

THE UNIVERSITY OF TEXAS SYSTEM
OFFICE OF THE CONTROLLER

MONTHLY FINANCIAL REPORT
(unaudited)

APRIL 2008



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THE UNIVERSITY OF TEXAS SYSTEM
MONTHLY FINANCIAL REPORT
(Unaudited)
FOR THE EIGHT MONTHS ENDING
APRIL 30, 2008

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

Foreword

The Monthly Financial Report (MFR) compares the results of operations between the current year-to-date cumulative amounts and the prior year-to-date cumulative amounts. Explanations are provided for institutions having the largest variances in Adjusted Income (Loss) year-to-date as compared to the prior year, both in terms of dollars and percentages. In addition, although no significant variance may exist, institutions with losses may be discussed.

The data is reported in three sections: (1) Operating Revenues, (2) Operating Expenses and (3) Other Nonoperating Adjustments. Presentation of state appropriation revenues are required under GASB 35 to be reflected as nonoperating 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 nonoperating adjustments associated with core operating activities. An Adjusted Margin (as a percentage of operating and nonoperating revenue adjustments) is calculated for each period and is intended to reflect relative operating contributions to financial health.

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UNAUDITED
The University of Texas System
Comparison of Operating Results and Margin
For the Eight Months Ending April 30, 2008

	April Year-to-Date <u>FY 2008</u>	April Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 930,245,408	\$ 864,360,952	\$ 65,884,456	7.6%
Sponsored Programs	1,647,999,346	1,539,740,004	108,259,342	7.0%
Net Sales and Services of Educational Activities	187,467,219	187,710,395	(243,176)	-0.1%
Net Sales and Services of Hospitals	1,951,210,100	1,788,211,594	162,998,506	9.1%
Net Professional Fees	616,676,958	680,999,172	(64,322,214)	-9.4%
Net Auxiliary Enterprises	247,966,177	237,068,654	10,897,523	4.6%
Other Operating Revenues	84,986,462	84,246,398	740,064	0.9%
Total Operating Revenues	<u>5,666,551,670</u>	<u>5,382,337,169</u>	<u>284,214,501</u>	<u>5.3%</u>
Operating Expenses				
Salaries and Wages	3,478,264,645	3,225,040,745	253,223,900	7.9%
Payroll Related Costs	857,514,676	788,029,735	69,484,941	8.8%
Professional Fees and Contracted Services	197,095,548	176,181,536	20,914,012	11.9%
Other Contracted Services	281,482,370	265,091,049	16,391,321	6.2%
Scholarships and Fellowships	437,409,136	407,349,498	30,059,638	7.4%
Travel	79,708,490	69,652,726	10,055,764	14.4%
Materials and Supplies	762,451,126	712,741,690	49,709,436	7.0%
Utilities	180,763,926	161,644,774	19,119,152	11.8%
Telecommunications	65,689,414	42,876,595	22,812,819	53.2%
Repairs and Maintenance	115,391,953	100,674,825	14,717,128	14.6%
Rentals and Leases	73,111,352	67,645,675	5,465,677	8.1%
Printing and Reproduction	18,380,875	17,876,396	504,479	2.8%
Bad Debt Expense	47,430	835,004	(787,574)	-94.3%
Claims and Losses	6,509,372	17,430,632	(10,921,260)	-62.7%
Federal Sponsored Programs Pass-Throughs	19,247,385	17,508,469	1,738,916	9.9%
Depreciation and Amortization	459,373,705	413,513,467	45,860,238	11.1%
Other Operating Expenses	235,779,361	236,381,077	(601,716)	-0.3%
Total Operating Expenses	<u>7,268,220,764</u>	<u>6,720,473,893</u>	<u>547,746,871</u>	<u>8.2%</u>
Operating Loss	<u>(1,601,669,094)</u>	<u>(1,338,136,724)</u>	<u>(263,532,370)</u>	<u>-19.7%</u>
Other Nonoperating Adjustments				
State Appropriations	1,304,401,467	1,175,209,432	129,192,035	11.0%
Gift Contributions for Operations	230,189,401	190,982,473	39,206,928	20.5%
Net Investment Income	544,059,652	475,319,309	68,740,343	14.5%
Interest Expense on Capital Asset Financings	(128,549,223)	(108,373,563)	(20,175,660)	-18.6%
Net Other Nonoperating Adjustments	<u>1,950,101,297</u>	<u>1,733,137,651</u>	<u>216,963,646</u>	<u>12.5%</u>
Adjusted Income (Loss) including Depreciation	348,432,203	395,000,927	(46,568,724)	-11.8%
Adjusted Margin (as a percentage) including Depreciation	4.5%	5.5%		
Investment Gains (Losses)	860,099,292	2,103,722,098	(1,243,622,806)	-59.1%
Adj. Inc. (Loss) with Investment Gains (Losses)	\$ 1,208,531,495	\$ 2,498,723,025	\$ (1,290,191,530)	-51.6%
Adj. Margin % with Investment Gains (Losses)	14.0%	26.8%		
Adjusted Income (Loss) with Investment Gains (Losses) excluding Depreciation	1,667,905,200	2,912,236,492	(1,244,331,292)	-42.7%
Adjusted Margin (as a percentage) with Investment Gains (Losses) excluding Depreciation	19.4%	31.2%		

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**The University of Texas System
Comparison of Adjusted Income (Loss)
For the Eight Months Ending April 30, 2008**

	Including Depreciation and Amortization Expense			
	April	April	Variance	Fluctuation Percentage
	Year-to-Date FY 2008	Year-to-Date FY 2007		
UT System Administration	\$ 187,957,260	\$ 155,658,273	\$ 32,298,987 (1)	20.7%
UT Arlington	11,799,305	12,021,830	(222,525)	-1.9%
UT Austin	61,968,015	63,975,528	(2,007,513)	-3.1%
UT Brownsville	96,923	(931,336)	1,028,259 (2)	110.4%
UT Dallas	8,655,341	(1,208,674)	9,864,015 (3)	816.1%
UT El Paso	3,053,982	2,679,787	374,195	14.0%
UT Pan American	(4,055,375)	(2,849,457)	(1,205,918) (4)	-42.3%
UT Permian Basin	8,278,175	236,896	8,041,279 (5)	3,394.4%
UT San Antonio	19,901,260	22,563,999	(2,662,739)	-11.8%
UT Tyler	3,328,896	1,681,598	1,647,298 (6)	98.0%
UT Southwestern Medical Center - Dallas	60,014,311	62,038,402	(2,024,091)	-3.3%
UT Medical Branch - Galveston	(20,278,149)	8,987,200	(29,265,349) (7)	-325.6%
UT Health Science Center - Houston	24,132,340	27,458,013	(3,325,673)	-12.1%
UT Health Science Center - San Antonio	(6,896,414)	21,485,477	(28,381,891) (8)	-132.1%
UT M. D. Anderson Cancer Center	86,005,926	101,253,281	(15,247,355)	-15.1%
UT Health Science Center - Tyler	203,740	4,990,110	(4,786,370) (9)	-95.9%
Elimination of AUF Transfer	(95,733,333)	(85,040,000)	(10,693,333)	-12.6%
Total Adjusted Income (Loss)	348,432,203	395,000,927	(46,568,724)	-11.8%
Investment Gains (Losses)	860,099,292	2,103,722,098	(1,243,622,806) (10)	-59.1%
Total Adjusted Income (Loss) with Investment Gains (Losses) Including Depreciation and Amortization	\$ 1,208,531,495	\$ 2,498,723,025	\$ (1,290,191,530)	-51.6%

	Excluding Depreciation and Amortization Expense			
	April	April	Variance	Fluctuation Percentage
	Year-to-Date FY 2008	Year-to-Date FY 2007		
UT System Administration	\$ 191,575,212	\$ 159,228,324	\$ 32,346,888	20.3%
UT Arlington	27,101,058	26,085,027	1,016,031	3.9%
UT Austin	168,347,204	154,127,383	14,219,821	9.2%
UT Brownsville	4,058,505	2,670,548	1,387,957	52.0%
UT Dallas	22,182,880	11,544,563	10,638,317	92.2%
UT El Paso	12,909,837	11,835,436	1,074,401	9.1%
UT Pan American	6,194,784	7,813,436	(1,618,652)	-20.7%
UT Permian Basin	10,711,508	2,408,675	8,302,833	344.7%
UT San Antonio	37,344,972	38,589,730	(1,244,758)	-3.2%
UT Tyler	8,129,377	6,219,699	1,909,678	30.7%
UT Southwestern Medical Center - Dallas	104,953,283	104,829,665	123,618	0.1%
UT Medical Branch - Galveston	23,834,324	44,399,960	(20,565,636)	-46.3%
UT Health Science Center - Houston	46,127,915	49,435,224	(3,307,309)	-6.7%
UT Health Science Center - San Antonio	12,311,919	36,688,718	(24,376,799)	-66.4%
UT M. D. Anderson Cancer Center	223,140,405	228,476,455	(5,336,050)	-2.3%
UT Health Science Center - Tyler	4,616,058	9,201,551	(4,585,493)	-49.8%
Elimination of AUF Transfer	(95,733,333)	(85,040,000)	(10,693,333)	-12.6%
Total Adjusted Income (Loss)	807,805,908	808,514,394	(708,486)	-0.1%
Investment Gains (Losses)	860,099,292	2,103,722,098	(1,243,622,806)	-59.1%
Total Adjusted Income (Loss) with Investment Gains (Losses) Excluding Depreciation and Amortization	\$ 1,667,905,200	\$ 2,912,236,492	\$ (1,244,331,292)	-42.7%

THE UNIVERSITY OF TEXAS SYSTEM
EXPLANATION OF VARIANCES ON THE MONTHLY FINANCIAL REPORT
For the Eight Months Ending April 30, 2008

Explanations are provided for institutions having the largest variances in adjusted income (loss) year-to-date as compared to the prior year, both in terms of dollars and percentages. Explanations are also provided for institutions with a current year-to-date adjusted loss.

