding, or on understanding their Jewish identity as it relates to their status as recipients of government grants/contracts.

Jewish social service agencies usually rely on a variety of funding sources to fulfill their missions. An agency’s annual revenue may be pieced together from multiple different sources like government grants/contracts, fees from clients, individual donations, private foundations, federated giving, investment income, and gifts-in-kind. Therefore, professionals at these agencies

not only apply for government contracts but also solicit funds from foundations, federated bodies, private donors, corporate sponsors, and other resources. In 2012, government agencies and bodies paid \$137 billion to nonprofit agencies throughout the country (Urban Institute, 2013). In the same year, Giving USA reported that individual donations rose to \$228.93 billion and giving by foundations rose to \$45.74 billion (Lilly Family School of Philanthropy, 2013). Still, as one of the largest funding sources available to the nonprofit field generally and Jewish social service agencies specifically, it is surprising that no literature exists that explores the use of government funding at Jewish social service agencies exclusively.

Methodology

The Survey

The tool implemented in this study is an online survey that collected data about Jewish social service agencies across the country (see survey questions in Appendix A). Some of the survey questions were adapted from three other measurements that have been used previously in larger studies of nonprofit and/or sectarian social service agencies. These included the Urban Institute's 2010 study related to government grants and contracting with human service agencies, Grønbjerg's 1993 study on nonprofit funding at social services and community development organizations, and Monsma's 1996 study on religious nonprofit organizations and public money. The Urban Institute and Grønbjerg measurements are reliable since they have been used (or adapted and then used) by follow-up studies. The Urban Institute conducted a follow-up study using the same survey questions in 2013, and Ebaugh et al. (2005) adapted Grønbjerg's assessment for their survey on funding sources of faith-based social service coalitions.

The first section of the survey collected general information about the agency and about the use of government financing at the agency. Respondents were asked if their agency filed a Form 990 with the United States Internal Revenue Service in 2013. The year 2013 was selected because organizations had not necessarily posted their 2014 Form 990s when the survey was circulated. It was necessary to ask if each agency filed a Form 990 because this guarantees the agency's nonprofit status with the IRS. The second section of the survey asked about the Executive Director's attitudes related to government funding at the local, state, and federal levels. The third section of the survey collected data about each agency's Jewish identity as defined by the percentage of staff people, clientele, and board members that identify as Jewish.

This section also collected data about the incorporation of Jewish practices or ideas into the agency's inner workings.

The survey was edited and pre-tested by 5 nonprofit professionals. Their feedback was incorporated into the survey, and the survey was distributed through email. The final version of the survey had up to 27 questions. It included some question logic, so not every respondent answered each question. For example, if a respondent indicated that the agency he/she works at did not submit a Form 990 in 2013 then the respondent was instructed to skip to the end of the survey.

The Sample

As discussed earlier in this report, there is not one universally accepted definition of a Jewish social service agency. For the purposes of this study, participants self-identified as a Jewish organization when they read through the survey instructions and continued on to complete the survey. Very often, an agency that participated in the survey also has: (1) a reference to Judaism or Jewish values in the mission statement; (2) Judaism or Jewish values were of paramount importance at the agency's founding; and (3) a connection to an umbrella organization that is part of the American Jewish nonprofit landscape (like Jewish Federations of North America or the Association of Jewish Family and Children's Agencies). These three characteristics—mission statement, founding, and affiliation with external entities—can be used to measure an organization's religiousness, according to Sider and Unruh (2004).

Similarly, by reading through the instructions and participating in the survey, respondents also self-identified as a social service agency. The National Taxonomy of Exempt Entities (NTEE), a classification system for nonprofit organizations used by the IRS, was used to determine the type of agencies to include in the study's population. According to the National

Center for Charitable Statistics, this system was developed in the 1980s and has been used since then to facilitate the collection, analysis, and presentation of data related to nonprofit organizations as well as to promote uniformity and comparability of data collected (see <http://nccs.urban.org/classification/NTEE.cfm>). In this system, the universe of nonprofit organizations in the United States is split into 10 major categories. Only agencies classified in the NTEE's fifth category, human services, were deemed appropriate for this study. Agencies within this category are further classified into the following groups: crime & legal-related; employment; food, agriculture, & nutrition; housing & shelter; public safety, disaster preparedness & relief; recreation & sports; youth development; and human services. Question three asked each survey participant to select one of these choices as the type of services the agency provides.

This survey was designed for an agency's Executive Director or Chief Executive Officer. I aimed to collect diverse responses in relation to geographic location, agency budget, and agency category (as defined by type of services provided as listed above). I willingly accepted survey responses from any agency across the country in an attempt to represent Jewish communities in all four United States Census regions (Northeast, Midwest, South, and West).

For the first phase of data collection, I contacted 7 umbrella organizations that I believed were appropriate vehicles to circulate the survey, and 5 agreed to do so. These umbrella organizations circulated a link to the survey to their member agencies: the Jewish Federations of North America (JFNA), the Association of Jewish Family and Children's Agencies, the International Association of Jewish Vocational Services, the JCC Association of North America, and JPRO Network. For the networks listed above that have some constituent organizations that would not have been appropriate to participate in the survey, I asked that the emails sent out with

the survey link only request participation from executive directors at nonprofits focused on: social services/human services; crime or legal related; employment; youth development; food, agriculture & nutrition; recreation & sports; and public safety, disaster preparedness & relief (see Appendix C for an example). Responses from Canada or other locations outside of the United States were excluded. These umbrella organizations each sent out one e-mail request between June 22, 2015 and August 5, 2015.

To increase the number of survey participants, I conducted a second phase of data collection. Whenever available, I collected contact information (email addresses) for the Executive Directors or Chief Executive Officers at agencies in the top twenty Jewish metropolitan statistical areas (as defined by Sheskin and Dashefsky, 2013) that had not already participated in the survey. I looked for agencies that were recipients of funding from their local Jewish Federation or for agencies that came up as a result in a general search for “Jewish social service agency [city name].” If a direct email address for the Executive Director or Chief Executive Officer was not available online, I collected a general information agency email address whenever possible. I sent out emails to around 140 recipients either inviting them to take the survey or asking the survey to be passed along to the agency Executive Director or Chief Executive Officer. Data collection began on June 22, 2015 and ended on September 22, 2015. The survey link was available for 12 weeks, and 82 responses were submitted. There was no question on the survey asking the recipient how he or she received the survey link, so there is no way of knowing the number of responses each method of distribution collected.

Before analyzing the survey results, it is important to analyze the methods used for this research study. A quantitative study was circulated via email to potential respondents. With this research method, the study reached a large population. Rather than randomly select participants,

