

Preliminary Texas Student Media operating budget for fiscal year 2014-2015
by Frank Serpas III, TSM Interim Director
February 5, 2014

Two weeks ago, when I became the fifth person to occupy the TSM Director's chair in six years, the wave of budgetary "red ink" confronting me elicited a wry smile when I realized that my predecessors in the '70s, '80s, '90s, and '00s literally sat atop a wealth of black ink (1500 gallons of it, in a tank in the southwest corner of the basement).

Texas Student Media no longer owns a printing press. The decision to shut down the press was accelerated by the need for TSM to vacate the William Randolph Hearst Student Media Building during the summer of 2009 to allow an overhaul of the building's infrastructure, but the ultimate cause was the printing operation's projected slide into unprofitability.

This financial inevitability stemmed from the decline of the print media industry. Having already lost its two biggest contract printing customers to the internet (University Interscholastic League and the UT Office of Public Affairs had recently retired their print publications), TSM didn't have the capital, cost structure, or equipment to compete with outside printing agencies for a dwindling pool of business.

At the same time, The Daily Texan was falling prey to the same print media trends, seeing declines in pressrun quantities and pagecounts. Outsourcing printing removed fixed yearlong overhead costs associated with staffing and allowed the Texan's print expenditures to fall as print volumes did. For example, cost savings have been realized by reducing the summer print schedule from five editions/week to one edition/week.

In my view, the continued shift in media consumption patterns (away from traditional media toward the internet) is the dominant factor affecting TSM. Whereas TSM's production and distribution capabilities once made it an essential resource for student content creators, audiences, and advertisers, that special status is no longer guaranteed. The internet has expanded the options available to content creators, audiences, and advertisers, so TSM must make a special effort to remain relevant in this new media landscape.

When making decisions throughout my thirteen years as a member of the TSM professional staff, I've often found it useful to refer to the organization's purpose, as stated in the Declaration of Trust:

"The purpose of the Trust is (a) to further the academic and educational mission of the University by providing educational opportunities for students of the University and (b) to serve as an information resource for students and other persons interested in the affairs of the University (collectively, the "Public Purpose")."

Fulfillment of this charge is impossible without money, so my shorthand version of TSM's mission is threefold:

1. Educate students
2. Serve audiences
3. Remain solvent

When those goals are at odds with one another, I prioritize them in that order, to the extent possible. However, at present, solvency is the most urgent concern. The operating budget ultimately passed by the TSM Board for fiscal year 2014-2015 will play an important role in ensuring TSM's financial security.

Though I am new to the details of UT accounting procedures, I feel comfortable with my understanding of how the TSM operating budget is structured. By design, turnover amongst membership of the TSM Board is continual, so there's a perennial need to educate Board members about the budget. One of my goals in this preliminary budget presentation is to impart sufficient context and knowledge so that decisions may be made on the basis of correct information.

Where we've been

Before addressing the operating budget, let's first consider another aspect of TSM's resources: its capital assets. As opposed to the operating budget, which primarily addresses recurring expenses and revenues, capital is more permanent. Capital assets can be tangible (like a videocamera) or more abstract (like the brand equity of The Daily Texan). TSM's long-term cash is basically split into five categories, all but one of which contain relatively small amounts of money. The following page, from the 2012-2013 fiscal year-end report, lists those accounts. Here's a brief description of the categories, along with the amount recorded in each as of August 31, 2013 (the end of the fiscal year for the State of Texas and thus UT):

