The University of Texas System

OFFICE OF THE CHIEF FINANCIAL OFFICER

Budget and Planning

MONTHLY FINANCIAL REPORT

(unaudited)

Estimated Year-End • FY 2026

The University of Texas at Arlington ♦ The University of Texas at Austin ♦ The University of Texas at Dallas ♦ The University of Texas at El Paso ♦ The University of Texas Permian Basin♦ The University of Texas Rio Grande Valley ♦ The University of Texas at San Antonio ♦ Stephen F. Austin State University♦ The University of Texas at Tyler ♦ The University of Texas Southwestern Medical Center♦ The University of Texas Medical Branch at Galveston ♦ The University of Texas Health Science Center at Houston ♦ The University of Texas M. D. Anderson Cancer Center The University of Texas System Administration

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TABLE OF CONTENTS

EXECUTIVE SUMMARY OF CASH FLOW MARGIN (LOSS) 1

SYSTEMWIDE COMPARISON 2

U.T. ARLINGTON 3

U.T. AUSTIN 4

U.T. DALLAS 5

U.T. EL PASO 6

U.T. PERMIAN BASIN 7

U.T. RIO GRANDE VALLEY 8

U.T. SAN ANTONIO 9

STEPHEN F. AUSTIN STATE UNIVERSITY 10

U.T. TYLER 11

U.T. SOUTHWESTERN MEDICAL CENTER 12

U.T. MEDICAL BRANCH - GALVESTON 13

U.T. HEALTH SCIENCE CENTER - HOUSTON 14

HEALTH SCIENCE CENTER AT U.T. SAN ANTONIO 15

U.T.M.D. ANDERSON CANCER CENTER 16

U.T. SYSTEM ADMINISTRATION 17

Monthly Financial Report
Comparison of Adjusted Cash Flow Margin
For the Period Ending August 31, 2026

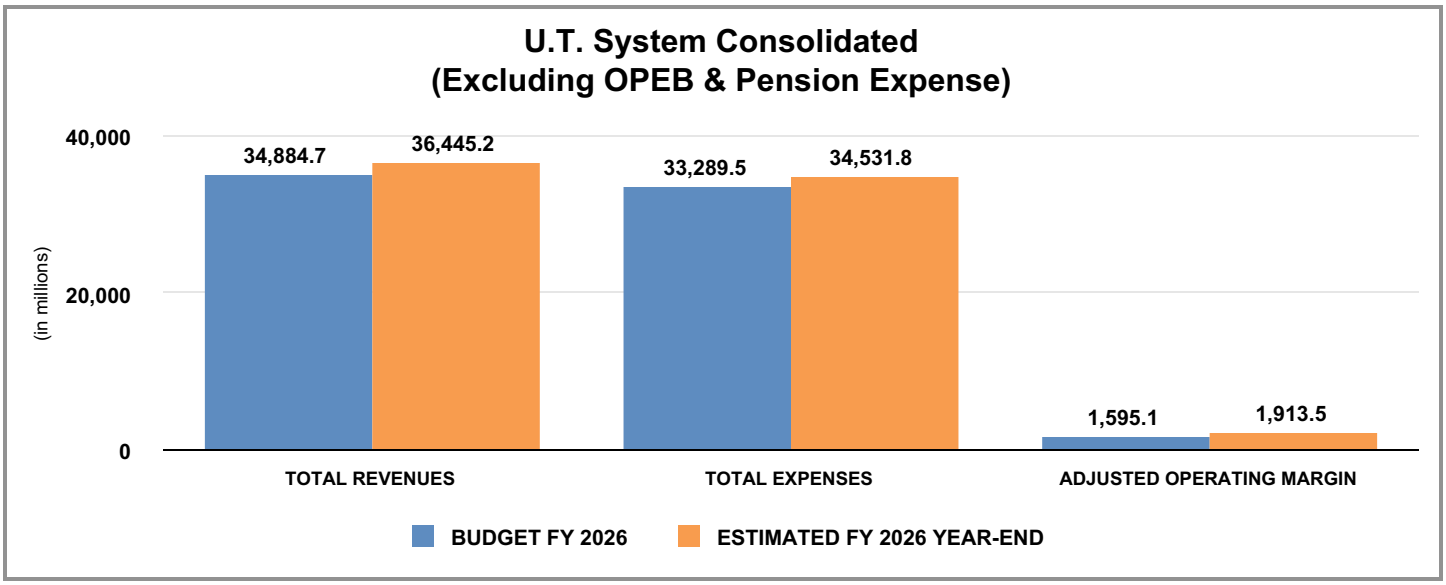
Executive Summary of Adjusted Cash Flow Margin (Loss)*

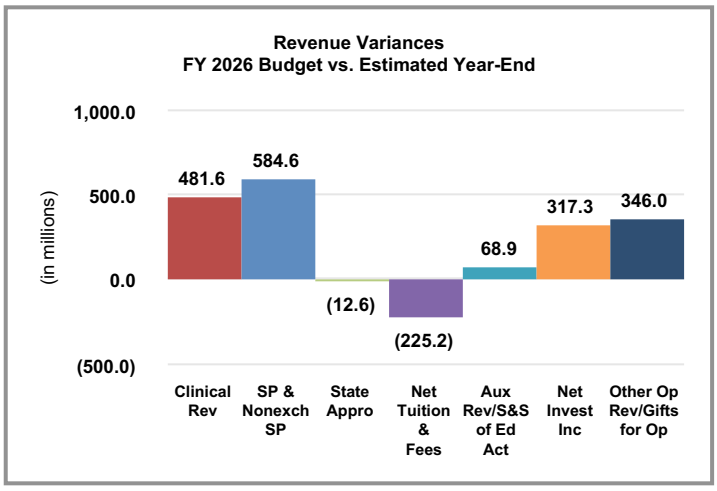
(Excludes OPEB, Pension, Depreciation and Amortization Expense)

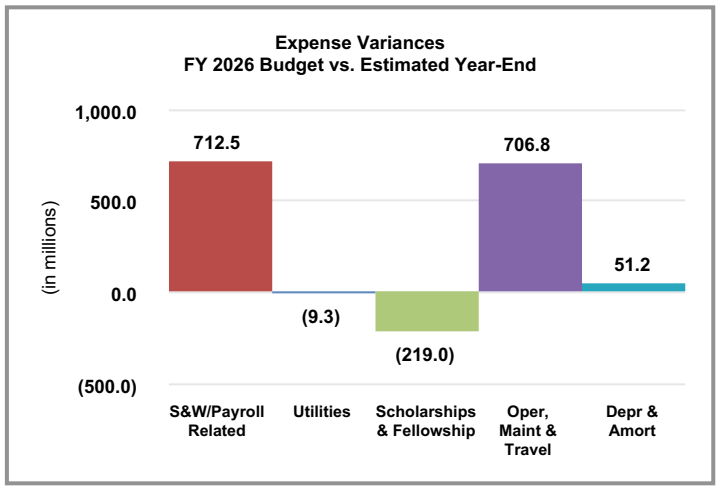
(in millions)	FY 2026 Budget	Estimated FY 2026 Year-End	Variance %	Comments on Budget to Estimated FY 2026 Year-End Variance
U.T. Arlington	36.2	82.0	127%	Decrease in Operations, Maintenance and Travel due to lower expenditures for computer equipment, materials and supplies, and repairs and maintenance across campus.
U.T. Austin	453.7	487.9	8%	Increase in Net Investment Income as a result of improved market conditions; Increase in Sponsored Programs due to revenue exceeding budget, combined with lower related operating expenses from the capitalization of sponsored program expenditures.
U.T. Dallas	92.9	77.9	-16%	Increase in Salaries & Wages/Payroll Related Costs due to one-time funding to support non-budgeted positions and summer lecturers.
U.T. El Paso	23.3	50.7	117%	Increase in Sponsored Programs due to federal funding exceeding budget; Increase in Other Operating Revenues related to non-budgeted Promise Plus support.
U.T. Permian Basin	5.2	8.0	53%	Decrease in Salaries & Wages/Payroll Related Costs due to savings from faculty and staff vacancies combined with planned reorganizations.
U.T. Rio Grande Valley	20.2	32.5	60%	Increase in Net Tuition and Fees as a result of increased enrollment; Decrease in Salaries & Wages/Payroll Related Costs from salary savings.
U.T. San Antonio	23.1	94.6	310%	Decrease in Operations, Maintenance and Travel due to unutilized health campus integration costs; Increase in Net Investment Income from strong market performance; Increase in Net Tuition and Fees due to increased enrollment.
Stephen F. Austin State University	6.0	10.3	71%	Increase in Gift Contributions for Operations due to gifts received exceeding budget.
U.T. Tyler	35.0	30.5	-13%	Increase in Salaries & Wages/Payroll Related Costs due to hiring additional staff to support higher patient volumes; Increase in Operations, Maintenance and Travel due to increased expenses associated with patient care growth.
U.T. Southwestern Medical Center	416.8	620.7	49%	Increase in Clinical Revenues driven by patient volumes exceeding budget.
U.T. Medical Branch - Galveston	216.8	217.0	Less than 1%	Increase in Clinical Revenues driven by increases in contract and retail pharmacy revenues and patient volumes.
U.T. Health Science Center - Houston	94.1	204.2	117%	Increase in Sponsored Programs due to the indirect cost rate trending above budget and THECB funding exceeding budget; Increase in Sales & Services of Educational Activities related to new Graduate Medical Education Expansion Program awards; Decrease in Salaries & Wages/Payroll Related Costs due to savings from delays in filling vacant positions.
Health Science Center at U.T. San Antonio	103.8	80.1	-23%	Decrease in State Appropriations due to the timing of TRC4 revenue recognition; Increase in Operations, Maintenance and Travel related to Multispecialty and Research Hospital expenses and grant-related expenditures.
U.T.M.D. Anderson Cancer Center	1,443.1	1,683.9	17%	Increase in Clinical Revenues driven by higher patient volumes, clinical expansion, and productivity improvements; Decrease in Operations, Maintenance and Travel due to disciplined expense management.
U.T. System Administration (excluding OPEB & Pension Expense)	681.1	340.9	-50%	Increase in Operations, Maintenance and Travel due to program expenditures for Promise Plus and the Regents' Research Excellence Program, and insurance premium payments to strengthen self-insurance reserves.
Total Adjusted Cash Flow Margin	**3,651.5**	**4,021.1**	**10%**	

* For additional details on the variances, please see pages 3 through 17 of the MFR.

Monthly Financial Report
Comparison of Estimated Year-End Operating Results, Margin and Budget
For the Period Ending August 31, 2026





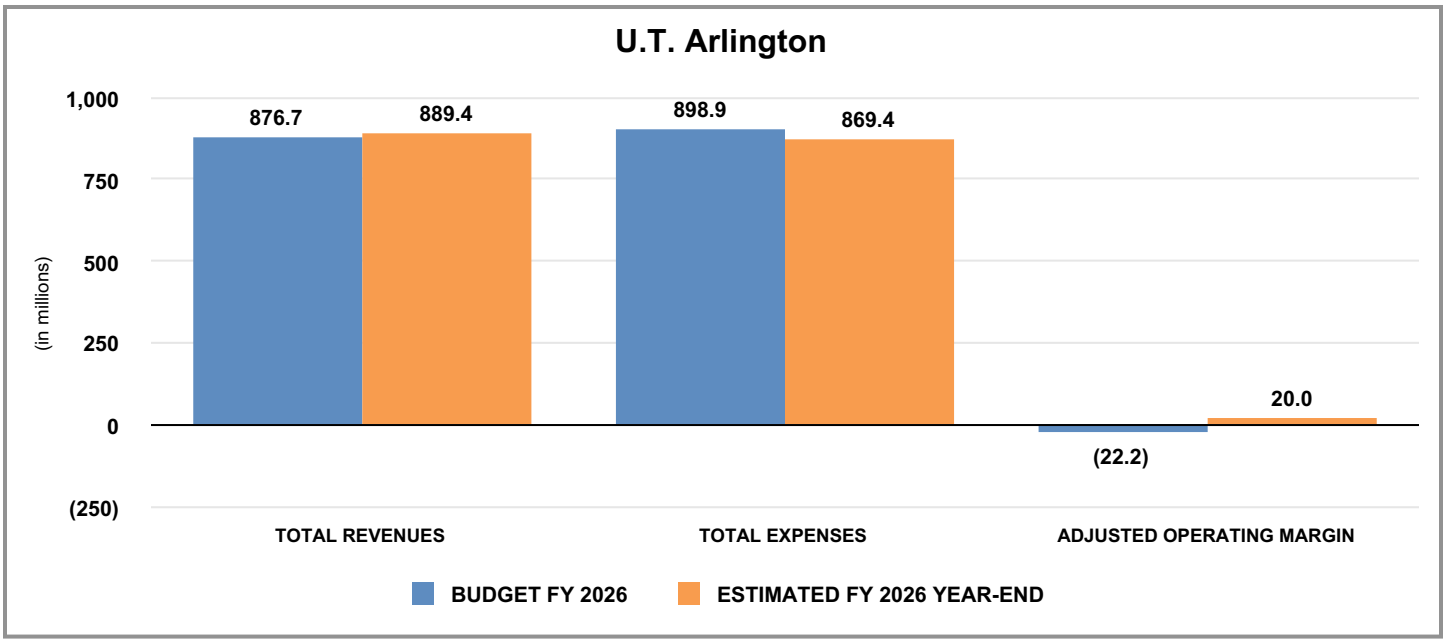


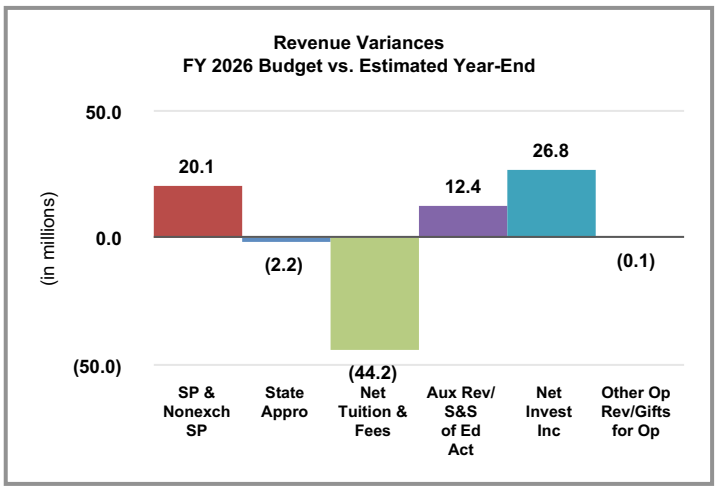
(in millions)	FY 2026 Budget	Estimated FY 2026 Year-End	Variance
Clinical Revenues	$ 16,447.6	$ 16,929.2	$ 481.6
Sponsored Programs/Nonexchange Sponsored Programs	6,797.9	7,382.5	584.6
State Appropriations	3,194.6 *	3,182.0	(12.6)
Net Tuition and Fees	2,088.8	1,863.7	(225.2)
Auxiliary Revenues/Sales & Services of Educational Activities	1,582.6	1,651.5	68.9
Net Investment Income	3,263.6	3,580.8	317.3
Other Operating Revenues/Gift Contributions for Operations	1,509.6	1,855.5	346.0
Total Revenues	$ 34,884.7	$ 36,445.2	$ 1,560.6
Salaries and Wages/Payroll Related Costs	$ 19,504.9	$ 20,217.4	$ 712.5
Utilities	369.9	360.6	(9.3)
Scholarships and Fellowships	584.9	365.8	(219.0)
Operations, Maintenance and Travel	10,773.5 *	11,480.4	706.8
Depreciation and Amortization	2,056.4	2,107.6	51.2
Total Expenses (Excluding OPEB & Pension)	$ 33,289.5	$ 34,531.8	$ 1,242.2
Adj Operating Margin (Excl OPEB & Pension)	$ 1,595.1	$ 1,913.5	$ 318.3
Adj Cash Flow Margin (Excl OPEB, Pension, Depr & Amort)	$ 3,651.5	$ 4,021.1	$ 369.6

