

University of Houston System

Investment Report

First Quarter Report

FY 2001

September, 2000 – November, 2000

University of Houston System

Investment Report

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**University of Houston System Endowment Fund
Statement of Changes in Investment Assets
Quarter Ended November 30, 2000**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - September 1, 2000	\$ 294,578,653	\$ 485,966,284
Receipts/Contributions	1,561,448	1,561,448
Investment Income	3,432,626	3,432,626
Distributions	(20,840,440)	(20,840,440)
Net Realized Gains (Losses)	4,084,995	4,084,995
Changes in Net Unrealized Appreciation (Depreciation)	_____	(21,550,122)
Ending Investment Assets - November 30, 2000	<u><u>\$ 282,817,282</u></u>	<u><u>\$ 452,654,791</u></u>

**University of Houston System Endowment Fund
Summary of Investments
At November 30, 2000**

	<u>Book Value</u>	<u>Market Value</u>
Long Term Securities		
Debt Securities		
US Government Obligations		
Direct Treasuries	\$ 2,875,721	\$ 2,941,174
Guaranteed Mortgage Backed	0	0
Guaranteed Other	0	0
Total US governmental Obligations	<u>2,875,721</u>	<u>2,941,174</u>
US Government Agencies (Non- Gtd.)		
Mortgage Backed	7,518,498	7,374,691
Other	10,239,950	10,274,139
Total US Gov't Agencies (Non- Gtd.)	<u>17,758,448</u>	<u>17,648,830</u>
Foreign Government Obligations	0	0
Dollar Denominated	197,118	202,669
Municipal and County Bonds	0	0
Corporate Bonds	45,584,825	44,488,449
Other	1,470,060	1,507,965
Total Debt Securities	<u>67,886,172</u>	<u>66,789,087</u>
Equity Securities		
Common Stock and Other Equities	130,435,708	292,518,627
Preferred Stock	16	16
Index Funds	20,000,000	13,998,320
Mutual Funds	14,953,289	28,283,957
Other - Partnerships	6,704,829	8,248,441
Total Equity Securities	<u>172,093,842</u>	<u>343,049,361</u>
Short Term Securities		
US Government (Direct & Guaranteed)	1,923,345	1,888,426
US Government Agencies (Non-Gtd.)	6,444,326	6,486,484
Corporate Bonds	449,451	443,687
TexPool	0	0
Other - Municipal Bonds	0	0
Total Short Term Securities	<u>8,817,122</u>	<u>8,818,597</u>
Cash and Cash Equivalents		
Cash Held at State Treasury	0	0
Money Markets	32,704,146	32,704,146
Commercial Paper	0	0
Total Cash and Cash Equivalents	<u>32,704,146</u>	<u>32,704,146</u>
Land	1,316,000	1,293,600
Total Investments*	<u><u>\$ 282,817,282</u></u>	<u><u>\$ 452,654,791</u></u>

*MV does not include \$1,774,148 in accrued income

Total Rate of Return (quarter ending 11/30/00)

-3.1%

**University of Houston System
Consolidated Non-Endowed Pooled Funds
Statement of Changes in Investment Assets
Quarter Ended November 30, 2000**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - September 1, 2000	\$ 90,650,811	\$ 90,183,206
Receipts/Contributions		
Investment Income	1,730,889	1,730,889
Distributions		
Net Realized Gains (Losses)	(54,358)	(54,358)
Changes in Net Unrealized Appreciation (Depreciation)		1,133,287
	<hr/>	<hr/>
Ending Investment Assets - November 30, 2000	<u>\$ 92,327,342</u>	<u>\$ 92,993,024</u>

