

THE UNIVERSITY OF TEXAS SYSTEM OFFICE OF THE CONTROLLER

MONTHLY FINANCIAL REPORT *(unaudited)*

NOVEMBER 2019



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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

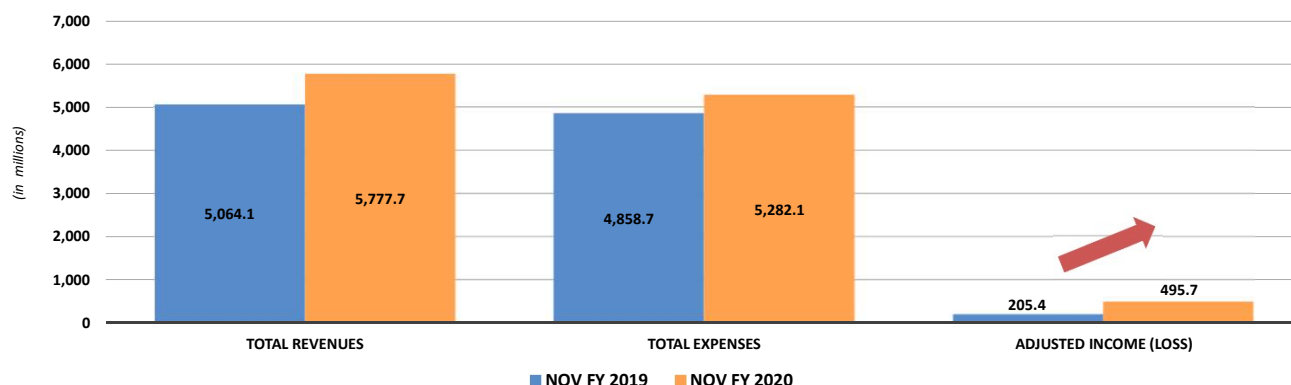
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Monthly Financial Report

Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending November 30, 2019

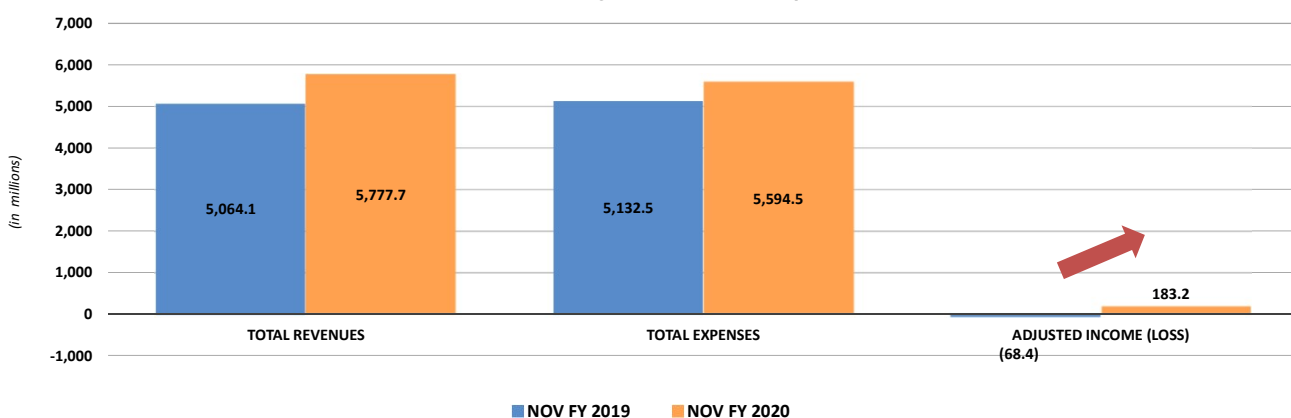
U. T. System Consolidated (Excluding OPEB & Pension Expense)



Excluding other postemployment benefits (OPEB) and pension expense, *U. T. System Consolidated* shows year-to-date adjusted income of \$495.7 million, an increase of \$290.2 million (141%) from the prior year. The increase was primarily due to the following: an increase in net sales and services of hospitals as a result of an increase in volume and clinical productivity; and an increase in net investment income primarily due to *U. T. M. D. Anderson Cancer Center* receiving \$300 million from Takeda Pharmaceutical for a new agreement.

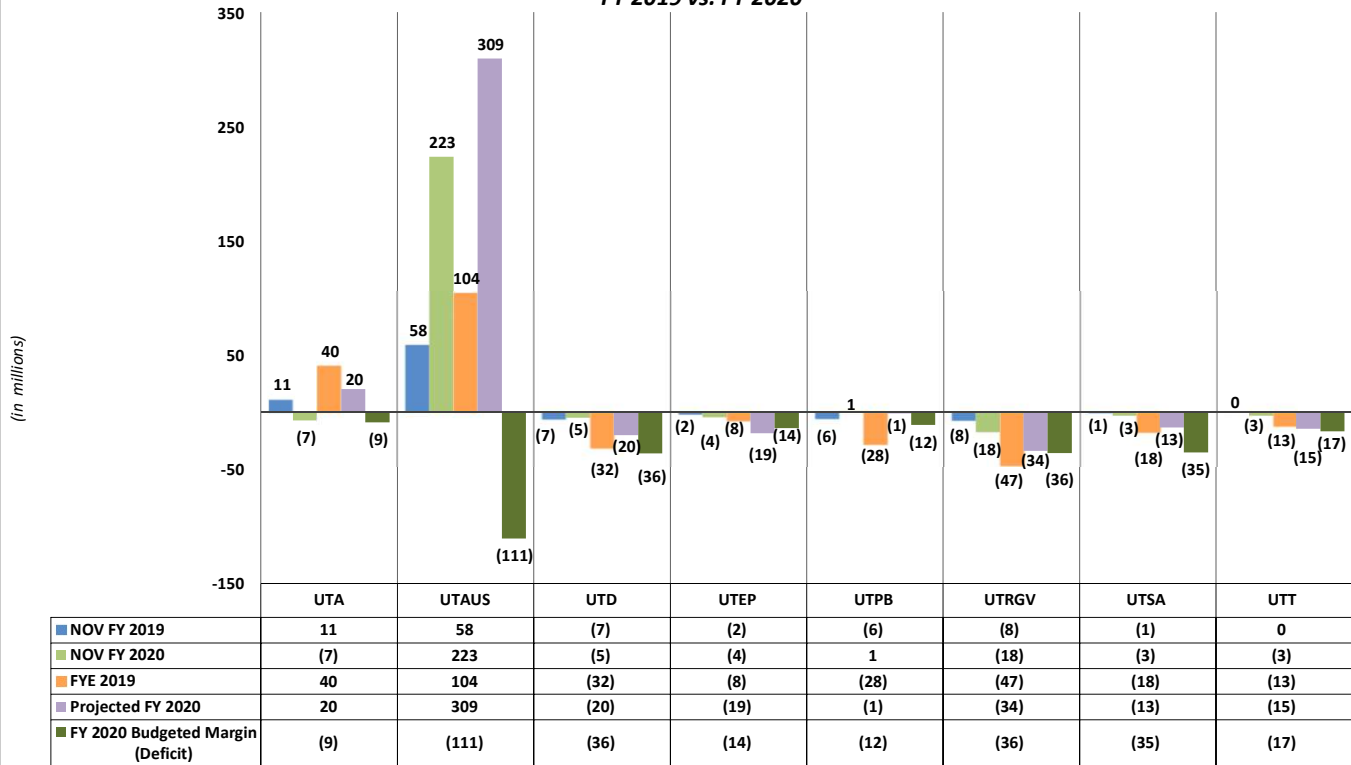
(in millions)	November YTD FY 2019	November YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 2,163.2	2,378.6	215.3	9,687.7
Sponsored Programs/Nonexchange Sponsored Programs	881.5	1,011.2	129.7	4,138.5
State Appropriations	575.0	555.7	(19.2)	2,227.4
Net Tuition and Fees	463.4	493.5	30.1	1,952.5
Auxiliary Revenues/Sales & Services of Educational Activities	376.2	380.6	4.4	1,281.7
Net Investment Income	400.4	608.1	207.6	1,227.8
Other Operating Revenues/Gift Contributions for Operations	204.5	350.0	145.5	1,034.0
Total Revenues	5,064.1	5,777.7	713.6	21,549.6
Salaries and Wages/Payroll Related Costs	2,893.4	3,136.0	242.6	12,302.7
Materials and Supplies/Cost of Goods Sold	604.5	702.5	98.0	2,675.8
Depreciation and Amortization	367.6	387.3	19.7	1,573.4
Other Contracted Services/Professional Fees & Services	312.2	361.5	49.3	1,493.5
All Other Operating Expenses	681.1	694.8	13.7	2,771.1
Total Expenses (Excluding OPEB & Pension Exp)	\$ 4,858.7	5,282.1	423.3	20,816.5
Adjusted Income (Loss) Excluding OPEB & Pension Exp	205.4	495.7	290.2	733.2
OPEB Expense	210.8	166.2	(44.6)	664.8
Pension Expense	63.0	146.2	83.2	584.8
Adjusted Income (Loss)	(68.4)	183.2	251.6	(516.4)
Adjusted Income (Loss) Excluding Depr & Amort Exp	299.2	570.5	271.3	1,057.0

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

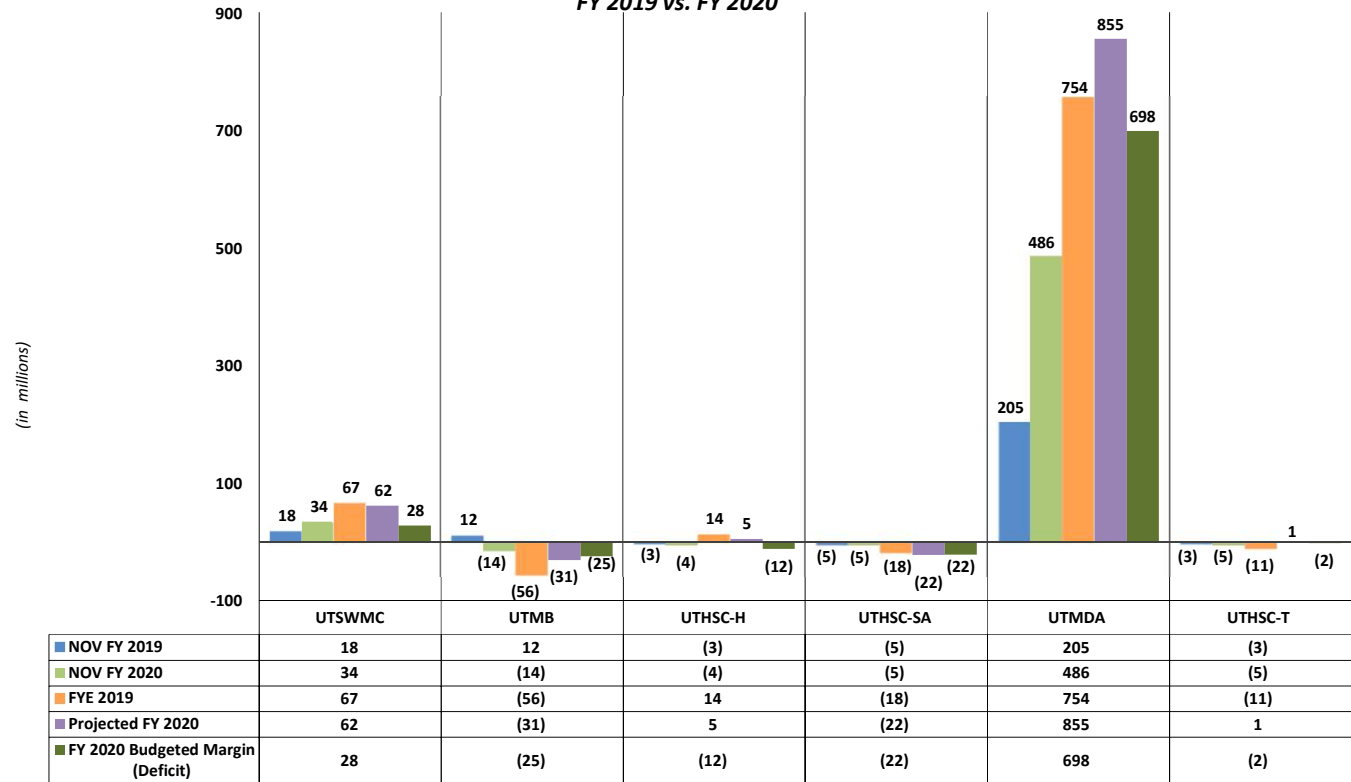


Monthly Financial Report
Comparison of Adjusted Income (Loss)
For the Period Ending November 30, 2019

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



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



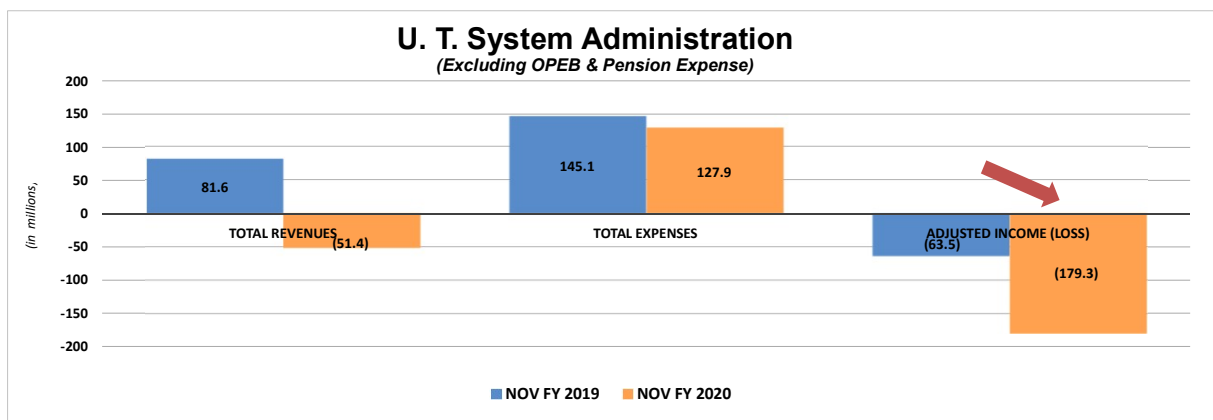
Monthly Financial Report
Comparison of Adjusted Income (Loss)
For the Period Ending November 30, 2019

