

Written testimony of

Lisa Baronio
Vice President for Advancement
University of North Texas

Before the

Higher Education Committee
Texas Senate

March 25, 2010





Lisa Baronio joined the University of North Texas administration in January 2010 as Vice President for Advancement and Director of Development for the University of North Texas Foundation. She directs principal, major, annual and planned gift fundraising initiatives, working closely with Advancement's executive team and university administrators and deans to determine UNT's primary fundraising focus and to develop successful fundraising strategies. She also works to increase affinity to the university among alumni and other supporters, working closely with the executive directors of the UNT Foundation and University of North Texas Alumni Association.

Ms. Baronio has more than 17 years of experience in public higher education non-profit development and management. Her professional career spans more than 23 years, with six years serving public higher education through marketing and sales of equipment, products and services as an IBM Account Manager. Ms. Baronio also served as Associate Vice President for Development with the Wichita State University Foundation.

She was the major gifts officer for the College of Engineering and Technology and later the Director of Corporate and Foundation Relations at the University of Nebraska Foundation. Most recently, she served as Vice President for Development and chief development officer of the University of Connecticut Foundation.

Ms. Baronio earned an E.M.B.A. from the University of Nebraska at Omaha, and a B.A. in computer science and B.B.A. in management science from the University of Iowa. She is married to Rafael and has two children, Stefan and Sofia.

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Fundraising efforts at the University of North Texas, as with all universities, are based on a cyclical relationship with donors. We recognize that we are nurturing friendships and continuing support. We recognize that our best prospects for future gifts are those who already have an affinity for the university, demonstrated through previous gifts, and we reinforce that affinity.

Communication is essential to a “donor centric” fundraising process. The university and its asset management partner, the UNT Foundation Inc., follow established guidelines and best practices at the UNT System, state and federal levels to assure that donors realize the essential nature of support to the more than 38,000 students, faculty and staff who make up the UNT community.

We do this consistently and voluntarily because it is, in fact, critical to successful execution of our fundraising process. We focus resources on communication that most appropriately stewards our donors at varying levels of support.

Our relationship with donors begins with identifying those who have a propensity to support our work. This includes but is not limited to our more than 190,000 living alumni. We engage them and begin to determine more specifically those parts of the university’s mission in which the prospective donors might have the greatest interest. We establish trust and friendship during this process.

We carefully assess when and how our prospective donors will realize the most satisfaction by making philanthropic contributions to the university, then create solicitation strategies that satisfy their capabilities and interests as well as the university’s goals. Our primary objectives are to fulfill the donor’s philanthropic intent, and to assist the university in acquisition of funds while building UNT’s endowment and satisfying the need for current-use funds.

The cornerstone for ensuring that an endowed fund satisfies both donor intent and institutional flexibility is the Memorandum of Understanding or “MOU” [template attached, Appendix 1]. An MOU is crafted collaboratively between the institution and the donor for every endowed account. It purposefully addresses all applicable legal and ethical issues. When new statutes are enacted through state or federal regulations affecting any aspect of endowment management, the university undertakes a comprehensive review involving legal, audit, investment and development services to determine the impact and the degree to which policies should be altered to comply with the new regulatory realities.

This process is best illustrated by UNT's response to the passage of Texas House Bill 860 (TUPMIFA) in 2007. An institutional task force met to review compliance with the new law, including solicitation of external legal opinions and consideration of policies and procedures. This led to adjustments in the agreement between donors and the institution as established in the memorandum. Compliance is maintained through regular monitoring by internal and external auditors, as well as committees of volunteers with appropriate business, legal and management expertise and experience.

The MOU solidifies the trust and agreement between donor and institution, and assures that the partnership is built on a shared intent.

In UNT's fundraising model, stewardship of gifts is inseparable from the cyclical cultivation and solicitation of future gifts. Essentially, stewardship is the underpinning of our efforts to generate significant gifts. Stewardship efforts are built on, and grow from, principles set forth in the nationally accepted Donor Bill of Rights [attached, Appendix 2], which in part states that donors have the right to know how their gifts are used.

“Stewardship” in this context is two-fold: it embodies acknowledging and thanking the donor, as well as ensuring that gifts are used efficiently for their intended purpose. UNT has set goals based on best practices for receipting and acknowledging gifts and for executing the MOU. The university and the UNT Foundation follow policy established by the Texas Uniform Prudent Management of Institutional Funds Act, and the university has adopted even more conservative measures in accordance with the Uniform Management of Institutional Funds Act.

