

THE UNIVERSITY OF TEXAS SYSTEM
OFFICE OF THE CONTROLLER

MONTHLY FINANCIAL REPORT
(unaudited)

MARCH 2008



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THE UNIVERSITY OF TEXAS SYSTEM
MONTHLY FINANCIAL REPORT
(Unaudited)
FOR THE SEVEN MONTHS ENDING
MARCH 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 Seven Months Ending March 31, 2008

	March Year-to-Date FY 2008	March Year-to-Date FY 2007	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 820,444,511	\$ 758,504,592	\$ 61,939,919	8.2%
Sponsored Programs	1,452,168,989	1,356,346,375	95,822,614	7.1%
Net Sales and Services of Educational Activities	164,787,463	165,177,198	(389,735)	-0.2%
Net Sales and Services of Hospitals	1,690,257,891	1,555,404,437	134,853,454	8.7%
Net Professional Fees	535,163,258	586,469,813	(51,306,555)	-8.7%
Net Auxiliary Enterprises	215,974,415	209,167,743	6,806,672	3.3%
Other Operating Revenues	101,435,145	85,803,608	15,631,537	18.2%
Total Operating Revenues	<u>4,980,231,672</u>	<u>4,716,873,766</u>	<u>263,357,906</u>	<u>5.6%</u>
Operating Expenses				
Salaries and Wages	3,034,013,595	2,819,078,818	214,934,777	7.6%
Payroll Related Costs	748,256,857	688,130,808	60,126,049	8.7%
Professional Fees and Contracted Services	173,951,315	144,893,099	29,058,216	20.1%
Other Contracted Services	244,717,039	225,697,026	19,020,013	8.4%
Scholarships and Fellowships	403,170,179	377,046,086	26,124,093	6.9%
Travel	66,922,036	58,894,762	8,027,274	13.6%
Materials and Supplies	661,485,336	623,232,610	38,252,726	6.1%
Utilities	156,124,254	139,926,422	16,197,832	11.6%
Telecommunications	57,899,293	37,828,157	20,071,136	53.1%
Repairs and Maintenance	97,503,040	88,144,589	9,358,451	10.6%
Rentals and Leases	63,658,235	60,268,453	3,389,782	5.6%
Printing and Reproduction	15,818,710	15,072,577	746,133	5.0%
Bad Debt Expense	32,188	730,628	(698,440)	-95.6%
Claims and Losses	4,796,651	20,904,336	(16,107,685)	-77.1%
Federal Sponsored Programs Pass-Throughs	17,146,231	15,382,159	1,764,072	11.5%
Depreciation and Amortization	400,678,138	361,823,310	38,854,828	10.7%
Other Operating Expenses	212,265,225	209,824,787	2,440,438	1.2%
Total Operating Expenses	<u>6,358,438,322</u>	<u>5,886,878,627</u>	<u>471,559,695</u>	<u>8.0%</u>
Operating Loss	<u>(1,378,206,650)</u>	<u>(1,170,004,861)</u>	<u>(208,201,789)</u>	<u>-17.8%</u>
Other Nonoperating Adjustments				
State Appropriations	1,145,293,734	1,034,132,180	111,161,554	10.7%
Gift Contributions for Operations	208,094,856	159,900,235	48,194,622	30.1%
Net Investment Income	456,459,172	394,656,182	61,802,990	15.7%
Interest Expense on Capital Asset Financings	(112,671,774)	(94,760,784)	(17,910,990)	-18.9%
Net Other Nonoperating Adjustments	<u>1,697,175,988</u>	<u>1,493,927,813</u>	<u>203,248,176</u>	<u>13.6%</u>
Adjusted Income (Loss) including Depreciation	318,969,338	323,922,952	(4,953,613)	-1.5%
Adjusted Margin (as a percentage) including Depreciation	4.7%	5.1%		
Investment Gains (Losses)	2,070,387	1,613,535,059	(1,611,464,672)	-99.9%
Adj. Inc. (Loss) with Investment Gains (Losses)	\$ 321,039,725	\$ 1,937,458,011	\$ (1,616,418,286)	-83.4%
Adj. Margin % with Investment Gains (Losses)	4.7%	24.5%		
Adjusted Income (Loss) with Investment Gains (Losses) excluding Depreciation	721,717,863	2,299,281,321	(1,577,563,458)	-68.6%
Adjusted Margin (as a percentage) with Investment Gains (Losses) excluding Depreciation	10.6%	29.0%		

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

	Including Depreciation and Amortization Expense			
	March	March	Variance	Fluctuation Percentage
	Year-to-Date FY 2008	Year-to-Date FY 2007		
UT System Administration	\$ 175,401,339	\$ 119,773,102	\$ 55,628,237 (1)	46.4%
UT Arlington	11,390,139	7,216,124	4,174,015 (2)	57.8%
UT Austin	65,579,180	66,213,190	(634,010)	-1.0%
UT Brownsville	145,750	(986,567)	1,132,317 (3)	114.8%
UT Dallas	5,296,138	(1,677,288)	6,973,426 (4)	415.8%
UT El Paso	2,360,173	2,008,750	351,423	17.5%
UT Pan American	(2,109,330)	(1,329,124)	(780,206) (5)	-58.7%
UT Permian Basin	7,453,386	416,800	7,036,586 (6)	1,688.2%
UT San Antonio	17,696,147	19,161,816	(1,465,669)	-7.6%
UT Tyler	3,402,595	1,899,761	1,502,834 (7)	79.1%
UT Southwestern Medical Center - Dallas	51,603,477	41,133,144	10,470,333	25.5%
UT Medical Branch - Galveston	(21,372,719)	10,622,969	(31,995,688) (8)	-301.2%
UT Health Science Center - Houston	15,924,752	20,900,752	(4,976,000)	-23.8%
UT Health Science Center - San Antonio	(1,495,302)	20,336,343	(21,831,645) (9)	-107.4%
UT M. D. Anderson Cancer Center	71,839,921	88,157,339	(16,317,418)	-18.5%
UT Health Science Center - Tyler	(379,640)	4,485,841	(4,865,481) (10)	-108.5%
Elimination of AUF Transfer	(83,766,667)	(74,410,000)	(9,356,667)	-12.6%
Total Adjusted Income (Loss)	318,969,339	323,922,952	(4,953,613)	-1.5%
Investment Gains (Losses)	2,070,387	1,613,535,059	(1,611,464,672) (11)	-99.9%
Total Adjusted Income (Loss) with Investment Gains (Losses) Including Depreciation and Amortization	\$ 321,039,726	\$ 1,937,458,011	\$ (1,616,418,285)	-83.4%

	Excluding Depreciation and Amortization Expense			
	March	March	Variance	Fluctuation Percentage
	Year-to-Date FY 2008	Year-to-Date FY 2007		
UT System Administration	\$ 178,567,047	\$ 122,896,896	\$ 55,670,151	45.3%
UT Arlington	24,509,249	19,521,421	4,987,828	25.6%
UT Austin	158,660,971	145,096,063	13,564,909	9.3%
UT Brownsville	3,608,375	2,165,082	1,443,293	66.7%
UT Dallas	17,070,061	9,481,795	7,588,266	80.0%
UT El Paso	10,979,073	10,019,943	959,130	9.6%
UT Pan American	6,888,261	8,000,908	(1,112,647)	-13.9%
UT Permian Basin	9,582,553	2,317,106	7,265,447	313.6%
UT San Antonio	32,958,395	33,184,330	(225,935)	-0.7%
UT Tyler	7,640,802	5,870,599	1,770,203	30.2%
UT Southwestern Medical Center - Dallas	90,500,166	78,575,499	11,924,667	15.2%
UT Medical Branch - Galveston	16,790,857	41,607,415	(24,816,558)	-59.6%
UT Health Science Center - Houston	35,173,155	40,130,812	(4,957,657)	-12.4%
UT Health Science Center - San Antonio	15,129,698	33,639,179	(18,509,481)	-55.0%
UT M. D. Anderson Cancer Center	191,932,168	199,477,616	(7,545,448)	-3.8%
UT Health Science Center - Tyler	3,423,313	8,171,598	(4,748,285)	-58.1%
Elimination of AUF Transfer	(83,766,667)	(74,410,000)	(9,356,667)	-12.6%
Total Adjusted Income (Loss)	719,647,477	685,746,262	33,901,215	4.9%
Investment Gains (Losses)	2,070,387	1,613,535,059	(1,611,464,672)	-99.9%
Total Adjusted Income (Loss) with Investment Gains (Losses) Excluding Depreciation and Amortization	\$ 721,717,864	\$ 2,299,281,321	\$ (1,577,563,457)	-68.6%

