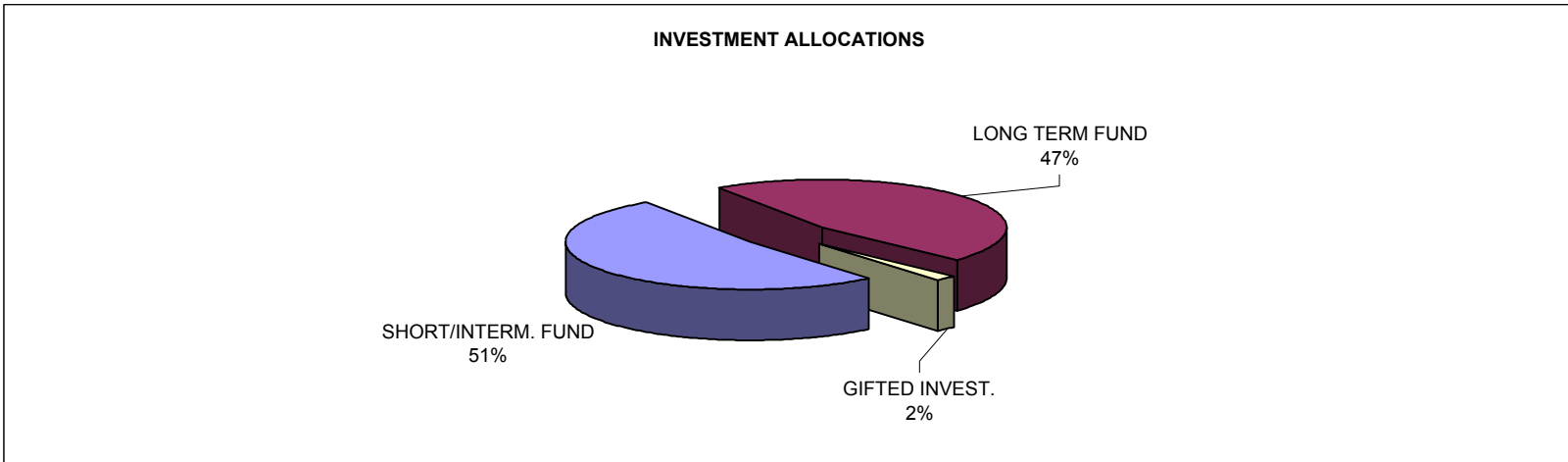


**TEXAS TECH UNIVERSITY SYSTEM
MANAGED INVESTMENTS
YEAR ENDED May 31, 2003**

FUND	May 31, 2003 BOOK VALUE	May 31, 2003 MARKET VALUE	ONE YEAR RETURN *
SHORT/INTERMEDIATE TERM FUND (Yield of 3.13%)	\$ 355,504,477.85	\$ 358,751,243.44	4.10%
LONG TERM INVESTMENT FUND	\$ 312,133,806.93	\$ 324,068,933.11	(2.60%)
GIFTED INVESTMENTS MANAGED BY OTHERS	\$ 13,129,053.53	\$ 13,061,502.78	2.35%
TOTAL	<u>\$ 680,767,338.31</u>	<u>\$ 695,881,679.33</u>	

* 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.



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SHORT/INTERMEDIATE TERM INVESTMENT FUND

