

THE UNIVERSITY OF TEXAS SYSTEM  
OFFICE OF THE CONTROLLER

---

**MONTHLY FINANCIAL REPORT**  
*(unaudited)*

**JANUARY 2010**



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**THE UNIVERSITY OF TEXAS SYSTEM**  
**MONTHLY FINANCIAL REPORT**  
**(Unaudited)**  
**FOR THE FIVE MONTHS ENDING**  
**JANUARY 31, 2010**

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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 Five Months Ending January 31, 2010**

	<b>January Year-to-Date FY 2010</b>	<b>January Year-to-Date FY 2009</b>	<b>Variance</b>	<b>Fluctuation Percentage</b>
<b>Operating Revenues</b>				
Net Student Tuition and Fees	\$ 555,671,013	\$ 504,615,494	\$ 51,055,519	10.1%
Sponsored Programs	1,145,903,544	1,050,186,003	95,717,541	9.1%
Net Sales and Services of Educational Activities	224,215,390	152,368,143	71,847,247	47.2%
Net Sales and Services of Hospitals	1,414,825,492	1,204,839,813	209,985,679	17.4%
Net Professional Fees	442,822,018	395,989,533	46,832,485	11.8%
Net Auxiliary Enterprises	185,405,829	178,698,599	6,707,230	3.8%
Other Operating Revenues	63,466,903	91,826,538	(28,359,635)	-30.9%
<b>Total Operating Revenues</b>	<b>4,032,310,189</b>	<b>3,578,524,123</b>	<b>453,786,066</b>	<b>12.7%</b>
<b>Operating Expenses</b>				
Salaries and Wages	2,437,664,846	2,343,688,593	93,976,253	4.0%
Payroll Related Costs	579,108,928	548,299,292	30,809,636	5.6%
Professional Fees and Contracted Services	125,057,881	204,119,153	(79,061,272)	-38.7%
Other Contracted Services	202,188,547	196,685,993	5,502,554	2.8%
Scholarships and Fellowships	304,611,088	218,167,546	86,443,542	39.6%
Travel	45,748,635	49,123,198	(3,374,563)	-6.9%
Materials and Supplies	530,088,539	480,254,872	49,833,667	10.4%
Utilities	124,933,081	120,173,910	4,759,171	4.0%
Telecommunications	52,827,799	45,417,470	7,410,329	16.3%
Repairs and Maintenance	92,392,429	85,296,023	7,096,406	8.3%
Rentals and Leases	57,455,614	47,830,906	9,624,708	20.1%
Printing and Reproduction	12,548,429	12,349,234	199,195	1.6%
Bad Debt Expense	(27,978)	150,409	(178,387)	-118.6%
Claims and Losses	11,812,252	1,825,831	9,986,421	547.0%
Federal Sponsored Programs Pass-Throughs	9,324,351	8,275,824	1,048,527	12.7%
Depreciation and Amortization	326,678,384	312,809,819	13,868,565	4.4%
Other Operating Expenses	159,556,487	172,592,085	(13,035,598)	-7.6%
<b>Total Operating Expenses</b>	<b>5,071,969,312</b>	<b>4,847,060,158</b>	<b>224,909,154</b>	<b>4.6%</b>
<b>Operating Loss</b>	<b>(1,039,659,123)</b>	<b>(1,268,536,035)</b>	<b>228,876,912</b>	<b>18.0%</b>
<b>Other Nonoperating Adjustments</b>				
State Appropriations	897,852,218	821,648,034	76,204,184	9.3%
Nonexchange Sponsored Programs	162,181,515	120,139,942	42,041,573	35.0%
Gift Contributions for Operations	155,890,001	124,876,092	31,013,909	24.8%
Net Investment Income	203,084,185	265,305,140	(62,220,955)	-23.5%
Interest Expense on Capital Asset Financings	(87,081,766)	(67,146,086)	(19,935,680)	-29.7%
<b>Net Other Nonoperating Adjustments</b>	<b>1,331,926,153</b>	<b>1,264,823,122</b>	<b>67,103,031</b>	<b>5.3%</b>
<b>Adjusted Income (Loss) including Depreciation</b>	<b>292,267,030</b>	<b>(3,712,913)</b>	<b>295,979,943</b>	<b>7,971.6%</b>
<b>Adjusted Margin (as a percentage) including Depreciation</b>	<b>5.4%</b>	<b>-0.1%</b>		
Investment Gains (Losses)	1,280,023,816	(5,078,326,184)	6,358,350,000	125.2%
<b>Adj. Inc. (Loss) with Investment Gains (Losses)</b>	<b>\$ 1,572,290,846</b>	<b>\$ (5,082,039,097)</b>	<b>\$ 6,654,329,943</b>	<b>130.9%</b>
<b>Adj. Margin % with Investment Gains (Losses)</b>	<b>23.4%</b>	<b>-3028.0%</b>		
<b>Adjusted Income (Loss) with Investment Gains (Losses) excluding Depreciation</b>	<b>1,898,969,230</b>	<b>(4,769,229,278)</b>	<b>6,668,198,508</b>	<b>139.8%</b>
<b>Adjusted Margin (as a percentage) with Investment Gains (Losses) excluding Depreciation</b>	<b>28.2%</b>	<b>-2841.7%</b>		

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**The University of Texas System  
Comparison of Adjusted Income (Loss)  
For the Five Months Ending January 31, 2010**

	<b>Including Depreciation and Amortization Expense</b>			
	<b>January Year-to-Date FY 2010</b>	<b>January Year-to-Date FY 2009</b>	<b>Variance</b>	<b>Fluctuation Percentage</b>
UT System Administration	\$ (9,101,393)	\$ 93,718,811	\$ (102,820,204) (1)	-109.7%
UT Arlington	8,617,833	14,968,940	(6,351,107) (2)	-42.4%
UT Austin	118,991,043	55,369,628	63,621,415 (3)	114.9%
UT Brownsville	(67,126) (4)	(50,280)	(16,846)	-33.5%
UT Dallas	17,055,969	4,826,053	12,229,916 (5)	253.4%
UT El Paso	4,004,977	2,485,406	1,519,571	61.1%
UT Pan American	1,309,472	(875,086)	2,184,558 (6)	249.6%
UT Permian Basin	7,687,408	6,428,118	1,259,290	19.6%
UT San Antonio	1,476,365	1,207,751	268,614	22.2%
UT Tyler	2,475,798	4,425,071	(1,949,273)	-44.1%
UT Southwestern Medical Center - Dallas	16,603,811	(2,412,263)	19,016,074 (7)	788.3%
UT Medical Branch - Galveston	11,238,944	(135,981,309)	147,220,253 (8)	108.3%
UT Health Science Center - Houston	2,727,714	1,490,759	1,236,955	83.0%
UT Health Science Center - San Antonio	(249,391)	(3,846,794)	3,597,403 (9)	93.5%
UT M. D. Anderson Cancer Center	179,801,715	22,487,194	157,314,521 (10)	699.6%
UT Health Science Center - Tyler	423,058	1,351,338	(928,280) (11)	-68.7%
Elimination of AUF Transfer	(70,729,167)	(69,306,250)	(1,422,917)	-2.1%
Total Adjusted Income (Loss)	<u>292,267,030</u>	<u>(3,712,913)</u>	<u>295,979,943</u>	<u>7,971.6%</u>
Investment Gains (Losses)	1,280,023,816	(5,078,326,184)	6,358,350,000 (12)	125.2%
<b>Total Adjusted Income (Loss) with Investment Gains (Losses) Including Depreciation and Amortization</b>	<b><u>\$ 1,572,290,846</u></b>	<b><u>\$ (5,082,039,097)</u></b>	<b><u>\$ 6,654,329,943</u></b>	<b><u>130.9%</u></b>

	<b>Excluding Depreciation and Amortization Expense</b>			
	<b>January Year-to-Date FY 2010</b>	<b>January Year-to-Date FY 2009</b>	<b>Variance</b>	<b>Fluctuation Percentage</b>
UT System Administration	\$ (4,614,406)	\$ 98,279,954	\$ (102,894,360)	-104.7%
UT Arlington	19,444,043	23,340,549	(3,896,506)	-16.7%
UT Austin	188,950,370	121,387,417	67,562,953	55.7%
UT Brownsville	2,292,689	2,351,468	(58,779)	-2.5%
UT Dallas	28,167,444	14,698,044	13,469,400	91.6%
UT El Paso	11,534,143	9,568,999	1,965,144	20.5%
UT Pan American	6,883,333	4,478,056	2,405,277	53.7%
UT Permian Basin	9,393,653	7,998,947	1,394,706	17.4%
UT San Antonio	16,897,877	14,770,841	2,127,036	14.4%
UT Tyler	6,508,362	8,183,206	(1,674,844)	-20.5%
UT Southwestern Medical Center - Dallas	49,211,985	29,182,664	20,029,321	68.6%
UT Medical Branch - Galveston	42,470,680	(103,859,998)	146,330,678	140.9%
UT Health Science Center - Houston	18,827,308	18,157,576	669,732	3.7%
UT Health Science Center - San Antonio	13,083,942	9,199,633	3,884,309	42.2%
UT M. D. Anderson Cancer Center	277,213,500	116,172,306	161,041,194	138.6%
UT Health Science Center - Tyler	3,409,658	4,493,494	(1,083,836)	-24.1%
Elimination of AUF Transfer	(70,729,167)	(69,306,250)	(1,422,917)	-2.1%
Total Adjusted Income (Loss)	<u>618,945,414</u>	<u>309,096,906</u>	<u>309,848,508</u>	<u>100.2%</u>
Investment Gains (Losses)	1,280,023,816	(5,078,326,184)	6,358,350,000	125.2%
<b>Total Adjusted Income (Loss) with Investment Gains (Losses) Excluding Depreciation and Amortization</b>	<b><u>\$ 1,898,969,230</u></b>	<b><u>\$ (4,769,229,278)</u></b>	<b><u>\$ 6,668,198,508</u></b>	<b><u>139.8%</u></b>

THE UNIVERSITY OF TEXAS SYSTEM  
EXPLANATION OF VARIANCES ON THE MONTHLY FINANCIAL REPORT  
For the Five Months Ending January 31, 2010