THE UNIVERSITY OF TEXAS SYSTEM
EXPLANATION OF VARIANCES ON THE MONTHLY FINANCIAL REPORT
For the Seven Months Ending March 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 \$55.6 million (46.4%) increase in adjusted income as compared to the same period last year was primarily due to increased net investment income. Excluding depreciation expense, *UT System Administration's* adjusted income was \$178.6 million or 68.1%.
UT Pan American's adjusted income was \$6.9 million or 4.4%. *UT Pan American* anticipates ending the year with a \$7.5 million negative margin which represents -3% of projected revenues. This forecast includes \$15.5 million of depreciation expense.
- (2) UT Arlington - The \$4.2 million (57.8%) increase in adjusted income over the same period last year was primarily due to increased state appropriations including increased formula funding and increased Tuition Revenue Bonds (TRBs). Excluding depreciation expense, *UT Arlington's* adjusted income was \$24.5 million or 10.5%.
- (3) UT Brownsville - The \$1.1 million (114.8%) increase in adjusted income over the same period last year was primarily due to increased state appropriations including increased formula funding and increased Tuition Revenue Bonds (TRBs). *UT Brownsville's* adjusted income excluding depreciation expense was \$3.6 million or 3.7%. *UT Brownsville* projects a year-end loss of approximately \$812,000 which represents -0.6% of projected revenues. This forecast includes \$5.9 million of depreciation expense.
- (4) UT Dallas - The \$7 million (415.8%) increase in adjusted income over the same period last year was primarily due to increased state appropriations including increased formula funding and increased TRBs and increased gift contributions for operations. Excluding depreciation expense, *UT Dallas'* adjusted income was \$17.1 million or 9.1%.
- (5) UT Pan American - The \$780,000 (58.7%) decrease in adjusted income over the same period last year was primarily attributable to an increase in salaries and wages and increased utility costs. Salaries and wages increased as a result of a 3% merit increase for faculty and staff and additional staff needed as a result of the implementation of the Oracle ERP system. Utility costs increased due to a new utility contract with higher rates. As a result of these factors, *UT Pan American* experienced a \$2.1 million year-to-date loss. Excluding depreciation expense,
- (6) UT Permian Basin - The \$7 million (1,688.2%) increase in adjusted income over the same period last year was primarily due to increased state appropriations including increased formula funding and increased TRBs. Excluding depreciation expense, *UT Permian Basin's* adjusted income was \$9.6 million or 27.1%.
- (7) UT Tyler - The \$1.5 million (79.1%) increase in adjusted income over the same period last year was primarily due to increased state appropriations including increased formula funding and increased TRBs. Excluding depreciation expense, *UT Tyler's* adjusted income was \$7.6 million or 14.3%.
- (8) UT Medical Branch - Galveston - The \$32 million (301.2%) decrease in adjusted income over the same period last year was primarily due to an increase in operating expenses of \$69.4 million corresponding to the increased patient care activity and growth in research related programs. Market adjustments for nursing salaries related to UTMB Hospitals and Clinics and Correctional Managed Care were a significant factor contributing to the increase in personnel costs. As a result of these factors, *UTMB* experienced a \$21.4 million year-to-date loss. Additionally, *UTMB* recognized \$18.3 million less revenue for the Texas Physician Upper Payment Limit (UPL) in 2008. Excluding depreciation expense, *UTMB's* adjusted income was \$16.8 million or 1.9%. *UTMB* projects a year-end loss of approximately \$28 million, which represents -1.9% of projected revenues. This forecast includes \$64.6 million of depreciation expense.
- (9) UT Health Science Center - San Antonio - The \$21.8 million (107.4%) decrease in adjusted income over the same period last year was attributable to operations in the physician practice plan, increased salaries and wages, and increased depreciation expense as a result of the acquisition of the Cancer Therapy and Research Center (CTRC). The physician practice plan experienced a \$5.7 million operating loss through March as a result of

program expansion efforts, reinvestment in faculty and preparation for the opening of the Medical Arts Research Center in April 2009. These results are consistent with 2008 projections and the School of Medicine's transformation plan. *UTHSC-San Antonio* expects the physician practice plan loss to continue and grow to \$7.1 million by the end of the fiscal year. Salaries and wages increased as a result of the acquisition of CTRC and market adjustments to address compensation disparities. *UTHSC-San Antonio* also recognized \$7.6 million less UPL revenue in 2008. Due to these factors, *UTHSC-San Antonio* incurred a year-to-date loss of \$1.5 million. Excluding depreciation expense, *UTHSC-San Antonio's* adjusted income was \$15.1 million or 4.3%. *UTHSC-San Antonio* projects a year-end loss of approximately \$13.3 million, including \$31.2 million of depreciation expense, which represents -2% of projected revenues. The projection includes a loss of \$7.6 million related to the acquisition of CTRC, \$5.2 million of which is depreciation. *UTHSC-San Antonio* is currently determining ways to mitigate the \$2.4 million CTRC loss exclusive of depreciation.

(11) Investment Gains (Losses) - The majority of the \$1.6 billion (99.9%) decrease in investment gains relates to the Permanent University Fund of \$962 million, the Long Term Fund of \$435.8 million, and the Permanent Health Fund of \$91.2 million.

(10) UT Health Science Center – Tyler – The \$4.9 million (108.5%) decrease in adjusted income over the same period last year was primarily attributable to an 8% decrease in admissions, a 4% decrease in inpatient visits and a net reduction in grant income of \$500,000. As a result of the reduction in patient volume, *UTHSC-Tyler* reduced its staff by 54 employees in February and March and incurred over \$520,000 in termination vacation payouts. Additionally, *UTHSC-Tyler* recognized \$2.5 million less UPL revenue in 2008. Due to these factors, *UTHSC-Tyler* experienced a \$380,000 year-to-date loss. Excluding depreciation expense, *UTHSC-Tyler's* adjusted income was \$3.4 million or 5.3%. *UTHSC-Tyler* projects year-end income of approximately \$1.8 million, which represents 1.5% of projected revenues. As a result of the reduction in staff, *UTHSC-Tyler* expects to achieve more than \$1 million of salary savings during the remainder of 2008. This forecast includes \$6.5 million of depreciation expense.

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 Seven Months Ending March 31, 2008

	March Year-to-Date <u>FY 2008</u>	March Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Sponsored Programs	\$ 13,779,119	\$ 10,009,756	\$ 3,769,363	37.7%
Net Sales and Services of Educational Activities	7,660,030	10,005,707	(2,345,677)	-23.4%
Other Operating Revenues	23,458,569	14,632,952	8,825,617	60.3%
Total Operating Revenues	<u>44,897,718</u>	<u>34,648,415</u>	<u>10,249,303</u>	<u>29.6%</u>
Operating Expenses				
Salaries and Wages	22,623,313	15,172,311	7,451,002	49.1%
Employee Benefits and Related Costs	4,718,100	3,311,954	1,406,146	42.5%
Professional Fees and Contracted Services	523,819	3,158,562	(2,634,743)	-83.4%
Other Contracted Services	13,464,007	4,958,605	8,505,402	171.5%
Scholarships and Fellowships	401,200	105,600	295,600	279.9%
Travel	1,255,812	867,012	388,800	44.8%
Materials and Supplies	2,476,043	809,841	1,666,202	205.7%
Utilities	295,472	416,915	(121,443)	-29.1%
Telecommunications	3,007,831	505,914	2,501,917	494.5%
Repairs and Maintenance	505,214	730,057	(224,843)	-30.8%
Rentals and Leases	662,308	619,006	43,302	7.0%
Printing and Reproduction	158,278	121,397	36,881	30.4%
Claims and Losses	4,796,651	20,904,336	(16,107,685)	-77.1%
Depreciation and Amortization	3,165,708	3,123,794	41,914	1.3%
Other Operating Expenses	2,383,306	1,814,034	569,272	31.4%
Total Operating Expenses	<u>60,437,062</u>	<u>56,619,338</u>	<u>3,817,724</u>	<u>6.7%</u>
Operating Loss	<u>(15,539,344)</u>	<u>(21,970,923)</u>	<u>6,431,579</u>	<u>29.3%</u>
Other Nonoperating Adjustments				
State Appropriations	537,850	535,357	2,493	0.5%
Gift Contributions for Operations	711,896	455,242	256,654	56.4%
Net Investment Income	195,932,662	148,305,300	47,627,362	32.1%
Interest Expense on Capital Asset Financings	(26,215,320)	(26,219,319)	3,999	0.0%
Net Other Nonoperating Adjustments	<u>170,967,088</u>	<u>123,076,580</u>	<u>47,890,508</u>	<u>38.9%</u>
Adjusted Income (Loss) including Depreciation	155,427,744	101,105,657	54,322,087	53.7%
Adjusted Margin (as a percentage) including Depreciation	64.2%	55.0%		
Available University Fund Transfer	19,973,595	18,667,445	1,306,150	7.0%
Adjusted Income (Loss) with AUF Transfer	175,401,339	119,773,102	55,628,237	46.4%
Adjusted Margin % with AUF Transfer	66.9%	59.1%		
Investment Gains (Losses)	(65,187,299)	1,436,681,509	(1,501,868,808)	-104.5%
Adj. Inc. (Loss) with AUF Transfer & Invest. Gains (Losses)	\$ 110,214,040	\$ 1,556,454,611	\$ (1,446,240,571)	-92.9%
Adj. Margin % with AUF Transfer & Invest. Gains (Losses)	56.0%	94.9%		
Adjusted Income (Loss) with AUF Transfer excluding Depreciation	178,567,047	122,896,896	55,670,151	45.3%
Adjusted Margin (as a percentage) with AUF Transfer excluding Depreciation	68.1%	60.7%		

