

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2009

	Current Year Totals	Prior Year Totals
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	\$ 23,975,201.17	29,380,449.36
Proceeds from Patients and Customers	153,555,909.45	144,957,651.98
Proceeds from Sponsored Programs	326,402,383.78	290,993,749.63
Proceeds from Auxiliaries	22,912,434.93	23,048,186.39
Proceeds from Other Revenues	57,599,269.54	47,416,127.24
Payments to Suppliers	(241,453,412.82)	(221,932,210.97)
Payments to Employees	(496,917,938.82)	(443,646,361.10)
Payments for Loans Provided	(1,735,978.00)	(3,905,713.09)
Proceeds from Loan Programs	1,879,809.55	2,135,678.79
Net Cash Provided (Used) by Operating Activities	(153,782,321.22)	(131,552,441.77)
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from Nonexchange Sponsored Programs	304,351.00	0.00
Proceeds from State Appropriations	175,018,257.02	168,530,068.76
Proceeds from Operating Gifts	19,630,372.84	15,943,573.17
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	3,603,233.33	5,335,321.45
Proceeds from Other Nonoperating Revenues	635,417.00	(890,136.40)
Payments/Receipts for Transfers to/from System or Oth. Agencies	9,509,699.49	(89,211.55)
Payments for Other Uses	15,124.69	(589,112.47)
Net Cash Provided (Used) by Noncapital Financing Activities	208,716,455.37	188,240,502.96
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Capital Debt Transferred from System (nonmandatory)	57,018,218.75	40,107,926.29
Proceeds from Capital Appropriations, Grants and Gifts	3,550,339.40	3,614,012.28
Proceeds from Sale of Capital Assets	71,397.13	77,973.30
Payments for Additions to Capital Assets	(88,776,813.66)	(51,067,891.60)
Payments of Principal on Capital Related Debt	(635,417.00)	(698.33)
Mandatory Transfers to System for Capital Related Debt	(22,624,041.10)	(22,289,706.95)
Net Cash Provided (Used) by Capital & Related Financing Activities	(51,396,316.48)	(29,558,385.01)
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments	32,739.98	472,731.00
Proceeds from Interest and Investment Income	864,836.73	824,950.34
Proceeds from Interest and Investment Income Held by System	13,296,906.12	22,817,282.45
Payments to Acquire Investments	(1,033,053.77)	(1,304,717.78)
Payments to Acquire Investments Held by System	(23,469,824.92)	(51,402,031.45)
Net Cash Provided (Used) by Investing Activities	(10,308,395.86)	(28,591,785.44)
<b>Net Increase (Decrease) in Cash</b>	(6,770,578.19)	(1,462,109.26)
Cash & Cash Equivalents - Beginning of the Year	64,027,519.37	65,489,628.63
<b>Cash &amp; Cash Equivalents - End of the Year</b>	<u>\$ 57,256,941.18</u>	<u>64,027,519.37</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Loss	\$ (196,742,545.85)	(186,341,832.22)
Adjustments to Reconcile Operating Loss to Net Cash:		
Depreciation and Amortization Expense	40,000,361.40	37,792,402.23
Bad Debt Expense	2,472.64	0.00
Changes in Assets and Liabilities:		
Receivables	(17,458,116.05)	(2,091,267.77)
Inventories	192,796.00	(40,676.80)
Loans and Contracts	143,831.55	(1,770,034.30)
Other Assets	(118,500.31)	(98,572.32)
Payables	12,426,874.84	11,745,271.00
Due To System	285,149.78	216,881.31
Deferred Income	1,005,674.90	6,260,690.28
Deposits Held for Others	(36,877.77)	104,545.29
Compensated Absence Liability	3,811,768.65	963,790.86
Other Liabilities	2,704,789.00	1,706,360.67
Total Adjustments	42,960,224.63	54,789,390.45
Net Cash Provided (Used) by Operating Activities:	<u>\$ (153,782,321.22)</u>	<u>(131,552,441.77)</u>
Noncash Transactions		
Net Increase (Decrease) in Fair Value of Investments	(57,938,244.82)	(24,633,438.70)
Miscellaneous Noncash Transactions	(603,918.91)	(1,742,171.20)