

THE UNIVERSITY OF TEXAS SYSTEM OFFICE OF THE CONTROLLER

MONTHLY FINANCIAL REPORT *(unaudited)*

MARCH 2020



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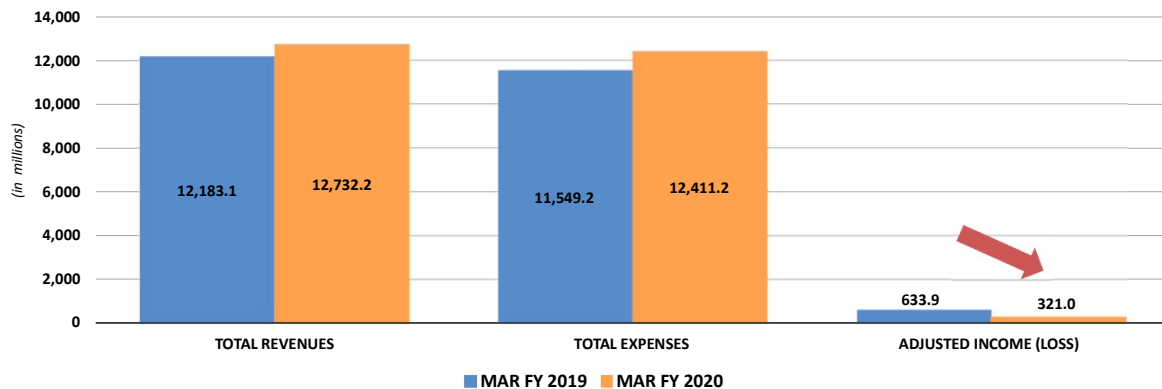
Monthly Financial Report

Comparison of Operating Results and Margin

For the Period Ending March 31, 2020

U. T. System Consolidated

(Excluding OPEB & Pension Expense)

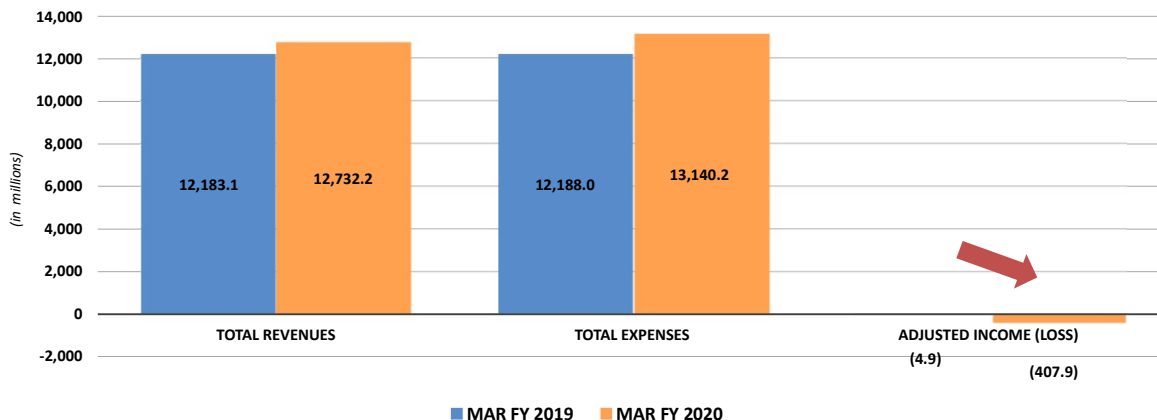


Excluding other postemployment benefits (OPEB) and pension expense, *U. T. System Consolidated* shows year-to-date adjusted income of \$321.0 million, a decrease of \$312.9 million (49%) from the prior year. The decrease was primarily due to the following: an increase in salaries and wages to support faculty and clinical services; an increase in materials and supplies required for hospital operations; and a decrease in net investment income. While *U. T. System* is showing improvement in clinical revenues, March results were negatively impacted by COVID-19.

(in millions)	March YTD FY 2019	March YTD FY 2020	Variance
Clinical Revenues	\$ 5,102.8	5,469.3	366.4
Sponsored Programs/Nonexchange Sponsored Programs	2,205.0	2,431.1	226.1
State Appropriations	1,356.2	1,308.6	(47.7)
Net Tuition and Fees	1,082.2	1,111.6	29.3
Auxiliary Revenues/Sales & Services of Educational Activities	807.5	802.6	(4.9)
Net Investment Income	1,083.9	934.9	(149.0)
Other Operating Revenues/Gift Contributions for Operations	545.4	674.2	128.8
Total Revenues	12,183.1	12,732.2	549.1
Salaries and Wages/Payroll Related Costs	6,873.5	7,455.1	581.7
Materials and Supplies/Cost of Goods Sold	1,452.3	1,646.2	193.9
Depreciation and Amortization	871.1	903.4	32.3
Other Contracted Services/Professional Fees & Services	821.5	865.4	43.8
All Other Operating Expenses	1,530.8	1,541.1	10.3
Total Expenses (Excluding OPEB & Pension Exp)	\$ 11,549.2	12,411.2	862.1
Adjusted Income (Loss) Excluding OPEB & Pension Exp	633.9	321.0	(312.9)
OPEB Expense	491.9	387.8	(104.1)
Pension Expense	147.0	341.2	194.2
Adjusted Income (Loss)	(4.9)	(407.9)	(403.0)
Adjusted Income (Loss) Excluding Depr & Amort Exp	866.1	495.4	(370.7)

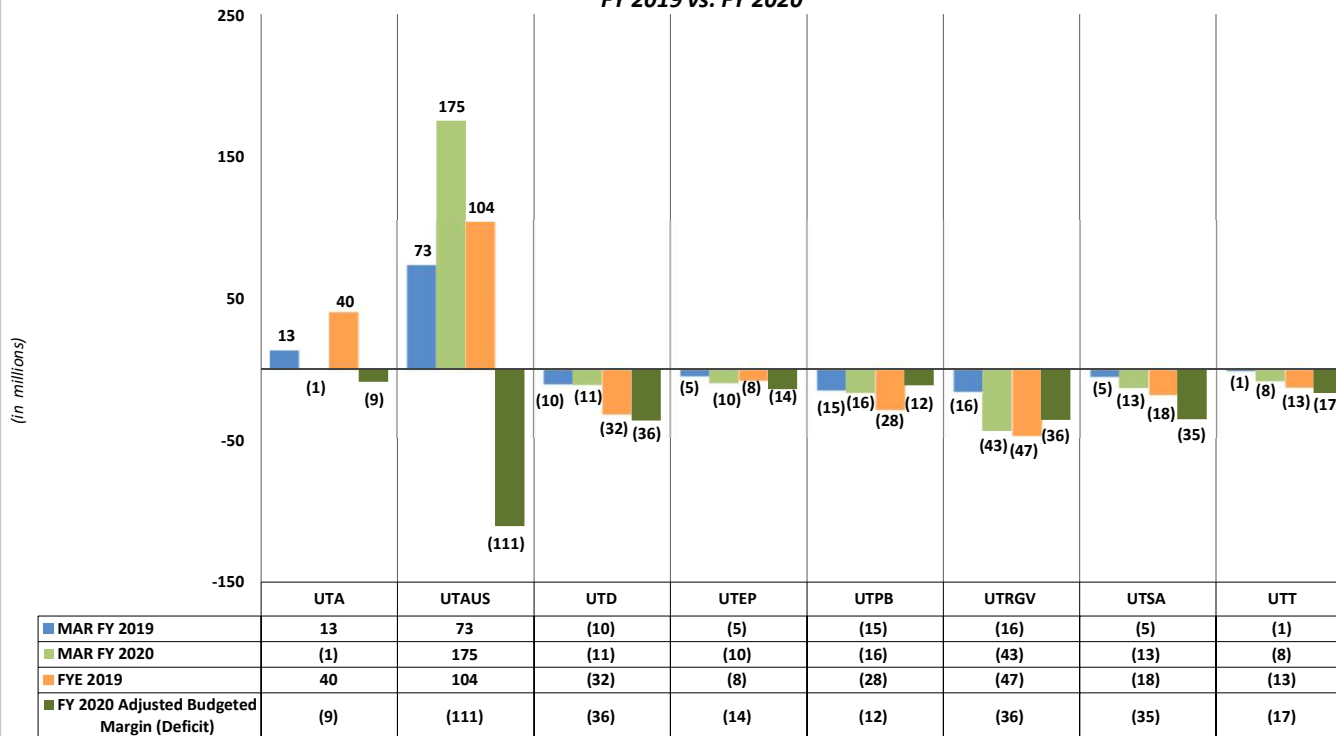
U. T. System Consolidated

(Including OPEB & Pension Expense)

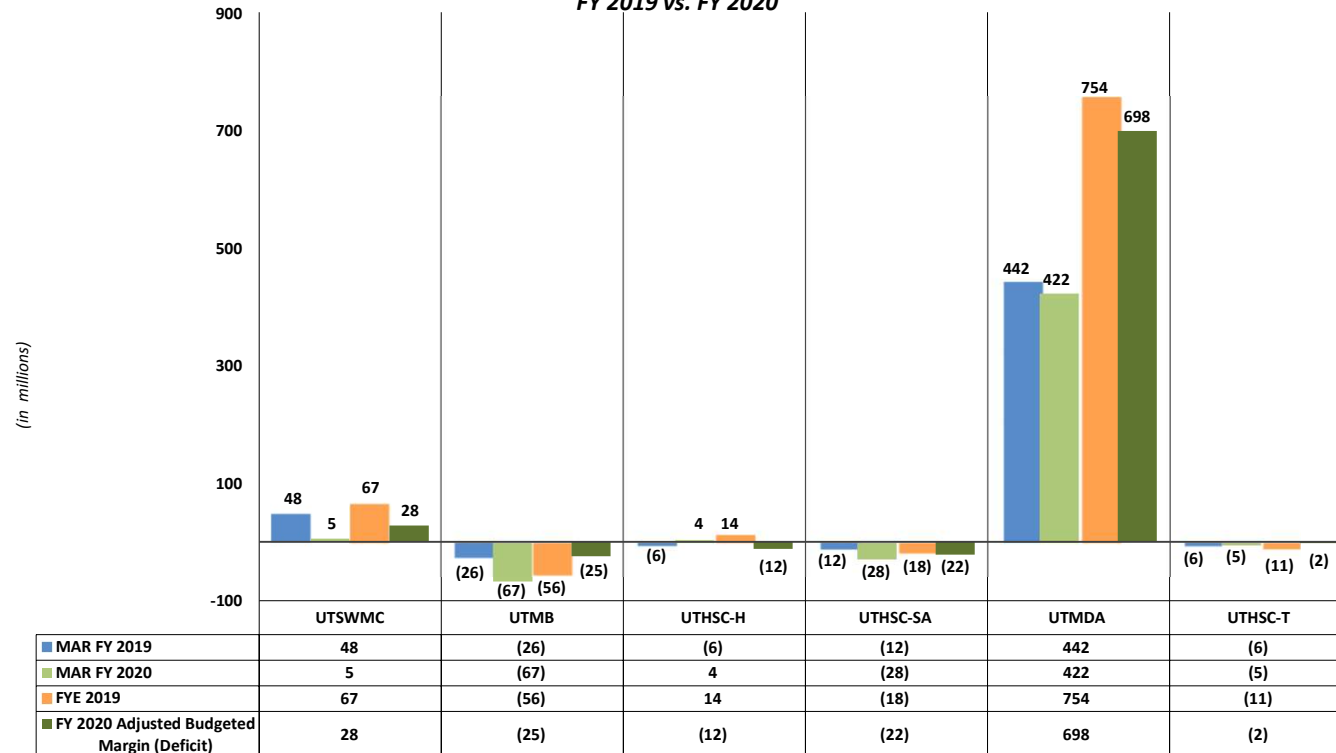


Monthly Financial Report
Comparison of Adjusted Income (Loss)
For the Period Ending March 31, 2020