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

	March Year-to-Date <u>FY 2008</u>	March Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 99,487,873	\$ 90,483,648	\$ 9,004,225	10.0%
Sponsored Programs	36,257,902	32,533,324	3,724,578	11.4%
Net Sales and Services of Educational Activities	7,202,841	6,970,087	232,754	3.3%
Net Auxiliary Enterprises	14,933,580	13,950,364	983,216	7.0%
Other Operating Revenues	4,026,311	3,836,050	190,261	5.0%
Total Operating Revenues	<u>161,908,507</u>	<u>147,773,473</u>	<u>14,135,034</u>	<u>9.6%</u>
Operating Expenses				
Salaries and Wages	105,621,626	97,977,609	7,644,017	7.8%
Employee Benefits and Related Costs	23,267,435	21,386,475	1,880,960	8.8%
Professional Fees and Contracted Services	2,626,722	3,301,919	(675,197)	-20.4%
Other Contracted Services	6,070,409	5,935,468	134,941	2.3%
Scholarships and Fellowships	27,115,919	23,536,563	3,579,356	15.2%
Travel	2,867,148	2,394,507	472,641	19.7%
Materials and Supplies	12,506,647	11,109,579	1,397,068	12.6%
Utilities	7,258,386	6,453,099	805,287	12.5%
Telecommunications	3,556,086	3,502,190	53,896	1.5%
Repairs and Maintenance	4,273,206	3,957,073	316,133	8.0%
Rentals and Leases	1,736,346	1,423,770	312,576	22.0%
Printing and Reproduction	1,396,955	1,299,120	97,835	7.5%
Federal Sponsored Programs Pass-Thrus	1,245,895	1,164,613	81,282	7.0%
Depreciation and Amortization	13,119,110	12,305,297	813,813	6.6%
Other Operating Expenses	4,695,944	6,490,699	(1,794,755)	-27.7%
Total Operating Expenses	<u>217,357,834</u>	<u>202,237,981</u>	<u>15,119,853</u>	<u>7.5%</u>
Operating Loss	<u>(55,449,327)</u>	<u>(54,464,508)</u>	<u>(984,819)</u>	<u>-1.8%</u>
Other Nonoperating Adjustments				
State Appropriations	64,733,131	59,427,020	5,306,111	8.9%
Gift Contributions for Operations	1,480,444	1,096,948	383,496	35.0%
Net Investment Income	5,231,022	4,791,025	439,997	9.2%
Interest Expense on Capital Asset Financings	(4,605,132)	(3,634,361)	(970,771)	-26.7%
Net Other Nonoperating Adjustments	<u>66,839,465</u>	<u>61,680,632</u>	<u>5,158,833</u>	<u>8.4%</u>
Adjusted Income (Loss) including Depreciation	11,390,139	7,216,124	4,174,015	57.8%
Adjusted Margin (as a percentage) including Depreciation	4.9%	3.4%		
Investment Gains (Losses)	4,721,106	6,299,847	(1,578,741)	-25.1%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 16,111,245	\$ 13,515,971	\$ 2,595,274	19.2%
Adjusted Margin % with Investment Gains (Losses)	6.8%	6.2%		
Adjusted Income (Loss) excluding Depreciation	24,509,249	19,521,421	4,987,828	25.6%
Adjusted Margin (as a percentage) excluding Depreciation	10.5%	9.2%		

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

	March Year-to-Date FY 2008	March Year-to-Date FY 2007	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 344,681,639	\$ 320,476,235	\$ 24,205,404	7.6%
Sponsored Programs	278,948,804	264,822,574	14,126,230	5.3%
Net Sales and Services of Educational Activities	85,022,130	86,246,576	(1,224,446)	-1.4%
Net Auxiliary Enterprises	118,860,655	112,004,247	6,856,408	6.1%
Other Operating Revenues	4,002,400	3,974,013	28,387	0.7%
Total Operating Revenues	831,515,628	787,523,645	43,991,983	5.6%
Operating Expenses				
Salaries and Wages	537,361,078	519,607,681	17,753,397	3.4%
Employee Benefits and Related Costs	122,776,233	118,053,360	4,722,873	4.0%
Professional Fees and Contracted Services	13,637,292	12,782,111	855,181	6.7%
Other Contracted Services	38,940,689	44,400,805	(5,460,116)	-12.3%
Scholarships and Fellowships	128,436,260	122,966,752	5,469,508	4.4%
Travel	22,368,094	19,065,737	3,302,357	17.3%
Materials and Supplies	68,070,662	62,506,639	5,564,023	8.9%
Utilities	39,872,123	36,265,262	3,606,861	9.9%
Telecommunications	22,526,702	8,166,391	14,360,311	175.8%
Repairs and Maintenance	17,171,918	13,454,058	3,717,860	27.6%
Rentals and Leases	8,152,003	8,625,405	(473,402)	-5.5%
Printing and Reproduction	5,406,790	5,448,408	(41,618)	-0.8%
Federal Sponsored Programs Pass-Thrus	2,604,986	3,000,993	(396,007)	-13.2%
Depreciation and Amortization	93,081,791	78,882,873	14,198,918	18.0%
Other Operating Expenses	46,080,302	45,791,333	288,969	0.6%
Total Operating Expenses	1,166,486,923	1,099,017,808	67,469,115	6.1%
Operating Loss	(334,971,295)	(311,494,163)	(23,477,132)	-7.5%
Other Nonoperating Adjustments				
State Appropriations	198,775,832	186,816,522	11,959,310	6.4%
Gift Contributions for Operations	51,194,590	52,628,778	(1,434,188)	-2.7%
Net Investment Income	87,283,003	80,554,010	6,728,993	8.4%
Interest Expense on Capital Asset Financings	(20,469,617)	(16,701,957)	(3,767,660)	-22.6%
Net Other Nonoperating Adjustments	316,783,808	303,297,353	13,486,456	4.4%
Adjusted Income (Loss) including Depreciation	(18,187,487)	(8,196,811)	(9,990,677)	-121.9%
Adjusted Margin (as a percentage) including Depreciation	-1.6%	-0.7%		
Available University Fund Transfer	83,766,667	74,410,000	9,356,667	12.6%
Adjusted Income (Loss) with AUF Transfer	65,579,180	66,213,190	(634,010)	-1.0%
Adjusted Margin % with AUF Transfer	5.2%	5.6%		
Investment Gains (Losses)	24,942,212	31,542,045	(6,599,833)	-20.9%
Adj. Inc. (Loss) with AUF Transfer & Invest. Gains (Losses)	\$ 90,521,392	\$ 97,755,235	\$ (7,233,843)	-7.4%
Adj. Margin % with AUF Transfer & Invest. Gains (Losses)	7.1%	8.1%		
Adjusted Income (Loss) with AUF Transfer excluding Depreciation	158,660,971	145,096,063	13,564,909	9.3%
Adjusted Margin (as a percentage) with AUF Transfer excluding Depreciation	12.7%	12.3%		