Executive Summary of Adjusted Income (Loss)

	November FYTD 2019 (millions)	November FYTD 2020 (millions)	Variance %	Comments
U. T. System Administration (excluding OPEB & Pension Expense)	\$ (63.5)	(179.3)	-182%	Decrease in Net Investment Income Projected loss of (\$362.7) million for the FY
U. T. Arlington	10.9	(7.3)	-167%	Increase in Other Contracted Services, Salaries & Wages, Payroll Related Projected income of \$20.1 million for the FY
U. T. Austin	58.2	223.4	284%	Increase in Gifts for Operations, Sponsored Programs, Net Investment Income, Available University Fund (AUF) transfer Projected income of \$309.3 million for the FY
U. T. Dallas	(6.5)	(5.1)	22%	Increase in Sponsored Programs, Sales & Services of Educational Activities, Nonexchange Sponsored Programs Projected loss of (\$20.3) million for the FY
U. T. El Paso	(2.3)	(4.5)	-94%	Increase in Salaries and Wages, Payroll Related Decrease in Net Auxiliary Enterprises revenue Projected loss of (\$18.6) million for the FY
U. T. Permian Basin	(6.0)	0.5	109%	Increase in Net Tuition & Fees and Net Auxiliary Enterprises revenue, prior year understated Projected loss of (\$1.2) million for the FY
U. T. Rio Grande Valley	(7.7)	(17.7)	-132%	Increase in Salaries & Wages, Payroll Related Decrease in Sponsored Programs, Nonexchange Sponsored Programs Projected loss of (\$34.1) million for the FY
U. T. San Antonio	(1.1)	(3.3)	-198%	Increase in Salaries & Wages, Payroll Related Projected loss of (\$13.4) million for the FY
U. T. Tyler	0.0	(3.2)	-8,054%	Increase in Salaries & Wages, Payroll Related Projected loss of (\$14.6) million for the FY
Southwestern	18.4	34.4	87%	Increase in Sales & Services of Hospitals Projected income of \$61.6 million for the FY
UTMB	11.5	(14.3)	-224%	Increase in Salaries & Wages, Payroll Related, Materials & Supplies, Depreciation & Amortization Projected loss of (\$30.9) million
UTHSC-Houston	(3.2)	(4.5)	-38%	Increase in Salaries & Wages, Payroll Related Projected income of \$5.0 million for the FY
UTHSC-San Antonio	(4.9)	(4.6)	7%	Increase in Sponsored Programs, Clinical Revenue Projected loss of (\$22.3) million for the FY
M. D. Anderson	205.0	485.7	137%	Increase in Net Investment Income, Sales & Services of Hospitals Projected income of \$854.6 million for the FY
UTHSC-Tyler	(3.4)	(4.6)	-36%	Increase in Materials & Supplies, Salaries & Wages, Payroll Related Projected income of \$0.6 million for the FY
Total Adjusted Income (Loss)	\$ 205.4	495.7	141%	

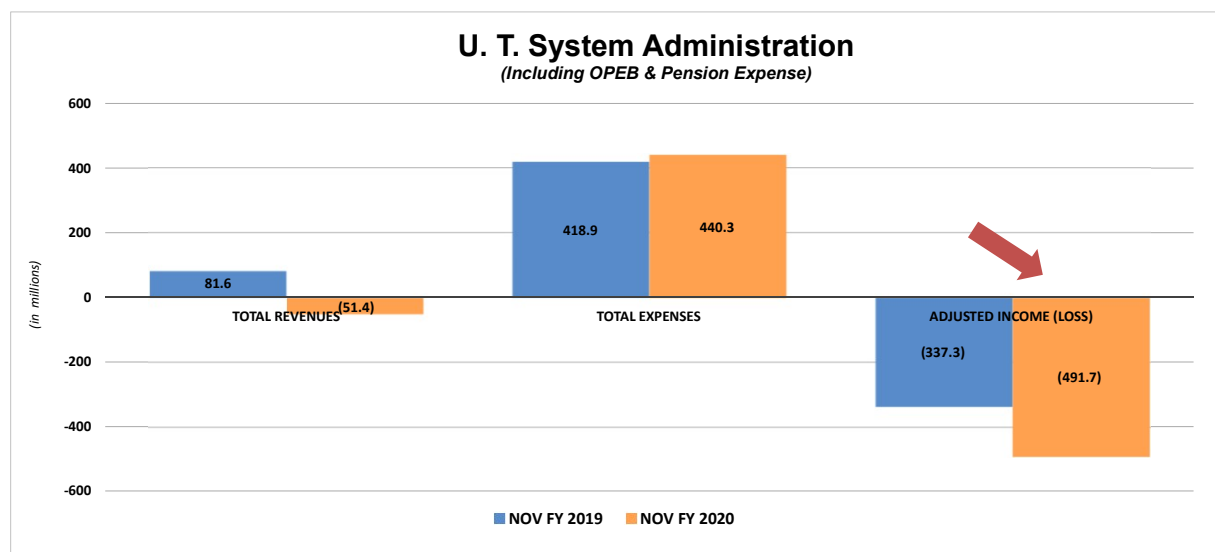
* For additional details on the variances, please see pages 4 through 19.

Monthly Financial Report
Comparison of Operating Results, Margin and Projected Year-End
For the Period Ending November 30, 2019



Excluding OPEB and pension expense, *U. T. System Administration* incurred a year-to-date adjusted loss of \$179.3 million, an increase in adjusted loss of \$115.8 million (182%) from the prior year. The increase was primarily due to a decrease in net investment income as a result of a decrease in Permanent University Fund (PUF) mineral lease bonus sales, oil and gas royalties, PUF investment income, and Available University Fund (AUF) surface income, as well as increases in the Long Term Fund (LTF) distribution and LTF investment expenses. The most current projection, excluding OPEB and pension expense, reflects a loss of \$362.7 million for the year.

<i>(in millions)</i>	November YTD FY 2019	November YTD FY 2020	Variance	Annual Projected FY 2020
Sponsored Programs/Nonexchange Sponsored Programs	\$ 1.0	13.9	12.9	40.3
State Appropriations	0.8	1.0	0.2	3.9
Auxiliary Revenues/Sales & Services of Educational Activities	8.0	2.0	(6.1)	8.0
Net Investment Income/Available University Fund (AUF)	66.4	(74.6)	(141.0)	(298.4)
Other Operating Revenues/Gift Contributions for Operations	5.4	6.4	1.0	25.2
Total Revenues	81.6	(51.4)	(133.0)	(221.0)
Salaries and Wages/Payroll Related Costs	25.2	19.1	(6.1)	(226.1)
Materials and Supplies/Cost of Goods Sold	13.9	4.9	(8.9)	(22.5)
Depreciation and Amortization	6.7	4.1	(2.6)	16.4
Other Contracted Services/Professional Fees & Services	6.5	14.4	7.9	33.0
All Other Operating Expenses	92.8	85.4	(7.5)	341.0
Total Expenses (Excluding OPEB & Pension Exp)	\$ 145.1	127.9	(17.2)	141.8
Adjusted Income (Loss) Excluding OPEB & Pension Exp	(63.5)	(179.3)	(115.8)	(362.7)
OPEB Expense	210.8	166.2	(44.6)	664.8
Pension Expense	63.0	146.2	83.2	584.8
Adjusted Income (Loss)	(337.3)	(491.7)	(154.4)	(1,612.4)
Adjusted Income (Loss) Excluding Depr & Amort Exp	(330.6)	(487.6)	(157.0)	(1,596.0)

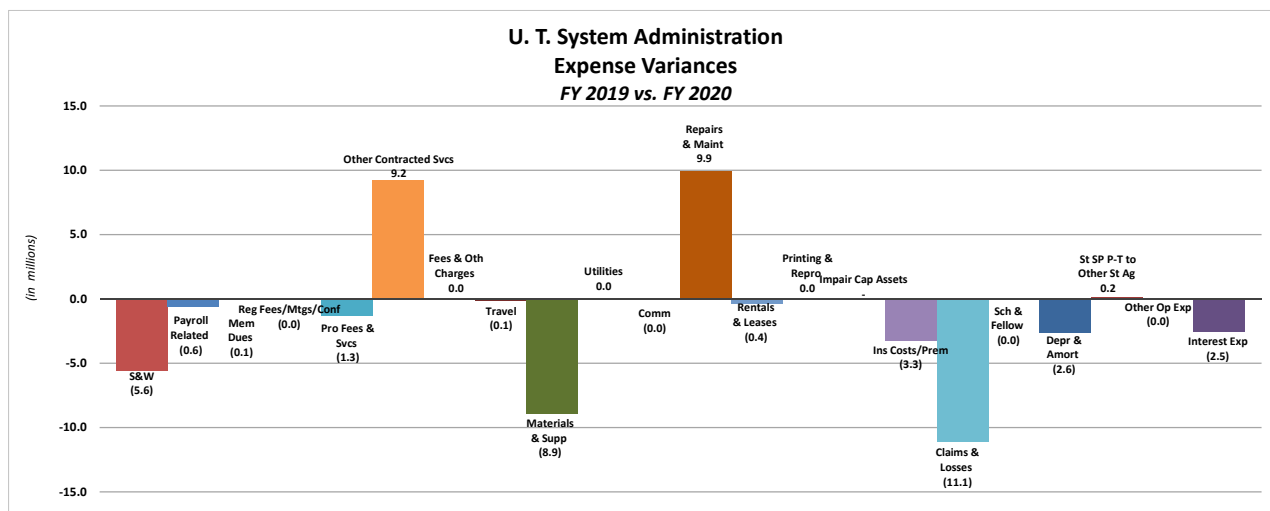


Monthly Financial Report

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

For the Period Ending November 30, 2019

(in millions)	November YTD FY 2019	November YTD FY 2020	Actual Year-End FY 2019	Annual Projected FY 2020
Salaries and Wages	\$ 20.8	15.3	57.9	61.1
Payroll Related Costs	4.3	3.8	(306.4) *	(287.2) *
Membership Dues	0.3	0.2	0.5	0.8
Registration Fees, Meetings, Conferences	0.1	0.1	0.4	0.3
Professional Fees and Services	3.8	2.5	15.4	10.0
Other Contracted Services	2.7	12.0	25.7	23.0
Fees and Other Charges	0.0	0.0	0.1	0.1
Travel	0.5	0.4	1.5	1.4
Materials and Supplies	13.9	4.9	11.4	(22.5)
Utilities	0.1	0.1	0.4	0.6
Communications	0.1	0.1	3.6	0.3
Repairs and Maintenance	3.1	13.0	5.8	51.9
Rentals and Leases	1.2	0.8	2.8	3.2
Printing and Reproduction	0.1	0.1	0.3	0.2
Impairment of Capital Assets	-	-	25.8	-
Insurance Costs/Premiums	24.9	21.6	10.5	86.3
Claims and Losses	52.0	40.9	65.5	163.6
Scholarships and Fellowships	0.1	0.1	1.5	0.3
Depreciation and Amortization	6.7	4.1	23.8	16.4
State Sponsored Program Pass-Through to Other State Agencies	0.9	1.1	4.4	3.8
Other Operating Expenses	0.4	0.3	1.7	1.3
Interest Expense	9.2	6.7	94.3	26.9
Total Expenses (Excluding OPEB & Pension Expense)	145.1	127.9	46.7	141.8
OPEB Expense	210.8	166.2	664.8	664.8
Pension Expense	63.0	146.2	584.8	584.8
Total Expenses (Including OPEB & Pension Expense)	\$ 418.9	440.3	1,296.4	1,391.4



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

Salaries & Wages – decrease of \$5.6 million due to a change in methodology of elimination entries, and a decrease in the Office of Facilities Planning and Construction.

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

Other Contracted Services - increase of \$9.2 million due to the timing of the AUF Digital Library Support payment to U. T. Austin, and an increase in Clinical Data Network expenses.

Materials and Supplies – decrease of \$8.9 million due to Oracle Maintenance Agreement software licenses reclassified to repairs and maintenance.

