

THE UNIVERSITY OF TEXAS SYSTEM OFFICE OF THE CONTROLLER

MONTHLY FINANCIAL REPORT *(unaudited)*

JUNE 2020



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TABLE OF CONTENTS

SYSTEMWIDE COMPARISON.....	1
YEAR-TO-DATE INCOME (LOSS) SUMMARY BY INSTITUTION.....	2
EXECUTIVE SUMMARY OF ADJUSTED INCOME (LOSS).....	3
U. T. SYSTEM ADMINISTRATION.....	4
U. T. SYSTEM ADMINISTRATION - DETAILED EXPENSE BREAK-OUT	5
U. T. ARLINGTON	6
U. T. AUSTIN	7
U. T. DALLAS.....	8
U. T. EL PASO	9
U. T. PERMIAN BASIN.....	10
U. T. RIO GRANDE VALLEY	11
U. T. SAN ANTONIO	12
U. T. TYLER.....	13
U. T. SOUTHWESTERN MEDICAL CENTER.....	14
U. T. MEDICAL BRANCH - GALVESTON.....	15
U. T. HEALTH SCIENCE CENTER - HOUSTON.....	16
U. T. HEALTH SCIENCE CENTER - SAN ANTONIO.....	17
U. T. M. D. ANDERSON CANCER CENTER	18
U. T. HEALTH SCIENCE CENTER - TYLER	19

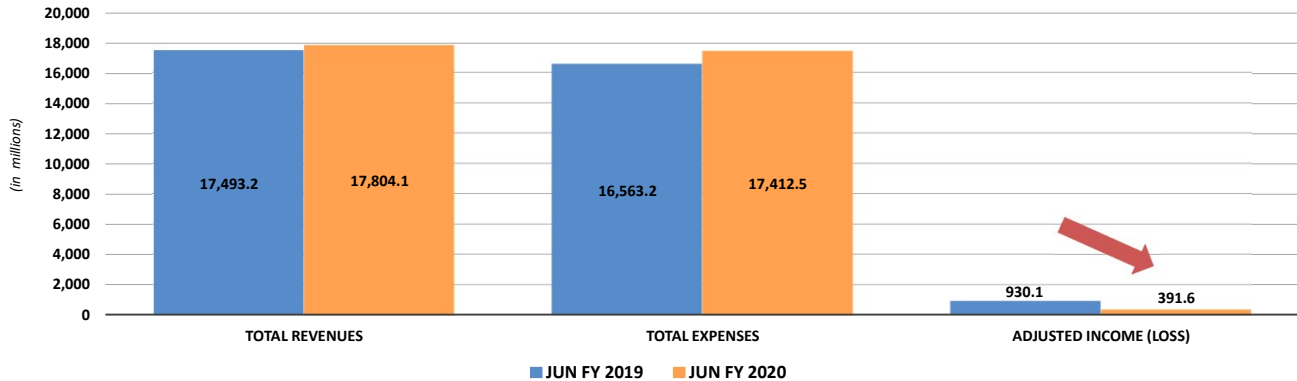
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Monthly Financial Report

Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending June 30, 2020

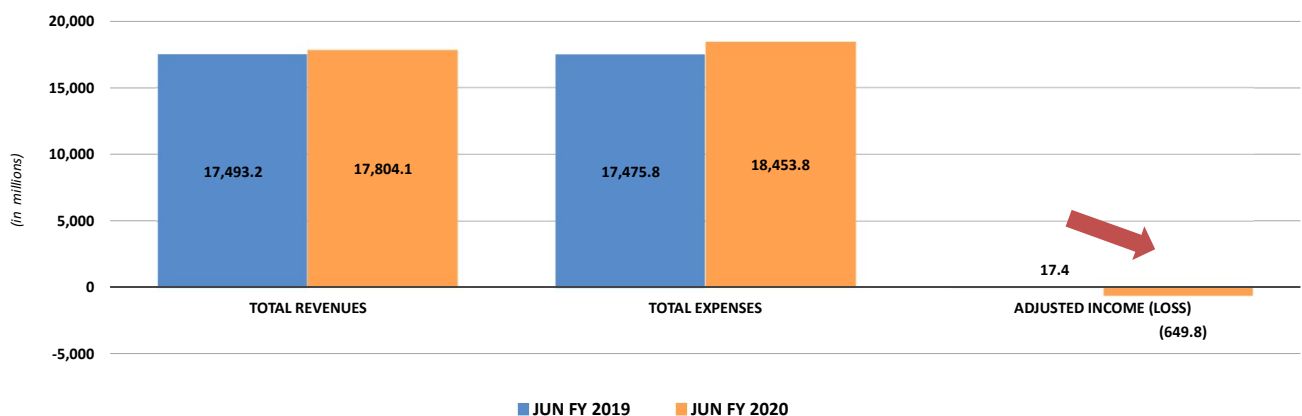
U. T. System Consolidated (Excluding OPEB & Pension Expense)



Excluding other postemployment benefits (OPEB) and pension expense, *U. T. System Consolidated* shows year-to-date adjusted income of \$391.6 million, a decrease of \$538.5 million (58%) from the prior year. The decrease was primarily due to the following: an increase in salaries and wages to support faculty and clinical services; a decrease in net investment income; a decrease in auxiliary, sales and services, and clinical revenues as a result of COVID-19; and an increase in materials and supplies required for hospital operations.

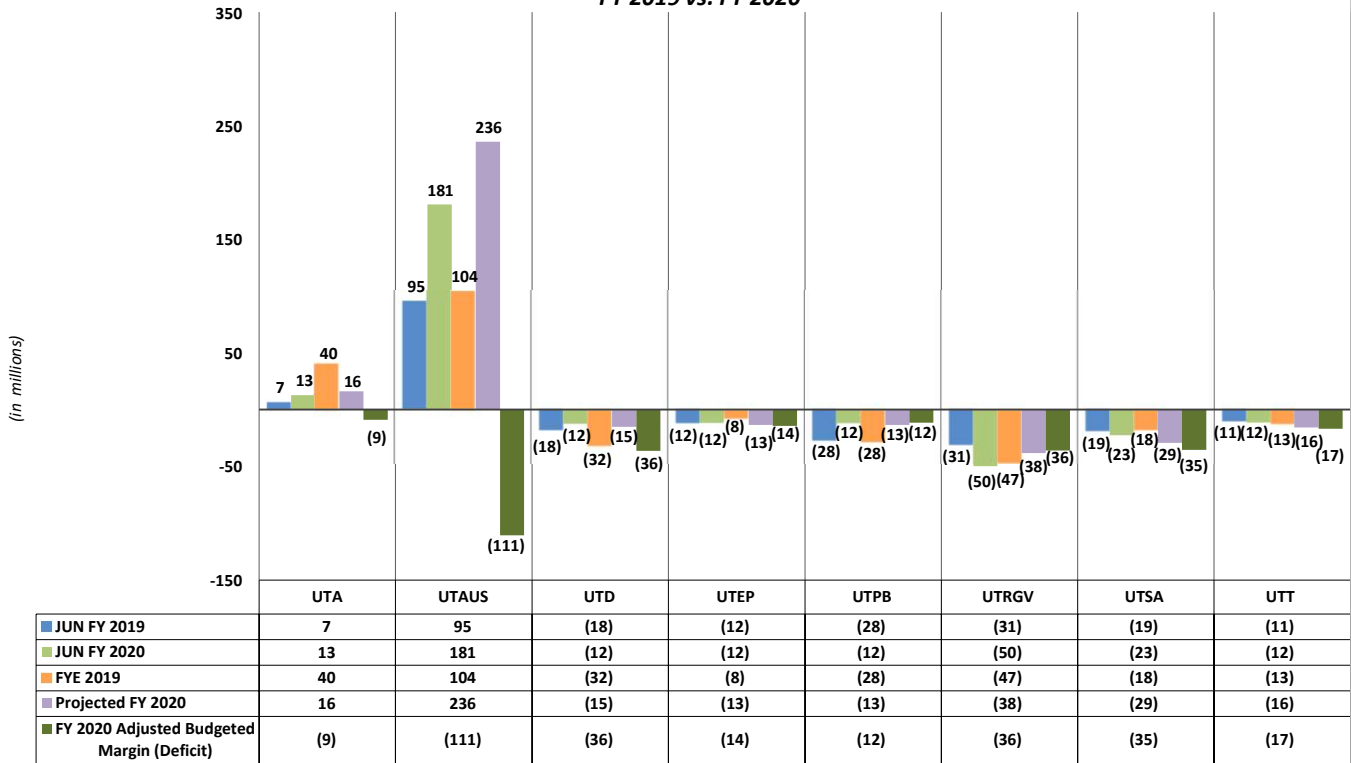
(in millions)	June YTD FY 2019	June YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 7,436.4	7,370.4	(65.9)	8,881.1
Sponsored Programs/Nonexchange Sponsored Programs	3,173.6	3,616.7	443.1	4,439.0
State Appropriations	1,759.4	1,871.7	112.2	2,236.9
Net Tuition and Fees	1,541.7	1,611.7	70.0	1,929.6
Auxiliary Revenues/Sales & Services of Educational Activities	1,157.1	1,005.0	(152.1)	1,055.6
Net Investment Income	1,677.6	1,335.5	(342.1)	1,578.8
Other Operating Revenues/Gift Contributions for Operations	747.4	993.0	245.6	1,301.9
Total Revenues	17,493.2	17,804.1	310.8	21,422.8
Salaries and Wages/Payroll Related Costs	9,851.0	10,605.2	754.2	12,303.1
Materials and Supplies/Cost of Goods Sold	2,127.1	2,268.9	141.9	2,666.0
Depreciation and Amortization	1,241.9	1,287.2	45.3	1,557.9
Other Contracted Services/Professional Fees & Services	1,210.8	1,202.8	(8.0)	1,454.8
All Other Operating Expenses	2,132.4	2,048.3	(84.1)	2,517.9
Total Expenses (Excluding OPEB & Pension Exp)	\$ 16,563.2	17,412.5	849.3	20,499.7
Adjusted Income (Loss) Excluding OPEB & Pension Exp	930.1	391.6	(538.5)	923.1
OPEB Expense	702.7	554.0	(148.7)	664.8
Pension Expense	210.0	487.4	277.4	584.8
Adjusted Income (Loss)	17.4	(649.8)	(667.2)	(326.5)
Adjusted Income (Loss) Excluding Depr & Amort Exp	1,259.3	637.4	(621.9)	1,231.4

U. T. System Consolidated (Including OPEB & Pension Expense)

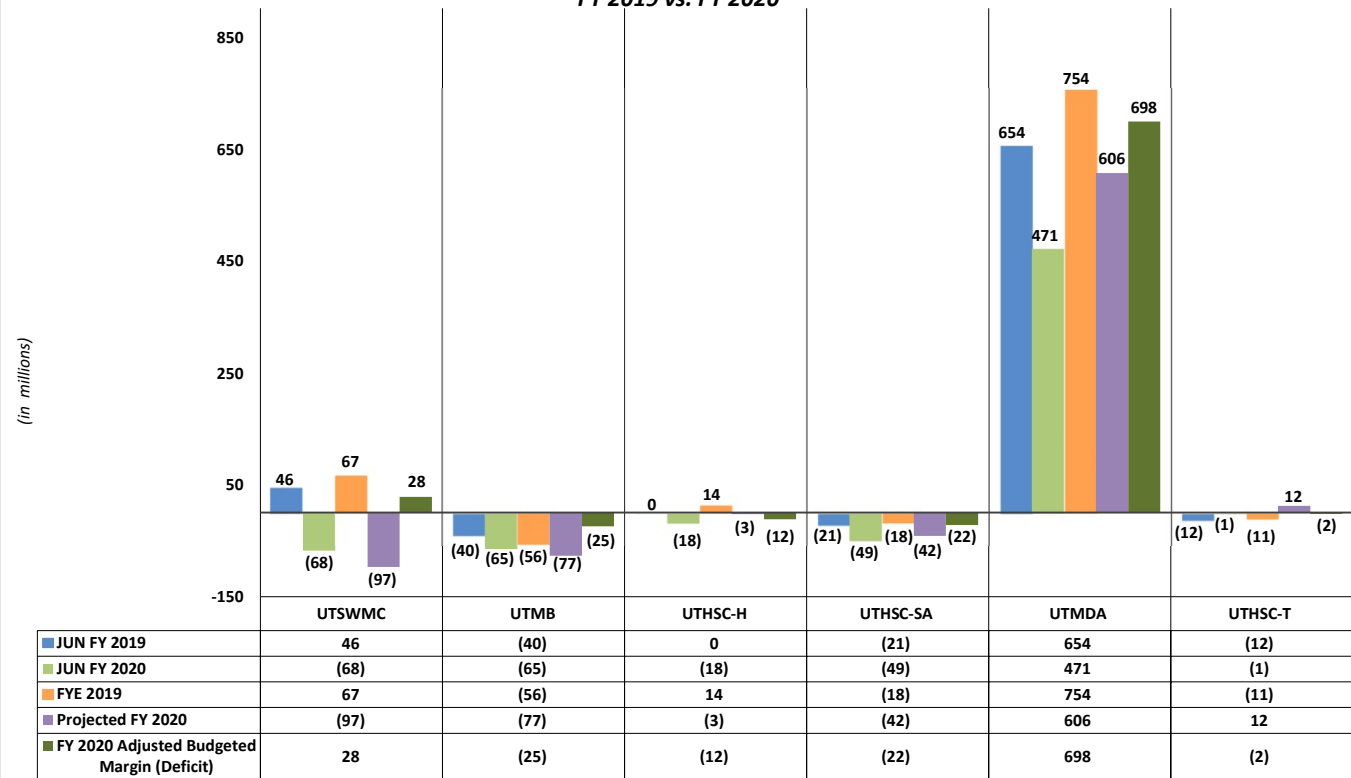


Monthly Financial Report
Comparison of Adjusted Income (Loss)
For the Period Ending June 30, 2020

U. T. Academic Institutions
FY 2019 vs. FY 2020



U. T. Health Institutions
FY 2019 vs. FY 2020



Monthly Financial Report
Comparison of Adjusted Income (Loss)
For the Period Ending June 30, 2020

