

THE UNIVERSITY OF TEXAS SYSTEM
OFFICE OF THE CONTROLLER

MONTHLY FINANCIAL REPORT
(unaudited)

DECEMBER 2006



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THE UNIVERSITY OF TEXAS SYSTEM
MONTHLY FINANCIAL REPORT
(Unaudited)
FOR THE FOUR MONTHS ENDING
DECEMBER 31, 2006

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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 Four Months Ending December 31, 2006

	December Year-to-Date <u>FY 2007</u>	December Year-to-Date <u>FY 2006</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 438,895,730	\$ 392,731,020	\$ 46,164,710	11.8%
Sponsored Programs	752,506,704	712,707,975	39,798,729	5.6%
Net Sales and Services of Educational Activities	87,175,325	74,774,622	12,400,703	16.6%
Net Sales and Services of Hospitals	869,790,765	810,729,911	59,060,854	7.3%
Net Professional Fees	262,763,638	250,929,895	11,833,743	4.7%
Net Auxiliary Enterprises	129,779,090	116,154,047	13,625,043	11.7%
Other Operating Revenues	64,239,392	57,308,876	6,930,516	12.1%
Total Operating Revenues	<u>2,605,150,644</u>	<u>2,415,336,346</u>	<u>189,814,298</u>	<u>7.9%</u>
Operating Expenses				
Salaries and Wages	1,598,209,494	1,519,865,977	78,343,517	5.2%
Payroll Related Costs	387,157,299	367,530,309	19,626,990	5.3%
Professional Fees and Contracted Services	88,442,479	78,143,277	10,299,202	13.2%
Other Contracted Services	123,129,169	118,590,940	4,538,229	3.8%
Scholarships and Fellowships	208,808,744	188,358,716	20,450,028	10.9%
Travel	32,768,404	30,507,819	2,260,585	7.4%
Materials and Supplies	349,625,179	336,639,282	12,985,897	3.9%
Utilities	80,011,490	89,818,123	(9,806,633)	-10.9%
Telecommunications	22,002,737	22,312,548	(309,811)	-1.4%
Repairs and Maintenance	47,966,083	45,379,784	2,586,299	5.7%
Rentals and Leases	34,371,101	33,957,133	413,968	1.2%
Printing and Reproduction	8,588,597	8,547,503	41,094	0.5%
Bad Debt Expense	315,268	815,286	(500,018)	-61.3%
Claims and Losses	11,948,248	1,862,020	10,086,228	541.7%
Federal Sponsored Programs Pass-Throughs	9,045,216	5,475,932	3,569,284	65.2%
Depreciation and Amortization	196,230,283	186,192,471	10,037,812	5.4%
Other Operating Expenses	128,657,312	122,464,388	6,192,924	5.1%
Total Operating Expenses	<u>3,327,277,103</u>	<u>3,156,461,508</u>	<u>170,815,595</u>	<u>5.4%</u>
Operating Loss	<u>(722,126,459)</u>	<u>(741,125,162)</u>	<u>18,998,703</u>	<u>2.6%</u>
Other Nonoperating Adjustments				
State Appropriations	589,483,030	582,294,175	7,188,855	1.2%
Gift Contributions for Operations	88,842,474	76,157,241	12,685,233	16.7%
Net Investment Income	165,094,009	188,279,672	(23,185,663)	-12.3%
Long Term Fund Distribution	64,696,662	60,667,002	4,029,660	6.6%
Interest Expense on Capital Asset Financings	(64,792,067)	(60,601,803)	(4,190,264)	-6.9%
Net Other Nonoperating Adjustments	<u>843,324,108</u>	<u>846,796,287</u>	<u>(3,472,179)</u>	<u>-0.4%</u>
Adjusted Income (Loss)	121,197,649	105,671,125	15,526,524	14.7%
Adjusted Margin (as a percentage)	3.4%	3.2%		
Available University Fund Transfer	0	0	0	0.0%
Investment Gains (Losses)	930,701,918	396,507,848	534,194,070	134.7%
Adj. Inc. (Loss) with Investment Gains (Losses)	\$ 1,051,899,567	\$ 502,178,973	\$ 549,720,594	109.5%
Adj. Margin % with Investment Gains (Losses)	23.7%	13.5%		

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The University of Texas System
Comparison of Adjusted Income (Loss)
For the Four Months Ending December 31, 2006

	December Year-to-Date FY 2007	December Year-to-Date FY 2006	Variance		Fluctuation Percentage
UT System Administration	\$ 78,585,578	\$ 115,773,452	\$ (37,187,874)	(1)	-32.1%
UT Arlington	5,010,850	3,103,575	1,907,275	(2)	61.5%
UT Austin	51,015,988	30,964,771	20,051,217	(3)	64.8%
UT Brownsville	(357,560)	334,619	(692,179)	(4)	-206.9%
UT Dallas	(1,899,172) (5)	(3,483,603)	1,584,431		45.5%
UT El Paso	933,569	970,734	(37,165)		-3.8%
UT Pan American	(281,041)	657,231	(938,272)	(6)	-142.8%
UT Permian Basin	350,444	(176,244)	526,688	(7)	298.8%
UT San Antonio	13,935,845	10,112,438	3,823,407		37.8%
UT Tyler	1,153,706	1,107,900	45,806		4.1%
UT Southwestern Medical Center - Dallas	(8,166,338)	(3,157,273)	(5,009,065)	(8)	-158.7%
UT Medical Branch - Galveston	(14,309,869)	(20,487,677)	6,177,808	(9)	30.2%
UT Health Science Center - Houston	4,796,135	8,615,767	(3,819,632)		-44.3%
UT Health Science Center - San Antonio	(4,909,315)	(2,907,209)	(2,002,106)	(10)	-68.9%
UT M. D. Anderson Cancer Center	40,267,979	4,225,763	36,042,216	(11)	852.9%
UT Health Center - Tyler	(2,409,150) (12)	(2,489,786)	80,636		3.2%
Elimination of AUF Transfer	(42,520,000)	(37,493,333)	(5,026,667)		-13.4%
Total Adjusted Income (Loss)	121,197,649	105,671,125	15,526,524		14.7%
Investment Gains (Losses)	930,701,918	396,507,848	534,194,070	(13)	134.7%
Total Adjusted Income (Loss) with Investment Gains (Losses)	<u>\$ 1,051,899,567</u>	<u>\$ 502,178,973</u>	<u>\$ 549,720,594</u>		<u>109.5%</u>

THE UNIVERSITY OF TEXAS SYSTEM
EXPLANATION OF VARIANCES ON THE MONTHLY FINANCIAL REPORT
For the Four Months Ending December 31, 2006

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 \$37.2 million (32.1%) decrease in adjusted income over the same period last year was primarily due to decreased net investment income, decreased other operating revenue, decreased sponsored program revenue and increased professional fees and contracted services expense. Other operating revenue decreased as a result of the migration from the fully insured HMO plan to the UT Select self-insured plan due to the premium increases for the HMO plan. Sponsored program revenue decreased due to the Joint Admission Medical Program funding which is received biennially. Professional fees increased as a result of 2006 audit services performed by Deloitte & Touche (D&T) in 2007. For the 2006 audit, System Administration paid D&T's audit fees from the Available University Fund (AUF). For the 2005 audit, each institution paid a pro-rata share of the audit expense.
- (2) UT Arlington - The \$1.9 million (61.5%) increase in adjusted income over the same period last year was primarily due to an increase in tuition and fees as a result of the new utility fee and new flat rate tuition.
- (3) UT Austin - The \$20.1 million (64.8%) increase in adjusted income over the same period last year was primarily due to an increase in net sales and services of educational activities, net auxiliary enterprises and an increase in the transfer from the AUF. Net sales and services of educational activities increased primarily as a result of growth in the Executive MBA programs. The increase in net auxiliary enterprises is due to increases in Intercollegiate Athletics and application fees and room payments for Housing and Food Services. Intercollegiate Athletics increased as a result of the stadium expansion completed in the summer of 2006 which increased capacity and therefore gate receipts. Housing and Food Services increased due to opening the new Almetrius Duren residence hall and rate increases to accommodate for increasing utilities.
- (4) UT Brownsville - The \$692,000 (206.9%) decrease in adjusted income over the same period last year was primarily due to increased faculty, staff, and part-time salaries and wages as a result of annual merit increases, higher group insurance premiums and new faculty due to enrollment growth.
- (5) UT Dallas - The \$1.9 million year-to-date loss was the result of management's decision to utilize accumulated reserves in lieu of increasing student fees. The funds are being used to invest in new faculty and Development Office staff and to cover increased costs of facilities. UT Dallas is anticipating ending the year with a \$5.1 million negative margin which represents -1.9% of projected revenues. This forecast includes \$18.5 million in non-cash depreciation expense.
- (6) UT Pan American - The \$938,000 (142.8%) increase in adjusted loss over the same period last year was primarily due to increases in salaries and wages, payroll related costs and depreciation expense. Salaries and wages and payroll related costs increased due to new faculty to accommodate enrollment growth and faculty workload reduction, new staff positions primarily in the department of information technology as a result of the Oracle conversion, merit increases, the filling of vacant positions and higher group insurance premiums. Depreciation expense increased due to placing the Education Complex in service in 2006 and the Oracle conversion which was effective September 1, 2006.
- As a result, UT Pan American had a \$281,000 year-to-date loss. UT Pan American is anticipating ending the year with a \$5.1 million negative margin which represents -2.2% of projected revenues. This forecast includes \$16.6 million in non-cash depreciation expense.
- (7) UT Permian Basin - The \$527,000 (298.8%) increase in adjusted income over the same period last year was primarily due to increased tuition and fees as a result of increased rates and higher enrollment of 2.9% from fall 2005 to fall 2006.
- While UT Permian Basin is currently reflecting a positive margin of \$350,000, management is projecting a year-end loss of approximately \$3.1 million which represents -7.2% of projected revenues. This forecast includes \$3.3 million in non-cash depreciation expense.