- (1) UT System Administration - The \$32.3 million (20.7%) increase in adjusted income as compared to the same period last year was primarily due to increased net investment income. Excluding depreciation expense, UT System Administration's adjusted income was \$191.6 million or 67%.
- (2) UT Brownsville - The \$1 million (110.4%) increase in adjusted income over the same period last year was primarily due to increased state appropriations including increased formula funding and increased Tuition Revenue Bonds (TRBs). UT Brownsville's adjusted income excluding depreciation expense was \$4.1 million or 3.9%. UT Brownsville projects a year-end loss of approximately \$812,000 which represents -0.6% of projected revenues. This forecast includes \$5.9 million of depreciation expense.
- (3) UT Dallas - The \$9.9 million (816.1%) increase in adjusted income over the same period last year was primarily due to increased state appropriations including increased formula funding and increased TRBs. Excluding depreciation expense, UT Dallas' adjusted income was \$22.2 million or 10.3%.
- (4) UT Pan American - The \$1.2 million (42.3%) decrease in adjusted income over the same period last year was primarily attributable to an increase in salaries and wages and increased utility costs. Salaries and wages increased as a result of a 3% merit increase for faculty and staff and additional staff needed as a result of the implementation of the Oracle ERP system. Utility costs increased due to a new utility contract with higher rates. As a result of these factors, UT Pan American experienced a \$4.1 million year-to-date loss. Excluding depreciation expense, UT Pan American's adjusted income was \$6.2 million or 3.6%. UT Pan American anticipates ending the year with a \$7.5 million negative margin which represents -3% of projected revenues. This forecast includes \$15.5 million of depreciation expense.
- (5) UT Permian Basin - The \$8 million (3,394.4%) increase in adjusted income over the same period last year was primarily due to increased state appropriations including increased formula funding and increased TRBs. Excluding depreciation expense, UT Permian Basin's adjusted income was \$10.7 million or 26.7%.
- (6) UT Tyler - The \$1.6 million (98%) increase in adjusted income over the same period last year was primarily due to increased state appropriations including increased formula funding and increased TRBs. Excluding depreciation expense, UT Tyler's adjusted income was \$8.1 million or 13.5%.
- (7) UT Medical Branch - Galveston - The \$29.3 million (325.6%) decrease in adjusted income over the same period last year was primarily due to an increase in operating expenses of \$64.8 million corresponding to the increased patient care activity and growth in research related programs. Market adjustments for nursing salaries related to UTMB Hospitals and Clinics and Correctional Managed Care were a significant factor contributing to the increase in personnel costs. As a result of these factors, UTMB experienced a \$20.3 million year-to-date loss. Additionally, UTMB recognized \$24 million less revenue for the Texas Physician Upper Payment Limit (UPL) in 2008. Excluding depreciation expense, UTMB's adjusted income was \$23.8 million or 2.4%. UTMB projects a year-end loss of approximately \$35 million, which represents -2.3% of projected revenues. This forecast includes \$64.6 million of depreciation expense.
- (8) UT Health Science Center - San Antonio - The \$28.4 million (132.1%) decrease in adjusted income over the same period last year was attributable to operations in the physician practice plan, increased salaries and wages, and increased depreciation expense as a result of the acquisition of the Cancer Therapy and Research Center (CTRC). The physician practice plan experienced a \$5.9 million operating loss through April as a result of program expansion efforts, reinvestment in faculty and preparation for the opening of the Medical Arts Research Center in April 2009. These results are consistent with 2008 projections and the School of Medicine's transformation plan. UTHSC-San Antonio expects the physician practice plan loss to continue and grow to \$7.1 million by the end of the fiscal year. Salaries and wages increased as a result of the acquisition of CTRC and market adjustments to address compensation disparities. UTHSC-San Antonio also recognized \$9.8 million less UPL revenue in 2008. Due to these factors, UTHSC-San Antonio incurred a year-to-date loss of \$6.9 million. Excluding depreciation expense, UTHSC-San Antonio's adjusted income was \$12.3 million or 3.1%.

UTHSC-San Antonio projects a year-end loss of approximately \$13.4 million, including \$31.2 million of depreciation expense, which represents -2.1% of projected revenues. The projection includes a loss of \$7.6 million related to the acquisition of CTRC, \$5.2 million of which is depreciation. *UTHSC-San Antonio* is currently determining ways to mitigate the \$2.4 million CTRC loss exclusive of depreciation.

(9) *UT Health Science Center – Tyler* – The \$4.8 million (95.9%) decrease in adjusted income over the same period last year was primarily attributable to an 8% decrease in admissions, a 4% decrease in inpatient visits and a net reduction in grant income of \$500,000. As a result of the reduction in patient volume, *UTHSC-Tyler* reduced its staff by 77 employees since November and incurred over \$520,000 in termination vacation payouts. Additionally, *UTHSC-Tyler* recognized \$3 million less UPL revenue in 2008. As a result of the reduction in staff, *UTHSC-Tyler* expects to achieve more than \$1 million of salary savings during the remainder of 2008. Excluding depreciation expense, *UTHSC-Tyler's* adjusted income was \$4.6 million or 6.2%.

(10) *Investment Gains (Losses)* - The majority of the \$1.2 billion (59.1%) decrease in investment gains relates to the Permanent University Fund of \$583.7 million, the Long Term Fund of \$426.2 million, and the Permanent Health Fund of \$90.9 million.

GLOSSARY OF TERMS

OPERATING REVENUES:

STUDENT TUITION AND FEES – All student tuition and fee revenues earned at the UT 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 UT 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 UT health institutions as part of the Medical Practice Plans. These revenues are also identified as Practice Plan income. Examples of such fees 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 nonprofit healthcare company revenues, donated drugs, interest on student loans, etc.)

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.

PAYROLL 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.

OTHER CONTRACTED SERVICES – Payments for services rendered on a contractual basis by a person, firm, corporation or company that possess a lesser degree of learning and responsibility than that required for Professional Fees and Contracted Services. Includes such items as temporary employment expenses, fully insured medical plans expenses, janitorial services, dry cleaning services, etc.

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.

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, motor vehicles, buildings and other plant facilities. Includes, but is not limited to repair and maintenance to copy machines, furnishings, equipment – including medical and laboratory equipment, office equipment and aircraft.

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 institution's documents and publications.

BAD DEBT EXPENSE – Expenses incurred by the university related to nonrevenue receivables such as non-payment of student loans.

CLAIMS AND LOSSES – Payments for claims from self-insurance programs. Other claims for settlements and judgments are considered nonoperating 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 – Depreciation on capital assets and amortization expense on intangible assets.

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

OPERATING LOSS – Total operating revenues less total operating expenses before other nonoperating adjustments like state appropriations.

OTHER NONOPERATING ADJUSTMENTS:

STATE APPROPRIATIONS – Appropriations from the State General Revenue fund, which supplement the UT institutional revenue in meeting operating expenses, such as faculty salaries, utilities, and institutional support.

GIFT CONTRIBUTIONS FOR OPERATIONS – Consist of gifts from donors received for use in current operations, excluding gifts for capital acquisition and endowment gifts. Gifts for capital acquisition which can only be used to build or buy capital assets are excluded because they can not be used to support current operations. Endowment gifts must be held in perpetuity and can not be spent. The distributed income from endowment gifts must be spent according to the donor’s stipulations.

NET INVESTMENT INCOME (on institutions’ sheets) – Interest and dividend income on treasury balances, bank accounts, Short Term Fund, Intermediate Term Fund and Long Term Fund. It also includes distributed earnings from the Permanent Health Fund and patent and royalty income.

NET INVESTMENT INCOME (on the consolidated sheet) – Interest and dividend earnings of the Permanent University Fund, Short Term Fund, Intermediate Term Fund, Long Term Fund and Permanent Health Fund. This line item also includes the Available University Fund surface income, oil and gas royalties, and mineral lease bonus sales.

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, Tuition Revenue bond and Permanent University Fund (PUF) bond programs. PUF interest expense is reported on System Administration as the debt legally belongs to the Board of Regents.

ADJUSTED INCOME (LOSS) including Depreciation – Total operating revenues less total operating expenses including depreciation expense plus net other nonoperating adjustments.

ADJUSTED MARGIN (as a percentage) including Depreciation – Percentage of Adjusted Income (Loss) including depreciation expense divided by Total Operating Revenues plus Net Nonoperating Adjustments less Interest Expense on Capital Asset Financings.

AVAILABLE UNIVERSITY FUND TRANSFER – Includes Available University Fund (AUF) transfer to System Administration for Educational and General operations and to UT Austin for Excellence Funding. These transfers are funded by investment earnings from the Permanent University Fund (PUF), which are required by law to be reported in the PUF at System Administration. On the MFR, investment income for System Administration has been reduced for the amount of the System Administration transfer so as not to overstate investment income for System Administration. The AUF transfers are eliminated at the consolidated level to avoid overstating System-wide revenues, as the amounts will be reflected as transfers at year-end.