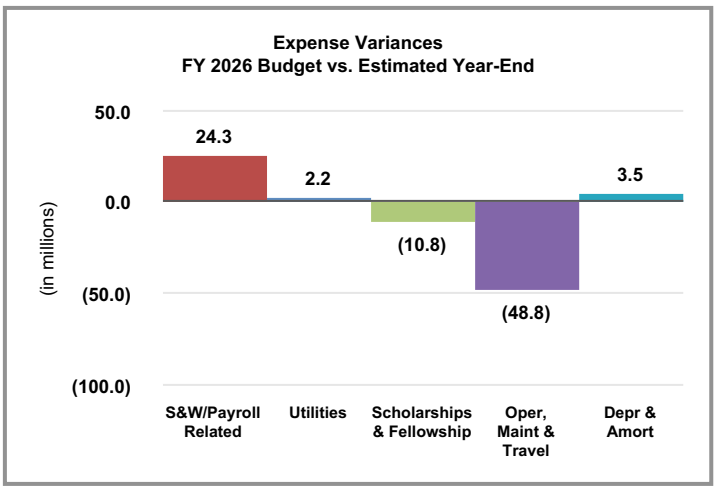
*State appropriations and corresponding expense for TRB/CCAP for all U.T. institutions have been excluded.

Excluding other postemployment benefits (OPEB), pension, and depreciation expense, U.T. System Consolidated estimates ending the year with an adjusted cash flow margin of $4,021.1 million, which represents an increase of $369.6 million (10%) as compared to the budgeted level. The estimated increase is primarily due to an increase in clinical revenues and other operating revenues associated with increased patient volumes and rates; and an increase in net investment income as a result of improved market conditions.

Monthly Financial Report
Comparison of Estimated Year-End Operating Results, Margin and Budget
For the Period Ending August 31, 2026



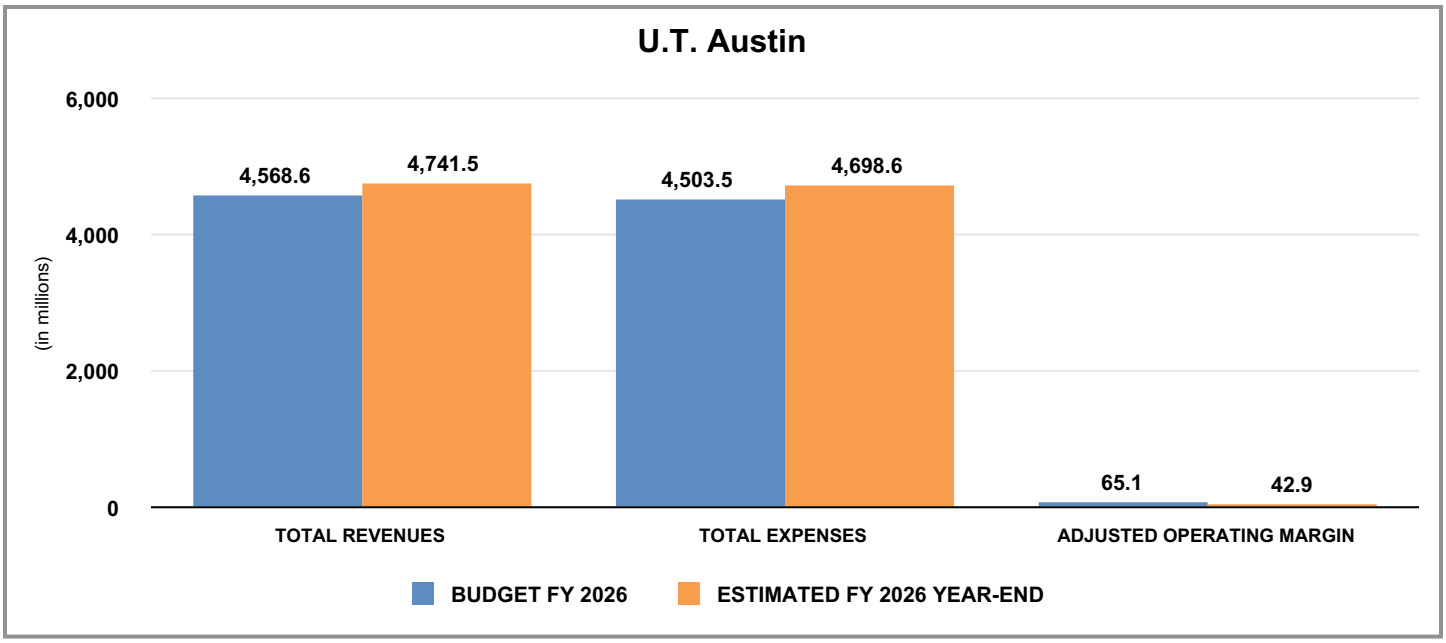


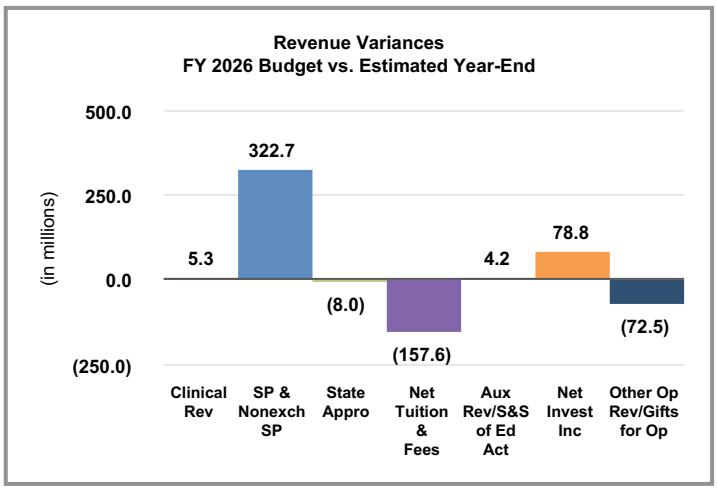


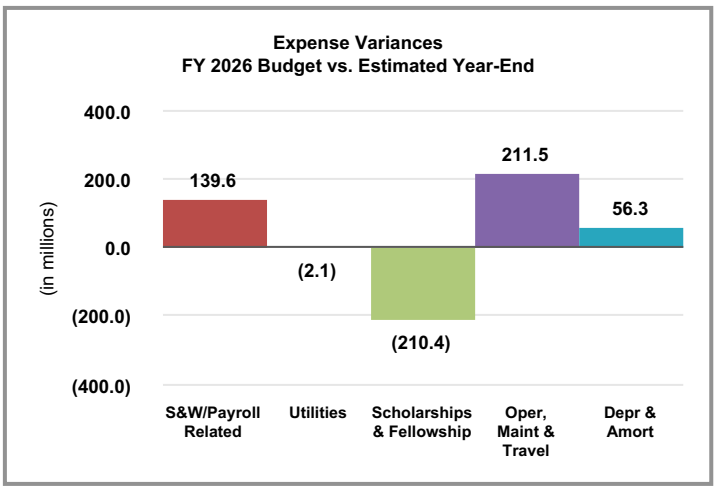
(in millions)	FY 2026 Budget	Estimated FY 2026 Year-End	Variance
Sponsored Programs/Nonexchange Sponsored Programs	$ 220.0	$ 240.1	$ 20.1
State Appropriations	182.4	180.2	(2.2)
Net Tuition and Fees	324.0	279.8	(44.2)
Auxiliary Revenues/Sales & Services of Educational Activities	93.0	105.4	12.4
Net Investment Income	32.1	58.9	26.8
Other Operating Revenues/Gift Contributions for Operations	25.1	25.0	(0.1)
Total Revenues	$ 876.7	$ 889.4	$ 12.7
Salaries and Wages/Payroll Related Costs	$ 537.9	$ 562.2	$ 24.3
Utilities	11.1	13.3	2.2
Scholarships and Fellowships	21.8	11.0	(10.8)
Operations, Maintenance and Travel	269.6	220.9	(48.8)
Depreciation and Amortization	58.4	61.9	3.5
Total Expenses	$ 898.9	$ 869.4	$ (29.5)
Adj Operating Margin	(22.2)	20.0	42.3
Adj Cash Flow Margin (Excludes Depr & Amort)	36.2	82.0	45.8

U.T. Arlington estimates ending the year with an adjusted cash flow margin of $82.0 million, which represents an increase of $45.8 million (127%) as compared to the budgeted level. The estimated increase is primarily attributable to a decrease in operations, maintenance and travel expenses due to lower expenditures for computer equipment, materials and supplies, and repairs and maintenance across campus. The variance in net tuition and fees, and the offsetting variance in scholarships and fellowships, is related to a change in the accounting methodology for recording scholarships and fellowships implemented after the budget was approved.

Monthly Financial Report
Comparison of Estimated Year-End Operating Results, Margin and Budget
For the Period Ending August 31, 2026



