



Selecting and Implementing Integrated Grants Management Systems in 2012: The Promises and Pitfalls

March 19, 2012



Martin Schneiderman
President
Information Age Associates
47 Murray Place
Princeton, NJ 0540 USA
mbs@iaa.com
www.iaa.com
609-924-6936

Technology Trends Impacting Foundation Information Systems

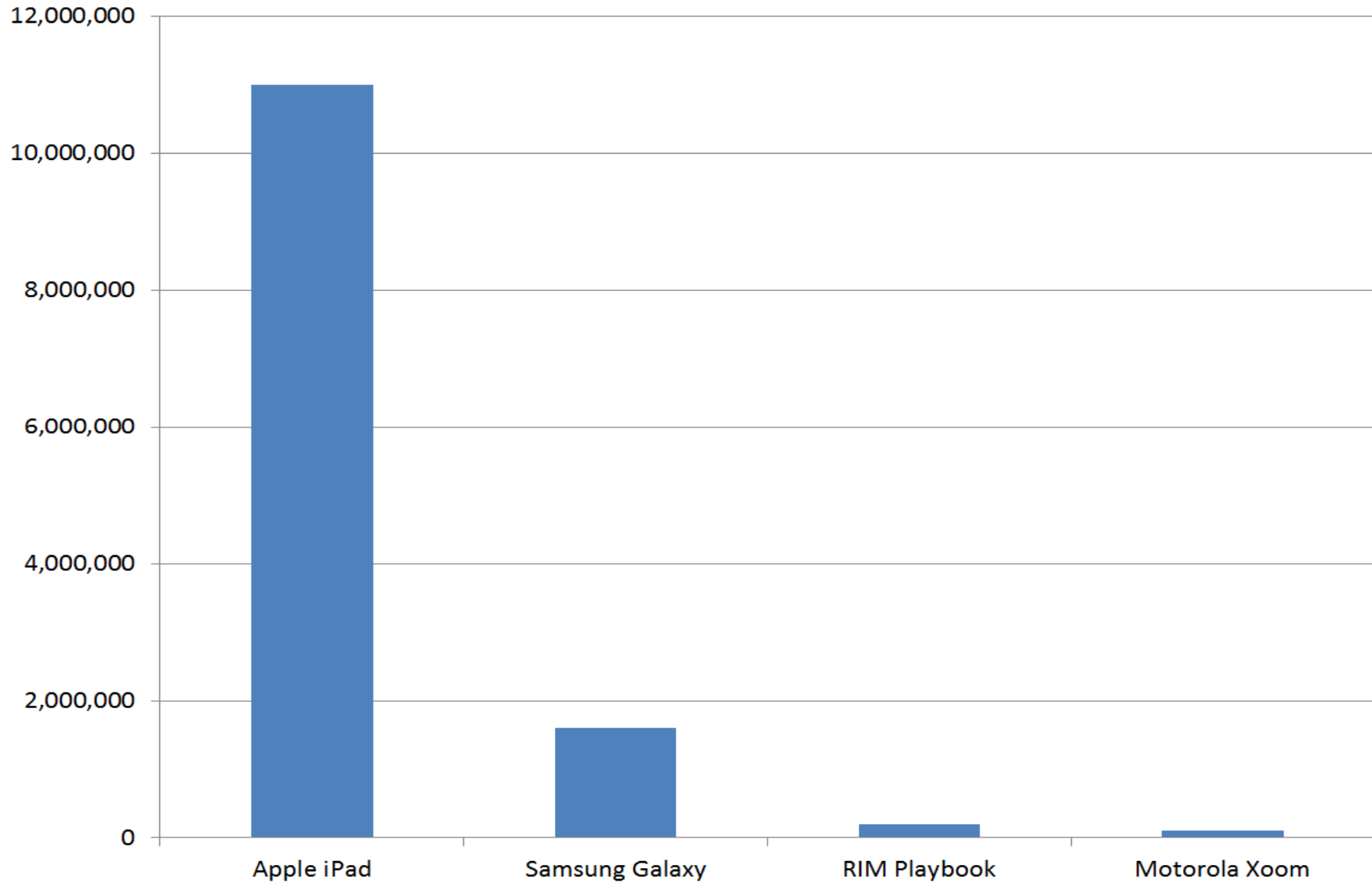


Technology Trends Impacting Foundation Information Systems

- Web based portals with easier and differentiated user interfaces (UI) replacing Windows applications
- Expanded use of online applications and online grantee reporting
- Quickly growing use of iPad tablets to access board and committee content to replace printed books
- Growing use of Android and Apple smartphones worldwide



Worldwide Tablet Sales 3rd Quarter 2011



Record Growth of Apple iOS and Google Android Devices

On Christmas day 2011:

- About 6.8 million tablets and smartphones using Apple iOS and Google Android were activated. (vs. 2.8 million in 2010)
- A quarter of a billion (250,000,000) apps were downloaded from Apple's app store.



