

ENDOW ★ UNT

FOR THE SUPPORTERS AND FRIENDS OF UNT

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Endowments nationwide average 2.9 % total annual return

Interim, mid-year study

Endowments of U.S. educational institutions reported an average total annual return of 2.9 percent in the 12 months ending June 30, 2003, compared to -5.4 percent nationwide average during the previous year. Released in September, the poll's results were part of an interim, mid-year study conducted in advance of the annual Commonfund Benchmark Study set for release in January 2004.

By comparison, the University of North Texas Foundation's Growth Fund (Investment Pool A) averaged a total annual return of 5.9 percent in the same 12-month period as the study. In the Commonfund study, institutions with endowments comparable to UNT's averaged a return of only 2.7 percent.

The mid-year polling was sponsored by the Commonfund, which manages assets of approximately \$29 billion for more than 1,600 educational institutions, foundations and other nonprofit entities.

FUND UPDATE

Growth Fund produces 5.19% total return for third quarter

Growth Fund's total return for 12-month period from Oct. 1, 2002 through Sept. 30, 2003 is 33.9%

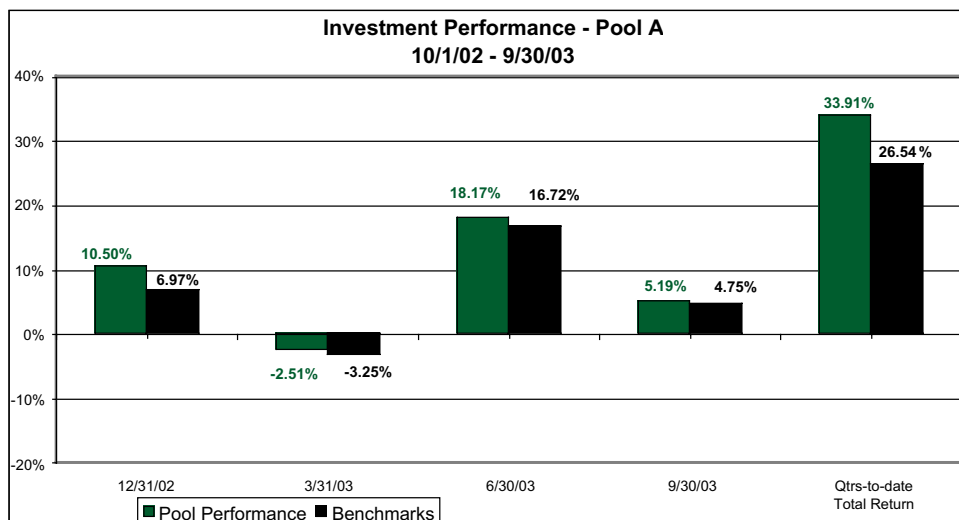
Reflecting a trend of stronger investor optimism in the equity markets, UNT Foundation's Growth Fund (Investment Pool A) produced a total return of 5.19 percent for the third quarter 2003 (July 1 through Sept. 30), compared to a -16.8 percent total return for the same quarter in 2002.

In comparison with the third quarter of 2002, the 2003 third quarter total return improved by 21.9 percentage points.

Total Market Value

The significant rebound of the UNT Foundation's Growth Fund over the past 12 months contributed to an increase in the fund's total market value.

Through fund growth and contributions, the UNT Foundation's endowments grew to \$32.8 million during the first nine months of 2003. This is an increase of 29.3 percent over the market value on December 31, 2002.





Harry Brownlee,
Chairman of the Board

In my first letter in *EndowUNT*, I want to express my gratitude and that of the entire UNT Foundation Board to all of you who so generously support the educational mission of our great university. Bravo! You've done a tremendous job ensuring that our coming generations of students have a variety of opportunities to learn and grow. Also, we were thrilled to receive the overwhelmingly positive response from our friends to the first issue of your newsletter.

Thank you for the kind words and helpful criticism. It is our goal to communicate clearly with you, and as you see in this issue, to continue to refine this newsletter to better meet your needs. Keep those suggestions

EndowUNT is published four times per year for the donors and friends of the University of North Texas by the office of the UNT Foundation, Inc. under the direction of its Board of Directors. The UNT Foundation is located in the Gateway Center, the entrance to the university, at 801 North Texas Blvd., Denton, Texas 76203-1250.

