Ronald Reagan Presidential Library Digital Library Collections

This is a PDF of a folder from our textual collections.

Collection: Blackwell, Morton: Files

Folder Title: Presidential Task Force on

Volunteers for the Needy (2 of 4)

Box: 20

To see more digitized collections visit: https://reaganlibrary.gov/archives/digital-library

To see all Ronald Reagan Presidential Library inventories visit: https://reaganlibrary.gov/document-collection

Contact a reference archivist at: reagan.library@nara.gov

Citation Guidelines: https://reaganlibrary.gov/citing

National Archives Catalogue: https://catalog.archives.gov/

Citizens For Voluntary Community Action

Chairman

Donald F. Sammis

Executive Director

Albert E. Strong

THE HUMAN SERVICES OPTION (HSO)

SUMMARY

Citizens for Voluntary Action believes America has relied too heavily on the Federal Government to solve its health and human services problems. At the same time this over-reliance on government has caused a neglect of the private voluntary sector as a source of solution. Until this century the creativity, efficiency, and volunteerism of the private sector has been the preferred method by which Americans have cared for their disadvantaged.

Today we face a unique opportunity to revitalize our private sector voluntary and charitable resources. The new administration in Washington has been forced to reign in the spiralling growth of government by means of a series of budget cutbacks in health and human services. Implicit in such cutbacks is a challenge to the private sector to fill in the gap caused by such reduction of government spending.

Americans will respond to this challenge but only if they are provided with the means to do so. Citizens for Voluntary Community Action believes now is the time to offer the taxpayer a bold and innovative method by which he can provide funding and become involved in our nation's private voluntary and charitable sector.

<u>Proposal</u>: To create a Health and Human Service Option (HSO). Individual and corporate taxpayers would compute 10% (escalating to 18% over five years) of their Federal income tax liability and then be allowed the <u>option</u> of contributing that money to the health and/or human service organization of their choice or continue to pay their full taxes as usual.

Fiscal Impact: 1982 individual and corporate income tax receipts estimated to be \$332 billion and \$65 billion respectively. If the Health and Human Services Option were fully exercised the increase in contributions to private voluntary agencies would be \$39.7 billion. There would be a maximum, however, of \$10 billion that could exercised in year 1 escalating to \$50 billion in year 5. Loss in revenue to the Treasury would be offset by newly created human service activity in the voluntary sector. There would be no net loss in human services funding to society and probable gain. Such gain would be expected from the greater efficiency of the private sector's use of the funding.

<u>Transition and Congressional Control</u>: To provide Congress a means of control over this bold program of direct taxpayer involvement in society's human services three features are suggested.

 A grand total or maximum amount of Federal Revenue diverted by the HSO would be established at \$10 billion in Year 1 and escalating to \$50 billion in year 5.

2. Congress would be able to designate up to 10 subcategories of services within the grand total amount (such as care of the elderly, family and youth services, drug and alcohol rehabilitation) for which the HSO would only be eligible. No direct Federal control over any private agency would be allowed.

3. Since funding would now be flowing to the private sector to provide services formerly provided by government, corresponding budget cuts in existing parallel Federal spending would be mandated.

Benefits: Provides immediately a means by which the private sector can meet human needs in the wake of reduced Federal spending for human services. Creates a vehicle for direct individual and corporate involvement. Provides a positive rationale for budget cutting while offering a better solution for human services problems.

THE PROBLEM

In this century we have relied to an increasing degree on a tax supported bureaucracy to meet society's human needs. Individuals and corporations generate income and pay the taxes which support the health and human services performed by the Federal government. Yet, the payment of taxes is much too impersonal an event. It does nothing to foster a sense of involvement or committment on the part of the taxpayer to the human needs of our society. Neither does it provide any means of recognition to the taxpayer for the huge support to these programs he is asked to give. At the same time it is a vastly inefficient system by which the ultimate funding for an agency must go from taxpayer to Washington back to the states and then finally to local government. Massive waste is incurred simply through administrative overhead.

To illustrate the magnitude of the waste involved in our present approach to human services funding consider the following facts. Current funding for health and human services, not counting social security, is over \$200 billion. There are approximately 25 million Americans considered to be under the "poverty line." If we were to simply take the Federal funding and divide it equally among the 25 million American poor, each individual would receive \$8,000 and a family of four \$32,000! Obviously, we are spending enough in general, the money is just not reaching the people who need it. A new way must be found to meet human needs in America.

HISTORICAL PERSPECTIVE

There has been a massive growth of government involvement in what has historically been considered philanthropic activity. Although this is consistent with the committeent Americans have always had to helping their fellow citizens, it is inconsistent with the traditional method. Voluntary benevolence, performed by private citizens has long been a dominant aspect of American life. At least through the 19th Century, virtually all energies on behalf of the disadvantaged were expended privately in the United States.

By 1820, the principle of voluntary association was so widely accepted that the larger cities had an embarrassment of benevolent associations. Such a phenomenon was a central part of the 19th Century American experience. Alexis de Tocqueville was moved to comment, in his <u>Democracy in America</u> (1835);

Americans of all ages, all stations in life, and all types of disposition are forever forming associations. There are not only commercial and industrial associations in which all take part, but others of a thousand different types—religious, moral, serious, futile, very general and very limited, immensely large and very minute. Americans combine to give fetes, found seminaries, build churches, distribute books, and send missionaries to the antipodes. Hospitals, prisons, and schools take shape in that way. Finally, if they want to proclaim a truth or propagate some feeling by the encouragement of a great example, they form an association. In every case, at the head of any new undertaking, where in France you would find the government or in England some territorial magnate, in the United States you are sure to find an association.

Today

Today, although the amount of money dedicated to philanthropic activities is surprisingly large when one considers the crushing burden of taxation (total 1980 giving to privately controlled tax-exempt charitable institutions was \$48.81 billion) the spirit of America as a nation committed to voluntary association to help one's fellow man is disappearing. We are increasingly a nation resigned "to let the government do it".

DISCUSSION

A mechanism must be devised that will accomplish several objectives simultaneously.

- 1. Protect and enhance current giving patterns.
- Create the means by which taxpayers are provided tax relief for contributions to services performed by the private sector which are also performed by the government.
- 3. Give the American taxpayer a bold new incentive for contributing to the private voluntary sector.
- 4. Maintain or increase total health and human service funding in America.

Thus evolved the term "Human Services Option." The term, "option," becomes a new entry in the income tax lexicon. It means taxpayer control, diversion, and direction of tax liability. It does not mean tax decrease or deferral. It is not a "voucher" or a "check off," however. A voucher is a coupon or chit of tax money useable by the taxpayer in some range of choice. A check off is an indication to the Federal government to isolate a certain number of tax dollars for a certain purpose. In both cases, the taxpayer must first relinquish control of his taxes, allow them to go to Washington, and then be given back some measure of control over what becomes Federal money. The option, to be a true option, allows the taxpayer to direct, by computing a percentage of his tax liability and then sending that amount, by his own check, to an eligible agency of his choice. The tax dollars are never received by Washington in the first place. This ensures true taxpayer control over the destination and retains the integrity of a private donation. Most importantly it blocks the Federal regulatory tendencies that follow all tax dollars. Since the money never becomes Federal money, it will be impossible to impose Federal regulations and red tape upon recipients which inevitably follow direct Federal involvement or funding.

The next major problem is the question of preserving current giving patterns. One danger inherent in the HSO concept is that it might become a <u>substitute</u> for current giving and thus cause no net increase or even a net <u>decrease</u> in health and human service funding. The drafters do not want taxpayers to use the HSO <u>instead</u> of their own donating inclinations, but <u>in addition to</u>. The solution to this problem is the creation of a <u>floor</u> of donations up to which a taxpayer must make traditional contributions before qualifying for his HSO.

The question then arises, what level of giving would constitute the floor? The most obvious solution to this is the average charitable donations expressed as a percentage of personal income among American taxpayers. This percentage is approximately 2%. However, the drawback of this approach is the problem one always has with averages - they are based on the aggregate and not the individual. Thus for large givers, the average would be low, and for small givers the average would be too high.

Therefore, a plan was developed which will individualize the floor to each taxpayer. The taxpayer would be required to give up to a previous 5 year average of his past donations. This average, would constitute a floor of giving which must be equalled before qualifying for the human services option. For those who have never made charitable contributions their 5 year average, or floor, would be zero. Once this floor has been achieved in a given tax year, the taxpayer would be allowed a 100% credit on further donations up to a maximum of the value of 10% of his total tax liability. By using the 5 year average approach, all taxpayers are treated according to their own ability to donate. On balance this approach probably favors the non-giver thus stimulating those most in need of motivation to become involved. Incidentally the charitable contributions made to fulfill the requirement of the floor would be deductible in the traditional way.

Examples:

- 1. Mr. and Mrs. John Smith earn, as a family, \$24,000 per year. They, like 70% of current taxpayers, take the standard deduction. They have never contributed to charity believing, like many Americans, that their taxes take all the money they would have available for donations. Under current tax rates, the Smith's Federal tax liability is \$3,770. Computing 10% of this yields \$377.00 which is the amount of Mr. and Mrs. Smith's Human Service Option. Because they have never contributed to a private charity the Smith's "floor" would be zero. The Smiths choose to exercise their option and send a check to United Way for \$377.00. Their Federal tax liability is then reduced by a like amount.
- 2. In the town of Anywhere, U.S.A., the Hispanic community has long needed a community center for teenagers. The center will be a vital contribution to the antigang effort they are making. Due to red tape and bureaucratic slowness in the past, and now budget cuts, the promised Federal assistance has never arrived. An association of taxpayers has formed in the Hispanic Community to pool their HSO's. The association numbers 650 taxpayers with an aggregate tax liability of \$2,950,000. The aggregate HSO would be \$295,000. The community center is now under construction.
- 3. The Jones Corporation has annual sales of \$400,000,000 and an income before taxes of \$38,000,000. Until now, with the advent of the HSO, Jones has never made any charitable contributions due to the existence of a militant faction of shareholders who have long opposed any diversion of profits. Since exercising the HSO has no effect on the bottom line in any way, the Jones Corporation is free to contribute \$1,748,000 (10% of their tax liability) to the Salvation Army for a new "half-way" house in the inner city. The reaction to this move has been so positive that the Jones Corporation is for the first time considering adding staff for the purpose of direct involvement in human services.