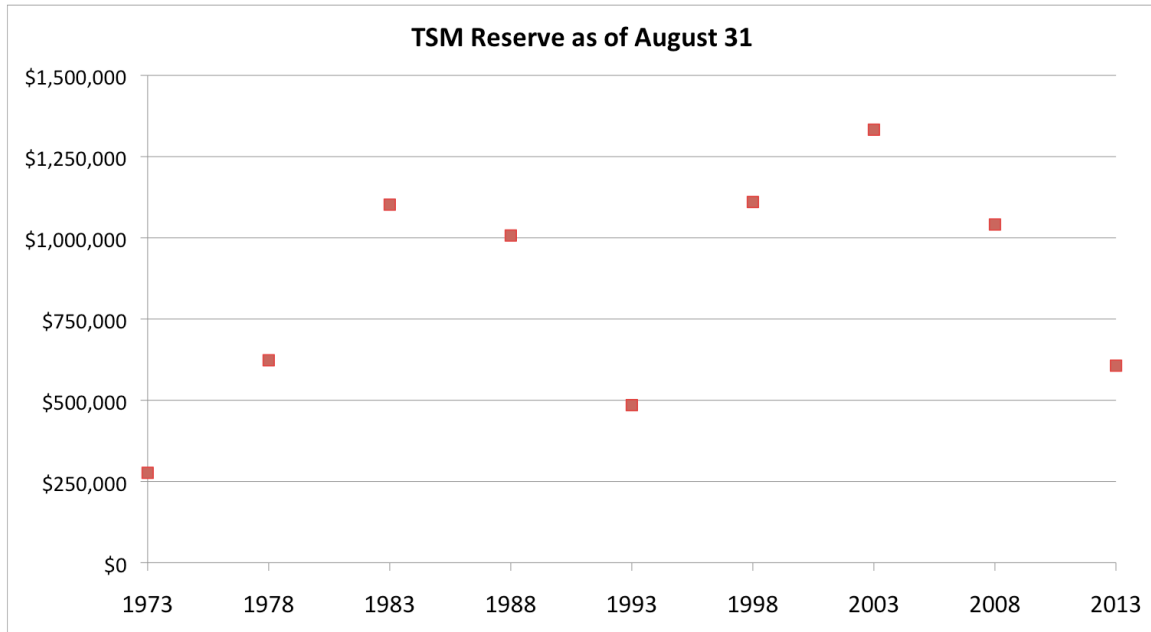
\$3,209.09 for expenses related to distribution of UT Faculty/Staff Directory
\$30,272.83 in a gift account earmarked for KVRX
\$16,912.24 in a gift account for TSM as a whole
\$36,698.82 in a gift account earmarked for Texas Student TV
\$794,780.35 in the TSM Reserve

The key item is the TSM Reserve, which is a source for large-scale long-term capital upgrades (past examples include an expansion of the printing press in 2001 and a partial renovation of HSM in 2005) and also serves as an account that annual operating surpluses (or deficits) are added to (or subtracted from).

The chart on the page after next shows the size of the TSM Reserve at five-year intervals since 1973, subsequent to the expiration of the fifty-year charter of Texas Student Publications, Incorporated. Note that the amounts are in nominal dollars, as opposed to "real" (inflation-adjusted) dollars.

**Texas Student Media Accounts
(other than operating budget)**

		Beginning Balance September 2012	Ending Balance August 2013
14-0632-1251	TSM Faculty Staff Directory	\$8,274.97	\$3,209.09
30-6267-4593	KVRX Radio Gifts	\$30,315.12	\$38,467.37
30-6267-4551	KVRX Radio Expense	-	\$8,194.54
	Balance	\$30,315.12	\$30,272.83
30-6267-4693	TSM-Var. Donors, Var. Pur. Gifts	\$13,393.18	\$18,964.18
30-6267-4694	TSM-Var. Donors, Var. Pur. Inv Inc	1,098.06	1,098.06
	TSM-Var. Donors, Var. Pur.		
30-6267-4670	Sch/Fellow.	(500.00)	(3,150.00)
	TSM-Var. Donors, Var. Pur. Misc.		
30-6267-4656	Other	-	\$-
	Balance	\$13,991.24	\$16,912.24
30-6267-4793	TSTV Gift Account Income	\$41,796.83	\$36,689.83
30-6267-4751	TSTV Gift Account Expense	-	8.99
	Balance	\$41,796.83	\$36,698.82
29-3290-7099	TSM Operations Reserve	\$13,907.00	\$388,823.09
36-7090-6551	TSM Renovation Account	\$-	\$-
36-0800-7007	TSM Capital Reserves	412,957.26	405,957.26
	Balance	\$426,864.26	\$794,780.35



Astute observers will notice that the data point for 2013 doesn't match the aforementioned \$794,780.35 figure. That's because the year-end report had not taken into account TSM's operating loss for fiscal year 2012-2013, which was \$186,261. The chart has been adjusted to reflect that loss, indicating that there was a little over \$600,000 in TSM's "savings account" at the start of the current fiscal year.