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 \$102.8 million (109.7%) decrease in adjusted income over the same period last year was primarily due to a decrease in the income of the Permanent University Fund (PUF) Lands and a decrease in other operating revenues. The PUF Lands decrease is attributable to a record high oil and gas bonus lease sale in October 2008, a decrease in oil prices and a decline in gas production. In addition, the Long Term Fund distribution increased resulting in a reduction in net investment income. The decrease in other operating revenues is due to insurance proceeds related to Hurricane *Ike* that were received in 2009. *UT System Administration's* adjusted loss was \$4.6 million or 7.8% excluding depreciation expense.
- (2) UT Arlington – The \$6.4 million (42.4%) decrease in adjusted income over the same period last year was due to an increase in salaries and wages and payroll related costs as a result of merit increases and the hiring of additional adjunct professors due to increased enrollment. Excluding depreciation expense, *UT Arlington's* adjusted income was \$19.4 or 10.3%.
- (3) UT Austin – The \$63.6 million (114.9%) increase in adjusted income over the same period last year was due to an increase in net sales and services of educational activities due to a change in the monthly financial reporting process to include service center activity in 2010. Sponsored programs also increased due to an increase in the indirect cost recovery rate and an increase in the Texas Grant Program and the new Top 10% Scholarship Program. Excluding depreciation expense, *UT Austin's* adjusted income was \$189 million or 17.6%.
- (4) UT Brownsville – The \$67,000 year-to-date loss was primarily attributable to an increase in utilities due to the new Library and Student Recreation Center and an increase in interest expense related to capital projects. *UT Brownsville* projects a year-end loss of \$556,000 which represents -0.3% of projected revenues. This forecast includes \$5.7 million of depreciation expense. Excluding depreciation expense, *UT Brownsville's* adjusted income was \$2.3 million or 2.4%.
- (5) UT Dallas – The \$12.2 million (253.4%) increase in adjusted income over the same period last year was due to an increase in state appropriations and gift contributions for operations. State appropriations increased due to funding from the American Recovery and Reinvestment Act (ARRA). Gift contributions for operations increased due to a one-time gift of \$7.3 million received in September 2009 and the increase of activities to raise funds eligible for the Texas Research Incentive Programs (TRIP) matching in line with *UT Dallas'* tier one initiative. Excluding depreciation expense, *UT Dallas'* adjusted income was \$28.2 million or 18.2%.
- (6) UT Pan American – The \$2.2 million (249.6%) increase in adjusted income over the same period last year was due to an increase in student tuition and fees as a result of an increase in the designated tuition rate and an increase in various fees. Excluding depreciation expense, *UT Pan American's* adjusted income was \$6.9 million or 4.6%.
- (7) UT Southwestern Medical Center - Dallas – The \$19 million (788.3%) increase in adjusted income over the same period last year was primarily due to an increase in net sales and services of hospitals. Net sales and services of hospitals increased due to increased inpatient and outpatient visits which increased revenue by \$32.1 million. Excluding depreciation expense, *Southwestern's* adjusted income was \$49.2 million or 7.4%.
- (8) UT Medical Branch - Galveston – The \$147.2 million (108.3%) increase in adjusted income over the same period last year was primarily due to the recovery from the business disruption in revenue generating activities and expenses related to Hurricane *Ike* in 2009. Operating revenues increased \$72.6 million and operating expenses decreased \$51.8 million. Patient care revenue increased \$96 million, with increases in admissions of 97%, patient days of 172%, and clinic visits of 21% as compared to last year. Professional fees and contracted services expense decreased \$62.8 million due to a reduction of expenses related to the recovery from Hurricane *Ike*.

There are processes in place to closely monitor staffing levels across *UTMB*, and planning is underway to address year-to-date realized losses in Correctional Managed Care (CMC) of \$10.6 million which are expected to continue unless corrective action is taken. Cash flow continues to be closely monitored as campus rebuilding activities commence in January 2010. Excluding depreciation expense, *UTMB's* adjusted income was \$42.5 million or 6.4%. *UTMB* is forecasting a year-end margin of \$1.4

million which represents 0.1% of projected revenues. The reduction in income throughout the remainder of the year is attributable to CMC. This forecast includes \$73.2 million of depreciation expense.

- (9) UT Health Science Center – San Antonio – The \$3.6 million (93.5%) decrease in adjusted loss over the same period last year was primarily attributable to an increase in state appropriations due to incremental formula funding and special item funding for the San Antonio Life Sciences Institute and the Regional Academic Health Center. Despite the decrease in adjusted loss over the same period last year, *UTHSC-San Antonio* experienced a year-to-date loss of \$249,000. This loss was primarily attributable to a \$1.9 million loss incurred by the Cancer Therapy Research Center (CTRC) due in part to timing differences in revenue receipts from the CTRC Foundation. The School of Medicine has developed a plan to make CTRC breakeven in 2010 which includes a reduction in the number of employees and reduction in costs such as utilities, travel, and other operating expenses. *UTHSC-San Antonio* anticipates ending the year with a \$3 million negative margin due to interest expense related to the opening of the Medical Arts and Research Center (MARC), which represents -0.4% of projected revenues and includes \$32 million of depreciation expense. Excluding depreciation expense, *UTHSC-San Antonio's* adjusted income was \$13.1 million or 4.5%.
- (10) UT M. D. Anderson Cancer Center – The \$157.3 million (699.6%) increase in adjusted income over the same period last year was primarily attributable to the recovery from the business disruption in revenue generating activities related to Hurricane *Ike* in 2009. Operating revenues increased \$128.8 million due to increased patient activity and patient volumes. Sponsored programs also increased due to a concerted effort and emphasis on the research function. Gift contributions for operations also increased due to a pledge of \$10 million from HEB, \$5 million from the John Foundation and a \$10 million increase in various large cash gifts. Excluding depreciation expense, *M. D. Anderson's* adjusted income was \$277.2 million or 20.8%.
- (11) UT Health Science Center – Tyler – The \$928,000 (68.7%) decrease in adjusted income over the same period last year was primarily attributable to a decrease in net professional fees due to the loss of *UTMB's* Correctional Managed Care patients in 2010. Excluding depreciation expense, *UTHSC-Tyler's* adjusted income was \$3.4 million or 6.6%.
- (12) Investment Gains (Losses) - The majority of the \$6.4 billion (125.2%) increase in investment gains relates to the Permanent University Fund of \$3.4 billion, the Long Term Fund of \$1.6 billion, and the Permanent Health Fund of \$307 million.

## GLOSSARY OF TERMS

### **OPERATING REVENUES:**

NET STUDENT TUITION AND FEES – All student tuition and fee revenues earned at the UT institution for educational purposes, net of tuition discounting.

SPONSORED PROGRAMS – Funding received from local, state and federal governments or private agencies, organizations or individuals, excluding Federal Pell Grant Program which is reported as nonoperating. 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. Includes faculty incentive payments and supplemental retirement annuities.

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, net of tuition discounting.

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 other operating expenses.

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

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

DEPRECIATION AND AMORTIZATION – 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.

NONEXCHANGE SPONSORED PROGRAMS – Federal funding received for the Federal Pell Grant Program.

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 Five Months Ending January 31, 2010**

	January Year-to-Date <u>FY 2010</u>	January Year-to-Date <u>FY 2009</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
<b>Operating Revenues</b>				
Sponsored Programs	\$ 20,245,267	\$ 4,140,028	\$ 16,105,239	389.0%
Net Sales and Services of Educational Activities	17,908,255	19,102,254	(1,193,999)	-6.3%
Other Operating Revenues	(320,685)	30,696,208	(31,016,893)	-101.0%
<b>Total Operating Revenues</b>	<b><u>37,832,837</u></b>	<b><u>53,938,490</u></b>	<b><u>(16,105,653)</u></b>	<b><u>-29.9%</u></b>
<b>Operating Expenses</b>				
Salaries and Wages	13,038,215	14,132,475	(1,094,260)	-7.7%
Employee Benefits and Related Costs	2,814,449	2,996,540	(182,091)	-6.1%
Professional Fees and Contracted Services	836,012	2,786,247	(1,950,235)	-70.0%
Other Contracted Services	9,875,644	3,760,465	6,115,179	162.6%
Scholarships and Fellowships	147,800	562,500	(414,700)	-73.7%
Travel	772,756	748,888	23,868	3.2%
Materials and Supplies	1,212,363	6,857,019	(5,644,656)	-82.3%
Utilities	103,087	123,211	(20,124)	-16.3%
Telecommunications	2,505,449	2,943,959	(438,510)	-14.9%
Repairs and Maintenance	1,459,917	724,555	735,362	101.5%
Rentals and Leases	373,788	546,300	(172,512)	-31.6%
Printing and Reproduction	174,186	90,636	83,550	92.2%
Claims and Losses	11,812,252	1,825,831	9,986,421	547.0%
Depreciation and Amortization	4,486,987	4,561,143	(74,156)	-1.6%
Other Operating Expenses	3,141,933	2,980,211	161,722	5.4%
<b>Total Operating Expenses</b>	<b><u>52,754,838</u></b>	<b><u>45,639,980</u></b>	<b><u>7,114,858</u></b>	<b><u>15.6%</u></b>
<b>Operating Loss</b>	<b><u>(14,922,001)</u></b>	<b><u>8,298,510</u></b>	<b><u>(23,220,511)</u></b>	<b><u>-279.8%</u></b>
<b>Other Nonoperating Adjustments</b>				
State Appropriations	895,833	384,178	511,655	133.2%
Gift Contributions for Operations	371,721	522,405	(150,684)	-28.8%
Net Investment Income	6,396,842	85,606,707	(79,209,865)	-92.5%
Interest Expense on Capital Asset Financings	(15,607,903)	(15,608,573)	670	0.0%
<b>Net Other Nonoperating Adjustments</b>	<b><u>(7,943,507)</u></b>	<b><u>70,904,717</u></b>	<b><u>(78,848,224)</u></b>	<b><u>-111.2%</u></b>
<b>Adjusted Income (Loss) including Depreciation</b>	<b>(22,865,508)</b>	<b>79,203,227</b>	<b>(102,068,735)</b>	<b>-128.9%</b>
<b>Adjusted Margin (as a percentage) including Depreciation</b>	<b>-50.3%</b>	<b>56.4%</b>		
Available University Fund Transfer	13,764,115	14,515,584	(751,469)	-5.2%
<b>Adjusted Income (Loss) with AUF Transfer</b>	<b>(9,101,393)</b>	<b>93,718,811</b>	<b>(102,820,204)</b>	<b>-109.7%</b>
<b>Adjusted Margin % with AUF Transfer</b>	<b>-15.4%</b>	<b>60.5%</b>		
Investment Gains (Losses)	1,097,883,410	(4,279,148,265)	5,377,031,675	125.7%
<b>Adj. Inc. (Loss) with AUF Transfer &amp; Invest. Gains (Losses)</b>	<b>\$ 1,088,782,017</b>	<b>\$ (4,185,429,454)</b>	<b>\$ 5,274,211,471</b>	<b>126.0%</b>
<b>Adj. Margin % with AUF Transfer &amp; Invest. Gains (Losses)</b>	<b>94.1%</b>	<b>-101.5%</b>		
<b>Adjusted Income (Loss) with AUF Transfer excluding Depreciation</b>	<b>(4,614,406)</b>	<b>98,279,954</b>	<b>(102,894,360)</b>	<b>-104.7%</b>
<b>Adjusted Margin (as a percentage) with AUF Transfer excluding Depreciation</b>	<b>-7.8%</b>	<b>63.4%</b>		