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coming by e-mailing us at EndowUNT@unt.edu or by regular mail.

Homecoming was a joyous occasion in October – the parade, tailgate parties, the victorious game and renewing friendships. We had a grand celebration of the opening of our beautiful new North Texas Exes Alumni Center in The Gateway. If you haven't seen it, I urge you to visit soon. Friends of the university are also welcome.

While there, looking down the *Corridor of Years*, you can quickly grasp the enormity of how far UNT has come. It provides an opportunity for reflection on our years spent on this campus, or another, and to ponder, "Where would we be today if not for the quality education we received?" But, a better question is, "Who among us will assume leadership positions and invest in UNT's future?"

The UNT Foundation currently administers 436 endowments: 372 scholarships, six chairs, nine professorships and 46 other projects. Those numbers may sound good until you consider that fall enrollment was almost 31,000 students!

We must grow the endowment to provide more income, especially unrestricted funds. For that to happen, each of us must continue our contributions and/or service to the university, as well as recruit others to our cause.

I know I am preaching to the choir through this forum, but all of us know people who won't discover how wonderful UNT is on their own.

You can help by bringing friends and family to UNT events. Show off the campus, especially the new North Texas Exes Alumni Center, even if they attended another school. Explain the importance of being a contributor to the educational mission of this great university and the benefits you enjoy as a result of your involvement.

Explain how tuition increases exclude some worthy students and that the need for unrestricted gifts is greater than ever. Urge them to include UNT in their estate planning, and I want to remind all of you that your gifts are only tax deductible in 2003 if they are received by December 31. And, if I don't see you in person on campus, have a joyous holiday season.

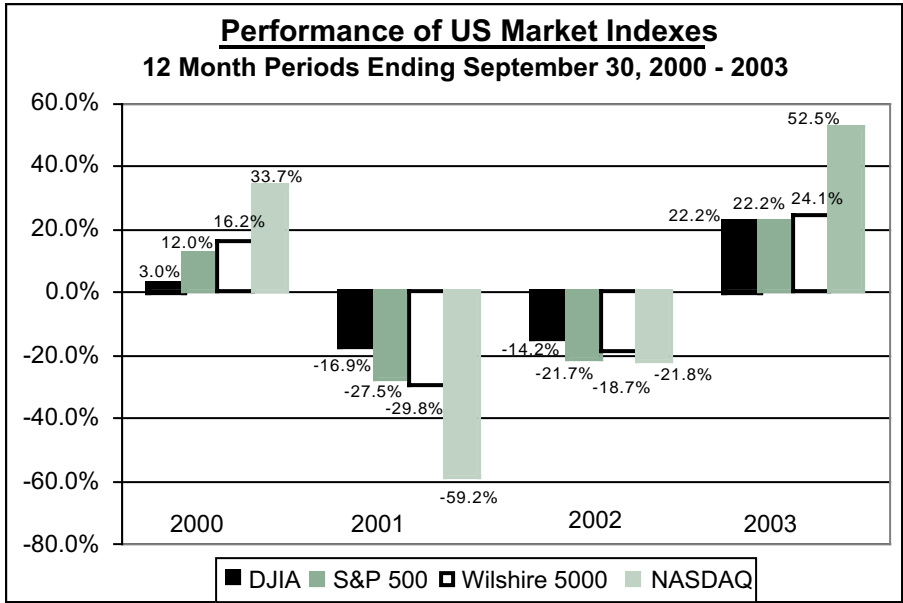
"Where would we be today if not for the quality education we received?"

"Who among us will assume leadership positions and invest in UNT's future?"

How do you want to be remembered?

Most of us want to be known, and eventually remembered, as a person who makes a difference. A truly enduring heroic act is to establish an endowment that provides for the education of tomorrow's leaders. Whether you create a named scholarship or sponsor research, your gift will touch lives for decades to come.

Include UNT in your tax and estate planning and be remembered!



ENDOWMENT NEWS

State employees now can give to UNT through Texas Charitable Campaign

This year, UNT employees and other state workers in Area 29 had the option to designate donations to support a scholarship endowment at UNT. For the first time, the UNT Foundation was included in the 2003 State Employee Charitable Campaign (SECC) for Area 29. This area includes Denton, Grayson, Cooke, Fannin and Montague counties.