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 March 31, 2020

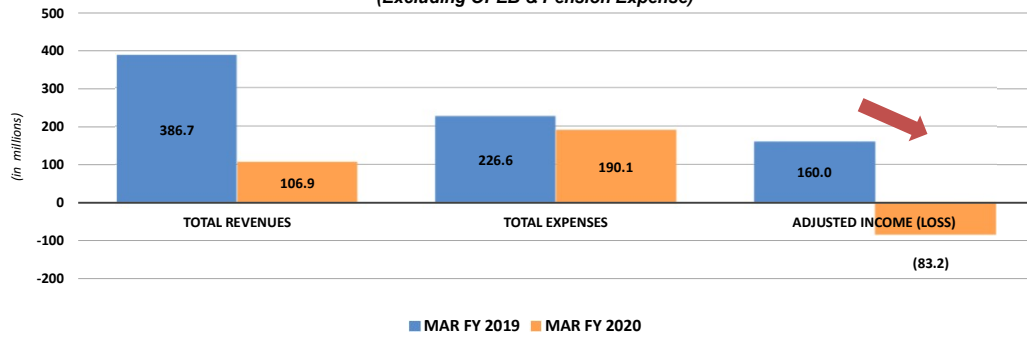
Executive Summary of Adjusted Income (Loss)

	March FYTD 2019 (millions)	March FYTD 2020 (millions)	Variance %	Comments
U. T. System Administration (excluding OPEB & Pension Expense)	\$ 160.0	(83.2)	-152%	Decrease in Net Investment Income
U. T. Arlington	13.4	(0.6)	-105%	Increase in Salaries and Wages, Payroll Related, Other Contracted Services Decrease in Auxiliary Revenues
U. T. Austin	73.0	174.8	139%	Increase in Gifts for Operations, Available University Fund (AUF) transfer, Net Investment Income
U. T. Dallas	(10.4)	(10.8)	-5%	Increase in Salaries and Wages, Payroll Related
U. T. El Paso	(4.7)	(9.7)	-106%	Increase in Salaries and Wages, Payroll Related
U. T. Permian Basin	(14.7)	(16.4)	-12%	Increase in Salaries and Wages, Payroll Related, Professional Fees & Services, Materials & Supplies
U. T. Rio Grande Valley	(15.6)	(42.9)	-175%	Increase in Salaries & Wages, Payroll Related, Depreciation & Amortization Decrease in Sponsored Programs, DSRIP
U. T. San Antonio	(5.1)	(13.1)	-155%	Increase in Salaries & Wages, Payroll Related, Professional Fees & Services
U. T. Tyler	(1.1)	(8.2)	-637%	Increase in Salaries & Wages, Payroll Related, Depreciation & Amortization, Professional Fees & Services, Materials & Supplies
Southwestern	48.1	5.3	-89%	Increase in Salaries & Wages, Payroll Related, Materials & Supplies March results negatively impacted by COVID-19
UTMB	(26.2)	(67.4)	-157%	Increase in Salaries & Wages, Payroll Related, Materials & Supplies, Depreciation & Amortization March results negatively impacted by COVID-19
UTHSC-Houston	(5.9)	4.5	175%	Increase in Clinical Revenues, Sponsored Programs March results negatively impacted by COVID-19
UTHSC-San Antonio	(11.9)	(28.4)	-137%	Increase in Salaries & Wages, Payroll Related, Materials & Supplies, Professional Fees & Services Decrease in Gifts for Operations, DSRIP March results negatively impacted by COVID-19
M. D. Anderson	441.7	421.8	-4%	Increase in Salaries & Wages, Payroll Related, Materials & Supplies, Other Contracted Services March results negatively impacted by COVID-19
UTHSC-Tyler	(6.5)	(4.5)	30%	Increase in Clinical Revenues March results negatively impacted by COVID-19
Total Adjusted Income (Loss)	\$ 633.9	321.0	-49%	

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

Monthly Financial Report
Comparison of Operating Results and Margin
For the Period Ending March 31, 2020

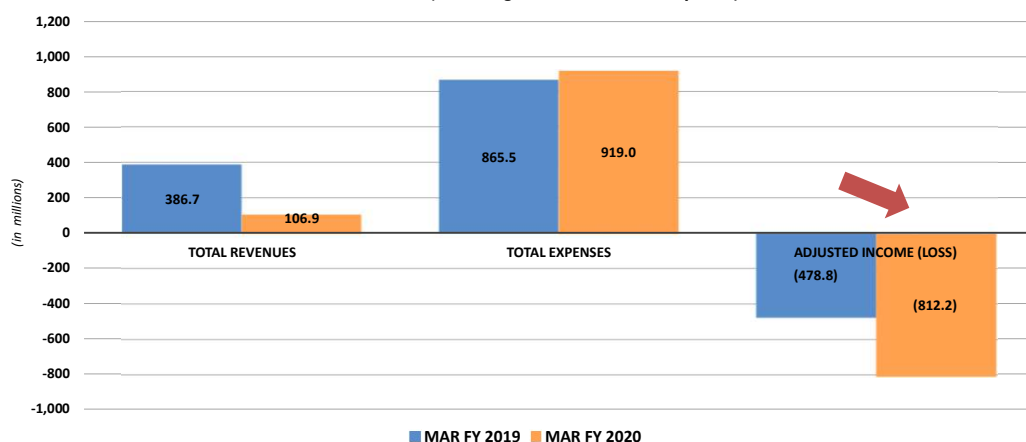
U. T. System Administration
(Excluding OPEB & Pension Expense)



Excluding OPEB and pension expense, *U. T. System Administration* incurred a year-to-date adjusted loss of \$83.2 million, a decrease of \$243.3 million (152%) 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) gas royalties, mineral lease bonus sales, PUF 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.

(in millions)	March YTD FY 2019	March YTD FY 2020	Variance
Sponsored Programs/Nonexchange Sponsored Programs	\$ 29.8	40.5	10.8
State Appropriations	1.9	1.9	(0.1)
Auxiliary Revenues/Sales & Services of Educational Activities	6.6	10.0	3.4
Net Investment Income/Available University Fund (AUF)	330.9	38.0	(293.0)
Other Operating Revenues/Gift Contributions for Operations	17.4	16.5	(0.9)
Total Revenues	386.7	106.9	(279.8)
Salaries and Wages/Payroll Related Costs	44.0	42.1	(1.9)
Materials and Supplies/Cost of Goods Sold	20.1	17.7	(2.4)
Depreciation and Amortization	15.7	9.8	(5.9)
Other Contracted Services/Professional Fees & Services	24.5	20.5	(4.0)
All Other Operating Expenses	122.4	100.0	(22.4)
Total Expenses (Excluding OPEB & Pension Exp)	\$ 226.6	190.1	(36.6)
Adjusted Income (Loss) Excluding OPEB & Pension Exp	160.0	(83.2)	(243.3)
OPEB Expense	491.9	387.8	(104.1)
Pension Expense	147.0	341.2	194.2
Adjusted Income (Loss)	(478.8)	(812.2)	(333.3)
Adjusted Income (Loss) Excluding Depr & Amort Exp	(463.2)	(802.4)	(339.2)

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

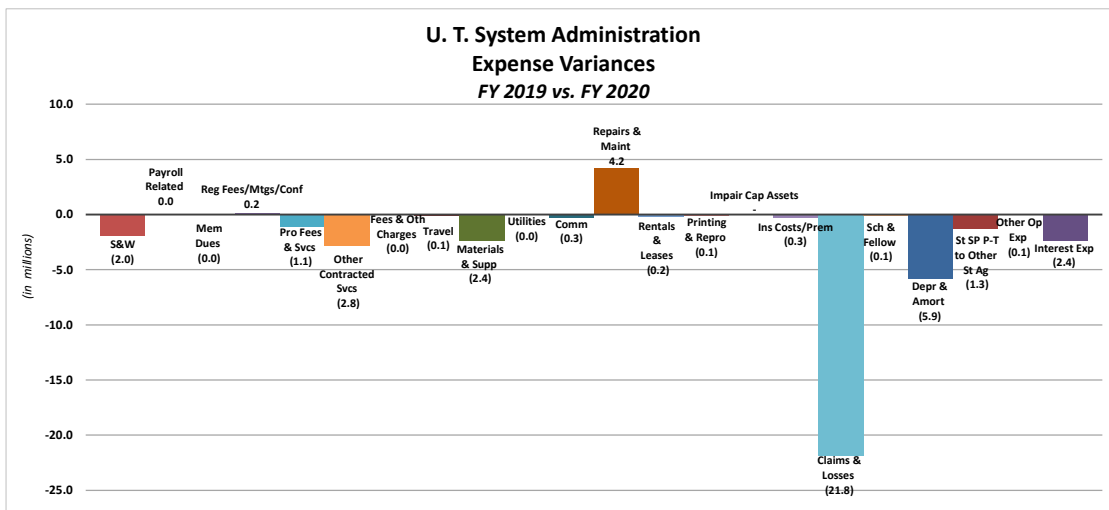


Monthly Financial Report

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

For the Period Ending March 31, 2020

(in millions)	March YTD FY 2019	March YTD FY 2020	Actual Year-End FY 2019
Salaries and Wages	\$ 35.4	33.5	57.9
Payroll Related Costs	8.6	8.6	(306.4) *
Membership Dues	0.3	0.3	0.5
Registration Fees, Meetings, Conferences	0.2	0.3	0.4
Professional Fees and Services	7.8	6.6	15.4
Other Contracted Services	16.7	13.9	25.7
Fees and Other Charges	0.0	0.0	0.1
Travel	0.8	0.7	1.5
Materials and Supplies	20.1	17.7	11.4
Utilities	0.2	0.2	0.4
Communications	3.5	3.2	3.6
Repairs and Maintenance	2.3	6.5	5.8
Rentals and Leases	1.9	1.7	2.8
Printing and Reproduction	0.2	0.1	0.3
Impairment of Capital Assets	-	-	25.8
Insurance Costs/Premiums	27.7	27.4	10.5
Claims and Losses	60.2	38.3	65.5
Scholarships and Fellowships	0.6	0.4	1.5
Depreciation and Amortization	15.7	9.8	23.8
State Sponsored Program Pass-Through to Other State Agencies	3.5	2.2	4.4
Other Operating Expenses	0.9	0.9	1.7
Interest Expense	20.0	17.6	31.6
Total Expenses (Excluding OPEB & Pension Expense)	226.6	190.1	(16.0)
OPEB Expense	491.9	387.8	664.8
Pension Expense	147.0	341.2	584.8
Total Expenses (Including OPEB & Pension Expense)	\$ 865.5	919.0	1,233.7



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.

Repairs and Maintenance – increase of \$4.2 million due to Oracle Maintenance Agreement software licenses reclassified from materials and supplies to repairs and maintenance, and expenses related to the new Office of Employee Benefits Eligibility System.

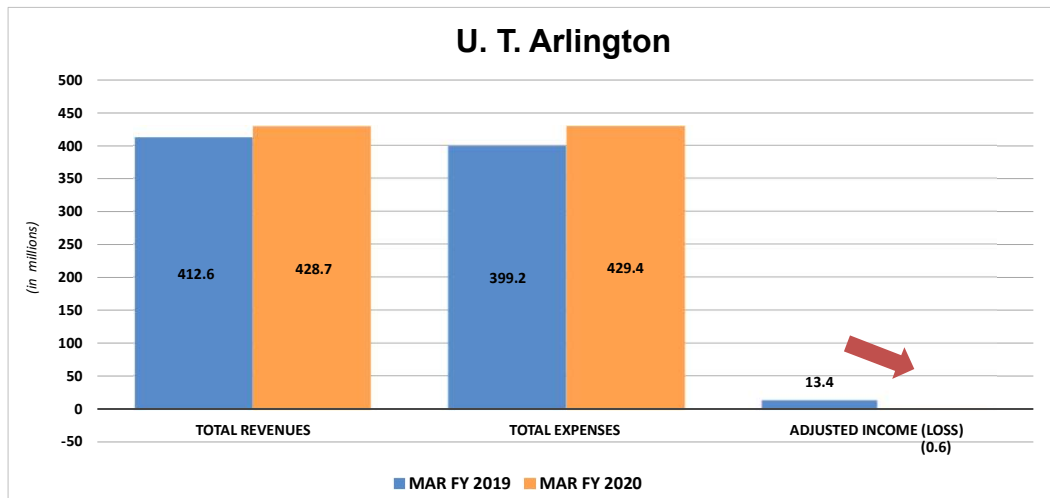
Claims and Losses – decrease of \$21.8 million as a result of the service department elimination.

Depreciation and Amortization – decrease of \$5.9 million due to PeopleSoft being fully depreciated in April 2019 and TEx 2.0 being written off in July 2019.