**University of Houston System
Consolidated Non-Endowed Pooled Funds
Summary of Investments
At November 30, 2000**

	<u>Book Value</u>	<u>Market Value</u>
Long Term Securities		
Debt Securities		
US Government Obligations		
Direct Treasuries	\$ 13,908,150	\$ 14,208,191
Guaranteed Mortgage Backed	0	0
Guaranteed Other	0	0
Total US governmental Obligations	13,908,150	14,208,191
US Government Agencies (Non- Gtd.)		
Mortgage Backed	3,290,707	3,033,825
Other	22,011,444	22,268,246
Total US Gov't Agencies (Non- Gtd.)	25,302,151	25,302,071
Foreign Government Obligations	0	0
Municipal and County Bonds	5,805,964	5,788,330
Corporate Bonds	30,102,984	30,438,424
Other	10,419,645	10,548,497
Total Debt Securities	85,538,894	86,285,513
Equity Securities		
Common Stock and Other Equities	0	0
Index Funds	0	0
Mutual Funds	0	0
Other - Partnerships	0	0
Total Equity Securities	0	0
Short Term Securities		
US Government (Direct & Guaranteed)	0	0
US Government Agencies (Non-Gtd.)	431,686	391,681
Corporate Bonds	0	
TexPool	0	0
Other - Municipal and County Bonds	1,683,547	1,642,615
Total Short Term Securities	2,115,233	2,034,296
Cash and Cash Equivalents		
Cash Held at State Treasury	0	0
Money Markets	4,673,215	4,673,215
Commercial Paper	0	0
Total Cash and Cash Equivalents	4,673,215	4,673,215
Total Investments	\$ 92,327,342	\$ 92,993,024

Total Rate of Return (quarter ending 11/30/00)

2.8%

University of Houston System
Consolidated Revenue Bonds, Series 1999 Project Fund
Statement of Changes in Investment Assets
Quarter Ended November 30, 2000

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - September 1, 2000	\$ 14,039,341	\$ 14,039,341
Receipts/Contributions		
Investment Income	396,713	396,713
Distributions		
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	_____	_____
Ending Investment Assets - November 30, 2000	<u>\$ 14,436,054</u>	<u>\$ 14,436,054</u>

**University of Houston System
Consolidated Revenue Bonds, Series 1999 Project Fund
Summary of Investments
At November 30, 2000**

	<u>Book Value</u>	<u>Market Value</u>
Long Term Securities		
Debt Securities		
US Government Obligations		
Direct Treasuries	0	0
Guaranteed Mortgage Backed	0	0
Guaranteed Other	0	0
Total US governmental Obligations	0	0
US Government Agencies (Non- Gtd.)		
Mortgage Backed	0	0
Other	0	0
Total US Gov't Agencies (Non- Gtd.)	0	0
Foreign Government Obligations	0	0
Municipal and County Bonds	0	0
Corporate Bonds	0	0
Other- Fixed Rate Repurchase Agreement	14,436,054	14,436,054
Total Debt Securities	14,436,054	14,436,054
Equity Securities		
Common Stock and Other Equities	0	0
Index Funds	0	0
Mutual Funds	0	0
Other - Partnerships	0	0
Total Equity Securities	0	0
Short Term Securities		
US Government (Direct & Guaranteed)	0	0
US Government Agencies (Non-Gtd.)	0	0
Corporate Bonds	0	0
TexPool	0	0
Other	0	0
Total Short Term Securities	0	0
Cash and Cash Equivalents		
Cash Held at State Treasury	0	0
Money Markets	0	0
Commercial Paper	0	0
Total Cash and Cash Equivalents	0	0
Total Investments	\$ 14,436,054	\$ 14,436,054

Total Rate of Return (quarter ending 11/30/00)

1.2%

University of Houston System
Consolidated Revenue Bonds, Series 2000 Project Fund
Statement of Changes in Investment Assets
Quarter Ended November 30, 2000

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - September 1, 2000	\$ -	\$ -
Receipts/Contributions	50,343,856	50,343,856
Investment Income		
Distributions		
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)	_____	_____
Ending Investment Assets - November 30, 2000	<u><u>\$ 50,343,856</u></u>	<u><u>\$ 50,343,856</u></u>

