



Monthly Financial Report

(Unaudited)

System Office:

*The University of Texas
System Administration*

Academic Components:

*The University of Texas
at Arlington*

*The University of Texas
at Austin*

*The University of Texas
at Brownsville*

*The University of Texas
at Dallas*

*The University of Texas
at El Paso*

*The University of Texas –
Pan American*

*The University of Texas
of the Permian Basin*

*The University of Texas
at San Antonio*

*The University of Texas
at Tyler*

Health Components:

*The University of Texas
Southwestern Medical Center
at Dallas*

*The University of Texas
Medical Branch at Galveston*

*The University of Texas Health
Science Center at Houston*

*The University of Texas Health
Science Center at San Antonio*

*The University of Texas
M.D. Anderson Cancer Center*

*The University of Texas Health
Center at Tyler*

March 2002

THE UNIVERSITY OF TEXAS SYSTEM
MONTHLY FINANCIAL REPORT
(Unaudited)
FOR THE SEVEN MONTHS ENDING
MARCH 31, 2002

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**The University of Texas System
Monthly Financial Report**

Foreword

Beginning September 1, 2001, compliance with Governmental Accounting Standards Board Statement No. 35 (GASB 35), *Basic Financial Statements - and Management's Discussion and Analysis -for Public Colleges and Universities* requires substantial changes in the annual reporting of financial results. These changes include: the measurement focus and basis of accounting has changed from modified accrual to full accrual, first-time recognition of depreciation expense for exhaustible capital assets, an entity-wide rather than a National Association of College and University Business Officers (NACUBO) fund groups (E&G, Designated, Auxiliary Enterprises, Restricted, etc.) perspective, a current versus non-current classification of the balance sheet, an operating versus non-operating classification of revenues and expenses, a direct method of cash flow statement and enhanced footnote disclosures.

In anticipation of these changes to the Annual Financial Report (AFR), the Monthly Financial Report (MFR) was revised in scope and format under the consultation of the U. T. System Institutions' financial reporting staffs. The goal is to provide for better consistency in monitoring financial condition between the MFR and the AFR under GASB 35. The following data is represented under the new requirements, and therefore historical comparisons and restatements are not possible or practical. Accordingly, the MFR's for 2002 will compare results of operations between the current month and the prior month. Explanations are provided for month-to-month variances that meet the following two criteria: (1) the variance is at least 10% of the prior month actual; and (2) the variance is greater than \$1,000,000. In 2003, prior period data for 2002 will be available in the new reporting format and we will once again begin to compare to previous year.

The data is reported in three sections: (1) Operating Revenues, (2) Operating Expenses and (3) Other Non-operating Adjustments. Presentation of State appropriation revenues are required under GASB 35 to be reflected as non-operating revenues, so all institutions will report an Operating Loss prior to this adjustment. The MFR provides an Adjusted Income (Loss), which takes into account the non-operating adjustments associated with core operating activities. An Adjusted Margin (as a percentage of operating and non-operating revenue adjustments) is calculated for each period and is intended to reflect relative operating contributions to financial health.

UNAUDITED
The University of Texas System
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2002

	Year-to-Date <u>FY 2002</u>	Month of <u>Mar</u>	Month of Feb	Variance of Current Month	Fluctuation Percentage
Operating Revenues					
Student Tuition and Fees	\$402,748,729	\$53,101,760	\$51,457,358	\$1,644,402	3.20%
Sponsored Programs	856,242,469	114,475,257	113,229,766	1,245,491	1.10%
Net Sales and Services of Educational Activities	95,032,280	12,287,403	14,376,894	(2,089,491)	-14.53% (1)
Net Sales and Services of Hospitals	810,725,865	121,372,908	112,237,830	9,135,078	8.14%
Net Professional Fees	356,105,115	52,383,005	50,991,614	1,391,391	2.73%
Net Auxiliary Enterprises	133,760,127	18,025,507	16,755,147	1,270,360	7.58%
Other Operating Revenues	237,391,108	26,024,763	51,074,375	(25,049,612)	-49.05% (2)
Total Operating Revenues	2,892,005,693	397,670,603	410,122,984	(12,452,381)	-3.04%
Operating Expenses					
Salaries and Wages	1,921,290,387	271,885,714	279,177,777	(7,292,063)	-2.61%
Employee Benefits and Related Costs	479,009,317	72,013,171	72,234,617	(221,446)	-0.31%
Professional Fees and Contracted Services	205,234,366	30,079,746	29,920,003	159,743	0.53%
Scholarships and Fellowships	214,735,620	5,121,181	13,513,506	(8,392,325)	-62.10% (4)
Travel	40,136,994	6,650,245	5,348,715	1,301,530	4.33% (4)
Materials and Supplies	392,375,656	55,366,089	54,162,637	1,203,452	2.22%
Utilities	83,124,569	12,000,294	11,726,510	273,784	2.33%
Telecommunications	30,719,885	4,089,947	4,614,706	(524,759)	-11.37%
Repairs and Maintenance	47,928,943	6,303,654	6,146,884	156,770	2.55%
Rentals and Leases	32,481,698	4,841,805	4,648,923	192,882	4.15%
Printing and Reproduction	18,011,311	2,353,191	2,917,446	(564,255)	-19.34%
Bad Debt Expense	345,125	0	16,754	(16,754)	-100.00%
Claims and Losses	(1,309,292)	(579,128)	(2,350,796)	1,771,668	75.36% (5)
Federal Sponsored Programs Pass-Throughs	32,744,489	5,585,254	4,260,899	1,324,355	21.08% (6)
State Sponsored Programs Pass-Throughs	6,699,594	791,348	961,983	(170,635)	-17.74%
Depreciation and Amortization	175,029,858	25,299,982	25,120,256	179,726	0.72%
Other Operating Expenses	297,691,289	35,855,587	54,884,914	(19,029,327)	-34.67% (7)
Total Operating Expenses	3,976,249,809	537,658,080	567,305,734	(29,647,654)	-5.23%
Operating Loss	(1,084,244,116)	(139,987,477)	(157,182,750)	17,195,273	10.94%
Other Non-operating Adjustments					
State Appropriations	958,571,210	137,948,722	137,371,941	576,781	0.42%
Gift Contributions for Operations	112,344,816	17,142,380	21,290,514	(4,148,134)	-19.48% (8)
Net Investment Income	173,054,285	26,090,507	25,216,590	873,917	3.47%
Interest Expense on Capital Asset Financings	(39,946,715)	(5,579,107)	(5,617,026)	37,919	0.68%
Net Other Non-operating Adjustments	1,204,023,596	175,602,502	178,262,019	(2,659,517)	-1.49%
Adjusted Income (Loss)	\$119,779,480	\$35,615,025	\$21,079,269	\$14,535,756	68.96%
Adjusted Margin (as a percentage)	2.90%	6.15%	3.55%		1

THE UNIVERSITY OF TEXAS SYSTEM
EXPLANATION OF VARIANCES ON THE MONTHLY FINANCIAL REPORT
For the Seven Months Ending March 31, 2002

Explanations are provided for month-to-month variances that meet the following **two** criteria: 1) the variance is at least 10% of the prior month actual; and 2) the variance is greater than \$1,000,000.

Prior period data may have been restated for comparability purposes.

OPERATING REVENUES

- (1) Net Sales and Services of Educational Activities – The \$2.1 million (14.5%) decrease in revenues compared to February is primarily due to *U.T. Austin* (\$1.5 million) and *U.T.S.M.C. Dallas* (\$549,000).

U.T. Austin's variance is primarily due to lower **Performing Arts Center** revenue in March due to fewer events being scheduled than February.

U.T.S.M.C. Dallas' variance is primarily due to decreased lab fees as well as decreased Transplant Services Fees. Variances are inevitable because the need for these services will vary from month to month.

- (2) Other Operating Revenues – The \$25 million (49.1%) decrease in revenues compared to February is primarily due to *U.T.H.S.C. San Antonio* (\$11.3 million), *U.T.H.S.C. Houston* (\$8.6 million), *U.T.M.D. Anderson* (\$2.4 million), *U.T.M.B. Galveston* (\$1.2 million) and *U.T.S.M.C. Dallas* (\$1.1 million).

U.T.H.S.C. San Antonio, *U.T.H.S.C. Houston* and *U.T.S.M.C. Dallas'* variances result from the February inclusion of the non-profit healthcare companies' (NPHC) quarterly revenues. These variances will reoccur on a quarterly basis. *U.T.M.B. Galveston*, *U. T.M.D. Anderson* and *U.T.H.C. Tyler* have chosen to include the NPHC revenues and expenses on a monthly basis.

U.T.M.D. Anderson's variance is due to Children's Art Program revenues being included in February.