As a result, UT Brownsville had a \$358,000 year-to-date loss. UT Brownsville is anticipating ending the

In 2006, *UT Permian Basin* reported \$1.9 million of operating gifts for the pre-conceptual design of the High-Temperature Teaching and Test Reactor which have not yet been expended. It is anticipated that the majority of these funds will be expended in 2007.

- (8) *UT Southwestern Medical Center at Dallas* – The \$5 million (158.7%) decrease in adjusted income over the same period last year was primarily due to a loss of \$4.7 million by the hospitals, \$2.7 million expenses from prior year gift balances and \$1.1 million of non-capital furnishings for the new Outpatient Surgical building.

As a result, *UT Southwestern* had an \$8.2 million year-to-date loss. *UT Southwestern* is anticipating ending the year with a \$15 million positive margin which represents 1.2% of projected revenues. This forecast includes \$64.1 million in non-cash depreciation expense.

- (9) *UT Medical Branch – Galveston* – The \$6.2 million (30.2%) decrease in adjusted loss was primarily due to an increase in other operating revenues of \$4.3 million as a result of the Austin Initiative and a decrease in Correctional Managed Health Care Incurred but not Reported (IBNR) liability of \$1.6 million. The increase in the Austin Initiative is the result of contract agreements with Seton Healthcare Network, primarily in their Pediatrics Graduate Medical Education, Internal Medicine and OB-GYN departments.

UTMB had a \$14.3 million year-to-date loss and projects a negative margin of \$25 million which represents -1.8% of projected revenues. This projection includes \$55.7 million in non-cash depreciation expense.

The Navigant Consulting Group helped *UTMB's* management develop a three-year plan to improve operating margin. The first year of the three-year strategy focuses on cost reductions. *UTMB's* management created a Strategic Executive Council which integrates cost-cutting and revenue enhancement strategies, resolves conflicts, allocates resources and provides strategic direction for *UTMB*.

- (10) *UT Health Science Center – San Antonio* – The \$2 million (68.9%) increase in adjusted loss over the same period last year was primarily due to the

Physician Practice Plan's addition of new faculty, recruitment and program expansion efforts and the use of prior year balances in the medical school and research initiatives.

As a result, *UTHSC-SA* had a \$4.9 million year-to-date loss. *UTHSC-SA* is anticipating ending the year with a \$6.7 million negative margin which represents -1.2% of projected revenues. This projection includes \$25 million in non-cash depreciation expense.

- (11) *UT M. D. Anderson Cancer Center* – The \$36 million (852.9%) increase in adjusted income over the same period last year was primarily due to higher patient volumes related to the temporary closure of *M. D. Anderson* in the first quarter of 2006 because of Hurricane *Rita*.

- (12) *UT Health Center – Tyler* – The \$2.4 million year-to-date loss was primarily due to decreased net sales and services of hospitals as a result of decreases in admissions (8.5%), clinic visits (10%), Radiology (5%) and inpatient surgeries (31%) and increased bad debt reserves of \$2 million. An additional \$2 million was reserved for bad debt due to restructuring within the Coding and Business Office. These accounts have not been written-off; however, they have aged to greater than 120 days and must be reserved. A reversal of these reserves is expected over the next 60 days as these amounts are collected. In addition, *UTHC-Tyler* will report approximately \$2 million of income from the Centers for Medicare and Medicaid Services in January as a result of high levels of indigent care patients. *UTHC-Tyler* anticipates ending the year with a \$2.2 million positive margin, which represents 1.7% of projected revenues. This projection includes \$8.8 million in non-cash depreciation expense.

The Navigant Consulting Group helped *UTHC-Tyler's* management develop a three-year plan to improve operating margin. The three-year strategy focuses on cost reductions, affiliations and outreach.

- (13) *Investment Gains (Losses)* – The majority of the \$534.2 million (134.7%) increase in investment gains relates to the Permanent University Fund of \$251 million, the Long Term Fund of \$125.8 million and the Permanent Health Fund of \$25.4 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 non profit 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, The Short Term Fund, the Intermediate 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 less Long Term Fund transfers so as not to overstate investment income. This line item also includes the Available University Fund surface income, oil and gas royalties, and mineral lease bonus sales.

LONG TERM FUND DISTRIBUTION – At the institutional level, includes Long Term Fund fixed payouts approved by the Board of Regents. Investment income for System Administration and the consolidated sheet has been reduced for the amount of any Long Term Fund distribution so as not to overstate investment income system-wide.

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) – Total operating revenues less total operating expenses plus net other nonoperating adjustments.

ADJUSTED MARGIN (as a percentage) – Percentage of Adjusted Income (Loss) 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.

UNAUDITED
The University of Texas System Administration
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2006

	December Year-to-Date FY 2007	December Year-to-Date FY 2006	Variance	Fluctuation Percentage
Operating Revenues				
Sponsored Programs	\$ 12,072,376	\$ 5,343,910	\$6,728,466	125.9%
Net Sales and Services of Educational Activities	7,518,392	7,051,875	466,517	6.6%
Other Operating Revenues	8,132,938	12,667,237	(4,534,299)	-35.8%
Total Operating Revenues	27,723,706	25,063,022	2,660,684	10.6%
Operating Expenses				
Salaries and Wages	10,455,760	9,099,541	1,356,219	14.9%
Employee Benefits and Related Costs	2,080,165	1,937,006	143,159	7.4%
Professional Fees and Contracted Services	1,920,251	418,882	1,501,369	358.4%
Other Contracted Services	3,073,384	2,198,894	874,490	39.8%
Scholarships and Fellowships	106,300	160,000	(53,700)	-33.6%
Travel	610,083	587,708	22,375	3.8%
Materials and Supplies	750,670	510,946	239,724	46.9%
Utilities	221,464	5,872	215,592	3,671.5%
Telecommunications	900,901	352,205	548,696	155.8%
Repairs and Maintenance	560,991	326,161	234,830	72.0%
Rentals and Leases	541,605	677,033	(135,428)	-20.0%
Printing and Reproduction	77,465	72,582	4,883	6.7%
Claims and Losses	11,948,248	1,862,020	10,086,228	541.7%
Depreciation and Amortization	2,134,750	1,772,282	362,468	20.5%
Other Operating Expenses	1,112,081	1,475,660	(363,579)	-24.6%
Total Operating Expenses	36,494,118	21,456,792	15,037,326	70.1%
Operating Loss	(8,770,412)	3,606,230	(12,376,642)	-343.2%
Other Nonoperating Adjustments				
State Appropriations	305,918	276,663	29,255	10.6%
Gift Contributions for Operations	288,899	212,564	76,335	35.9%
Net Investment Income	91,540,062	116,211,581	(24,671,519)	-21.2%
Long Term Fund Distribution	449,162	1,471,526	(1,022,364)	-69.5%
Interest Expense on Capital Asset Financings	(15,895,162)	(15,903,492)	8,330	0.1%
Net Other Nonoperating Adjustments	76,688,879	102,268,842	(25,579,963)	-25.0%
Adjusted Income (Loss)	67,918,467	105,875,072	(37,956,605)	-35.9%
Adjusted Margin (as a percentage)	56.5%	73.9%		
Available University Fund Transfer	10,667,111	9,898,380	768,731	7.8%
Adjusted Income (Loss) with AUF Transfer	78,585,578	115,773,452	(37,187,874)	-32.1%
Adjusted Margin % with AUF Transfer	60.0%	75.6%		
Investment Gains (Losses)	814,028,032	392,841,696	421,186,336	107.2%
Adj. Inc. (Loss) with AUF Transfer & Invest. Gains (Losses)	\$ 892,613,610	\$ 508,615,148	\$ 383,998,462	75.5%
Adj. Margin % with AUF Transfer & Invest. Gains (Losses)	95.5%	94.9%		