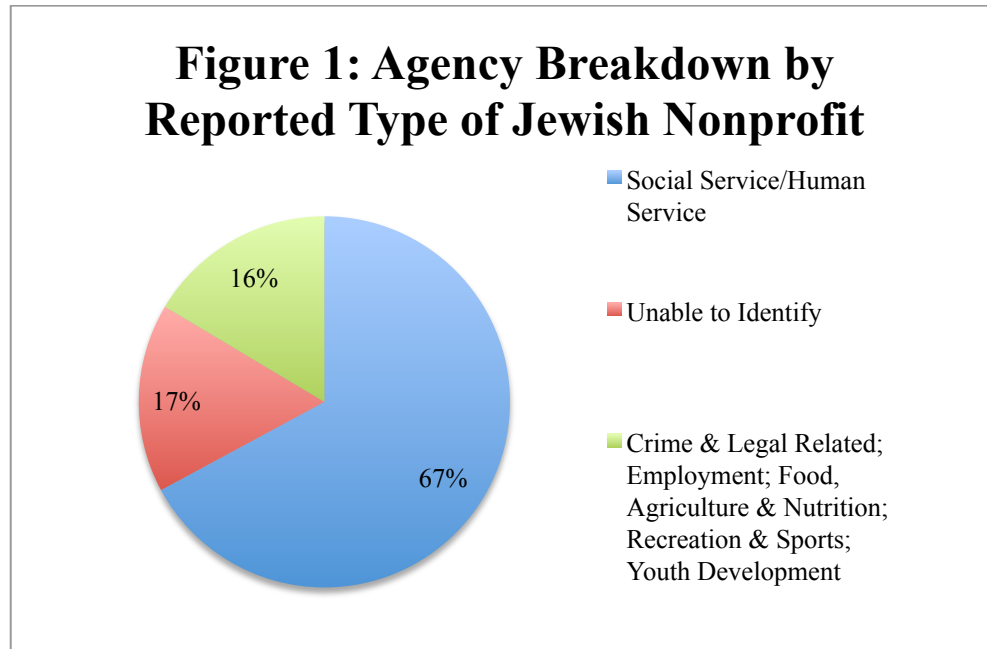
a nonprobability sampling technique, purposive sampling, was used. My knowledge of the field and of how to locate contact information for potential survey respondents, as well as the memberships of the umbrella organizations related to Jewish social service agencies, guided the selection process for compiling this sample. However, agencies that may have been appropriate members of the sample population may not have been reached with a link to take this survey due to the methods used. Since a nonprobability sampling technique was used, the results cannot be applied generally beyond the survey population. Furthermore, with over two-thirds of the responses coming from agencies that self-categorized as providing human services/social services, it is possible that trends identified in the data may over-represent general family service agencies and under-represent the other types of more specialized agencies this survey hoped to also reach and represent (like crime & legal related; employment; food, agriculture, & nutrition; housing & shelter; recreation & sports; or youth development).

Still, this methodology was appropriate to use to answer the questions and hypotheses that guided this research. As previously stated, quite a few of the survey questions were adapted from reliable surveys previously used related to this topic. And, the questions in the survey adequately addressed the topics this study hoped to address: the size and scope of government funding at Jewish social service agencies across the country and the influence this funding source has on an agency's organizational health and growth and Jewish identity. Another researcher could easily replicate this methodology at a later date, as it was highly structured and aimed to be as objective as possible considering the circumstances. However, one of the major flaws in this survey design was that it did not require that survey respondents answer each question.

Results and Discussion

Although the survey yielded 82 responses, the detailed analysis below only includes 73 responses. Multiple responses from the same agency, responses from agencies that were unsure of or did not submit a Form 990 in 2013, and responses that included no substantive answers to any survey question beyond providing demographic information/agency name and address were deleted. In one instance, two individuals at the same agency took the survey. The survey response from the agency's executive director was included in the analysis and the other response was deleted. In two other instances, one person at an agency took the survey twice. In those cases, the more incomplete set of answers was deleted. Two agencies did not fill out a Form 990 in 2013, and one was unsure. One agency did not respond to that question, and that agency's responses were also not included in the analysis.

Figure 1 demonstrates the types of agencies that participated in the survey (based on the services each agency provides). The majority of the agencies surveyed identified as a social service/human service agency. Interestingly, 12 of the senior nonprofit professionals surveyed were unable to identify their agency with one of the IRS human service categories presented by the researcher and described above (though when filing with the IRS they are all classified as one of the categories included in the list of answer choices). Since it was required that each survey respondent provide the name of their agency, I reviewed each of these 12 cases and determined that they still qualified for the study. Furthermore, as previously stated, each of these respondents self-identified as a Jewish social service agency (and as appropriate for the study) by reading the instructions and participating in the survey.



The survey also asked each senior nonprofit professional to categorize his or her agency’s 2013 actual revenue. Figure 2 demonstrates the breakdown of the nonprofits surveyed based on their 2013 actual revenue. The agencies were fairly evenly divided among the categories of actual revenue.

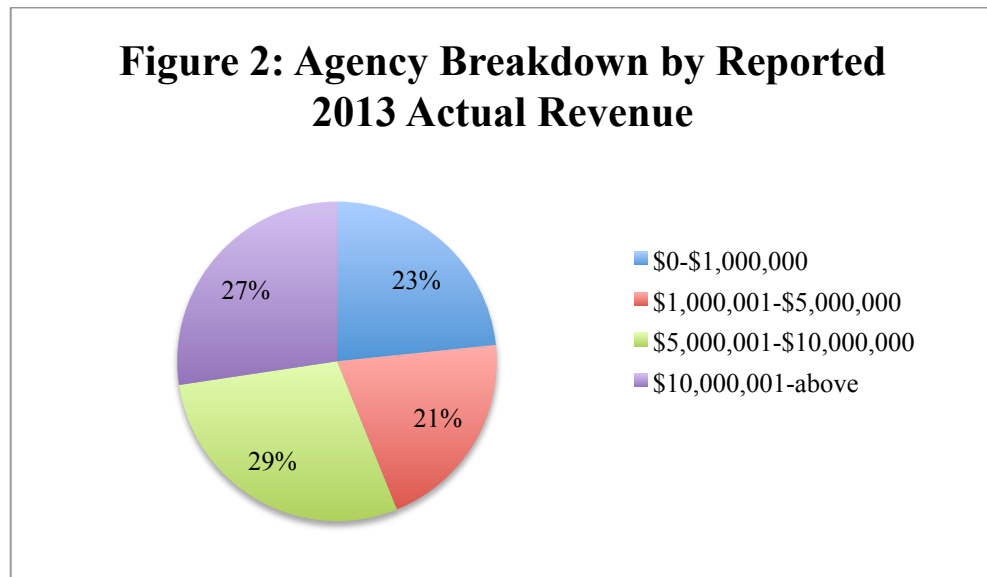
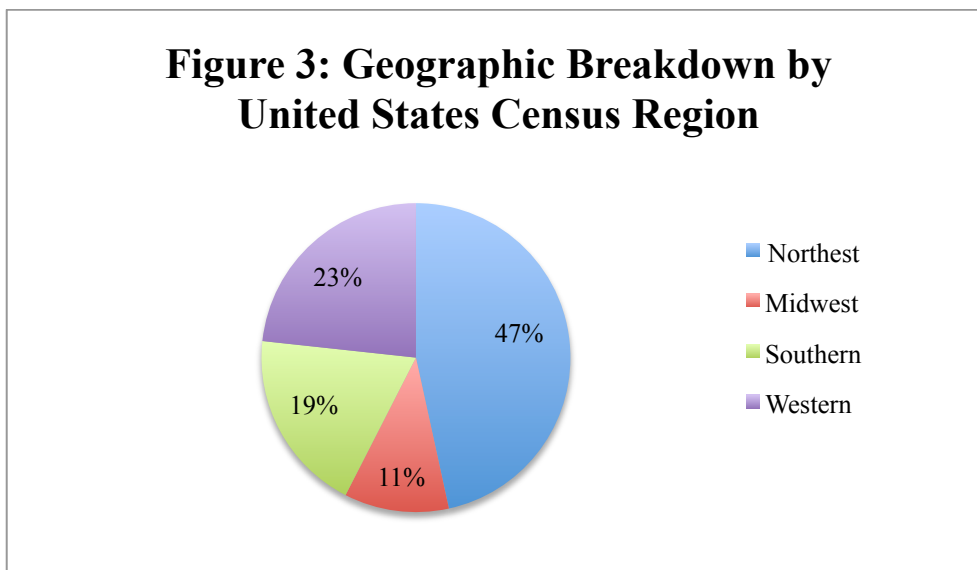


Figure 3 depicts the geographic breakdown of the survey participants. In terms of geographic location, the agencies were distributed across the United States with a heavy

concentration in the Northeast, aligning with the 2013 estimates of Jewish populations in the United States Census regions. In their 2013 population estimate, Sheskin and Dashefsky (2013) estimated that Jews in the United States were distributed as follows: 44.7% residing in the Northeast, 10.6% residing in the Midwest, 20.6% residing in the South, and 24.1% residing in the West. Although the sample was not random and thus cannot be generalized to the larger population of Jewish social service agencies in the United States, the sample seems to highly correspond with the geographic distribution of Jews in the country.



