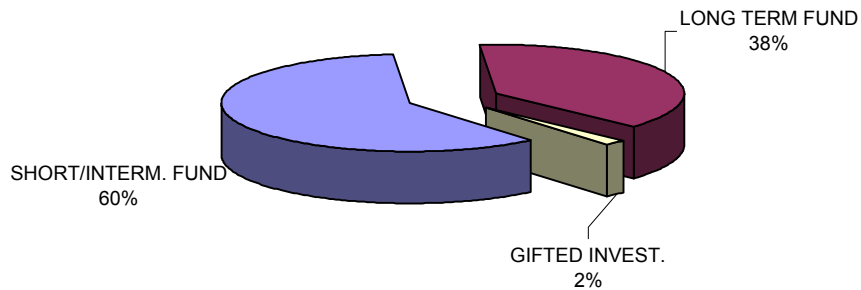


**TEXAS TECH UNIVERSITY SYSTEM
MANAGED INVESTMENTS
YEAR ENDED February 28, 2003**

FUND	February 28, 2003 BOOK VALUE	February 28, 2003 MARKET VALUE	ONE YEAR RETURN *
SHORT/INTERMEDIATE TERM FUND (Yield of 3.66%)	\$ 386,266,654.64	\$ 388,090,623.40	4.02%
LONG TERM INVESTMENT FUND	\$ 272,396,437.83	\$ 250,180,743.23	(11.00%)
GIFTED INVESTMENTS MANAGED BY OTHERS	\$ 13,005,065.06	\$ 12,779,520.81	(2.32%)
TOTAL	\$ 671,668,157.53	\$ 651,050,887.44	

* Short/Intermediate Term Investment Fund uses a "hold-to-maturity" investment concept. Its intent is to hold all investments to maturity. There were no realized gains or losses during the period. Unrealized gains or losses are not considered in the earnings performance. The total return calculation is for informational purposes only.

INVESTMENT ALLOCATIONS



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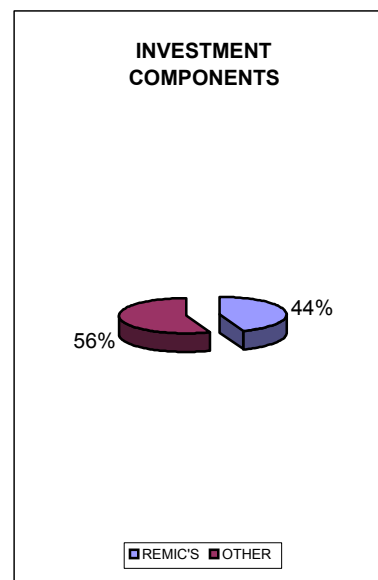
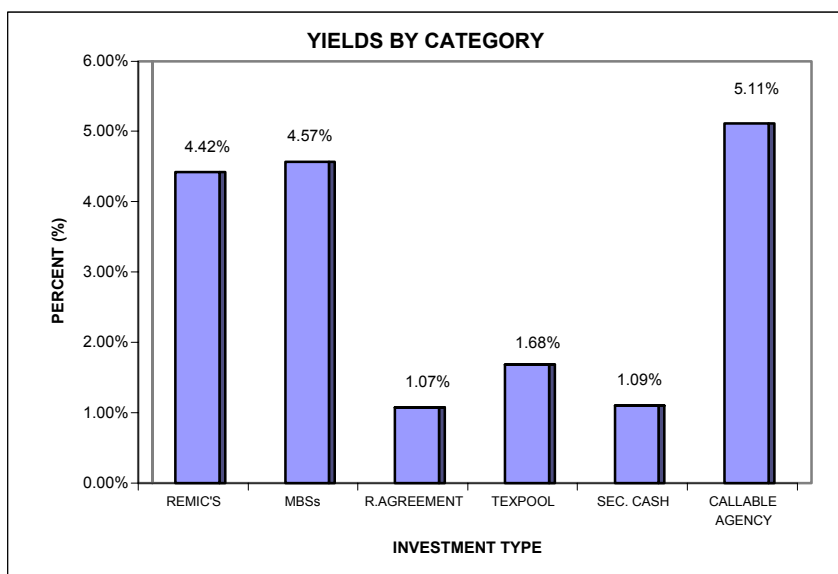
SHORT/INTERMEDIATE TERM INVESTMENT FUND
TEXAS TECH UNIVERSITY SYSTEM
AS OF February 28, 2003

