

THE GEORGE
WASHINGTON
UNIVERSITY

WASHINGTON, DC

Financial Results Review

For the year ended June 30, 2025

*Amounts in thousands,
unless otherwise noted*



OFFICE OF THE UNIVERSITY CONTROLLER
OFFICE OF THE EXECUTIVE VICE PRESIDENT, CHIEF FINANCIAL OFFICER & TREASURER

Balance Sheet Highlights-Consolidated As of June 30, 2025

Assets

- **Consolidated total assets of \$5.3 billion (increase of \$223M (4%))**
- GW total assets increased \$323M (6%) due to a \$181M increase in investments, driven by endowment performance. Further, GW loaned MFA \$99M during the fiscal year and the regular receivable from MFA increased \$18M. The receivable from UHS increased by \$12M, and Property, plant and equipment increased by \$37M due to purchasing 2001 Pennsylvania Ave. These increases are offset by a \$22M decrease in cash and cash equivalents.
- MFA total assets increased \$10M (4%), primarily due to \$13M higher cash and cash equivalents and \$16M higher accounts receivable. These increases are offset by a \$13M decrease MFA's operating lease right of use assets and \$5M decrease in Property, plant and equipment.
- Intercompany assets eliminated in consolidation increased \$110M (32%), with \$99M related to funds GW loaned MFA and \$18M resulting from funds MFA owes for services GW provided during the year, offset by an \$8M decrease in the 2150

Liabilities

- **Consolidated liabilities of \$2.9 billion (increase of \$182M (7%))**
- GW liabilities increased \$182M (7%). GW drew \$168M from its line of credit with PNC to meet liquidity needs. Further, accounts payable and accrued expenses increased \$21M due to timing of invoice payments and impact of higher carryover balances under the new vacation policy.
- MFA liabilities increased \$110M (18%), primarily due to the \$99M increase in the loan from GW and the \$18M increase in the regular receivable due to GW. Further there was an \$11M increase in accounts payable and accrued expenses. These increases are offset by a \$13M decrease in operating lease liabilities.
- Intercompany liabilities eliminated in consolidation increased \$110M (32%), for the same reasons as the change in intercompany assets.

Consolidated increase in net assets = \$41 million

Consolidated Balance Sheets

As of June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash and cash equivalents	\$ 46,304	\$ 55,304
Accounts receivable, net	176,365	147,865
Contributions receivable, net	35,844	33,944
Investments	3,051,649	2,871,770
Loans and notes receivable, net	7,435	8,146
Property, plant, and equipment, net	1,838,890	1,806,139
Operating lease right of use assets, net	76,535	85,597
Other assets	48,468	49,946
Total assets	<u><u>\$ 5,281,490</u></u>	<u><u>\$ 5,058,711</u></u>
LIABILITIES		
Accounts payable and accrued expenses	\$ 407,984	\$ 379,013
Deferred revenue and deposits	99,823	99,266
Operating lease liability	88,063	98,106
Debt, net	2,285,386	2,120,696
Funds advanced for student loans	5,199	7,674
Total liabilities	<u>2,886,455</u>	<u>2,704,755</u>
NET ASSETS		
Without donor restrictions	1,208,591	1,300,070
With donor restrictions	1,186,444	1,053,886
Total net assets	<u>2,395,035</u>	<u>2,353,956</u>
Total liabilities and net assets	<u><u>\$ 5,281,490</u></u>	<u><u>\$ 5,058,711</u></u>

GW Investments

	<u>As of Jun-25</u>	<u>As of Jun-24</u>	<u>Change</u>	<u>% change</u>
Total Investment Balance per Financial Statements	\$3,008,472	\$2,827,342	\$181,130	6%
Total Endowment Investments per Financial Statements	\$2,812,559	\$2,639,708	\$172,851	7%

