



## Moving Forward on Financial Sustainability

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Thanks to everyone for attending one of the nine roundtables on the School's financial sustainability. I plan to offer one more for our legislative staff and anyone else who wasn't able to attend the earlier sessions. My goal was to give everyone the same background for thinking about our financial future.

In terms of the information I shared, there have been subsequent reports that reinforce my concerns about the state budget deficit created by last year's tax cuts. According to members of the legislative staff, the cost of the tax cuts for the first year is \$205 million (43%) higher than projected, and the cost for next year is expected to be \$200 million higher than originally projected. The tax cuts have not caused the economy to grow and generate more revenue, at least not yet. Not surprisingly, a number of commentators have pointed out that the financial shortfall caused the legislature to kick the can down the road in making some of their funding choices.



Your reactions to the gloomy financial projections illustrate why I'm optimistic about the future, and why I love working at the School. There was no whining or denial. When I asked for reactions at the end of each session, a number of people volunteered that they felt optimistic about controlling our own financial future. I was not surprised because you have responded so strongly and positively in the past when we have faced financial challenges. You have identified and implemented efficiencies, and you have worked hard to generate additional revenue.

This fiscal year will be an important one as we develop a stronger financial model for the School. The focus-group phase of the market research study is complete and we will learn the results very soon. That information will help us craft a survey aimed at getting even better information for making financial and programmatic decisions. The consultant who is conducting our fundraising feasibility study, Karin George, met with a number of people at the School last week. She asked good questions and learned a lot that will help her assess and improve our ability to raise private funds.





We are moving forward on several fronts in creating a stronger financial future for the School. I will keep you posted and engaged as we work through the inevitable hurdles that must be cleared. In the meantime, thanks again for attending the roundtables and for your positive attitude. It makes a huge difference.