



**multiview**<sup>®</sup>  
FINANCIAL SOFTWARE

## THE HEINZ ENDOWMENTS: HOW TO AUTOMATE DECADES OF DATA & BILLIONS IN ASSETS

**E**stablished in 1941, the international non-profit foundation was established when Howard Heinz (son of the founders of the H. J. Heinz Company) bequeathed his residual estate to the Howard Heinz Endowment for philanthropic purposes. His original donation was worth approximately \$5 Million in 1941, but since then has grown into a diversified portfolio of \$1.7 Billion. The entire net worth is made up of 288 different investments, overseen by 128 different managers.

**The Heinz Endowments** focuses its activities primarily on the southwestern Pennsylvania region, addressing many challenges that are shared by communities across the United States. Their funding priorities focus on non-profits that support creativity, learning, and sustainability. The organization has a requirement to distribute 5% of their assets annually, which equates to about \$80 million.



**Location:** Pittsburgh, Pennsylvania



**What They Do:** Provides grants to non-profit organizations.



**Number of Finance Employees:** 3



**What Triggered Multiview:** No operational & performance insights from outdated processes.



**Significant Outcomes:** Real-time financial data and significant annual cost savings.

EST. 1941  
**\$5.2M**

TODAY, 2019  
**\$1.7B**

COMMUNITY GRANTS  
**\$80M** (Annually)

## WHY HEINZ ENDOWMENTS CHOSE MULTIVIEW ERP

In 2013, the organization's Finance & Administration department was in the midst of a watershed moment. Edward Kolano has just joined the endowment as Vice President of Finance & Administration and its Chief Financial Officer. Kolano previously worked for a private equity firm and quickly recognized the endowment's processes were antiquated; draining their financial and human resources.

The realization came after asking one simple question, *"How much cash do we have in our account?"* The short answer: they didn't know. The team could produce last month's bank reconciliation. Or they could wait until the current month's statement came in the mail; **a week after month-end**. The organization typically had \$25 to \$50 million in cash on hand, so getting deeper insights, in a more timely manner, was never prioritized. Kolano was eager to have his team provide a more valued role within the organization.

Other critical gaps were:

- **No insights into operating cash:** Cash management and processing were outsourced, costing the endowment over \$300,000 a year in custody fees.
- **Antiquated processes:** Internal books were kept on a cost basis only. So the team spent multiple days at month's end reviewing 15 to 20 custody statements and recording all of the transactions.
- **A lack of centralization:** The team was using multiple systems, endless spreadsheets, and even paper documents to inefficiently run the day-to-day.

Kolano began the process of reviewing tools that could solve all the organization's challenges while laying a bedrock of operational efficiencies for future growth. He talked to other foundations, organizations, researched other systems and came to the conclusion that Multiview was the best fit.

Michele Sullenger, Controller & Director of Benefits/Payroll, was hired in 2013 to lead the transformation from outdated practices to modern processes. She used Multiview in her previous role and was excited at the opportunity of starting with a clean slate, *"My role from day one was to implement Multiview and basically redesign the jobs of everyone who worked there."*



Michele Sullenger presenting The Heinz Endowments Journey at IMUG 2019



## HEINZ ENDOWMENTS' TRANSITION TO MULTIVIEW ERP

The integration of Multiview into the endowment's operations was broken down into a three-stage process. The first part involved adding every asset into the software. Sullenger says they used Multiview's business event workflow to process cash and pay operating expenses. This transformed the Treasury assistant's role went from telling someone else to do what to do, to actually doing it herself.

All paper tracking was eliminated, with all the documents being scanned and kept electronically within Multiview. And the marathon of monthly bank reconciliations became a few minutes each day. *"So every day we knew how much money was in our account,"* says Sullenger, *"And we could better put that to use in an investment."*

The second phase involved creating a valuation process for the endowment. No one at the organization had gone through this exercise before, so they turned to Multiview's implementation team to help. They worked directly with Multiview's team to help create all the correct accounting entries. Seven months into the implementation they valued two-thirds of their portfolio, moved all investment cash themselves (amounting to 400 transactions a year @ \$300 million) and **for the first time ever in the endowment's history**, produced monthly financial statements in-house. All with a staff of three.