TEXAS TECH UNIVERSITY SYSTEM

AS OF May 31, 2003

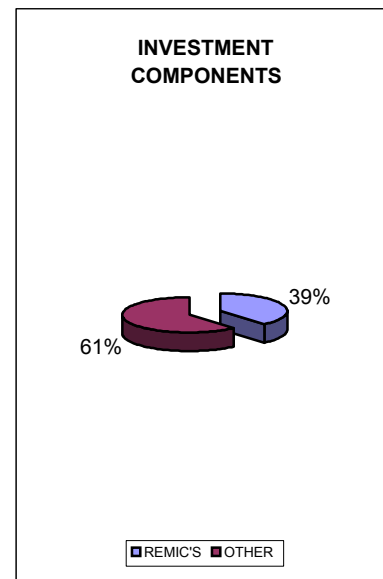
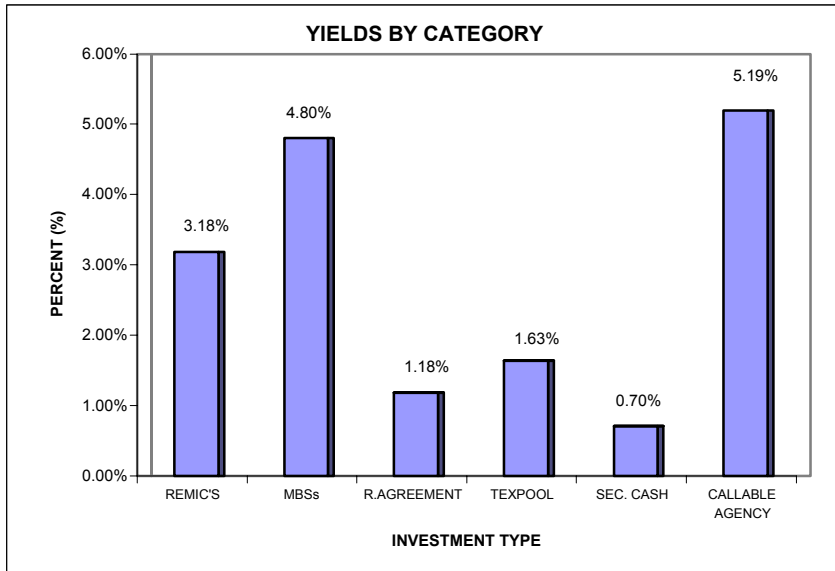
INVESTMENT TYPE	BOOKVALUE 05/31/03	% OF TOTAL	MARKET VALUE 05/31/03	Year ended YIELD	Year ended RETURN
PRIMARY DEPOSITORY CASH:					
AMERICAN STATE BANK REPURCHASE AGREEMENT	\$32,004,760	9.00%	\$32,004,760	1.18%	1.18%
SECONDARY DEPOSITORY CASH					
	\$4,171,767	1.17%	\$4,171,767	0.70%	0.70%
TEXPOOL	\$43,255,574	12.17%	\$43,255,574	1.63%	1.63%
CALLABLE AGENCY SECURITIES					
	\$86,092,168	24.22%	\$87,373,390	5.19%	5.29%
MBSs					
	\$52,267,478	14.70%	\$53,512,485	4.80%	6.08%
REAL ESTATE MORTGAGE INVESTMENT CONDUITS (REMICs):					
FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA)	\$53,253,276	14.98%	\$53,810,210		
FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC)	\$78,735,557	22.15%	\$78,829,532		
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA)	\$5,723,898	1.61%	\$5,793,525		
TOTAL REMIC'S	\$137,712,730	38.74%	\$138,433,267	3.18%	4.93%
TOTAL LOCAL CASH INVESTMENT POOL	\$355,504,478	100.00%	\$358,751,243	3.13%	4.10%