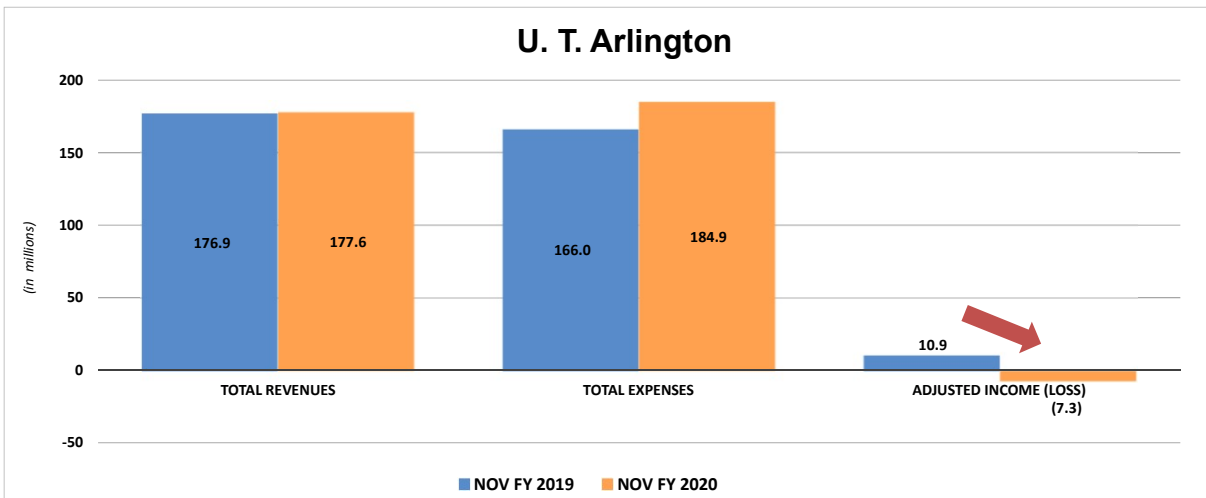
Repairs and Maintenance – increase of \$9.9 million due to Oracle Maintenance Agreement software licenses reclassified from materials and supplies to repairs and maintenance, and expenses related to the new Office of Employee Benefits Eligibility System.

Claims and Losses - Higher Medical/Dental Self-Insurance Plan premiums to cover expenses led to a decrease of \$11.1 million in claims and losses compared to the prior year.

Monthly Financial Report

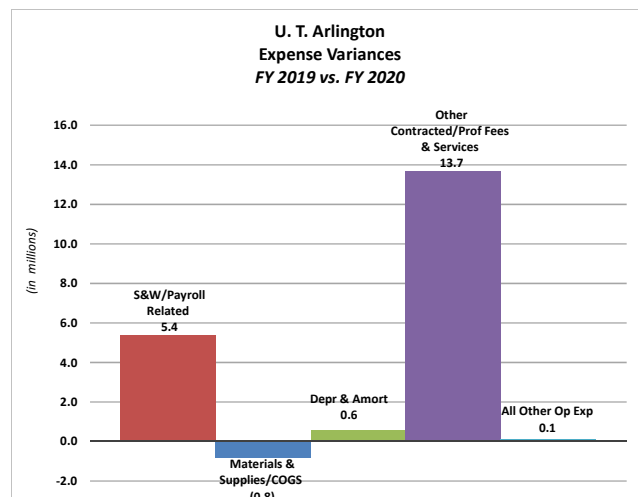
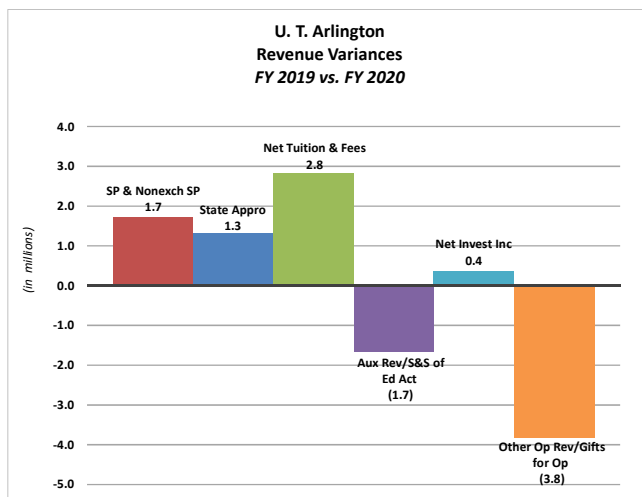
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending November 30, 2019



U. T. Arlington incurred a year-to-date adjusted loss of \$7.3 million, a decrease of \$18.2 million (167%) from the prior year. The decrease was primarily attributable to an increase in other contracted services due to the timing of Academic Partnership and Instructional Connection payments. An increase in salaries and wages and payroll related costs due to merit increases also contributed to the loss. The most current projection received from *U. T. Arlington* reflects income of \$20.1 million for the year.

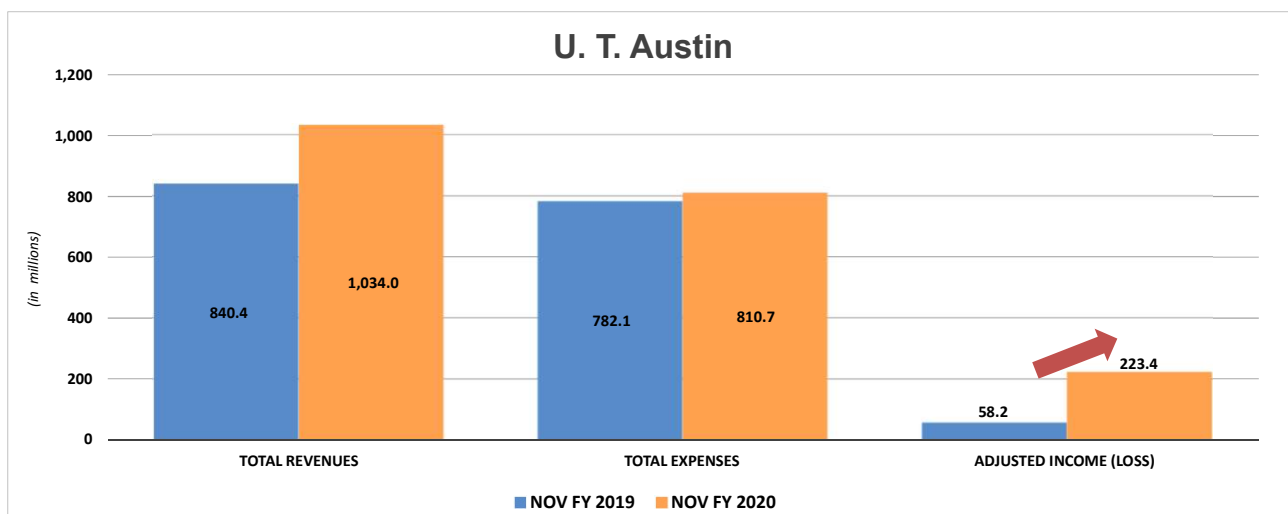
(in millions)	November YTD FY 2019	November YTD FY 2020	Variance	Annual Projected FY 2020
Sponsored Programs/Nonexchange Sponsored Programs	\$ 33.8	35.5	1.7	147.6
State Appropriations	33.2	34.5	1.3	138.0
Net Tuition and Fees	79.1	81.9	2.8	331.5
Auxiliary Revenues/Sales & Services of Educational Activities	19.7	18.0	(1.7)	83.7
Net Investment Income	5.4	5.7	0.4	21.2
Other Operating Revenues/Gift Contributions for Operations	5.8	2.0	(3.8)	16.1
Total Revenues	176.9	177.6	0.7	738.0
Salaries and Wages/Payroll Related Costs	94.8	100.2	5.4	402.7
Materials and Supplies/Cost of Goods Sold	11.4	10.6	(0.8)	35.6
Depreciation and Amortization	13.7	14.3	0.6	55.9
Other Contracted Services/Professional Fees & Services	14.0	27.7	13.7	92.6
All Other Operating Expenses	32.0	32.1	0.1	131.0
Total Expenses	\$ 166.0	184.9	19.0	717.8
Adjusted Income (Loss)	10.9	(7.3)	(18.2)	20.1
Adjusted Income (Loss) Excluding Depr & Amort Exp	24.7	7.0	(17.7)	76.1



Monthly Financial Report

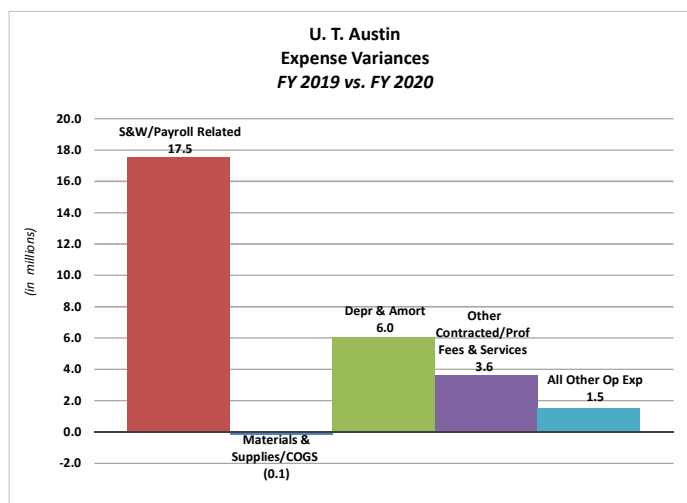
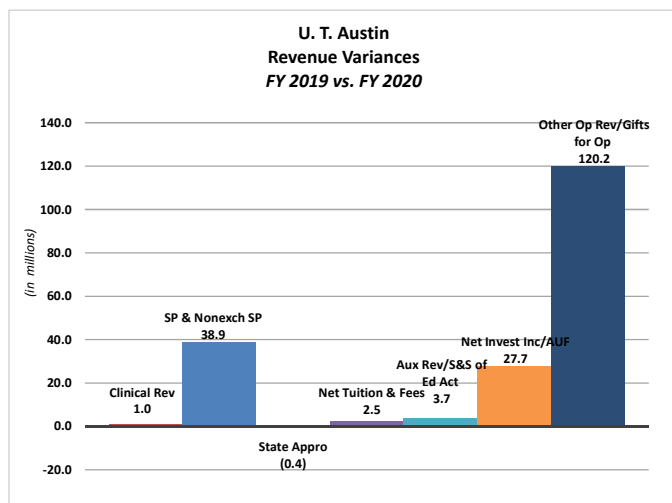
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending November 30, 2019



U. T. Austin reported year-to-date adjusted income of \$223.4 million, an increase of \$165.2 million (284%) 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 sponsored programs revenue due to the receipt of funding for the Austin State Hospital project with no such comparable funds received in the prior year; an increase in net investment income; and an increase in the amount of the transfer from the Available University Fund. The most current projection received from *U. T. Austin* reflects income of \$309.3 million for the year.

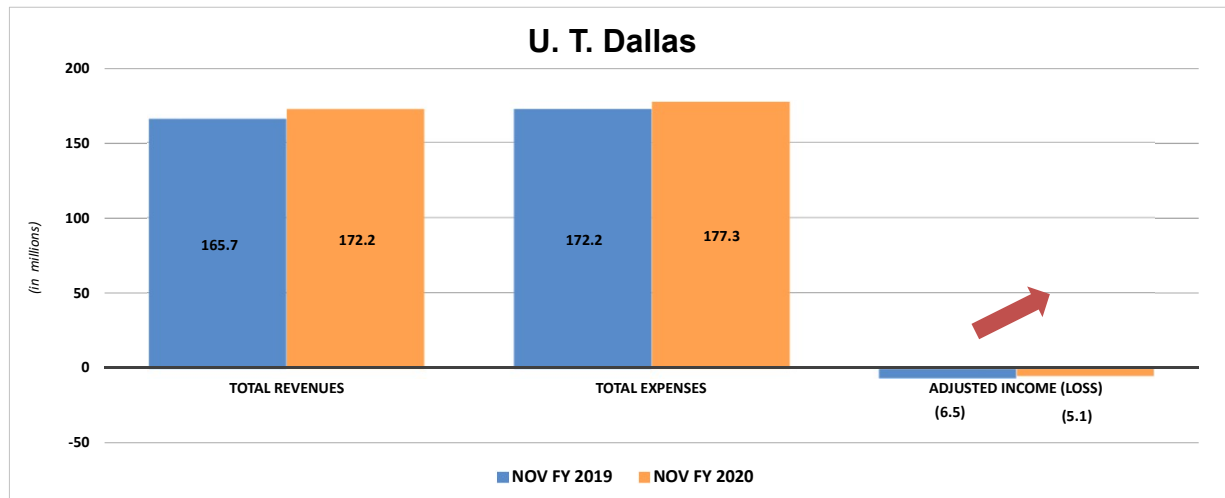
(in millions)	November YTD FY 2019	November YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 1.0	2.0	1.0	11.7
Sponsored Programs/Nonexchange Sponsored Programs	164.3	203.2	38.9	769.5
State Appropriations	89.1	88.7	(0.4)	354.6
Net Tuition and Fees	130.0	132.5	2.5	530.0
Auxiliary Revenues/Sales & Services of Educational Activities	229.2	232.9	3.7	708.4
Net Investment Income/Available University Fund (AUF)	171.2	199.0	27.7	720.1
Other Operating Revenues/Gift Contributions for Operations	55.5	175.8	120.2	322.9
Total Revenues	840.4	1,034.0	193.7	3,417.2
Salaries and Wages/Payroll Related Costs	446.8	464.3	17.5	1,779.3
Materials and Supplies/Cost of Goods Sold	42.4	42.3	(0.1)	134.1
Depreciation and Amortization	78.5	84.5	6.0	338.0
Other Contracted Services/Professional Fees & Services	50.2	53.8	3.6	232.7
All Other Operating Expenses	164.2	165.7	1.5	623.8
Total Expenses	\$ 782.1	810.7	28.5	3,107.9
Adjusted Income (Loss)	58.2	223.4	165.2	309.3
Adjusted Income (Loss) Excluding Depr & Amort Exp	136.7	307.9	171.2	647.3



