

CATHOLIC COMMUNITY DEVELOPMENT

by Amy Widstrom, Resource Development Coordinator,
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Almost 1,000 Catholic organizations work nationwide to address community needs. Community programs addressing a variety of issues, including the needs of the homeless, elderly, working poor, immigrants and people with other special circumstances, are carried out by these organizations, serving millions of people annually.

When first started in the 15th century, charitable acts performed by Catholic groups were often focused on healthcare: caring for the sick and elderly or housing ill children. Over time, the Church realized that it could not address healthcare alone; that in order to ensure good health, one must have a safe, secure home and adequate nutrition. It was a monastery in the 17th century that first combined housing with services, creating the first Catholic orphanage. This tradition has continued with many changes over time, but the mission remains the same: to help those in need by providing comprehensive services to address the many issues facing individuals and families today.

This is not to say that all organizations approach this mission in the same way. In fact, the Bay Area is home to two nationwide not-for-profits, Catholic Charities and Mercy Housing California (MHC), which serve as perfect

examples of the structural variety found when examining Catholic agencies. This article will look at the differences in programs offered and the various ways in which these organizations are funded today.

ORGANIZATIONAL STRUCTURE AND PROGRAM IMPLEMENTATION

At first glance, Catholic Charities and Mercy Housing may appear similar in structure: they are both nationwide, not-for-profit Catholic organizations. Despite this, the foundations of these organizations are vastly different, leading to fundamental operational differences. Catholic Charities exists in most major cities and is founded by a local parish, archdiocese or diocese. While they operate out of different offices and are 501 (c)3s, the organizations are inextricably bound to the local Catholic Church. This offers the charity a wealth of advantages, including the strength of the local Catholic community.

Mercy Housing, Inc. (MHI), also a not-for-profit 501 (c)3, was founded by the Sisters of Mercy of Omaha in 1981 and has since grown into a nationwide organization. They have several offices in California, one in Washington, one in Idaho and others representing the Midwest, Southwest and Southeast. MHI is sponsored by 11 Orders of

Full-time minimum wage equals \$16,726 annually, or \$1,393 a month. 52% of the poor population in America are working poor.

Approximately 13.6 million children under the age of 12, 29% of all children, cope with hunger or the risk of hunger over the course of a given year.

Catholic Women Religious and is not part of the Catholic Church structure. This difference has to be explained when introducing Mercy Housing in a community.

Mercy Housing, Inc. is an affordable housing developer committed to creating and strengthening healthy communities through the provision of quality, affordable, service-enriched housing for individuals and families who are economically poor. In addition, Mercy Service Corporation, an affiliate of Mercy Housing, manages all MHC properties and coordinates the provision of on-site services for residents, including after-school programs, English as a Second Language (ESL) classes, food and clothing banks and computer classes. While Mercy Housing provides both housing and services, the main focus of their work is housing, with Mercy Services providing the resources and support for on-site programs.

Initially, Catholic Charities San Francisco developed housing as well, but found that their resources could simply not support the volume of work required to establish the necessary partnerships and maintain the infrastructure to support this mission. Instead of creating a separate entity as MHI did, Catholic Charities chose to eliminate housing from its programs offerings and to work with other not-for-profit

housing providers, such as Mercy Housing, to ensure that affordable housing continues to be developed and that crucial services are provided in housing developments.

Focusing only on services has allowed Catholic Charities to develop strong programs that help those in need, and address many of the concerns facing communities today: homelessness, hunger, HIV/AIDS, support for the elderly and services for immigrants. These programs are offered in cooperation with other organizations and not-for-profits, who may provide the location for service delivery or other services that complement Catholic Charities' mission.

While the goal of the two organizations differ—one focusing primarily on housing and the other on programs, the problems being addressed are fundamentally the same. Mercy Housing California and Catholic Charities often work together to provide comprehensive care for those in need, combining housing and services in a centralized location.

WHERE DOES THE MONEY COME FROM?

The obvious question about these programs and organization is, who pays for them? While fundraising for not-for-profits varies depending on the organization and the cause, most are funded through a combination of individual gifts and grants requests.

