

University of Houston System

Investment Report

Fourth Quarter Report

FY 2006

June, 2006 – August, 2006

Investment questions should be directed to:
Raymond S. Bartlett, Treasurer
Phone: 713-743-8781
Fax: 713-743-8795
rbartlett@uh.edu
Mail Code: TREAS 2009
Building: Ezekiel W. Cullen Building, Room 2
P.O. Box 988
Houston, Texas 77001-0988

University of Houston System

Investment Report

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**University of Houston System Endowment Fund
Statement of Changes in Investment Assets
Quarter Ended August 31, 2006**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - June 1, 2006	\$ 364,138,645	\$ 455,809,421
Adjustments	\$ 38,730,765	
Receipts/Contributions	5,544,903	5,544,903
Investment Income	1,027,112	1,027,112
Distributions	(302,395)	(302,395)
Net Realized Gains (Losses)	2,028,351	2,028,351
Changes in Net Unrealized Appreciation (Depreciation)	_____	_____
Ending Investment Assets - August 31, 2006	<u><u>\$ 411,167,382</u></u>	<u><u>\$ 470,351,709</u></u>

**University of Houston System Endowment Fund
Summary of Investments
At August 31, 2006**

	<u>Book Value</u>	<u>Market Value</u>
Long Term Securities		
Debt Securities		
US Government Obligations		
Direct Treasuries	\$ 3,715,620	\$ 3,694,977
Guaranteed Mortgage Backed	42,249	41,963
Guaranteed Other		
Total US governmental Obligations	<hr/> 3,757,870	<hr/> 3,736,941
US Government Agencies (Non- Gtd.)		
Mortgage Backed	2,478,741	2,428,322
Other	5,703,149	5,666,409
Total US Gov't Agencies (Non- Gtd.)	<hr/> 8,181,890	<hr/> 8,094,731
Foreign Government Obligations		
Dollar Denominated		
Municipal and County Bonds		
Corporate Bonds	6,560,358	6,498,547
Mutual Funds	57,019,499	55,619,781
Other (asset backed securities, etc.)	8,796,178	8,658,920
Total Debt Securities	<hr/> 84,315,794	<hr/> 82,608,919
Equity Securities		
Common Stock and Other Equities	62,340,952	80,593,997
Preferred Stock	16	16
Index Funds		
Mutual Funds	235,118,816	278,694,274
Other - Alternative Investments	4,815,455	1,205,525
Total Equity Securities	<hr/> 302,275,240	<hr/> 360,493,812
Short Term Securities		
US Government (Direct & Guaranteed)		
US Government Agencies (Non-Gtd.)		
Corporate Bonds	529,441	522,072
TexPool		
Other - Municipal Bonds		
Total Short Term Securities	<hr/> 529,441	<hr/> 522,072
Cash and Cash Equivalents		
Cash Held at State Treasury		
Money Markets	22,365,370	22,365,370
Commercial Paper		
Total Cash and Cash Equivalents	<hr/> 22,365,370	<hr/> 22,365,370
Land	<hr/> 1,290,100	<hr/> 3,970,100
Total Investments	410,775,946	469,960,273
Accrued Income	<hr/> 391,436	<hr/> 391,436
Total Assets	<hr/> \$ 411,167,382	<hr/> \$ 470,351,709

Total Rate of Return (quarter ending 08/31/06)

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2.1%

**University of Houston System
Consolidated Non-Endowed Pooled Funds
Statement of Changes in Investment Assets
Quarter Ended August 31, 2006**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - June 1, 2006	\$ 121,417,937	\$ 119,161,596
Receipts/Contributions		
Investment Income	1,369,778	1,369,778
Distributions		
Net Realized Gains (Losses)	(141,707)	(141,707)
Changes in Net Unrealized Appreciation (Depreciation)	<u>1,140,672</u>	<u>1,140,672</u>
Ending Investment Assets - August 31, 2006	<u>\$ 122,646,008</u>	<u>\$ 121,530,339</u>