U.T.M.B. Galveston's variance is due to decreased NPHC revenue related to the Children's Health Insurance Program prescription drugs and decreased royalty revenues in March.

OPERATING EXPENSES

- (3) Scholarships and Fellowships – The \$8.4 million (62.1%) decrease in expenses compared to February is primarily due to *U.T. Austin* (\$5.6 million), *U.T. San Antonio* (\$1.8 million), *U.T. Tyler* (\$753,000) and *U.T. El Paso* (\$399,000) with an offsetting increase at *U.T.M.B. Galveston* (\$510,000).

The variances at the *U.T.* academic institutions are primarily due to scholarships that were awarded and disbursed in February for the Spring semester.

U.T.M.B. Galveston's variance is due to the disbursement of education grants for student tuition. *U.T.M.B. Galveston's* semester begins in March.

- (4) Travel – The \$1.3 million (24.3%) increase in expenses compared to February is primarily due to *U.T.M.D. Anderson* (\$410,000), *U.T. Austin* (\$326,000) and *U.T.H.S.C. Houston* (\$158,000). Variances are inevitable because the travel needs at each institution vary from month to month.

- (5) Claims and Losses – The \$1.8 million (75.4%) increase in expenses compared to February is primarily due to *U.T. System Administration* (\$1.7 million). Increased claims expenses were experienced for the self-insurance plans in March compared to February. Variances are inevitable because the insurance claims expenses will vary from month to month.

- (6) Federal Sponsored Programs Pass-Throughs – The \$1.3 million (31.1%) increase in expenses as compared to February is primarily due to *U.T. Austin* (\$904,000), *U.T. San Antonio* (\$152,000) and *U.T. El Paso* (\$120,000). The variances resulted from various billings received from sub-contractors for direct cost reimbursements on contract and grant projects that were paid in March. Variances are inevitable and difficult to predict since payments are based on the billing frequencies of the sub-contractors.

- (7) **Other Operating Expenses** – The \$19 million (34.7%) decrease in expenses compared to February is primarily due to *U.T.H.S.C. San Antonio* (\$10.6 million), *U.T.H.S.C. Houston* (\$8.4 million) and *U.T.M.B. Galveston* (\$1.4 million) with offsetting increases at *U.T. Austin* (\$876,000) and *U.T. Brownsville* (\$356,000).

U.T.H.S.C. San Antonio's and *U.T.H.S.C. Houston's* variances result from the February inclusion of the NPHC quarterly expenses. These variances will reoccur on a quarterly basis.

U.T.M.B. Galveston's variance is due to decreased expenses in professional license fees and advertising services. Variances are inevitable because the need for these items will vary from month to month.

U.T. Austin's variance is primarily due to property insurance payments in March. The remainder of the institutions did not incur the expense until April. The variance will **reoccur** in April and May.

U.T. Brownsville's variance is primarily due to increased training expenses in March.

OTHER NON-OPERATING ADJUSTMENTS

- (8) **Gift Contributions for Operations** – The \$4.1 million (19.5%) decrease in revenues compared to **February** is primarily due to *U. T.M.D. Anderson* (\$5.9 million) and *U.T. Austin* (\$1.1 million), with offsetting increased revenues at *U.T.S.M.C. Dallas* (\$2.1 million) and *U.T.M.B. Galveston* (\$715,000). These variances are due to the inconsistent **nature** in which **gifts** and pledges are received. The variances are expected to continue as **gift** contributions are recognized throughout the year.

GLOSSARY OF TERMS

OPERATING REVENUES:

STUDENT TUITION AND FEES *All student tuition and fee revenues earned at the U.T. component institution for educational purposes.*

SPONSORED PROGRAMS-Funding received from **local, state and federal governments** or private agencies, organizations or individuals. Includes **amounts** received for services performed on grants, contracts, and agreements from these entities for current operations. This also includes indirect cost recoveries and pass-through federal **and state** grants.

NET SALES AND SERVICES OF EDUCATIONAL ACTIVITIES -Revenues that **are** related to the conduct of instruction, research, and public service and revenues from activities that exist to provide an instructional and laboratory experience for students that create goods and services that may be sold.

NET SALES AND SERVICES OF HOSPITALS Revenues (net of discounts, **allowances**, and bad debt expense) generated from **U.T. health institution's** daily patient care, **special** or other services, **as well as** revenues from health clinics that are part of a hospital.

NET PROFESSIONAL FEES - Revenues (net of discounts, **allowances**, and bad debt expense) **derived from the fees** charged by the professional **staffs** at **U.T. health institutions** as part of the **Medical Practice Plans**. These revenues **are** also identified **as** Practice Plan income. Examples of such fees could include doctor's fees for clinic visits, medical and dental procedures, professional opinions, and anatomical procedures, such **as** analysis of specimens after **a** surgical procedure. **etc.**

NET AUXILIARY ENTERPRISES - Revenues **derived from a** service to students, faculty, or **staff in** which **a** fee is charged that is directly related to, although not necessarily equal to the cost of the service (**e.g.**, bookstores, dormitories, dining halls, snack bars, inter-collegiate athletic programs, etc.).

OTHER OPERATING REVENUES - Other revenues generated from sales or services provided to meet current **fiscal year** operating expenses, which **are** not included in the preceding categories (**e.g.**, **certified** non-profit healthcare company **revenues** (quarterly), donated drugs, interest on student loans, patent and royalty income, etc.).

TOTAL OPERATING REVENUES - **U.T. component institutionally generated funding** needed to meet **current fiscal** year operating expenses.

OPERATING EXPENSES:

SALARIES AND WAGES - Expenses for **all salaries** and wages of individuals employed by the institution including **full-time**, part-time, longevity, hourly, seasonal, etc.

EMPLOYEE BENEFITS AND RELATED COSTS - **Expenses for all** employee **benefits paid** by the institution **or paid** by the state on **behalf of** the institution.

PROFESSIONAL FEES AND CONTRACTED SERVICES - Payments for services rendered on **a** fee, contract, or other basis by **a** person, **firm**, corporation, or company recognized as possessing **a** high degree of learning and responsibility. Includes such items as services of a consultant, legal counsel, financial or audit fees, medical contracted services, guest lecturers (not employees) and expert witnesses.

SCHOLARSHIPS AND FELLOWSHIPS-Payments **made for** scholarship grants to students authorized by law.

TRAVEL - Payments for travel costs incurred during travel by employees, board or commission members and elected/appointed **officials** on state business. Includes payments made directly **to public** transportation companies or credit card issuers by state agencies for travel expenses of its employees, **officials** and board members.

MATERIALS AND SUPPLIES - Payments for consumable items. Includes, but is **not** limited to: computer consumables, **office** supplies, paper products, soap, lights, **plants**, **fuels** and **lubricants**, chemicals and gasses, medical supplies and copier supplies. Also includes postal services, and subscriptions and other publications **not for permanent retention**.

UTILITIES - Payments for the purchase of electricity, **natural gas**, water, thermal energy and **waste** disposal.

TELECOMMUNICATIONS - Electronically transmitted communications services (telephone, internet, computation center services, etc.).

REPAIRS AND MAINTENANCE - Payments for the maintenance and repair of **equipment, furnishings** and motor vehicles. Includes, but is **not** limited to **repair and** maintenance to copy machines, furnishings, equipment - including medical and **laboratory** equipment, office equipment and **aircraft**. Also includes payments for the **maintenance** and repair of buildings and **other plant facilities**.

RENTALS AND LEASES - Payments for rentals or leases of **furnishings** and equipment, vehicles, land and **office** buildings (all rental of space).

PRINTING AND REPRODUCTION - Printing **and** reproduction costs associated with the printing/copying of the institutions documents and publications.

BAD DEBT EXPENSE - Expenses incurred by the university related to "on-payment of accounts receivable and student loans.

CLAIMS AND LOSSES - Payments for **claims from self-insurance programs**. Other claims for settlements and judgments are considered non-operating expenses.

FEDERAL SPONSORED PROGRAMS PASS-THROUGHS - **Pass-throughs** to other Texas **state** agencies, including other universities, **of federal grants** and **contracts**.

STATE SPONSORED PROGRAMS PASS-THROUGHS - **Pass-throughs** to other Texas state agencies, including Texas universities.

DEPRECIATION AND AMORTIZATION - **Estimated** depreciation and amortization expense.

OTHER OPERATING EXPENSES - Other operating expenses not identified in other line items above (e.g., certified **non-profit** healthcare company expenses (quarterly), property **taxes**, insurance premiums, credit card fees, **hazardous** waste disposal expenses, meetings and conferences, **temporary** employment expenses, etc.).

TOTAL OPERATING EXPENSES- **Total** operating **expenses for U.T.** System component institution.

OPERATING LOSS - Total operating **revenues** less total operating expenses before other "on-operating adjustments like **state** appropriations.