INVESTMENT GAINS (LOSSES) – Realized and unrealized gains and losses on investments.

ADJUSTED INCOME (LOSS) excluding Depreciation – Total operating revenues less total operating expenses excluding depreciation expense plus net other nonoperating adjustments.

ADJUSTED MARGIN (as a percentage) excluding Depreciation – Percentage of Adjusted Income (Loss) excluding depreciation expense divided by Total Operating Revenues plus Net Nonoperating Adjustments less Interest Expense on Capital Asset Financings.

UNAUDITED
The University of Texas System Administration
Comparison of Operating Results and Margin
For the Eight Months Ending April 30, 2008

	April Year-to-Date <u>FY 2008</u>	April Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Sponsored Programs	\$ 16,827,056	\$ 10,683,257	\$ 6,143,799	57.5%
Net Sales and Services of Educational Activities	7,552,704	9,390,243	(1,837,539)	-19.6%
Other Operating Revenues	2,034,927	11,103,810	(9,068,883)	-81.7%
Total Operating Revenues	<u>26,414,687</u>	<u>31,177,310</u>	<u>(4,762,623)</u>	<u>-15.3%</u>
Operating Expenses				
Salaries and Wages	26,047,391	17,314,664	8,732,727	50.4%
Employee Benefits and Related Costs	5,524,997	3,819,887	1,705,110	44.6%
Professional Fees and Contracted Services	645,596	3,221,342	(2,575,746)	-80.0%
Other Contracted Services	12,522,389	5,505,080	7,017,309	127.5%
Scholarships and Fellowships	483,000	105,600	377,400	357.4%
Travel	1,454,938	1,020,472	434,466	42.6%
Materials and Supplies	2,800,945	2,000,823	800,122	40.0%
Utilities	336,763	444,390	(107,627)	-24.2%
Telecommunications	3,143,754	646,272	2,497,482	386.4%
Repairs and Maintenance	636,019	846,164	(210,145)	-24.8%
Rentals and Leases	710,528	656,586	53,942	8.2%
Printing and Reproduction	200,431	133,502	66,929	50.1%
Claims and Losses	6,509,372	17,430,632	(10,921,260)	-62.7%
Depreciation and Amortization	3,617,952	3,570,051	47,901	1.3%
Other Operating Expenses	3,402,368	2,139,133	1,263,235	59.1%
Total Operating Expenses	<u>68,036,443</u>	<u>58,854,598</u>	<u>9,181,845</u>	<u>15.6%</u>
Operating Loss	<u>(41,621,756)</u>	<u>(27,677,288)</u>	<u>(13,944,468)</u>	<u>-50.4%</u>
Other Nonoperating Adjustments				
State Appropriations	614,685	611,837	2,848	0.5%
Gift Contributions for Operations	725,984	536,892	189,092	35.2%
Net Investment Income	235,371,746	190,817,545	44,554,201	23.3%
Interest Expense on Capital Asset Financings	(29,960,365)	(29,964,936)	4,571	0.0%
Net Other Nonoperating Adjustments	<u>206,752,050</u>	<u>162,001,338</u>	<u>44,750,712</u>	<u>27.6%</u>
Adjusted Income (Loss) including Depreciation	165,130,294	134,324,050	30,806,244	22.9%
Adjusted Margin (as a percentage) including Depreciation	62.8%	60.2%		
Available University Fund Transfer	22,826,966	21,334,223	1,492,743	7.0%
Adjusted Income (Loss) with AUF Transfer	187,957,260	155,658,273	32,298,987	20.7%
Adjusted Margin % with AUF Transfer	65.7%	63.7%		
Investment Gains (Losses)	775,449,895	1,889,659,022	(1,114,209,127)	-59.0%
Adj. Inc. (Loss) with AUF Transfer & Invest. Gains (Losses)	\$ 963,407,155	\$ 2,045,317,295	\$ (1,081,910,140)	-52.9%
Adj. Margin % with AUF Transfer & Invest. Gains (Losses)	90.8%	95.8%		
Adjusted Income (Loss) with AUF Transfer excluding Depreciation	191,575,212	159,228,324	32,346,888	20.3%
Adjusted Margin (as a percentage) with AUF Transfer excluding Depreciation	67.0%	65.1%		

UNAUDITED
The University of Texas at Arlington
Comparison of Operating Results and Margin
For the Eight Months Ending April 30, 2008

	April Year-to-Date <u>FY 2008</u>	April Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 113,700,426	\$ 105,989,010	\$ 7,711,416	7.3%
Sponsored Programs	40,665,466	36,945,285	3,720,181	10.1%
Net Sales and Services of Educational Activities	8,495,166	7,825,376	669,790	8.6%
Net Auxiliary Enterprises	16,879,407	16,553,211	326,196	2.0%
Other Operating Revenues	5,042,059	4,279,908	762,151	17.8%
Total Operating Revenues	<u>184,782,524</u>	<u>171,592,790</u>	<u>13,189,734</u>	<u>7.7%</u>
Operating Expenses				
Salaries and Wages	121,196,472	112,554,312	8,642,160	7.7%
Employee Benefits and Related Costs	26,717,131	24,558,042	2,159,089	8.8%
Professional Fees and Contracted Services	3,038,336	3,889,217	(850,881)	-21.9%
Other Contracted Services	6,555,776	6,385,544	170,232	2.7%
Scholarships and Fellowships	30,989,622	26,898,929	4,090,693	15.2%
Travel	3,587,948	2,849,456	738,492	25.9%
Materials and Supplies	14,195,111	12,640,096	1,555,015	12.3%
Utilities	8,236,874	7,513,987	722,887	9.6%
Telecommunications	4,044,341	3,683,592	360,749	9.8%
Repairs and Maintenance	4,867,093	4,121,629	745,464	18.1%
Rentals and Leases	1,995,806	1,611,410	384,396	23.9%
Printing and Reproduction	1,562,582	1,481,122	81,460	5.5%
Federal Sponsored Programs Pass-Thrus	1,489,195	1,226,005	263,190	21.5%
Depreciation and Amortization	15,301,753	14,063,197	1,238,556	8.8%
Other Operating Expenses	6,059,337	7,041,914	(982,577)	-14.0%
Total Operating Expenses	<u>249,837,377</u>	<u>230,518,452</u>	<u>19,318,925</u>	<u>8.4%</u>
Operating Loss	<u>(65,054,853)</u>	<u>(58,925,662)</u>	<u>(6,129,191)</u>	<u>-10.4%</u>
Other Nonoperating Adjustments				
State Appropriations	73,980,721	67,916,594	6,064,127	8.9%
Gift Contributions for Operations	1,719,009	1,245,704	473,305	38.0%
Net Investment Income	6,417,436	5,938,749	478,687	8.1%
Interest Expense on Capital Asset Financings	(5,263,008)	(4,153,555)	(1,109,453)	-26.7%
Net Other Nonoperating Adjustments	<u>76,854,158</u>	<u>70,947,492</u>	<u>5,906,666</u>	<u>8.3%</u>
Adjusted Income (Loss) including Depreciation	11,799,305	12,021,830	(222,525)	-1.9%
Adjusted Margin (as a percentage) including Depreciation	4.4%	4.9%		
Investment Gains (Losses)	3,112,321	7,267,202	(4,154,881)	-57.2%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 14,911,626	\$ 19,289,032	\$ (4,377,406)	-22.7%
Adjusted Margin % with Investment Gains (Losses)	5.5%	7.6%		
Adjusted Income (Loss) excluding Depreciation	27,101,058	26,085,027	1,016,031	3.9%
Adjusted Margin (as a percentage) excluding Depreciation	10.2%	10.6%		

UNAUDITED
The University of Texas at Austin
Comparison of Operating Results and Margin
For the Eight Months Ending April 30, 2008

