

***The University of Texas Investment
Management Company***



Presentation Materials

Board of Directors Meeting

April 25, 2008

**UTIMCO BOARD OF DIRECTORS
ANNUAL MEETING AGENDA
April 25, 2008**

Four Seasons Hotel
1300 Lamar Street
Houston, Texas

Time		Item #	Agenda Item
Begin	End		
9:00 a.m.	9:05 a.m.	1	OPEN MEETING: Call to Order of the Annual Meeting/Discussion and Appropriate Action on Minutes of January 30, 2008 Meeting*
9:05 a.m.	10:00 a.m.	2	Endowment and Operating Funds Update Report
10:00 a.m.	10:20 a.m.	3	Discussion and Appropriate Action on Items from Risk Committee including Recommendation of Distribution Rates for the Investment Funds*
10:20 a.m.	11:30 a.m.	4	Private Markets Presentation
11:30 a.m.			Recess for Private Equity Briefing Session
			Reconvene in Open Session:
1:30 p.m.	1:35 p.m.	5	Discussion and Appropriate Action regarding Proposed Investment*
1:35 p.m.	2:00 p.m.	6	UTIMCO Organization Update
2:00 p.m.	2:10 p.m.	7	Discussion and Appropriate Action Related to Corporate Resolutions: - Election of UTIMCO Officers* - Designation of Key Employees*
2:10 p.m.	2:25 p.m.	8	Report from Policy Committee
2:25 p.m.	2:40 p.m.	9	Report from Audit and Ethics Committee
2:40 p.m.	2:55 p.m.	10	Report from Compensation Committee
2:55 p.m.	3:10 p.m.	11	Discussion and Appropriate Action Related to Investment Consultant Contract Renewal*
3:10 p.m.	3:40 p.m.	12	Discussion of Investment Environment and Opportunities
3:40 p.m.			Adjournment

* Action by resolution required

Next Scheduled Meeting: July 23, 2008

TAB 1

RESOLUTION RELATED TO MINUTES

RESOLVED, that the minutes of the meeting of the Board of Directors held on **January 30, 2008**, be, and are hereby, approved.

**MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF
THE UNIVERSITY OF TEXAS
INVESTMENT MANAGEMENT COMPANY**

The Board of Directors (the "Board") of The University of Texas Investment Management Company (the "Corporation") convened in an open meeting at 9:35 a.m. on the **30th day of January 2008**, at the Ritz-Carlton Dallas Hotel, 2121 McKinney Avenue, Dallas, Texas, 75201, said meeting having been called by the Chairman, Robert B. Rowling, with notice provided to each member in accordance with the Bylaws.

Participating in the meeting were the following members of the Board:

Robert B. Rowling, Chairman
Mark G. Yudof, Vice Chairman for Policy
Clint Carlson
J. Philip Ferguson
Paul Foster
Colleen McHugh
Ardon E. Moore
Erle Nye
Charles W. Tate

thus constituting a majority and quorum of the Board. Also attending the meeting were Bruce Zimmerman, CEO and Chief Investment Officer; Cathy Iberg, President and Deputy CIO; Joan Moeller, Secretary and Treasurer of the Corporation; Christy Wallace, Assistant Secretary of the Corporation; Cecilia Gonzalez, internal General Counsel for the Corporation; Bill Edwards, Managing Director of Information Technology for the Corporation; Uzi Yoeli, Director - Portfolio Risk Management; Mark Warner, Director of Natural Resources Investments; Mark Shoberg, Director – Private Markets; Bob Schau, Director – Real Estate Investments; Ryan Ruebsahm, Director – Marketable Alternatives Investments; Courtney Powers, Associate – Marketable Alternatives Investments, and other Staff members, all of the Corporation; Jerry Turner, external General Counsel for the Corporation; Philip Aldridge, Anthony de Bruyn, William Huang, Moshmee Kalamkar and Dean Metzger of UT System Administration; Bruce Myers and Hamilton Lee of Cambridge Associates; and Brandon Bean of TRT Holdings. Mr. Rowling called the meeting to order at 9:35 a.m.

Minutes

The first matter to come before the Board was approval of the minutes of the meeting of the Board of Directors held on November 29, 2007. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the minutes of the meeting of the Board of Directors held on
November 29, 2007, be, and are hereby, approved.

