

THE UNIVERSITY OF TEXAS SYSTEM
OFFICE OF THE CONTROLLER

MONTHLY FINANCIAL REPORT
(unaudited)

DECEMBER 2008
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THE UNIVERSITY OF TEXAS SYSTEM
MONTHLY FINANCIAL REPORT
(Unaudited)
FOR THE FOUR MONTHS ENDING
DECEMBER 31, 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 Four Months Ending December 31, 2008

	December Year-to-Date <u>FY 2009</u>	December Year-to-Date <u>FY 2008</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 497,239,826	\$ 458,661,500	\$ 38,578,326	8.4%
Sponsored Programs	883,551,807	782,655,804	100,896,003	12.9%
Net Sales and Services of Educational Activities	117,837,317	96,444,971	21,392,346	22.2%
Net Sales and Services of Hospitals	955,629,835	947,560,486	8,069,349	0.9%
Net Professional Fees	313,369,418	308,007,546	5,361,872	1.7%
Net Auxiliary Enterprises	148,604,769	132,828,210	15,776,559	11.9%
Other Operating Revenues	49,560,718	38,459,160	11,101,558	28.9%
Total Operating Revenues	<u>2,965,793,690</u>	<u>2,764,617,677</u>	<u>201,176,013</u>	<u>7.3%</u>
Operating Expenses				
Salaries and Wages	1,864,419,734	1,715,147,453	149,272,281	8.7%
Payroll Related Costs	444,762,357	418,832,419	25,929,938	6.2%
Professional Fees and Contracted Services	156,571,167	91,773,687	64,797,480	70.6%
Other Contracted Services	155,101,250	133,885,545	21,215,705	15.8%
Scholarships and Fellowships	254,859,926	215,512,437	39,347,489	18.3%
Travel	40,070,941	37,557,168	2,513,773	6.7%
Materials and Supplies	374,681,606	365,143,962	9,537,644	2.6%
Utilities	97,352,164	89,453,181	7,898,983	8.8%
Telecommunications	36,249,665	31,585,851	4,663,814	14.8%
Repairs and Maintenance	66,316,690	57,793,558	8,523,132	14.7%
Rentals and Leases	38,507,907	38,723,099	(215,192)	-0.6%
Printing and Reproduction	9,654,342	8,666,705	987,637	11.4%
Bad Debt Expense	120,430	18,393	102,037	554.8%
Claims and Losses	1,140,518	15,755,534	(14,615,016)	-92.8%
Federal Sponsored Programs Pass-Throughs	5,970,479	9,422,129	(3,451,650)	-36.6%
Depreciation and Amortization	246,514,500	225,892,369	20,622,131	9.1%
Other Operating Expenses	145,891,250	121,411,572	24,479,678	20.2%
Total Operating Expenses	<u>3,938,184,926</u>	<u>3,576,575,062</u>	<u>361,609,864</u>	<u>10.1%</u>
Operating Loss	<u>(972,391,236)</u>	<u>(811,957,385)</u>	<u>(160,433,851)</u>	<u>-19.8%</u>
Other Nonoperating Adjustments				
State Appropriations	654,980,863	653,042,953	1,937,910	0.3%
Gift Contributions for Operations	107,766,593	119,842,682	(12,076,089)	-10.1%
Net Investment Income	231,979,768	270,234,132	(38,254,364)	-14.2%
Interest Expense on Capital Asset Financings	(69,486,364)	(55,376,496)	(14,109,868)	-25.5%
Net Other Nonoperating Adjustments	<u>925,240,860</u>	<u>987,743,271</u>	<u>(62,502,411)</u>	<u>-6.3%</u>
Adjusted Income (Loss) including Depreciation	<u>(47,150,376)</u>	<u>175,785,886</u>	<u>(222,936,262)</u>	<u>-126.8%</u>
Adjusted Margin (as a percentage) including Depreciation	<u>-1.2%</u>	<u>4.6%</u>		
Investment Gains (Losses)	(4,713,901,116)	680,874,588	(5,394,775,704)	-792.3%
Adj. Inc. (Loss) with Investment Gains (Losses)	<u>\$ (4,761,051,492)</u>	<u>\$ 856,660,474</u>	<u>\$ (5,617,711,966)</u>	<u>-655.8%</u>
Adj. Margin % with Investment Gains (Losses)	<u>632.0%</u>	<u>19.1%</u>		
Adjusted Income (Loss) with Investment Gains (Losses) excluding Depreciation	<u>(4,514,536,992)</u>	<u>1,082,552,843</u>	<u>(5,597,089,835)</u>	<u>-517.0%</u>
Adjusted Margin (as a percentage) with Investment Gains (Losses) excluding Depreciation	<u>599.2%</u>	<u>24.1%</u>		

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**The University of Texas System
Comparison of Adjusted Income (Loss)
For the Four Months Ending December 31, 2008**

	Including Depreciation and Amortization Expense			
	December	December	Variance	Fluctuation Percentage
	Year-to-Date FY 2009	Year-to-Date FY 2008		
UT System Administration	\$ 62,601,099	\$ 77,144,983	\$ (14,543,884) (1)	-18.9%
UT Arlington	8,211,330	12,143,145	(3,931,815)	-32.4%
UT Austin	50,882,493	49,947,974	934,519	1.9%
UT Brownsville	246,874	215,020	31,854	14.8%
UT Dallas	1,939,485	493,057	1,446,428 (2)	293.4%
UT El Paso	1,938,673	2,011,923	(73,250)	-3.6%
UT Pan American	(931,057)	1,804,560	(2,735,617) (3)	-151.6%
UT Permian Basin	4,214,672	4,085,161	129,511	3.2%
UT San Antonio	5,864,047	14,008,927	(8,144,880) (4)	-58.1%
UT Tyler	2,161,328	2,873,079	(711,751)	-24.8%
UT Southwestern Medical Center - Dallas	(5,983,950)	14,699,157	(20,683,107) (5)	-140.7%
UT Medical Branch - Galveston	(131,963,302)	(9,605,377)	(122,357,925) (6)	-1,273.8%
UT Health Science Center - Houston	4,587,764	8,295,913	(3,708,149)	-44.7%
UT Health Science Center - San Antonio	(5,692,832)	3,869,396	(9,562,228) (7)	-247.1%
UT M. D. Anderson Cancer Center	9,719,792	44,360,112	(34,640,320) (8)	-78.1%
UT Health Science Center - Tyler	498,208	(2,694,477)	3,192,685 (9)	118.5%
Elimination of AUF Transfer	(55,445,000)	(47,866,667)	(7,578,333)	-15.8%
Total Adjusted Income (Loss)	(47,150,376)	175,785,886	(222,936,262)	-126.8%
Investment Gains (Losses)	(4,713,901,116)	680,874,588	(5,394,775,704) (10)	-792.3%
Total Adjusted Income (Loss) with Investment Gains (Losses) Including Depreciation and Amortization	\$ (4,761,051,492)	\$ 856,660,474	\$ (5,617,711,966)	-655.8%

	Excluding Depreciation and Amortization Expense			
	December	December	Variance	Fluctuation Percentage
	Year-to-Date FY 2009	Year-to-Date FY 2008		
UT System Administration	\$ 64,707,010	\$ 79,252,105	\$ (14,545,095)	-18.4%
UT Arlington	16,975,016	20,890,990	(3,915,974)	-18.7%
UT Austin	102,106,687	95,779,344	6,327,343	6.6%
UT Brownsville	2,251,690	2,096,955	154,735	7.4%
UT Dallas	9,175,006	7,336,908	1,838,098	25.1%
UT El Paso	7,203,880	7,060,602	143,278	2.0%
UT Pan American	3,283,331	6,853,510	(3,570,179)	-52.1%
UT Permian Basin	5,742,859	5,302,164	440,695	8.3%
UT San Antonio	16,633,964	22,781,365	(6,147,401)	-27.0%
UT Tyler	4,885,432	5,454,652	(569,220)	-10.4%
UT Southwestern Medical Center - Dallas	19,121,759	37,543,296	(18,421,537)	-49.1%
UT Medical Branch - Galveston	(106,199,098)	11,063,479	(117,262,577)	-1,059.9%
UT Health Science Center - Houston	17,560,212	20,893,380	(3,333,168)	-16.0%
UT Health Science Center - San Antonio	4,807,168	12,613,179	(7,806,011)	-61.9%
UT M. D. Anderson Cancer Center	83,534,733	114,251,532	(30,716,799)	-26.9%
UT Health Science Center - Tyler	3,019,475	371,461	2,648,014	712.9%
Elimination of AUF Transfer	(55,445,000)	(47,866,667)	(7,578,333)	-15.8%
Total Adjusted Income (Loss)	199,364,124	401,678,255	(202,314,131)	-50.4%
Investment Gains (Losses)	(4,713,901,116)	680,874,588	(5,394,775,704)	-792.3%
Total Adjusted Income (Loss) with Investment Gains (Losses) Excluding Depreciation and Amortization	\$ (4,514,536,992)	\$ 1,082,552,843	\$ (5,597,089,835)	-517.0%