Scope and Usage of Government Funding at Jewish Social Service Agencies

Figures 4-6 represent the scope and usage of government funding at the Jewish social service agencies surveyed. Figure 4 depicts the number of government agencies that each nonprofit contracts with. More than two-thirds of the organizations surveyed contract with two or more government agencies.

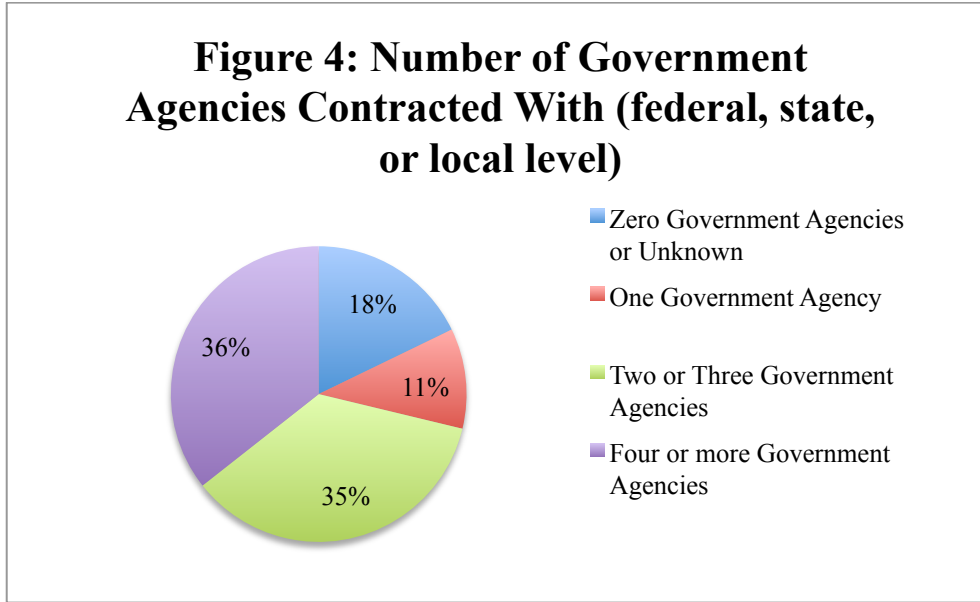


Figure 5 depicts the number of government contracts/grants (at the federal, state, and local levels) that each agency is engaged in. Almost half of the organizations surveyed are engaged in 1-5 government contracts, and around one-third of the agencies surveyed are engaged in 6 or more government contracts.

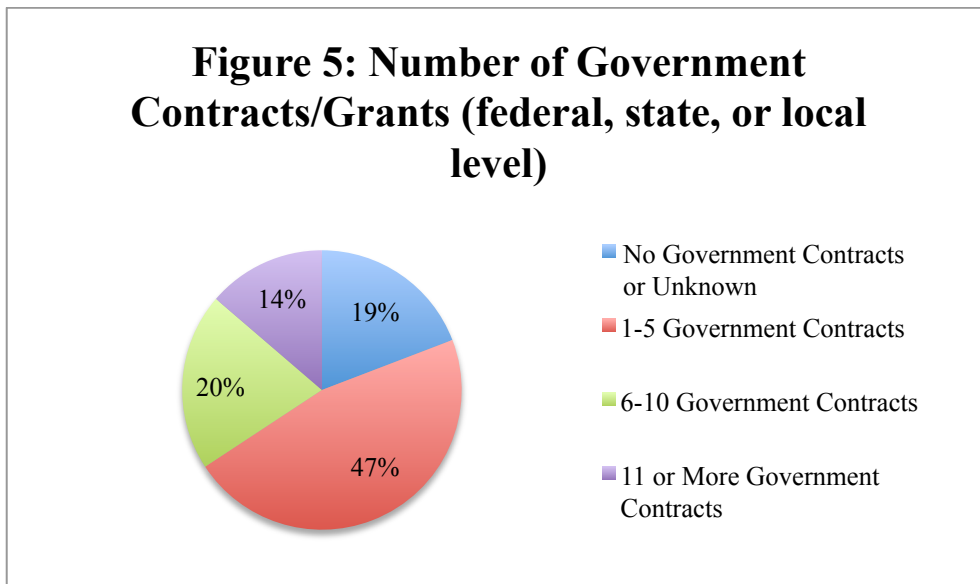


Figure 6 illustrates the percentage of total annual revenue at each agency coming from government funding. Around two-thirds of the agencies surveyed have less than half of their

total annual revenue coming from government funding. However, more than half of the agencies have 20% or more of their total annual revenue coming from government funding.