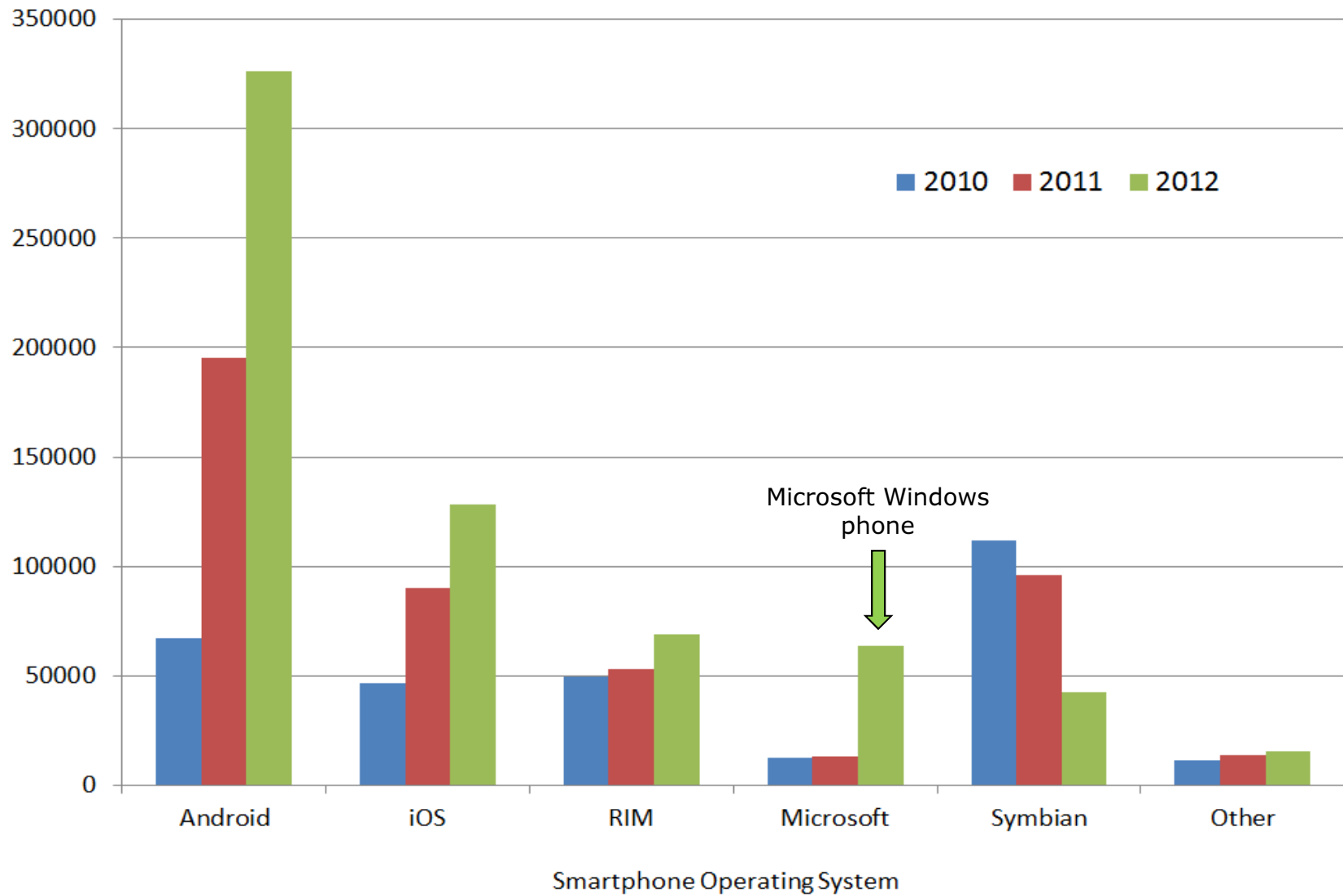
New iPad Sales set Record Highs

- Since initial launch on 4/2010 55+ million iPads have been sold to date
- 1 million new iPads are predicted to sell on 3/16/2012 *launch day*
- Apple says pre-orders are "off the charts" and they have sold out of their pre-order inventory



The new iPad

Worldwide Smartphone Market Growth 2010 - 2012 (projected)



Technology Trends Impacting Foundation Information Systems

- More, faster and better broadband Internet access
- Increased telecommuting by senior management and program staff
- Expanding multi-tenant cloud computing
- Multiple browser types and versions plus 32 and 64-bit Windows makes system development, integration and support more difficult



Technology Trends Impacting Foundation Information Systems

- *Potential* for greater system integration using .NET, Web services and RSS feeds
- Grant support and exploration of some new "open source" grants management software
- Microsoft SharePoint portal software especially for document management at some larger foundations
- Increased social networking by selected program and communications staff





facebook

Profile – January 2012

1. People on Facebook

- Over 800 million active users
- 50% of our active users log on to Facebook in any given day
- Average user has 130 friends



2. Global Reach

- More than 70 translations available on the site
- About 80% of Facebook users are outside the United States

3. Mobile

- More than 350 million active users currently accessing Facebook through their mobile devices
- People that use Facebook on their mobile devices are twice as active on Facebook than non-mobile users

Lasting Companies Know How to Re-invent Themselves

"Lasting companies know how to re-invent themselves."

You've got to reinvent the company to do some other thing, like consumer products or devices.

"You've got to be like a butterfly and have a metamorphosis."

~ Mike Markkula – Apple's first investor



Mike Markkula, right, Apple's first investor and father figure to Jobs.

Fired by Jobs in 1997 his parting advice called for re-invention.

Major Grants Management Recent System Trends

1. Purchases and Growing Companies
2. More Hosted Lower Cost Fully Web-based Systems
3. Web Applications and Progress Reporting
4. Enhanced Integration with Other Systems
 - File management systems with content indexing
 - GuideStar *(including Charity Check)*
 - Foundation Center eGrant Reporting *(free Web maps)*
 - OFAC
 - Accounting Systems
 - Electronic board and committee books *(via iPads)*
 - Salesforce for CRM
 - NGOsource *(pending IRS approval)*



It's now taking less time for many foundations to process and pay grants



DURING THE PAST TWO FISCAL YEARS, ON AVERAGE HOW MANY DAYS DID IT TAKE FOR YOUR ORGANIZATION TO ACCOMPLISH THE FOLLOWING*?

	2008	2011
Acknowledge receipt of funding requests	7	5
Approve a typical grant (from submission of a full proposal to notification of funding decision)	90	60
Make the initial payment after a typical grant award was approved	21	15
Total	118	80

*Median number of days



Different Types of Services

1. All Microsoft Windows
2. All Microsoft Windows and accessible from inside a browser using remote access programs (e.g. *Windows Terminal Server, Citrix GoToMyPC or XenApp, or Windows Remote Desktop Connection*)
3. Hybrid Windows and Web browser
4. Fully Web browser