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

	March Year-to-Date FY 2008	March Year-to-Date FY 2007	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 8,858,551	\$ 7,363,791	\$ 1,494,760	20.3%
Sponsored Programs	64,115,594	62,865,726	1,249,868	2.0%
Net Sales and Services of Educational Activities	637,409	547,178	90,231	16.5%
Net Auxiliary Enterprises	923,860	753,950	169,910	22.5%
Other Operating Revenues	24,858	9,659	15,199	157.4%
Total Operating Revenues	74,560,272	71,540,304	3,019,968	4.2%
Operating Expenses				
Salaries and Wages	35,242,016	32,409,470	2,832,546	8.7%
Employee Benefits and Related Costs	8,522,137	7,897,155	624,982	7.9%
Professional Fees and Contracted Services	1,245,977	1,192,462	53,515	4.5%
Scholarships and Fellowships	34,447,787	32,870,493	1,577,294	4.8%
Travel	665,430	646,226	19,204	3.0%
Materials and Supplies	2,903,930	2,577,078	326,852	12.7%
Utilities	1,992,534	2,077,565	(85,031)	-4.1%
Telecommunications	1,148,305	1,055,968	92,337	8.7%
Repairs and Maintenance	697,644	523,025	174,619	33.4%
Rentals and Leases	1,122,218	1,093,405	28,813	2.6%
Printing and Reproduction	197,292	221,802	(24,510)	-11.1%
Bad Debt Expense	25,188	14,990	10,198	68.0%
Federal Sponsored Programs Pass-Thrus	34,399	16,312	18,087	110.9%
Depreciation and Amortization	3,462,625	3,151,649	310,976	9.9%
Other Operating Expenses	3,664,091	3,596,961	67,130	1.9%
Total Operating Expenses	95,371,573	89,344,561	6,027,012	6.7%
Operating Loss	(20,811,301)	(17,804,257)	(3,007,044)	-16.9%
Other Nonoperating Adjustments				
State Appropriations	20,769,724	16,711,863	4,057,861	24.3%
Gift Contributions for Operations	302,506	247,834	54,672	22.1%
Net Investment Income	910,300	836,375	73,925	8.8%
Interest Expense on Capital Asset Financings	(1,025,479)	(978,382)	(47,097)	-4.8%
Net Other Nonoperating Adjustments	20,957,051	16,817,690	4,139,361	24.6%
Adjusted Income (Loss) including Depreciation	145,750	(986,567)	1,132,317	114.8%
Adjusted Margin (as a percentage) including Depreciation	0.2%	-1.1%		
Investment Gains (Losses)	577,214	1,205,121	(627,907)	-52.1%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 722,964	\$ 218,554	\$ 504,410	230.8%
Adjusted Margin % with Investment Gains (Losses)	0.7%	0.2%		
Adjusted Income (Loss) excluding Depreciation	3,608,375	2,165,082	1,443,293	66.7%
Adjusted Margin (as a percentage) excluding Depreciation	3.7%	2.4%		

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

	March Year-to-Date FY 2008	March Year-to-Date FY 2007	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 80,377,136	\$ 74,277,336	\$ 6,099,800	8.2%
Sponsored Programs	28,532,130	24,651,082	3,881,048	15.7%
Net Sales and Services of Educational Activities	3,916,458	3,458,776	457,682	13.2%
Net Auxiliary Enterprises	3,210,975	3,461,585	(250,610)	-7.2%
Other Operating Revenues	3,220,623	3,409,685	(189,062)	-5.5%
Total Operating Revenues	119,257,322	109,258,464	9,998,858	9.2%
Operating Expenses				
Salaries and Wages	86,106,156	79,907,444	6,198,712	7.8%
Employee Benefits and Related Costs	17,747,799	16,020,436	1,727,363	10.8%
Professional Fees and Contracted Services	1,840,414	1,595,411	245,003	15.4%
Other Contracted Services	5,651,006	4,638,187	1,012,819	21.8%
Scholarships and Fellowships	28,103,433	28,612,322	(508,889)	-1.8%
Travel	1,848,181	1,870,859	(22,678)	-1.2%
Materials and Supplies	9,178,195	8,369,113	809,082	9.7%
Utilities	4,670,200	4,245,689	424,511	10.0%
Telecommunications	780,631	679,475	101,156	14.9%
Repairs and Maintenance	2,154,540	1,784,153	370,387	20.8%
Rentals and Leases	757,350	823,870	(66,520)	-8.1%
Printing and Reproduction	786,437	856,020	(69,583)	-8.1%
Federal Sponsored Programs Pass-Thrus	346,330	60,469	285,861	472.7%
Depreciation and Amortization	11,773,923	11,159,083	614,840	5.5%
Other Operating Expenses	5,929,209	5,222,195	707,014	13.5%
Total Operating Expenses	177,673,804	165,844,726	11,829,078	7.1%
Operating Loss	(58,416,482)	(56,586,262)	(1,830,220)	-3.2%
Other Nonoperating Adjustments				
State Appropriations	53,309,470	45,672,520	7,636,950	16.7%
Gift Contributions for Operations	6,741,214	5,685,594	1,055,620	18.6%
Net Investment Income	8,192,938	7,169,098	1,023,840	14.3%
Interest Expense on Capital Asset Financings	(4,531,002)	(3,618,238)	(912,764)	-25.2%
Net Other Nonoperating Adjustments	63,712,620	54,908,974	8,803,646	16.0%
Adjusted Income (Loss) including Depreciation	5,296,138	(1,677,288)	6,973,426	415.8%
Adjusted Margin (as a percentage) including Depreciation	2.8%	-1.0%		
Investment Gains (Losses)	2,048,945	5,674,782	(3,625,837)	-63.9%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 7,345,083	\$ 3,997,494	\$ 3,347,589	83.7%
Adjusted Margin % with Investment Gains (Losses)	3.9%	2.3%		
Adjusted Income (Loss) excluding Depreciation	17,070,061	9,481,795	7,588,266	80.0%
Adjusted Margin (as a percentage) excluding Depreciation	9.1%	5.7%		

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

	March Year-to-Date FY 2008	March Year-to-Date FY 2007	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 55,448,211	\$ 51,731,911	\$ 3,716,300	7.2%
Sponsored Programs	59,111,229	56,712,617	2,398,612	4.2%
Net Sales and Services of Educational Activities	2,403,483	2,254,123	149,360	6.6%
Net Auxiliary Enterprises	12,950,006	18,880,796	(5,930,790)	-31.4%
Other Operating Revenues	310,662	16,334	294,328	1,801.9%
Total Operating Revenues	130,223,591	129,595,781	627,810	0.5%
Operating Expenses				
Salaries and Wages	76,879,238	72,617,422	4,261,816	5.9%
Employee Benefits and Related Costs	18,747,048	17,698,032	1,049,016	5.9%
Professional Fees and Contracted Services	509,122	609,181	(100,059)	-16.4%
Other Contracted Services	9,169,275	12,757,790	(3,588,515)	-28.1%
Scholarships and Fellowships	46,260,367	43,113,768	3,146,599	7.3%
Travel	3,556,092	2,912,117	643,975	22.1%
Materials and Supplies	12,115,055	13,149,741	(1,034,686)	-7.9%
Utilities	4,410,817	4,306,804	104,013	2.4%
Telecommunications	455,198	424,469	30,729	7.2%
Repairs and Maintenance	2,468,280	2,233,983	234,297	10.5%
Rentals and Leases	1,921,406	1,959,591	(38,185)	-1.9%
Printing and Reproduction	533,959	282,099	251,860	89.3%
Federal Sponsored Programs Pass-Thrus	112,093	158,877	(46,784)	-29.4%
Depreciation and Amortization	8,618,900	8,011,193	607,707	7.6%
Other Operating Expenses	3,106,006	3,184,354	(78,348)	-2.5%
Total Operating Expenses	188,862,856	183,419,421	5,443,435	3.0%
Operating Loss	(58,639,265)	(53,823,640)	(4,815,625)	-8.9%
Other Nonoperating Adjustments				
State Appropriations	54,537,602	47,407,787	7,129,815	15.0%
Gift Contributions for Operations	3,380,710	4,614,362	(1,233,652)	-26.7%
Net Investment Income	5,750,800	5,546,125	204,675	3.7%
Interest Expense on Capital Asset Financings	(2,669,674)	(1,735,884)	(933,790)	-53.8%
Net Other Nonoperating Adjustments	60,999,438	55,832,390	5,167,048	9.3%
Adjusted Income (Loss) including Depreciation	2,360,173	2,008,750	351,423	17.5%
Adjusted Margin (as a percentage) including Depreciation	1.2%	1.1%		
Investment Gains (Losses)	1,150,343	2,653,790	(1,503,447)	-56.7%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 3,510,516	\$ 4,662,540	\$ (1,152,024)	-24.7%
Adjusted Margin % with Investment Gains (Losses)	1.8%	2.5%		
Adjusted Income (Loss) excluding Depreciation	10,979,073	10,019,943	959,130	9.6%
Adjusted Margin (as a percentage) excluding Depreciation	5.7%	5.4%		