OTHER NON-OPERATING ADJUSTMENTS:

STATE APPROPRIATIONS - Appropriations from the State General Revenue fund, which supplement the U.T. component **institutional** revenue in meeting operating expenses, such as faculty salaries, utilities, **and** institutional support. Also includes Higher Education Assistance Funds (HEAF), which is a source of **state** appropriated general revenue to **U.T. Brownsville** and **U.T. Pan America**". **HEAF funds** are appropriated for construction, library and equipment expenses for **Texas public** universities **that** do not **benefit from** the Permanent University Fund (PUF) bond proceeds.

GIFT CONTRIBUTIONS FOR OPERATIONS - Consist of public and private unrestricted gifts used **in** current operations. Excludes **gifts for** capital acquisition and endowment **gifts**.

NET INVESTMENT INCOME - Interest and dividend income, **excluding fair** market value adjustments to short and **long-term** investments held by a" institution. Also **includes** "on-mandatory transfers of General Endowment Fund distributions.

INTEREST EXPENSE ON CAPITAL ASSET FINANCINGS - Interest expenses **associated** with bond and note borrowings utilized **to finance** capital improvement projects by **an** institution. This consists of the **interest** portion of mandatory debt service transfers under the Revenue Financing System and Tuition Revenue **bond programs**.

NET OTHER NON-OPERATING ADJUSTMENTS - Sum of the other non-operating adjustments.

ADJUSTED MCOME (LOSS) - Total operating revenues less total operating expenses plus "et other "on-operating adjustments.

ADJUSTED MARGIN (as a percentage)- Percentage **of Adjusted** Income (Loss) divided by Total Operating Revenues plus Net Non-operating Adjustments less Interest Expense on Capitol Asset **Financings**.

UNAUDITED
The University of Texas System Administration
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2002

	Year-to-Date <u>FY 2002</u>	Month of <u>Mar</u>	Month of <u>Feb</u>	Variance of Current Month to Prior Month	Fluctuation Percentage
Operating Revenues					
Net Sales and Services of Educational Activities	\$199,969	\$0	\$179	\$(179)	100.00%
Other Operating Revenues	<u>1,772,086</u>	<u>66,911</u>	<u>85,222</u>	<u>(18,311)</u>	<u>-21.49%</u>
Total Operating Revenues	<u>1,972,055</u>	<u>66,911</u>	<u>85,401</u>	<u>(18,490)</u>	<u>-21.65%</u>
Operating Expenses					
Salaries and Wages	3,663,956	(4,701,059)	1,702,820	(6,403,879)	-376.07%
Employee Benefits and Related Costs	3,541,041	510,421	558,689	(48,268)	-8.64%
Professional Fees and Contracted Services	5,148,275	(972,311)	962,391	(1,934,702)	-201.03%
Travel	704,098	109,742	114,154	(4,412)	-3.86%
Materials and Supplies	1,278,866	236,025	161,666	74,359	46.00%
Utilities	19,142	2,874	1,813	1,061	58.52%
Telecommunications	229,381	33,622	17,629	15,993	90.72%
Repairs and Maintenance	425,693	20,550	93,641	(73,091)	-78.05%
Rentals and Leases	447,523	57,679	71,752	(14,073)	-19.61%
Printing and Reproduction	218,227	26,068	27,284	(1,216)	-4.46%
Claims and Losses	(2,351,394)	(753,673)	(2,477,269)	1,723,596	69.58%
Depreciation and Amortization	523,481	74,783	74,783	0	0.00%
Other Operating Expenses	<u>1,977,066</u>	<u>173,037</u>	<u>45,713</u>	<u>127,324</u>	<u>278.53%</u>
Total Operating Expenses	<u>15,825,355</u>	<u>(5,182,242)</u>	<u>1,355,066</u>	<u>(6,537,308)</u>	<u>-482.43%</u>
Operating Loss	<u>(13,853,300)</u>	<u>5,249,153</u>	<u>(1,269,665)</u>	<u>6,518,818</u>	<u>513.43%</u>
Other Non-operating Adjustments					
State Appropriations	510,832	72,976	72,976	0	0.00%
Gift Contributions for Operations	297,930	9,610	82,088	(72,478)	-88.29%
Net Investment Income	26,541,087	3,690,526	3,830,573	(140,047)	-3.66%
Interest Expense on Capital Asset Financings	(17,556)	(2,508)	(2,508)	0	0.00%
Net Other Non-operating Adjustments	<u>27,332,293</u>	<u>3,770,604</u>	<u>3,983,129</u>	<u>(212,525)</u>	<u>-5.34%</u>
Adjusted Income (Loss)	\$13,478,993	\$9,019,757	\$2,713,464	\$6,306,293	232.41%
Adjusted Margin (as a percentage)	45.97%	234.89%	66.65%		

UNAUDITED
The University of Texas at Arlington
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2002

	<u>Year-to-Date</u> <u>FY 2002</u>	<u>Month of</u> <u>Mat</u>	<u>Month of</u> <u>Feb</u>	<u>Variance of</u> <u>Current Month</u> <u>to Prior Month</u>	<u>Fluctuation</u> <u>Percentage</u>
Operating Revenues					
Student Tuition and Fees	\$45,832,646	\$6,145,053	\$5,945,053	\$200,000	3.36%
Sponsored Programs	21,134,758	1,393,857	1,982,655	(588,798)	-29.70%
Net Sales and Services of Educational Activities	1,904,751	688,781	467,809	220,972	47.24%
Net Auxiliary Enterprises	7,923,544	950,089	1,169,006	(218,917)	-18.73%
Other Operating Revenues	1,929,434	210,738	295,446	(84,708)	-28.67%
Total Operating Revenues	78,725,133	9,388,518	9,859,969	(471,451)	-4.78%
Operating Expenses					
Salaries and Wages	69,665,905	10,059,960	9,987,993	71,967	0.72%
Employee Benefits and Related Costs	17,082,495	2,440,637	2,434,984	5,653	0.23%
Professional Fees and Contracted Services	3,241,735	669,978	443,139	226,839	51.19%
Scholarships and Fellowships	19,448,938	273,522	550,336	(276,814)	-50.30%
Travel	1,345,871	245,227	219,821	25,406	11.56%
Materials and Supplies	6,961,364	1,090,989	920,049	170,940	18.58%
Utilities	3,843,910	631,593	531,614	99,979	18.81%
Telecommunications	1,078,097	132,199	165,727	(33,528)	-20.23%
Repairs and Maintenance	2,326,112	249,752	180,509	69,243	38.36%
Rentals and Leases	722,537	72,236	89,576	(17,340)	-19.36%
Printing and Reproduction	1,228,898	120,916	231,267	(110,351)	-47.72%
Federal Sponsored Programs Pass-Throughs	305,325	77,445	29,381	48,064	163.59%
State Sponsored Programs Pass-Throughs	18,625	0	0	0	0.00%
Depreciation and Amortization	4,372,874	622,442	570,647	51,795	9.08%
Other Operating Expenses	2,611,584	577,519	369,377	208,142	56.35%
Total Operating Expenses	134,254,270	17,264,415	16,724,420	539,995	3.23%
Operating Loss	(55,529,137)	(7,875,897)	(6,864,451)	(1,011,446)	-14.73%
Other Non-operating Adjustments					
State Appropriations	60,466,289	8,631,087	8,622,195	8,892	0.10%
Gift Contributions for Operations	999,990	119,344	97,708	21,636	22.14%
Net Investment Income	1,657,163	265,695	242,920	22,775	9.38%
Interest Expense on Capital Asset Financings	(2,594,284)	(370,612)	(370,612)	0	0.00%
Net Other Non-operating Adjustments	60,529,158	8,645,514	8,592,211	53,303	0.62%
Adjusted Income (Loss)	\$5,000,021	\$769,617	\$1,727,760	\$(958,143)	-55.46%
Adjusted Margin (as a percentage)	3.52%	4.18%	9.18%		

UNAUDITED
The University of Texas at Austin
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2002

