Spring 2025 Provider Conference

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NWPP NORTHWEST PILOT PROJECT

NAYA Family Center

# That’s Not My Job!

## *The Unfortunate Misconception that Finance and Program Can’t Work Together*

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# Who We Are

- 56 years of providing direct service
- Very low-income seniors, age 55 +, Multnomah County
- 4,500 clients/year
- Housing navigation, placement and stability; case management; support services rental housing
- Policy and systems advocacy

***NWPP Mission:*** *to offer opportunities for a life of dignity and hope to very low income seniors in Multnomah County by solving housing needs.*

- 50 years of providing direct service
- Housing Assistance
- Youth Education and Services
- Family Services from birth to Elders
- Culturally Specific Focused High School
- Community Development
- Policy and Advocacy

***NAYA mission:*** *to enhance the diverse strengths of our youth and families in partnership with the community through cultural identity and education.*

# Why do this session?

- Build understanding and trust between program and finance teams.
- Align around shared goals: serving people effectively *and* sustainably.
- Our mission depends on both:
  - **Compassionate service delivery** *and*
  - **Financial health and accountability.**
- Clients lose out when our teams aren't aligned.
- Funders and public trust depend on both impact and stewardship.
- Shared accountability to the mission, the people we serve, each other.

# TWO TEAMS - ONE MISSION

Program Staff

- Delivers services to clients
- Responds to immediate needs
- Advocates for flexibility
- Measures success by lives changed

Finance Staff

- Delivers services to Program staff
- Tracks budgets, spending, and compliance
- Ensures sustainability and legal use of funds
- Measures success by financial health

*Both care deeply about outcomes—just from different angles.*

# TWO TEAMS - DIFFERENT REALITIES

**Program Staff Constraints**

- Crisis situations (housing, food, emergencies)
- Burnout, understaffing
- Unrealistic funding expectations

**Finance Staff Constraints**

- Restricted grants/contracts with tight rules
- Audit requirements
- Required clean, timely reporting

*Both care deeply about outcomes—just from different angles.*

# WHERE THINGS BREAK DOWN

Common Frustrations:

- “Finance doesn’t understand the real needs.”
- “Program staff don’t follow spending rules.”
- “Why can’t I get approval quickly?”
- “Why are we over budget again?”

Let’s unpack a couple of these …..

# EXAMPLE #1

"Finance doesn't understand the real needs."

**From the Program Side:**

- "I'm with clients every day. Needs come up that aren't in the budget — things like socks, hygiene kits, or even temporary motel stays." So when I'm told we can't afford something, it feels like the system doesn't care."

**From the Finance Side:**

- "We do care, but we're working within the limits of restricted grants, and we have to follow funder guidelines. If we allow too many exceptions we risk overspending or getting flagged in audits. That could lead to lost funding or worse consequences."

*What's the solution? Have the convo with Finance Team and together we can find a way.*

# EXAMPLE #2

"Program doesn't understand that we have to follow restrictions/rules"

**From the Finance Side:**

- We have a clear budget that was outlined at the beginning of the year why are they spending outside of the plan? Don't they understand our funders require us to stay within budget or ask for a modification?

**From the Program Side:**

- I don't have the current information for what's been spent so far, and it's not possible to spend exactly as it's lined out in the budget. Things change month to month. We have to meet the client's needs not finance's ideals.

*What's the solution? Sharing information - regular/monthly budget to actual spending, planned spending changes, etc.*

# It all Comes Back to Communication!

**You can't over communicate! Communicate early,  communicate often!**

**Underlying Issue:**

- Lack of shared understanding about what's flexible and what's not.
- Decisions are often made without context from the other side.

**What Could Help:**

- Clearer emergency spending protocols.
- Regular check-ins to explain budget realities and changing needs.
- Program staff involved earlier in budget creation.
- Tools such as spending trackers so that all staff are on the same page.

# A Tale of Two Perspectives

Scenario: A staff member buys meals for 5 unsheltered clients using their personal card—$80—then asks for reimbursement.

- **Program View:** "They were hungry. I acted fast."
- **Finance View:** "We need pre-approval, receipts, and a food budget line item."
- **What's the solution?**
  a. Ongoing, regular communication. Start the convo early during budget planning
  b. Program staff needs more info about budget and budget planning - this helps us get ahead of in the moment decisions
  c. Clear policies
  d. Mutual flexibility when possible

# SOLUTIONS

- Make sure Finance knows Program goals and what funders are supporting the program
- Finance needs to tell Program whether there are any restrictions, requirements, etc., like “funds must be spent before (date)”,
- Program teams need to be included in budget planning and get regular budget updates
- Conversely, budgets submitted at grant proposal time need to be shared with Finance
- Job Roles - understanding what they are and how they affect other’s roles
- If you have a fundraising team/development office, leverage them to be a bridge to individual and foundation donors
- Share timelines, metrics,
- Shadow each other’s teams
- Offer “Finance 101” for Program staff and “Frontline 101” for Finance.

# A FEW KEY TERMS

- Program and Finance speak different languages.  Here's a helpful glossary:
  - Fiscal Year – what is it and why should I care?
    - An organization's operating year, usually 12 months
    - Many nonprofits and governments have fiscal years that are July - June, but other use the calendar year.
    - Many funders require that their dollars are spent within the fiscal year timeframe
  - Restricted gift - a donation that has to be used according to the donor's wishes
  - Outputs: measurable results achieved within a specific timeframe (100 housing placements)
  - Outcomes: long-term impact and desired changes  (50 older adults and 12 families will have stable housing)

# CHALLENGES

<u>Challenges that impact both teams:</u>

- Each donor/funder has different rules, restrictions and timeframes. Donor intent ("don't use this donation for salaries") have to be followed. Sometimes, if those are not met the funds might have to be returned.
- Strategic plans and budgets aren't always shared with program staff. This might be more common in large organizations. Strategic plans set the priority and that determines how limited funds are spent. It can help to know how does budget relates to each team.
- We don't need to know how to do each other's job, but we need to know what each other's job is, and often we don't.

# CHALLENGES, con’t

- <u>Program staff challenges:</u>
  - Clients in crisis need services now! Programs teams need to know what they have available to spend.
  - Budget constraints hinder their ability to respond to crises or meet client needs (e.g., limited funds for hotel vouchers, food, or transportation).
  - Frustration when finance denies or delays essential expenditures.
- <u>Finance staff challenges</u>
  - Program staff overspend or don’t fully understand financial limitations or timelines of financial processes
  - Pressure to control costs to ensure organizational stability
  - Frustrating to see dollars going unspent
  - Not just about government dollars

# AUDIENCE SHARING

- Have you had a similar experience?
  - If so, how did you resolve it?
  - If not, what do you think were the barriers to resolution?
- What's one thing you wish the other team understood about your work?

# Q&A

# Thank you!

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