Corporate Resolutions

Mr. Rowling recommended J. Philip Ferguson as Vice Chairman of the Corporation and presented new Committee assignments. Upon motion duly made and seconded, the following resolution for the office of Vice Chairman was unanimously adopted:

RESOLVED, that J. Philip Ferguson is hereby appointed to the office of Vice Chairman of the Corporation, to serve until the next Annual Meeting of the Corporation or until his earlier death, resignation or removal.

Also upon motion duly made and seconded, the following resolutions for Committee assignments were unanimously adopted:

BE IT RESOLVED, that the following Directors of the Corporation are hereby designated as the Audit and Ethics Committee of the Board of Directors:

- Erle Nye
- Colleen McHugh
- Paul Foster
- Charles W. Tate

subject to approval by the Board of Regents at their meeting to be held on February 7, 2008, to serve until the expiration of their term, or until their successor has been chosen and qualified, or until their earlier death, resignation or removal; and

FURTHER RESOLVED, that Erle Nye is hereby designated the Chair of the Audit and Ethics Committee and shall preside at its meetings.

BE IT RESOLVED, that the following Directors of the Corporation are hereby designated as the Compensation Committee of the Board of Directors:

- J. Philip Ferguson
- Clint D. Carlson
- Ardon E. Moore

to serve until the expiration of their term, or until their successor has been chosen and qualified, or until their earlier death, resignation or removal; and

FURTHER RESOLVED, that J. Philip Ferguson is hereby designated the Chair of the Compensation Committee and shall preside at its meetings.

BE IT RESOLVED, that the following Directors of the Corporation are hereby designated as the Risk Committee of the Board of Directors:

- Charles W. Tate
- Clint D. Carlson
- J. Philip Ferguson
- Erle Nye

to serve until the expiration of their term, or until their successor has been chosen and qualified, or until their earlier death, resignation or removal; and

FURTHER RESOLVED, that Charles W. Tate is hereby designated the Chair of the Risk Committee and shall preside at its meetings.

BE IT RESOLVED, that the following Directors of the Corporation are hereby designated as the Policy Committee of the Board of Directors:

Colleen McHugh
Ardon E. Moore
Paul Foster

to serve until the expiration of their term, or until their successor has been chosen and qualified, or until their earlier death, resignation or removal; and

FURTHER RESOLVED, that Colleen McHugh is hereby designated the Chair of the Policy Committee and shall preside at its meetings.

Mr. Rowling then recommended that the Annual Meeting be held on April 25, 2008, in Houston, Texas. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the Annual Meeting of the Board of Directors will be held on April 25, 2008, in Houston, Texas.

Audit and Ethics Committee Report

Mr. Rowling asked Mr. Nye to give a report from the Audit and Ethics Committee. Mr. Nye stated that the Audit and Ethics Committee met on January 23, 2008. Tom Wagner, engagement partner, presented to the Audit and Ethics Committee the Deloitte & Touche LLP Audit Results and Communications letter and answered questions related to the financial statements for the Corporation. Deloitte & Touche LLP issued unqualified opinions on the August 31, 2007 financial statements. The Committee approved the Deloitte & Touche LLP's Financial Statement Audit Results and Communications and the audited financial statements for the Corporation, and recommended that the Board approve the same. Upon motion duly made and seconded, the following was unanimously adopted:

RESOLVED, that Deloitte & Touche LLP's Financial Statement Audit Results and Communications for the Corporation for the year ended August 31, 2007, be, and is hereby approved in the form as presented to the Board; and further

RESOLVED, that the annual financial statements and audit report for the Corporation for the fiscal years ended August 31, 2007 and August 31, 2006, be, and are hereby approved in the form as presented to the Board.

Mr. Nye continued with the report from the Audit and Ethics Committee Meeting. Also presented at the Committee Meeting were the unaudited Financial Statements for the three months ended November 30,

2007 for the Investment Funds and the Corporation, and an update by the UT System Audit Office. At this time, Moshmee Kalamkar and Dean Metzger of the UT System Audit Office were introduced. They will jointly be taking over Amy Barrett's responsibilities. As part of the update by the UT System Audit Office, a recommendation was made for the Committee to approve hiring Barb Davison with Investment Training and Consulting, Inc. (ITCI) to assist the UT System Audit Office in developing a "risk-focused" audit plan to review the investment activities at the Corporation. The Committee approved a proposal for two audits, one related to Internal Fixed Income and one related to Internal Derivatives.

