The Minneapolis Foundation Reduces Advised Grant Processing Time by 75% with Seamless, Real-Time iPhi Solution

Overview
PHILANTHROPY PROFILE
Since 1915, The Minneapolis Foundation has partnered with generous individuals and families, effective nonprofits, engaged civic leaders and others to strengthen our community through charitable giving.

ORGANIZATION SIZE & SCOPE
• Manages over $500 million in assets and administers over 1,000 charitable funds.
• Donor funds grant an average of $30+ million to more than 1,000 organizations each year.
• A Board of Trustees composed of civic leaders provides oversight and direction.

GOALS
• Offer daily NAVs for donors.
• Eliminate dual data entry.
• Capture more complete and accurate statistics for reporting.
• Simplify overcomplicated operations.
• Improve operational processes.

Additional Challenges
• Use iPhi Product Suite as core for enterprise wide solution
• Implement iPhi DonorView, Investment PartnerView and GranteeView
• Combine iPhi Core data with business intelligence tool.
• Connect donors to causes with iPhi Giving Opportunities.

SOLUTION
iPhi Core Enterprise™
iPhi DonorView™
iPhi Investment PartnerView™
iPhi GranteeView™

“The Minneapolis Foundation believes that the well-being of each citizen is connected to that of every other and that the vitality of any community is determined by the quality of those relationships. TMF’s purpose is to join with others to strengthen the community, in measurable and sustainable ways, for the benefit of all citizens, especially those who are disadvantaged. The Foundation is committed to be an effective resource developer and a responsible steward of those resources, an active grantmaker and convener addressing crucial community needs, and an advocate and constructive catalyst for changing systems to better serve people.

For donors, TMF offers simple, flexible ways to streamline charitable giving and create powerful, personal legacies – whatever a person’s interests may be. Through established funds, donors grant an average of $30+ million to more than 1,000 local, national and international organizations each year. Individuals and families also make gifts to the Foundation that are pooled and invested. Income generated is then distributed to community initiatives through a competitive grantmaking process. In addition, The Minneapolis Foundation awards an average of $6 million in competitive grants to innovative nonprofits working to ensure that the community is a fair, vibrant and sustainable place in which every person has an opportunity to thrive and contribute. TMF also offers planned giving services and a variety of trusts to help donors meet their financial and charitable goals.

Challenges
Prior to moving its operational infrastructure to Stellar’s iPhi (Integrated philanthropy) Product Suite, TMF was challenged to streamline its operations in order to prepare for future transactions. Key issues were the inability to post daily updated unit values for donors, dual data entry, lack of reporting, over-customization, and inefficient internal processes.

The Minneapolis Foundation now administers more than 1,000 charitable funds including Donor Advised Funds, Signature Funds, Community Action Funds, Field of Interest Funds, Designated Beneficiary Funds, Scholarship Funds and Supporting Organizations. The iPhi system has been able to efficiently process over 1,400 gifts in fiscal year 2010-11 totaling nearly $50 million and over 5,700 grants totaling nearly $47.5 million.

Solution
TMF selected Stellar’s iPhi Product Suite. iPhi CoreEnterprise™ provides a web-based, Software as a Service (SaaS) operations platform for gift, grant, and transactional processing along with

Jean Adams, Vice President, Finance and Administration
The Minneapolis Foundation
TMF has implemented a fully integrated operational platform with streamlined processes and a central data repository.

**Benefits**
- Online grant recommendations direct to database – save 75% of staff operational time.
- Provide daily donor fund NAVs keeps fund values up to date.
- Online fund statements save time/money and increase efficiency.
- Month end close in 3 weeks, not previous 6 weeks to complete.
- Audits are more efficient.
- Grantees benefit from online grant applications.
- Provide online data/statements to investment partners.
- Insure data security and back up via Software as a Service.

**For Information**

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Results
The biggest change in the grantmaking process is the entry of online grant recommendations directly into the back office. With approximately 72% of donors able to access their funds online and 66% of 2011 grant recommendations generated online by donors, the Foundation has greatly increased efficiency and reduced paper. TMF also made the decision soon after implementing iPhi to switch all DonorView users to online only statements, which also greatly reduced paper use and staff time. Fund statements are more donor centered and easier to generate. Letters, once set up within the iPhi system, are also very easy to generate. Grant letters attached to checks assure a more efficient grant process. With online grant recommendations and letter generation, TMF has dramatically reduced the amount of staff time spent processing donor advised grants.

Grantee organizations are also able to log into the iPhi GranteeView and complete their grant applications via a secure portal, resulting in data flowing seamlessly into iPhi Core. A total of 214 organizations applied for funding using the system last fall, which greatly reduced paper and dual entry of information by internal staff (i.e., previous applications required grantees to submit multiple paper copies, with staff having to manually enter all relevant information from those applications into iPhi Core).

Benefits
To enhance ad hoc reporting and analysis, iPhi Core is used with Qlikview, a business intelligence tool. Qlikview ensures the flexible use of reporting data and eliminates the need for spreadsheets external to the system.

Transaction volumes have not increased dramatically, but staff time spent processing donor advised grants has been reduced (by far the largest portion of TMF grants by transaction type) by about 75%. Using an online system that connects seamlessly to the back office enables donors to provide information directly and reduces internal staff workloads. Also, the Charity Search feature helps ensure clean data and accurate grantmaking to properly approved organizations.

From an accounting/finance point of view, The Minneapolis Foundation has decreased the month end close processing and fund statement posting time from 6 weeks to 3 weeks. End-to-end real-time processing by transaction type with clearly defined status changes has also increased the efficiency of the financial audit process, thus decreasing the time and effort to complete.

“We are especially pleased that donors have been very satisfied with the online system. It gives them a real-time view of their granting and other fund activity,” adds Ms. Adams. “Online statements and grant recommendations/applications enable our staff, donors and grantees to spend their time engaging in different conversations focused on community impact rather than account balances and transactional processes.”

The Future
TMF looks to the future with increased use of the iPhi online private constituent information views. Jean Adams adds, “We look forward to matching donors online with the causes they care about via iPhi’s Giving Opportunities which we plan to launch in the spring of 2012. Now that our donors and grantees are becoming more experienced with real-time online access, the next step is to facilitate online matching and gift/grantmaking. This enhances the value-added services that TMF offers its constituents by providing information, advice and connections effectively through avenues that meet their needs and expectations.”

As The Minneapolis Foundation and its staff continue to streamline operations in pursuit of increased efficiency, they face the future with a cost effective and scalable enterprise solution accessible to constituents via secure portals.