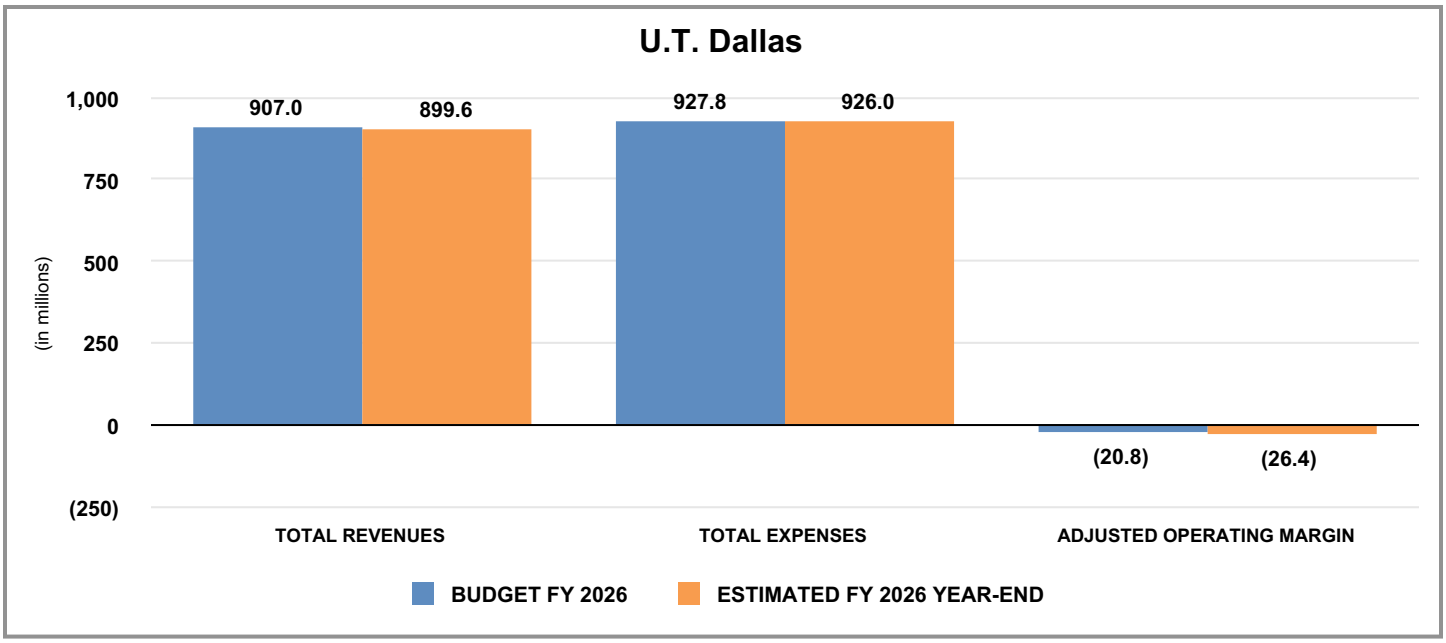


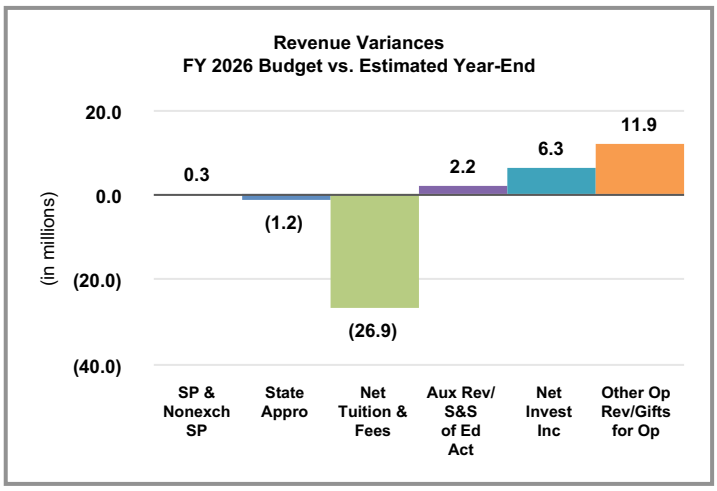


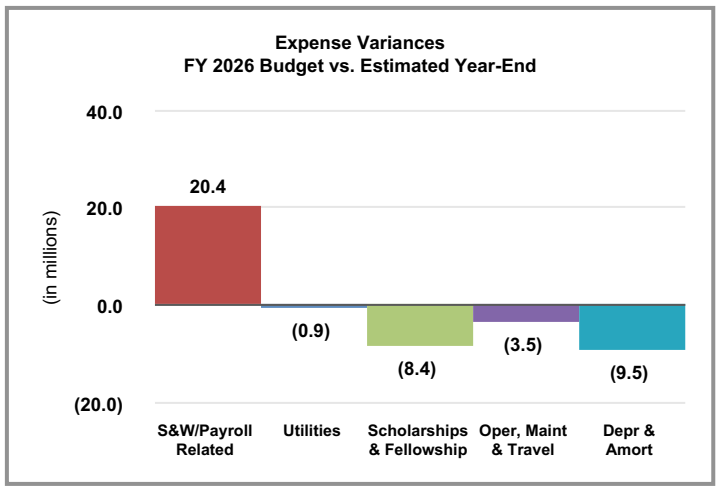
(in millions)	FY 2026 Budget	Estimated FY 2026 Year-End	Variance
Clinical Revenues	$ 23.7	$ 28.9	$ 5.3
Sponsored Programs/Nonexchange Sponsored Programs	1,247.8	1,570.6	322.7
State Appropriations	523.0	515.0	(8.0)
Net Tuition and Fees	573.9	416.3	(157.6)
Auxiliary Revenues/Sales & Services of Educational Activities	831.9	836.2	4.2
Net Investment Income/Available University Fund (AUF)	966.4	1,045.2	78.8
Other Operating Revenues/Gift Contributions for Operations	401.8	329.3	(72.5)
Total Revenues	$ 4,568.6	$ 4,741.5	$ 172.9
Salaries and Wages/Payroll Related Costs	$ 2,515.6	$ 2,655.2	$ 139.6
Utilities	98.7	96.6	(2.1)
Scholarships and Fellowships	278.0	67.6	(210.4)
Operations, Maintenance and Travel	1,222.6	1,434.1	211.5
Depreciation and Amortization	388.7	445.0	56.3
Total Expenses	$ 4,503.5	$ 4,698.6	$ 195.0
Adj Operating Margin	65.1	42.9	(22.1)
Adj Cash Flow Margin (Excludes Depr & Amort)	453.7	487.9	34.2

U.T. Austin estimates ending the year with an adjusted cash flow margin of $487.9 million, which represents an increase of $34.2 million (8%) as compared to the budgeted level. The estimated increase is due to the following: an increase in net investment income as a result of improved market conditions; and an increase in sponsored programs resulting from revenue exceeding budget, combined with lower related operating expenses associated with the capitalization of sponsored program expenditures. The variance in net tuition and fees, and the corresponding variance in scholarships and fellowships, is related to a change in the accounting methodology for recording scholarships and fellowships implemented after the budget was approved.

Monthly Financial Report
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For the Period Ending August 31, 2026



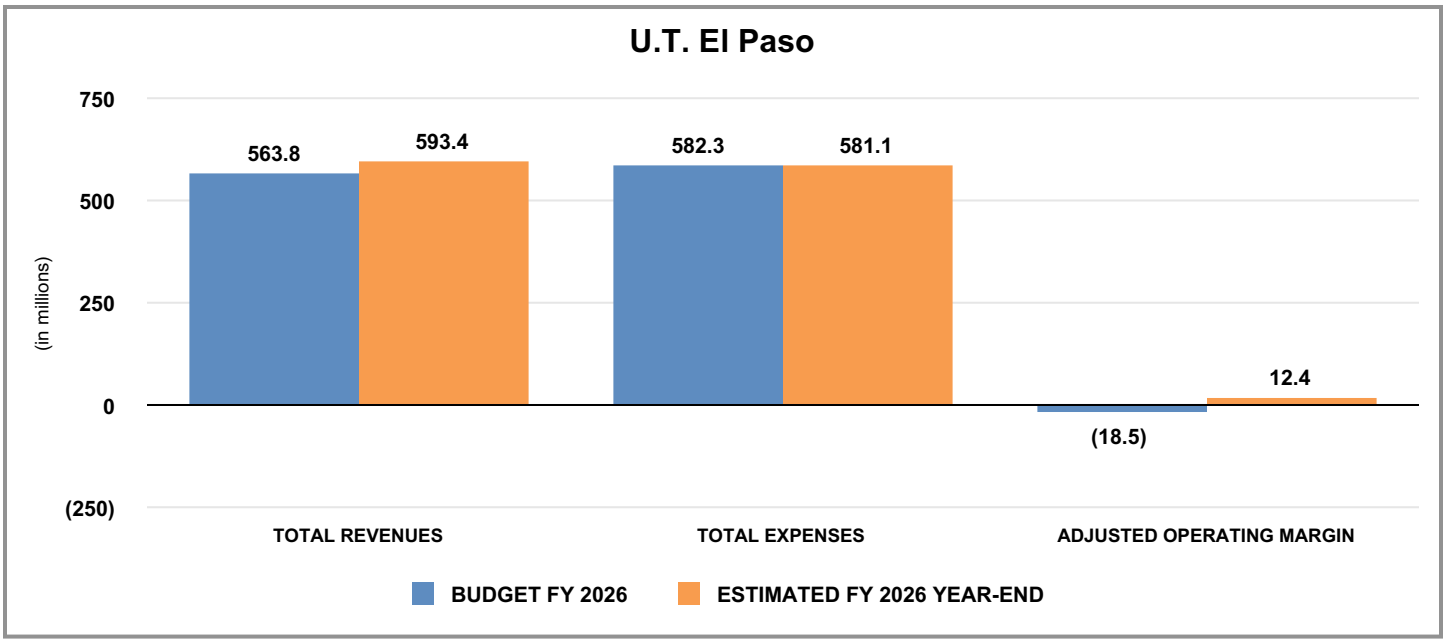


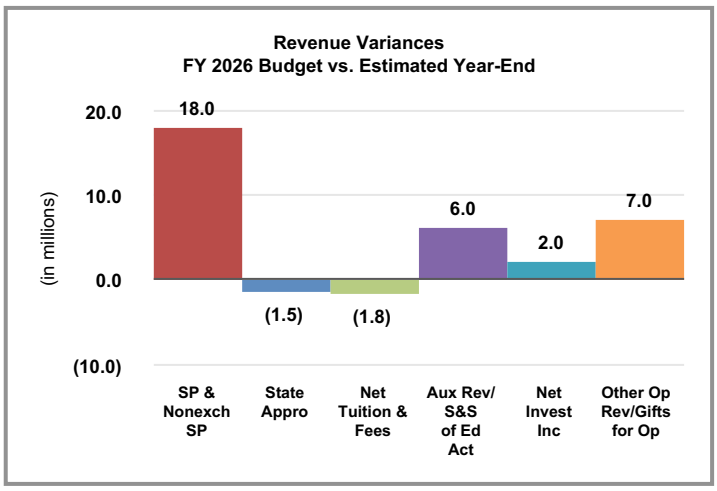


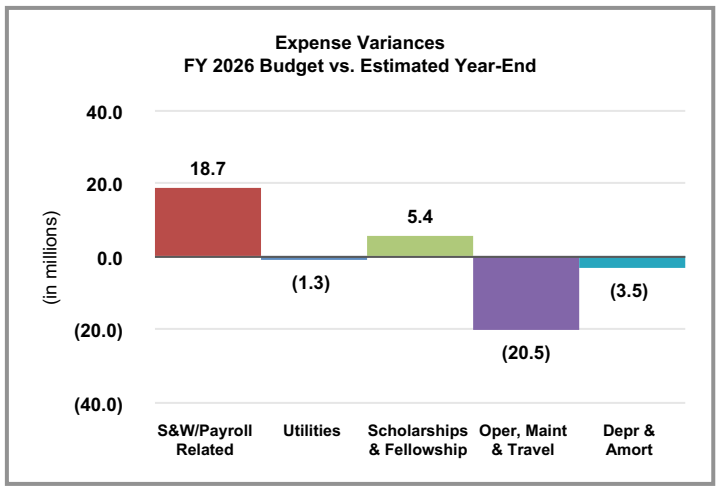
(in millions)	FY 2026 Budget	Estimated FY 2026 Year-End	Variance
Sponsored Programs/Nonexchange Sponsored Programs	$ 171.2	$ 171.5	$ 0.3
State Appropriations	180.0	178.8	(1.2)
Net Tuition and Fees	339.5	312.6	(26.9)
Auxiliary Revenues/Sales & Services of Educational Activities	103.6	105.8	2.2
Net Investment Income	80.8	87.2	6.3
Other Operating Revenues/Gift Contributions for Operations	31.9	43.8	11.9
Total Revenues	$ 907.0	$ 899.6	$ (7.3)
Salaries and Wages/Payroll Related Costs	$ 542.1	$ 562.4	$ 20.4
Utilities	16.8	15.9	(0.9)
Scholarships and Fellowships	59.5	51.1	(8.4)
Operations, Maintenance and Travel	195.8	192.3	(3.5)
Depreciation and Amortization	113.7	104.3	(9.5)
Total Expenses	$ 927.8	$ 926.0	$ (1.8)
Adj Operating Margin	(20.8)	(26.4)	(5.5)
Adj Cash Flow Margin (Excludes Depr & Amort)	92.9	77.9	(15.0)

U.T. Dallas estimates ending the year with an adjusted cash flow margin of $77.9 million, which represents a decrease of $15.0 million (16%) as compared to the budgeted level. The estimated decrease is primarily attributable to an increase in salaries and wages and payroll related costs due to the use of one-time funding to support non-budgeted positions and summer lecturers in response to budget reductions.

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For the Period Ending August 31, 2026



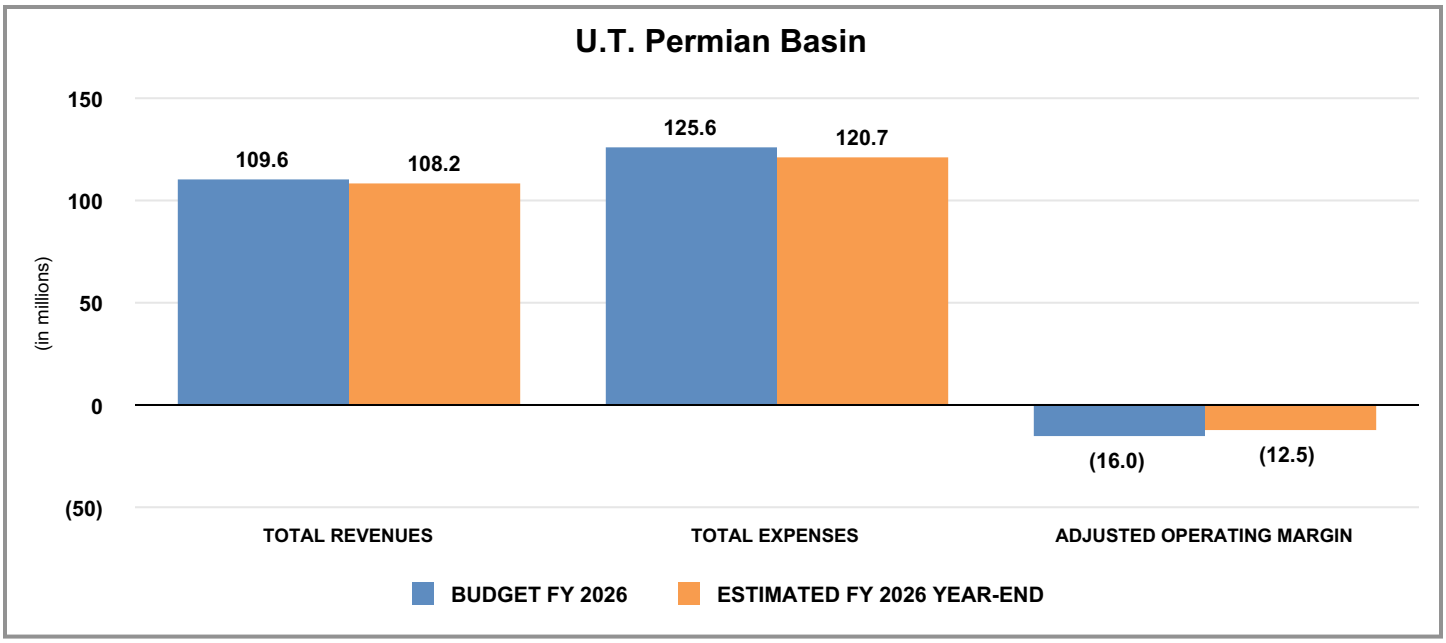


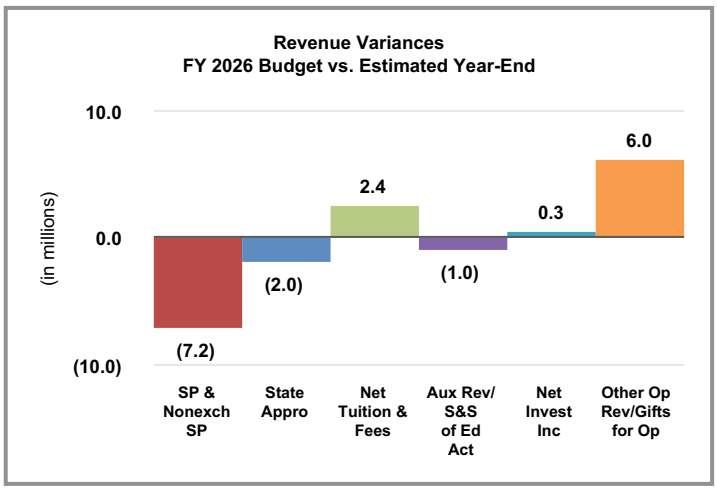


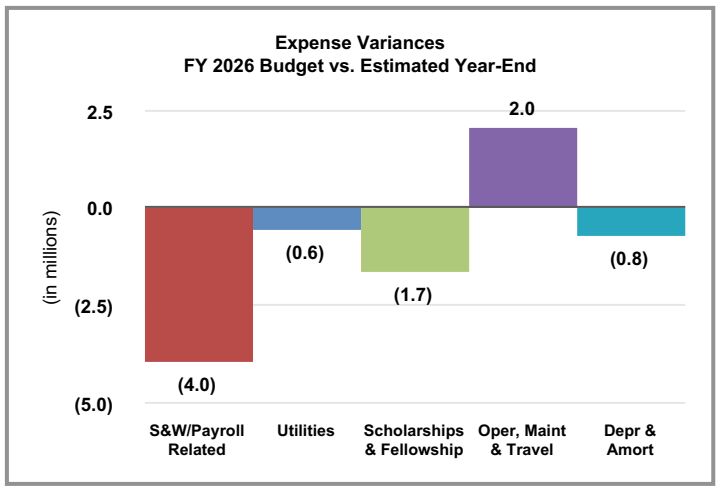
(in millions)	FY 2026 Budget	Estimated FY 2026 Year-End	Variance
Sponsored Programs/Nonexchange Sponsored Programs	$ 190.0	$ 208.0	$ 18.0
State Appropriations	155.0	153.5	(1.5)
Net Tuition and Fees	93.4	91.5	(1.8)
Auxiliary Revenues/Sales & Services of Educational Activities	68.7	74.7	6.0
Net Investment Income	32.5	34.5	2.0
Other Operating Revenues/Gift Contributions for Operations	24.2	31.2	7.0
Total Revenues	$ 563.8	$ 593.4	$ 29.6
Salaries and Wages/Payroll Related Costs	$ 326.1	$ 344.8	$ 18.7
Utilities	10.0	8.7	(1.3)
Scholarships and Fellowships	36.9	42.2	5.4
Operations, Maintenance and Travel	167.5	147.0	(20.5)
Depreciation and Amortization	41.8	38.3	(3.5)
Total Expenses	$ 582.3	$ 581.1	$ (1.2)
Adj Operating Margin	(18.5)	12.4	30.9
Adj Cash Flow Margin (Excludes Depr & Amort)	23.3	50.7	27.3

U.T. El Paso estimates ending the year with an adjusted cash flow margin of $50.7 million, which represents an increase of $27.3 million (117%) as compared to the budgeted level. The estimated increase is primarily attributable to federal sponsored program funding exceeding the budgeted level, as well as higher other operating revenues related to annual support for the Promise Plus program that was not included in the original budget.