THE UNIVERSITY OF TEXAS SYSTEM
EXPLANATION OF VARIANCES ON THE MONTHLY FINANCIAL REPORT
For the Four Months Ending December 31, 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 \$14.5 million (18.9%) decrease in adjusted income over the same period last year was primarily due to decreased net investment income resulting from unfavorable market conditions. Excluding depreciation expense, *UT System Administration's* adjusted income was \$64.7 million or 59.1%.

depreciation expense, *Southwestern's* adjusted income was \$19.1 million or 3.9%. *Southwestern* projects year-end income of approximately \$23.9 million which represents 1.6% of projected revenues. This forecast includes \$75.9 million of depreciation expense.
- (2) UT Dallas - The \$1.4 million (293.4%) increase in adjusted income over the same period last year was primarily attributable to a \$2 million gift from Packard Humanities Institute for Texas Schools Project. Excluding depreciation expense, *UT Dallas'* adjusted income was \$9.2 million or 8.4%.
- (3) UT Pan American – The \$2.7 million (151.6%) decrease in adjusted income over the same period last year was primarily due to a \$4.5 million increase in expenditures for the Pell Grant program. Payroll related costs also increased by \$1.4 million due to a 6% rate increase of employer costs for eligible employees under the Optional Retirement Program that began in 2009. As a result, *UT Pan American* experienced a \$931,000 year-to-date loss. Excluding depreciation expense, *UT Pan American's* adjusted income was \$3.3 million or 2.8%. *UT Pan American* projects a year-end loss of \$1.5 million which represents 0.6% of projected revenues. This forecast includes \$12.6 million of depreciation expense.
- (4) UT San Antonio - The \$8.1 million (58.1%) decrease in adjusted income over the same period last year was primarily due to an \$8.2 million increase in salaries, wages, and payroll related costs and a \$3.2 million increase in depreciation expense. Salaries and wages increased due to merit increases and the hiring of several executive positions that were vacant last fall. Depreciation expense increased due to the completion of Laurel Village Phase II, Thermal Energy Plant, and University Center Phase III. Excluding depreciation expense, *UT San Antonio's* adjusted income was \$16.6 million or 10.7%.
- (5) UT Southwestern Medical Center at Dallas – The \$20.7 million (140.7%) decrease in adjusted income over the same period last year was primarily due to a \$29.3 million increase in salaries, wages, and payroll related costs and an \$11.5 million decrease in gift contributions for operations. Salaries and wages increased due to a 6.5% increase in full-time equivalents (FTEs) and an increase in merit pay. The decrease in gift contributions was attributable to the current economic downturn. As a result, *Southwestern* experienced a \$6 million year-to-date loss. Excluding
- (6) UT Medical Branch - Galveston – The \$122.4 million (1,273.8%) increase in adjusted loss over the same period last year was primarily due to the business disruption in revenue generating activities and expenses related to Hurricane *Ike*. Operating revenues decreased \$60.8 million and operating expenses increased \$64.6 million. Patient care revenue decreased \$77.3 million, with decreases in admissions of 67.6%, patient days of 77.2%, and clinic visits of 35.5% as compared to last year. Sponsored programs increased \$17.7 million due to the receipt of \$38.9 million from the Federal Emergency Management Agency (FEMA) which was offset by decreased activity on funded projects as a result of Hurricane *Ike* and a reduction in the School of Medicine contract with the John Sealy Hospital. Expenses related to the recovery from Hurricane *Ike* totaled \$79 million. As a result, *UTMB* experienced a \$132 million year-to-date loss. Excluding depreciation expense, *UTMB's* adjusted loss was \$106.2 million or -24.6%. *UTMB* projects a year-end loss of approximately \$146.5 million, which represents -10.9% of projected revenues. This forecast includes \$77.8 million of depreciation expense. The projection includes the impact of the reduction in force but does not yet include the impact of the impairment of capital assets as a result of Hurricane *Ike*.
- (7) UT Health Science Center – San Antonio – The \$9.6 million (247.1%) decrease in adjusted income over the same period last year was primarily attributable to gift contributions for operations. *UTHSC-San Antonio* received a \$10 million gift from the Cancer Therapy and Research Center (CTRC) Foundation in 2008, but will receive the 2009 gift in two installments in January and April. The physician practice plan also incurred a \$4.4 million operating loss through December 2008. *UTHSC-San Antonio* anticipates that the physician practice plan will negotiate additional contract revenues with its affiliates to support the higher expenses incurred by its nonprofit healthcare corporation. As a result, *UTHSC-San Antonio* experienced a year-to-date loss of \$5.7 million. Excluding depreciation expense, *UTHSC-San Antonio's* adjusted income was \$4.8 million or 2.2%. *UTHSC-San Antonio* projects a year-end loss of approximately \$8.5 million, which represents -1.3% of projected revenues and includes \$31.5 million of depreciation expense. This projected loss is primarily due

to the preparation for the opening of the Medical Arts and Research Center in the summer of 2009. This loss is a planned investment of prior year net assets that is anticipated to increase future operations.

- (8) UT M. D. Anderson Cancer Center – The \$34.6 million (78.1%) decrease in adjusted income over the same period last year was primarily attributable to the business disruption in revenue generating activities related to Hurricane *Ike* and a \$51.7 million increase in salaries, wages, and payroll related costs due to salary increases and additional FTEs. There was also a \$13.2 million decrease in gift contributions for operations due to a one-time gift of \$12 million received in 2008. Hurricane *Ike* caused the temporary closure of *M. D. Anderson* beginning on September 12. All areas of *M. D. Anderson* were completely reopened by September 17. Excluding depreciation expense, *M. D. Anderson's* adjusted income was \$83.5 million or 9%.
- (9) UT Health Science Center – Tyler – The \$3.2 million (118.5%) increase in adjusted income over the same period last year was primarily attributable to a \$5.3 million increase in net sales and services of hospitals as a result of an increase in patients from *UTMB's* Correctional Managed Care Agreement due to Hurricane *Ike*. Excluding depreciation expense, *UTHSC-Tyler's* adjusted income was \$3 million or 7.3%.
- (10) Investment Gains (Losses) - The majority of the \$5.4 billion (792.3%) decrease in investment gains relates to the Permanent University Fund of \$2.9 billion, the Long Term Fund of \$1.4 billion, and the Permanent Health Fund of \$263.2 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 Four Months Ending December 31, 2008