	Year-to-Date <u>FY 2002</u>	Month of <u>Mar</u>	Month of <u>Feb</u>	variance Of Current Month <u>to Prior Month</u>	Fluctuation <u>Percentage</u>	
Operating Revenues						
Student Tuition and Fees	\$194,588,465	\$25,084,901	\$24,926,586	\$158,315	0.64%	Op
Sponsored Programs	188,673,903	23,962,710	25,420,469	(1,457,759)	-5.73%	Stu
Net Sales and Services of Educational Activities	34,744,937	3,633,399	5,106,804	(1,473,405)	-28.85%	Sp
Net Auxiliary Enterprises	77,244,385	11,717,288	9,220,998	2,496,290	27.07%	Ne
Other Operating Revenues	69,513,928	9,975,642	10,354,797	(379,155)	-3.66%	Otl
Total Operating Revenues	<u>564,765,618</u>	<u>74,373,940</u>	<u>75,029,654</u>	<u>(655,714)</u>	<u>-0.87%</u>	TO
Operating Expenses						
Salaries and Wages	401,930,136	56,251,345	57,836,664	(1,585,319)	-2.74%	Op
Employee Benefits and Related Costs	89,568,923	13,390,101	13,441,661	(51,560)	-0.38%	Sal
Professional Fees and Contracted Services	28,664,976	3,637,416	4,734,895	(1,097,479)	-23.18%	Err
Scholarships and Fellowships	82,411,899	1,750,854	7,307,130	(5,556,276)	-76.04%	Pr
Travel	15,002,935	2,486,566	2,160,905	325,661	15.07%	Scl
Materials and Supplies	47,379,154	6,852,995	6,806,878	46,117	0.68%	Tr
Utilities	23,271,262	3,740,020	3,575,091	164,929	4.61%	Ma
Telecommunications	6,459,220	1,008,551	1,201,188	(192,637)	-16.04%	Uti
Repairs and Maintenance	9,236,985	1,544,409	1,571,284	(26,875)	-1.71%	Tel
Rentals and Leases	7,315,348	772,289	858,078	(85,789)	-10.00%	Rej
Printing and Reproduction	6,293,051	864,003	1,041,766	(177,763)	-17.06%	Re
Bad Debt Expense	343,750	0	0	0	0.00%	Pri
Federal Sponsored Programs Pass-Throughs	5,455,139	1,279,174	375,202	903,972	240.93%	Dej
State Sponsored Programs Pass-Throughs	842,735	45,812	125,841	(80,029)	-63.60%	Otl
Depreciation and Amortization	36,036,568	5,095,994	5,079,893	16,101	0.32%	TO
Other Operating Expenses	23,191,362	3,699,761	2,823,947	875,814	31.01%	
Total Operating Expenses	<u>783,403,443</u>	<u>102,419,290</u>	<u>108,940,423</u>	<u>(6,521,133)</u>	<u>-5.99%</u>	Op
Operating LOSS	<u>(218,637,825)</u>	<u>(28,045,350)</u>	<u>(33,910,769)</u>	<u>5,865,419</u>	<u>17.30%</u>	Otl
Other Non-operating Adjustments						
State Appropriations	177,522,632	26,181,550	25,951,227	230,323	0.89%	Sta
Gift Contributions for Operations	42,650,890	6,969,327	8,115,306	(1,145,979)	-14.12%	Ne
Net Investment Income	50,591,029	7,907,534	7,255,389	652,145	8.99%	Int
Interest Expense on Capital Asset Financings	(9,987,048)	(1,416,381)	(1,451,714)	35,333	2.43%	Ne
Net Other Non-operating Adjustments	<u>260,777,503</u>	<u>39,642,030</u>	<u>39,870,208</u>	<u>(228,178)</u>	<u>-0.57%</u>	
Adjusted Income (Loss)	<u>\$42,139,678</u>	<u>\$11,596,680</u>	<u>\$5,959,439</u>	<u>\$5,637,241</u>	<u>94.59%</u>	
Adjusted Margin (as a percentage)	<u>5.04%</u>	<u>10.05%</u>	<u>5.12%</u>			

UNAUDITED

The University of Texas at Brownsville
 Comparison of Operating Results and Margin
 For the Seven Months Ending March 31, 2002

	Year-to-Date <u>FY 2002</u>	Month of <u>Mar</u>	Month of <u>Feb</u>	Variance of Current Month to Prior Month	Fluctuation Percentage
Operating Revenues					
Student Tuition and Fees	\$4,698,437	\$564,464	\$478,169	\$86,295	18.05%
Sponsored Programs	25,721,809	3,790,700	2,503,081	1,287,619	51.44%
Net Sales and Services of Educational Activities	2,246,850	221,233	190,754	30,479	15.98%
Net Auxiliary Enterprises	108,953	16,321	12,993	3,328	25.61%
Other Operating Revenues	10,571	876	999	(123)	-12.31%
Total Operating Revenues	32,786,620	4,593,594	3,185,996	1,407,598	44.18%
Operating Expenses					
Salaries and Wages	21,316,002	3,174,589	3,163,406	11,183	0.35%
Employee Benefits and Related Costs	4,198,974	618,862	618,088	774	0.13%
Professional Fees and Contracted Services	912,712	138,473	139,010	(537)	-0.39%
Scholarships and Fellowships	2,947,289	449,943	310,841	139,102	44.75%
Travel	428,655	80,738	72,067	8,671	12.03%
Materials and Supplies	2,225,129	238,867	247,746	(8,879)	-3.58%
Utilities	574,142	81,307	77,915	3,392	4.35%
Telecommunications	529,321	80,820	70,540	10,280	14.57%
Repairs and Maintenance	280,410	27,740	34,292	(6,552)	-19.11%
Rentals and Leases	1,361,320	173,417	160,186	13,231	8.26%
Printing and Reproduction	250,535	26,373	21,891	4,482	20.47%
Depreciation and Amortization	1,065,952	149,780	149,197	583	0.39%
Other Operating Expenses	4,369,591	854,228	498,429	355,799	71.38%
Total Operating Expenses	40,460,032	6,095,137	5,563,608	531,529	9.55%
Operating Loss	(7,673,412)	(1,501,543)	(2,377,612)	876,069	36.85%
Other Non-operating Adjustments					
State Appropriations	12,444,273	1,714,421	1,714,478	(57)	0.00%
Net Investment Income	225,234	24,354	25,095	(741)	-2.95%
Interest Expense on Capital Asset Financings	(750,099)	(107,157)	(107,157)	0	0.00%
Net Other Non-operating Adjustments	11,919,408	1,631,618	1,632,416	(798)	-0.05%
Adjusted Income (Loss)	\$4,245,996	\$130,075	\$(745,196)	\$875,271	117.46%
Adjusted Margin (as a percentage)	9.34%	2.05%	-15.13%		

UNAUDITED
The University of Texas at Dallas
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2002

	Year-to-Date FY 2002	Month of Mar	Month of Feb	Variance Of Current Month to Prior Month	Fluctuation Percentage
Operating Revenues					
Student Tuition and Fees	\$39,022,472	\$4,975,078	\$3,791,698	\$1,183,380	31.21%
Sponsored Programs	12,972,588	919,440	893,764	25,676	2.87%
Net Sales and Services of Educational Activities	2,484,943	104,551	342,159	(237,608)	-69.44%
Net Auxiliary Enterprises	2,502,327	406,125	357,229	48,896	13.69%
Other Operating Revenues	2,176,371	526,922	502,579	24,343	4.84%
Total Operating Revenues	59,158,701	6,932,116	5,887,429	1,044,687	17.74%
Operating Expenses					
Salaries and Wages	50,582,928	7,332,031	7,459,383	(127,352)	-1.71%
Employee Benefits and Related Costs	11,303,786	1,669,707	1,719,256	(49,549)	-2.88%
Professional Fees and Contracted Services	3,411,220	502,745	424,136	78,609	18.53%
Scholarships and Fellowships	15,020,260	60,358	64,792	(4,434)	-6.84%
Travel	1,174,449	168,805	143,577	25,228	17.57%
Materials and Supplies	5,788,376	1,160,120	766,932	393,188	51.27%
Utilities	2,714,621	333,985	352,259	(18,274)	-5.19%
Telecommunications	628,390	91,870	89,455	2,415	2.70%
Repairs and Maintenance	1,358,793	125,733	90,793	34,940	38.48%
Rentals and Leases	492,267	89,958	50,523	39,435	78.05%
Printing and Reproduction	548,980	112,624	124,118	(11,494)	-9.26%
Bad Debt Expense	0	0	16,754	(16,754)	-100.00%
Federal Sponsored Programs Pass-Throughs	60,581	11,152	2,992	8,160	272.73%
Depreciation and Amortization	4,503,900	467,456	655,229	(187,773)	-28.66%
Other Operating Expenses	3,805,963	638,929	327,296	311,633	95.21%
Total Operating Expenses	101,394,514	12,765,473	12,287,495	477,978	3.89%
Operating Loss	(42,235,813)	(5,833,357)	(6,400,066)	566,709	8.85%
Other Non-operating Adjustments					
State Appropriations	38,928,106	5,651,491	5,545,134	106,357	1.92%
Gil? Contributions for Operations	1,758,512	309,535	256,126	53,409	20.85%
Net Investment Income	5,108,325	573,719	727,094	(153,375)	-21.09%
Interest Expense on Capital Asset Financings	(1,414,728)	(202,104)	(202,104)	0	0.00%
Net Other Non-operating Adjustments	44,380,215	6,332,641	6,326,250	6,391	0.10%
Adjusted Income (Loss)	\$2,144,402	\$499,284	\$(73,816)	\$573,100	776.39%
Adjusted Margin (as a percentage)	2.04%	3.71%	-0.59%		

