



Faculty Senate

A RESOLUTION REGARDING THE FINANCES OF THE GW MEDICAL FACULTY ASSOCIATES (23/5)

WHEREAS, The existence of a financially viable physicians practice that is affiliated with the George Washington School of Medicine and Health Sciences (SMHS) is critical to the overall success of the George Washington University medical enterprise;

WHEREAS, The George Washington University Medical Faculty Associates (“MFA”) has experienced serious financial losses in each of the past three fiscal years;

WHEREAS, In order to sustain the financial viability of the MFA, The George Washington University (as the sole member of the MFA) has been compelled to make substantial loans to the MFA and to financially guarantee loans made to the MFA by private creditors;

WHEREAS, Recent GW Medical Center web postings have raised reasonable concerns about the ability of certain SMHS departments to recruit physicians in sufficient numbers to be able to increase the client base;

WHEREAS, Past and continued use of University assets to maintain the financial viability of the MFA requires diverting University resources that would otherwise be used to support the broader academic mission of the University;

WHEREAS, The George Washington University faculty, staff, and students have a vital interest in the success of efforts to stabilize the MFA finances;

WHEREAS, It has been customary in past years for the Faculty Senate to receive quarterly updates about the progress of annual approved University budgets once such budgets have been presented to the George Washington University Board of Trustees;

WHEREAS, Information about finances of the Medical Faculty Associates is currently provide annually but not quarterly;

WHEREAS, Quarterly, as well as annual, updates on finances of the MFA provides useful information on progress made toward stabilizing MFA finances;

WHEREAS, In addition to the information typically included in quarterly budget updates, information about MFA cash flows and debt is particularly relevant in the case of the MFA; and

WHEREAS, Such information is not competitively sensitive;

**NOW, THEREFORE, BE IT RESOLVED BY THE FACULTY SENATE OF THE
GEORGE WASHINGTON UNIVERSITY:**

1. That the Faculty Senate Executive Committee and the Faculty Senate Fiscal Planning and Budgeting Committee receive quarterly updates on MFA finances that are comparable to those included in quarterly budget updates for the University; and
2. That such updates include analysis of MFA cash flows as well as MFA-related current and anticipated loans from, revolving credit issued by, and credit extended by external creditors which is underwritten by the University;

Faculty Senate Committee on Fiscal Planning and Budgeting
January 2, 2023

Adopted as amended by the Faculty Senate
January 13, 2023