

The University of Texas M. D. Anderson Cancer Center  
 Exhibit A Statement of Net Position  
 As of August 31, 2017

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
Current Assets:		
Cash & Cash Equivalents	\$ 318,774,922.61	621,520,091.32
Restricted Cash & Cash Equivalents	429,436,844.41	177,686,802.74
Balance in State Appropriations	1,028.00	
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2017 & \$0.00 in 2016)	321,616,797.89	179,096,617.59
Patient & Healthcare(allow. \$249,007,616.63 in 2017 & \$134,713,020.01 in 2016)	391,603,949.58	540,948,352.78
Interest and Dividend Receivables	8,503,170.16	5,899,466.26
Contributions (allow. \$1,655,130.92 in 2017 & \$2,343,971.78 in 2016)	20,582,759.98	39,227,190.21
Other (allow. \$553,282.87 in 2017 & \$2,404,644.02 in 2016)	33,673,595.36	35,159,390.76
Due From System Administration	84,976,654.88	122,475,936.24
Due From Other Institutions	792,310.21	2,811,858.93
Due From Other Agencies	8,266,802.11	1,389,602.05
Inventories	52,316,208.72	49,322,757.15
Other Current Assets	79,701,528.23	71,368,597.97
Total Current Assets	<u>1,750,246,572.14</u>	<u>1,846,906,664.00</u>
Noncurrent Assets:		
Restricted Investments	1,079,835,001.52	1,229,025,452.99
Funds Held by System Administration (Restricted)	700,681,340.54	639,058,449.92
Contributions Rec. (allow. \$805,895.51 in 2017 & \$974,081.81 in 2016)	15,312,014.76	18,507,554.41
Unrestricted Investments	3,213,832,457.37	2,060,734,275.93
Other Noncurrent Assets	59,638,394.29	61,149,957.17
Gross Capital/Intangible Assets	5,913,346,769.36	5,830,469,409.12
Accumulated Depreciation/Amortization	<u>(3,142,924,456.61)</u>	<u>(2,861,882,506.19)</u>
Total Noncurrent Assets	<u>7,839,721,521.23</u>	<u>6,977,062,593.35</u>
Total Assets	<u>9,589,968,093.37</u>	<u>8,823,969,257.35</u>
Total Assets and Deferred Outflows	<u>9,589,968,093.37</u>	<u>8,823,969,257.35</u>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	179,404,894.44	171,549,482.03
Salaries Payable	205,151,723.93	198,924,779.31
Federal Payables	33,020,758.75	34,848,576.95
Other Intergovernmental Payables	2,574.39	26,249.39
Due To System Administration	23,984,352.21	23,607,435.86
Due To Other Institutions	603,731.73	912,557.34
Due To Other State Agencies	352,211.59	181,767.68
Unearned Revenue	337,400,879.86	181,162,717.24
Employees' Compensable Leave - Current Portion	170,556,096.43	161,089,137.62
Notes, Loans, and Leases Payable		
Payable From Restricted Assets	2,238,067.40	1,795,581.40
Assets Held for Others	3,301,225.99	3,001,683.09
Other Current Liabilities	44,662,492.13	60,841,934.85
Total Current Liabilities	<u>1,000,679,008.85</u>	<u>837,941,902.76</u>
Noncurrent Liabilities:		
Employees' Compensable Leave	4,303,659.10	22,234,000.44
Assets Held for Others	460,663,280.16	420,760,531.62
Liability to Beneficiaries	1,126,961.62	1,136,006.73
Notes, Loans, and Leases Payable		
Other Noncurrent Liabilities	<u>4,993,058.65</u>	<u>6,247,819.61</u>
Total Noncurrent Liabilities	<u>471,086,959.53</u>	<u>450,378,358.40</u>
Total Liabilities	<u>1,471,765,968.38</u>	<u>1,288,320,261.16</u>
Total Liabilities and Deferred Inflows	<u>1,471,765,968.38</u>	<u>1,288,320,261.16</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	2,770,422,312.75	2,968,586,902.93
Restricted for:		
Nonexpendable		
Permanent Health, True Endowments, and Annuities	954,839,044.59	936,357,086.14
Expendable		
Capital Projects	217,985,490.93	262,311,252.40
Funds Functioning as Endowment (Restricted)	72,276,287.17	68,296,557.84
Other Expendable	580,648,616.89	541,903,406.11
Unrestricted	<u>3,522,030,372.66</u>	<u>2,758,193,790.77</u>
Total Net Position	<u>\$ 8,118,202,124.99</u>	<u>7,535,648,996.19</u>