	<u>FY25</u>	<u>FY24</u>	<u>Change</u>
<u>Change in Endowment Investments:</u>			
Gifts and internal funds transfers	\$ 31,005	\$ 66,694	\$ (35,689)
Reinvested payout	9,925	5,989	3,936
Purchase of Residences on the Avenue	-	141,501	(141,501)
Liquidity draw from quasi endowment	(45,000)	-	(45,000)
Real estate valuation - unrealized gain (loss)	31,300	(223,101)	254,401
Investment rental income	49,602	47,267	2,335
Pooled & nonpooled endowment income	216,217	189,855	26,362
Admin expenses	97	(522)	619
Payout	(120,295)	(110,417)	(9,878)
Net activity YTD	<u>\$ 172,851</u>	<u>\$ 117,266</u>	<u>\$ 55,585</u>

Endowment Investment Performance Summary (net of fees):

Total Pooled Endowment ex RE & nonpooled - FYTD	14.1%	13.3%	0.8%
Pooled Endowment Benchmark - FYTD	12.6%	12.2%	0.4%

Endowment

	<u>As of Jun-25</u>	<u>As of Jun-24</u>	<u>Change</u>	<u>% change</u>
Pooled Endowment	\$ 1,737,859	\$ 1,587,806	\$ 150,053	
Endowment Real Estate	1,074,700	1,051,902	22,798	
Fair Value of Endowment	<u>\$ 2,812,559</u>	<u>\$ 2,639,708</u>	<u>\$ 172,851</u>	7%
Payout from Pooled Endowment	\$ 73,979	\$ 69,505	\$ 4,474	
Payout from Endowment Real Estate	46,316	40,912	5,404	
Total Annual Payout	<u>\$ 120,295</u>	<u>\$ 110,417</u>	<u>\$ 9,878</u>	9%
Effective Spending Rate ¹	4.6%	4.4%	0.2%	
FTEs - Fall	21,973	21,756	217	
Endowment per FTE (whole dollars)	<u>\$ 128,001</u>	<u>\$ 121,332</u>	<u>\$ 6,668</u>	5%

¹ Annual Payout divided by Beginning Fair Value

Statement of Activities Highlights-Consolidated Fiscal year ended June 30, 2025

Consolidated decrease from operations = \$186 million

Non-operating activities contributed an increase of \$227 million, resulting in total increase in net assets

of \$41 million
THE GEORGE WASHINGTON UNIVERSITY WASHINGTON, DC



- **Consolidated operating revenue of \$1,830M (increase of \$49M (3%))**
- GW operating revenue totaled \$1,512M (increase of \$35M (2%))
 - Increase in student tuition and fees, from both undergraduate and graduate levels
 - Increase in endowment income used in operations, as steady growth in endowment value from both contributions and endowment returns has lead to higher payout
 - Increase in medical education agreements due to the new Cedar Hill Regional Medical Center
- MFA operating revenue totaled \$394M (increase of \$17M (4%)) - Driven by the retail pharmacy
- Intercompany revenue eliminated in consolidation totaled \$76M (increase of \$3M (3%))



- **Consolidated operating expenses of \$2,016M (increase of \$138M (7%))**
- GW operating expenses totaled \$1,588M (increase of \$122M (8%))
 - Salaries and benefits increased due to annual merit increases, growth in headcount, and enhancement of the vacation carryover policy for faculty and staff
 - Purchased services increased primarily due to expanded security measures and the use of specialized consultants to address areas of strategic focus
- MFA operating expenses totaled \$504M (increase of \$18M (4%)) - Driven by cost of specialty drugs for the retail pharmacy
- Intercompany expenses eliminated in consolidation totaled \$76M (increase of \$3M (3%))