INVESTMENT TYPE	BOOKVALUE 02/28/03	% OF TOTAL	MARKET VALUE 02/28/03	Year ended YIELD	Year ended RETURN
PRIMARY DEPOSITORY CASH:					
AMERICAN STATE BANK REPURCHASE AGREEMENT	\$33,353,713	8.63%	\$33,353,713	1.07%	1.07%
SECONDARY DEPOSITORY CASH	\$0	0.00%	\$0	1.09%	1.09%
TEXPOOL	\$70,066,671	18.14%	\$70,066,671	1.68%	1.68%
CALLABLE AGENCY SECURITIES	\$50,930,142	13.19%	\$51,137,810	5.11%	5.37%
MBSs	\$61,028,569	15.80%	\$62,250,337	4.57%	4.92%
REAL ESTATE MORTGAGE INVESTMENT CONDUITS (REMICs):					
FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA)	\$64,526,922	16.71%	\$64,661,392		
FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC)	\$98,825,628	25.58%	\$98,874,100		
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA)	\$7,535,008	1.95%	\$7,746,600		
TOTAL REMIC'S	\$170,887,559	44.24%	\$171,282,092	4.42%	5.07%
TOTAL LOCAL CASH INVESTMENT POOL	\$386,266,655	100.00%	\$388,090,623	3.66%	4.02%

* Short/Intermediate Term Fund uses a "hold-to-maturity" investment concept. Its intent is to hold all investments to maturity. There were no realized gains or losses during the period. Unrealized gains or losses are not considered in the earnings performance. The total return calculation is for informational purposes only.

PERFORMANCE BENCHMARKS:

