

**THE UNIVERSITY OF TEXAS SYSTEM
OFFICE OF THE CONTROLLER**

MONTHLY FINANCIAL REPORT
(unaudited)

DECEMBER 2020



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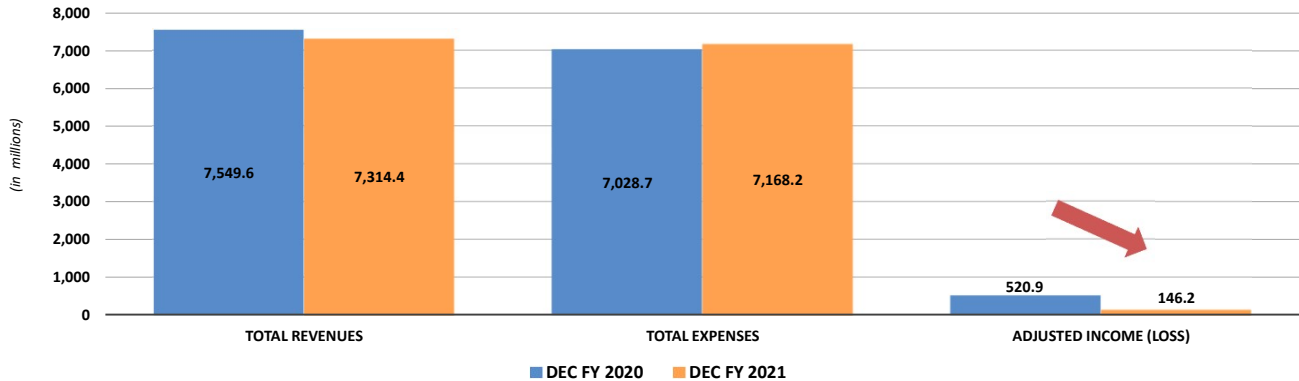
TABLE OF CONTENTS

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

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Monthly Financial Report
Comparison of Operating Results, Margin and Projected Year-End
For the Period Ending December 31, 2020

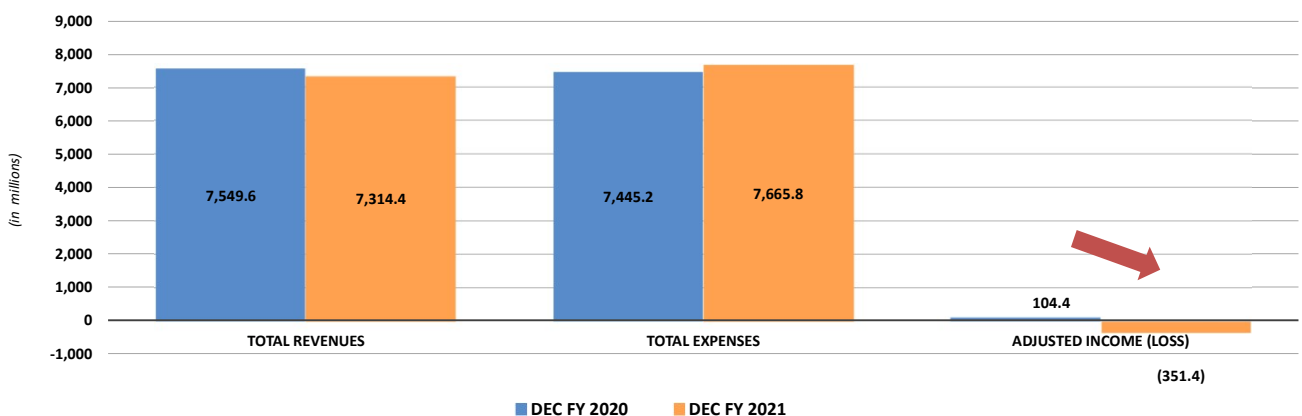
U. T. System Consolidated
(Excluding OPEB & Pension Expense)



Excluding other postemployment benefits (OPEB) and pension expense, *U. T. System Consolidated* shows year-to-date adjusted income of \$146.2 million, a decrease of \$374.7 million (72%) from the prior year. The decrease was primarily due to the following: a decrease in net investment income; a decrease in auxiliary revenues, and sales and services of educational activities as a result of COVID-19; an increase in salaries and wages to support faculty and clinical services; and a decrease in gift contributions for operations.

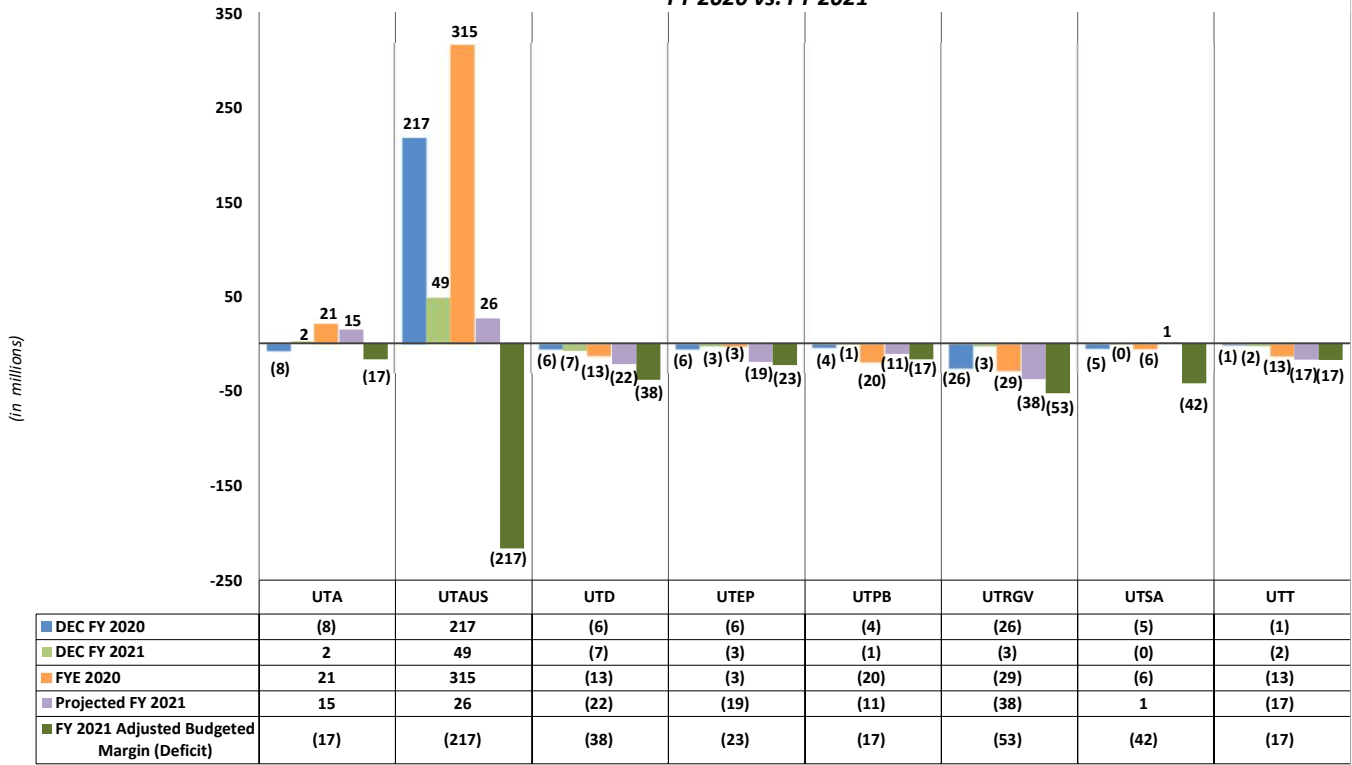
<i>(in millions)</i>	December YTD FY 2020	December YTD FY 2021	Variance	Annual Projected FY 2021
Clinical Revenues	\$ 3,161.2	3,225.0	63.8	9,550.2
Sponsored Programs/Nonexchange Sponsored Programs	1,315.8	1,610.6	294.9	4,668.3
State Appropriations	741.4	723.7	(17.8)	2,167.3
Net Tuition and Fees	652.1	654.5	2.5	1,946.8
Auxiliary Revenues/Sales & Services of Educational Activities	506.9	353.2	(153.7)	827.9
Net Investment Income	735.9	417.6	(318.3)	1,494.8
Other Operating Revenues/Gift Contributions for Operations	436.3	329.8	(106.5)	1,115.0
Total Revenues	7,549.6	7,314.4	(235.2)	21,770.3
Salaries and Wages/Payroll Related Costs	4,219.9	4,330.4	110.6	12,699.0
Materials and Supplies/Cost of Goods Sold	927.8	972.3	44.6	2,666.7
Depreciation and Amortization	516.8	542.1	25.3	1,626.6
Other Contracted Services/Professional Fees & Services	487.1	468.1	(19.0)	1,484.5
All Other Operating Expenses	877.1	855.2	(21.9)	2,719.8
Total Expenses (Excluding OPEB & Pension Exp)	\$ 7,028.7	7,168.2	139.5	21,196.7
Adjusted Income (Loss) Excluding OPEB & Pension Exp	520.9	146.2	(374.7)	573.6
OPEB Expense	221.6	228.8	7.2	686.4
Pension Expense	194.9	268.8	73.8	806.3
Adjusted Income (Loss)	104.4	(351.4)	(455.8)	(919.2)
Adjusted Income (Loss) Excluding Depr & Amort Exp	621.2	190.7	(430.5)	707.3

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

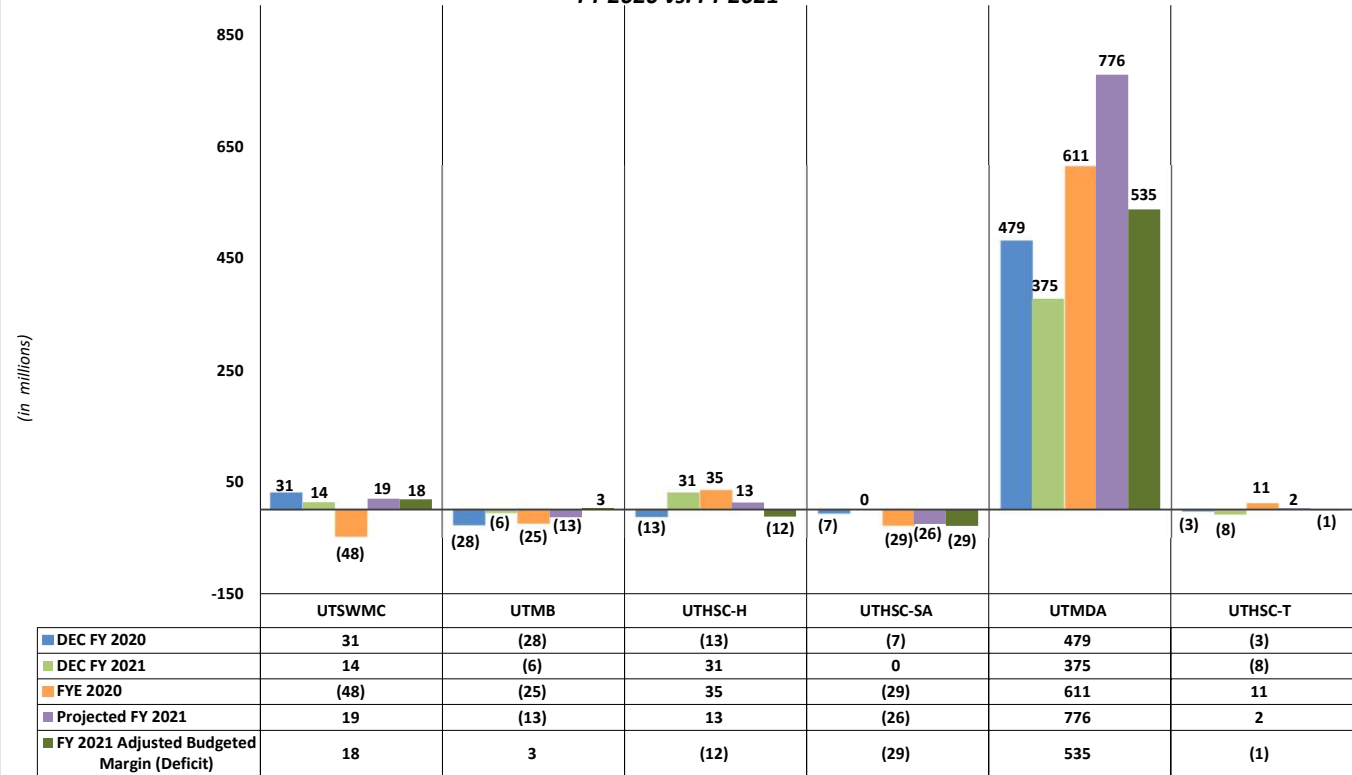


**Monthly Financial Report
Comparison of Adjusted Income (Loss)
For the Period Ending December 31, 2020**

**U. T. Academic Institutions
FY 2020 vs. FY 2021**



**U. T. Health Institutions
FY 2020 vs. FY 2021**



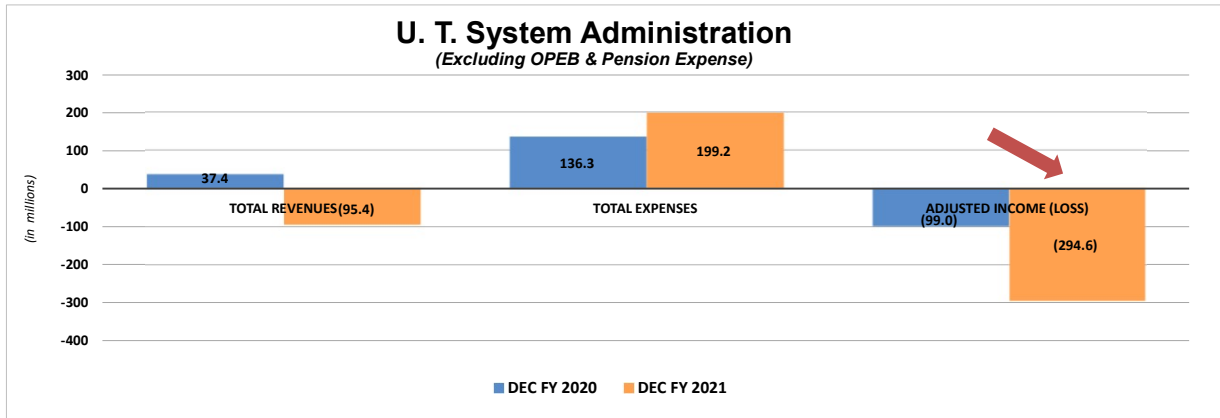
Monthly Financial Report
Comparison of Adjusted Income (Loss)
For the Period Ending December 31, 2020

