

Grants Management Software and Service Providers Strategic Directions and Product Enhancements

In January 2003 I asked each of the major vendors of commercial grants management software and services to describe their strategic directions in the next 24 months and to identify the most significant enhancements to their products and services. Here's what they had to say.

This compliments the article "Trends in Grants Management Software and Services" published in the May/June 2003 issue of Foundation News & Commentary (www.foundationnews.org).

Martin B. Schneiderman
Technology Editor
Foundation News & Commentary
mbs@iaa.com

Arlington Group

1. Please briefly describe your company's strategic direction in the next 24 months.

AG's mission is to be a leading provider of Web software for grantmakers. Our focus is on making the process of grantmaking easier, less costly, and more effective for all involved.

AG has worked hard over the past year-and-a-half to modularize its Easygrants technology, and to create the Easygrants technology framework. This framework enables our clients to automate as much or as little of the grants process as they require, and to configure the software to meet their unique process and interface needs. With the Easygrants modular framework, our clients get the flexibility of custom software, and the stability and robustness of Commercial Off The Shelf (COTS) system.

2. What were the most significant enhancements to your products and services in 2002?

We modularized Easygrants and deployed it on the .NET framework. The result has been a system that is more rapidly deployed, including unique configurations, and is more stable. We have three new clients running the .NET version, and have existing clients who are upgrading this year.

3. What will be the most significant enhancements to the products and services that you'll be releasing in 2003?

In January, we released our Grants Management module, to round out the modules in the Easygrants product suite. We now offer Web software that automates the full grants lifecycle – Application (and pre-application, letter of intent, etc.), Review, Award, Progress Reports, Grants Management, Survey and Measurement for Program Assessment.

Bromelkamp Company

1. Please briefly describe your company's strategic direction in the next 24 months.

Our first commitment is always the highest level of support and training for our clients. Beyond that, we plan to concentrate on integrating Pearl databases with external data sources and means of dissemination: geographic, census, post office, and regulatory information, and services such as GuideStar, as well as continued improvement of web interfaces in and out of Pearl databases.

2. What were the most significant enhancements to your products and services in 2002?

Pearl version 3, released in October, provided the first wave of new integrations in Pearl. Clients have been most excited about the effortless integration with Guidestar.org's Charity Check subscription service. Clients also like the improved ability to send group emails from Contacts Tracking, and improvements in Chronicle that make it even easier to track interactions with people and catalog and view documents, images, and multimedia files. Funny how sometimes the easiest things are the most visible; that's the case now that Pearl fills in City and State automatically when a user enters the ZIP Code. We introduced Pearl Web Reporter and have Pearl Web Collector in client testing. We also made major improvement in our fund accounting, particularly those for community foundation's joint investment allocations and fund fees assessments. We released a bridge to Quickbooks, to accompany bridges to some corporate accounting systems. We installed in more locations our Pearl component Loan Servicing, the most economical and flexible software for Program Related Investments (PRI's).

3. What will be the most significant enhancements to the products and services that you'll be releasing in 2003?

More enhancements to Pearl component Fund Accounting.

- § Pearl NCOA (2003): you can submit your organization list or contacts list to have addresses updated from the post office's National Change of Address database
- § Pearl ACH (2003): accounting payments are transmitted to the bank's Automated Clearing House for "direct deposit" instead of writing checks
- § Pearl Outlook (2003): synchronizes Pearl component Contacts Tracking with Microsoft Outlook and/or Exchange Server.

Center for Arts Management and Technology - CAMT

1. Please briefly describe your company's strategic direction in the next 24 months.

We plan to continue to refine and develop the software model for eGRANT in hopes of reducing the overall cost involved in bringing an organization up to speed. This includes pursuing quicker, less intensive deployment cycles for not only the core application but also the panel evaluation module and the forthcoming application tracking and contracting modules. A large part of this is further developing the "rapid application development" support begun with eGRANTjr.

2. What were the most significant enhancements to your products and services in 2002?

During 2002, the core eGRANT product saw many improvements including a greater amount of control exposed to organizations through the administrative interface. Additionally, the delivery of the panel review module, extending the reach of eGRANT and freeing organizations to consider the use of technology to streamline the granting process beyond the application deadlines. Our strategic partnership with Bromelkamp, a leading provider of grants management databases. This partnership brought to life two new products, a rapid development enabled version of eGRANT called eGRANTjr and FundWeb a tool for donors to follow their investment in the foundation they give to.