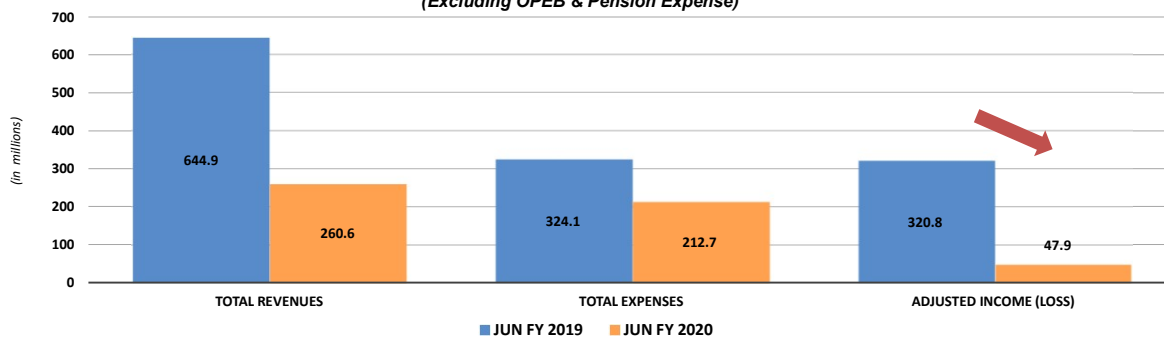
Executive Summary of Adjusted Income (Loss)

	June FYTD 2019 (millions)	June FYTD 2020 (millions)	Variance %	Comments
U. T. System Administration (excluding OPEB & Pension Expense)	\$ 320.8	47.9	-85%	Decrease in Net Investment Income Projected income of \$394.6 million for the FY
U. T. Arlington	6.5	12.7	95%	Increase in Net Tuition & Fees, State Appropriations Projected income of \$16.3 million for the FY
U. T. Austin	95.0	180.5	90%	Increase in Gifts for Operations, Available University Fund (AUF) transfer, Net Investment Income Projected income of \$235.8 million for the FY
U. T. Dallas	(18.4)	(12.5)	32%	Increase in State Appropriations, Gifts for Operations Projected loss of (\$15.0) million for the FY
U. T. El Paso	(12.3)	(11.9)	3%	Increase in Net Tuition & Fees, State Appropriations Projected loss of (\$13.3) million for the FY
U. T. Permian Basin	(27.7)	(12.0)	57%	Increase in Sponsored Programs, Nonexchange Sponsored Programs, Net Tuition & Fees, prior year understated Projected loss of (\$13.3) million for the FY
U. T. Rio Grande Valley	(31.5)	(49.8)	-58%	Increase in Scholarships, Salaries & Wages, Payroll Related, Depreciation & Amortization Projected loss of (\$38.3) million for the FY
U. T. San Antonio	(19.2)	(22.6)	-18%	Increase in Salaries & Wages, Payroll Related, Professional Fees & Services Decrease in Auxiliary and Sales & Services Revenues Projected loss of (\$29.2) million for the FY
U. T. Tyler	(10.6)	(11.5)	-9%	Increase in Salaries & Wages, Payroll Related Projected loss of (\$15.7) million for the FY
Southwestern	46.1	(67.6)	-247%	Increase in Salaries & Wages, Payroll Related, Materials & Supplies Clinical revenues negatively impacted by COVID-19 Projected loss of (\$96.8) million for the FY
UTMB	(40.0)	(65.0)	-63%	Increase in Salaries & Wages, Payroll Related, Materials & Supplies, Depreciation & Amortization June results negatively impacted by COVID-19 Projected loss of (\$76.5) million for the FY
UTHSC-Houston	0.3	(17.8)	-6,107%	Increase in Salaries & Wages, Payroll Related Decrease in DSRIP due to timing June results negatively impacted by COVID-19 Projected loss of (\$2.5) million for the FY
UTHSC-San Antonio	(21.0)	(48.9)	-132%	Increase in Salaries & Wages, Payroll Related, Materials & Supplies Decrease in DSRIP, Gifts for Operations June results negatively impacted by COVID-19 Projected loss of (\$41.6) million for the FY
M. D. Anderson	654.4	470.5	-28%	Increase in Salaries & Wages, Payroll Related Clinical revenues negatively impacted by COVID-19 Projected income of \$606.2 million for the FY
UTHSC-Tyler	(12.4)	(0.5)	96%	Increase in Clinical Revenues June results negatively impacted by COVID-19 Projected income of \$12.3 million for the FY
Total Adjusted Income (Loss)	\$ 930.1	391.6	-58%	

* For additional details on the variances, please see pages 4 through 19.

Monthly Financial Report
Comparison of Operating Results, Margin and Projected Year-End
For the Period Ending June 30, 2020

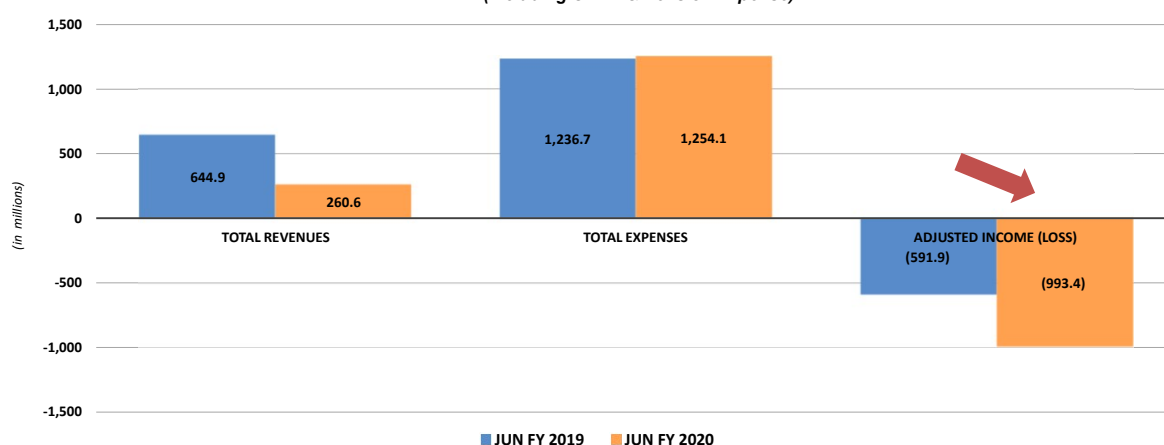
U. T. System Administration
(Excluding OPEB & Pension Expense)



Excluding OPEB and pension expense, *U. T. System Administration* reported year-to-date adjusted income of \$47.9 million, a decrease of \$272.8 million (85%) from the prior year. The decrease was primarily due to a decrease in net investment income as a result of a decrease in Permanent University Fund (PUF) oil and gas royalties, mineral lease bonus sales, PUF and LTF investment income, and Available University Fund (AUF) surface income, as well as increases in the Long Term Fund (LTF) distribution and PUF and LTF investment expenses. The most current projection, excluding OPEB and pension expense, reflects income of \$394.6 million for the year.

<i>(in millions)</i>	June YTD FY 2019	June YTD FY 2020	Variance	Annual Projected FY 2020
Sponsored Programs/Nonexchange Sponsored Programs	\$ 35.5	45.9	10.4	66.7
State Appropriations	2.8	3.1	0.3	3.7
Auxiliary Revenues/Sales & Services of Educational Activities	11.3	16.3	5.0	19.5
Net Investment Income/Available University Fund (AUF)	570.9	80.7	(490.2)	96.8
Other Operating Revenues/Gift Contributions for Operations	24.4	114.7	90.2	137.6
Total Revenues	644.9	260.6	(384.2)	324.3
Salaries and Wages/Payroll Related Costs	60.9	57.5	(3.3)	(251.5)
Materials and Supplies/Cost of Goods Sold	25.4	13.5	(12.0)	13.9
Depreciation and Amortization	21.0	14.0	(7.0)	16.7
Other Contracted Services/Professional Fees & Services	30.7	34.7	4.0	40.0
All Other Operating Expenses	186.0	92.9	(93.1)	110.6
Total Expenses (Excluding OPEB & Pension Exp)	\$ 324.1	212.7	(111.4)	(70.3)
Adjusted Income (Loss) Excluding OPEB & Pension Exp	320.8	47.9	(272.8)	394.6
OPEB Expense	702.7	554.0	(148.7)	664.8
Pension Expense	210.0	487.4	277.4	584.8
Adjusted Income (Loss)	(591.9)	(993.4)	(401.5)	(855.0)
Adjusted Income (Loss) Excluding Depr & Amort Exp	(570.8)	(979.4)	(408.5)	(838.3)

U. T. System Administration
(Including OPEB & Pension Expense)

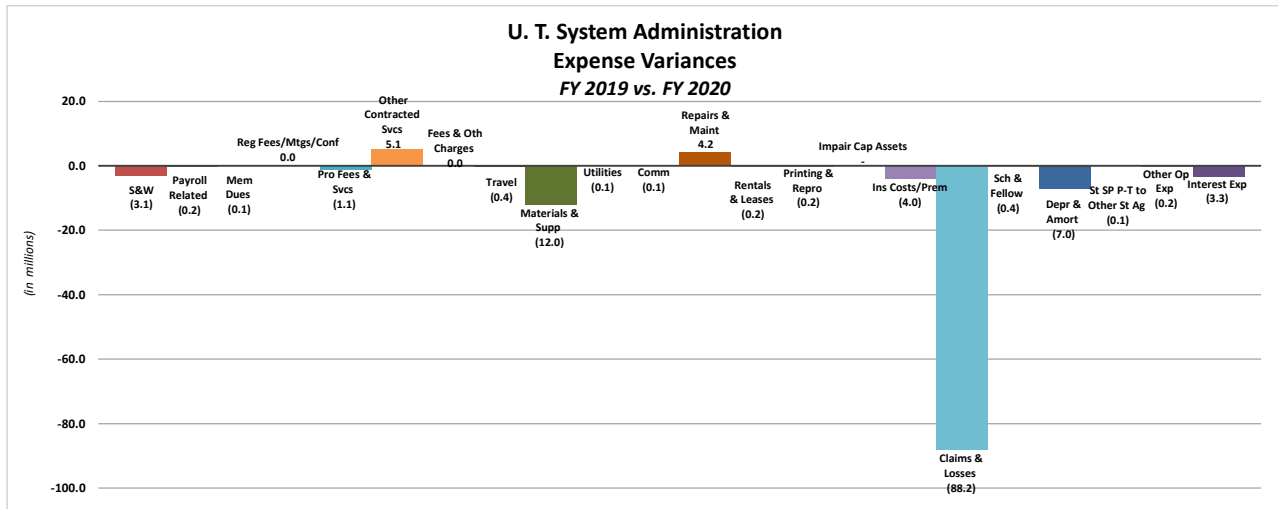


Monthly Financial Report

Detailed Expense Break-out for U. T. System Administration

For the Period Ending June 30, 2020

(in millions)	June YTD FY 2019	June YTD FY 2020	Actual Year-End FY 2019	Annual Projected FY 2020
Salaries and Wages	\$ 49.0	45.8	57.9	55.0
Payroll Related Costs	11.9	11.7	(306.4)	(306.5) *
Membership Dues	0.5	0.4	0.5	0.4
Registration Fees, Meetings, Conferences	0.3	0.4	0.4	0.4
Professional Fees and Services	11.1	10.0	15.4	12.0
Other Contracted Services	19.6	24.8	25.7	28.0
Fees and Other Charges	0.1	0.1	0.1	0.1
Travel	1.1	0.7	1.5	0.9
Materials and Supplies	25.4	13.5	11.4	13.9
Utilities	0.3	0.2	0.4	0.3
Communications	3.5	3.4	3.6	3.5
Repairs and Maintenance	3.1	7.3	5.8	8.8
Rentals and Leases	2.6	2.3	2.8	2.8
Printing and Reproduction	0.3	0.1	0.3	0.1
Impairment of Capital Assets	-	-	25.8	-
Insurance Costs/Premiums	25.3	21.2	10.5	25.4
Claims and Losses	114.5	26.3	65.5	31.6
Scholarships and Fellowships	1.0	0.7	1.5	0.8
Depreciation and Amortization	21.0	14.0	23.8	16.7
State Sponsored Program Pass-Through to Other State Agencies	3.6	3.5	4.4	3.8
Other Operating Expenses	1.3	1.1	1.7	1.4
Interest Expense	28.5	25.2	31.6	30.3
Total Expenses (Excluding OPEB & Pension Expense)	324.1	212.7	(16.0)	(70.3)
OPEB Expense	702.7	554.0	664.8	664.8
Pension Expense	210.0	487.4	584.8	584.8
Total Expenses (Including OPEB & Pension Expense)	\$ 1,236.7	1,254.1	1,233.7	1,179.3



Brief explanations for *U. T. System Administration's* largest expense variances are provided below:

***Payroll Related Costs** - the negative payroll related costs at year-end relate to the pension entry to defer pension contributions made after the measurement date for the entire System.

Materials and Supplies – decrease of \$12.0 million due to the timing of Microsoft Agreement revenue received and corresponding service department elimination, as well as Oracle Maintenance Agreement software licenses reclassified to repairs and maintenance. An increase in computer software expenses for Systemwide expenses partially offset the decrease.

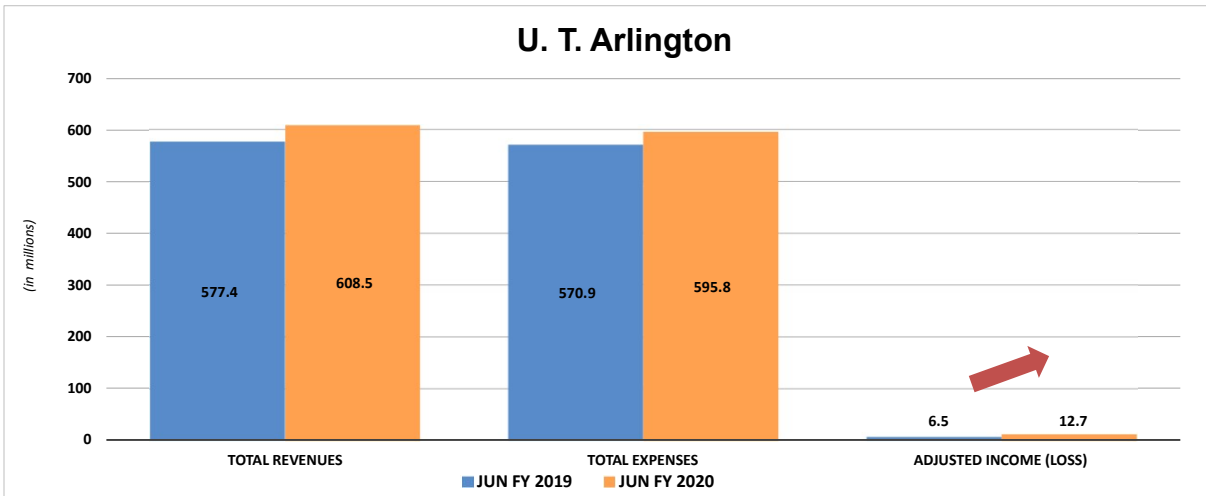
Claims and Losses – decrease of \$88.2 million as a result of the service department elimination.

