

UNAUDITED

The University of Texas Southwestern Medical Center at Dallas  
 Exhibit A Balance Sheet  
 As of August 31, 2010

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Current Assets and Deferred Outflows:</b>		
Cash & Cash Equivalents	\$ 117,543,694.27	50,548,819.87
Restricted Cash & Cash Equivalents	20,557,363.78	10,600,508.13
Balance in State Appropriations	8,665,748.37	14,161,155.21
Accounts Receivable, Net:		
Federal (allow. of \$0.00 in 2010 & \$0.00 in 2009)	47,677,871.41	40,628,927.56
Other Intergov. (allow. of \$0.00 in 2010 & \$0.00 in 2009)	2,620,079.68	2,457,865.09
Patient (allow. of \$421,511,879.34 in 2010 & \$419,574,732.47 in 2009)	146,032,897.47	128,127,989.22
Interest and Dividend Receivables	1,851,524.16	1,588,540.23
Contributions (allow. of \$220,525.13 in 2010 & \$161,880.54 in 2009)	4,859,853.27	3,528,377.61
Other (allow. of \$98,885.54 in 2010 & \$140,514.58 in 2009)	21,735,534.04	34,253,663.44
Due From System Administration	89,658,415.59	37,879,400.00
Inventories	13,653,119.91	12,379,008.53
Loans & Contracts (allow. of \$38,841.77 in 2010 & \$30,867.58 in 2009)	1,502,284.06	1,365,007.40
Other Current Assets	4,280,007.33	6,560,105.65
<b>Total Current Assets and Deferred Outflows</b>	<b>480,638,393.34</b>	<b>344,079,367.94</b>
<b>Noncurrent Assets and Deferred Outflows:</b>		
Restricted:		
Investments (Restricted)	336,985,874.08	310,217,569.06
Loans & Contracts (allow. of \$169,240.78 in 2010 & \$174,582.96 in 2009)	6,545,122.27	7,720,300.53
Funds Held by System Administration	760,724,679.92	684,690,830.89
Contributions Rec. (allow. of \$195,287.30 in 2010 & \$253,931.89 in 2009)	4,041,858.49	4,780,892.76
Unrestricted Investments	474,777,167.42	409,638,024.47
Gross Capital/Intangible Assets	1,923,235,358.42	1,784,533,147.70
Accumulated Depreciation/Amortization	(642,394,933.11)	(570,143,956.80)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>2,863,915,127.49</b>	<b>2,631,436,808.61</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 3,344,553,520.83</b>	<b>2,975,516,176.55</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Current Liabilities and Deferred Inflows:</b>		
Accounts Payable and Accrued Liabilities	127,447,512.78	104,552,445.91
Salaries Payable	42,713,174.23	40,949,664.90
Due To System Administration	8,059,721.41	7,270,255.19
Deferred Revenue	10,964,616.61	13,104,713.51
Employees' Compensable Leave - Current Portion	38,980,090.13	34,655,546.69
Notes, Loans, and Leases Payable	16,988.00	116,907.21
Payable From Restricted Assets	15,650,774.82	27,954,479.36
Assets Held for Others	382,271.93	453,600.73
Other Current Liabilities	112,506.39	117,214.39
<b>Total Current Liabilities and Deferred Inflows</b>	<b>244,327,656.30</b>	<b>229,174,827.89</b>
<b>Noncurrent Liabilities and Deferred Inflows:</b>		
Employees' Compensable Leave	29,274,400.50	28,990,675.20
Other Noncurrent Liabilities	1,870,263.65	3,049,197.42
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>31,144,664.15</b>	<b>32,039,872.62</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>275,472,320.45</b>	<b>261,214,700.51</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	1,280,840,425.31	1,214,352,377.69
Restricted for:		
Nonexpendable		
Permanent Health, True Endowments, and Annuities	500,020,172.95	473,919,531.62
Expendable		
Capital Projects	79,804,861.03	16,528,895.31
Funds Functioning as Endowment (Restricted)	23,135,279.85	21,448,748.37
Other Expendable	616,627,603.16	530,482,885.25
Unrestricted Net Assets	568,652,858.08	457,569,037.80
<b>Total Net Assets</b>	<b>3,069,081,200.38</b>	<b>2,714,301,476.04</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 3,344,553,520.83</b>	<b>2,975,516,176.55</b>