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

	<u>March</u> <u>Year-to-Date</u> <u>FY 2008</u>	<u>March</u> <u>Year-to-Date</u> <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation</u> <u>Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 44,695,504	\$ 39,927,489	\$ 4,768,015	11.9%
Sponsored Programs	59,941,988	58,406,548	1,535,440	2.6%
Net Sales and Services of Educational Activities	3,407,543	3,493,983	(86,440)	-2.5%
Net Auxiliary Enterprises	2,628,575	1,939,556	689,019	35.5%
Other Operating Revenues	717,906	416,895	301,011	72.2%
Total Operating Revenues	111,391,516	104,184,471	7,207,045	6.9%
Operating Expenses				
Salaries and Wages	55,316,642	51,443,562	3,873,080	7.5%
Employee Benefits and Related Costs	13,099,772	11,869,062	1,230,710	10.4%
Professional Fees and Contracted Services	1,317,053	1,327,638	(10,585)	-0.8%
Other Contracted Services	3,824,796	2,659,617	1,165,179	43.8%
Scholarships and Fellowships	57,665,431	52,991,233	4,674,198	8.8%
Travel	1,968,732	1,845,147	123,585	6.7%
Materials and Supplies	6,872,465	8,727,364	(1,854,899)	-21.3%
Utilities	3,827,935	2,193,526	1,634,409	74.5%
Telecommunications	439,712	276,280	163,432	59.2%
Repairs and Maintenance	1,142,779	1,258,163	(115,384)	-9.2%
Rentals and Leases	434,344	411,108	23,236	5.7%
Printing and Reproduction	142,975	114,378	28,597	25.0%
Bad Debt Expense	7,000	715,638	(708,638)	-99.0%
Federal Sponsored Programs Pass-Thrus	60,838	72	60,766	84,397.2%
Depreciation and Amortization	8,997,591	9,330,032	(332,441)	-3.6%
Other Operating Expenses	2,838,935	2,965,624	(126,689)	-4.3%
Total Operating Expenses	157,957,000	148,128,444	9,828,556	6.6%
Operating Loss	(46,565,484)	(43,943,973)	(2,621,511)	-6.0%
Other Nonoperating Adjustments				
State Appropriations	43,865,066	41,279,603	2,585,463	6.3%
Gift Contributions for Operations	960,434	1,405,949	(445,515)	-31.7%
Net Investment Income	2,059,381	1,835,694	223,687	12.2%
Interest Expense on Capital Asset Financings	(2,428,727)	(1,906,397)	(522,330)	-27.4%
Net Other Nonoperating Adjustments	44,456,154	42,614,849	1,841,305	4.3%
Adjusted Income (Loss) including Depreciation	(2,109,330)	(1,329,124)	(780,206)	-58.7%
Adjusted Margin (as a percentage) including Depreciation	-1.3%	-0.9%		
Investment Gains (Losses)	555,275	2,451,233	(1,895,958)	-77.3%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (1,554,055)	\$ 1,122,109	\$ (2,676,164)	-238.5%
Adjusted Margin % with Investment Gains (Losses)	-1.0%	0.7%		
Adjusted Income (Loss) excluding Depreciation	6,888,261	8,000,908	(1,112,647)	-13.9%
Adjusted Margin (as a percentage) excluding Depreciation	4.4%	5.4%		

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

	March Year-to-Date FY 2008	March Year-to-Date FY 2007	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 8,580,543	\$ 8,080,371	\$ 500,172	6.2%
Sponsored Programs	4,362,085	3,979,756	382,329	9.6%
Net Sales and Services of Educational Activities	190,710	135,809	54,901	40.4%
Net Auxiliary Enterprises	2,064,265	1,482,027	582,238	39.3%
Other Operating Revenues	296,741	109,423	187,318	171.2%
Total Operating Revenues	15,494,344	13,787,386	1,706,958	12.4%
Operating Expenses				
Salaries and Wages	10,185,639	9,702,548	483,091	5.0%
Employee Benefits and Related Costs	2,417,550	2,288,005	129,545	5.7%
Professional Fees and Contracted Services	1,602,007	953,908	648,099	67.9%
Other Contracted Services	958,165	580,733	377,432	65.0%
Scholarships and Fellowships	4,700,323	4,449,002	251,321	5.6%
Travel	555,727	391,849	163,878	41.8%
Materials and Supplies	1,610,632	1,288,770	321,862	25.0%
Utilities	1,352,566	1,170,213	182,353	15.6%
Telecommunications	229,783	269,014	(39,231)	-14.6%
Repairs and Maintenance	434,539	360,593	73,946	20.5%
Rentals and Leases	243,550	191,006	52,544	27.5%
Printing and Reproduction	105,958	128,112	(22,154)	-17.3%
Depreciation and Amortization	2,129,167	1,900,306	228,861	12.0%
Other Operating Expenses	494,721	444,658	50,063	11.3%
Total Operating Expenses	27,020,327	24,118,717	2,901,610	12.0%
Operating Loss	(11,525,983)	(10,331,331)	(1,194,652)	-11.6%
Other Nonoperating Adjustments				
State Appropriations	18,436,802	10,038,301	8,398,501	83.7%
Gift Contributions for Operations	815,739	1,020,219	(204,480)	-20.0%
Net Investment Income	658,115	637,216	20,899	3.3%
Interest Expense on Capital Asset Financings	(931,287)	(947,605)	16,318	1.7%
Net Other Nonoperating Adjustments	18,979,369	10,748,131	8,231,238	76.6%
Adjusted Income (Loss) including Depreciation	7,453,386	416,800	7,036,586	1,688.2%
Adjusted Margin (as a percentage) including Depreciation	21.1%	1.6%		
Investment Gains (Losses)	186,408	266,576	(80,168)	-30.1%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 7,639,794	\$ 683,376	\$ 6,956,418	1017.9%
Adjusted Margin % with Investment Gains (Losses)	21.5%	2.7%		
Adjusted Income (Loss) excluding Depreciation	9,582,553	2,317,106	7,265,447	313.6%
Adjusted Margin (as a percentage) excluding Depreciation	27.1%	9.1%		