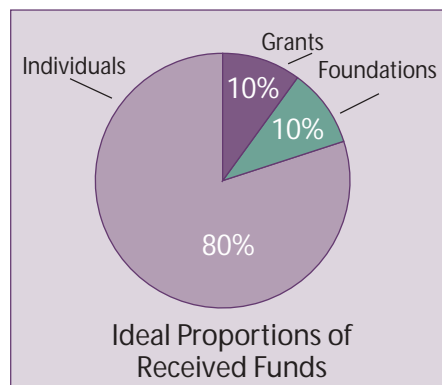
To establish a strong fundraising program, professional fundraisers suggest that the ideal breakdown of fund-

ing is 80 percent from individuals, 10 percent from foundations, and 10 percent from grants. In fact, the majority of nonprofit organizations raise funds in these three ways; however, the breakdown does not necessarily match the ideal for a number of reasons.

There is one overriding challenge for Catholic organizations: the assumption that the Church—with a reputation for being well funded—provides funding for all Catholic organizations. Whether or not this is explicitly stated, changing this perception is a major focus of most Catholic fundraising programs. One of the biggest differences between Catholic Charities and MHC is Catholic Charities' direct link to the local parish, diocese or archdiocese. This provides opportunities not available to other Catholic not-for-profits—namely, direct access to a portion of the population that presumably supports Catholic causes—which are vital to their fundraising efforts.

While Mercy Housing California is a Catholic organization, it is not directly affiliated with parishes, diocese or the archdiocese, which makes reaching this “natural” constituency a bit more challenging. Support from the Church then is limited for organizations like Mercy Housing, which must pursue donations from a broad base of individuals, corporations and businesses to sustain their work.

MHC depends heavily on grants from foundations and corporations with support from the co-sponsoring congregations of Women Religious. Individual donors, the smallest source of fundraising dollars, tend to be those who were educated by nuns or worked with them in schools or the healthcare arena, and those who are committed to the cause of affordable housing. The key to building our individual donor base is focused on broadening the awareness and understanding of the work of Mercy Housing.



ABOUT THE AUTHOR



AMY WIDESTROM is a resource development coordinator for Mercy Housing California. She specializes in public relations and special events, such as groundbreaking and grand opening celebrations. Before joining Mercy Housing, she worked with a large fundraising event production company, and served as fundraising staff for the Bill Bradley for President Campaign.

Amy received her bachelor's degree in English and theater in 1999 from Oberlin College.

HOW YOU CAN HELP

Lending institutions, corporations and foundations provide a large source of funding for Catholic charity funding through grants, low-interest loans and event sponsorship and underwriting. Recognizing that these three funding sources often have relationships with one another helps build support and awareness for charities by simply educating one another about the programs and agencies they each support.

Here are some ways businesses can and are helping local charities in their fundraising efforts:

1 *Identify funding priorities:* Knowing what programs, age group or geographic area is of interest to a funder helps charities focus their efforts. Having stated priorities may also allow funders to make larger donations to a select group of charities who address those stated priorities.

2 *Support operations of charities:* Nonprofits are grateful for all funding, but often there is a dearth of funding for basic operational costs, which are responsible for maintaining day-to-day tasks. Both operational and programmatic support is necessary for the sustainability of an organization.

3 *Foster ongoing communications:* Site visits by lending officers and program officers, as well as phone conversations with grant writers and program staff can greatly enhance the funder's knowledge of the work of an organization. Ongoing communications help to ensure that the charity's programs and the funder's priorities match.

4 *Facilitate new partnerships/funding opportunities:* Banks, corporations and foundations can introduce charities to their business partners as a way to help create new funding partnerships. Other funding opportunities might include low-interest loans, free checking accounts for program participants of a charity and first-time homebuyer assistance.

5 *Highlight charities in company publications:* One way to increase awareness for a charity is to write an article in your company's publication. In this way, the funders' employees and business partners can learn about an organization that they otherwise may not have known. The charities can assist in writing these articles or providing background information.

6 *Serve on boards/committees:* The professional expertise that executives of bank, corporations and foundations can bring to a nonprofit are invaluable and help to ensure accountability of program outcomes.

These are just some of the ways in which businesses can and do support local causes. Such partnerships are vital to agencies like Mercy Housing California as we work to address needs faced by individuals and families. **CI**

To discuss partnership opportunities, please contact Amy Widestrom at (415) 553-6384 or via email: awidestrom@mercyhousing.org.