**University of Houston System
Consolidated Non-Endowed Pooled Funds
Summary of Investments
At August 31, 2006**

	<u>Book Value</u>	<u>Market Value</u>
Long Term Securities		
Debt Securities		
US Government Obligations		
Direct Treasuries	22,602,828	22,671,437
Guaranteed Mortgage Backed		
Guaranteed Other		
Total US governmental Obligations	22,602,828	22,671,437
US Government Agencies (Non- Gtd.)		
Mortgage Backed		
Other	45,571,485	45,020,146
Total US Gov't Agencies (Non- Gtd.)	45,571,485	45,020,146
Foreign Government Obligations		
Municipal and County Bonds	5,085,152	5,051,613
Corporate Bonds	35,909,405	35,322,401
Other	4,844,432	4,870,716
Total Debt Securities	114,013,303	112,936,313
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.)	1,098,754	1,089,341
Corporate Bonds	2,153,674	2,124,407
TexPool		
Other - Municipal and County Bonds		
Total Short Term Securities	3,252,427	3,213,748
Cash and Cash Equivalents		
Cash Held at State Treasury	0	0
Money Markets	4,103,618	4,103,618
Commercial Paper		
Total Cash and Cash Equivalents	4,103,618	4,103,618
Total Investments	\$ 121,369,348	\$ 120,253,678
Accrued Interest	1,276,661	1,276,661
Total Assets	\$ 122,646,008	\$ 121,530,339

Total Rate of Return (quarter ending 08/31/06)

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2.0%

**University of Houston System
Consolidated Revenue Bonds, Series 1999 Project Fund
Statement of Changes in Investment Assets
Quarter Ended August 31, 2006**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - June 1, 2006	\$ 1,001,343	\$ 1,001,343
Receipts/Contributions		
Investment Income	12,974	12,974
Distributions	(345,239)	(345,239)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	_____	_____
Ending Investment Assets - August 31, 2006	<u>\$ 669,079</u>	<u>\$ 669,079</u>

Major Projects Funded:

UH	Fine Arts building, Police building, Library, and other infrastructure	\$ 12,000,000
UHD	Property acquisition and infrastructure improvements	7,500,000
UHV	Construction of Academic building	10,350,000
UHV	Construction of Academic building at Fort Bend	3,500,000
	Total Bond Issue	<u>\$ 33,350,000</u>

**University of Houston System
Consolidated Revenue Bonds, Series 1999 Project Fund
Summary of Investments
At August 31, 2006**

	<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	669,079	669,079
Commercial Paper	0	0
Total Cash and Cash Equivalents	669,079	669,079
Total Investments	\$ 669,079	\$ 669,079

Total Rate of Return (quarter ending 08/31/06)

1.2%

**University of Houston System
Consolidated Revenue Bonds, Series 2002A Project Fund
Statement of Changes in Investment Assets
Quarter Ended August 31, 2006**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - June 1, 2006	\$ 13,502,455	\$ 13,502,455
Receipts/Contributions		
Investment Income	174,375	174,375
Distributions	(921,943)	(921,943)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)	_____	_____
Ending Investment Assets - August 31, 2006	<u>\$ 12,754,886</u>	<u>\$ 12,754,886</u>

Major Projects Funded:

UH	Construction of Science & Engineering building	\$ 51,000,000
UH	Renovation and expansion of M.D. Anderson Library	\$ 23,000,000
UHD	Construction of Academic building	18,232,000
UHCL	Construction of Academic building & student service facilities	35,918,000
UHV	Acquisition & renovation of facilities	2,805,000
	Total Bond Issue	<u>\$ 130,955,000</u>

University of Houston System
Consolidated Revenue Bonds, Series 2002A Project Fund
Summary of Investments
At August 31, 2006

	<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	12,754,886	12,754,886
Other	0	0
Total Short Term Securities	12,754,886	12,754,886
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	\$ 12,754,886	\$ 12,754,886

Total Rate of Return (quarter ending 08/31/06)

1.3%

**University of Houston System Administration
 Non-Endowed Pooled Funds
 Statement of Changes in Investment Assets
 Quarter Ended August 31, 2006**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - June 1, 2006	\$ 14,553,854	\$ 14,553,854
Receipts/Contributions	35,300,000	35,300,000
Investment Income	143,417	143,417
Distributions	(42,653,066)	(42,653,066)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)	_____	_____
Ending Investment Assets - August 31, 2006	<u><u>\$ 7,344,205</u></u>	<u><u>\$ 7,344,205</u></u>