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

	March Year-to-Date FY 2008	March Year-to-Date FY 2007	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 107,817,942	\$ 101,436,646	\$ 6,381,296	6.3%
Sponsored Programs	57,061,792	52,213,372	4,848,420	9.3%
Net Sales and Services of Educational Activities	3,285,901	2,808,517	477,384	17.0%
Net Auxiliary Enterprises	9,724,872	8,701,384	1,023,488	11.8%
Other Operating Revenues	1,098,954	1,050,826	48,128	4.6%
Total Operating Revenues	178,989,461	166,210,745	12,778,716	7.7%
Operating Expenses				
Salaries and Wages	98,194,982	90,412,002	7,782,980	8.6%
Employee Benefits and Related Costs	24,287,305	22,158,452	2,128,853	9.6%
Professional Fees and Contracted Services	1,850,024	1,685,533	164,491	9.8%
Other Contracted Services	4,033,607	2,391,222	1,642,385	68.7%
Scholarships and Fellowships	52,874,866	48,287,315	4,587,551	9.5%
Travel	3,324,372	2,893,115	431,257	14.9%
Materials and Supplies	10,835,547	9,695,099	1,140,448	11.8%
Utilities	6,370,000	4,821,250	1,548,750	32.1%
Telecommunications	1,845,599	1,648,082	197,517	12.0%
Repairs and Maintenance	3,839,086	3,597,993	241,093	6.7%
Rentals and Leases	1,416,335	1,321,074	95,261	7.2%
Printing and Reproduction	529,064	628,823	(99,759)	-15.9%
Federal Sponsored Programs Pass-Thrus	1,902,577	1,550,970	351,607	22.7%
Depreciation and Amortization	15,262,248	14,022,514	1,239,734	8.8%
Other Operating Expenses	3,960,720	3,203,984	756,736	23.6%
Total Operating Expenses	230,526,332	208,317,428	22,208,904	10.7%
Operating Loss	(51,536,871)	(42,106,683)	(9,430,188)	-22.4%
Other Nonoperating Adjustments				
State Appropriations	67,380,350	57,507,895	9,872,455	17.2%
Gift Contributions for Operations	4,438,811	2,629,166	1,809,645	68.8%
Net Investment Income	4,988,725	4,539,257	449,468	9.9%
Interest Expense on Capital Asset Financings	(7,574,868)	(3,407,819)	(4,167,049)	-122.3%
Net Other Nonoperating Adjustments	69,233,018	61,268,499	7,964,519	13.0%
Adjusted Income (Loss) including Depreciation	17,696,147	19,161,816	(1,465,669)	-7.6%
Adjusted Margin (as a percentage) including Depreciation	6.9%	8.3%		
Investment Gains (Losses)	2,600,239	9,638,529	(7,038,290)	-73.0%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 20,296,386	\$ 28,800,345	\$ (8,503,959)	-29.5%
Adjusted Margin % with Investment Gains (Losses)	7.9%	12.0%		
Adjusted Income (Loss) excluding Depreciation	32,958,395	33,184,330	(225,935)	-0.7%
Adjusted Margin (as a percentage) excluding Depreciation	12.9%	14.4%		

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

	March Year-to-Date FY 2008	March Year-to-Date FY 2007	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 17,777,347	\$ 15,896,286	\$ 1,881,061	11.8%
Sponsored Programs	7,967,362	7,078,771	888,591	12.6%
Net Sales and Services of Educational Activities	642,759	490,393	152,366	31.1%
Net Auxiliary Enterprises	2,741,721	2,774,943	(33,222)	-1.2%
Other Operating Revenues	59,988	40,462	19,526	48.3%
Total Operating Revenues	29,189,177	26,280,855	2,908,322	11.1%
Operating Expenses				
Salaries and Wages	19,349,438	17,956,057	1,393,381	7.8%
Employee Benefits and Related Costs	4,957,352	4,536,321	421,031	9.3%
Professional Fees and Contracted Services	897,256	706,988	190,268	26.9%
Other Contracted Services	2,008,521	1,743,554	264,967	15.2%
Scholarships and Fellowships	8,405,210	7,959,701	445,509	5.6%
Travel	859,346	674,638	184,708	27.4%
Materials and Supplies	4,114,794	2,825,220	1,289,574	45.6%
Utilities	1,136,310	833,133	303,177	36.4%
Telecommunications	349,299	326,003	23,296	7.1%
Repairs and Maintenance	939,353	575,970	363,383	63.1%
Rentals and Leases	205,783	201,096	4,687	2.3%
Printing and Reproduction	358,892	391,179	(32,287)	-8.3%
Depreciation and Amortization	4,238,207	3,970,838	267,369	6.7%
Other Operating Expenses	815,603	636,487	179,116	28.1%
Total Operating Expenses	48,635,364	43,337,185	5,298,179	12.2%
Operating Loss	(19,446,187)	(17,056,330)	(2,389,857)	-14.0%
Other Nonoperating Adjustments				
State Appropriations	21,399,598	17,696,530	3,703,068	20.9%
Gift Contributions for Operations	443,722	479,162	(35,440)	-7.4%
Net Investment Income	2,545,147	2,044,149	500,998	24.5%
Interest Expense on Capital Asset Financings	(1,539,685)	(1,263,750)	(275,935)	-21.8%
Net Other Nonoperating Adjustments	22,848,782	18,956,091	3,892,691	20.5%
Adjusted Income (Loss) including Depreciation	3,402,595	1,899,761	1,502,834	79.1%
Adjusted Margin (as a percentage) including Depreciation	6.4%	4.1%		
Investment Gains (Losses)	400,732	1,314,744	(914,012)	-69.5%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 3,803,327	\$ 3,214,505	\$ 588,822	18.3%
Adjusted Margin % with Investment Gains (Losses)	7.0%	6.7%		
Adjusted Income (Loss) excluding Depreciation	7,640,802	5,870,599	1,770,203	30.2%
Adjusted Margin (as a percentage) excluding Depreciation	14.3%	12.6%		

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

	March Year-to-Date <u>FY 2008</u>	March Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 12,163,071	\$ 12,170,632	\$ (7,561)	-0.1%
Sponsored Programs	242,489,094	231,383,689	11,105,405	4.8%
Net Sales and Services of Educational Activities	3,908,680	3,867,369	41,311	1.1%
Net Sales and Services of Hospitals	191,561,707	167,906,189	23,655,518	14.1%
Net Professional Fees	182,778,285	205,746,676	(22,968,391)	-11.2%
Net Auxiliary Enterprises	11,098,772	10,215,724	883,048	8.6%
Other Operating Revenues	3,964,564	3,533,059	431,505	12.2%
Total Operating Revenues	<u>647,964,173</u>	<u>634,823,338</u>	<u>13,140,835</u>	<u>2.1%</u>
Operating Expenses				
Salaries and Wages	397,317,286	364,020,239	33,297,047	9.1%
Employee Benefits and Related Costs	106,966,718	98,709,968	8,256,750	8.4%
Professional Fees and Contracted Services	12,070,140	10,523,233	1,546,907	14.7%
Other Contracted Services	44,860,071	40,745,762	4,114,309	10.1%
Scholarships and Fellowships	5,291,403	5,361,497	(70,094)	-1.3%
Travel	5,083,536	4,712,130	371,406	7.9%
Materials and Supplies	106,157,372	100,809,980	5,347,392	5.3%
Utilities	17,524,292	15,162,274	2,362,018	15.6%
Telecommunications	4,241,443	3,920,026	321,417	8.2%
Repairs and Maintenance	7,165,567	7,291,681	(126,114)	-1.7%
Rentals and Leases	5,805,336	7,214,670	(1,409,334)	-19.5%
Printing and Reproduction	1,648,105	1,328,583	319,522	24.0%
Federal Sponsored Programs Pass-Thrus	311,275	209,470	101,805	48.6%
Depreciation and Amortization	38,896,689	37,442,355	1,454,334	3.9%
Other Operating Expenses	27,497,007	25,842,913	1,654,094	6.4%
Total Operating Expenses	<u>780,836,240</u>	<u>723,294,781</u>	<u>57,541,459</u>	<u>8.0%</u>
Operating Loss	<u>(132,872,067)</u>	<u>(88,471,443)</u>	<u>(44,400,624)</u>	<u>-50.2%</u>
Other Nonoperating Adjustments				
State Appropriations	105,108,741	87,823,728	17,285,013	19.7%
Gift Contributions for Operations	54,465,821	16,905,150	37,560,671	222.2%
Net Investment Income	36,559,584	36,811,126	(251,542)	-0.7%
Interest Expense on Capital Asset Financings	(11,658,602)	(11,935,417)	276,815	2.3%
Net Other Nonoperating Adjustments	<u>184,475,544</u>	<u>129,604,587</u>	<u>54,870,957</u>	<u>42.3%</u>
Adjusted Income (Loss) including Depreciation	51,603,477	41,133,144	10,470,333	25.5%
Adjusted Margin (as a percentage) including Depreciation	6.1%	5.3%		
Investment Gains (Losses)	6,964,744	26,876,714	(19,911,970)	-74.1%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 58,568,221	\$ 68,009,858	\$ (9,441,637)	-13.9%
Adjusted Margin % with Investment Gains (Losses)	6.9%	8.5%		
Adjusted Income (Loss) excluding Depreciation	90,500,166	78,575,499	11,924,667	15.2%
Adjusted Margin (as a percentage) excluding Depreciation	10.7%	10.1%		