Depreciation and Amortization – decrease of \$7.0 million due to PeopleSoft being fully depreciated in April 2019 and TEx 2.0 being written off in July 2019.

Monthly Financial Report

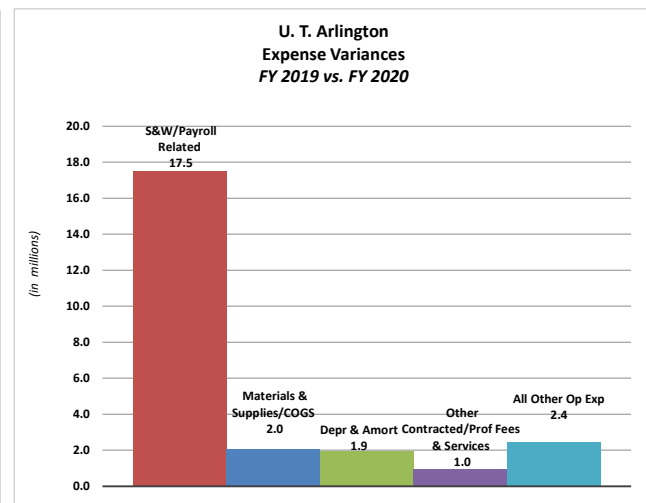
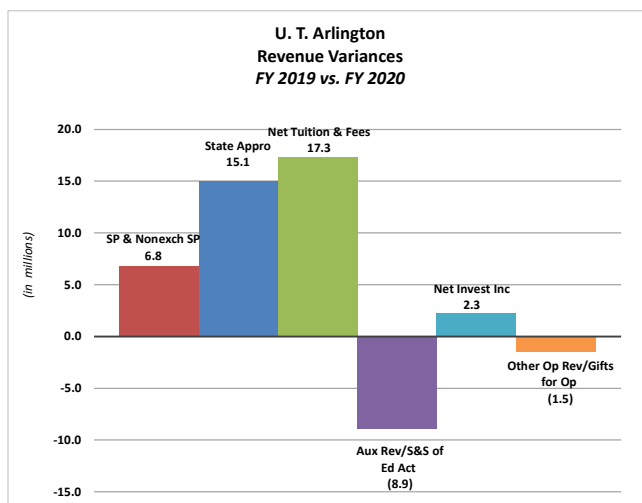
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending June 30, 2020



U. T. Arlington reported year-to-date adjusted income of \$12.7 million, an increase of \$6.2 million (95%) from the prior year. The increase was primarily attributable to the following: an increase in net student tuition and fees due to an increase tuition rates, as well as an increase in summer enrollment; and an increase in state appropriations as a result of additional General Revenue funds awarded by the state. *U. T. Arlington* estimated a total of \$8.0 million of nonmandatory student fees for housing, meal plans, and student parking would be refunded in 2020 due to COVID-19. For the period ending June 30, 2020, *U. T. Arlington* refunded \$6.7 million of those fees. The most current projection received from *U. T. Arlington* reflects income of \$16.3 million for the year.

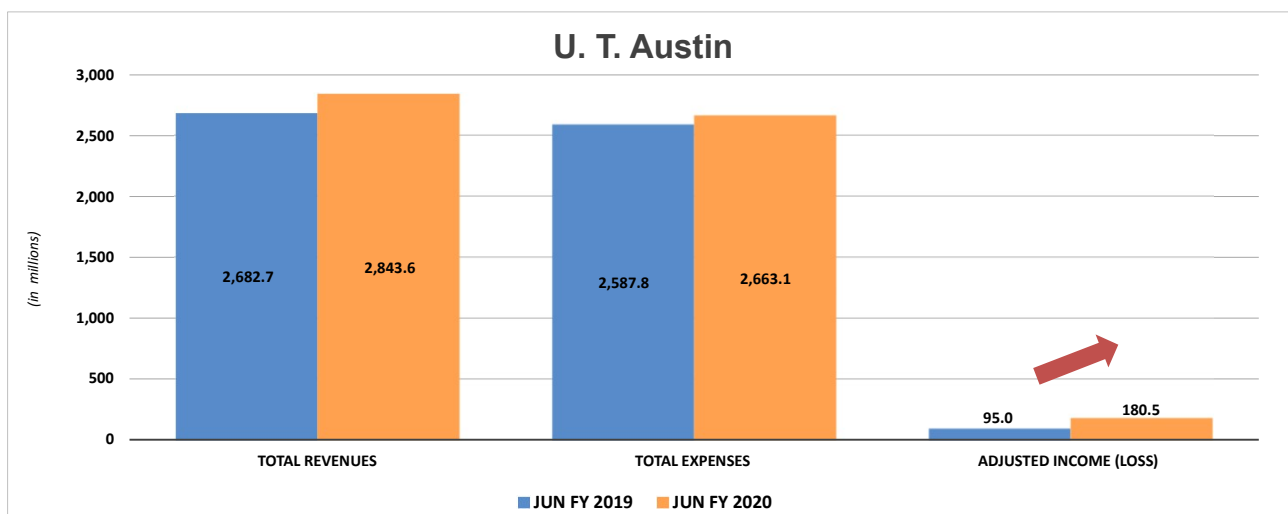
(in millions)	June YTD FY 2019	June YTD FY 2020	Variance	Annual Projected FY 2020
Sponsored Programs/Nonexchange Sponsored Programs	\$ 120.6	127.4	6.8	153.4
State Appropriations	99.9	115.0	15.1	136.8
Net Tuition and Fees	263.7	281.0	17.3	336.7
Auxiliary Revenues/Sales & Services of Educational Activities	60.1	51.2	(8.9)	74.7
Net Investment Income	19.2	21.5	2.3	24.2
Other Operating Revenues/Gift Contributions for Operations	14.0	12.5	(1.5)	16.4
Total Revenues	577.4	608.5	31.1	742.2
Salaries and Wages/Payroll Related Costs	319.5	337.1	17.5	402.7
Materials and Supplies/Cost of Goods Sold	27.6	29.7	2.0	35.6
Depreciation and Amortization	45.8	47.7	1.9	57.9
Other Contracted Services/Professional Fees & Services	73.0	74.0	1.0	93.1
All Other Operating Expenses	104.9	107.3	2.4	136.5
Total Expenses	\$ 570.9	595.8	24.9	725.9
Adjusted Income (Loss)	6.5	12.7	6.2	16.3
Adjusted Income (Loss) Excluding Depr & Amort Exp	52.3	60.4	8.1	74.2



Monthly Financial Report

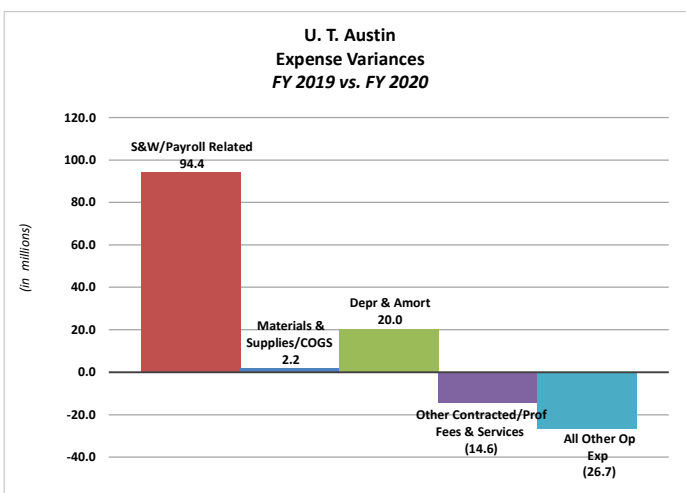
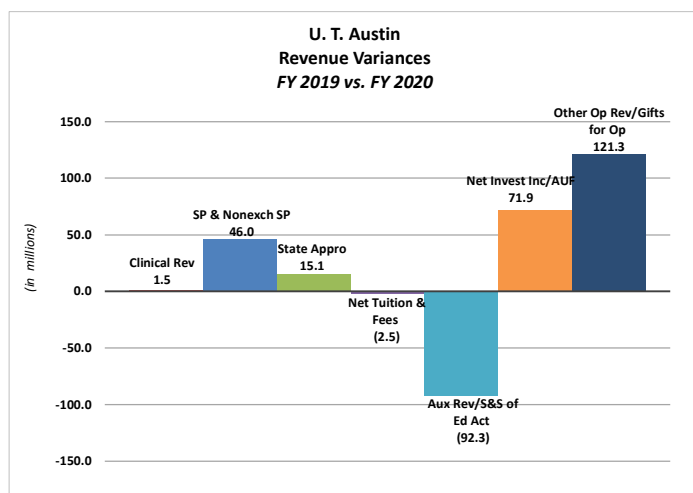
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending June 30, 2020



U. T. Austin reported year-to-date adjusted income of \$180.5 million, an increase of \$85.6 million (90%) from the prior year. The increase was primarily due to the following: an increase in gift contributions for operations as a result of a \$130 million gift from the Moody Foundation; an increase in the amount of the transfer from the Available University Fund; and an increase in net investment income. *U. T. Austin* estimated a total of \$26.1 million of nonmandatory student fees for housing, meal plans, and student parking would be refunded in 2020 due to COVID-19. For the period ending June 30, 2020, *U. T. Austin* refunded \$23.4 million of those fees. The most current projection received from *U. T. Austin* reflects income of \$235.8 million for the year.

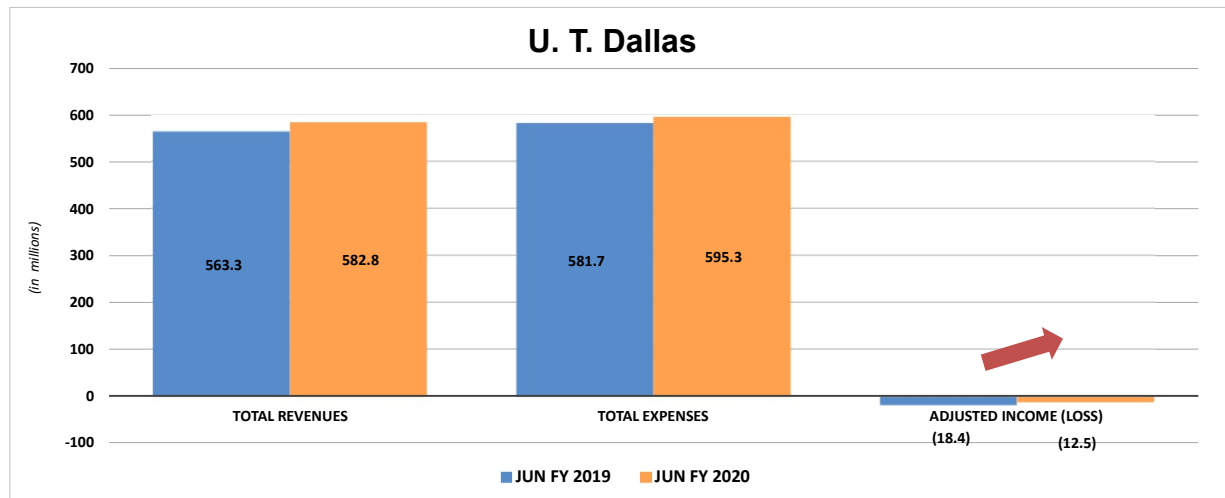
(in millions)	June YTD FY 2019	June YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 4.8	6.3	1.5	7.9
Sponsored Programs/Nonexchange Sponsored Programs	549.0	595.0	46.0	769.5
State Appropriations	280.4	295.5	15.1	354.6
Net Tuition and Fees	433.3	430.8	(2.5)	517.0
Auxiliary Revenues/Sales & Services of Educational Activities	692.3	600.0	(92.3)	566.2
Net Investment Income/Available University Fund (AUF)	563.6	635.4	71.9	757.8
Other Operating Revenues/Gift Contributions for Operations	159.2	280.5	121.3	320.5
Total Revenues	2,682.7	2,843.6	160.9	3,293.5
Salaries and Wages/Payroll Related Costs	1,488.6	1,583.0	94.4	1,799.2
Materials and Supplies/Cost of Goods Sold	140.3	142.5	2.2	139.0
Depreciation and Amortization	261.7	281.7	20.0	338.0
Other Contracted Services/Professional Fees & Services	172.0	157.5	(14.6)	195.9
All Other Operating Expenses	525.1	498.4	(26.7)	585.6
Total Expenses	\$ 2,587.8	2,663.1	75.3	3,057.7
Adjusted Income (Loss)	95.0	180.5	85.6	235.8
Adjusted Income (Loss) Excluding Depr & Amort Exp	356.6	462.2	105.6	573.8



Monthly Financial Report

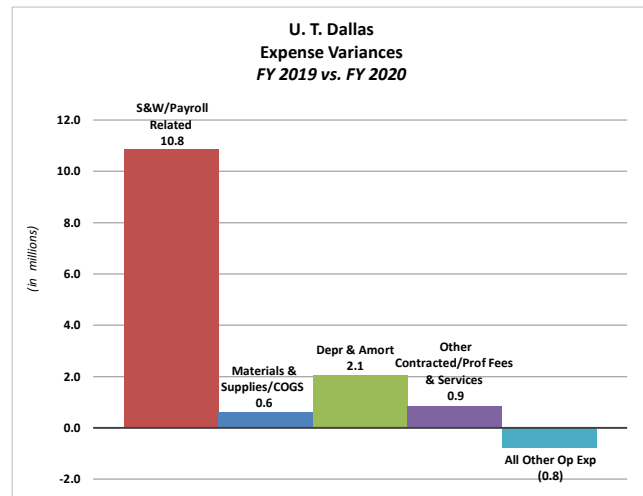
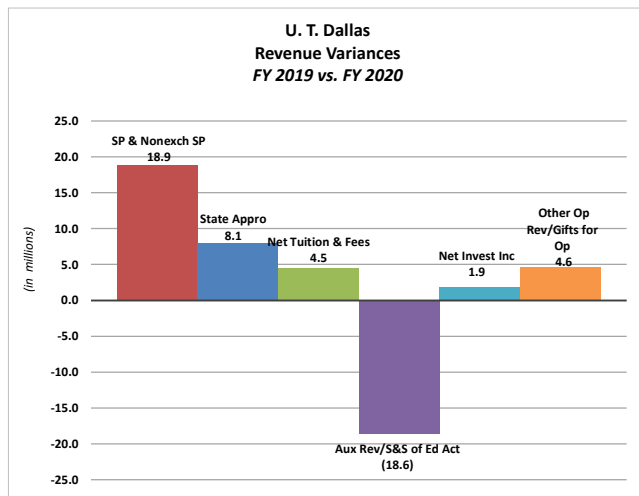
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending June 30, 2020



U. T. Dallas incurred a year-to-date adjusted loss of \$12.5 million, a decrease in adjusted loss of \$5.9 million (32%) from the prior year. The decrease was primarily attributable to the following: an increase in state appropriations due to additional General Revenue funds awarded by the state; and an increase in gift contributions for operations. *U. T. Dallas* estimated a total of \$8.5 million of nonmandatory student fees for housing, meal plans, and student parking would be refunded in 2020 as a result of COVID-19. For the period ending June 30, 2020, *U. T. Dallas* refunded \$7.6 million of those fees. The most current projection received from *U. T. Dallas* reflects a loss of \$15.0 million for the year.