OK, now for the operating budget. Financial statements are usually included in the materials distributed at TSM Board meetings. These documents are archived at:

<http://www.utexas.edu/tsm/board/minutes/>

The year-end summaries for fiscal years 2011-2012 and 2012-2013 are in the documents for the October 26, 2012 meeting and the September 20, 2013 meeting, respectively.

The next two pages show TSM-wide "Consolidated Summary" reports from the year-end financials.

Note that, due to a typo, the column headers in the archived version of the September 20, 2013 summary incorrectly indicate that it includes year-to-date (YTD) numbers for "Sept 12" and "Sept 13"; those should be labeled "Aug 12" and "Aug 13" to correspond to the end of the fiscal year (August 31). Because the 2011-2012 year-end numbers are listed on both documents, you can verify that this is the case. In the consolidated summary included with the document you're reading, I've corrected the labels to avoid confusion.

The bottom line:

in 2010-2011, TSM had an operating loss of \$135,734
in 2011-2012, TSM had an operating profit of \$55,323
in 2012-2013, TSM had an operating loss of \$188,261

**Texas Student Media
Consolidated Summary**

	Budget 11/12	Actual YTD through Aug 11	Actual YTD through Aug 12	% of FY = 100%	Actual Aug 11	Actual Aug 12
REVENUE						
SSBC Allocation	436,438	445,682	436,438	100%	35,957	36,370
Advertising Income	1,422,282	1,509,839	1,414,577	99%	174,525	124,139
Other Income	257,450	270,003	233,859	91%	79,297	39,920
Total Revenue	2,116,170	2,225,524	2,084,874	99%	289,778	200,429
EXPENSE						
Admin & Prof Salaries	260,032	219,713	198,497	76%	14,890	13,259
Classified Personnel Salaries	415,387	459,595	372,947	90%	36,155	30,129
Wages	495,669	523,499	435,717	88%	30,800	30,883
Fringe Benefits	309,655	313,222	276,084	89%	25,288	22,607
Other Expense	700,847	767,726	705,327	101%	18,402	58,492
Student Manager Tuition	42,600	40,200	39,300	92%	-	4,800
Travel	9,950	14,904	8,567	86%	46	186
Allocation for Budget Adjustment	6,318	-	-	0%	-	-
Total Expense	2,240,458	2,338,858	2,036,440	91%	125,581	160,356
Operating Income (Loss)	(124,288)	(113,334)	48,434	-39%	164,198	40,072
UT Administrative Expense (3.25%)	69,008	53,166	46,056	67%	4,214	4,032
UT Administrative Expense Return	48,000	48,000	46,056	96%	0	4,032
VPSA Allocation Transfer	29,958	67,791	29,958	100%	-	-
NET INCOME (LOSS)	(175,253)	(186,291)	18,476	-11%	159,984	40,072

Depreciation Expense net of Capitalized Equipment 50,556 36,848

ADDITION TO (USE OF) OPERATING RESERVES (135,734) 55,323

Beyond the “Consolidated Summary,” the financial report contains a page for each of the TSM media units listed in Schedule 1.4(v) of the Declaration of Trust (The Daily Texan, Cactus, Texas Student Television, KVRX Radio, and Texas Travesty), plus three other pages:

“General Overhead” records expenses that are not unit-specific, but are associated with TSM as a whole. No revenue is recorded here.

“Advertising” records additional overhead expenses that are tied to the TSM Advertising Department and/or Creative Services. No revenue is recorded here.

“Supplemental Services” records other expenses and revenues that are detached from the five student-controlled media units. This category is where revenues from contract printing used to be recorded; now it contains (among other things) revenue from print publications that are student-created but not student-controlled (e.g. Longhorn Life and the Orientation Editions).

TSM revenue can be divided into the following categories:

“TSM Advertising” reflects advertising sales by TSM employees. Sources of revenue include events like the Housing Fair and Kickoff Countdown (UT football tailgate), online advertising, TSTV commercials, KVRX underwriting, and print ads (in The Daily Texan, Texas Travesty, Longhorn Life, and Orientation Editions).