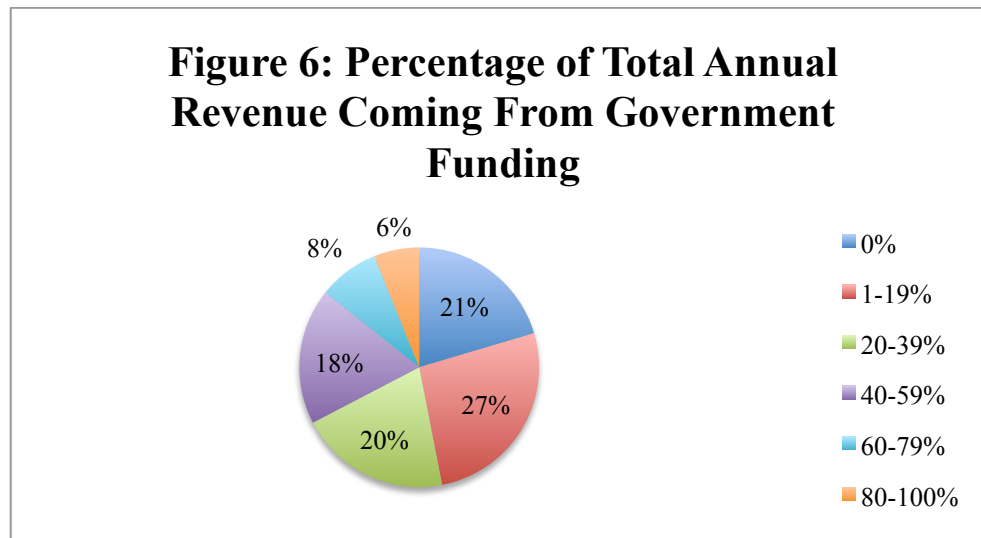


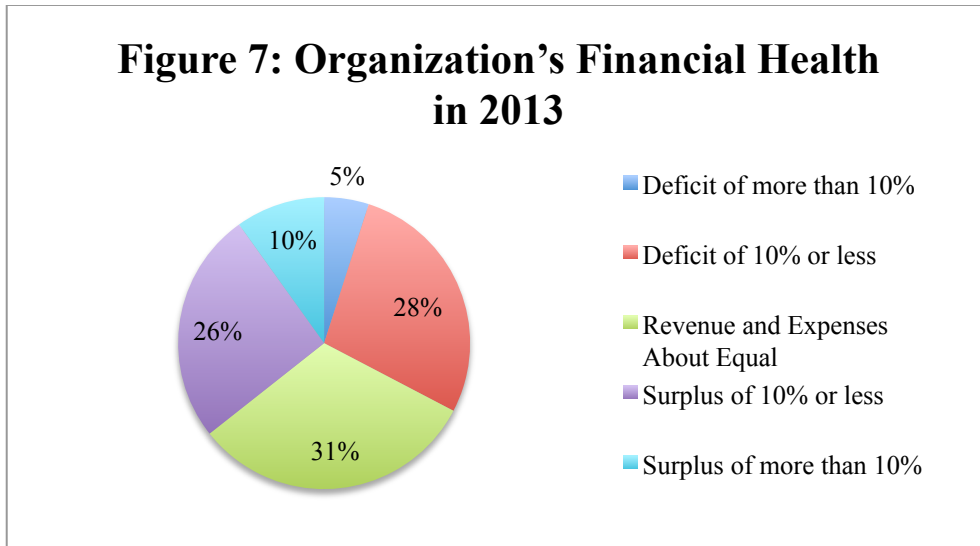
Table 1 illustrates the breakdown of the percentage of total annual revenue coming from government funding by type of agency. As evidenced below, the majority of the agencies surveyed self-identified with one of the IRS human service categories: social service/human service.

Table 1: Percentage of Total Annual Revenue Coming From Government Funding Broken Down by Agency Type

Percentage of total annual revenue coming from government funding	Type of Agency		
	Crime or legal related; employment; youth development; food, agriculture & nutrition; recreation & sports; and public safety, disaster preparedness & relief	Social Services/Human Services	None of the above
None	1	6	3
1-19%	1	10	2
20-39%	2	8	0
40-59%	1	7	1
60-79%	1	3	0
80-100%	0	2	1

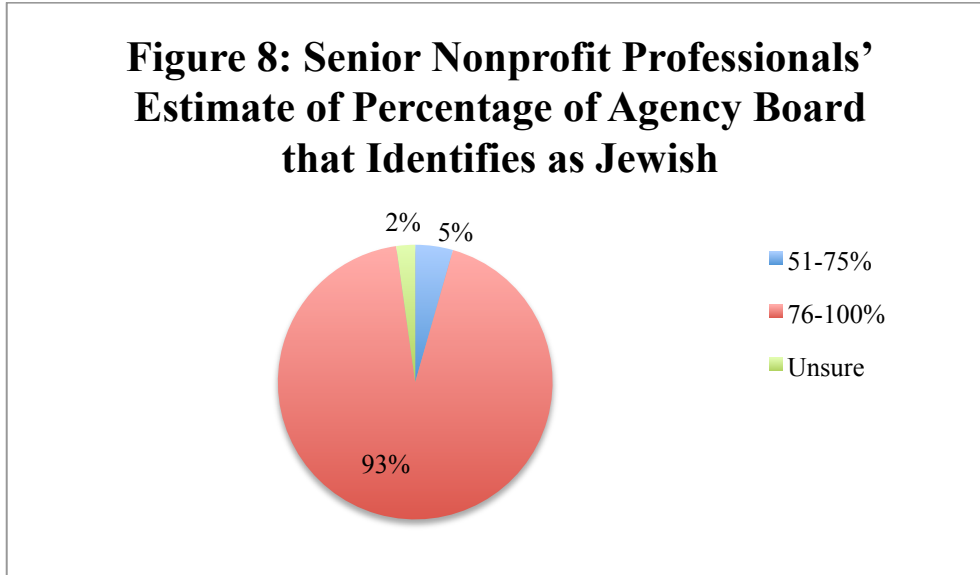
Organizational Health at Jewish Social Service Agencies

The breakdown of financial health in 2013 was almost spread evenly. Figure 7 illustrates how almost one-third of the agencies surveyed had revenue and expenses about equal in 2013, just over one-third had a surplus of any amount that year, and the last third operated at a deficit.

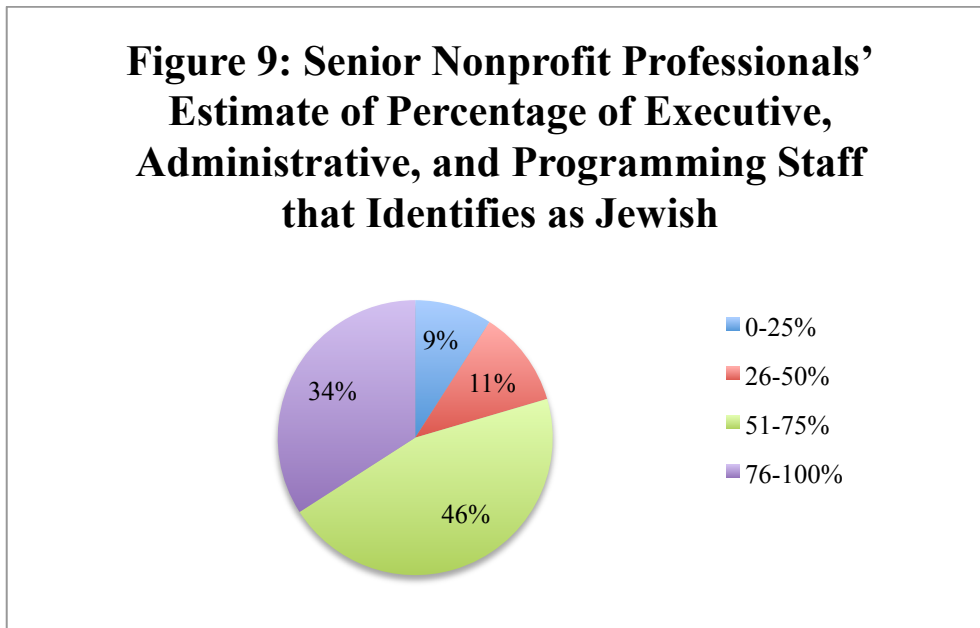


Elements of Jewish Identity at Jewish Social Service Agencies

Figure 8 illustrates each senior nonprofit professional’s estimate of the percentage of the organization’s board of directors that identifies as Jewish. None of the organizations surveyed estimated that less than half of their board of directors identified as Jewish. Instead, the majority estimated that 76% or more of their board of directors identify as Jewish.

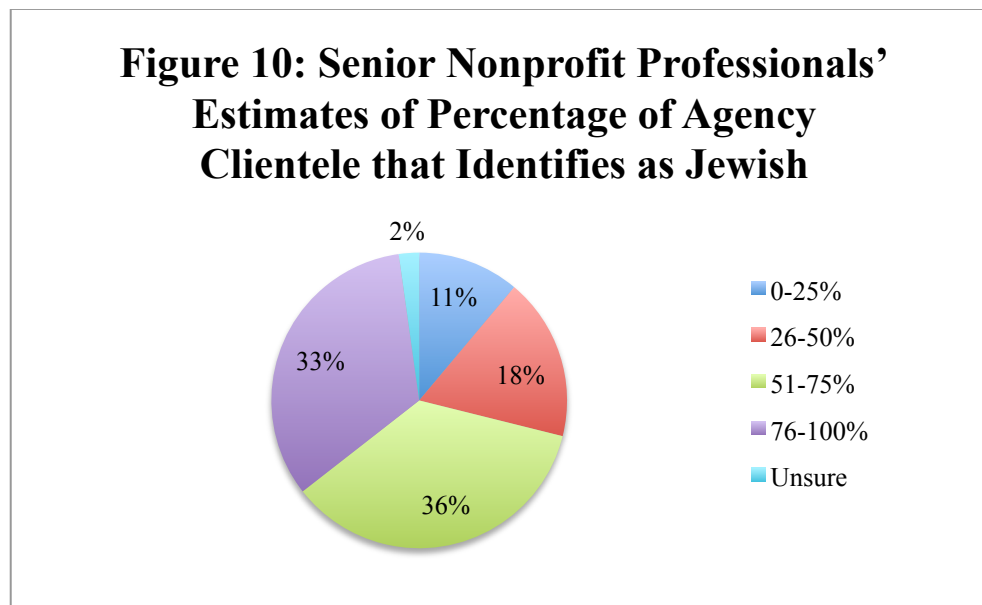


The results for executive, administrative, and programming staff are more diverse, but again demonstrate that most organizations have a majority of Jewish staff in these roles. Figure 9 illustrates each senior nonprofit professional’s estimate of the percentage of the organization’s executive, administrative, and programming staff that identifies as Jewish.