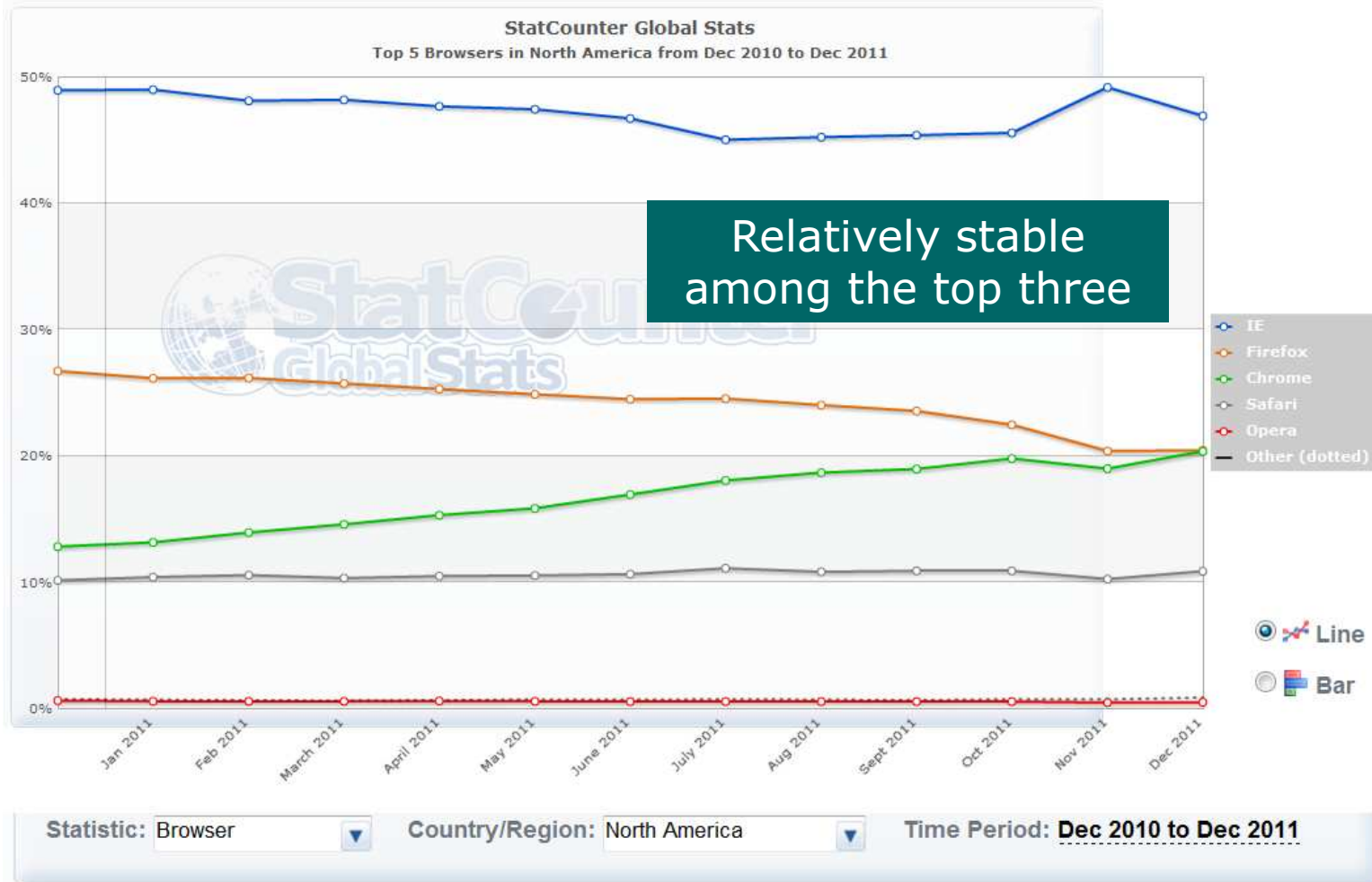


GoToMyPC[®]