University of Houston System
Consolidated Revenue Bonds, Series 2000 Project Fund
Summary of Investments
At November 30, 2000

	<u>Book Value</u>	<u>Market Value</u>
Long Term Securities		
Debt Securities		
US Government Obligations		
Direct Treasuries	0	0
Guaranteed Mortgage Backed	0	0
Guaranteed Other	0	0
Total US governmental Obligations	0	0
US Government Agencies (Non- Gtd.)		
Mortgage Backed	0	0
Other	0	0
Total US Gov't Agencies (Non- Gtd.)	0	0
Foreign Government Obligations	0	0
Municipal and County Bonds	0	0
Corporate Bonds	0	0
Other- Fixed Rate Repurchase Agreement	50,343,856	50,343,856
Total Debt Securities	50,343,856	50,343,856
Equity Securities		
Common Stock and Other Equities	0	0
Index Funds	0	0
Mutual Funds	0	0
Other - Partnerships	0	0
Total Equity Securities	0	0
Short Term Securities		
US Government (Direct & Guaranteed)	0	0
US Government Agencies (Non-Gtd.)	0	0
Corporate Bonds	0	0
TexPool	0	0
Other	0	0
Total Short Term Securities	0	0
Cash and Cash Equivalents		
Cash Held at State Treasury	0	0
Money Markets	0	0
Commercial Paper	0	0
Total Cash and Cash Equivalents	0	0
Total Investments	\$ 50,343,856	\$ 50,343,856

Total Rate of Return (quarter ending 11/30/00)

1.6%

University of Houston System Administration
Non-Endowed Pooled Funds
Statement of Changes in Investment Assets
Quarter Ended November 30, 2000

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - September 1, 2000	\$ 22,070,023	\$ 22,070,023
Receipts/Contributions	29,350,000	29,350,000
Investment Income	377,132	377,132
Distributions	(27,250,000)	(27,250,000)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	_____	_____
Ending Investment Assets - November 30, 2000	<u><u>\$ 24,547,155</u></u>	<u><u>\$ 24,547,155</u></u>

**University of Houston System Administration
Non-Endowed Pooled Funds
Summary of Investments
At November 30, 2000**

	<u>Book Value</u>	<u>Market Value</u>
Long Term Securities		
Debt Securities		
US Government Obligations		
Direct Treasuries		
Guaranteed Mortgage Backed	0	0
Guaranteed Other	0	0
Total US governmental Obligations	0	0
US Government Agencies (Non- Gtd.)		
Mortgage Backed		
Other		
Total US Gov't Agencies (Non- Gtd.)	0	0
Foreign Government Obligations	0	0
Municipal and County Bonds		
Corporate Bonds		
Other	0	0
Total Debt Securities	0	0
Equity Securities		
Common Stock and Other Equities	0	0
Index Funds	0	0
Mutual Funds	0	0
Other - Partnerships	0	0
Total Equity Securities	0	0
Short Term Securities		
US Government (Direct & Guaranteed)	0	0
US Government Agencies (Non-Gtd.)	0	0
Corporate Bonds	0	0
TexPool	0	0
Other - Municipal and County Bonds		
Total Short Term Securities	0	0
Cash and Cash Equivalents		
Cash Held at State Treasury	0	0
Money Markets	24,547,155	24,547,155
Commercial Paper	0	0
Total Cash and Cash Equivalents	24,547,155	24,547,155
Total Investments	\$ 24,547,155	\$ 24,547,155

Total Rate of Return (quarter ending 11/30/00)

1.6%

University of Houston
Non-Endowed Pooled Funds
Statement of Changes in Investment Assets
Quarter Ended November 30, 2000