4. The Brown family has historically made charitable donations throughout the year of a relatively significant nature. For them, the HSO would simply be an application of a 100% credit on a portion of that giving. Say the Brown's had a taxable income before charitable deductions of \$40,000 and charitable contributions of \$1,200. The Brown's would first calculate the average of their claimed charitable deductions over the past five years. This calculation yields \$900. Upon filling out their tax return, they may claim a deduction on the first \$900 of their \$1,200 total contribution. They then compute their tax liability on \$39,100 which for a married, filing jointly, with four exemptions, is \$8,173. They compute their HSO to be \$817 (10% of \$8,173). They still have \$300 of contributions made during the year above their "floor" (or minimum amount of contributions needed to be eligible for the HSO). On this they may claim a 100% tax credit and still be allowed to write a check for an additional \$517 to the human service organization of their choice.

RECIPIENTS OF THE HSO

Next, we must deal with the issue of who is to be the recipients of the massive influx of formerly tax dollars now allowed to the private sector. To begin with it cannot be overstated that it is the intention behind the HSO to redirect tax dollars to a more efficient use and not to create a tax loophole or in any way monetarily benefit the taxpayer. Thus, the destination of the redirected tax dollars in the form of the HSO must be a health or human service agency. The current IRS code 501(C)(3) definition of organizations to which contributions are deductible is too broad for the intent of our legislation. The HSO can only be contributed to an organization capable of replacing current government activity in health and human services. Thus we would have the following exceptions to the broad class of 501(C)(3) organizations.

1. Religion: Although this is a potentially very sensitive area, we feel there is a need to modify the eligibility of religious organizations with respect to the HSO. Historically, charitable contributions to religion have been on the order of 46% of all charitable giving. The church, like no other institution in the world, is responsible for serving human needs. Yet we know that a great percentage of the church's revenue for contributions must go to support the clergy, staffs, and its physical plant. We are concerned that because of the large portion of giving that has historically gone to churches, without certain restriction on the use of the HSO, it will largely be applied to the churches's general purposes as well. This would defeat our claim that the HSO would not cause society any net loss in human service funding since former tax dollars would, without some restriction, begin to flow to a non-government replacing activity.

The solution, however, is fairly simple. Our recommendation would be to specify the purposes for which the money must be used for which the church could qualify. The church's responsibility would be to create an arm of the church dedicated to human services which then would be eligible to receive the HSO.

2. Education: Our concern here is political as well as practical. Education, to begin with, does not fall under the definition of health and human services in any strict sense. It is a human service broadly speaking but does not deal with

primarily the disadvantaged. Although education fits perfectly the logic about a service performed by both government and the private sector, there is already a movement afoot to redress the "double-taxation" of those who pay taxes for public schools for other children and tuition for their own children at a private school. This of course, would be the tuition tax credit movement.

It is our feeling that education should be outside the eligibility of the HSO. Again we have the problem of large amounts of giving going to education (14%) which would dilute the impact of the HSO in revitalizing America's private charitable sector, and thus jeopardizing our claim that the HSO would make it possible for the private sector to replace the government in health and human services.

3. Arts and Culture: A third area of the current 501(c)(3) definition is arts and culture. This is certainly a laudable object of support. The problem is simply that it would not be an appropriate recipient of the HSO. The most obvious reason being that arts and culture have really little or nothing to do with health and human services, which is what the HSO was designed to support. But more importantly, a major discrepancy could easily develop in that much more could be donated via the HSO than there is current Federal funding. The arts represent only a tiny fraction of the current Federal budget. There is little opportunity for replacement of current government activity by the private sector. A large percentage of the available HSO funds could potentially be siphoned off into arts and culture thus diluting its impact and endangering the link between decline in tax supported government human services and the intended increase in private sector human services.

The preceding three areas represent the areas most worthy of consideration for exclusion. Further areas of the 501(c)(3) definition will require clarification.

TRANSITION AND CONGRESSIONAL CONTROL

Citizens for Voluntary Community Action is acutely aware that the fiscal impact of the proposed Human Services Option is of an historically large magnitude. We are also cognizant that Congress may be extremely reluctant to relinquish control of Federal revenues to the degree indicated in this proposal. It is true, faith in the central government as the best method of distributing funds has declined and renewed interest in market methods has reappeared in recent years. However, it is perhaps unrealistic to assume Congress could be comfortable with a full implementation of the HSO proposal without a period of years in which the concept was phased into existence. Consequently, this section is devoted to describing a transitional plan towards bringing the HSO into full usage.

1. Eligibility to Receive HSO Funds

There already exists an entity responsible for the policing of abuses and improper charitable donations. It is proposed that the Internal Revenue Service would police this tax incentive in conjunction with the present system that exists in the individual states.

Any organization that desired to receive donations that qualified for the Human Services Option (HSO) to be credited to the donating taxpayer would make application to the Internal Revenue Service and state agencies and would receive approval as an HSO organization. This process would be similar to applications that are presently made by organizations applying for charitable status today, except that the HSO designation would only apply to organizations that were operating in the fields of health and human services.

Fields of endeavor that would qualify would include:

Α.	Job training	F.	Blighted area redevelopment		
B.	Health care	G.	Welfare		
C.	Health research	H.	Drug and Alcohol Rehabilitation		
D.	Care of the elderly	I.	Low income housing		
E.	Family and Youth Services	J.	Food and nutrition assistance		

A requirement in order to be qualified by the IRS as an HSO organization would be that no more than 35 percent of the annual budget would be expended in the obtaining of funds.

2. Phasing

In order to assist in a smooth transition from the Government to the Private Sector in performing Human Services, it is suggested that the maximum dollar amount of HSO to be credited to the taxpayers would be:

Year 1	\$10 Billion
Year 2	\$20 Billion
Year 3	\$30 Billion
Year 4	\$40 Billion
Year 5	\$50 Billion

3. Categories of HSO Recipients

The Congress shall establish (at the time that the legislation is passed) the annual grand totals of funding that shall qualify in the private sector for HSO revenues donated by the nation's taxpayers. These totals shall be broken down into totals might be established as follows:

A.	Job training	\$ 1.4	Billion
В.	Health care	1.5	Billion
C.	Health research	.2	Billion
D.	Care of the elderly	1.5	Billion
E.	Family and Youth Services	.7	Billion
F.	Blighted area redevelopment	1.0	Billion
G.	Welfare	1.2	Billion
H.	Drug and Alcohol Rehabilitation	.7	Billion
I.	Low income housing	1.0	Billion
J.	Food and nutrition assistance	.8	Billion
TOTAL		\$10.0	Billion

¹This percentage is currently being researched to insure that a fair and realistic percentage is mandated but one that also assures Congress that recipient agencies are, in fact, efficient.

4. Qualification for the Human Services Option

The process for a taxpayer qualifying for the HSO credit off income tax owed (either corporate or individual) is as follows:

- A. First, the taxpayer must make a cash donation (no "in kind" donations or other types of property to be permitted) to an organization that has previously qualified as an HSO charitable organization.
- B. The HSO organization contacts the Executive Branch of the Federal Government and requests that the donation made be added to the grand total of national allocation for that category.
- C. If the grand total has not been exceeded, the Executive Branch automatically and without reservation adds this to the allocation. There shall be no constraints on the HSO organization—there will be no limit as to how much they can raise. The only limit is that the grand total allotted to the category of the HSO organization cannot be exceeded.

It is important to note that there should be no requirements made by the Federal Government (through its Department of Health and Human Services or other agencies) that would add any regulation or in any way constrain private HSO charitable organizations. The Federal Government would not act as an approving authority to private organizations nor would they have any discretion in determining which organizations received donations or any limits on the amount of donations that any private organization could receive as long as the organization initially qualified as an HSO eligible organization.

5. Corresponding Cuts in Federal Budget

The Executive Branch shall keep an accounting of the grand total of donations made each year to the various HSO activities (the same 10 categories such as job training, care of elderly, etc.). The next fiscal year following the year in which the donations were made, the Department of Health & Human Services, or other Federal agencies performing these human services, shall reduce their budgets by an equal amount to the donations made, to reflect the increased activity by the Private sector in replacing the Government as the delivery system for human services.

Example: Assume a total federal budget for job training in fiscal year 1982 was \$10 Billion. Assume the grand total allocation for HSO credit to job training was \$1.4 Billion in 1982, but that only \$1.0 Billion was donated by taxpayers to private job training organizations. In fiscal year 1983 the Federal Government would reduce its budget for job training by \$1 Billion to reflect the increased activity by the Private sector.

6. Congressional Review

It is proposed that the legislation would provide for an annual review by the Congress of the levels of private giving and activity in human service. If the grand totals of various categories were being fully utilized by HSO, the Congress would be required to consider a raising of any of the grand totals fulfilled as well as the total permitted ceiling for HSO. A mandatory increase would be required unless

Congressional investigation conclusively showed that the private sector was not adequately and efficiently replacing the Federal Government as the delivery system for community and human services.

Loss of Treasury Revenue

If 1982 were Year 1 of HSO, individual and corporate income tax receipts are estimated at \$332 Billion and \$65 Billion respectively. Therefore, the 10% HSO credit potential equates to \$39.7 Billion.