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For the Period Ending August 31, 2026



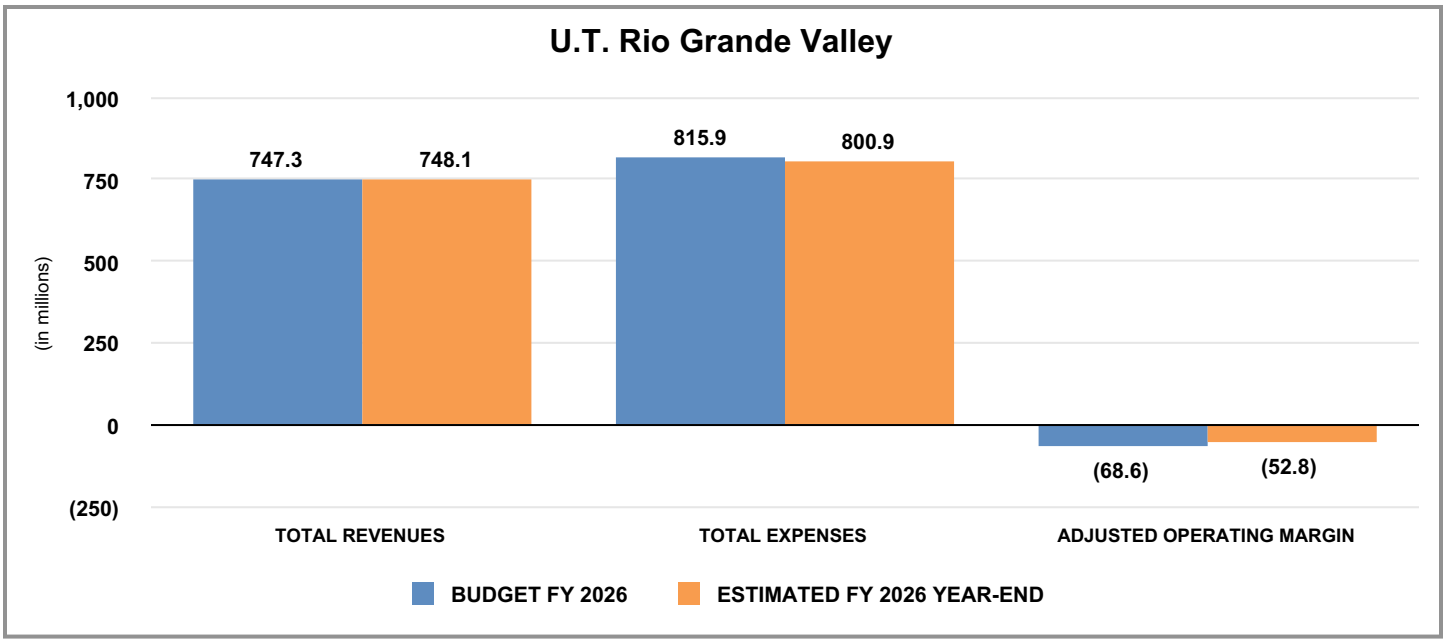


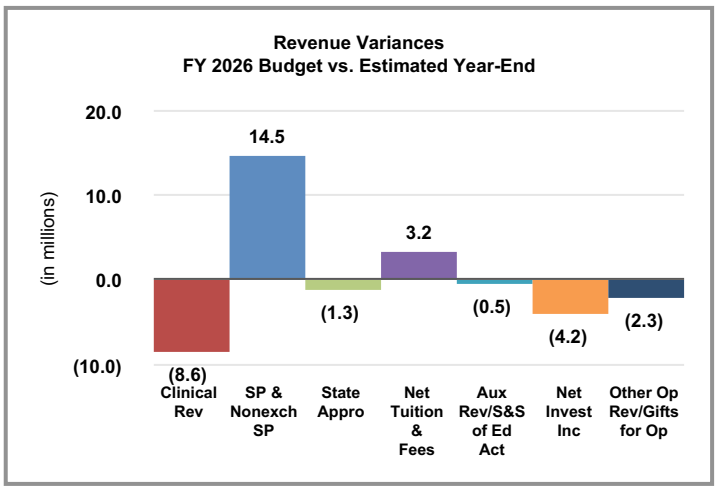


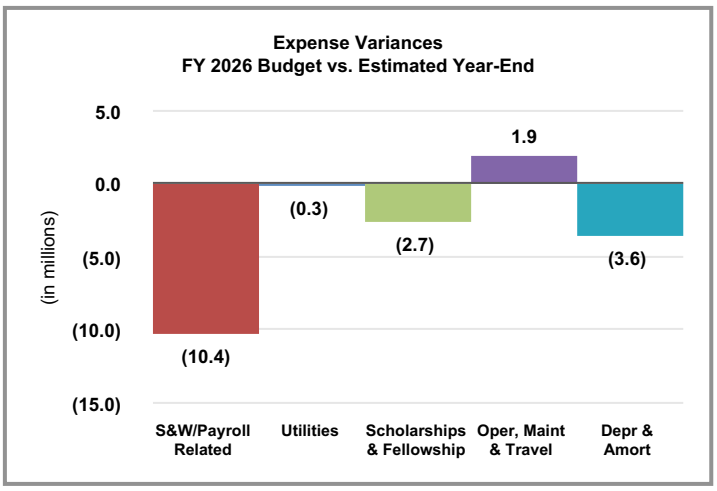
(in millions)	FY 2026 Budget	Estimated FY 2026 Year-End	Variance
Sponsored Programs/Nonexchange Sponsored Programs	$ 26.4	$ 19.1	$ (7.2)
State Appropriations	33.4	31.3	(2.0)
Net Tuition and Fees	25.1	27.5	2.4
Auxiliary Revenues/Sales & Services of Educational Activities	8.7	7.8	(1.0)
Net Investment Income	4.5	4.9	0.3
Other Operating Revenues/Gift Contributions for Operations	11.5	17.6	6.0
Total Revenues	$ 109.6	$ 108.2	$ (1.4)
Salaries and Wages/Payroll Related Costs	$ 60.0	$ 56.1	$ (4.0)
Utilities	3.3	2.7	(0.6)
Scholarships and Fellowships	12.8	11.1	(1.7)
Operations, Maintenance and Travel	28.3	30.3	2.0
Depreciation and Amortization	21.2	20.5	(0.8)
Total Expenses	$ 125.6	$ 120.7	$ (4.9)
Adj Operating Margin	(16.0)	(12.5)	3.5
Adj Cash Flow Margin (Excludes Depr & Amort)	5.2	8.0	2.8

U.T. Permian Basin estimates ending the year with an adjusted cash flow margin of $8.0 million, which represents an increase of $2.8 million (53%) as compared to the budgeted level. The estimated increase is primarily attributable to a decrease in salaries and wages and payroll related costs due to savings as a result of faculty and staff vacancies, as well as reorganizations to enhance business needs.

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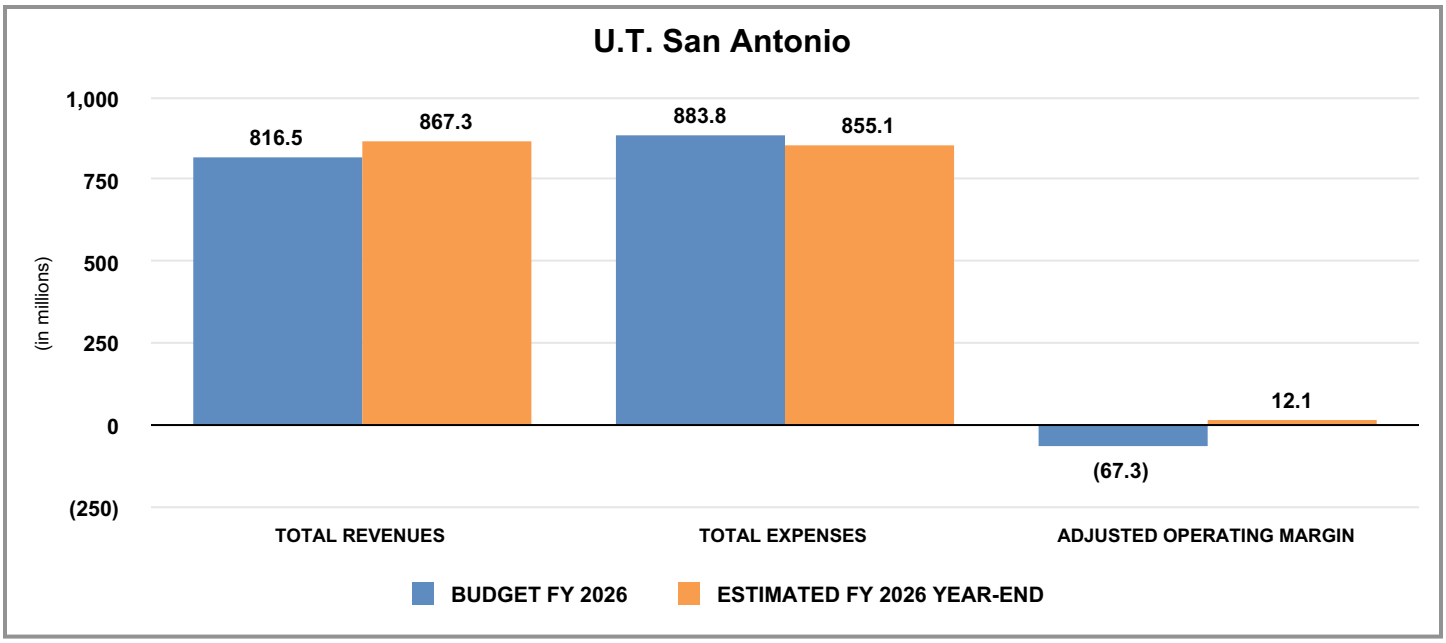


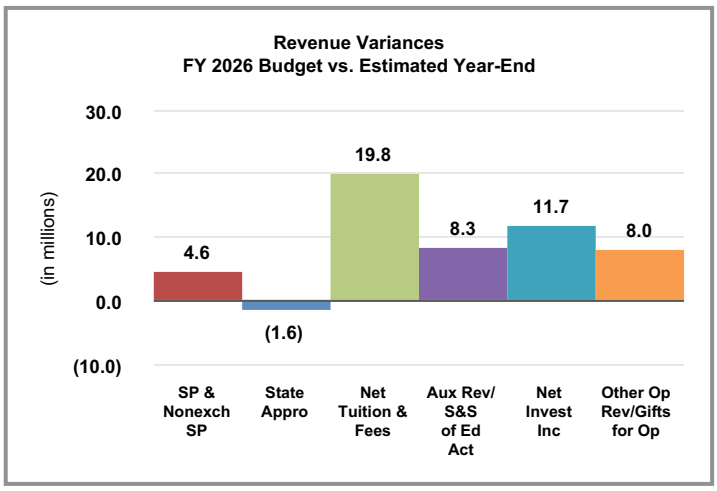


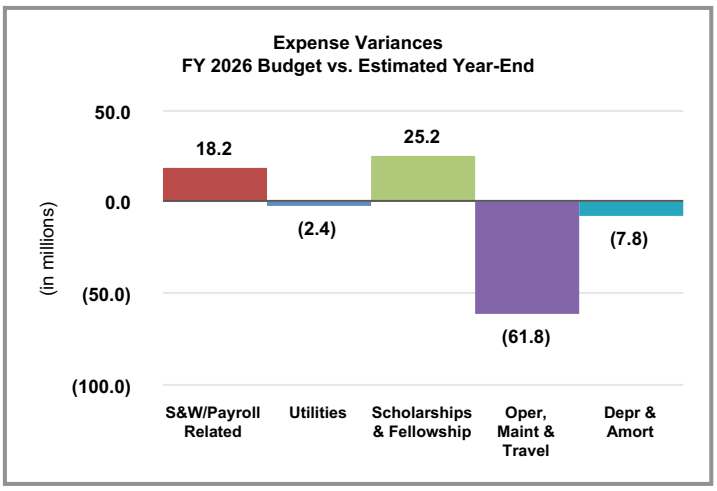
(in millions)	FY 2026 Budget	Estimated FY 2026 Year-End	Variance
Clinical Revenues	$ 32.7	$ 24.1	$ (8.6)
Sponsored Programs/Nonexchange Sponsored Programs	292.9	307.3	14.5
State Appropriations	221.7	220.3	(1.3)
Net Tuition and Fees	117.4	120.6	3.2
Auxiliary Revenues/Sales & Services of Educational Activities	26.7	26.2	(0.5)
Net Investment Income	24.8	20.6	(4.2)
Other Operating Revenues/Gift Contributions for Operations	31.2	28.9	(2.3)
Total Revenues	$ 747.3	$ 748.1	$ 0.8
Salaries and Wages/Payroll Related Costs	$ 519.0	$ 508.6	$ (10.4)
Utilities	13.6	13.4	(0.3)
Scholarships and Fellowships	44.1	41.4	(2.7)
Operations, Maintenance and Travel	150.3	152.2	1.9
Depreciation and Amortization	88.9	85.3	(3.6)
Total Expenses	$ 815.9	$ 800.9	$ (15.0)
Adj Operating Margin	(68.6)	(52.8)	15.8
Adj Cash Flow Margin (Excludes Depr & Amort)	20.2	32.5	12.2

U.T. Rio Grande Valley estimates ending the year with an adjusted cash flow margin of $32.5 million, which represents an increase of $12.2 million (60%) as compared to the budgeted level. The estimated increase is due to the following: an increase in net tuition and fees attributable to increased enrollment; and a decrease in salaries and wages and payroll related costs resulting from post-budget salary savings.