**UNAUDITED**  
**The University of Texas at Arlington**  
**Comparison of Operating Results and Margin**  
**For the Five Months Ending January 31, 2010**

	January Year-to-Date <u>FY 2010</u>	January Year-to-Date <u>FY 2009</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
<b>Operating Revenues</b>				
Net Student Tuition and Fees	\$ 63,934,419	\$ 57,486,804	\$ 6,447,615	11.2%
Sponsored Programs	34,479,039	20,673,006	13,806,033	66.8%
Net Sales and Services of Educational Activities	6,331,444	7,286,617	(955,173)	-13.1%
Net Auxiliary Enterprises	11,486,472	15,096,038	(3,609,566)	-23.9%
Other Operating Revenues	4,524,796	3,098,239	1,426,557	46.0%
<b>Total Operating Revenues</b>	<b><u>120,756,170</u></b>	<b><u>103,640,704</u></b>	<b><u>17,115,466</u></b>	<b><u>16.5%</u></b>
<b>Operating Expenses</b>				
Salaries and Wages	87,619,416	81,587,036	6,032,380	7.4%
Employee Benefits and Related Costs	19,584,992	17,696,157	1,888,835	10.7%
Professional Fees and Contracted Services	1,624,346	1,298,920	325,426	25.1%
Other Contracted Services	6,040,562	5,501,461	539,101	9.8%
Scholarships and Fellowships	21,637,731	3,916,189	17,721,542	452.5%
Travel	2,361,520	2,213,369	148,151	6.7%
Materials and Supplies	8,659,825	7,922,177	737,648	9.3%
Utilities	4,047,849	4,543,558	(495,709)	-10.9%
Telecommunications	2,367,283	2,034,342	332,941	16.4%
Repairs and Maintenance	3,232,735	3,496,547	(263,812)	-7.5%
Rentals and Leases	1,545,924	1,175,314	370,610	31.5%
Printing and Reproduction	1,133,732	1,118,263	15,469	1.4%
Federal Sponsored Programs Pass-Thrus	745,294	726,080	19,214	2.6%
Depreciation and Amortization	10,826,210	8,371,609	2,454,601	29.3%
Other Operating Expenses	4,068,290	4,185,155	(116,865)	-2.8%
<b>Total Operating Expenses</b>	<b><u>175,495,709</u></b>	<b><u>145,786,177</u></b>	<b><u>29,709,532</u></b>	<b><u>20.4%</u></b>
<b>Operating Loss</b>	<b><u>(54,739,539)</u></b>	<b><u>(42,145,473)</u></b>	<b><u>(12,594,066)</u></b>	<b><u>-29.9%</u></b>
<b>Other Nonoperating Adjustments</b>				
State Appropriations	48,789,838	46,468,578	2,321,260	5.0%
Nonexchange Sponsored Programs	12,500,000	9,109,838	3,390,162	37.2%
Gift Contributions for Operations	1,415,359	956,555	458,804	48.0%
Net Investment Income	4,483,330	3,660,090	823,240	22.5%
Interest Expense on Capital Asset Financings	(3,831,155)	(3,080,648)	(750,507)	-24.4%
<b>Net Other Nonoperating Adjustments</b>	<b><u>63,357,372</u></b>	<b><u>57,114,413</u></b>	<b><u>6,242,959</u></b>	<b><u>10.9%</u></b>
<b>Adjusted Income (Loss) including Depreciation</b>	<b>8,617,833</b>	<b>14,968,940</b>	<b>(6,351,107)</b>	<b>-42.4%</b>
<b>Adjusted Margin (as a percentage) including Depreciation</b>	<b>4.6%</b>	<b>9.1%</b>		
Investment Gains (Losses)	9,556,290	(32,776,669)	42,332,959	129.2%
<b>Adjusted Income (Loss) with Investment Gains (Losses)</b>	<b>\$ 18,174,123</b>	<b>\$ (17,807,729)</b>	<b>\$ 35,981,852</b>	<b>202.1%</b>
<b>Adjusted Margin % with Investment Gains (Losses)</b>	<b>9.2%</b>	<b>-13.6%</b>		
<b>Adjusted Income (Loss) excluding Depreciation</b>	<b>19,444,043</b>	<b>23,340,549</b>	<b>(3,896,506)</b>	<b>-16.7%</b>
<b>Adjusted Margin (as a percentage) excluding Depreciation</b>	<b>10.3%</b>	<b>14.2%</b>		

**UNAUDITED**  
**The University of Texas at Austin**  
**Comparison of Operating Results and Margin**  
**For the Five Months Ending January 31, 2010**

	<b>January Year-to-Date FY 2010</b>	<b>January Year-to-Date FY 2009</b>	<b>Variance</b>	<b>Fluctuation Percentage</b>
<b>Operating Revenues</b>				
Net Student Tuition and Fees	\$ 227,409,292	\$ 208,421,693	\$ 18,987,599	9.1%
Sponsored Programs	254,733,219	207,622,339	47,110,880	22.7%
Net Sales and Services of Educational Activities	136,502,740	66,554,748	69,947,992	105.1%
Net Auxiliary Enterprises	109,725,604	102,147,871	7,577,733	7.4%
Other Operating Revenues	2,495,133	2,409,001	86,132	3.6%
<b>Total Operating Revenues</b>	<b>730,865,988</b>	<b>587,155,652</b>	<b>143,710,336</b>	<b>24.5%</b>
<b>Operating Expenses</b>				
Salaries and Wages	452,288,083	417,205,351	35,082,732	8.4%
Employee Benefits and Related Costs	101,028,650	92,094,767	8,933,883	9.7%
Professional Fees and Contracted Services	10,564,976	12,138,704	(1,573,728)	-13.0%
Other Contracted Services	31,696,910	30,897,079	799,831	2.6%
Scholarships and Fellowships	66,271,518	50,309,842	15,961,676	31.7%
Travel	16,864,174	17,855,598	(991,424)	-5.6%
Materials and Supplies	50,681,222	52,817,818	(2,136,596)	-4.0%
Utilities	40,145,165	32,022,393	8,122,772	25.4%
Telecommunications	25,198,418	19,191,813	6,006,605	31.3%
Repairs and Maintenance	16,238,045	15,675,805	562,240	3.6%
Rentals and Leases	10,099,609	7,591,329	2,508,280	33.0%
Printing and Reproduction	4,709,958	4,579,713	130,245	2.8%
Federal Sponsored Programs Pass-Thrus	1,512,061	992,968	519,093	52.3%
Depreciation and Amortization	69,959,327	66,017,789	3,941,538	6.0%
Other Operating Expenses	40,130,484	32,812,955	7,317,529	22.3%
<b>Total Operating Expenses</b>	<b>937,388,600</b>	<b>852,203,924</b>	<b>85,184,676</b>	<b>10.0%</b>
<b>Operating Loss</b>	<b>(206,522,612)</b>	<b>(265,048,272)</b>	<b>58,525,660</b>	<b>22.1%</b>
<b>Other Nonoperating Adjustments</b>				
State Appropriations	148,660,908	143,313,264	5,347,644	3.7%
Nonexchange Sponsored Programs	9,101,550	9,094,036	7,514	0.1%
Gift Contributions for Operations	42,977,322	45,787,486	(2,810,164)	-6.1%
Net Investment Income	71,125,958	67,200,632	3,925,326	5.8%
Interest Expense on Capital Asset Financings	(17,081,250)	(14,283,768)	(2,797,482)	-19.6%
<b>Net Other Nonoperating Adjustments</b>	<b>254,784,488</b>	<b>251,111,650</b>	<b>3,672,838</b>	<b>1.5%</b>
<b>Adjusted Income (Loss) including Depreciation</b>	<b>48,261,876</b>	<b>(13,936,622)</b>	<b>62,198,498</b>	<b>446.3%</b>
<b>Adjusted Margin (as a percentage) including Depreciation</b>	<b>4.8%</b>	<b>-1.6%</b>		
Available University Fund Transfer	70,729,167	69,306,250	1,422,917	2.1%
<b>Adjusted Income (Loss) with AUF Transfer</b>	<b>118,991,043</b>	<b>55,369,628</b>	<b>63,621,415</b>	<b>114.9%</b>
<b>Adjusted Margin % with AUF Transfer</b>	<b>11.1%</b>	<b>6.0%</b>		
Investment Gains (Losses)	38,182,818	(191,217,251)	229,400,069	120.0%
<b>Adj. Inc. (Loss) with AUF Transfer &amp; Invest. Gains (Losses)</b>	<b>\$ 157,173,861</b>	<b>\$ (135,847,623)</b>	<b>\$ 293,021,484</b>	<b>215.7%</b>
<b>Adj. Margin % with AUF Transfer &amp; Invest. Gains (Losses)</b>	<b>14.1%</b>	<b>-18.6%</b>		
<b>Adjusted Income (Loss) with AUF Transfer excluding Depreciation</b>	<b>188,950,370</b>	<b>121,387,417</b>	<b>67,562,953</b>	<b>55.7%</b>
<b>Adjusted Margin (as a percentage) with AUF Transfer excluding Depreciation</b>	<b>17.6%</b>	<b>13.2%</b>		

**UNAUDITED**  
**The University of Texas at Brownsville**  
**Comparison of Operating Results and Margin**  
**For the Five Months Ending January 31, 2010**