Consolidated Statement of Activities-Operating

Fiscal year ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUE			
Student tuition and fees, net	\$ 836,233	\$ -	\$ 836,233
Patient care, net	308,541	-	308,541
Grants and contracts including indirect cost recoveries	238,764	-	238,764
Auxiliary enterprises, net	139,986	-	139,986
Endowment income distributed for operations	111,526	-	111,526
Medical education agreements	84,152	-	84,152
Contributions	15,664	-	15,664
Investment income used in operations	2,557	-	2,557
Net assets released from restrictions	12,131	-	12,131
Other	80,541	-	80,541
Total operating revenue	1,830,095	-	1,830,095
OPERATING EXPENSES			
Salaries and benefits	1,121,728	-	1,121,728
Purchased services	369,782	-	369,782
Depreciation	103,187	-	103,187
Interest	95,078	-	95,078
Occupancy	93,494	-	93,494
Medical supplies	89,908	-	89,908
Scholarships and fellowships	19,867	-	19,867
Other	122,759	-	122,759
Total operating expenses	2,015,803	-	2,015,803
CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES	(185,708)	-	(185,708)

Consolidated Statement of Activities-Operating

Fiscal year ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUE			
Student tuition and fees, net	\$ 813,085	\$ -	\$ 813,085
Patient care, net	313,066	-	313,066
Grants and contracts including indirect cost recoveries	243,398	-	243,398
Auxiliary enterprises, net	136,855	-	136,855
Endowment income distributed for operations	100,091	-	100,091
Medical education agreements	73,468	-	73,468
Contributions	17,913	-	17,913
Investment income used in operations	12,354	-	12,354
Net assets released from restrictions	10,319	-	10,319
Other	60,258	-	60,258
Total operating revenue	1,780,807	-	1,780,807
OPERATING EXPENSES			
Salaries and benefits	1,069,652	-	1,069,652
Purchased services	322,601	-	322,601
Depreciation	98,803	-	98,803
Interest	87,656	-	87,656
Occupancy	82,966	-	82,966
Medical supplies	65,219	-	65,219
Scholarships and fellowships	19,764	-	19,764
Other	131,245	-	131,245
Total operating expenses	1,877,906	-	1,877,906
CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES	(97,099)	-	(97,099)

Consolidated Statements of Activities- Non-Operating and Change in Net Assets

NON-OPERATING ACTIVITIES

Investment income, net	179,884	126,421	306,305
Net assets released from restriction	33,417	(45,548)	(12,131)
Contributions, net	2,744	52,087	54,831
Endowment income distributed for operations	(115,066)	3,540	(111,526)
Other	(6,750)	(3,942)	(10,692)
Total non-operating activities	<u>94,229</u>	<u>132,558</u>	<u>226,787</u>
CHANGE IN NET ASSETS	(91,479)	132,558	41,079
NET ASSETS AT THE BEGINNING OF THE YEAR	<u>1,300,070</u>	<u>1,053,886</u>	<u>2,353,956</u>
NET ASSETS AT THE END OF THE YEAR	<u>\$ 1,208,591</u>	<u>\$ 1,186,444</u>	<u>\$ 2,395,035</u>

NON-OPERATING ACTIVITIES

Investment (loss) income, net	(69,360)	113,024	43,664
Net assets released from restriction	35,453	(45,772)	(10,319)
Contributions, net	-	29,850	29,850
Endowment income distributed for operations	(101,902)	1,811	(100,091)
Other	(1,803)	3,456	1,653
Total non-operating activities	<u>(137,612)</u>	<u>102,369</u>	<u>(35,243)</u>
CHANGE IN NET ASSETS	(234,711)	102,369	(132,342)
NET ASSETS AT THE BEGINNING OF THE YEAR	<u>1,534,781</u>	<u>951,517</u>	<u>2,486,298</u>
NET ASSETS AT THE END OF THE YEAR	<u>\$ 1,300,070</u>	<u>\$ 1,053,886</u>	<u>\$ 2,353,956</u>