Monthly Financial Report

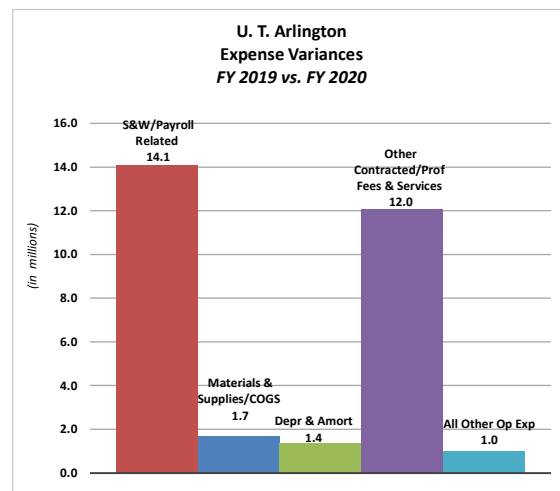
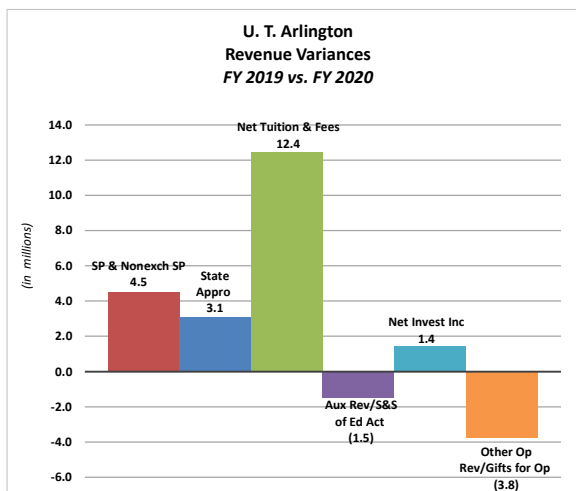
Comparison of Operating Results and Margin

For the Period Ending March 31, 2020



U. T. Arlington incurred a year-to-date adjusted loss of \$0.6 million, a decrease of \$14.0 million (105%) from the prior year. The decrease was primarily attributable to the following: an increase in salaries and wages and payroll related costs due to merit increases; an increase in other contracted services as a result of an increase in accelerated online expenses; and a decrease in auxiliary revenues as a result of COVID-19. *U. T. Arlington* estimated a total of \$8.0 million of nonmandatory student fees for housing, meal plans and student parking will be refunded in 2020 due to COVID-19. In March 2020 *U. T. Arlington* refunded \$3.7 million of those fees.

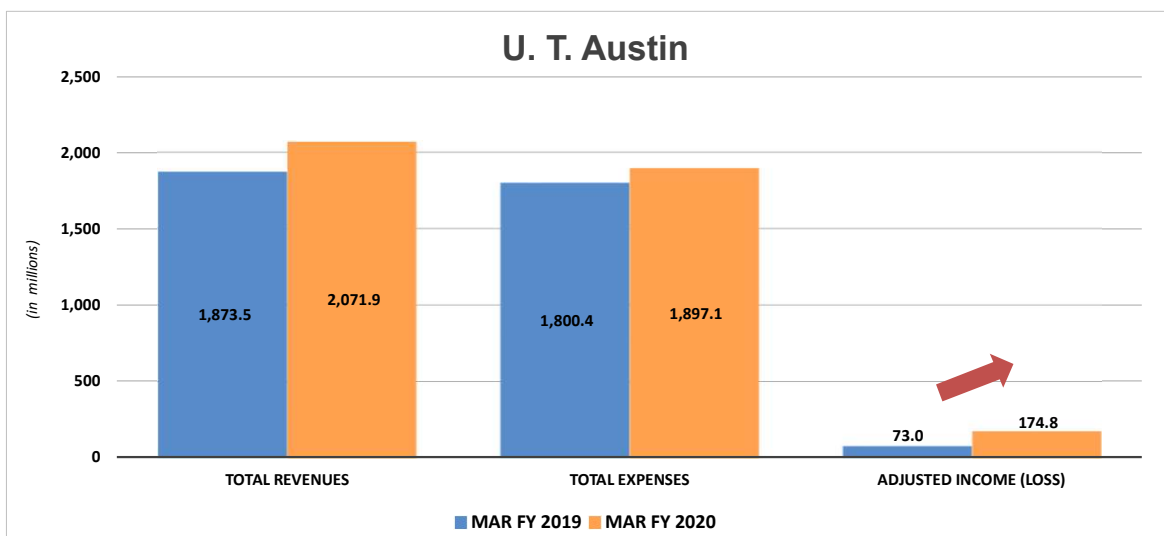
(in millions)	March YTD FY 2019	March YTD FY 2020	Variance
Sponsored Programs/Nonexchange Sponsored Programs	\$ 80.7	85.2	4.5
State Appropriations	77.4	80.5	3.1
Net Tuition and Fees	185.1	197.6	12.4
Auxiliary Revenues/Sales & Services of Educational Activities	41.1	39.6	(1.5)
Net Investment Income	13.1	14.5	1.4
Other Operating Revenues/Gift Contributions for Operations	15.1	11.3	(3.8)
Total Revenues	412.6	428.7	16.2
Salaries and Wages/Payroll Related Costs	226.6	240.7	14.1
Materials and Supplies/Cost of Goods Sold	20.5	22.2	1.7
Depreciation and Amortization	32.1	33.4	1.4
Other Contracted Services/Professional Fees & Services	45.2	57.3	12.0
All Other Operating Expenses	74.8	75.8	1.0
Total Expenses	\$ 399.2	429.4	30.2
Adjusted Income (Loss)	13.4	(0.6)	(14.0)
Adjusted Income (Loss) Excluding Depr & Amort Exp	45.4	32.8	(12.6)



Monthly Financial Report

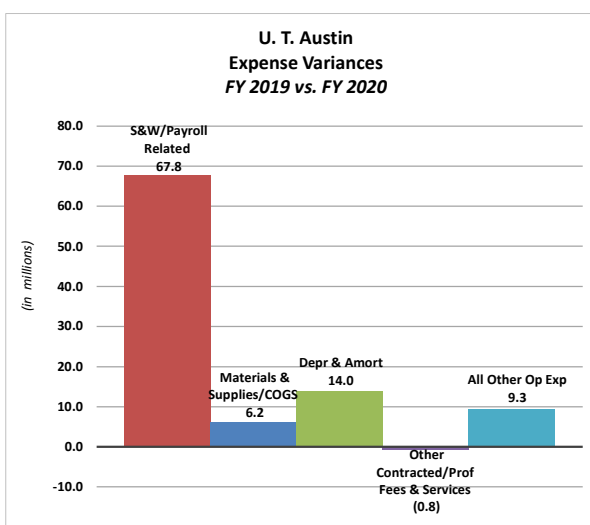
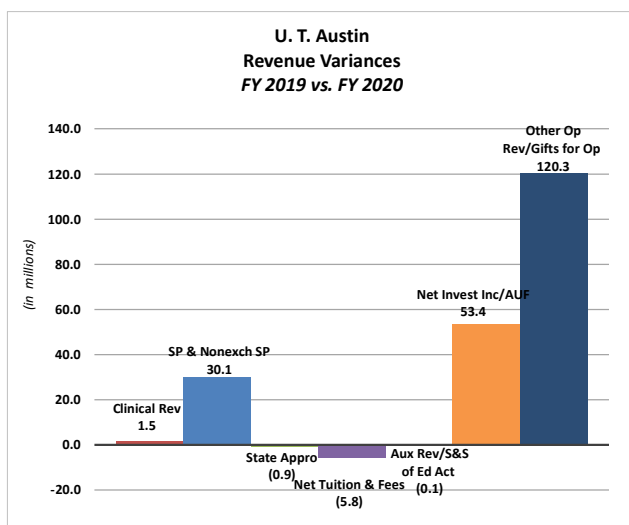
Comparison of Operating Results and Margin

For the Period Ending March 31, 2020

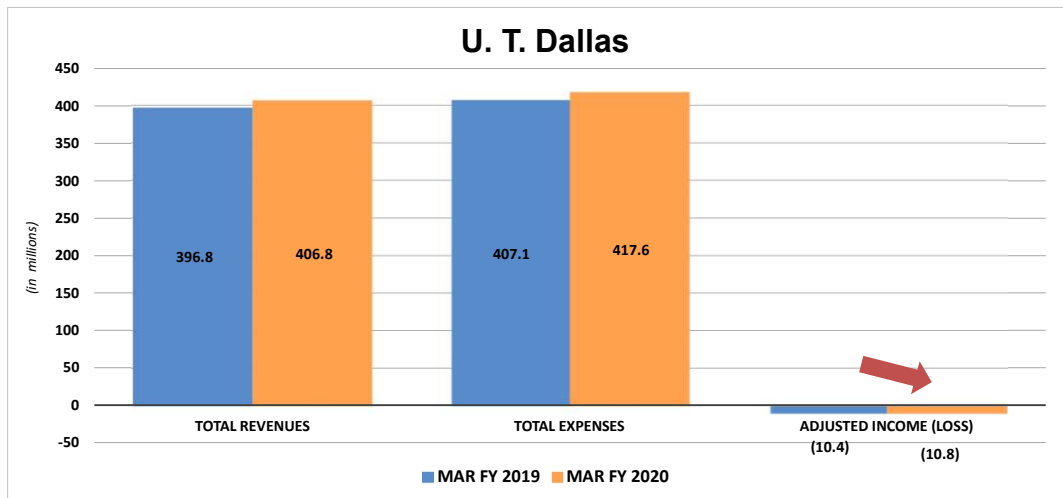


U. T. Austin reported year-to-date adjusted income of \$174.8 million, an increase of \$101.8 million (139%) from the prior year. The increase was primarily due to the following: an increase in gift contributions for operations as a result of a \$130 million gift from the Moody Foundation; an increase 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 will be refunded in 2020 due to COVID-19. In March 2020 *U. T. Austin* refunded \$22.5 million of those fees.

(in millions)	March YTD FY 2019	March YTD FY 2020	Variance
Clinical Revenues	\$ 3.0	4.6	1.5
Sponsored Programs/Nonexchange Sponsored Programs	376.8	406.9	30.1
State Appropriations	207.8	206.9	(0.9)
Net Tuition and Fees	303.3	297.5	(5.8)
Auxiliary Revenues/Sales & Services of Educational Activities	480.6	480.5	(0.1)
Net Investment Income/Available University Fund (AUF)	382.1	435.5	53.4
Other Operating Revenues/Gift Contributions for Operations	119.9	240.2	120.3
Total Revenues	1,873.5	2,071.9	198.4
Salaries and Wages/Payroll Related Costs	1,043.4	1,111.2	67.8
Materials and Supplies/Cost of Goods Sold	92.0	98.2	6.2
Depreciation and Amortization	183.2	197.2	14.0
Other Contracted Services/Professional Fees & Services	117.3	116.5	(0.8)
All Other Operating Expenses	364.6	374.0	9.3
Total Expenses	\$ 1,800.4	1,897.1	96.6
Adjusted Income (Loss)	73.0	174.8	101.8
Adjusted Income (Loss) Excluding Depr & Amort Exp	256.2	372.0	115.8

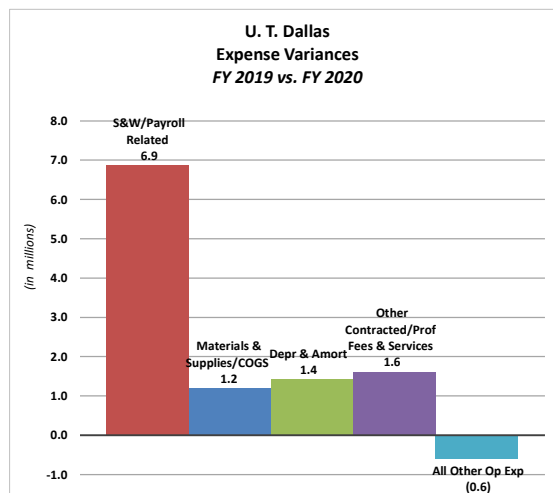
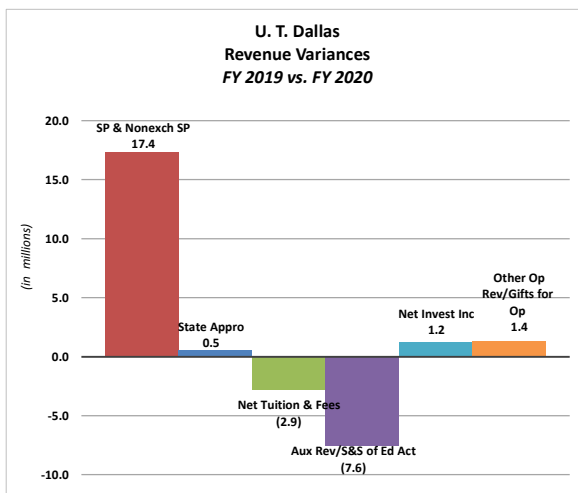


Monthly Financial Report Comparison of Operating Results and Margin For the Period Ending March 31, 2020



U. T. Dallas incurred a year-to-date adjusted loss of \$10.8 million, an increase in adjusted loss of \$0.5 million (5%) from the prior year. The increase was primarily attributable to an increase in salaries and wages and payroll related costs driven by merit increases and increasing benefit costs. *U. T. Dallas* estimated a total of \$8.5 million of nonmandatory student fees for housing, meal plans and student parking will be refunded in 2020 as a result of COVID-19. As of March, *U. T. Dallas* has not refunded any of those fees.