	January Year-to-Date <u>FY 2010</u>	January Year-to-Date <u>FY 2009</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
<b>Operating Revenues</b>				
Net Student Tuition and Fees	\$ 8,317,629	\$ 8,088,026	\$ 229,603	2.8%
Sponsored Programs	38,002,350	36,456,759	1,545,591	4.2%
Net Sales and Services of Educational Activities	790,712	858,212	(67,500)	-7.9%
Net Auxiliary Enterprises	574,700	524,113	50,587	9.7%
Other Operating Revenues	5,482	3,784	1,698	44.9%
<b>Total Operating Revenues</b>	<b><u>47,690,873</u></b>	<b><u>45,930,894</u></b>	<b><u>1,759,979</u></b>	<b><u>3.8%</u></b>
<b>Operating Expenses</b>				
Salaries and Wages	28,469,513	27,259,565	1,209,948	4.4%
Employee Benefits and Related Costs	7,437,708	6,510,136	927,572	14.2%
Professional Fees and Contracted Services	727,371	841,228	(113,857)	-13.5%
Scholarships and Fellowships	46,367,405	37,316,840	9,050,565	24.3%
Travel	395,363	435,385	(40,022)	-9.2%
Materials and Supplies	2,163,020	2,058,791	104,229	5.1%
Utilities	1,714,837	1,446,171	268,666	18.6%
Telecommunications	558,349	518,975	39,374	7.6%
Repairs and Maintenance	701,619	463,420	238,199	51.4%
Rentals and Leases	778,401	843,215	(64,814)	-7.7%
Printing and Reproduction	108,901	146,309	(37,408)	-25.6%
Bad Debt Expense	16,756	14,894	1,862	12.5%
Depreciation and Amortization	2,359,815	2,401,748	(41,933)	-1.7%
Other Operating Expenses	2,466,643	2,897,864	(431,221)	-14.9%
<b>Total Operating Expenses</b>	<b><u>94,267,066</u></b>	<b><u>83,177,617</u></b>	<b><u>11,089,449</u></b>	<b><u>13.3%</u></b>
<b>Operating Loss</b>	<b><u>(46,576,193)</u></b>	<b><u>(37,246,723)</u></b>	<b><u>(9,329,470)</u></b>	<b><u>-25.0%</u></b>
<b>Other Nonoperating Adjustments</b>				
State Appropriations	16,867,130	15,474,230	1,392,900	9.0%
Nonexchange Sponsored Programs	29,793,166	21,645,054	8,148,112	37.6%
Gift Contributions for Operations	170,639	200,702	(30,063)	-15.0%
Net Investment Income	466,792	509,000	(42,208)	-8.3%
Interest Expense on Capital Asset Financings	(788,660)	(632,543)	(156,117)	-24.7%
<b>Net Other Nonoperating Adjustments</b>	<b><u>46,509,067</u></b>	<b><u>37,196,443</u></b>	<b><u>9,312,624</u></b>	<b><u>25.0%</u></b>
<b>Adjusted Income (Loss) including Depreciation</b>	<b>(67,126)</b>	<b>(50,280)</b>	<b>(16,846)</b>	<b>-33.5%</b>
<b>Adjusted Margin (as a percentage) including Depreciation</b>	<b>-0.1%</b>	<b>-0.1%</b>		
Investment Gains (Losses)	990,178	(5,646,013)	6,636,191	117.5%
<b>Adjusted Income (Loss) with Investment Gains (Losses)</b>	<b>\$ 923,052</b>	<b>\$ (5,696,293)</b>	<b>\$ 6,619,345</b>	<b>116.2%</b>
<b>Adjusted Margin % with Investment Gains (Losses)</b>	<b>1.0%</b>	<b>-7.3%</b>		
<b>Adjusted Income (Loss) excluding Depreciation</b>	<b>2,292,689</b>	<b>2,351,468</b>	<b>(58,779)</b>	<b>-2.5%</b>
<b>Adjusted Margin (as a percentage) excluding Depreciation</b>	<b>2.4%</b>	<b>2.8%</b>		

**UNAUDITED**  
**The University of Texas at Dallas**  
**Comparison of Operating Results and Margin**  
**For the Five Months Ending January 31, 2010**

	January Year-to-Date <u>FY 2010</u>	January Year-to-Date <u>FY 2009</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
<b>Operating Revenues</b>				
Net Student Tuition and Fees	\$ 55,635,766	\$ 52,586,069	\$ 3,049,697	5.8%
Sponsored Programs	18,139,623	19,181,545	(1,041,922)	-5.4%
Net Sales and Services of Educational Activities	4,214,676	3,370,669	844,007	25.0%
Net Auxiliary Enterprises	3,473,769	2,941,119	532,650	18.1%
Other Operating Revenues	862,195	2,058,337	(1,196,142)	-58.1%
<b>Total Operating Revenues</b>	<b><u>82,326,029</u></b>	<b><u>80,137,739</u></b>	<b><u>2,188,290</u></b>	<b><u>2.7%</u></b>
<b>Operating Expenses</b>				
Salaries and Wages	71,900,072	66,828,215	5,071,857	7.6%
Employee Benefits and Related Costs	15,068,965	13,322,802	1,746,163	13.1%
Professional Fees and Contracted Services	2,116,081	2,013,284	102,797	5.1%
Other Contracted Services	5,153,962	4,280,559	873,403	20.4%
Scholarships and Fellowships	8,441,959	8,116,784	325,175	4.0%
Travel	1,444,133	1,475,925	(31,792)	-2.2%
Materials and Supplies	6,818,514	6,663,192	155,322	2.3%
Utilities	4,378,214	3,693,136	685,078	18.6%
Telecommunications	181,850	572,621	(390,771)	-68.2%
Repairs and Maintenance	714,477	1,587,365	(872,888)	-55.0%
Rentals and Leases	991,425	738,532	252,893	34.2%
Printing and Reproduction	661,820	617,761	44,059	7.1%
Federal Sponsored Programs Pass-Thrus	48,621	94,120	(45,499)	-48.3%
Depreciation and Amortization	11,111,475	9,871,991	1,239,484	12.6%
Other Operating Expenses	5,094,282	4,829,338	264,944	5.5%
<b>Total Operating Expenses</b>	<b><u>134,125,850</u></b>	<b><u>124,705,625</u></b>	<b><u>9,420,225</u></b>	<b><u>7.6%</u></b>
<b>Operating Loss</b>	<b><u>(51,799,821)</u></b>	<b><u>(44,567,885)</u></b>	<b><u>(7,231,936)</u></b>	<b><u>-16.2%</u></b>
<b>Other Nonoperating Adjustments</b>				
State Appropriations	48,557,308	38,691,887	9,865,421	25.5%
Nonexchange Sponsored Programs	4,192,729	3,038,835	1,153,894	38.0%
Gift Contributions for Operations	14,206,063	4,578,996	9,627,067	210.2%
Net Investment Income	5,471,245	5,326,282	144,963	2.7%
Interest Expense on Capital Asset Financings	(3,571,555)	(2,242,062)	(1,329,493)	-59.3%
<b>Net Other Nonoperating Adjustments</b>	<b><u>68,855,790</u></b>	<b><u>49,393,938</u></b>	<b><u>19,461,852</u></b>	<b><u>39.4%</u></b>
<b>Adjusted Income (Loss) including Depreciation</b>	<b>17,055,969</b>	<b>4,826,053</b>	<b>12,229,916</b>	<b>253.4%</b>
<b>Adjusted Margin (as a percentage) including Depreciation</b>	<b>11.0%</b>	<b>3.7%</b>		
Investment Gains (Losses)	6,296,079	(28,334,921)	34,631,000	122.2%
<b>Adjusted Income (Loss) with Investment Gains (Losses)</b>	<b>\$ 23,352,048</b>	<b>\$ (23,508,868)</b>	<b>\$ 46,860,916</b>	<b>199.3%</b>
<b>Adjusted Margin % with Investment Gains (Losses)</b>	<b>14.5%</b>	<b>-22.7%</b>		
<b>Adjusted Income (Loss) excluding Depreciation</b>	<b>28,167,444</b>	<b>14,698,044</b>	<b>13,469,400</b>	<b>91.6%</b>
<b>Adjusted Margin (as a percentage) excluding Depreciation</b>	<b>18.2%</b>	<b>11.2%</b>		

**UNAUDITED**  
**The University of Texas at El Paso**  
**Comparison of Operating Results and Margin**  
**For the Five Months Ending January 31, 2010**

	January Year-to-Date <u>FY 2010</u>	January Year-to-Date <u>FY 2009</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
<b>Operating Revenues</b>				
Net Student Tuition and Fees	\$ 40,257,993	\$ 36,189,941	\$ 4,068,052	11.2%
Sponsored Programs	33,027,655	27,488,387	5,539,268	20.2%
Net Sales and Services of Educational Activities	1,975,216	1,969,048	6,168	0.3%
Net Auxiliary Enterprises	10,286,653	10,756,256	(469,603)	-4.4%
Other Operating Revenues	323	38,397	(38,074)	-99.2%
<b>Total Operating Revenues</b>	<b><u>85,547,840</u></b>	<b><u>76,442,029</u></b>	<b><u>9,105,811</u></b>	<b><u>11.9%</u></b>
<b>Operating Expenses</b>				
Salaries and Wages	62,423,005	58,932,374	3,490,631	5.9%
Employee Benefits and Related Costs	15,194,987	13,907,065	1,287,922	9.3%
Professional Fees and Contracted Services	370,780	370,450	330	0.1%
Other Contracted Services	7,214,185	6,660,789	553,396	8.3%
Scholarships and Fellowships	52,563,770	38,936,042	13,627,728	35.0%
Travel	2,536,145	2,334,355	201,790	8.6%
Materials and Supplies	10,146,375	9,284,538	861,837	9.3%
Utilities	2,558,836	2,886,043	(327,207)	-11.3%
Telecommunications	297,953	268,011	29,942	11.2%
Repairs and Maintenance	2,213,107	1,452,975	760,132	52.3%
Rentals and Leases	1,680,478	1,835,299	(154,821)	-8.4%
Printing and Reproduction	369,184	498,485	(129,301)	-25.9%
Federal Sponsored Programs Pass-Thrus	377,505	226,402	151,103	66.7%
Depreciation and Amortization	7,529,166	7,083,593	445,573	6.3%
Other Operating Expenses	3,005,244	2,985,953	19,291	0.6%
<b>Total Operating Expenses</b>	<b><u>168,480,720</u></b>	<b><u>147,662,374</u></b>	<b><u>20,818,346</u></b>	<b><u>14.1%</u></b>
<b>Operating Loss</b>	<b><u>(82,932,880)</u></b>	<b><u>(71,220,345)</u></b>	<b><u>(11,712,535)</u></b>	<b><u>-16.4%</u></b>
<b>Other Nonoperating Adjustments</b>				
State Appropriations	43,137,375	39,378,069	3,759,306	9.5%
Nonexchange Sponsored Programs	36,726,756	27,009,793	9,716,963	36.0%
Gift Contributions for Operations	4,822,296	4,412,252	410,044	9.3%
Net Investment Income	4,252,745	3,996,132	256,613	6.4%
Interest Expense on Capital Asset Financings	(2,001,315)	(1,090,495)	(910,820)	-83.5%
<b>Net Other Nonoperating Adjustments</b>	<b><u>86,937,857</u></b>	<b><u>73,705,751</u></b>	<b><u>13,232,106</u></b>	<b><u>18.0%</u></b>
<b>Adjusted Income (Loss) including Depreciation</b>	<b>4,004,977</b>	<b>2,485,406</b>	<b>1,519,571</b>	<b>61.1%</b>
<b>Adjusted Margin (as a percentage) including Depreciation</b>	<b>2.3%</b>	<b>1.6%</b>		
Investment Gains (Losses)	4,202,386	(12,457,641)	16,660,027	133.7%
<b>Adjusted Income (Loss) with Investment Gains (Losses)</b>	<b>\$ 8,207,363</b>	<b>\$ (9,972,235)</b>	<b>\$ 18,179,598</b>	<b>182.3%</b>
<b>Adjusted Margin % with Investment Gains (Losses)</b>	<b>4.6%</b>	<b>-7.2%</b>		
<b>Adjusted Income (Loss) excluding Depreciation</b>	<b>11,534,143</b>	<b>9,568,999</b>	<b>1,965,144</b>	<b>20.5%</b>
<b>Adjusted Margin (as a percentage) excluding Depreciation</b>	<b>6.6%</b>	<b>6.3%</b>		