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - September 1, 2000	\$ 21,531,596	\$ 21,531,596
Receipts/Contributions	40,850,000	40,850,000
Investment Income	333,247	333,247
Distributions	(28,175,000)	(28,175,000)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	<hr/>	<hr/>
Ending Investment Assets - November 30, 2000	<u><u>\$ 34,539,843</u></u>	<u><u>\$ 34,539,843</u></u>

**University of Houston
Non-Endowed Pooled Funds
Summary of Investments
At November 30, 2000**

	<u>Book Value</u>	<u>Market Value</u>
Long Term Securities		
Debt Securities		
US Government Obligations		
Direct Treasuries		
Guaranteed Mortgage Backed	0	0
Guaranteed Other	0	0
Total US governmental Obligations	0	0
US Government Agencies (Non- Gtd.)		
Mortgage Backed		
Other		
Total US Gov't Agencies (Non- Gtd.)	0	0
Foreign Government Obligations	0	0
Municipal and County Bonds		
Corporate Bonds		
Other	0	0
Total Debt Securities	0	0
Equity Securities		
Common Stock and Other Equities	0	0
Index Funds	0	0
Mutual Funds	0	0
Other - Partnerships	0	0
Total Equity Securities	0	0
Short Term Securities		
US Government (Direct & Guaranteed)		
US Government Agencies (Non-Gtd.)		
Corporate Bonds	0	0
TexPool	0	0
Other - Municipal and County Bonds		
Total Short Term Securities	0	0
Cash and Cash Equivalents		
Cash Held at State Treasury	0	0
Money Markets	34,539,843	34,539,843
Commercial Paper	0	0
Total Cash and Cash Equivalents	34,539,843	34,539,843
Total Investments	\$ 34,539,843	\$ 34,539,843

Total Rate of Return (quarter ending 11/30/00)

1.6%

University of Houston
Consolidated Revenue Bonds, Series 1998 Project Fund
Statement of Changes in Investment Assets
Quarter Ended November 30, 2000

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - September 1, 2000	\$ 45,570	\$ 45,570
Receipts/Contributions		
Investment Income	1,790	1,790
Distributions		
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	_____	_____
Ending Investment Assets - November 30, 2000	<u>\$ 47,360</u>	<u>\$ 47,360</u>

University of Houston
Consolidated Revenue Bonds, Series 1998 Project Fund
Summary of Investments
At November 30, 2000

	<u>Book Value</u>	<u>Market Value</u>
Long Term Securities		
Debt Securities		
US Government Obligations		
Direct Treasuries	0	0
Guaranteed Mortgage Backed	0	0
Guaranteed Other	0	0
Total US governmental Obligations	0	0
US Government Agencies (Non- Gtd.)		
Mortgage Backed	0	0
Other	0	0
Total US Gov't Agencies (Non- Gtd.)	0	0
Foreign Government Obligations	0	0
Municipal and County Bonds	0	0
Corporate Bonds	0	0
Other- Fixed Rate Repurchase Agreement	0	0
Total Debt Securities	0	0
Equity Securities		
Common Stock and Other Equities	0	0
Index Funds	0	0
Mutual Funds	0	0
Other - Partnerships	0	0
Total Equity Securities	0	0
Short Term Securities		
US Government (Direct & Guaranteed)	0	0
US Government Agencies (Non-Gtd.)	0	0
Corporate Bonds	0	0
TexPool	0	0
Other	0	0
Total Short Term Securities	0	0
Cash and Cash Equivalents		
Cash Held at State Treasury	0	0
Money Markets	47,360	47,360
Commercial Paper	0	0
Total Cash and Cash Equivalents	47,360	47,360
Total Investments	\$ 47,360	\$ 47,360

Total Rate of Return (quarter ending 11/30/00)

1.6%

University of Houston Clear Lake
Non-Endowed Pooled Funds
Statement of Changes in Investment Assets
Quarter Ended November 30, 2000