Thus, only 25% of taxpayers would have to utilize the full HSO option available to them, for the grand total of \$10 Billion to be reached. If there were 10 sub-categories of HSO eligible services, (job training, care of the elderly, etc.), it is possible some categories would not be fulfilled. Therefore, in Year 1, perhaps as little as \$8 to \$9 Billion loss to the Treasury would occur.

By Year 5, taxpayer utilization of HSO increases from 10% to 18% of tax owed. If total tax receipts in Year 5 before HSO were \$470 Billion (estimated), then 18% equals \$85 Billion. The grand total of HSO permitted categories is \$50 Billion in Year 5. Therefore 59% of average taxpayers could utilized the full 18%, and the grand total would be reached. Again, since not all grand total categories would necessarily be filled, the loss of revenue to the Treasury is estimated to be between \$40 to \$50 Billion in Year 5.

THE BENEFIT

We have identified the following benefits available from our proposal:

- 1. The taxpayer would gain a measure of choice as to where his tax money is spent. This would impart an authentic sense of participation in the solving of society's human services problems to the taxpayer.
- 2. The taxpayer would be provided an affordable way to contribute a significant amount to a human service organization. Perhaps for the first time, a two way relationship between a taxpayer and his community would be created.
- 3. We, as a nation, could begin to reduce the clumsy and wasteful centralized funding of dollars that currently characterizes our tax system. Presently, funds must go from taxpayer to Washington and back to the state and finally local government. Our plan would replace this inefficient system with what amounts to direct taxpayer to agency funding. The savings from the efficiency of this approach alone argue strongly for this idea.
- 4. Our proposal provides a way to reach the heretofore untapped potential of corporate contributions. There has been only a lukewarm reception to the 5% limit on <u>deductible</u> charitable contributions. Over the years the average corporation donation has been only 1½% of net income, or, only 30% of their allowable potential. Corporations need more of an incentive to contribute. It is obvious, from the fact of low contributions that a <u>deduction</u> is not enough of a motivator. Corporations need a way to contribute that does not conflict with the corporation's (rightful) obligations to their shareholders.

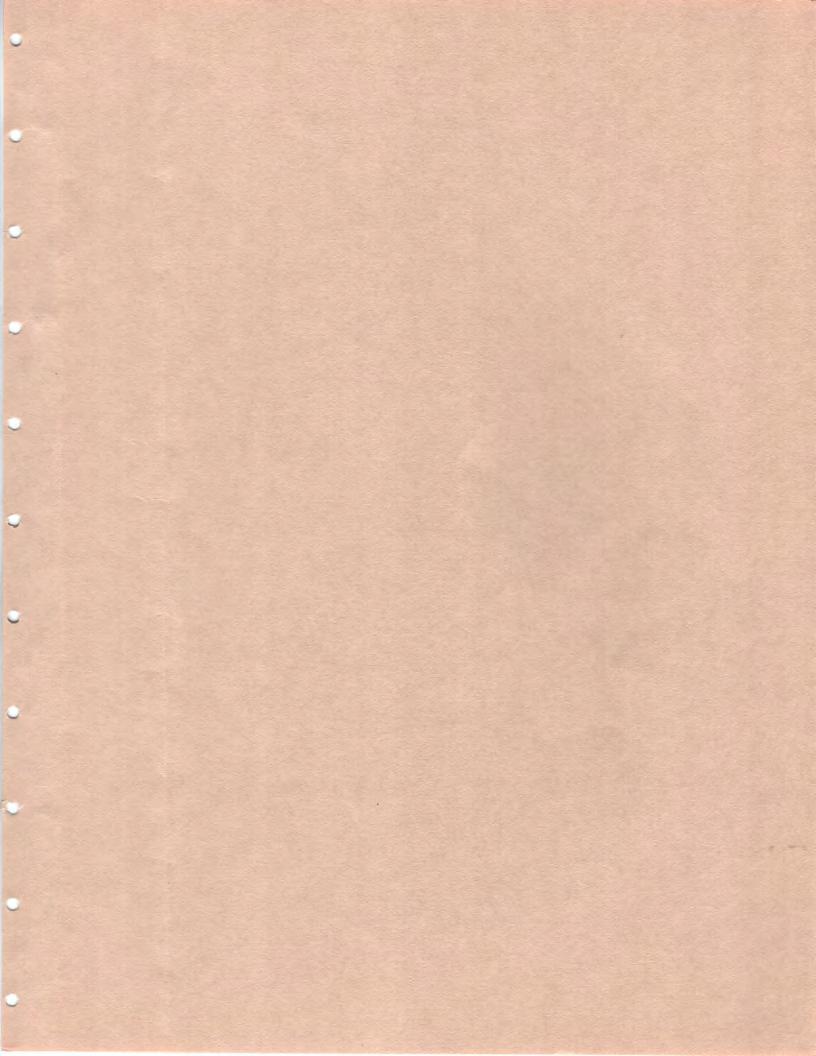
PUBLIC SUPPORT AND PARTICIPATION

In concert with the tax legislation, it is proposed that a private organization would be formed for educating taxpayers on the need to become personally involved in performing needed human services more efficiently and creatively. Perhaps the most crucial aspect of this entire proposed program is the degree of participation by private citizens. Citizens for Voluntary Community Action intends to play a leading role in organizing and encouraging the private sector to respond to the opportunity and challenge represented by the Human Services Option.

The passing of the tax legislation is only the first step. What is needed is a new philosophy on the part of individual and business taxpayers thay they must themselves benefit their community if they are to preserve their own system. It is felt that the Human Services Option provides the spring-board from which to launch into a new era of voluntary, personal and enthusiastic community support.

It is time to return to a "do it yourself, America" philosophy. The very foundation of free enterprise and the marketplace economy is at stake. It is more spiritually rewarding, makes for a free and independent citizen and is more efficient if we have private enterprise and private charitable organizations performing human services.

This legislation, the Human Services Option, needs to be passed as the stimulus to create a new revitalized enthusiasm for Voluntary Community Action.





United States Senate

WASHINGTON, D. C. 20510

ROGER W. JEPSEN

March 12, 1981

Mr. Edwin Meese III Counsellor to the President The White House Washington, D. C. 20500

Dear Ed:

We would like to bring to your attention an exciting new idea -- The Foundation for the Poor. In addition, we want to lend our endorsement to a creative, innovative proposal: a national commission for the poor.

The Foundation for the Poor was formed by an enterprising group of concerned and committed Christians led by Dr. E. V. Hill, Harv Oostdyk, Robert Pittinger, Arch Decker, Clint Murchison, and Holly Coors, among others. They are endeavoring to reach out to the truly poor and needy, assisting them in becoming self-sufficient whenever possible, and restoring their self-esteem. The vehicle they are using are the churches of America, with technical and financial assistance coming from individuals and businesses in the private sector. This "at home" mission field has not received adequate attention from the local churches in recent years. This group challenges and assists them in becoming involved.

Significantly, this group is urging the creation of a national commission for the poor to further the movement of new and private resources into the inner cities, without the investment of any government funds. The formation of such a group by President Reagan would do much to inspire and encourage Americans to reach out to their less fortunate brothers and sisters within their own communities. As we are all aware, due to the mobility of today's society, the breakdown of the family unit, and the loss of a "sense of community," there is an insensitivity to the needs of our fellow man.

Mr. Edwin Meese Page 2 March 12, 1981

By adopting this proposal, we believe that the Administration could take the leadership in offsetting the actual, as well as psychological, effects of the unavoidable belt-tightening which the government must do in relationship to certain social programs. It would, in addition, foster a spiritual and moral renewal of the compassionate spirit which is the heritage of the American people.

We therefore suggest the following:

- 1. A meeting with the leadership of The Foundation for the Poor, to outline the concept and its feasibility, with Elizabeth Dole and her staff (who have been receptive of this proposal), Secretary Schweiker, a representative of President Reagan, and interested members of Congress.
- 2. Consideration of a proposed list of Commission members with Dr. E. V. Hill as Chairman.
- 3. An office in the Executive Office Building for liaison with the Administration upon the appointment of the Commission.

Enclosed you will find details of this proposal which we urge you to consider.

Sincerely,

V.

Tense

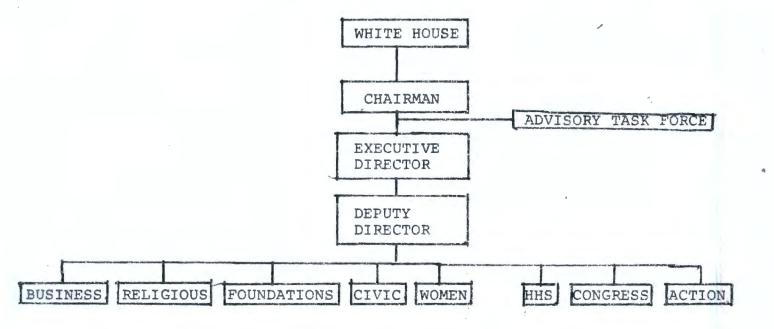
Mark O. Hatfield

William Armstrong

Jesse Helms

ouplicate letters to:

Mike Deaver Jim Baker



BUSINESS-Leon Jaworski, Don Seibert
RELIGIOUS-Billy Graham, Roger Staubach
FOUNDATIONS-Holly Coors, Paul Harvey
CIVIC-Jim Autry, Mrs. Don Shide
WOMEN-Mary Crowley, Anne Murchison
HHS-Carl Anderson, Jerry Regier
ACTION-Tom Pauken
CONGRESS-Bill Armstrong, Mark Hatfield

THE WHITE HOUSE

WASHINGTON

March 30, 1981

TO:

Tom Getman

FROM:

Morton C. Blackwell

SUBJECT: MEETING REGARDING "COMMISSION FOR THE POOR"

The Office of Public Liaison is hosting a meeting to discuss the possible creation of a volunteer-staffed office in the White House complex which would assist in channeling church efforts into a program involving congregation members directly in assisting the poor.