**UNAUDITED**  
**The University of Texas - Pan American**  
**Comparison of Operating Results and Margin**  
**For the Five Months Ending January 31, 2010**

	January Year-to-Date <u>FY 2010</u>	January Year-to-Date <u>FY 2009</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
<b>Operating Revenues</b>				
Net Student Tuition and Fees	\$ 26,133,363	\$ 21,242,640	\$ 4,890,723	23.0%
Sponsored Programs	38,158,419	32,321,920	5,836,499	18.1%
Net Sales and Services of Educational Activities	2,718,220	2,665,054	53,166	2.0%
Net Auxiliary Enterprises	2,993,180	2,835,725	157,455	5.6%
Other Operating Revenues	582,002	1,409,948	(827,946)	-58.7%
<b>Total Operating Revenues</b>	<b><u>70,585,184</u></b>	<b><u>60,475,287</u></b>	<b><u>10,109,897</u></b>	<b><u>16.7%</u></b>
<b>Operating Expenses</b>				
Salaries and Wages	44,924,735	42,765,745	2,158,990	5.0%
Employee Benefits and Related Costs	11,123,581	10,909,874	213,707	2.0%
Professional Fees and Contracted Services	572,130	510,097	62,033	12.2%
Other Contracted Services	2,785,844	2,118,242	667,602	31.5%
Scholarships and Fellowships	66,148,823	49,680,064	16,468,759	33.1%
Travel	1,659,505	1,608,847	50,658	3.1%
Materials and Supplies	5,857,396	4,924,519	932,877	18.9%
Utilities	2,904,572	3,002,949	(98,377)	-3.3%
Telecommunications	144,140	520,558	(376,418)	-72.3%
Repairs and Maintenance	1,912,520	1,300,800	611,720	47.0%
Rentals and Leases	426,733	375,899	50,834	13.5%
Printing and Reproduction	167,725	139,297	28,428	20.4%
Bad Debt Expense	(46,765)	135,000	(181,765)	-134.6%
Federal Sponsored Programs Pass-Thrus	79,854	28,064	51,790	184.5%
Depreciation and Amortization	5,573,861	5,353,142	220,719	4.1%
Other Operating Expenses	2,018,982	1,622,458	396,524	24.4%
<b>Total Operating Expenses</b>	<b><u>146,253,636</u></b>	<b><u>124,995,555</u></b>	<b><u>21,258,081</u></b>	<b><u>17.0%</u></b>
<b>Operating Loss</b>	<b><u>(75,668,452)</u></b>	<b><u>(64,520,268)</u></b>	<b><u>(11,148,184)</u></b>	<b><u>-17.3%</u></b>
<b>Other Nonoperating Adjustments</b>				
State Appropriations	33,763,679	31,923,667	1,840,012	5.8%
Nonexchange Sponsored Programs	42,227,585	31,815,007	10,412,578	32.7%
Gift Contributions for Operations	741,646	618,567	123,079	19.9%
Net Investment Income	1,922,669	1,007,981	914,688	90.7%
Interest Expense on Capital Asset Financings	(1,677,655)	(1,720,040)	42,385	2.5%
<b>Net Other Nonoperating Adjustments</b>	<b><u>76,977,924</u></b>	<b><u>63,645,182</u></b>	<b><u>13,332,742</u></b>	<b><u>20.9%</u></b>
<b>Adjusted Income (Loss) including Depreciation</b>	<b>1,309,472</b>	<b>(875,086)</b>	<b>2,184,558</b>	<b>249.6%</b>
<b>Adjusted Margin (as a percentage) including Depreciation</b>	<b>0.9%</b>	<b>-0.7%</b>		
Investment Gains (Losses)	2,261,329	(10,319,860)	12,581,189	121.9%
<b>Adjusted Income (Loss) with Investment Gains (Losses)</b>	<b>\$ 3,570,801</b>	<b>\$ (11,194,946)</b>	<b>\$ 14,765,747</b>	<b>131.9%</b>
<b>Adjusted Margin % with Investment Gains (Losses)</b>	<b>2.4%</b>	<b>-9.7%</b>		
<b>Adjusted Income (Loss) excluding Depreciation</b>	<b>6,883,333</b>	<b>4,478,056</b>	<b>2,405,277</b>	<b>53.7%</b>
<b>Adjusted Margin (as a percentage) excluding Depreciation</b>	<b>4.6%</b>	<b>3.6%</b>		

**UNAUDITED**  
**The University of Texas of the Permian Basin**  
**Comparison of Operating Results and Margin**  
**For the Five Months Ending January 31, 2010**

	January Year-to-Date <u>FY 2010</u>	January Year-to-Date <u>FY 2009</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
<b>Operating Revenues</b>				
Net Student Tuition and Fees	\$ 4,990,396	\$ 4,718,442	\$ 271,954	5.8%
Sponsored Programs	2,703,739	1,109,403	1,594,336	143.7%
Net Sales and Services of Educational Activities	205,340	167,011	38,329	22.9%
Net Auxiliary Enterprises	1,940,884	1,668,366	272,518	16.3%
Other Operating Revenues	25,375	61,839	(36,464)	-59.0%
<b>Total Operating Revenues</b>	<u><b>9,865,734</b></u>	<u><b>7,725,061</b></u>	<u><b>2,140,673</b></u>	<u><b>27.7%</b></u>
<b>Operating Expenses</b>				
Salaries and Wages	8,868,229	8,093,922	774,307	9.6%
Employee Benefits and Related Costs	1,879,701	1,744,863	134,838	7.7%
Professional Fees and Contracted Services	321,857	377,144	(55,287)	-14.7%
Other Contracted Services	728,464	641,753	86,711	13.5%
Scholarships and Fellowships	1,547,271	1,472,641	74,630	5.1%
Travel	322,135	295,938	26,197	8.9%
Materials and Supplies	1,984,146	1,235,362	748,784	60.6%
Utilities	1,060,973	992,086	68,887	6.9%
Telecommunications	194,907	239,561	(44,654)	-18.6%
Repairs and Maintenance	686,673	478,487	208,186	43.5%
Rentals and Leases	202,286	223,453	(21,167)	-9.5%
Printing and Reproduction	103,080	58,948	44,132	74.9%
Depreciation and Amortization	1,706,245	1,570,829	135,416	8.6%
Other Operating Expenses	574,296	392,686	181,610	46.2%
<b>Total Operating Expenses</b>	<u><b>20,180,263</b></u>	<u><b>17,817,673</b></u>	<u><b>2,362,590</b></u>	<u><b>13.3%</b></u>
<b>Operating Loss</b>	<u><b>(10,314,529)</b></u>	<u><b>(10,092,612)</b></u>	<u><b>(221,917)</b></u>	<u><b>-2.2%</b></u>
<b>Other Nonoperating Adjustments</b>				
State Appropriations	13,362,219	13,215,154	147,065	1.1%
Nonexchange Sponsored Programs	3,786,463	2,447,113	1,339,350	54.7%
Gift Contributions for Operations	653,155	490,560	162,595	33.1%
Net Investment Income	1,202,295	634,797	567,498	89.4%
Interest Expense on Capital Asset Financings	(1,002,195)	(266,894)	(735,301)	-275.5%
<b>Net Other Nonoperating Adjustments</b>	<u><b>18,001,937</b></u>	<u><b>16,520,730</b></u>	<u><b>1,481,207</b></u>	<u><b>9.0%</b></u>
<b>Adjusted Income (Loss) including Depreciation</b>	<b>7,687,408</b>	<b>6,428,118</b>	<b>1,259,290</b>	<b>19.6%</b>
<b>Adjusted Margin (as a percentage) including Depreciation</b>	<b>26.6%</b>	<b>26.2%</b>		
Investment Gains (Losses)	1,156,366	(2,482,288)	3,638,654	146.6%
<b>Adjusted Income (Loss) with Investment Gains (Losses)</b>	<b>\$ 8,843,774</b>	<b>\$ 3,945,830</b>	<b>\$ 4,897,944</b>	<b>124.1%</b>
<b>Adjusted Margin % with Investment Gains (Losses)</b>	<b>29.5%</b>	<b>17.9%</b>		
<b>Adjusted Income (Loss) excluding Depreciation</b>	<b>9,393,653</b>	<b>7,998,947</b>	<b>1,394,706</b>	<b>17.4%</b>
<b>Adjusted Margin (as a percentage) excluding Depreciation</b>	<b>32.5%</b>	<b>32.6%</b>		

**UNAUDITED**  
**The University of Texas at San Antonio**  
**Comparison of Operating Results and Margin**  
**For the Five Months Ending January 31, 2010**

	January Year-to-Date <u>FY 2010</u>	January Year-to-Date <u>FY 2009</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
<b>Operating Revenues</b>				
Net Student Tuition and Fees	\$ 72,828,198	\$ 64,140,157	\$ 8,688,041	13.5%
Sponsored Programs	30,085,994	27,278,824	2,807,170	10.3%
Net Sales and Services of Educational Activities	3,350,590	3,586,345	(235,755)	-6.6%
Net Auxiliary Enterprises	9,573,129	8,913,468	659,661	7.4%
Other Operating Revenues	653,947	801,367	(147,420)	-18.4%
<b>Total Operating Revenues</b>	<b><u>116,491,858</u></b>	<b><u>104,720,161</u></b>	<b><u>11,771,697</u></b>	<b><u>11.2%</u></b>
<b>Operating Expenses</b>				
Salaries and Wages	84,288,543	77,900,567	6,387,976	8.2%
Employee Benefits and Related Costs	20,412,307	18,577,944	1,834,363	9.9%
Professional Fees and Contracted Services	1,711,888	1,876,228	(164,340)	-8.8%
Other Contracted Services	5,144,590	5,335,927	(191,337)	-3.6%
Scholarships and Fellowships	19,477,819	12,581,502	6,896,317	54.8%
Travel	2,517,922	2,551,277	(33,355)	-1.3%
Materials and Supplies	15,281,441	12,874,636	2,406,805	18.7%
Utilities	4,541,667	5,056,250	(514,583)	-10.2%
Telecommunications	1,287,034	1,109,645	177,389	16.0%
Repairs and Maintenance	4,317,793	3,317,423	1,000,370	30.2%
Rentals and Leases	1,425,053	1,127,150	297,903	26.4%
Printing and Reproduction	435,161	536,835	(101,674)	-18.9%
Federal Sponsored Programs Pass-Thrus	1,126,225	1,446,478	(320,253)	-22.1%
Depreciation and Amortization	15,421,512	13,563,090	1,858,422	13.7%
Other Operating Expenses	5,201,575	6,310,856	(1,109,281)	-17.6%
<b>Total Operating Expenses</b>	<b><u>182,590,530</u></b>	<b><u>164,165,808</u></b>	<b><u>18,424,722</u></b>	<b><u>11.2%</u></b>
<b>Operating Loss</b>	<b><u>(66,098,672)</u></b>	<b><u>(59,445,647)</u></b>	<b><u>(6,653,025)</u></b>	<b><u>-11.2%</u></b>
<b>Other Nonoperating Adjustments</b>				
State Appropriations	49,351,519	48,036,076	1,315,443	2.7%
Nonexchange Sponsored Programs	16,795,990	11,964,306	4,831,684	40.4%
Gift Contributions for Operations	4,166,667	3,007,087	1,159,580	38.6%
Net Investment Income	3,768,821	2,901,618	867,203	29.9%
Interest Expense on Capital Asset Financings	(6,507,960)	(5,255,689)	(1,252,271)	-23.8%
<b>Net Other Nonoperating Adjustments</b>	<b><u>67,575,037</u></b>	<b><u>60,653,398</u></b>	<b><u>6,921,639</u></b>	<b><u>11.4%</u></b>
<b>Adjusted Income (Loss) including Depreciation</b>	<b>1,476,365</b>	<b>1,207,751</b>	<b>268,614</b>	<b>22.2%</b>
<b>Adjusted Margin (as a percentage) including Depreciation</b>	<b>0.8%</b>	<b>0.7%</b>		
Investment Gains (Losses)	9,425,718	(43,567,466)	52,993,184	121.6%
<b>Adjusted Income (Loss) with Investment Gains (Losses)</b>	<b>\$ 10,902,083</b>	<b>\$ (42,359,715)</b>	<b>\$ 53,261,798</b>	<b>125.7%</b>
<b>Adjusted Margin % with Investment Gains (Losses)</b>	<b>5.5%</b>	<b>-33.3%</b>		
<b>Adjusted Income (Loss) excluding Depreciation</b>	<b>16,897,877</b>	<b>14,770,841</b>	<b>2,127,036</b>	<b>14.4%</b>
<b>Adjusted Margin (as a percentage) excluding Depreciation</b>	<b>8.9%</b>	<b>8.7%</b>		