Executive Summary of Adjusted Income (Loss)

	December FYTD 2020 (millions)	December FYTD 2021 (millions)	Variance %	Comments
U. T. System Administration (excluding OPEB & Pension Expense)	\$ (99.0)	(294.6)	-198%	Decrease in Net Investment Income Increases in Claims & Losses, Insurance Costs/Premiums Projected loss of (\$133.0) million for the FY
U. T. Arlington	(7.9)	2.0	125%	Decreases in Other Operating Expenses (Travel, Repairs & Maintenance), Other Contracted Services, Professional Fees & Services Increase in Net Tuition & Fees Projected income of \$14.8 million for the FY
U. T. Austin	216.8	48.6	-78%	Decreases in Gifts for Operations, Auxiliary and Sales & Services Revenues Projected income of \$26.3 million for the FY
U. T. Dallas	(5.7)	(7.3)	-29%	Decreases in Auxiliary and Sales & Services Revenues, Net Tuition & Fees, State Appropriations Projected loss of (\$21.8) million for the FY
U. T. El Paso	(5.5)	(2.7)	51%	Increases in Net Tuition & Fees, Gifts for Operations Projected loss of (\$19.4) million for the FY
U. T. Permian Basin	(3.9)	(0.9)	78%	Decrease in Scholarships & Fellowships Increases in Gifts for Operations, Net Investment Income Projected loss of (\$11.2) million for the FY
U. T. Rio Grande Valley	(25.7)	(2.7)	90%	Increases in Sponsored Programs, Other Operating Revenues (Contact Tracing Revenues), State Appropriations, Clinical Revenues Projected loss of (\$37.7) million for the FY
U. T. San Antonio	(5.0)	(0.5)	91%	Increase in Net Tuition & Fees Decrease in Professional Fees & Services Projected income of \$1.1 million for the FY
U. T. Tyler	(1.4)	(2.4)	-71%	Increases in Salaries & Wages, Payroll Related Decreases in Sales & Services and Auxiliary Revenues, Gifts for Operations Projected loss of (\$17.0) million for the FY
Southwestern	31.2	13.6	-56%	Increases in Salaries & Wages, Payroll Related, Materials & Supplies Projected income of \$19.4 million for the FY
UTMB	(28.1)	(5.5)	80%	Increases in Clinical Revenues, Other Operating Revenues (Contract & Retail Pharmacy Revenues) Projected loss of (\$13.4) million for the FY
UTHSC-Houston	(13.2)	31.2	336%	Increase in Sponsored Programs Projected income of \$12.7 million for the FY
UTHSC-San Antonio	(7.2)	0.1	101%	Increases in Clinical Revenues, Net Investment Income Decrease in Other Operating Expenses (Registration Fees, Meetings, Conferences; Travel; and Other) Projected loss of (\$25.7) million for the FY
M. D. Anderson	479.1	375.5	-22%	Decrease in Net Investment Income Projected income of \$776.2 million for the FY
UTHSC-Tyler	(3.5)	(8.2)	-136%	Increases in Salaries & Wages, Payroll Related Projected income of \$2.2 million for the FY
Total Adjusted Income (Loss)	\$ 520.9	146.2	-72%	

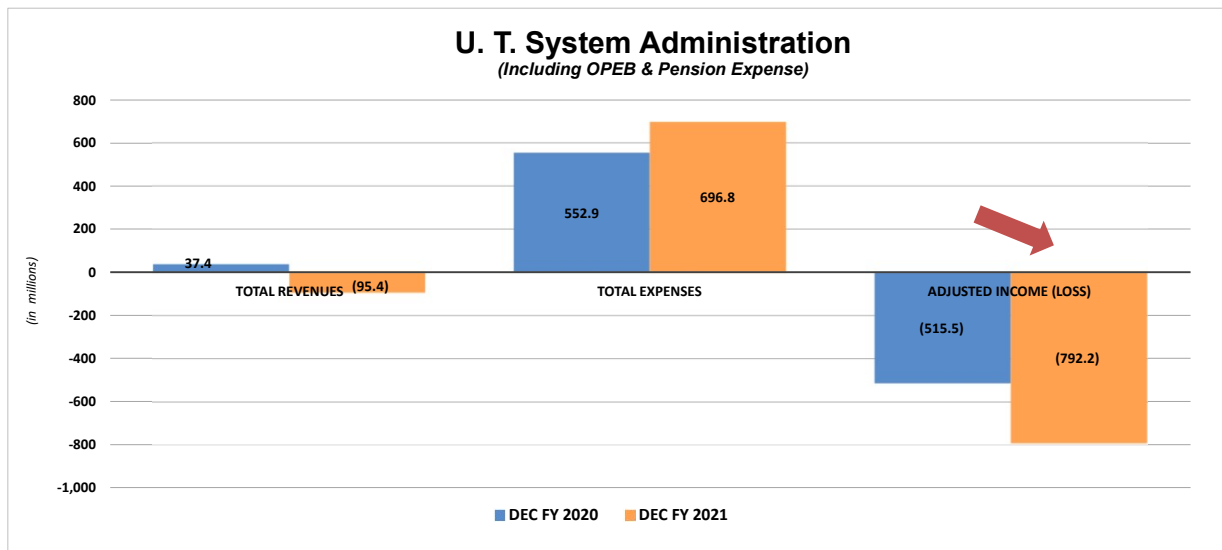
* For additional details on the variances, please see pages 4 through 19.

Monthly Financial Report
Comparison of Operating Results, Margin and Projected Year-End
For the Period Ending December 31, 2020



Excluding OPEB and pension expense, *U. T. System Administration* incurred a year-to-date adjusted loss of \$294.6 million, an increase in adjusted loss of \$195.6 million (198%) from the prior year. The increase was primarily due to a decrease in net investment income as a result of decreases in the Permanent University Fund (PUF) and Long Term Fund (LTF) investment income, and PUF oil royalties, combined with an increase in LTF expenses. Other operating expenses also increased primarily due to an increase in claims and losses for the medical dental insurance plan and an increase in CPPP Fire and All Other Perils (AOP) claims, and insurance costs/premiums increased as a result of increased insurance costs for CPPP Wind & Flood, CPPP Fire and AOP, and ROCIP. The most current projection, excluding OPEB and pension expense, reflects a loss of \$133.0 million for the year.

<i>(in millions)</i>	December YTD FY 2020	December YTD FY 2021	Variance	Annual Projected FY 2021
Sponsored Programs/Nonexchange Sponsored Programs	\$ 17.3	10.0	(7.3)	36.5
State Appropriations	1.3	1.3	-	3.9
Auxiliary Revenues/Sales & Services of Educational Activities	8.7	9.3	0.6	27.9
Net Investment Income/Available University Fund (AUF)	3.1	(126.9)	(130.0)	(65.6)
Other Operating Revenues/Gift Contributions for Operations	7.0	11.0	4.0	32.6
Total Revenues	37.4	(95.4)	(132.7)	35.4
Salaries and Wages/Payroll Related Costs	24.1	17.6	(6.5)	(315.8)
Materials and Supplies/Cost of Goods Sold	5.2	14.8	9.6	9.1
Depreciation and Amortization	5.5	5.2	(0.3)	15.7
Other Contracted Services/Professional Fees & Services	15.0	23.7	8.7	54.7
All Other Operating Expenses	86.5	137.8	51.3	404.7
Total Expenses (Excluding OPEB & Pension Exp)	\$ 136.3	199.2	62.9	168.4
Adjusted Income (Loss) Excluding OPEB & Pension Exp	(99.0)	(294.6)	(195.6)	(133.0)
OPEB Expense	221.6	228.8	7.2	686.4
Pension Expense	194.9	268.8	73.8	806.3
Adjusted Income (Loss)	(515.5)	(792.2)	(276.7)	(1,625.8)
Adjusted Income (Loss) Excluding Depr & Amort Exp	(510.0)	(787.0)	(277.0)	(1,610.0)

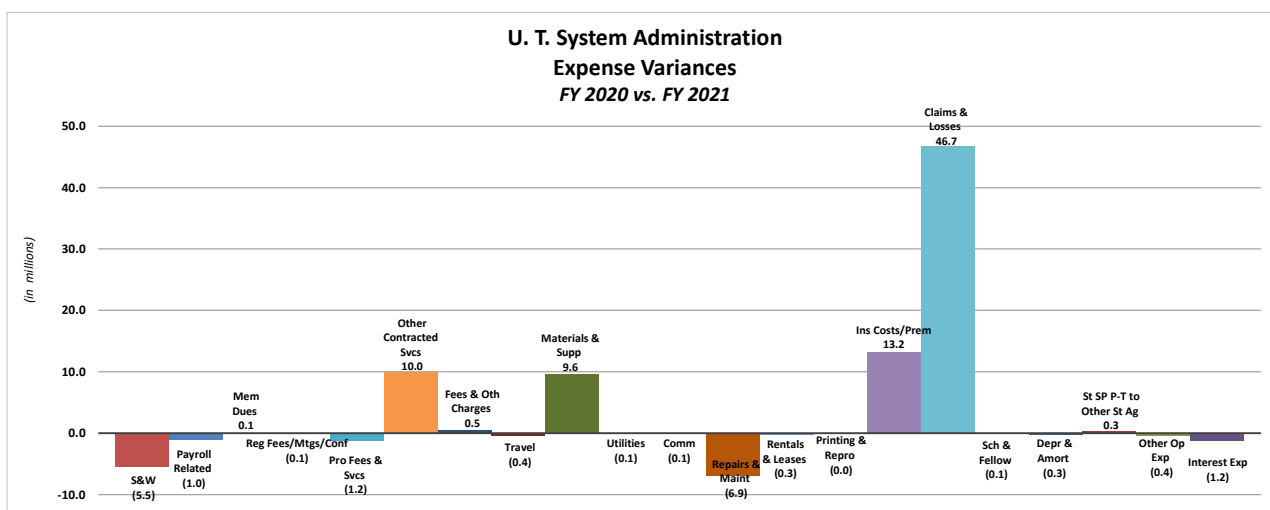


Monthly Financial Report

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

For the Period Ending December 31, 2020

<i>(in millions)</i>	December YTD FY 2020	December YTD FY 2021	Actual Year-End FY 2020	Annual Projected FY 2021
Salaries and Wages	\$ 19.3	13.8	51.8	41.1
Payroll Related Costs	4.9	3.8	(355.0)	(356.9) *
Membership Dues	0.2	0.3	0.4	0.8
Registration Fees, Meetings, Conferences	0.1	0.0	0.4	0.1
Professional Fees and Services	3.2	2.0	11.5	6.0
Other Contracted Services	11.8	21.7	28.4	48.6
Fees and Other Charges	0.0	0.5	0.1	1.6
Travel	0.4	0.0	0.7	0.1
Materials and Supplies	5.2	14.8	11.9	9.1
Utilities	0.2	0.1	0.3	0.3
Communications	3.2	3.1	3.4	3.4
Repairs and Maintenance	13.4	6.6	6.3	19.7
Rentals and Leases	1.0	0.7	2.6	0.2
Printing and Reproduction	0.1	0.0	0.1	0.1
Insurance Costs/Premiums	22.9	36.1	7.7	108.3
Claims and Losses	34.1	80.8	32.3	242.5
Scholarships and Fellowships	0.1	0.0	1.0	0.0
Depreciation and Amortization	5.5	5.2	16.9	15.7
State Sponsored Program Pass-Through to Other State Agencies	1.3	1.5	4.5	3.6
Other Operating Expenses	0.5	0.1	1.2	0.4
Interest Expense	9.0	7.8	36.6	23.4
Total Expenses (Excluding OPEB & Pension Expense)	136.3	199.2	(136.8)	168.4
OPEB Expense	221.6	228.8	686.4	686.4
Pension Expense	194.9	268.8	806.3	806.3
Total Expenses (Including OPEB & Pension Expense)	\$ 552.9	696.8	1,356.0	1,661.1



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

Salaries & Wages – decrease of \$5.5 million due to decreases in Shared Information Services and 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 pension contributions made after the measurement date for the entire System.

Other Contracted Services - increase of \$10.0 million due to increased expenses in Hosting Software and Special Items, and the Oracle Maintenance Agreement.

Materials and Supplies – increase of \$9.6 million as a result of an offsetting difference between materials and supplies and repairs and maintenance related to an Oracle Maintenance Agreement correction fixed in January 2020.

Repairs and Maintenance – decrease of \$6.9 million primarily due to an offsetting difference between materials and supplies and repairs and maintenance related to an Oracle Maintenance Agreement correction fixed in January 2020. An increase in the OEB Eligibility System partially offset the decrease.