Monthly Financial Report

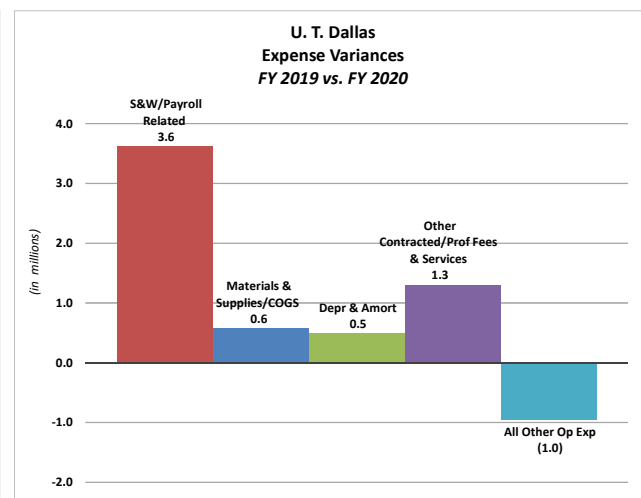
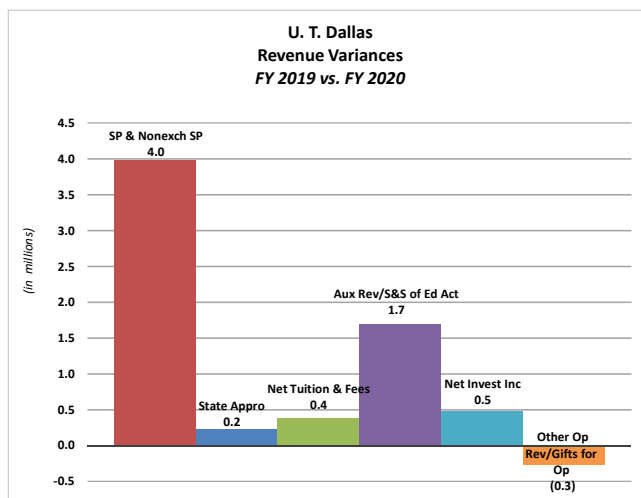
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending November 30, 2019



U. T. Dallas incurred a year-to-date adjusted loss of \$5.1 million, a decrease in adjusted loss of \$1.5 million (22%) from the prior year. This decrease was primarily attributable to the following: an increase in sponsored programs revenue related to Computer Science, Bioengineering, Brain and Behavioral Sciences, Medical Devices and the Center for Vital Longevity; an increase in net sales and services of educational activities due to increases in executive education and certificate programs; and an increase in nonexchange sponsored programs attributable to the receipt of Texas Research Incentive Program funds with no such funding received in the prior year. The most current projection received from *U. T. Dallas* reflects a loss of \$20.3 million for the year.

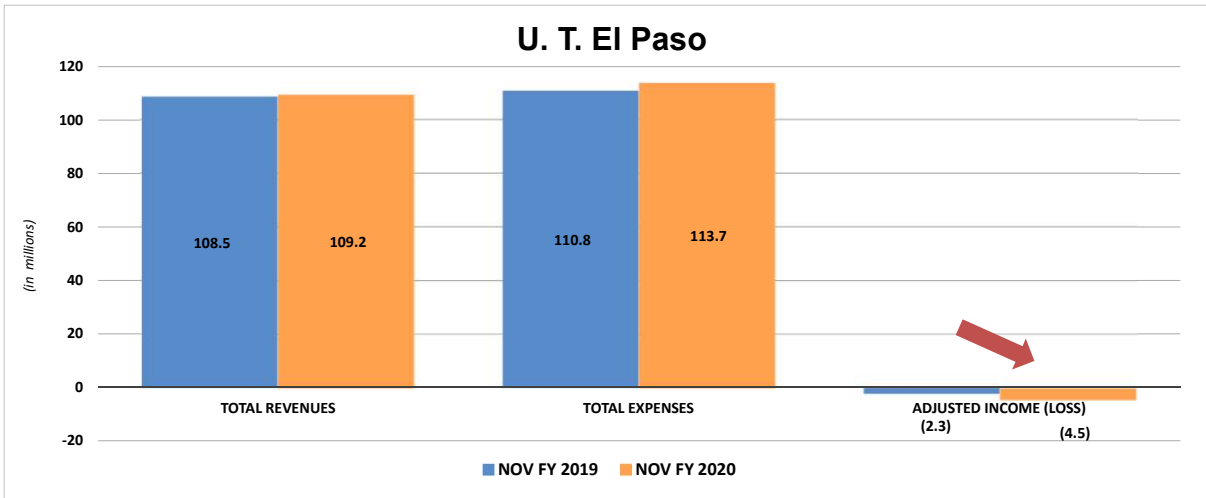
(in millions)	November YTD FY 2019	November YTD FY 2020	Variance	Annual Projected FY 2020
Sponsored Programs/Nonexchange Sponsored Programs	\$ 24.4	28.4	4.0	113.7
State Appropriations	30.8	31.0	0.2	124.1
Net Tuition and Fees	75.9	76.3	0.4	305.1
Auxiliary Revenues/Sales & Services of Educational Activities	21.4	23.1	1.7	92.4
Net Investment Income	8.1	8.6	0.5	34.3
Other Operating Revenues/Gift Contributions for Operations	5.1	4.8	(0.3)	19.3
Total Revenues	165.7	172.2	6.5	688.8
Salaries and Wages/Payroll Related Costs	100.0	103.6	3.6	414.4
Materials and Supplies/Cost of Goods Sold	8.3	8.9	0.6	35.4
Depreciation and Amortization	20.5	21.0	0.5	83.9
Other Contracted Services/Professional Fees & Services	7.2	8.5	1.3	34.2
All Other Operating Expenses	36.2	35.3	(1.0)	141.1
Total Expenses	\$ 172.2	177.3	5.0	709.1
Adjusted Income (Loss)	(6.5)	(5.1)	1.5	(20.3)
Adjusted Income (Loss) Excluding Depr & Amort Exp	14.0	15.9	2.0	63.7



Monthly Financial Report

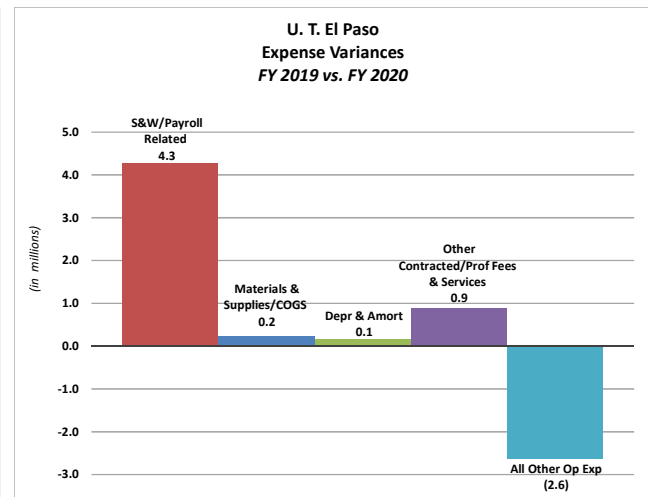
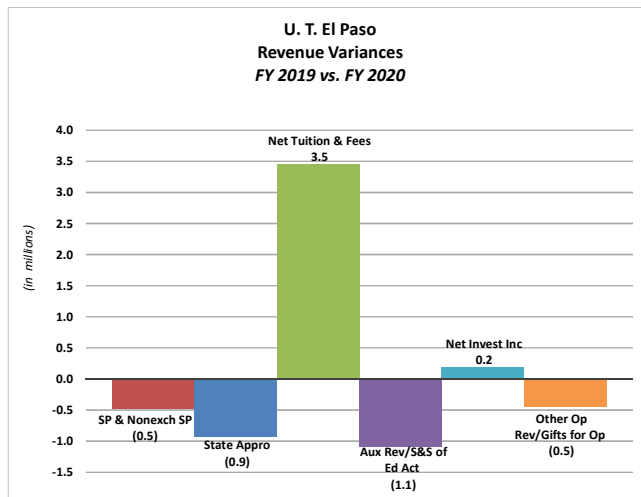
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending November 30, 2019



U. T. El Paso incurred a year-to-date adjusted loss of \$4.5 million, an increase in adjusted loss of \$2.2 million (94%) 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 faculty levels and merit increases for faculty and staff; and a decrease in net auxiliary enterprises revenue as a result of a decrease in athletic revenue. The most current projection received from *U. T. El Paso* reflects a loss of \$18.6 million for the year.

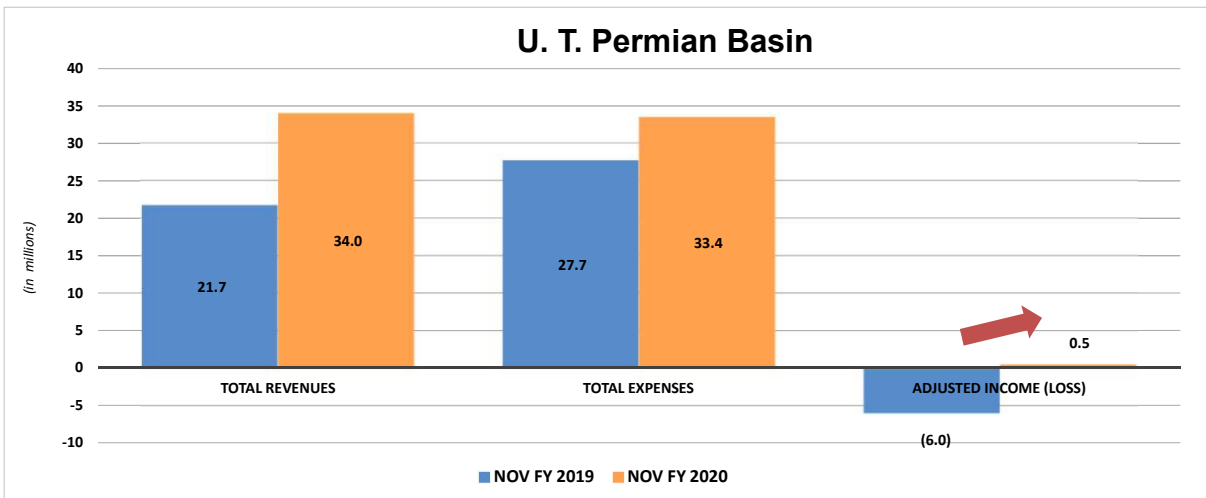
(in millions)	November YTD FY 2019	November YTD FY 2020	Variance	Annual Projected FY 2020
Sponsored Programs/Nonexchange Sponsored Programs	\$ 25.3	24.8	(0.5)	153.6
State Appropriations	27.5	26.6	(0.9)	101.8
Net Tuition and Fees	35.4	38.9	3.5	146.6
Auxiliary Revenues/Sales & Services of Educational Activities	14.2	13.1	(1.1)	42.4
Net Investment Income	4.7	4.9	0.2	16.4
Other Operating Revenues/Gift Contributions for Operations	1.3	0.9	(0.5)	4.8
Total Revenues	108.5	109.2	0.7	465.5
Salaries and Wages/Payroll Related Costs	63.7	68.0	4.3	262.2
Materials and Supplies/Cost of Goods Sold	5.4	5.6	0.2	22.4
Depreciation and Amortization	7.5	7.7	0.1	33.3
Other Contracted Services/Professional Fees & Services	9.3	10.2	0.9	33.1
All Other Operating Expenses	24.9	22.2	(2.6)	133.1
Total Expenses	\$ 110.8	113.7	2.9	484.1
Adjusted Income (Loss)	(2.3)	(4.5)	(2.2)	(18.6)
Adjusted Income (Loss) Excluding Depr & Amort Exp	5.2	3.2	(2.0)	14.7



Monthly Financial Report

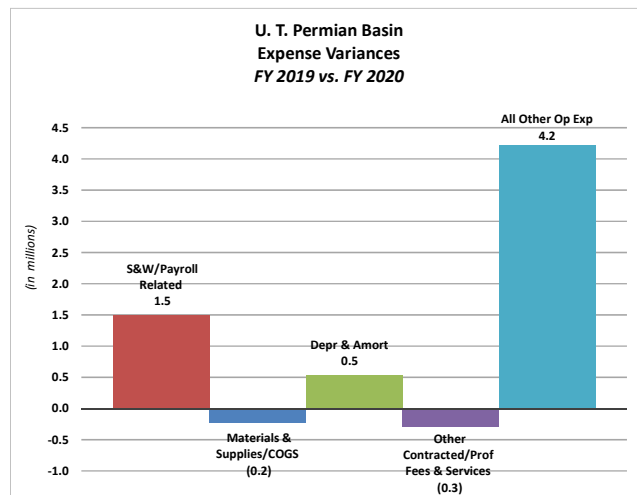
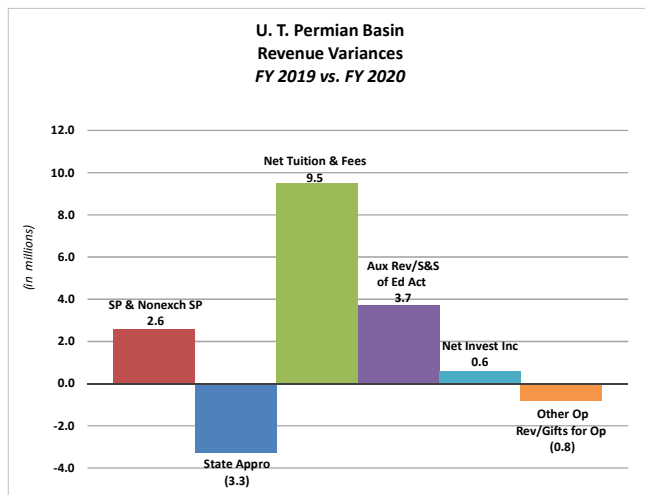
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending November 30, 2019



U. T. Permian Basin reported year-to-date adjusted income of \$0.5 million, an increase of \$6.5 million (109%) from the prior year. The increase was primarily attributable to an increase in net student tuition and fees and net auxiliary enterprises revenue as a result of prior year revenue being understated due to Fall 2018 tuition and fees and net auxiliary enterprises revenue which were not properly deferred to 2019. The most current projection received from *U. T. Permian Basin* reflects a loss of \$1.2 million for the year.

