

University of Houston System

Investment Report

Third Quarter Report

FY 2001

March, 2001 – May, 2001

University of Houston System

Investment Report

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**University of Houston System Endowment Fund
Summary of Investments
At May 31, 2001**

	<u>Book Value</u>	<u>Market Value</u>
Long Term Securities		
Debt Securities		
US Government Obligations		
Direct Treasuries	\$ 10,065,629	\$ 10,053,857
Guaranteed Mortgage Backed	0	0
Guaranteed Other	0	0
Total US governmental Obligations	10,065,629	10,053,857
US Government Agencies (Non- Gtd.)		
Mortgage Backed	9,319,427	9,280,180
Other	7,388,801	7,404,603
Total US Gov't Agencies (Non- Gtd.)	16,708,228	16,684,783
Foreign Government Obligations	0	0
Dollar Denominated		
Municipal and County Bonds		
Corporate Bonds	48,168,437	48,616,209
Other	1,470,060	1,552,262
Total Debt Securities	76,412,354	76,907,111
Equity Securities		
Common Stock and Other Equities	147,024,929	285,545,378
Preferred Stock	16	16
Index Funds	46,366,470	38,572,271
Mutual Funds	14,953,289	25,240,327
Other - Partnerships	6,736,496	5,266,354
Total Equity Securities	215,081,200	354,624,346
Short Term Securities		
US Government (Direct & Guaranteed)	2,771,000	2,749,790
US Government Agencies (Non-Gtd.)	995,065	1,011,410
Corporate Bonds	180,575	181,510
TexPool		
Other - Municipal Bonds		
Total Short Term Securities	3,946,640	3,942,710
Cash and Cash Equivalents		
Cash Held at State Treasury	0	0
Money Markets	11,627,999	11,627,999
Commercial Paper		
Total Cash and Cash Equivalents	11,627,999	11,627,999
Land	1,316,000	1,293,600
Total Investments*	\$ 308,384,193	\$ 448,395,766

*MV does not include \$1,725,515 in accrued income

Total Rate of Return (quarter ending 5/31/01)

0.2%

**University of Houston System
Consolidated Non-Endowed Pooled Funds
Statement of Changes in Investment Assets
Quarter Ended May 31, 2001**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - March 1, 2001	\$ 93,666,090	\$ 96,410,563
Receipts/Contributions		
Investment Income	2,148,658	2,148,658
Distributions		
Net Realized Gains (Losses)	427,823	427,823
Changes in Net Unrealized Appreciation (Depreciation)		<u>(757,636)</u>
Ending Investment Assets - May 31, 2001	<u>\$ 96,242,571</u>	<u>\$ 98,229,408</u>

**University of Houston System
Consolidated Non-Endowed Pooled Funds
Summary of Investments
At May 31, 2001**

	<u>Book Value</u>	<u>Market Value</u>
Long Term Securities		
Debt Securities		
US Government Obligations		
Direct Treasuries	\$ 46,733,370	\$ 46,987,388
Guaranteed Mortgage Backed	0	0
Guaranteed Other	0	0
Total US governmental Obligations	46,733,370	46,987,388
US Government Agencies (Non- Gtd.)		
Mortgage Backed	2,819,676	2,648,500
Other	15,537,806	16,117,176
Total US Gov't Agencies (Non- Gtd.)	18,357,482	18,765,676
Foreign Government Obligations	0	0
Municipal and County Bonds	4,115,599	4,252,847
Corporate Bonds	22,886,310	23,932,002
Other	2,856,673	3,003,270
Total Debt Securities	94,949,434	96,941,183
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.)	58,351	53,439
Corporate Bonds	0	0
TexPool	0	0
Other - Municipal and County Bonds	0	0
Total Short Term Securities	58,351	53,439
Cash and Cash Equivalents		
Cash Held at State Treasury	0	0
Money Markets	1,234,786	1,234,786
Commercial Paper	0	0
Total Cash and Cash Equivalents	1,234,786	1,234,786
Total Investments	\$ 96,242,571	\$ 98,229,408

Total Rate of Return (quarter ending 5/31/01)