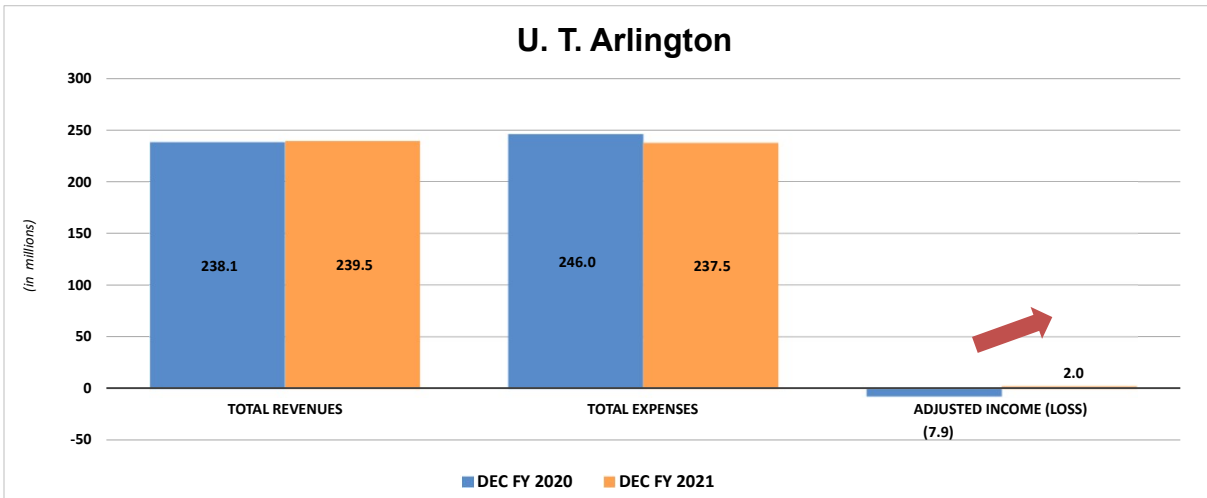
Insurance Costs/Premiums – increase of \$13.2 million attributable to an increase in CPPP Wind & Flood and CPPP Fire and All Other Perils (AOP) insurance costs, as well as an increase in ROCIP insurance costs compared to the prior year. Reimbursement for insurance costs/premiums expected in the fourth quarter of FY 2021.

Claims and Losses – increase of \$46.7 million due to the medical dental plan and an increase in CPPP Fire and AOP claims.

Monthly Financial Report

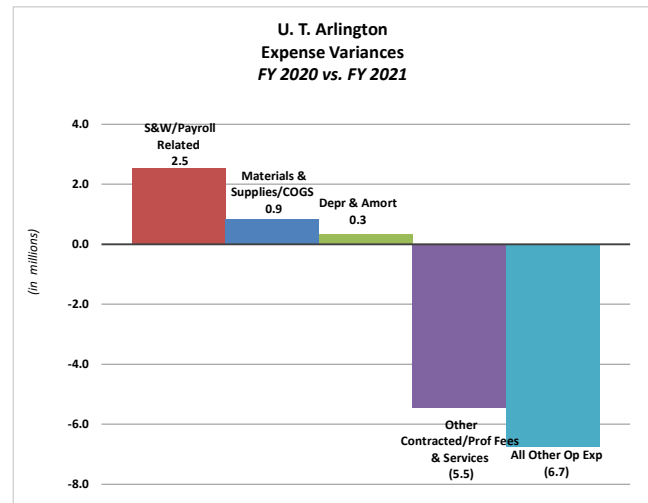
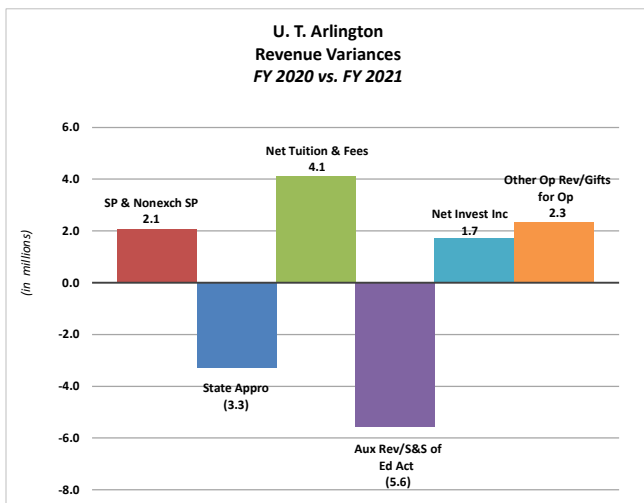
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending December 31, 2020



U. T. Arlington reported year-to-date adjusted income of \$2.0 million, an increase of \$9.9 million (125%) from the prior year. The increase was primarily attributable to the following: a decrease in other operating expenses primarily due to a reduction in travel expenses attributable to COVID-19 and a decrease in repairs and maintenance; a decrease in other contracted services/professional fees and services largely due to a decrease in IT expenditures and a decrease in Huron consulting expenses; and an increase in net student tuition and fees as a result of an increase in fall enrollment. The most current projection received from *U. T. Arlington* reflects income of \$14.8 million for the year.

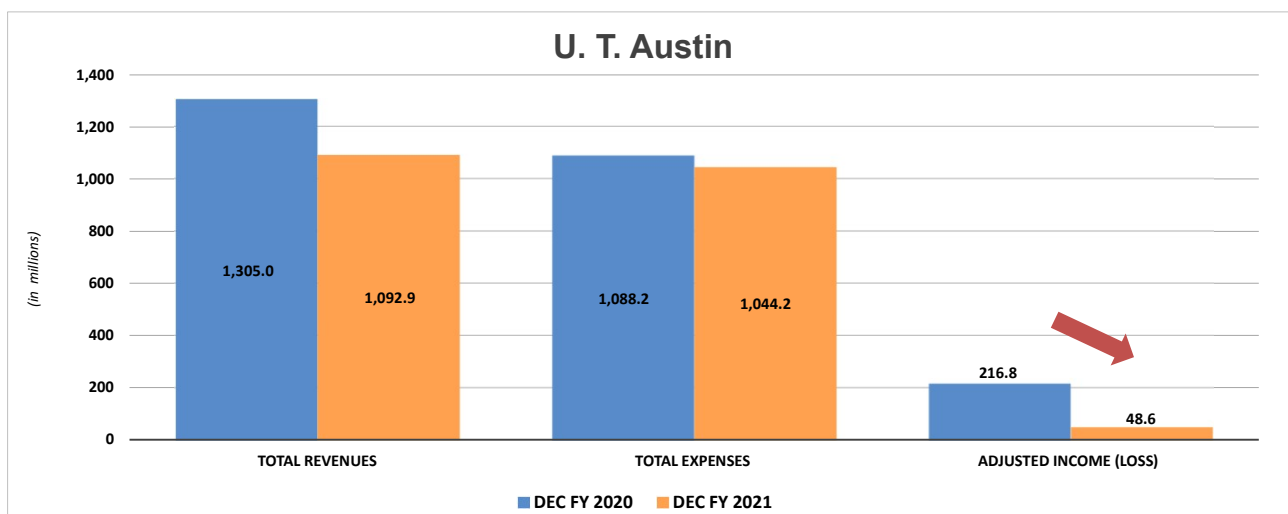
(in millions)	December YTD FY 2020	December YTD FY 2021	Variance	Annual Projected FY 2021
Sponsored Programs/Nonexchange Sponsored Programs	\$ 47.1	49.2	2.1	148.4
State Appropriations	46.0	42.7	(3.3)	140.8
Net Tuition and Fees	109.2	113.4	4.1	340.7
Auxiliary Revenues/Sales & Services of Educational Activities	24.7	19.1	(5.6)	62.7
Net Investment Income	7.9	9.6	1.7	26.2
Other Operating Revenues/Gift Contributions for Operations	3.2	5.6	2.3	16.3
Total Revenues	238.1	239.5	1.4	735.0
Salaries and Wages/Payroll Related Costs	135.3	137.8	2.5	405.7
Materials and Supplies/Cost of Goods Sold	13.2	14.0	0.9	36.6
Depreciation and Amortization	19.1	19.4	0.3	58.3
Other Contracted Services/Professional Fees & Services	36.2	30.7	(5.5)	93.1
All Other Operating Expenses	42.2	35.5	(6.7)	126.6
Total Expenses	\$ 246.0	237.5	(8.5)	720.2
Adjusted Income (Loss)	(7.9)	2.0	9.9	14.8
Adjusted Income (Loss) Excluding Depr & Amort Exp	11.2	21.4	10.2	73.0



Monthly Financial Report

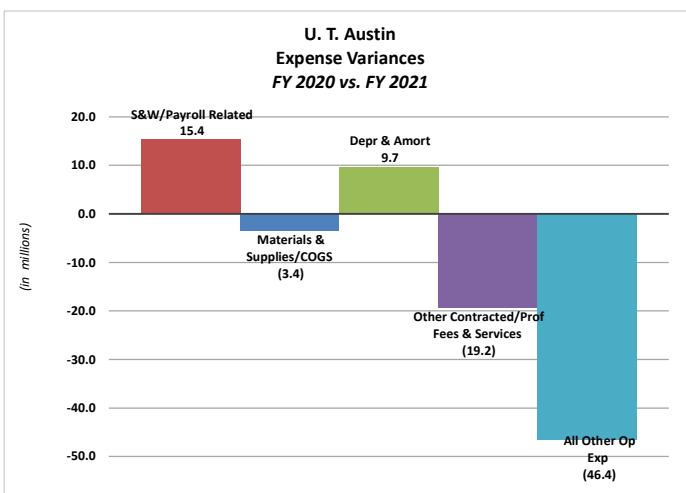
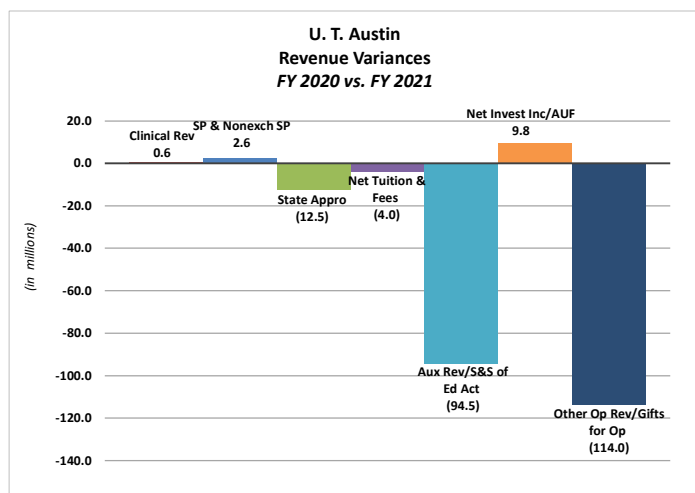
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending December 31, 2020

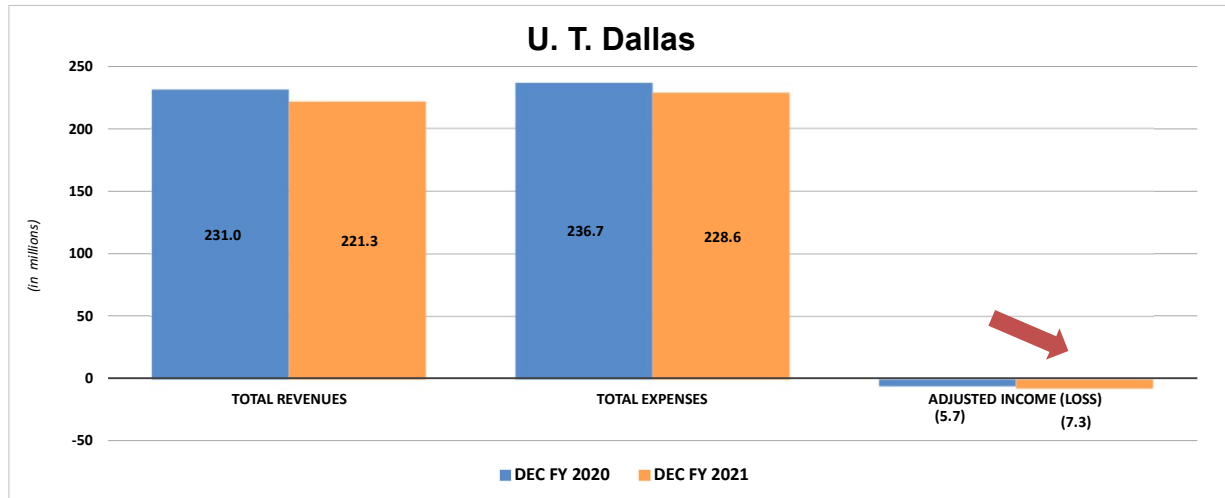


U. T. Austin reported year-to-date adjusted income of \$48.6 million, a decrease of \$168.1 million (78%) from the prior year. The decrease was primarily due to the following: a decrease in gift contributions for operations; and a decrease in auxiliary revenues and sales and services of educational activities due to the continued impact of COVID-19. The most current projection received from *U. T. Austin* reflects income of \$26.3 million for the year.