You are cordially invited to participate in person or through a staff representative, in an exploratory discussion of this concept in Room 132 OEOB, at 2:00 PM on Friday, April 3, 1981. The meeting should take no more than 90 minutes.

Several senior staff members have expressed an interest in this project, which is being organized by the Foundation for the Poor, headed by Rev. E. V. Hill of California. Many of the most prominent national religious leaders are actively involved. Senator Roger Jepsen and Senator Bill Armstrong are strong supporters of this concept, as are Mr. and Mrs. Joseph Coors.

Those invited to this meeting include:

Craig Fuller, Director of Cabinet Administration
Mel Bradley, Senior Policy Advisor, OPD
Dorcas Hardy (Secretary Schweiker)
Mrs. Roger Jepsen
Tom Getman (Senator Hatfield)
Fred Fielding, Counsel to the President
Thelma Duggin, Deputy Special Assistant to the President
Robert Pittenger, Foundation for the Poor
Harv Oostdyk, Foundation for the Poor
E. V. Hill, Foundation for the Poor
Morton C. Blackwell, Special Assistant to the President

Please telephone me or my assistant, Tony Benedi, at 456-2657 to confirm whether or not you (or your staff representative) will be able to attend next Friday.

STRATEGY FOR THE PRESIDENTIAL COMMISSION

June Meeting with the leadership of the Presidential Commission, Foundation for the Poor, Congress, HHS, and the White House.

Summer Develop brochures and materials for the Commission.

- Fall Meeting with appointees of the Presidential Commission.
- Fall Meetings with various project leaders who have significant volunteer support efforts to help the poor around the country.
- Fall Support and encourage the prototypes in Los Angeles, Dallas, and Denver of the Foundation for the Poor and other projects.
- Spring 82 Meeting with the business, civic, and religious leadership from 10-20 cities to present the successful prototypes to encourage replication in their respective cities. Identify cities with good potential for success.

Support and encourage these additional cities.

Spring 83 Meeting with the business, civic, and religious leadership from an additional 200 cities to promote these volunteer support efforts.

Support and encourage these efforts and expand to additional cities.

Many good efforts will begin throughout the country because the President has established a Commission and issued the call for volunteerism from the private sector and religious community. The Commission would be cautious, however, to be selective in the projects and efforts that it would directly or indirectly endorse.

Copy: William L. Armstrong

Dee Jepsen E.V. Hill

Volunteriusm

Mnited States Senate

WASHINGTON, D.C. 20510

May 28, 1981

Mr. Morton C. Blackwell Special Assistant to the President Executive Office Building Washington, D.C. 20500

Dear Morton:

I am writing to endorse suggestions already made that Mrs. Roger Jepsen serve as executive director and Mr. Robert M. Pittenger help direct the staff for the proposed President's Project Share.

I hardly need to tell you and the others shaping Project Share about the credentials, character and enthusiasm that Dee and Robert would bring to Project Share. Dee has extensive experience at all levels of business, government and politics. She is known nationally for her commitment to spreading the Gospel of Jesus Christ. Dee is the perfect leader to ensure the project will succeed.

Robert has extensive hands-on experience in implementing large-scale projects in the so-called "voluntary" sector of our society. As you may know, Robert directed the financing for the Here's Life campaign for the Campus Crusade of Christ. Under his leadership, the campaign raised some \$158 million. Robert also directed the National Pastors Advisory Committee which sponsored national conferences for some 2,000 pastors.

What impresses me the most about Dee and Robert is their unswerving commitment to helping meet the needs of the nation's poorest citizens.

I strongly endorse Dee and Robert to help get Project Share off and running.

Please call me if you have any questions.

William L. Armstrong

WLA: bbe

MEMO

Colunteers

TO: MORTON BLACKWELL

FROM: ROBERT PITTENGER

RE: STEP FOUNDATION REPORT

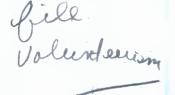
DATE: SEPTEMBER 24, 1981

STEP FOUNDATION - STRATEGIES TO ELIMINATE POVERTY

- 1. Principal Leadership Mrs. Joseph Coors, Mr. Bunker Hunt, Clint Murchison, Mary Crowley, E. V. Hill, Bill Bright, Billy Graham, Pat Robertson, James Robison, Jerry Falwell, Rev. Don Moomaw, W. A. Criswell.
- 2. STEP FOUNDATION is committed to the local churches with support from parachurch organizations such as Billy Graham or Campus Crusade. The local church has the manpower and the mandate to help the poor. Most every volunteer effort breaks down because the volunteers lose their motivation or they are difficult to organize. The local church contains the creative genius of the business community and the lay workforce to accomplish the objective. They meet weekly which facilitates their ability to organize and because there are over 400 passages in the Bible relating to the poor, church members can easily be motivated to take action. There are approximately 100 million people who attend a religious congregation weekly and millions more who will be involved through television ministriés.
- 3. Prototypes are being developed in Los Angeles, Denver, and Dallas, and New York. Approximately 5,000 volunteers will be organized in each prototype.
 - After the prototypes are developed, STEP will expand to other cities. Dallas structures will be completed December 1981, Los Angeles and Denver May 1982, New York Fall 1982.
- 4. In the Dallas prototype committees have been established in local congregations relating to drugs, housing, jobs, education and welfare. Ten churches have their respective committees and there is a chairman who coordinates the churches in each related area. Dallas Theological Seminary with over 1,000 students is located in the heart of the project and has committed the active involvement of the seminary. Mary Crowley who has 35,000 women employed with her company throughout the country is organizing the Dorcas Program in Dallas. This effort will organize various church, civic and other women groups. Bunker Hunt has given \$1 million to organize training centers in the prototype cities and ten other cities to organize the church laity in their efforts to give spiritual and meaningful physical and personal support to the inner cities.

In each prototype there are ten suburban churches selected who will work through the leadership of one key inner city church. Dr. B. Clayton Bell, Senior Minister, Highland Park Presbyterian Church in Dallas, gives leadership to the suburban churches and Rev. E. K. Bailey is the key inner city pastor who coordinates the involvement of other inner city churches.

MEMORANDUM



THE WHITE HOUSE

WASHINGTON

October 1, 1981

TO:

JACK BURGESS

FROM:

MORTON BLACKWELL

RE:

Members for Secretary Block's Delegation to F.A.O. in

Rome

I have the following two strong suggestions for the delegation:

1. Robert Pittenger 1533 Forrest Villa Lane Mac Lean, VA 22101

821-8363; 893-3151

Pittenger is the Executive Director of the S.T.E.P. foundation which is the most broadly based of the newly organized groups which are concentrating on inspiring religious congregations to aid the needy. Pittenger is a prominent supporter of the President who frequently hosts religious-oriented meetings for Senators, Congressmen, and Cabinet officers.

 Reverend Cleveland B. Sparrow P.O. Box 1862 Washington, D.C. 20013

398-5666

Rev. Sparrow is a black minister who operates "Super Sixty's Super Stars" - a program to provide food and other assistance for inner-city, elderly, minority members.

Volunteerism

Citizens For Voluntary Community Action

Chairman

Donald F. Sammis

Executive Director

Albert E. Strong

October 14, 1981

Mr. Morton Blackwell The White House Washington, D.C. 20500

Dear Mr. Blackwell:

Thank you so much for taking time from your busy schedule and meeting with Mr. Sammis and myself. In a proposal like the "Human Services Option", much input is required to make it workable policy. Your comments were extremely valuable to us as we shape this new idea to involve the private sector in the delivery of human services.

Again, thank you,

Sincerely,

Albert E. Strong

Executive Director

THE WHITE HOUSE

Volunteers

WASHINGTON

September 29, 1981

TO:

Jim Baker

FROM:

Morton Blackwell

VIA:

Elizabeth Dole

RE:

Save Our Children

Our office held a constructive meeting last week which included a representative of Marny Smith's organization, Save Our Children.

Since, from her letter of September 11 she is a family friend, I thought you should know about this meeting which concerned primarily support for private, voluntary foreign assistance programs.

Attached is the memo we sent to Ed Meese's office regarding this meeting.

2 palled provide on

pro frite

14

Dut

September 22, 1981

TO: Flo Randolph - Ed Meese's office

FROM: Morton Blackwell and Jack Burgess

RE: C.L.U.S.A.

Re our meeting with C.L.U.S.A. on September 21, their principal request was that the White House designate someone on the Hill to manage the Foreign Assistance Act.

They sense a lack of commitment here on the topic of foreign aid. They hope that any statements that the President makes encouraging volunteerism will include a reference to the traditional American support of voluntary programs to help the needy overseas.

Below is a list of the people present at the meeting.

Dr. Russell E. Morgan National Council for International Health

298-5901

Samuel E. Bunker N.R.E.C.A.

573-9686

Martha L. McCake Cooperative League

872-0550

Lt. Col. Ernest A, Miller Salvation Army

. 833-5577

Fred W. Devine C.A.R.E.

686-2646

Carol Coops Church World Service/Lutheran World Relief

484-3950

Father Robert R. Charleboro Catholic Relief Services

212-838-4700

David L. Canyer Save Our Children

203-226-7272

Elise F. Smith Private Agencies in International Development

466-3430

Kate Semerad A.I.D.

235-2708

Daznija Kreslins A.I.D.

235-1380

Julia Bloch A.I.D. - Assistant Administrator Food for

Peace and Voluntary organizations

54 Wilton Road Westport, Conn. 06880 USA (203) 226-7272

September 11, 1981

The Honorable James A. Baker III Assistant to the President The White House Washington, D.C. 20500

Dear Jim:

You know I wrote you once before about Save the Children, and I hate to take your time on this, but I feel that it is quite important now.