	December Year-to-Date FY 2009	December Year-to-Date FY 2008	Variance	Fluctuation Percentage
Operating Revenues				
Sponsored Programs	\$ 3,645,736	\$ 9,756,470	\$ (6,110,734)	-62.6%
Net Sales and Services of Educational Activities	15,067,838	4,699,784	10,368,054	220.6%
Other Operating Revenues	(373,420)	(3,657,540)	3,284,120	89.8%
Total Operating Revenues	18,340,154	10,798,714	7,541,440	69.8%
Operating Expenses				
Salaries and Wages	12,542,575	13,014,725	(472,150)	-3.6%
Employee Benefits and Related Costs	2,594,443	2,555,353	39,090	1.5%
Professional Fees and Contracted Services	2,003,376	223,844	1,779,532	795.0%
Other Contracted Services	3,578,455	6,652,861	(3,074,406)	-46.2%
Scholarships and Fellowships	420,700	400,900	19,800	4.9%
Travel	715,637	603,686	111,951	18.5%
Materials and Supplies	1,064,410	1,233,862	(169,452)	-13.7%
Utilities	67,484	119,729	(52,245)	-43.6%
Telecommunications	3,145,323	350,624	2,794,699	797.1%
Repairs and Maintenance	421,891	244,147	177,744	72.8%
Rentals and Leases	261,732	2,660,574	(2,398,842)	-90.2%
Printing and Reproduction	71,748	98,304	(26,556)	-27.0%
Claims and Losses	1,140,518	15,755,534	(14,615,016)	-92.8%
Depreciation and Amortization	2,105,911	2,107,122	(1,211)	-0.1%
Other Operating Expenses	2,116,680	1,512,465	604,215	39.9%
Total Operating Expenses	32,250,883	47,533,730	(15,282,847)	-32.2%
Operating Loss	(13,910,729)	(36,735,016)	22,824,287	62.1%
Other Nonoperating Adjustments				
State Appropriations	307,343	307,343	-	0.0%
Gift Contributions for Operations	442,682	260,023	182,659	70.2%
Net Investment Income	78,762,646	116,368,000	(37,605,354)	-32.3%
Interest Expense on Capital Asset Financings	(14,613,310)	(14,468,850)	(144,460)	-1.0%
Net Other Nonoperating Adjustments	64,899,361	102,466,516	(37,567,155)	-36.7%
Adjusted Income (Loss) including Depreciation	50,988,632	65,731,500	(14,742,868)	-22.4%
Adjusted Margin (as a percentage) including Depreciation	52.1%	51.5%		
Available University Fund Transfer	11,612,467	11,413,483	198,984	1.7%
Adjusted Income (Loss) with AUF Transfer	62,601,099	77,144,983	(14,543,884)	-18.9%
Adjusted Margin % with AUF Transfer	57.2%	55.4%		
Investment Gains (Losses)	(3,978,680,720)	565,557,144	(4,544,237,864)	-803.5%
Adj. Inc. (Loss) with AUF Transfer & Invest. Gains (Losses)	\$ (3,916,079,621)	\$ 642,702,127	\$ (4,558,781,748)	-709.3%
Adj. Margin % with AUF Transfer & Invest. Gains (Losses)	101.2%	91.2%		
Adjusted Income (Loss) with AUF Transfer excluding Depreciation	64,707,010	79,252,105	(14,545,095)	-18.4%
Adjusted Margin (as a percentage) with AUF Transfer excluding Depreciation	59.1%	57.0%		

UNAUDITED
The University of Texas at Arlington
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2008

	December Year-to-Date FY 2009	December Year-to-Date FY 2008	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 61,457,927	\$ 56,850,213	\$ 4,607,714	8.1%
Sponsored Programs	23,407,088	20,305,362	3,101,726	15.3%
Net Sales and Services of Educational Activities	5,343,036	4,213,887	1,129,149	26.8%
Net Auxiliary Enterprises	12,298,123	11,585,549	712,574	6.2%
Other Operating Revenues	2,486,828	1,952,822	534,006	27.3%
Total Operating Revenues	104,993,002	94,907,833	10,085,169	10.6%
Operating Expenses				
Salaries and Wages	65,238,084	60,154,219	5,083,865	8.5%
Employee Benefits and Related Costs	13,896,742	12,986,935	909,807	7.0%
Professional Fees and Contracted Services	1,105,563	1,126,876	(21,313)	-1.9%
Other Contracted Services	3,673,834	3,255,157	418,677	12.9%
Scholarships and Fellowships	18,601,434	15,494,811	3,106,623	20.0%
Travel	1,781,585	1,451,247	330,338	22.8%
Materials and Supplies	6,904,744	5,871,148	1,033,596	17.6%
Utilities	3,816,231	4,158,010	(341,779)	-8.2%
Telecommunications	1,982,581	1,705,537	277,044	16.2%
Repairs and Maintenance	2,640,693	2,285,935	354,758	15.5%
Rentals and Leases	991,123	975,781	15,342	1.6%
Printing and Reproduction	796,736	741,890	54,846	7.4%
Federal Sponsored Programs Pass-Thrus	609,129	712,356	(103,227)	-14.5%
Depreciation and Amortization	8,763,686	8,747,845	15,841	0.2%
Other Operating Expenses	4,152,823	2,245,733	1,907,090	84.9%
Total Operating Expenses	134,954,988	121,913,480	13,041,508	10.7%
Operating Loss	(29,961,986)	(27,005,647)	(2,956,339)	-10.9%
Other Nonoperating Adjustments				
State Appropriations	37,174,863	36,990,361	184,502	0.5%
Gift Contributions for Operations	780,453	870,411	(89,958)	-10.3%
Net Investment Income	3,295,760	3,272,404	23,356	0.7%
Interest Expense on Capital Asset Financings	(3,077,760)	(1,984,384)	(1,093,376)	-55.1%
Net Other Nonoperating Adjustments	38,173,316	39,148,792	(975,476)	-2.5%
Adjusted Income (Loss) including Depreciation	8,211,330	12,143,145	(3,931,815)	-32.4%
Adjusted Margin (as a percentage) including Depreciation	5.6%	8.9%		
Investment Gains (Losses)	(36,332,767)	6,544,768	(42,877,535)	-655.1%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (28,121,437)	\$ 18,687,913	\$ (46,809,350)	-250.5%
Adjusted Margin % with Investment Gains (Losses)	-25.6%	13.1%		
Adjusted Income (Loss) excluding Depreciation	16,975,016	20,890,990	(3,915,974)	-18.7%
Adjusted Margin (as a percentage) excluding Depreciation	11.6%	15.4%		

UNAUDITED
The University of Texas at Austin
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2008

	December Year-to-Date <u>FY 2009</u>	December Year-to-Date <u>FY 2008</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 201,105,319	\$ 188,421,271	\$ 12,684,048	6.7%
Sponsored Programs	158,212,002	153,313,054	4,898,948	3.2%
Net Sales and Services of Educational Activities	53,686,506	52,442,653	1,243,853	2.4%
Net Auxiliary Enterprises	87,368,595	73,408,553	13,960,042	19.0%
Other Operating Revenues	1,542,766	845,896	696,870	82.4%
Total Operating Revenues	<u>501,915,188</u>	<u>468,431,427</u>	<u>33,483,761</u>	<u>7.1%</u>
Operating Expenses				
Salaries and Wages	328,685,456	304,953,567	23,731,889	7.8%
Employee Benefits and Related Costs	73,912,859	67,862,128	6,050,731	8.9%
Professional Fees and Contracted Services	8,277,315	7,574,439	702,876	9.3%
Other Contracted Services	22,911,011	21,716,011	1,195,000	5.5%
Scholarships and Fellowships	77,873,065	74,025,956	3,847,109	5.2%
Travel	14,507,131	12,828,025	1,679,106	13.1%
Materials and Supplies	41,347,645	35,443,634	5,904,011	16.7%
Utilities	26,139,071	22,846,452	3,292,619	14.4%
Telecommunications	15,085,839	13,765,562	1,320,277	9.6%
Repairs and Maintenance	12,947,609	9,649,028	3,298,581	34.2%
Rentals and Leases	6,489,706	5,409,356	1,080,350	20.0%
Printing and Reproduction	3,567,178	3,056,070	511,108	16.7%
Federal Sponsored Programs Pass-Thrus	655,414	1,380,374	(724,960)	-52.5%
Depreciation and Amortization	51,224,194	45,831,370	5,392,824	11.8%
Other Operating Expenses	25,484,016	26,042,924	(558,908)	-2.1%
Total Operating Expenses	<u>709,107,509</u>	<u>652,384,896</u>	<u>56,722,613</u>	<u>8.7%</u>
Operating Loss	<u>(207,192,321)</u>	<u>(183,953,469)</u>	<u>(23,238,852)</u>	<u>-12.6%</u>
Other Nonoperating Adjustments				
State Appropriations	114,119,634	113,747,586	372,048	0.3%
Gift Contributions for Operations	46,551,791	31,047,948	15,503,843	49.9%
Net Investment Income	55,222,005	49,753,124	5,468,881	11.0%
Interest Expense on Capital Asset Financings	(13,263,616)	(8,513,882)	(4,749,734)	-55.8%
Net Other Nonoperating Adjustments	<u>202,629,814</u>	<u>186,034,776</u>	<u>16,595,038</u>	<u>8.9%</u>
Adjusted Income (Loss) including Depreciation	(4,562,507)	2,081,307	(6,643,814)	-319.2%
Adjusted Margin (as a percentage) including Depreciation	-0.6%	0.3%		
Available University Fund Transfer	55,445,000	47,866,667	7,578,333	15.8%
Adjusted Income (Loss) with AUF Transfer	50,882,493	49,947,974	934,519	1.9%
Adjusted Margin % with AUF Transfer	6.6%	7.0%		
Investment Gains (Losses)	(174,970,570)	24,924,023	(199,894,593)	-802.0%
Adj. Inc. (Loss) with AUF Transfer & Invest. Gains (Losses)	\$ (124,088,077)	\$ 74,871,997	\$ (198,960,074)	-265.7%
Adj. Margin % with AUF Transfer & Invest. Gains (Losses)	-20.7%	10.2%		
Adjusted Income (Loss) with AUF Transfer excluding Depreciation	102,106,687	95,779,344	6,327,343	6.6%
Adjusted Margin (as a percentage) with AUF Transfer excluding Depreciation	13.2%	13.5%		