(in millions)	December YTD FY 2020	December YTD FY 2021	Variance	Annual Projected FY 2021
Clinical Revenues	\$ 2.6	3.2	0.6	9.6
Sponsored Programs/Nonexchange Sponsored Programs	253.2	255.8	2.6	861.1
State Appropriations	118.2	105.7	(12.5)	317.1
Net Tuition and Fees	176.7	172.7	(4.0)	518.0
Auxiliary Revenues/Sales & Services of Educational Activities	299.0	204.5	(94.5)	373.2
Net Investment Income/Available University Fund (AUF)	256.4	266.1	9.8	747.5
Other Operating Revenues/Gift Contributions for Operations	198.9	84.9	(114.0)	200.6
Total Revenues	1,305.0	1,092.9	(212.1)	3,027.1
Salaries and Wages/Payroll Related Costs	627.0	642.4	15.4	1,858.4
Materials and Supplies/Cost of Goods Sold	54.0	50.6	(3.4)	122.1
Depreciation and Amortization	112.7	122.3	9.7	367.0
Other Contracted Services/Professional Fees & Services	69.5	50.3	(19.2)	134.7
All Other Operating Expenses	225.0	178.6	(46.4)	518.6
Total Expenses	\$ 1,088.2	1,044.2	(44.0)	3,000.8
Adjusted Income (Loss)	216.8	48.6	(168.1)	26.3
Adjusted Income (Loss) Excluding Depr & Amort Exp	329.4	171.0	(158.4)	393.3

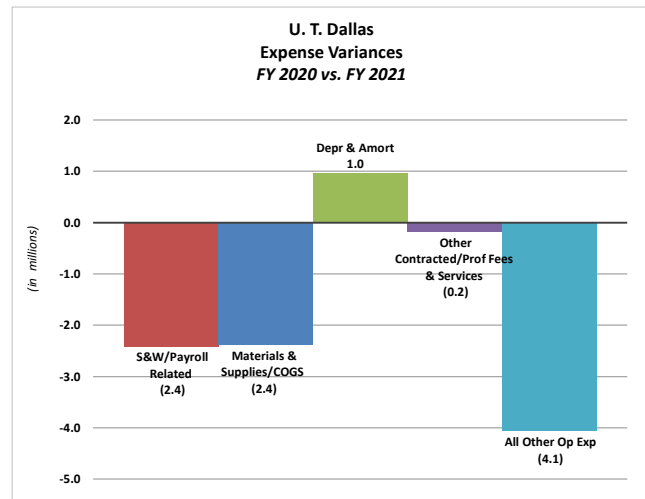
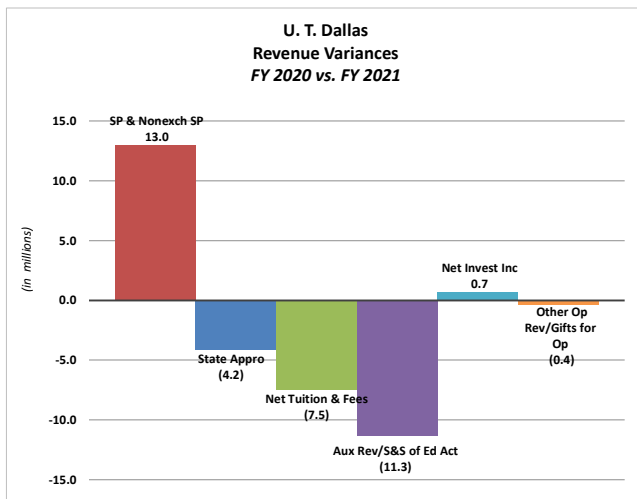


Monthly Financial Report Comparison of Operating Results, Margin and Projected Year-End For the Period Ending December 31, 2020



U. T. Dallas incurred a year-to-date adjusted loss of \$7.3 million, an increase in adjusted loss of \$1.6 million (29%) from the prior year. The increase was primarily attributable to the following: a decrease in auxiliary revenues and sales and services of educational activities due to the continued impact of COVID-19; a decrease in net student tuition and fees attributable to a decrease in enrollment; and a decrease in state appropriations due to a reduction in General Revenue as directed by the Office of the Governor. The most current projection received from *U. T. Dallas* reflects a loss of \$21.8 million for the year.

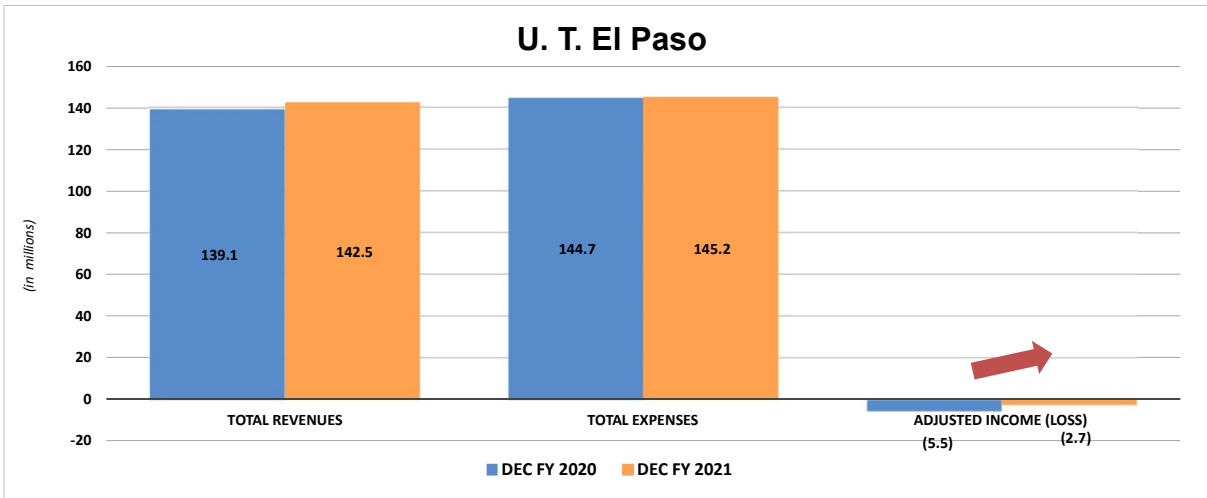
(in millions)	December YTD FY 2020	December YTD FY 2021	Variance	Annual Projected FY 2021
Sponsored Programs/Nonexchange Sponsored Programs	\$ 37.9	50.9	13.0	152.7
State Appropriations	41.4	37.2	(4.2)	111.6
Net Tuition and Fees	102.6	95.1	(7.5)	285.2
Auxiliary Revenues/Sales & Services of Educational Activities	30.8	19.5	(11.3)	58.4
Net Investment Income	11.6	12.3	0.7	36.9
Other Operating Revenues/Gift Contributions for Operations	6.8	6.4	(0.4)	19.2
Total Revenues	231.0	221.3	(9.7)	663.9
Salaries and Wages/Payroll Related Costs	137.9	135.5	(2.4)	406.4
Materials and Supplies/Cost of Goods Sold	12.0	9.6	(2.4)	28.9
Depreciation and Amortization	28.0	28.9	1.0	86.8
Other Contracted Services/Professional Fees & Services	11.5	11.4	(0.2)	34.1
All Other Operating Expenses	47.2	43.2	(4.1)	129.5
Total Expenses	\$ 236.7	228.6	(8.1)	685.7
Adjusted Income (Loss)	(5.7)	(7.3)	(1.6)	(21.8)
Adjusted Income (Loss) Excluding Depr & Amort Exp	22.3	21.7	(0.7)	65.0



Monthly Financial Report

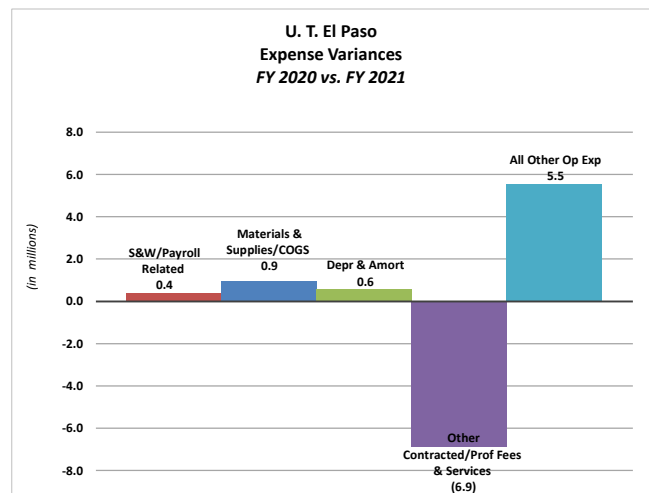
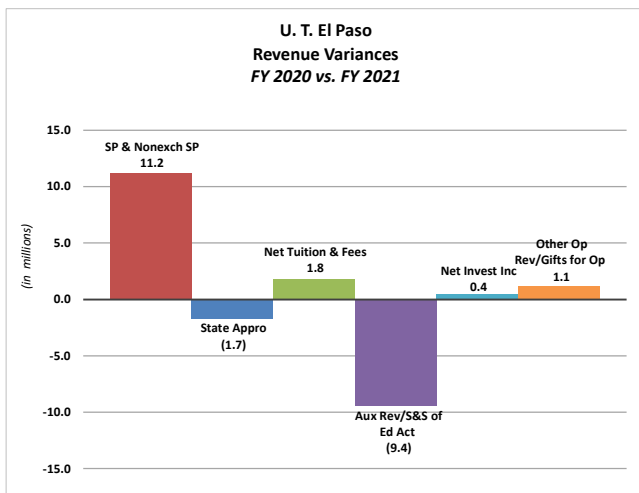
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending December 31, 2020



U. T. El Paso incurred a year-to-date adjusted loss of \$2.7 million, a decrease in adjusted loss of \$2.8 million (51%) from the prior year. The decrease was primarily due to the following: an increase in net student tuition and fees attributable to an increase in tuition rates; and an increase in gifts for operations. The most current projection received from *U. T. El Paso* reflects a loss of \$19.4 million for the year.

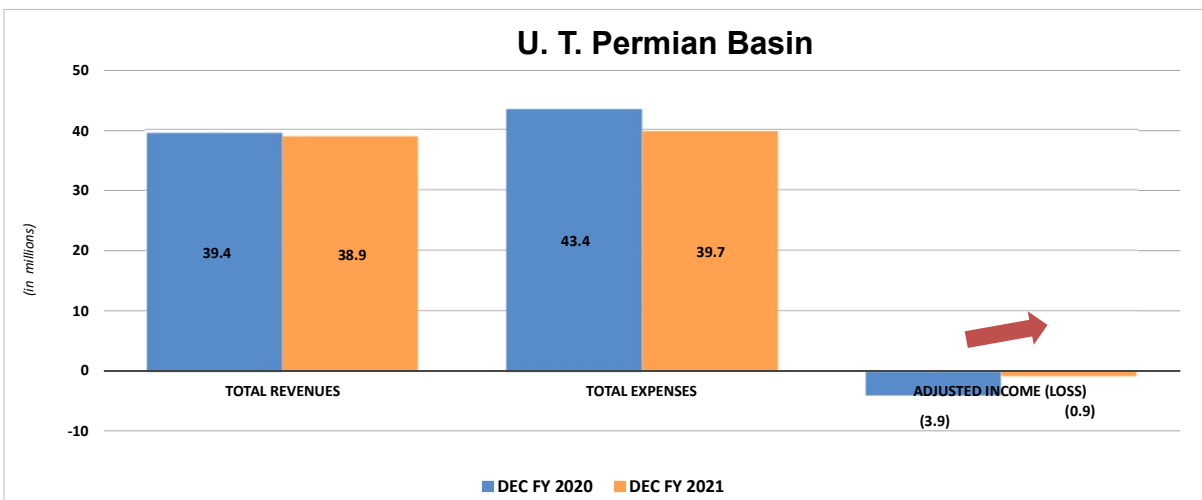
(in millions)	December YTD FY 2020	December YTD FY 2021	Variance	Annual Projected FY 2021
Sponsored Programs/Nonexchange Sponsored Programs	\$ 29.8	41.0	11.2	162.4
State Appropriations	34.9	33.1	(1.7)	95.2
Net Tuition and Fees	50.6	52.4	1.8	147.2
Auxiliary Revenues/Sales & Services of Educational Activities	16.1	6.7	(9.4)	30.7
Net Investment Income	6.2	6.7	0.4	17.1
Other Operating Revenues/Gift Contributions for Operations	1.5	2.6	1.1	5.1
Total Revenues	139.1	142.5	3.4	457.7
Salaries and Wages/Payroll Related Costs	90.9	91.3	0.4	264.8
Materials and Supplies/Cost of Goods Sold	7.1	8.0	0.9	21.2
Depreciation and Amortization	10.2	10.8	0.6	32.4
Other Contracted Services/Professional Fees & Services	12.7	5.8	(6.9)	27.7
All Other Operating Expenses	23.7	29.2	5.5	130.9
Total Expenses	\$ 144.7	145.2	0.6	477.1
Adjusted Income (Loss)	(5.5)	(2.7)	2.8	(19.4)
Adjusted Income (Loss) Excluding Depr & Amort Exp	4.7	8.1	3.4	13.1



Monthly Financial Report

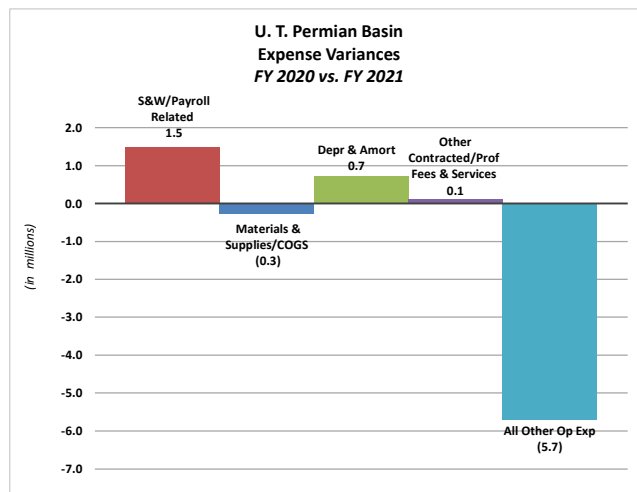
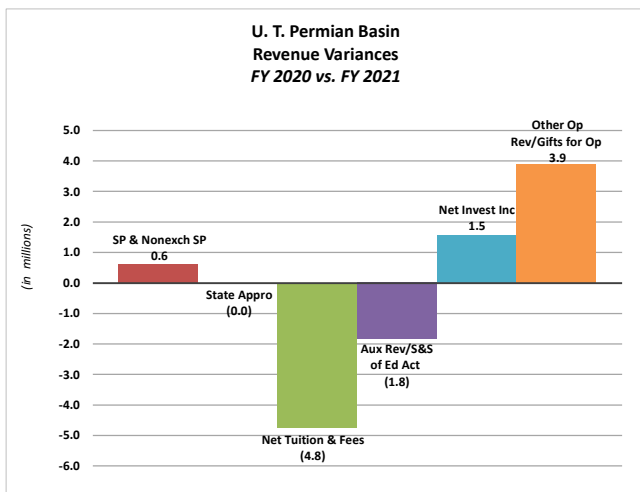
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending December 31, 2020