Year Ended
June 30, 2025

Year Ended
June 30, 2024

Consolidated Statements of Cash Flows-Operating Years ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 41,079	\$ (132,342)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Contributions restricted for long-term investment	(15,559)	(6,227)
Depreciation, amortization and accretion expenses	103,266	98,881
Provision for bad debt	5,781	4,727
Net realized/unrealized (gain)/loss on investments	(249,370)	28,170
Realized gain on sale of real property	-	(19,244)
Fire loss	-	(7,000)
Other non-cash items	4,503	348
Changes in operating assets and liabilities:		
Accounts receivable	(34,700)	(10,651)
Contributions receivable	(1,900)	445
Operating lease right of use assets, net	9,062	2,882
Other assets	1,478	(2,334)
Accounts payable and accrued expenses	28,499	36,703
Deferred revenue and deposits	557	(7,031)
Operating lease liability	(10,043)	(3,014)
Net cash used in operating activities	<u>(117,347)</u>	<u>(15,687)</u>

Consolidated Statements of Cash Flows-Investing/Financing Years ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(455,995)	(624,334)
Sales and maturity of investments	534,569	564,638
Purchases of property, plant, and equipment	(144,812)	(98,976)
Net proceeds from sale of real property	-	26,689
Insurance proceeds from fire loss	-	7,000
Change in other loans and notes receivable	1,052	1,909
Net cash used in investing activities	<u>(65,186)</u>	<u>(123,074)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions restricted for long-term investment	15,559	6,227
Payments on debt	(7,077)	(17,053)
Proceeds from borrowings	731	5,187
Proceeds from borrowings on lines of credit	354,137	151,436
Principal payments on lines of credit	(182,000)	-
Payments of finance lease obligations	(5,342)	(4,913)
Change in refundable government student loan funds	(2,475)	(2,843)
Net cash provided by financing activities	<u>173,533</u>	<u>138,041</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(9,000)	(720)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	55,304	56,024
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 46,304</u>	<u>\$ 55,304</u>

As of June 30, 2025 and 2024, the following assets could readily be made available within one year to meet general expenses:

	As of June 30, 2025		
	Financial Assets	Unavailable Within One Year	Available for General Expenditure Within One Year
<i>(in thousands)</i>			
Cash and cash equivalents	\$ 46,304	\$ 4,193	\$ 42,111
Accounts receivable, net	176,365	17,268	159,097
Contributions receivable, net	35,844	35,198	646
Investments - pooled endowment	1,737,859	1,019,053	718,806
Investments - endowment real estate	1,074,700	1,074,700	-
Investments - other	239,090	238,313	777
Loans and notes receivable, net	7,435	7,435	-
	<u>\$ 3,317,597</u>	<u>\$ 2,396,160</u>	<u>\$ 921,437</u>
Liquidity resources - available lines of credit			4,585
Financial assets available for general expenditure within one year			<u>\$ 926,022</u>

	As of June 30, 2024		
	Financial Assets	Unavailable Within One Year	Available for General Expenditure Within One Year
<i>(in thousands)</i>			
Cash and cash equivalents	\$ 55,304	\$ 4,749	\$ 50,555
Accounts receivable, net	147,865	13,699	134,166
Contributions receivable, net	33,944	33,677	267
Investments - pooled endowment	1,587,806	893,444	694,362
Investments - endowment real estate	1,043,400	1,043,400	-
Investments - other	240,564	226,720	13,844
Loans and notes receivable, net	8,146	8,146	-
	<u>\$ 3,117,029</u>	<u>\$ 2,223,835</u>	<u>\$ 893,194</u>
Liquidity resources - available lines of credit			176,723
Financial assets available for general expenditure within one year			<u>\$ 1,069,917</u>