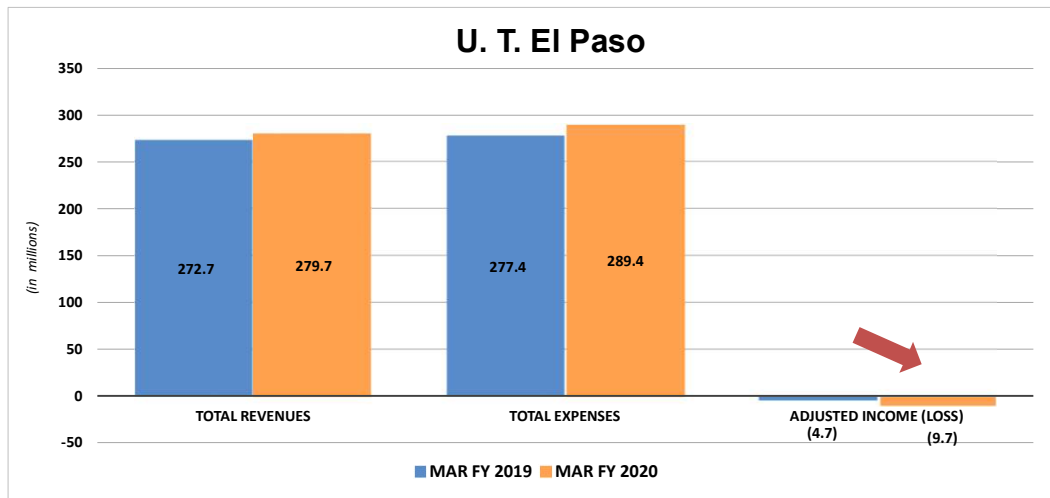
(in millions)	March YTD FY 2019	March YTD FY 2020	Variance
Sponsored Programs/Nonexchange Sponsored Programs	\$ 60.5	77.9	17.4
State Appropriations	71.8	72.4	0.5
Net Tuition and Fees	179.3	176.5	(2.9)
Auxiliary Revenues/Sales & Services of Educational Activities	55.2	47.7	(7.6)
Net Investment Income	18.6	19.9	1.2
Other Operating Revenues/Gift Contributions for Operations	11.2	12.5	1.4
Total Revenues	396.8	406.8	10.0
Salaries and Wages/Payroll Related Costs	233.1	240.0	6.9
Materials and Supplies/Cost of Goods Sold	18.8	20.0	1.2
Depreciation and Amortization	47.8	49.3	1.4
Other Contracted Services/Professional Fees & Services	19.2	20.8	1.6
All Other Operating Expenses	88.2	87.6	(0.6)
Total Expenses	407.1	417.6	10.5
Adjusted Income (Loss)	(10.4)	(10.8)	(0.5)
Adjusted Income (Loss) Excluding Depr & Amort Exp	37.5	38.4	1.0



Monthly Financial Report

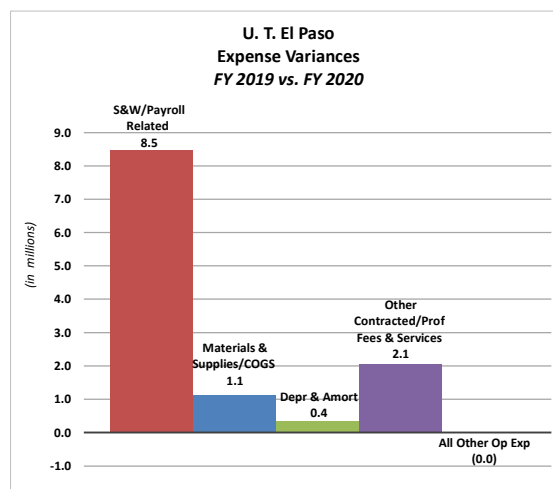
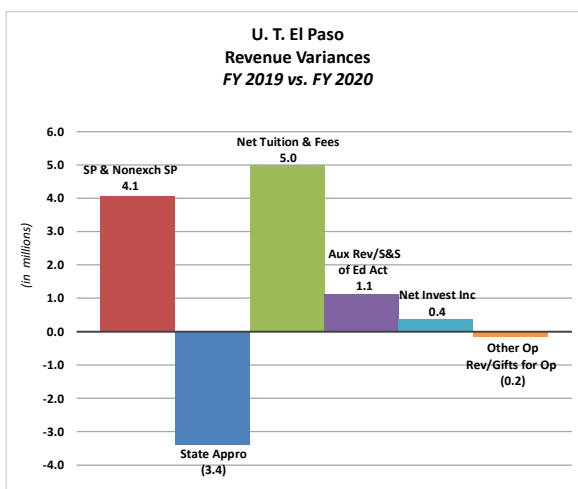
Comparison of Operating Results and Margin

For the Period Ending March 31, 2020



U. T. El Paso incurred a year-to-date adjusted loss of \$9.7 million, an increase in adjusted loss of \$5.0 million (106%) from the prior year. The increase was primarily due to an increase in salaries and wages and payroll related costs attributable to increased faculty levels and merit increases for faculty and staff. *U. T. El Paso* estimated a total of \$1.3 million of nonmandatory student fees for housing, meal plans and student parking will be refunded in 2020 due to COVID-19. In March 2020 *U. T. El Paso* refunded \$0.4 million of those fees.

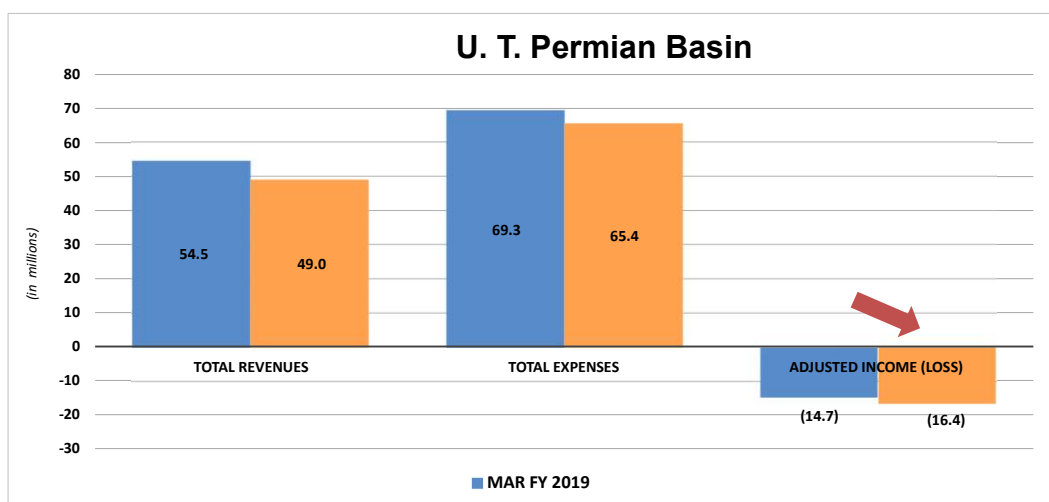
(in millions)	March YTD FY 2019	March YTD FY 2020	Variance
Sponsored Programs/Nonexchange Sponsored Programs	\$ 83.1	87.2	4.1
State Appropriations	65.8	62.4	(3.4)
Net Tuition and Fees	84.4	89.4	5.0
Auxiliary Revenues/Sales & Services of Educational Activities	26.6	27.7	1.1
Net Investment Income	9.8	10.2	0.4
Other Operating Revenues/Gift Contributions for Operations	3.0	2.8	(0.2)
Total Revenues	272.7	279.7	7.0
Salaries and Wages/Payroll Related Costs	151.7	160.2	8.5
Materials and Supplies/Cost of Goods Sold	11.0	12.2	1.1
Depreciation and Amortization	17.5	17.9	0.4
Other Contracted Services/Professional Fees & Services	19.7	21.8	2.1
All Other Operating Expenses	77.5	77.5	(0.0)
Total Expenses	\$ 277.4	289.4	12.0
Adjusted Income (Loss)	(4.7)	(9.7)	(5.0)
Adjusted Income (Loss) Excluding Depr & Amort Exp	12.8	8.1	(4.7)



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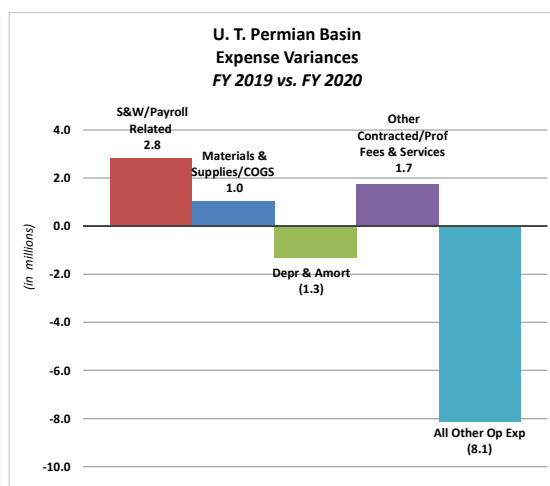
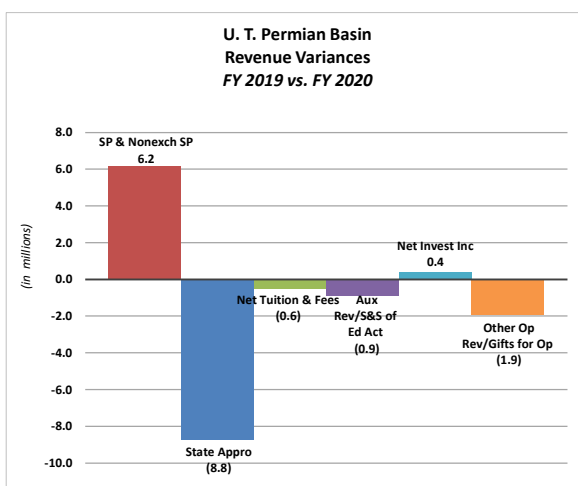
Comparison of Operating Results and Margin

For the Period Ending March 31, 2020



U. T. Permian Basin incurred a year-to-date adjusted loss of \$16.4 million, an increase in adjusted loss of \$1.7 million (12%) from the prior year. The increase was primarily attributable to the following: an increase in salaries and wages and payroll related costs as a result of vacant positions being filled, as well as new positions; an increase in professional fees and services due to an increase in other professional services, consulting services and financial and accounting services; and an increase in materials and supplies attributable to an increase in software expenses and non-capitalized furnishings for the Engineering building. *U. T. Permian Basin* estimated a total of \$1.2 million of nonmandatory student fees for housing, meal plans and student parking will be refunded in 2020 as a result of COVID-19. As of March, *U. T. Permian Basin* has not refunded any of those fees.