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

	March Year-to-Date FY 2008	March Year-to-Date FY 2007	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 10,093,513	\$ 8,965,616	\$ 1,127,897	12.6%
Sponsored Programs	151,866,995	133,306,821	18,560,174	13.9%
Net Sales and Services of Educational Activities	971,833	1,088,222	(116,389)	-10.7%
Net Sales and Services of Hospitals	410,000,579	392,864,102	17,136,477	4.4%
Net Professional Fees	75,161,462	84,694,717	(9,533,255)	-11.3%
Net Auxiliary Enterprises	5,948,982	5,276,825	672,157	12.7%
Other Operating Revenues	6,923,821	8,887,850	(1,964,029)	-22.1%
Total Operating Revenues	660,967,185	635,084,153	25,883,032	4.1%
Operating Expenses				
Salaries and Wages	465,939,546	437,419,389	28,520,157	6.5%
Employee Benefits and Related Costs	111,023,617	101,479,719	9,543,898	9.4%
Professional Fees and Contracted Services	13,971,779	13,896,484	75,295	0.5%
Other Contracted Services	36,561,582	27,625,609	8,935,973	32.3%
Scholarships and Fellowships	4,629,429	2,916,717	1,712,712	58.7%
Travel	4,516,016	3,656,881	859,135	23.5%
Materials and Supplies	109,475,411	102,101,756	7,373,655	7.2%
Utilities	18,358,529	15,644,446	2,714,083	17.3%
Telecommunications	8,470,466	7,929,212	541,254	6.8%
Repairs and Maintenance	19,560,267	17,112,161	2,448,106	14.3%
Rentals and Leases	10,560,234	8,542,786	2,017,448	23.6%
Printing and Reproduction	1,369,242	1,206,385	162,857	13.5%
Federal Sponsored Programs Pass-Thrus	5,432,381	5,374,259	58,122	1.1%
Depreciation and Amortization	38,163,576	30,984,446	7,179,130	23.2%
Other Operating Expenses	36,622,631	39,384,904	(2,762,273)	-7.0%
Total Operating Expenses	884,654,706	815,275,154	69,379,552	8.5%
Operating Loss	(223,687,521)	(180,191,001)	(43,496,520)	-24.1%
Other Nonoperating Adjustments				
State Appropriations	179,016,105	169,642,285	9,373,820	5.5%
Gift Contributions for Operations	5,712,211	4,558,049	1,154,162	25.3%
Net Investment Income	20,707,917	19,052,413	1,655,504	8.7%
Interest Expense on Capital Asset Financings	(3,121,431)	(2,438,777)	(682,654)	-28.0%
Net Other Nonoperating Adjustments	202,314,802	190,813,970	11,500,832	6.0%
Adjusted Income (Loss) including Depreciation	(21,372,719)	10,622,969	(31,995,688)	-301.2%
Adjusted Margin (as a percentage) including Depreciation	-2.5%	1.3%		
Investment Gains (Losses)	1,427,445	10,916,910	(9,489,465)	-86.9%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (19,945,274)	\$ 21,539,879	\$ (41,485,153)	-192.6%
Adjusted Margin % with Investment Gains (Losses)	-2.3%	2.6%		
Adjusted Income (Loss) excluding Depreciation	16,790,857	41,607,415	(24,816,558)	-59.6%
Adjusted Margin (as a percentage) excluding Depreciation	1.9%	5.0%		

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

	March Year-to-Date <u>FY 2008</u>	March Year-to-Date <u>FY 2007</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$ 15,547,096	\$ 13,933,424	\$ 1,613,672	11.6%
Sponsored Programs	170,230,684	168,931,026	1,299,658	0.8%
Net Sales and Services of Educational Activities	20,167,570	20,309,622	(142,052)	-0.7%
Net Sales and Services of Hospitals	18,590,338	16,624,151	1,966,187	11.8%
Net Professional Fees	68,326,288	73,179,698	(4,853,410)	-6.6%
Net Auxiliary Enterprises	12,612,044	13,207,183	(595,139)	-4.5%
Other Operating Revenues	21,651,807	16,694,906	4,956,901	29.7%
Total Operating Revenues	<u>327,125,827</u>	<u>322,880,010</u>	<u>4,245,817</u>	<u>1.3%</u>
Operating Expenses				
Salaries and Wages	203,553,743	191,986,926	11,566,817	6.0%
Employee Benefits and Related Costs	47,468,350	43,089,756	4,378,594	10.2%
Professional Fees and Contracted Services	40,249,198	32,206,990	8,042,208	25.0%
Other Contracted Services	20,039,384	24,841,875	(4,802,491)	-19.3%
Scholarships and Fellowships	2,932,885	1,922,494	1,010,391	52.6%
Travel	3,451,860	3,218,568	233,292	7.2%
Materials and Supplies	32,923,472	32,833,677	89,795	0.3%
Utilities	9,817,022	9,061,129	755,893	8.3%
Telecommunications	1,600,301	1,625,377	(25,076)	-1.5%
Repairs and Maintenance	2,853,469	3,486,380	(632,911)	-18.2%
Rentals and Leases	7,365,503	8,152,075	(786,572)	-9.6%
Printing and Reproduction	2,058,515	2,102,936	(44,421)	-2.1%
Federal Sponsored Programs Pass-Thrus	4,361,443	3,073,375	1,288,068	41.9%
Depreciation and Amortization	19,248,403	19,230,060	18,343	0.1%
Other Operating Expenses	30,510,407	30,592,772	(82,365)	-0.3%
Total Operating Expenses	<u>428,433,955</u>	<u>407,424,390</u>	<u>21,009,565</u>	<u>5.2%</u>
Operating Loss	<u>(101,308,128)</u>	<u>(84,544,380)</u>	<u>(16,763,748)</u>	<u>-19.8%</u>
Other Nonoperating Adjustments				
State Appropriations	97,222,610	89,712,965	7,509,645	8.4%
Gift Contributions for Operations	10,971,865	6,182,522	4,789,343	77.5%
Net Investment Income	14,023,812	13,578,307	445,505	3.3%
Interest Expense on Capital Asset Financings	(4,985,407)	(4,028,662)	(956,745)	-23.7%
Net Other Nonoperating Adjustments	<u>117,232,880</u>	<u>105,445,132</u>	<u>11,787,748</u>	<u>11.2%</u>
Adjusted Income (Loss) including Depreciation	15,924,752	20,900,752	(4,976,000)	-23.8%
Adjusted Margin (as a percentage) including Depreciation	3.5%	4.8%		
Investment Gains (Losses)	2,772,095	10,586,863	(7,814,768)	-73.8%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 18,696,847	\$ 31,487,615	\$ (12,790,768)	-40.6%
Adjusted Margin % with Investment Gains (Losses)	4.1%	7.1%		
Adjusted Income (Loss) excluding Depreciation	35,173,155	40,130,812	(4,957,657)	-12.4%
Adjusted Margin (as a percentage) excluding Depreciation	7.8%	9.3%		