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - September 1, 2000	\$ 10,144,843	\$ 10,144,843
Receipts/Contributions	5,600,000	5,600,000
Investment Income	165,867	165,867
Distributions	(3,050,000)	(3,050,000)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	<hr/>	<hr/>
Ending Investment Assets - November 30, 2000	<u><u>\$ 12,860,710</u></u>	<u><u>\$ 12,860,710</u></u>

**University of Houston Clear Lake
Non-Endowed Pooled Funds
Summary of Investments
At November 30, 2000**

	<u>Book Value</u>	<u>Market Value</u>
Long Term Securities		
Debt Securities		
US Government Obligations		
Direct Treasuries		
Guaranteed Mortgage Backed	0	0
Guaranteed Other	0	0
Total US governmental Obligations	0	0
US Government Agencies (Non- Gtd.)		
Mortgage Backed	0	0
Other	0	0
Total US Gov't Agencies (Non- Gtd.)	0	0
Foreign Government Obligations	0	0
Municipal and County Bonds		
Corporate Bonds		
Other	0	0
Total Debt Securities	0	0
Equity Securities		
Common Stock and Other Equities	0	0
Index Funds	0	0
Mutual Funds	0	0
Other - Partnerships	0	0
Total Equity Securities	0	0
Short Term Securities		
US Government (Direct & Guaranteed)		
US Government Agencies (Non-Gtd.)	0	0
Corporate Bonds	0	0
TexPool	0	0
Other - Municipal and County Bonds		
Total Short Term Securities	0	0
Cash and Cash Equivalents		
Cash Held at State Treasury	0	0
Money Markets	12,860,710	12,860,710
Commercial Paper	0	0
Total Cash and Cash Equivalents	0	0
Total Investments	\$ 12,860,710	\$ 12,860,710

Total Rate of Return (quarter ending 11/30/00)

1.6%

University of Houston Clear Lake
Consolidated Revenue Refunding Bonds, Series 1998 Project Fund
Statement of Changes in Investment Assets
Quarter Ended November 30, 2000

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - September 1, 2000	\$ 407,269	\$ 400,039
Receipts/Contributions		
Investment Income	290	290
Distributions	(25)	(25)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		(912)
	<hr/>	<hr/>
Ending Investment Assets - November 30, 2000	<u>\$ 407,534</u>	<u>\$ 399,392</u>

University of Houston Clear Lake
Consolidated Revenue Refunding Bonds, Series 1998 Project Fund
Summary of Investments
At November 30, 2000

	<u>Book Value</u>	<u>Market Value</u>
Long Term Securities		
Debt Securities		
US Government Obligations		
Direct Treasuries		
Guaranteed Mortgage Backed	0	0
Guaranteed Other	0	0
Total US governmental Obligations	0	0
US Government Agencies (Non- Gtd.)		
Mortgage Backed	0	0
Other	0	0
Total US Gov't Agencies (Non- Gtd.)	0	0
Foreign Government Obligations	0	0
Municipal and County Bonds	0	0
Corporate Bonds	0	0
Other	0	0
Total Debt Securities	0	0
Equity Securities		
Common Stock and Other Equities	0	0
Index Funds	0	0
Mutual Funds	0	0
Other - Partnerships	0	0
Total Equity Securities	0	0
Short Term Securities		
US Government (Direct & Guaranteed)	377,476	369,334
US Government Agencies (Non-Gtd.)	0	0
Corporate Bonds	0	0
TexPool	0	0
Other	0	0
Total Short Term Securities	377,476	369,334
Cash and Cash Equivalents		
Cash Held at State Treasury	0	0
Money Markets	30,058	30,058
Commercial Paper	0	0
Total Cash and Cash Equivalents	30,058	30,058
Total Investments	\$ 407,534	\$ 399,392

Total Rate of Return (quarter ending 11/30/00)

-0.2%

University of Houston Downtown
Non-Endowed Pooled Funds
Statement of Changes in Investment Assets
Quarter Ended November 30, 2000