The University of Texas M. D. Anderson Cancer Center  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Position  
 For the Year Ended August 31, 2017

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	\$ 2,395,015.88	1,626,637.71
Discounts and Allowances	(19,403.03)	(11,069.89)
Federal Sponsored Programs	160,664,719.57	147,052,462.06
Federal Sponsored Programs Pass-Through from State Agencies	3,607,443.50	6,406,742.84
State Sponsored Programs Pass-Through from State Agencies	48,980,118.76	38,583,702.82
Private Sponsored Programs	151,289,256.92	137,920,383.60
Sales and Services of Educational Activities	1,912,948.16	1,806,152.17
Sales and Services of Hospitals	6,830,039,822.88	6,281,343,736.68
Discounts and Allowances Sales and Services of Hospitals	(3,491,110,301.44)	(3,157,394,649.33)
Professional Fees (Patient Charges)	1,384,934,579.31	1,290,083,162.30
Discounts and Allowances Professional Fees (Patient Charges)	(969,225,250.53)	(886,929,965.27)
Auxiliary Enterprises	44,137,659.81	42,462,462.01
Other Operating Revenues	108,898,781.30	109,093,364.63
Total Operating Revenues	<u>4,276,505,391.09</u>	<u>4,012,043,122.33</u>
Operating Expenses:		
Instruction	76,149,240.81	74,226,850.54
Research	745,481,237.17	687,940,062.98
Public Service	10,718,363.85	12,083,920.40
Hospitals / Clinics	2,585,835,231.18	2,642,145,329.44
Academic Support	158,537,575.20	144,951,612.47
Student Services	775,706.24	1,274,163.10
Institutional Support	131,455,465.62	130,346,697.45
Operations and Maintenance of Plant	185,748,505.92	193,455,236.40
Scholarships and Fellowships	1,974,956.69	1,951,682.11
Auxiliary Enterprises	25,595,754.33	27,713,434.05
Depreciation and Amortization	377,616,172.63	356,822,658.61
Total Operating Expenses	<u>4,299,888,209.64</u>	<u>4,272,911,647.55</u>
Operating Income (Loss)	<u>(23,382,818.55)</u>	<u>(260,868,525.22)</u>
Nonoperating Revenues (Expenses):		
State Appropriations	203,439,110.83	201,848,483.62
Federal Nonexchange Sponsored Programs	509,578.00	533,642.00
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through		
Gift Contributions for Operations	125,987,660.30	136,386,283.49
Investment Income	166,939,549.92	93,104,303.73
Net Increase (Decrease) in Fair Value of Investments	228,232,809.39	39,695,873.93
Gain (Loss) on Sale of Capital Assets	(1,859,048.71)	(2,572,304.62)
Other Nonoperating Revenues	48,475.07	7,781.84
Other Nonoperating (Expenses)	(460,765.49)	(602,824.85)
Net Nonoperating Revenues (Expenses)	<u>722,837,369.31</u>	<u>468,401,239.14</u>
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	699,454,550.76	207,532,713.92
Gifts and Sponsored Programs for Capital Acquisitions	1,981,330.01	1,491,757.91
Additions to Permanent Endowments / Annuities	16,309,108.43	13,711,341.37
Reclass from/(to) Other Institutions	6,436,598.19	(118,268,200.72)
Transfers Between Institutions & System, Debt Service - Mandatory	(157,572,343.75)	(99,837,593.96)
Transfers Between Institutions & System Admin. - Non mandatory	10,532,923.37	485,032,462.63
Transfers From Other State Agencies	21,767,015.06	46,427,793.81
Transfers to Other State Agencies	(16,356,053.27)	46,470,935.10
Legislative Appropriations Lapsed		
Change in Net Position	<u>582,553,128.80</u>	<u>489,619,339.86</u>
Beginning Net Position	7,535,648,996.19	7,045,076,967.33
Restatements		952,689.00
Beginning Net Position (As Restated)	<u>7,535,648,996.19</u>	<u>7,046,029,656.33</u>
Ending Net Position	<u>\$ 8,118,202,124.99</u>	<u>7,535,648,996.19</u>