UNAUDITED
The University of Texas at Brownsville
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2008

	December Year-to-Date FY 2009	December Year-to-Date FY 2008	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 6,273,659	\$ 5,866,737	\$ 406,922	6.9%
Sponsored Programs	39,529,409	34,434,958	5,094,451	14.8%
Net Sales and Services of Educational Activities	383,873	395,113	(11,240)	-2.8%
Net Auxiliary Enterprises	429,534	852,599	(423,065)	-49.6%
Other Operating Revenues	3,659	21,958	(18,299)	-83.3%
Total Operating Revenues	46,620,134	41,571,365	5,048,769	12.1%
Operating Expenses				
Salaries and Wages	21,981,508	20,353,856	1,627,652	8.0%
Employee Benefits and Related Costs	5,217,965	4,757,761	460,204	9.7%
Professional Fees and Contracted Services	716,225	621,742	94,483	15.2%
Scholarships and Fellowships	21,586,856	18,741,790	2,845,066	15.2%
Travel	359,012	358,147	865	0.2%
Materials and Supplies	1,662,615	1,468,650	193,965	13.2%
Utilities	1,176,252	1,164,686	11,566	1.0%
Telecommunications	380,834	590,347	(209,513)	-35.5%
Repairs and Maintenance	355,692	427,455	(71,763)	-16.8%
Rentals and Leases	653,075	590,377	62,698	10.6%
Printing and Reproduction	114,225	119,471	(5,246)	-4.4%
Bad Debt Expense	11,915	14,393	(2,478)	-17.2%
Federal Sponsored Programs Pass-Thrus	1,365	5,118	(3,753)	-73.3%
Depreciation and Amortization	2,004,816	1,881,935	122,881	6.5%
Other Operating Expenses	2,480,088	2,114,533	365,555	17.3%
Total Operating Expenses	58,702,443	53,210,261	5,492,182	10.3%
Operating Loss	(12,082,309)	(11,638,896)	(443,413)	-3.8%
Other Nonoperating Adjustments				
State Appropriations	12,297,684	11,750,071	547,613	4.7%
Gift Contributions for Operations	200,470	162,853	37,617	23.1%
Net Investment Income	412,805	504,930	(92,125)	-18.2%
Interest Expense on Capital Asset Financings	(581,776)	(563,938)	(17,838)	-3.2%
Net Other Nonoperating Adjustments	12,329,183	11,853,916	475,267	4.0%
Adjusted Income (Loss) including Depreciation	246,874	215,020	31,854	14.8%
Adjusted Margin (as a percentage) including Depreciation	0.4%	0.4%		
Investment Gains (Losses)	(5,072,591)	880,732	(5,953,323)	-676.0%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (4,825,717)	\$ 1,095,752	\$ (5,921,469)	-540.4%
Adjusted Margin % with Investment Gains (Losses)	-8.9%	2.0%		
Adjusted Income (Loss) excluding Depreciation	2,251,690	2,096,955	154,735	7.4%
Adjusted Margin (as a percentage) excluding Depreciation	3.8%	3.9%		

UNAUDITED
The University of Texas at Dallas
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2008

	December Year-to-Date FY 2009	December Year-to-Date FY 2008	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 49,931,416	\$ 42,921,652	\$ 7,009,764	16.3%
Sponsored Programs	16,054,237	15,301,372	752,865	4.9%
Net Sales and Services of Educational Activities	2,276,186	2,107,100	169,086	8.0%
Net Auxiliary Enterprises	1,889,176	1,542,411	346,765	22.5%
Other Operating Revenues	1,495,761	1,289,761	206,000	16.0%
Total Operating Revenues	71,646,776	63,162,296	8,484,480	13.4%
Operating Expenses				
Salaries and Wages	53,153,134	49,047,750	4,105,384	8.4%
Employee Benefits and Related Costs	10,498,232	9,854,891	643,341	6.5%
Professional Fees and Contracted Services	1,673,810	857,771	816,039	95.1%
Other Contracted Services	3,419,168	3,630,222	(211,054)	-5.8%
Scholarships and Fellowships	13,312,426	12,131,581	1,180,845	9.7%
Travel	1,191,728	1,053,937	137,791	13.1%
Materials and Supplies	5,218,790	5,384,131	(165,341)	-3.1%
Utilities	2,278,215	1,856,179	422,036	22.7%
Telecommunications	464,311	447,447	16,864	3.8%
Repairs and Maintenance	1,395,417	1,438,462	(43,045)	-3.0%
Rentals and Leases	652,476	449,092	203,384	45.3%
Printing and Reproduction	473,509	449,748	23,761	5.3%
Federal Sponsored Programs Pass-Thrus	61,180	81,644	(20,464)	-25.1%
Depreciation and Amortization	7,235,521	6,843,851	391,670	5.7%
Other Operating Expenses	3,978,879	3,600,355	378,524	10.5%
Total Operating Expenses	105,006,796	97,127,061	7,879,735	8.1%
Operating Loss	(33,360,020)	(33,964,765)	604,745	1.8%
Other Nonoperating Adjustments				
State Appropriations	30,049,518	30,867,586	(818,068)	-2.7%
Gift Contributions for Operations	3,867,357	1,369,431	2,497,926	182.4%
Net Investment Income	4,306,914	4,383,106	(76,192)	-1.7%
Interest Expense on Capital Asset Financings	(2,924,284)	(2,162,301)	(761,983)	-35.2%
Net Other Nonoperating Adjustments	35,299,505	34,457,822	841,683	2.4%
Adjusted Income (Loss) including Depreciation	1,939,485	493,057	1,446,428	293.4%
Adjusted Margin (as a percentage) including Depreciation	1.8%	0.5%		
Investment Gains (Losses)	(24,459,475)	3,700,513	(28,159,988)	-761.0%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (22,519,990)	\$ 4,193,570	\$ (26,713,560)	-637.0%
Adjusted Margin % with Investment Gains (Losses)	-26.4%	4.1%		
Adjusted Income (Loss) excluding Depreciation	9,175,006	7,336,908	1,838,098	25.1%
Adjusted Margin (as a percentage) excluding Depreciation	8.4%	7.4%		

UNAUDITED
The University of Texas at El Paso
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2008

	December Year-to-Date <u>FY 2009</u>	December Year-to-Date <u>FY 2008</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 34,907,412	\$ 31,380,148	\$ 3,527,264	11.2%
Sponsored Programs	32,016,214	29,809,130	2,207,084	7.4%
Net Sales and Services of Educational Activities	1,090,748	1,274,712	(183,964)	-14.4%
Net Auxiliary Enterprises	8,759,911	9,228,523	(468,612)	-5.1%
Other Operating Revenues	36,613	307,825	(271,212)	-88.1%
Total Operating Revenues	<u>76,810,898</u>	<u>72,000,338</u>	<u>4,810,560</u>	<u>6.7%</u>
Operating Expenses				
Salaries and Wages	46,962,633	43,425,775	3,536,858	8.1%
Employee Benefits and Related Costs	11,075,593	10,507,176	568,417	5.4%
Professional Fees and Contracted Services	325,835	336,558	(10,723)	-3.2%
Other Contracted Services	5,781,090	6,540,332	(759,242)	-11.6%
Scholarships and Fellowships	23,695,005	21,697,751	1,997,254	9.2%
Travel	1,868,719	1,914,451	(45,732)	-2.4%
Materials and Supplies	7,453,055	7,212,450	240,605	3.3%
Utilities	2,558,343	2,169,815	388,528	17.9%
Telecommunications	185,939	278,322	(92,383)	-33.2%
Repairs and Maintenance	1,331,000	1,667,352	(336,352)	-20.2%
Rentals and Leases	1,515,323	1,161,513	353,810	30.5%
Printing and Reproduction	401,080	307,687	93,393	30.4%
Federal Sponsored Programs Pass-Thrus	64,213	20,683	43,530	210.5%
Depreciation and Amortization	5,265,207	5,048,679	216,528	4.3%
Other Operating Expenses	2,487,840	2,113,304	374,536	17.7%
Total Operating Expenses	<u>110,970,875</u>	<u>104,401,848</u>	<u>6,569,027</u>	<u>6.3%</u>
Operating Loss	<u>(34,159,977)</u>	<u>(32,401,510)</u>	<u>(1,758,467)</u>	<u>-5.4%</u>
Other Nonoperating Adjustments				
State Appropriations	30,735,453	30,385,236	350,217	1.2%
Gift Contributions for Operations	3,732,415	2,153,699	1,578,716	73.3%
Net Investment Income	3,241,042	3,232,881	8,161	0.3%
Interest Expense on Capital Asset Financings	(1,610,260)	(1,358,383)	(251,877)	-18.5%
Net Other Nonoperating Adjustments	<u>36,098,650</u>	<u>34,413,433</u>	<u>1,685,217</u>	<u>4.9%</u>
Adjusted Income (Loss) including Depreciation	1,938,673	2,011,923	(73,250)	-3.6%
Adjusted Margin (as a percentage) including Depreciation	1.7%	1.9%		
Investment Gains (Losses)	(13,857,957)	2,010,200	(15,868,157)	-789.4%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (11,919,284)	\$ 4,022,123	\$ (15,941,407)	-396.3%
Adjusted Margin % with Investment Gains (Losses)	-11.8%	3.7%		
Adjusted Income (Loss) excluding Depreciation	7,203,880	7,060,602	143,278	2.0%
Adjusted Margin (as a percentage) excluding Depreciation	6.3%	6.6%		