Monthly Financial Report
Comparison of Estimated Year-End Operating Results, Margin and Budget
For the Period Ending August 31, 2026



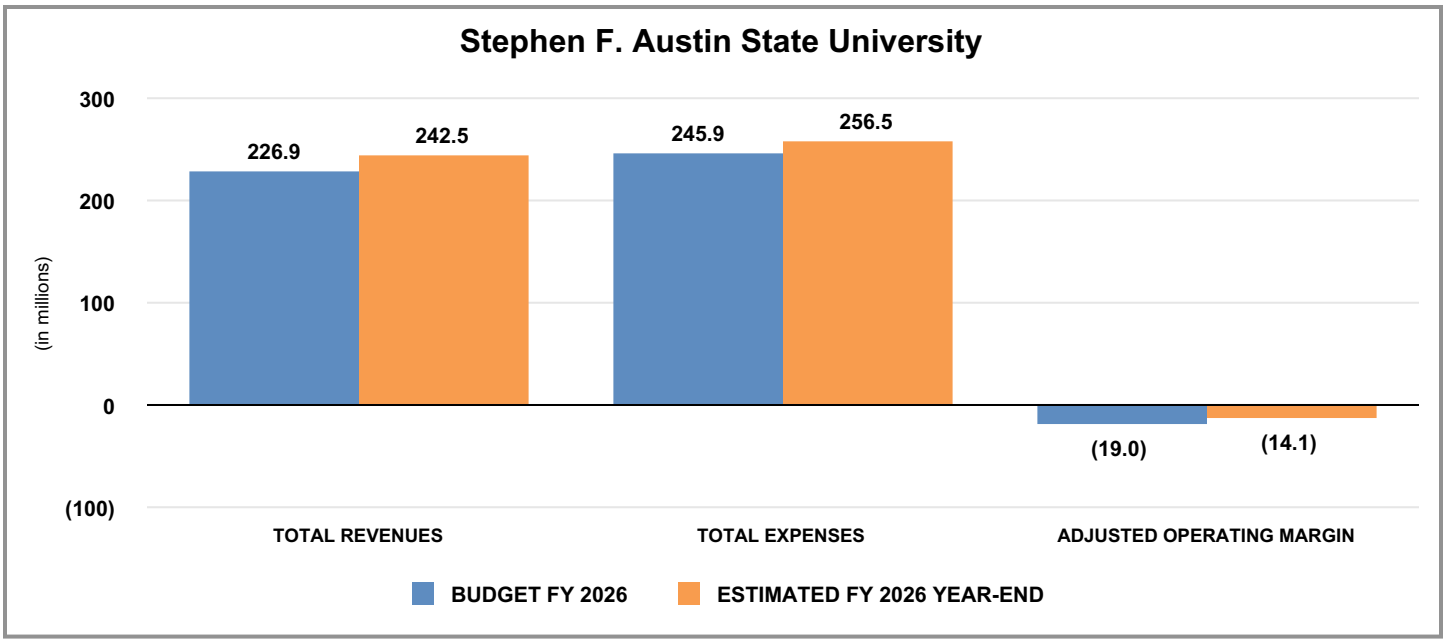


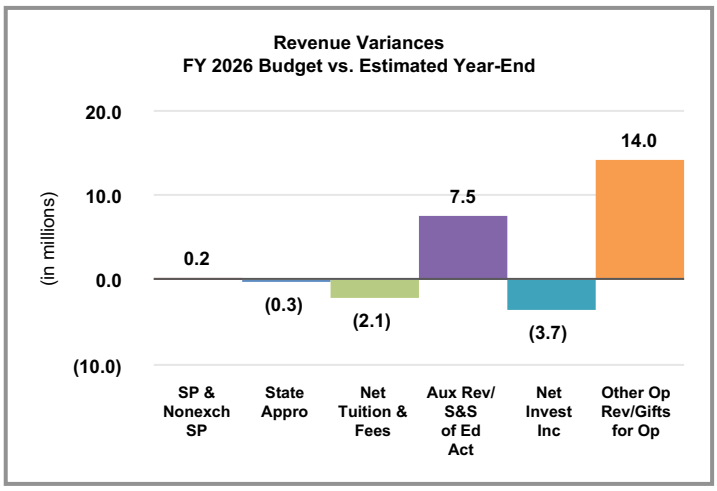


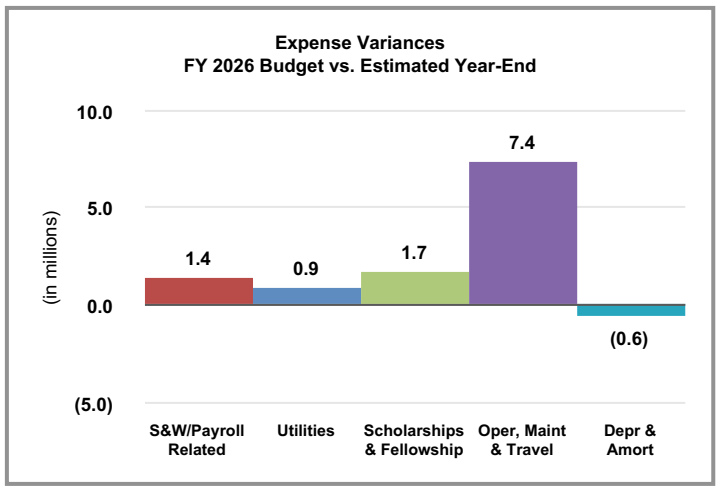
(in millions)	FY 2026 Budget	Estimated FY 2026 Year-End	Variance
Sponsored Programs/Nonexchange Sponsored Programs	$ 234.2	$ 238.8	$ 4.6
State Appropriations	186.0	184.4	(1.6)
Net Tuition and Fees	248.4	268.2	19.8
Auxiliary Revenues/Sales & Services of Educational Activities	85.8	94.0	8.3
Net Investment Income	32.3	44.0	11.7
Other Operating Revenues/Gift Contributions for Operations	29.8	37.8	8.0
Total Revenues	$ 816.5	$ 867.3	$ 50.8
Salaries and Wages/Payroll Related Costs	$ 455.3	$ 473.5	$ 18.2
Utilities	20.7	18.2	(2.4)
Scholarships and Fellowships	67.5	92.8	25.2
Operations, Maintenance and Travel	250.0	188.2	(61.8)
Depreciation and Amortization	90.3	82.5	(7.8)
Total Expenses	$ 883.8	$ 855.1	$ (28.6)
Adj Operating Margin	(67.3)	12.1	79.4
Adj Cash Flow Margin (Excludes Depr & Amort)	23.1	94.6	71.6

U.T. San Antonio estimates ending the year with an adjusted cash flow margin of $94.6 million, which represents an increase of $71.6 million (310%) as compared to the budgeted level. The estimated increase is attributable to the following: a decrease in operations, maintenance and travel expenses related to health campus integration costs that were not utilized; an increase in net investment income as a result of strong market performance; and an increase in net tuition and fees driven by increased enrollment.

Monthly Financial Report
Comparison of Estimated Year-End Operating Results, Margin and Budget
For the Period Ending August 31, 2026



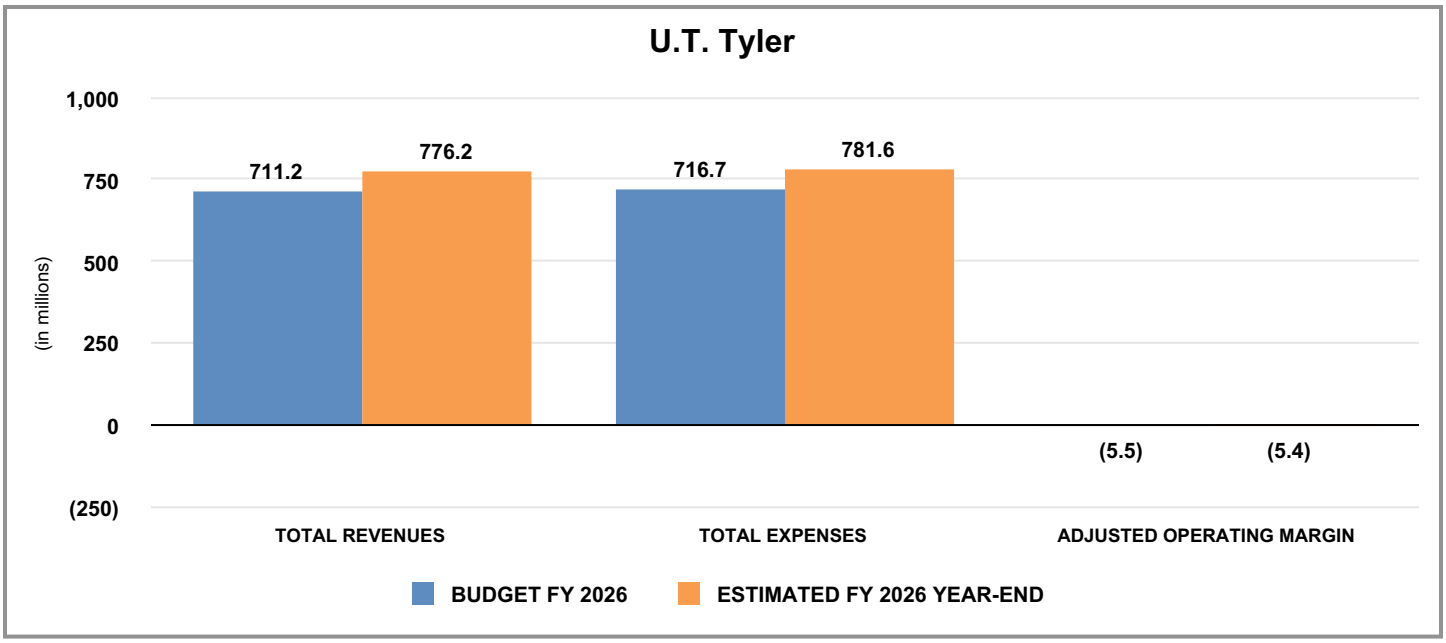


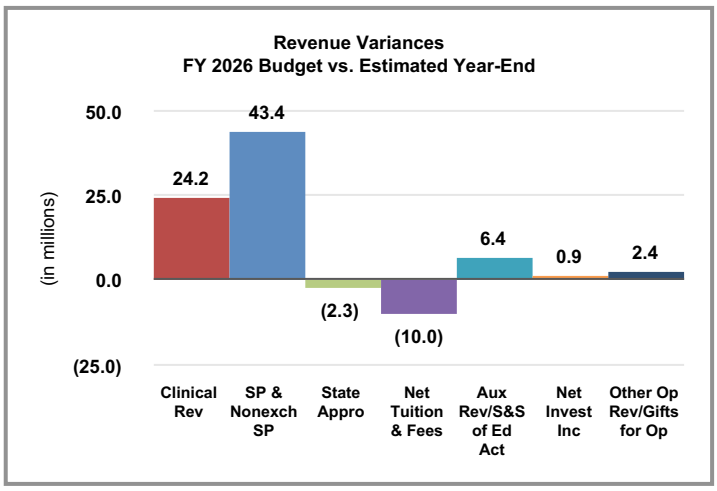


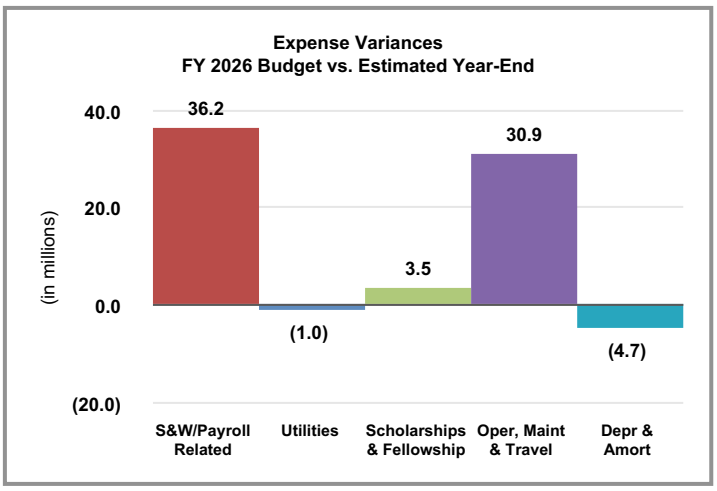
(in millions)	FY 2026 Budget	Estimated FY 2026 Year-End	Variance
Sponsored Programs/Nonexchange Sponsored Programs	$ 46.8	$ 47.0	$ 0.2
State Appropriations	51.7	51.4	(0.3)
Net Tuition and Fees	57.9	55.8	(2.1)
Auxiliary Revenues/Sales & Services of Educational Activities	41.5	49.0	7.5
Net Investment Income	23.8	20.1	(3.7)
Other Operating Revenues/Gift Contributions for Operations	5.2	19.2	14.0
Total Revenues	$ 226.9	$ 242.5	$ 15.6
Salaries and Wages/Payroll Related Costs	$ 154.7	$ 156.1	$ 1.4
Utilities	6.5	7.4	0.9
Scholarships and Fellowships	6.7	8.4	1.7
Operations, Maintenance and Travel	53.0	60.4	7.4
Depreciation and Amortization	25.0	24.3	(0.6)
Total Expenses	$ 245.9	$ 256.5	$ 10.7
Adj Operating Margin	(19.0)	(14.1)	4.9
Adj Cash Flow Margin (Excludes Depr & Amort)	6.0	10.3	4.3

Stephen F. Austin State University estimates ending the year with an adjusted cash flow margin of $10.3 million, which represents an increase of $4.3 million (71%) as compared to the budgeted level. The estimated increase is primarily due to an increase in gift contributions for operations as a result of gifts received exceeding the budgeted level.