The results for percentage of agency clientele that identify as Jewish are also mixed. Figure 10 illustrates each senior nonprofit professional’s estimation of the percentage of agency

clientele that identifies as Jewish. Again, the majority of the organizations surveyed estimated that the majority of the clients they serve identify as Jewish. These numbers are a bit surprising considering the literature that exists about the presence and inclusion of non-Jewish clients at Jewish social service agencies (e.g., Bielefeld & Cleveland, 2013a and Ellenson, 2006 cited above). Furthermore, of the data collected in this survey, 63% of the executive directors reported that their agency expanded the type of clientele served because it received government funds. These trends suggest that although Jewish social service agencies have expanded the type clientele served, non-Jewish clientele have still not surpassed the numbers of Jews seeking services at these agencies.



Analytic Tool

At nonprofit agencies financial stability and ability to fulfill mission are inextricably linked (Sontag-Padilla, Staplefoote, & Morganti, 2012). In pursuing their mission-driven work, Jewish social service organizations need to focus on financial stability so that they can develop and implement impactful programs in their communities and for their clients and constituents. Government funding is a revenue source that can contribute to financial stability, which in turn

has the power to influence organizational growth and outcomes related to an agency's mission. Based on the survey questions and to test the hypotheses that guided this research, I developed an analytic tool that measures the impact that reliance on government grants/contracts has on organizational health, organizational growth, and Jewish identity at Jewish social service agencies. The criteria and rationales for each factor/indicator in this analytic tool are described below.

Reliance on government funding: 20% or more of agency revenue is comprised of government funds.

Financial ratios are often used to assess the financial condition of social services organizations. I asked each Executive Director to share the percentage of their annual revenue that is comprised of government funds. This estimation should be similar to calculating the agency's government grants financial ratio, which is used to measure the composition of funds at one agency coming from government sources ("National Center for Charitable Statistics," 2013).

Indicator of strong organizational health. The organization had revenue and expenses about equal or a surplus at any level.

In their meta-analysis of financial sustainability for nonprofit organizations, Sontag-Padilla et al. (2012) explore the impact that challenges related to financial sustainability can have on organizational success. They do cite reliance on external funding sources as one financial challenge to look out for. Nonetheless, maintaining revenue and expenses about equal or earning a surplus demonstrates that an agency is able to maintain enough "working capital to support or to continue operations of programs and services" regardless of their level of dependence on any one source (Sontag-Padilla et al., 2012, p. 3).

Indicators of strong organizational growth. Since the agency received government funding it was able to provide more effective services, hire staff with higher levels of education, use more professional staff over volunteers, implement new programs, and/or expand services (these indicators were all considered independent of each other).

Gaining the ability to provide more effective services, hire staff with higher levels of education, use more professional staff over volunteers, implement new programs, and/or expand services are all specific ways that a nonprofit agency can better pursue its mission with consistent and high-caliber programming.

Indicators of strong Jewish identity. 51% or more of agency board identifies as Jewish, 51% or more of agency's executive, programming, and administrative staff identifies as Jewish, or 51% or more of agency clients identify as Jewish. Furthermore, in relation to government funding it receives, the agency either subtly or openly engages in: religious symbols/pictures in facilities, voluntary religious rituals or practices for clients, and/or required religious rituals or practices for clients. Finally, the agency has not had to curtail or eliminate religious practices after receiving government funding.

When using this analytic tool with the data collected, the five indicators listed in this category were considered independently from each other. This means that an organization did not have to report that 51% or more of its board of directors identifies as Jewish to be counted later as an organization with 51% or more of the agency's clientele that identifies as Jewish. When administering the survey, I did not define "religious ritual or practice." Instead, I decided to leave that up to the perception of the agency's executive director, as this question was adapted from an earlier survey cited above.

As described above, there is no universal definition of what makes a social service or nonprofit agency “Jewish.” As such, I developed these indicators based on survey questions about religious identity used in the surveys cited above (in the Methodology section). I also included quantifiable measurements related to stakeholders at these agencies (percentage of board of directors, clientele, and certain staffing positions) because each agency would be able to answer these questions and provide numbers for comparison.

Hypothesis testing. To test my first hypothesis, that reliance on government funding positively impacts an agency’s organizational health and growth, I compared the indicator described above for reliance on government funding with the indicators for organizational health and organizational growth. Slightly more than half (53%) of the survey respondents indicated that 20% or more of their organization’s total annual revenue comes from government funding. A majority of these organizations (69%) reported that in 2013 they operated with revenue and expenses about equal or with a surplus. Similarly, of these agencies that rely on government funding, a large majority (85%) expanded services and (88%) implemented new programs after receiving government funding. Half of these agencies (50%) provided more effective services. Finally, over a quarter (27%) hired staff with higher levels of education and around one-fifth (19%) used more professional staff members instead of volunteers after receiving government funding.

I also looked at the relationships between these indicators for the agencies that do not rely on government funding. Slightly less than half (47%) of the survey respondents indicated that 19% or less of their organization’s total annual revenue comes from government funding. A majority of these organizations (65%) reported that in 2013 they operated with revenue and expenses about equal or with a surplus. A large majority of these “non-reliant” agencies (87%)

expanded services after receiving government funding. Over a third (38%) implemented new programs and almost a quarter (23%) provided more effective services after receiving government funds. Interestingly, no agencies (0%) hired staff with higher levels of education or used more professional staff members instead of volunteers after receiving government funding.

Table 2 summarizes this data:

Table 2: Indicators of Organizational Health and Growth

Indicator of Organizational Health	Percentage (%) of agencies that rely on government funding	Percentage (%) of agencies that do not rely on government funding	Significant difference?*
Operating with revenue and expenses about equal or with a surplus	69	65	no
Indicators of Organizational Growth			
Expanded services after receiving government funding	85	87	no
Implemented new programs after receiving government funding	88	38	yes (p=0.001)
Provided more effective services after receiving government funding	50	23	no
Hired staff with higher levels of education after receiving government funding	27	0	yes (p=0.04)
Used more professional staff over volunteers after receiving government funding	19	0	no

*Significance determined using chi square test.

After performing statistical analysis, I found that there was only a significant difference between the reliant and non-reliant groups when considering two of the organizational growth factors: if an agency implemented new programs or hired staff with higher levels of education after receiving government funding. Though there was a significant difference for only two of the six factors, the other factors were about equal or higher for agencies that rely on government

funding: operate with revenue and expenses about equal or with a surplus, implement new programs, provide more effective services, hire staff with higher levels of education and use professional staff over volunteers, and expand services after receiving government funding. When considered together, this all supports my first hypothesis that reliance on government funding positively impacts an organization's health and growth.