**University of Houston System Administration
Non-Endowed Pooled Funds
Summary of Investments
At August 31, 2006**

	<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	7,344,205	7,344,205
Commercial Paper		
Total Cash and Cash Equivalents	7,344,205	7,344,205
Total Investments	\$ 7,344,205	\$ 7,344,205

Total Rate of Return (quarter ending 08/31/06)

1.2%

University of Houston
Non-Endowed Pooled Funds
Statement of Changes in Investment Assets
Quarter Ended August 31, 2006

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - June 1, 2006	\$ 41,667,015	\$ 41,667,015
Receipts/Contributions	104,350,000	104,350,000
Investment Income	617,011	617,011
Distributions	(71,839,460)	(71,839,460)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	_____	_____
Ending Investment Assets - August 31, 2006	<u><u>\$ 74,794,566</u></u>	<u><u>\$ 74,794,566</u></u>

**University of Houston
Non-Endowed Pooled Funds
Summary of Investments
At August 31, 2006**

	<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	74,794,566	74,794,566
Commercial Paper	0	0
Total Cash and Cash Equivalents	74,794,566	74,794,566
Total Investments	\$ 74,794,566	\$ 74,794,566

Total Rate of Return (quarter ending 08/31/06)

1.2%

**University of Houston System
Consolidated Revenue Bonds, Series 2000 Project Fund
Statement of Changes in Investment Assets
Quarter Ended August 31, 2006**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - June 1, 2006	\$ 497,285	\$ 497,285
Receipts/Contributions	6,125	6,125
Investment Income	5,769	5,769
Distributions	(14,004)	(14,004)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	_____	_____
Ending Investment Assets - August 31, 2006	<u><u>\$ 495,174</u></u>	<u><u>\$ 495,174</u></u>

Major Projects Funded:

UH	Construction of Student Recreation Center at UH	<u>\$ 52,070,000</u>
	Total Bond Issue	<u><u>\$ 52,070,000</u></u>

University of Houston System
Consolidated Revenue Bonds, Series 2000 Project Fund
Summary of Investments
At August 31, 2006

	<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	495,174	495,174
Commercial Paper	0	0
Total Cash and Cash Equivalents	495,174	495,174
Total Investments	\$ 495,174	\$ 495,174

Total Rate of Return (quarter ending 08/31/06)

1.2%

University of Houston System
Consolidated Revenue Variable Rate Demand Bonds, Series 2004 Project Fund
Statement of Changes in Investment Assets
Quarter Ended August 31, 2006

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - June 1, 2006	\$ 1,406,750	\$ 1,406,750
Receipts/Contributions		
Investment Income	17,264	17,264
Distributions	(238,522)	(238,522)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)	_____	_____
Ending Investment Assets - August 31, 2006	<u><u>\$ 1,185,492</u></u>	<u><u>\$ 1,185,492</u></u>

Major Projects Funded:

UH	Offset costs of recovery from Tropical Storm Allison at UH	\$ 25,000,000
	Total Bond Issue	<u><u>\$ 25,000,000</u></u>

University of Houston System
Consolidated Revenue Variable Rate Demand Bonds, Series 2004 Project Fund
Summary of Investments
At August 31, 2006

	<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	1,185,492	1,185,492
Other	0	0
Total Short Term Securities	1,185,492	1,185,492
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	\$ 1,185,492	\$ 1,185,492
Total Rate of Return (quarter ending 08/31/06)		1.3%

**University of Houston System
Consolidated Revenue Bonds, Series 2005 Project Fund
Statement of Changes in Investment Assets
Quarter Ended August 31, 2006**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - June 1, 2006	\$ 5,351,952	\$ 5,351,952
Receipts/Contributions		
Investment Income	41,609	41,609
Distributions	(3,976,788)	(3,976,788)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	_____	_____
Ending Investment Assets - August 31, 2006	<u><u>\$ 1,416,773</u></u>	<u><u>\$ 1,416,773</u></u>

Major Projects Funded:

UH	Construction of a parking garage (with retail/student service space) at UH	<u>\$ 25,800,000</u>
	Total Bond Issue	<u><u>\$ 25,800,000</u></u>