UNAUDITED
The University of Texas at El Paso
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2002

	Year-to-Date <u>FY 2002</u>	Month of <u>Mar</u>	Month of <u>Feb</u>	Variance of Current Month to Prior Month	Fluctuation Percentage
Operating Revenues					
Student Tuition and Fees	\$27,968,899	\$3,995,557	\$3,995,557	\$0	0.00%
Sponsored Programs	43,325,098	3,289,446	3,712,833	(423,387)	-11.40%
Net Sales and Services of Educational Activities	2,436,083	220,029	256,414	(36,385)	-14.19%
Net Auxiliary Enterprises	10,735,458	794,785	1,367,478	(572,693)	-41.88%
Other Operating Revenues	20,337	945	984	(39)	-3.96%
Total Operating Revenues	84,485,875	8,300,762	9,333,266	(1,032,504)	-11.06%
Operating Expenses					
Salaries and Wages	58,045,427	8,227,508	8,296,967	(69,459)	-0.84%
Employee Benefits and Related Costs	13,840,785	1,951,673	1,958,383	(6,710)	-0.34%
Professional Fees and Contracted Services	5,574,939	620,432	776,851	(156,419)	-20.14%
Scholarships and Fellowships	28,149,409	633,777	1,033,085	(399,308)	-38.65%
Travel	2,972,186	390,512	427,136	(36,624)	-8.57%
Materials and Supplies	7,292,265	734,079	1,023,186	(289,107)	-28.26%
Utilities	2,706,227	410,491	439,319	(28,828)	-6.56%
Telecommunications	695,697	133,868	56,132	77,736	138.49%
Repairs and Maintenance	1,694,560	155,243	155,065	178	0.11%
Rentals and Leases	573,748	103,348	68,273	35,075	51.37%
Printing and Reproduction	486,324	45,822	33,373	12,449	37.30%
Federal Sponsored Programs Pass-Throughs	3,273,648	402,947	283,049	119,898	42.36%
State Sponsored Programs Pass-Throughs	743,381	22,524	6,301	16,223	257.47%
Depreciation and Amortization	7,088,882	1,022,670	1,037,401	(14,731)	-1.42%
Other Operating Expenses	2,055,909	213,923	114,408	99,515	86.98%
Total Operating Expenses	135,193,387	15,068,817	15,708,929	(640,112)	-4.07%
Operating Loss	(50,707,512)	(6,768,055)	(6,375,663)	(392,392)	-6.15%
Other Non-operating Adjustments					
State Appropriations	46,232,795	6,604,685	6,604,685	0	0.00%
Gift Contributions for Operations	3,193,804	243,761	294,823	(51,062)	-17.32%
Net Investment Income	3,563,997	490,183	500,116	(9,933)	-1.99%
Interest Expense on Capital Asset Financings	(2,108,421)	(301,203)	(301,203)	0	0.00%
Net Other Non-operating Adjustments	50,882,175	7,037,426	7,098,421	(60,995)	-0.86%

Adjusted Income (Loss)	\$174,663	\$269,371	\$722,758	\$(453,387)	-62.73%
Adjusted Margin (as a percentage)	0.13%	1.72%	4.32%		

UNAUDITED
The University of Texas-Pan American
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2002

	Year-to-Date <u>FY 2002</u>	Month of <u>Mar</u>	Month of <u>Feb</u>	Variance of Current Month to Prior Month	Fluctuation Percentage
Operating Revenues					
Student Tuition and Fees	\$23,490,639	\$3,116,484	\$3,131,034	\$(14,550)	-0.46%
Sponsored Programs	32,237,355	1,326,537	1,802,952	(476,415)	-26.42%
Net Sales and Services of Educational Activities	3,026,386	409,773	490,559	(80,786)	-16.47%
Net Auxiliary Enterprises	3,146,731	449,533	449,533	0	0.00%
Other Operating Revenues	176,823	38,721	27,939	10,782	38.59%
Total Operating Revenues	62,077,934	5,341,048	5,902,017	(560,969)	-9.50%
Operating Expenses					
Salaries and Wages	35,858,613	5,177,602	5,126,814	50,788	0.99%
Employee Benefits and Related Costs	8,677,309	1,343,452	1,172,214	171,238	14.61%
Professional Fees and Contracted Services	175,578	25,128	45,821	(20,693)	-45.16%
Scholarships and Fellowships	30,117,631	583,464	765,232	(181,768)	-23.75%
Travel	1,036,559	162,972	116,831	46,141	39.49%
Materials and Supplies	6,158,532	597,724	1,406,048	(808,324)	-57.49%
Utilities	2,676,245	353,208	343,643	9,565	2.78%
Telecommunications	332,738	40,301	41,153	(852)	-2.07%
Repairs and Maintenance	454,723	48,097	34,484	13,613	39.48%
Rentals and Leases	237,693	42,094	52,805	(10,711)	-20.28%
Printing and Reproduction	327,750	63,237	66,348	(3,111)	-4.69%
Federal Sponsored Programs Pass-Throughs	110,340	11,017	2,334	8,683	372.02%
Depreciation and Amortization	3,111,804	456,329	458,110	(1,781)	-0.39%
Other Operating Expenses	2,567,066	297,861	345,091	(47,230)	-13.69%
Total Operating Expenses	91,862,581	9,202,486	9,976,928	(774,442)	-7.16%
Operating Loss	(29,784,647)	(3,861,438)	(4,074,911)	213,473	5.24%
Other Non-operating Adjustments					
State Appropriations	35,743,274	5,087,869	5,107,884	(20,015)	-0.39%
Gift Contributions for Operations	371,574	31,414	14,027	17,387	123.95%
Net Investment Income	1,275,977	194,791	190,793	3,998	2.10%
Interest Expense on Capital Asset Financings	(1,822,723)	(260,389)	(260,389)	0	0.00%
Net Other Non-operating Adjustments	35,568,102	5,053,685	5,052,315	1,370	0.03%
Adjusted Income (Loss)	\$5,783,455	\$1,192,247	\$977,404	\$214,843	21.98%
Adjusted Margin (as a percentage)	5.81%	11.19%	8.72%		

UNAUDITED
The University of Texas of the Permian Basin
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2002

	Year-to-Date FY 2002	Month of Mar	Month of Feb	Variance of Current Month to Prior Month	Fluctuation Percentage
Operating Revenues					
Student Tuition and Fees	\$3,603,229	\$514,747	\$514,747	\$0	0.00%
Sponsored Programs	2,421,629	404,877	404,877	0	0.00%
Net Sales and Services of Educational Activities	383,773	43,397	63,029	(19,632)	-31.15%
Net Auxiliary Enterprises	97,288	15,006	13,032	1,974	15.15%
Other Operating Revenues	116,168	10,903	16,903	(6,000)	-35.50%
Total Operating Revenues	6,622,087	988,930	1,012,588	(23,658)	-2.34%
Operating Expenses					
Salaries and Wages	6,520,229	936,696	941,115	(4,419)	-0.47%
Employee Benefits and Related Costs	1,558,377	233,484	233,292	192	0.08%
Professional Fees and Contracted Services	493,831	137,960	61,485	76,475	124.38%
Scholarships and Fellowships	1,134,060	24,161	19,484	4,677	24.00%
Travel	206,155	21,539	24,037	(2,498)	-10.39%
Materials and Supplies	864,775	71,443	94,162	(22,719)	-24.13%
Utilities	781,997	110,700	110,700	0	0.00%
Telecommunications	98,155	15,036	15,036	0	0.00%
Repairs and Maintenance	712,900	41,598	161,070	(119,472)	-74.17%
Rentals and Leases	89,476	10,426	10,278	148	1.44%
Printing and Reproduction	120,878	14,112	14,295	(183)	-1.28%
Federal Sponsored Programs Pass-Throughs	103,831	14,833	14,833	0	0.00%
State Sponsored Programs Pass-Throughs	252,322	36,046	36,046	0	0.00%
Depreciation and Amortization	704,522	100,646	100,646	0	0.00%
Other Operating Expenses	374,800	81,058	53,857	27,201	50.51%
Total Operating Expenses	14,016,308	1,849,738	1,890,336	(40,598)	-2.15%
Operating Loss	(7,394,221)	(860,808)	(877,748)	16,940	1.93%
Other Non-operating Adjustments					
State Appropriations	8,174,390	1,167,770	1,167,770	0	0.00%
Gift Contributions for Operations	577,514	82,502	82,502	0	0.00%
Net Investment Income	268,455	51,806	51,806	0	0.00%
Interest Expense on Capital Asset Financings	(715,001)	(102,143)	(102,143)	0	0.00%
Net Other Non-operating Adjustments	8,305,358	1,199,935	1,199,935	0	0.00%
Adjusted Income (Loss)	\$911,137	\$339,127	\$322,187	\$16,940	5.26%
Adjusted Margin (as a percentage)	5.82%	14.80%	13.92%		