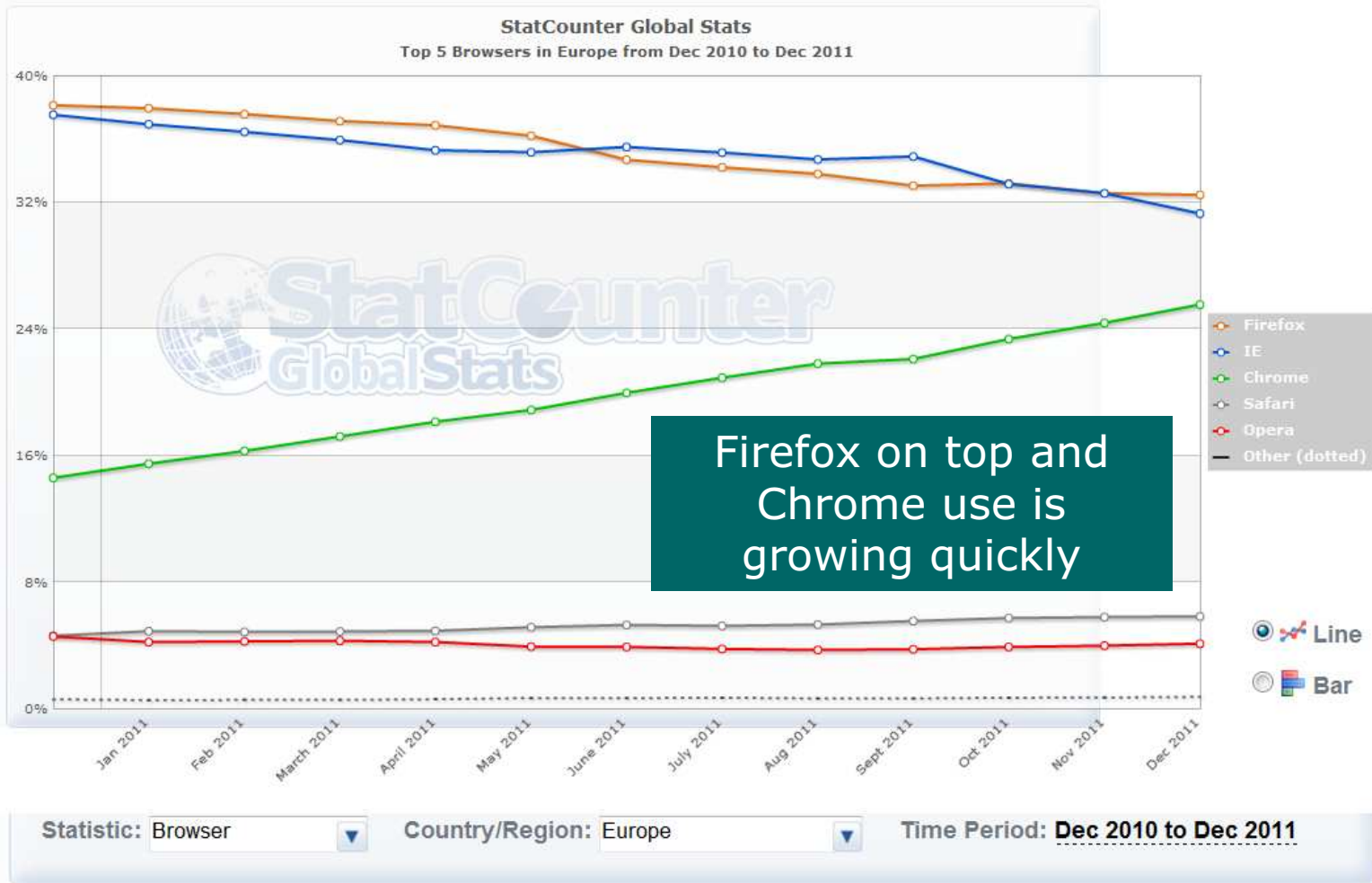
CITRIX[®]
XenApp



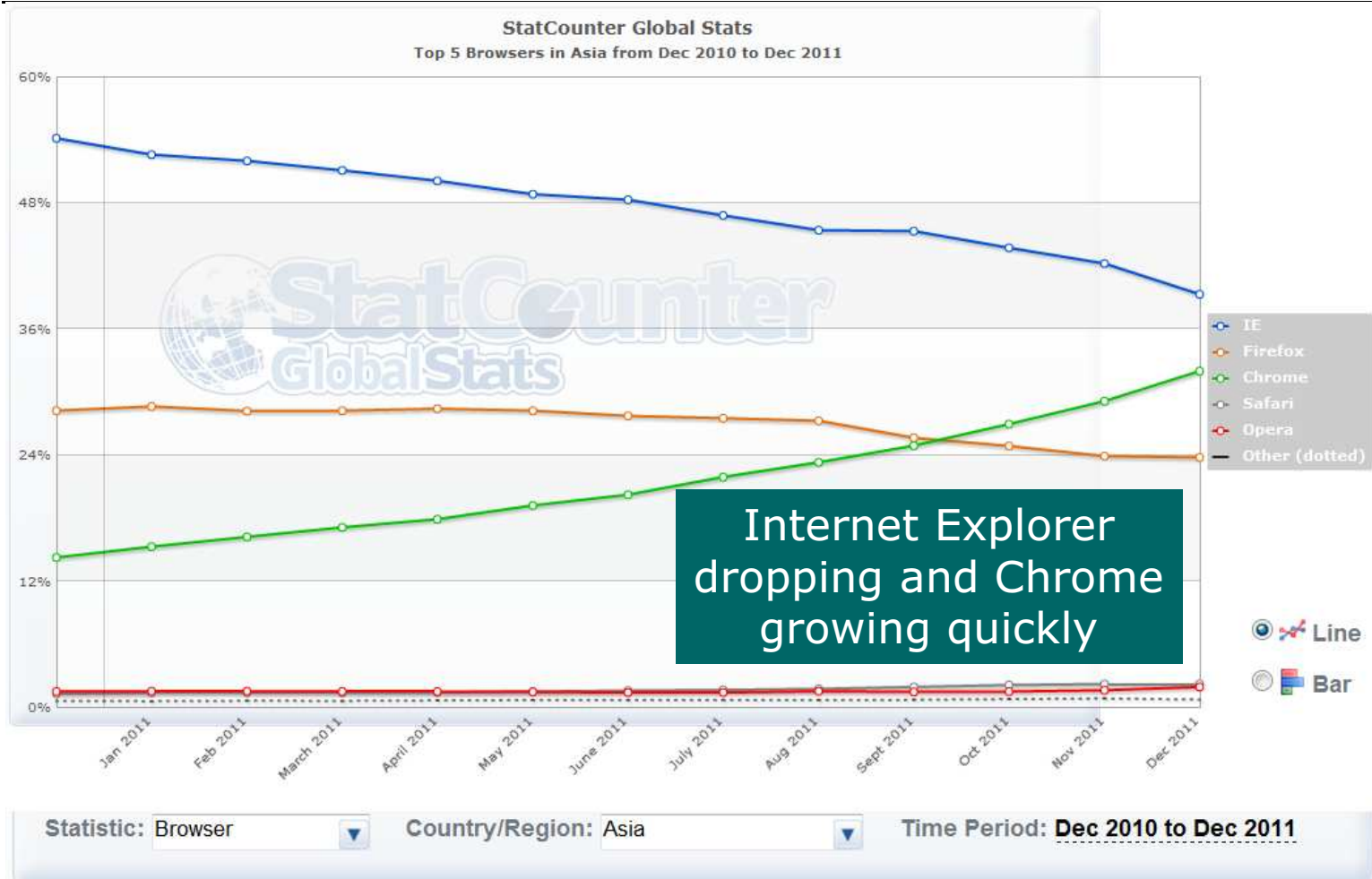
Browser Use in North America



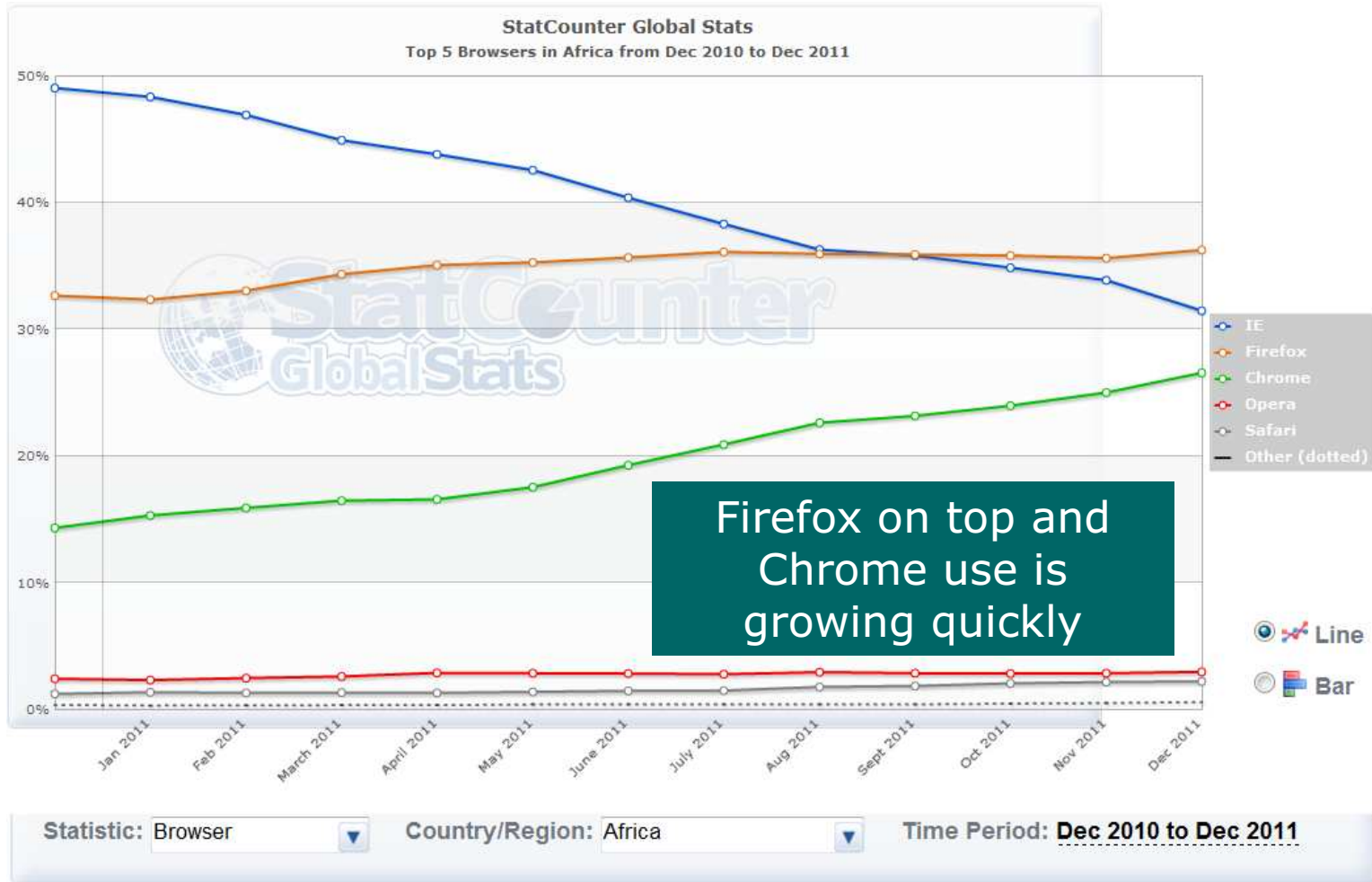
Browser Use in Europe



Browser Use in Asia



Browser Use in Africa



Location and Platform Differences

Location

- In-house on your server(s)
- On remotely hosted servers



Platform