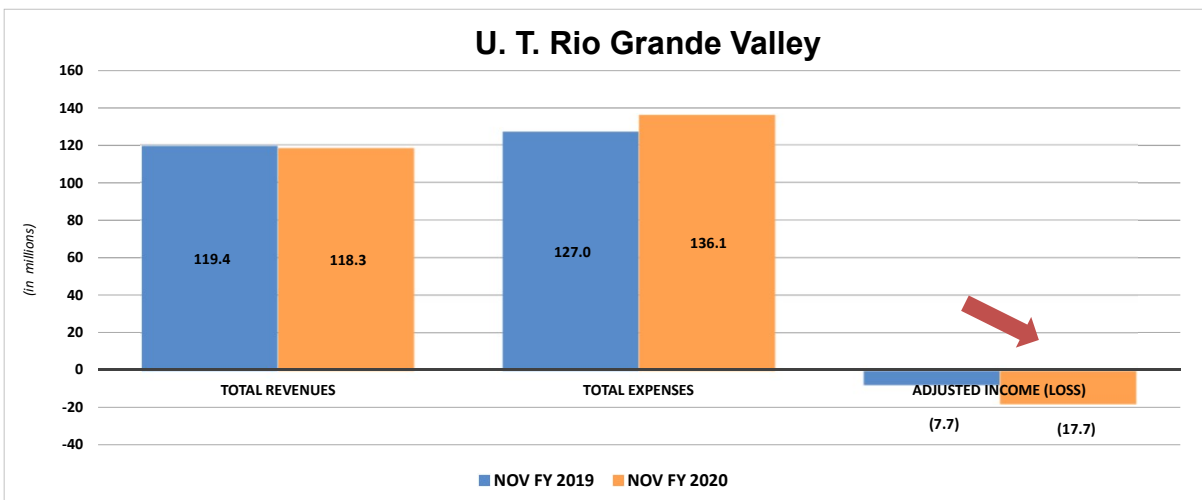
(in millions)	November YTD FY 2019	November YTD FY 2020	Variance	Annual Projected FY 2020
Sponsored Programs/Nonexchange Sponsored Programs	\$ 3.7	6.3	2.6	21.8
State Appropriations	8.8	5.5	(3.3)	21.9
Net Tuition and Fees	6.9	16.4	9.5	65.6
Auxiliary Revenues/Sales & Services of Educational Activities	0.5	4.2	3.7	16.9
Net Investment Income	0.1	0.6	0.6	2.6
Other Operating Revenues/Gift Contributions for Operations	1.7	0.9	(0.8)	3.9
Total Revenues	21.7	34.0	12.2	132.6
Salaries and Wages/Payroll Related Costs	12.4	13.9	1.5	55.8
Materials and Supplies/Cost of Goods Sold	1.5	1.3	(0.2)	5.2
Depreciation and Amortization	4.1	4.6	0.5	18.6
Other Contracted Services/Professional Fees & Services	3.2	2.9	(0.3)	11.6
All Other Operating Expenses	6.4	10.7	4.2	42.7
Total Expenses	\$ 27.7	33.4	5.7	133.8
Adjusted Income (Loss)	(6.0)	0.5	6.5	(1.2)
Adjusted Income (Loss) Excluding Depr & Amort Exp	(1.9)	5.2	7.1	17.4



Monthly Financial Report

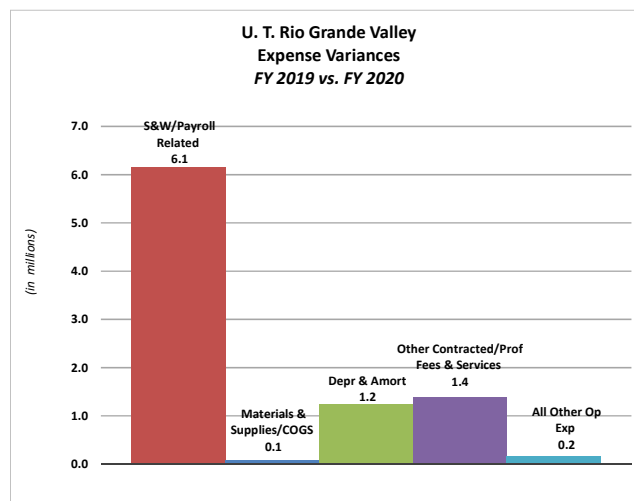
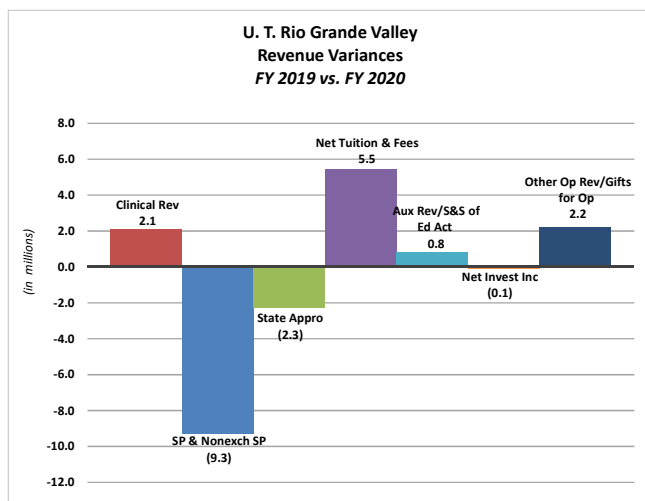
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending November 30, 2019



U. T. Rio Grande Valley incurred a year-to-date adjusted loss of \$17.7 million, an increase in adjusted loss of \$10.1 million (132%) 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; a decrease in sponsored programs as a result of reductions in hospital contract amounts for Graduate Medical Education programs; and a decrease in nonexchange sponsored programs. The most current projection received from *U. T. Rio Grande Valley* reflects a loss of \$34.1 million for the year.

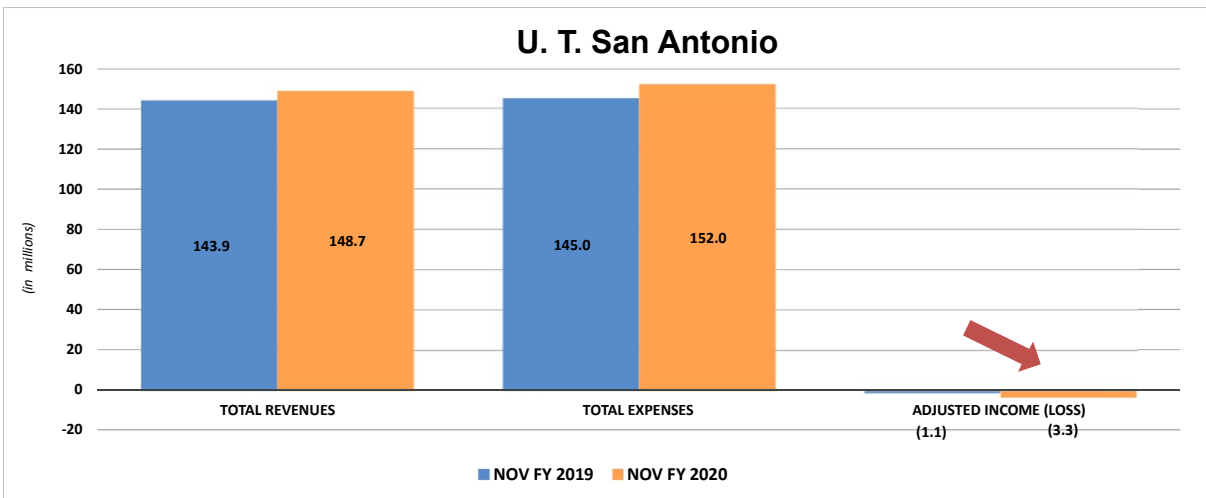
(in millions)	November YTD FY 2019	November YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 0.7	2.8	2.1	11.1
Sponsored Programs/Nonexchange Sponsored Programs	49.0	39.7	(9.3)	211.9
State Appropriations	36.2	33.9	(2.3)	136.7
Net Tuition and Fees	23.5	28.9	5.5	115.8
Auxiliary Revenues/Sales & Services of Educational Activities	5.4	6.2	0.8	18.0
Net Investment Income	2.6	2.5	(0.1)	8.2
Other Operating Revenues/Gift Contributions for Operations	2.1	4.2	2.2	10.3
Total Revenues	119.4	118.3	(1.0)	511.9
Salaries and Wages/Payroll Related Costs	81.3	87.4	6.1	334.0
Materials and Supplies/Cost of Goods Sold	5.7	5.8	0.1	20.4
Depreciation and Amortization	11.5	12.7	1.2	53.3
Other Contracted Services/Professional Fees & Services	3.7	5.0	1.4	17.6
All Other Operating Expenses	24.9	25.1	0.2	120.8
Total Expenses	\$ 127.0	136.1	9.0	546.1
Adjusted Income (Loss)	(7.7)	(17.7)	(10.1)	(34.1)
Adjusted Income (Loss) Excluding Depr & Amort Exp	3.8	(5.0)	(8.8)	19.2



Monthly Financial Report

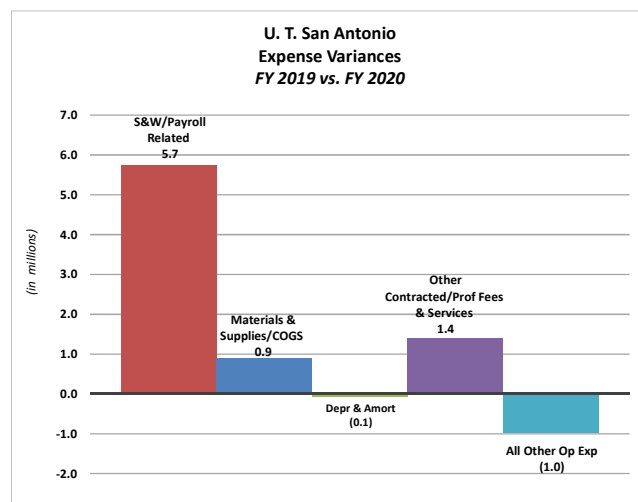
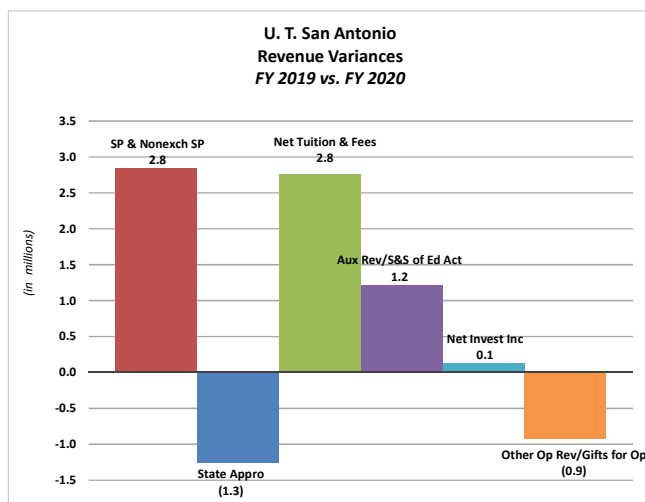
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending November 30, 2019



U. T. San Antonio incurred a year-to-date adjusted loss of \$3.3 million, an increase in adjusted loss of \$2.2 million (198%) from the prior year. The increase was primarily attributable an increase in salaries and wages and payroll related costs due to merit increases and increases in faculty positions. The most current projection received from *U. T. San Antonio* reflects a loss of \$13.4 million for the year.