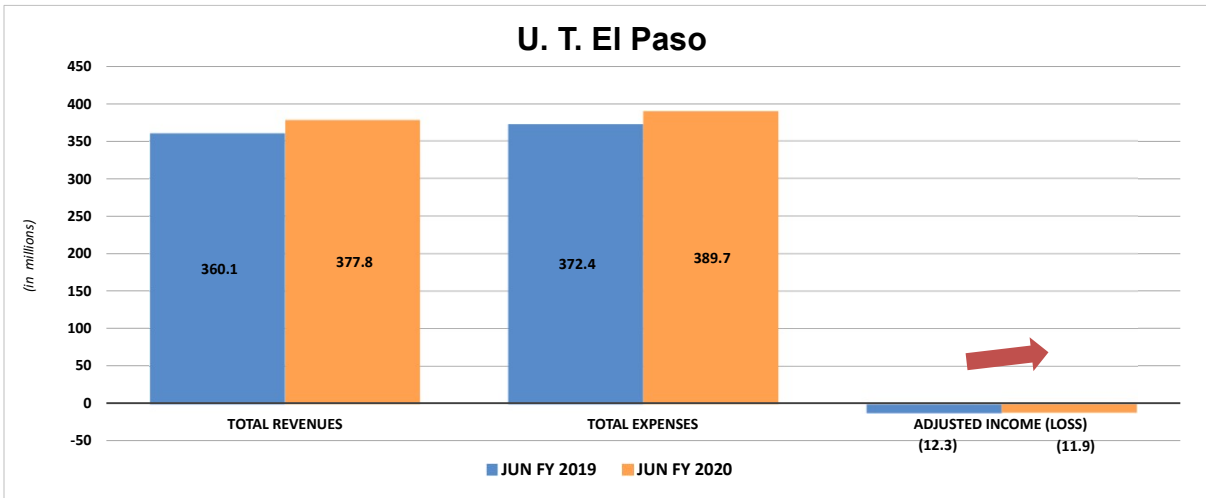
(in millions)	June YTD FY 2019	June YTD FY 2020	Variance	Annual Projected FY 2020
Sponsored Programs/Nonexchange Sponsored Programs	\$ 90.0	108.9	18.9	130.7
State Appropriations	95.3	103.4	8.1	124.1
Net Tuition and Fees	256.4	260.9	4.5	313.1
Auxiliary Revenues/Sales & Services of Educational Activities	81.3	62.7	(18.6)	75.2
Net Investment Income	26.6	28.5	1.9	34.3
Other Operating Revenues/Gift Contributions for Operations	13.8	18.4	4.6	22.1
Total Revenues	563.3	582.8	19.5	699.4
Salaries and Wages/Payroll Related Costs	333.0	343.9	10.8	412.6
Materials and Supplies/Cost of Goods Sold	26.8	27.4	0.6	32.8
Depreciation and Amortization	68.3	70.4	2.1	84.4
Other Contracted Services/Professional Fees & Services	28.8	29.7	0.9	35.6
All Other Operating Expenses	124.8	124.0	(0.8)	148.8
Total Expenses	\$ 581.7	595.3	13.5	714.3
Adjusted Income (Loss)	(18.4)	(12.5)	5.9	(15.0)
Adjusted Income (Loss) Excluding Depr & Amort Exp	49.9	57.9	8.0	69.5



Monthly Financial Report

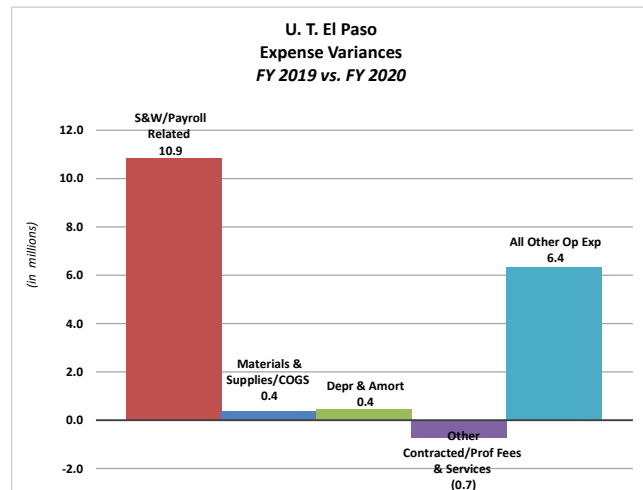
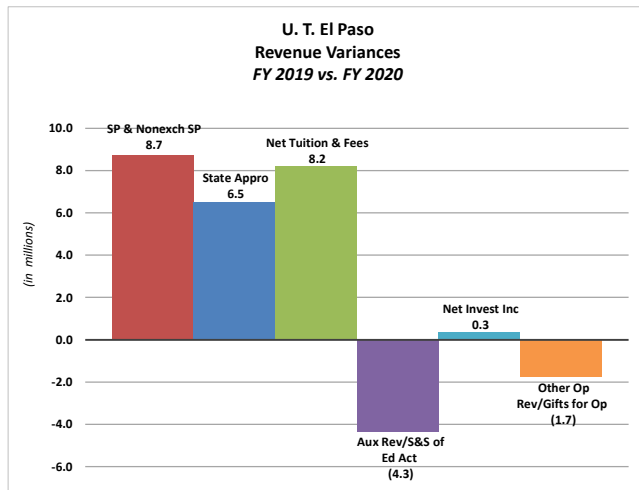
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending June 30, 2020



U. T. El Paso incurred a year-to-date adjusted loss of \$11.9 million, a decrease in adjusted loss of \$0.4 million (3%) from the prior year. The decrease was primarily due to the following: an increase in net student tuition and fees attributable to an increase in designated tuition; and an increase in state appropriations due to additional General Revenue funds awarded by the state. *U. T. El Paso* estimated a total of \$1.3 million of nonmandatory student fees for housing, meal plans, and student parking would be refunded in 2020 due to COVID-19. For the period ending June 30, 2020, *U. T. El Paso* refunded \$0.8 million of those fees. The most current projection received from *U. T. El Paso* reflects a loss of \$13.3 million for the year.

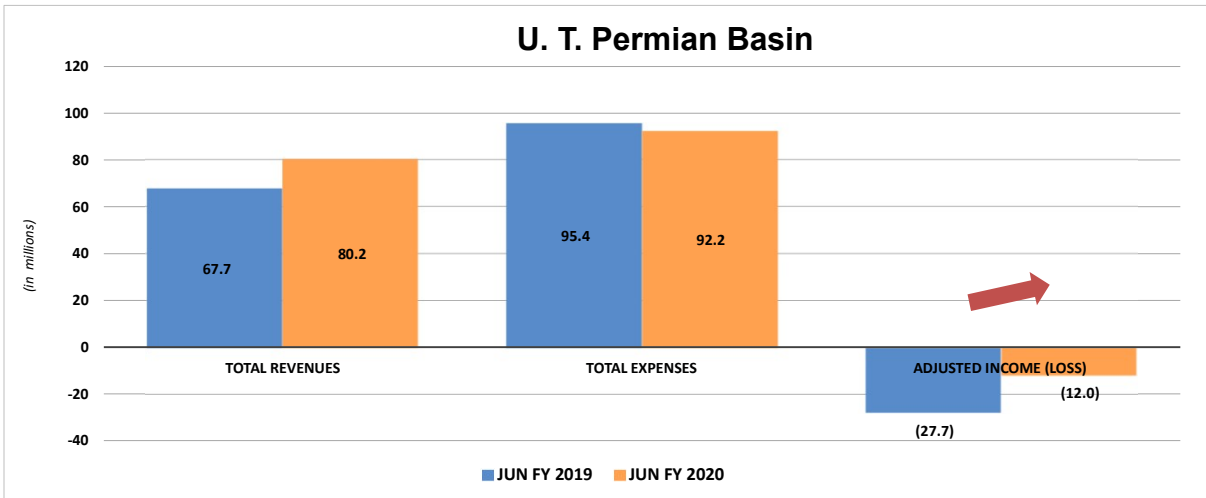
(in millions)	June YTD FY 2019	June YTD FY 2020	Variance	Annual Projected FY 2020
Sponsored Programs/Nonexchange Sponsored Programs	\$ 105.7	114.5	8.7	158.3
State Appropriations	81.1	87.6	6.5	102.5
Net Tuition and Fees	117.2	125.4	8.2	147.1
Auxiliary Revenues/Sales & Services of Educational Activities	37.7	33.4	(4.3)	38.1
Net Investment Income	13.6	13.9	0.3	16.6
Other Operating Revenues/Gift Contributions for Operations	4.8	3.1	(1.7)	4.8
Total Revenues	360.1	377.8	17.7	467.5
Salaries and Wages/Payroll Related Costs	213.9	224.7	10.9	260.2
Materials and Supplies/Cost of Goods Sold	15.4	15.8	0.4	22.7
Depreciation and Amortization	25.0	25.4	0.4	32.2
Other Contracted Services/Professional Fees & Services	26.6	25.8	(0.7)	33.4
All Other Operating Expenses	91.6	97.9	6.4	132.3
Total Expenses	\$ 372.4	389.7	17.3	480.7
Adjusted Income (Loss)	(12.3)	(11.9)	0.4	(13.3)
Adjusted Income (Loss) Excluding Depr & Amort Exp	12.7	13.5	0.9	18.9



Monthly Financial Report

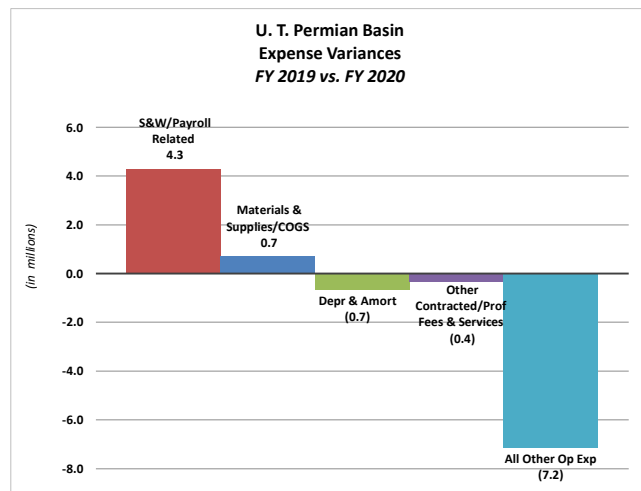
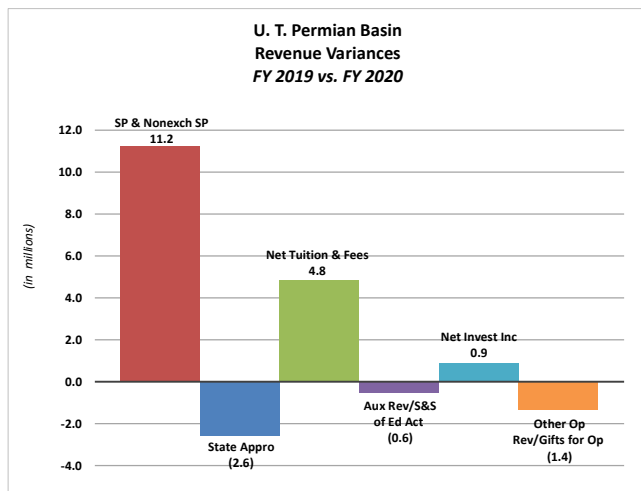
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending June 30, 2020



U. T. Permian Basin incurred a year-to-date adjusted loss of \$12.0 million, a decrease in adjusted loss of \$15.7 million (57%) from the prior year. The decrease was primarily attributable to the following: an increase in sponsored programs and nonexchange sponsored programs due to continued efforts to process grant billings and Pell financial aid drawdowns on a timely basis as compared to the prior; and an increase in net student tuition and fees as a result of the understatement of prior year revenue. *U. T. Permian Basin* estimated a total of \$1.2 million of nonmandatory student fees for housing, meal plans, and student parking would be refunded in 2020 as a result of COVID-19. For the period ending June 30, 2020, *U. T. Permian Basin* refunded \$1.1 million of those fees. The most current projection received from *U. T. Permian Basin* reflects a loss of \$13.3 million for the year.