* 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

LEHMAN BROTHERS INTER. TERM GOVERNMENT INDEX

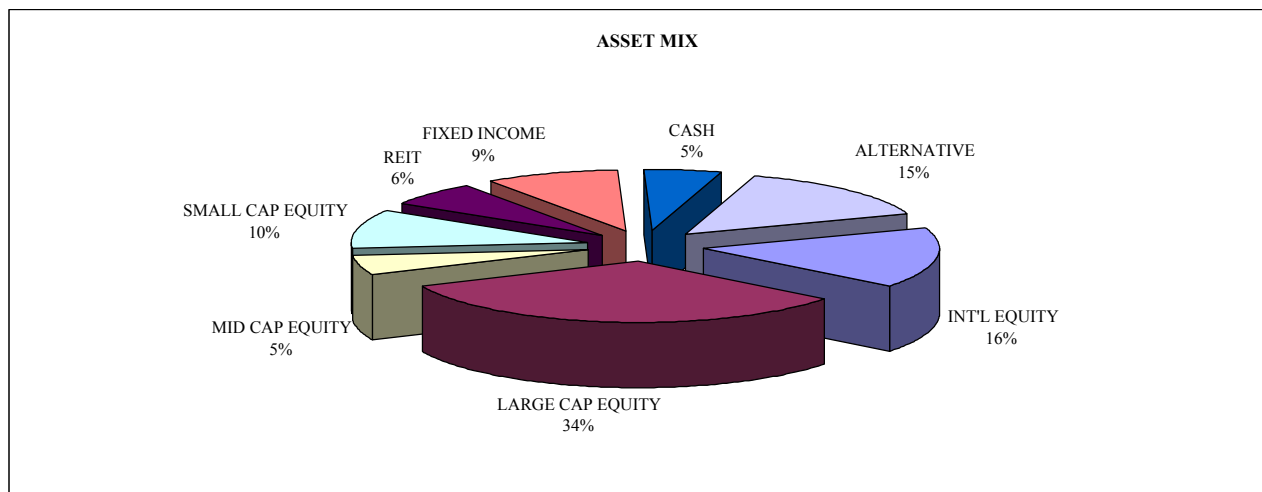


TEXAS TECH UNIVERSITY SYSTEM
LONG TERM INVESTMENT FUND

AS OF May 31, 2003

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	605,030.47	43,289,124.75	1,746,432.05	-	45,640,587.27	625,062.50	42,324,490.37	1,746,432.05	-	44,695,984.92	9.90%	7.50%	(9.40%)	S&P 500	13.90%	10.40%	(8.10%)
Equinox	-	20,268,508.87	192,193.86	-	20,460,702.73	-	20,810,660.65	192,193.86	-	21,002,854.51	17.50%	8.90%	(12.00%)	Russell 1000 Value	15.80%	10.20%	(7.90%)
Pacific	-	26,973,090.58	1,088,601.96	-	28,061,692.54	-	26,547,774.00	1,088,601.96	-	27,636,375.96	18.60%	5.70%	(12.60%)	Russell 1000 Value	15.80%	10.20%	(7.90%)
Barclay	-	10,706,062.40	179,223.19	-	10,885,285.59	-	10,264,068.75	179,223.19	-	10,443,291.94	16.90%	9.20%	(11.80%)	EAFE (SUS)	16.50%	6.90%	(12.30%)
Hansberger	-	33,451,889.73	-	-	33,451,889.73	-	25,030,213.50	-	-	25,030,213.50	15.30%	5.40%	(15.00%)	MSCI AC World ex USA	18.60%	9.80%	(11.00%)
Ssga US MSCI EFFE	-	13,900,000.00	-	-	13,900,000.00	-	17,068,307.38	-	-	17,068,307.38	16.50%	N/A	N/A	EAFE (SUS)	16.50%	6.90%	(12.30%)
Ssga Passive Bond	24,798,365.77	-	-	-	24,798,365.77	29,412,051.32	-	-	-	29,412,051.32	2.70%	4.20%	11.70%	Lehman Aggregate	2.70%	4.10%	11.60%
Mestay	-	17,825,737.27	2,431,176.83	-	20,256,914.10	-	20,261,118.90	2,431,176.83	-	22,692,295.73	10.50%	11.70%	5.60%	Wilshire REIT Index	9.70%	11.10%	4.20%
Martingale	-	11,850,321.83	75,120.49	-	11,925,442.32	-	13,243,811.50	75,120.49	-	13,318,931.99	20.30%	N/A	N/A	Russell 2000 Value	20.70%	14.50%	(7.50%)
Dimensional	-	6,000,000.00	-	-	6,000,000.00	-	6,873,853.21	-	-	6,873,853.21	22.00%	N/A	N/A	Russell 2000	9.70%	11.10%	4.20%
Batterymarch	-	11,372,166.20	141,353.60	-	11,513,519.80	-	13,040,195.10	141,353.60	-	13,181,548.70	14.00%	N/A	N/A	Russell 2000	21.20%	15.80%	(8.20%)
Ssga US Market Index	-	13,719,129.78	-	-	13,719,129.78	-	16,744,673.67	-	-	16,744,673.67	14.90%	N/A	N/A	Wilshire 5000	14.80%	11.30%	(7.20%)
Hotchkis & Wiley	-	13,929,606.81	296,048.49	-	14,225,655.30	-	16,946,637.00	296,048.49	-	17,242,685.49	21.10%	N/A	N/A	Russell MidCap Value	17.10%	12.30%	(5.80%)