UNAUDITED
The University of Texas - Pan American
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2008

	December Year-to-Date FY 2009	December Year-to-Date FY 2008	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 29,760,272	\$ 26,278,520	\$ 3,481,752	13.2%
Sponsored Programs	56,343,868	31,125,984	25,217,884	81.0%
Net Sales and Services of Educational Activities	2,653,100	2,432,168	220,932	9.1%
Net Auxiliary Enterprises	2,456,766	1,684,265	772,501	45.9%
Other Operating Revenues	1,073,652	324,426	749,226	230.9%
Total Operating Revenues	92,287,658	61,845,363	30,442,295	49.2%
Operating Expenses				
Salaries and Wages	34,077,955	32,245,537	1,832,418	5.7%
Employee Benefits and Related Costs	8,563,973	7,185,753	1,378,220	19.2%
Professional Fees and Contracted Services	383,873	717,762	(333,889)	-46.5%
Other Contracted Services	1,748,980	2,190,176	(441,196)	-20.1%
Scholarships and Fellowships	58,312,706	28,121,322	30,191,384	107.4%
Travel	1,201,298	1,312,610	(111,312)	-8.5%
Materials and Supplies	4,334,451	4,549,089	(214,638)	-4.7%
Utilities	2,239,414	1,899,930	339,484	17.9%
Telecommunications	440,947	173,292	267,655	154.5%
Repairs and Maintenance	1,230,115	821,548	408,567	49.7%
Rentals and Leases	317,997	235,977	82,020	34.8%
Printing and Reproduction	134,906	79,640	55,266	69.4%
Bad Debt Expense	108,000	4,000	104,000	2,600.0%
Federal Sponsored Programs Pass-Thrus	21,777	28,615	(6,838)	-23.9%
Depreciation and Amortization	4,214,388	5,048,950	(834,562)	-16.5%
Other Operating Expenses	1,343,832	1,419,251	(75,419)	-5.3%
Total Operating Expenses	118,674,612	86,033,452	32,641,160	37.9%
Operating Loss	(26,386,954)	(24,188,089)	(2,198,865)	-9.1%
Other Nonoperating Adjustments				
State Appropriations	25,609,825	25,964,608	(354,783)	-1.4%
Gift Contributions for Operations	486,252	602,091	(115,839)	-19.2%
Net Investment Income	772,868	1,083,737	(310,869)	-28.7%
Interest Expense on Capital Asset Financings	(1,413,048)	(1,657,787)	244,739	14.8%
Net Other Nonoperating Adjustments	25,455,897	25,992,649	(536,752)	-2.1%
Adjusted Income (Loss) including Depreciation	(931,057)	1,804,560	(2,735,617)	-151.6%
Adjusted Margin (as a percentage) including Depreciation	-0.8%	2.0%		
Investment Gains (Losses)	(9,131,036)	1,612,349	(10,743,385)	-666.3%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (10,062,093)	\$ 3,416,909	\$ (13,479,002)	-394.5%
Adjusted Margin % with Investment Gains (Losses)	-9.1%	3.8%		
Adjusted Income (Loss) excluding Depreciation	3,283,331	6,853,510	(3,570,179)	-52.1%
Adjusted Margin (as a percentage) excluding Depreciation	2.8%	7.7%		

UNAUDITED
The University of Texas of the Permian Basin
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2008

	December Year-to-Date FY 2009	December Year-to-Date FY 2008	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 5,300,447	\$ 4,903,168	\$ 397,279	8.1%
Sponsored Programs	2,574,798	2,492,620	82,178	3.3%
Net Sales and Services of Educational Activities	121,792	121,578	214	0.2%
Net Auxiliary Enterprises	1,275,216	1,162,994	112,222	9.6%
Other Operating Revenues	24,457	153,839	(129,382)	-84.1%
Total Operating Revenues	9,296,710	8,834,199	462,511	5.2%
Operating Expenses				
Salaries and Wages	6,480,230	5,865,412	614,818	10.5%
Employee Benefits and Related Costs	1,341,566	1,322,943	18,623	1.4%
Professional Fees and Contracted Services	332,267	1,465,106	(1,132,839)	-77.3%
Other Contracted Services	452,453	395,600	56,853	14.4%
Scholarships and Fellowships	2,703,806	2,685,899	17,907	0.7%
Travel	214,188	185,444	28,744	15.5%
Materials and Supplies	1,056,801	1,095,455	(38,654)	-3.5%
Utilities	702,355	583,227	119,128	20.4%
Telecommunications	199,847	168,122	31,725	18.9%
Repairs and Maintenance	359,131	274,979	84,152	30.6%
Rentals and Leases	184,910	149,095	35,815	24.0%
Printing and Reproduction	51,759	52,577	(818)	-1.6%
Depreciation and Amortization	1,528,187	1,217,003	311,184	25.6%
Other Operating Expenses	356,566	372,545	(15,979)	-4.3%
Total Operating Expenses	15,964,066	15,833,407	130,659	0.8%
Operating Loss	(6,667,356)	(6,999,208)	331,852	4.7%
Other Nonoperating Adjustments				
State Appropriations	10,572,123	10,535,316	36,807	0.3%
Gift Contributions for Operations	368,018	488,966	(120,948)	-24.7%
Net Investment Income	615,443	373,505	241,938	64.8%
Interest Expense on Capital Asset Financings	(673,556)	(313,418)	(360,138)	-114.9%
Net Other Nonoperating Adjustments	10,882,028	11,084,369	(202,341)	-1.8%
Adjusted Income (Loss) including Depreciation	4,214,672	4,085,161	129,511	3.2%
Adjusted Margin (as a percentage) including Depreciation	20.2%	20.2%		
Investment Gains (Losses)	(1,908,065)	181,181	(2,089,246)	-1,153.1%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 2,306,607	\$ 4,266,342	\$ (1,959,735)	-45.9%
Adjusted Margin % with Investment Gains (Losses)	12.2%	20.9%		
Adjusted Income (Loss) excluding Depreciation	5,742,859	5,302,164	440,695	8.3%
Adjusted Margin (as a percentage) excluding Depreciation	27.5%	26.2%		

UNAUDITED
The University of Texas at San Antonio
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2008