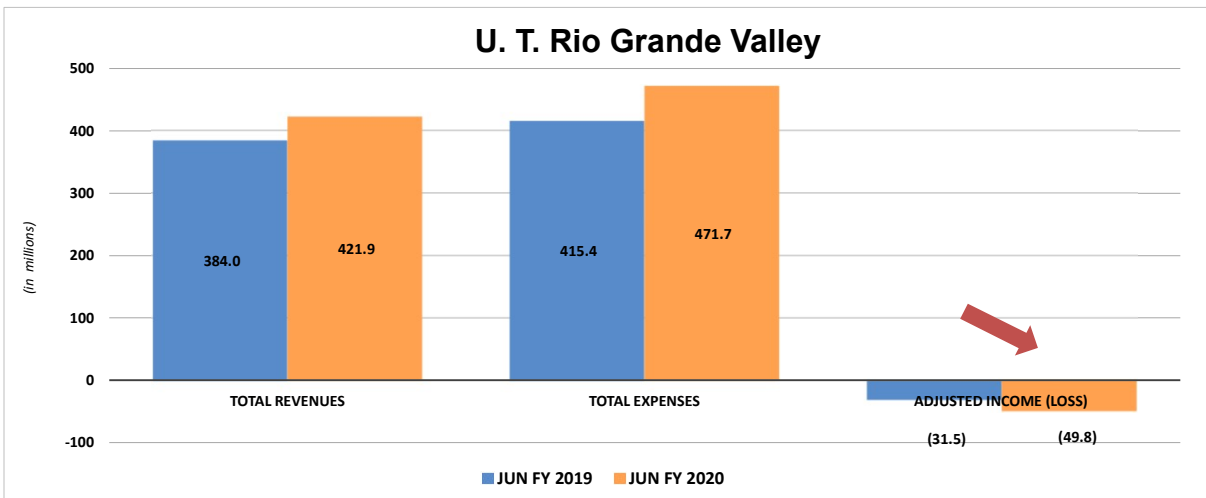
(in millions)	June YTD FY 2019	June YTD FY 2020	Variance	Annual Projected FY 2020
Sponsored Programs/Nonexchange Sponsored Programs	\$ 15.5	26.7	11.2	32.1
State Appropriations	20.8	18.3	(2.6)	21.9
Net Tuition and Fees	18.5	23.3	4.8	27.4
Auxiliary Revenues/Sales & Services of Educational Activities	5.3	4.7	(0.6)	5.6
Net Investment Income	1.4	2.3	0.9	2.5
Other Operating Revenues/Gift Contributions for Operations	6.2	4.9	(1.4)	5.8
Total Revenues	67.7	80.2	12.5	95.3
Salaries and Wages/Payroll Related Costs	41.4	45.7	4.3	54.0
Materials and Supplies/Cost of Goods Sold	4.5	5.3	0.7	5.8
Depreciation and Amortization	16.1	15.4	(0.7)	18.5
Other Contracted Services/Professional Fees & Services	10.1	9.8	(0.4)	11.5
All Other Operating Expenses	23.2	16.0	(7.2)	18.8
Total Expenses	\$ 95.4	92.2	(3.2)	108.6
Adjusted Income (Loss)	(27.7)	(12.0)	15.7	(13.3)
Adjusted Income (Loss) Excluding Depr & Amort Exp	(11.6)	3.4	15.0	5.3



Monthly Financial Report

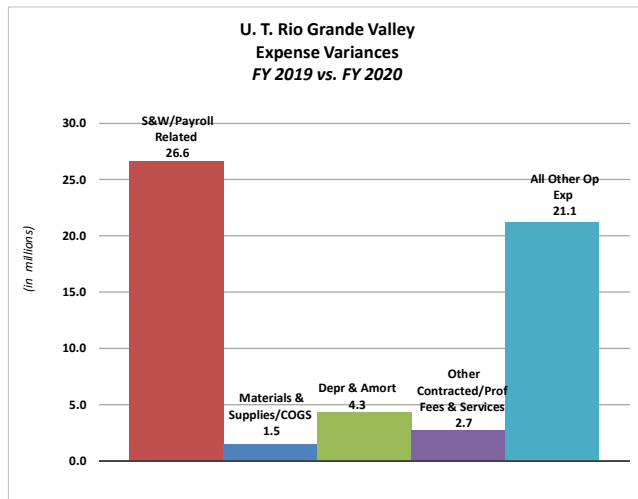
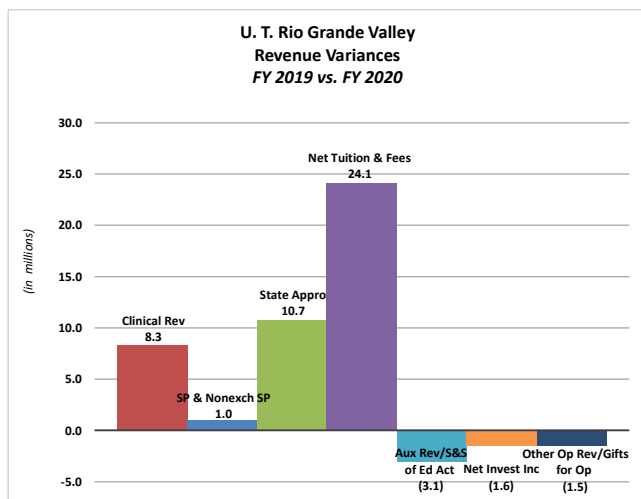
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending June 30, 2020



U. T. Rio Grande Valley incurred a year-to-date adjusted loss of \$49.8 million, an increase in adjusted loss of \$18.3 million (58%) from the prior year. The increase was primarily due to the following: an increase in scholarships and fellowships as a result of additional CARES Act and COVID-19 related institutionally funded scholarships, as well as increased enrollment; an increase in salaries and wages and payroll related costs due to increases in staff and faculty positions; and an increase in depreciation and amortization expense attributable to new buildings placed into service. *U. T. Rio Grande Valley* estimated a total of \$1.7 million of nonmandatory student fees for housing, meal plans, and student parking would be refunded in 2020 as a result of COVID-19. For the period ending June 30, 2020, *U. T. Rio Grande Valley* refunded \$1.6 million of those fees. The most current projection received from *U. T. Rio Grande Valley* reflects a loss of \$38.3 million for the year.

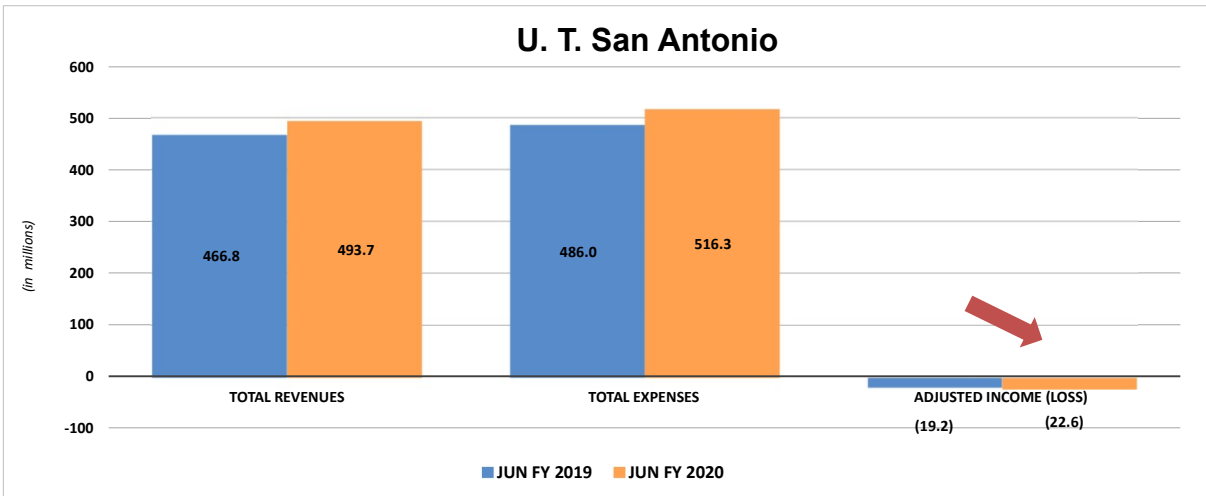
(in millions)	June YTD FY 2019	June YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 3.1	11.5	8.3	15.3
Sponsored Programs/Nonexchange Sponsored Programs	151.3	152.3	1.0	234.5
State Appropriations	111.9	122.6	10.7	140.2
Net Tuition and Fees	82.0	106.1	24.1	127.3
Auxiliary Revenues/Sales & Services of Educational Activities	15.0	11.9	(3.1)	13.0
Net Investment Income	8.8	7.2	(1.6)	8.5
Other Operating Revenues/Gift Contributions for Operations	11.9	10.4	(1.5)	21.7
Total Revenues	384.0	421.9	38.0	560.4
Salaries and Wages/Payroll Related Costs	277.5	304.1	26.6	359.8
Materials and Supplies/Cost of Goods Sold	16.1	17.6	1.5	21.3
Depreciation and Amortization	38.0	42.4	4.3	52.3
Other Contracted Services/Professional Fees & Services	13.5	16.2	2.7	20.6
All Other Operating Expenses	70.3	91.4	21.1	144.7
Total Expenses	415.4	471.7	56.3	598.7
Adjusted Income (Loss)	(31.5)	(49.8)	(18.3)	(38.3)
Adjusted Income (Loss) Excluding Depr & Amort Exp	6.6	(7.4)	(14.0)	14.0



Monthly Financial Report

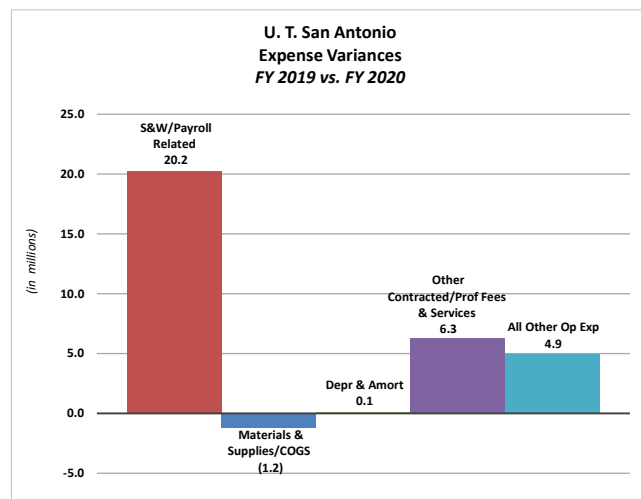
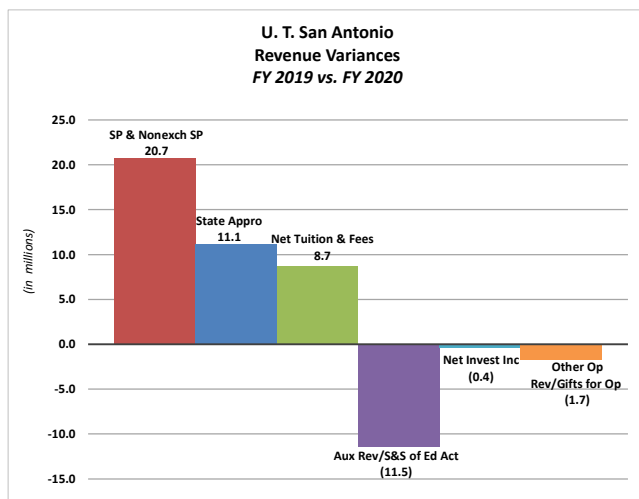
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending June 30, 2020



U. T. San Antonio incurred a year-to-date adjusted loss of \$22.6 million, an increase in adjusted loss of \$3.4 million (18%) from the prior year. The increase was primarily attributable to the following: an increase in salaries and wages and payroll related costs due to merit increases and increases in faculty positions; a decrease in auxiliary and sales and services revenues as a result of COVID-19; and an increase in professional fees and services attributable to various strategic initiatives. *U. T. San Antonio* estimated a total of \$10.0 million of nonmandatory student fees for housing, meal plans, and student parking would be refunded in 2020 as a result of COVID-19. For the period ending June 30, 2020, *U. T. San Antonio* refunded \$9.4 million of those fees. The most current projection received from *U. T. San Antonio* reflects a loss of \$29.2 million for the year.