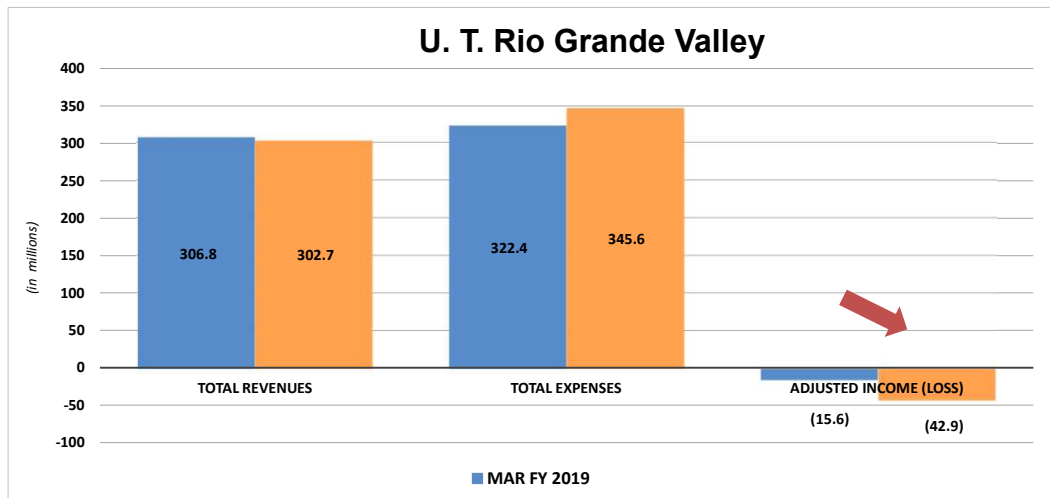
(in millions)	March YTD FY 2019	March YTD FY 2020	Variance
Sponsored Programs/Nonexchange Sponsored Programs	\$ 9.2	15.4	6.2
State Appropriations	21.6	12.8	(8.8)
Net Tuition and Fees	12.3	11.8	(0.6)
Auxiliary Revenues/Sales & Services of Educational Activities	4.5	3.6	(0.9)
Net Investment Income	1.3	1.7	0.4
Other Operating Revenues/Gift Contributions for Operations	5.6	3.7	(1.9)
Total Revenues	54.5	49.0	(5.6)
Salaries and Wages/Payroll Related Costs	29.5	32.3	2.8
Materials and Supplies/Cost of Goods Sold	2.8	3.9	1.0
Depreciation and Amortization	12.1	10.8	(1.3)
Other Contracted Services/Professional Fees & Services	5.8	7.5	1.7
All Other Operating Expenses	19.0	10.9	(8.1)
Total Expenses	\$ 69.3	65.4	(3.9)
Adjusted Income (Loss)	(14.7)	(16.4)	(1.7)
Adjusted Income (Loss) Excluding Depr & Amort Exp	(2.6)	(5.6)	(3.0)



Monthly Financial Report

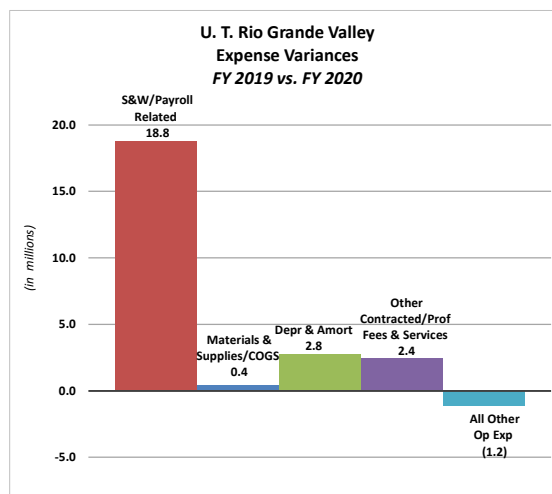
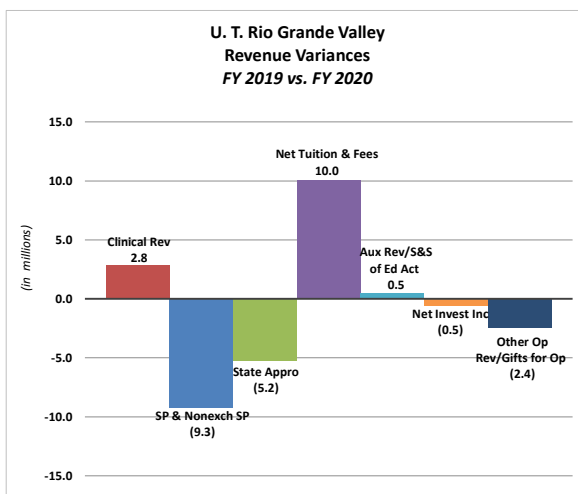
Comparison of Operating Results and Margin

For the Period Ending March 31, 2020

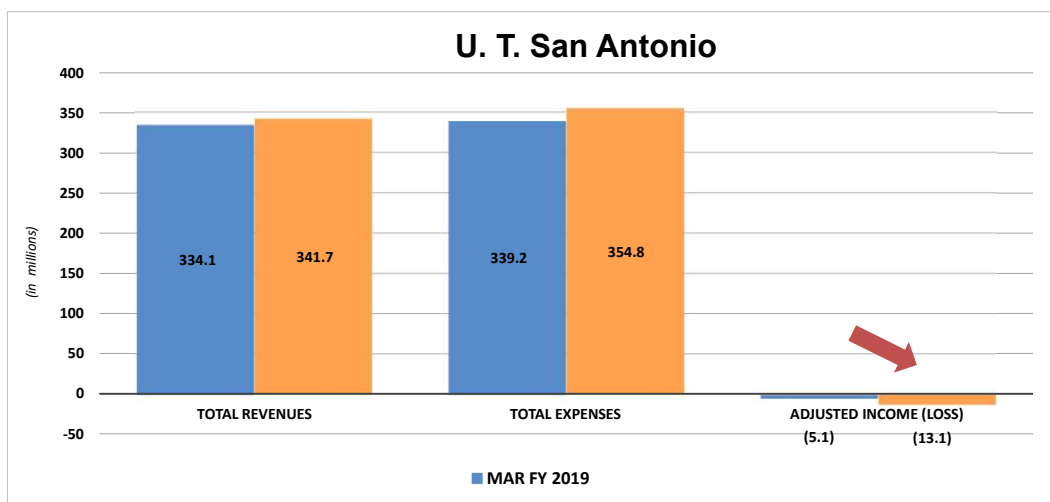


U. T. Rio Grande Valley incurred a year-to-date adjusted loss of \$42.9 million, an increase in adjusted loss of \$27.3 million (175%) from the prior year. The increase was primarily due to the following: an increase in salaries and wages and payroll related costs as a result of increases in staff and faculty positions; a decrease in sponsored programs due to decreased hospital contract revenue as a result of ongoing negotiations; an increase in depreciation and amortization expense attributable to new buildings placed into service; and a decrease in other operating revenues primarily due to a decline in Delivery System Reform Incentive Payment (DSRIP) revenues. *U. T. Rio Grande Valley* estimated a total of \$1.7 million of nonmandatory student fees for housing, meal plans and student parking will be refunded in 2020 as a result of COVID-19. As of March, *U. T. Rio Grande Valley* has not refunded any of those fees.

(in millions)	March YTD FY 2019	March YTD FY 2020	Variance
Clinical Revenues	\$ 3.4	6.3	2.8
Sponsored Programs/Nonexchange Sponsored Programs	126.1	116.9	(9.3)
State Appropriations	92.1	86.9	(5.2)
Net Tuition and Fees	58.5	68.5	10.0
Auxiliary Revenues/Sales & Services of Educational Activities	11.0	11.5	0.5
Net Investment Income	5.8	5.3	(0.5)
Other Operating Revenues/Gift Contributions for Operations	9.8	7.4	(2.4)
Total Revenues	306.8	302.7	(4.1)
Salaries and Wages/Payroll Related Costs	195.6	214.3	18.8
Materials and Supplies/Cost of Goods Sold	11.2	11.6	0.4
Depreciation and Amortization	26.7	29.5	2.8
Other Contracted Services/Professional Fees & Services	8.9	11.4	2.4
All Other Operating Expenses	80.0	78.8	(1.2)
Total Expenses	\$ 322.4	345.6	23.2
Adjusted Income (Loss)	(15.6)	(42.9)	(27.3)
Adjusted Income (Loss) Excluding Depr & Amort Exp	11.1	(13.4)	(24.5)

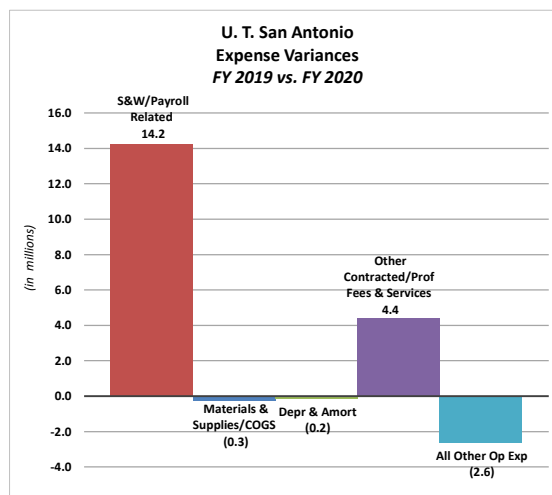
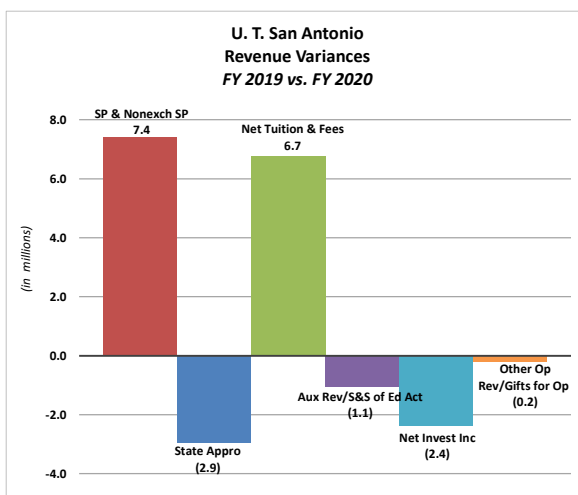


Monthly Financial Report Comparison of Operating Results and Margin For the Period Ending March 31, 2020

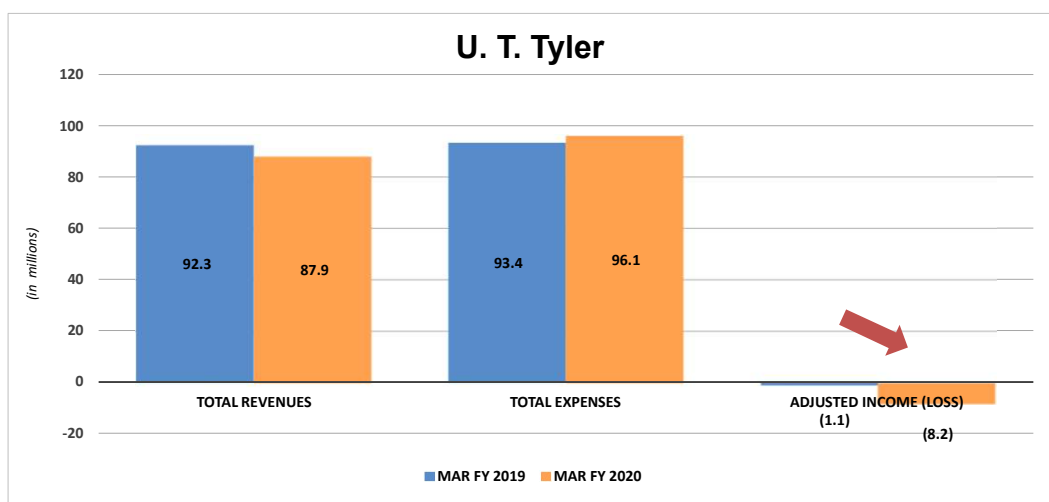


U. T. San Antonio incurred a year-to-date adjusted loss of \$13.1 million, an increase in adjusted loss of \$8.0 million (155%) from the prior year. The increase was primarily attributable to the following: an increase in salaries and wages and payroll related costs due to merit increases and increases in faculty positions; 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 will be refunded in 2020 as a result of COVID-19. As of March, *U. T. San Antonio* has not refunded any of those fees.