Save the Children is a private community development and child assistance organization which has been working in the U.S. and abroad for fifty years. As you know, the President and Mrs. Reagan serve as Honorary Chairmen of the Save the Children 50th Anniversity Committee.

Over the past several years Save the Children and other private and voluntary agencies have been working with the Congress and A.I.D. to increase the emphasis on the private sector in development assistance. Much of this work has finally found its way into legislation in this year's Foreign Assistance Authorizations. Now, though, it appears that the bills are going to die in Congress unless the Administration does something to indicate its support.

Jimmy, I know that you have other things to worry about, but I do hope that you will take a few minutes of your time to meet with a small group of private agencies to discuss how we can best work with the Administration to promote an objective that all of us share; a better life for children. I have suggested that Phyllis Dobyns, the Director of Save the Children's Washington Office, call your office some time in the next week to see what can be arranged.

Fred and I think of you often and hope you are holding up under the strain of the enormous responsibilities you have taken upon yourself. It is good to know there are people like you who are willing to give so much of themselves in an effort to guide our country through this challenging period. Please give our best to Susan, who is probably the real unsung heroine of the Baker family.

With warm regards,

Marny Smith

Board of Directors

Marjorie C. Benton Chairperson Gaither P. Warfield Vice-Chairperson David L. Guyer President Ann Phillips Morton H. Broffman Dana C. Ackerly J. Herman Blake Peter G. Bourne Philip I. R. Du Val E. C. Kip Finch Daniel Honahni James W. Jacobs Lone Johansen Raymond F. Johnson Mary E. King Glen Leet Mildred Robbins Leet Marion Fennelly Levy Steven A. Martindale F. Bradford Morse Jean R. Pennybacker Phyllis Z. Seton Martha Stuart Donald Watson

Council

Stewart Werner

F. Bradford Morse Chairperson Morris Abram Elizabeth Beteta James P. Grant Alex Haley LaDonna Harris Jerome Holland David Hunter Derrick B. Jelliffe Jane B. Lehman Robert F. Longley Michael Love Charles MacCormack John W. Macy, Jr. George McRobie B. K. Nehru Pauline Frederick Robbins Sharon Percy Rockefeller Maurice F. Strong Phillips Talbot Jean C. Young

Programs

Domestic

American Indian Appalachia Chicano Inner Cities Southern States

Overseas

Africa Asia Europe Latin America Middle Fast

6/81

he turneth it whithersoever he will"), gave a case-history account of Christian impact in Bolivia under former president Hugo Banzer. A minister of education from a Latin American country, an evangelical, told of plans to reach his entire country for Christ this year. Several speakers complained about the exports of pornography "and other evil influences" from America to their countries. Harold Hughes hammered away at what he sees is a key problem for leaders: failure to develop close relationships and spirituality within family life.

EVANGELICAL COALITION TO WAGE WAR ON POVERTY

Virtually unnoticed, an impressive array of evangelical leaders slipped into a downstairs meeting room at the Washington Hilton several hours after the Feb. 5 National Prayer Breakfast concluded. It was an unheralded but nevertheless historic meeting. For on the eve of President Reagan's announcement proposing slashbacks in government social programs, these evangelicals were poring over strategy for a church-financed, church-manned campaign against poverty designed to outdo the government.

On hand was a contingent from Capitol Hill, led by Sen. William L. Armstrong (R-Colo.), a Lutheran who became a Christian at a congressional prayer breakfast several years ago. Also present were representatives of Campus Crusade for Christ, Young Life, Youth for Christ, Christian Broadcasting Network, National Association of Evangelicals, America for Jesus, Moral Majority, the Billy Graham Evangelistic Association, and a number of other groups.

The meeting was called by Foundation for the Poor, an organization founded without hoopla last fall in Washington. Los Angeles pastor Edward V. Hill, who served as the first chairman of the Los Angeles Anti-Poverty Commission, is FFP president. Former Colorado state legislator Arch Decker is chairman, and Robert Pittenger, former personal assistant to Campus Crusade's Bill Bright, is executive director. Harv Oostdyk, former Young Life staffer and 28-year-veteran of sweat and tears in Harlem, is FFP executive vice president, supplying much of the savvy and heart the new movement needs.

As Ed Hill outlined it, the idea basically involves providing money, manpower, know-how, and encouragement to selected ghetto churches that will in turn carry out programs in their own communities. Suburban churches will link up with inner city churches.

Two 15-block pilot projects are already under way: one in Dallas sponsored by <u>James Robison's evangelistic organization</u> (with Oostdyk coordinating things), and the other in Los Angeles, spearheaded by Hill's Mt. Zion Missionary Baptist Church. Hill told of a youth employment program his church ran. It recruited 106 youths, 35 of them felons. Under government guidelines, the program would have been considered a success if only 30 landed a job or entered college, he said. By the end of the first year, 103 of the 106 were employed full-time, he disclosed.

Leaders envision a variety of things happening within a target neighborhood: upgrading of staff and resources of struggling churches for more effective ministry, teaching job skills to the unemployed and helping them find permanent work, arranging for better health care services, improving the lot of the elderly, helping youngsters with educational problems, renovating houses, etc., with spiritual ministry a priority.

The total problem of poverty must be restudied, asserted Armstrong, for lack of money is not necessarily central. He ticked off figures: this year the government will spend \$218 billion on income security, \$230 billion on housing, and \$62 billion on health programs. Ten million families, a total of at least 25 million individuals, are receiving federal welfare benefits. Despondency, idleness, corruptive influences,

and other factors are components that must be dealt with, he said. He endorsed the experimentation associated with the Dallas and Los Angeles pilot projects, saying that program planners need models of success to copy. Federal planners, he theorized, have been copying models of failure.

Hill, more adamant, labeled the federal anti-poverty offensive a dismal flop. Said he: "We spent \$88 billion on Watts, and the results suggest we need another doctor." The people who benefitted most were the ones who dreamed up and ran the programs, he alleged.

In floor discussion, most comments were positive. The consensus: "Count us in, but show us what we need to do and how to do it."

There were words of caution, though. Jay Kessler of Youth for Christ said his organization has been there before, without spectacular success. Appeals to white evangelicals, he lamented, seemed to fall on deaf ears, "and Bedford-Stuyvesant [a New York slum] chewed us up and spat us out."

Hill replied that there are differences now: because little has worked, the visionaries in government are frustrated, and the people in the inner cities are fed up, more open to new approaches. Also, white evangelicals have not been at this point in social awareness and willingness to cooperate until now, he said. And when evangelicals go to work in the inner cities, they need to identify closely with the churches there, he pointed out.

Evangelist Robison appealed for unity among evangelicals in addressing the poverty issue. "Ego problems in Christian circles impede progress," he warned. "If we fail to help the poor, God will judge us."

Several called for greater sensitivity in political and religious rhetoric. A black woman who really needs Aid to Dependent Children funds can be frightened—and turned off—by it, cautioned Kessler.

Hill, who has been criticized widely in the black community for his Republicanism (he chaired the Clergy for Reagan campaign committee) and his long association with white evangelicals, acknowledged that blacks tend to lump the Reagan administration, white evangelicals in general, and Moral Majority together with racism. By their deeds and attitudes as they work in the inner city, he said, evangelicals can demonstrate their love and dispel the racism suspicions.

There are plans to ask Reagan to create a "National Commission for the Poor" that would be "ably staffed and privately funded," probably with Hill as chairman. The commission would make the poor a national priority, analyze existing urban programs, develop new resources, and recommend new urban strategies through development of prototypes.

GOVERNMENT PRESENCE AT NAE-NRB CONVENTION

For undisclosed reasons, President Reagan declined an invitation to appear before the nearly 2,800 delegates at the joint convention of the National Association of Evangelicals and the National Religious Broadcasters at the Washington Sheraton in late January. (Gerald Ford and Jimmy Carter visited NRB conventions during their presidencies.) The official word was that he was too busy getting settled into his new job. Unofficially, Reagan's advisors are trying to put distance between him and the religious right, and with figures like Jerry Falwell on the program, they decided the President was better off staying home. (Falwell, as it turned out, gave

Constitution, and in numerous Supreme Court cases since 1890, "Areas of law involving custody, domestic matters, and juvenile-related matters are within the exclusive jurisdiction of the state courts."

Besides the question of jurisdiction, the case involves judicial ethics and propriety. According to Judge Lee, once he and Scott found themselves in dispute over the child custody matter, Scott should have disqualified himself from hearing their dispute. In fact, Lee did request that Scott do exactly that, so the question of jurisdiction could be resolved by a judge not directly involved in the dispute. Scott's refusal to withdraw from hearing the case led Lee to tell one reporter, "The situation with which we were confronted was incredible. We were walking into his court with him already saying, 'I'm right and you're wrong.' And I had to say, 'No, your Honor, you are not right. I'm right.' But his mind was already made up. Minimal due process requires that you have a judge whose mind is open for argument."

Divorce Settlements Presumed Subject to Federal Review

In a separate part of the desegregation case not directly related to the "Buckeye 3," Warren LaCombe, formerly of Rapides Parish, recently obtained a legal separation from his wife and was awarded custody of their children. LaCombe subsequently moved with his children to a new residence in Avoyelles Parish. Despite sworn affidavits from local court clerks, the sheriff, the state district judge, and a Third Circuit Court of Appeals Judge, U.S. District Judge Scott ordered LaCombe to send his children to the school originally designated when they still lived in Rapides Parish. Scott has ordered school officials in Avoyelles Parish not to admit LaCombe's children to school. Paul Kamenar of WLF told FPR, "The judge has said in essence, it doesn't matter where you live now, what matters is where you lived when I issued the original desegregation order." Clearly, as Kamenar pointed out, "The questions revolving around the 'Buckeye 3' are only the tip of the iceberg in this case."