UNAUDITED
The University of Texas at Arlington
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2006

	December Year-to-Date <u>FY 2007</u>	December Year-to-Date <u>FY 2006</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 55,161,172	\$ 47,190,716	\$ 7,970,456	16.9%
Sponsored Programs	17,901,114	16,284,669	1,616,445	9.9%
Net Sales and Services of Educational Activities	3,747,605	2,374,080	1,373,525	57.9%
Net Auxiliary Enterprises	8,151,568	8,872,734	(721,166)	-8.1%
Other Operating Revenues	2,298,184	2,361,815	(63,631)	-2.7%
Total Operating Revenues	<u>87,259,643</u>	<u>77,084,014</u>	<u>10,175,629</u>	<u>13.2%</u>
Operating Expenses				
Salaries and Wages	55,496,760	51,601,524	3,895,236	7.5%
Employee Benefits and Related Costs	11,933,637	11,123,761	809,876	7.3%
Professional Fees and Contracted Services	1,606,606	1,472,603	134,003	9.1%
Other Contracted Services	3,129,717	2,516,199	613,518	24.4%
Scholarships and Fellowships	18,401,010	16,380,927	2,020,083	12.3%
Travel	1,232,537	1,108,610	123,927	11.2%
Materials and Supplies	5,698,913	4,804,606	894,307	18.6%
Utilities	3,454,232	3,672,672	(218,440)	-5.9%
Telecommunications	2,480,211	2,083,391	396,820	19.0%
Repairs and Maintenance	1,862,052	2,292,302	(430,250)	-18.8%
Rentals and Leases	769,624	972,940	(203,316)	-20.9%
Printing and Reproduction	678,832	699,506	(20,674)	-3.0%
Depreciation and Amortization	6,787,948	6,696,208	91,740	1.4%
Other Operating Expenses	3,921,454	2,869,681	1,051,773	36.7%
Total Operating Expenses	<u>117,453,533</u>	<u>108,294,930</u>	<u>9,158,603</u>	<u>8.5%</u>
Operating Loss	<u>(30,193,890)</u>	<u>(31,210,916)</u>	<u>1,017,026</u>	<u>3.3%</u>
Other Nonoperating Adjustments				
State Appropriations	35,148,379	34,386,724	761,655	2.2%
Gift Contributions for Operations	722,151	602,604	119,547	19.8%
Net Investment Income	1,380,991	1,319,394	61,597	4.7%
Long Term Fund Distribution	757,747	701,661	56,086	8.0%
Interest Expense on Capital Asset Financings	(2,804,528)	(2,695,892)	(108,636)	-4.0%
Net Other Nonoperating Adjustments	<u>35,204,740</u>	<u>34,314,491</u>	<u>890,249</u>	<u>2.6%</u>
Adjusted Income (Loss)	5,010,850	3,103,575	1,907,275	61.5%
Adjusted Margin (as a percentage)	4.0%	2.7%		
Investment Gains (Losses)	4,382,051	(176,906)	4,558,957	2,577.1%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 9,392,901	\$ 2,926,669	\$ 6,466,232	220.9%
Adjusted Margin % with Investment Gains (Losses)	7.2%	2.6%		

UNAUDITED
The University of Texas at Austin
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2006

	<u>December</u> <u>Year-to-Date</u> <u>FY 2007</u>	<u>December</u> <u>Year-to-Date</u> <u>FY 2006</u>	<u>Variance</u>	<u>Fluctuation</u> <u>Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 183,696,415	\$ 168,628,702	\$ 15,067,713	8.9%
Sponsored Programs	147,944,435	138,023,412	9,921,023	7.2%
Net Sales and Services of Educational Activities	45,181,267	34,481,489	10,699,778	31.0%
Net Auxiliary Enterprises	74,628,845	61,434,111	13,194,734	21.5%
Other Operating Revenues	6,769,884	2,325,691	4,444,193	191.1%
Total Operating Revenues	<u>458,220,846</u>	<u>404,893,405</u>	<u>53,327,441</u>	<u>13.2%</u>
Operating Expenses				
Salaries and Wages	295,432,798	279,999,202	15,433,596	5.5%
Employee Benefits and Related Costs	65,720,691	61,101,383	4,619,308	7.6%
Professional Fees and Contracted Services	7,520,030	6,129,706	1,390,324	22.7%
Other Contracted Services	23,325,976	20,614,863	2,711,113	13.2%
Scholarships and Fellowships	71,556,998	60,487,304	11,069,694	18.3%
Travel	10,904,289	10,505,756	398,533	3.8%
Materials and Supplies	34,365,045	35,081,567	(716,522)	-2.0%
Utilities	21,156,850	26,820,597	(5,663,747)	-21.1%
Telecommunications	4,936,569	5,272,188	(335,619)	-6.4%
Repairs and Maintenance	6,940,967	8,027,706	(1,086,739)	-13.5%
Rentals and Leases	4,867,325	4,993,324	(125,999)	-2.5%
Printing and Reproduction	3,075,033	2,739,033	336,000	12.3%
Federal Sponsored Programs Pass-Thrus	2,113,431	758,852	1,354,579	178.5%
Depreciation and Amortization	39,773,780	36,312,559	3,461,221	9.5%
Other Operating Expenses	29,421,061	21,072,303	8,348,758	39.6%
Total Operating Expenses	<u>621,110,843</u>	<u>579,916,343</u>	<u>41,194,500</u>	<u>7.1%</u>
Operating Loss	<u>(162,889,997)</u>	<u>(175,022,938)</u>	<u>12,132,941</u>	<u>6.9%</u>
Other Nonoperating Adjustments				
State Appropriations	105,628,759	104,377,245	1,251,514	1.2%
Gift Contributions for Operations	30,077,470	29,781,251	296,219	1.0%
Net Investment Income	10,442,098	11,585,825	(1,143,727)	-9.9%
Long Term Fund Distribution	33,616,876	31,450,605	2,166,271	6.9%
Interest Expense on Capital Asset Financings	(8,379,218)	(8,700,550)	321,332	3.7%
Net Other Nonoperating Adjustments	<u>171,385,985</u>	<u>168,494,376</u>	<u>2,891,609</u>	<u>1.7%</u>
Adjusted Income (Loss)	8,495,988	(6,528,562)	15,024,550	230.1%
Adjusted Margin (as a percentage)	1.3%	-1.1%		
Available University Fund Transfer	42,520,000	37,493,333	5,026,667	13.4%
Adjusted Income (Loss) with AUF Transfer	51,015,988	30,964,771	20,051,217	64.8%
Adjusted Margin % with AUF Transfer	7.5%	5.0%		
Investment Gains (Losses)	23,207,115	(39,026)	23,246,141	59,565.8%
Adj. Inc. (Loss) with AUF Transfer & Invest. Gains (Losses)	\$ 74,223,103	\$ 30,925,745	\$ 43,297,358	140.0%
Adj. Margin % with AUF Transfer & Invest. Gains (Losses)	11.2%	5.3%		

UNAUDITED
The University of Texas at Brownsville
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2006