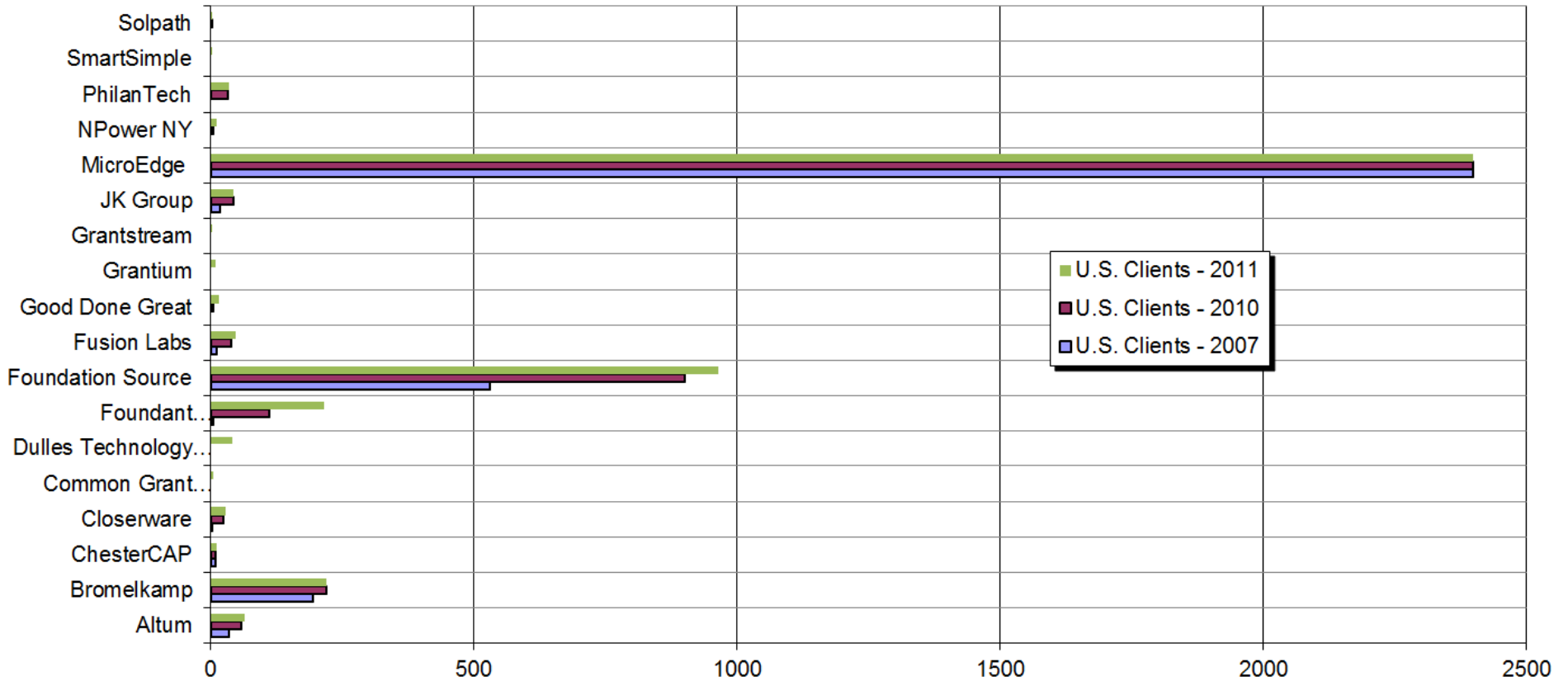
- Practically all of the system provided by one vendor
- The core platform provided by one vendor plus the grants management system and utilities each provided by different vendors



22 North American Grants Management Software and Service Providers



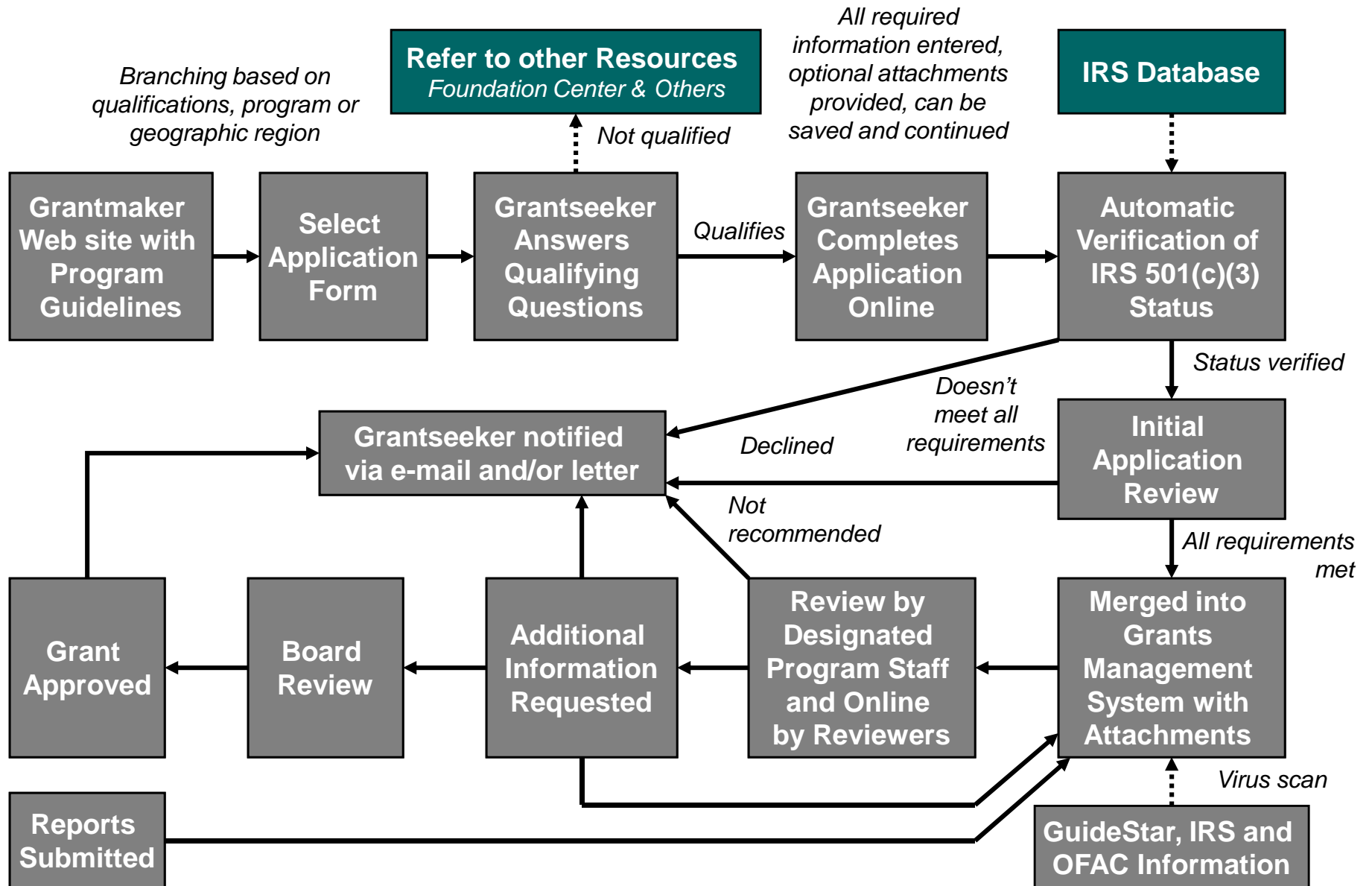
Grants Management Vendor U.S. Clients - 2007, 2010 and 2011