Mr. Nye also presented the Audit and Ethics Committee report for the meeting held that morning. He stated that the Committee met prior to the Board Meeting to discuss and approve the recommendation of Mr. Zimmerman to hire a Chief Compliance Officer (CCO) for the Corporation. Mr. Zimmerman proposed, with the concurrence of several UT System staff, that Cecilia (Cissie) Gonzalez be hired as the Chief Compliance Officer. The Audit and Ethics Committee approved Ms. Gonzalez for the CCO position, as well as continuing her role as the internal General Counsel for the Corporation, with a new salary amount to reflect her additional duties. The CCO will report functionally to the Audit and Ethics Committee, and administratively to the CEO. The Audit and Ethics Committee concurred that Ms. Gonzalez is ideally suited for this position. The Committee however, made it clear that although Ms. Gonzalez would now be internal General Counsel and Chief Compliance Officer for the Corporation, she would maintain dual responsibilities, reporting to Bruce administratively and as internal General Counsel, and functionally as CCO to the Audit and Ethics Committee with her salary determined 100% by the Audit and Ethics Committee. Mr. Rowling reiterated that Ms. Gonzalez has a direct line to Mr. Nye and Mr. Rowling at any time for all compliance issues. Mr. Zimmerman thanked Joan Moeller for doing a great job as Compliance Officer and expressed appreciation for the excellent compliance program she created and has maintained for the Corporation. Mr. Nye left the meeting at this time.

Endowment and Operating Funds Update

Mr. Rowling asked Mr. Zimmerman to present the Corporation's endowment and operating funds update. Mr. Zimmerman reported performance numbers as of the end of the quarter, November 30, 2007, and briefly mentioned December 2007 and January 2008 numbers. The net performance for the one-month period ended November 30, 2007, for the Permanent University Fund (PUF) was -2.27% and for the General Endowment Fund (GEF) was -2.19%, versus benchmark returns of -2.17% for each fund. The net performance for the one-year period ended November 30, 2007, for the PUF and GEF were 14.73% and 15.26%, respectively, versus benchmark returns of 11.64% for each fund. The Intermediate Term Fund's (ITF) performance was -1.65% versus its benchmark return of -1.91% for the one-month period, and was 10.35% versus its benchmark return of 6.85% for the one-year period ended November 30, 2007. Performance for the Short Term Fund (STF) was 0.42% versus 0.47% for its benchmark return for the one-month period, and was 5.37% versus a benchmark return of 5.17% for the one-year period ended November 30, 2007. Mr. Zimmerman reviewed portfolio policy ranges and policy targets, and then presented the Market Exposure chart showing market exposure and deviations from policy targets within tactical policy ranges. Mr. Zimmerman continued by presenting a private markets exposure report as of November 30, 2007, and then reviewed the Funds in a new reporting format with the new categorization grids, comparing asset class and investment type targets, ranges and performance objectives. Also presented were a comprehensive derivative report as of November 30, 2007, and a report on investment transactions made under the Delegation of Authority for the period beginning November 16, 2007, and

ending January 15, 2008. Mr. Zimmerman, Ms. Iberg, Mr. Myers, and Mr. Yoeli answered the Directors' questions.

Organization Update

Mr. Rowling asked Mr. Zimmerman to continue with an update on the organizational structure of the Corporation. Mr. Zimmerman noted that Ms. Iberg had been formally asked to take over responsibility for the Public Markets area. Presenting the most recent organization chart, Mr. Zimmerman announced new hires in several of the investment areas. He asked Bob Schau, the new Director for Real Estate Investments, to introduce himself. Mr. Schau gave a brief background of his career and answered the Directors' questions. Mr. Zimmerman next presented and discussed the Corporation's actual expenses vs. budget for the first quarter of 2008, near term projects including facilities build-out, the individual endowment accounting system, the investment process, including the formation of an internal Investment Committee, and future travel plans for Staff.

Marketable Alternatives Presentation

Mr. Rowling asked Ms. Iberg to give a presentation on the Corporation's Marketable Alternative Investments (i.e., less correlated and constrained investments). Ms. Iberg introduced each of her team members, discussed industry trends, presented program strategy, objectives and results, and manager classifications. She also discussed future plans for the Marketable Alternative Investments area. Mr. Zimmerman, Ms. Iberg, and Mr. Ruebsahm answered the Directors' questions.