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - September 1, 2000	\$ 9,538,564	\$ 9,538,564
Receipts/Contributions	3,675,000	3,675,000
Investment Income	158,601	158,601
Distributions	(3,100,000)	(3,100,000)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	<hr/>	<hr/>
Ending Investment Assets - November 30, 2000	<u>\$ 10,272,165</u>	<u>\$ 10,272,165</u>

**University of Houston Downtown
Non-Endowed Pooled Funds
Summary of Investments
At November 30, 2000**

	<u>Book Value</u>	<u>Market Value</u>
Long Term Securities		
Debt Securities		
US Government Obligations		
Direct Treasuries		
Guaranteed Mortgage Backed	0	0
Guaranteed Other	0	0
Total US governmental Obligations	0	0
US Government Agencies (Non- Gtd.)		
Mortgage Backed	0	0
Other	0	0
Total US Gov't Agencies (Non- Gtd.)	0	0
Foreign Government Obligations	0	0
Municipal and County Bonds		
Corporate Bonds		
Other	0	0
Total Debt Securities	0	0
Equity Securities		
Common Stock and Other Equities	0	0
Index Funds	0	0
Mutual Funds	0	0
Other - Partnerships	0	0
Total Equity Securities	0	0
Short Term Securities		
US Government (Direct & Guaranteed)		
US Government Agencies (Non-Gtd.)	0	0
Corporate Bonds	0	0
TexPool	0	0
Other - Municipal and County Bonds		
Total Short Term Securities	0	0
Cash and Cash Equivalents		
Cash Held at State Treasury	0	0
Money Markets	10,272,165	10,272,165
Commercial Paper	0	0
Total Cash and Cash Equivalents	10,272,165	10,272,165
Total Investments	\$ 10,272,165	\$ 10,272,165

Total Rate of Return (quarter ending 11/30/00)

1.6%

**University of Houston Victoria
Non-Endowed Pooled Funds
Statement of Changes in Investment Assets
Quarter Ended November 30, 2000**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - September 1, 2000	\$ 2,359,902	\$ 2,359,902
Receipts/Contributions	850,000	850,000
Investment Income	32,411	32,411
Distributions	(1,200,000)	(1,200,000)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	<hr/>	<hr/>
Ending Investment Assets - November 30, 2000	<u><u>\$ 2,042,313</u></u>	<u><u>\$ 2,042,313</u></u>

**University of Houston Victoria
Non-Endowed Pooled Funds
Summary of Investments
At November 30, 2000**

	<u>Book Value</u>	<u>Market Value</u>
Long Term Securities		
Debt Securities		
US Government Obligations		
Direct Treasuries	0	0
Guaranteed Mortgage Backed	0	0
Guaranteed Other	0	0
Total US governmental Obligations	0	0
US Government Agencies (Non- Gtd.)		
Mortgage Backed	0	0
Other	0	0
Total US Gov't Agencies (Non- Gtd.)	0	0
Foreign Government Obligations	0	0
Municipal and County Bonds	0	0
Corporate Bonds	0	0
Other	0	0
Total Debt Securities	0	0
Equity Securities		
Common Stock and Other Equities	0	0
Index Funds	0	0
Mutual Funds	0	0
Other - Partnerships	0	0
Total Equity Securities	0	0
Short Term Securities		
US Government (Direct & Guaranteed)	0	0
US Government Agencies (Non-Gtd.)	0	0
Corporate Bonds	0	0
TexPool	0	0
Other	0	0
Total Short Term Securities	0	0
Cash and Cash Equivalents		
Cash Held at State Treasury	0	0
Money Markets	2,042,313	2,042,313
Commercial Paper	0	0
Total Cash and Cash Equivalents	2,042,313	2,042,313
Total Investments	\$ 2,042,313	\$ 2,042,313

Total Rate of Return (quarter ending 11/30/00)

1.6%