



---

**TOPIC:** Towson University: Establishment of an Affiliated Foundation for the University Radio Station  
WTMD

**COMMITTEE:** Finance

**DATE OF MEETING:** January 30, 2014

**SUMMARY:** Towson University requests approval to establish an affiliated foundation that would be known as Towson University Public Media (“TUPM”). The purpose for creating TUPM is to improve the management and accountability and fundraising capability of WTMD, currently operated under the support of the Towson University Foundation. The FCC license will remain with Towson University and pursuant to the USM Policy on Affiliated Foundations, the new foundation will enter into a management agreement with the University to operate the radio station, administer the radio station’s finances, and engage in fundraising for WTMD. In compliance with FCC requirements, the radio station’s executive director and one other employee will be University employees; other radio station employees will be employees of the new foundation. The foundation board will include the maximum number of university employees allowed pursuant to the USM policy on affiliated foundations.

TUPM will provide additional transparency and accountability for the radio station’s finances. Because there are fundamental differences between fundraising for a University and fundraising for a public radio station TUPM will be able to more effectively and efficiently fundraise for WTMD through listener support, and conducting fund drives. WTMD fundraising relies primarily on a large number of small donations, whereas the Towson University Foundation’s fundraising is focused on large donations from a relatively small number of donors. Many of these donations are in the form of endowments and scholarships. The creation of TUPM will give focus and priority to fundraising for the radio station.

WTMD has recently been named the top radio station in Baltimore and one of the best reasons to love Baltimore according to a readers’ poll by Baltimore Magazine. The station has a solid history of fundraising and community activity, and a strong following, throughout the Baltimore region. The radio station has a devoted and influential board that wants to be involved with the station.

The Maryland Office of the Attorney General (OAG) and its outside FCC counsel have reviewed and approved the articles of incorporation and by-laws for the proposed foundation, and the proposed management agreement with the University. The OAG outside FCC counsel has confirmed that this proposed arrangement would not jeopardize the University’s FCC license for the radio station.

**ALTERNATIVES:** An alternative would be to establish a foundation for the sole purpose of fundraising on behalf of WTMD, while management and operation of the radio station would remain with the University.

**FISCAL IMPACT:** The executive director and one other staff member will be employees of the University. However, TUPM must reimburse the University for any personnel cost associated with the operation of the radio station. It is anticipated that the creation of TUPM will result in increased fundraising activity and improved financial performance by WTMD, while decreasing the administrative burden on the University.

**CHANCELLOR'S RECOMMENDATION:** That the Finance Committee recommend that the Board of Regents approve for Towson University the establishment of an affiliated 501(c)(3) foundation in support of the campus radio station WTMD consistent with the USM Policy on Affiliated Foundations.

---

COMMITTEE RECOMMENDATION: RECOMMEND APPROVAL

DATE: 1/30/14

---

BOARD ACTION:

DATE:

---

SUBMITTED BY: Joseph F. Vivona (301) 445-1923

---