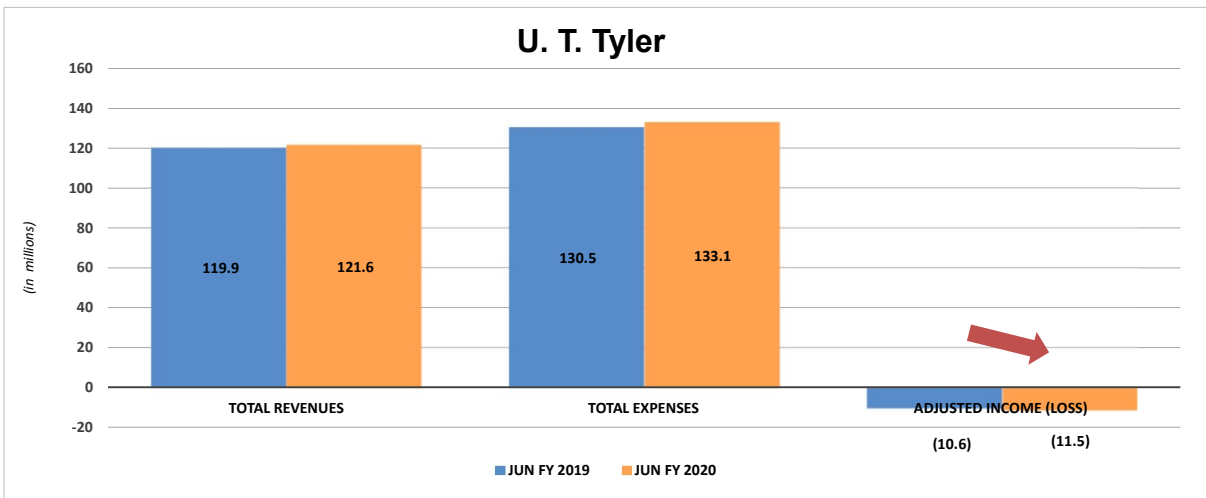
(in millions)	June YTD FY 2019	June YTD FY 2020	Variance	Annual Projected FY 2020
Sponsored Programs/Nonexchange Sponsored Programs	\$ 117.0	137.7	20.7	165.2
State Appropriations	97.0	108.2	11.1	129.8
Net Tuition and Fees	174.2	182.9	8.7	219.4
Auxiliary Revenues/Sales & Services of Educational Activities	51.0	39.5	(11.5)	47.4
Net Investment Income	18.7	18.3	(0.4)	21.9
Other Operating Revenues/Gift Contributions for Operations	8.9	7.2	(1.7)	9.5
Total Revenues	466.8	493.7	26.9	593.3
Salaries and Wages/Payroll Related Costs	276.8	297.1	20.2	356.5
Materials and Supplies/Cost of Goods Sold	24.3	23.2	(1.2)	27.8
Depreciation and Amortization	41.5	41.6	0.1	49.9
Other Contracted Services/Professional Fees & Services	26.5	32.8	6.3	40.9
All Other Operating Expenses	116.8	121.7	4.9	147.4
Total Expenses	\$ 486.0	516.3	30.3	622.5
Adjusted Income (Loss)	(19.2)	(22.6)	(3.4)	(29.2)
Adjusted Income (Loss) Excluding Depr & Amort Exp	22.3	18.9	(3.3)	20.7



Monthly Financial Report

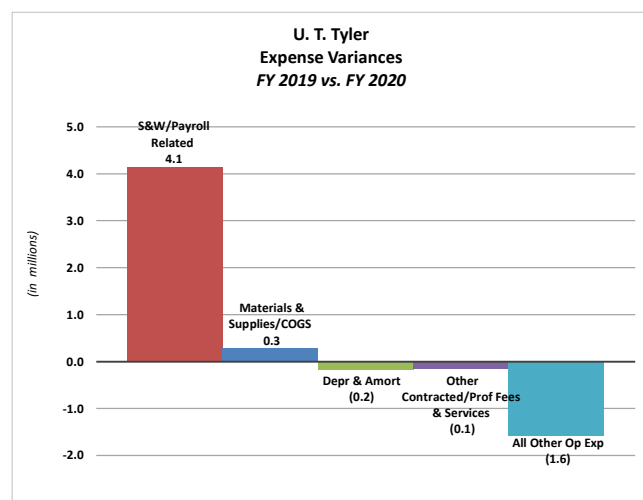
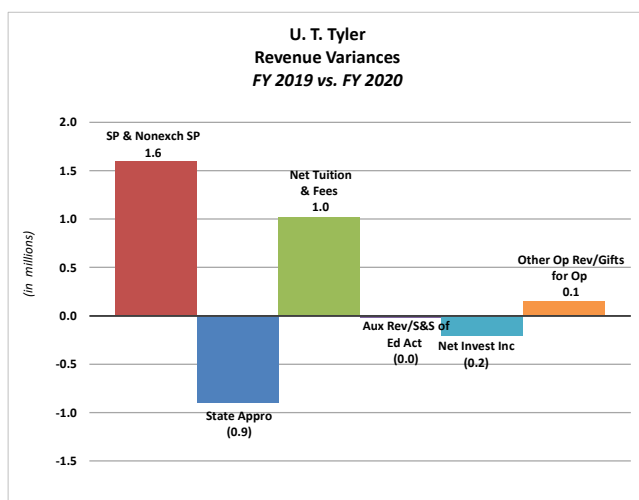
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending June 30, 2020



U. T. Tyler incurred a year-to-date adjusted loss of \$11.5 million, an increase in adjusted loss of \$0.9 million (9%) from the prior year. The increase was primarily due to an increase in salaries and wages and payroll related costs as a result of increased faculty levels due to new and growing academic programs such as Pharmacy. *U. T. Tyler* estimated a total of \$3.0 million of nonmandatory student fees for housing, meal plans, and student parking would be refunded in 2020 as a result of COVID-19. For the period ending June 30, 2020, *U. T. Tyler* refunded \$1.7 million of those fees. The most current projection received from *U. T. Tyler* reflects a loss of \$15.7 million for the year.

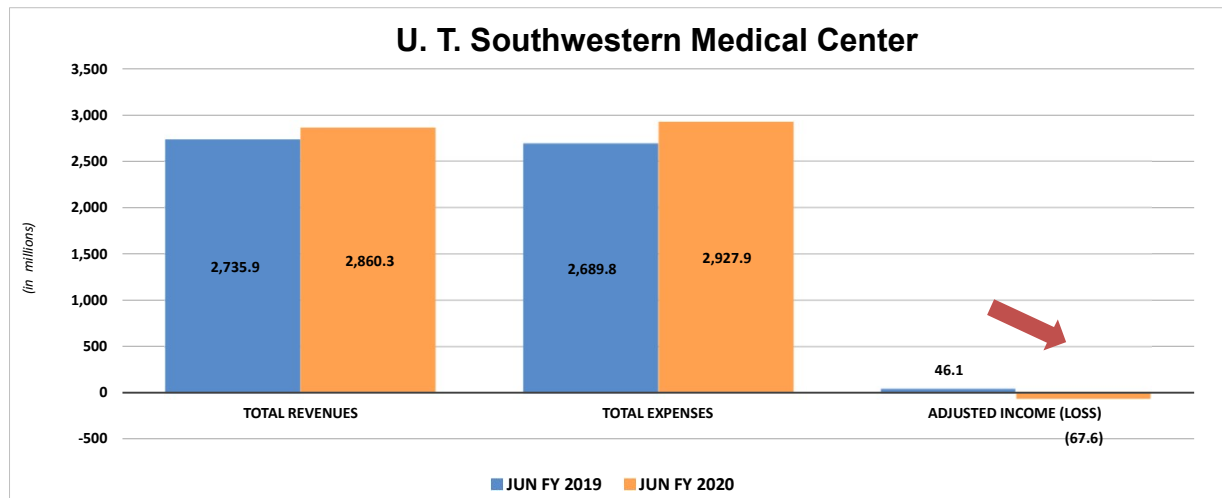
(in millions)	June YTD FY 2019	June YTD FY 2020	Variance	Annual Projected FY 2020
Sponsored Programs/Nonexchange Sponsored Programs	\$ 19.8	21.4	1.6	27.4
State Appropriations	28.6	27.7	(0.9)	33.2
Net Tuition and Fees	45.4	46.4	1.0	56.4
Auxiliary Revenues/Sales & Services of Educational Activities	20.0	19.9	(0.0)	20.6
Net Investment Income	5.0	4.8	(0.2)	6.8
Other Operating Revenues/Gift Contributions for Operations	1.3	1.4	0.1	2.8
Total Revenues	119.9	121.6	1.6	147.2
Salaries and Wages/Payroll Related Costs	76.8	80.9	4.1	94.0
Materials and Supplies/Cost of Goods Sold	7.5	7.8	0.3	10.1
Depreciation and Amortization	14.5	14.3	(0.2)	17.1
Other Contracted Services/Professional Fees & Services	9.2	9.0	(0.1)	12.5
All Other Operating Expenses	22.7	21.1	(1.6)	29.2
Total Expenses	\$ 130.5	133.1	2.5	162.9
Adjusted Income (Loss)	(10.6)	(11.5)	(0.9)	(15.7)
Adjusted Income (Loss) Excluding Depr & Amort Exp	3.9	2.8	(1.1)	1.4



Monthly Financial Report

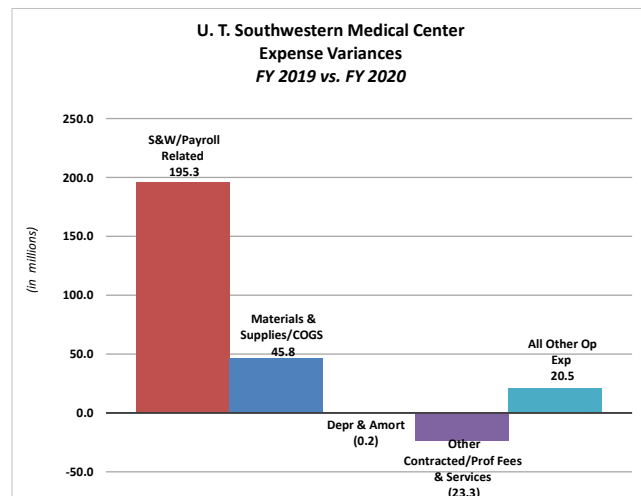
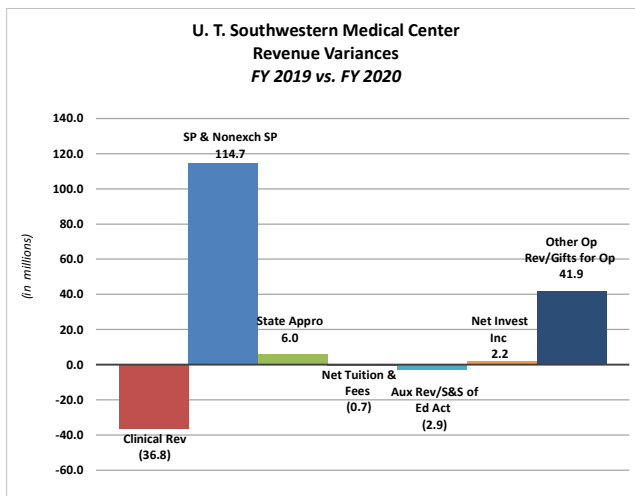
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending June 30, 2020



U. T. Southwestern Medical Center incurred a year-to-date adjusted loss of \$67.6 million, a decrease of \$113.7 million (247%) from the prior year. The decrease was primarily attributable to the following: an increase in salaries and wages and payroll related costs as a result of growth in both the hospitals and clinical operations, as well as merit increases; an increase in materials and supplies primarily due to increased drugs and medical supplies driven by patient volumes and patient acuity; and a decrease in clinical revenues due to COVID-19 restrictions on patient visits partially offset by \$34.6 million of CARES Act Relief Funds in nonexchange sponsored programs. The most current projection received from *U. T. Southwestern Medical Center* reflects a loss of \$96.8 million for the year.

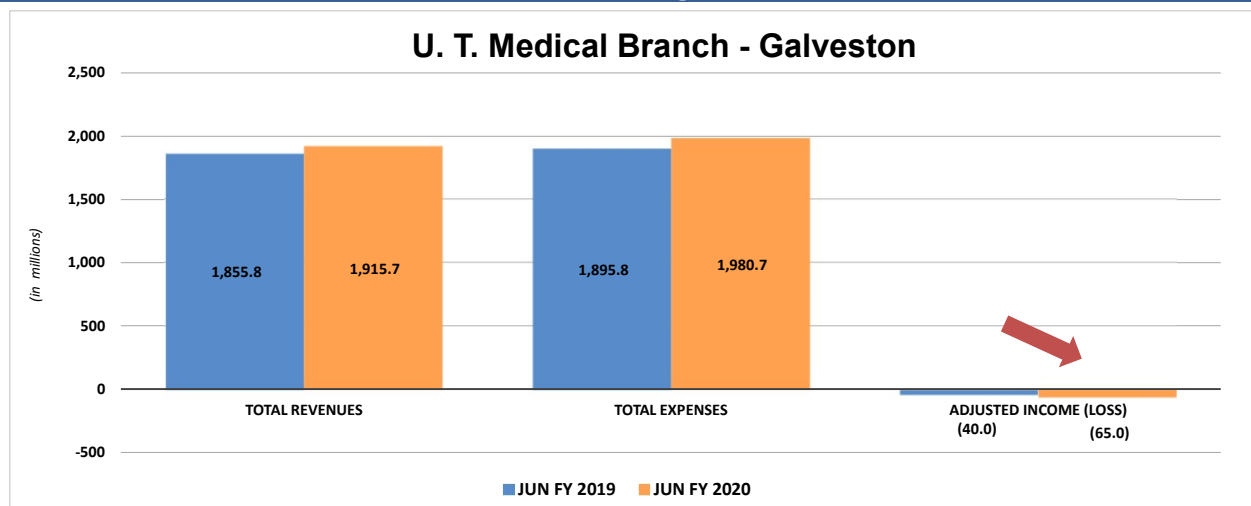
(in millions)	June YTD FY 2019	June YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 1,796.1	1,759.3	(36.8)	2,118.4
Sponsored Programs/Nonexchange Sponsored Programs	494.7	609.5	114.7	719.2
State Appropriations	145.5	151.4	6.0	182.3
Net Tuition and Fees	22.5	21.8	(0.7)	26.4
Auxiliary Revenues/Sales & Services of Educational Activities	27.7	24.8	(2.9)	33.5
Net Investment Income	108.1	110.4	2.2	129.4
Other Operating Revenues/Gift Contributions for Operations	141.2	183.1	41.9	223.3
Total Revenues	2,735.9	2,860.3	124.4	3,432.4
Salaries and Wages/Payroll Related Costs	1,664.7	1,860.0	195.3	2,247.9
Materials and Supplies/Cost of Goods Sold	505.3	551.2	45.8	660.3
Depreciation and Amortization	150.2	150.1	(0.2)	182.5
Other Contracted Services/Professional Fees & Services	197.4	174.1	(23.3)	200.9
All Other Operating Expenses	172.1	192.6	20.5	237.6
Total Expenses	\$ 2,689.8	2,927.9	238.1	3,529.1
Adjusted Income (Loss)	46.1	(67.6)	(113.7)	(96.8)
Adjusted Income (Loss) Excluding Depr & Amort Exp	196.4	82.4	(113.9)	85.7