3. What will be the most significant enhancements to the products and services that you'll be releasing in 2003?

We are developing a non-linear, adaptive version of our online granting application. In this new model, decisions are made by the system determining the path of the applicant through the application. For example, 'If the applicant answered "Yes" on question 9, direct them to page A, otherwise direct them to page B.' While not appropriate for every situation, for some, this decision-based model is expected to significantly reduce errors and confusion for applicants. This is being developed in close conjunction with the rapid development features, first seen in eGRANTjr, that we are hoping can bring more agencies the power of eGRANT at a lower cost, in situations where custom development is an unnecessary luxury.

CyberGrants

1. Please briefly describe your company's strategic direction in the next 24 months.

CyberGrants will continue to forge ahead in the Application Service Provider market.

2. What were the most significant enhancements to your products and services in 2002?

- § Capability to create unlimited online grant application types and styles
- § Support for full customization of proposal content and formatting
- § Unlimited ability to create, track and report on custom fields of all data types
- § Upgrade to the latest Oracle 9i environment providing better than 99.98% uptime throughout 2002

3. What will be the most significant enhancements to the products and services that you'll be releasing in 2003?

- § Fully customizable and automated grants measurement capability
- § Substantial additions and enhancements to automated reporting capabilities
- § Creation of 'engines' to facilitate data feeds to accounts payable and other legacy systems
- § Continued enhancements to online applications capabilities in step with Internet advances

Foundation Source

1. Please briefly describe your company's strategic direction in the next 24 months.

The overall strategy for Foundation Source is to expand philanthropy and charitable giving by making private foundations a viable option for a greater number of people. We do this by using technology to improve efficiencies, increase compliance, lower costs and allow individuals to focus on their charitable giving instead of back-office administration.

We will continue to work through financial institution partners, which include Bank One, TD Waterhouse Institutional Services, Bear Sterns, and other, providing them with a turnkey private foundation solution they can offer their affluent clients as part of a wealth management offering. We will selectively expand our partner base among the top-tier financial institutions.

We will develop tailored services specifically for tax and estate professionals to support attorneys and CPAs in serving their clients with private foundations.

Finally, we will continue to develop innovate products and services that help individuals be more effective in their philanthropy and keep Foundation Source positioned as the leader in philanthropic services.

2. What were the most significant enhancements to your products and services in 2002?

- § Hiring Chief Philanthropic Officer to develop Philanthropic Advisory Services
- § Managed Foundation Services to serve existing private foundations
- § Grant Certificates
- § Online Expense Reimbursements
- § Online Nomination and Voting Module
- § Substantial Contributor Tracking.
- § Agreement with GuideStar to provide their research to our customers

3. What will be the most significant enhancements to the products and services that you'll be releasing in 2003?

- § Full Grants Management
- § Hardship and Emergency Assistance Grants for individuals
- § Automatic Notification Module for attorneys and CPAs
- § Individual public web sites for foundation clients.

MicroEdge

1. Please briefly describe MicroEdge's strategic direction in the next 24 months.

Our strategy for the next 2 years is based around two inter-related ideas: a solutions focus and open systems. Both of these principals reflect the fact that we not only want to be the technology leaders for philanthropy, but that we want to be the kind of responsible technology leader that clients, philanthropic organizations and other technology vendors want to have as a partner – cooperative, collaborative, visionary, and open. In spite of the contracted business climate, MicroEdge/NPO Solutions is committed to working with our partners to bring about an exciting technology future, to realize new possibilities, while at the same time executing this vision with professionalism, focus, and an emphasis on delivering real value at reasonable cost.

Solutions Focus: As the GIFTS platform has matured to deliver the highest level of stability, reliability, and completeness of features, and as the platform has broadened to include advanced Internet-enabled tools like IGAM and MyGIFTS, we are increasingly able to offer grantmaking organizations a total solution for managing the full grant lifecycle. In 2003, we are releasing ReviewerConnect, which will deliver additional labor-saving capabilities by automating the often-complex workflow of the grant review process. So, strictly in the realm of technology, the completeness of our platform offering reflects on our ability to offer a complete solution.

Delivering a complete solution is more than just delivering software – it is having in place the organizational expertise and capacity to deliver the broad range of services to ensure the effectiveness and success of our clients. In 2003 and beyond, MicroEdge and NPO Solutions will be broadening the array of services and capacities our organization brings to the marketplace, designed to ensure that clients see the maximum return on their investment in our technology and ensuring that we're able to deliver the kind of industry-leading technology solution our clients have come to expect.