1.2%

**University of Houston System
Consolidated Revenue Bonds, Series 1999 Project Fund
Statement of Changes in Investment Assets
Quarter Ended May 31, 2001**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - March 1, 2001	\$ 13,946,506	\$ 13,946,506
Receipts/Contributions		
Investment Income	338,457	338,457
Distributions	(1,961,991)	(1,961,991)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	<hr/>	<hr/>
Ending Investment Assets - May 31, 2001	<u>\$ 12,322,972</u>	<u>\$ 12,322,972</u>

**University of Houston System
Consolidated Revenue Bonds, Series 1999 Project Fund
Summary of Investments
At May 31, 2001**

	<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	12,322,972	12,322,972
Total Debt Securities	12,322,972	12,322,972
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	\$ 12,322,972	\$ 12,322,972

Total Rate of Return (quarter ending 5/31/01)

1.2%

University of Houston System
Consolidated Revenue Bonds, Series 2000 Project Fund
Statement of Changes in Investment Assets
Quarter Ended May 31, 2001

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - March 1, 2001	\$49,727,107	\$49,727,107
Receipts/Contributions		
Investment Income		
Distributions	(746,735)	(746,735)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)	_____	_____
Ending Investment Assets - May 31, 2001	<u><u>\$48,980,372</u></u>	<u><u>\$48,980,372</u></u>

University of Houston System
Consolidated Revenue Bonds, Series 2000 Project Fund
Summary of Investments
At May 31, 2001

	<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	48,980,372	48,980,372
Total Debt Securities	48,980,372	48,980,372
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	\$ 48,980,372	\$ 48,980,372

Total Rate of Return (quarter ending 5/31/01)

1.6%

**University of Houston System Administration
Non-Endowed Pooled Funds
Statement of Changes in Investment Assets
Quarter Ended May 31, 2001**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - March 1, 2001	\$ 29,131,483	\$ 29,131,483
Receipts/Contributions	30,625,034	30,625,034
Investment Income	374,981	374,981
Distributions	(31,377,267)	(31,377,267)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	<hr/>	<hr/>
Ending Investment Assets - May 31, 2001	<u><u>\$ 28,754,231</u></u>	<u><u>\$ 28,754,231</u></u>

**University of Houston System Administration
Non-Endowed Pooled Funds
Summary of Investments
At May 31, 2001**

	<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	28,754,231	28,754,231
Commercial Paper	0	0
Total Cash and Cash Equivalents	28,754,231	28,754,231
Total Investments	\$ 28,754,231	\$ 28,754,231

Total Rate of Return (quarter ending 5/31/01)

1.3%

University of Houston
Non-Endowed Pooled Funds
Statement of Changes in Investment Assets
Quarter Ended May 31, 2001

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - March 1, 2001	\$ 30,133,168	\$ 30,133,168
Receipts/Contributions	23,900,000	23,900,000
Investment Income	418,276	418,276
Distributions	(22,231,616)	(22,231,616)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	<hr/>	<hr/>
Ending Investment Assets - May 31, 2001	<u><u>\$ 32,219,828</u></u>	<u><u>\$ 32,219,828</u></u>

**University of Houston
Non-Endowed Pooled Funds
Summary of Investments
At May 31, 2001**

	<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	32,219,828	32,219,828
Commercial Paper	0	0
Total Cash and Cash Equivalents	32,219,828	32,219,828
Total Investments	\$ 32,219,828	\$ 32,219,828

Total Rate of Return (quarter ending 5/31/01)

1.3%

University of Houston
Consolidated Revenue Bonds, Series 1998 Project Fund
Statement of Changes in Investment Assets
Quarter Ended May 31, 2001

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - March 1, 2001	\$ 48,121	\$ 48,121
Receipts/Contributions		
Investment Income	622	622
Distributions		
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	<hr/>	<hr/>
Ending Investment Assets - May 31, 2001	<u>\$ 48,743</u>	<u>\$ 48,743</u>

University of Houston
Consolidated Revenue Bonds, Series 1998 Project Fund
Summary of Investments
At May 31, 2001

