

PROFILE

Type: Faith-Based Foundation

System: FIMS

East Ohio United Methodist Foundation Decreases Bank Servicing Fees and Increases Client Satisfaction with FIMS

Background

The East Ohio United Methodist Foundation was established in 1967 by members of the Methodist Church to provide a way for churches to invest their funds and for individuals to channel their desires to support missions, their own churches, and other worthy United Methodist causes. Since 1967 the foundation-managed funds have increased to more than \$17 million.

Realizing that clergy often have to be experts in many areas: preaching, teaching, pasturing, counseling, even setting up folding tables and helping the boiler along on cold mornings, the East Ohio United Methodist Foundation alleviates the church's burden of having to manage investments and charitable contributions. On behalf of the conference or church, the foundation can establish endowment funds; award grants and scholarships; receive and process stock gifts; manage investments — not just in terms of rates of return, but also in how it operates, and its role in the overall finances of the church. The foundation also offers a range of consulting services, such as teaching congregations about planned giving and offering advice to churches regarding major fundraising campaigns. Performing these services is a big job. In fact, the foundation currently provides financial stewardship to more than 140 local churches in the eastern portion of Ohio.

Outsourced services yield high fees and lengthy turnaround times

For many years, the foundation used an external system for foundation management, while an investment bank handled investment allocations for 340-350 funds managed by the foundation. "We were paying significant service fees to the bank for our investment allocations," says Tina Ifantiedes, Financial Assistant, CPA for the

East Ohio United Methodist Foundation



foundation. "The fees had been increasing over time, and had the potential to increase every six months. With approximately 350 funds to manage, we knew we needed to find some relief."

Monthly financial statements are sent out for each of the funds, and with the prior system all statement production and distribution was outsourced. "We found that the turnaround times were pretty lengthy," remarks Tina. "Our local churches were not receiving their statements until the second or third week of the following month, and we felt this delay was not acceptable." To top it off, compiling year-end statements was a manual process that was handled by the foundation, placing considerable time and resource demands on a small staff.

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A local foundation recommends FIMS

Wanting to reduce fees and provide better service to its churches, the foundation looked for a more effective solution. "Our executive director had a conversation with the Greater Wayne County Foundation. They were using MicroEdge's FIMS, so we had a meeting and sit-down to see how they were using it, and to consider whether FIMS would be a good fit for us," notes Tina. "Wayne County Foundation had been very happy with FIMS, and we decided that the functionality within FIMS could resolve these problems." In mid-2006, East Ohio United Methodist Foundation implemented the FIMS financial information management system.

Unitized allocations made easier with FIMS

With FIMS, the East Ohio United Methodist Foundation can easily manage its pooled investments and allocate earnings and fees from the pool to individual funds. "It's so simple to perform the allocations within FIMS," asserts Tina. "At the end of the month, I go through and feed the information into FIMS, press a button and FIMS allocates all the funds for the foundation, just like that."



(continued)
East Ohio United Methodist Foundation

FIMS enables the foundation to take investment account activity, pool the values, allocate the earnings and fees, and then update the financial position of each of the funds quickly and easily. It's accomplished entirely within FIMS, and without time-consuming manual labor or high bank servicing fees.

As for monthly financial statements for its churches, the foundation has dramatically improved the turnaround time for sending out statements to clients. This is an important factor because most churches have their board meetings at the beginning of the month, and previously statements weren't available until the second or third week. "FIMS makes it possible to print off monthly financial statements in a single morning, so our local churches can receive them by the third or fourth day of the month. The turnaround time is so much faster, and as a result, we are providing better customer service to our churches," exclaims Tina.

Executive-level view of church financials

Another key benefit that the foundation has gained from using FIMS is a high-level view of giving history and profile information for every church. The foundation's executives can use this historical information to evaluate and provide better direction and expert advice to the church. "For example, if our executive director notices that a church is struggling, he may be in a position to recommend consolidation with another church, or even the need to execute an annual campaign," states Tina. "FIMS helps provide our executive director with the 'big picture' for our churches."

"We found that FIMS serves us in so many different ways. Most important, it helps us run our foundation more effectively," concludes Tina. "I would recommend FIMS to others because it has provided us with significant financial savings, along with the intangible benefit of providing better client service."

About MicroEdge

Established in 1985, MicroEdge, Inc. (www.microedge.com), a subsidiary of Advent Software, Inc. is the leading provider of software and services to the giving community, supporting thousands of clients worldwide.

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