**UNAUDITED**  
**The University of Texas at Tyler**  
**Comparison of Operating Results and Margin**  
**For the Five Months Ending January 31, 2010**

	January Year-to-Date <u>FY 2010</u>	January Year-to-Date <u>FY 2009</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
<b>Operating Revenues</b>				
Net Student Tuition and Fees	\$ 11,306,968	\$ 10,898,153	\$ 408,815	3.8%
Sponsored Programs	4,202,215	4,620,980	(418,765)	-9.1%
Net Sales and Services of Educational Activities	860,341	1,263,065	(402,724)	-31.9%
Net Auxiliary Enterprises	1,775,190	1,852,889	(77,699)	-4.2%
Other Operating Revenues	67,839	58,915	8,924	15.1%
<b>Total Operating Revenues</b>	<b><u>18,212,553</u></b>	<b><u>18,694,002</u></b>	<b><u>(481,449)</u></b>	<b><u>-2.6%</u></b>
<b>Operating Expenses</b>				
Salaries and Wages	15,692,176	15,336,162	356,014	2.3%
Employee Benefits and Related Costs	4,074,677	3,796,994	277,683	7.3%
Professional Fees and Contracted Services	582,439	394,317	188,122	47.7%
Other Contracted Services	1,671,267	1,661,958	9,309	0.6%
Scholarships and Fellowships	7,199,710	2,893,361	4,306,349	148.8%
Travel	572,476	625,010	(52,534)	-8.4%
Materials and Supplies	1,423,919	2,106,636	(682,717)	-32.4%
Utilities	818,142	771,175	46,967	6.1%
Telecommunications	465,403	254,946	210,457	82.5%
Repairs and Maintenance	529,405	644,001	(114,596)	-17.8%
Rentals and Leases	137,725	138,868	(1,143)	-0.8%
Printing and Reproduction	266,084	289,886	(23,802)	-8.2%
Bad Debt Expense	416	515	(99)	-19.2%
Federal Sponsored Programs Pass-Thrus	69,418	61,100	8,318	13.6%
Depreciation and Amortization	4,032,564	3,758,135	274,429	7.3%
Other Operating Expenses	730,149	726,897	3,252	0.4%
<b>Total Operating Expenses</b>	<b><u>38,265,970</u></b>	<b><u>33,459,961</u></b>	<b><u>4,806,009</u></b>	<b><u>14.4%</u></b>
<b>Operating Loss</b>	<b><u>(20,053,417)</u></b>	<b><u>(14,765,959)</u></b>	<b><u>(5,287,458)</u></b>	<b><u>-35.8%</u></b>
<b>Other Nonoperating Adjustments</b>				
State Appropriations	15,002,377	14,632,414	369,963	2.5%
Nonexchange Sponsored Programs	6,471,124	3,302,507	3,168,617	95.9%
Gift Contributions for Operations	480,220	362,530	117,690	32.5%
Net Investment Income	1,802,329	1,656,296	146,033	8.8%
Interest Expense on Capital Asset Financings	(1,226,835)	(762,717)	(464,118)	-60.9%
<b>Net Other Nonoperating Adjustments</b>	<b><u>22,529,215</u></b>	<b><u>19,191,030</u></b>	<b><u>3,338,185</u></b>	<b><u>17.4%</u></b>
<b>Adjusted Income (Loss) including Depreciation</b>	<b>2,475,798</b>	<b>4,425,071</b>	<b>(1,949,273)</b>	<b>-44.1%</b>
<b>Adjusted Margin (as a percentage) including Depreciation</b>	<b>5.9%</b>	<b>11.4%</b>		
Investment Gains (Losses)	1,487,139	(7,510,582)	8,997,721	119.8%
<b>Adjusted Income (Loss) with Investment Gains (Losses)</b>	<b>\$ 3,962,937</b>	<b>\$ (3,085,511)</b>	<b>\$ 7,048,448</b>	<b>228.4%</b>
<b>Adjusted Margin % with Investment Gains (Losses)</b>	<b>9.1%</b>	<b>-9.9%</b>		
<b>Adjusted Income (Loss) excluding Depreciation</b>	<b>6,508,362</b>	<b>8,183,206</b>	<b>(1,674,844)</b>	<b>-20.5%</b>
<b>Adjusted Margin (as a percentage) excluding Depreciation</b>	<b>15.5%</b>	<b>21.2%</b>		

**UNAUDITED**  
**The University of Texas Southwestern Medical Center at Dallas**  
**Comparison of Operating Results and Margin**  
**For the Five Months Ending January 31, 2010**

	January Year-to-Date <u>FY 2010</u>	January Year-to-Date <u>FY 2009</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
<b>Operating Revenues</b>				
Net Student Tuition and Fees	\$ 9,887,912	\$ 10,066,088	\$ (178,176)	-1.8%
Sponsored Programs	181,338,212	173,501,338	7,836,874	4.5%
Net Sales and Services of Educational Activities	4,678,464	3,882,614	795,850	20.5%
Net Sales and Services of Hospitals	192,317,728	160,229,165	32,088,563	20.0%
Net Professional Fees	152,060,480	148,676,260	3,384,220	2.3%
Net Auxiliary Enterprises	7,202,954	7,189,069	13,885	0.2%
Other Operating Revenues	2,451,481	2,625,489	(174,008)	-6.6%
<b>Total Operating Revenues</b>	<b><u>549,937,231</u></b>	<b><u>506,170,023</u></b>	<b><u>43,767,208</u></b>	<b><u>8.6%</u></b>
<b>Operating Expenses</b>				
Salaries and Wages	338,190,262	323,950,913	14,239,349	4.4%
Employee Benefits and Related Costs	74,653,831	69,523,914	5,129,917	7.4%
Professional Fees and Contracted Services	8,751,380	9,546,670	(795,290)	-8.3%
Other Contracted Services	35,485,584	33,473,765	2,011,819	6.0%
Scholarships and Fellowships	5,801,017	5,884,624	(83,607)	-1.4%
Travel	3,197,829	3,898,380	(700,551)	-18.0%
Materials and Supplies	85,408,105	81,202,124	4,205,981	5.2%
Utilities	15,846,966	14,566,552	1,280,414	8.8%
Telecommunications	2,861,039	2,817,778	43,261	1.5%
Repairs and Maintenance	6,183,190	5,942,446	240,744	4.1%
Rentals and Leases	3,367,680	3,081,333	286,347	9.3%
Printing and Reproduction	1,310,278	1,269,012	41,266	3.3%
Federal Sponsored Programs Pass-Thru	527,825	180,152	347,673	193.0%
Depreciation and Amortization	32,608,174	31,594,927	1,013,247	3.2%
Other Operating Expenses	26,634,615	24,747,292	1,887,323	7.6%
<b>Total Operating Expenses</b>	<b><u>640,827,775</u></b>	<b><u>611,679,882</u></b>	<b><u>29,147,893</u></b>	<b><u>4.8%</u></b>
<b>Operating Loss</b>	<b><u>(90,890,544)</u></b>	<b><u>(105,509,859)</u></b>	<b><u>14,619,315</u></b>	<b><u>13.9%</u></b>
<b>Other Nonoperating Adjustments</b>				
State Appropriations	78,297,790	73,571,578	4,726,212	6.4%
Nonexchange Sponsored Programs	43,108	71,111	(28,003)	-39.4%
Gift Contributions for Operations	9,676,408	9,343,291	333,117	3.6%
Net Investment Income	28,678,484	28,492,617	185,867	0.7%
Interest Expense on Capital Asset Financings	(9,201,435)	(8,381,001)	(820,434)	-9.8%
<b>Net Other Nonoperating Adjustments</b>	<b><u>107,494,355</u></b>	<b><u>103,097,596</u></b>	<b><u>4,396,759</u></b>	<b><u>4.3%</u></b>
<b>Adjusted Income (Loss) including Depreciation</b>	<b>16,603,811</b>	<b>(2,412,263)</b>	<b>19,016,074</b>	<b>788.3%</b>
<b>Adjusted Margin (as a percentage) including Depreciation</b>	<b>2.5%</b>	<b>-0.4%</b>		
Investment Gains (Losses)	31,453,627	(149,172,066)	180,625,693	121.1%
<b>Adjusted Income (Loss) with Investment Gains (Losses)</b>	<b>\$ 48,057,438</b>	<b>\$ (151,584,329)</b>	<b>\$ 199,641,767</b>	<b>131.7%</b>
<b>Adjusted Margin % with Investment Gains (Losses)</b>	<b>6.9%</b>	<b>-32.4%</b>		
<b>Adjusted Income (Loss) excluding Depreciation</b>	<b>49,211,985</b>	<b>29,182,664</b>	<b>20,029,321</b>	<b>68.6%</b>
<b>Adjusted Margin (as a percentage) excluding Depreciation</b>	<b>7.4%</b>	<b>4.7%</b>		

**UNAUDITED**  
**The University of Texas Medical Branch at Galveston**  
**Comparison of Operating Results and Margin**  
**For the Five Months Ending January 31, 2010**