The University of Texas M. D. Anderson Cancer Center  
Exhibit C - Statement of Cash Flows  
For the Year Ended August 31, 2017

	Current Year Totals	Prior Year Totals
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	1,890,157.82	1,708,550.54
Proceeds from Patients and Customers	3,903,983,253.42	3,498,436,551.32
Proceeds from Sponsored Programs	396,846,710.55	284,817,832.39
Proceeds from Auxiliaries	44,363,047.08	42,249,501.48
Proceeds from Other Revenues	80,048,128.20	(40,748,842.26)
Payments to Suppliers	(1,452,781,136.39)	(1,529,086,398.72)
Payments to Employees	(2,438,339,812.29)	(2,390,604,936.83)
Net Cash Provided (Used) by Operating Activities	<u>536,010,348.39</u>	<u>(133,227,742.08)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	203,438,082.83	201,848,483.62
Proceeds from Operating Gifts	147,595,852.97	160,066,912.45
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	16,309,108.43	13,711,341.37
Proceeds from Other Nonoperating Revenues	48,475.07	7,781.84
Receipts for Transfers from System or Other Agencies	17,840,379.89	290,451,855.13
Payments for Transfers to System or Other Agencies	(24,223,212.31)	(52,337,460.60)
Payments for Other Uses	(359,040.75)	(497,030.81)
Proceeds from Nonexchange Sponsored Programs	509,578.00	533,642.00
Net Cash Provided by Noncapital Financing Activities	<u>361,159,224.13</u>	<u>613,785,525.00</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Nonmandatory Capital Related Transfers	65,587,449.57	16,631,340.63
Proceeds from Capital Appropriations, Grants, and Gifts	1,935,216.01	1,205,228.58
Proceeds from Sale of Capital Assets	501,317.25	364,703.76
Payments for Additions to Capital Assets	(219,637,605.13)	(302,275,053.89)
Mandatory Transfers to System for Capital Related Debt	(157,572,343.75)	(99,837,593.96)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(309,185,966.05)</u>	<u>(383,911,374.88)</u>
<b>Cash Flows from Investing Activities</b>		
Proceeds from Sales of Investments	55,648,767.96	115,542,447.52
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	47,363,825.29	42,629,400.99
Proceeds from Interest and Investment Income Invested by System	106,710,833.18	87,965,715.49
Payments to Acquire Investments	(47,810,669.00)	(43,972,687.00)
Payments to Acquire Investments Invested by System	(800,891,490.94)	(364,415,931.90)
Net Cash Provided (Used) by Investing Activities	<u>(638,978,733.51)</u>	<u>(162,251,054.90)</u>
Net Increase (Decrease) in Cash	(50,995,127.04)	(65,604,646.86)
Cash and Cash Equivalents (Beginning of the Year)	799,206,894.06	864,811,540.92
Cash and Cash Equivalents (End of the Year)	<u>\$ 748,211,767.02</u>	<u>\$ 799,206,894.06</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities</b>		
Operating Income (Loss)	(23,382,818.55)	(260,868,525.22)
<b>Adjustments to Reconcile Operating Results to Net Cash:</b>		
Depreciation and Amortization Expense	377,616,172.63	356,822,658.61
Gross Loss on Impairment of Capital Assets	26,517,304.50	-
<b>Changes in Assets and Liabilities:</b>		
Accounts Receivable	3,452,366.96	(18,269,489.71)
Inventories	(2,993,451.57)	(511,427.62)
Other Current and Noncurrent Assets	(3,324,939.10)	(40,706,849.37)
Accounts Payable	23,884,575.14	(25,124,215.18)
Due to System	376,916.35	2,252,970.47
Unearned Revenue	156,469,939.83	(55,143,137.57)
Assets Held for Others	3,291,868.41	-
Employees' Compensable Leave	(8,463,382.53)	11,404,174.29
Other Current and Noncurrent Liabilities	(17,434,203.68)	(103,083,900.78)
Total Adjustments	<u>559,393,166.94</u>	<u>127,640,783.14</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 536,010,348.39</u>	<u>\$ (133,227,742.08)</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	180,491,961.89	67,422,902.18
Donated Capital Assets	46,114.00	286,529.33
Miscellaneous Noncash Transactions	(28,381,212.42)	(2,615,779.12)