



Analytics

Published by the Caesar Rodney Institute

RELEASE: CRI - Center for Economic Policy and Analysis

RE: The State is charitable with your money

DATE: 3/22/2012

The Caesar Rodney Institute has updated its Transparency Delaware website with state payroll and vendor data through 2010. Analysis of the pattern of the vendor transactions for 2010 is instructive.

State government is a major buyer of the services of nonprofit organizations and a major donor to nonprofits. The 2010 vendor data was examined and an attempt was made to eliminate all payments to nonprofits that appeared to be solely for services rendered. This would include state supplements to nonprofit day care centers, the universities and colleges, hospitals, and counseling service organizations such as Children and Families First.

For other organizations, such as Catholic Charities the reimbursement for services could not be separated from the general support. Finally, there were organizations where the state support appeared to be a straight donation, such as the Boy Scouts of America and Planned Parenthood.

With the pure “pay for services” nonprofits removed, the state of Delaware gave over \$105 million to over 150 nonprofit organizations in 2010. The pattern of giving is interesting.

The volunteer fire companies throughout Delaware received over \$24.0 million in 2010, not including \$91,000 for the Delaware Volunteer Firemen’s Association. Certainly this support may be more efficient than fireman working as state employees. Nevertheless, in 2008 the News Journal found that the volunteer fire companies were sitting “on a large cash cushion” with little fiscal oversight, and frequently failed to meet response time standards.

Religious organizations received \$29.4 million from the state in 2010. Catholic Charities and the Catholic Diocese led the way with \$18.7 million. Next were the Salvation Army (\$5.0 million), Ministry of Caring (\$1.9 million), Delmarva Clergy United (\$640 thousand), and Jewish Family Services (\$589 thousand). Seven individual churches received state funds, topped by Ezion Fair Baptist church with \$477 thousand.

Community centers and senior centers were given \$26 million by the state in 2010. Of the \$15.5 million received by community centers, the big three were Peoples Place II (\$5.6 million), Kingswood Community Center (\$1.4 million), and West End Neighborhood House (\$1.3 million). The top supported senior centers included Modern Maturity (\$2.3 million), Wilmington (\$1.7 million), and Laurel (\$334 thousand).

Among the 16 service oriented nonprofits receiving state funds, Easter Seals was first with almost \$3.0 million. Following were Mosaic of Delaware (\$1.7 million), Delaware HIV Consortium (\$1.6 million), the Food Bank of Delaware (\$1.3 million), and Planned Parenthood (\$955 thousand).



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Various Delaware nonprofit activity centers took in \$3.6 million from the state. Leading was the Delaware Children's Museum with \$769 thousand. Among other recipients were the Christina Cultural Arts Center (\$462 thousand), the Delaware Art Museum (\$145 thousand), Kalmar Nyckel (\$135 thousand), and WHY? (\$100 thousand).

The state provided \$8.5 million to various associations. The Delaware Academy of Medicine and the Medical Society of Delaware pulled down \$854 thousand and the Delaware Bar Association got \$234 thousand. Almost \$687 thousand was paid out in dues related to various state departments, including the Council of State Governments (\$104 thousand), the National Association of Attorneys General (\$95 thousand), and the National Association of State Auditors (\$44 thousand). For some reason the Board of Trustees of the University of Pennsylvania received \$233 thousand and European Immigration Benevolent Association was given \$208 thousand.

Finally, the state donated \$1.4 million to four national nonprofit organizations, including the American Cancer Society (\$725 thousand) and the Nature Conservancy (\$614 thousand).

What are Delaware taxpayers to make of all this? Certainly some of the payments can be explained by services rendered by the various nonprofits, services that are not readily apparent. Otherwise, it seems that some nonprofits have become an established line item in the state budget and simply roll along from year to year.

This raises the question as to who is more qualified to distribute charitable dollars? Legislators who are giving away tax dollars collected through the coercive power of the state, or individual taxpayers through their own charitable preferences. Are taxpayers even aware of the largess being exercised by legislators on their behalf? Do they agree with the mission and objectives of the nonprofits that receive state support? Is there any due diligence with regard to how the nonprofits ultimately use the funds?

Perhaps it is time to give Delaware citizens some voice into how over 3% of the state's operating funds are handed out and some systematic accounting by the nonprofits who are the recipients of these monies.

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