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The University of Texas Southwestern Medical Center at Dallas  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2010

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	\$ 19,465,476.30	18,053,269.70
Discounts and Allowances	(4,813,084.00)	(3,880,224.00)
Federal Sponsored Programs	231,188,640.92	209,675,371.25
Federal Sponsored Programs Pass-Through from State Agencies	4,072,968.83	3,346,535.88
State Sponsored Programs Pass-Through from State Agencies	1,371,729.96	515,855.78
Local Sponsored Programs	156,144,755.64	157,639,497.96
Private Sponsored Programs	77,225,604.00	57,481,785.23
Sales and Services of Educational Activities	17,608,212.87	13,642,767.62
Sales and Services of Hospitals	1,409,781,927.78	1,144,951,484.47
Discounts and Allowances Sales and Services of Hospitals	(932,822,547.85)	(740,711,623.78)
Professional Fees (Patient Charges)	1,211,810,339.12	1,213,283,726.40
Discounts and Allowances Professional Fees (Patient Charges)	(829,389,252.40)	(853,947,513.05)
Auxiliary Enterprises	17,986,421.50	17,130,105.91
Other Operating Revenues	13,606,268.47	12,610,461.32
Total Operating Revenues	<u>1,393,237,461.14</u>	<u>1,249,791,500.69</u>
Operating Expenses:		
Instruction	527,896,974.55	470,316,614.32
Research	308,606,969.95	305,359,670.12
Public Service	24,234,252.80	78,592,085.89
Hospitals / Clinics	423,837,795.32	377,937,996.05
Academic Support	21,367,497.55	26,205,243.83
Student Services	3,229,919.27	4,194,844.20
Institutional Support	48,514,398.07	50,475,338.60
Operations and Maintenance of Plant	76,759,705.99	73,291,608.82
Scholarships and Fellowships	764,473.63	656,530.33
Auxiliary Enterprises	16,762,992.35	16,019,565.47
Depreciation and Amortization	80,507,746.17	75,827,825.46
Total Operating Expenses	<u>1,532,482,725.65</u>	<u>1,478,877,323.09</u>
Operating Income (Loss)	<u>(139,245,264.51)</u>	<u>(229,085,822.40)</u>
Nonoperating Revenues (Expenses):		
State Appropriations	174,040,333.33	166,282,296.47
Federal Nonexchange Sponsored Programs	74,359.00	84,943.00
Federal Nonexchange Pass-Through	10,216,070.57	
Gift Contributions for Operations	38,990,899.85	37,821,001.24
Investment Income	69,674,641.84	37,508,758.24
Net Increase (Decrease) in Fair Value of Investments	101,281,681.41	(220,516,825.69)
Gain (Loss) on Sale of Capital Assets	(2,697,398.88)	(2,550,568.86)
Other Nonoperating Revenues	572,029.73	122,892.42
Other Nonoperating (Expenses)	(682,020.85)	(529,456.25)
Net Nonoperating Revenues (Expenses)	<u>391,470,596.00</u>	<u>18,223,040.57</u>
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	252,225,331.49	(210,862,781.83)
Gifts and Sponsored Programs for Capital Acquisitions	19,359.44	639,509.48
Additions to Permanent Endowments / Annuities	22,121,706.21	5,597,822.09
Reclass from/(to) Other Institutions	78,938,888.24	18,488,063.76
Transfers Between Institutions & System, Debt Service - Mandatory	(70,878,666.78)	(66,288,814.02)
Transfers Between Institutions & System Admin. - Non mandatory	72,500,352.38	106,062,530.27
Transfers From Other State Agencies		72,447.00
Transfers to Other State Agencies	(147,246.64)	(260,771.51)
Change in Net Assets	<u>354,779,724.34</u>	<u>(146,551,994.76)</u>
Beginning Net Assets	<u>2,714,301,476.04</u>	<u>2,860,853,470.80</u>
Ending Net Assets	<u>\$ 3,069,081,200.38</u>	<u>2,714,301,476.04</u>