	December Year-to-Date FY 2009	December Year-to-Date FY 2008	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 64,157,033	\$ 60,569,040	\$ 3,587,993	5.9%
Sponsored Programs	38,718,158	30,586,854	8,131,304	26.6%
Net Sales and Services of Educational Activities	1,357,601	1,652,073	(294,472)	-17.8%
Net Auxiliary Enterprises	7,132,068	5,411,140	1,720,928	31.8%
Other Operating Revenues	568,334	797,308	(228,974)	-28.7%
Total Operating Revenues	111,933,194	99,016,415	12,916,779	13.0%
Operating Expenses				
Salaries and Wages	62,387,224	55,213,078	7,174,146	13.0%
Employee Benefits and Related Costs	14,729,802	13,726,100	1,003,702	7.3%
Professional Fees and Contracted Services	1,389,753	1,023,178	366,575	35.8%
Other Contracted Services	4,466,070	2,446,892	2,019,178	82.5%
Scholarships and Fellowships	22,910,109	26,579,339	(3,669,230)	-13.8%
Travel	2,086,245	1,822,806	263,439	14.5%
Materials and Supplies	10,264,035	5,761,973	4,502,062	78.1%
Utilities	4,045,000	4,155,626	(110,626)	-2.7%
Telecommunications	848,349	1,086,033	(237,684)	-21.9%
Repairs and Maintenance	2,523,021	2,076,870	446,151	21.5%
Rentals and Leases	973,520	811,990	161,530	19.9%
Printing and Reproduction	461,027	318,379	142,648	44.8%
Federal Sponsored Programs Pass-Thrus	1,255,317	700,638	554,679	79.2%
Depreciation and Amortization	10,769,917	8,772,438	1,997,479	22.8%
Other Operating Expenses	5,124,189	1,965,048	3,159,141	160.8%
Total Operating Expenses	144,233,578	126,460,388	17,773,190	14.1%
Operating Loss	(32,300,384)	(27,443,973)	(4,856,411)	-17.7%
Other Nonoperating Adjustments				
State Appropriations	38,270,875	38,486,197	(215,322)	-0.6%
Gift Contributions for Operations	2,494,827	3,451,040	(956,213)	-27.7%
Net Investment Income	2,285,037	2,633,706	(348,669)	-13.2%
Interest Expense on Capital Asset Financings	(4,886,308)	(3,118,043)	(1,768,265)	-56.7%
Net Other Nonoperating Adjustments	38,164,431	41,452,900	(3,288,469)	-7.9%
Adjusted Income (Loss) including Depreciation	5,864,047	14,008,927	(8,144,880)	-58.1%
Adjusted Margin (as a percentage) including Depreciation	3.8%	9.8%		
Investment Gains (Losses)	(37,840,027)	5,485,801	(43,325,828)	-789.8%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (31,975,980)	\$ 19,494,728	\$ (51,470,708)	-264.0%
Adjusted Margin % with Investment Gains (Losses)	-27.3%	13.1%		
Adjusted Income (Loss) excluding Depreciation	16,633,964	22,781,365	(6,147,401)	-27.0%
Adjusted Margin (as a percentage) excluding Depreciation	10.7%	15.9%		

UNAUDITED
The University of Texas at Tyler
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2008

	December Year-to-Date FY 2009	December Year-to-Date FY 2008	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 10,573,080	\$ 10,000,668	\$ 572,412	5.7%
Sponsored Programs	5,084,178	4,208,937	875,241	20.8%
Net Sales and Services of Educational Activities	840,800	423,693	417,107	98.4%
Net Auxiliary Enterprises	1,319,972	1,478,122	(158,150)	-10.7%
Other Operating Revenues	44,899	25,537	19,362	75.8%
Total Operating Revenues	17,862,929	16,136,957	1,725,972	10.7%
Operating Expenses				
Salaries and Wages	12,278,650	10,737,581	1,541,069	14.4%
Employee Benefits and Related Costs	3,012,785	2,742,561	270,224	9.9%
Professional Fees and Contracted Services	286,349	520,621	(234,272)	-45.0%
Other Contracted Services	1,140,682	1,015,673	125,009	12.3%
Scholarships and Fellowships	4,841,361	4,324,124	517,237	12.0%
Travel	488,032	459,276	28,756	6.3%
Materials and Supplies	1,726,711	1,763,780	(37,069)	-2.1%
Utilities	561,551	545,125	16,426	3.0%
Telecommunications	210,579	188,799	21,780	11.5%
Repairs and Maintenance	474,068	484,389	(10,321)	-2.1%
Rentals and Leases	112,528	120,948	(8,420)	-7.0%
Printing and Reproduction	238,165	194,241	43,924	22.6%
Bad Debt Expense	515	-	515	100.0%
Federal Sponsored Programs Pass-Thrus	61,100	-	61,100	100.0%
Depreciation and Amortization	2,724,104	2,581,573	142,531	5.5%
Other Operating Expenses	599,130	533,587	65,543	12.3%
Total Operating Expenses	28,756,310	26,212,278	2,544,032	9.7%
Operating Loss	(10,893,381)	(10,075,321)	(818,060)	-8.1%
Other Nonoperating Adjustments				
State Appropriations	12,244,115	12,109,252	134,863	1.1%
Gift Contributions for Operations	368,838	205,580	163,258	79.4%
Net Investment Income	1,350,616	1,209,152	141,464	11.7%
Interest Expense on Capital Asset Financings	(908,860)	(575,584)	(333,276)	-57.9%
Net Other Nonoperating Adjustments	13,054,709	12,948,400	106,309	0.8%
Adjusted Income (Loss) including Depreciation	2,161,328	2,873,079	(711,751)	-24.8%
Adjusted Margin (as a percentage) including Depreciation	6.8%	9.7%		
Investment Gains (Losses)	(6,786,379)	880,118	(7,666,497)	-871.1%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (4,625,051)	\$ 3,753,197	\$ (8,378,248)	-223.2%
Adjusted Margin % with Investment Gains (Losses)	-18.5%	12.3%		
Adjusted Income (Loss) excluding Depreciation	4,885,432	5,454,652	(569,220)	-10.4%
Adjusted Margin (as a percentage) excluding Depreciation	15.4%	18.4%		

UNAUDITED
The University of Texas Southwestern Medical Center at Dallas
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2008

	December Year-to-Date FY 2009	December Year-to-Date FY 2008	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 8,750,189	\$ 8,390,503	\$ 359,686	4.3%
Sponsored Programs	134,075,496	122,491,254	11,584,242	9.5%
Net Sales and Services of Educational Activities	2,339,448	2,274,391	65,057	2.9%
Net Sales and Services of Hospitals	126,745,898	104,772,322	21,973,576	21.0%
Net Professional Fees	120,494,779	117,042,758	3,452,021	2.9%
Net Auxiliary Enterprises	5,982,736	5,878,396	104,340	1.8%
Other Operating Revenues	2,011,704	2,019,153	(7,449)	-0.4%
Total Operating Revenues	400,400,250	362,868,777	37,531,473	10.3%
Operating Expenses				
Salaries and Wages	250,860,324	224,841,981	26,018,343	11.6%
Employee Benefits and Related Costs	64,865,431	61,577,241	3,288,190	5.3%
Professional Fees and Contracted Services	6,982,263	6,738,145	244,118	3.6%
Other Contracted Services	26,350,043	25,849,943	500,100	1.9%
Scholarships and Fellowships	5,423,403	5,612,759	(189,356)	-3.4%
Travel	3,314,527	2,845,784	468,743	16.5%
Materials and Supplies	64,519,278	56,368,708	8,150,570	14.5%
Utilities	11,134,494	10,374,944	759,550	7.3%
Telecommunications	2,112,852	2,027,490	85,362	4.2%
Repairs and Maintenance	5,198,168	4,390,414	807,754	18.4%
Rentals and Leases	2,455,204	3,202,546	(747,342)	-23.3%
Printing and Reproduction	974,909	799,862	175,047	21.9%
Federal Sponsored Programs Pass-Thrus	115,063	107,244	7,819	7.3%
Depreciation and Amortization	25,105,709	22,844,139	2,261,570	9.9%
Other Operating Expenses	19,733,947	15,634,441	4,099,506	26.2%
Total Operating Expenses	489,145,615	443,215,641	45,929,974	10.4%
Operating Loss	(88,745,365)	(80,346,864)	(8,398,501)	-10.5%
Other Nonoperating Adjustments				
State Appropriations	58,992,243	58,519,092	473,151	0.8%
Gift Contributions for Operations	7,425,438	18,907,889	(11,482,451)	-60.7%
Net Investment Income	23,244,762	24,166,588	(921,826)	-3.8%
Interest Expense on Capital Asset Financings	(6,901,028)	(6,547,548)	(353,480)	-5.4%
Net Other Nonoperating Adjustments	82,761,415	95,046,021	(12,284,606)	-12.9%
Adjusted Income (Loss) including Depreciation	(5,983,950)	14,699,157	(20,683,107)	-140.7%
Adjusted Margin (as a percentage) including Depreciation	-1.2%	3.2%		
Investment Gains (Losses)	(131,246,360)	23,088,948	(154,335,308)	-668.4%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (137,230,310)	\$ 37,788,105	\$ (175,018,415)	-463.2%
Adjusted Margin % with Investment Gains (Losses)	-38.2%	7.8%		
Adjusted Income (Loss) excluding Depreciation	19,121,759	37,543,296	(18,421,537)	-49.1%
Adjusted Margin (as a percentage) excluding Depreciation	3.9%	8.1%		