	April Year-to-Date FY 2008	April Year-to-Date FY 2007	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 387,088,424	\$ 363,078,307	\$ 24,010,117	6.6%
Sponsored Programs	316,110,745	296,482,942	19,627,803	6.6%
Net Sales and Services of Educational Activities	96,579,474	100,152,407	(3,572,933)	-3.6%
Net Auxiliary Enterprises	137,573,974	127,369,512	10,204,462	8.0%
Other Operating Revenues	2,351,474	2,206,584	144,890	6.6%
Total Operating Revenues	939,704,091	889,289,752	50,414,339	5.7%
Operating Expenses				
Salaries and Wages	612,887,767	591,684,758	21,203,009	3.6%
Employee Benefits and Related Costs	141,135,442	135,413,966	5,721,476	4.2%
Professional Fees and Contracted Services	16,793,179	15,154,752	1,638,427	10.8%
Other Contracted Services	45,573,493	48,919,311	(3,345,818)	-6.8%
Scholarships and Fellowships	148,846,630	142,208,432	6,638,198	4.7%
Travel	26,491,715	22,607,251	3,884,464	17.2%
Materials and Supplies	80,974,027	71,221,352	9,752,675	13.7%
Utilities	46,562,650	41,464,302	5,098,348	12.3%
Telecommunications	25,659,713	9,181,009	16,478,704	179.5%
Repairs and Maintenance	18,472,520	15,795,908	2,676,612	16.9%
Rentals and Leases	9,258,951	9,905,857	(646,906)	-6.5%
Printing and Reproduction	6,284,026	6,274,889	9,137	0.1%
Federal Sponsored Programs Pass-Thrus	3,104,854	3,508,146	(403,292)	-11.5%
Depreciation and Amortization	106,379,189	90,151,855	16,227,334	18.0%
Other Operating Expenses	55,330,822	53,587,653	1,743,169	3.3%
Total Operating Expenses	1,343,754,978	1,257,079,441	86,675,537	6.9%
Operating Loss	(404,050,887)	(367,789,689)	(36,261,198)	-9.9%
Other Nonoperating Adjustments				
State Appropriations	224,754,303	211,512,580	13,241,723	6.3%
Gift Contributions for Operations	59,269,457	62,281,522	(3,012,065)	-4.8%
Net Investment Income	109,406,440	92,019,066	17,387,374	18.9%
Interest Expense on Capital Asset Financings	(23,144,631)	(19,087,951)	(4,056,680)	-21.3%
Net Other Nonoperating Adjustments	370,285,569	346,725,217	23,560,352	6.8%
Adjusted Income (Loss) including Depreciation	(33,765,318)	(21,064,472)	(12,700,846)	-60.3%
Adjusted Margin (as a percentage) including Depreciation	-2.5%	-1.7%		
Available University Fund Transfer	95,733,333	85,040,000	10,693,333	12.6%
Adjusted Income (Loss) with AUF Transfer	61,968,015	63,975,528	(2,007,513)	-3.1%
Adjusted Margin % with AUF Transfer	4.3%	4.8%		
Investment Gains (Losses)	24,942,445	31,836,955	(6,894,510)	-21.7%
Adj. Inc. (Loss) with AUF Transfer & Invest. Gains (Losses)	\$ 86,910,460	\$ 95,812,483	\$ (8,902,023)	-9.3%
Adj. Margin % with AUF Transfer & Invest. Gains (Losses)	6.0%	7.0%		
Adjusted Income (Loss) with AUF Transfer excluding Depreciation	168,347,204	154,127,383	14,219,821	9.2%
Adjusted Margin (as a percentage) with AUF Transfer excluding Depreciation	11.8%	11.5%		

UNAUDITED
The University of Texas at Brownsville
Comparison of Operating Results and Margin
For the Eight Months Ending April 30, 2008

	April Year-to-Date <u>FY 2008</u>	April Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 9,924,590	\$ 8,201,836	\$ 1,722,754	21.0%
Sponsored Programs	68,680,343	67,358,479	1,321,864	2.0%
Net Sales and Services of Educational Activities	709,365	623,631	85,734	13.7%
Net Auxiliary Enterprises	946,738	767,373	179,365	23.4%
Other Operating Revenues	25,883	11,007	14,876	135.2%
Total Operating Revenues	<u>80,286,919</u>	<u>76,962,326</u>	<u>3,324,593</u>	<u>4.3%</u>
Operating Expenses				
Salaries and Wages	40,438,839	37,253,260	3,185,579	8.6%
Employee Benefits and Related Costs	9,790,258	9,053,632	736,626	8.1%
Professional Fees and Contracted Services	1,418,518	1,173,740	244,778	20.9%
Scholarships and Fellowships	34,258,981	32,729,847	1,529,134	4.7%
Travel	751,322	777,804	(26,482)	-3.4%
Materials and Supplies	3,352,019	2,853,422	498,597	17.5%
Utilities	2,316,500	2,347,368	(30,868)	-1.3%
Telecommunications	1,271,725	1,157,890	113,835	9.8%
Repairs and Maintenance	798,046	591,467	206,579	34.9%
Rentals and Leases	1,287,737	1,259,856	27,881	2.2%
Printing and Reproduction	221,973	247,948	(25,975)	-10.5%
Bad Debt Expense	28,787	17,132	11,655	68.0%
Federal Sponsored Programs Pass-Thrus	34,399	16,312	18,087	110.9%
Depreciation and Amortization	3,961,582	3,601,884	359,698	10.0%
Other Operating Expenses	4,190,824	3,995,174	195,650	4.9%
Total Operating Expenses	<u>104,121,510</u>	<u>97,076,736</u>	<u>7,044,774</u>	<u>7.3%</u>
Operating Loss	<u>(23,834,591)</u>	<u>(20,114,410)</u>	<u>(3,720,181)</u>	<u>-18.5%</u>
Other Nonoperating Adjustments				
State Appropriations	23,811,001	19,097,521	4,713,480	24.7%
Gift Contributions for Operations	294,076	255,202	38,874	15.2%
Net Investment Income	998,413	948,502	49,911	5.3%
Interest Expense on Capital Asset Financings	(1,171,976)	(1,118,151)	(53,825)	-4.8%
Net Other Nonoperating Adjustments	<u>23,931,514</u>	<u>19,183,074</u>	<u>4,748,440</u>	<u>24.8%</u>
Adjusted Income (Loss) including Depreciation	96,923	(931,336)	1,028,259	110.4%
Adjusted Margin (as a percentage) including Depreciation	0.1%	-1.0%		
Investment Gains (Losses)	1,241,711	1,526,263	(284,552)	-18.6%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 1,338,634	\$ 594,927	\$ 743,707	125.0%
Adjusted Margin % with Investment Gains (Losses)	1.3%	0.6%		
Adjusted Income (Loss) excluding Depreciation	4,058,505	2,670,548	1,387,957	52.0%
Adjusted Margin (as a percentage) excluding Depreciation	3.9%	2.7%		

UNAUDITED
The University of Texas at Dallas
Comparison of Operating Results and Margin
For the Eight Months Ending April 30, 2008

	April Year-to-Date <u>FY 2008</u>	April Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 91,859,584	\$ 84,461,841	\$ 7,397,743	8.8%
Sponsored Programs	33,220,732	27,458,273	5,762,459	21.0%
Net Sales and Services of Educational Activities	4,924,327	4,179,282	745,045	17.8%
Net Auxiliary Enterprises	3,815,445	3,873,460	(58,015)	-1.5%
Other Operating Revenues	4,783,190	3,837,460	945,730	24.6%
Total Operating Revenues	<u>138,603,278</u>	<u>123,810,316</u>	<u>14,792,962</u>	<u>11.9%</u>
Operating Expenses				
Salaries and Wages	98,553,315	91,365,450	7,187,865	7.9%
Employee Benefits and Related Costs	20,371,453	18,360,057	2,011,396	11.0%
Professional Fees and Contracted Services	2,325,056	1,825,467	499,589	27.4%
Other Contracted Services	6,514,163	5,172,345	1,341,818	25.9%
Scholarships and Fellowships	31,102,872	31,699,798	(596,926)	-1.9%
Travel	2,185,209	2,180,019	5,190	0.2%
Materials and Supplies	10,434,762	9,613,584	821,178	8.5%
Utilities	5,340,871	4,795,585	545,286	11.4%
Telecommunications	784,225	771,361	12,864	1.7%
Repairs and Maintenance	2,467,657	1,969,461	498,196	25.3%
Rentals and Leases	883,256	887,543	(4,287)	-0.5%
Printing and Reproduction	878,803	936,238	(57,435)	-6.1%
Federal Sponsored Programs Pass-Thrus	427,910	104,892	323,018	308.0%
Depreciation and Amortization	13,527,539	12,753,237	774,302	6.1%
Other Operating Expenses	6,641,466	5,663,925	977,541	17.3%
Total Operating Expenses	<u>202,438,557</u>	<u>188,098,962</u>	<u>14,339,595</u>	<u>7.6%</u>
Operating Loss	<u>(63,835,279)</u>	<u>(64,288,646)</u>	<u>453,367</u>	<u>0.7%</u>
Other Nonoperating Adjustments				
State Appropriations	60,782,251	51,982,880	8,799,371	16.9%
Gift Contributions for Operations	7,189,176	7,004,586	184,590	2.6%
Net Investment Income	9,697,481	8,227,635	1,469,846	17.9%
Interest Expense on Capital Asset Financings	(5,178,288)	(4,135,129)	(1,043,159)	-25.2%
Net Other Nonoperating Adjustments	<u>72,490,620</u>	<u>63,079,972</u>	<u>9,410,648</u>	<u>14.9%</u>
Adjusted Income (Loss) including Depreciation	8,655,341	(1,208,674)	9,864,015	816.1%
Adjusted Margin (as a percentage) including Depreciation	4.0%	-0.6%		
Investment Gains (Losses)	4,011,941	7,348,794	(3,336,853)	-45.4%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 12,667,282	\$ 6,140,120	\$ 6,527,162	106.3%
Adjusted Margin % with Investment Gains (Losses)	5.8%	3.1%		
Adjusted Income (Loss) excluding Depreciation	22,182,880	11,544,563	10,638,317	92.2%
Adjusted Margin (as a percentage) excluding Depreciation	10.3%	6.0%		

UNAUDITED
The University of Texas at El Paso
Comparison of Operating Results and Margin
For the Eight Months Ending April 30, 2008