	December Year-to-Date <u>FY 2007</u>	December Year-to-Date <u>FY 2006</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 4,204,062	\$ 3,741,291	\$ 462,771	12.4%
Sponsored Programs	34,216,834	27,968,266	6,248,568	22.3%
Net Sales and Services of Educational Activities	301,820	290,225	11,595	4.0%
Net Auxiliary Enterprises	381,314	331,642	49,672	15.0%
Other Operating Revenues	3,222	37,679	(34,457)	-91.4%
Total Operating Revenues	<u>39,107,252</u>	<u>32,369,103</u>	<u>6,738,149</u>	<u>20.8%</u>
Operating Expenses				
Salaries and Wages	18,230,756	15,797,988	2,432,768	15.4%
Employee Benefits and Related Costs	4,430,391	3,967,023	463,368	11.7%
Professional Fees and Contracted Services	778,653	539,973	238,680	44.2%
Scholarships and Fellowships	17,095,157	13,035,254	4,059,903	31.1%
Travel	333,616	337,220	(3,604)	-1.1%
Materials and Supplies	1,460,229	1,228,426	231,803	18.9%
Utilities	1,302,789	1,268,062	34,727	2.7%
Telecommunications	443,295	585,437	(142,142)	-24.3%
Repairs and Maintenance	334,645	257,732	76,913	29.8%
Rentals and Leases	583,987	456,172	127,815	28.0%
Printing and Reproduction	119,140	111,128	8,012	7.2%
Bad Debt Expense	8,566	7,761	805	10.4%
Federal Sponsored Programs Pass-Thrus	5,977	-	5,977	100.0%
Depreciation and Amortization	1,797,836	1,709,583	88,253	5.2%
Other Operating Expenses	2,010,525	1,851,692	158,833	8.6%
Total Operating Expenses	<u>48,935,562</u>	<u>41,153,451</u>	<u>7,782,111</u>	<u>18.9%</u>
Operating Loss	<u>(9,828,310)</u>	<u>(8,784,348)</u>	<u>(1,043,962)</u>	<u>-11.9%</u>
Other Nonoperating Adjustments				
State Appropriations	9,530,679	9,223,592	307,087	3.3%
Gift Contributions for Operations	129,136	110,517	18,619	16.8%
Net Investment Income	345,969	365,772	(19,803)	-5.4%
Long Term Fund Distribution	98,250	89,319	8,931	10.0%
Interest Expense on Capital Asset Financings	(633,284)	(670,233)	36,949	5.5%
Net Other Nonoperating Adjustments	<u>9,470,750</u>	<u>9,118,967</u>	<u>351,783</u>	<u>3.9%</u>
Adjusted Income (Loss)	(357,560)	334,619	(692,179)	-206.9%
Adjusted Margin (as a percentage)	-0.7%	0.8%		
Investment Gains (Losses)	864,443	(93,938)	958,381	1,020.2%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 506,883	\$ 240,681	\$ 266,202	110.6%
Adjusted Margin % with Investment Gains (Losses)	1.0%	0.6%		

UNAUDITED
The University of Texas at Dallas
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2006

	December Year-to-Date <u>FY 2007</u>	December Year-to-Date <u>FY 2006</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 40,738,905	\$ 36,016,503	\$ 4,722,402	13.1%
Sponsored Programs	13,093,818	17,333,396	(4,239,578)	-24.5%
Net Sales and Services of Educational Activities	1,805,594	1,704,615	100,979	5.9%
Net Auxiliary Enterprises	1,974,383	1,934,248	40,135	2.1%
Other Operating Revenues	1,989,020	2,127,235	(138,215)	-6.5%
Total Operating Revenues	<u>59,601,720</u>	<u>59,115,997</u>	<u>485,723</u>	<u>0.8%</u>
Operating Expenses				
Salaries and Wages	45,703,508	42,130,466	3,573,042	8.5%
Employee Benefits and Related Costs	9,107,551	8,134,345	973,206	12.0%
Professional Fees and Contracted Services	792,476	1,310,368	(517,892)	-39.5%
Other Contracted Services	2,789,564	3,263,835	(474,271)	-14.5%
Scholarships and Fellowships	15,064,577	16,792,902	(1,728,325)	-10.3%
Travel	938,417	904,435	33,982	3.8%
Materials and Supplies	4,678,076	5,911,372	(1,233,296)	-20.9%
Utilities	2,056,127	2,196,348	(140,221)	-6.4%
Telecommunications	388,278	525,612	(137,334)	-26.1%
Repairs and Maintenance	1,040,929	1,648,431	(607,502)	-36.9%
Rentals and Leases	404,391	177,641	226,750	127.6%
Printing and Reproduction	450,736	385,657	65,079	16.9%
Federal Sponsored Programs Pass-Thrus	23,855	3,803	20,052	527.3%
Depreciation and Amortization	5,651,637	4,836,378	815,259	16.9%
Other Operating Expenses	3,039,120	2,935,283	103,837	3.5%
Total Operating Expenses	<u>92,129,242</u>	<u>91,156,876</u>	<u>972,366</u>	<u>1.1%</u>
Operating Loss	<u>(32,527,522)</u>	<u>(32,040,879)</u>	<u>(486,643)</u>	<u>-1.5%</u>
Other Nonoperating Adjustments				
State Appropriations	25,241,440	25,092,230	149,210	0.6%
Gift Contributions for Operations	4,180,131	1,670,893	2,509,238	150.2%
Net Investment Income	1,043,004	1,154,801	(111,797)	-9.7%
Long Term Fund Distribution	2,557,291	2,425,142	132,149	5.4%
Interest Expense on Capital Asset Financings	(2,393,516)	(1,785,790)	(607,726)	-34.0%
Net Other Nonoperating Adjustments	<u>30,628,350</u>	<u>28,557,276</u>	<u>2,071,074</u>	<u>7.3%</u>
Adjusted Income (Loss)	(1,899,172)	(3,483,603)	1,584,431	45.5%
Adjusted Margin (as a percentage)	-2.1%	-3.9%		
Investment Gains (Losses)	3,466,348	(925,344)	4,391,692	474.6%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 1,567,176	\$ (4,408,947)	\$ 5,976,123	135.5%
Adjusted Margin % with Investment Gains (Losses)	1.6%	-5.0%		

UNAUDITED
The University of Texas at El Paso
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2006

	December Year-to-Date <u>FY 2007</u>	December Year-to-Date <u>FY 2006</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 28,650,456	\$ 26,837,085	\$ 1,813,371	6.8%
Sponsored Programs	29,116,032	26,178,348	2,937,684	11.2%
Net Sales and Services of Educational Activities	1,249,996	1,210,960	39,036	3.2%
Net Auxiliary Enterprises	11,301,927	10,192,720	1,109,207	10.9%
Other Operating Revenues	5,784	9,572	(3,788)	-39.6%
Total Operating Revenues	<u>70,324,195</u>	<u>64,428,685</u>	<u>5,895,510</u>	<u>9.2%</u>
Operating Expenses				
Salaries and Wages	40,839,031	39,167,246	1,671,785	4.3%
Employee Benefits and Related Costs	9,957,587	9,236,372	721,215	7.8%
Professional Fees and Contracted Services	3,432,363	1,926,342	1,506,021	78.2%
Other Contracted Services	4,685,100	4,037,421	647,679	16.0%
Scholarships and Fellowships	20,700,840	19,234,020	1,466,820	7.6%
Travel	1,574,524	1,502,755	71,769	4.8%
Materials and Supplies	7,997,477	7,561,908	435,569	5.8%
Utilities	2,291,086	2,382,167	(91,081)	-3.8%
Telecommunications	150,830	124,879	25,951	20.8%
Repairs and Maintenance	1,263,828	1,667,743	(403,915)	-24.2%
Rentals and Leases	1,317,931	980,011	337,920	34.5%
Printing and Reproduction	192,629	406,161	(213,532)	-52.6%
Federal Sponsored Programs Pass-Thrus	62,499	473,757	(411,258)	-86.8%
Depreciation and Amortization	4,103,267	3,960,008	143,259	3.6%
Other Operating Expenses	1,946,259	1,854,783	91,476	4.9%
Total Operating Expenses	<u>100,515,251</u>	<u>94,515,573</u>	<u>5,999,678</u>	<u>6.3%</u>
Operating Loss	<u>(30,191,056)</u>	<u>(30,086,888)</u>	<u>(104,168)</u>	<u>-0.3%</u>
Other Nonoperating Adjustments				
State Appropriations	26,573,756	27,361,328	(787,572)	-2.9%
Gift Contributions for Operations	3,056,735	2,275,331	781,404	34.3%
Net Investment Income	1,513,719	1,312,172	201,547	15.4%
Long Term Fund Distribution	1,512,971	1,446,531	66,440	4.6%
Interest Expense on Capital Asset Financings	(1,532,556)	(1,337,740)	(194,816)	-14.6%
Net Other Nonoperating Adjustments	<u>31,124,625</u>	<u>31,057,622</u>	<u>67,003</u>	<u>0.2%</u>
Adjusted Income (Loss)	933,569	970,734	(37,165)	-3.8%
Adjusted Margin (as a percentage)	0.9%	1.0%		
Investment Gains (Losses)	1,972,099	(231,031)	2,203,130	953.6%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 2,905,668	\$ 739,703	\$ 2,165,965	292.8%
Adjusted Margin % with Investment Gains (Losses)	2.8%	0.8%		

