

INFORMATION ITEM #3

Ad Hoc Financial Advisory Committee for Elson S. Floyd College of Medicine (Doug Picha/Leslie Brunelli/Daryll DeWald)

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: New Ad Hoc Financial Advisory Committee for Elson S. Floyd College of Medicine

SUBMITTED BY: Doug Picha, Regent Chair, Ad Hoc Financial Advisory Committee for Elson S. Floyd College of Medicine
Leslie Brunelli, Executive Vice President, Finance & Administration/CFO
Daryll DeWald, Executive Vice President and Chancellor, WSU Health Sciences Spokane

A newly formed ad hoc financial advisory committee has been charged with providing strategic guidance and financial oversight for critical and key decisions that will influence the long-term sustainability and growth of the Washington State University (WSU) medical school.

The committee is composed of the following members:

Doug Picha, Regent
Marty Dickinson, Regent
Leslie Brunelli, Executive Vice President for Finance and Administration/CFO
Daryll DeWald, Executive Vice President for Health Sciences and Chancellor of the Spokane Campus
Jim Record, Dean, Elson S. Floyd College of Medicine
Ken Roberts, Professor and Chair, Department of Translation Medicine and Physiology, Faculty Senate Chair-Elect
Dan DeNike, Vice Chancellor of Administrative Services, WSU Spokane
Brett Oglesbee, Senior Director of Finance and Operations, ESFCOM
Matt Skinner, Senior Associate Vice President and Deputy CFO

The Elson S. Floyd College of Medicine (ESFCOM) was established in 2015 at WSU in response to the growing demand for healthcare professionals, particularly in rural and underserved areas of Washington State.

The college's curriculum emphasizes a patient-centered approach and integrates clinical training with a focus on primary care. Since its inception, the college has worked to recruit a diverse student body and faculty, aiming to reflect the populations it serves. It has also formed partnerships with various healthcare institutions to enhance training opportunities and community engagement.

In its early years, the college received accreditation and began admitting students, establishing itself as a vital part of WSU's mission to improve health outcomes in the region. The college continues to evolve, expanding its programs and research initiatives to address the changing needs of healthcare.

The ESFCOM has an FY25 core funds budget of approximately \$41M and a core funds operating deficit of \$22,637,992. For FY24, the College had approximately \$10M in non-core funding available for use.

In July 2023 the College requested new funding outside of the budget development process totaling \$7M. Funds were requested to support accreditation needs of the college and for the separate 501(c)3 entity, Range Health, which serves as the Faculty Practice Plan. In FY24 additional funds totaling \$2M were made available to the college through the Spokane Administrative Unit with \$1M a recurring commitment and \$1M available on a one-time basis.

In June 2024 the Board of Regents approved creating a Faculty Practice Plan internal to WSU. That work is currently underway.

A request for new state funds totaling \$3.6M for the next biennium to support accreditation is pending advancement in the state budget process.

The WSU Spokane Health Sciences Campus is focused on preparing the state's future generations of physicians, nurses, pharmacists, and other health professionals. The campus has grown dramatically over the past decade in enrollment and the number of health sciences-based degree programs (including a new MD program). In addition, the campus has increased basic and applied research and has significantly enhanced the overall instructional and research square footage managed by health sciences leadership. These three programs were added over many years which has resulted in a number of duplicative support services across the academic units and central campus units. While overall the campus has grown, the colleges and central support budgets have been reduced along with those of all WSU units, resulting in structural budget deficits. It is possible that a combination of central support in a shared services model may result in significant efficiencies for the Spokane Campus. However, this can be challenging for the Health Sciences as many professional programs have stringent accreditation requirements which often require specialized support structures and services. In order to examine possible ways to optimize our degree offerings and the support structure on the Spokane Campus, we will engage an external consulting firm to provide recommendations on the structure and support delivery on the Spokane Campus.

At the first meeting of the committee, members will establish a charter that includes a holistic review of WSU Health Sciences and outline a work plan.