	April Year-to-Date <u>FY 2008</u>	April Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 62,836,872	\$ 58,621,152	\$ 4,215,720	7.2%
Sponsored Programs	63,534,110	60,747,048	2,787,062	4.6%
Net Sales and Services of Educational Activities	2,713,187	2,762,707	(49,520)	-1.8%
Net Auxiliary Enterprises	15,072,794	20,341,908	(5,269,114)	-25.9%
Other Operating Revenues	318,012	16,335	301,677	1,846.8%
Total Operating Revenues	<u>144,474,975</u>	<u>142,489,150</u>	<u>1,985,825</u>	<u>1.4%</u>
Operating Expenses				
Salaries and Wages	88,396,675	83,417,630	4,979,045	6.0%
Employee Benefits and Related Costs	21,537,545	20,131,506	1,406,039	7.0%
Professional Fees and Contracted Services	585,867	655,977	(70,110)	-10.7%
Other Contracted Services	10,020,150	13,954,723	(3,934,573)	-28.2%
Scholarships and Fellowships	47,559,756	44,326,305	3,233,451	7.3%
Travel	4,102,084	3,555,436	546,648	15.4%
Materials and Supplies	13,662,405	14,239,347	(576,942)	-4.1%
Utilities	4,955,657	4,818,358	137,299	2.8%
Telecommunications	490,032	480,784	9,248	1.9%
Repairs and Maintenance	2,639,233	2,496,428	142,805	5.7%
Rentals and Leases	2,146,488	2,070,796	75,692	3.7%
Printing and Reproduction	639,111	372,320	266,791	71.7%
Federal Sponsored Programs Pass-Thrus	130,689	235,394	(104,705)	-44.5%
Depreciation and Amortization	9,855,855	9,155,649	700,206	7.6%
Other Operating Expenses	3,563,755	3,489,024	74,731	2.1%
Total Operating Expenses	<u>210,285,302</u>	<u>203,399,677</u>	<u>6,885,625</u>	<u>3.4%</u>
Operating Loss	<u>(65,810,327)</u>	<u>(60,910,527)</u>	<u>(4,899,800)</u>	<u>-8.0%</u>
Other Nonoperating Adjustments				
State Appropriations	61,281,144	54,263,946	7,017,198	12.9%
Gift Contributions for Operations	4,058,480	4,939,495	(881,015)	-17.8%
Net Investment Income	6,575,741	6,370,740	205,001	3.2%
Interest Expense on Capital Asset Financings	(3,051,056)	(1,983,867)	(1,067,189)	-53.8%
Net Other Nonoperating Adjustments	<u>68,864,309</u>	<u>63,590,314</u>	<u>5,273,995</u>	<u>8.3%</u>
Adjusted Income (Loss) including Depreciation	3,053,982	2,679,787	374,195	14.0%
Adjusted Margin (as a percentage) including Depreciation	1.4%	1.3%		
Investment Gains (Losses)	465,813	3,107,831	(2,642,018)	-85.0%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 3,519,795	\$ 5,787,618	\$ (2,267,823)	-39.2%
Adjusted Margin % with Investment Gains (Losses)	1.6%	2.7%		
Adjusted Income (Loss) excluding Depreciation	12,909,837	11,835,436	1,074,401	9.1%
Adjusted Margin (as a percentage) excluding Depreciation	6.0%	5.7%		

UNAUDITED
The University of Texas - Pan American
Comparison of Operating Results and Margin
For the Eight Months Ending April 30, 2008

	April Year-to-Date <u>FY 2008</u>	April Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 51,080,576	\$ 45,631,416	\$ 5,449,160	11.9%
Sponsored Programs	61,584,316	60,672,876	911,440	1.5%
Net Sales and Services of Educational Activities	3,219,943	3,913,648	(693,705)	-17.7%
Net Auxiliary Enterprises	2,847,230	2,066,969	780,261	37.7%
Other Operating Revenues	866,088	564,529	301,559	53.4%
Total Operating Revenues	<u>119,598,153</u>	<u>112,849,438</u>	<u>6,748,715</u>	<u>6.0%</u>
Operating Expenses				
Salaries and Wages	63,500,392	59,372,563	4,127,829	7.0%
Employee Benefits and Related Costs	15,107,955	13,636,841	1,471,114	10.8%
Professional Fees and Contracted Services	1,443,717	1,390,340	53,377	3.8%
Other Contracted Services	4,342,703	2,975,505	1,367,198	45.9%
Scholarships and Fellowships	59,539,513	53,688,372	5,851,141	10.9%
Travel	2,381,354	2,274,702	106,652	4.7%
Materials and Supplies	7,694,450	9,710,389	(2,015,939)	-20.8%
Utilities	4,463,452	3,329,064	1,134,388	34.1%
Telecommunications	518,335	522,565	(4,230)	-0.8%
Repairs and Maintenance	1,252,402	1,377,781	(125,379)	-9.1%
Rentals and Leases	552,895	496,646	56,249	11.3%
Printing and Reproduction	192,707	164,798	27,909	16.9%
Bad Debt Expense	8,000	817,872	(809,872)	-99.0%
Federal Sponsored Programs Pass-Thrus	94,028	19,282	74,746	387.6%
Depreciation and Amortization	10,250,159	10,662,893	(412,734)	-3.9%
Other Operating Expenses	3,084,526	3,467,047	(382,521)	-11.0%
Total Operating Expenses	<u>174,426,588</u>	<u>163,906,660</u>	<u>10,519,928</u>	<u>6.4%</u>
Operating Loss	<u>(54,828,435)</u>	<u>(51,057,222)</u>	<u>(3,771,213)</u>	<u>-7.4%</u>
Other Nonoperating Adjustments				
State Appropriations	49,897,351	46,784,529	3,112,822	6.7%
Gift Contributions for Operations	1,287,234	1,413,069	(125,835)	-8.9%
Net Investment Income	2,364,163	2,188,906	175,257	8.0%
Interest Expense on Capital Asset Financings	(2,775,688)	(2,178,739)	(596,949)	-27.4%
Net Other Nonoperating Adjustments	<u>50,773,060</u>	<u>48,207,765</u>	<u>2,565,295</u>	<u>5.3%</u>
Adjusted Income (Loss) including Depreciation	(4,055,375)	(2,849,457)	(1,205,918)	-42.3%
Adjusted Margin (as a percentage) including Depreciation	-2.3%	-1.7%		
Investment Gains (Losses)	1,574,627	3,206,570	(1,631,943)	-50.9%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (2,480,748)	\$ 357,113	\$ (2,837,861)	-794.7%
Adjusted Margin % with Investment Gains (Losses)	-1.4%	0.2%		
Adjusted Income (Loss) excluding Depreciation	6,194,784	7,813,436	(1,618,652)	-20.7%
Adjusted Margin (as a percentage) excluding Depreciation	3.6%	4.8%		

UNAUDITED
The University of Texas of the Permian Basin
Comparison of Operating Results and Margin
For the Eight Months Ending April 30, 2008

	April Year-to-Date <u>FY 2008</u>	April Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 9,806,335	\$ 9,234,709	\$ 571,626	6.2%
Sponsored Programs	4,985,240	4,548,292	436,948	9.6%
Net Sales and Services of Educational Activities	207,977	145,257	62,720	43.2%
Net Auxiliary Enterprises	2,179,664	1,587,794	591,870	37.3%
Other Operating Revenues	308,638	110,753	197,885	178.7%
Total Operating Revenues	<u>17,487,854</u>	<u>15,626,805</u>	<u>1,861,049</u>	<u>11.9%</u>
Operating Expenses				
Salaries and Wages	11,670,056	11,092,283	577,773	5.2%
Employee Benefits and Related Costs	2,778,769	2,624,835	153,934	5.9%
Professional Fees and Contracted Services	1,734,681	982,221	752,460	76.6%
Other Contracted Services	1,155,880	684,571	471,309	68.8%
Scholarships and Fellowships	5,371,798	5,084,573	287,225	5.6%
Travel	596,487	469,341	127,146	27.1%
Materials and Supplies	1,779,066	1,391,975	387,091	27.8%
Utilities	1,559,386	1,357,140	202,246	14.9%
Telecommunications	249,312	289,452	(40,140)	-13.9%
Repairs and Maintenance	462,138	526,798	(64,660)	-12.3%
Rentals and Leases	264,694	200,236	64,458	32.2%
Printing and Reproduction	122,971	136,292	(13,321)	-9.8%
Depreciation and Amortization	2,433,333	2,171,779	261,554	12.0%
Other Operating Expenses	546,420	543,355	3,065	0.6%
Total Operating Expenses	<u>30,724,991</u>	<u>27,554,851</u>	<u>3,170,140</u>	<u>11.5%</u>
Operating Loss	<u>(13,237,137)</u>	<u>(11,928,046)</u>	<u>(1,309,091)</u>	<u>-11.0%</u>
Other Nonoperating Adjustments				
State Appropriations	21,070,631	11,472,344	9,598,287	83.7%
Gift Contributions for Operations	823,505	1,044,322	(220,817)	-21.1%
Net Investment Income	685,504	731,253	(45,749)	-6.3%
Interest Expense on Capital Asset Financings	(1,064,328)	(1,082,977)	18,649	1.7%
Net Other Nonoperating Adjustments	<u>21,515,312</u>	<u>12,164,942</u>	<u>9,350,370</u>	<u>76.9%</u>
Adjusted Income (Loss) including Depreciation	8,278,175	236,896	8,041,279	3,394.4%
Adjusted Margin (as a percentage) including Depreciation	20.7%	0.8%		
Investment Gains (Losses)	249,683	371,006	(121,323)	-32.7%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 8,527,858	\$ 607,902	\$ 7,919,956	1302.8%
Adjusted Margin % with Investment Gains (Losses)	21.2%	2.1%		
Adjusted Income (Loss) excluding Depreciation	10,711,508	2,408,675	8,302,833	344.7%
Adjusted Margin (as a percentage) excluding Depreciation	26.7%	8.3%		