UNAUDITED
The University of Texas-Pan American
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2006

	December Year-to-Date <u>FY 2007</u>	December Year-to-Date <u>FY 2006</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 22,815,708	\$ 19,735,132	\$ 3,080,576	15.6%
Sponsored Programs	29,415,930	26,000,354	3,415,576	13.1%
Net Sales and Services of Educational Activities	2,589,877	2,056,035	533,842	26.0%
Net Auxiliary Enterprises	1,376,716	1,250,680	126,036	10.1%
Other Operating Revenues	155,020	183,327	(28,307)	-15.4%
Total Operating Revenues	<u>56,353,251</u>	<u>49,225,528</u>	<u>7,127,723</u>	<u>14.5%</u>
Operating Expenses				
Salaries and Wages	29,221,261	26,911,188	2,310,073	8.6%
Employee Benefits and Related Costs	6,659,195	6,437,251	221,944	3.4%
Professional Fees and Contracted Services	528,609	271,778	256,831	94.5%
Other Contracted Services	2,331,933	912,536	1,419,397	155.5%
Scholarships and Fellowships	25,986,538	23,401,027	2,585,511	11.0%
Travel	878,262	791,532	86,730	11.0%
Materials and Supplies	4,304,227	3,914,196	390,031	10.0%
Utilities	1,760,789	1,614,531	146,258	9.1%
Telecommunications	389,970	245,104	144,866	59.1%
Repairs and Maintenance	860,481	372,608	487,873	130.9%
Rentals and Leases	212,769	245,373	(32,604)	-13.3%
Printing and Reproduction	56,825	206,439	(149,614)	-72.5%
Bad Debt Expense	306,702	408,312	(101,610)	-24.9%
Federal Sponsored Programs Pass-Thrus	72	35,204	(35,132)	-99.8%
Depreciation and Amortization	5,547,356	4,773,537	773,819	16.2%
Other Operating Expenses	1,246,721	1,839,088	(592,367)	-32.2%
Total Operating Expenses	<u>80,291,710</u>	<u>72,379,704</u>	<u>7,912,006</u>	<u>10.9%</u>
Operating Loss	<u>(23,938,459)</u>	<u>(23,154,176)</u>	<u>(784,283)</u>	<u>-3.4%</u>
Other Nonoperating Adjustments				
State Appropriations	23,230,744	23,003,615	227,129	1.0%
Gift Contributions for Operations	845,175	590,072	255,103	43.2%
Net Investment Income	731,739	669,135	62,604	9.4%
Long Term Fund Distribution	358,680	340,823	17,857	5.2%
Interest Expense on Capital Asset Financings	(1,508,920)	(792,238)	(716,682)	-90.5%
Net Other Nonoperating Adjustments	<u>23,657,418</u>	<u>23,811,407</u>	<u>(153,989)</u>	<u>-0.6%</u>
Adjusted Income (Loss)	(281,041)	657,231	(938,272)	-142.8%
Adjusted Margin (as a percentage)	-0.3%	0.9%		
Investment Gains (Losses)	1,488,198	(336,644)	1,824,842	542.1%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 1,207,157	\$ 320,587	\$ 886,570	276.5%
Adjusted Margin % with Investment Gains (Losses)	1.5%	0.4%		

UNAUDITED
The University of Texas of the Permian Basin
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2006

	December Year-to-Date <u>FY 2007</u>	December Year-to-Date <u>FY 2006</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 4,617,355	\$ 4,078,980	\$ 538,375	13.2%
Sponsored Programs	2,274,146	1,890,516	383,630	20.3%
Net Sales and Services of Educational Activities	86,182	87,957	(1,775)	-2.0%
Net Auxiliary Enterprises	795,171	767,194	27,977	3.6%
Other Operating Revenues	26,832	16,544	10,288	62.2%
Total Operating Revenues	<u>7,799,686</u>	<u>6,841,191</u>	<u>958,495</u>	<u>14.0%</u>
Operating Expenses				
Salaries and Wages	5,546,700	5,289,501	257,199	4.9%
Employee Benefits and Related Costs	1,242,986	1,249,724	(6,738)	-0.5%
Professional Fees and Contracted Services	484,962	275,927	209,035	75.8%
Other Contracted Services	228,500	247,602	(19,102)	-7.7%
Scholarships and Fellowships	2,542,287	2,456,316	85,971	3.5%
Travel	223,614	192,417	31,197	16.2%
Materials and Supplies	561,015	791,363	(230,348)	-29.1%
Utilities	620,968	497,771	123,197	24.7%
Telecommunications	202,905	214,959	(12,054)	-5.6%
Repairs and Maintenance	216,200	154,148	62,052	40.3%
Rentals and Leases	130,079	72,093	57,986	80.4%
Printing and Reproduction	66,995	105,491	(38,496)	-36.5%
Depreciation and Amortization	1,115,912	1,115,912	-	0.0%
Other Operating Expenses	284,047	361,399	(77,352)	-21.4%
Total Operating Expenses	<u>13,467,170</u>	<u>13,024,623</u>	<u>442,547</u>	<u>3.4%</u>
Operating Loss	<u>(5,667,484)</u>	<u>(6,183,432)</u>	<u>515,948</u>	<u>8.3%</u>
Other Nonoperating Adjustments				
State Appropriations	5,736,172	5,714,140	22,032	0.4%
Gift Contributions for Operations	476,647	570,429	(93,782)	-16.4%
Net Investment Income	144,104	90,070	54,034	60.0%
Long Term Fund Distribution	226,429	215,474	10,955	5.1%
Interest Expense on Capital Asset Financings	(565,424)	(582,925)	17,501	3.0%
Net Other Nonoperating Adjustments	<u>6,017,928</u>	<u>6,007,188</u>	<u>10,740</u>	<u>0.2%</u>
Adjusted Income (Loss)	350,444	(176,244)	526,688	298.8%
Adjusted Margin (as a percentage)	2.4%	-1.3%		
Investment Gains (Losses)	202,494	1,852	200,642	10,833.8%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 552,938	\$ (174,392)	\$ 727,330	417.1%
Adjusted Margin % with Investment Gains (Losses)	3.8%	-1.3%		

UNAUDITED
The University of Texas at San Antonio
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2006