Monthly Financial Report
Comparison of Estimated Year-End Operating Results, Margin and Budget
For the Period Ending August 31, 2026



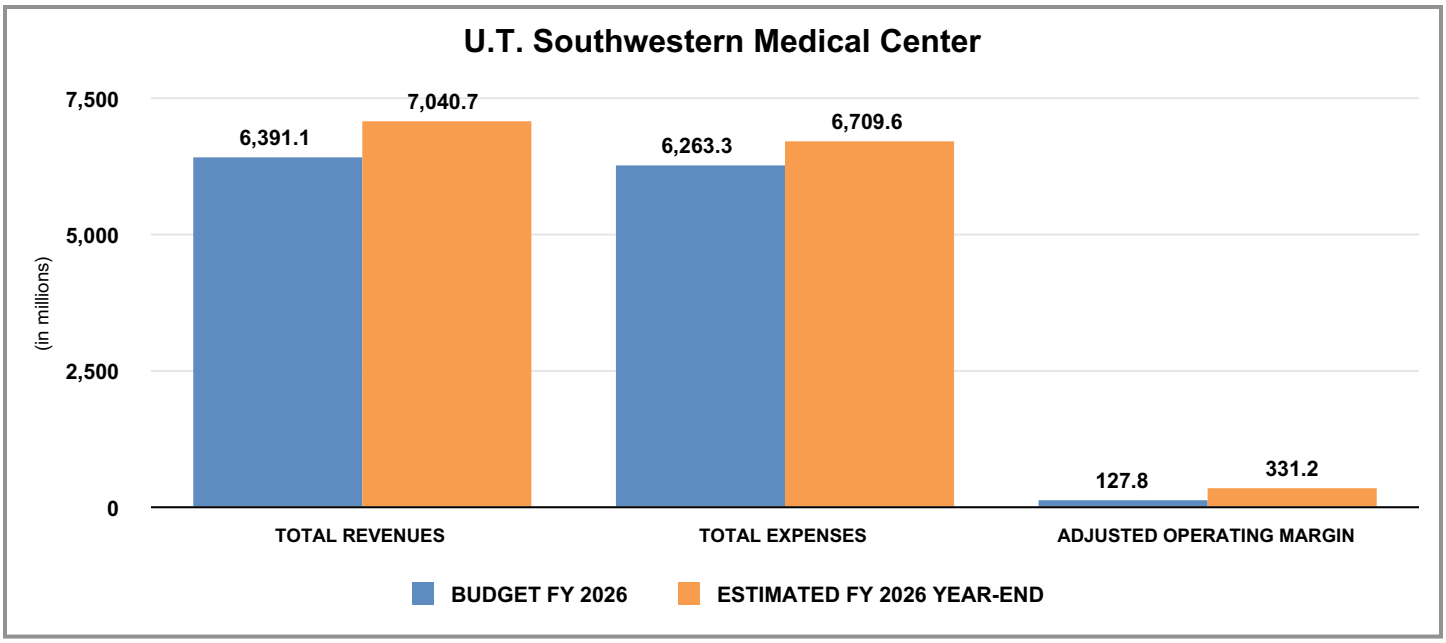


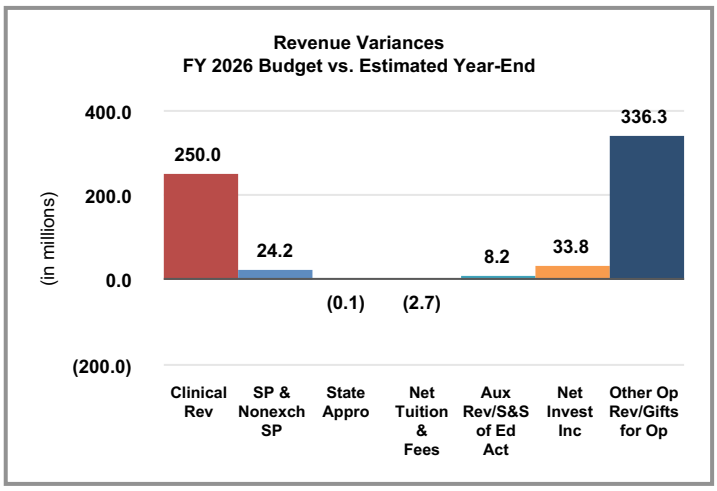


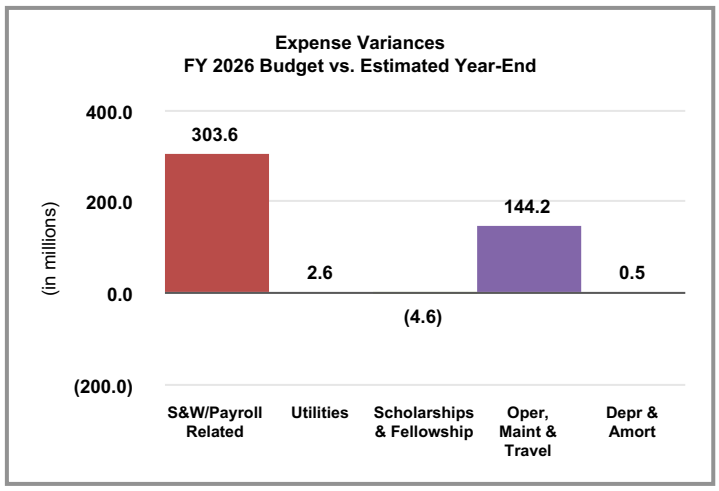
(in millions)	FY 2026 Budget	Estimated FY 2026 Year-End	Variance
Clinical Revenues	$ 223.0	$ 247.2	$ 24.2
Sponsored Programs/Nonexchange Sponsored Programs	205.7	249.1	43.4
State Appropriations	128.1	125.8	(2.3)
Net Tuition and Fees	77.5	67.6	(10.0)
Auxiliary Revenues/Sales & Services of Educational Activities	45.7	52.1	6.4
Net Investment Income	13.0	13.9	0.9
Other Operating Revenues/Gift Contributions for Operations	18.2	20.6	2.4
Total Revenues	$ 711.2	$ 776.2	$ 65.0
Salaries and Wages/Payroll Related Costs	$ 466.3	$ 502.5	$ 36.2
Utilities	6.9	5.9	(1.0)
Scholarships and Fellowships	17.7	21.1	3.5
Operations, Maintenance and Travel	185.3	216.2	30.9
Depreciation and Amortization	40.5	35.9	(4.7)
Total Expenses	$ 716.7	$ 781.6	$ 64.9
Adj Operating Margin	(5.5)	(5.4)	0.1
Adj Cash Flow Margin (Excludes Depr & Amort)	35.0	30.5	(4.6)

U.T. Tyler estimates ending the year with an adjusted cash flow margin of $30.5 million, which represents a decrease of $4.6 million (13%) as compared to the budgeted level. The estimated decrease is attributable to the following: an increase in salaries and wages and payroll related costs due to additional staffing required to support higher patient volumes; and an increase in operations, maintenance and travel expenses as a result of an increase in materials and supplies associated with patient care growth.

Monthly Financial Report
Comparison of Estimated Year-End Operating Results, Margin and Budget
For the Period Ending August 31, 2026

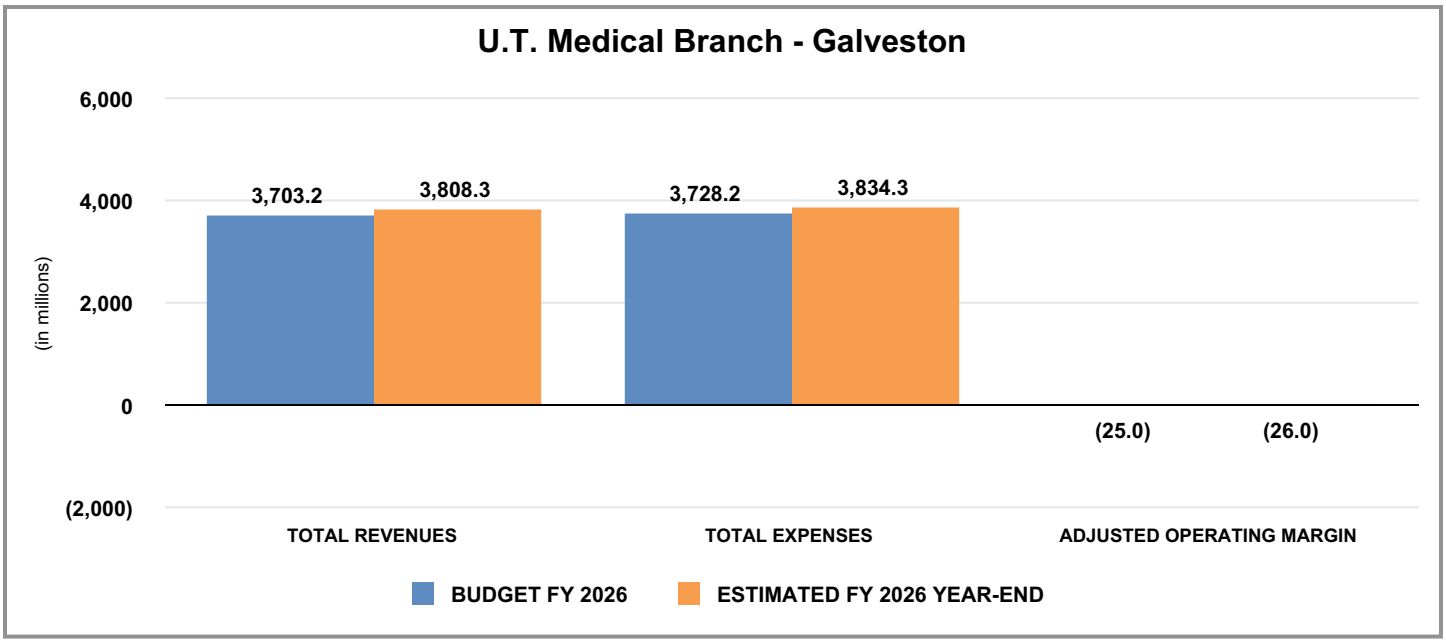


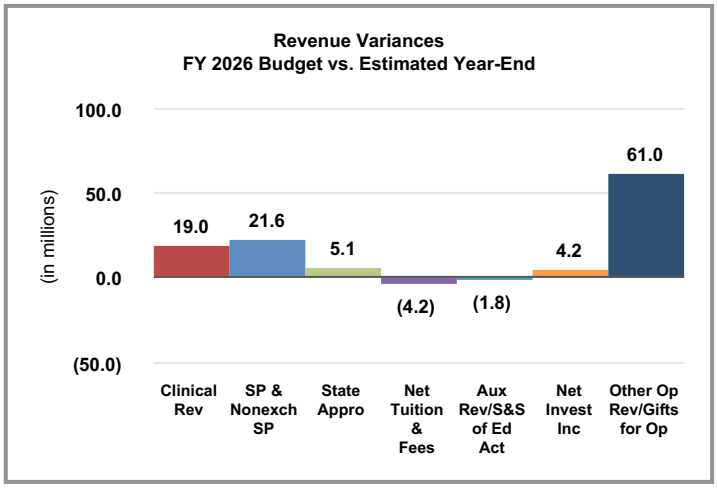


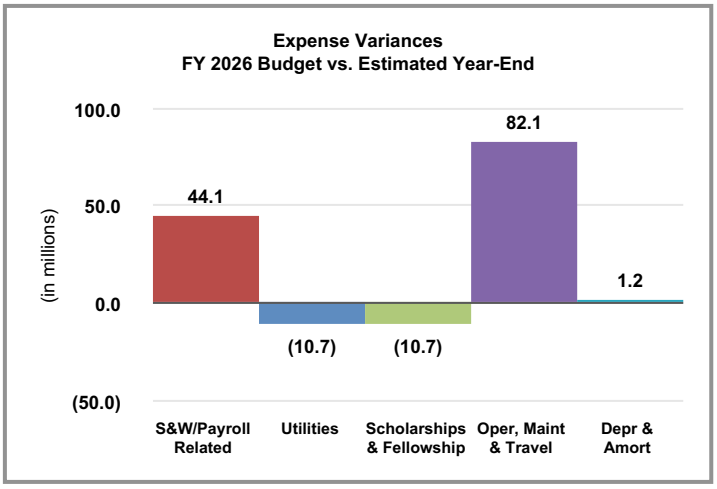


(in millions)	FY 2026 Budget	Estimated FY 2026 Year-End	Variance
Clinical Revenues	$ 4,403.9	$ 4,653.9	$ 250.0
Sponsored Programs/Nonexchange Sponsored Programs	1,069.0	1,093.2	24.2
State Appropriations	265.7	265.6	(0.1)
Net Tuition and Fees	31.3	28.6	(2.7)
Auxiliary Revenues/Sales & Services of Educational Activities	59.4	67.6	8.2
Net Investment Income	230.1	263.9	33.8
Other Operating Revenues/Gift Contributions for Operations	331.7	667.9	336.3
Total Revenues	$ 6,391.1	$ 7,040.7	$ 649.6
Salaries and Wages/Payroll Related Costs	$ 3,796.0	$ 4,099.5	$ 303.6
Utilities	34.3	36.9	2.6
Scholarships and Fellowships	4.9	0.3	(4.6)
Operations, Maintenance and Travel	2,139.2	2,283.4	144.2
Depreciation and Amortization	289.0	289.5	0.5
Total Expenses	$ 6,263.3	$ 6,709.6	$ 446.3
Adj Operating Margin	127.8	331.2	203.4
Adj Cash Flow Margin (Excludes Depr & Amort)	416.8	620.7	203.8

U.T. Southwestern Medical Center estimates ending the year with an adjusted cash flow margin of $620.7 million, which represents an increase of $203.8 million (49%) as compared to the budgeted level. The estimated increase is primarily due to an increase in clinical revenues driven by patient volumes exceeding budget.