(in millions)	March YTD FY 2019	March YTD FY 2020	Variance
Sponsored Programs/Nonexchange Sponsored Programs	\$ 79.8	87.2	7.4
State Appropriations	77.6	74.7	(2.9)
Net Tuition and Fees	120.6	127.3	6.7
Auxiliary Revenues/Sales & Services of Educational Activities	36.0	35.0	(1.1)
Net Investment Income	13.1	10.7	(2.4)
Other Operating Revenues/Gift Contributions for Operations	7.0	6.8	(0.2)
Total Revenues	334.1	341.7	7.6
Salaries and Wages/Payroll Related Costs	192.4	206.6	14.2
Materials and Supplies/Cost of Goods Sold	16.1	15.8	(0.3)
Depreciation and Amortization	28.9	28.8	(0.2)
Other Contracted Services/Professional Fees & Services	17.8	22.2	4.4
All Other Operating Expenses	84.0	81.3	(2.6)
Total Expenses	\$ 339.2	354.8	15.6
Adjusted Income (Loss)	(5.1)	(13.1)	(8.0)
Adjusted Income (Loss) Excluding Depr & Amort Exp	23.8	15.7	(8.1)

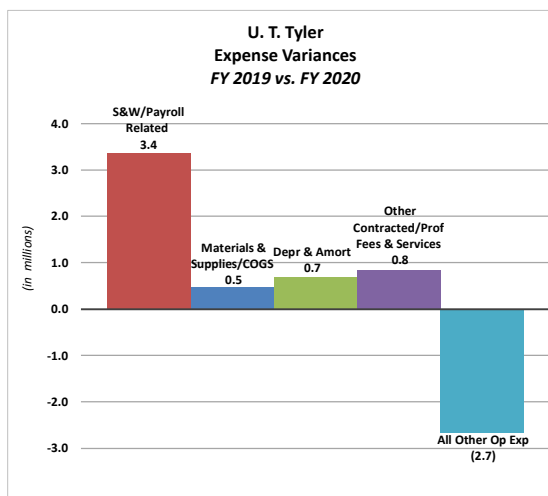
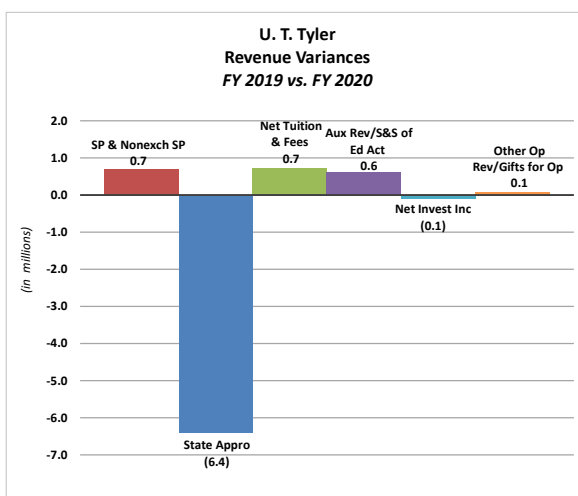


Monthly Financial Report Comparison of Operating Results and Margin For the Period Ending March 31, 2020



U. T. Tyler incurred a year-to-date adjusted loss of \$8.2 million, an increase in adjusted loss of \$7.1 million (637%) from the prior year. The increase was primarily due to the following: an increase in salaries and wages and payroll related costs as a result of increased faculty levels due to new and growing academic programs; an increase in depreciation and amortization expense attributable to ongoing, extensive reviews of non-capitalized expenses that were subsequently determined should be capitalized; an increase in professional fees and services as a result of an increase in architecture and engineering services fees, as well as consulting services; and an increase in materials and supplies due to a reclassification of computer software expenses and non-capitalized expenses for furnishing and equipment that were originally capitalized. *U. T. Tyler* estimated a total of \$3.0 million of nonmandatory student fees for housing, meal plans and student parking will be refunded in 2020 as a result of COVID-19. As of March, *U. T. Tyler* has not refunded any of those fees.

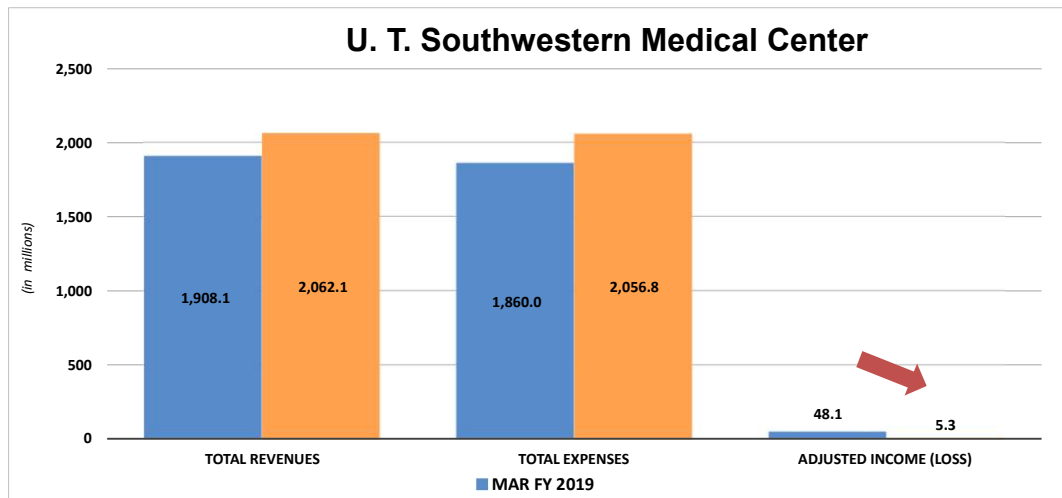
(in millions)	March YTD FY 2019	March YTD FY 2020	Variance
Sponsored Programs/Nonexchange Sponsored Programs	\$ 14.4	15.1	0.7
State Appropriations	25.8	19.4	(6.4)
Net Tuition and Fees	31.8	32.5	0.7
Auxiliary Revenues/Sales & Services of Educational Activities	15.9	16.5	0.6
Net Investment Income	3.5	3.4	(0.1)
Other Operating Revenues/Gift Contributions for Operations	1.0	1.0	0.1
Total Revenues	92.3	87.9	(4.4)
Salaries and Wages/Payroll Related Costs	54.7	58.0	3.4
Materials and Supplies/Cost of Goods Sold	5.2	5.6	0.5
Depreciation and Amortization	9.3	10.0	0.7
Other Contracted Services/Professional Fees & Services	6.1	7.0	0.8
All Other Operating Expenses	18.1	15.5	(2.7)
Total Expenses	93.4	96.1	2.7
Adjusted Income (Loss)	(1.1)	(8.2)	(7.1)
Adjusted Income (Loss) Excluding Depr & Amort Exp	8.2	1.8	(6.4)



Monthly Financial Report

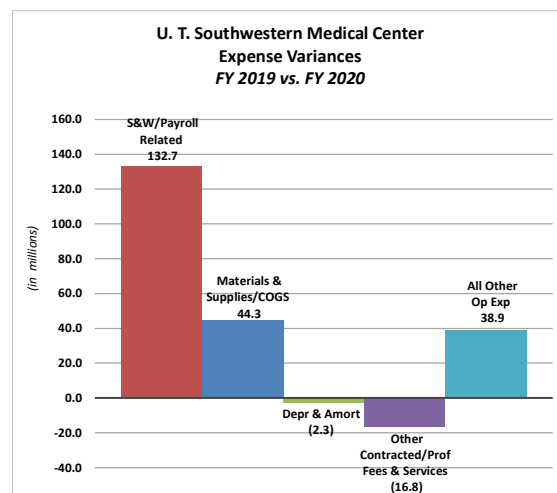
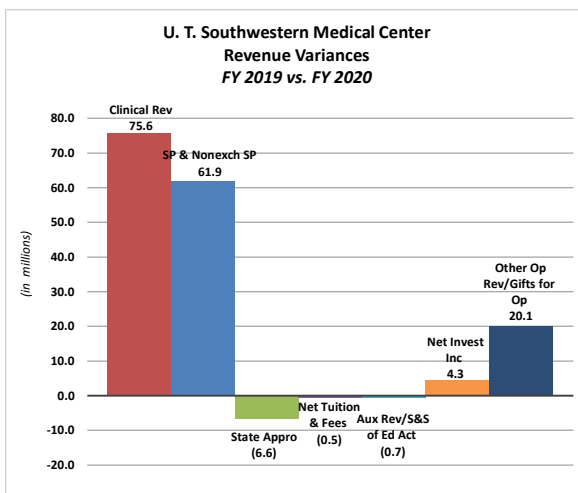
Comparison of Operating Results and Margin

For the Period Ending March 31, 2020



U. T. Southwestern Medical Center reported year-to-date adjusted income of \$5.3 million, a decrease of \$42.8 million (89%) 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; and an increase in materials and supplies primarily due to increased drugs and medical supplies driven by patient volumes and patient acuity. While *U. T. Southwestern Medical Center* is showing improvement in clinical revenues, March results were negatively impacted by COVID-19.

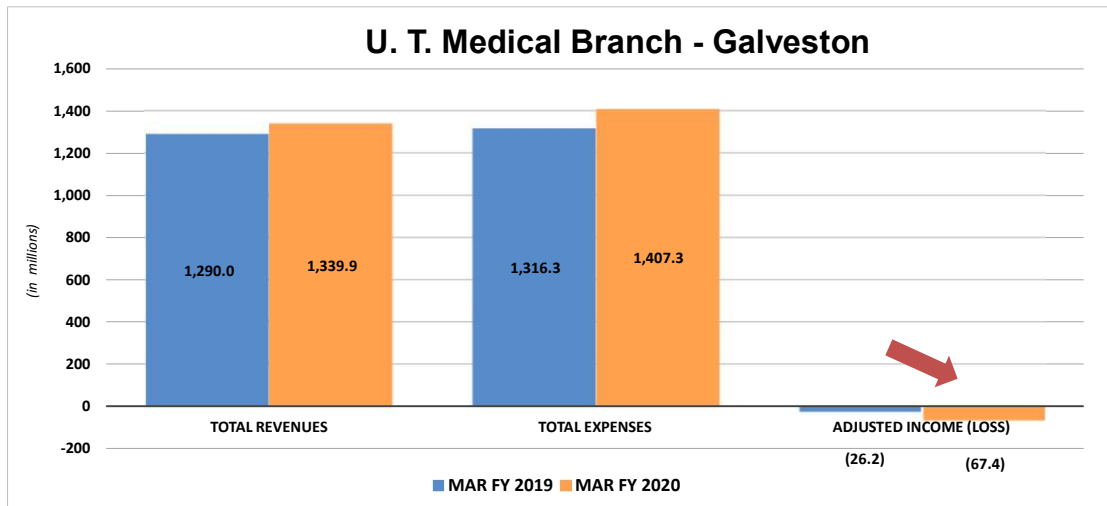
(in millions)	March YTD FY 2019	March YTD FY 2020	Variance
Clinical Revenues	\$ 1,241.1	1,316.6	75.6
Sponsored Programs/Nonexchange Sponsored Programs	346.5	408.3	61.9
State Appropriations	112.9	106.3	(6.6)
Net Tuition and Fees	15.8	15.3	(0.5)
Auxiliary Revenues/Sales & Services of Educational Activities	20.5	19.8	(0.7)
Net Investment Income	76.3	80.6	4.3
Other Operating Revenues/Gift Contributions for Operations	95.0	115.1	20.1
Total Revenues	1,908.1	2,062.1	154.0
Salaries and Wages/Payroll Related Costs	1,160.9	1,293.6	132.7
Materials and Supplies/Cost of Goods Sold	345.7	390.0	44.3
Depreciation and Amortization	107.0	104.7	(2.3)
Other Contracted Services/Professional Fees & Services	136.5	119.7	(16.8)
All Other Operating Expenses	109.9	148.8	38.9
Total Expenses	\$ 1,860.0	2,056.8	196.8
Adjusted Income (Loss)	48.1	5.3	(42.8)
Adjusted Income (Loss) Excluding Depr & Amort Exp	155.1	110.0	(45.1)



Monthly Financial Report

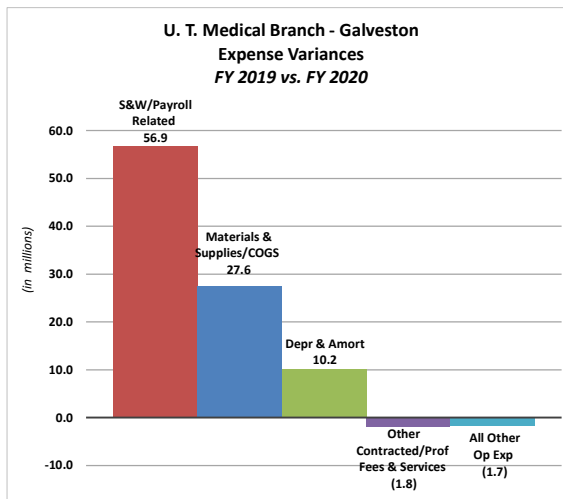
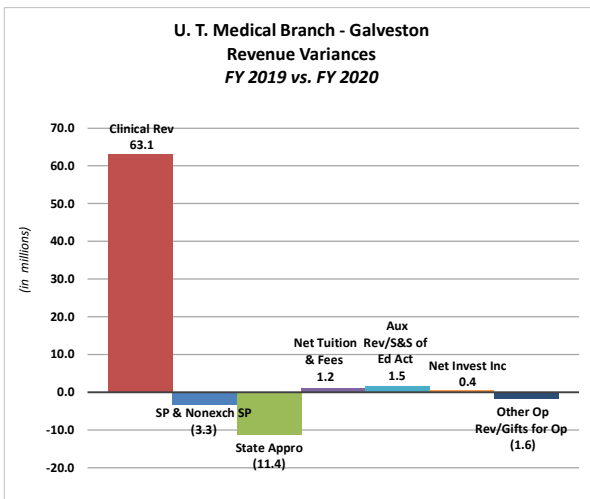
Comparison of Operating Results and Margin

For the Period Ending March 31, 2020



U. T. Medical Branch - Galveston incurred a year-to-date adjusted loss of \$67.4 million, an increase in adjusted loss of \$41.2 million (157%) 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 throughout all campuses which includes additional purchases of supplies in preparation for COVID-19; and an increase in depreciation and amortization expense as a result of various projects placed into service including the Clear Lake Campus. While *U. T. Medical Branch - Galveston* is showing improvement in clinical revenues, March results were negatively impacted by COVID-19.