FOUNDATION FOR THE POOR TO ADDRESS INNER CITY NEEDS

An announcement will be made soon concerning the creation of a massive Christian effort to launch a non-government anti-poverty campaign which will concentrate its efforts in impoverished inner city areas. A spokesman told FPR the Foundation is an effort "to address the problems of poverty without creating new government bureaucracies." A number of evangelical/fundamentalist ministers, including Bill Glass, James Robison, Billy Graham, and Jerry Falwell, have taken part in discussions on the potential of the new Foundation.

Robert Pittinger, Executive Director of the Foundation, told FPR, "We are a non-profit organization whose goal is to give counsel to the evangelical movement in the establishment of urban ministries." Rev. E.V. Hill, a black minister from the inner city of Los Angeles, is president of the Foundation. Rev. Hill told FPR, "Our objective is really two-fold. First, we hope to design successful prototypes for dealing with poverty, giving special attention to programs not federally funded. Second, when a program is developed in one place that works, we will work to implement it in another area." Hill has spent thirty years in the ministry, and spends almost half of each year "out of the pulpit doing revival preaching." Hill is past chairman of the Los Angeles War on Poverty, as well as former chairman of the California state Baptist Convention and an activist in youth jobs programs.

Foundation for the Poor was conceived by Harv Oostdyk, a lay Episcopelian involved throughout the 1960s in a Harlem (New York City) "street ministry" and counseling

program. Oostdyk, who is now working with James Robison's ministry in Dallas, told FPR, "The Bible has a lot to say about helping the poor. Many Christian churches have neglected the poor, but not intentionally. I think it was more a technical problem than a spiritual one. Most people want to help the poor, but they have not known what steps to take in order to implement that desire." Oostdyk's ideas captured the imagination of first Pittinger, then Rev. Hill. Hill told FPR, "One of the missing ingredients in the so-called War on Poverty has been private enterprise. The exciting thing is that now people like Bill Glass, Jerry Falwell, and others are saying 'count on us, we want to help.' We've needed a vehicle, an entity on which everyone can ride. That's what the Foundation for the Poor is. We will seek out and welcome everyone we can in accomplishing this important work for the poor."

Pittinger outlined the Foundation's strategy in an interview with FPR. "The first dimension of help that is needed in our inner cities is spiritual. We hope to provide help for inner city churches, which are often understaffed. The second dimension of help is physical help for the poor. Now, when we talk about poor people, we don't necessarily mean poor in financial resources. They're poor in confidence and spirit, expertise and skills. They are poor in large part because of the system of dependency this country has constructed," Pittinger said. He continued, "Before the government programs were constructed, the church was more involved in the concerns of the people. Now, in some cases, the government has become a middle structure between the church and the people. Most inner city residents are good people trying to make it, but look at the inner city institutions, the schools, welfare organizations, the police. Many of these institutions have broken down and there seems to be no hope for improvement. We hope to offer that hope. Inner city spiritual leaders know who the good people trying to make it are. We're not going in under the assumption that we know what to do or how to do it in every case. We hope this will be a creative, effective, spiritual and physical ministry. We're there to help."

Although the Foundation's programs are still in the discussion stages, Pittinger indicated the "pilot programs" will be in Dallas and Los Angeles. "We'll take, say, a fifteen block area and pick a key inner city church through which to funnel resources and funds. Sponsoring suburban churches will help not only with money, but also with knowledge and expertise. For example, if a suburban church has laymen who are expert developers, they could look at housing conditions on a particular block in the inner city. Then the suburban church, working with the inner city church, could 'adopt' ten houses and rebuild them. Our purpose basically is to provide the 'how to' information and skills in areas like housing, food service, health care, etc."

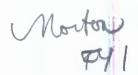
In the coming month, Hill, Pittinger, and Oostydk plan to hold meetings with additional spiritual leaders in an effort to create a special urban ministry to meet the spiritual and physical needs of the inner city poor.

CETERA

School Prayer, Continued

As reported in last month's FPR, the Attorney General of Tennessee has ruled that student athletes may not pray, even voluntarily and informally, before or after practice sessions or games. In late January, state Representative Thomas Clay Wheeler, a Democrat, introduced H.B. 45, which would allow anyone voluntarily

MEMORANDUM



THE WHITE HOUSE WASHINGTON

March 31, 1981

MEMORANDUM TO:

James A. Baker III

FROM:

Elizabeth H. Dole

file

Morton Blackwell, of my staff, is holding an exploratory meeting on Friday, April 3, regarding the commission for the poor. Blease see attachment.

I will keep you posted.

Attachment

THE WHITE HOUSE

WASHINGTON

March 30, 1981

TO:

Elizabeth H. Dole, FYI

FROM:

Morton C. Blackwell

SUBJECT:

MEETING REGARDING "COMMISSION FOR THE POOR"

The Office of Public Liaison is hosting a meeting to discuss the possible creation of a volunteer-staffed office in the White House complex which would assist in channeling church efforts into a program involving congregation members directly in assisting the poor.

You are cordially invited to participate in person or through a staff representative, in an exploratory discussion of this concept in Room 132 OEOB, at 2:00 PM on Friday, April 3, 1981. The meeting should take no more than 90 minutes.

Several senior staff members have expressed an interest in this project, which is being organized by the Foundation for the Poor, headed by Rev. E. V. Hill of California. Many of the most prominent national religious leaders are actively involved. Senator Roger Jepsen and Senator Bill Armstrong are strong supporters of this concept, as are Mr. and Mrs. Joseph Coors.

Those invited to this meeting include:

Craig Fuller, Director of Cabinet Administration
Mel Bradley, Senior Policy Advisor, OPD
Dorcas Hardy (Secretary Schweiker)
Mrs. Roger Jepsen
Tom Getman (Senator Hatfield)
Fred Fielding, Counsel to the President
Thelma Duggin, Deputy Special Assistant to the President
Robert Pittenger, Foundation for the Poor
Harv Oostdyk, Foundation for the Poor
E. V. Hill, Foundation for the Poor
Morton C. Blackwell, Special Assistant to the President

Please telephone me or my assistant, Tony Benedi, at 456-2657 to confirm whether or not you (or your staff representative) will be able to attend next Friday.

AGENDA

PRESIDENTIAL COMMISSION FOR THE POOR

- 1. Goals and objectives of the Presidential Commission for the Poor
- 2. Goals and objectives of the Foundation for the Poor
- 3. Division of fiscal responsibility between the Presidential Commission and the Foundation
- 4. Staffing the Presidential Commission
- 5. Appropriate name for the Presidential Commission
- 6. Use of the White House office
- 7. Appropriate procedure for approval of the Presidential Commission

PRESIDENTIAL COMMISSION FOR THE POOR

A. URBAN FAILURE

Despite huge appropriations the problems of our poor continue to escalate. This creates massive fiscal drains on our budget, removes millions of our citizens from productive participation in our economy, creates huge problems to the rest of our society through the ugly repercussions of drugs and crime, breeds racial unrest, and damages our image among nations of the world.

B. THE CRITICAL FLAW

The basic flaw rests within our urban institutions. Despite massive appropriations they have failed. These activities are characterized by lack of coordination, low aspiration and too many hand-outs. These structures have not freed a people. They have created dependency.

"Only Utopians believe that it is possible to create political institutions that will guarantee personal integrity among those in power or always produce a just result. But in any society there are unhealthy practices to be discouraged. There are institutions that can be improved in timely fashion or allowed to decay beyond the point of recovery."

-- New York Times

C. PRESIDENTIAL COMMISSION FOR THE POOR

Thus the whole matter of the poor, their needs and resources should be addressed by a Presidential commission of concerned and knowledgeable citizens. These members ought to be prominent Americans with a background of experience and of service. The commission must be ably staffed but privately funded.

D. GOALS OF THE COMMISSION

- 1. Define the poor. Who and where are the poor.
- 2. Analyze existing programs. The Commission would determine what the nation presently does for the poor. Massive resources are now being spent on the poor. Not enough has resulted—the ghettos attest to that.

- 3. Develop new resources for the poor. The Commission would identify new alternative resources from the private sector and corporate worlds that are not now being used to help the poor. These new resources would represent the skills and interests of millions of gifted Americans.
- 4. Recommend new strategies. The Commission would not just hear problems, it would forge new solutions.

E. STRUCTURE OF THE COMMISSION FOR THE POOR

- It would need to be commissioned by the President.
 The needs of the poor are that imperative.
- Major funding for the Commission's efforts would come from the private sector. Religious, charitable, civic and corporate structures could mobilize millions of volunteers.
- A small staff would coordinate the activities of the Commission. They would augment their efforts with knowledgeable experts and volunteers.
- 4. The Commission would seek out existing successful programs that would represent proven attempts to break cycles of poverty. The emphasis would be upon programs which would not necessitate the infusion of new federal monies.

F. BENEFITS OF THE COMMISSION FOR THE POOR

- The Commission could become a vehicle of positive expression for the millions of Americans who are concerned about the inability of the government to significantly help the poor despite huge appropriations of resources.
- The Commission creates the opportunity to speak tonew strategies and new resources. The message of the Commission will be hope and not despair.
- 3. The Commission will forge a plan which would call for the potential involvement of millions of Americans to help solve the problems of the poor through active participation in meaningful activities. If the federal government closes down legal services, let thousands of lawyers volunteer to replace their efforts, etc. Such sound efforts could become a great cohesive force in the life of the nation—a chance for the haves and the have nots to work together.