It is equally important that we assure donors they are making a positive impact for the university and its students. We utilize many resources to communicate this, beginning with a receipt/acknowledgment mailing [sample attached, Appendix 3]. Other forms of communication include, but are not limited to:

- personal letters of thanks from university officials, depending on the gift level;
- letters of thanks from those receiving direct benefits, such as scholarship recipients;
- periodicals from central Advancement, colleges and schools that are delivered in electronic and print formats and show unit-level progress toward donor-supported goals;
- annual reports from the UNT Foundation that show activity in invested endowments and distributions from those funds;
- interpersonal contact with directors of development and other university staff during the year.

Further, we consistently search for new methods to better communicate with donors through industry training and conferences and through review of practices at peer institutions and subsequent sharing of ideas. As an example, the attached receipt/acknowledgment form is a medium we developed from an idea utilized at Arizona State University.

Though we are confident that we exceed all required communication with donors as mandated by policy, we have a greater purpose: to maintain the sustainability of our endowments and thus fulfill our constituents' needs. Our continued success depends on nurturing relationships with donors through effective, relevant communication.

- End -

THE _____ SCHOLARSHIP

**Memorandum of Understanding
And Gift Agreement**

This Memorandum of Understanding and Gift Agreement contains the expressions of instructions, understandings and commitments made by _____ ("the Donors"), the University of North Texas ("the University"), and the University of North Texas Foundation, Inc. ("the Foundation"), concerning **The _____ Scholarship**. By their signature below, the Donors and the responsible officers of the other organizations accept the instructions, understandings and commitments contained herein, individually in the cases of the Donors, and on behalf of their respective organizations in the cases of the executives.

Donors Commitments

1. In accordance with the terms and conditions of this Memorandum of Understanding and Gift Agreement, the Donors hereby give _____ to the Foundation for the purpose of creating **The _____ Scholarship**, a permanent endowment (the "**Scholarship**"). The account established to support this **Scholarship** will remain open for additional donations, should they occur. No further obligation on the part of the Donors is expressed or implied by this Memorandum of Understanding and Gift Agreement. Once gifts are contributed to this permanent endowment fund, they will be prudently managed in accord with Texas statutes.

2. A minimum amount of \$25,000 principal is required for the establishment of an endowment fund at the University. If the Donors are giving an initial amount of less than \$25,000 toward the future establishment of this endowment, then the amount of the total fund will need to reach a minimum of \$25,000 within five years of the initial gift payment in order for this **Scholarship** endowment fund to be established. The Donors agree to fulfill this commitment with gifts of cash, securities or other assets acceptable to the Foundation within five calendar years, according to the following schedule:

Payment Number:	Payment Amount:	By December 31st of:
First	\$ _____	_____
Second	\$ _____	_____
Third	\$ _____	_____
Fourth	\$ _____	_____
Fifth	\$ _____	_____

THE _____ SCHOLARSHIP

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And Gift Agreement**

3. The Donors agree to allow the Foundation and the University to publish his/her/their names in various internal and external publications and press releases / _____ shall remain anonymous to the extent allowed by law and University policies as currently exist or as may be adopted in the future.

University Program Commitments

4. The University agrees to create **The _____ Scholarship**, a fund in honor of _____ and to provide scholarships for _____ students at the University, after total gifts to this fund equal or exceed the minimum gift level established by the University for a scholarship (\$25,000).
5. The University will receive all distributions from the Foundation and credit them to the College/School/department of _____ (or its successor), which will utilize a Scholarship Committee for the College/School/department of at least three (3) faculty members, to administer the application and selection process for the **Scholarship**, in accord with this Memorandum of Understanding and Gift Agreement and all University policies and procedures.
6. To be eligible for consideration, applicants for the **Scholarship** must possess the following qualifications:
 - a. Meet the minimum entrance and continuing academic performance standards of the School/College/department of _____ in effect at the time of any award;
 - b. Maintain full-time enrollment at the University, unless there are fewer than twice the number of semester hours required to be full time remaining in their degree program; and
 - c. Enroll as a full-time student in _____ at the University; in the event no applicant possesses this qualification, then students enrolling full-time in _____ at the University will be eligible for consideration.