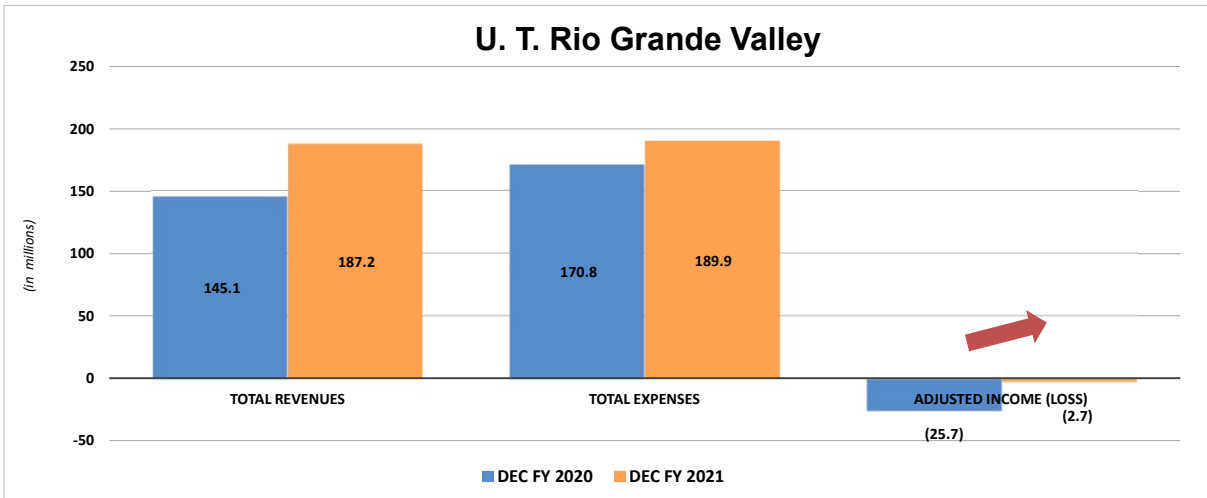


U. T. Permian Basin incurred a year-to-date adjusted loss of \$0.9 million, a decrease in adjusted loss of \$3.1 million (78%) from the prior year. The decrease was primarily attributable to the following: a decrease in other operating expenses as a result of a reduction in scholarships and fellowships expense due to a change in methodology to more accurately estimate tuition discounting; an increase in gifts for operations; and an increase in net investment income due to an increase in the Long Term Fund (LTF) distribution. The most current projection received from *U. T. Permian Basin* reflects a loss of \$11.2 million due to anticipated decreases in revenues as a result of COVID-19, as well as projected increases in salaries and wages and depreciation and amortization expense.

(in millions)	December YTD FY 2020	December YTD FY 2021	Variance	Annual Projected FY 2021
Sponsored Programs/Nonexchange Sponsored Programs	\$ 9.3	9.9	0.6	29.7
State Appropriations	7.3	7.3	(0.0)	19.9
Net Tuition and Fees	16.4	11.7	(4.8)	35.0
Auxiliary Revenues/Sales & Services of Educational Activities	4.4	2.5	(1.8)	7.7
Net Investment Income	0.7	2.2	1.5	3.4
Other Operating Revenues/Gift Contributions for Operations	1.4	5.3	3.9	9.6
Total Revenues	39.4	38.9	(0.6)	105.3
Salaries and Wages/Payroll Related Costs	18.5	20.0	1.5	58.8
Materials and Supplies/Cost of Goods Sold	2.2	2.0	(0.3)	5.9
Depreciation and Amortization	6.2	6.9	0.7	20.8
Other Contracted Services/Professional Fees & Services	4.4	4.5	0.1	11.8
All Other Operating Expenses	12.0	6.3	(5.7)	19.2
Total Expenses	43.4	39.7	(3.6)	116.5
Adjusted Income (Loss)	(3.9)	(0.9)	3.1	(11.2)
Adjusted Income (Loss) Excluding Depr & Amort Exp	2.3	6.0	3.8	9.6

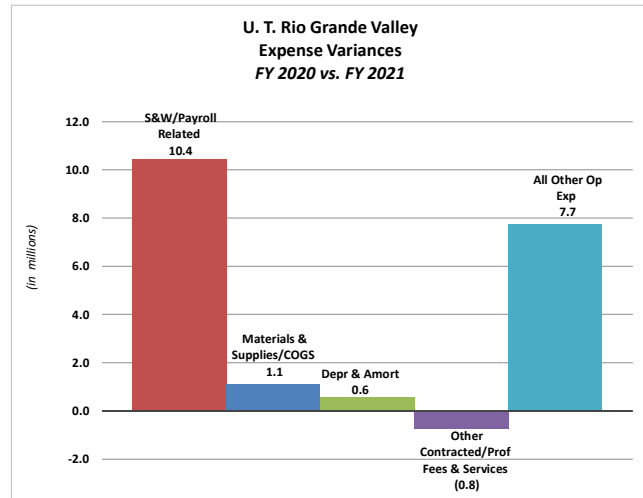
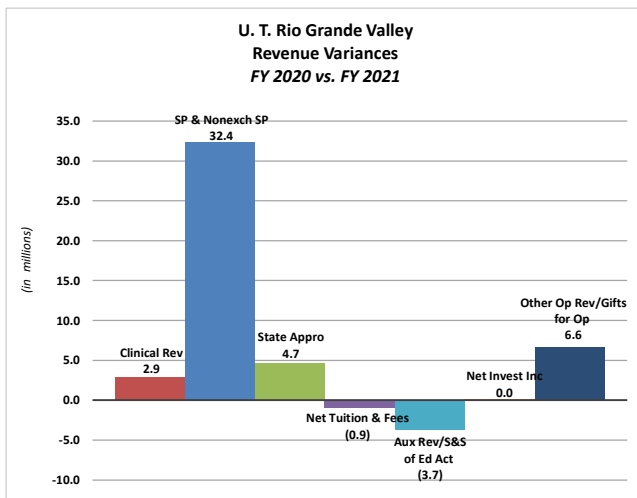


Monthly Financial Report
Comparison of Operating Results, Margin and Projected Year-End
For the Period Ending December 31, 2020



U. T. Rio Grande Valley incurred a year-to-date adjusted loss of \$2.7 million, a decrease in adjusted loss of \$23.0 million (90%) from the prior year. The decrease was primarily due to the following: an increase in sponsored programs as a result of an increase in hospital contract revenue; an increase in other operating revenues largely attributable to contact tracing revenues; an increase in state appropriations due to additional allocations for Texas Child Mental Health Care Consortium, Tobacco Funds, and Hazelwood funding; and an increase in clinical revenues resulting from additional clinics and COVID-19 related services. The most current projection received from *U. T. Rio Grande Valley* reflects a loss of \$37.7 million for the year.

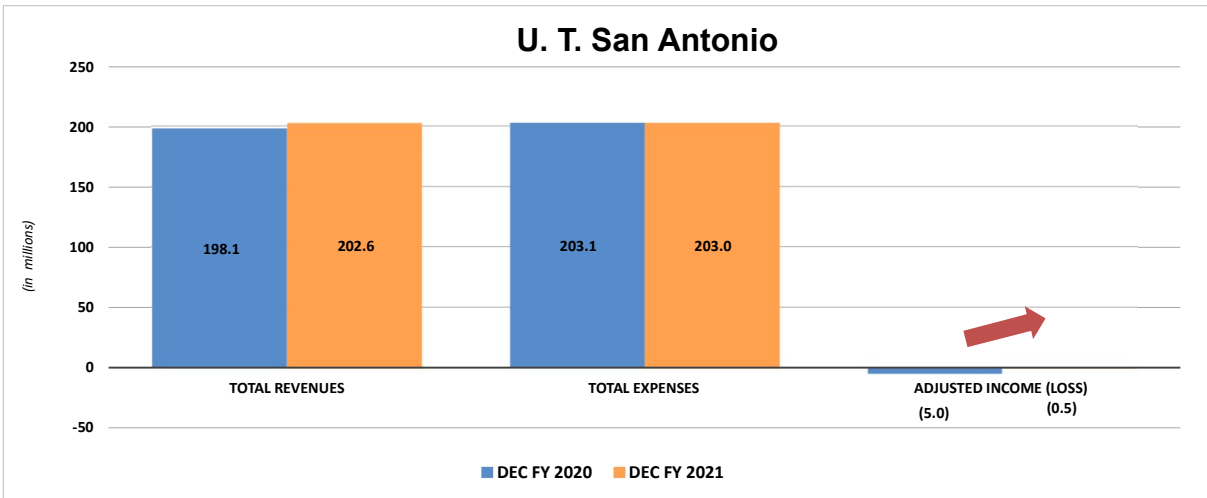
<i>(in millions)</i>	December YTD FY 2020	December YTD FY 2021	Variance	Annual Projected FY 2021
Clinical Revenues	\$ 3.8	6.7	2.9	20.5
Sponsored Programs/Nonexchange Sponsored Programs	44.6	77.0	32.4	258.3
State Appropriations	45.2	49.9	4.7	135.1
Net Tuition and Fees	38.6	37.8	(0.9)	114.3
Auxiliary Revenues/Sales & Services of Educational Activities	6.8	3.2	(3.7)	9.0
Net Investment Income	3.2	3.2	0.0	8.8
Other Operating Revenues/Gift Contributions for Operations	2.9	9.5	6.6	24.7
Total Revenues	145.1	187.2	42.1	570.7
Salaries and Wages/Payroll Related Costs	118.3	128.7	10.4	380.6
Materials and Supplies/Cost of Goods Sold	6.9	8.0	1.1	23.7
Depreciation and Amortization	16.9	17.5	0.6	53.8
Other Contracted Services/Professional Fees & Services	6.4	5.6	(0.8)	18.9
All Other Operating Expenses	22.3	30.0	7.7	131.4
Total Expenses	\$ 170.8	189.9	19.1	608.3
Adjusted Income (Loss)	(25.7)	(2.7)	23.0	(37.7)
Adjusted Income (Loss) Excluding Depr & Amort Exp	(8.8)	14.8	23.6	16.1



Monthly Financial Report

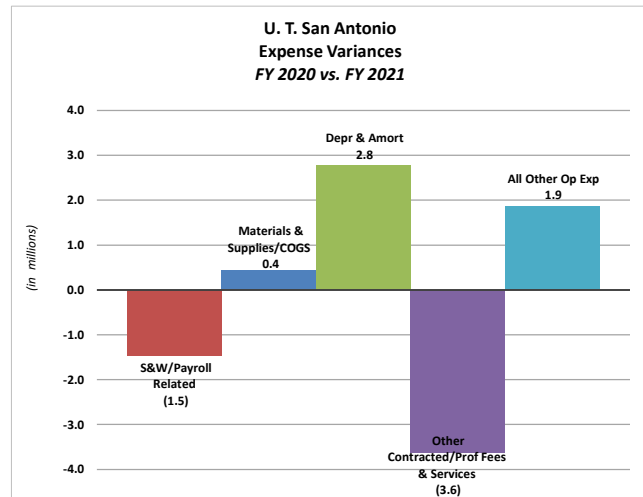
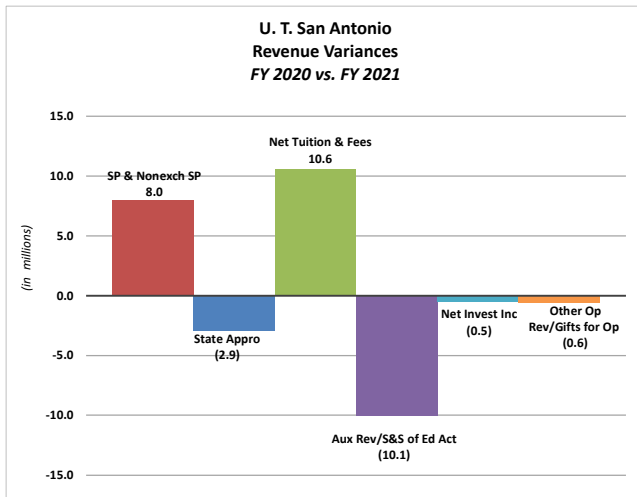
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending December 31, 2020

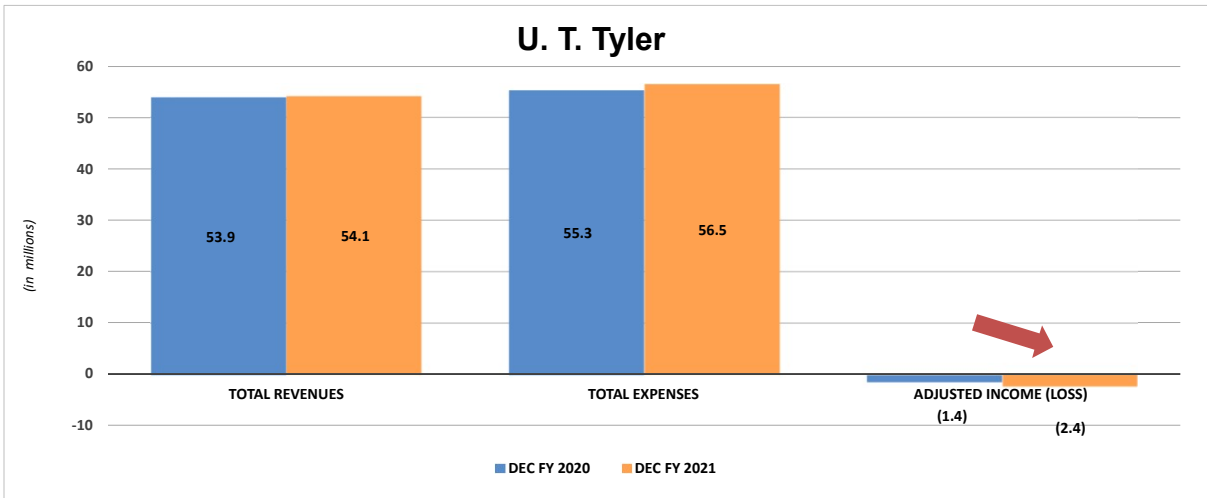


U. T. San Antonio incurred a year-to-date adjusted loss of \$0.5 million, a decrease in adjusted loss of \$4.5 million (91%) from the prior year. The decrease was primarily attributable to the following: an increase in net student tuition and fees as a result of increased enrollment; and a decrease in professional fees and services due to a decrease in strategic initiatives compared to the prior year. The most current projection received from *U. T. San Antonio* reflects income of \$1.1 million for the year.