UNAUDITED
The University of Texas at San Antonio
Comparison of Operating Results and Margin
For the Eight Months Ending April 30, 2008

	April Year-to-Date <u>FY 2008</u>	April Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 123,220,505	\$ 115,927,595	\$ 7,292,910	6.3%
Sponsored Programs	60,003,293	55,038,849	4,964,444	9.0%
Net Sales and Services of Educational Activities	3,946,616	3,133,023	813,593	26.0%
Net Auxiliary Enterprises	11,199,775	9,884,902	1,314,873	13.3%
Other Operating Revenues	1,260,728	1,203,176	57,552	4.8%
Total Operating Revenues	<u>199,630,917</u>	<u>185,187,545</u>	<u>14,443,372</u>	<u>7.8%</u>
Operating Expenses				
Salaries and Wages	113,052,525	103,819,797	9,232,728	8.9%
Employee Benefits and Related Costs	27,885,295	25,345,486	2,539,809	10.0%
Professional Fees and Contracted Services	2,207,323	1,880,255	327,068	17.4%
Other Contracted Services	4,853,014	2,594,084	2,258,930	87.1%
Scholarships and Fellowships	54,310,679	49,094,036	5,216,643	10.6%
Travel	4,090,627	3,359,247	731,380	21.8%
Materials and Supplies	12,298,885	11,095,706	1,203,179	10.8%
Utilities	7,280,000	5,510,000	1,770,000	32.1%
Telecommunications	2,014,580	1,797,736	216,844	12.1%
Repairs and Maintenance	4,404,544	4,099,570	304,974	7.4%
Rentals and Leases	1,644,948	1,508,809	136,139	9.0%
Printing and Reproduction	649,163	716,843	(67,680)	-9.4%
Federal Sponsored Programs Pass-Thrus	2,166,309	1,790,799	375,510	21.0%
Depreciation and Amortization	17,443,712	16,025,731	1,417,981	8.8%
Other Operating Expenses	4,411,419	3,573,277	838,142	23.5%
Total Operating Expenses	<u>258,713,023</u>	<u>232,211,376</u>	<u>26,501,647</u>	<u>11.4%</u>
Operating Loss	<u>(59,082,106)</u>	<u>(47,023,831)</u>	<u>(12,058,275)</u>	<u>-25.6%</u>
Other Nonoperating Adjustments				
State Appropriations	76,700,203	65,522,093	11,178,110	17.1%
Gift Contributions for Operations	4,858,708	2,692,114	2,166,594	80.5%
Net Investment Income	6,081,447	5,268,274	813,173	15.4%
Interest Expense on Capital Asset Financings	(8,656,992)	(3,894,651)	(4,762,341)	-122.3%
Net Other Nonoperating Adjustments	<u>78,983,366</u>	<u>69,587,830</u>	<u>9,395,536</u>	<u>13.5%</u>
Adjusted Income (Loss) including Depreciation	19,901,260	22,563,999	(2,662,739)	-11.8%
Adjusted Margin (as a percentage) including Depreciation	6.9%	8.7%		
Investment Gains (Losses)	5,776,173	11,807,128	(6,030,955)	-51.1%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 25,677,433	\$ 34,371,127	\$ (8,693,694)	-25.3%
Adjusted Margin % with Investment Gains (Losses)	8.8%	12.7%		
Adjusted Income (Loss) excluding Depreciation	37,344,972	38,589,730	(1,244,758)	-3.2%
Adjusted Margin (as a percentage) excluding Depreciation	13.0%	14.9%		

UNAUDITED
The University of Texas at Tyler
Comparison of Operating Results and Margin
For the Eight Months Ending April 30, 2008

	April Year-to-Date <u>FY 2008</u>	April Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 20,316,968	\$ 18,186,248	\$ 2,130,720	11.7%
Sponsored Programs	8,246,224	7,220,519	1,025,705	14.2%
Net Sales and Services of Educational Activities	711,141	570,748	140,393	24.6%
Net Auxiliary Enterprises	3,072,868	3,033,723	39,145	1.3%
Other Operating Revenues	62,722	41,992	20,730	49.4%
Total Operating Revenues	<u>32,409,923</u>	<u>29,053,230</u>	<u>3,356,693</u>	<u>11.6%</u>
Operating Expenses				
Salaries and Wages	22,223,862	20,680,441	1,543,421	7.5%
Employee Benefits and Related Costs	5,688,080	5,208,203	479,877	9.2%
Professional Fees and Contracted Services	938,712	779,100	159,612	20.5%
Other Contracted Services	2,358,568	1,906,537	452,031	23.7%
Scholarships and Fellowships	8,906,559	8,425,253	481,306	5.7%
Travel	1,088,080	838,013	250,067	29.8%
Materials and Supplies	4,489,062	3,157,474	1,331,588	42.2%
Utilities	1,305,158	1,094,889	210,269	19.2%
Telecommunications	410,398	366,158	44,240	12.1%
Repairs and Maintenance	1,265,487	781,396	484,091	62.0%
Rentals and Leases	237,742	235,106	2,636	1.1%
Printing and Reproduction	403,240	426,222	(22,982)	-5.4%
Depreciation and Amortization	4,800,481	4,538,101	262,380	5.8%
Other Operating Expenses	929,584	705,210	224,374	31.8%
Total Operating Expenses	<u>55,045,013</u>	<u>49,142,103</u>	<u>5,902,910</u>	<u>12.0%</u>
Operating Loss	<u>(22,635,090)</u>	<u>(20,088,873)</u>	<u>(2,546,217)</u>	<u>-12.7%</u>
Other Nonoperating Adjustments				
State Appropriations	24,464,610	20,251,402	4,213,208	20.8%
Gift Contributions for Operations	579,180	596,385	(17,205)	-2.9%
Net Investment Income	2,679,836	2,366,969	312,867	13.2%
Interest Expense on Capital Asset Financings	(1,759,640)	(1,444,285)	(315,355)	-21.8%
Net Other Nonoperating Adjustments	<u>25,963,986</u>	<u>21,770,471</u>	<u>4,193,515</u>	<u>19.3%</u>
Adjusted Income (Loss) including Depreciation	3,328,896	1,681,598	1,647,298	98.0%
Adjusted Margin (as a percentage) including Depreciation	5.5%	3.2%		
Investment Gains (Losses)	975,960	1,756,362	(780,402)	-44.4%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 4,304,856	\$ 3,437,960	\$ 866,896	25.2%
Adjusted Margin % with Investment Gains (Losses)	7.0%	6.4%		
Adjusted Income (Loss) excluding Depreciation	8,129,377	6,219,699	1,909,678	30.7%
Adjusted Margin (as a percentage) excluding Depreciation	13.5%	11.9%		

UNAUDITED
The University of Texas Southwestern Medical Center at Dallas
Comparison of Operating Results and Margin
For the Eight Months Ending April 30, 2008

	April Year-to-Date <u>FY 2008</u>	April Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 13,870,362	\$ 13,622,154	\$ 248,208	1.8%
Sponsored Programs	280,433,931	263,641,951	16,791,980	6.4%
Net Sales and Services of Educational Activities	4,412,948	4,397,834	15,114	0.3%
Net Sales and Services of Hospitals	220,414,101	193,861,753	26,552,348	13.7%
Net Professional Fees	211,639,955	240,793,871	(29,153,916)	-12.1%
Net Auxiliary Enterprises	11,336,222	11,270,884	65,338	0.6%
Other Operating Revenues	4,564,072	4,207,242	356,830	8.5%
Total Operating Revenues	<u>746,671,591</u>	<u>731,795,689</u>	<u>14,875,902</u>	<u>2.0%</u>
Operating Expenses				
Salaries and Wages	457,704,529	417,135,309	40,569,220	9.7%
Employee Benefits and Related Costs	122,699,277	112,971,455	9,727,822	8.6%
Professional Fees and Contracted Services	11,881,132	12,213,676	(332,544)	-2.7%
Other Contracted Services	51,706,234	47,328,219	4,378,015	9.3%
Scholarships and Fellowships	5,587,936	5,652,332	(64,396)	-1.1%
Travel	6,254,190	5,493,263	760,927	13.9%
Materials and Supplies	121,996,073	114,406,536	7,589,537	6.6%
Utilities	20,442,229	17,647,758	2,794,471	15.8%
Telecommunications	4,881,772	4,594,030	287,742	6.3%
Repairs and Maintenance	8,711,035	8,312,877	398,158	4.8%
Rentals and Leases	6,680,216	7,733,270	(1,053,054)	-13.6%
Printing and Reproduction	1,979,549	2,123,028	(143,479)	-6.8%
Federal Sponsored Programs Pass-Thrus	381,857	406,941	(25,084)	-6.2%
Depreciation and Amortization	44,938,972	42,791,263	2,147,709	5.0%
Other Operating Expenses	30,740,065	28,666,481	2,073,584	7.2%
Total Operating Expenses	<u>896,585,066</u>	<u>827,476,438</u>	<u>69,108,628</u>	<u>8.4%</u>
Operating Loss	<u>(149,913,475)</u>	<u>(95,680,749)</u>	<u>(54,232,726)</u>	<u>-56.7%</u>
Other Nonoperating Adjustments				
State Appropriations	119,638,624	100,146,270	19,492,354	19.5%
Gift Contributions for Operations	59,184,099	27,806,677	31,377,422	112.8%
Net Investment Income	44,429,183	43,406,680	1,022,503	2.4%
Interest Expense on Capital Asset Financings	(13,324,120)	(13,640,476)	316,356	2.3%
Net Other Nonoperating Adjustments	<u>209,927,786</u>	<u>157,719,151</u>	<u>52,208,635</u>	<u>33.1%</u>
Adjusted Income (Loss) including Depreciation	60,014,311	62,038,402	(2,024,091)	-3.3%
Adjusted Margin (as a percentage) including Depreciation	6.2%	6.9%		
Investment Gains (Losses)	19,690,615	35,708,829	(16,018,214)	-44.9%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 79,704,926	\$ 97,747,231	\$ (18,042,305)	-18.5%
Adjusted Margin % with Investment Gains (Losses)	8.1%	10.4%		
Adjusted Income (Loss) excluding Depreciation	104,953,283	104,829,665	123,618	0.1%
Adjusted Margin (as a percentage) excluding Depreciation	10.8%	11.6%		

