



## **President's Update**

**By Armando Camacho**

**December 2008**

This month marks the third anniversary of Neighborhood House moving into the Paul and Sheila Wellstone Center for Community Building. Since then programs such as English Language Learner classes, Youth Leadership and food shelf have grown. Neighborhood House has also been recognized for sound financial management with the “Meets all Standards Seal” from the Charities Review Council and Charity Navigator’s four star rating.

It is this commitment to sound fiscal management that forces the organization to make many difficult, but necessary, decisions. Like other four-star charities such as the American Lung Association and Susan G. Komen for the Cure, we have been forced to reduce our expenses to match the reduction in donations from individuals, corporation and foundations. Like other food shelves across the country we have seen demand for food increase (up 23% over the past three months) while contributions have declined. The result: a budget gap, with expenses exceeding revenue.

How do we address the gap? One program area has shown a decrease in demand: Refugee Resettlement. In the mid-2000s, the number of refugees coming to the state sharply increased and Neighborhood House served many of them. Over the past twelve months, Minnesota has welcomed fewer refugees than Neighborhood House served in 2006. This decline has led to the discontinuation of government contracts that funded the Refugee Resettlement program. We have reduced Refugee Resettlement program expenses accordingly.

We have also taken a close look at our expenses and have reduced the space we rent at Neighborhood House West on West 7<sup>th</sup> by moving classes and some services to other locations. All other expenses have undertaken a similarly close analysis.

Unfortunately, we were unable to decrease expenses enough to avoid staff reductions. I am in awe of how Neighborhood House staff members handled this difficult process. Many offered to work reduced hours in order to save the jobs of other employees and maintain programming. Nevertheless, we were forced to reduce staffing levels commensurate with the reduction in budget. We are going to greatly miss the people who have left but I have full confidence that our staff will continue to provide Neighborhood House participants with the quality services they deserve.

We remain committed to the three core areas we serve—basic needs including the food shelf; education including English Language Learners; and our Youth Leadership program—but we will need your help. As demand increases our staff will be increasingly busy and welcome some assistance. Call us at 651.289.2503 and volunteer to work at the food shelf, teach an English class, pick up food at one of our partners. Whatever your interests and abilities, there is somewhere you can help!

During these challenging times we will continue to manage Neighborhood House in a fiscally responsible manner to ensure that we continue to provide services to the West Side and the community. Our goal is to be here and ready to serve those in need for the next 100 years. When the economy improves, we will emerge stronger than ever before.

*This article appears in the January 2009 edition of the Saint Paul Voice.*

.