The meeting was recessed at 11:30 a.m. The Board of the Corporation reconvened in an open meeting at the same meeting location at 2:05 p.m.

Pooling Private Investments

Mr. Rowling asked Mr. Shoberg to present the next item. Mr. Shoberg explained that the Staff was seeking approval of its recommendation to create internally managed commingled funds for the purpose of holding the existing PUF and GEF's Private Investments and for the purpose of making additional investments or redeeming existing investments following the approach that the Marketable Alternatives Investments undertook in 2005. The ownership of such assets within the internally managed commingled funds shall at all times be vested in the Board of Regents, as a fiduciary. Vinson and Elkins, outside legal counsel for the Corporation, recommended that staff seek approval from the UTIMCO Board to create the internally managed commingled funds. Mr. Shoberg explained that in conjunction with the Board's approval the UTIMCO Board would be acknowledging that prior fund investments were approved by or presented to the Board as an initial capital amount of a specific named investment of the PUF and GEF, and further would be waiving the stated amounts and percentages previously authorized for investment by the PUF and GEF coincident with the creation of the internally managed commingled investment pools. Mr. Zimmerman, Mr. Shoberg, Ms. Iberg, Mr. Turner and Ms. Moeller answered the Directors' questions. Upon motion duly made and seconded, subject to Corporation staff briefing and approval of the change by The Texas A&M University System, the following resolutions were unanimously adopted:

RESOLVED, that the Board approves the creation of one or more internally-managed commingled funds, as necessary, for the purpose of pooling existing private investments currently held by the Permanent University Fund (PUF) and the General Endowment Fund (GEF), and for the purpose of making additional private investments or redeeming private investments; and, be it further

RESOLVED, that the foregoing resolutions shall be implemented in accordance with the recommendation of the Corporation staff submitted to the Board and shall supersede all prior resolutions of the Board to the extent any such resolutions authorized a private investment for only the PUF or the GEF or prescribed a stated amount or percentage of a private investment for the PUF or the GEF.

Policy Committee Report

Mr. Rowling stated that the Policy Committee met on January 23, 2008. At the meeting, the second draft of the Securities Lending Policy was discussed at length. Mr. Rowling asked Mr. Zimmerman to give a brief summary of the proposed Policy. Mr. Zimmerman explained that the staff took a very conservative approach in implementing the management of the Securities Lending program and carefully structured a Securities Lending Agreement with its master custodian, Bank of New York/Mellon. The Committee discussed the level of risk that should be adopted when implementing the program and felt comfortable with the current Policy; no action by the Committee was necessary. Mr. Zimmerman will meet with the UT System Office of Finance, Bruce Myers of Cambridge Associates LLC, and the master custodian to determine if anyone has a more conservative policy and whether changes should be made to the Policy.

Mr. Rowling reported that two other items were discussed by the Policy Committee: proposed changes to (1) the Master Investment Management Services Agreement ("IMSA") and (2) the Bylaws. Mr. Zimmerman stated that minor changes to the IMSA were suggested by Staff and UT System, including deleting the date certain for annual review of the investment policies, and changing the references from the President to CEO consistent with current job titles. Mr. Zimmerman said that the Staff's proposed changes to the Bylaws closely mirrored the above mentioned changes to the IMSA. Mr. Rowling recommended the changes to both polices be approved. Upon motion duly made and seconded, the following resolutions were unanimously adopted:

RESOLVED, that the Master Investment Management Services Agreement with UTIMCO ("IMSA") be, and is hereby, approved in the form submitted to the Corporation's Board, subject to approval by the Board of Regents of The University of Texas System; and, be it further

RESOLVED, that amendments to the Bylaws of the Corporation as presented be, and are hereby, approved, subject to approval by the Board of Regents of The University of Texas System.

Mr. Rowling informed the Board that he asked the Staff and the Policy Committee to review the Code of Ethics. Mr. Rowling stated that the Corporation's Code of Ethics is more restrictive than state law requires and requested that the Policy Committee, Mr. Zimmerman, and Mr. Turner review and discuss the Code of

Ethics and present recommendations regarding changes to the Code of Ethics to the Committee at its next meeting.