	December Year-to-Date <u>FY 2007</u>	December Year-to-Date <u>FY 2006</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 59,332,744	\$ 51,960,970	\$ 7,371,774	14.2%
Sponsored Programs	26,843,467	26,076,603	766,864	2.9%
Net Sales and Services of Educational Activities	1,455,595	1,422,167	33,428	2.4%
Net Auxiliary Enterprises	4,953,129	5,901,186	(948,057)	-16.1%
Other Operating Revenues	533,500	533,186	314	0.1%
Total Operating Revenues	<u>93,118,435</u>	<u>85,894,112</u>	<u>7,224,323</u>	<u>8.4%</u>
Operating Expenses				
Salaries and Wages	50,868,448	46,859,541	4,008,907	8.6%
Employee Benefits and Related Costs	12,301,453	11,201,232	1,100,221	9.8%
Professional Fees and Contracted Services	1,140,957	941,752	199,205	21.2%
Other Contracted Services	1,466,807	705,569	761,238	107.9%
Scholarships and Fellowships	22,595,513	22,374,420	221,093	1.0%
Travel	1,592,644	1,619,155	(26,511)	-1.6%
Materials and Supplies	5,216,100	8,348,328	(3,132,228)	-37.5%
Utilities	3,289,658	2,950,931	338,727	11.5%
Telecommunications	686,224	1,029,457	(343,233)	-33.3%
Repairs and Maintenance	1,893,763	1,443,112	450,651	31.2%
Rentals and Leases	733,177	721,183	11,994	1.7%
Printing and Reproduction	361,896	301,432	60,464	20.1%
Federal Sponsored Programs Pass-Thrus	701,729	784,259	(82,530)	-10.5%
Depreciation and Amortization	7,011,342	6,866,859	144,483	2.1%
Other Operating Expenses	1,936,704	1,759,472	177,232	10.1%
Total Operating Expenses	<u>111,796,415</u>	<u>107,906,702</u>	<u>3,889,713</u>	<u>3.6%</u>
Operating Loss	<u>(18,677,980)</u>	<u>(22,012,590)</u>	<u>3,334,610</u>	<u>15.1%</u>
Other Nonoperating Adjustments				
State Appropriations	32,524,007	31,938,041	585,966	1.8%
Gift Contributions for Operations	1,272,564	1,523,676	(251,112)	-16.5%
Net Investment Income	2,153,538	1,525,944	627,594	41.1%
Long Term Fund Distribution	638,460	531,323	107,137	20.2%
Interest Expense on Capital Asset Financings	(3,974,744)	(3,393,956)	(580,788)	-17.1%
Net Other Nonoperating Adjustments	<u>32,613,825</u>	<u>32,125,028</u>	<u>488,797</u>	<u>1.5%</u>
Adjusted Income (Loss)	13,935,845	10,112,438	3,823,407	37.8%
Adjusted Margin (as a percentage)	10.7%	8.3%		
Investment Gains (Losses)	5,915,672	78,277	5,837,395	7,457.4%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 19,851,517	\$ 10,190,715	\$ 9,660,802	94.8%
Adjusted Margin % with Investment Gains (Losses)	14.6%	8.4%		

UNAUDITED
The University of Texas at Tyler
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2006

	December Year-to-Date <u>FY 2007</u>	December Year-to-Date <u>FY 2006</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 8,838,076	\$ 7,393,368	\$ 1,444,708	19.5%
Sponsored Programs	3,747,305	4,433,514	(686,209)	-15.5%
Net Sales and Services of Educational Activities	358,727	375,230	(16,503)	-4.4%
Net Auxiliary Enterprises	1,403,471	1,083,587	319,884	29.5%
Other Operating Revenues	25,491	26,342	(851)	-3.2%
Total Operating Revenues	<u>14,373,070</u>	<u>13,312,041</u>	<u>1,061,029</u>	<u>8.0%</u>
Operating Expenses				
Salaries and Wages	9,965,341	9,432,731	532,610	5.6%
Employee Benefits and Related Costs	2,504,783	2,263,395	241,388	10.7%
Professional Fees and Contracted Services	443,212	485,851	(42,639)	-8.8%
Other Contracted Services	1,036,338	728,728	307,610	42.2%
Scholarships and Fellowships	4,128,629	4,069,957	58,672	1.4%
Travel	313,593	314,346	(753)	-0.2%
Materials and Supplies	1,879,805	1,177,180	702,625	59.7%
Utilities	365,496	408,205	(42,709)	-10.5%
Telecommunications	181,814	158,350	23,464	14.8%
Repairs and Maintenance	377,881	510,203	(132,322)	-25.9%
Rentals and Leases	115,014	72,636	42,378	58.3%
Printing and Reproduction	256,925	192,495	64,430	33.5%
Depreciation and Amortization	2,146,412	2,033,664	112,748	5.5%
Other Operating Expenses	447,099	379,235	67,864	17.9%
Total Operating Expenses	<u>24,162,342</u>	<u>22,226,976</u>	<u>1,935,366</u>	<u>8.7%</u>
Operating Loss	<u>(9,789,272)</u>	<u>(8,914,935)</u>	<u>(874,337)</u>	<u>-9.8%</u>
Other Nonoperating Adjustments				
State Appropriations	10,036,395	9,284,949	751,446	8.1%
Gift Contributions for Operations	629,959	366,252	263,707	72.0%
Net Investment Income	274,581	342,747	(68,166)	-19.9%
Long Term Fund Distribution	835,079	791,473	43,606	5.5%
Interest Expense on Capital Asset Financings	(833,036)	(762,586)	(70,450)	-9.2%
Net Other Nonoperating Adjustments	<u>10,942,978</u>	<u>10,022,835</u>	<u>920,143</u>	<u>9.2%</u>
Adjusted Income (Loss)	1,153,706	1,107,900	45,806	4.1%
Adjusted Margin (as a percentage)	4.4%	4.6%		
Investment Gains (Losses)	759,919	(3,736)	763,655	20,440.4%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 1,913,625	\$ 1,104,164	\$ 809,461	73.3%
Adjusted Margin % with Investment Gains (Losses)	7.1%	4.6%		

UNAUDITED
The University of Texas Southwestern Medical Center at Dallas
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2006

	December Year-to-Date <u>FY 2007</u>	December Year-to-Date <u>FY 2006</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 8,697,904	\$ 8,232,012	\$ 465,892	5.7%
Sponsored Programs	131,854,989	125,851,913	6,003,076	4.8%
Net Sales and Services of Educational Activities	2,112,367	4,342,115	(2,229,748)	-51.4%
Net Sales and Services of Hospitals	92,064,726	91,725,619	339,107	0.4%
Net Professional Fees	86,356,456	78,843,368	7,513,088	9.5%
Net Auxiliary Enterprises	5,814,061	5,889,166	(75,105)	-1.3%
Other Operating Revenues	1,677,175	1,986,813	(309,638)	-15.6%
Total Operating Revenues	<u>328,577,678</u>	<u>316,871,006</u>	<u>11,706,672</u>	<u>3.7%</u>
Operating Expenses				
Salaries and Wages	206,984,638	193,111,378	13,873,260	7.2%
Employee Benefits and Related Costs	55,616,723	51,957,692	3,659,031	7.0%
Professional Fees and Contracted Services	3,756,023	4,218,947	(462,924)	-11.0%
Other Contracted Services	23,715,697	24,382,325	(666,628)	-2.7%
Scholarships and Fellowships	6,057,783	5,834,617	223,166	3.8%
Travel	2,740,121	2,629,456	110,665	4.2%
Materials and Supplies	56,898,648	53,527,871	3,370,777	6.3%
Utilities	6,773,954	8,025,001	(1,251,047)	-15.6%
Telecommunications	1,662,558	1,925,179	(262,621)	-13.6%
Repairs and Maintenance	3,697,369	3,474,200	223,169	6.4%
Rentals and Leases	3,692,084	3,907,483	(215,399)	-5.5%
Printing and Reproduction	872,858	908,823	(35,965)	-4.0%
Federal Sponsored Programs Pass-Thrus	116,147	161,730	(45,583)	-28.2%
Depreciation and Amortization	20,254,574	18,984,059	1,270,515	6.7%
Other Operating Expenses	18,479,258	18,633,314	(154,056)	-0.8%
Total Operating Expenses	<u>411,318,435</u>	<u>391,682,075</u>	<u>19,636,360</u>	<u>5.0%</u>
Operating Loss	<u>(82,740,757)</u>	<u>(74,811,069)</u>	<u>(7,929,688)</u>	<u>-10.6%</u>
Other Nonoperating Adjustments				
State Appropriations	50,973,346	48,405,863	2,567,483	5.3%
Gift Contributions for Operations	7,989,840	8,780,621	(790,781)	-9.0%
Net Investment Income	13,167,248	12,174,659	992,589	8.2%
Long Term Fund Distribution	10,013,404	9,288,079	725,325	7.8%
Interest Expense on Capital Asset Financings	(7,569,419)	(6,995,426)	(573,993)	-8.2%
Net Other Nonoperating Adjustments	<u>74,574,419</u>	<u>71,653,796</u>	<u>2,920,623</u>	<u>4.1%</u>
Adjusted Income (Loss)	(8,166,338)	(3,157,273)	(5,009,065)	-158.7%
Adjusted Margin (as a percentage)	-2.0%	-0.8%		
Investment Gains (Losses)	18,243,491	(1,922,346)	20,165,837	1,049.0%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 10,077,153	\$ (5,079,619)	\$ 15,156,772	298.4%
Adjusted Margin % with Investment Gains (Losses)	2.3%	-1.3%		

UNAUDITED
The University of Texas Medical Branch at Galveston
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2006