To test my second hypothesis, that reliance on government funding negatively impacts the agency's Jewish identity, I looked for correlations between the indicator for reliance on government funding and the five indicators of Jewish identity described above. Almost all of the organizations (96%) that rely on government funding estimate that the majority of the agency's board of directors identify as Jewish. More than three quarters (78%) of the agencies that rely on government funding either subtly or openly engage in religious symbols/pictures in facilities. Almost three quarters (73%) of the agencies that rely on government funding also either subtly or openly engage in voluntary religious rituals or practices for their clients. Similarly, over two-thirds (70%) of the agencies that rely on government funding estimate that the majority of the agency's executive, administrative, and programming staff identify as Jewish. More than half (61%) of the agencies that rely on government funding estimate that the majority of the agency's clientele identify as Jewish. Almost one quarter (22%) of the agencies that rely on government funding either subtly or openly engage in required religious rituals or practices for clients. Very few (9%) of the agencies that rely on government funding have had to curtail or eliminate religious practices after receiving government funds.

Again, I also looked at the relationship between these indicators for the agencies that do not rely on government funding. The entirety of this "non-reliant" group (100%) indicated that the majority of their agency's board of directors identifies as Jewish. Similarly, the large

majority (85%) indicated that the majority of the agency’s executive, administrative, and programming staff identify as Jewish. Finally, over three quarters (76%) indicated that the majority of their clientele identify as Jewish. Almost three quarters of these agencies (71%) either subtly or openly engage in religious symbols/pictures in their facilities and almost two thirds (65%) has voluntary religious rituals or practices for clients. Very few (6%) agencies engage in required religious rituals or practices for clients. Finally, no respondent (0%) within this sub-group indicated that their agency had to curtail or eliminate religious practices after receiving government funding. After performing statistical testing, I found that there were no significant differences between the reliant and non-reliant organizations when looking at these indicators for Jewish identity. Table 3 summarizes this data:

Table 3: Indicators of Jewish Identity

Indicators of Jewish Identity	Percentage (%) of agencies that rely on government funding	Percentage (%) of agencies that do not rely on government funding	Significant difference?*
Majority of Board of Directors identifies as Jewish	96	100	no
Subtly or openly engage in religious symbols/pictures in facilities	78	71	no
Majority of executive, administrative, and programming staff identify as Jewish	70	85	no
Majority of clientele identify as Jewish	61	76	no
Subtly or openly engage in required religious rituals or practices for clients	22	6	no
Subtly or openly engage in voluntary religious rituals or practices for their clients	73	65	no
Had to curtail or eliminate religious practices after receiving government funds	9	0	no

*Significance determined using chi square test.

The lack of significant differences between the two groups does not support my original hypothesis, that reliance on government funding negatively impacts an organization's Jewish identity, and instead suggests that the presence of this funding source has no significant effect on a Jewish social service agency's Jewish identity. For both sub-groups (the reliant and the non-reliant), the majority of each agency's board of directors, clientele, and executive, administrative, and programming staff identify as Jewish. Furthermore, the majority of the agencies surveyed either subtly or openly engage in religious symbols/pictures in their facilities and have voluntary religious rituals and practices for clients. The agencies that rely on government funding even reported a higher rate of subtly or openly engaging in religious symbols/pictures than agencies that do not rely on this funding source. These trends suggest that, for the most part, agencies that rely on government funding are able to maintain their Jewish identities on par with agencies that do not rely on government funding.

Evidence from individual agencies further illustrates that the use of government funding can positively impact a Jewish social service agency's organizational health and growth and does not negatively impact an organization's Jewish identity. These examples demonstrate how Jewish social service agencies of varying revenue size and in varying geographic locations were all able to engage in and rely on government contracts/grants and demonstrate signs of strong organizational health, organizational growth, and Jewish identity. The names of the organizations have been withheld purposefully because the researcher promised anonymity to survey takers when the survey was distributed.

Example 1: Small Organization in the South

This human service/social service agency had actual revenue in 2013 between \$100,001 and \$500,000 and revenue and expenses about equal that year. Between 20-39% of its total

annual revenue comes from government funding and the agency contracts with 1 government agency and manages between 1 and 5 contracts/grants. Since this agency began to receive government funds, it has expanded services, hired staff with higher levels of education, used more professional staff members instead of volunteers, and provided more effective services. This agency has subtle religious symbols/pictures in its facilities, but it has not had to curtail or eliminate any religious practices after receiving these funds. The agency's executive director estimated that 76-100% of the agency's board identifies as Jewish, 76-100% of its executive, administrative, and programming staff identifies as Jewish, and 51-75% of the clientele identifies as Jewish.

Example 2: Mid-size Organization in the West

This human service/social service agency had its 2013 actual revenue between \$1,000,001 and \$5,000,000. The agency contracts with 4 or more government agencies and has between 1 and 5 government contracts. 40-59% of the agency's total annual revenue comes from government funding and in 2013 the agency had a surplus of 10% or less. Since receiving government funds, this agency has expanded services, implemented new programs, hired more staff with higher levels of education, and provided more effective services. The executive director estimates that 76-100% of this agency's board of directors and 76-100% of the agency's clientele identify as Jewish. Additionally, the executive director estimates that between 51-75% of the agency's executive, administrative, and programming staff identify as Jewish. This agency openly has religious symbols and pictures in its facilities and openly engages in voluntary religious rituals or practices for clients. This agency even openly permits informal references to religious ideas by staff when in contact with clients. Since receiving government funding, the agency has not had to curtail or eliminate religious practices either.

Example 3: Large Organization in the Northeast

This human service/social service agency had its actual revenue in 2013 between \$5,000,001 and \$10,000,000. This agency maintains government contracts with 2 or 3 government agencies and has between 1 and 5 government contracts/grants. Since receiving government funding, this agency has used more professional staff members instead of volunteers, hired staff with higher levels of education, implemented new programs, and expanded services. In total, between 20-39% of the agency's total annual revenue comes from government funding, and in 2013, the agency's revenue and expenses were about equal. According to the executive director at the agency, between 76-100% of the agency's board of directors and clientele identify as Jewish. In addition to that, between 51-75% of the agency's executive, administrative, and programming staff identifies as Jewish as well. The agency openly has religious symbols/pictures in its facilities and openly allows voluntary religious rituals or practices for its clients too. Furthermore, the agency openly permits informal references to religious ideas by staff when in contact with clients. Since receiving government funding, the agency has not had to curtail or eliminate religious practices.

Example 4: Large Organization in the West

This human service/social service agency had its 2013 actual revenue of \$10,000,001 or more. This agency maintains 11 or more government grants/contracts with 4 or more government agencies. Since receiving government funding, the agency has expanded services, implemented new programs, used more professional staff members instead of volunteers, provided more effective services, and become involved or more involved in lobbying and/or advocacy work. In total, between 20-39% of the agency's annual revenue comes from government funding and in 2013 the organization had a surplus of 10% or less. In terms of the agency's Jewish identity, the

executive director estimates that between 76-100% of the agency's board of directors are Jewish. Furthermore, the executive director estimates that between 51-75% of the agency's clientele and executive, administrative, and programming staff identify as Jewish. This agency openly has voluntary and required religious rituals or practices for its clients. Since receiving government funding, the agency has not had to curtail or eliminate any religious practices at the agency.

These results illustrate how the data collected from this survey supports some previous literature about Jewish social service agencies specifically, but deviates from other literature about the use of government funding at social service agencies generally. For example, the data support previous claims that government funding contributes to increased professionalization at social service agencies. However, the presence of government funding did not seem to put any increased secular pressure on these Jewish agencies. The opposite was argued in the literature cited above. In general, it seems like the use of government funding did not detract from an organization's health, positively influenced its service delivery and ability to grow, and did not negatively impact an agency's Jewish identity. These agencies maintained boards of directors with a very high percentage of Jewish representation and surprisingly have continued to employ Jewish staff members and treat majority Jewish clientele. Furthermore, the majority of these agencies did not report having to curtail or eliminate any Jewish practices that the agency was involved in as a result of securing funding from this source. It seems as if these agencies have a strong sense of their Jewishness.