Risk Committee Report

Mr. Rowling asked Mr. Tate to give a report from the Risk Committee. Mr. Tate informed the Board that the Risk Committee last met on January 23, 2008. The items discussed at the meeting were risk reporting, Investment Mandate Categorizations, the Procedure for Calculating Liquidity, and proposed changes to the Charter of the Risk Committee. Mr. Tate explained that although the new Mandate Categorization Procedure ("Procedure") had been approved by the Board at the November 29, 2008 meeting, the Committee requested Staff to amend the Procedure to require that Staff report, at the next scheduled Risk Committee, any re-categorization of an Asset Class or Investment Type of an existing mandate whenever re-categorization is warranted. A revised version of the Procedure and resolution related to the Mandate Categorization Procedure was handed out at the meeting. Mr. Tate continued by explaining that the Staff presented to the Committee for their review and approval the initial categorization by Asset Class and Investment Type for all mandates since adoption of the Procedure. Mr. Zimmerman summarized the results of the initial categorization for all mandates prepared by the Staff. Mr. Zimmerman answered the Committee Members' questions and expressed appreciation to Philip Aldridge, Amy Barrett, and William Huang of UT System for their assistance in this process.

Mr. Tate reported that the Committee also reviewed the Procedure for Calculating Liquidity and proposed changes to the Charter of the Risk Committee. Mr. Tate recommended on behalf of the Committee that the Board approve the Procedure for Calculating Liquidity and the amendments to the Charter of the Risk Committee. Upon motion duly made and seconded, the following resolutions were unanimously adopted:

RESOLVED, that the Procedure for Calculating Liquidity be, and is hereby, approved in the form submitted to the Corporation's Board of Directors; and, be it further

RESOLVED, that the amendments to the Charter of the Risk Committee, as recommended be, and are hereby approved in the form submitted to the Corporation's Board of Directors.

Mr. Tate also recommended approval, on behalf of the Committee, of the proposed amendments to the Mandate Categorization Procedure. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the amendments to the Mandate Categorization Procedure be, and are hereby, approved in the form submitted to the Corporation's Board of Directors.

Compensation Committee Report

Mr. Rowling asked Mr. Ferguson to present the Compensation Committee report. Mr. Ferguson stated that the Committee met today, prior to the Board meeting. Mr. Ferguson said that Staff made a

recommendation to the Committee, as required by the Corporation's Compensation Program, setting forth the position of Director – Natural Resources as an Eligible Position and requested approval for the Weightings of Performance Goals, and Incentive Award Opportunities for that Eligible Position and selection of Mark Warner as a Participant in the Plan for the 2007/2008 Performance Period. The Compensation Committee approved the recommendation subject to further approval from the Board. Upon motion duly made and seconded, the following resolutions were unanimously adopted:

WHEREAS, the UTIMCO Board has established a UTIMCO Compensation Program (the "Plan") for certain employees of the Corporation; and

WHEREAS, Section 5.3.(a) of the Plan provides that, in order to become a "Participant" in the Plan for a Performance Period, a UTIMCO employee must be (1) employed in a position designated by the Board of Directors of UTIMCO (the "UTIMCO Board") as an "Eligible Position" for that Performance Period and (2) selected by the UTIMCO Board as eligible to participate for that Performance Period; and

WHEREAS, the UTIMCO Board has the discretion to designate the employment position of a newly hired or promoted employee as an Eligible Position and may designate such newly hired or promoted employee as eligible to participate in the Plan for a Performance Period (or remainder of a Performance Period) within 30 days of hire or promotion, or if later, as soon as administratively feasible after such hire or promotion; and

WHEREAS, Mark Warner was hired as the Director – Natural Resources on November 19, 2007; and

WHEREAS, subject to approval by the UTIMCO Board, the CEO designated the position of Director – Natural Resources as an Eligible Position for the 2007/2008 Performance Period as provided by Section 5.3.(a) of the Plan; and

WHEREAS, the Compensation Committee recommended that the UTIMCO Board approve the designation of the position of Director – Natural Resources as an Eligible Position and selection of Mark Warner as a Participant in the Plan for the 2007/2008 Performance Period, effective as of November 19, 2007; and

WHEREAS, Section 5.4.(d) of the Plan provides that, subject to the approval of the UTIMCO Board, the Compensation Committee will approve (or adjust as it deems appropriate) the Weightings of the Performance Goals (entity, asset class, and individual) for each Participant (other than for the CEO) for each Performance Period; and