UNAUDITED
The University of Texas Medical Branch at Galveston
Comparison of Operating Results and Margin
For the Eight Months Ending April 30, 2008

	April Year-to-Date <u>FY 2008</u>	April Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 11,916,912	\$ 10,214,411	\$ 1,702,501	16.7%
Sponsored Programs	172,409,164	155,214,249	17,194,915	11.1%
Net Sales and Services of Educational Activities	1,203,231	1,431,299	(228,068)	-15.9%
Net Sales and Services of Hospitals	469,259,477	449,525,299	19,734,178	4.4%
Net Professional Fees	86,440,088	100,701,791	(14,261,703)	-14.2%
Net Auxiliary Enterprises	7,114,366	6,116,712	997,654	16.3%
Other Operating Revenues	8,044,534	10,797,251	(2,752,717)	-25.5%
Total Operating Revenues	<u>756,387,772</u>	<u>734,001,012</u>	<u>22,386,760</u>	<u>3.0%</u>
Operating Expenses				
Salaries and Wages	534,329,634	497,748,128	36,581,506	7.3%
Employee Benefits and Related Costs	127,243,738	116,143,524	11,100,214	9.6%
Professional Fees and Contracted Services	16,130,040	23,703,342	(7,573,302)	-32.0%
Other Contracted Services	42,842,099	38,374,845	4,467,254	11.6%
Scholarships and Fellowships	5,285,264	3,495,833	1,789,431	51.2%
Travel	5,303,566	4,305,540	998,026	23.2%
Materials and Supplies	123,298,219	116,931,056	6,367,163	5.4%
Utilities	21,235,706	18,132,720	3,102,986	17.1%
Telecommunications	10,003,857	9,093,647	910,210	10.0%
Repairs and Maintenance	22,458,873	19,790,859	2,668,014	13.5%
Rentals and Leases	11,838,241	9,621,076	2,217,165	23.0%
Printing and Reproduction	1,602,968	1,393,184	209,784	15.1%
Federal Sponsored Programs Pass-Thrus	5,563,091	5,746,976	(183,885)	-3.2%
Depreciation and Amortization	44,112,473	35,412,760	8,699,713	24.6%
Other Operating Expenses	36,363,637	42,953,118	(6,589,481)	-15.3%
Total Operating Expenses	<u>1,007,611,406</u>	<u>942,846,608</u>	<u>64,764,798</u>	<u>6.9%</u>
Operating Loss	<u>(251,223,634)</u>	<u>(208,845,596)</u>	<u>(42,378,038)</u>	<u>-20.3%</u>
Other Nonoperating Adjustments				
State Appropriations	204,636,547	193,443,818	11,192,729	5.8%
Gift Contributions for Operations	6,383,646	5,097,047	1,286,599	25.2%
Net Investment Income	23,528,553	22,154,631	1,373,922	6.2%
Interest Expense on Capital Asset Financings	(3,603,261)	(2,862,700)	(740,561)	-25.9%
Net Other Nonoperating Adjustments	<u>230,945,485</u>	<u>217,832,796</u>	<u>13,112,689</u>	<u>6.0%</u>
Adjusted Income (Loss) including Depreciation	(20,278,149)	8,987,200	(29,265,349)	-325.6%
Adjusted Margin (as a percentage) including Depreciation	-2.0%	0.9%		
Investment Gains (Losses)	7,555,301	14,257,248	(6,701,947)	-47.0%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (12,722,848)	\$ 23,244,448	\$ (35,967,296)	-154.7%
Adjusted Margin % with Investment Gains (Losses)	-1.3%	2.4%		
Adjusted Income (Loss) excluding Depreciation	23,834,324	44,399,960	(20,565,636)	-46.3%
Adjusted Margin (as a percentage) excluding Depreciation	2.4%	4.7%		

UNAUDITED
The University of Texas Health Science Center at Houston
Comparison of Operating Results and Margin
For the Eight Months Ending April 30, 2008

	April Year-to-Date <u>FY 2008</u>	April Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 17,622,627	\$ 15,493,101	\$ 2,129,526	13.7%
Sponsored Programs	196,094,980	192,944,162	3,150,818	1.6%
Net Sales and Services of Educational Activities	23,369,265	22,555,131	814,134	3.6%
Net Sales and Services of Hospitals	25,849,563	18,286,447	7,563,116	41.4%
Net Professional Fees	78,666,171	84,637,771	(5,971,600)	-7.1%
Net Auxiliary Enterprises	14,681,172	15,349,204	(668,032)	-4.4%
Other Operating Revenues	24,541,939	19,845,083	4,696,856	23.7%
Total Operating Revenues	<u>380,825,717</u>	<u>369,110,899</u>	<u>11,714,818</u>	<u>3.2%</u>
Operating Expenses				
Salaries and Wages	233,161,584	219,444,488	13,717,096	6.3%
Employee Benefits and Related Costs	54,375,506	49,255,430	5,120,076	10.4%
Professional Fees and Contracted Services	47,720,073	37,184,396	10,535,677	28.3%
Other Contracted Services	22,073,643	27,645,890	(5,572,247)	-20.2%
Scholarships and Fellowships	2,944,185	1,949,133	995,052	51.1%
Travel	4,051,341	3,785,456	265,885	7.0%
Materials and Supplies	37,522,045	36,919,538	602,507	1.6%
Utilities	11,134,004	10,347,127	786,877	7.6%
Telecommunications	1,824,296	1,820,523	3,773	0.2%
Repairs and Maintenance	3,392,636	3,711,436	(318,800)	-8.6%
Rentals and Leases	8,509,898	9,023,933	(514,035)	-5.7%
Printing and Reproduction	2,355,950	2,365,069	(9,119)	-0.4%
Federal Sponsored Programs Pass-Thrus	4,984,507	3,512,428	1,472,079	41.9%
Depreciation and Amortization	21,995,575	21,977,211	18,364	0.1%
Other Operating Expenses	32,769,138	33,934,519	(1,165,381)	-3.4%
Total Operating Expenses	<u>488,825,024</u>	<u>462,876,577</u>	<u>25,948,447</u>	<u>5.6%</u>
Operating Loss	<u>(107,999,307)</u>	<u>(93,765,678)</u>	<u>(14,233,629)</u>	<u>-15.2%</u>
Other Nonoperating Adjustments				
State Appropriations	111,117,486	101,301,014	9,816,472	9.7%
Gift Contributions for Operations	11,445,196	9,022,249	2,422,947	26.9%
Net Investment Income	15,266,573	15,504,613	(238,040)	-1.5%
Interest Expense on Capital Asset Financings	(5,697,608)	(4,604,185)	(1,093,423)	-23.7%
Net Other Nonoperating Adjustments	<u>132,131,647</u>	<u>121,223,691</u>	<u>10,907,956</u>	<u>9.0%</u>
Adjusted Income (Loss) including Depreciation	24,132,340	27,458,013	(3,325,673)	-12.1%
Adjusted Margin (as a percentage) including Depreciation	4.7%	5.5%		
Investment Gains (Losses)	7,932,487	14,182,849	(6,250,362)	-44.1%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 32,064,827	\$ 41,640,862	\$ (9,576,035)	-23.0%
Adjusted Margin % with Investment Gains (Losses)	6.1%	8.2%		
Adjusted Income (Loss) excluding Depreciation	46,127,915	49,435,224	(3,307,309)	-6.7%
Adjusted Margin (as a percentage) excluding Depreciation	8.9%	10.0%		

UNAUDITED
The University of Texas Health Science Center at San Antonio
Comparison of Operating Results and Margin
For the Eight Months Ending April 30, 2008