The SECC is a statewide workplace campaign that provides the opportunity for state employees to contribute to more than 400 local, state and national charitable organizations through payroll deduction or a one-time gift. UNT was added to the charity drive due to the efforts of Doug Chadwick, UNT Foundation’s executive director.

“Last year UNT employees contributed nearly \$143,000 to the SECC’s various charities. We expect a greater percentage of participation this year and hope the employees designated a portion of their contributions to fund educational opportunities at UNT,” said Chadwick.

FREQUENTLY ASKED QUESTIONS

Q: What is the endowment?

A: Sometimes described as if it were a single fund, the UNT Foundation endowment is an aggregation of individual gifts invested to create income that is distributed to support the educational mission of the University of North Texas. Endowments can provide scholarships and lectureships, chairs and professorships and support for innovative programs, or help build and maintain structures for optimal learning and research.

Q: Who decides how the income is used?

A: The donor has the option to make the gift unrestricted or direct it to a specific purpose. The unrestricted gift allows the university to apply the income to the area of greatest need.

Q: How is an endowment created?

A: Each endowment begins with a gift and an agreement between the donor and the UNT Foundation and the university called the Memorandum of Understanding (MOU). The MOU specifies the purpose of the fund and establishes management guidelines. Then, the gift is invested by the Foundation to provide income and growth.

Q: How do the equity markets affect endowments?

A: The UNT Foundation invests the gifts in the equity markets under the advisement of RBC Dain Rauscher Institutional Consulting. (See the table above for market information.) The foundation’s Growth Fund (Investment Pool A) is 50 percent invested in growth funds, 40 percent invested in income and value funds, and 10 percent invested in bonds.

Q: Why are endowments important when the university receives funds from the state?

A: Endowments allow for long-range planning, providing funds for commitments to faculty, increased student scholarships, continuation of research, investments in new technology and help to maintain libraries, laboratories and other physical assets. The State of Texas provides only a small percentage of the funds required to run UNT, and as illustrated in the last legislative session, the level of government funding varies greatly.

Call the UNT Foundation Office or the UNT Office of Development for information about how to set up an endowment.

EXTRA! Read more about UNT in the online publications found on the UNT’s web site at www.unt.edu

- **North Texas Insider**, an e-newsletter from UNT President Norval Pohl www.unt.edu/president/insider
- **The Financial Strategies Advocate**, UNT newsletter for estate & tax planning www.unt.edu/giftplanning
- **Gateway to Giving**, news about gifts to UNT www.unt.edu/development
- **The North Texan Magazine** www.unt.edu/northtexan
- **North Texas Exes** www.unt.edu/alumni

AN ENDOWMENT AT WORK

Bill and Carol Cofer Scholarship

Scholarship recipient Lucas Justin Chaney of Skellytown, Texas, currently is working towards a Master of Science degree in Information Technologies at UNT. Answers to some queries reveal his opinion concerning the importance of scholarly giving.

Q: Why did you choose UNT?

Lucas: *I selected UNT mainly because I was fortunate enough to be the recipient of a scholarship from Bill and Carol Cofer. These wonderful people set up a scholarship for a graduating senior from White Deer High School to attend the University of North Texas. Another reason I picked UNT was because of its great BCIS (Business Computer Information Systems) program.*

Q: Do you have an experience at UNT that you would like to share?

Lucas: *My most memorable, positive experience involving UNT would be my mentor in the BCIS Department. His name is Steve Guynes, [and] he has taught me a lot and has been a positive influence in my college career.*

Q: How will you use your education?

Lucas: *To improve my life by obtaining a highly rewarding and enjoyable career in the IT field. My education will improve my family's life by me being able to provide for them. Last, but not least, my education will improve my community later in my life by my setting up scholarships for students to attend UNT.*

Q: Is there anything else you would like to share?

Lucas: *I would like to thank every person that donates money for scholarships to UNT. Without your help, a lot of outstanding college students would not be able to succeed as well as they have.*

Q: How is the scholarship improving your student experience?

Lucas: *By allowing me to focus more on the academics and college life without having to worry as much about paying the bills.*



Lucas Cheney,
scholarship student

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