

FUNDRIVER™ Helps Finance VP Take Advantage of Organized Accounts

SUMMARY: Institutions wishing to improve accounting efficiencies and reduce audit costs may need to undertake an extensive effort to organize endowment accounts. The University of Rio Grande's new VP of Finance led a similar process, and FUNDRIVER is helping to ensure the effort pays off. Specifically, Rio Grande's reconciliation process involves about 300 individual endowments that are reconciled each month with only a few hours budgeted each month to complete the process. The audit costs were reduced by about 50% and the use of FUNDRIVER played a big part in this savings.

>> BACKGROUND The University of Rio Grande is a small college located in Rio Grande, Ohio. Rio's total endowment is \$22 million, with \$20 million in permanently restricted accounts. Frank Heil, Vice President of Finance, was appointed to the position in January, 2005.

>> BEFORE FUNDRIVER Mr. Heil has significant experience in this particular area and was driven to organize Rio's endowment accounts into a more detailed report with revenue and investments assigned to each. "It's important to be able to show how the university is managing a donor's gift. To me, the size of the institution is immaterial when it comes to the need for highly organized endowment accounts."

Mr. Heil said that every organization large or small has a fiduciary responsibility to report donated funds properly. "Because of my interest in ensuring fiduciary responsibility, it was necessary to develop a structure that provided the detail necessary to manage the endowment funds properly, so I had to first establish this structure. But I also saw the long-term benefit of using FUNDRIVER — making our operation much more efficient and saving us money — once we organized our accounts. The organizational process was a significant effort. Other institutions may also need to undertake this course of action before a software program can be used, especially if they are currently using an informal system lacking an organized ledger."

>> IMPLEMENTATION AND TRANSITION
In the case of Rio Grande, using FUNDRIVER involved an easy transition once the accounts were organized. It's 100% Web-

based, meaning there's no additional hardware to buy, no need for internal IT support, and no complicated software to install. With just a valid User ID and Password, the university's personnel had access to FUNDRIVER's features. And since there's no hardware involved, Rio can cover FUNDRIVER's annual fee as an expense instead of capital outlay.

Transitioning data to FUNDRIVER was, in Mr. Heil's words, "almost instantaneous. It's very easy to drop transaction files into FUNDRIVER from a spreadsheet." Again, the key was having an organized general ledger of accounts, which produced Excel-compatible spreadsheet data, which fed directly into FUNDRIVER.

When questions arose and help was needed, Rio was able to turn to FUNDRIVER's exceptional customer support. "FUNDRIVER customer service has been absolutely great helping us resolve issues and work out solutions," Mr. Heil said.

>> RIO GRANDE TODAY By using FUNDRIVER to track Rio's endowment accounts data, the university is operating with greater efficiency and saving money on audits. Mr. Heil estimates that only a few hours a month are needed for the endowment reconciliation process, freeing up time for other important projects. Also, in their last audit cycle, FUNDRIVER was able to greatly streamline the endowment reporting function, helping to cut total audit costs by 50%.

"Before you can experience the benefits of FUNDRIVER, you may need to expend the effort to organize your accounts. But there's no question that once you have a good manual system or procedure in place, then FUNDRIVER can manipulate the data much faster and produce all the reports you need," said Mr. Heil.

From a budgeting standpoint, FUNDRIVER has helped Rio as well. The university simply inputs a global spending formula into the system, and is then able to budget on an individual endowment basis as well as a cumulative endowment basis. They can also use endowment category formulas to determine how much of the university's budget can be covered with available endowment funds.

"This was an area that was not included in the budget schedules in the past," said Mr. Heil. "But since FUNDRIVER has been able to provide us with detailed information, we are able to include this very important piece with the budget process." ■