Recommendations and Conclusions

The literature review and survey provide an understanding of the size and scope of usage of government funding at Jewish social service agencies across the country. As the first survey focusing on this issue, it found that some amount of government funding is used at the majority of the Jewish social service agencies that participated in this study. The survey results and the analysis of this data seem to support the initial hypothesis that government funding can positively impact organizational health and growth and did not seem to support the hypothesis that government funding negatively impacted an organization's Jewish identity. However, with such a small, non-random sample, it is impossible to know how accurate the results are. The data merely suggests that Jewish social service agencies start to or continue to pursue government funding whenever appropriate. This funding does not seem to detract from an agency's Jewish identity, and instead it seems to support the mission-driven work that these agencies pursue.

This type of information can be used moving forward when trying to answer questions related to the relationship between government agencies and Jewish social service agencies or when assessing different funding sources/revenues at Jewish nonprofit organizations. Furthermore, the analytic tool created can be looked at as the first iteration of a typology or tool that can be used to classify or analyze Jewish social service agencies that engage in government contracts. The analytic tool defines characteristics of Jewish identity, organizational health, and organizational growth that are quantifiable and can be used for comparison. It also provides a starting definition of what constitutes reliance on a funding source. Recognizing the limitations of my knowledge and experience, I would recommend that others work from this tool to refine what can be used in later surveys and analysis.

This study should also encourage additional researchers to look into these questions

more. A semi-regular survey may highlight any changes or trends related to the use of government funding at Jewish social service agencies, especially considering any legislative changes that may affect its use. Just as the Charitable Choice laws in the 1990s increased the number of sectarian agencies that were eligible to apply for and receive government funding, future legislative changes may affect how Jewish social service agencies can qualify for, apply for, or use this funding source. As regulations related to government contracting have the potential to change with the influx of new federal, state, and local representatives, it is important to remember that answers to these research questions may be fluid. If new legislation were to change sectarian agencies' eligibility for government funding, additional research would be required. It would also be interesting to look into government regulations in other countries related to the use of government funding at Jewish social service agencies and compare findings there to what exists in the United States.

At the agency level, this study provides administrators, executives, and development professionals at Jewish social service agencies with a picture of the relationship between similar agencies' use of government funding. For those that did not participate, they may be able to use the analytic tool or anecdotal evidence to try and understand where their agency fits on the spectrums of reliance on government funds, organizational health and growth, and Jewish identity. Given that government funds are one of the largest potential funding sources for social service agencies, one would think that professionals at Jewish social service agencies would prioritize them. I would also recommend that Jewish social service agencies prioritize researching and understanding government grants, maintaining relationships with staff at the government agencies that administer these grants, and explaining to interested stakeholders all of the positive effects this funding source can potentially have at their agencies.

Today, the Department of Health and Human Services, a federal government agency from which many grants/contracts at social service agencies originate, is the largest grant-making agency in the country (see <http://www.hhs.gov/grants/grants/index.html>). Furthermore, representatives of various Jewish communities are well positioned to advocate for these relationships. Currently, the President's Advisory Council on Faith-Based and Neighborhood Partnerships is chaired by Susan K. Stern, a prominent lay leader at the American Jewish Joint Distribution Committee and Jewish Federations of North America. Rabbi Julie Schonfeld from The Rabbinical Assembly is also on this committee, and their presence at the table speaks to the great potential that exists for continued partnership between government bodies and Jewish social service agencies moving forward. For the most part, it is unlikely that the government would suddenly stop funding the social service safety net in place throughout the country, and Jewish social service agencies should continue to work in tandem with this funding source to provide the services various Jewish communities have been providing for centuries.

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**Appendix A:
Survey Questions and Responses**

1. Please fill out the following information before continuing:
 - Name
 - Organization/Agency
 - Address (Address, City, State, Zip Code, Country)
 - Email address
 - Phone number
2. Did your agency file an IRS Form 990 in 2013?
 - Yes
 - No
 - Not sure
3. Which of the following best describes the type of services your agency provides? Please choose only one of the options below.
 - Crime & legal related
 - Employment
 - Food, Agriculture, & Nutrition
 - Housing & Shelter
 - Public Safety, Disaster Preparedness, & Relief
 - Recreation & Sports
 - Youth Development
 - Social Services/Human Services
 - None of the above
4. What was your agency's 2013 total actual revenue?
 - \$0-\$100,000
 - \$100,001-\$500,000
 - \$500,001-\$1,000,000
 - \$1,000,001-\$5,000,000
 - \$5,000,001-\$10,000,000
 - \$10,000,001-above
5. With how many government agencies does your organization have contracts/grants? (Include any government entity at the federal, state, or local level).
 - None
 - 1 government agency
 - 2 or 3 government agencies
 - 4 or more government agencies
 - Not sure
6. How many government contracts/grants does your organization have?
 - None
 - 1-5 government contracts/grants
 - 6-10 government contracts/grants
 - 11 or more government contracts/grants
 - Not sure

7. If you receive no government contracts/grants, please choose the best explanation below.
 - It is agency policy not to use government funding.
 - The agency has been unable to secure government funding.
 - The agency has no interest in securing government funding.
 - Not sure.
 - Other (please specify)
8. Which of the following payment methods apply to your organization's government contracts/grants? (Check all that apply)
 - Unit cost payments/Fee for service (\$ per time unit or service)
 - Unit cost payments/Fee for service (\$ per individual/family)
 - Cost reimbursable payments
 - Fixed cost (flat amount)
 - Performance-based payments
 - Grants-in-kind materials
 - Not sure
 - Other (please specify)
9. What percentage of your government contracts/grants require your organization to match or share some of the costs?
 - None
 - 1-19%
 - 20-39%
 - 40-59%
 - 60-79%
 - 80-100%
10. Do any of your government contracts/grants require your organization to report back to the funding agency any results, outcomes, or impacts of programs and services provided? If so, through what means? (Check all that apply)
 - Yes. Prepare narrative reports of program accomplishments.
 - Yes. Analyze administrative records and report data.
 - Yes. Survey clients and report information on outcomes.
 - Yes. Provide independent evaluation of outcomes.
 - The agency is not required to provide such reports
 - Not sure.
 - Yes. Other (please specify)
11. How much of a problem is it for your organization when any government agency has different reporting requirements than your own or another government agency?

	Not a problem	Small problem	Big problem	Not applicable
Different definitions of services				
Different definitions of target populations				
Different financial or budget categories				
Different reporting formats				
Different allowances for administration expenses				
Different outcome reporting requirements				

12. How does your organization provide feedback to government agencies on contracting issues and procedures? (Check all that apply)
- Through meetings with funding agencies.
 - Through official government feedback mechanisms.
 - Through indirect advocacy (i.e., affiliated organizations or coalitions)
 - The agency does not provide feedback.
 - Not sure.
 - Yes. Other (please specify)
13. Which of the following occurred at your agency because you received government funds? (Check all that apply)
- Expanded services
 - Implemented new programs
 - Hired staff with higher levels of education
 - Used more professional staff members instead of volunteers
 - Spent more time on paperwork
 - Provided more effective services
 - Agency became more bureaucratic
 - Agency became involved or more involved in lobbying and/or advocacy work
 - Agency expanded the type of clientele served
 - Not sure
 - Other (please specify)
14. What is the approximate breakdown of your organization’s annual revenue? Enter the approximate dollar (\$) amount for each source listed.
- Local government agencies
 - State government agencies
 - Federal government agencies
 - Fees from self-paying participants
 - Fees from government as third-party payer (e.g., Medicaid)
 - Corporate donations
 - Individual donations
 - Private Foundations

- Federated giving (e.g., Jewish Federation or United Way)
 - Investment income
 - Other (please specify)
 - Total Dollar Amount (\$)
15. What percentage of your total annual revenue comes from government funding?
- None
 - 1-19%
 - 20-39%
 - 40-59%
 - 60-79%
 - 80-100%
 - Not sure.
16. In 2013, did your organization have...
- A deficit of more than 10%
 - A deficit of 10% or less
 - Revenue and expenses about equal
 - A surplus of 10% or less
 - A surplus of more than 10%

When answering the following three questions (17, 18, and 19), please share your attitude as an individual professional, rather than as a spokesperson for your agency.