	January Year-to-Date <u>FY 2010</u>	January Year-to-Date <u>FY 2009</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
<b>Operating Revenues</b>				
Net Student Tuition and Fees	\$ 9,353,672	\$ 7,331,757	\$ 2,021,915	27.6%
Sponsored Programs	117,349,613	147,154,680	(29,805,067)	-20.3%
Net Sales and Services of Educational Activities	9,512,310	5,509,110	4,003,200	72.7%
Net Sales and Services of Hospitals	289,975,642	211,178,747	78,796,895	37.3%
Net Professional Fees	54,734,245	37,484,628	17,249,617	46.0%
Net Auxiliary Enterprises	2,354,752	1,827,591	527,161	28.8%
Other Operating Revenues	4,504,320	4,719,763	(215,443)	-4.6%
<b>Total Operating Revenues</b>	<b><u>487,784,554</u></b>	<b><u>415,206,276</u></b>	<b><u>72,578,278</u></b>	<b><u>17.5%</u></b>
<b>Operating Expenses</b>				
Salaries and Wages	327,508,347	336,266,276	(8,757,929)	-2.6%
Employee Benefits and Related Costs	78,056,008	79,254,189	(1,198,181)	-1.5%
Professional Fees and Contracted Services	16,531,129	79,283,786	(62,752,657)	-79.1%
Other Contracted Services	43,987,271	49,071,234	(5,083,963)	-10.4%
Scholarships and Fellowships	2,947,749	2,394,468	553,281	23.1%
Travel	2,461,083	2,202,644	258,439	11.7%
Materials and Supplies	75,621,832	52,878,229	22,743,603	43.0%
Utilities	10,987,917	11,502,596	(514,679)	-4.5%
Telecommunications	6,252,530	6,326,434	(73,904)	-1.2%
Repairs and Maintenance	20,085,279	16,130,671	3,954,608	24.5%
Rentals and Leases	9,705,327	7,630,706	2,074,621	27.2%
Printing and Reproduction	516,108	491,218	24,890	5.1%
Federal Sponsored Programs Pass-Thru	1,338,772	893,992	444,780	49.8%
Depreciation and Amortization	31,231,736	32,121,311	(889,575)	-2.8%
Other Operating Expenses	18,542,757	21,134,585	(2,591,828)	-12.3%
<b>Total Operating Expenses</b>	<b><u>645,773,845</u></b>	<b><u>697,582,339</u></b>	<b><u>(51,808,494)</u></b>	<b><u>-7.4%</u></b>
<b>Operating Loss</b>	<b><u>(157,989,291)</u></b>	<b><u>(282,376,063)</u></b>	<b><u>124,386,772</u></b>	<b><u>44.1%</u></b>
<b>Other Nonoperating Adjustments</b>				
State Appropriations	153,829,832	128,974,709	24,855,123	19.3%
Nonexchange Sponsored Programs	(1,183)	-	(1,183)	100.0%
Gift Contributions for Operations	5,241,952	6,040,183	(798,231)	-13.2%
Net Investment Income	12,913,157	13,793,277	(880,120)	-6.4%
Interest Expense on Capital Asset Financings	(2,755,523)	(2,413,415)	(342,108)	-14.2%
<b>Net Other Nonoperating Adjustments</b>	<b><u>169,228,235</u></b>	<b><u>146,394,754</u></b>	<b><u>22,833,481</u></b>	<b><u>15.6%</u></b>
<b>Adjusted Income (Loss) including Depreciation</b>	<b>11,238,944</b>	<b>(135,981,309)</b>	<b>147,220,253</b>	<b>108.3%</b>
<b>Adjusted Margin (as a percentage) including Depreciation</b>	<b>1.7%</b>	<b>-24.1%</b>		
Investment Gains (Losses)	6,002,318	(41,778,012)	47,780,330	114.4%
<b>Adjusted Income (Loss) with Investment Gains (Losses)</b>	<b>\$ 17,241,262</b>	<b>\$ (177,759,321)</b>	<b>\$ 195,000,583</b>	<b>109.7%</b>
<b>Adjusted Margin % with Investment Gains (Losses)</b>	<b>2.6%</b>	<b>-34.0%</b>		
<b>Adjusted Income (Loss) excluding Depreciation</b>	<b>42,470,680</b>	<b>(103,859,998)</b>	<b>146,330,678</b>	<b>140.9%</b>
<b>Adjusted Margin (as a percentage) excluding Depreciation</b>	<b>6.4%</b>	<b>-18.4%</b>		

**UNAUDITED**  
**The University of Texas Health Science Center at Houston**  
**Comparison of Operating Results and Margin**  
**For the Five Months Ending January 31, 2010**

	January Year-to-Date <u>FY 2010</u>	January Year-to-Date <u>FY 2009</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
<b>Operating Revenues</b>				
Net Student Tuition and Fees	\$ 13,515,693	\$ 12,972,075	\$ 543,618	4.2%
Sponsored Programs	143,051,616	132,702,092	10,349,524	7.8%
Net Sales and Services of Educational Activities	16,645,965	16,580,010	65,955	0.4%
Net Sales and Services of Hospitals	15,806,863	14,693,478	1,113,385	7.6%
Net Professional Fees	55,499,231	49,006,187	6,493,044	13.2%
Net Auxiliary Enterprises	9,106,908	9,384,540	(277,632)	-3.0%
Other Operating Revenues	19,745,577	17,592,422	2,153,155	12.2%
<b>Total Operating Revenues</b>	<b><u>273,371,853</u></b>	<b><u>252,930,804</u></b>	<b><u>20,441,049</u></b>	<b><u>8.1%</u></b>
<b>Operating Expenses</b>				
Salaries and Wages	180,804,105	159,937,390	20,866,715	13.0%
Employee Benefits and Related Costs	38,380,062	33,459,821	4,920,241	14.7%
Professional Fees and Contracted Services	33,114,987	33,987,024	(872,037)	-2.6%
Other Contracted Services	13,605,956	13,824,542	(218,586)	-1.6%
Scholarships and Fellowships	3,288,169	2,519,997	768,172	30.5%
Travel	2,755,878	2,538,557	217,321	8.6%
Materials and Supplies	22,188,427	22,310,332	(121,905)	-0.5%
Utilities	7,714,816	8,027,427	(312,611)	-3.9%
Telecommunications	1,445,708	1,246,157	199,551	16.0%
Repairs and Maintenance	2,424,626	3,679,123	(1,254,497)	-34.1%
Rentals and Leases	5,251,304	5,092,699	158,605	3.1%
Printing and Reproduction	1,657,799	1,657,694	105	0.0%
Bad Debt Expense	1,615	-	1,615	100.0%
Federal Sponsored Programs Pass-Thru	2,722,271	2,692,149	30,122	1.1%
Depreciation and Amortization	16,099,594	16,666,817	(567,223)	-3.4%
Other Operating Expenses	26,920,143	25,473,062	1,447,081	5.7%
<b>Total Operating Expenses</b>	<b><u>358,375,460</u></b>	<b><u>333,112,791</u></b>	<b><u>25,262,669</u></b>	<b><u>7.6%</u></b>
<b>Operating Loss</b>	<b><u>(85,003,607)</u></b>	<b><u>(80,181,987)</u></b>	<b><u>(4,821,620)</u></b>	<b><u>-6.0%</u></b>
<b>Other Nonoperating Adjustments</b>				
State Appropriations	75,778,674	69,768,814	6,009,860	8.6%
Nonexchange Sponsored Programs	164,227	191,562	(27,335)	-14.3%
Gift Contributions for Operations	6,922,138	8,305,636	(1,383,498)	-16.7%
Net Investment Income	8,620,262	6,428,912	2,191,350	34.1%
Interest Expense on Capital Asset Financings	(3,753,980)	(3,022,178)	(731,802)	-24.2%
<b>Net Other Nonoperating Adjustments</b>	<b><u>87,731,321</u></b>	<b><u>81,672,746</u></b>	<b><u>6,058,575</u></b>	<b><u>7.4%</u></b>
<b>Adjusted Income (Loss) including Depreciation</b>	<b>2,727,714</b>	<b>1,490,759</b>	<b>1,236,955</b>	<b>83.0%</b>
<b>Adjusted Margin (as a percentage) including Depreciation</b>	<b>0.7%</b>	<b>0.4%</b>		
Investment Gains (Losses)	12,748,921	(63,796,213)	76,545,134	120.0%
<b>Adjusted Income (Loss) with Investment Gains (Losses)</b>	<b>\$ 15,476,635</b>	<b>\$ (62,305,454)</b>	<b>\$ 77,782,089</b>	<b>124.8%</b>
<b>Adjusted Margin % with Investment Gains (Losses)</b>	<b>4.1%</b>	<b>-22.8%</b>		
<b>Adjusted Income (Loss) excluding Depreciation</b>	<b>18,827,308</b>	<b>18,157,576</b>	<b>669,732</b>	<b>3.7%</b>
<b>Adjusted Margin (as a percentage) excluding Depreciation</b>	<b>5.2%</b>	<b>5.4%</b>		

**UNAUDITED**  
**The University of Texas Health Science Center at San Antonio**  
**Comparison of Operating Results and Margin**  
**For the Five Months Ending January 31, 2010**

