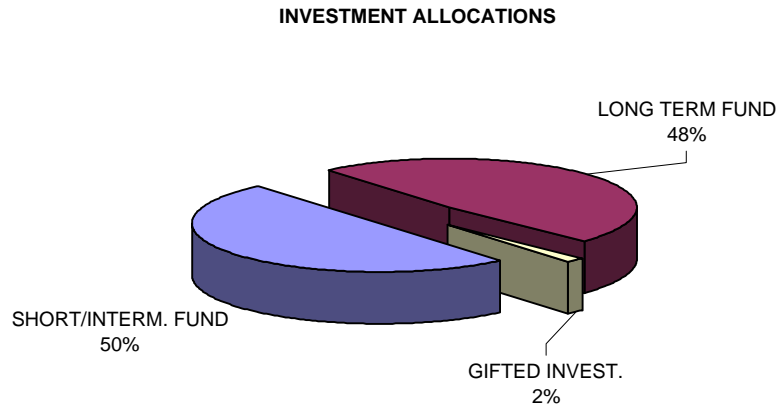


**TEXAS TECH UNIVERSITY SYSTEM
MANAGED INVESTMENTS
YEAR ENDED May 31, 2004**

FUND	May 31, 2004 BOOK VALUE	May 31, 2004 MARKET VALUE	ONE YEAR RETURN *
SHORT/INTERMEDIATE TERM FUND (Yield of 3.32%)	\$ 391,718,884.91	\$ 379,224,813.27	3.62%
LONG TERM INVESTMENT FUND	\$ 332,714,456.08	\$ 366,849,329.61	18.50%
GIFTED INVESTMENTS MANAGED BY OTHERS	\$ 12,197,705.48	\$ 12,365,809.27	4.99%
TOTAL	\$ 736,631,046.47	\$ 758,439,952.15	

* 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.



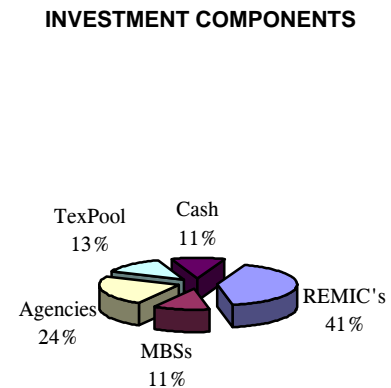
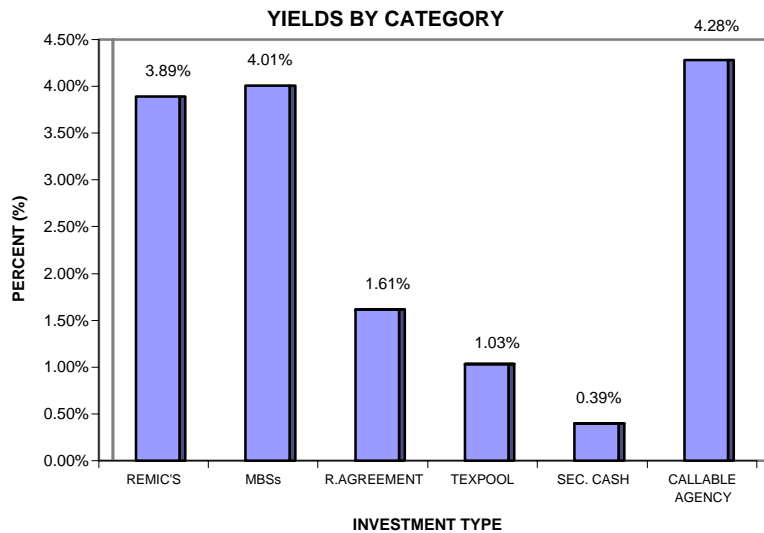
Prepared by: Eric Fisher
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SHORT/INTERMEDIATE TERM INVESTMENT FUND
TEXAS TECH UNIVERSITY SYSTEM
AS OF May 31, 2004

INVESTMENT TYPE	BOOKVALUE 05/31/04	% OF TOTAL	MARKET VALUE 05/31/04	Year ended YIELD	Year ended RETURN
PRIMARY DEPOSITORY CASH:					
PNB FINANCIAL BANK REPURCHASE AGREEMENT	\$39,345,208	10.04%	\$39,345,208	1.61%	1.61%
SECONDARY DEPOSITORY CASH	\$3,516,311	0.90%	\$3,516,311	0.39%	0.39%
TEXPOOL	\$49,435,069	12.62%	\$49,435,069	1.03%	1.03%
CALLABLE AGENCY SECURITIES	\$92,662,955	23.66%	\$89,388,382	4.28%	4.68%
MBSs	\$44,572,893	11.38%	\$43,806,168	4.01%	4.40%
REAL ESTATE MORTGAGE INVESTMENT CONDUITS (REMICs):					
FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA)	\$59,691,480	15.24%	\$56,657,237		
FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC)	\$99,777,982	25.47%	\$94,492,162		
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA)	\$2,716,988	0.69%	\$2,584,276		
TOTAL REMIC'S	\$162,186,450	41.40%	\$153,733,675	3.89%	4.39%
TOTAL SECURITIES	\$299,422,297	76.44%	\$286,928,225	4.03%	4.49%
TOTAL LOCAL CASH INVESTMENT POOL	\$391,718,885	100.00%	\$379,224,813	3.32%	3.62%

* 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.

