

Charitable Choice: Top 10 Tips for Faith-Based Organizations

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- 1. Plans, Not Just Visions.** To be entrusted with public funds to serve the needy, you need specific plans for how you will help families overcome their problems. Faith is essential but no substitute for plans. Specify outcomes and demonstrate how your program will produce them.
- 2. Don't Chase Money.** You have a right to compete for funding to provide services. Just be sure that the funds will help you carry out what you know how to do well. Don't be tempted to start a new program just because money is available for it.
- 3. Be Accountable.** Make sure you have policies, procedures, and personnel that enable you to account for income and expenditures, monitor staff and volunteers, and keep track of clients' progress. Government will, and should, ask you to be accountable for how you spend, what you do, and what works.
- 4. Avoid Dependency.** Never become dependent on any one source of income. Plan ahead what you will do if government funding dries up or an unacceptable condition becomes the price of continued funding. Establish a maximum percentage of funds from any single source.
- 5. Separate Incorporation.** Establish a separate but faith-based 501(c)(3) corporation to receive government money and to operate your service programs. Your congregation will be protected from unwanted government rules and prying, and a separate structure can be specifically designed for effective services for the community.
- 6. Join Hands.** Your congregation has a vision for service? Wonderful. First step: see if any one else is already filling the need and join with them. If no one is yet active, get busy, but draw in others who share your vision and can bring their own expertise and connections.
- 7. Be Careful About Religion.** Faith undergirds the solution. But the poor are not necessarily without faith; they may be suffering because of the evil of others. So let faith be resource, guide, and connecting point, not the end of the story. And respect, without ignoring, the alternative faiths many will bring.
- 8. Get into the Loop.** Government contracting and policy making are long-standing operations with their own language, information channels, and players. Want to be serious about working with government? Find out what the loop is and get into it. Don't try it alone—join a network.
- 9. Check With a Lawyer.** No matter how well you understand Charitable Choice, if you plan to get involved with government you first should consult with an attorney experienced with government rules and regulations, religious organizations, and the nonprofit sector.
- 10. Advocate As Well As Serve.** As you serve the needy with your best efforts, don't forget that they may also need you to be on their side as their advocate to government. And don't let your focus on service blind you to the need for justice in public policies and economic life.