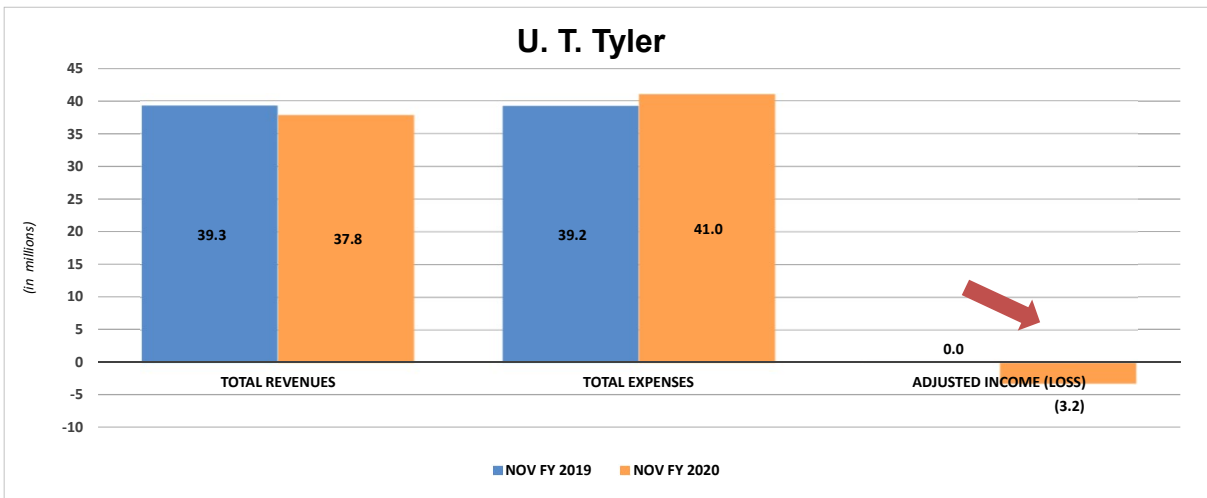
(in millions)	November YTD FY 2019	November YTD FY 2020	Variance	Annual Projected FY 2020
Sponsored Programs/Nonexchange Sponsored Programs	\$ 34.6	37.4	2.8	149.6
State Appropriations	33.3	32.0	(1.3)	128.1
Net Tuition and Fees	51.6	54.4	2.8	217.6
Auxiliary Revenues/Sales & Services of Educational Activities	15.3	16.5	1.2	66.1
Net Investment Income	5.6	5.7	0.1	22.9
Other Operating Revenues/Gift Contributions for Operations	3.5	2.6	(0.9)	10.4
Total Revenues	143.9	148.7	4.8	594.7
Salaries and Wages/Payroll Related Costs	82.3	88.0	5.7	352.0
Materials and Supplies/Cost of Goods Sold	6.5	7.3	0.9	29.4
Depreciation and Amortization	12.4	12.3	(0.1)	49.2
Other Contracted Services/Professional Fees & Services	7.7	9.1	1.4	36.5
All Other Operating Expenses	36.2	35.2	(1.0)	141.0
Total Expenses	\$ 145.0	152.0	7.0	608.0
Adjusted Income (Loss)	(1.1)	(3.3)	(2.2)	(13.4)
Adjusted Income (Loss) Excluding Depr & Amort Exp	11.2	8.9	(2.3)	35.8



Monthly Financial Report

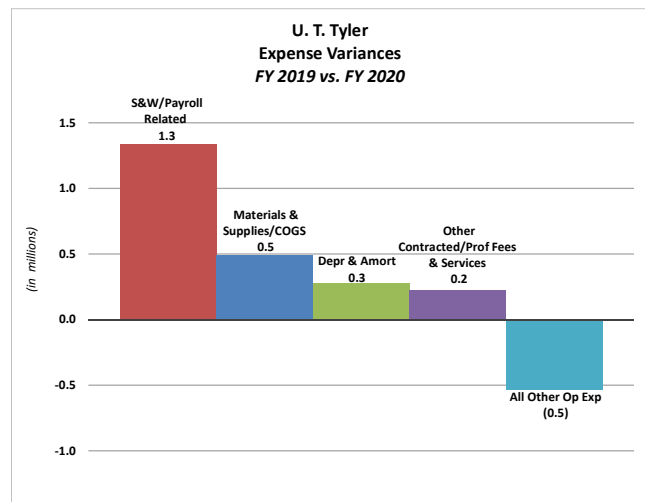
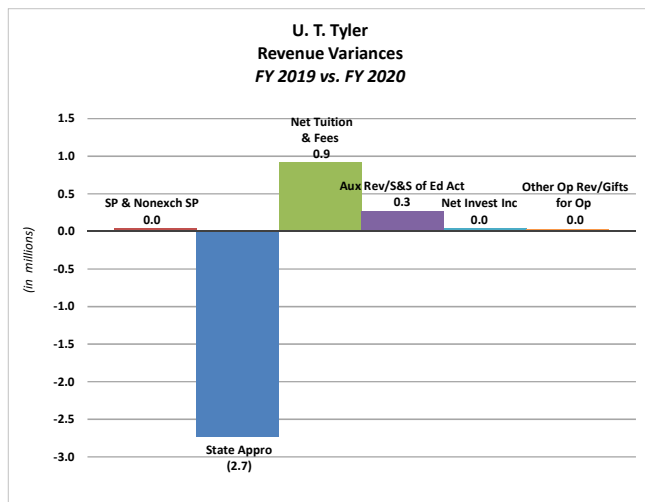
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending November 30, 2019



U. T. Tyler incurred a year-to-date adjusted loss of \$3.2 million, a decrease of \$3.2 million (8,054%) from the prior year. The decrease was primarily attributable 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. The most current projection received from *U. T. Tyler* reflects a loss of \$14.6 million for the year.

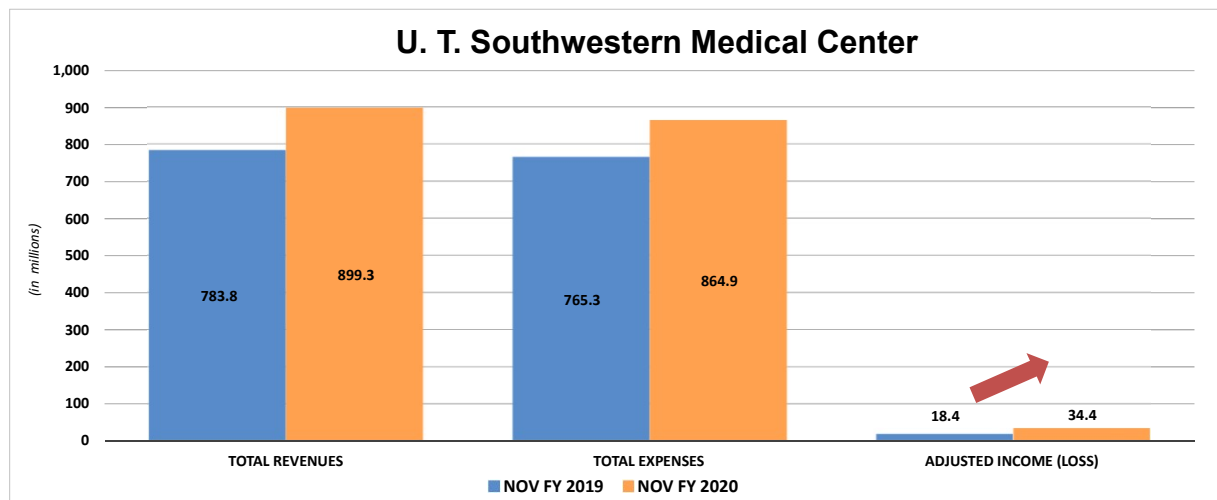
(in millions)	November YTD FY 2019	November YTD FY 2020	Variance	Annual Projected FY 2020
Sponsored Programs/Nonexchange Sponsored Programs	\$ 5.8	5.9	0.0	25.0
State Appropriations	11.0	8.3	(2.7)	33.2
Net Tuition and Fees	13.6	14.5	0.9	53.9
Auxiliary Revenues/Sales & Services of Educational Activities	6.7	6.9	0.3	23.7
Net Investment Income	1.8	1.8	0.0	8.2
Other Operating Revenues/Gift Contributions for Operations	0.3	0.3	0.0	2.0
Total Revenues	39.3	37.8	(1.4)	146.0
Salaries and Wages/Payroll Related Costs	22.8	24.1	1.3	90.4
Materials and Supplies/Cost of Goods Sold	2.6	3.1	0.5	11.5
Depreciation and Amortization	4.0	4.3	0.3	17.4
Other Contracted Services/Professional Fees & Services	2.0	2.3	0.2	13.2
All Other Operating Expenses	7.8	7.3	(0.5)	28.0
Total Expenses	\$ 39.2	41.0	1.8	160.6
Adjusted Income (Loss)	0.0	(3.2)	(3.2)	(14.6)
Adjusted Income (Loss) Excluding Depr & Amort Exp	4.0	1.1	(3.0)	2.8



Monthly Financial Report

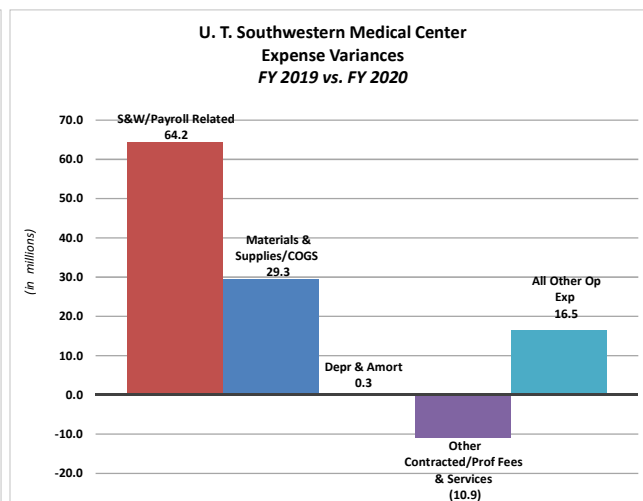
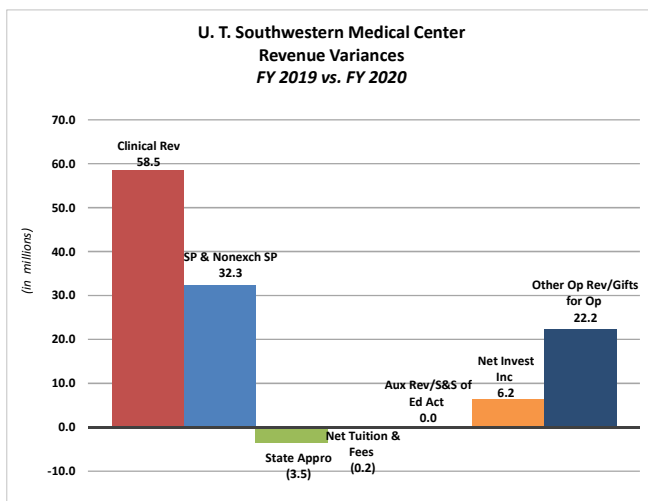
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending November 30, 2019



U. T. Southwestern Medical Center reported year-to-date adjusted income of \$34.4 million, an increase of \$16.0 million (87%) from the prior year. The increase was primarily attributable to an increase in net sales and services of hospitals due to increased inpatient and outpatient visits, and increased admissions and surgical volumes. The most current projection received from *U. T. Southwestern Medical Center* reflects income of \$61.6 million for the year.

(in millions)	November YTD FY 2019	November YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 523.6	582.2	58.5	2,277.7
Sponsored Programs/Nonexchange Sponsored Programs	137.8	170.0	32.3	680.1
State Appropriations	48.5	45.0	(3.5)	183.5
Net Tuition and Fees	6.8	6.5	(0.2)	26.2
Auxiliary Revenues/Sales & Services of Educational Activities	9.2	9.2	0.0	36.6
Net Investment Income	32.9	39.1	6.2	118.8
Other Operating Revenues/Gift Contributions for Operations	25.0	47.2	22.2	174.1
Total Revenues	783.8	899.3	115.5	3,497.0
Salaries and Wages/Payroll Related Costs	489.1	553.3	64.2	2,213.7
Materials and Supplies/Cost of Goods Sold	135.3	164.6	29.3	632.0
Depreciation and Amortization	44.4	44.7	0.3	184.2
Other Contracted Services/Professional Fees & Services	50.0	39.1	(10.9)	173.0
All Other Operating Expenses	46.6	63.1	16.5	232.4
Total Expenses	\$ 765.3	864.9	99.5	3,435.4
Adjusted Income (Loss)	18.4	34.4	16.0	61.6
Adjusted Income (Loss) Excluding Depr & Amort Exp	62.8	79.2	16.3	245.8

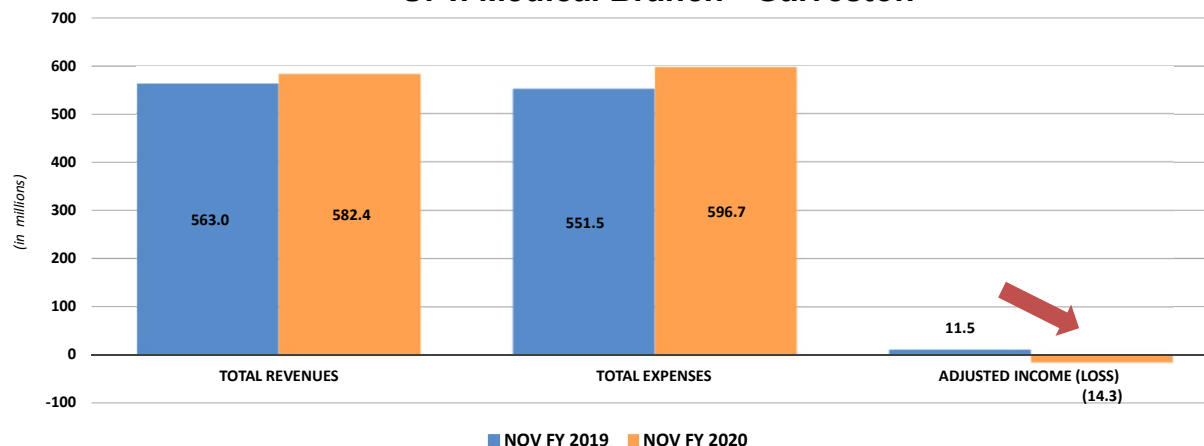


Monthly Financial Report

Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending November 30, 2019

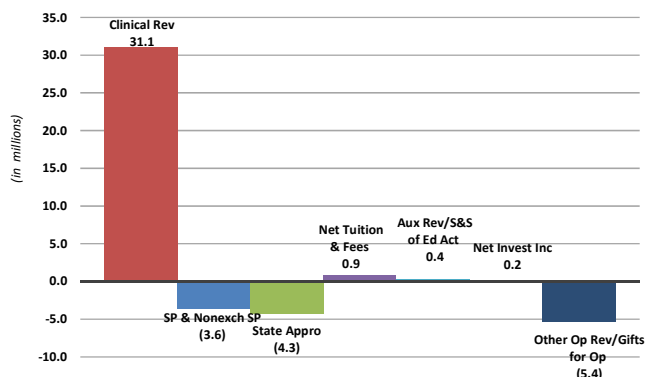
U. T. Medical Branch - Galveston



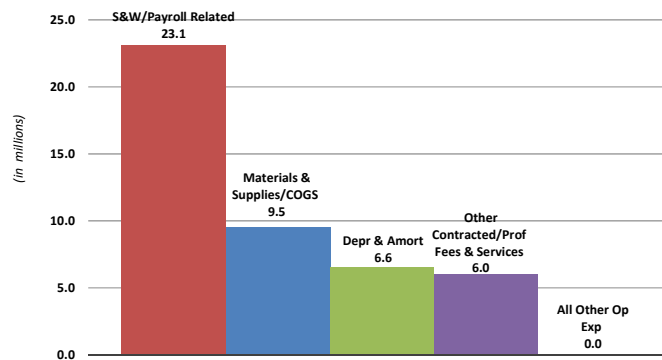
U. T. Medical Branch - Galveston incurred a year-to-date adjusted loss of \$14.3 million, a decrease of \$25.8 million (224%) from the prior year. The decrease was primarily attributable to the following: an increase in salaries and wages and payroll related costs as a result of increases in staff and faculty positions associated with the opening of the Clear Lake hospital and merit increases; an increase in materials and supplies due to Clear Lake hospital expenses, an increase in Correctional Managed Care expenses, and an increase in Ambulatory Clinic medical supplies; and an increase in depreciation and amortization expense as a result of various projects placed into service. The most current projection received from *U. T. Medical Branch - Galveston* reflects a loss of \$30.9 million for the year.