- 4. The Commission will not cost the government any money. The entire effort will use private resources.
- The Commission has enormous capacity for political good will.

G. PLAN OF ACTION

- 1. appointment of Commission by the President
- 2. organizing of the Commission
- 3. staffing of the Commission
- 4. defining of the poor
- 5. evaluating present national efforts
- 6. identify workable programs
- 7. modeling them in working prototypes
- 8. evaluating their results
- 9. disseminating successful activities

The time has come when the nation must act. We must challenge our urban institutions to do better at developing human potential. That can only happen when we first build meaningful prototypes.

Let us take a few neighborhoods and make them work.

Let us pour life back into their streets. Let us mobilize the best brains to figure out how to renew those instituions.

What makes a great grade school? What makes a great hospital? What makes a great police precinct? A great post office? A great welfare structure? A great high school? Park? Sanitation? Probation Office? Housing Project? Junior High School? Small business on the corner?

Volunteers from all over the country. Come give your answers. Your insights. Your experience. Teachers, police officers, welfare workers, social workers, probation officers, nurses, people who live in the neighborhood, come give your ideas to these blocks.

Managers, administrators, come tell us how it should all fit together. Produce a holy grid.

Let us start. Let us begin. Let us call an end to this urban paralysis. Let us start somewhere. Make a beginning. Let us make a small neighborhood work. Let us capture

some of the ghetto. Launch an urban beachhead. Let us shout to the country that the poor are no longer helpless. We are coming. We are bringing our best brains. Our best workers. Our finest urban citizens. Our finest systems experts. We will make these institutions work. We will demonstrate to the nation what can be done. We will make the streets clean, the schools teach, the hospital heal. And we will do it with the infusion of new volunteers and private sector resources.

Then we will take our successful model and transplant it into every part in America. And reproduce them over and over again until we have reached every block.

Let a Presidential Commission seek those answers and recommend to the President and to the nation new resources and strategies which will not involve additional federal dollars.

H. ASSETS OF RELIGIOUS INSTITUTIONS

The religious institutions of our nation represent an enormous resource for helping the poor.

- They already have a commission to help the poor.
 They would not have to change their charter.
- 2. Hundreds of congregations exist in every major city in America and they have vast manpower and resources.
- They meet each week and have the capacity to systematically organize and motivate large efforts to help the poor.
- 4. So many of the problems of urban America are a problem of the spirit. The task of religious institutions is to minister to the spirit of the people both those who give and those who receive.
- 5. Religious institutions have enormous capacity to influence the structures of our society. Members of corporations, the political structures, the unions, and the universities sit in the pews of our congregations in massive numbers.

It is not that the congregations of America have not helped the poor. It's that they have not even begun to help to their potential. If they ever consolidate their resources around a meaningful plan, their urban impact will be awesome.

- 6. Religious communities could act as a catalyst to mobilize a new volunteer spirit in America. The purpose of the Commission is not to limit the effort of the religious community but to use the religious communities as a vehicle to enlist and energize others.
- 7. There are many successful examples of cooperative ventures between church and state. The Cambodia refugees is but one example. Again, the intent of the proposal is not to limit the program to the religious community but to use the religious community to enlist the efforts of all men and women of good will.

In the sixties we had the Kernan Commission. It was an expression of despair. May the Commission for the Poor speak to some remarkable hope for the eighties - "a critical mass" bringing significant help to the American poor.

The great potential of America is the skills, ideas, and influence its citizens possess. If these resources could be applied to the institutions that serve the poor, the impact would be awesome.

"I want you to share your food with the hungry and bring right into your own homes those who are helpless, poor, and destitute....Your sons will rebuild the long-deserted ruins of your cities, and you will be known as 'The people who rebuild their walls and cities'."

Isaiah 58:7,12

file Foundation
For the

WORK PLAN FOR THE COMMISSION

I. ROLE OF THE PRESIDENTIAL COMMISSION

- A. Make the poor an important national issue.
 - The Commission would build a strategy using religious institutions, corporations, civic groups, government structures. Use some of the same techniques we did for the Centennial, etc.
- B. Analyze existing urban programs.
 - The Commission would build a strategy for analyzing existing successful programs. This can be achieved very rapidly by breaking down into institutional content areas.
 - a. education
 - b. welfare (social services)
 - c. narcotics
 - d. health
 - e. recreation
 - f. jobs (economic development)
 - g. housing
 - h. legal structures (police, courts, jails, probation, parole)
 - environment and others (fire, post office, partks, sanitation, etc.)
- C. Develop new resources for the poor.
 - The Commission would explore new private sector resources that could be applied to the poor. America has the capacity to take care of the poor. These resources have not been mobilized. It becomes the task of the Commission to develop a strategy to do so.
- D. Recommend new urban strategies.
 - If new private sector resources are to be applied to the institutions that help the poor, then

new strategies must be developed. Many of these insights could come from gifted people who have never applied their creativity to the problems of the poor. One of the major purposes of the Commission would be to devise new structures for new resources.

II. WORK PLAN FOR THE COMMISSION

- A. Hold private hearing in each major urban center.
 - This would be accomplished by creating knowledgeable volunteers in each city who would listen to and examine the creativity of each city. To facilitate expertese and organization, the effort would be broken down into the content areas previously mentioned.
- B. <u>Create valuable linkage with existing government agencies</u>.
 - The government already has done extensive research into exemplary programs. But budget cuts or bureaucratic structures have rendered or will render many of these programs inoperative. The Commission will explore ways to further develop or strengthen these programs using new private sector involvement.
- C. Provide creative programs for prototype development.
 - Motivated and skilled teams of concerned volunteers would evaluate creativity and recommend projects and ideas for prototype development.
- D. <u>Develop national demonstrations</u>.
 - The Commission would encourage the development of national prototypes which could demonstrate creative and effective ways to help the poor. These demonstrations would be built in several small neighborhoods of several cities.
 - 2. It would be important to develop and demonstrate many of these creative programs in synergistic expression. To be successful with the poor you must speak to all areas of their lives. Much of our failure with the poor can be traced to our fragmented efforts. We must develop jobs and health programs, and education, and criminal justice systems, and housing, etc., together. One will strengthen the other.

E. Evaluate results.

- 1. Teams of experts could evaluate results. Again this function could be carried out by volunteers and not through expensive government contracts.
- The purpose of the Commission ought to be to talk about evaluated results and not just about enthusiastic ideas.

F. Replicated success.

 The Commission needs to develop a national strategy for replicating proven programs to help the poor throughout America. This whole task can be done by volunteers.

III. SPECIFIC PLAN FOR DALLAS

No plan can be perfected without a model. The goal of the Foundation for the Poor in Dallas is to produce a neighborhood prototype of 15 blocks demonstrating what can be done. This prototype could then be replicated throughout urban Dallas.

- 1. select the 15-block neighborhood area.
- 2. a Dallas Committee for the Poor would be created. It would consist of about 30 people. They would be drawn from the leaders of the city in such areas as government, corporate, community, religious and agency. It is essential that the top political leadership of the city serves on this committee.
- 3. the Dallas Committee for the Poor would be organized into six task forces:

government resources corporate resources community resources religious congregation resources agency resources management resources

- 4. the function of the government resources task force is to see that the resources of the federal, state, and city government are being used in the 15-block area in the most coordinated and creative manner. Example are the health department and schools working together.
- 5. the function of the corporate resource task force is to find ways in which corporate resources can be applied to the 15-block area. Example providing data processing assistance to the welfare department, providing jobs for all the people who want to work in the designated neighborhood.

6. the function of the community resource task force is to see that the residents of the 15 blocks participate in all decision-making so the project is done with them and not for them. Example - they decide who gets the first jobs.
7. the function of the religious congregation resource task force is to see that the members of 10 large congregations have the opportunity in an organized

- the function of the religious congregation resource task force is to see that the members of 10 large congregations have the opportunity in an organized fashion to pour their resources into the needs of the fifteen blocks. This gives the project an active army of thousands and will insure the success of the program. Example 2,000 volunteers agree to set up a comprehensive tutorial program.
- 8. the function of the agency resource task force is to see that the agencies of the city (the boy scouts, the girl's club, etc.) are being used in the 15-block area in the most coordinated and creative manner. Example getting the boy's club to use the school gym in the evenings or getting the boy's club to help the school with their physical education program.
- 9. the function of the management resources task force is to give proven skilled managers an opportunity to propose changes and recommendations that would allow all resources to be managed in the most productive manner.
- 10. the neighborhood projects would be broken up into specific content tasks such as art, music, data processing, nutrition, health care, etc. A plan for the upgrading of each content area would be developed and then implemented. Each category would have goals and objectives and evaluation criteria.
- in addition to the content projects (or in conjunction with the content projects) there would be thousands of opportunities for service. These would be the people who implement the plans. It is one task to draw a plan, it is another task to get the people to implement it. Example - the reading task force might come up with a plan, but it would take 600 volunteers to implement it.
- 12. the goal of the Dallas Committee for the Poor is to wipe out poverty in those 15-blocks within two years and to replicate their success to other poor neighborhoods in the city.

IV., ORGANIZING CONGREGATIONS

All across America congregations need to be divided up

into their tasks and send them to share their skills with the ghetto. Some of our suggested tasks:

Friendship - teams from the congregations would work with the institutional leaders of the neighborhood giving friendship and direction (example - members of the congregation assist a high school principal, a superintendent of schools, a director of a welfare office).

Research and Development - to create the opportunity for some of the creative members of the congregation to share their skills (in such areas as education, counseling, management, health services, etc.) with institutions within the selected neighborhoods.

<u>Skills</u> - to provide a vehicle for some of the congregation to transfer their professional skills (data processing, accounting, etc.) to the institutional needs within the selected neighborhoods.

<u>Information</u> - communicating the needs of the project to the skills and concerns of the congregation.