University of Houston System
Consolidated Revenue Bonds, Series 2005 Project Fund
Summary of Investments
At August 31, 2006

	<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	1,416,773	1,416,773
Other	0	0
Total Short Term Securities	1,416,773	1,416,773
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	\$ 1,416,773	\$ 1,416,773
Total Rate of Return (quarter ending 08/31/06)		1.3%

**University of Houston Clear Lake
Non-Endowed Pooled Funds
Statement of Changes in Investment Assets
Quarter Ended August 31, 2006**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - June 1, 2006	\$ 18,849,825	\$ 18,849,825
Receipts/Contributions	15,650,000	15,650,000
Investment Income	239,937	239,937
Distributions	(12,904,438)	(12,904,438)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	<hr/>	<hr/>
Ending Investment Assets - August 31, 2006	<u>\$ 21,835,324</u>	<u>\$ 21,835,324</u>

**University of Houston Clear Lake
Non-Endowed Pooled Funds
Summary of Investments
At August 31, 2006**

	<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	21,835,324	21,835,324
Commercial Paper	0	0
Total Cash and Cash Equivalents	21,835,324	21,835,324
Total Investments	\$ 21,835,324	\$ 21,835,324

Total Rate of Return (quarter ending 08/31/06)

1.2%

**University of Houston Downtown
 Non-Endowed Pooled Funds
 Statement of Changes in Investment Assets
 Quarter Ended August 31, 2006**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - June 1, 2006	\$ 17,187,454	\$ 17,187,454
Receipts/Contributions	14,600,000	14,600,000
Investment Income	240,311	240,311
Distributions	(7,151,803)	(7,151,803)
Unreconciled adjustment		
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	_____	_____
Ending Investment Assets - August 31, 2006	<u><u>\$ 24,875,962</u></u>	<u><u>\$ 24,875,962</u></u>

**University of Houston Downtown
Non-Endowed Pooled Funds
Summary of Investments
At August 31, 2006**

	<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	24,875,962	24,875,962
Commercial Paper	0	0
Total Cash and Cash Equivalents	24,875,962	24,875,962
Total Investments	\$ 24,875,962	\$ 24,875,962

Total Rate of Return (quarter ending 08/31/06)

1.2%

**University of Houston System
Consolidated Revenue & Refunding Bonds, Series 2006 Project Fund
Statement of Changes in Investment Assets
Quarter Ended August 31, 2006**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - June 1, 2006	\$ 34,185,748	\$ 34,185,748
Receipts/Contributions		
Investment Income	370,360	370,360
Distributions	(5,115,166)	(5,115,166)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	_____	_____
Ending Investment Assets - August 31, 2006	\$ 29,440,942	\$ 29,440,942

Major Projects Funded:

UHD	Construct an academic building and parking structure	\$ 35,140,000
		\$ 35,140,000

University of Houston System
Consolidated Revenue & Refunding Bonds, Series 2006 Project Fund
Summary of Investments
At August 31, 2006

	<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	29,440,942	29,440,942
Total Debt Securities	29,440,942	29,440,942
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	\$ 29,440,942	\$ 29,440,942
Total Rate of Return (quarter ending 08/31/06)		1.1%

**University of Houston Victoria
Non-Endowed Pooled Funds
Statement of Changes in Investment Assets
Quarter Ended August 31, 2006**

	<u>Book Value</u>	<u>Market Value</u>
Beginning Investment Assets - June 1, 2006	\$ 7,172,821	\$ 7,172,821
Receipts/Contributions	4,650,000	4,650,000
Investment Income	92,425	92,425
Distributions	(3,850,330)	(3,850,330)
Net Realized Gains (Losses)		
Changes in Net Unrealized Appreciation (Depreciation)		
	<hr/>	<hr/>
Ending Investment Assets - August 31, 2006	<u>\$ 8,064,916</u>	<u>\$ 8,064,916</u>

**University of Houston Victoria
Non-Endowed Pooled Funds
Summary of Investments
At August 31, 2006**

	<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	8,064,916	8,064,916
Commercial Paper	0	0
Total Cash and Cash Equivalents	8,064,916	8,064,916
Total Investments	\$ 8,064,916	\$ 8,064,916

Total Rate of Return (quarter ending 08/31/06)

1.2%