THE _____ SCHOLARSHIP

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7. This **Scholarship** may continue to be awarded to a previous recipient on an annual basis in successive years if the recipient reapplies for this **Scholarship** and continues to meet the eligibility requirements outlined in this Memorandum of Understanding and Gift Agreement.
8. The School/College/department of _____ Scholarship Committee will administer the application and selection process in accord with this Memorandum of Understanding and Gift Agreement and with all University policies and procedures. All decisions regarding the size and number of scholarship awards made from this fund shall rest with this committee.
9. Annually, the University shall prepare and distribute to the Donors, as long as is desired, a report for **The _____ Scholarship** containing academic year ending information about this fund. This report will contain information about the student(s) supported as described in this Memorandum of Understanding and Gift Agreement, and the financial performance and characteristics of this fund.
10. If at any time in the future, the President and the Provost of the University jointly determine that the academic discipline referenced in the Memorandum of Understanding and Gift Agreement no longer exists, or that a need no longer exists for the program designation for this fund, the Donors will be contacted to seek their wishes regarding an appropriate use for the distributions. If the Donors are deceased or unable to be reached, the President and the Provost shall have the authority to select an appropriate use for the distributions from this fund, which will come as near as possible to fulfilling the original wishes of the Donors.

Foundation Management Commitments

11. The Foundation agrees to accept the gifts to it described above, to open the endowed account herein described, to invest the monies as they are received according to the investment program of the Foundation, and to pay out distributions according to the instructions, understandings and commitments of this Memorandum of Understanding and Gift Agreement. The Foundation manages its endowments using the concept of “Generational Neutrality” with the goal of achieving equitable distributions over long periods of time and variable economic conditions. The Foundation may adjust its

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investment, distribution and other management policies to achieve this goal. The Foundation will administer this fund in accord with applicable Federal and Texas Statutes, and in accord with applicable national accounting standards.

12. Until the minimum gift level established by the University for a Scholarship has been received, this fund's net current yield – funded by positive reserves - shall be added to and become a part of the permanently endowed principal of the fund. If, in the future, it is determined by the President of the University that additional gifts necessary to reach the minimum gift level for a Scholarship are not forthcoming, the Foundation has the authority to close this fund. If closed, all gifts and reinvested net current yield in this fund shall be added to the permanently endowed principal of another endowed fund held by the Foundation whose purpose comes as close as possible to matching the intent of the Donors, or all gifts and reinvested net current yield shall be added to the **UNT Foundation Presidential Scholarship Fund**, as determined by the President of the University.

13. Distributions shall commence after the end of the fourth full calendar quarter after the minimum gift level established by the University for a Scholarship has been received. Then, at least annually, if it is determined to be prudent under applicable Texas statutes, the Foundation will make distributions for this award to the University based on the Distribution Policy established by the Board of Directors of the Foundation, as it may be revised from time to time, and the instructions, understandings and commitments contained herein. Once the Foundation has distributed money in the prudent manner described above, then the Foundation shall have no further responsibility as to such funds or their application.

Note: Foundation definitions, and Policies and Procedures may be viewed at the UNT Foundation website: <http://endow.unt.edu/>.

THE _____ SCHOLARSHIP

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This Memorandum of Understanding and Gift Agreement supersedes any prior written or oral agreements between the parties concerning the subject matter described herein and becomes effective on the last date signed below.

Donors

_____ Date

_____ Date

University of North Texas

Dean, College/School of

_____ Date

President

_____ Date

University of North Texas Foundation, Inc.

Chair

_____ Date

March 19, 2010

A Donor Bill of Rights

PHILANTHROPY is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

I.

To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.

II.

To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgement in its stewardship responsibilities.

III.

To have access to the organization's most recent financial statements.

IV.

To be assured their gifts will be used for the purposes for which they were given.

V.

To receive appropriate acknowledgement and recognition.

VI.

To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.

VII.

To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.

VIII.

To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.

IX.

To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.

X.

To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

DEVELOPED BY

Association of Fundraising Professionals (AFP)
Association for Healthcare Philanthropy (AHP)
Council for Advancement and Support of Education (CASE)
Giving Institute: Leading Consultants to Non-Profits

ENDORSED BY

(in formation)
Independent Sector
National Catholic Development Conference (NCDC)
National Committee on Planned Giving (NCPG)
Council for Resource Development (CRD)
United Way of America



March 22, 2010

It brings me great pleasure to express my appreciation for your recent gift supporting the University of North Texas.

You have helped provide an opportunity for students to experience the unique academic culture that defines UNT. For nearly 35,000 students, opportunity is around every corner!