WHEREAS, Section 5.5.(a) of the Plan provides that, subject to the approval of the UTIMCO Board, the Committee will determine the Incentive Award Opportunity for each Performance Goal for each Participant in an Eligible Position; and

WHEREAS, the Committee reviewed and recommended that the UTIMCO Board approve the Eligible Position, Weightings of the Performance Goals (entity, asset class, and individual), and the Incentive Award Opportunities for the position of Director – Natural Resources for the 2007/2008 Performance Period; and

WHEREAS, the UTIMCO Board wishes to designate the position of Director – Natural Resources as an Eligible Positions and select Mark Warner as a Participant in the Plan for the 2007/2008 Performance Period, effective as of November 19, 2007; and has reviewed and wishes to approve the Eligible Position, Weightings of Performance Goals (entity, asset class, and individual), and the Incentive Award Opportunities for the position of Director – Natural Resources for the 2007/2008 Performance Period.

NOW, THEREFORE, be it:

RESOLVED, that the position of Director – Natural Resources is hereby designated as an “Eligible Position” in the Plan for the 2007/2008 Performance Period; and be it

FURTHER RESOLVED, that Mark Warner is selected as a “Participant” in the Plan for the 2007/2008 Performance Period, effective as of November 19, 2007; and be it

FURTHER RESOLVED, that the UTIMCO Board approves the Eligible Position, Weightings of Performance Goals (entity and asset class), and Incentive Award Opportunities for the Eligible Position of Director – Natural Resources for the 2007/2008 Performance Period, effective as of November 19, 2007.

Mr. Zimmerman stated that Staff was still in communication with Cambridge Associates and asked that the Cambridge Contract Renewal agenda item be deferred.

The Directors briefly discussed the current market environment prior to adjournment. Mr. Rowling expressed an interest in holding an offsite retreat with guest speakers in the future. There being no further business to come before the Board of Directors, the meeting was adjourned at approximately 3:05 p.m.

Secretary: _____
Joan Moeller

Approved: _____ Date: _____
Robert B. Rowling
Chairman, Board of Directors of
The University of Texas Investment
Management Company

TAB 2

Funds Update:

- **Returns**
- **Assets**
- **Risk**
- **Leverage**
- **Manager Exposure**
- **Liquidity**
- **Asset Class/Investment Type Highlights**
- **Investment Activity**
- **ITF**
- **Contracts Update**