(in millions)	November YTD FY 2019	November YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 362.6	393.8	31.1	1,735.7
Sponsored Programs/Nonexchange Sponsored Programs	48.9	45.3	(3.6)	181.8
State Appropriations	94.1	89.8	(4.3)	358.4
Net Tuition and Fees	11.1	12.0	0.9	46.3
Auxiliary Revenues/Sales & Services of Educational Activities	7.4	7.8	0.4	31.8
Net Investment Income	17.7	17.9	0.2	62.8
Other Operating Revenues/Gift Contributions for Operations	21.3	15.9	(5.4)	49.3
Total Revenues	563.0	582.4	19.3	2,466.1
Salaries and Wages/Payroll Related Costs	338.3	361.4	23.1	1,574.9
Materials and Supplies/Cost of Goods Sold	66.6	76.1	9.5	308.4
Depreciation and Amortization	41.0	47.6	6.6	198.8
Other Contracted Services/Professional Fees & Services	46.2	52.3	6.0	177.2
All Other Operating Expenses	59.4	59.4	0.0	237.7
Total Expenses	\$ 551.5	596.7	45.2	2,497.0
Adjusted Income (Loss)	11.5	(14.3)	(25.8)	(30.9)
Adjusted Income (Loss) Excluding Depr & Amort Exp	52.5	33.2	(19.3)	167.9

U. T. Medical Branch - Galveston
Revenue Variances
FY 2019 vs. FY 2020



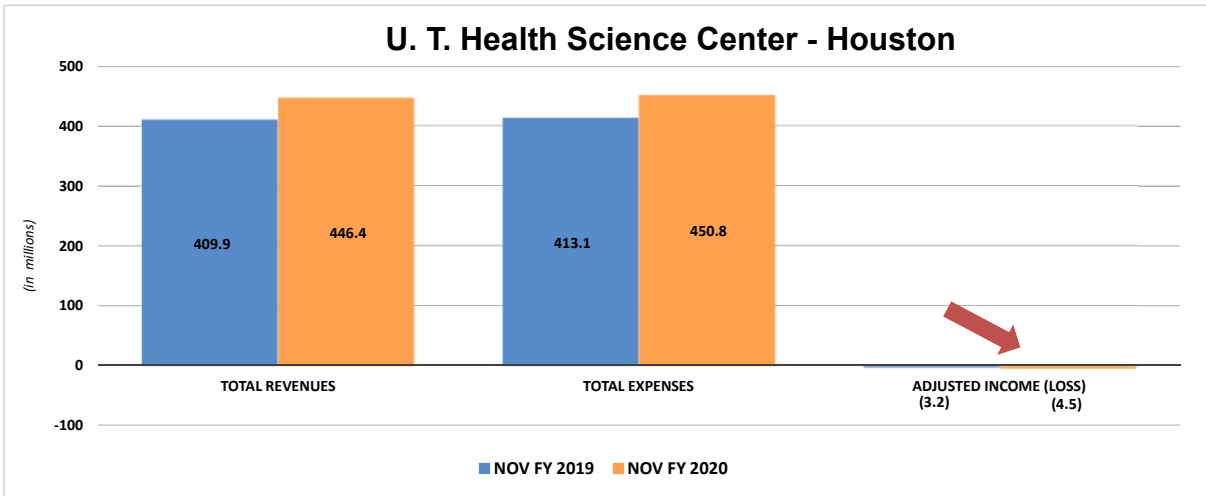
U. T. Medical Branch - Galveston
Expense Variances
FY 2019 vs. FY 2020



Monthly Financial Report

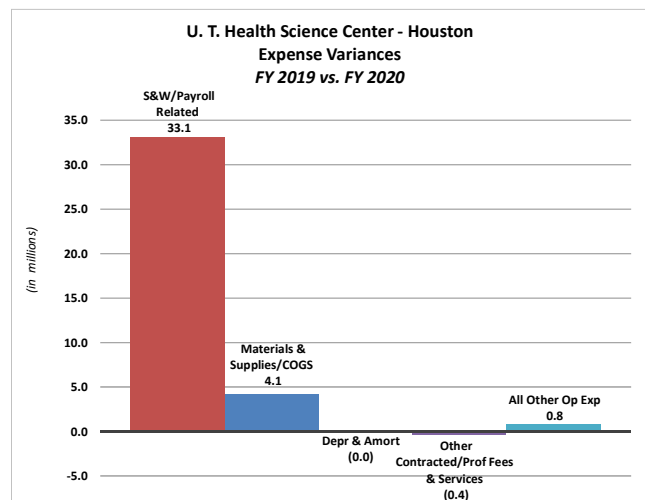
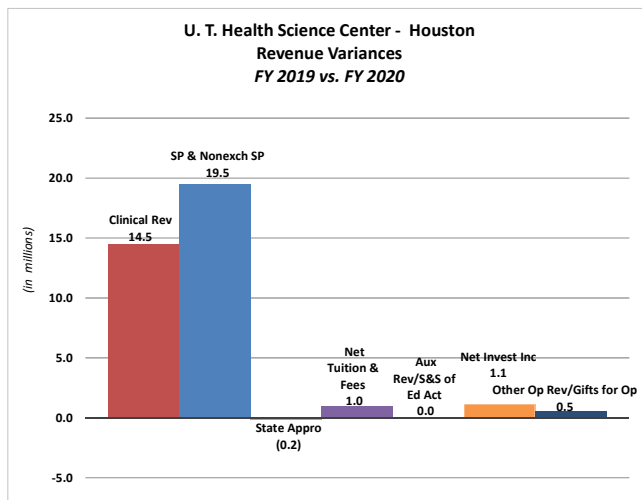
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending November 30, 2019



U. T. Health Science Center - Houston incurred a year-to-date adjusted loss of \$4.5 million, an increase in adjusted loss of \$1.2 million (38%) from the prior year. The increase was primarily a result of an increase in salaries and wages and payroll related costs as a result of growth in the physician practice plan. The most current projection received from *U. T. Health Science Center - Houston* reflects income of \$5.0 million for the year.

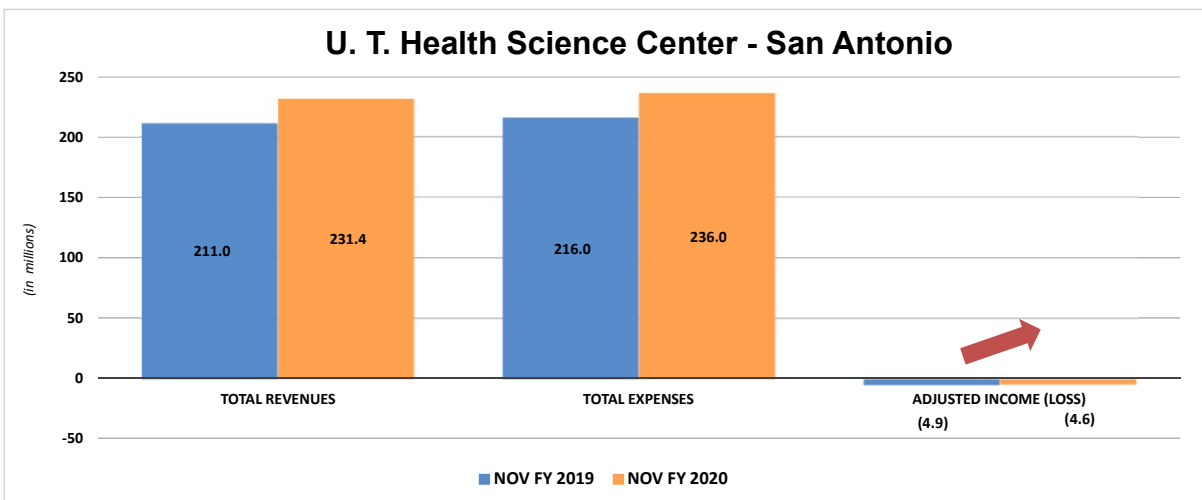
(in millions)	November YTD FY 2019	November YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 112.2	126.6	14.5	508.9
Sponsored Programs/Nonexchange Sponsored Programs	185.9	205.4	19.5	846.9
State Appropriations	53.8	53.6	(0.2)	214.6
Net Tuition and Fees	17.2	18.2	1.0	63.1
Auxiliary Revenues/Sales & Services of Educational Activities	17.2	17.2	0.0	66.5
Net Investment Income	16.6	17.7	1.1	71.7
Other Operating Revenues/Gift Contributions for Operations	6.9	7.5	0.5	74.9
Total Revenues	409.9	446.4	36.5	1,846.5
Salaries and Wages/Payroll Related Costs	299.7	332.8	33.1	1,383.6
Materials and Supplies/Cost of Goods Sold	21.7	25.9	4.1	95.5
Depreciation and Amortization	16.8	16.8	(0.0)	67.2
Other Contracted Services/Professional Fees & Services	32.7	32.3	(0.4)	146.9
All Other Operating Expenses	42.2	43.0	0.8	148.3
Total Expenses	\$ 413.1	450.8	37.7	1,841.6
Adjusted Income (Loss)	(3.2)	(4.5)	(1.2)	5.0
Adjusted Income (Loss) Excluding Depr & Amort Exp	13.6	12.4	(1.2)	72.2



Monthly Financial Report

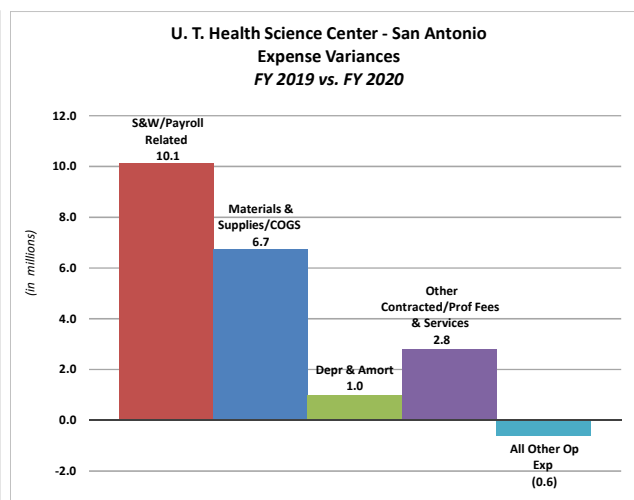
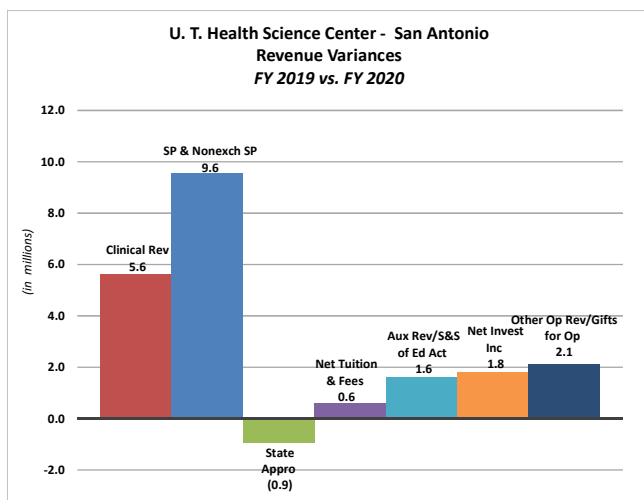
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending November 30, 2019



U. T. Health Science Center - San Antonio incurred a year-to-date adjusted loss of \$4.6 million, a decrease in adjusted loss of \$0.4 million (7%). This decrease was primarily attributable to the following: an increase in sponsored programs revenue due to an increase in grants and clinical contracts; and an increase in clinical revenue as a result of increased volume and clinical productivity at all UT Health Physicians sites and clinical expansion efforts. The most current projection received from *U. T. Health Science Center - San Antonio* reflects a loss of \$22.3 million for the year due to expansion of the clinical enterprise and strengthening of the research mission.