(in millions)	December YTD FY 2020	December YTD FY 2021	Variance	Annual Projected FY 2021
Sponsored Programs/Nonexchange Sponsored Programs	\$ 49.6	57.6	8.0	172.8
State Appropriations	42.7	39.8	(2.9)	119.4
Net Tuition and Fees	72.5	83.1	10.6	249.2
Auxiliary Revenues/Sales & Services of Educational Activities	21.9	11.9	(10.1)	35.7
Net Investment Income	7.6	7.1	(0.5)	21.4
Other Operating Revenues/Gift Contributions for Operations	3.7	3.1	(0.6)	9.0
Total Revenues	198.1	202.6	4.5	607.5
Salaries and Wages/Payroll Related Costs	117.3	115.9	(1.5)	347.6
Materials and Supplies/Cost of Goods Sold	9.4	9.8	0.4	29.4
Depreciation and Amortization	16.4	19.2	2.8	57.6
Other Contracted Services/Professional Fees & Services	12.4	8.7	(3.6)	26.2
All Other Operating Expenses	47.6	49.4	1.9	145.6
Total Expenses	\$ 203.1	203.0	(0.0)	606.4
Adjusted Income (Loss)	(5.0)	(0.5)	4.5	1.1
Adjusted Income (Loss) Excluding Depr & Amort Exp	11.4	18.7	7.3	58.7

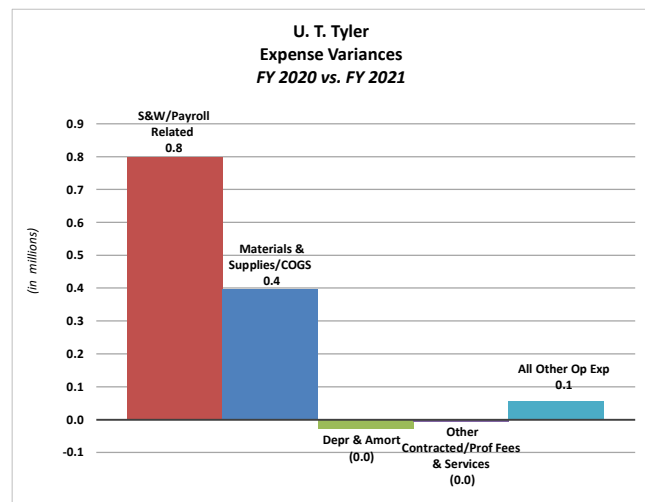
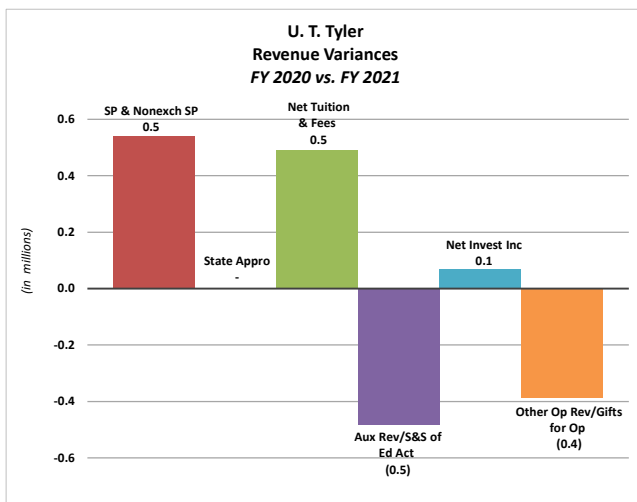


Monthly Financial Report Comparison of Operating Results, Margin and Projected Year-End For the Period Ending December 31, 2020



U. T. Tyler incurred a year-to-date adjusted loss of \$2.4 million, an increase in adjusted loss of \$1.0 million (71%) 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 due to new and growing academic programs; a decrease in sales and services of educational activities and auxiliary revenues as a result of the continued impact of COVID-19; and a decrease in gifts for operations due to a reclassification of gifts to endowments. The most current projection received from *U. T. Tyler* reflects a loss of \$17.0 million for the year.

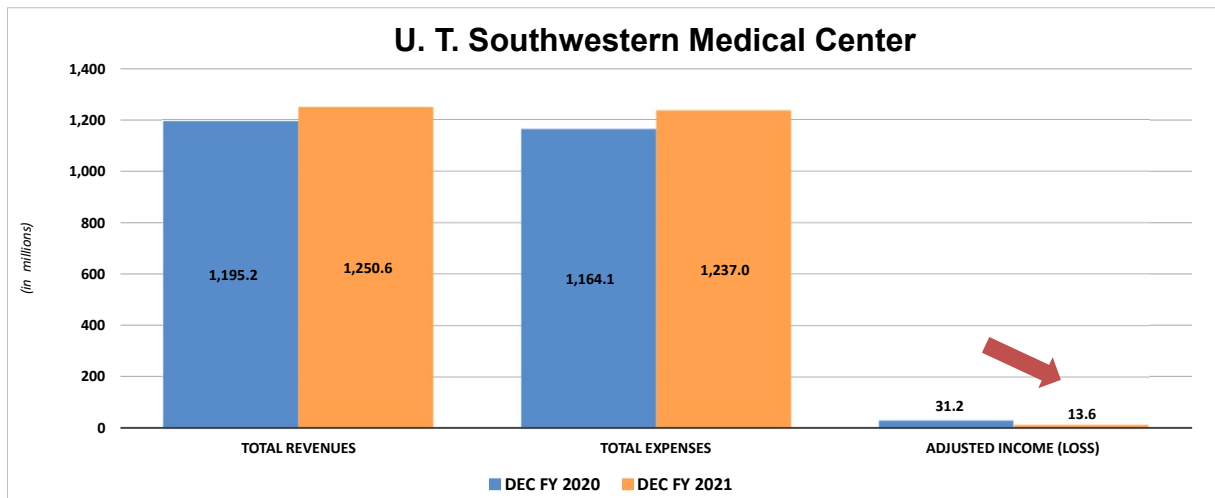
(in millions)	December YTD FY 2020	December YTD FY 2021	Variance	Annual Projected FY 2021
Sponsored Programs/Nonexchange Sponsored Programs	\$ 7.8	8.4	0.5	28.2
State Appropriations	11.1	11.1	-	30.6
Net Tuition and Fees	19.4	19.9	0.5	59.9
Auxiliary Revenues/Sales & Services of Educational Activities	12.8	12.3	(0.5)	19.8
Net Investment Income	2.0	2.0	0.1	6.5
Other Operating Revenues/Gift Contributions for Operations	0.8	0.4	(0.4)	5.2
Total Revenues	53.9	54.1	0.2	150.2
Salaries and Wages/Payroll Related Costs	32.8	33.6	0.8	93.2
Materials and Supplies/Cost of Goods Sold	3.5	3.9	0.4	11.6
Depreciation and Amortization	5.7	5.7	(0.0)	17.1
Other Contracted Services/Professional Fees & Services	3.5	3.5	(0.0)	14.0
All Other Operating Expenses	9.8	9.9	0.1	31.2
Total Expenses	55.3	56.5	1.2	167.1
Adjusted Income (Loss)	(1.4)	(2.4)	(1.0)	(17.0)
Adjusted Income (Loss) Excluding Depr & Amort Exp	4.4	3.3	(1.0)	0.2



Monthly Financial Report

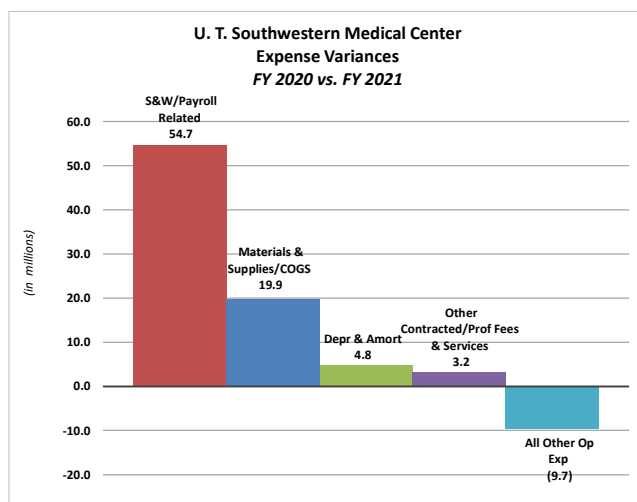
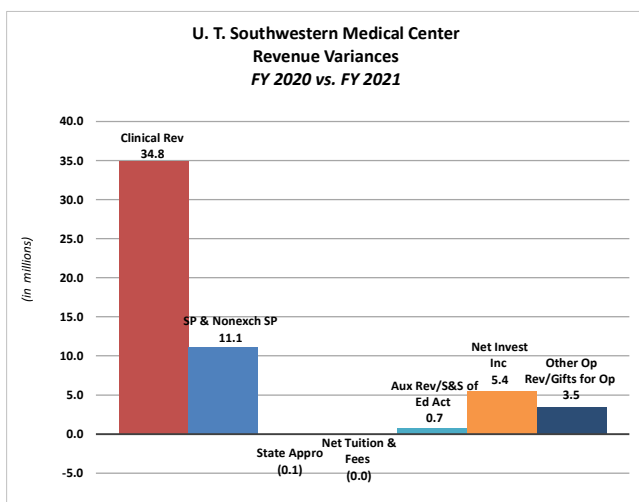
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending December 31, 2020



U. T. Southwestern Medical Center reported year-to-date adjusted income of \$13.6 million, a decrease in adjusted income of \$17.5 million (56%) 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; and an increase in materials and supplies primarily due to increased drugs and medical supplies driven by patient volumes and patient acuity. The most current projection received from *U. T. Southwestern Medical Center* reflects income of \$19.4 million for the year.

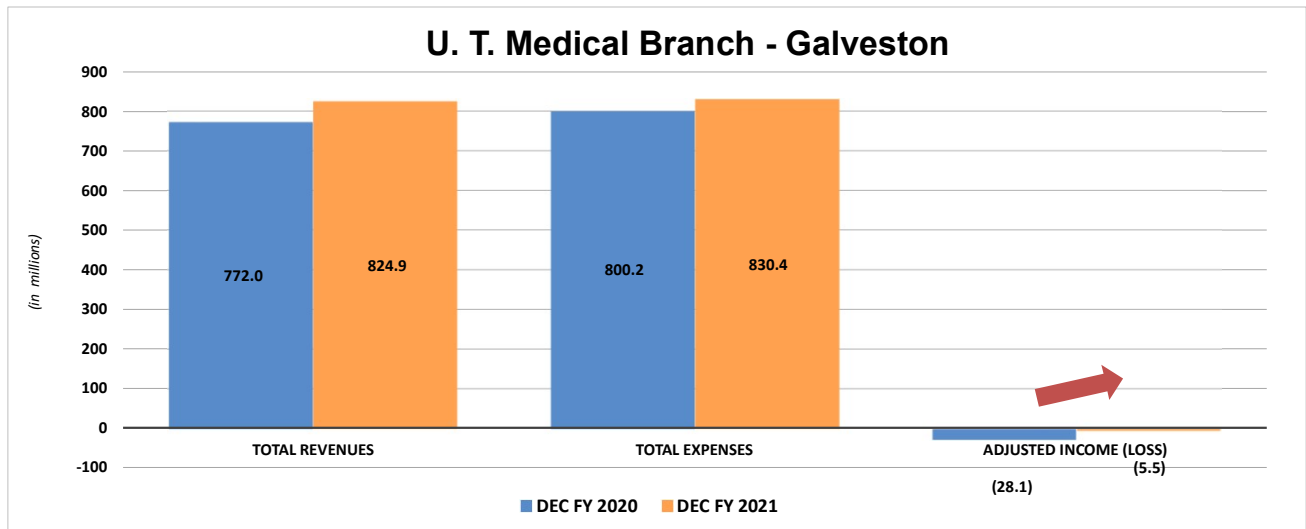
(in millions)	December YTD FY 2020	December YTD FY 2021	Variance	Annual Projected FY 2021
Clinical Revenues	\$ 770.0	804.8	34.8	2,453.1
Sponsored Programs/Nonexchange Sponsored Programs	231.4	242.5	11.1	689.7
State Appropriations	60.3	60.1	(0.1)	186.2
Net Tuition and Fees	8.7	8.7	(0.0)	29.3
Auxiliary Revenues/Sales & Services of Educational Activities	11.6	12.3	0.7	44.3
Net Investment Income	49.4	54.8	5.4	138.9
Other Operating Revenues/Gift Contributions for Operations	64.0	67.4	3.5	199.9
Total Revenues	1,195.2	1,250.6	55.4	3,741.5
Salaries and Wages/Payroll Related Costs	735.4	790.1	54.7	2,436.5
Materials and Supplies/Cost of Goods Sold	224.0	243.9	19.9	678.6
Depreciation and Amortization	59.6	64.4	4.8	194.5
Other Contracted Services/Professional Fees & Services	63.5	66.8	3.2	157.7
All Other Operating Expenses	81.5	71.8	(9.7)	254.7
Total Expenses	\$ 1,164.1	1,237.0	72.9	3,722.1
Adjusted Income (Loss)	31.2	13.6	(17.5)	19.4
Adjusted Income (Loss) Excluding Depr & Amort Exp	90.8	78.0	(12.8)	213.9