Ministry - developing specific projects directed at the needs of neighborhood projects.

Example - three teachers in the congreation work with a burned out urban teacher giving her friendship and assistance; a retired member of the church walks with the urban postman once every three weeks and identifies neighborhood needs which can be acted upon; a congregation member who has had two heart attacks does a seminar in a science class at school at the point where the human heart enters the curriculum.

If a dozen congregations organized into these task forces and systematically carried out their efforts for a year, no ghetto would ever be the same.

V. PRACTICAL EXAMPLES

See Appendix I and II.



"Burned, But Not Consumed"

church-of-the-master

The United Presbyterian Church in the U.S.A.

86 Morningside Avenue, New York, New York 10027 Telephone: (212) 666-8200 / The Rev. Eugene S. Callender, D.D., Pastor

MEMORANDUM

TO:

Elaine Landrum

FROM:

Eugene S. Callender

DATE:

October 2, 1980

For over four decades the Church of the Master has been serving the Harlem Community. During this period we have made what we feel are many valuable contributions.

Over the past few months we have tried to ascertain ways that we could best serve the community during the eighties. From these efforts have come several initiatives that we think will make contributions to our neighborhood.

Our most precious commodity is our schools. Over the past decade they have been subjected to endless cutbacks. They have been constantly forced to do with less resources of every kind. As an attempt to assist the schools in our neighborhood, the Church of the Master has developed the following program and subject to board approval would like to implement it in four or five schools and the district office.

THE SYNERGY PROGRAM

Synergy comes from two words SYN - together and ERGY - to work. Synergy means to work together.

Over the years the Church of the Master has gained many corporate friends. These are important business leaders who have said for many years that they would assist us.

The program that we are outlining is simple. The businessmen working in a variety of occupations will meet with the District Superintendent and several Principals. They will ask each for ten needs that they have in their schools. They will attempt to meet those needs.

They will make no promises but they will make an effort. If they are asked to build a new swimming pool they will probably say no. If they are asked for data processing assistance, organization development help or field trips they will probably say yes.

After six months we will review progress. If the program works as well as we think we will greatly enlarge it starting in June.

To help to facilitate the program we are adding a second feature. Over the years the Church of the Master has sent hundreds of youths to college. Many of these young men and women have finished their educations and have gone to work in the Harlem community, but with budget cuts jobs are hard to find. The Church of the Master is hiring five of these college graduates and assigning them to a Principal to help facilitate resource development. They would also be available for limited participation in the school. Their specific tasks would be negotiated with each individual Principal.

The Church of the Master appreciates all the difficulties of operating a school system in the midst of budget cuts. We hope our contribution will be meaningful and perhaps in the future, enlarged.

THE PROPOSED SPECIFICS OF THE PROGRAM

The following is a list of items which schools might have 1. a need to upgrade. These are also areas in which business people have expertise.

Public Relations' Data Processing Library Personnel Art

Music Organization Development Training Security Rest Rooms

Communications Systems ' Accounting Cafeteria Print Shop English Department

Math Department Job Placement Administration Business Curriculum Areas Cooperative Education

History Department P.T.A. and Alumni Deans Office Physical Education Testing

Communication Flow Home Economics Scheduling Audio-Visual Counseling

Year Book/Newspaper/Literary Efforts Science Department Building Trades Building and Grounds Cosmetology

Custodians Distributive Education Drafting Dry Cleaning Electrical Trades

Health Services Foreign Language Industrial Arts Remediation Metal Trades

R.O.T.C. Physical Science Power House (Engineer) Radio Studio Restaurant

Social Studies Speech Stage Craft Swimming Pool

Friouship Gww. Hee We would form a committee of business executives who would 2. meet with designated officials of the district and principals to attempt to ascertain their needs. These needs would be prioritized.

3. This list of programmatic areas would then be given to task forces of concerned business and professional people who would attempt to bring assistance.

- 4. We do not wish to make this plan any more elaborate. It is simply to have four or five people meet with designed officials and principals of your district. We would listen to their needs and then try through the help of expert volunteers to meet some of those requests. We make no promises but we are not going to get involved without a serious effort on our part.
- 5. We have several hundred people who have said they will help us. •

November 4, 1980

MEMORANDUM OF SYNERGY COMMITTEE MEETING NOVEMBER 2. 1980

ATTENDEES: Howard Annin

Patty Annin Bruce Baggaley Ken Carver Craig Howe Chris Kelsey Sue Leckey Roy Lord Jenny Stoner

The following items were discussed:

- 1. (Howard Annin) Functions of the Synergy Committee relationship with the Harlem Cities in Schools program.
 - (a) To establish one-on-one friendships with key Harlem community leaders to show concern, give support, and to identify needs of the community.
 - (b) To give specialized technical support to the community where identified.
 - (c) To establish one-on-one relationships with teachers in school system and be available to these teachers for whatever type support required.
 - (d) The Noroton Presbyterian Church to gain an understanding of the environment and problems in Harlem and at the same time offer those in Harlem a window to the "outside world."
 - (e) To improve the educational potential of the Harlem school children by expanding their experience base on which to build this education.

It was agreed that we should examine each Subcommittee function in light of the above basics.

2. Committee Reports

Corporate Resources Committee (Ken Carver):
Meeting held with Harv Oostdyck and staff and following projects
defined:

(a) Form a Noroton task force (2-3 people) to work with a Harlem fishmarket proprietor who has grown his business beyond his immediate business management knowledge (to held him establish business systems and criteria).

- (b) Analyze the housing situation in a localized area of Harlem to determine the situation and needs and what can and should be done to improve the situation.
- (c) To bring general business skills to fledgling businesses in the Harlem area.

Research Committee (Bruce Baggaley):

Committee is establishing an inventory of skills available in the Noroton congregation and will develop a questionnaire to be distributed at the time of the Every Member Canvas. In cooperation with the Information Committee, an educational article on the Synergy program will appear in the next SPIRE.

Friendship Committee (Roy Lord):

Good meeting held recently with Harv Oostdyck and plans being made to establish one-on-one relationship with Mrs. Taylor, Principal of the St. Thomas School. Roy also agreed to take the "Raymond University" educational tour of Harlem.

Ministry Committee (Jenny Stoner):

Committee is in cross-contact with the staff of Cities in Schools and specifically with Billy Cunningham. There is evidence of a "teacher burn-out" in St. Thomas School and the Committee will meet shortly with Billy Cunningham to develop a plan for teacher workshops to try to give some inspiration and support to the teachers.

Information Committee (Craig Howe):

After discussion with Harv Oostdyck's staff, this Committee has developed the following projects:

- (a) To act as the interface and to be responsible for arrangements with Raymond for Harlem educational tours.
- (b) To develop a public relations piece on the Synergy Committee for circulation to the Church members.
- (c) To write and insert monthly in SPIRE a monthly report of the Synergy Committee activities.
- (d) To develop a task force to help find opportunities for worthy people identified by Harv's committee.

(e) To match out-of-town travel schedules of Noroton Church members to needs that Harv Oostdyck will identify for gathering information on similar programs in other cities.

ACTION ITEMS:

- 1. All Subcommittees should continue close direct working relationships with their counterparts at Church of the Master and Cities in Schools Program. However, to properly coordinate, appropriate notes should be sent to Howard Annin after each contact or meeting so that they can be properly distributed and coordinated.
- 2. There is a need for close coordinating between committees to avoid overlap. It is suggested that the Friendship and Ministry Committees and the Corporate Resources and Research Committees discuss where they can combine activities to be more effective.
- 3. All members of the Synergy Committee that have not taken the Harlem tour should contact Craig Howe to set up a time for this to be done. This is important in order to have an understanding of what we are trying to accomplish.

Attached is a copy of the letter sent out by Church of the Master to Miss Elaine Landrum of the local Harlem School Board to inform her of the planned activities of the Cities in Schools program. This should give you a better feel of what it is we are trying to accomplish.

R. Howard Annin, Jr.

RHA: ad

Enc.

cc: E. Danks H. Oostdyck Hor; Hower

THE WHITE HOUSE

WASHINGTON

March 20, 1981

TO:

Morton Blackwell

FROM:

Thelma Duggin

SUBJECT: BLACK CLERGY

Morton, in your outreach efforts with religious groups, I think you should make contact with the following black clergy:

Rev. E. V. Hill. Rev. Hill was a member of the National Black Voters for Reagan/Bush. He has good contacts with conservative religious leaders. (213) 235-2103.

Bishop William Smith. He is Bishop in the AME Church. He also was a member of National Black Voters for Reagan/Bush. (205) 344-7769.

Rev. James Felton. Rev. Felton was an unsuccessful candidate for the state house in Kalamazoo. Having run a strong right to life campaign, he received great conservative support. (616) 342-1271.

Rev. Aaron Johnson. County Chairman for Reagan/Bush. Rev. Johnson was a Reagan Delegate to the GOP National Convention and presently is a City Councilman. (919) 488-6361.

THE WHITE HOUSE

WASHINGTON

March 20, 1981

Dear Roger:

Your idea about The Foundation for the Poor is an interesting one. I suggest that you continue your discussions with Mrs. Elizabeth Dole's office to determine which groups and organizations might appropriately participate. Additionally, I have asked Craig Fuller, our Director of Cabinet Administration, to review the matter and discuss it with Dick Schweiker. We may want to consider the idea within the Cabinet Council on Health and Human Resources which Dick chairs.

Craig Fuller will coordinate the review of your recommendations with the Cabinet Council and our Office of Policy Development.

Thank you for sending us the suggestion.

Sincerely,

MICHAEL K. DEAVER Assistant to the President Deputy Chief of Staff

CC: Craig Fuller

The Honorable Roger W. Jepsen United States Senate Washington, D.C. 20510