



Short Term Fund Investment Summary Report (\$ millions)

Year End Commentary August 31, 2001

The investment of operating funds maintained by U.T. System components in the Short Term Fund (invested in the Dreyfus Institutional Preferred Money Market Fund) at year end was \$843.2 million. Endowment, trust and other funds invested in the Short Term Fund (Permanent University Fund, General Endowment Fund, Permanent Health Fund, Long Term Fund, Short Intermediate Term Fund and Separately Invested Funds) were \$1,870.7 million, resulting in a combined U.T. System total of \$2,713.9 million. As of year-end, total U.T. System balances represented 30.3% of the Dreyfus Institutional Preferred Money Market Fund's investments.

The Short Term Fund's net investment return for the year was 5.60% versus the benchmark return of 5.55%. The Fund's unannualized yield closed the fourth quarter at 1.02%.

Third Quarter Commentary

The investment of operating funds maintained by U.T. System components in the Short Term Fund (invested in the Dreyfus Institutional Preferred Money Market Fund) increased from \$892.0 million to \$910.0 million during the quarter. Endowment, trust and other funds invested in the Short Term Fund (Permanent University Fund, General Endowment Fund, Permanent Health Fund, Long Term Fund, Short Intermediate Term Fund and Separately Invested Funds) increased from \$1,739.2 million to \$1,856.2 million resulting in a combined U.T. System total of \$2,766.2 million. As of quarter end, total U.T. System balances represented 27.7% of the Dreyfus Institutional Preferred Money Market Fund's investments.

The Fund's unannualized yield decreased slightly during the quarter closing at 1.28% versus 1.53% for the prior quarter. The Fund performed under the 90-Day Treasury bill, generating a yield of 1.28% versus 1.29% for the quarter.

Second Quarter Commentary

The investment of operating funds maintained by U.T. System components in the Short Term Fund (invested in the Dreyfus Institutional Preferred Money Market Fund) increased from \$755.0 million to \$892.0 million during the quarter. Endowment, trust and other funds invested in the Short Term Fund (Permanent University Fund, Permanent Health Fund, Long Term Fund, Short Intermediate Term Fund and Separately Invested Funds) increased from \$1,301.3 million to \$1,739.2 million resulting in a combined U.T. System total of \$2,631.2 million. As of quarter end, total U.T. System balances represented 30.9% of the Dreyfus Institutional Preferred Money Market Fund's investments.

The Fund's unannualized yield decreased slightly during the quarter closing at 1.53% versus 1.65% for the prior quarter. The Fund performed under the 90-Day Treasury bill, generating a yield of 1.53% versus 1.60% for the quarter.

First Quarter Commentary

The investment of operating funds maintained by U.T. System components in the Short Term Fund (invested in the Dreyfus Institutional Preferred Money Market Fund) decreased from \$810.6 million to \$755.0 million during the quarter. Endowment, trust and other funds invested in the Short Term Fund (Permanent University Fund, Permanent Health Fund, Long Term Fund, Short Intermediate Term Fund and Separately Invested Funds) decreased from \$1,633.4 million to \$1,301.3 million resulting in a combined U.T. System total of \$2,056.3 million. As of quarter end, total U.T. System balances represented 29.9% of the Dreyfus Institutional Preferred Money Market Fund's investments.

The Fund's unannualized yield remained relatively constant during the quarter closing at 1.65% versus 1.66% for the prior quarter. The Fund outperformed the 90-Day Treasury bill, generating a yield of 1.65% versus 1.60% for the quarter.