Open Systems: Our technology is seldom deployed as the sole piece of software on a client's network; rather, it is always part of a technology stack that will vary in complexity and diversity depending on a variety of factors. The information and knowledge critical to the operation of a philanthropic organization is not solely housed in our databases, but instead is distributed across a number of data silos. This means that it is increasingly important that software applications are able to cooperate and integrate with other software applications and data stores, both structured and unstructured. This type of integration and cooperation is essential to ensure that organizations can function effectively from a knowledge management and workflow standpoint. Fortunately, the information technology industry is in the middle of a transformative period when newly enabling technologies, especially Web Services, are providing a foundation for software applications to inter-relate more easily and with a greater level of flexibility than ever before.

MicroEdge and NPO Solutions intend to be leaders in delivering technologies that fully leverage this transformative moment in information technology. This means ensuring that our solutions do not insist on operating in isolation, but instead provide the kind of general openness, integrative capability, and programmatic interfaces necessary not only to participate cooperatively within an organization's technology stack, but also to leverage the

exciting distributed computing possibilities introduced by Web Services. This strategy will be reflected in the development and release of interim technologies and interfaces (APIs) in 2003 and beyond, as well as in the core design of our next generation platform.

2. What were the most significant enhancements to your products and services in 2002?

MicroEdge continued to deliver on our commitment to enhance and extend our existing products with a Maintenance Release for GIFTS in May 2002.

The second version of our online grant application system, IGAM (Internet Grant Application Module) was released in July. Developed through a collaborative effort with The National Geographic Society and the Fannie Mae Foundation, IGAM v.2 offers improved ease-of-use and a significantly enhanced feature set over the initial release of IGAM. IGAM now supports all the GIFTS database fields, an eligibility quiz, two-stage applications, file attachments, applicant accounts and many other features. In short, IGAM now represents a complete end-to-end solution for managing an online grant application process.

Also in cooperation with The National Geographic Society, MicroEdge developed ReviewerConnect, a Web-based solution for managing even the most complex grant review process. ReviewerConnect makes it possible for reviewers to use a secure Web-based interface to see grant proposals they've been assigned to review, access supporting materials, and submit a wide variety of review types (text/open-ended, letter grades, numerical rankings and so on). A powerful tool for streamlining the workflow associated with the grant approval process, ReviewerConnect is now in production at National Geographic, and it will be made generally available in the first half of 2003.

These two products, IGAM and ReviewerConnect, are critical elements of our overall strategy for the GIFTS technology platform, in terms of bring a powerful toolset to the management of the whole life-cycle of the grant. While each module is a powerful tool in itself, the real power of the GIFTS product line is how the products inter-operate to create a broad, coherent solution for the grantmaking enterprise.

3. What will be the most significant enhancements to the products and services that you'll be releasing in 2003?

MicroEdge will enhance and extend our existing products as a part of continued commitment to serving our clients. GIFTS v.5.1 will be released in January 2003 with enhanced budget security, GuideStar support, wire transfer tracking capability, a wide variety of other enhancements and improvements.

As mentioned above, ReviewerConnect will be generally available in 2003.

The second version of MyGIFTS, our Web-based grants management interface, will be released in the middle of 2003. MyGIFTS brings all of the flexibility, power and ease-of-use associated with the Web to the world of GIFTS. With extensive customization and personalization features, MyGIFTS has been designed to be a knowledge management solution for the grants management enterprise, enabling users of all types to quickly and easily gain access to the information necessary to accomplish their everyday work, as well as providing key decision-makers with a consolidate view of grants-related activity and data. MyGIFTS version 2 will add key grants management functionality, including budget resolution of payments, correspondence, and reporting, as well as support for important GIFTS features like quick find and full support for Customizer fields. With MyGIFTS v.2 users will have the ability to complete virtually any grants management task in MyGIFTS, whether they're on the road, at home or in the office, and decision-makers will be able to tap into the power of the GIFTS reporting engine from a Web browser.

NPO Solutions

1. Please briefly describe NPO Solutions' strategic direction in the next 24 months.

At the highest level, the strategy for NPO Solutions is one that is shared with MicroEdge – to continue to serve our clients by combining regular enhancements to our existing product line with the simultaneous development of a next generation system. As it is critically important that the community foundation field have an active voice in establishing priorities and ensuring that development work is well aligned with current and future needs, we will be exploring new kinds of partnerships and new levels of cooperation with our client community. While the core of all of these efforts will be directed toward improving the efficiency and quality of results across all of the business processes of a community foundation, there will be particular focus on creating technologies that enrich and extend relationships with donors. And in this respect, the development strategy connects up with an additional, broader business strategy of giving our CF clients the tools and technologies necessary to more effectively compete across a philanthropic landscape made challenging by both a contracted economy and the continued growth of commercial Donor Advised Funds.