Monthly Financial Report

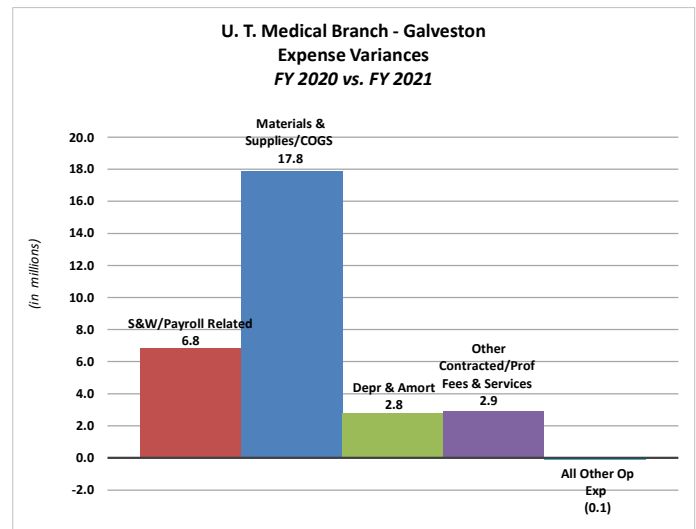
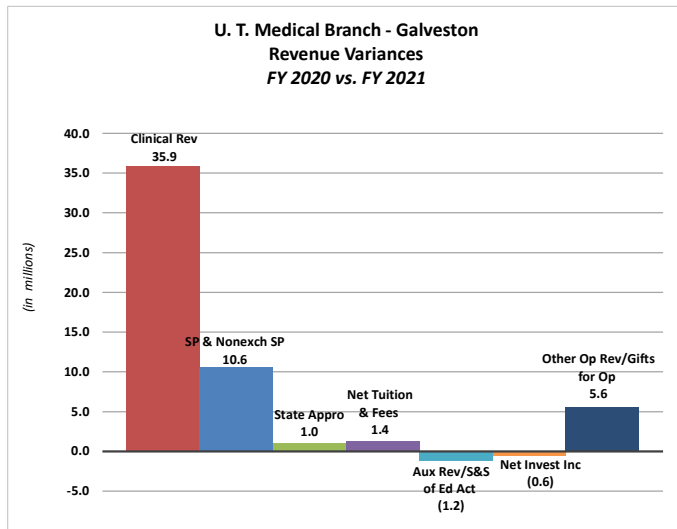
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending December 31, 2020

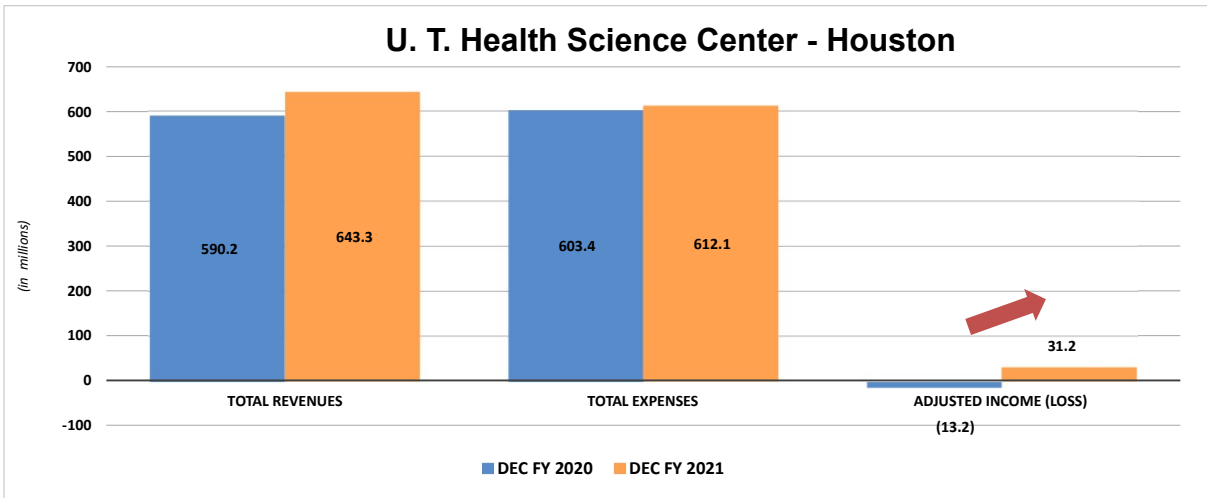


U. T. Medical Branch - Galveston incurred a year-to-date adjusted loss of \$5.5 million, a decrease in adjusted loss of \$22.6 million (80%) from the prior year. The decrease was primarily due to the following: an increase in clinical revenues attributable to increased patient volume at the Clear Lake and League City campuses; and an increase in other operating revenues as a result of an increase in contract pharmacy and retail pharmacy revenues. The most current projection received from *U. T. Medical Branch - Galveston* reflects a loss of \$13.4 million for the year.

(in millions)	December YTD FY 2020	December YTD FY 2021	Variance	Annual Projected FY 2021
Clinical Revenues	\$ 525.5	561.4	35.9	1,534.0
Sponsored Programs/Nonexchange Sponsored Programs	60.7	71.4	10.6	205.2
State Appropriations	119.7	120.7	1.0	361.4
Net Tuition and Fees	15.3	16.7	1.4	51.0
Auxiliary Revenues/Sales & Services of Educational Activities	10.2	9.0	(1.2)	29.0
Net Investment Income	22.3	21.7	(0.6)	58.4
Other Operating Revenues/Gift Contributions for Operations	18.5	24.1	5.6	233.2
Total Revenues	772.0	824.9	52.8	2,472.2
Salaries and Wages/Payroll Related Costs	488.7	495.6	6.8	1,449.3
Materials and Supplies/Cost of Goods Sold	103.0	120.8	17.8	347.5
Depreciation and Amortization	63.8	66.6	2.8	199.1
Other Contracted Services/Professional Fees & Services	68.7	71.5	2.9	244.2
All Other Operating Expenses	76.1	75.9	(0.1)	245.7
Total Expenses	\$ 800.2	830.4	30.2	2,485.7
Adjusted Income (Loss)	(28.1)	(5.5)	22.6	(13.4)
Adjusted Income (Loss) Excluding Depr & Amort Exp	35.6	61.0	25.4	185.7

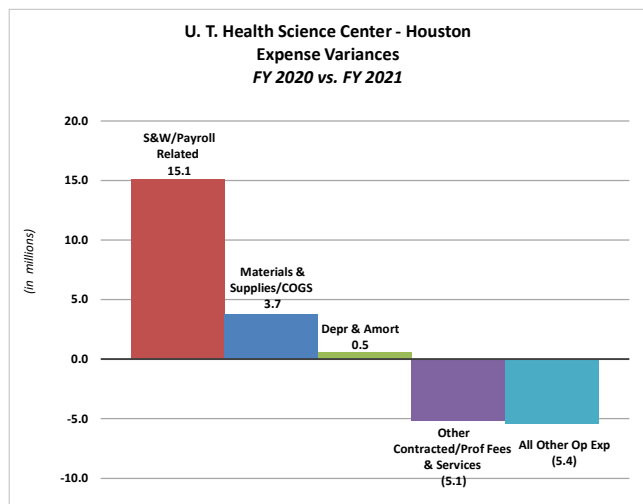
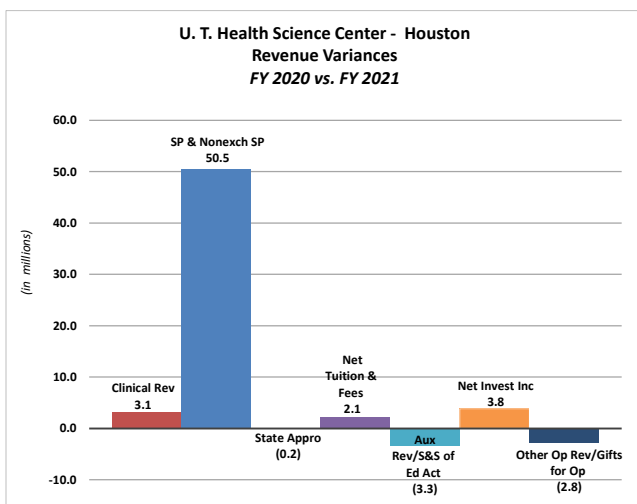


Monthly Financial Report
Comparison of Operating Results, Margin and Projected Year-End
For the Period Ending December 31, 2020



U. T. Health Science Center - Houston reported year-to-date adjusted income of \$31.2 million, an increase of \$44.4 million (336%) from the prior year. The increase was primarily attributable to an increase in sponsored programs due to an increase in contractual revenues from Memorial Hermann Hospital and Harris Health System as a result of expanded contracted services and support, as well as contract restructuring. The most current projection received from *U. T. Health Science Center - Houston* reflects income of \$12.7 million for the year.

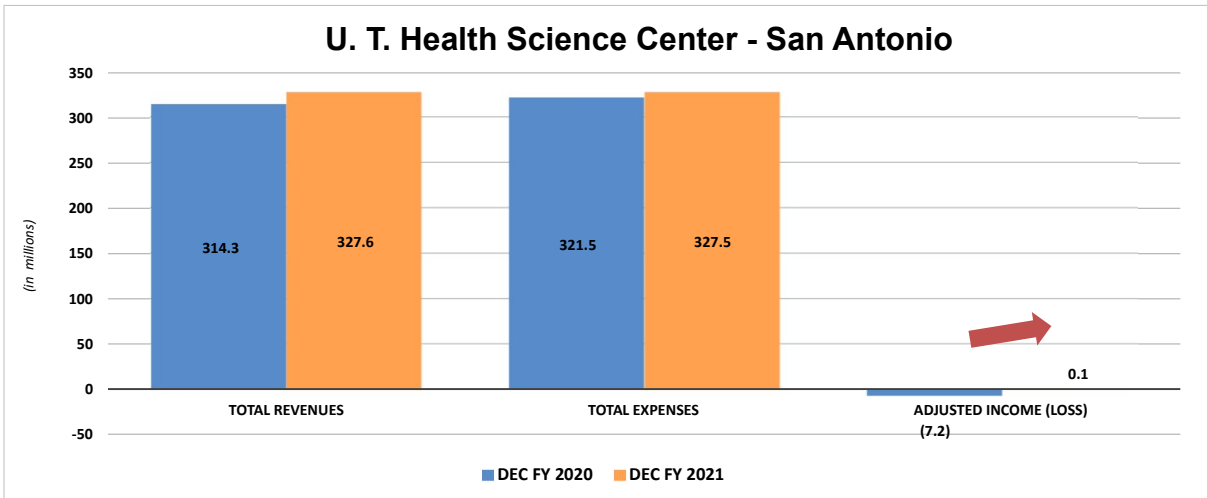
(in millions)	December YTD FY 2020	December YTD FY 2021	Variance	Annual Projected FY 2021
Clinical Revenues	\$ 168.1	171.2	3.1	506.0
Sponsored Programs/Nonexchange Sponsored Programs	268.5	318.9	50.5	952.0
State Appropriations	71.8	71.6	(0.2)	216.2
Net Tuition and Fees	23.0	25.1	2.1	63.8
Auxiliary Revenues/Sales & Services of Educational Activities	26.4	23.1	(3.3)	61.7
Net Investment Income	18.9	22.7	3.8	75.1
Other Operating Revenues/Gift Contributions for Operations	13.5	10.7	(2.8)	68.7
Total Revenues	590.2	643.3	53.1	1,943.5
Salaries and Wages/Payroll Related Costs	448.9	464.0	15.1	1,473.9
Materials and Supplies/Cost of Goods Sold	33.4	37.1	3.7	99.9
Depreciation and Amortization	22.4	22.9	0.5	70.8
Other Contracted Services/Professional Fees & Services	42.0	36.8	(5.1)	137.3
All Other Operating Expenses	56.8	51.4	(5.4)	148.9
Total Expenses	\$ 603.4	612.1	8.8	1,930.8
Adjusted Income (Loss)	(13.2)	31.2	44.4	12.7
Adjusted Income (Loss) Excluding Depr & Amort Exp	9.2	54.1	44.9	83.5



Monthly Financial Report

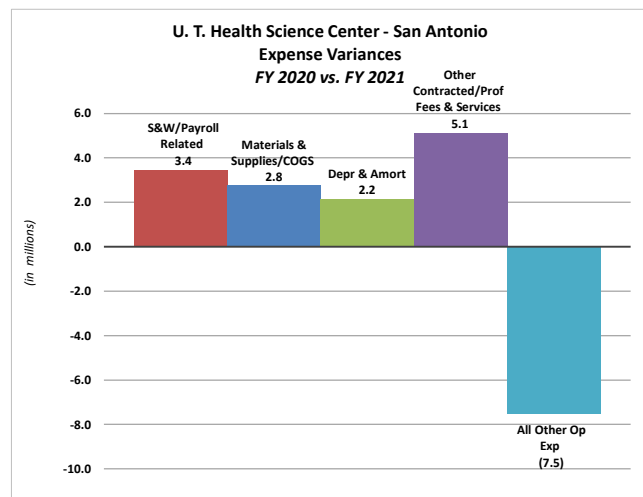
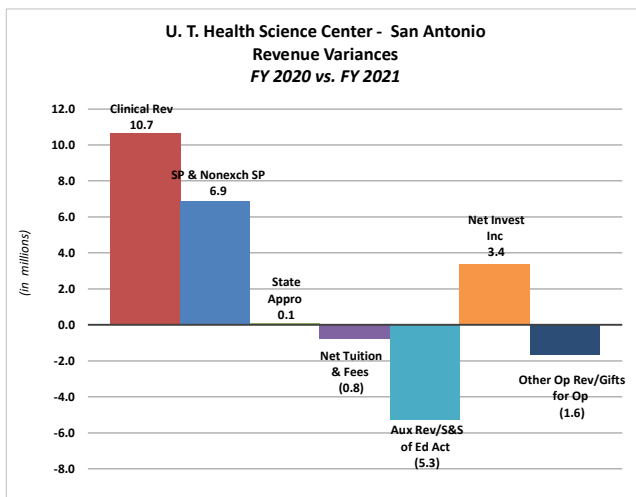
Comparison of Operating Results, Margin and Projected Year-End