For years, UNT has been internationally recognized for its phenomenal music programs and for setting the standard for developing exceptional future educators. While these programs continue to succeed, emerging scientific and engineering collaborations that capitalize on the University of North Texas keep pace with today's intellectual and

Opportunities are limitless with the support again for helping our students discover the p

Best regards,

M. Ann Abbe
Associate Vice President for Development
University of North Texas

(940) 389-8200
giving@unt.edu
Name O. Donor
1234 Anyname Street
Cityname, ST 56789-1234

DIVISION OF ADVANCEMENT
University of North Texas
Advancement Services
1155 Union Circle #311250
Denton, TX 76203-5017

Official Gift Receipt
University of North Texas

Gift Recorded On: **March 18, 2010**

Donor Name: **Name O. Donor**

Account Name	Gift Amount	Charitable Amount
Murphy Center Scholarships	\$187.50	\$187.50

Total Gift Amount: \$187.50
Fair Market Value of benefits you received from UNT: \$0.00
Total Charitable Amount: \$187.50

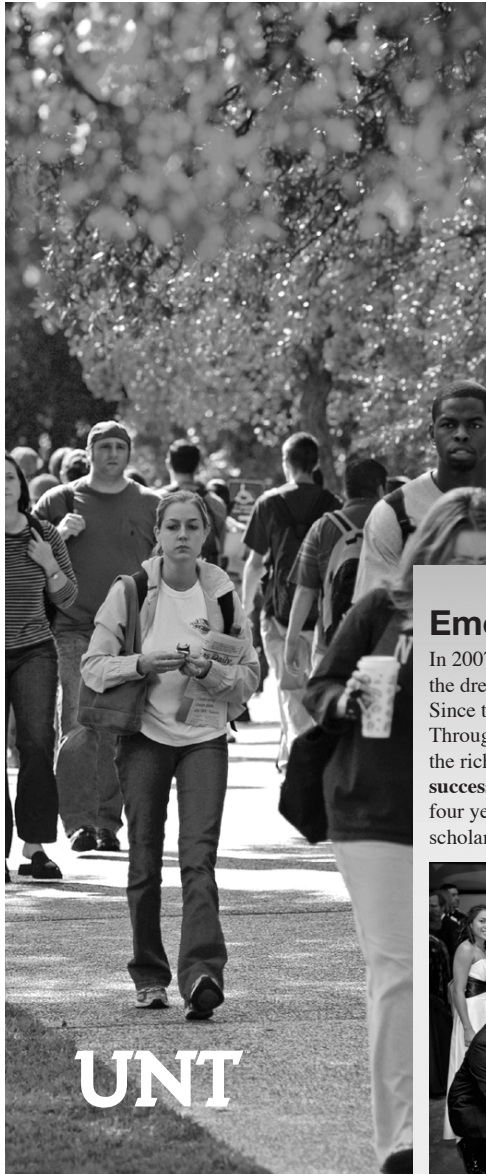
No goods or services were provided in exchange for this gift.

Gift#: 123456
Session#: 78901
Donor#: 23456789

PLEASE SAVE THIS RECEIPT FOR YOUR TAX RECORDS

Enjoy the latest stories about our UNT family on th

Front



Look what's been accomplished with
Gifts like yours

The Frank W. and Sue Mayborn School of Journalism

With the elevation of our journalism department to an independent school, the school will be better equipped to compete for grants and funding while attracting outstanding journalism students and faculty.

Research

UNT is transforming its nearly 290-acre research facility, Discovery Park, into a research powerhouse and technology-driven economic engine, enhancing its already strong research profile in Texas.

Emerald Eagle Scholars

In 2007, UNT President Gretchen M. Bataille founded the Emerald Eagle Scholars program to fulfill the dream of a college education for academically talented students with limited financial resources. Since that time, the program has helped over 1,150 students discover the power of a UNT education. Through generous gifts, these scholars have the opportunity to earn their degrees while engaging in the richness of university life. Based on three philosophical pillars – **financial support, academic success, and campus connection** – the program requires scholars to stay on track to graduate in four years while giving them tools for success through mentoring and support. Learn more about our scholars and how to give at www.unt.edu/features/emeraldeagles.



“This scholarship has given me the opportunity to fulfill my dreams of helping children, families and myself through education. I will forever be blessed by this program.”

*~ Sarah Cheek
 elementary education major
 with a minor in family and
 developmental studies*

Emerald Eagle Scholars joined guests at the 2009 Emerald Ball celebration to say “thank you.”

Back

Have you considered . . .

Leaving a legacy through planned gifts?

Making a planned gift today to the university is a great way to help tomorrow's students. For additional information contact the UNT Office of Gift Planning at (940) 565-3683 or visit www.unt.edu/giftplanning.

Having your gift matched by your employer?

You can increase the impact of your gift if your company matches employees' contributions to UNT. To find out if your company participates, visit www.matchinggifts.com/unt.



Your planned gift may qualify you for membership in the prestigious 1890 Society.