In the case of NPO Solutions, the twin strategy of focusing on both current and future technology will be exemplified by a set of projects we will be working on over the next 2 years: **the Financial Institution Interface (FII), Customer Relationship Management (CRM),** and an **Application Programming Interface (API)**. All three of these development projects will target the existing NPO Solutions technology platforms, FIMS and FoundationPower, while at the same time maximizing the extent to which the new technology can be repurposed in the context of the next generation system. One critical way in which this will be accomplished will be employing the Visual Studio .NET development environment for the majority of development work on these projects, thereby ensuring compatibility with the next generation system, which will also be developed in .NET.

Financial Institution Interface (FII): Sometimes referred to as “seamless processing”, the FFI will directly improve the quality of service CFs bring to donor relationships by enabling donors to log into a Web interface and see investment information that incorporates intra-month pricing of investment pools. Additionally, through daily investment valuations, the FII will bring new efficiencies, and greater accuracy, to the back-office operations of community foundations.

Customer Relationship Management (CRM): Through a combination of incremental improvements to the existing two technology platforms (FIMS and FoundationPower) and the creation of new, Internet-based functionality, we will be bringing new levels of effectiveness in managing relationships with donors.

Application Programming Interface (API): An API provides a mechanism by which data can be read and written from a system through the business logic, ensuring the internal consistency of the data as it enters the system. An API can as well provide access not just to data, but to critical functionality. The API functionality we will build will ensure that both FoundationPower and FIMS clients will be able to solve common systems integration problems, work with third-party vendors and create custom solutions that ensure the maximum benefit from their technology investment. Moreover, the solution will be designed

so that a single defined API will serve both FIMS and FoundationPower in a common way, enabling integration projects to serve both back-ends with a single solution.

Another key strategic project, begun in 2002 and to be launched early in 2003, is the Merrill Lynch Community Charitable Fund (MLCCF), the product of a partnership of NPO Solutions, Merrill Lynch and the community foundation field as represented by the Council on Foundations and individual participating community foundations. The MLCCF will provide community foundations with a Donor Advised Fund product, offered through Merrill Lynch's network of over 14,000 financial advisors, providing a new instrument by which to enable donors to maximize the local impact of their giving dollars and providing community foundations with a powerful new tool by which to compete with commercial DAFs.

Finally, as discussed above, MicroEdge and NPO Solutions will begin work in 2003 on our next generation platform, designed to serve the needs of our entire client community.

2. What were the most significant enhancements to your products and services in 2002?

NPO Solutions hosted, Web-based service **Advisor Xpress** provides donors with an interface by which to have instantaneous access to fund information. Advisor Xpress was enhanced in 2003 with the Suggestion Central option, which allows donors to browse a list of foundation-approved charitable projects and to make grant recommendations. Additional support was added for keeping donors and fund advisors informed of seminars, lectures and other events.

The FieldMaker module for FIMS was released, offering clients easy-to-use tools to customize FIMS by adding data fields to any major FIMS record, including Profiles, Donors, Grantees, Gifts, Grants, Pledges and Scholarships. Custom fields can be of any type, and clients can control the layout of the fields on custom tabbed pages.

The Stock Gift Module for FIMS was also released, automating the entire process of managing security contributions, including initial entry, revaluation or corporate actions prior to sale, and conversion to cash.

The NPO Solutions website was enhanced with a enhancement suggestion system for clients. Enhancements can be suggested by any client, and discussion forum and a voting system provide a means by which the client community can inform the direction and priorities of NPO Solutions development strategy.

3. What will be the most significant enhancements to the products and services that you'll be releasing in 2003?

Early in 2003, MicroEdge's Internet Grant Application Module (IGAM) will be made available to both the FIMS and FoundationPower client communities. IGAM is a hosted service for receiving online grant applications, and the release of IGAM for FIMS and FoundationPower represents a critical first step in the integration of the MicroEdge/NPO technology platforms. Because all three versions of IGAM will use essentially the same software, the benefits of product upgrades for IGAM will be enjoyed across all three backend systems.

As mentioned above, a new Donor Advised Fund product will be made available to FIMS and FoundationPower clients as a result of our unique partnership with the Merrill Lynch and the community foundation field.

NPO Solutions will also begin development work on the Technology Steering Committee funded projects discussed above. While the priorities of the projects being undertaken (API, CRM and FII) have not yet been established by the community, it is possible that a release related to this effort will occur in 2003.

PowerNet

- 1. Please briefly describe your company's strategic direction in the next 24 months.**

PowerNET plans to significantly increase market presence and to add product features based on customer feedback, while continuing to provide a custom service level to existing clients.

- 2. What were the most significant enhancements to your products and services in 2002?**

Internet accessible reporting

- 3. What will be the most significant enhancements to the products and services that you'll be releasing in 2003?**

No major enhancements planned for 2003.