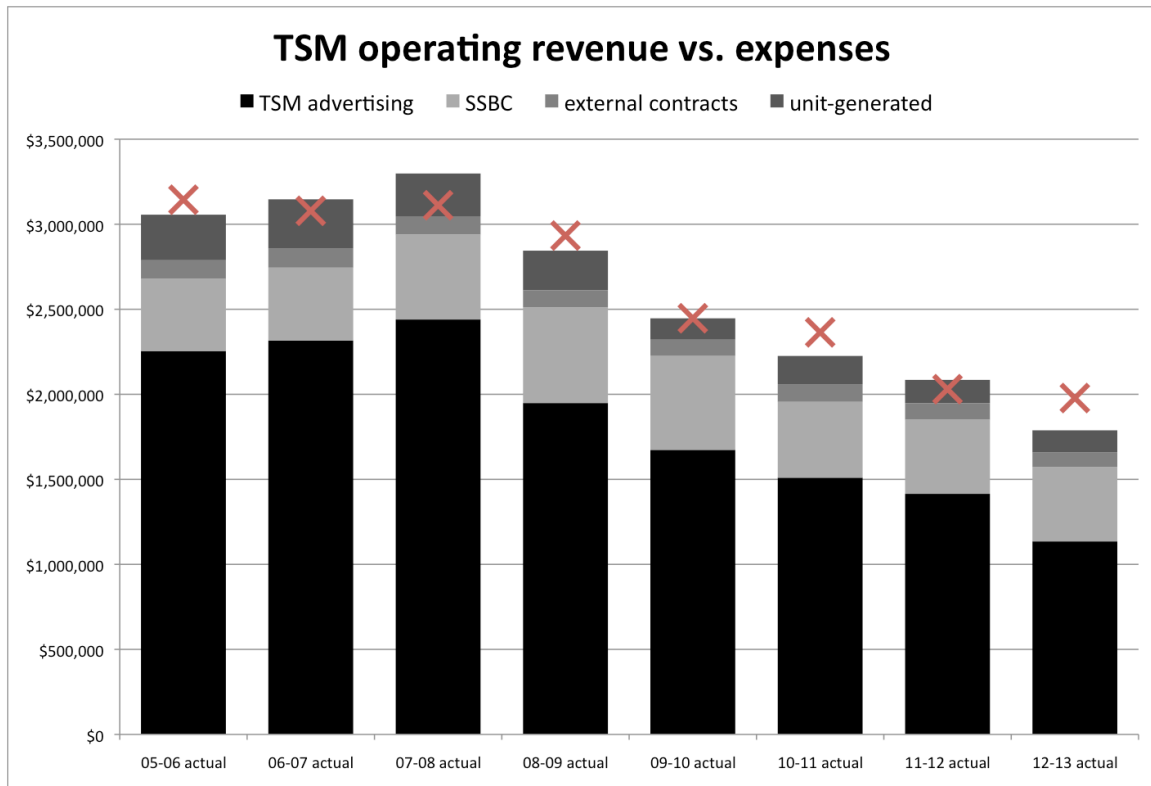
“SSBC” is for funds allocated by the Student Services Budget Committee, which recommends “the type, level and expenditure of compulsory fees for student services collected at the university.”

“External Contracts” are financial arrangements with parties external to UT. One example is the tower rent paid by KOOP Radio for time on the 91.7FM transmitter. In addition, TSM receives a share of advertising/underwriting revenue generated by third parties for Cactus, KVRX, the UT Visitor’s Guide, the UT Directory, and the Longhorn Planner.

“Unit-generated” revenue comes from additional activities conducted by the media units (TSTV paid production charges, TSTV equipment class fees, TSTV summer camp registrations, Cactus yearbook sales, subscriptions to The Daily Texan).

The chart on the following page shows the actual amounts of revenue generated in each category for the past eight fiscal years. The “X” on each stacked revenue bar indicates TSM’s expenses for the year. If the X is above the bar, TSM lost money that year, if the X is on the bar, TSM made money that year.

As indicated by the chart, over the past five years TSM has gone from a \$3,000,000/year operation to a \$2,000,000/year operation.



In the spirit of transparency, within the February 7, 2014 Board meeting documents I've included a spreadsheet containing the operating figures, in case you want to study them. This saves you the trouble of typing them all in, if you're so inclined.

The largest expense items in the TSM budget are:

“Professional Salaries/Wages” include compensation for TSM’s non-student employees. All employees are salaried except for the Transmitter Engineer, to whom KVRX and TSTV both pay \$150/month.