Monthly Financial Report

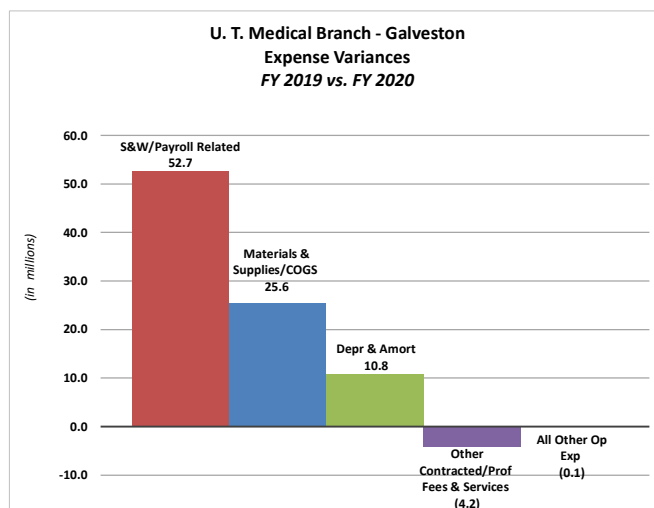
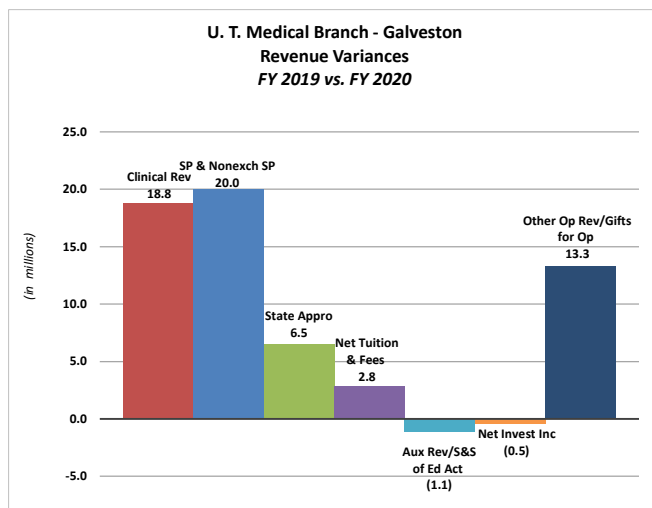
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending June 30, 2020



U. T. Medical Branch - Galveston incurred a year-to-date adjusted loss of \$65.0 million, an increase in adjusted loss of \$25.0 million (63%) from the prior year. Part of this increase was planned for the current fiscal year with the addition of the Clear Lake Campus, which increased clinical revenues. The increased revenues were offset primarily by the following: an increase in salaries and wages and payroll related costs as a result of increases in staff and faculty positions associated with the opening of the Clear Lake Campus and merit increases; an increase in materials and supplies due to the Clear Lake Campus expenses, an increase in Correctional Managed Care expenses related to pharmaceuticals, and an increase in medical supplies in response to COVID-19; and an increase in depreciation and amortization expense as a result of various projects placed into service including the Clear Lake Campus. For the period ending June 30, 2020, *U. T. Medical Branch - Galveston* reported \$21.1 million of CARES Act Relief Funds in nonexchange sponsored programs. While *U. T. Medical Branch - Galveston* is showing improvement in clinical revenues, June results were negatively impacted by COVID-19. The most current projection received from *U. T. Medical Branch - Galveston* reflects a loss of \$76.5 million for the year.

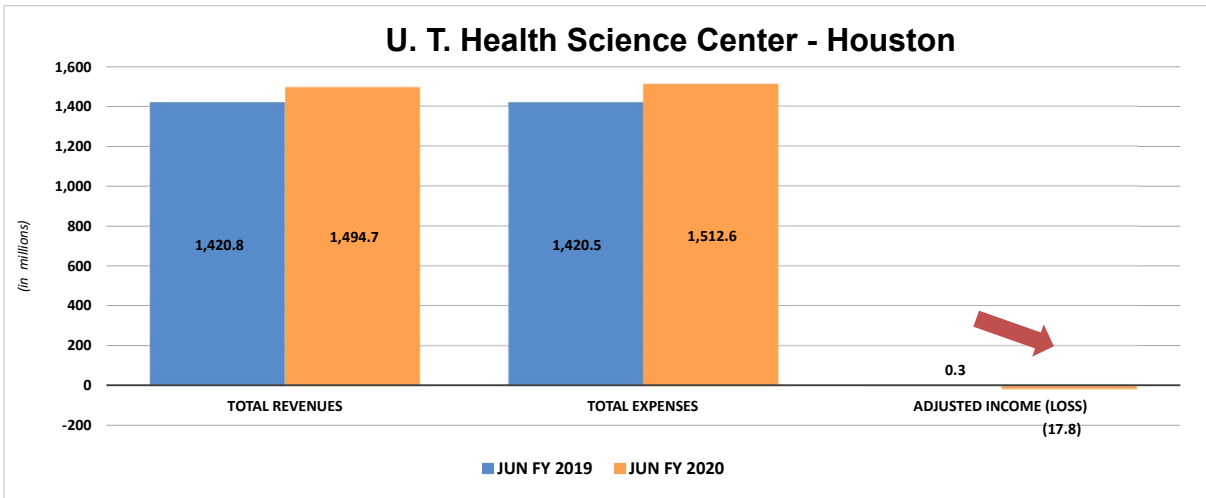
(in millions)	June YTD FY 2019	June YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 1,231.3	1,250.1	18.8	1,511.5
Sponsored Programs/Nonexchange Sponsored Programs	167.0	187.0	20.0	204.4
State Appropriations	294.5	301.0	6.5	361.4
Net Tuition and Fees	35.6	38.4	2.8	45.7
Auxiliary Revenues/Sales & Services of Educational Activities	24.5	23.4	(1.1)	29.1
Net Investment Income	53.6	53.1	(0.5)	63.3
Other Operating Revenues/Gift Contributions for Operations	49.3	62.6	13.3	104.8
Total Revenues	1,855.8	1,915.7	59.8	2,320.2
Salaries and Wages/Payroll Related Costs	1,155.8	1,208.6	52.7	1,445.7
Materials and Supplies/Cost of Goods Sold	231.8	257.3	25.6	309.9
Depreciation and Amortization	149.1	159.9	10.8	193.7
Other Contracted Services/Professional Fees & Services	169.7	165.5	(4.2)	209.0
All Other Operating Expenses	189.4	189.3	(0.1)	238.5
Total Expenses	\$ 1,895.8	1,980.7	84.9	2,396.8
Adjusted Income (Loss)	(40.0)	(65.0)	(25.0)	(76.5)
Adjusted Income (Loss) Excluding Depr & Amort Exp	109.1	94.9	(14.2)	117.2



Monthly Financial Report

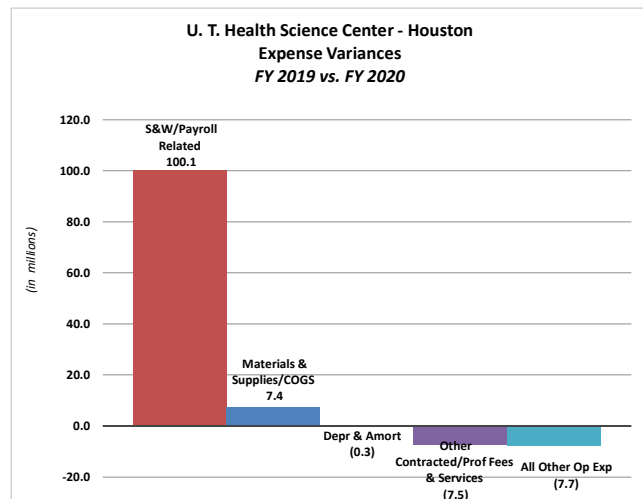
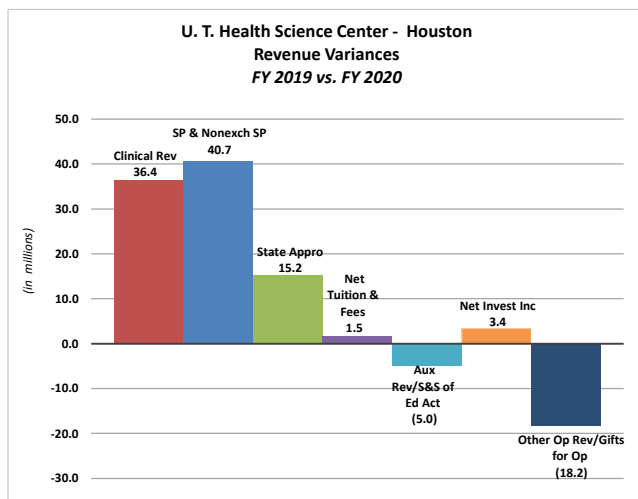
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending June 30, 2020



U. T. Health Science Center - Houston incurred a year-to-date adjusted loss of \$17.8 million, an increase in adjusted loss of \$18.1 million (6,107%) from the prior year. The increase was primarily attributable to the following: an increase in salaries and wages and payroll related costs due to increases in staff and faculty positions; and a decrease in other operating revenues attributable to the timing of revenue recognition associated with Delivery System Reform Incentive Payments (DSRIP). For the period ending June 30, 2020, *U. T. Health Science Center - Houston* reported \$4.4 million of CARES Act Relief Funds in nonexchange sponsored programs. While *U. T. Health Science Center - Houston* is showing improvement in clinical revenues, June results were negatively impacted by COVID-19. The most current projection received from *U. T. Health Science Center - Houston* reflects a loss of \$2.5 million for the year.

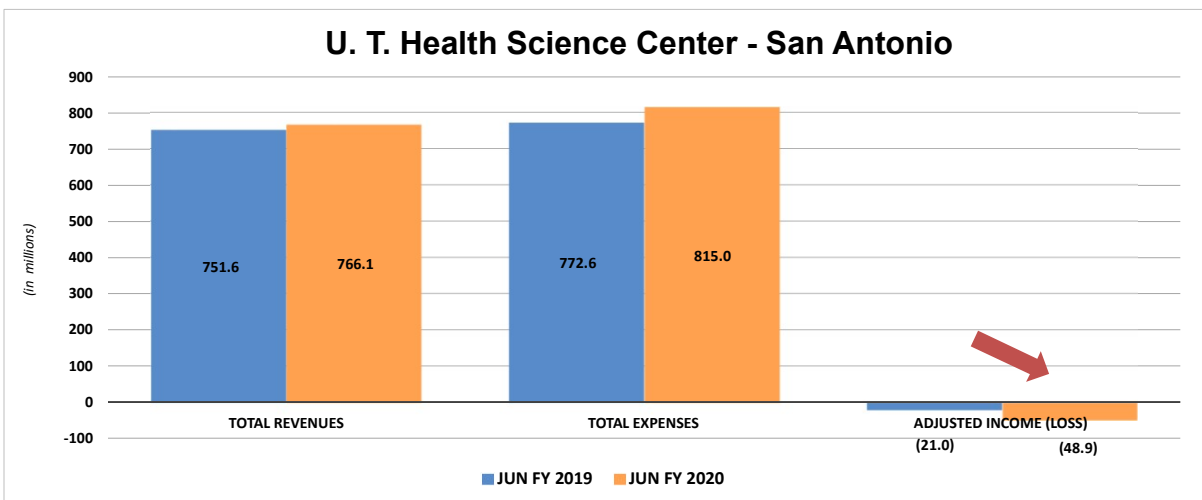
(in millions)	June YTD FY 2019	June YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 376.8	413.2	36.4	492.1
Sponsored Programs/Nonexchange Sponsored Programs	665.4	706.0	40.7	859.8
State Appropriations	165.1	180.3	15.2	216.3
Net Tuition and Fees	50.7	52.2	1.5	61.3
Auxiliary Revenues/Sales & Services of Educational Activities	59.9	54.9	(5.0)	60.5
Net Investment Income	42.6	46.0	3.4	57.6
Other Operating Revenues/Gift Contributions for Operations	60.3	42.1	(18.2)	69.4
Total Revenues	1,420.8	1,494.7	74.0	1,817.0
Salaries and Wages/Payroll Related Costs	1,044.0	1,144.1	100.1	1,377.6
Materials and Supplies/Cost of Goods Sold	73.7	81.1	7.4	95.9
Depreciation and Amortization	56.1	55.8	(0.3)	67.0
Other Contracted Services/Professional Fees & Services	113.1	105.6	(7.5)	128.6
All Other Operating Expenses	133.5	125.8	(7.7)	150.6
Total Expenses	\$ 1,420.5	1,512.6	92.1	1,819.6
Adjusted Income (Loss)	0.3	(17.8)	(18.1)	(2.5)
Adjusted Income (Loss) Excluding Depr & Amort Exp	56.4	38.0	(18.4)	64.5



Monthly Financial Report

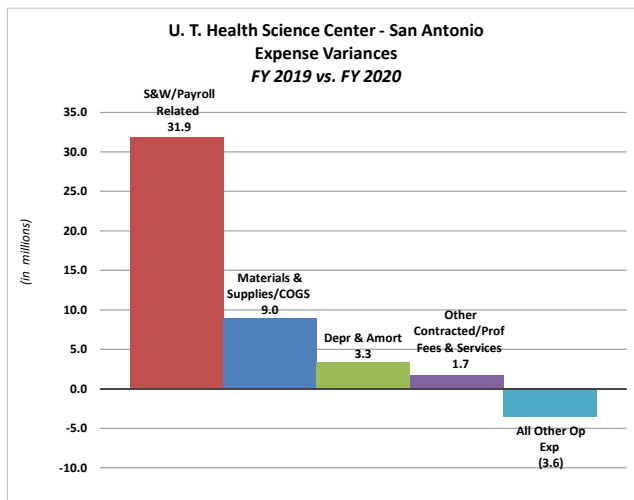
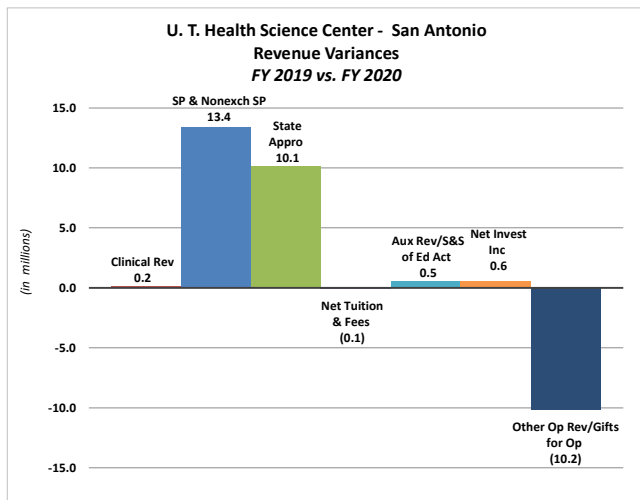
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending June 30, 2020



U. T. Health Science Center - San Antonio incurred a year-to-date adjusted loss of \$48.9 million, an increase in adjusted loss of \$27.8 million (132%) from the prior year. The increase was primarily due to the following: an increase in salaries and wages and payroll related costs attributable to increased clinical faculty and staff positions as a result of growth associated with expanded clinical facilities; an increase in materials and supplies due to an increase in drug supply purchases related to the Cancer Center pharmacy and *U. T. Health Physicians*; a decrease in other operating revenues as a result of a decline in Delivery System Reform Incentive Payment (DSRIP) revenues; and a decrease in gift contributions for operations attributable to a decline in pledges as compared to the prior year. For the period ending June 30, 2020, *U. T. Health Science Center – San Antonio* reported \$3.1 million of CARES Act Relief Funds in nonexchange sponsored programs. While *U. T. Health Science Center – San Antonio* is showing a slight improvement in clinical revenues, June results were negatively impacted by COVID-19. The most current projection received from *U. T. Health Science Center – San Antonio* reflects a loss of \$41.6 million for the year.