	<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	48,743	48,743
Commercial Paper	0	0
Total Cash and Cash Equivalents	48,743	48,743
Total Investments	\$ 48,743	\$ 48,743

Total Rate of Return (quarter ending 5/31/01)

1.3%

University of Houston Clear Lake
Non-Endowed Pooled Funds
Statement of Changes in Investment Assets
Quarter Ended May 31, 2001

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - March 1, 2001	\$ 11,008,862	\$ 11,008,862
Receipts/Contributions	4,400,000	4,400,000
Investment Income	139,333	139,333
Distributions	(4,953,430)	(4,953,430)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	_____	_____
Ending Investment Assets - May 31, 2001	<u><u>\$ 10,594,765</u></u>	<u><u>\$ 10,594,765</u></u>

**University of Houston Clear Lake
Non-Endowed Pooled Funds
Summary of Investments
At May 31, 2001**

	<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	10,594,765	10,594,765
Commercial Paper	0	0
Total Cash and Cash Equivalents	0	0
Total Investments	\$ 10,594,765	\$ 10,594,765

Total Rate of Return (quarter ending 5/31/01)

1.3%

**University of Houston Clear Lake
Consolidated Revenue Refunding Bonds, Series 1998 Project Fund
Statement of Changes in Investment Assets
Quarter Ended May 31, 2001**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - March 1, 2001	\$ 422,171	\$ 414,827
Receipts/Contributions		
Investment Income	359	359
Distributions	(36)	(36)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		(1,939)
	<hr/>	<hr/>
Ending Investment Assets - May 31, 2001	<u>\$ 422,494</u>	<u>\$ 413,211</u>

University of Houston Clear Lake
Consolidated Revenue Refunding Bonds, Series 1998 Project Fund
Summary of Investments
At May 31, 2001

	<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)	377,477	368,194
US Government Agencies (Non-Gtd.)	0	0
Corporate Bonds	0	0
TexPool	0	0
Other	0	0
Total Short Term Securities	377,477	368,194
Cash and Cash Equivalents		
Cash Held at State Treasury	0	0
Money Markets	45,017	45,017
Commercial Paper	0	0
Total Cash and Cash Equivalents	45,017	45,017
Total Investments	\$ 422,494	\$ 413,211

Total Rate of Return (quarter ending 5/31/01)

-0.4%

University of Houston Downtown
Non-Endowed Pooled Funds
Statement of Changes in Investment Assets
Quarter Ended May 31, 2001

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - March 1, 2001	\$ 11,938,338	\$ 11,938,338
Receipts/Contributions	3,150,000	3,150,000
Investment Income	137,721	137,721
Distributions	(2,901,203)	(2,901,203)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	<hr/>	<hr/>
Ending Investment Assets - May 31, 2001	<u>\$ 12,324,856</u>	<u>\$ 12,324,856</u>

**University of Houston Downtown
Non-Endowed Pooled Funds
Summary of Investments
At May 31, 2001**

	<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	12,324,856	12,324,856
Commercial Paper	0	0
Total Cash and Cash Equivalents	12,324,856	12,324,856
Total Investments	\$ 12,324,856	\$ 12,324,856

Total Rate of Return (quarter ending 5/31/01)

1.3%

**University of Houston Victoria
Non-Endowed Pooled Funds
Statement of Changes in Investment Assets
Quarter Ended May 31, 2001**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - March 1, 2001	\$ 2,327,695	\$ 2,327,695
Receipts/Contributions	950,000	950,000
Investment Income	28,569	28,569
Distributions	(400,100)	(400,100)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	<hr/>	<hr/>
Ending Investment Assets - May 31, 2001	<u><u>\$ 2,906,164</u></u>	<u><u>\$ 2,906,164</u></u>

**University of Houston Victoria
Non-Endowed Pooled Funds
Summary of Investments
At May 31, 2001**

	<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	2,906,164	2,906,164
Commercial Paper	0	0
Total Cash and Cash Equivalents	2,906,164	2,906,164
Total Investments	\$ 2,906,164	\$ 2,906,164

Total Rate of Return (quarter ending 5/31/01)

1.3%