	January Year-to-Date <u>FY 2010</u>	January Year-to-Date <u>FY 2009</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
<b>Operating Revenues</b>				
Net Student Tuition and Fees	\$ 11,416,449	\$ 9,873,140	\$ 1,543,309	15.6%
Sponsored Programs	106,086,207	101,612,265	4,473,942	4.4%
Net Sales and Services of Educational Activities	17,239,521	18,212,511	(972,990)	-5.3%
Net Professional Fees	48,142,873	45,486,281	2,656,592	5.8%
Net Auxiliary Enterprises	2,189,238	1,651,696	537,542	32.5%
Other Operating Revenues	5,436,960	5,089,721	347,239	6.8%
<b>Total Operating Revenues</b>	<b><u>190,511,248</u></b>	<b><u>181,925,614</u></b>	<b><u>8,585,634</u></b>	<b><u>4.7%</u></b>
<b>Operating Expenses</b>				
Salaries and Wages	160,421,790	143,537,876	16,883,914	11.8%
Employee Benefits and Related Costs	38,058,156	35,354,551	2,703,605	7.6%
Professional Fees and Contracted Services	6,702,759	6,985,356	(282,597)	-4.0%
Other Contracted Services	9,012,495	8,265,164	747,331	9.0%
Scholarships and Fellowships	2,770,347	1,582,692	1,187,655	75.0%
Travel	2,116,845	2,228,815	(111,970)	-5.0%
Materials and Supplies	16,513,627	14,684,280	1,829,347	12.5%
Utilities	6,946,852	6,291,667	655,185	10.4%
Telecommunications	4,979,305	3,049,854	1,929,451	63.3%
Repairs and Maintenance	2,381,396	1,636,653	744,743	45.5%
Rentals and Leases	3,114,343	1,332,578	1,781,765	133.7%
Printing and Reproduction	851,984	792,565	59,419	7.5%
Federal Sponsored Programs Pass-Thrus	500,000	583,333	(83,333)	-14.3%
Depreciation and Amortization	13,333,333	13,046,427	286,906	2.2%
Other Operating Expenses	18,791,049	39,360,437	(20,569,388)	-52.3%
<b>Total Operating Expenses</b>	<b><u>286,494,281</u></b>	<b><u>278,732,248</u></b>	<b><u>7,762,033</u></b>	<b><u>2.8%</u></b>
<b>Operating Loss</b>	<b><u>(95,983,033)</u></b>	<b><u>(96,806,634)</u></b>	<b><u>823,601</u></b>	<b><u>0.9%</u></b>
<b>Other Nonoperating Adjustments</b>				
State Appropriations	79,741,639	71,536,138	8,205,501	11.5%
Nonexchange Sponsored Programs	380,000	338,333	41,667	12.3%
Gift Contributions for Operations	8,102,442	11,716,162	(3,613,720)	-30.8%
Net Investment Income	11,134,766	11,387,897	(253,131)	-2.2%
Interest Expense on Capital Asset Financings	(3,625,205)	(2,018,690)	(1,606,515)	-79.6%
<b>Net Other Nonoperating Adjustments</b>	<b><u>95,733,642</u></b>	<b><u>92,959,840</u></b>	<b><u>2,773,802</u></b>	<b><u>3.0%</u></b>
<b>Adjusted Income (Loss) including Depreciation</b>	<b>(249,391)</b>	<b>(3,846,794)</b>	<b>3,597,403</b>	<b>93.5%</b>
<b>Adjusted Margin (as a percentage) including Depreciation</b>	<b>-0.1%</b>	<b>-1.4%</b>		
Investment Gains (Losses)	10,748,380	(44,950,783)	55,699,163	123.9%
<b>Adjusted Income (Loss) with Investment Gains (Losses)</b>	<b>\$ 10,498,989</b>	<b>\$ (48,797,577)</b>	<b>\$ 59,296,566</b>	<b>121.5%</b>
<b>Adjusted Margin % with Investment Gains (Losses)</b>	<b>3.5%</b>	<b>-21.0%</b>		
<b>Adjusted Income (Loss) excluding Depreciation</b>	<b>13,083,942</b>	<b>9,199,633</b>	<b>3,884,309</b>	<b>42.2%</b>
<b>Adjusted Margin (as a percentage) excluding Depreciation</b>	<b>4.5%</b>	<b>3.3%</b>		

**UNAUDITED**  
**The University of Texas M. D. Anderson Cancer Center**  
**Comparison of Operating Results and Margin**  
**For the Five Months Ending January 31, 2010**

	<b>January Year-to-Date FY 2010</b>	<b>January Year-to-Date FY 2009</b>	<b>Variance</b>	<b>Fluctuation Percentage</b>
<b>Operating Revenues</b>				
Net Student Tuition and Fees	\$ 683,263	\$ 600,509	\$ 82,754	13.8%
Sponsored Programs	118,253,879	109,098,712	9,155,167	8.4%
Net Sales and Services of Educational Activities	685,448	830,721	(145,273)	-17.5%
Net Sales and Services of Hospitals	896,148,421	796,339,979	99,808,442	12.5%
Net Professional Fees	128,418,620	110,224,653	18,193,967	16.5%
Net Auxiliary Enterprises	12,631,376	11,816,767	814,609	6.9%
Other Operating Revenues	21,685,320	20,756,958	928,362	4.5%
<b>Total Operating Revenues</b>	<b>1,178,506,327</b>	<b>1,049,668,299</b>	<b>128,838,028</b>	<b>12.3%</b>
<b>Operating Expenses</b>				
Salaries and Wages	538,507,640	548,592,006	(10,084,366)	-1.8%
Employee Benefits and Related Costs	145,132,670	143,053,079	2,079,591	1.5%
Professional Fees and Contracted Services	37,543,230	48,370,479	(10,827,249)	-22.4%
Other Contracted Services	25,803,187	26,354,804	(551,617)	-2.1%
Travel	5,609,972	7,934,589	(2,324,617)	-29.3%
Materials and Supplies	219,553,209	195,246,145	24,307,064	12.4%
Utilities	19,515,241	23,967,716	(4,452,475)	-18.6%
Telecommunications	3,583,303	3,843,521	(260,218)	-6.8%
Repairs and Maintenance	27,731,538	26,973,759	757,779	2.8%
Rentals and Leases	17,886,712	15,627,631	2,259,081	14.5%
Federal Sponsored Programs Pass-Thrus	195,676	288,368	(92,692)	-32.1%
Depreciation and Amortization	97,411,785	93,685,112	3,726,673	4.0%
Other Operating Expenses	1,397,751	1,327,126	70,625	5.3%
<b>Total Operating Expenses</b>	<b>1,139,871,914</b>	<b>1,135,264,335</b>	<b>4,607,579</b>	<b>0.4%</b>
<b>Operating Loss</b>	<b>38,634,413</b>	<b>(85,596,036)</b>	<b>124,230,449</b>	<b>145.1%</b>
<b>Other Nonoperating Adjustments</b>				
State Appropriations	74,057,724	69,127,443	4,930,281	7.1%
Nonexchange Sponsored Programs	-	112,447	(112,447)	-100.0%
Gift Contributions for Operations	55,856,475	28,451,579	27,404,896	96.3%
Net Investment Income	25,454,258	16,543,972	8,910,286	53.9%
Interest Expense on Capital Asset Financings	(14,201,155)	(6,152,211)	(8,048,944)	-130.8%
<b>Net Other Nonoperating Adjustments</b>	<b>141,167,302</b>	<b>108,083,230</b>	<b>33,084,072</b>	<b>30.6%</b>
<b>Adjusted Income (Loss) including Depreciation</b>	<b>179,801,715</b>	<b>22,487,194</b>	<b>157,314,521</b>	<b>699.6%</b>
<b>Adjusted Margin (as a percentage) including Depreciation</b>	<b>13.5%</b>	<b>1.9%</b>		
Investment Gains (Losses)	46,679,980	(160,075,442)	206,755,422	129.2%
<b>Adjusted Income (Loss) with Investment Gains (Losses)</b>	<b>\$ 226,481,695</b>	<b>\$ (137,588,248)</b>	<b>\$ 364,069,943</b>	<b>264.6%</b>
<b>Adjusted Margin % with Investment Gains (Losses)</b>	<b>16.4%</b>	<b>-13.7%</b>		
<b>Adjusted Income (Loss) excluding Depreciation</b>	<b>277,213,500</b>	<b>116,172,306</b>	<b>161,041,194</b>	<b>138.6%</b>
<b>Adjusted Margin (as a percentage) excluding Depreciation</b>	<b>20.8%</b>	<b>10.0%</b>		

**UNAUDITED**  
**The University of Texas Health Science Center at Tyler**  
**Comparison of Operating Results and Margin**  
**For the Five Months Ending January 31, 2010**

	<b>January Year-to-Date FY 2010</b>	<b>January Year-to-Date FY 2009</b>	<b>Variance</b>	<b>Fluctuation Percentage</b>
<b>Operating Revenues</b>				
Sponsored Programs	\$ 6,046,497	\$ 5,223,725	\$ 822,772	15.8%
Net Sales and Services of Educational Activities	596,148	530,153	65,995	12.4%
Net Sales and Services of Hospitals	20,576,838	22,398,444	(1,821,606)	-8.1%
Net Professional Fees	3,966,569	5,111,524	(1,144,955)	-22.4%
Net Auxiliary Enterprises	91,020	93,091	(2,071)	-2.2%
Other Operating Revenues	746,838	406,150	340,688	83.9%
<b>Total Operating Revenues</b>	<b>32,023,910</b>	<b>33,763,087</b>	<b>(1,739,177)</b>	<b>-5.2%</b>
<b>Operating Expenses</b>				
Salaries and Wages	22,720,715	21,362,720	1,357,995	6.4%
Employee Benefits and Related Costs	6,208,184	6,096,596	111,588	1.8%
Professional Fees and Contracted Services	2,986,516	3,339,219	(352,703)	-10.6%
Other Contracted Services	3,982,626	4,838,251	(855,625)	-17.7%
Travel	160,899	175,621	(14,722)	-8.4%
Materials and Supplies	6,575,118	7,189,074	(613,956)	-8.5%
Utilities	1,647,947	1,280,980	366,967	28.6%
Telecommunications	505,128	479,295	25,833	5.4%
Repairs and Maintenance	1,580,109	1,791,993	(211,884)	-11.8%
Rentals and Leases	468,826	470,600	(1,774)	-0.4%
Printing and Reproduction	82,429	62,612	19,817	31.7%
Federal Sponsored Programs Pass-Thrus	79,464	39,542	39,922	101.0%
Depreciation and Amortization	2,986,600	3,142,156	(155,556)	-5.0%
Other Operating Expenses	838,294	805,210	33,084	4.1%
<b>Total Operating Expenses</b>	<b>50,822,855</b>	<b>51,073,869</b>	<b>(251,014)</b>	<b>-0.5%</b>
<b>Operating Loss</b>	<b>(18,798,945)</b>	<b>(17,310,782)</b>	<b>(1,488,163)</b>	<b>-8.6%</b>
<b>Other Nonoperating Adjustments</b>				
State Appropriations	17,758,373	17,151,835	606,538	3.5%
Gift Contributions for Operations	85,498	82,101	3,397	4.1%
Net Investment Income	1,626,117	1,643,346	(17,229)	-1.0%
Interest Expense on Capital Asset Financings	(247,985)	(215,162)	(32,823)	-15.3%
<b>Net Other Nonoperating Adjustments</b>	<b>19,222,003</b>	<b>18,662,120</b>	<b>559,883</b>	<b>3.0%</b>
<b>Adjusted Income (Loss) including Depreciation</b>	<b>423,058</b>	<b>1,351,338</b>	<b>(928,280)</b>	<b>-68.7%</b>
<b>Adjusted Margin (as a percentage) including Depreciation</b>	<b>0.8%</b>	<b>2.6%</b>		
Investment Gains (Losses)	948,877	(5,092,712)	6,041,589	118.6%
<b>Adjusted Income (Loss) with Investment Gains (Losses)</b>	<b>\$ 1,371,935</b>	<b>\$ (3,741,374)</b>	<b>\$ 5,113,309</b>	<b>136.7%</b>
<b>Adjusted Margin % with Investment Gains (Losses)</b>	<b>2.6%</b>	<b>-7.9%</b>		
<b>Adjusted Income (Loss) excluding Depreciation</b>	<b>3,409,658</b>	<b>4,493,494</b>	<b>(1,083,836)</b>	<b>-24.1%</b>
<b>Adjusted Margin (as a percentage) excluding Depreciation</b>	<b>6.6%</b>	<b>8.5%</b>		