UNAUDITED
The University of Texas at San Antonio
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2002

	Year-to-Date <u>FY 2002</u>	Month of <u>Mar</u>	Month of <u>Feb</u>	Variance or Current Month to Prior Month	Fluctuation Percentage
Operating Revenues					
Student Tuition and Fees	\$34,439,340	\$4,720,323	\$5,067,134	X346.81 I)	-6.84%
Sponsored Programs	27,242,639	1,405,027	2,336,475	(931,448)	-39.87%
Net Sales and Services of Educational Activities	1,031,254	258,097	211,815	46,282	21.85%
Net Auxiliary Enterprises	3,219,729	416,784	658,640	(241,856)	-36.72%
Other Operating Revenues	437,042	142,350	69,181	73,169	105.76%
Total Operating Revenues	66,370,004	6,942,581	8,343,245	(1,400,664)	-16.79%
Operating Expenses					
Salaries and Wages	53,242,327	7,636,908	7,692,681	(55,773)	-0.73%
Employee Benefits and Related Costs	10,373,721	1,504,006	1,526,686	(22,680)	-1.49%
Professional Fees and Contracted Services	2,318,265	436,462	262,088	174,374	66.53%
Scholarships and Fellowships	23,176,516	219,335	1,972,359	(1,753,024)	-88.88%
Travel	1,653,472	239,309	189,827	49,482	26.07%
Materials and Supplies	3,593,548	599,613	519,369	80,244	15.45%
Utilities	2,358,419	336,917	336,917	0	0.00%
Telecommunications	1,107,586	184,556	103,265	81,291	78.72%
Repairs and Maintenance	1,506,888	284,091	208,007	76,084	36.58%
Rentals and Leases	615,806	104,960	109,640	(4,680)	-4.27%
Printing and Reproduction	682,031	68,523	83,229	(14,706)	-17.67%
Federal Sponsored Programs Pass-Throughs	956,706	303,025	151,402	151,623	100.15%
State Sponsored Programs Pass-Throughs	268,288	48,517	12,955	35,562	274.50%
Depreciation and Amortization	7,480,190	1,119,789	1,111,466	8,323	0.75%
Other Operating Expenses	2,276,034	380,388	371,915	8,473	2.28%
Total Operating Expenses	111,609,797	13,466,399	14,651,806	(1,185,407)	-8.09%
Operating LOSS	(45,239,793)	(6,523,818)	(6,308,561)	(215,257)	-3.41%
Other Non-operating Adjustments					
State Appropriations	45,927,623	6,561,089	6,561,089	0	0.00%
Gift Contributions for Operations	1,630,317	115,898	228,039	(112,141)	-49.18%
Net Investment Income	1,812,569	238,309	224,608	13,701	6.10%
Interest Expense on Capital Asset Financings	(3,839,584)	(548,512)	(548,512)	0	0.00%
Net Other Non-operating Adjustments	45,530,925	6,366,784	6,465,224	(98,440)	-1.52%
Adjusted Income (Loss)	\$291,132	\$(157,034)	\$156,663	\$(313,697)	-200.24%
Adjusted Margin (as a percentage)	0.25%	-1.13%	1.02%		

UNAUDITED
The University of Texas at Tyler
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2002

	Year-to-Date FY 2002	Month of Mar	Month of Feb	Variance of Current Month to Prior Month	Fluctuation Percentage
Operating Revenues					
Student Tuition and Fees	\$5,652,188	\$808,106	\$788,557	\$19,549	2.48%
Sponsored Programs	4,128,254	386,167	1,142,333	(756,166)	-66.19%
Net Sales and Services of Educational Activities	165,861	39,860	3,908	35,952	919.96%
Net Auxiliary Enterprises	490,057	40,404	94,967	(54,563)	-57.45%
Other Operating Revenues	88,538	9,555	7,364	2,191	29.75%
Total Operating Revenues	10,524,898	1,284,092	2,037,129	(753,037)	-36.97%
Operating Expenses					
Salaries and Wages	11,556,537	1,558,526	1,719,705	(161,179)	-9.37%
Employee Benefits and Related Costs	2,636,178	390,850	419,652	(28,802)	-6.86%
Professional Fees and Contracted Services	851,357	74,662	295,478	(220,816)	-74.73%
Scholarships and Fellowships	3,450,540	274,823	1,027,648	(752,825)	-73.26%
Travel	340,733	55,059	54,990	69	0.13%
Materials and Supplies	1,011,491	158,380	125,790	32,590	25.91%
Utilities	443,055	20,689	73,947	(53,258)	-72.02%
Telecommunications	196,682	25,138	25,356	(218)	-0.86%
Repairs and Maintenance	863,912	72,299	136,994	(64,695)	-47.22%
Rentals and Leases	73,827	17,002	11,051	5,951	53.85%
Printing and Reproduction	269,757	46,919	43,996	2,923	6.64%
Federal Sponsored Programs Pass-Throughs	261,905	66,720	23,783	42,937	180.54%
State Sponsored Programs Pass-Throughs	22,972	0	0	0	0.00%
Depreciation and Amortization	1,600,322	249,927	250,136	(209)	-0.08%
Other Operating Expenses	826,230	104,309	117,482	(13,173)	-11.21%
Total Operating Expenses	24,345,498	3,115,303	4,326,008	(1,210,705)	-21.99%
Operating Loss	(13,820,600)	(1,831,211)	(2,288,879)	457,668	20.00%
Other Non-operating Adjustments					
State Appropriations	15,244,555	2,192,973	2,190,097	2,876	0.13%
Gift Contributions for Operations	297,362	18,560	38,495	(19,935)	-51.79%
Net Investment Income	487,763	69,680	67,553	2,127	3.15%
Interest Expense on Capital Asset Financings	(396,284)	(56,612)	(56,612)	0	0.00%
Net Other Non-operating Adjustments	15,633,396	2,224,601	2,239,533	(14,932)	-0.67%
Adjusted Income (Loss)	\$1,812,796	\$393,390	\$(49,346)	\$442,736	897.21%
Adjusted Margin (as a percentage)	6.83%	11.03%	-1.14%		

UNAUDITED
The University of Texas Southwestern Medical Center at Dallas
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2002

	Year-to-Date <u>FY 2002</u>	Month of <u>Mar</u>	Month of <u>Feb</u>	Variance of Current Month to Prior Month	Fluctuation Percentage
Operating Revenues					
Student Tuition and Fees	\$7,231,799	\$630,261	\$601,384	\$28,877	4.80%
Sponsored Programs	167,119,255	26,276,417	24,012,992	2,263,425	9.43%
Net Sales and Services of Educational Activities	39,441,387	5,568,718	6,117,955	(549,237)	-8.98%
Net Sales and Services of Hospitals	769,686	76,655	403,135	(326,480)	-80.99%
Net Professional Fees	75,912,891	10,094,994	11,824,430	(1,729,436)	-14.63%
Net Auxiliary Enterprises	3,707,559	490,599	519,657	(29,058)	-5.59%
Other Operating Revenues	4,228,228	300,722	1,448,644	(1,147,922)	-79.24%
Total Operating Revenues	298,410,805	43,438,366	44,928,197	(1,489,831)	-3.32%
Operating Expenses					
Salaries and Wages	195,991,758	28,281,735	28,106,853	174,882	0.62%
Employee Benefits and Related Costs	56,037,540	7,796,809	7,853,934	(57,125)	-0.73%
Professional Fees and Contracted Services	35,034,999	7,726,127	4,136,728	3,589,399	86.77%
Scholarship and Fellowships	3,718,822	37,658	68,216	(30,558)	-44.80%
Travel	3,241,551	524,126	422,092	102,034	24.17%
Materials and Supplies	41,251,611	5,961,063	5,530,996	430,067	7.78%
Utilities	9,508,259	1,368,156	1,292,230	75,926	5.88%
Telecommunications	2,699,661	434,149	437,061	(2,912)	-0.67%
Repairs and Maintenance	1,701,017	223,833	333,997	(110,164)	-32.98%
Rentals and Leases	3,190,030	835,241	321,894	513,347	159.48%
Printing and Reproduction	1,470,783	210,232	180,558	29,674	16.43%
Federal Sponsored Programs Pass-Throughs	570,504	32,224	103,018	(70,794)	-68.72%
Depreciation and Amortization	16,750,139	2,685,963	2,340,483	345,480	14.76%
Other Operating Expenses	21,157,534	3,097,325	3,245,339	(148,014)	-4.56%
Total Operating Expenses	392,324,208	59,214,641	54,373,399	4,841,242	8.90%
Operating Loss	(93,913,403)	(15,776,275)	(9,445,202)	(6,331,073)	-67.03%
Other Non-operating Adjustments					
State Appropriations	65,294,923	9,299,275	9,299,275	0	0.00%
Gift Contributions for Operations	15,421,974	3,761,550	1,659,543	2,102,007	126.66%
Net Investment Income	28,497,455	5,070,830	4,086,343	984,487	24.09%
Interest Expense on Capital Asset Financings	(4,633,580)	(661,940)	(661,940)	0	0.00%
Net Other Non-operating Adjustments	104,580,772	17,469,715	14,383,221	3,086,494	21.46%
Adjusted Income (Loss)	\$10,667,369	\$1,693,440	\$4,938,019	\$(3,244,579)	-65.71%
Adjusted Margin (as a percentage)	2.62%	2.75%	8.23%		

