

CUSTOMER STORY:

Minnesota Medical Foundation

“It really helped to have a Blackbaud consultant — who understood accounting, the needs of foundations, and Financial Edge — partner with us to create a plan and the resulting solution.”

— Charlie Zaugg
Associate Vice President of Finance
Minnesota Medical Foundation

Founded in 1939, the Minnesota Medical Foundation raises millions of dollars each year for health-related education and research at the University of Minnesota. These gifts fund thousands of accounts related to research on public health, infectious diseases, and such critical illnesses as cancer, heart disease, and diabetes. To ensure the Foundation appropriately manages its investment accounts, research accounts, and allocation of funds, staff must provide monthly financial reports to key stakeholders as well as monthly account activity reports to hundreds of account managers across campus.

Challenge

As the Foundation grew over the years and garnered more and more donations, the network of funds and accounts they had developed to keep track of the organization's work became overly complex. “Our chart of accounts [in the Foundation's accounting software] was enormous and, therefore, very challenging to get our arms around,” said Charlie Zaugg, associate vice president of finance at the Minnesota Medical Foundation. “It became incredibly time consuming and cumbersome to get the monthly financial reports we needed for the executive committee and the board.”

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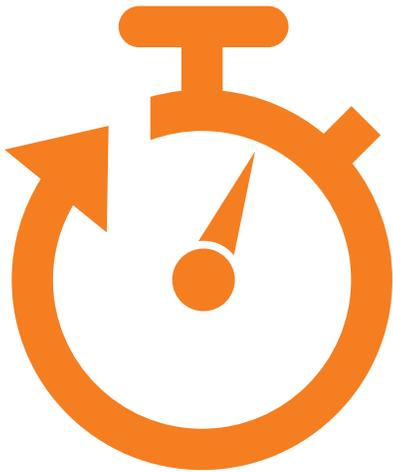
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Because it was too large and convoluted for staff to use efficiently, the chart of accounts — which had 27 funds and almost 15,000 general ledger accounts — hampered the Foundation’s ability to conduct financial analyses and resulted in unnecessary challenges and inefficiencies during the Foundation’s annual audit. Moreover, because it was a paper process, the Foundation was spending about 10 weeks each year to produce one printed report per account per quarter for each of its thousands of accounts. As a result, financial staff continually fielded phone calls from faculty who wanted more current information, which stole time from more substantive analytical work.



The Foundation can perform the checks and balances necessary to ensure all data are accurate.



The Foundation can produce reports more quickly and efficiently, saving more than two months of financial staff time each year.

Solution

The Foundation staff formed a cross-functional team — including key representatives from information services, operations, and finance — to collaborate on the solution. A Blackbaud consultant worked onsite with the team to help them analyze their needs, develop a plan, and implement both a streamlined chart of accounts and a new financial information system, **Financial Edge™**.

Using Financial Edge in conjunction with its website, the Foundation creates reports for each account — at both summary and detail levels — that faculty can view through a secure interface. Replacing the previous quarterly paper distribution, an email notification is sent to all users monthly, alerting them that the new reports are available online. Using a unique password, faculty members can view specific reports containing important information for each account — such as purpose statement, fund type, and report recipients — anywhere with internet access.

In addition to providing more efficient, timely, and detailed reporting, the Foundation can more easily perform the checks and balances necessary to ensure all data are accurate and money is allocated properly.



Results

By implementing The Financial Edge, collaborating with a Blackbaud consultant to significantly simplify the Foundation's chart of accounts, and developing a web-based communication channel for financial reports, the Foundation was able to provide timely information to hundreds of account managers and other key stakeholders across campus while recouping more than two months of staff time each year.

As a result of the team's hard work, the Foundation was able to reduce its chart of accounts to 7 funds and 1,400 general ledger accounts. More important, the simplified chart was designed to ensure the Foundation would be able to provide decision makers with the information they needed to do their jobs efficiently.

- With a dramatically simplified chart of accounts in place, the Foundation can produce reports more quickly and efficiently for the board and other key stakeholders, saving more than two months of financial staff time each year.
- The Foundation can update account managers monthly — instead of quarterly — on 2,500 research accounts, with minimal effort.

"With the extra time we have saved as a result of implementing this new solution, we have been able to become more strategic, focusing our attention on additional analyses and reporting to better serve our constituencies," said Mr. Zaugg.



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