	December Year-to-Date <u>FY 2007</u>	December Year-to-Date <u>FY 2006</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 5,657,269	\$ 4,470,008	\$ 1,187,261	26.6%
Sponsored Programs	68,919,866	70,039,955	(1,120,089)	-1.6%
Net Sales and Services of Hospitals	224,306,424	222,991,436	1,314,988	0.6%
Net Professional Fees	35,722,525	36,997,924	(1,275,399)	-3.4%
Net Auxiliary Enterprises	2,745,507	2,774,566	(29,059)	-1.0%
Other Operating Revenues	11,695,266	7,346,243	4,349,023	59.2%
Total Operating Revenues	<u>349,046,857</u>	<u>344,620,132</u>	<u>4,426,725</u>	<u>1.3%</u>
Operating Expenses				
Salaries and Wages	248,548,663	247,552,588	996,075	0.4%
Employee Benefits and Related Costs	58,255,615	60,246,199	(1,990,584)	-3.3%
Professional Fees and Contracted Services	13,512,481	12,359,160	1,153,321	9.3%
Other Contracted Services	14,098,623	19,962,589	(5,863,966)	-29.4%
Scholarships and Fellowships	2,460,214	2,330,876	129,338	5.5%
Travel	2,133,509	1,975,993	157,516	8.0%
Materials and Supplies	56,155,359	54,419,408	1,735,951	3.2%
Utilities	9,113,073	10,695,497	(1,582,424)	-14.8%
Telecommunications	4,647,266	4,065,307	581,959	14.3%
Repairs and Maintenance	9,781,764	9,331,563	450,201	4.8%
Rentals and Leases	4,849,951	4,425,417	424,534	9.6%
Printing and Reproduction	632,413	584,595	47,818	8.2%
Federal Sponsored Programs Pass-Thrus	4,075,591	1,096,532	2,979,059	271.7%
Depreciation and Amortization	18,178,556	17,827,134	351,422	2.0%
Other Operating Expenses	24,573,775	25,605,476	(1,031,701)	-4.0%
Total Operating Expenses	<u>471,016,853</u>	<u>472,478,334</u>	<u>(1,461,481)</u>	<u>-0.3%</u>
Operating Loss	<u>(121,969,996)</u>	<u>(127,858,202)</u>	<u>5,888,206</u>	<u>4.6%</u>
Other Nonoperating Adjustments				
State Appropriations	96,561,557	96,224,826	336,731	0.3%
Gift Contributions for Operations	2,937,671	2,330,597	607,074	26.0%
Net Investment Income	5,302,494	6,355,330	(1,052,836)	-16.6%
Long Term Fund Distribution	5,554,053	4,415,901	1,138,152	25.8%
Interest Expense on Capital Asset Financings	(2,695,648)	(1,956,129)	(739,519)	-37.8%
Net Other Nonoperating Adjustments	<u>107,660,127</u>	<u>107,370,525</u>	<u>289,602</u>	<u>0.3%</u>
Adjusted Income (Loss)	(14,309,869)	(20,487,677)	6,177,808	30.2%
Adjusted Margin (as a percentage)	-3.1%	-4.5%		
Investment Gains (Losses)	6,449,159	(1,126,548)	7,575,707	672.5%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (7,860,710)	\$ (21,614,225)	\$ 13,753,515	63.6%
Adjusted Margin % with Investment Gains (Losses)	-1.7%	-4.8%		

UNAUDITED
The University of Texas Health Science Center at Houston
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2006

	December Year-to-Date <u>FY 2007</u>	December Year-to-Date <u>FY 2006</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 8,635,231	\$ 6,804,868	\$ 1,830,363	26.9%
Sponsored Programs	95,403,182	87,883,004	7,520,178	8.6%
Net Sales and Services of Educational Activities	11,804,470	10,886,530	917,940	8.4%
Net Sales and Services of Hospitals	10,483,143	9,009,899	1,473,244	16.4%
Net Professional Fees	32,636,237	33,676,362	(1,040,125)	-3.1%
Net Auxiliary Enterprises	7,237,937	7,060,829	177,108	2.5%
Other Operating Revenues	10,997,764	10,494,880	502,884	4.8%
Total Operating Revenues	<u>177,197,964</u>	<u>165,816,372</u>	<u>11,381,592</u>	<u>6.9%</u>
Operating Expenses				
Salaries and Wages	108,831,658	106,205,892	2,625,766	2.5%
Employee Benefits and Related Costs	24,446,000	23,655,451	790,549	3.3%
Professional Fees and Contracted Services	19,211,112	17,353,334	1,857,778	10.7%
Other Contracted Services	14,012,545	11,976,266	2,036,279	17.0%
Scholarships and Fellowships	931,632	1,250,309	(318,677)	-25.5%
Travel	1,850,860	1,743,214	107,646	6.2%
Materials and Supplies	19,208,172	17,120,289	2,087,883	12.2%
Utilities	5,523,887	3,305,501	2,218,386	67.1%
Telecommunications	747,630	982,988	(235,358)	-23.9%
Repairs and Maintenance	2,238,595	1,499,817	738,778	49.3%
Rentals and Leases	5,279,012	5,612,666	(333,654)	-5.9%
Printing and Reproduction	1,270,684	1,159,004	111,680	9.6%
Bad Debt Expense	-	399,213	(399,213)	-100.0%
Federal Sponsored Programs Pass-Thrus	1,756,214	1,721,779	34,435	2.0%
Depreciation and Amortization	10,348,071	9,157,802	1,190,269	13.0%
Other Operating Expenses	17,248,458	16,637,221	611,237	3.7%
Total Operating Expenses	<u>232,904,530</u>	<u>219,780,746</u>	<u>13,123,784</u>	<u>6.0%</u>
Operating Loss	<u>(55,706,566)</u>	<u>(53,964,374)</u>	<u>(1,742,192)</u>	<u>-3.2%</u>
Other Nonoperating Adjustments				
State Appropriations	51,264,552	50,653,478	611,074	1.2%
Gift Contributions for Operations	5,142,583	8,630,216	(3,487,633)	-40.4%
Net Investment Income	5,387,805	4,742,841	644,964	13.6%
Long Term Fund Distribution	1,655,985	1,502,444	153,541	10.2%
Interest Expense on Capital Asset Financings	(2,948,224)	(2,948,838)	614	0.0%
Net Other Nonoperating Adjustments	<u>60,502,701</u>	<u>62,580,141</u>	<u>(2,077,440)</u>	<u>-3.3%</u>
Adjusted Income (Loss)	4,796,135	8,615,767	(3,819,632)	-44.3%
Adjusted Margin (as a percentage)	2.0%	3.7%		
Investment Gains (Losses)	6,240,000	(1,377,051)	7,617,051	553.1%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 11,036,135	\$ 7,238,716	\$ 3,797,419	52.5%
Adjusted Margin % with Investment Gains (Losses)	4.5%	3.1%		

UNAUDITED
The University of Texas Health Science Center at San Antonio
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2006