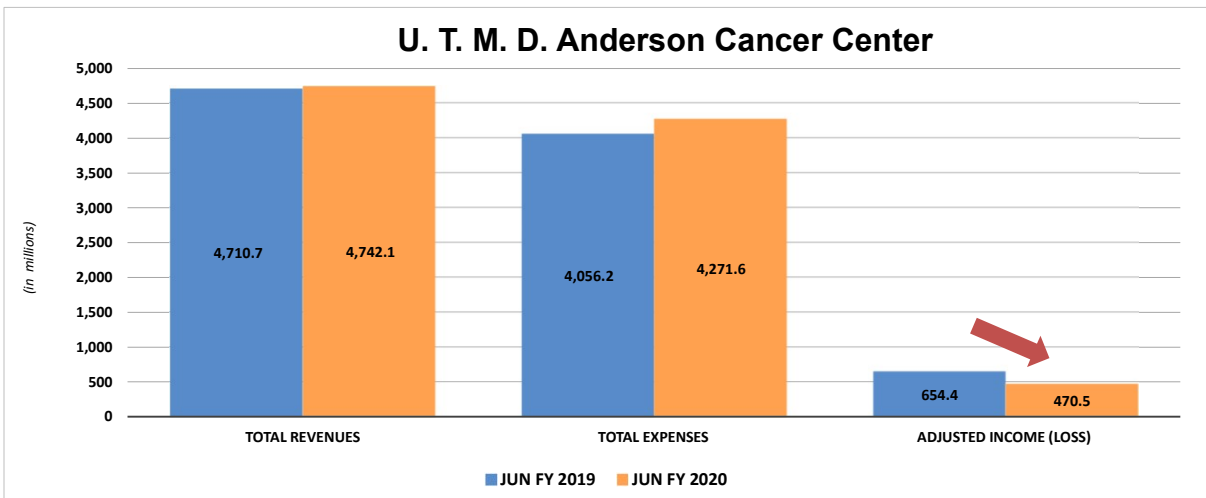
(in millions)	June YTD FY 2019	June YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 195.3	195.4	0.2	236.8
Sponsored Programs/Nonexchange Sponsored Programs	291.3	304.7	13.4	346.3
State Appropriations	131.0	141.1	10.1	169.3
Net Tuition and Fees	40.4	40.3	(0.1)	49.5
Auxiliary Revenues/Sales & Services of Educational Activities	26.2	26.7	0.5	30.7
Net Investment Income	38.0	38.6	0.6	41.7
Other Operating Revenues/Gift Contributions for Operations	29.5	19.4	(10.2)	43.7
Total Revenues	751.6	766.1	14.5	918.1
Salaries and Wages/Payroll Related Costs	517.8	549.6	31.9	660.6
Materials and Supplies/Cost of Goods Sold	72.7	81.7	9.0	93.2
Depreciation and Amortization	47.5	50.8	3.3	61.0
Other Contracted Services/Professional Fees & Services	47.2	48.9	1.7	53.7
All Other Operating Expenses	87.5	83.9	(3.6)	91.2
Total Expenses	\$ 772.6	815.0	42.3	959.7
Adjusted Income (Loss)	(21.0)	(48.9)	(27.8)	(41.6)
Adjusted Income (Loss) Excluding Depr & Amort Exp	26.5	2.0	(24.5)	19.4



Monthly Financial Report

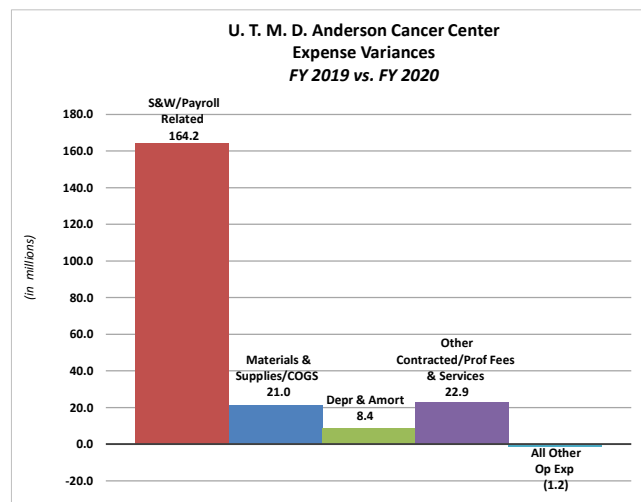
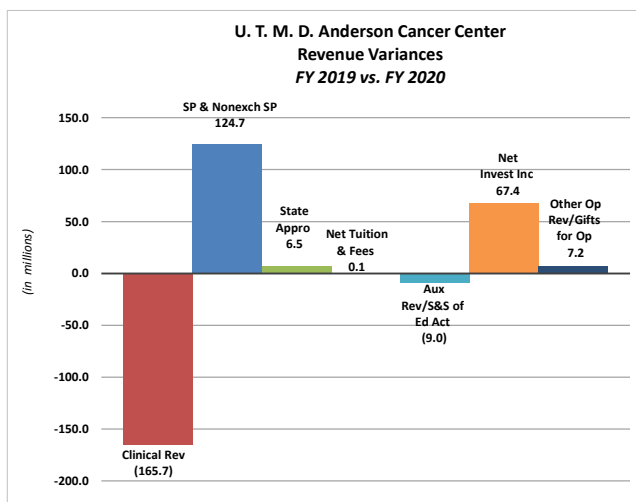
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending June 30, 2020



U. T. M. D. Anderson Cancer Center reported year-to-date adjusted income of \$470.5 million, a decrease of \$183.9 million (28%) from the prior year. The decrease was primarily attributable to the following: a decrease in clinical revenues due to COVID-19 restrictions on patient visits partially offset by \$83.7 million of CARES Act Relief Funds in other operating revenues; and an increase in salaries and wages and payroll related costs due to increases in staff and faculty positions. The most current projection received from U. T. M. D. Anderson Cancer Center reflects income of \$606.2 million for the year.

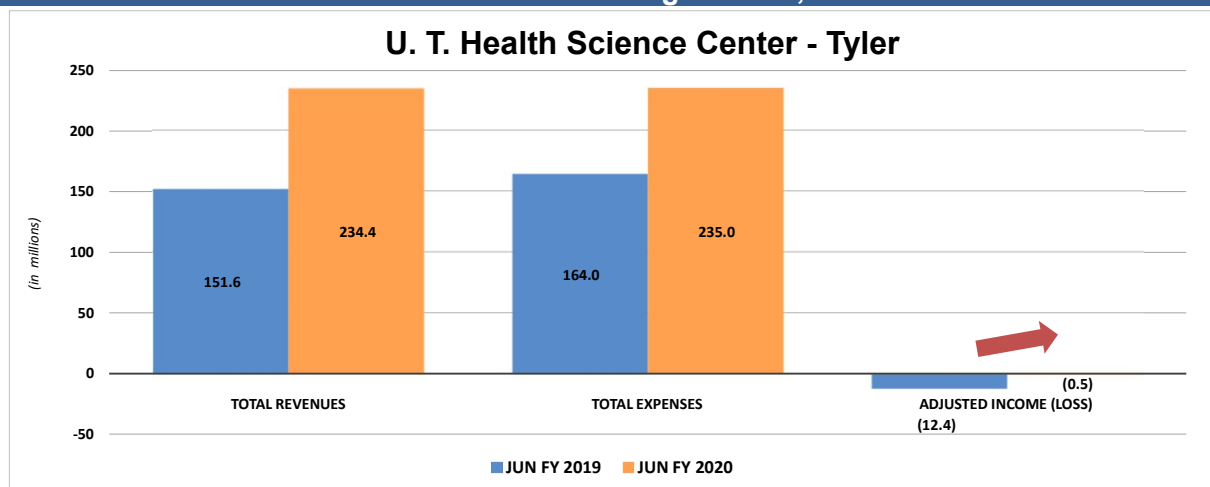
(in millions)	June YTD FY 2019	June YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 3,778.9	3,613.3	(165.7)	4,355.1
Sponsored Programs/Nonexchange Sponsored Programs	324.5	449.2	124.7	533.2
State Appropriations	165.1	171.7	6.5	207.0
Net Tuition and Fees	1.8	1.9	0.1	1.9
Auxiliary Revenues/Sales & Services of Educational Activities	40.7	31.8	(9.0)	36.6
Net Investment Income	204.4	271.9	67.4	313.8
Other Operating Revenues/Gift Contributions for Operations	195.1	202.3	7.2	268.8
Total Revenues	4,710.7	4,742.1	31.4	5,716.4
Salaries and Wages/Payroll Related Costs	2,278.4	2,442.5	164.2	2,932.1
Materials and Supplies/Cost of Goods Sold	937.6	958.7	21.0	1,131.4
Depreciation and Amortization	295.0	303.4	8.4	369.4
Other Contracted Services/Professional Fees & Services	273.1	296.0	22.9	349.3
All Other Operating Expenses	272.2	271.0	(1.2)	328.1
Total Expenses	\$ 4,056.2	4,271.6	215.3	5,110.3
Adjusted Income (Loss)	654.4	470.5	(183.9)	606.2
Adjusted Income (Loss) Excluding Depr & Amort Exp	949.4	773.9	(175.5)	975.6



Monthly Financial Report

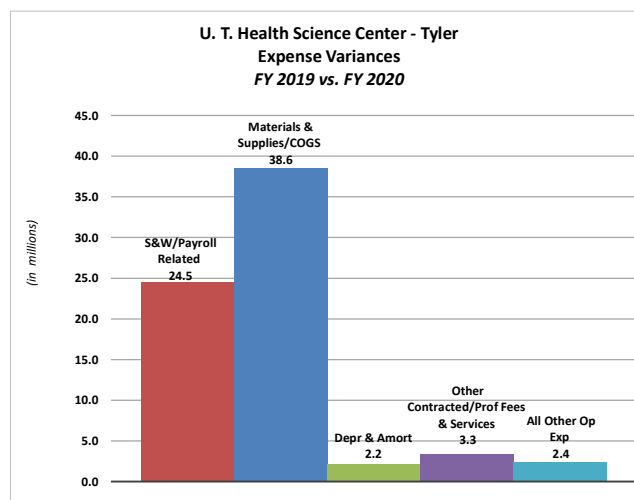
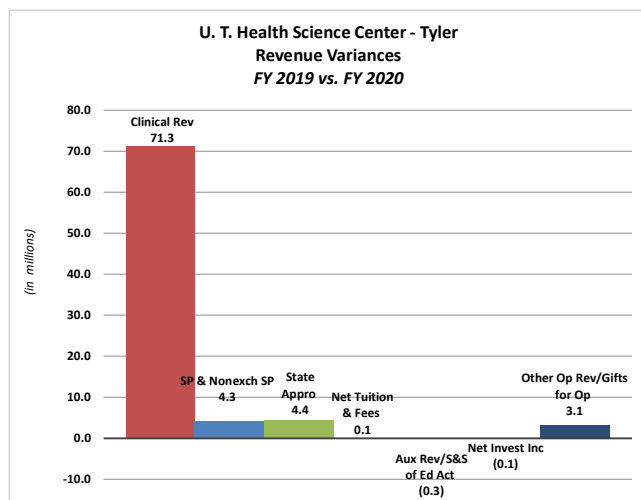
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending June 30, 2020



U. T. Health Science Center - Tyler incurred a year-to-date adjusted loss of \$0.5 million, a decrease in adjusted loss of \$11.9 million (96%) from the prior year. The decrease was primarily due to an increase in clinical revenues related to the acquisition of the Hope Oncology practice. For the period ending June 30, 2020, *U. T. Health Science Center - Tyler* reported \$1.9 million of CARES Act Relief Funds in nonexchange sponsored programs. While *U. T. Health Science Center - Tyler* is showing improvement in clinical revenues, June results were negatively impacted by COVID-19. The most current projection received from *U. T. Health Science Center - Tyler* reflects income of \$12.3 million for the year due to a recently executed major gift pledge agreement.

(in millions)	June YTD FY 2019	June YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 50.1	121.4	71.3	144.2
Sponsored Programs/Nonexchange Sponsored Programs	26.3	30.6	4.3	38.4
State Appropriations	40.3	44.8	4.4	53.7
Net Tuition and Fees	0.2	0.3	0.1	0.4
Auxiliary Revenues/Sales & Services of Educational Activities	4.2	3.9	(0.3)	4.7
Net Investment Income	3.1	3.0	(0.1)	3.5
Other Operating Revenues/Gift Contributions for Operations	27.4	30.5 *	3.1	50.7 *
Total Revenues	151.6	234.4	82.8	295.6
Salaries and Wages/Payroll Related Costs	101.9	126.4	24.5	151.8
Materials and Supplies/Cost of Goods Sold	17.8	56.3	38.6	66.4
Depreciation and Amortization	12.1	14.3	2.2	17.3
Other Contracted Services/Professional Fees & Services	19.8	23.1	3.3	29.7
All Other Operating Expenses	12.5	14.8	2.4	18.1
Total Expenses	\$ 164.0	235.0	71.0	283.3
Adjusted Income (Loss)	(12.4)	(0.5)	11.9	12.3
Adjusted Income (Loss) Excluding Depr & Amort Exp	(0.3)	13.7	14.0	29.6



*Other Operating Income includes 30% of UT Health East Texas' (UTHET's) net adjusted income which was \$7.9 million through June. The projected income of \$12.3 million includes \$7.5 million of UTHET's net adjusted income for the year.