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

	March Year-to-Date FY 2008	March Year-to-Date FY 2007	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 14,583,333	\$ 13,533,333	\$ 1,050,000	7.8%
Sponsored Programs	124,783,732	112,828,901	11,954,831	10.6%
Net Sales and Services of Educational Activities	23,233,386	21,280,159	1,953,227	9.2%
Net Professional Fees	48,667,035	56,712,877	(8,045,842)	-14.2%
Net Auxiliary Enterprises	2,366,413	1,760,291	606,122	34.4%
Other Operating Revenues	7,656,676	7,321,601	335,075	4.6%
Total Operating Revenues	221,290,575	213,437,162	7,853,413	3.7%
Operating Expenses				
Salaries and Wages	183,562,108	167,692,782	15,869,326	9.5%
Employee Benefits and Related Costs	45,094,860	41,769,887	3,324,973	8.0%
Professional Fees and Contracted Services	6,727,073	6,347,570	379,503	6.0%
Other Contracted Services	13,685,875	9,314,489	4,371,386	46.9%
Scholarships and Fellowships	1,905,666	1,952,629	(46,963)	-2.4%
Travel	2,663,082	2,349,640	313,442	13.3%
Materials and Supplies	19,376,252	18,591,069	785,183	4.2%
Utilities	8,020,833	7,583,333	437,500	5.8%
Telecommunications	4,009,800	3,586,184	423,616	11.8%
Repairs and Maintenance	2,196,937	1,792,201	404,736	22.6%
Rentals and Leases	1,568,467	1,219,432	349,035	28.6%
Printing and Reproduction	1,042,937	930,028	112,909	12.1%
Federal Sponsored Programs Pass-Thrus	350,000	364,583	(14,583)	-4.0%
Depreciation and Amortization	16,625,000	13,302,836	3,322,164	25.0%
Other Operating Expenses	40,496,713	37,281,603	3,215,110	8.6%
Total Operating Expenses	347,325,603	314,078,266	33,247,337	10.6%
Operating Loss	(126,035,028)	(100,641,104)	(25,393,924)	-25.2%
Other Nonoperating Adjustments				
State Appropriations	99,230,065	88,656,744	10,573,321	11.9%
Gift Contributions for Operations	13,440,808	16,629,128	(3,188,320)	-19.2%
Net Investment Income	16,350,701	16,247,747	102,954	0.6%
Interest Expense on Capital Asset Financings	(4,481,848)	(556,172)	(3,925,676)	-705.8%
Net Other Nonoperating Adjustments	124,539,726	120,977,447	3,562,279	2.9%
Adjusted Income (Loss) including Depreciation	(1,495,302)	20,336,343	(21,831,645)	-107.4%
Adjusted Margin (as a percentage) including Depreciation	-0.4%	6.1%		
Investment Gains (Losses)	4,218,320	8,720,732	(4,502,412)	-51.6%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 2,723,018	\$ 29,057,075	\$ (26,334,057)	-90.6%
Adjusted Margin % with Investment Gains (Losses)	0.8%	8.5%		
Adjusted Income (Loss) excluding Depreciation	15,129,698	33,639,179	(18,509,481)	-55.0%
Adjusted Margin (as a percentage) excluding Depreciation	4.3%	10.0%		

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

	March Year-to-Date FY 2008	March Year-to-Date FY 2007	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$ 332,752	\$ 227,874	\$ 104,878	46.0%
Sponsored Programs	145,089,758	128,331,184	16,758,574	13.1%
Net Sales and Services of Educational Activities	1,646,039	1,663,653	(17,614)	-1.1%
Net Sales and Services of Hospitals	1,046,258,798	952,657,713	93,601,085	9.8%
Net Professional Fees	153,682,204	156,776,642	(3,094,438)	-2.0%
Net Auxiliary Enterprises	15,816,451	14,646,975	1,169,476	8.0%
Other Operating Revenues	23,276,946	20,953,964	2,322,982	11.1%
Total Operating Revenues	1,386,102,948	1,275,258,005	110,844,943	8.7%
Operating Expenses				
Salaries and Wages	705,822,872	640,520,067	65,302,805	10.2%
Employee Benefits and Related Costs	188,641,986	169,661,969	18,980,017	11.2%
Professional Fees and Contracted Services	71,695,081	51,399,547	20,295,534	39.5%
Other Contracted Services	41,009,000	38,928,991	2,080,009	5.3%
Travel	11,703,420	11,114,453	588,967	5.3%
Materials and Supplies	255,414,961	240,150,926	15,264,035	6.4%
Utilities	29,362,881	27,786,394	1,576,487	5.7%
Telecommunications	4,546,296	3,531,331	1,014,965	28.7%
Repairs and Maintenance	30,219,160	28,067,381	2,151,779	7.7%
Rentals and Leases	21,144,490	17,780,184	3,364,306	18.9%
Federal Sponsored Programs Pass-Thrus	334,327	137,233	197,094	143.6%
Depreciation and Amortization	120,092,247	111,320,277	8,771,970	7.9%
Other Operating Expenses	1,753,183	1,802,517	(49,334)	-2.7%
Total Operating Expenses	1,481,739,904	1,342,201,270	139,538,634	10.4%
Operating Loss	(95,636,956)	(66,943,265)	(28,693,691)	-42.9%
Other Nonoperating Adjustments				
State Appropriations	98,294,638	93,364,636	4,930,002	5.3%
Gift Contributions for Operations	52,260,513	44,953,513	7,307,000	16.3%
Net Investment Income	32,941,233	31,724,385	1,216,848	3.8%
Interest Expense on Capital Asset Financings	(16,019,507)	(14,941,930)	(1,077,577)	-7.2%
Net Other Nonoperating Adjustments	167,476,877	155,100,604	12,376,273	8.0%
Adjusted Income (Loss) including Depreciation	71,839,921	88,157,339	(16,317,418)	-18.5%
Adjusted Margin (as a percentage) including Depreciation	4.6%	6.1%		
Investment Gains (Losses)	14,388,417	58,705,664	(44,317,247)	-75.5%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ 86,228,338	\$ 146,863,003	\$ (60,634,665)	-41.3%
Adjusted Margin % with Investment Gains (Losses)	5.4%	9.8%		
Adjusted Income (Loss) excluding Depreciation	191,932,168	199,477,616	(7,545,448)	-3.8%
Adjusted Margin (as a percentage) excluding Depreciation	12.2%	13.8%		

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

	March Year-to-Date FY 2008	March Year-to-Date FY 2007	Variance	Fluctuation Percentage
Operating Revenues				
Sponsored Programs	\$ 7,630,721	\$ 8,291,228	\$ (660,507)	-8.0%
Net Sales and Services of Educational Activities	490,691	557,024	(66,333)	-11.9%
Net Sales and Services of Hospitals	23,846,469	25,352,282	(1,505,813)	-5.9%
Net Professional Fees	6,547,984	9,359,203	(2,811,219)	-30.0%
Net Auxiliary Enterprises	93,244	111,893	(18,649)	-16.7%
Other Operating Revenues	744,319	915,929	(171,610)	-18.7%
Total Operating Revenues	39,353,428	44,587,559	(5,234,131)	-11.7%
Operating Expenses				
Salaries and Wages	30,937,912	30,233,309	704,603	2.3%
Employee Benefits and Related Costs	8,520,595	8,200,257	320,338	3.9%
Professional Fees and Contracted Services	3,188,358	3,205,562	(17,204)	-0.5%
Other Contracted Services	4,440,652	4,174,319	266,333	6.4%
Travel	235,188	281,883	(46,695)	-16.6%
Materials and Supplies	7,453,898	7,686,758	(232,860)	-3.0%
Utilities	1,854,354	1,905,390	(51,036)	-2.7%
Telecommunications	691,841	382,241	309,600	81.0%
Repairs and Maintenance	1,881,081	1,919,717	(38,636)	-2.0%
Rentals and Leases	562,562	689,975	(127,413)	-18.5%
Printing and Reproduction	83,311	13,307	70,004	526.1%
Federal Sponsored Programs Pass-Thrus	49,687	270,933	(221,246)	-81.7%
Depreciation and Amortization	3,802,953	3,685,757	117,196	3.2%
Other Operating Expenses	1,416,447	1,569,749	(153,302)	-9.8%
Total Operating Expenses	65,118,839	64,219,157	899,682	1.4%
Operating Loss	(25,765,411)	(19,631,598)	(6,133,813)	-31.2%
Other Nonoperating Adjustments				
State Appropriations	22,676,150	21,838,424	837,726	3.8%
Gift Contributions for Operations	773,572	408,619	364,953	89.3%
Net Investment Income	2,350,237	2,316,510	33,727	1.5%
Interest Expense on Capital Asset Financings	(414,188)	(446,114)	31,926	7.2%
Net Other Nonoperating Adjustments	25,385,771	24,117,439	1,268,332	5.3%
Adjusted Income (Loss) including Depreciation	(379,640)	4,485,841	(4,865,481)	-108.5%
Adjusted Margin (as a percentage) including Depreciation	-0.6%	6.5%		
Investment Gains (Losses)	304,191	-	304,191	100.0%
Adjusted Income (Loss) with Investment Gains (Losses)	\$ (75,449)	\$ 4,485,841	\$ (4,561,290)	-101.7%
Adjusted Margin % with Investment Gains (Losses)	-0.1%	6.5%		
Adjusted Income (Loss) excluding Depreciation	3,423,313	8,171,598	(4,748,285)	-58.1%
Adjusted Margin (as a percentage) excluding Depreciation	5.3%	11.8%		