	April Year-to-Date <u>FY 2008</u>	April Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 16,666,667	\$ 15,466,667	\$ 1,200,000	7.8%
Sponsored Programs	147,375,716	136,989,157	10,386,559	7.6%
Net Sales and Services of Educational Activities	27,095,995	24,276,777	2,819,218	11.6%
Net Professional Fees	55,458,955	63,405,746	(7,946,791)	-12.5%
Net Auxiliary Enterprises	2,618,906	2,011,923	606,983	30.2%
Other Operating Revenues	7,044,700	6,155,404	889,296	14.4%
Total Operating Revenues	<u>256,260,939</u>	<u>248,305,674</u>	<u>7,955,265</u>	<u>3.2%</u>
Operating Expenses				
Salaries and Wages	210,657,992	191,645,873	19,012,119	9.9%
Employee Benefits and Related Costs	51,199,941	47,283,938	3,916,003	8.3%
Professional Fees and Contracted Services	9,015,735	7,545,952	1,469,783	19.5%
Other Contracted Services	18,931,416	13,552,370	5,379,046	39.7%
Scholarships and Fellowships	2,222,341	1,991,055	231,286	11.6%
Travel	3,076,470	2,719,684	356,786	13.1%
Materials and Supplies	25,076,821	21,040,852	4,035,969	19.2%
Utilities	9,229,167	8,666,667	562,500	6.5%
Telecommunications	4,374,828	4,001,400	373,428	9.3%
Repairs and Maintenance	2,431,263	2,040,112	391,151	19.2%
Rentals and Leases	1,680,824	1,325,082	355,742	26.8%
Printing and Reproduction	1,192,283	1,090,406	101,877	9.3%
Federal Sponsored Programs Pass-Thrus	400,000	416,667	(16,667)	-4.0%
Depreciation and Amortization	19,208,333	15,203,241	4,005,092	26.3%
Other Operating Expenses	44,286,507	42,774,754	1,511,753	3.5%
Total Operating Expenses	<u>402,983,921</u>	<u>361,298,053</u>	<u>41,685,868</u>	<u>11.5%</u>
Operating Loss	<u>(146,722,982)</u>	<u>(112,992,379)</u>	<u>(33,730,603)</u>	<u>-29.9%</u>
Other Nonoperating Adjustments				
State Appropriations	113,405,788	99,321,993	14,083,795	14.2%
Gift Contributions for Operations	13,318,481	16,691,427	(3,372,946)	-20.2%
Net Investment Income	18,224,411	19,100,061	(875,650)	-4.6%
Interest Expense on Capital Asset Financings	(5,122,112)	(635,625)	(4,486,487)	-705.8%
Net Other Nonoperating Adjustments	<u>139,826,568</u>	<u>134,477,856</u>	<u>5,348,712</u>	<u>4.0%</u>
Adjusted Income (Loss) including Depreciation	(6,896,414)	21,485,477	(28,381,891)	-132.1%
Adjusted Margin (as a percentage) including Depreciation	-1.7%	5.6%		
Investment Gains (Losses)	8,188,499	11,530,562	(3,342,063)	-29.0%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 1,292,085	\$ 33,016,039	\$ (31,723,954)	-96.1%
Adjusted Margin % with Investment Gains (Losses)	0.3%	8.4%		
Adjusted Income (Loss) excluding Depreciation	12,311,919	36,688,718	(24,376,799)	-66.4%
Adjusted Margin (as a percentage) excluding Depreciation	3.1%	9.6%		

UNAUDITED
The University of Texas M. D. Anderson Cancer Center
Comparison of Operating Results and Margin
For the Eight Months Ending April 30, 2008

	April Year-to-Date <u>FY 2008</u>	April Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 334,560	\$ 232,505	\$ 102,055	43.9%
Sponsored Programs	169,170,774	154,414,374	14,756,400	9.6%
Net Sales and Services of Educational Activities	1,749,009	1,768,872	(19,863)	-1.1%
Net Sales and Services of Hospitals	1,207,959,805	1,097,704,689	110,255,116	10.0%
Net Professional Fees	177,023,142	180,504,279	(3,481,137)	-1.9%
Net Auxiliary Enterprises	18,521,934	16,712,739	1,809,195	10.8%
Other Operating Revenues	22,891,980	18,802,615	4,089,365	21.7%
Total Operating Revenues	<u>1,597,651,204</u>	<u>1,470,140,073</u>	<u>127,511,131</u>	<u>8.7%</u>
Operating Expenses				
Salaries and Wages	809,457,888	736,051,744	73,406,144	10.0%
Employee Benefits and Related Costs	215,724,077	194,862,998	20,861,079	10.7%
Professional Fees and Contracted Services	77,561,938	60,899,847	16,662,091	27.4%
Other Contracted Services	46,940,918	45,353,782	1,587,136	3.5%
Travel	13,999,818	13,084,925	914,893	7.0%
Materials and Supplies	294,241,193	276,666,384	17,574,809	6.4%
Utilities	34,321,714	31,936,271	2,385,443	7.5%
Telecommunications	5,229,603	4,051,474	1,178,129	29.1%
Repairs and Maintenance	38,847,035	31,997,129	6,849,906	21.4%
Rentals and Leases	24,768,162	20,329,689	4,438,473	21.8%
Federal Sponsored Programs Pass-Thrus	418,609	189,149	229,460	121.3%
Depreciation and Amortization	137,134,479	127,223,174	9,911,305	7.8%
Other Operating Expenses	2,029,928	2,037,577	(7,649)	-0.4%
Total Operating Expenses	<u>1,700,675,362</u>	<u>1,544,684,143</u>	<u>155,991,219</u>	<u>10.1%</u>
Operating Loss	<u>(103,024,158)</u>	<u>(74,544,070)</u>	<u>(28,480,088)</u>	<u>-38.2%</u>
Other Nonoperating Adjustments				
State Appropriations	112,367,613	106,618,994	5,748,619	5.4%
Gift Contributions for Operations	58,124,820	49,938,211	8,186,609	16.4%
Net Investment Income	36,845,659	36,316,637	529,022	1.5%
Interest Expense on Capital Asset Financings	(18,308,008)	(17,076,491)	(1,231,517)	-7.2%
Net Other Nonoperating Adjustments	<u>189,030,084</u>	<u>175,797,351</u>	<u>13,232,733</u>	<u>7.5%</u>
Adjusted Income (Loss) including Depreciation	86,005,926	101,253,281	(15,247,355)	-15.1%
Adjusted Margin (as a percentage) including Depreciation	4.8%	6.1%		
Investment Gains (Losses)	(1,372,370)	70,155,477	(71,527,847)	-102.0%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 84,633,556	\$ 171,408,758	\$ (86,775,202)	-50.6%
Adjusted Margin % with Investment Gains (Losses)	4.7%	9.9%		
Adjusted Income (Loss) excluding Depreciation	223,140,405	228,476,455	(5,336,050)	-2.3%
Adjusted Margin (as a percentage) excluding Depreciation	12.4%	13.7%		

UNAUDITED
The University of Texas Health Science Center at Tyler
Comparison of Operating Results and Margin
For the Eight Months Ending April 30, 2008

	April Year-to-Date <u>FY 2008</u>	April Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Sponsored Programs	\$ 8,657,256	\$ 9,380,291	\$ (723,035)	-7.7%
Net Sales and Services of Educational Activities	576,871	584,160	(7,289)	-1.2%
Net Sales and Services of Hospitals	27,727,154	28,833,406	(1,106,252)	-3.8%
Net Professional Fees	7,448,647	10,955,714	(3,507,067)	-32.0%
Net Auxiliary Enterprises	105,682	128,340	(22,658)	-17.7%
Other Operating Revenues	845,516	1,063,249	(217,733)	-20.5%
Total Operating Revenues	<u>45,361,126</u>	<u>50,945,160</u>	<u>(5,584,034)</u>	<u>-11.0%</u>
Operating Expenses				
Salaries and Wages	34,985,724	34,460,045	525,679	1.5%
Employee Benefits and Related Costs	9,735,212	9,359,935	375,277	4.0%
Professional Fees and Contracted Services	3,655,645	3,681,912	(26,267)	-0.7%
Other Contracted Services	5,091,924	4,738,243	353,681	7.5%
Travel	293,341	332,117	(38,776)	-11.7%
Materials and Supplies	8,636,043	8,853,156	(217,113)	-2.5%
Utilities	2,043,795	2,239,148	(195,353)	-8.7%
Telecommunications	788,643	418,702	369,941	88.4%
Repairs and Maintenance	2,285,972	2,215,810	70,162	3.2%
Rentals and Leases	650,966	779,780	(128,814)	-16.5%
Printing and Reproduction	95,118	14,535	80,583	554.4%
Federal Sponsored Programs Pass-Thrus	51,937	335,478	(283,541)	-84.5%
Depreciation and Amortization	4,412,318	4,211,441	200,877	4.8%
Other Operating Expenses	1,429,565	1,808,916	(379,351)	-21.0%
Total Operating Expenses	<u>74,156,203</u>	<u>73,449,218</u>	<u>706,985</u>	<u>1.0%</u>
Operating Loss	<u>(28,795,077)</u>	<u>(22,504,058)</u>	<u>(6,291,019)</u>	<u>-28.0%</u>
Other Nonoperating Adjustments				
State Appropriations	25,878,509	24,961,617	916,892	3.7%
Gift Contributions for Operations	928,350	417,571	510,779	122.3%
Net Investment Income	2,660,100	2,624,825	35,275	1.3%
Interest Expense on Capital Asset Financings	(468,142)	(509,845)	41,703	8.2%
Net Other Nonoperating Adjustments	<u>28,998,817</u>	<u>27,494,168</u>	<u>1,504,649</u>	<u>5.5%</u>
Adjusted Income (Loss) including Depreciation	203,740	4,990,110	(4,786,370)	-95.9%
Adjusted Margin (as a percentage) including Depreciation	0.3%	6.3%		
Investment Gains (Losses)	304,191	-	304,191	100.0%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 507,931	\$ 4,990,110	\$ (4,482,179)	-89.8%
Adjusted Margin % with Investment Gains (Losses)	0.7%	6.3%		
Adjusted Income (Loss) excluding Depreciation	4,616,058	9,201,551	(4,585,493)	-49.8%
Adjusted Margin (as a percentage) excluding Depreciation	6.2%	11.7%		