LEHMAN BROTHERS INTER. TERM U.S. TREASURY INDEX	2.10%	8.94%
LEHMAN BROTHERS INTER. TERM GOVERNMENT INDEX	2.25%	9.25%

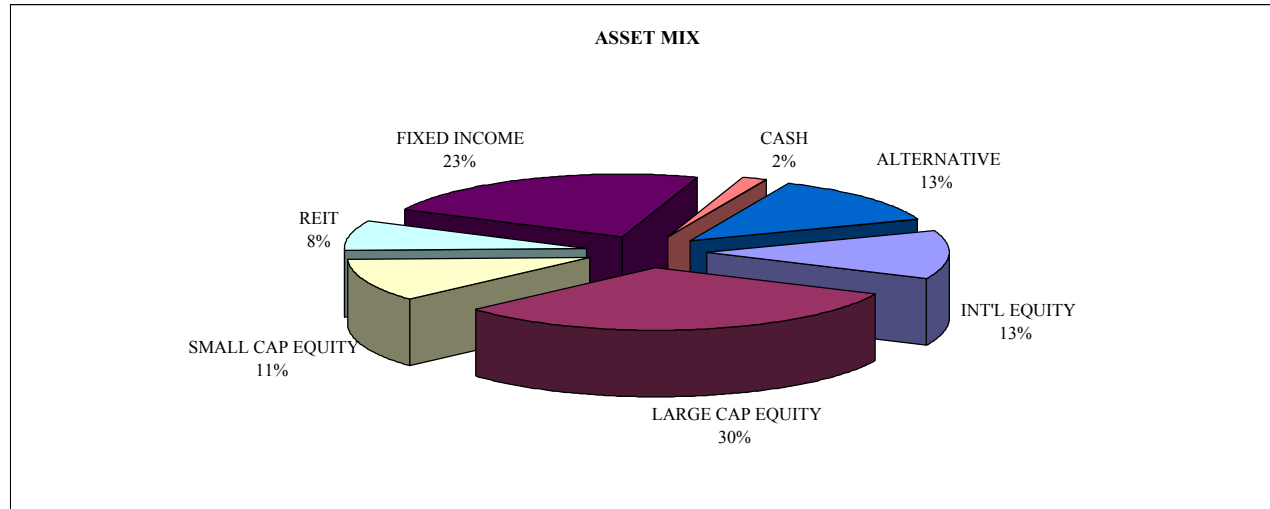


**TEXAS TECH UNIVERSITY SYSTEM
LONG TERM INVESTMENT FUND**

AS OF February 28, 2003

	Asset Balances - Book Value						Asset Balances - Market Value					Performance Measures			Benchmarks				
Manager	Fixed Income	Equities	Cash & Equiv.	Alternative	Total		Fixed Income	Equities	Cash & Equiv.	Alternative	Total	Quarter to Date	Year to Date	One Year	Index	Quarter to Date	Year to Date	One Year	
Davis Hamilton	699,714.62	44,502,736.41	881,340.88	-	46,083,791.91		730,453.02	38,471,385.32	881,340.88	-	40,083,179.22	(3.70%)	(3.70%)	(23.00%)	S&P 500	(4.10%)	(4.10%)	(22.70%)	
Equinox	-	20,935,738.72	520,521.65	-	21,456,260.37		-	17,398,849.24	520,521.65	-	17,919,370.89	(7.10%)	(7.10%)	(25.40%)	Russell 1000 Value	(5.00%)	(5.00%)	(19.30%)	
Pacific	-	27,119,999.72	1,170,075.87	-	28,290,075.59		-	22,803,608.00	1,170,075.87	-	23,973,683.87	(8.40%)	(8.40%)	(19.80%)	Russell 1000 Value	(5.00%)	(5.00%)	(19.30%)	
Barclay	(1)	-	10,706,062.40	179,916.58	-	10,885,978.98		-	8,959,928.25	179,916.58	-	9,139,844.83	(4.40%)	(4.40%)	(16.80%)	EAFE (SUS)	(6.40%)	(6.40%)	(17.50%)
Hansberger	-	33,451,889.73	-	-	33,451,889.73		-	22,292,030.56	-	-	22,292,030.56	(6.10%)	(6.10%)	(17.10%)	MSCI AC World ex USA	(5.50%)	(5.50%)	(16.30%)	
Ssga Passive Bond	(2)	51,400,661.81	-	-	51,400,661.81		56,683,136.17	-	-	-	56,683,136.17	1.50%	1.50%	N/A	Lehman Aggregate Bond	1.50%	1.50%	9.90%	
Mcstay	-	19,106,139.25	711,405.68	-	19,817,544.93		-	19,573,449.44	711,405.68	-	20,284,855.12	(0.10%)	(0.10%)	2.90%	NAREIT	(1.30%)	(1.30%)	0.30%	
Martingale	(6)	-	11,816,971.50	91,468.59	-	11,908,440.09		-	10,849,363.30	91,468.59	-	10,940,831.89	N/A	N/A	N/A	Russell 2000 Value	(6.10%)	(6.10%)	(18.40%)
DFA Micro-Cap	(7)	-	6,000,000.00	-	-	6,000,000.00		-	5,573,394.49	-	-	5,573,394.49	N/A	N/A	N/A	Russell 2000 Value	(6.10%)	(6.10%)	(18.40%)
Batterymarch	(10)	-	11,682,975.63	196,153.23	-	11,879,128.86		-	11,139,078.30	196,153.23	-	11,335,231.53	N/A	N/A	N/A	Russell 2000	(5.70%)	(5.70%)	(22.10%)
Alternative Investments:																			
Cash Account	-	-	10,089.77	-	10,089.77		-	-	10,089.77	-	10,089.77	0.10%	0.10%	N/A	US T-Bill	0.10%	0.10%	1.70%	
Gerber/Taylor Partners	(3)	-	-	2,500,000.00	2,500,000.00		-	-	-	2,612,352.00	2,612,352.00	2.40%	2.40%	N/A	HFR Fund of Funds Index	1.10%	1.10%	2.00%	
Gerber/Taylor Global	(3)	-	-	2,500,000.00	2,500,000.00		-	-	-	2,471,659.00	2,471,659.00	(0.60%)	(0.60%)	N/A	HFR Market Neutral Index	0.20%	0.20%	0.60%	
Oaktree	(4)	-	-	4,643,137.00	4,643,137.00		-	-	-	5,203,212.00	5,203,212.00	0.00%	0.00%	N/A	HFR Event-Driven Index	1.00%	1.00%	(2.70%)	
Encap	(5)	-	-	1,595,169.00	1,595,169.00		-	-	-	1,524,481.08	1,524,481.08	0.00%	0.00%	N/A					
Ariel	(8)	-	-	10,000,000.00	10,000,000.00		-	-	-	10,018,483.69	10,018,483.69	0.20%	0.20%	N/A					
New Castle	(9)	-	-	9,974,269.79	9,974,269.79		-	-	-	10,114,907.12	10,114,907.12	1.60%	1.60%	N/A					
Total	52,100,376.43	185,322,513.36	3,760,972.25	31,212,575.79	272,396,437.83		57,413,589.19	157,061,086.90	3,760,972.25	31,945,094.89	250,180,743.23	(2.90%)	(2.90%)	(11.00%)	Policy Allocation Index	(2.90%)	(2.90%)	(10.50%)	

- (1) - State Street was funded on 4/10/02
(2) - GT was funded on 5/1/02
(3) - Oaktree was funded on 5/20/02
(4) - EnCap was funded on 5/29/02
(5) - Martingale was funded on 1/06/03
(6) - Dimensional was funded on 1/07/03
(7) - Ariel was funded on 1/01/03
(8) - New Castle was funded on 1/02/03
(9) - Batterymarch was funded on 1/14/03



**TEXAS TECH UNIVERSITY SYSTEM
MANAGED INVESTMENTS
AS OF February 28, 2003**

INVESTMENT TYPE	2/28/2003 BOOK VALUE	%	2/28/2003 MARKET VALUE	ANNUALIZED YIELD	ANNUALIZED RETURN
Treasuries	1,041,459	8.01%	1,064,686		
Guaranteed MBSs	10,605	0.08%	9,006		
Common stocks	1,590,583	12.23%	1,441,918		
Mutual Funds	699,009	5.37%	600,502		
Other Equities	4,750	0.04%	4,750		
Cash Surr - Life Ins.	1,861,411	14.31%	1,861,411		
Gift Annuity Trust	2,211,649	17.01%	2,211,649		
Mineral Rts.	1,124,530	8.65%	1,124,530		
Notes Rec.	1,271,128	9.77%	1,271,128		
Real Estate	805,642	6.19%	805,642		
Joint Venture	2,049,862	15.76%	2,049,862		
Art	334,437	2.57%	334,437		
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TOTAL	\$13,005,065	100.00%	\$12,779,521	2.75%	(2.32%)
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