UNAUDITED
The University of Texas Medical Branch at Galveston
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2008

	December Year-to-Date FY 2009	December Year-to-Date FY 2008	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 5,842,123	\$ 5,725,972	\$ 116,151	2.0%
Sponsored Programs	101,071,353	83,382,416	17,688,937	21.2%
Net Sales and Services of Educational Activities	441,775	711,089	(269,314)	-37.9%
Net Sales and Services of Hospitals	170,179,671	235,942,512	(65,762,841)	-27.9%
Net Professional Fees	28,731,040	40,251,779	(11,520,739)	-28.6%
Net Auxiliary Enterprises	1,464,771	2,957,795	(1,493,024)	-50.5%
Other Operating Revenues	4,712,704	4,267,989	444,715	10.4%
Total Operating Revenues	312,443,437	373,239,552	(60,796,115)	-16.3%
Operating Expenses				
Salaries and Wages	272,522,208	265,305,730	7,216,478	2.7%
Employee Benefits and Related Costs	63,125,571	61,682,122	1,443,449	2.3%
Professional Fees and Contracted Services	61,172,632	7,036,525	54,136,107	769.4%
Other Contracted Services	39,064,156	17,826,128	21,238,028	119.1%
Scholarships and Fellowships	1,849,558	2,715,128	(865,570)	-31.9%
Travel	1,765,154	2,683,167	(918,013)	-34.2%
Materials and Supplies	38,892,705	59,943,492	(21,050,787)	-35.1%
Utilities	9,232,497	10,945,292	(1,712,795)	-15.6%
Telecommunications	4,554,311	4,601,019	(46,708)	-1.0%
Repairs and Maintenance	10,662,259	11,086,405	(424,146)	-3.8%
Rentals and Leases	5,882,645	6,229,720	(347,075)	-5.6%
Printing and Reproduction	356,036	703,785	(347,749)	-49.4%
Federal Sponsored Programs Pass-Thrus	561,590	3,896,153	(3,334,563)	-85.6%
Depreciation and Amortization	25,764,204	20,668,856	5,095,348	24.7%
Other Operating Expenses	26,555,236	22,075,780	4,479,456	20.3%
Total Operating Expenses	561,960,762	497,399,302	64,561,460	13.0%
Operating Loss	(249,517,325)	(124,159,750)	(125,357,575)	-101.0%
Other Nonoperating Adjustments				
State Appropriations	103,062,583	102,134,610	927,973	0.9%
Gift Contributions for Operations	5,353,729	2,909,947	2,443,782	84.0%
Net Investment Income	11,165,377	11,524,290	(358,913)	-3.1%
Interest Expense on Capital Asset Financings	(2,027,666)	(2,014,474)	(13,192)	-0.7%
Net Other Nonoperating Adjustments	117,554,023	114,554,373	2,999,650	2.6%
Adjusted Income (Loss) including Depreciation	(131,963,302)	(9,605,377)	(122,357,925)	-1,273.8%
Adjusted Margin (as a percentage) including Depreciation	-30.5%	-2.0%		
Investment Gains (Losses)	(37,761,472)	6,441,602	(44,203,074)	-686.2%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (169,724,774)	\$ (3,163,775)	\$ (166,560,999)	-5264.6%
Adjusted Margin % with Investment Gains (Losses)	-43.0%	-0.6%		
Adjusted Income (Loss) excluding Depreciation	(106,199,098)	11,063,479	(117,262,577)	-1,059.9%
Adjusted Margin (as a percentage) excluding Depreciation	-24.6%	2.3%		

UNAUDITED
The University of Texas Health Science Center at Houston
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2008

	December Year-to-Date FY 2009	December Year-to-Date FY 2008	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 10,386,552	\$ 8,854,628	\$ 1,531,924	17.3%
Sponsored Programs	108,368,817	96,406,239	11,962,578	12.4%
Net Sales and Services of Educational Activities	11,660,429	11,340,332	320,097	2.8%
Net Sales and Services of Hospitals	11,495,233	10,623,050	872,183	8.2%
Net Professional Fees	38,863,087	36,725,520	2,137,567	5.8%
Net Auxiliary Enterprises	7,293,248	7,159,617	133,631	1.9%
Other Operating Revenues	13,758,106	12,576,350	1,181,756	9.4%
Total Operating Revenues	201,825,472	183,685,736	18,139,736	9.9%
Operating Expenses				
Salaries and Wages	127,001,465	115,111,003	11,890,462	10.3%
Employee Benefits and Related Costs	25,911,650	26,851,595	(939,945)	-3.5%
Professional Fees and Contracted Services	27,578,082	20,700,424	6,877,658	33.2%
Other Contracted Services	11,512,575	11,936,148	(423,573)	-3.5%
Scholarships and Fellowships	2,014,769	1,778,902	235,867	13.3%
Travel	2,142,897	1,874,267	268,630	14.3%
Materials and Supplies	17,662,871	20,130,404	(2,467,533)	-12.3%
Utilities	6,614,206	5,700,611	913,595	16.0%
Telecommunications	1,004,551	926,788	77,763	8.4%
Repairs and Maintenance	3,060,273	1,983,303	1,076,970	54.3%
Rentals and Leases	4,239,974	4,358,002	(118,028)	-2.7%
Printing and Reproduction	1,360,318	1,229,244	131,074	10.7%
Federal Sponsored Programs Pass-Thrus	2,153,719	2,492,253	(338,534)	-13.6%
Depreciation and Amortization	12,972,448	12,597,467	374,981	3.0%
Other Operating Expenses	19,583,333	17,224,512	2,358,821	13.7%
Total Operating Expenses	264,813,131	244,894,923	19,918,208	8.1%
Operating Loss	(62,987,659)	(61,209,187)	(1,778,472)	-2.9%
Other Nonoperating Adjustments				
State Appropriations	55,395,367	55,439,951	(44,584)	-0.1%
Gift Contributions for Operations	5,888,237	7,937,178	(2,048,941)	-25.8%
Net Investment Income	9,284,463	8,857,877	426,586	4.8%
Interest Expense on Capital Asset Financings	(2,992,644)	(2,729,906)	(262,738)	-9.6%
Net Other Nonoperating Adjustments	67,575,423	69,505,100	(1,929,677)	-2.8%
Adjusted Income (Loss) including Depreciation	4,587,764	8,295,913	(3,708,149)	-44.7%
Adjusted Margin (as a percentage) including Depreciation	1.7%	3.2%		
Investment Gains (Losses)	(56,486,932)	7,769,298	(64,256,230)	-827.1%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (51,899,168)	\$ 16,065,211	\$ (67,964,379)	-423.1%
Adjusted Margin % with Investment Gains (Losses)	-24.0%	6.1%		
Adjusted Income (Loss) excluding Depreciation	17,560,212	20,893,380	(3,333,168)	-16.0%
Adjusted Margin (as a percentage) excluding Depreciation	6.4%	8.2%		

UNAUDITED
The University of Texas Health Science Center at San Antonio
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2008