The third phase of onboarding Multiview involved adding another person (derived from all the custody fee savings) who focused on the endowments' private equity portfolio. Sullenger says this allowed them to become faster and more efficient. They continue to tweak the system today, finding new ways to optimize and streamline things. Recently the team wanted a way to hold all cash duties in one account. Multiview wrote an interface to facilitate this. Sullenger says one of the biggest wins has been producing their own set of GAAP financial statements without any reliance on any third party.

*"I needed a flowchart to understand the movement of cash when I first came in."*

**Michele Sullenger, Controller  
& Director of Benefits/Payroll**



## LEADING UP TO MULTIVIEW

### 2013: Environment at The Heinz Endowments

- Operating Cash: No Real Insight
- Third Party Custodian: Needed to Send and Receive Investment Cash
- Internal Books: Adjusted At Month-End For Cost Basis Only
- Valuations Maintained Only By Third Party External Advisers
- Annual Reporting: Done By Auditors, Compiling Info From All Sources

### New CFO Arrives: We Can Do Better

- CFO Came From Corporate Investment Environment
- Accustomed To Detailed Performance Reports & Daily Portfolio Insights
- Based On Past Experiences, Confident They Could Get Timely, Insightful Information & Have Staff Play More Valued Role

### Multiview Capabilities for Heinz Endowments

- Single System For Financial Accounting Needs: Tracking, Analysis & Reporting Of The Investment Portfolio (Cost And Value)
- Ability To Track Private Equity Investments: Additional Insight That The External Investment Advisor Did Not Provide
- Cash Management Capabilities And Controls: Multiview Could Process All The Investment Cash Transactions (\$300k Savings Each FY)
- Integration With Banks Through Automated Daily Bank Rec's: Knew How Much Cash On Hand Each And Every Day, Giving The Foundation The Ability To Invest Idle Cash.

## OUTCOMES FROM MULTIVIEW

### Gained Greater Organization Independence

- Ability To Answer Questions They Were Not Able To 3-5 Years Ago: Level Of Insight Now Readily Available; Cash Savings Realized From Custody Fees & External Advisors
- Continuous Improvement: Finding Ways Everyday to Improve Processes.
- Strong Partnership With Multiview: Continuing To Make The Product Better; Improve



## HEINZ ENDOWMENTS' SUCCESS WITH MULTIVIEW'S ERP

In the five years working with Multiview, Heinz Endowments says they have gained greater organizational independence. They no longer rely on third parties and house everything within the same system. They also continue to work with Multiview to find new ways to improve the technology; such as cash forecasting, liquidity management, and PRI Tracking. The ultimate goal of providing more value to the organization has been achieved, *"We can answer questions, we can generate our own opinion on performance, and we have a whole new level of insight into our portfolio,"* says Sullenger.

### MICHELE SULLENGER

#### CONTROLLER/DIRECTOR OF BENEFITS/PAYROLL THE HEINZ ENDOWMENTS

Michele Sullenger is the Controller & Director of Payroll and Benefits for The Heinz Endowments.

She is responsible for the Endowments' accounting and tax functions, including accounting and reporting for the foundation's investment portfolio. Michele is also responsible for both payroll and benefits administration.

Prior to joining the Endowments in 2015, Michele worked for The Hillman Company, a private family office in Pittsburgh, where her main duties included investment analysis, accounting and fair value reporting for its multi-billion dollar portfolio.



### The Multiview Climb to Success: The Heinz Endowments

Listen to The Heinz Endowments as they describe the efficiencies and insight gained from our incredible partnership.

[www.multiviewcorp.com/video/the-heinz-endowments-imug-2019-keynote/](http://www.multiviewcorp.com/video/the-heinz-endowments-imug-2019-keynote/)