“Student Wages” are the compensation for TSM’s student employees.

“Fringe Benefits” are paid to current employees and TSM retirees. For a description of UT fringe benefits, see <http://www.utexas.edu/payroll/fringe.html>

“Advertising Commissions” are paid to TSM employees (students and non-students) based on meeting sales targets.

“Printing Expense” includes charges for producing hardcopies of The Daily Texan, Texas Travesty, Cactus, Longhorn Life, and the Orientation Editions.

The next page shows all the revenues and expenses incurred by TSM in the previous fiscal year.

The overhead expenses are allocated to the media units (and Supplemental Services) relative to the degree of each unit's utilization of General and Advertising resources. For 2012-2013, the overhead allocations were:

	Supp. Serv.	Daily Texan	TSTV	KVRX	Cactus	Travesty
General	3.60%	74.19%	10.18%	7.39%	3.77%	.86%
Advertising	1.98%	89.49%	3.79%	3.97%	0.00%	.77%

Note that Cactus pays no Advertising overhead because it is the sole TSM unit for which advertising not sold in-house. The other units have relatively small Advertising allocations because (compared to the Texan) each of them gets a large percentage of their revenue from some combination of SSBC, external contracts, or unit-generated funds. The General overhead allocations follow each unit's financial size relative to the TSM budget as a whole.

Per this accounting, the bottom-line numbers indicate that (save for a \$28 loss by Travesty) all the TSM red ink during the previous fiscal year was attributable to The Daily Texan, which incurred a loss of \$283,250.

This represents the basic dilemma of the TSM budget: as TSM's flagship, The Daily Texan is arguably "too big to fail." Unfortunately, its reliance on diminishing print advertising revenue makes it the only media unit with a budget shortfall (a big one).

Where we are

The budget for the current fiscal year (see next page) was passed in March 2013. Built into the budget was the expectation that TSM would lose \$115,159 this year (to be covered by the TSM Reserve).

Before getting into more depth regarding the current fiscal year, here's some information about a pair of budget details buried within the spreadsheet (skip ahead if you feel like it):

The "UT Administrative Expense" derives from this UT policy:

"A rate of 3.25% will be assessed on all qualifying expenses of auxiliary and designated fund units [to reimburse] the University for direct and indirect administrative services. Some examples of these services are as follows: accounting, payroll, banking, purchasing, human resources, and legal services."

Per prior agreement, TSM receives a refund of a portion of this fee (about \$48,000, the "UT Administrative Expense Return"). The result is listed in the spreadsheet as "Net UT Administration Fee." The amount is small (\$1,705 last year), but it's spread throughout the budget and makes calculations very tricky.

In addition, for the past few years, UT has required TSM to calculate a "Depreciation Expense Net Of Capitalized Equipment" to account for decreased value of tangible assets resulting naturally via entropy. This is not an actual operating loss (it appears on the balance sheet as both a plus and a minus), but its presence also confounds calculations.

Here are the salient features of the 2013-2014 budget and projections for where we might finish the year.

Though TSM advertising revenue was budgeted to increase over the amount earned in 2012-2013, the downward trend seems not to have abated. During the previous fiscal year, this category tracked at roughly 25% down year-over-year; continuance of this shortfall would equate to a negative variance of \$320,150 this year. A slight consolation is a positive variance resulting from the concomitant drop in sales commissions.

TSM asked for and received a one-time SSBC allocation of \$5,600 to pay for a renovation of the TSM homepage.

The \$45,000 budgeted for Cactus book sales is misleading; in recent years this unit has benefited from a favorable agreement with its yearbook publisher (Walsworth) that guaranteed a certain level of income if certain sales targets were met. This agreement is no longer in effect, and it's very likely that sales will be down significantly this year, in part due to the elimination of the Cactus "optional fee" that was available to students during the class registration process. Conversely, there may be some savings in print costs if fewer books are needed to satisfy reader demand. Unfortunately, Cactus also has an outstanding bill of \$28,000 owed to Walsworth for last year's book.

The negative variance in printing costs stemming from Cactus figure to be more than offset by positive variances in the same category for The Daily Texan and Travesty, owing to those publications' minimally-sized editions this year.