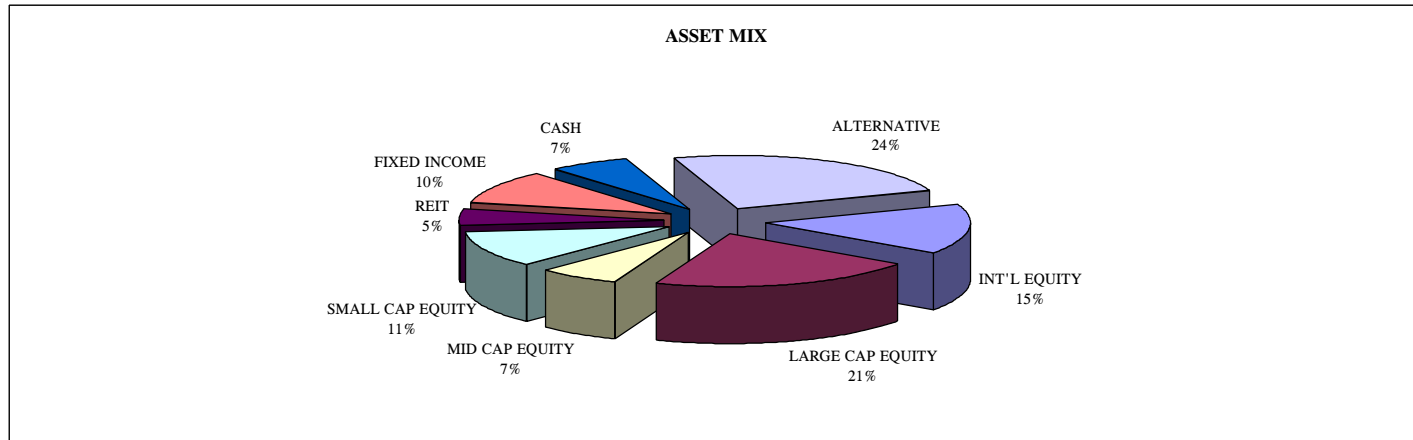
PERFORMANCE BENCHMARKS:		
LEHMAN BROTHERS INTER. TERM U.S. TREASURY INDEX	3.93%	-0.88%
LEHMAN BROTHERS INTER. TERM GOVERNMENT INDEX	4.03%	-0.89%