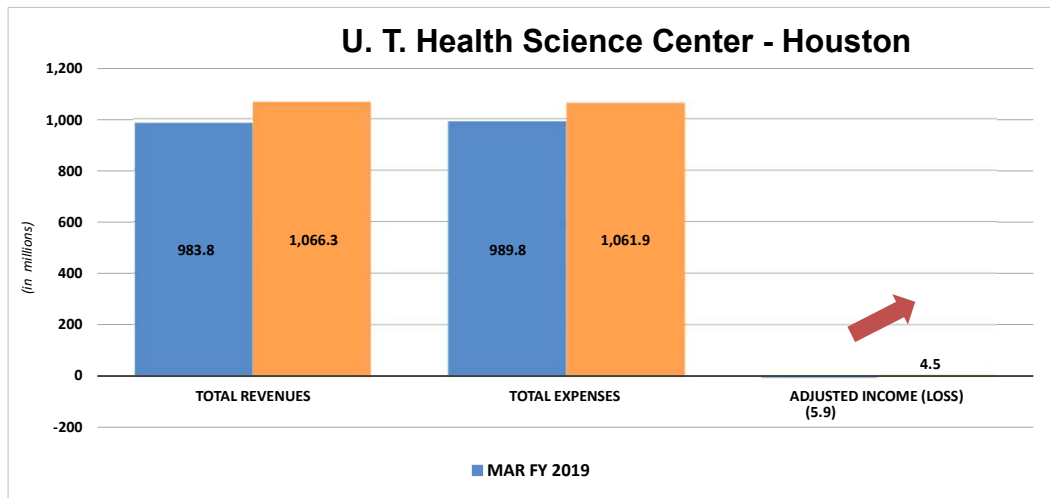
(in millions)	March YTD FY 2019	March YTD FY 2020	Variance
Clinical Revenues	\$ 843.0	906.1	63.1
Sponsored Programs/Nonexchange Sponsored Programs	116.4	113.0	(3.3)
State Appropriations	220.7	209.2	(11.4)
Net Tuition and Fees	25.7	26.9	1.2
Auxiliary Revenues/Sales & Services of Educational Activities	16.1	17.6	1.5
Net Investment Income	37.7	38.1	0.4
Other Operating Revenues/Gift Contributions for Operations	30.5	29.0	(1.6)
Total Revenues	1,290.0	1,339.9	49.9
Salaries and Wages/Payroll Related Costs	803.0	859.9	56.9
Materials and Supplies/Cost of Goods Sold	157.1	184.7	27.6
Depreciation and Amortization	102.0	112.1	10.2
Other Contracted Services/Professional Fees & Services	118.9	117.1	(1.8)
All Other Operating Expenses	135.3	133.6	(1.7)
Total Expenses	\$ 1,316.3	1,407.3	91.1
Adjusted Income (Loss)	(26.2)	(67.4)	(41.2)
Adjusted Income (Loss) Excluding Depr & Amort Exp	75.7	44.7	(31.0)



Monthly Financial Report

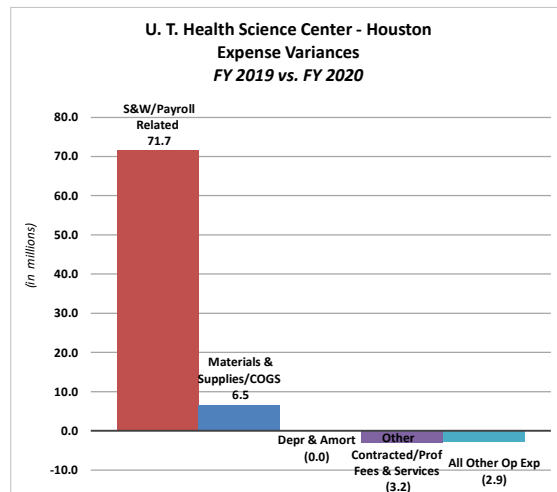
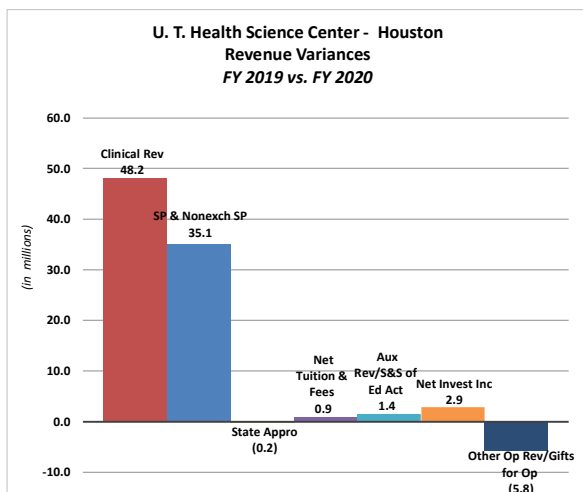
Comparison of Operating Results and Margin

For the Period Ending March 31, 2020



U. T. Health Science Center - Houston reported year-to-date adjusted income of \$4.5 million, an increase of \$10.4 million (175%) from the prior year. The increase was primarily attributable to the following: an increase in clinical revenues primarily as a result of new patient revenue from neurosurgery combined with increases in uncompensated care revenue and productivity; and an increase in sponsored programs due to an increase in contractual revenues from Memorial Hermann Hospital as a result of new incentive payments related to several service line agreements, as well as expanded contracted services. While *U. T. Health Science Center - Houston* is showing improvement in clinical revenues, March results were negatively impacted by COVID-19.

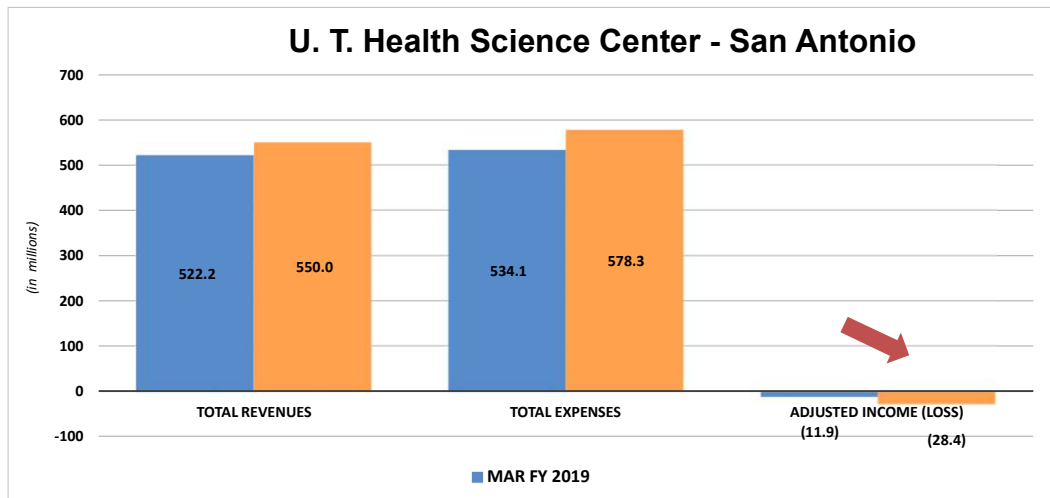
(in millions)	March YTD FY 2019	March YTD FY 2020	Variance
Clinical Revenues	\$ 258.0	306.1	48.2
Sponsored Programs/Nonexchange Sponsored Programs	453.8	488.9	35.1
State Appropriations	126.4	126.1	(0.2)
Net Tuition and Fees	36.3	37.2	0.9
Auxiliary Revenues/Sales & Services of Educational Activities	41.6	43.0	1.4
Net Investment Income	30.2	33.1	2.9
Other Operating Revenues/Gift Contributions for Operations	37.7	31.9	(5.8)
Total Revenues	983.8	1,066.3	82.5
Salaries and Wages/Payroll Related Costs	727.1	798.8	71.7
Materials and Supplies/Cost of Goods Sold	50.8	57.3	6.5
Depreciation and Amortization	39.2	39.2	(0.0)
Other Contracted Services/Professional Fees & Services	77.2	74.0	(3.2)
All Other Operating Expenses	95.5	92.6	(2.9)
Total Expenses	\$ 989.8	1,061.9	72.1
Adjusted Income (Loss)	(5.9)	4.5	10.4
Adjusted Income (Loss) Excluding Depr & Amort Exp	33.2	43.6	10.4



Monthly Financial Report

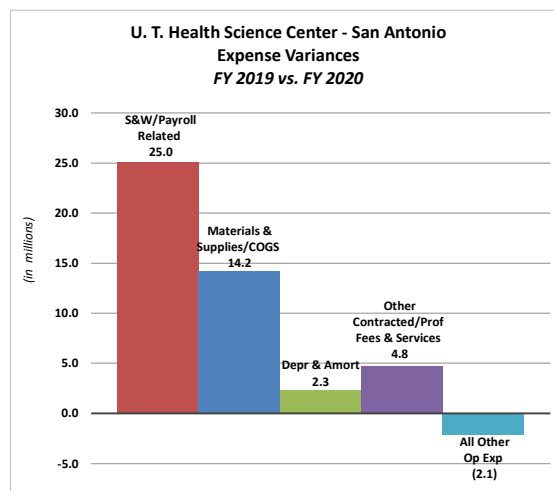
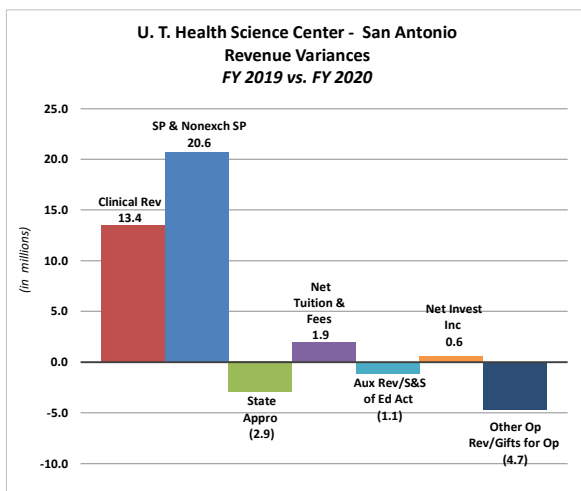
Comparison of Operating Results and Margin