When the 2013-2014 budget was finalized in March 2013, the expected staffing at TSM for this year was 13.55 full-time equivalent positions (1.00 FTE = an employee working 40 hours/week, 52 weeks/year). The net effect of personnel leaving/joining TSM since then has the organization currently supporting 10.00 FTE, with vacancies totaling 2.00 FTE (the permanent Director and a sales position). This understaffing is not sustainable, but TSM should see a positive variance in salaries and fringe benefits paid this year.

Unfortunately, my confidence in the accuracy of the above numbers is weakened by a lack of access to financial data reports in the usual monthly format. Transactions are occurring, but as yet they have not been compiled into the familiar statements normally presented at Board meetings. This circumstance is suboptimal, to put it mildly.

At this stage, I have no reason to believe that TSM will incur any large, unexpected expenses this year. The chief determinant of this year's bottom line will be the amount of advertising dollars generated. I will work with staff to catch up on the accounting backlog, so that the uncertainty involved in predicting TSM's 2013-2014 operating loss may be minimized.

Taking into account the variances described above, my current (very rough) projection is that TSM will lose about \$239,000 this year (see next page, which also depicts the preliminary 2014-2015 budget proposal).

	11-12 actual	12-13 actual	13-14 budget	proj. variance	13-14 proj.	14-15 prop.
TSM advertising	1,414,577	1,134,995	1,280,600	-320,150	960,450	900,000
SSBC	436,438	436,438	436,438	5,600	442,038	436,438
external contracts	96,411	86,032	91,400	0	91,400	81,400
unit-generated	137,448	130,892	112,350	-35,000	77,350	97,350
TOTAL REVENUE	2,084,874	1,788,357	1,920,788	-349,550	1,571,238	1,515,188
professional salaries/wages	575,692	589,563	671,687	120,000	551,687	650,000
fringe benefits	276,084	277,243	330,715	40,000	290,715	319,500
advertising commissions	92,460	82,000	98,885	35,000	63,885	63,000
student wages	339,009	346,400	204,744	0	204,744	204,744
ITS support	46,350	44,276	33,670	0	33,670	33,670
utilities	73,647	60,293	71,575	0	71,575	71,575
travel	8,567	6,313	8,575	0	8,575	8,575
editor / station manager tuition	39,300	37,700	21,300	0	21,300	21,300
printing expense	319,795	272,636	308,800	29,000	279,800	125,800
delivery expense	70,771	64,522	68,400	1,700	66,700	17,500
phones & data lines	24,655	25,642	22,785	0	22,785	11,000
equipment/supplies	21,254	12,977	21,250	0	21,250	21,250
insurance	14,416	15,889	17,515	0	17,515	17,515
service contracts	13,878	30,438	28,565	0	28,565	28,565
credit card expense	10,068	7,034	11,420	0	11,420	11,420
postage & mailouts	15,438	12,087	22,150	0	22,150	21,150
promotions	12,411	15,103	11,550	0	11,550	11,550
supplies/services/stationery	13,260	9,169	12,250	0	12,250	12,250
parking	540	540	575	0	575	575
registrations/subscriptions/dues	17,831	9,424	11,150	0	11,150	11,150
other	14,667	25,708	12,240	0	12,240	12,240
VPSA allocation	29,958	29,958	29,958	0	29,958	0
UNIT EXPENSE	1,128,898	1,045,662	1,012,735			
net UT administration fee	0	1,705	16,188	0	16,188	0
overhead expense - general	544,865	593,917	627,871			
overhead expense - advertising/creative	392,636	366,969	427,219			
depreciation	36,348	30,342	40,000	0	40,000	40,000
TOTAL EXPENSE	2,066,399	2,006,964	2,075,947	225,700	1,850,247	1,714,329
GRAND TOTAL	18,475	-218,607	-155,159		-279,009	-199,141
depreciation	36,348	30,342	40,000		40,000	40,000
NET IMPACT ON TSM RESERVE	55,323	-188,265	-115,159		-239,009	-159,141

Where we're going

Recall that we started this year with a little over \$600,000 in the TSM Reserve. Subtracting the money allocated for the Live Remote Broadcast System brings us to approximately \$550,000; if TSM does lose \$239,000 this year, that loss would put the remainder at roughly \$310,000 heading into 2014-2015.

That quantity is dangerously close to the projected size of the current year's shortfall, which indicates that steps must be taken to ensure TSM does not run out of money before the end of the coming fiscal year.