	Altum	Bromelkamp	ChesterCAP	Closerware	Common Grant Application	Dulles Technology Solutions	Foundant Technologies	Foundation Source	Fusion Labs	Good Done Great	Grantium	Grantstream	JK Group	MicroEdge	NPower NY	PhilanTech	SmartSimple	Solpath
■ U.S. Clients - 2011	65	220	12	29	5	40	216	965	48	15	9	3	44	2400	11	34	2	3
■ U.S. Clients - 2010	59	220	10	23			111	900	38	5			44	2400	5	32		2
■ U.S. Clients - 2007	35	195	9	1			5	530	11	0			18	2400	0	0		0

Number of Clients

Online Grant Application Process



Grants Management Software and Service Providers - 2011

Vendor (Year of first grant software or service)	Active GM Clients on 1/1/2011	GM Product Staff	Types of Clients	Currently Available and Supported Products / Services	Delivered New Products, Features and Services in 2010 (in multiple client production in 2010)	Supported Interoperability with Other Applications	Hosted / ASP Service	Technology Platform(s)
Altum (1998) 877-GO-ALTUM 703-657-8299 www.altum.com info@altum.com 12100 Sunset Hills Rd Suite 101 Reston, VA 20190	19 Easy-grants clients 51 proposal-CENTRAL clients 26 Federal clients using PC, EG and other Altum grant related solutions 5 non-US clients (1 PC, 4 EG)	35 staff	Medium-to-large foundations Federal & State government agencies Biomedical grantmaking organizations	<ul style="list-style-type: none"> Easygrants® (EG) <ul style="list-style-type: none"> – Program Planning & Management – Fund Source Tracking – Application – Review (internal and/or external; individual & committee/panel) – Grantee Financial and Progress Reporting – Grants Management – Contact Management – Workflow Configuration – Integrated Document Management (SharePoint) – Queries, Reports, BI proposalCENTRAL® <ul style="list-style-type: none"> – Application – Review – Progress Reports – Grants Management – Contact Management – Queries & Reports Altum Query Module® Altum Financial Management and Costing Applications (based on Jifox Performance Management) 	<ul style="list-style-type: none"> Easygrants <ul style="list-style-type: none"> – Supervisor workload management – Personalized user home page (Favorite reports, grants, tasks, contacts) – Complex detailed budgets, including subcontract tracking – Business Rule Manager for easy configuration of task (e.g. application) validations – Additional workflow flexibility to allow tasks to be assigned to contacts, independent of a particular grant (enables tasks to be assigned to users or organization administrators like ...) 	<ul style="list-style-type: none"> Microsoft Word Microsoft Excel Microsoft Outlook Microsoft SharePoint Foundation Center eGrant Reporting Report Writers and Business Intelligence Software (e.g., Crystal, Cognos) Custom links to accounting systems Custom links to compliance verification service(s) Custom links to ... 	Easygrants is offered as licensed enterprise software with optional hosting or as a SaaS service Proposal-CENTRAL is a SaaS service	Web Browser user interface for all systems. Supports all major web browser platforms: Internet Explorer, Netscape, Opera, Firefox, & Safari – on Macintosh, Windows, and Linux/Unix clients Architecture is predominantly Microsoft-based technology – .NET, IIS web server, SQL

4,207 - U.S. grantmakers

292 - non-U.S. grantmakers



Copyright © 2011 All Rights Reserved
47 Murray Place • Princeton, NJ 08540 USA

Vendor (Year of first grant software or service)	Active GM Clients on 1/1/2011	GM Product Staff	Types of Clients	Currently Available and Supported Products / Services	Delivered New Products, Features and Services in 2010 (in multiple client production in 2010)	Supported Interoperability with Other Applications	Hosted / ASP Service	Technology Platform(s)
Bromelkamp Company LLC (1979) 888-290-9087 www.bromelkamp.com info@bromelkamp.com 106 East 24th Street Minneapolis, MN 55404-3522	220 clients 2 Intl.	12 staff	Community foundations Corporate foundations Family foundations Operating foundations Private foundations Government grantmaking agencies	<ul style="list-style-type: none"> Akoya.net (online grants, CRM) First Pearl (grants, CRM) Corporate Pearl (grants, CRM, matching gifts, dollars for doers, event tracking) Community Pearl (grants, CRM, fund accounting, fundraising) eGrant.net (online grants application management tool) <ul style="list-style-type: none"> – online applications and reporting – scholarship applications – online review – Application Status Pearl Companions <ul style="list-style-type: none"> – Fundweb.net (donor statements & grant recommendations on the Web) – Pearl Geocoder – Pearl NCOA (National Change of Address database) – Pearl ACH (direct deposit of grants and/or donor pledges) – Pearl Outlook Updater – Scan to Chronicle – Pearl Web Collector/Reporter – Bridge to QuickBooks or Peachtree accounting Pearl Loan Servicing (for PRI's) Pearl (custom) 	<ul style="list-style-type: none"> eGrant.net <ul style="list-style-type: none"> – Transcript collection tool – Reference/recommendation collection tool – Attach staff generated documents to applications or review groups – Advanced filtering in Review Module – Export scores, comments Akoya.net <ul style="list-style-type: none"> – Online grants management – Option to work offline – Advanced reporting/querying tools – Powerful workflow and automation tools – Advanced CRM – Task and calendar management Pearl <ul style="list-style-type: none"> – Improved Vendor tracking – Automated accrual accounting features – Enhanced budget tools – Automated import from eGrant – Enhanced accounting reports 	<ul style="list-style-type: none"> Microsoft Word Microsoft Excel Microsoft Outlook GuideStar Electronic grant reporting to the Foundation Center MapQuest Google ChoicePoint Bridger Insight for compliance verification QuickBooks Citrix MetaFrame FIMS import from eGrant.net Peachtree 	Licensed software Optional hosted via Windows Terminal Server or Citrix Server Fundweb.net (donor statements and grant recommendations on the Web) eGrant.net online applications and reports Akoya.net online grants management	VB/VB.Net running on Windows 98/NT/2000/XP/Vista/Windows 7 Microsoft Access database versions 97/2000/XP/2003/2007/2010 SQL Server Sybase Microsoft Dynamics 2007/2010



Copyright © 2011 All Rights Reserved
47 Murray Place • Princeton, NJ 08540 USA • 609 924 6936 • www.iaa.com

Page 2 of 15 →



GMN  IA

A CONSUMERS GRANTS MANA



REPORT UPDATE

October 2011

COMPARISON CHART

When there are two ratings, the first represents the system with the most basic configuration, while the second shows what's possible with the addition of modules or customizations at additional cost. The prices shown give the approximate range of costs for small and large grantmakers, and for minimal and then all functionality. For the majority of these vendors, prices can vary for each individual implementation.