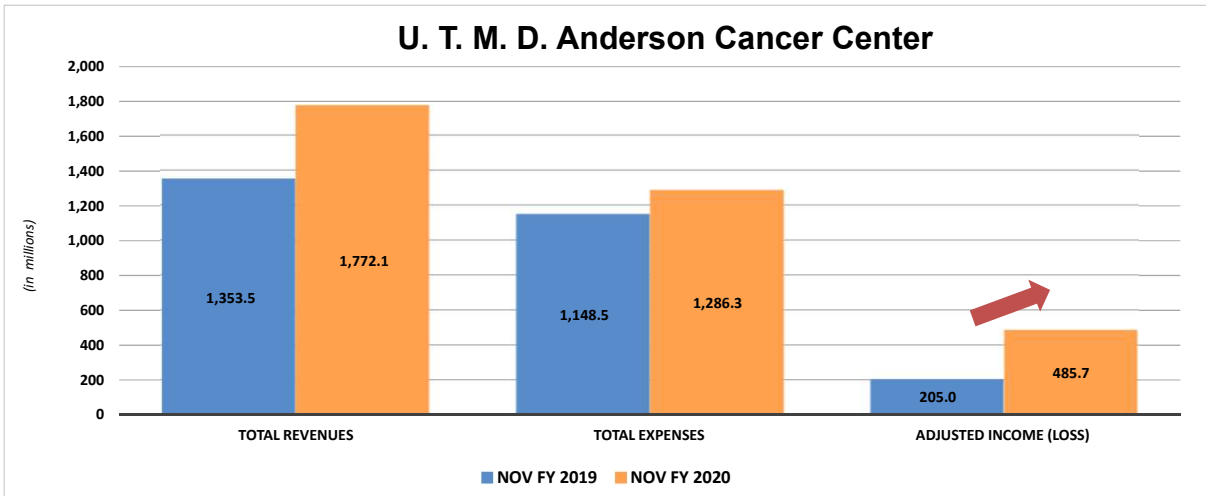
(in millions)	November YTD FY 2019	November YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 55.6	61.2	5.6	267.3
Sponsored Programs/Nonexchange Sponsored Programs	78.9	88.5	9.6	367.8
State Appropriations	43.3	42.3	(0.9)	169.8
Net Tuition and Fees	11.5	12.1	0.6	48.7
Auxiliary Revenues/Sales & Services of Educational Activities	8.3	9.9	1.6	32.3
Net Investment Income	12.2	14.0	1.8	45.5
Other Operating Revenues/Gift Contributions for Operations	1.3	3.5	2.1	43.1
Total Revenues	211.0	231.4	20.4	974.5
Salaries and Wages/Payroll Related Costs	147.3	157.4	10.1	671.6
Materials and Supplies/Cost of Goods Sold	18.1	24.8	6.7	105.7
Depreciation and Amortization	14.3	15.3	1.0	60.2
Other Contracted Services/Professional Fees & Services	10.0	12.7	2.8	47.9
All Other Operating Expenses	26.4	25.8	(0.6)	111.3
Total Expenses	\$ 216.0	236.0	20.0	996.8
Adjusted Income (Loss)	(4.9)	(4.6)	0.4	(22.3)
Adjusted Income (Loss) Excluding Depr & Amort Exp	9.3	10.7	1.4	38.0



Monthly Financial Report

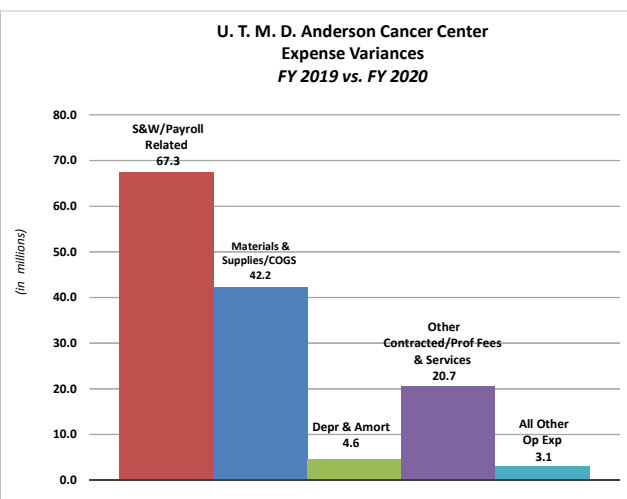
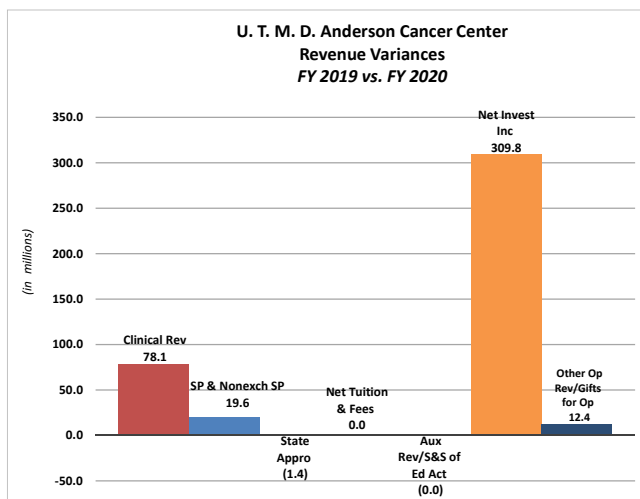
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending November 30, 2019



U. T. M. D. Anderson Cancer Center reported year-to-date adjusted income of \$485.7 million, an increase of \$280.7 million (137%) from the prior year. The increase was primarily attributable to an increase in net investment income due to the receipt of \$300 million from Takeda Pharmaceutical for a new agreement. As part of the agreement, *U. T. M. D. Anderson Cancer Center* will be distributing approximately \$200 million to various contributors in the coming months. An increase in net sales and services of hospitals due to an increase in admissions, patient days and outpatient visits also contributed to the favorable variance. The most current projection received from *U. T. M. D. Anderson Cancer Center* reflects income of \$854.6 million for the year.

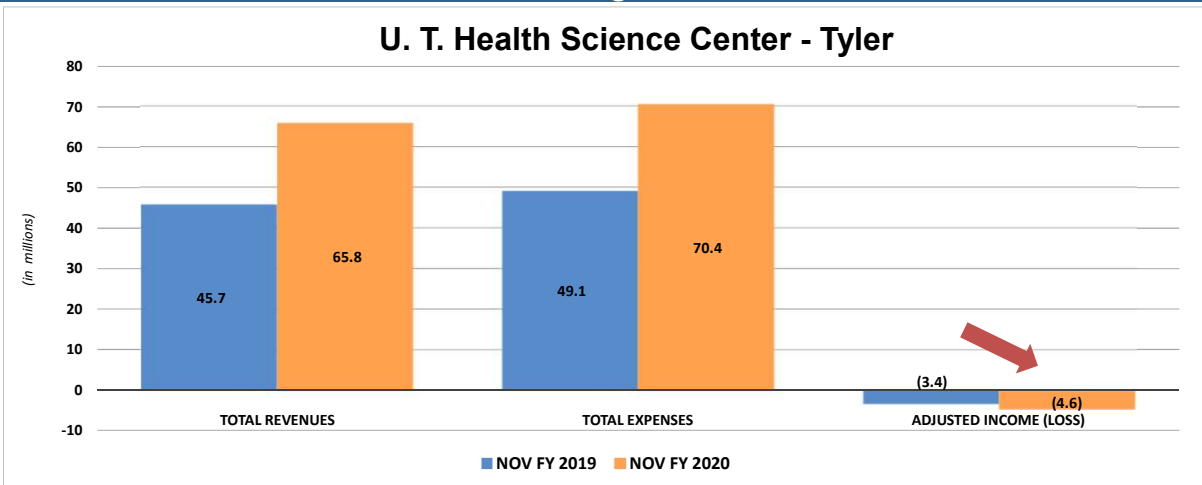
(in millions)	November YTD FY 2019	November YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 1,093.8	1,171.9	78.1	4,714.6
Sponsored Programs/Nonexchange Sponsored Programs	81.0	100.6	19.6	403.7
State Appropriations	51.9	50.5	(1.4)	205.8
Net Tuition and Fees	0.7	0.8	0.0	1.9
Auxiliary Revenues/Sales & Services of Educational Activities	12.6	12.6	(0.0)	50.5
Net Investment Income	54.3	364.1	309.8	389.5
Other Operating Revenues/Gift Contributions for Operations	59.3	71.6	12.4	247.5
Total Revenues	1,353.5	1,772.1	418.6	6,013.6
Salaries and Wages/Payroll Related Costs	658.8	726.1	67.3	2,848.6
Materials and Supplies/Cost of Goods Sold	260.0	302.2	42.2	1,190.2
Depreciation and Amortization	88.7	93.2	4.6	379.9
Other Contracted Services/Professional Fees & Services	63.8	84.4	20.7	417.4
All Other Operating Expenses	77.3	80.4	3.1	322.9
Total Expenses	\$ 1,148.5	1,286.3	137.9	5,159.0
Adjusted Income (Loss)	205.0	485.7	280.7	854.6
Adjusted Income (Loss) Excluding Depr & Amort Exp	293.7	579.0	285.3	1,234.5



Monthly Financial Report

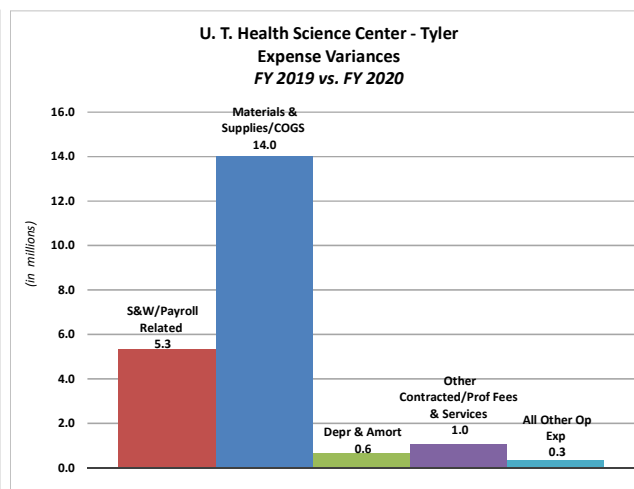
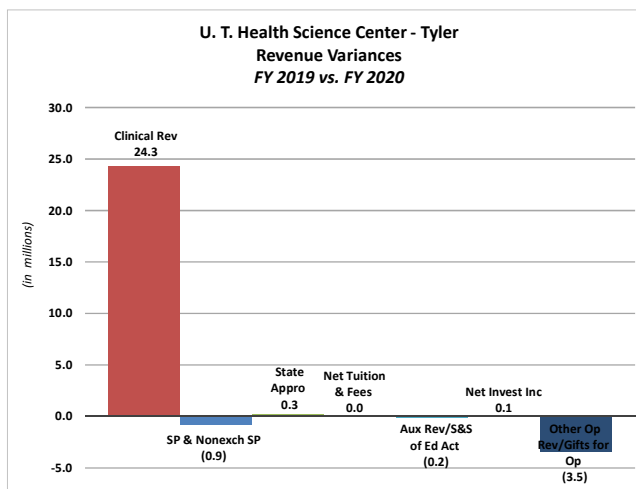
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending November 30, 2019



U. T. Health Science Center - Tyler incurred a year-to-date adjusted loss of \$4.6 million, an increase in adjusted loss of \$1.2 million (36%) from the prior year. The increase was primarily due to the following: an increase in materials and supplies as result of the purchase of high cost oncology drugs, as well as pharmaceuticals for a second retail pharmacy location associated with the recent Hope Oncology practice acquisition; and an increase in salaries and wages and payroll related costs related to both the oncology practice acquisition and the addition of clinical faculty for a physician management services agreement. The most current projection received from *U. T. Health Science Center - Tyler* reflects income of \$0.6 million for the year.

(in millions)	November YTD FY 2019	November YTD FY 2020	Variance	Annual Projected FY 2020
Clinical Revenues	\$ 13.7	38.0	24.3	160.8
Sponsored Programs/Nonexchange Sponsored Programs	7.0	6.2	(0.9)	25.1
State Appropriations	12.9	13.1	0.3	52.9
Net Tuition and Fees	0.1	0.1	0.0	0.5
Auxiliary Revenues/Sales & Services of Educational Activities	1.1	0.9	(0.2)	4.7
Net Investment Income	1.0	1.0	0.1	4.1
Other Operating Revenues/Gift Contributions for Operations	10.0	6.5 *	(3.5)	30.1 *
Total Revenues	45.7	65.8	20.1	278.2
Salaries and Wages/Payroll Related Costs	31.1	36.4	5.3	145.6
Materials and Supplies/Cost of Goods Sold	5.2	19.2	14.0	72.5
Depreciation and Amortization	3.6	4.3	0.6	17.0
Other Contracted Services/Professional Fees & Services	5.6	6.7	1.0	26.6
All Other Operating Expenses	3.6	4.0	0.3	15.8
Total Expenses	49.1	70.4	21.3	277.6
Adjusted Income (Loss)	(3.4)	(4.6)	(1.2)	0.6
Adjusted Income (Loss) Excluding Depr & Amort Exp	0.2	(0.4)	(0.6)	17.6



*Other Operating Income includes 30% of UT Health East Texas' (UTHET's) net adjusted income which was \$0.4 million through November. The projected income of \$0.6 million includes \$2.0 million of UTHET's net adjusted income for the year.