Consolidating Balance Sheet As of June 30, 2025

	<u>GWU</u>	<u>MFA</u>	<u>Eliminations</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 23,196	\$ 23,108	\$ -	\$ 46,304
Accounts receivable, net	151,324	78,437	(53,396)	176,365
Contributions receivable, net	35,844	-	-	35,844
Investments	3,008,472	46,286	(3,109)	3,051,649
Loans and notes receivable, net	7,435	-	-	7,435
Loans to MFA	370,904	-	(370,904)	-
Property, plant, and equipment, net	1,774,031	64,859	-	1,838,890
Operating lease right of use assets, net	48,239	54,204	(25,908)	76,535
Other assets	40,954	7,514	-	48,468
Total assets	<u>\$ 5,460,399</u>	<u>\$ 274,408</u>	<u>\$ (453,317)</u>	<u>\$ 5,281,490</u>
LIABILITIES				
Accounts payable and accrued expenses	\$ 290,363	\$ 170,651	\$ (53,030)	\$ 407,984
Deferred revenue and deposits	98,957	866	-	99,823
Operating lease liability	55,644	58,693	(26,274)	88,063
Debt, net	2,167,884	117,502	-	2,285,386
Loans from GWU	-	370,904	(370,904)	-
Funds advanced for student loans	5,199	-	-	5,199
Total liabilities	<u>2,618,047</u>	<u>718,616</u>	<u>(450,208)</u>	<u>2,886,455</u>
NET ASSETS				
Without donor restrictions	1,655,908	(444,208)	(3,109)	1,208,591
With donor restrictions	1,186,444	-	-	1,186,444
Total net assets	<u>2,842,352</u>	<u>(444,208)</u>	<u>(3,109)</u>	<u>2,395,035</u>
Total liabilities and net assets	<u>\$ 5,460,399</u>	<u>\$ 274,408</u>	<u>\$ (453,317)</u>	<u>\$ 5,281,490</u>

Consolidating Statement of Activities

Fiscal year ended June 30, 2025

	GWU	MFA	Eliminations	Total
OPERATING REVENUE				
Student tuition and fees, net	\$ 836,514	\$ -	\$ (281)	\$ 836,233
Patient care, net	-	308,541	-	308,541
Grants and contracts including indirect cost recoveries	237,158	1,606	-	238,764
Auxiliary enterprises, net	138,610	1,376	-	139,986
Endowment income distributed for operations	111,526	-	-	111,526
Medical education agreements	93,326	23,124	(32,298)	84,152
Contributions	15,664	-	-	15,664
Investment income used in operations	14,157	1,516	(13,116)	2,557
Net assets released from restrictions	12,131	-	-	12,131
Other	52,696	57,599	(29,754)	80,541
Total operating revenue	<u>1,511,782</u>	<u>393,762</u>	<u>(75,449)</u>	<u>1,830,095</u>
OPERATING EXPENSES				
Salaries and benefits	852,394	269,619	(285)	1,121,728
Purchased services	348,508	69,869	(48,595)	369,782
Depreciation	96,135	7,052	-	103,187
Interest	87,505	20,689	(13,116)	95,078
Occupancy	80,764	20,110	(7,380)	93,494
Medical supplies	460	89,448	-	89,908
Scholarships and fellowships	19,787	80	-	19,867
Other	101,954	26,878	(6,073)	122,759
Total operating expenses	<u>1,587,507</u>	<u>503,745</u>	<u>(75,449)</u>	<u>2,015,803</u>
CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES	<u>(75,725)</u>	<u>(109,983)</u>	<u>-</u>	<u>(185,708)</u>
NON-OPERATING ACTIVITIES				
Investment income, net	306,305	-	-	306,305
Net assets released from restriction	(12,131)	-	-	(12,131)
Contributions, net	54,831	-	-	54,831
Endowment income distributed for operations	(111,526)	-	-	(111,526)
Other	(20,555)	9,863	-	(10,692)
Total non-operating activities	<u>216,924</u>	<u>9,863</u>	<u>-</u>	<u>226,787</u>
CHANGE IN NET ASSETS	<u>141,199</u>	<u>(100,120)</u>	<u>-</u>	<u>41,079</u>
NET ASSETS AT THE BEGINNING OF THE YEAR	<u>2,701,153</u>	<u>(344,088)</u>	<u>(3,109)</u>	<u>2,353,956</u>
NET ASSETS AT THE END OF THE YEAR	<u>\$ 2,842,352</u>	<u>\$ (444,208)</u>	<u>\$ (3,109)</u>	<u>\$ 2,395,035</u>

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