UNAUDITED
The University of Texas Medical Branch at Galveston
Comparison of Operating Results and Margin
For the Seven Months Ending March **31, 2002**

	Year-to-Date FY 2002	Month of Mar	Month of Feb	Variance of Current Month to Prior Month	Fluctuation Percentage
Operating Revenues					
Student Tuition and Fees	\$4,667,738	\$915,955	\$529,620	\$386,335	72.95%
Sponsored Programs	74,040,576	12,622,827	10,054,315	2,568,512	25.55%
Net Sales and Services of Educational Activities	255,181	27,035	52,367	(25,332)	-48.37%
Net Sales and Services of Hospitals	319,957,706	46,759,613	45,659,467	1,100,146	2.41%
Net Professional Fees	70,791,673	9,653,556	10,179,206	(525,650)	-5.16%
Net Auxiliary Enterprises	4,146,284	476,430	535,343	(58,913)	-11.00%
Other Operating Revenues	51,713,662	6,713,592	7,936,443	(1,222,851)	-15.41%
Total Operating Revenues	525,572,820	77,169,008	74,946,761	2,222,247	2.97%
Operating Expenses					
Salaries and Wages	349,387,898	50,197,848	48,200,767	1,997,081	4.14%
Employee Benefits and Related Costs	92,519,670	13,515,682	13,542,864	(27,182)	-0.20%
Professional Fees and Contracted Services	50,396,298	7,076,221	7,656,921	(580,700)	-7.58%
Scholarships and Fellowships	2,261,816	760,021	249,850	510,171	204.19%
Travel	3,115,824	467,595	402,911	64,684	16.05%
Materials and Supplies	85,099,283	12,254,936	11,398,791	856,145	7.51%
Utilities	12,577,720	1,763,747	1,817,976	(54,229)	-2.98%
Telecommunications	5,369,917	770,094	813,409	(43,315)	-5.33%
Repairs and Maintenance	11,223,593	1,757,339	1,182,558	574,781	48.60%
Rentals and Leases	5,220,015	819,115	632,201	186,914	29.57%
Printing and Reproduction	1,225,243	137,899	182,232	(44,333)	-24.33%
Claims and Losses	1,027,299	174,115	126,471	47,644	37.67%
Federal Sponsored Programs Pass-Throughs	2,823,689	384,986	410,543	(25,557)	-6.23%
Depreciation and Amortization	33,954,410	4,965,185	4,965,313	(128)	0.00%
Other Operating Expenses	74,980,284	10,460,241	11,850,321	(1,390,080)	-11.73%
Total Operating Expenses	731,182,959	105,505,024	103,433,128	2,071,896	2.00%
Operating Loss	(205,610,139)	(28,336,016)	(28,486,367)	150,351	0.53%
Other Non-operating Adjustments					
State Appropriations	174,635,077	24,947,867	24,947,869	(2)	0.00%
Gift Contributions for Operations	2,691,662	822,307	107,431	714,876	665.43%
Net Investment Income	13,901,731	2,164,837	1,977,907	186,930	9.45%
Interest Expense on Capital Asset Financings	(1,060,535)	(151,505)	(151,505)	0	0.00%
Net Other Non-operating Adjustments	190,167,935	27,783,506	26,881,702	901,804	3.35%
Adjusted Income (Loss)	\$(15,442,204)	\$(552,510)	\$(1,604,665)	\$1,052,155	65.57%
Adjusted Margin (as a percentage)	-2.15%	-0.53%	-1.57%		

UNAUDITED
The University of Texas Health Science Center at Houston
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2002

	Year-to-Date <u>FY 2002</u>	Month of <u>Mar</u>	Month of <u>Feb</u>	Variance Of Current Month to Prior Month	Fluctuation Percentage
operating Revenues					
Student Tuition and Fees	\$4,500,979	\$642,997	\$642,997	\$0	0.00%
Sponsored Programs	97,553,632	14,550,093	15,850,942	(1,300,849)	-8.21%
Net Sales and Services of Educational Activities	5,139,344	769,796	804,208	(34,412)	-4.28%
Net Sales and Services of Hospitals	19,560,339	2,822,904	2,825,462	(2,558)	-0.09%
Net Professional Fees	47,791,010	8,084,902	7,615,490	469,412	6.16%
Net Auxiliary Enterprises	7,167,225	846,568	931,095	(84,527)	-9.08%
Other Operating Revenues	57,391,865	5,979,182	14,554,498	(8,575,316)	-58.92%
Total Operating Revenues	239,104,394	33,696,442	43,224,692	(9,528,250)	-22.04%
Operating Expenses					
Salaries and Wages	162,154,812	23,107,318	24,034,422	(927,104)	-3.86%
Employee Benefits and Related Costs	34,741,693	5,213,934	5,427,628	(213,694)	-3.94%
Professional Fees and Contracted Services	41,632,244	5,892,934	6,037,986	(145,052)	-2.40%
Scholarships and Fellowships	1,176,821	24,952	96,610	(71,658)	-74.17%
Travel	2,119,646	397,886	240,013	157,873	65.78%
Materials and Supplies	7,853,508	478,808	1,795,729	(1,316,921)	-73.34%
Utilities	3,634,202	312,368	342,997	(30,629)	-8.93%
Telecommunications	1,452,362	225,381	166,442	58,939	35.41%
Repairs and Maintenance	3,474,677	762,684	308,039	454,645	147.59%
Rentals and Leases	2,872,597	418,702	399,576	19,126	4.79%
Printing and Reproduction	634,173	98,201	84,218	13,983	16.60%
Bad Debt Expense	1,375	0	0	0	0.00%
Federal Sponsored Programs Pass-Throughs	1,914,127	278,807	314,093	(35,286)	-11.23%
State Sponsored Programs Pass-Throughs	990,818	228,434	121,863	106,571	87.45%
Depreciation and Amortization	5,743,436	927,751	822,162	105,589	12.84%
Other operating expenses	38,879,900	3,162,904	11,582,378	(8,419,474)	-72.69%
Total Operating Expenses	309,276,391	41,531,064	51,774,156	(10,243,092)	-19.78%
Operating LOSS	(70,171,997)	(7,834,622)	(8,549,464)	714,842	8.36%
Other Non-operating Adjustments					
State Appropriations				0	0.00%
Gift Contributions for Operations	85,906,945	12,272,278	12,272,278	(4,618)	-36.22%
Net Investment Income	4,260,616	567,429	805,844	(238,415)	-29.59%
Interest Expense on Capital Asset Financings	(3,272,682)	(467,526)	(467,526)	0	0.00%
Net Other Non-operating Adjustments	87,100,744	12,380,313	12,623,346	(243,033)	-1.93%
Adjusted Income (Loss)	\$16,928,747	\$4,545,691	\$4,073,882	\$471,809	11.58%
Adjusted Margin (as a percentage)	5.14%	9.77%	7.23%		

UNAUDITED
The University of Texas Health Science Center at San Antonio
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2002