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

AS OF May 31, 2004

Manager	Asset Balances - Book Value					Asset Balances - Market Value					Performance Measures			Benchmarks			
	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	0.02	35,719,836.49	935,864.13	-	36,655,700.64	0.02	37,759,978.46	935,864.13	-	38,695,842.61	0.50%	(1.20%)	11.30%	S&P 500	(0.20%)	1.50%	18.30%
Pacific	-	28,547,196.58	461,911.77	-	29,009,108.35	-	29,938,320.00	461,911.77	-	30,400,231.77	(1.50%)	(5.70%)	10.10%	Russell 1000 Value	(1.40%)	1.50%	19.80%
Acadian	-	4,250,000.00	-	-	4,250,000.00	-	4,614,112.00	-	-	4,614,112.00	(4.10%)	N/A	N/A	Citigroup EMI-PAC	(2.50%)	7.00%	44.30%
Julius Baer	-	14,377,634.72	-	-	14,377,634.72	-	14,230,832.72	-	-	14,230,832.72	(4.90%)	(0.10%)	N/A	EAFE (\$US)	(2.50%)	7.00%	44.30%
GMO - Emerging Markets	-	7,103,076.43	-	-	7,103,076.43	-	9,705,931.00	-	-	9,705,931.00	(10.80%)	(3.80%)	N/A	MSCI Emerging Markets	(2.50%)	7.00%	44.30%
GMO - Int'l Small	-	4,244,050.00	-	-	4,244,050.00	-	4,274,785.00	-	-	4,274,785.00	(4.40%)	N/A	N/A	Citigroup EMI-PAC	(2.50%)	7.00%	44.30%
GMO - Foreign Fund II	-	14,250,000.00	-	-	14,250,000.00	-	14,163,832.00	-	-	14,163,832.00	(2.20%)	N/A	N/A	EAFE (\$US)	(1.90%)	2.30%	32.70%
The Boston Company	-	6,975,976.52	-	-	6,975,976.52	-	8,757,760.25	-	-	8,757,760.25	(8.50%)	(0.60%)	N/A	MSCI Emerging Markets	(10.00%)	(1.40%)	40.10%
Ssga Passive Bond	33,717,736.77	-	-	-	33,717,736.77	37,128,207.14	-	-	-	37,128,207.14	(3.00%)	(0.40%)	(0.50%)	Lehman Aggregate	(3.00%)	(0.40%)	(0.40%)
K.G. Redding	-	18,966,870.17	534,854.53	-	19,501,724.70	-	19,181,214.00	534,854.53	-	19,716,068.53	(7.00%)	2.50%	N/A	Wilshire REIT Index	(8.10%)	3.00%	26.20%
Martingale	-	13,545,409.77	178,797.67	-	13,724,207.44	-	15,903,554.10	178,797.67	-	16,082,351.77	(4.30%)	4.50%	35.50%	Russell 2000 Value	(4.00%)	2.60%	30.80%
DFA Micro-Cap	-	6,262,155.96	-	-	6,262,155.96	-	9,631,212.34	-	-	9,631,212.34	(4.10%)	2.10%	40.10%	Russell 2000	(4.00%)	2.60%	30.80%
Batterymarch	-	12,914,951.82	220,373.35	-	13,135,325.17	-	14,413,632.81	220,373.35	-	14,634,006.16	(5.10%)	1.90%	25.80%	Russell 2000	(3.60%)	2.50%	30.30%
Ssga US Market Index	-	4,702,286.40	-	-	4,702,286.40	-	9,873,983.57	-	-	9,873,983.57	(0.80%)	(0.60%)	17.50%	Wilshire 5000	(0.80%)	1.80%	20.50%
Hotchkis & Wiley	-	18,970,352.92	347,377.25	-	19,317,730.17	-	23,892,218.20	347,377.25	-	24,239,595.45	(2.60%)	4.40%	40.70%	Russell MidCap Value	(1.80%)	3.50%	27.20%
<u>Alternative Investments:</u>																	
Cash Account	-	-	21,071,422.00	-	21,071,422.00	-	-	21,071,422.00	-	21,071,422.00	0.10%	0.10%	0.40%	US T-Bill	0.20%	0.60%	1.30%
Gerber/Taylor Partners	-	-	-	349,885.60	349,885.60	-	-	-	330,215.00	330,215.00							
Gerber/Taylor Global	-	-	-	289,604.00	289,604.00	-	-	-	316,548.00	316,548.00							
Oaktree - Fund IV	-	-	-	1,511,942.60	1,511,942.60	-	-	-	1,773,069.00	1,773,069.00							
Oaktree - Emerging Markets	-	-	-	3,256,211.00	3,256,211.00	-	-	-	3,196,571.00	3,196,571.00							
Oaktree - Opp Fund III	-	-	-	1,416,509.00	1,416,509.00	-	-	-	1,439,779.00	1,439,779.00							
GMO - Mean Reversion	-	-	-	10,000,000.00	10,000,000.00	-	-	-	9,512,736.00	9,512,736.00							
GMO - Absolute Return	-	-	-	14,955,600.00	14,955,600.00	-	-	-	14,315,543.00	14,315,543.00							
Encap	-	-	-	6,333,767.12	6,333,767.12	-	-	-	8,655,639.41	8,655,639.41							
Sterling Group	-	-	-	3,045,116.00	3,045,116.00	-	-	-	3,275,067.00	3,275,067.00							
Ariel	-	-	-	10,000,000.00	10,000,000.00	-	-	-	11,695,649.70	11,695,649.70							
New Castle	-	-	-	9,755,979.81	9,755,979.81	-	-	-	10,506,223.76	10,506,223.76							
AQR Absolute Return	-	-	-	10,433,339.00	10,433,339.00	-	-	-	10,182,970.00	10,182,970.00							
MMC Trident	-	-	-	68,366.68	68,366.68	-	-	-	68,366.68	68,366.68							
King Street	-	-	-	8,000,000.00	8,000,000.00	-	-	-	8,774,968.75	8,774,968.75							
Taconic	-	-	-	5,000,000.00	5,000,000.00	-	-	-	5,585,809.00	5,585,809.00							
Total	33,717,736.79	190,829,797.78	23,750,600.70	84,416,320.81	332,714,456.08	37,128,207.16	216,341,366.45	23,750,600.70	89,629,155.30	366,849,329.61	(3.20%)	0.50%	18.50%	Policy Allocation Index	(2.90%)	1.90%	20.50%



TEXAS TECH UNIVERSITY SYSTEM
MANAGED INVESTMENTS
AS OF May 31, 2004

INVESTMENT TYPE	05/31/2004 BOOK VALUE	%	05/31/2004 MARKET VALUE	ANNUALIZED YIELD	ANNUALIZED RETURN
Treasuries	1,047,081	8.58%	1,036,114		
Common stocks	1,664,823	13.65%	1,833,483		
Mutual Funds	680,687	5.58%	691,098		
Other Equities	4,750	0.04%	4,750		
Cash Surr - Life Ins.	2,308,244	18.92%	2,308,244		
Gift Annuity Trust	2,856,835	23.42%	2,856,835		
Mineral Rts.	1,164,422	9.55%	1,164,422		
Notes Rec.	885,225	7.26%	885,225		
Real Estate	1,140,856	9.35%	1,140,856		
Joint Venture	110,000	0.90%	110,000		
Gin Equities	346	0.00%	346		
Art	334,437	2.74%	334,437		
	<hr/>				
TOTAL	<u>\$12,197,705</u>	<u>100.00%</u>	<u>\$12,365,809</u>	<u>3.56%</u>	<u>4.99%</u>