	December Year-to-Date <u>FY 2007</u>	December Year-to-Date <u>FY 2006</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 7,733,333	\$ 7,553,097	\$ 180,236	2.4%
Sponsored Programs	60,734,257	62,354,864	(1,620,607)	-2.6%
Net Sales and Services of Educational Activities	7,673,836	7,290,619	383,217	5.3%
Net Professional Fees	26,187,446	26,777,847	(590,401)	-2.2%
Net Auxiliary Enterprises	943,063	1,252,929	(309,866)	-24.7%
Other Operating Revenues	9,344,993	9,457,366	(112,373)	-1.2%
Total Operating Revenues	<u>112,616,928</u>	<u>114,686,722</u>	<u>(2,069,794)</u>	<u>-1.8%</u>
Operating Expenses				
Salaries and Wages	95,522,881	92,004,137	3,518,744	3.8%
Employee Benefits and Related Costs	23,812,342	22,584,456	1,227,886	5.4%
Professional Fees and Contracted Services	3,322,010	3,519,521	(197,511)	-5.6%
Other Contracted Services	5,574,179	5,255,634	318,545	6.1%
Scholarships and Fellowships	1,181,266	550,787	630,479	114.5%
Travel	1,319,265	1,585,542	(266,277)	-16.8%
Materials and Supplies	10,345,922	11,243,794	(897,872)	-8.0%
Utilities	4,333,333	3,968,572	364,761	9.2%
Telecommunications	1,911,661	1,784,905	126,756	7.1%
Repairs and Maintenance	1,149,269	797,972	351,297	44.0%
Rentals and Leases	697,355	862,160	(164,805)	-19.1%
Printing and Reproduction	468,734	610,401	(141,667)	-23.2%
Federal Sponsored Programs Pass-Thrus	208,333	175,181	33,152	18.9%
Depreciation and Amortization	8,333,333	7,705,157	628,176	8.2%
Other Operating Expenses	21,251,411	23,440,636	(2,189,225)	-9.3%
Total Operating Expenses	<u>179,431,294</u>	<u>176,088,855</u>	<u>3,342,439</u>	<u>1.9%</u>
Operating Loss	<u>(66,814,366)</u>	<u>(61,402,133)</u>	<u>(5,412,233)</u>	<u>-8.8%</u>
Other Nonoperating Adjustments				
State Appropriations	50,660,997	50,447,681	213,316	0.4%
Gift Contributions for Operations	4,608,715	935,726	3,672,989	392.5%
Net Investment Income	7,178,775	7,723,881	(545,106)	-7.1%
Long Term Fund Distribution	1,524,992	1,385,666	139,326	10.1%
Interest Expense on Capital Asset Financings	(2,068,428)	(1,998,030)	(70,398)	-3.5%
Net Other Nonoperating Adjustments	<u>61,905,051</u>	<u>58,494,924</u>	<u>3,410,127</u>	<u>5.8%</u>
Adjusted Income (Loss)	(4,909,315)	(2,907,209)	(2,002,106)	-68.9%
Adjusted Margin (as a percentage)	-2.8%	-1.7%		
Investment Gains (Losses)	5,047,523	(567,051)	5,614,574	990.1%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 138,208	\$ (3,474,260)	\$ 3,612,468	104.0%
Adjusted Margin % with Investment Gains (Losses)	0.1%	-2.0%		

UNAUDITED
The University of Texas M. D. Anderson Cancer Center
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2006

	December Year-to-Date <u>FY 2007</u>	December Year-to-Date <u>FY 2006</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 117,100	\$ 88,288	\$ 28,812	32.6%
Sponsored Programs	74,096,980	72,746,876	1,350,104	1.9%
Net Sales and Services of Educational Activities	1,125,940	772,587	353,353	45.7%
Net Sales and Services of Hospitals	530,944,324	473,369,571	57,574,753	12.2%
Net Professional Fees	78,475,175	70,632,540	7,842,635	11.1%
Net Auxiliary Enterprises	8,004,149	7,321,548	682,601	9.3%
Other Operating Revenues	10,075,378	6,805,537	3,269,841	48.0%
Total Operating Revenues	<u>702,839,046</u>	<u>631,736,947</u>	<u>71,102,099</u>	<u>11.3%</u>
Operating Expenses				
Salaries and Wages	359,085,422	334,995,496	24,089,926	7.2%
Employee Benefits and Related Costs	94,584,352	87,573,887	7,010,465	8.0%
Professional Fees and Contracted Services	28,435,565	25,471,280	2,964,285	11.6%
Other Contracted Services	21,206,512	19,375,795	1,830,717	9.4%
Travel	5,959,181	4,507,991	1,451,190	32.2%
Materials and Supplies	135,942,659	125,652,634	10,290,025	8.2%
Utilities	16,811,736	21,003,671	(4,191,935)	-20.0%
Telecommunications	2,027,197	2,763,197	(736,000)	-26.6%
Repairs and Maintenance	14,586,714	12,927,168	1,659,546	12.8%
Rentals and Leases	9,657,082	9,294,553	362,529	3.9%
Federal Sponsored Programs Pass-Thrus	(180,197)	134,535	(314,732)	-233.9%
Depreciation and Amortization	60,130,539	59,622,449	508,090	0.9%
Other Operating Expenses	837,025	821,188	15,837	1.9%
Total Operating Expenses	<u>749,083,787</u>	<u>704,143,844</u>	<u>44,939,943</u>	<u>6.4%</u>
Operating Loss	<u>(46,244,741)</u>	<u>(72,406,897)</u>	<u>26,162,156</u>	<u>36.1%</u>
Other Nonoperating Adjustments				
State Appropriations	53,597,484	52,779,097	818,387	1.6%
Gift Contributions for Operations	26,221,537	17,418,453	8,803,084	50.5%
Net Investment Income	12,616,267	11,732,542	883,725	7.5%
Long Term Fund Distribution	4,765,072	4,489,372	275,700	6.1%
Interest Expense on Capital Asset Financings	(10,687,640)	(9,786,804)	(900,836)	-9.2%
Net Other Nonoperating Adjustments	<u>86,512,720</u>	<u>76,632,660</u>	<u>9,880,060</u>	<u>12.9%</u>
Adjusted Income (Loss)	40,267,979	4,225,763	36,042,216	852.9%
Adjusted Margin (as a percentage)	5.0%	0.6%		
Investment Gains (Losses)	38,435,374	10,430,951	28,004,423	268.5%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 78,703,353	\$ 14,656,714	\$ 64,046,639	437.0%
Adjusted Margin % with Investment Gains (Losses)	9.4%	2.0%		

UNAUDITED
The University of Texas Health Center at Tyler
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2006

	December Year-to-Date <u>FY 2007</u>	December Year-to-Date <u>FY 2006</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Sponsored Programs	\$ 4,871,973	\$ 4,298,375	\$ 573,598	13.3%
Net Sales and Services of Educational Activities	163,657	428,138	(264,481)	-61.8%
Net Sales and Services of Hospitals	11,992,148	13,633,386	(1,641,238)	-12.0%
Net Professional Fees	3,385,799	4,001,854	(616,055)	-15.4%
Net Auxiliary Enterprises	67,849	86,907	(19,058)	-21.9%
Other Operating Revenues	508,941	929,409	(420,468)	-45.2%
Total Operating Revenues	<u>20,990,367</u>	<u>23,378,069</u>	<u>(2,387,702)</u>	<u>-10.2%</u>
Operating Expenses				
Salaries and Wages	17,475,869	19,707,558	(2,231,689)	-11.3%
Employee Benefits and Related Costs	4,503,828	4,861,132	(357,304)	-7.4%
Professional Fees and Contracted Services	1,557,169	1,447,853	109,316	7.6%
Other Contracted Services	2,454,294	2,412,684	41,610	1.7%
Travel	163,889	201,689	(37,800)	-18.7%
Materials and Supplies	4,162,862	5,345,394	(1,182,532)	-22.1%
Utilities	936,048	1,002,725	(66,677)	-6.6%
Telecommunications	245,428	199,390	46,038	23.1%
Repairs and Maintenance	1,160,635	648,918	511,717	78.9%
Rentals and Leases	519,715	486,448	33,267	6.8%
Printing and Reproduction	7,432	64,756	(57,324)	-88.5%
Federal Sponsored Programs Pass-Thrus	161,565	130,300	31,265	24.0%
Depreciation and Amortization	2,914,970	2,818,880	96,090	3.4%
Other Operating Expenses	902,314	927,957	(25,643)	-2.8%
Total Operating Expenses	<u>37,166,018</u>	<u>40,255,684</u>	<u>(3,089,666)</u>	<u>-7.7%</u>
Operating Loss	<u>(16,175,651)</u>	<u>(16,877,615)</u>	<u>701,964</u>	<u>4.2%</u>
Other Nonoperating Adjustments				
State Appropriations	12,468,845	13,124,703	(655,858)	-5.0%
Gift Contributions for Operations	263,261	358,039	(94,778)	-26.5%
Net Investment Income	1,204,504	1,074,598	129,906	12.1%
Long Term Fund Distribution	132,211	121,663	10,548	8.7%
Interest Expense on Capital Asset Financings	(302,320)	(291,174)	(11,146)	-3.8%
Net Other Nonoperating Adjustments	<u>13,766,501</u>	<u>14,387,829</u>	<u>(621,328)</u>	<u>-4.3%</u>
Adjusted Income (Loss)	(2,409,150)	(2,489,786)	80,636	3.2%
Adjusted Margin (as a percentage)	-6.9%	-6.5%		
Investment Gains (Losses)	-	(45,307)	45,307	100.0%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (2,409,150)	\$ (2,535,093)	\$ 125,943	5.0%
Adjusted Margin % with Investment Gains (Losses)	-6.9%	-6.7%		