	Year-to-Date <u>FY 2002</u>	Month of <u>Mar</u>	Month of <u>Feb</u>	Variance of Current Month to Prior Month	Fluctuation Percentage
Operating Revenues					
Student Tuition and Fees	\$6,914,838	\$987,834	\$987,834	\$0	0.00%
Sponsored Programs	74,604,357	11,474,503	11,073,218	401,285	3.62%
Net Sales and Services of Educational Activities	895,967	202,280	173,398	28,882	16.66%
Net Professional Fees	63,222,923	10,007,705	7,970,905	2,036,800	25.55%
Net Auxiliary Enterprises	796,449	135,436	160,380	(24,944)	-15.55%
Other Operating Revenues	30,422,891	616,436	11,944,173	(11,327,737)	-94.84%
Total Operating Revenues	176,857,425	23,424,194	32,309,908	(8,885,714)	-27.50%
Operating Expenses					
Salaries and Wages	119,444,915	16,799,854	17,034,557	(234,703)	-1.38%
Employee Benefits and Related Costs	30,920,202	4,894,295	4,960,919	(66,624)	-1.34%
Professional Fees and Contracted Services	13,369,565	2,531,260	1,854,693	676,567	36.48%
Scholarships and Fellowships	1,721,619	28,313	47,923	(19,610)	40.92%
Travel	1,813,025	357,705	242,834	114,871	47.30%
Materials and Supplies	9,531,118	1,368,097	1,423,729	(55,632)	-3.91%
Utilities	2,982,207	440,885	490,796	(49,911)	-10.17%
Telecommunications	4,604,397	621,567	760,110	(138,543)	-18.23%
Repairs and Maintenance	460,933	89,578	67,273	22,305	33.16%
Rentals and Leases	812,421	89,508	141,179	(51,671)	-36.60%
Printing and Reproduction	1,040,724	147,181	190,206	(43,025)	-22.62%
Claims and Losses	14,803	430	2	428	21,400.00%
Federal Sponsored Programs Pass-Throughs	12,773,197	2,076,259	2,015,504	60,755	3.01%
State Sponsored Programs Pass-Throughs	2,493,173	389,690	395,359	(5,669)	-1.43%
Depreciation and Amortization	9,589,111	1,369,873	1,369,873	0	0.00%
Other Operating Expenses	51,188,511	5,047,426	15,689,172	(10,641,746)	-67.83%
Total Operating Expenses	262,759,921	36,251,921	469684,129	(10,432,208)	-22.35%
Operating Loss	(85,902,496)	(12,827,727)	(14,374,221)	1,546,494	10.76%
Other Non-operating Adjustments					
State Appropriations	81,459,077	11,637,011	11,637,011	0	0.00%
Gift Contributions for Operations	5,868,129	596,418	404,691	191,727	47.38%
Net Investment Income	9,993,346	1,537,875	1,622,258	(84,383)	-5.20%
Interest Expense on Capital Asset Financings	(3,311,721)	(473,103)	(473,103)	0	0.00%
Net Other Non-operating Adjustments	94,008,831	13,298,201	13,190,857	107,344	0.81%
Adjusted Income (Loss)	\$8,106,335	\$470,474	\$(1,183,364)	\$1,653,838	139.76%
Adjusted Margin (as a percentage)	2.96%	1.26%	-2.57%		

UNAUDITED
The University of Texas M. D. Anderson Cancer Center
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2002

	Year-to-Date <u>FY 2002</u>	Month of <u>Mar</u>	Month of <u>Feb</u>	Variance of Current Month to Prior Month	Fluctuation Percentage
Operating Revenues					
Student Tuition and Fees	\$137,060	\$0	\$56,988	\$(56,988)	-100.00%
Sponsored Programs	81,466,963	11,986,820	11,507,530	479,290	4.17%
Net Sales and Services of Hospitals	441,707,131	68,041,097	59,319,738	8,721,359	14.70%
Net Professional Fees	90,948,804	13,458,908	12,334,340	1,124,568	9.12%
Net Auxiliary Enterprises	11,886,752	1,194,118	1,183,041	1,107	0.94%
Other Operating Revenues	15,467,141	1,199,629	3,561,991	(2,362,362)	-66.32%
Total Operating Revenues	641,613,851	95,880,572	87,963,628	7,916,944	9.00%
Operating Expenses					
Salaries and Wages	348,515,727	53,330,220	53,035,723	294,497	0.56%
Employee Benefits and Related Costs	94,536,699	15,451,791	15,279,888	171,903	1.13%
Professional Fees and Contracted Services	10,349,790	1,006,173	1,317,404	(311,231)	-23.62%
Travel	4,688,617	901,014	491,506	409,508	83.32%
Materials and Supplies	157,212,144	22,467,360	20,506,807	1,960,553	9.56%
Utilities	13,920,934	1,880,496	1,803,785	76,711	4.25%
Telecommunications	4,945,585	248,849	623,131	(374,282)	-60.06%
Repairs and Maintenance	11,349,975	838,353	1,505,662	(667,309)	-44.32%
Rentals and Leases	7,339,496	1,039,325	1,533,727	(494,402)	-32.24%
Printing and Reproduction	2,722,214	305,542	524,897	(219,355)	-41.79%
Federal Sponsored Programs Pass-Throughs	4,007,860	624,924	507,170	117,754	23.22%
State Sponsored programs Pass-Throughs	1,067,280	20,325	263,618	(243,293)	-92.29%
Depreciation and Amortization	40,204,572	5,666,211	5,809,827	(143,616)	-2.47%
Other Operating Expenses	64,444,624	6,625,961	6,950,887	(324,926)	-4.67%
Total Operating Expenses	765,305,517	110,406,544	110,154,032	252,512	0.23%
Operating Loss	(123,691,666)	(14,525,972)	(22,190,404)	7,664,432	34.54%
Other Non-operating Adjustments					
State Appropriations	91,287,070	13,241,473	12,993,066	248,407	1.91%
Gift Contributions for Operations	36,307,373	4,050,779	9,927,615	(5,876,836)	-59.20%
Net Investment Income	23,224,734	2,998,505	3,356,086	(357,581)	-10.65%
Interest Expense on Capital Asset Financings	(3,999,187)	(454,086)	(456,672)	2,586	0.57%
Net Other Non-operating Adjustments	146,819,990	19,836,671	25,820,095	(5,983,424)	-23.17%
Adjusted Income (Loss)	\$23,128,324	\$5,310,699	\$3,629,691	\$1,681,008	46.31%
Adjusted Margin (as a percentage)	2.92%	4.57%	3.18%		

UNAUDITED
The University of Texas Health Center at Tyler
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2002

	Year-to-Date <u>FY 2002</u>	Month of <u>Mar</u>	Month of <u>Feb</u>	Variance of <u>Current Month</u> <u>to Prior Month</u>	Fluctuation <u>Percentage</u>
Operating Revenues					
Sponsored Programs	\$3,599,653	\$685,836	\$531,330	\$154,506	29.08%
Net Sales and Services of Educational Activities	615,594	100,454	95,536	4,918	5.15%
Net Sales and Services of Hospitals	28,731,003	3,672,639	4,030,028	(357,389)	-8.87%
Net Professional Fees	7,437,814	1,082,940	1,067,243	15,697	1.47%
Net Auxiliary Enterprises	587,386	76,021	81,755	(5,734)	-7.01%
Other Operating Revenues	1,926,023	231,639	267,212	(35,573)	-13.31%
Total Operating Revenues	42,957,473	5,849,529	6,073,104	(223,575)	-3.68%
Operating Expenses					
Salaries and Wages	33,413,217	4,514,633	4,837,907	(323,274)	-6.68%
Employee Benefits and Related Costs	7,471,924	1,087,467	1,086,479	988	0.09%
Professional Fees and Contracted Services	3,658,582	576,086	770,977	(194,891)	-25.28%
Travel	293,218	41,450	26,014	15,436	59.34%
Materials and Supplies	8,874,492	1,095,590	1,434,759	(339,169)	-23.64%
Utilities	1,112,227	212,858	135,508	77,350	57.08%
Telecommunications	212,696	43,946	29,072	14,874	51.16%
Repairs and Maintenance	917,772	62,355	83,216	(20,861)	-25.07%
Rentals and Leases	1,117,594	196,505	138,184	58,321	42.21%
Printing and Reproduction	491,743	65,539	67,768	(2,229)	-3.29%
Federal Sponsored Programs Pass-Throughs	127,637	21,741	27,595	(5,854)	-21.21%
Depreciation and Amortization	2,299,695	325,183	325,090	93	0.03%
Other Operating Expenses	2,984,831	440,717	499,302	(58,585)	-11.73%
Total Operating Expenses	63,035,628	8,684,070	9,461,871	(777,801)	-8.22%
Operating Loss	(20,078,155)	(2,834,541)	(3388,767)	554,226	16.35%
Other Non-operating Adjustments					
State Appropriations	18,794,349	2,684,907	2,684,907	0	0.00%
Gift Contributions for Operations	70,920	3,243	(30,630)	33,813	110.59%
Net Investment Income	1,644,804	244,434	252,205	(7,771)	-3.08%
Interest Expense on Capital Asset Financings	(23,282)	(3,326)	(3,326)	0	0.00%
Net Other Non-operating Adjustments	20,486,791	2,929,258	2,903,156	26,102	0.90%
Adjusted Income (Loss)					
	\$408,636	\$94,717	\$(485,611)	\$580,328	119.50%
Adjusted Margin (as a percentage)					
	0.64%	1.08%	-5.41%		