Returns

UTIMCO Performance Summary

February 29, 2008

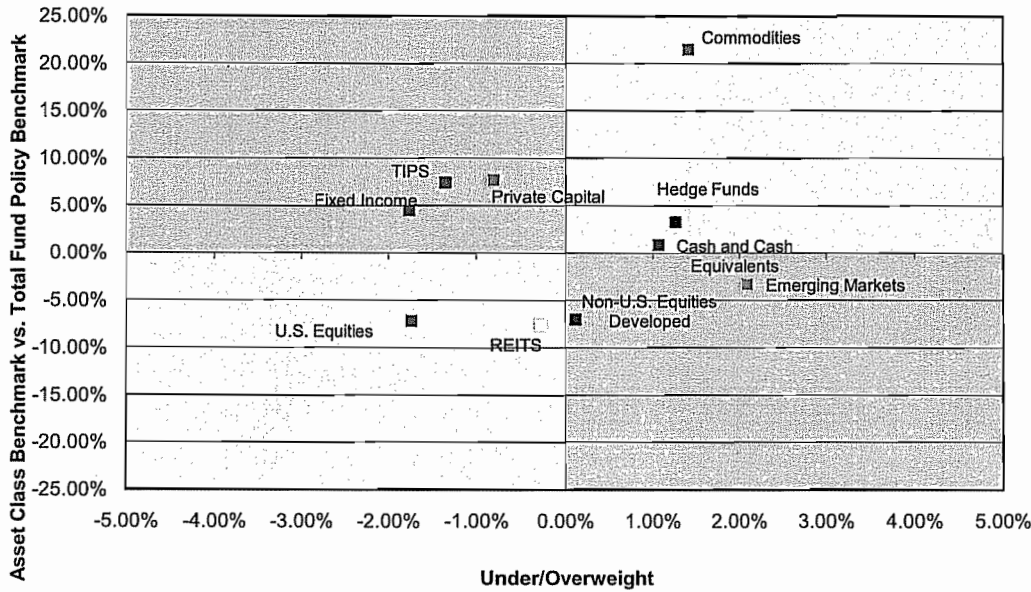
		Periods Ended February 29, 2008 (Returns for Periods Longer Than One Year are Annualized)												
	Net Asset Value 2/29/2008 (in Millions)	Short Term		Year to Date		Historic Returns								
		1 Mo	3 Mos	Fiscal	Calendar	1 Yr	3 Yrs	5 Yrs	10 Yrs					
ENDOWMENT FUNDS														
Permanent University Fund	\$ 11,906	1.64	(1.98)	1.81	(1.82)	8.86	11.32	15.21	8.17					
General Endowment Fund		1.58	(1.89)	2.00	(1.79)	9.26	11.51	15.48	N/A					
Permanent Health Fund	1,101	1.61	(1.85)	2.01	(1.74)	9.14	11.42	15.37	N/A					
Long Term Fund	5,497	1.61	(1.85)	2.02	(1.74)	9.15	11.43	15.39	8.69					
Separately Invested Funds	192	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A					
Total Endowment Funds	18,696													
OPERATING FUNDS														
Short Term Fund	1,390	0.31	1.14	2.45	0.71	5.20	4.66	3.30	3.92					
Intermediate Term Fund	3,937	1.21	(0.64)	3.60	(0.54)	7.42	N/A	N/A	N/A					
Total Operating Funds	5,327													
Total Investments	\$ 24,023													
VALUE ADDED														
Permanent University Fund		0.81	0.39	0.64	0.36	2.14	0.25	2.22	0.05					
General Endowment Fund		0.75	0.48	0.83	0.39	2.54	0.44	2.49	N/A					
Short Term Fund		0.16	0.20	0.35	0.06	0.34	0.25	0.14	0.17					
Intermediate Term Fund		0.59	0.96	1.91	0.62	4.08	N/A	N/A	N/A					
VALUE ADDED (\$ IN MILLIONS)														
Permanent University Fund		95	48	75	44	234	80	941	N/A					
General Endowment Fund		50	33	54	27	154	79	569	N/A					
Intermediate Term Fund		23	38	72	25	147	N/A	N/A	N/A					

**UT SYSTEM ENDOWMENT FUNDS vs.
Cambridge Billion \$ Funds Universe
Periods Ended December 31, 2007**

	Current Quarter		Previous Quarter		1 Year annualized		3 Years Annualized		5 Years Annualized		10 Years Annualized	
	Return	(% tile)	Return	(% tile)	Return	(% tile)	Return	(% tile)	Return	(% tile)	Return	(% tile)
Maximum	5.10		4.37		23.72		19.48		19.73		16.85	
25th Percentile	1.57		3.30		16.73		16.35		16.87		11.96	
Median	0.78		2.70		13.48		13.68		15.71		10.37	
75th Percentile	-0.02		1.98		11.67		12.07		14.42		8.57	
Minimum	-3.41		-1.32		4.09		8.93		11.97		4.54	
# of Portfolios	47		48		47		47		47		45	
PUF - Net of Fees	0.54	57	3.37	25	13.32	53	12.88	67	15.38	57	8.82	72
GEF - Net of Fees	0.70	55	3.52	21	13.89	44	13.05	61	15.66	53	9.56	64

