For UT donors, it might pay to look past sports

Imagine you had $13.1 million dollars to give to the University of Texas at Austin over the next 15 years and you had two goals: to do some good and to promote your business. What would you do with it?

That is what I asked when I heard that the University Federal Credit Union (UFCU) was going to buy naming rights to a stadium for a total of $13.1 million. That gift represents mainly the cost of operating UFCU branches near UT-Austin and Galveston.

That's because the $5 million represents mainly the cost of operating UFCU branches near UT-Austin and Galveston.

For UT donors, it might be easier to sign on the sports dotted line. And ethical mission. It is quicker and in line with its overall educational and ethical mission. It is quicker and easier to sign on the sports dotted line.

There are no luxury suites in the stadium; there are no luxury suites in the stadium. UFCU now pays a yearly $450,000 fee. Then announce a $1.5-million-a-year sponsorship curse. Out of 44 naming rights deals — remember Enron Field in Houston? — only one showed a statistically significant positive return for the sponsoring company.

Budet, president and CEO of UFCU, whose firm determines eligibility of our members and returns savings. Better because Budet is forthright and intelligent. He explained the long deliberations that he had with UFCU's board of directors and UT's sports impresarios. The plan, however, was kept strictly secret until the UT Board of Regents had approved it.

The public announcement that followed was misleading. The $1.5 million dollar gift to UT athletics is not really a gift. What is it?

UFCU now pays a yearly $450,000 marketing fee to put its name on the Royal Memorial Stadium Jumbotron and for other sports-related advertising. Increase that $450,000 by a $300,000 naming-right fee. Combine the first two years of the new $750,000 fee. Then announce a $1.5-million-dollar "gift." In doing that, Enron-style public relations and accounting gimmickry live on in the UT athletics department.

Still, a $750,000-a-year "gift" to UT athletics by a credit union whose employees and students might raise a few eyebrows. The press release therefore puts things in perspective. How? It claims that UFCU's "existing commitments to the needs of faculty, staff and students of UT and the UT Medical Branch in Galveston exceed $5 million annually." However, no "gift" of this size appears in the annual UFCU financial statement. That makes the Disch-Falk plan a true "gift" to UT athletics.

The biggest true gifts in the UFCU budget are praiseworthy: a one-time $150,000 gift to the UT Child Care Center and a three-year, $50,000 fee for signs at the PCL Library. But the score after two innings is still UT athletics $1.5 million, UT $250,000. And there are 13 more innings.

Is this a good deal for UFCU? That's hard even for Budet to say. He admits that there is no way to assess the benefits that accrue to UFCU and its members from the staggering amount of free advertising and naming rights and visibility. Contributions to the academic side of UT-Austin tend to get swallowed up. He is right.

So are there more lucrative and ethical missions that could be designated a UFCU-UTeach teacher as they touch the lives of potential future Longhorns. Seventy-five teachers per year over 15 years. Multiply that by the students each teacher could teach as they touch the lives of potential future Longhorns. Seventy-five teachers per year over 15 years.