The University of Texas Southwestern Medical Center at Dallas  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2010

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	13,827,464.78	15,588,884.65
Proceeds from Patients and Customers	842,206,547.57	733,569,921.46
Proceeds from Sponsored Programs	472,137,024.30	407,816,920.86
Proceeds from Auxiliaries	17,978,951.79	17,113,528.54
Proceeds from Other Revenues	29,632,178.16	26,364,432.43
Payments to Suppliers	(426,901,740.37)	(419,152,073.08)
Payments to Employees	(1,011,872,186.80)	(959,721,227.10)
Payments for Loans Provided	(607,341.56)	(1,656,771.64)
Proceeds from Loan Programs	1,346,428.39	1,161,047.43
Net Cash Provided (Used) by Operating Activities	<u>(62,252,673.74)</u>	<u>(178,915,336.45)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	179,535,740.17	176,217,141.83
Proceeds from Operating Gifts	38,398,458.46	38,771,972.30
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	22,121,706.21	5,597,822.09
Proceeds from Other Nonoperating Revenues	572,029.73	-
Payments / Receipts for Transfers to / from System or Other Agencies	3,357,403.45	30,106,010.25
Payments for Other Uses	(682,020.85)	(529,456.25)
Proceeds from Nonexchange Sponsored Programs	10,290,429.57	84,943.00
Net Cash Provided by Noncapital Financing Activities	<u>253,593,746.74</u>	<u>250,248,433.22</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Capital Debt Transferred from System (Nonmandatory)	95,872,615.96	114,748,695.66
Proceeds from Capital Appropriations, Grants, and Gifts	1,711,585.59	125,760.32
Proceeds from Sale of Capital Assets	548,478.22	348,772.96
Payments for Additions to Capital Assets	(147,054,090.13)	(151,724,514.85)
Payments of Principal on Capital Related Debt	(99,919.21)	(158,610.19)
Mandatory Transfers to System for Capital Related Debt	(70,878,666.78)	(66,288,814.02)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(119,899,996.35)</u>	<u>(102,948,710.12)</u>
<b>Cash Flows from Investing Activities</b>		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	29,864,782.82	202,567.46
Proceeds from Interest and Investment Income Invested by System	38,940,709.81	36,087,831.54
Payments to Acquire Investments	(2,665,959.42)	-
Payments to Acquire Investments Invested by System	(60,628,879.81)	(55,582,270.39)
Net Cash Provided (Used) by Investing Activities	<u>5,510,653.40</u>	<u>(19,291,871.39)</u>
<b>Net Increase (Decrease) in Cash</b>	76,951,730.05	(50,907,484.74)
Cash and Cash Equivalents (Beginning of the Year)	61,149,328.00	112,056,812.74
Cash and Cash Equivalents (End of the Year)	<u>\$ 138,101,058.05</u>	<u>\$ 61,149,328.00</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities</b>		
Operating Income (Loss)	(139,245,264.51)	(229,085,822.40)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	80,507,746.17	75,827,825.46
Bad Debt Expense	298,814.77	287,276.32
Changes in Assets and Liabilities:		
Accounts Receivable	(14,069,626.11)	(43,583,720.08)
Inventories	(1,274,111.38)	(129,767.98)
Loans and Contracts	739,086.83	(495,724.21)
Other Current and Noncurrent Assets	2,280,098.32	2,687,140.33
Accounts Payable	6,507,914.68	16,513,463.01
Due to System	789,466.22	408,768.50
Deferred Revenue	(2,140,096.90)	(5,433,093.38)
Assets Held for Others	(71,328.80)	(334,499.81)
Employees' Compensable Leave	4,608,268.74	4,436,302.20
Other Current and Noncurrent Liabilities	(1,183,641.77)	(13,484.41)
Total Adjustments	<u>76,992,590.77</u>	<u>50,170,485.95</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (62,252,673.74)</u>	<u>\$ (178,915,336.45)</u>
<b>Non Cash Transactions</b>		
Net Increase (Decrease) in Fair Value of Investments	101,281,681.41	(220,516,825.69)
Donated Capital Assets	6,000.00	34,900.00
Miscellaneous Noncash Transactions	(2,700,611.01)	(2,457,737.38)