17. Please indicate your attitude for each of the following statements about federal funding.

	Strongly disagree	Disagree	Undecided	Agree	Strongly Agree
The funding source is easy to obtain.					
This funding source is easy to administer.					
This funding source is flexible in use.					
This funding source does not restrict client eligibility.					
This funding source allows for the development of needed programs.					
This funding source is a stable source of funding.					
This funding source does not restrict the organization's religious character.					
This funding source is a type of funding I prefer to rely on.					

This funding source is worth pursuing for the effort required.					
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18. Please indicate your attitude for each of the following statements about state government funding.

	Strongly disagree	Disagree	Undecided	Agree	Strongly Agree
The funding source is easy to obtain.					
This funding source is easy to administer.					
This funding source is flexible in use.					
This funding source does not restrict client eligibility.					
This funding source allows for the development of needed programs.					
This funding source is a stable source of funding.					
This funding source does not restrict the organization's religious character.					
This funding source is a type of funding I prefer to rely on.					
This funding source is worth pursuing for the effort required.					

19. Please indicate your attitude for each of the following statements about local government funding.

	Strongly disagree	Disagree	Undecided	Agree	Strongly Agree
The funding source is easy to obtain.					
This funding source is easy to administer.					
This funding source is flexible in use.					
This funding source does not restrict client eligibility.					

This funding source allows for the development of needed programs.					
This funding source is a stable source of funding.					
This funding source does not restrict the organization's religious character.					
This funding source is a type of funding I prefer to rely on.					
This funding source is worth pursuing for the effort required.					

20. In your estimation, what percentage of your board identified as Jewish?
 - 0-25%
 - 26-50%
 - 51-75%
 - 75-100%
 - Not sure
21. In your estimation, what percentage of your total staff identifies as Jewish?
 - 0-25%
 - 26-50%
 - 51-75%
 - 75-100%
 - Not sure
22. In your estimation, what percentage of your executive, administrative, and programming staff identifies as Jewish?
 - 0-25%
 - 26-50%
 - 51-75%
 - 75-100%
 - Not sure
23. In your estimation, what percentage of your support staff identifies as Jewish?
 - 0-25%
 - 26-50%
 - 51-75%
 - 75-100%
 - Not sure
24. In your estimation, what percentage of your clientele identifies as Jewish?
 - 0-25%
 - 26-50%
 - 51-75%
 - 75-100%
 - Not sure

25. In relation to the government funding your agency receives, please indicate the degree to which your agency engages in the following:

	No desire to do so	Legally cannot	Would like to, but do not	Subtly	Openly	Not sure
Religious symbols/pictures in facilities						
Voluntary religious rituals or practices for clients						
Required religious rituals or practices for clients						
Informal references to religious ideas by staff when in contact with clients						
Only hiring staff in agreement with agency's religious orientation						
Giving preference to individuals in agreement with the agency's religious orientation						

26. Please indicate yes or no in response to the following statements as they apply to your agency.

	Yes	No	Not Sure
The agency has had to curtail or eliminate religious practices after receiving government funding.			
A government official or agency has placed pressure on the agency to change specific religiously-based practices.			
The agency has received public criticism, pressure, or has been subject to a lawsuit due to any of its religiously based practices.			
There has been no change in agency programming as a result of receiving government funding.			
There has been no change in agency policies as a result of receiving government funding.			

27. If you have any additional comments or questions about this survey or about government contracting in general please write them below.

**Appendix B:
Corresponding Tables to Figures 4-10**

Corresponding Table to Figure 4: Number of government agencies contracted with (federal, state or local) (73 responses)

Number of Government Agencies	Number of Respondents
0 government agencies or unknown	13
1 government agency	8
2-3 government agencies	26
4 or more government agencies	26

Corresponding Table to Figure 5: Number of government contracts/grants (federal, state, or local level) (73 responses)

Number of Government Contracts/Grants	Number of Respondents
0 government grants/contracts or unknown	14
1-5 government grants/contracts	34
6-10 government grants/contracts	15
11 or more government grants/contracts	10

Corresponding Table to Figure 6: Percentage of total annual revenue coming from government funding (49 responses)

Percentage of Total Annual Revenue	Number of Respondents
0%	10
1-19%	13
20-39%	10
40-59%	9
60-79%	4
80-100%	3

Corresponding Table to Figure 7: Organization's Financial Health in 2013 (50 responses)

Financial Health	Number of Respondents
Deficit of more than 10%	2
Deficit of 10% or less	14
Revenue and Surplus about equal	16
Surplus of 10% or less	13
Surplus of more than 10%	5

Corresponding Table to Figure 8: Senior Nonprofit Professionals’ Estimate of Percentage of Agency Board that Identifies as Jewish (45 responses)

Estimate of Percentage of Agency Board that Identifies as Jewish	Number of Respondents
51-75%	2
76-100%	42
Unsure	1

Corresponding Table to Figure 9: Senior Nonprofit Professionals’ Estimate of Percentage of Executive, Administrative, and Programming Staff that Identifies as Jewish (44 responses)

Estimate of Percentage of Executive, Administrative, and Programming Staff that Identifies as Jewish	Number of Respondents
0-25% of the agency’s executive, administrative, and programming staff	4
26-50% of the agency’s executive, administrative, and programming staff	5
51-75% of the agency’s executive, administrative, and programming staff	20
76-100% of the agency’s executive, administrative, and programming staff	15

Corresponding Table to Figure 10: Senior Nonprofit Professionals’ Estimate of Percentage of Agency Clientele that Identifies as Jewish (45 responses)

Estimate of Percentage of Agency Clientele that Identifies as Jewish	Number of Respondents
0-25% of their clientele identify as Jewish	5
26-50% of their clientele identify as Jewish	8
51-75% of their clientele identify as Jewish	16
76-100% of their clientele identify as Jewish	15
Unsure	1

Appendix C:
Sample Text of Email from Jewish Federations of North America to Constituents

The link below is to a survey for research being conducted by Rachel Schonwetter, Masters Candidate in Jewish Nonprofit Management and Social Work at Hebrew Union College – Jewish Institute of Religion and the University of Southern California. The researcher would like to learn more about the use of government funding at Jewish social service agencies and how senior nonprofit professionals feel about this funding source.

Jewish Federations across the country partner with these types of agencies. Please take a few moments to forward this email to the Chief Executive Officer of every Jewish social service agency that your Federation partners with and/or supports. Direct your emails to Jewish agencies focused on: social services/human services; crime or legal related; employment; youth development; food, agriculture & nutrition; recreation & sports; and public safety, disaster preparedness & relief.

I appreciate your contribution to this research effort by sending this survey to your colleagues and encouraging them to participate. If you have any questions, feel free to contact the researcher at rachel.schonwetter@huc.edu.

SURVEY LINK: <https://www.surveymonkey.com/r/23DJV25>