	Altum Easygrants	Altum proposal-CENTRAL	Bromelkamp Alloya.net	Bromelkamp First Pearl
Small grantmaker, basic functionality*				
First year cost	not recommended for this size	not recommended for this size	\$7.1K	\$17K
Ongoing yearly cost	not recommended for this size	not recommended for this size	\$6.2K	\$1.8K
Larger grantmaker, all functionality*				
First year cost	\$150K - \$250K	\$40K - \$60K	\$33K	\$43K
Ongoing yearly cost	\$30K - \$50K	\$30K - \$50K	\$15K	\$7.2K
Internal Tracking	○	⊙	○	●
Online Applications	●	○	* to ○	* to ●
Applications Review	●	●	* to ●	* to ●
501(c)(3) and OFAC Status	* to ○	*	○	○
Letters & Board Dockets	●	○	●	●
Emails	○	○	○	●
Relationship Management	○	○	●	○ to ●
Grant Requirements & Evaluation	●	●	○ to ●	○ to ●
Payments	○	⊙	○	○
Budgeting	○ to ●	*	○	⊙
System Querying & Reporting	○ to ●	⊙ to ○	●	○
Roles & Permissions	○	⊙	●	○
Data Access	●	●	●	●
Overall Customization	●	●	○ to ●	●
Ease of Use	●	⊙	○	⊙
Support & Training	○	●	●	●
Stability in the Market	○	●	⊙	●

• None ○ Fair ○ Good ● Excellent

* Small: Five named users, five concurrent users, 50 external reviewers, \$10,000,000 asset base, 10 grants per year. Basic functionality to review applications, track and pay grants.

Large: Twenty named users, 10 concurrent users, 50 external reviewers, \$1,000,000,000 asset base, 100 grants per year. With all functionality covered in this report.



System Options - Today and Tomorrow

Today's systems

Basic system with limited flexibility

Highly customized one-of-a-kind system

Some of Today's Systems and Tomorrow's opportunity

More flexible open personalized (*not customized*) fully Web-based systems that can be enhanced and linked to other applications and data

What are your greatest needs?

1. What are your greatest prioritized NEEDS and wants for an integrated grants management system?
2. What are some of the key reasons that you might chose to either upgrade or migrate to an alternative system?



Critical Service Provider Success Factors



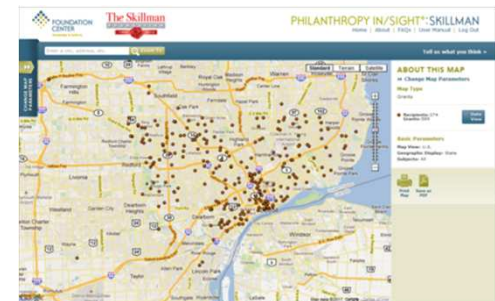
1. Key staff with significant and diverse grantmaking experience and expertise
2. Understands all grantmaking types
3. Current technology with easy Web remote access supporting the top browsers and versions
4. Personalized Web portals for each user type with graphics and interactive dashboards
5. Web products and services that can be installed, configured and maintained easily & inexpensively
6. Overall system value to streamline operations
7. Significant installed base of users like you



More Critical Service Provider **Success Factors**



8. Easy personalization (*NOT costly customizations*)
9. Saving and naming favorite searches, views plus many standard reports
10. Globalized multi-lingual (e.g. *Nicolás, René*) and multi-currency products
11. Breadth of powerful utility programs for selected users
12. Interoperability with Microsoft Office and Outlook
13. Linking to online information and mapping services



More Critical Service Provider Success Factors



14. Quality in-person and Webinar training

15. High quality implementation, manuals and support services



16. Linking to external accounting systems

17. Expert data conversion and export services

18. Secure data in your own database



19. Ongoing major investment in R&D with regular releases

20. Systems hosted in secure SAS70 enterprise class datacenter

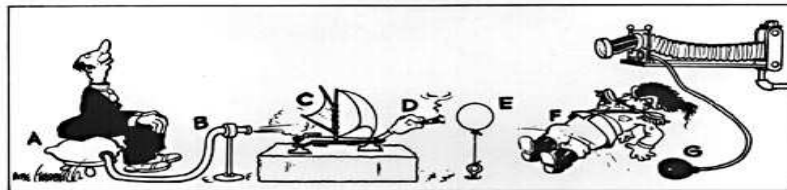


21. Annual conference and active user group

Some Common Service Provider Problems

1. Complex UI and poor integration with fully portals, external software and services
2. High licensing, operational and growing ongoing support costs
3. Highly customized one-of-a-kind systems with large start-up and ongoing costs

(may be necessary for grantmakers with specialized needs)



Picture-Snapping Machine RUBE GOLDBERG (tm) RGI 074

4. Poor communications and user support
5. Unmet commitments and poor project management



More Common Service Provider Problems

6. Unrealistic business model
7. Small installed base of users
8. Use of unsupported, proprietary, and non industry standard programming languages and databases
9. Reluctance to establish strategic partnerships
10. Lack of complete data export capability that prevent successful migration to another system



What to **See, Track and Rate** in Vendor Demos

1. Prioritized features that you **NEED** and are **MOST** important to YOU
2. Count the number of steps to do routine operations (e.g. download online applications with attachments)
3. Creating and using saved searches, views and reports
4. How integration with 3rd party services **REALLY** works
5. Permit vendor's to demo their wonderful distinguishing features



Create and Use a System Demo Rating Worksheet

Vendor _____

Demonstration Requirements

Proposal finalists will be invited to demonstrate the latest production version of their system during the week of February 2, 2009. We invite you to make this presentation in person (preferred) or via WebEx. This presentation will be attended by our decision-makers and Project Advisor.

It's very important to us that at the presentation we meet (either in person or via conference call) all of the individual team members who will be responsible for our particular account to include but not be limited to | our:

- Account / project manager who will be our single point of contact for our requirements specification, system implementation, customizations, installation and testing, training, upgrades, etc.
- Technical support specialist who will provide expert support for all post-implementation questions and resolving all of our reported problems

During the 2.5 hour demonstration would you please first demonstrate all of the following and then the many other powerful features of your system. If your system cannot currently do one or more of these capabilities then please explain this up front, skip it, and continue. Please feel free to reorder the sequence of the demo so that the flow works for you.