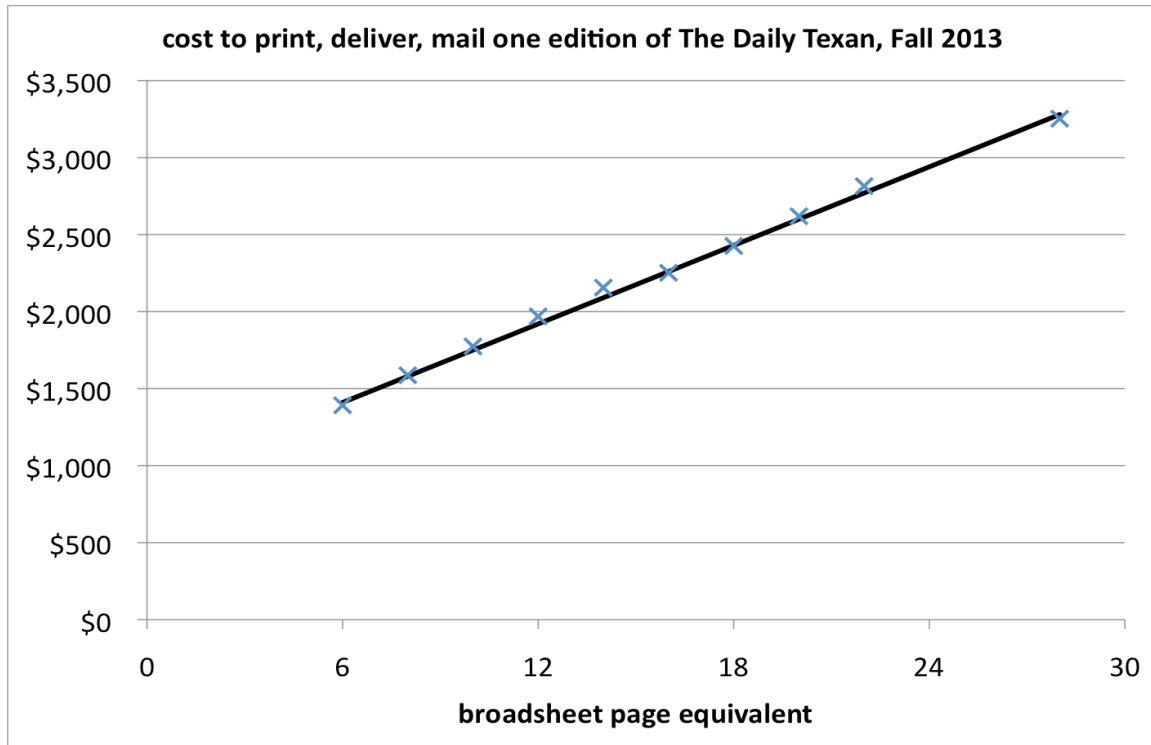
What to do? There's no clear solution tied to the elimination of programs (media units); all but the Texan are in the black, and the Texan isn't going to disappear. In addition, cutting a media unit would throw their share of overhead onto the backs of the remaining units, as most of that money goes toward compensation of professional staffers, and cutting fractions off their FTE isn't a practical way forward.

If budgetary columns can't be cut, what about the rows? Salaries and fringe benefits are the largest category, but TSM is already having trouble getting its work done with the people currently in place. Incidentally, the 2013-2014 budget allocates over \$100,000 of fringe benefits to TSM retirees; that money would remain on the books irrespective of any staff reductions.

Student wages are another six-figure item, but they were already cut significantly from last year to this year. Slashing here could further damage student morale. Note, however, that TSM may not have a choice in this matter. The advent of the Affordable Care Act has focused attention on the number of hours students work (that quantity is a determining factor for ACA eligibility). This scrutiny has also brought renewed awareness of the question of whether TSM's students must be paid a minimum hourly wage (heretofore they have not been deemed to be subject to the Fair Labor Standards Act). If the rules governing student compensation change, TSM will likely be forced to severely curtail expenditures here. Until a legal judgment is handed down, the plan is to keep student wages where they are.

That leaves only one large expense category: printing and delivery costs, most of which are tied to The Daily Texan. Though TSM has realized some savings by reducing pagecounts, the principal factor affecting costs is the number of editions printed in a year. Most of the time, overhead costs associated with printing and delivery outweigh the expense of newsprint and ink, which are proportional to the volume printed.