Alternative Investments:																	
Cash Account	-	-	10,626,956.41	-	10,626,956.41	-	-	10,626,956.41	-	10,626,956.41	0.10%	0.30%	1.00%	US T-Bill	0.20%	0.30%	1.50%
Gerber/Taylor Partners	-	-	-	2,500,000.00	2,500,000.00	-	-	-	2,748,993.00	2,748,993.00	4.10%	7.80%	9.40%	HFR Relative Value Arbitra	2.00%	4.40%	7.40%
Gerber/Taylor Global	-	-	-	2,500,000.00	2,500,000.00	-	-	-	2,567,622.00	2,567,622.00	3.90%	3.30%	2.50%	HFR Fund of Funds Index	2.90%	4.00%	3.00%
Oaktree - Fund IV	-	-	-	4,944,040.00	4,944,040.00	-	-	-	6,972,343.00	6,972,343.00	0.00%	0.00%	N/A	HFR Market Neutral Index	1.60%	1.70%	1.00%
Oaktree - Emerging Markets	-	-	-	2,000,000.00	2,000,000.00	-	-	-	2,000,000.00	2,000,000.00	N/A	N/A	N/A	HFR Event-Driven Index	6.70%	9.10%	3.10%
Encap	-	-	-	3,035,384.35	3,035,384.35	-	-	-	1,524,481.08	1,524,481.08	0.00%	0.00%	N/A				
Sterling Group	-	-	-	1,593,116.00	1,593,116.00	-	-	-	1,593,116.00	1,593,116.00	N/A	N/A	N/A				
Ariel	-	-	-	10,000,000.00	10,000,000.00	-	-	-	10,251,770.51	10,251,770.51	1.50%	2.50%	N/A				
New Castle	-	-	-	9,927,488.24	9,927,488.24	-	-	-	10,261,653.79	10,261,653.79	0.90%	3.40%	N/A				
AQR Absolute Return	-	-	-	10,167,637.00	10,167,637.00	-	-	-	10,178,929.00	10,178,929.00	2.90%	N/A	N/A				
Total	25,403,396.24	223,285,638.22	16,777,106.88	46,667,665.59	312,133,806.93	30,037,113.82	229,155,804.03	16,777,106.88	48,098,908.38	324,068,933.11	11.90%	8.70%	(2.60%)	Policy Allocation Index	12.20%	9.20%	(0.70%)

N/A - Manager was not employed by TTUS during part or all of the performance period.



TEXAS TECH UNIVERSITY SYSTEM
MANAGED INVESTMENTS
AS OF May 31, 2003

INVESTMENT TYPE	5/31/2003 BOOK VALUE	%	5/31/2003 MARKET VALUE	ANNUALIZED YIELD	ANNUALIZED RETURN
Treasuries	1,041,459	7.93%	1,081,202		
Guaranteed MBSs	1,600	0.01%	1,600		
Common stocks	1,728,932	13.17%	1,646,169		
Mutual Funds	699,022	5.32%	674,491		
Other Equities	4,750	0.04%	4,750		
Cash Surr - Life Ins.	1,861,411	14.18%	1,861,411		
Gift Annuity Trust	2,211,649	16.85%	2,211,649		
Mineral Rts.	1,124,530	8.57%	1,124,530		
Notes Rec.	1,265,760	9.64%	1,265,760		
Real Estate	805,642	6.14%	805,642		
Joint Venture	2,049,862	15.61%	2,049,862		
Art	334,437	2.55%	334,437		
TOTAL	\$13,129,054	100.00%	\$13,061,503	2.97%	2.35%