	December Year-to-Date FY 2009	December Year-to-Date FY 2008	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 8,475,875	\$ 8,333,333	\$ 142,542	1.7%
Sponsored Programs	74,981,317	63,552,495	11,428,822	18.0%
Net Sales and Services of Educational Activities	19,431,169	11,180,571	8,250,598	73.8%
Net Professional Fees	34,140,903	26,259,304	7,881,599	30.0%
Net Auxiliary Enterprises	1,320,907	1,392,030	(71,123)	-5.1%
Other Operating Revenues	5,008,938	4,833,204	175,734	3.6%
Total Operating Revenues	143,359,109	115,550,937	27,808,172	24.1%
Operating Expenses				
Salaries and Wages	114,598,737	102,365,374	12,233,363	12.0%
Employee Benefits and Related Costs	28,462,783	25,469,147	2,993,636	11.8%
Professional Fees and Contracted Services	4,795,752	2,929,774	1,865,978	63.7%
Other Contracted Services	5,976,042	5,792,133	183,909	3.2%
Scholarships and Fellowships	1,314,728	1,202,175	112,553	9.4%
Travel	1,788,091	1,667,495	120,596	7.2%
Materials and Supplies	10,898,238	10,494,599	403,639	3.8%
Utilities	5,033,333	4,333,333	700,000	16.2%
Telecommunications	2,298,812	2,239,081	59,731	2.7%
Repairs and Maintenance	1,336,204	839,785	496,419	59.1%
Rentals and Leases	1,205,077	759,701	445,376	58.6%
Printing and Reproduction	606,018	506,815	99,203	19.6%
Federal Sponsored Programs Pass-Thrus	466,667	200,000	266,667	133.3%
Depreciation and Amortization	10,500,000	8,743,783	1,756,217	20.1%
Other Operating Expenses	30,327,420	22,987,711	7,339,709	31.9%
Total Operating Expenses	219,607,902	190,530,906	29,076,996	15.3%
Operating Loss	(76,248,793)	(74,979,969)	(1,268,824)	-1.7%
Other Nonoperating Adjustments				
State Appropriations	57,228,911	56,702,894	526,017	0.9%
Gift Contributions for Operations	7,413,642	13,188,206	(5,774,564)	-43.8%
Net Investment Income	9,120,812	10,288,588	(1,167,776)	-11.4%
Interest Expense on Capital Asset Financings	(3,207,404)	(1,330,323)	(1,877,081)	-141.1%
Net Other Nonoperating Adjustments	70,555,961	78,849,365	(8,293,404)	-10.5%
Adjusted Income (Loss) including Depreciation	(5,692,832)	3,869,396	(9,562,228)	-247.1%
Adjusted Margin (as a percentage) including Depreciation	-2.6%	2.0%		
Investment Gains (Losses)	(38,805,087)	6,164,880	(44,969,967)	-729.5%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (44,497,919)	\$ 10,034,276	\$ (54,532,195)	-543.5%
Adjusted Margin % with Investment Gains (Losses)	-25.0%	5.0%		
Adjusted Income (Loss) excluding Depreciation	4,807,168	12,613,179	(7,806,011)	-61.9%
Adjusted Margin (as a percentage) excluding Depreciation	2.2%	6.4%		

UNAUDITED
The University of Texas M. D. Anderson Cancer Center
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2008

	December Year-to-Date FY 2009	December Year-to-Date FY 2008	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 318,522	\$ 165,647	\$ 152,875	92.3%
Sponsored Programs	85,386,736	81,510,129	3,876,607	4.8%
Net Sales and Services of Educational Activities	702,700	887,542	(184,842)	-20.8%
Net Sales and Services of Hospitals	630,319,846	584,649,089	45,670,757	7.8%
Net Professional Fees	87,020,935	84,134,988	2,885,947	3.4%
Net Auxiliary Enterprises	9,547,191	9,033,734	513,457	5.7%
Other Operating Revenues	16,832,530	12,246,151	4,586,379	37.5%
Total Operating Revenues	830,128,460	772,627,280	57,501,180	7.4%
Operating Expenses				
Salaries and Wages	438,647,363	394,827,650	43,819,713	11.1%
Employee Benefits and Related Costs	112,763,071	104,873,747	7,889,324	7.5%
Professional Fees and Contracted Services	36,976,098	38,663,284	(1,687,186)	-4.4%
Other Contracted Services	21,214,465	21,740,211	(525,746)	-2.4%
Travel	6,503,350	6,357,754	145,596	2.3%
Materials and Supplies	155,927,829	144,648,114	11,279,715	7.8%
Utilities	20,761,489	17,555,658	3,205,831	18.3%
Telecommunications	2,903,700	2,719,594	184,106	6.8%
Repairs and Maintenance	21,000,933	18,990,718	2,010,215	10.6%
Rentals and Leases	12,273,025	11,307,419	965,606	8.5%
Federal Sponsored Programs Pass-Thrus	(81,178)	(252,100)	170,922	67.8%
Depreciation and Amortization	73,814,941	69,891,420	3,923,521	5.6%
Other Operating Expenses	955,599	837,288	118,311	14.1%
Total Operating Expenses	903,660,685	832,160,757	71,499,928	8.6%
Operating Loss	(73,532,225)	(59,533,477)	(13,998,748)	-23.5%
Other Nonoperating Adjustments				
State Appropriations	55,147,178	56,036,743	(889,565)	-1.6%
Gift Contributions for Operations	22,320,703	35,563,036	(13,242,333)	-37.2%
Net Investment Income	15,951,700	19,822,822	(3,871,122)	-19.5%
Interest Expense on Capital Asset Financings	(10,167,564)	(7,529,012)	(2,638,552)	-35.0%
Net Other Nonoperating Adjustments	83,252,017	103,893,589	(20,641,572)	-19.9%
Adjusted Income (Loss) including Depreciation	9,719,792	44,360,112	(34,640,320)	-78.1%
Adjusted Margin (as a percentage) including Depreciation	1.1%	5.0%		
Investment Gains (Losses)	(160,304,063)	25,390,690	(185,694,753)	-731.3%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (150,584,271)	\$ 69,750,802	\$ (220,335,073)	-315.9%
Adjusted Margin % with Investment Gains (Losses)	-19.7%	7.7%		
Adjusted Income (Loss) excluding Depreciation	83,534,733	114,251,532	(30,716,799)	-26.9%
Adjusted Margin (as a percentage) excluding Depreciation	9.0%	12.9%		

UNAUDITED
The University of Texas Health Science Center at Tyler
Comparison of Operating Results and Margin
For the Four Months Ending December 31, 2008

	December Year-to-Date FY 2009	December Year-to-Date FY 2008	Variance	Fluctuation Percentage
Operating Revenues				
Sponsored Programs	\$ 4,082,400.00	\$ 3,978,530.00	\$ 103,870	2.6%
Net Sales and Services of Educational Activities	440,316	288,285	152,031	52.7%
Net Sales and Services of Hospitals	16,889,187	11,573,513	5,315,674	45.9%
Net Professional Fees	4,118,674	3,593,197	525,477	14.6%
Net Auxiliary Enterprises	66,555	52,482	14,073	26.8%
Other Operating Revenues	333,187	454,481	(121,294)	-26.7%
Total Operating Revenues	25,930,319	19,940,488	5,989,831	30.0%
Operating Expenses				
Salaries and Wages	17,002,188	17,684,215	(682,027)	-3.9%
Employee Benefits and Related Costs	4,789,891	4,876,966	(87,075)	-1.8%
Professional Fees and Contracted Services	2,571,974	1,237,638	1,334,336	107.8%
Other Contracted Services	3,812,226	2,898,058	914,168	31.5%
Travel	143,347	139,072	4,275	3.1%
Materials and Supplies	5,747,428	3,774,473	1,972,955	52.3%
Utilities	992,229	1,044,564	(52,335)	-5.0%
Telecommunications	430,890	317,794	113,096	35.6%
Repairs and Maintenance	1,380,216	1,132,768	247,448	21.8%
Rentals and Leases	299,592	301,008	(1,416)	-0.5%
Printing and Reproduction	46,728	8,992	37,736	419.7%
Federal Sponsored Programs Pass-Thrus	25,123	49,151	(24,028)	-48.9%
Depreciation and Amortization	2,521,267	3,065,938	(544,671)	-17.8%
Other Operating Expenses	611,672	732,095	(120,423)	-16.4%
Total Operating Expenses	40,374,771	37,262,732	3,112,039	8.4%
Operating Loss	(14,444,452)	(17,322,244)	2,877,792	16.6%
Other Nonoperating Adjustments				
State Appropriations	13,773,148	13,066,107	707,041	5.4%
Gift Contributions for Operations	71,741	724,384	(652,643)	-90.1%
Net Investment Income	1,335,051	1,345,939	(10,888)	-0.8%
Interest Expense on Capital Asset Financings	(237,280)	(508,663)	271,383	53.4%
Net Other Nonoperating Adjustments	14,942,660	14,627,767	314,893	2.2%
Adjusted Income (Loss) including Depreciation	498,208	(2,694,477)	3,192,685	118.5%
Adjusted Margin (as a percentage) including Depreciation	1.2%	-7.7%		
Investment Gains (Losses)	(257,615)	242,341	(499,956)	-206.3%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 240,593	\$ (2,452,136)	\$ 2,692,729	109.8%
Adjusted Margin % with Investment Gains (Losses)	0.6%	-6.9%		
Adjusted Income (Loss) excluding Depreciation	3,019,475	371,461	2,648,014	712.9%
Adjusted Margin (as a percentage) excluding Depreciation	7.3%	1.1%		