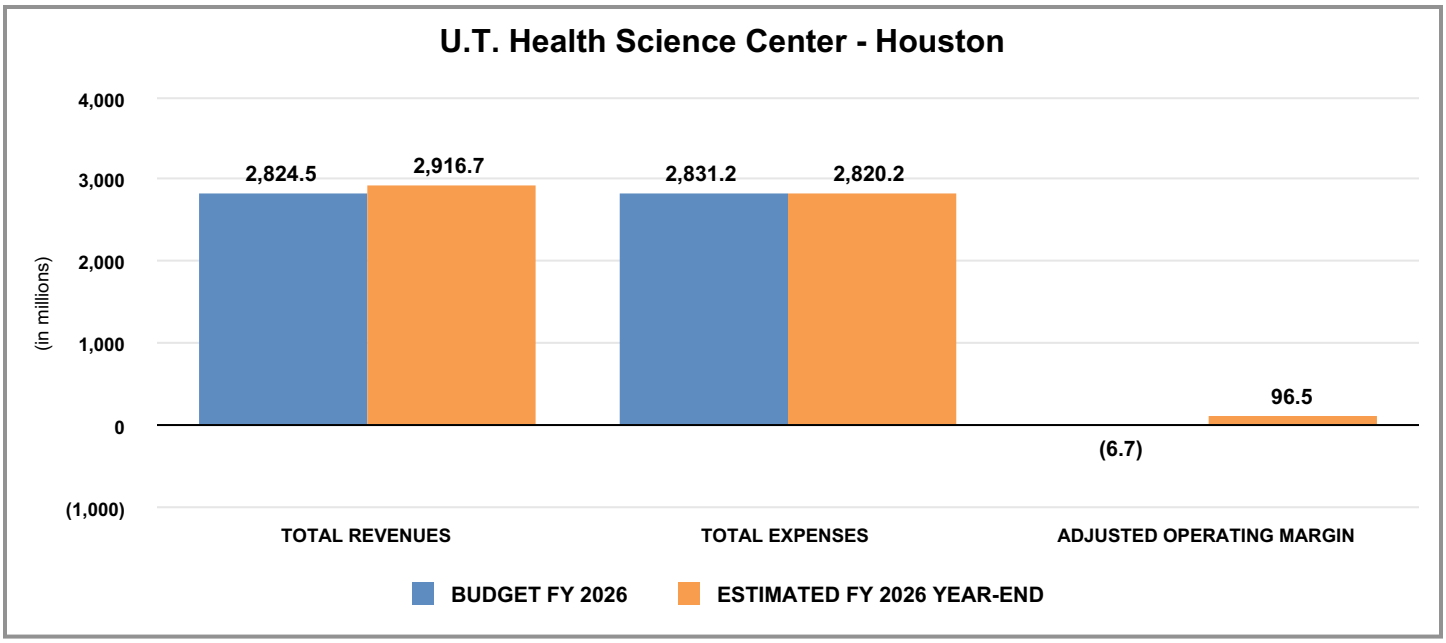


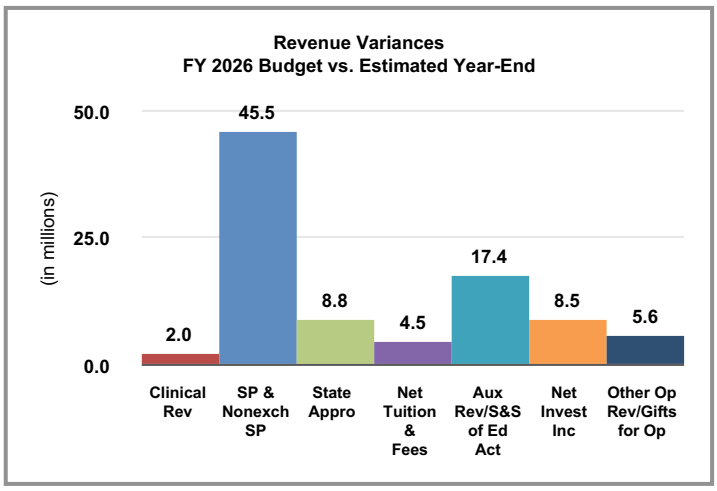


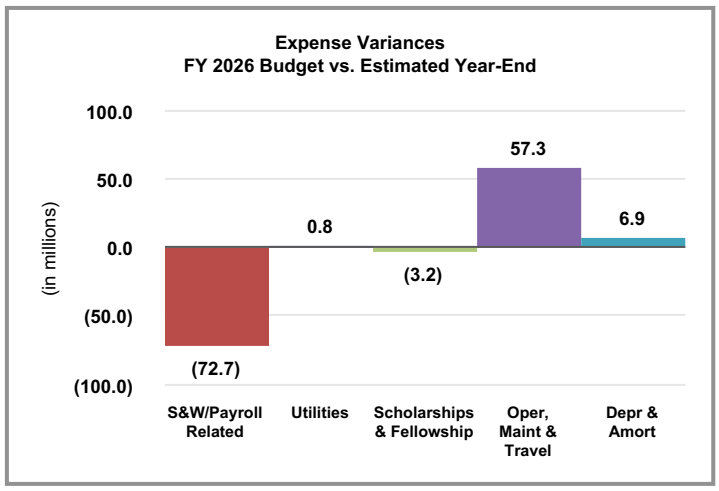
(in millions)	FY 2026 Budget	Estimated FY 2026 Year-End	Variance
Clinical Revenues	$ 2,602.9	$ 2,621.9	$ 19.0
Sponsored Programs/Nonexchange Sponsored Programs	306.6	328.2	21.6
State Appropriations	411.5	416.7	5.1
Net Tuition and Fees	54.4	50.2	(4.2)
Auxiliary Revenues/Sales & Services of Educational Activities	32.8	31.1	(1.8)
Net Investment Income	85.1	89.3	4.2
Other Operating Revenues/Gift Contributions for Operations	209.9	270.9	61.0
Total Revenues	$ 3,703.2	$ 3,808.3	$ 105.1
Salaries and Wages/Payroll Related Costs	$ 2,210.2	$ 2,254.3	$ 44.1
Utilities	48.7	38.0	(10.7)
Scholarships and Fellowships	13.8	3.1	(10.7)
Operations, Maintenance and Travel	1,213.7	1,295.9	82.1
Depreciation and Amortization	241.8	243.0	1.2
Total Expenses	$ 3,728.2	$ 3,834.3	$ 106.0
Adj Operating Margin	(25.0)	(26.0)	(1.0)
Adj Cash Flow Margin (Excludes Depr & Amort)	216.8	217.0	0.2

U.T. Medical Branch - Galveston estimates ending the year with an adjusted cash flow margin of $217.0 million, which represents an increase of $0.2 million (less than 1%) as compared to the budgeted level. The estimated increase is primarily attributable to an increase in clinical revenues driven by year-over-year increases in contract and retail pharmacy revenues and patient volumes.

Monthly Financial Report
Comparison of Estimated Year-End Operating Results, Margin and Budget
For the Period Ending August 31, 2026

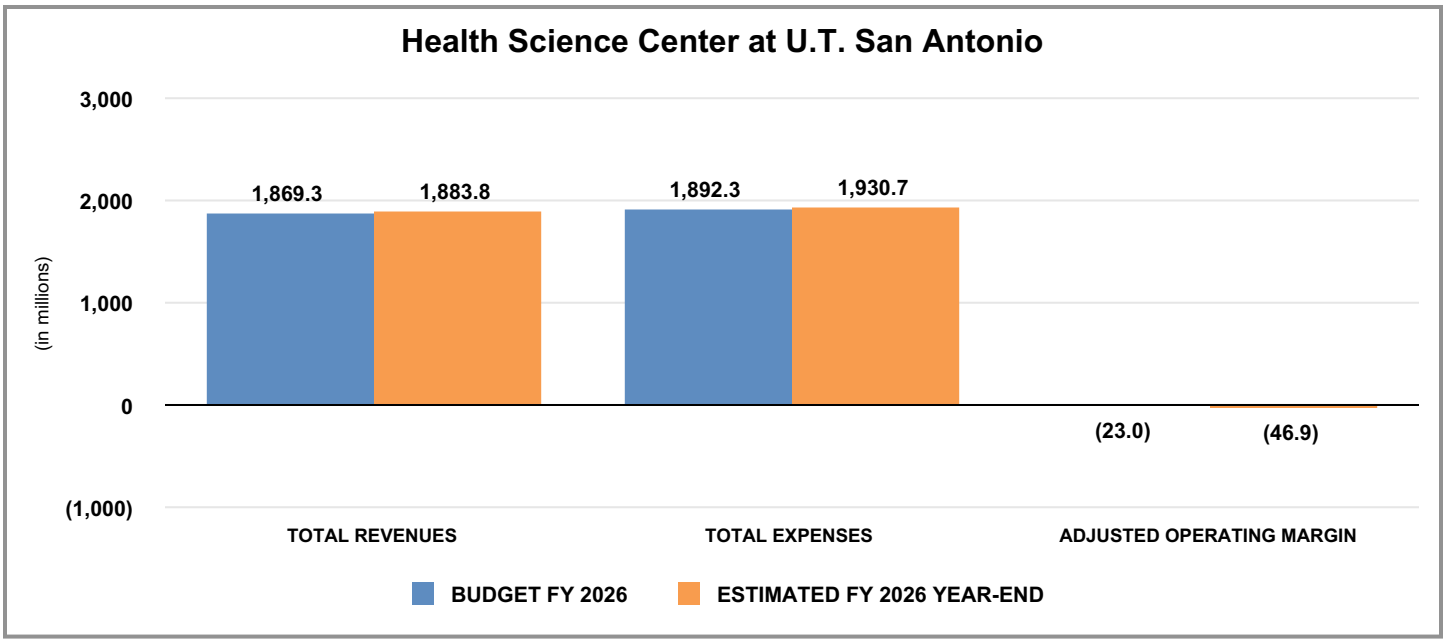


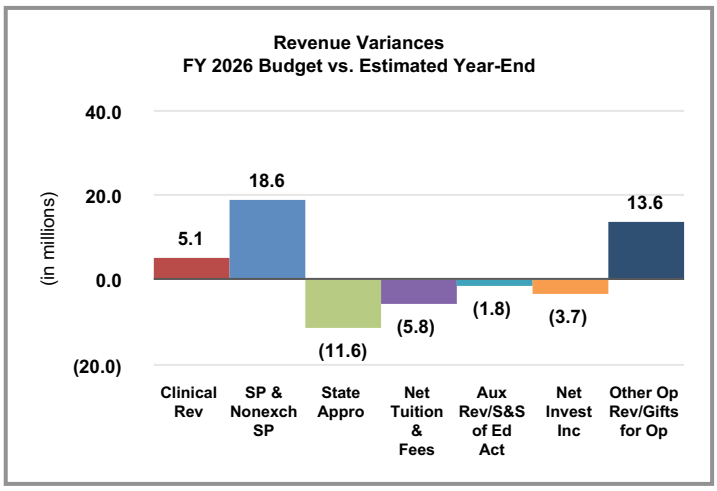


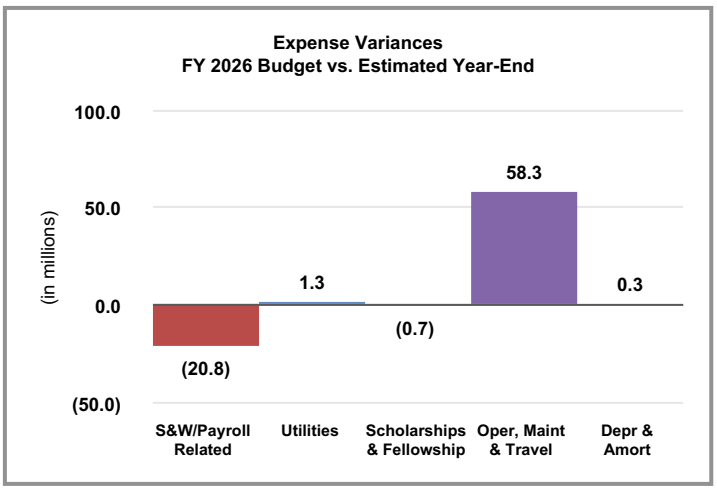


(in millions)	FY 2026 Budget	Estimated FY 2026 Year-End	Variance
Clinical Revenues	$ 774.9	$ 776.9	$ 2.0
Sponsored Programs/Nonexchange Sponsored Programs	1,390.6	1,436.1	45.5
State Appropriations	282.7	291.5	8.8
Net Tuition and Fees	69.6	74.1	4.5
Auxiliary Revenues/Sales & Services of Educational Activities	87.8	105.2	17.4
Net Investment Income	122.7	131.2	8.5
Other Operating Revenues/Gift Contributions for Operations	96.1	101.6	5.6
Total Revenues	$ 2,824.5	$ 2,916.7	$ 92.3
Salaries and Wages/Payroll Related Costs	$ 2,259.9	$ 2,187.1	$ (72.7)
Utilities	17.4	18.2	0.8
Scholarships and Fellowships	6.5	3.3	(3.2)
Operations, Maintenance and Travel	446.6	503.9	57.3
Depreciation and Amortization	100.8	107.7	6.9
Total Expenses	$ 2,831.2	$ 2,820.2	$ (10.9)
Adj Operating Margin	(6.7)	96.5	103.2
Adj Cash Flow Margin (Excludes Depr & Amort)	94.1	204.2	110.1

U.T. Health Science Center - Houston estimates ending the year with an adjusted cash flow margin of $204.2 million, which represents an increase of $110.1 million (117%) as compared to the budgeted level. The estimated increase is due to the following: an increase in sponsored programs driven by the indirect cost rate trending above the budgeted rate and Texas Higher Education Coordinating Board (THECB) funding exceeding budget; an increase in sales and services of educational activities related to the new Graduate Medical Education Expansion Program awards; and a decrease in salaries and wages and payroll related costs due to anticipated savings resulting from delays in filling vacant positions.