Rating scale:

5 = Excellent - Does completely and easily

4 = Very good - Does completely but not easily (e.g. not intuitive, many steps)

3 = Good - Does in an acceptable way (possibly using a workaround)

2 = Poor - Does poorly

1 = Unacceptable - Cannot use as is

0 = No current capability

Capability	Rating	Comment
1. Demonstrate an online <u>branching eligibility quiz</u> with a <u>two-stage online application</u> (Mission Status Eligibility Application + full proposal) with attachments from a grantseeker's perspective - please show this in both English and Spanish (with marks and text such as ¡ ¸ á ñ Ó)		
2. Demonstrate how <u>online applications are created and modified</u> by the systems administrator.		
3. Demonstrate a <u>grantee portal</u> and how a grantseeker can: - review the status of a pending request - update their contact information - see requirements due		

Ask the Service Provider to Use a Clear Rating Scale

Integrated Grants Management System Requirements

IMPORTANT INSTRUCTIONS: Please describe your ability to meet each of our specified system requirements. Please do this by completing the Vendor Response column of this document. When doing this, please be very specific and describe your system's features and capabilities. Enter the number (1,2,3,4) associated with the bolded text in each box followed by additional explanatory information. Please also shade the Vendor Response box with the same color as shown below. See the SAMPLE ENTRY for an example.

- 1 Currently available and is fully functional exactly as described** in the latest production version of your product and/or service.
- 2 Similar but with some limitations** compared with what is described. Then clearly describe all limitations.
- 3 Not currently available** and, if shown as "Required" what you propose with a guaranteed delivery date and cost (if applicable) from the date of contract signing. Please clearly specify if your approach will be a customization, the integration of a 3rd party product, or other.
- 4 Targeted for future integration into the core system** exactly as we've described for all clients vs. being specific to us. Please specify the guaranteed delivery date.

Compare Vendor *Described* System Capabilities Side-by Side

Integrated Grants Management System Requirements					
Function	Description	Required or Desired	Vendor A	Vendor B	
User Interface					
Windows XP/Vista 7 workstation	Fully compliant with Microsoft's Windows XP workstation and Windows Vista Common User Access (CUA) interface standard.	Required	1 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.	1 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.	
Cross browser and platform support	Full support of Internet Explorer v7.x and later, Firefox 2.x and later, and Safari 3.x and later. Accessible from all Windows and Macintosh PCs.	Required	2 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.	2 - Restricted to Web based components of the suite	
Ease-of-use	Graphic user interface that has uncluttered screens, facilitates navigation, and functions consistently with other supported Web and	Required	3 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.	1 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.	
Searchable online help	Online help that describes the capabilities of the system. Includes a searchable index.	Required	4 - On-line help is not currently available but is planned for future release	1 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.	
Windows interface	The application is fully accessible and functional via a Microsoft Windows interface.	Required	1 - Fully Windows compatible	1 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.	
Web interface	The application is Web enabled and is fully accessible and functional via a supported Web browser.	Required	2 - Lorem ipsum dolor sit amet, consectetur adipiscing elit.	1 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.	
Full screen display	All screen displays (except pop-up windows) will display full screen regardless of the monitor size and display resolution. Text elements will be designed to fill the screen to make optimal use of	Required	1 - All key screens are full screen display	1 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.	
Supervisor view	Ability for a supervisor to see the status of all proposal and grants assigned to selected staff.	Required	1 - Records can be associated with staff, but not limited to just those staff. Supervisors can see which staff are	1 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.	
Web parts design	Ability to add, delete, move Web parts if these exist. This can either be done and locked by the system administrator for groups of users, or with	Required	1 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.	2 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.	
Saving personal favorites	Saves personal settings of favorite queries, reports.	5	1 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at	3 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at	
Custom help screens	Capability for the system administrator to easily create user customized on-screen help to improve the accuracy of data entry.	5	4 - On-line help is not currently available but is planned for future release	1 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.	
Collapsible code table listing	Code tables can be easily expanded and collapsed <i>(This is especially helpful for complex multi-level code tables)</i>	5	1 - All code tables are multi-level and configurable.	1 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.	
Last used queries	Saves drop down list of last used queries for quick access.	4	1 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.	1 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.	
Personalized view by individual	Enables individual users to choose their own default startup view that specifies what data is presented and how it is sorted. The presentation of data can be filtered to display only those tasks that are the responsibility of the user. The user can	4	2 - Lorem ipsum dolor sit amet, consectetur adipiscing elit.	1 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.	
Tree view	Display of contact relationships in a hierarchical tree view.	4	1 - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at	3 - Needs to develop in 2012	

Key Decision Making Factors

1. How do each company and system capabilities compare with your prioritized requirements?
2. Compare your requirements with the latest version of your *existing* system
3. Are you in the sweet spot of finalists' current and future product/services?
4. Assess actual client satisfaction based on what similar clients (to you) have to say – YOU pick who to call, not the service provider!



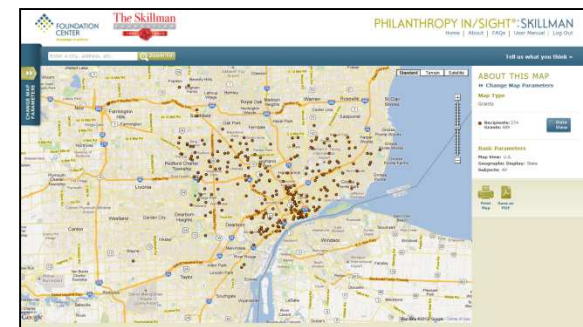
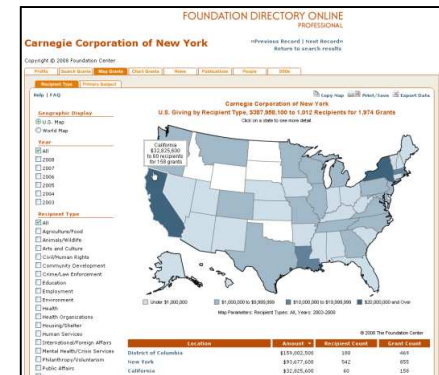
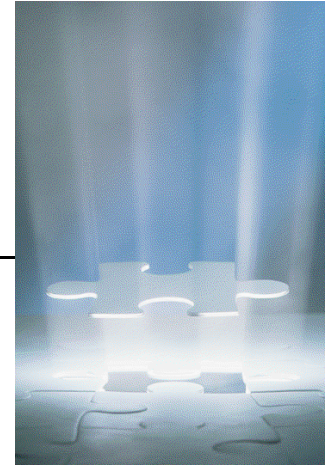
Key Decision Making Factors

5. What is their financial strength? Will they be in the grants management business 5 years from now?
6. Conduct an in-depth analysis of the total cost of ownership for 3-5 years
7. Be sure to budget for both startup, annual support, and regular ongoing training of new staff
8. Plan now for next generation data migration and ensure that this is included in the contract



Integration with External Systems and Services

- Browsers and Microsoft Office
(major types plus 32 and 64-bit versions of each)
- Windows 7 *(32 and 64-bit versions)*
- GuideStar for Charity Check
- OFAC list checking services
- Accounting systems *(type and version of each)*
- Electronic board and committee books
- iPads and other Android tablets
- Foundation Center eGrant and hGrant Reporting + free mapping service
- Document management
- Electronic Fund Transfer (EFT)
- Social network services
- NGOsource *(pending IRS approval)*





Time for
spirited questions!