

The University of Texas Health Science Center at Houston
EXHIBIT C - STATEMENT OF CASH FLOWS
For the Year Ended August 31, 2010

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	24,777,148.52	23,975,201.17
Proceeds from Patients and Customers	180,974,611.16	153,555,909.45
Proceeds from Sponsored Programs	392,583,393.25	326,402,383.78
Proceeds from Auxiliaries	22,685,168.76	22,912,434.93
Proceeds from Other Revenues	78,206,051.37	57,599,269.54
Payments to Suppliers	(269,603,309.04)	(241,453,412.82)
Payments to Employees	(600,918,140.53)	(496,917,938.82)
Payments for Loans Provided	(1,637,984.92)	(1,735,978.00)
Proceeds from Loan Programs	2,326,828.47	1,879,809.55
Net Cash Provided (Used) by Operating Activities	<u>(170,606,232.96)</u>	<u>(153,782,321.22)</u>
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	171,564,422.80	175,018,257.02
Proceeds from Operating Gifts	21,017,051.07	19,630,372.84
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	3,822,021.54	3,603,233.33
Proceeds from Other Nonoperating Revenues	(532,763.24)	635,417.00
Payments / Receipts for Transfers to / from System or Other Agencies	3,148,567.54	9,509,699.49
Payments for Other Uses	133,609.21	15,124.69
Proceeds from Nonexchange Sponsored Programs	15,975,357.37	304,351.00
Net Cash Provided by Noncapital Financing Activities	<u>215,128,266.29</u>	<u>208,716,455.37</u>
Cash Flows from Capital and Related Financing Activities:		
Proceeds from Issuance of Capital Debt	41,269.71	0.00
Proceeds from Capital Debt Transferred from System (Nonmandatory)	79,425,724.56	57,018,218.75
Proceeds from Capital Appropriations, Grants, and Gifts	3,821,343.26	3,550,339.40
Proceeds from Sale of Capital Assets	54,820.88	71,397.13
Payments for Additions to Capital Assets	(83,158,936.68)	(88,776,813.66)
Payments of Principal on Capital Related Debt	(437,500.00)	(635,417.00)
Mandatory Transfers to System for Capital Related Debt	(24,362,025.79)	(22,624,041.10)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(24,615,304.06)</u>	<u>(51,396,316.48)</u>
Cash Flows from Investing Activities		
Proceeds from Sales of Investments	225,728.79	32,739.98
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	1,355,179.58	864,836.73
Proceeds from Interest and Investment Income Invested by System	23,607,316.54	13,296,906.12
Payments to Acquire Investments	(932,014.44)	(1,033,053.77)
Payments to Acquire Investments Invested by System	(27,476,765.12)	(23,469,824.92)
Net Cash Provided (Used) by Investing Activities	<u>(3,220,554.65)</u>	<u>(10,308,395.86)</u>
Net Increase (Decrease) in Cash	16,686,174.62	(6,770,578.19)
Cash and Cash Equivalents (Beginning of the Year)	57,256,941.18	64,027,519.37
Cash and Cash Equivalents (End of the Year)	<u>\$ 73,943,115.80</u>	<u>\$ 57,256,941.18</u>
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(216,193,530.48)	(196,742,545.85)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	44,230,692.74	40,000,361.40
Bad Debt Expense	1,615.00	2,472.64
Changes in Assets and Liabilities:		
Accounts Receivable	(20,685,225.56)	(17,458,116.05)
Inventories	(648,976.70)	192,796.00
Loans and Contracts	688,843.55	143,831.55
Other Current and Noncurrent Assets	(114,797.86)	(118,500.31)
Accounts Payable	3,990,855.58	12,426,874.84
Due to System	417,708.00	285,149.78
Deferred Revenue	16,612,710.51	1,005,674.90
Assets Held for Others	249,135.86	(36,877.77)
Employees' Compensable Leave	1,791,342.45	3,811,768.65
Other Current and Noncurrent Liabilities	(946,606.05)	2,704,789.00
Total Adjustments	<u>45,587,297.52</u>	<u>42,960,224.63</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (170,606,232.96)</u>	<u>\$ (153,782,321.22)</u>
Non Cash Transactions		
Net Increase (Decrease) in Fair Value of Investments	31,584,552.56	(57,938,244.82)
Miscellaneous Noncash Transactions	(3,051,387.67)	(603,918.91)