For the Period Ending March 31, 2020

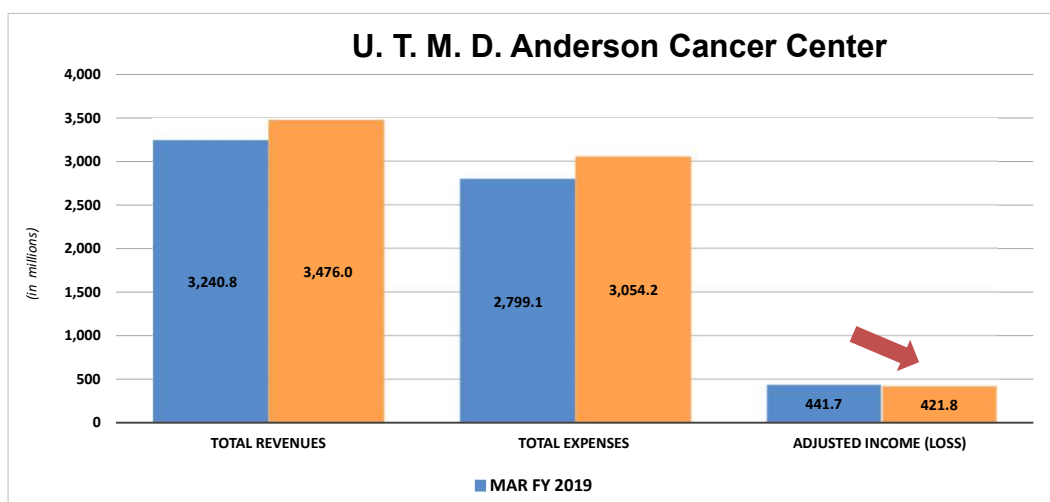


U. T. Health Science Center - San Antonio incurred a year-to-date adjusted loss of \$28.4 million, an increase in adjusted loss of \$16.4 million (137%) from the prior year. The increase was primarily due to the following: an increase in salaries and wages and payroll related costs attributable to increased 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, the U. T. Nursing Clinical Enterprise and U. T. Health Physicians; an increase in professional fees and services as a result of an increase in computer programming expenses, as well as consulting and legal services; a decrease in gift contributions for operations attributable to a gift pledge received in February 2019 with no such comparable gift received in the current year; and a decrease in other operating revenues as a result of a decline in Delivery System Reform Incentive Payment (DSRIP) revenues. While *U. T. Health Science Center - San Antonio* is showing improvement in clinical revenues, March results were negatively impacted by COVID-19.

(in millions)	March YTD FY 2019	March YTD FY 2020	Variance
Clinical Revenues	\$ 131.5	145.0	13.4
Sponsored Programs/Nonexchange Sponsored Programs	192.4	213.1	20.6
State Appropriations	101.7	98.8	(2.9)
Net Tuition and Fees	27.6	29.5	1.9
Auxiliary Revenues/Sales & Services of Educational Activities	20.7	19.6	(1.1)
Net Investment Income	27.6	28.2	0.6
Other Operating Revenues/Gift Contributions for Operations	20.6	15.9	(4.7)
Total Revenues	522.2	550.0	27.8
Salaries and Wages/Payroll Related Costs	361.8	386.9	25.0
Materials and Supplies/Cost of Goods Sold	44.2	58.4	14.2
Depreciation and Amortization	33.3	35.6	2.3
Other Contracted Services/Professional Fees & Services	31.2	36.0	4.8
All Other Operating Expenses	63.6	61.5	(2.1)
Total Expenses	\$ 534.1	578.3	44.2
Adjusted Income (Loss)	(11.9)	(28.4)	(16.4)
Adjusted Income (Loss) Excluding Depr & Amort Exp	21.3	7.2	(14.1)

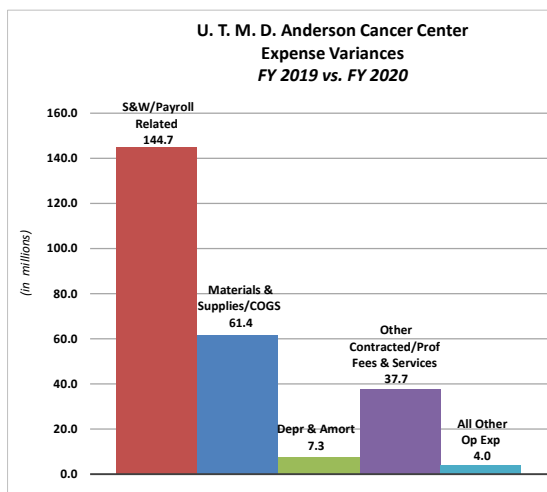
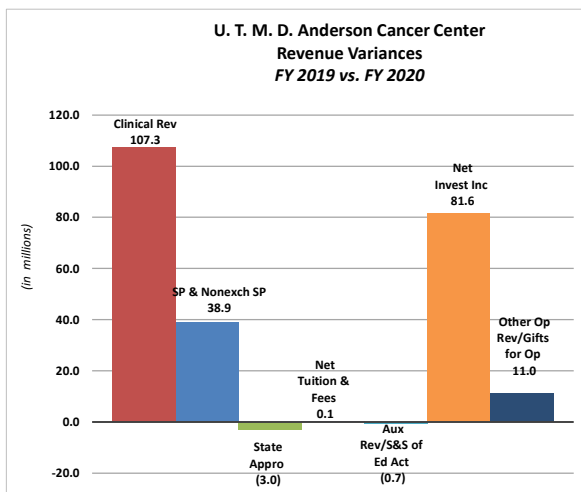


Monthly Financial Report Comparison of Operating Results and Margin For the Period Ending March 31, 2020



U. T. M. D. Anderson Cancer Center reported year-to-date adjusted income of \$421.8 million, a decrease of \$19.9 million (4%) from the prior year. The decrease was primarily attributable to the following: an increase in salaries and wages and payroll related costs due to increases in staff and faculty positions; an increase in materials and supplies as a result of an increase in patient drug charges and medical and laboratory supplies due to increased hospital operations in the first half of the fiscal year, as well as an increase in computer software expenses; and an increase in other contracted services attributable to an increase in temporary personnel expenses, lab and animal maintenance services and direct patient care charges. While *U. T. M. D. Anderson Cancer Center* is showing improvement in clinical revenues, March results were negatively impacted by COVID-19.

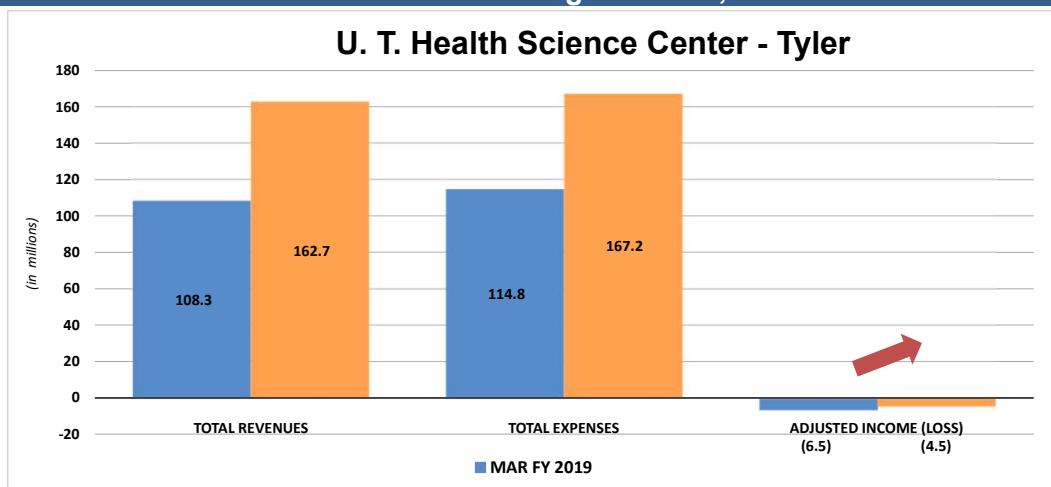
(in millions)	March YTD FY 2019	March YTD FY 2020	Variance
Clinical Revenues	\$ 2,587.7	2,695.0	107.3
Sponsored Programs/Nonexchange Sponsored Programs	217.7	256.6	38.9
State Appropriations	122.2	119.2	(3.0)
Net Tuition and Fees	1.4	1.5	0.1
Auxiliary Revenues/Sales & Services of Educational Activities	28.6	27.9	(0.7)
Net Investment Income	131.9	213.6	81.6
Other Operating Revenues/Gift Contributions for Operations	151.2	162.2	11.0
Total Revenues	3,240.8	3,476.0	235.2
Salaries and Wages/Payroll Related Costs	1,578.1	1,722.8	144.7
Materials and Supplies/Cost of Goods Sold	644.4	705.9	61.4
Depreciation and Amortization	207.9	215.2	7.3
Other Contracted Services/Professional Fees & Services	179.6	217.2	37.7
All Other Operating Expenses	189.1	193.1	4.0
Total Expenses	\$ 2,799.1	3,054.2	255.1
Adjusted Income (Loss)	441.7	421.8	(19.9)
Adjusted Income (Loss) Excluding Depr & Amort Exp	649.6	637.0	(12.6)



Monthly Financial Report

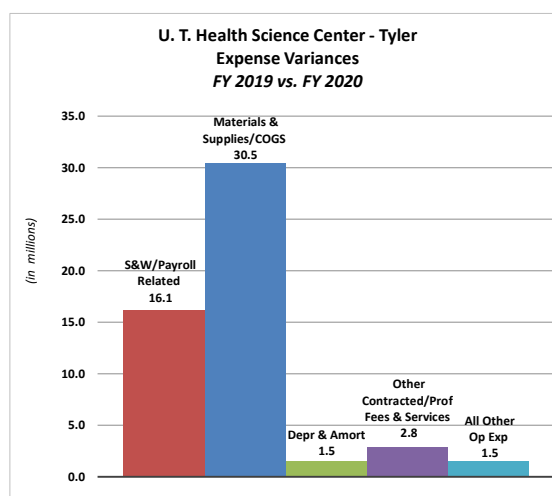
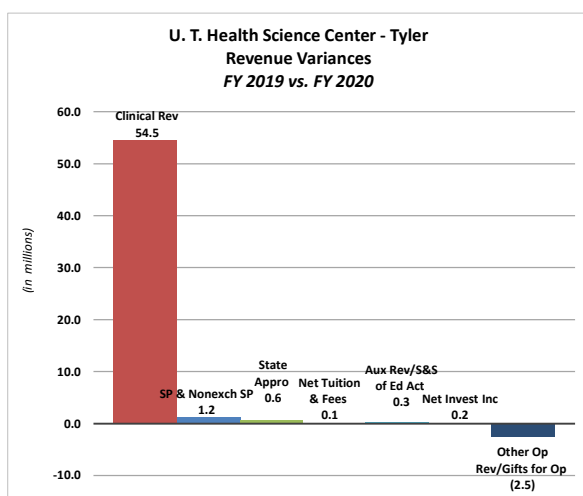
Comparison of Operating Results and Margin

For the Period Ending March 31, 2020



U. T. Health Science Center - Tyler incurred a year-to-date adjusted loss of \$4.5 million, a decrease in adjusted loss of \$1.9 million (30%) from the prior year. The decrease was primarily due to an increase in clinical revenues related to the acquisition of the Hope Oncology practice. While U. T. Health Science Center - Tyler is showing improvement in clinical revenues, March results were negatively impacted by COVID-19.

(in millions)	March YTD FY 2019	March YTD FY 2020	Variance
Clinical Revenues	\$ 35.0	89.6	54.5
Sponsored Programs/Nonexchange Sponsored Programs	17.7	18.9	1.2
State Appropriations	30.6	31.2	0.6
Net Tuition and Fees	0.2	0.2	0.1
Auxiliary Revenues/Sales & Services of Educational Activities	2.5	2.8	0.3
Net Investment Income	2.0	2.2	0.2
Other Operating Revenues/Gift Contributions for Operations	20.3	17.8 *	(2.5)
Total Revenues	108.3	162.7	54.4
Salaries and Wages/Payroll Related Costs	71.6	87.8	16.1
Materials and Supplies/Cost of Goods Sold	12.2	42.7	30.5
Depreciation and Amortization	8.4	10.0	1.5
Other Contracted Services/Professional Fees & Services	13.6	16.4	2.8
All Other Operating Expenses	8.8	10.3	1.5
Total Expenses	\$ 114.8	167.2	52.4
Adjusted Income (Loss)	(6.5)	(4.5)	1.9
Adjusted Income (Loss) Excluding Depr & Amort Exp	2.0	5.5	3.5



*Other Operating Income includes 30% of UT Health East Texas' (UTHET's) net adjusted income which was \$1.0 million through March.