For the Period Ending December 31, 2020

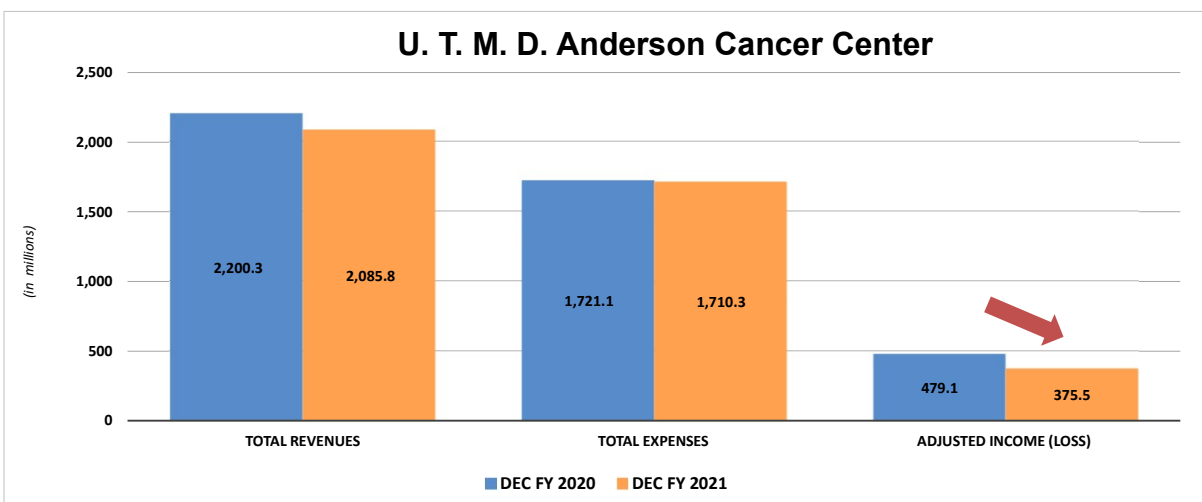


U. T. Health Science Center - San Antonio reported year-to-date adjusted income of \$0.1 million, an increase of \$7.3 million (101%) from the prior year. The increase was primarily due to the following: an increase in clinical revenues as a result of increased volume and clinical productivity at all UT Health Physicians sites and clinical expansion efforts; a decrease in other operating expenses primarily due to conference and event cancellations and various restrictions instituted as a result of COVID-19; and an increase in net investment income as a result of increases in patent income. The most current projection received from *U. T. Health Science Center – San Antonio* reflects a loss of \$25.7 million for the year due to anticipated year-end COVID-19 recovery costs.

(in millions)	December YTD FY 2020	December YTD FY 2021	Variance	Annual Projected FY 2021
Clinical Revenues	\$ 82.4	93.0	10.7	270.7
Sponsored Programs/Nonexchange Sponsored Programs	118.1	125.0	6.9	379.8
State Appropriations	56.4	56.5	0.1	169.6
Net Tuition and Fees	17.4	16.7	(0.8)	50.7
Auxiliary Revenues/Sales & Services of Educational Activities	15.6	10.3	(5.3)	29.5
Net Investment Income	17.6	21.0	3.4	46.0
Other Operating Revenues/Gift Contributions for Operations	6.7	5.1	(1.6)	32.4
Total Revenues	314.3	327.6	13.3	978.7
Salaries and Wages/Payroll Related Costs	216.6	220.0	3.4	682.7
Materials and Supplies/Cost of Goods Sold	31.9	34.7	2.8	106.0
Depreciation and Amortization	20.3	22.5	2.2	67.5
Other Contracted Services/Professional Fees & Services	16.8	22.0	5.1	54.0
All Other Operating Expenses	35.9	28.4	(7.5)	94.2
Total Expenses	\$ 321.5	327.5	6.0	1,004.4
Adjusted Income (Loss)	(7.2)	0.1	7.3	(25.7)
Adjusted Income (Loss) Excluding Depr & Amort Exp	13.1	22.6	9.5	41.8

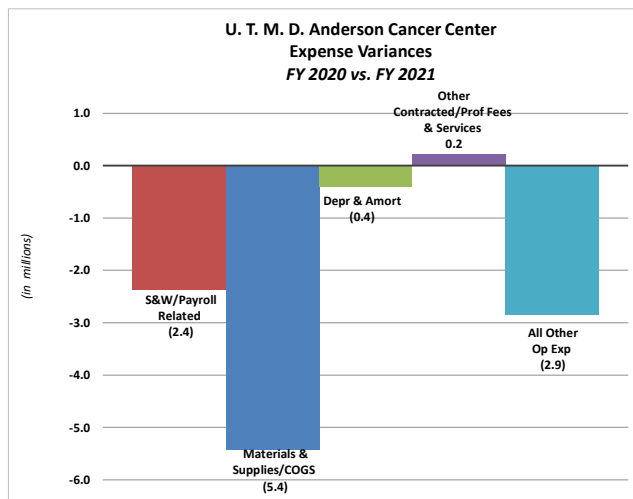
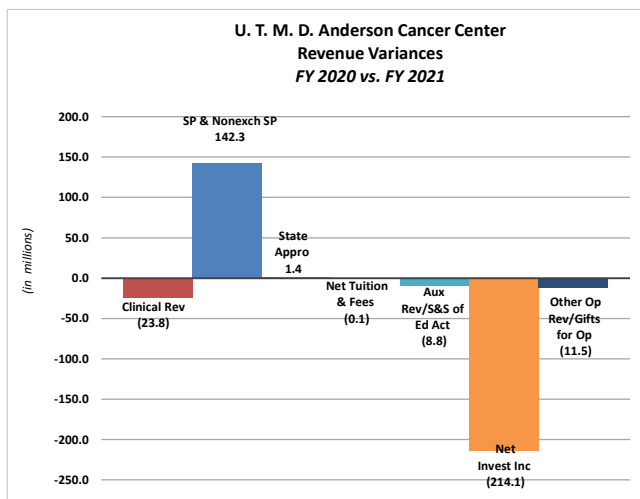


Monthly Financial Report Comparison of Operating Results, Margin and Projected Year-End For the Period Ending December 31, 2020

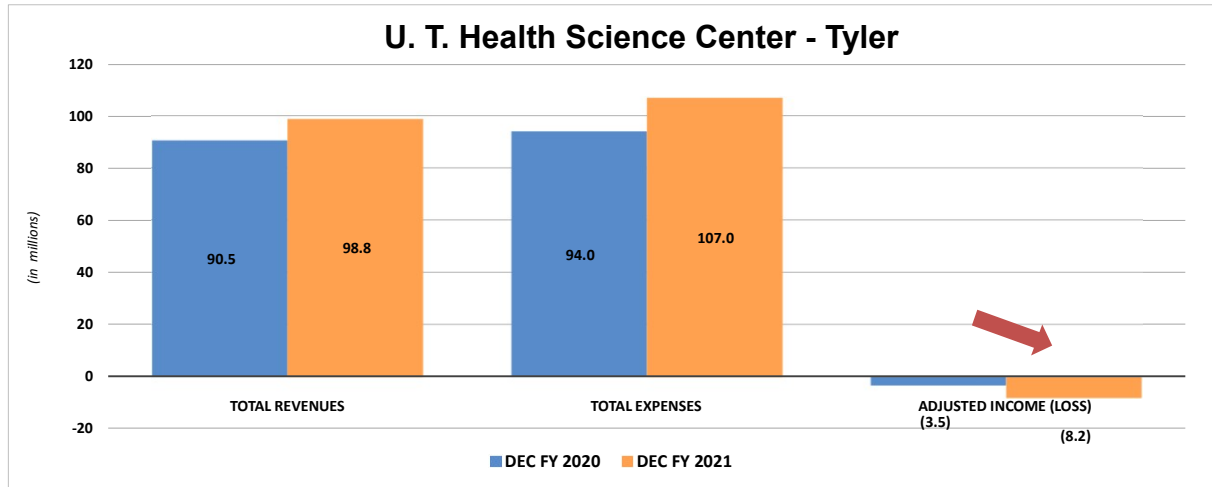


U. T. M. D. Anderson Cancer Center reported year-to-date adjusted income of \$375.5 million, a decrease of \$103.7 million (22%) from the prior year. The decrease was primarily attributable to a decrease in net investment income due to a new long-term pharmaceutical agreement in 2020. The most current projection received from U. T. M. D. Anderson Cancer Center reflects income of \$776.2 million for the year.

(in millions)	December YTD FY 2020	December YTD FY 2021	Variance	Annual Projected FY 2021
Clinical Revenues	\$ 1,556.0	1,532.2	(23.8)	4,590.8
Sponsored Programs/Nonexchange Sponsored Programs	131.1	273.5	142.3	529.6
State Appropriations	67.6	69.1	1.4	207.6
Net Tuition and Fees	1.5	1.3	(0.1)	1.9
Auxiliary Revenues/Sales & Services of Educational Activities	16.3	7.5	(8.8)	32.2
Net Investment Income	327.9	113.8	(214.1)	370.3
Other Operating Revenues/Gift Contributions for Operations	99.8	88.3	(11.5)	232.8
Total Revenues	2,200.3	2,085.8	(114.5)	5,965.1
Salaries and Wages/Payroll Related Costs	978.8	976.4	(2.4)	2,972.2
Materials and Supplies/Cost of Goods Sold	398.2	392.8	(5.4)	1,083.8
Depreciation and Amortization	124.2	123.8	(0.4)	367.6
Other Contracted Services/Professional Fees & Services	115.1	115.3	0.2	443.9
All Other Operating Expenses	104.9	102.0	(2.9)	321.4
Total Expenses	\$ 1,721.1	1,710.3	(10.9)	5,188.9
Adjusted Income (Loss)	479.1	375.5	(103.7)	776.2
Adjusted Income (Loss) Excluding Depr & Amort Exp	603.4	499.3	(104.1)	1,143.8

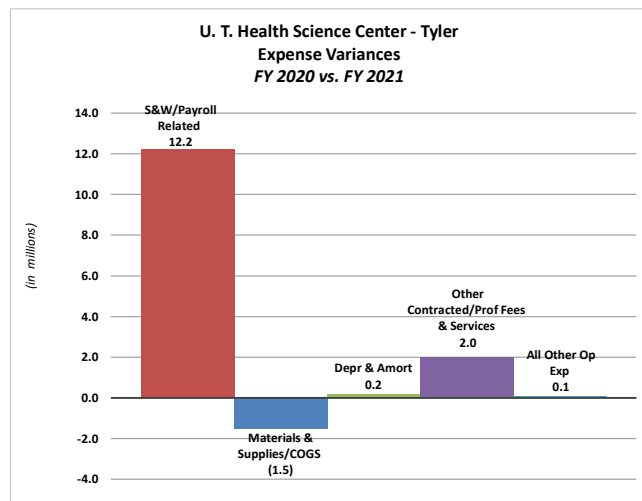
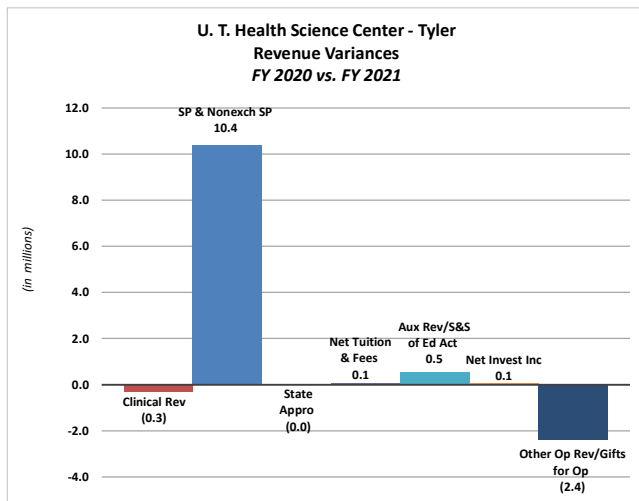


Monthly Financial Report
Comparison of Operating Results, Margin and Projected Year-End
For the Period Ending December 31, 2020



U. T. Health Science Center - Tyler incurred a year-to-date adjusted loss of \$8.2 million, an increase in adjusted loss of \$4.7 million (136%) from the prior year. The increase was primarily due to an increase in salaries and wages and payroll related costs attributable to the addition of clinical faculty related to growth in the physician management services agreement with UT Health East Texas (UTHET), as well as an increase in both faculty and staff positions as a result of additions to the behavioral health service line and acute and critical care hospital services. The most current projection received from *U. T. Health Science Center - Tyler* reflects income of \$2.2 million for the year.

(in millions)	December YTD FY 2020	December YTD FY 2021	Variance	Annual Projected FY 2021
Clinical Revenues	\$ 52.9	52.6	(0.3)	165.5
Sponsored Programs/Nonexchange Sponsored Programs	9.4	19.7	10.4	61.7
State Appropriations	17.6	17.6	(0.0)	52.8
Net Tuition and Fees	0.1	0.2	0.1	0.6
Auxiliary Revenues/Sales & Services of Educational Activities	1.5	2.1	0.5	6.2
Net Investment Income	1.3	1.3	0.1	3.9
Other Operating Revenues/Gift Contributions for Operations	7.7	5.3 *	(2.4)	25.7 *
Total Revenues	90.5	98.8	8.3	316.5
Salaries and Wages/Payroll Related Costs	49.4	61.6	12.2	184.8
Materials and Supplies/Cost of Goods Sold	23.9	22.4	(1.5)	62.5
Depreciation and Amortization	5.7	5.8	0.2	17.5
Other Contracted Services/Professional Fees & Services	9.4	11.4	2.0	32.3
All Other Operating Expenses	5.6	5.7	0.1	17.2
Total Expenses	\$ 94.0	107.0	13.0	314.3
Adjusted Income (Loss)	(3.5)	(8.2)	(4.7)	2.2
Adjusted Income (Loss) Excluding Depr & Amort Exp	2.2	(2.3)	(4.5)	19.7



*Other Operating Income includes 30% of UTHET's net adjusted loss which was \$3.2 million through December. The projected income of \$2.2 million includes \$3.0 million of UTHET's net adjusted income for the year.