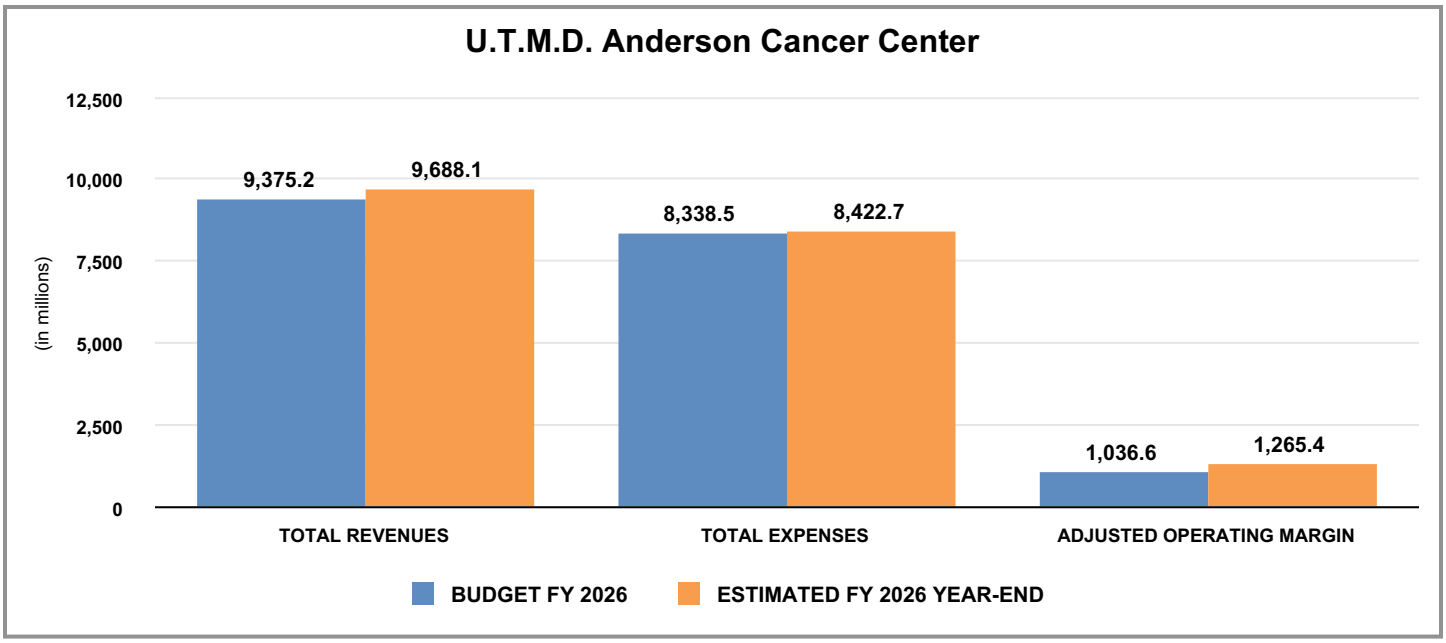


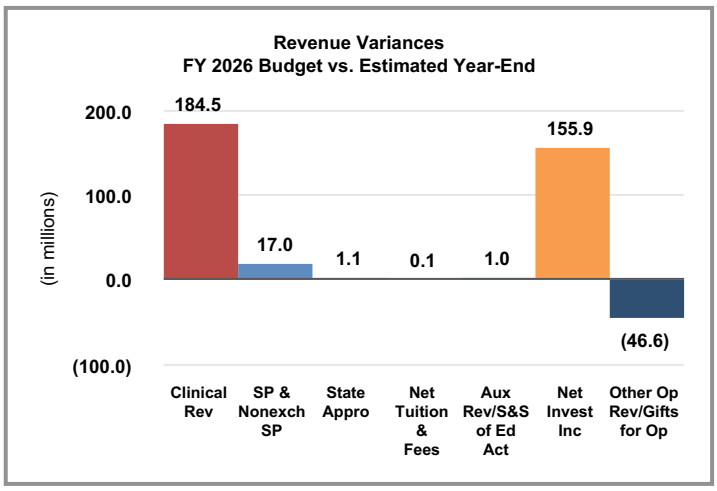


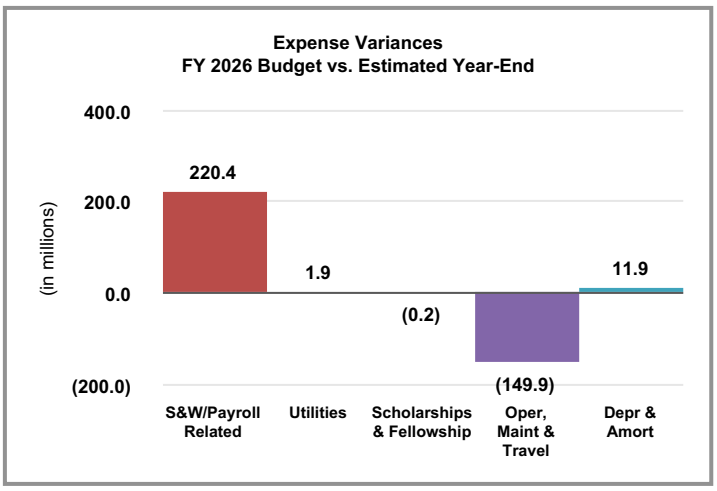


(in millions)	FY 2026 Budget	Estimated FY 2026 Year-End	Variance
Clinical Revenues	$ 771.6	$ 776.7	$ 5.1
Sponsored Programs/Nonexchange Sponsored Programs	626.6	645.1	18.6
State Appropriations	261.7	250.1	(11.6)
Net Tuition and Fees	74.5	68.7	(5.8)
Auxiliary Revenues/Sales & Services of Educational Activities	36.9	35.1	(1.8)
Net Investment Income	67.5	63.8	(3.7)
Other Operating Revenues/Gift Contributions for Operations	30.5	44.2	13.6
Total Revenues	$ 1,869.3	$ 1,883.8	$ 14.5
Salaries and Wages/Payroll Related Costs	$ 1,176.9	$ 1,156.2	$ (20.8)
Utilities	26.4	27.7	1.3
Scholarships and Fellowships	9.7	9.0	(0.7)
Operations, Maintenance and Travel	552.5	610.8	58.3
Depreciation and Amortization	126.8	127.1	0.3
Total Expenses	$ 1,892.3	$ 1,930.7	$ 38.4
Adj Operating Margin	(23.0)	(46.9)	(23.9)
Adj Cash Flow Margin (Excludes Depr & Amort)	103.8	80.1	(23.7)

Health Science Center at U.T. San Antonio estimates ending the year with an adjusted cash flow margin of $80.1 million, which represents a decrease of $23.7 million (23%) as compared to the budgeted level. The estimated decrease is attributable to the following: a decrease in state appropriations due to the timing of revenue recognition for Trauma Research and Combat Casualty Care Collaborative (TRC4) funds, as the budget reflects the full $20 million allocation from U.T. System in fiscal year 2026, while half of the allocation will be deferred to fiscal year 2027; and an increase in operations, maintenance and travel expenses related to the Multispecialty and Research Hospital, as well as grant-related expenditures.



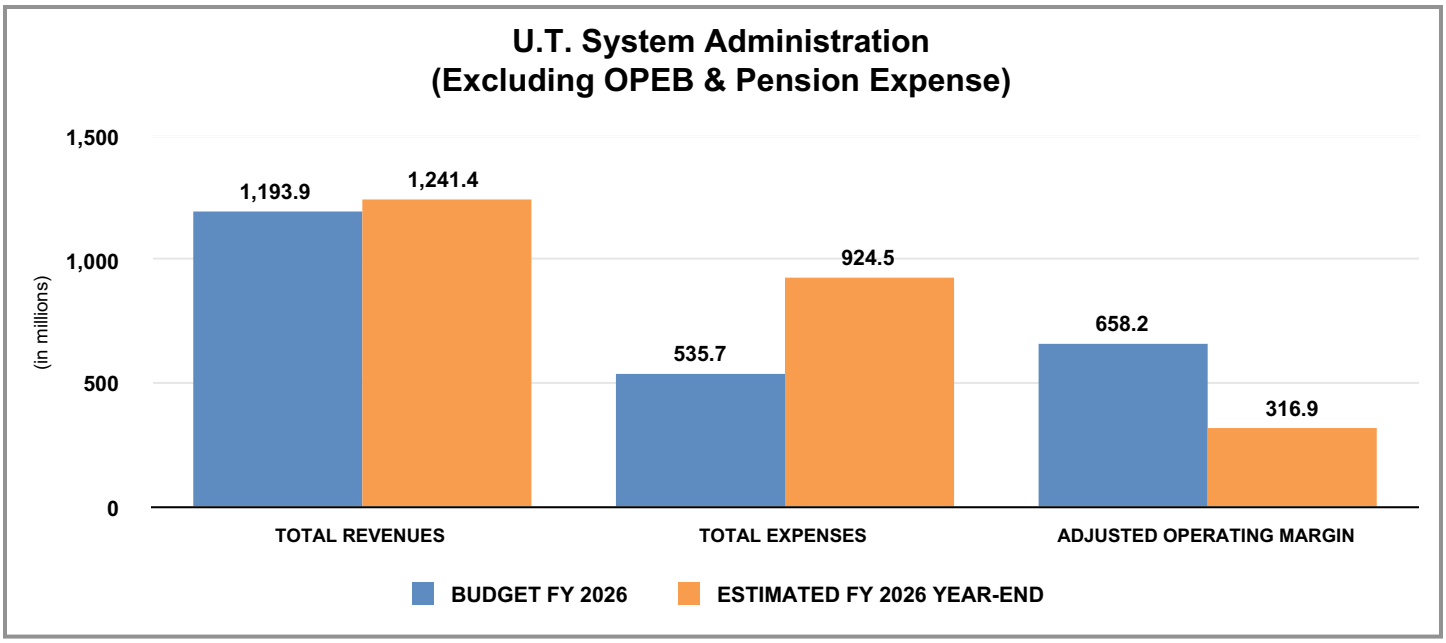


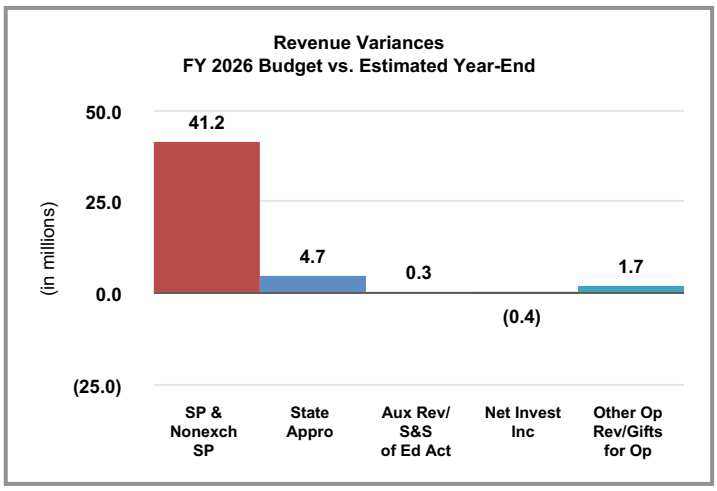


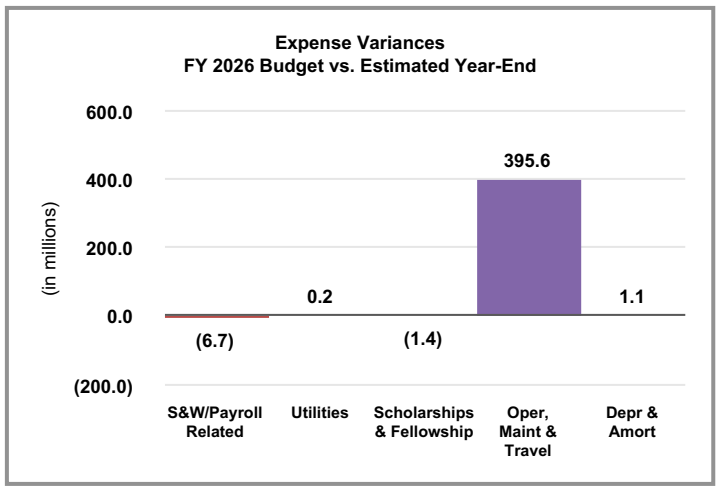
(in millions)	FY 2026 Budget	Estimated FY 2026 Year-End	Variance
Clinical Revenues	$ 7,615.0	$ 7,799.6	$ 184.5
Sponsored Programs/Nonexchange Sponsored Programs	698.3	715.3	17.0
State Appropriations	258.0	259.0	1.1
Net Tuition and Fees	1.9	2.0	0.1
Auxiliary Revenues/Sales & Services of Educational Activities	52.0	53.0	1.0
Net Investment Income	490.0	645.9	155.9
Other Operating Revenues/Gift Contributions for Operations	260.0	213.4	(46.6)
Total Revenues	$ 9,375.2	$ 9,688.1	$ 313.0
Salaries and Wages/Payroll Related Costs	$ 4,418.0	$ 4,638.4	$ 220.4
Utilities	55.5	57.5	1.9
Scholarships and Fellowships	2.7	2.5	(0.2)
Operations, Maintenance and Travel	3,455.8	3,305.9	(149.9)
Depreciation and Amortization	406.5	418.4	11.9
Total Expenses	$ 8,338.5	$ 8,422.7	$ 84.2
Adj Operating Margin	1,036.6	1,265.4	228.8
Adj Cash Flow Margin (Excludes Depr & Amort)	1,443.1	1,683.9	240.7

U.T.M.D. Anderson Cancer Center estimates ending the year with an adjusted cash flow margin of $1,683.9 million, which represents an increase of $240.7 million (17%) as compared to the budgeted level. The estimated increase is due to the following: an increase in clinical revenues as a result of increased patient volume, clinical expansion efforts, and productivity improvements; and a decrease in operations, maintenance and travel expenses attributable to disciplined expense management and continued efforts to align operating costs with patient care activity and operational needs.

Monthly Financial Report
Comparison of Estimated Year-End Operating Results, Margin and Budget
For the Period Ending August 31, 2026







(in millions)	FY 2026 Budget	Estimated FY 2026 Year-End	Variance
Sponsored Programs/Nonexchange Sponsored Programs	$ 71.8	$ 113.0	$ 41.2
State Appropriations	53.7 *	58.4	4.7
Auxiliary Revenues/Sales & Services of Educational Activities	7.9	8.3	0.3
Net Investment Income/Available University Fund (AUF)	1,057.9	1,057.5	(0.4)
Other Operating Revenues/Gift Contributions for Operations	2.5	4.2	1.7
Total Revenues	$ 1,193.9	$ 1,241.4	$ 47.5
Salaries and Wages/Payroll Related Costs	$ 67.2	$ 60.5	$ (6.7)
Utilities	0.0	0.2	0.2
Scholarships and Fellowships	2.3	0.9	(1.4)
Operations, Maintenance and Travel	443.3 *	838.9	395.6
Depreciation and Amortization	22.9	24.0	1.1
Total Expenses (Excluding OPEB & Pension)	$ 535.7	$ 924.5	$ 388.8
Adj Operating Margin (Excl OPEB & Pension)	658.2	316.9	(341.3)
Adj Cash Flow Margin (Excl OPEB, Pension, Depr & Amort)	681.1	340.9	(340.2)

*State appropriations and corresponding expense for TRB/CCAP for all U.T. institutions have been excluded.

Excluding OPEB, pension, and depreciation expense, U.T. System Administration estimates ending the year with an adjusted cash flow margin of $340.9 million, which represents a decrease of $340.2 million (50%) as compared to the budgeted level. The estimated decrease is primarily attributable to an increase in operations, maintenance and travel expenses associated with program expenditures for Promise Plus and the Regents' Research Excellence Program, as well as insurance premium payments made to strengthen self-insurance reserves and help reduce future institutional premiums.