My analysis over the years has indicated a linear relationship between printing costs and impressions (pagecount x pressrun quantity); because the Texan pressrun has remained constant at 12,000 copies this year, it's possible to generate a similarly linear chart for cost-per-edition as a function of pagecount (see next page; the "broadsheet page equivalent" is the number of broadsheet pages plus twice the number of tabloid pages).



The chart indicates that, for example, one 24-page edition of the Texan costs about the same as two 8-page Texans do (at present, the newsroom is often getting five 8-pagers per week). Instead of awkwardly reducing days of publication gradually in the coming years, I think that the best course of action is to make a single transition, switching the publication frequency in fall and spring from 5 days/week to weekly, matching the schedule already in effect for the summer.

To restore column-inches sacrificed by this print reduction, the weekly news-hole would be supported by dictating that the remaining print edition be plumped to a healthy size, larger than the largest newspapers currently emanating from the HSM basement. In addition, with each edition staying on newsstands for a week, the pressrun quantity would be modestly boosted to accommodate a hoped-for increase in pickup.

Such a historic change in the Texan's output must be carefully managed. I have reservations about the potential effect of cutting print days on newsroom culture; the daily deadline in place for the entirety of the Texan's existence has enforced a workflow that, though restrictive in some ways, also sustains a valuable inertia.

Of course, the most-desirable fix for TSM's budget woes is to increase revenue. The attention generated by the Texan's new publication cycle, combined with changes in the print product naturally arising from an online focus on breaking news, could provide Advertising with a new pitch. I don't expect the loss of publishing days to have a deleterious effect on advertising; existing clients should migrate to the remaining day. Not wanting to be overly optimistic, in the budget proposal I've recorded the sales effect as a decline in the rate of loss of advertising dollars, not as an increase in revenue.

The budget also provides for the addition of 2.00 FTE, to put staffing levels where they were expected to be during the current year. One addition is a Sales Assistant for Advertising; this position has been vacant for a number of years, and would help the sales force to keep its focus on revenue generation, where it belongs. The other addition is a Broadcast Coordinator, to provide guidance to Texas Student TV and KVRX. The recent loss of the Broadcast Adviser position has challenged those units' abilities to beget the unit-generated funds that are key to their financial stability. With the Live Remote Broadcast Unit coming on-line soon, it's important for that resource to be fully utilized.

It would be irresponsible not to consider other potential solutions to TSM's financial quandary. At the risk of enraging my fellow Texas Student TV alumni, I'll state this publically: if TSM were able to receive at least \$10,000,000 from the sale of K29HW, that transaction should occur (of course, TSTV should be assured that such activity would not bring about the media unit's end, and that students' content would reach audiences through alternate distribution platforms). At this point, the license's worth is unknown, so discussion on this topic is wildly speculative.

I expect that the idea of replacing or outsourcing the TSM Advertising Department will be mooted at some point. Irrespective of the merits of such a move (for example, would a new sales force demand more control over the content being sold?), the logistics of navigating that path through UT red tape would not permit swift travel. It seems unlikely to me that a new model could be in place (and its procedural and financial ramifications known) in time to meet the pending budget deadline.

Lingering on the horizon is the undetermined effect that the Moody College of Communication might have on TSM. Leaving the Division of Student Affairs would relieve TSM of its annual \$29,958 allocation to the VPSA office for support related to assessment, communication, and development, but the College could possibly impose a tax of its own. TSM currently secures desktop computer support through a contract with ITS; that may change under the College, with unknown cost implications.

The Moody College of Communication has recently demonstrated its ability to raise money; assistance in this field would be welcome, and seems a natural area of collaboration. However, the prospect of College involvement eerily calls to mind the Frank Erwin quote featured on the cover of *The Daily Texan: The First 100 Years* ("We do not fund anything that we don't control."). Whether that statement is viewed as a threat or a reality-check is a matter of opinion, I suppose.

TSM is blessed with an engaged alumni base, which could become a valuable funding source; perhaps some specific uses of donor money can be identified.

I'm sure that there are other ideas I haven't addressed in this document; please share them with me and the Board. I look forward to working with all interested parties to secure TSM's future.