



CLIENT STORY

San Angelo Area Foundation

For a new community foundation, FIMS lends credibility and accountability

Background

In 2002 the San Angelo Health Foundation launched the San Angelo Area Foundation, whose mission it is to improve the quality of life in the San Angelo area by assisting philanthropic individuals aggregate funds to benefit the area.

Since endowed gifts to the foundation are permanent and earnings are used for grantmaking, individual funds continue to grow while grants made from annual earnings support a wide variety of programs in the San Angelo area. In just a little over 3 years, the Foundation has received an amazing \$17 million in gifts. The foundation's investments have grown by \$2.5 million and it has awarded \$1 million in grants.

Getting started with the right system

Matt Lewis, President and CEO, has been with the Foundation since its inception. Lewis came to the Foundation with a background in business and finance, but he did not have experience in the non-profit world. With a sharp eye for the inner workings of a business, Matt quickly realized that the first thing they needed to do was conduct due diligence to find the right accounting solution for foundations.

Research led the Foundation to conclude that hands-down, FIMS, the foundation information management system from MicroEdge was the preferred solution among community foundations. FIMS was one of the more expensive products they considered, but the board supported Lewis in spending the money required for the licenses and training. FIMS was authorized within a month, and installed within a month. "Everything was entered in a single day and the Foundation was up and running," says Matt.

For a startup, credibility is key but not easily earned

For a new community foundation, one of the biggest undertakings is to earn credibility. "When you are young, you don't feel that you have the time to earn credibility because you need money in the door to build endowments up," asserts Matt. But donors won't just contribute to any organization, "so credibility is up at the very top."

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-Matt Lewis,
President & CEO

Lewis firmly believes that solid investment and accounting practices lend a great deal towards credibility, and that FIMS is a key component of that. "Clearly, FIMS is a tool that has enabled our credibility," he claims. Do donors know that the San Angelo Area Foundation uses FIMS? Not really. They simply explain that the foundation uses the premier fund accounting software. "But whenever we explain how FIMS allocates returns appropriately and accurately among all the funds across the system, whether it's one fund or one thousand funds-people respond," declares Matt.

"People like that concept-it has helped earn our credibility, and it has helped support our staff efforts in going out and drumming up funds." And the foundation's success is a case in point - with one fund in 2002, the San Angelo Area Foundation now boasts 105.

Audits and accountability

"We did it right, in hindsight," asserts Matt. "Our board sings the praises of this decision. It's an expensive undertaking for a new community foundation, but it is one of the smartest decisions we made."

Their reasoning? Everything in FIMS is centered around the General Ledger, which makes it great from a financial perspective. And FIMS proved worth its price when the foundation had its first audit. They used an out of town firm that had audited other community foundations. "The audit firm came in, saw that we were using FIMS, and it was wonderful," says Lewis. "They just told us which reports they wanted us to run, and we did it - it was easy to get them what they needed." From day one, every entry has been made into FIMS, so

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the foundation will always have everything, for the lifetime of the foundation, in FIMS. "It's great to know that 15 years from now, someone will be able to run a query on their desktop and know what our balance sheet looked like in year one."

When asked if Lewis had any advice for new foundations, he concludes, "For anyone out there, such as a young community foundation that is not using FIMS, I tell them that you can't afford NOT to use FIMS - you've got to find a way to do it."

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