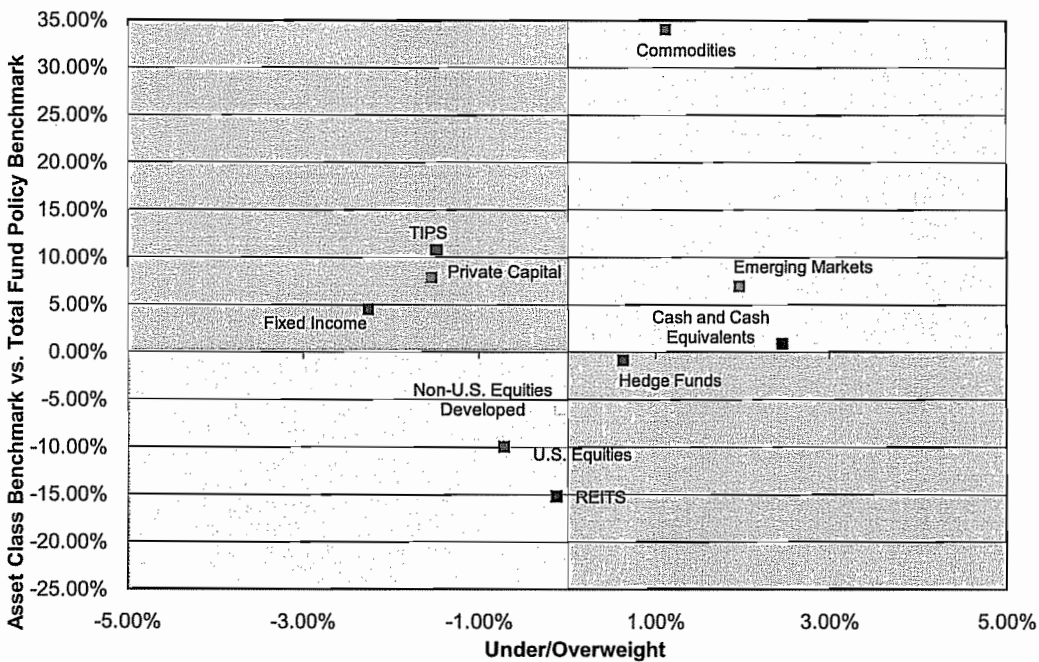
The Cambridge Billion \$ Funds Universe consists of the College and Universities with endowment assets greater than one billion dollars that report quarterly to Cambridge Associates, Inc. The number of Colleges and Universities with endowment assets greater than one billion dollars reporting as of December 31, 2007 was 47.

General Endowment Fund - 3 Months ended February 29, 2008



	Impact on Over/(Under) Performance (bps)
Commodities	28
U.S. Equities	15
Hedge Funds	5
Cash & Equiv	4
Non-U.S. Equities	3
Emerging Mkts	1
Subtotal	<u>56</u>
REITS	(1)
Private Capital	(3)
TIPS	(10)
Fixed Income	(10)
Subtotal	<u>(24)</u>
TOTAL	<u>32</u>

General Endowment Fund - Fiscal YTD ended February 29, 2008



	Impact on Over/(Under) Performance (bps)
Commodities	36
U.S. Equities	15
Emerging Mkts	13
Hedge Funds	10
REITS	2
Non-U.S. Equities	2
Private Capital	-
Subtotal	<u>78</u>
Fixed Income	(11)
Cash & Equiv	(12)
TIPS	(16)
Subtotal	<u>(39)</u>
TOTAL	<u>39</u>

General Endowment Fund - Active Management Alpha

Periods Ended February 29, 2008

3 Months		Manager (Alpha)	
	(bps)		
Hedge Funds		27	Bridgewater Pure Alpha II (18.46), Milligate (11.47), Blue Ridge (10.02)
Non-U.S. Equities		24	Blackrock Global (10.56), Dalton Japan (7.14), JIMBO (6.58)
Emerging Mkts		23	Blakeney (16.86), Lansdowne Emerging (4.54), Dalton Taiwan (2.26)
REITS		12	Morgan Stanley REITs (3.88), Cohen & Steers (.31)
Fixed Income		11	PIMCO (2.38), Internal Investment Grade Credit (1.18), Internal U.S. Nominal (.96)
Cash & Equiv		-	
Commodities		-	
		Subtotal	97
TIPS		(3)	Reams (1.41)
U.S. Equities		(16)	Relational (7.10), Westport I (4.58), Blavin (3.43)
Private Capital		(62)	
		Subtotal	(81)
		TOTAL	16

FYTD		Manager (Alpha)	
	(bps)		
Hedge Funds		112	Blue Ridge (34.36), Foxpoint (28.55), Lansdowne UK (23.88), Bridgewater Pure Alpha II (23.22)
Fixed Income		22	PIMCO (3.09), Internal Investment Grade Credit (2.61), Internal U.S. Nominal (1.50)
REITS		14	Cohen & Steers (.42)
Emerging Mkts		7	Blakeney (18.61), Lansdowne Emerging (4.66)
Commodities		3	GSCI Futures (.11)
Non-U.S. Equities		3	Blackrock Global (12.46), Lansdowne Europe and Forwards (4.93)
Cash & Equiv		-	
		Subtotal	161
TIPS		(1)	Reams (1.52)
U.S. Equities		(40)	Relational (13.19), Value Act Capital (6.86), Blavin (4.92)
Private Capital		(76)	
		Subtotal	(117)
		TOTAL	44

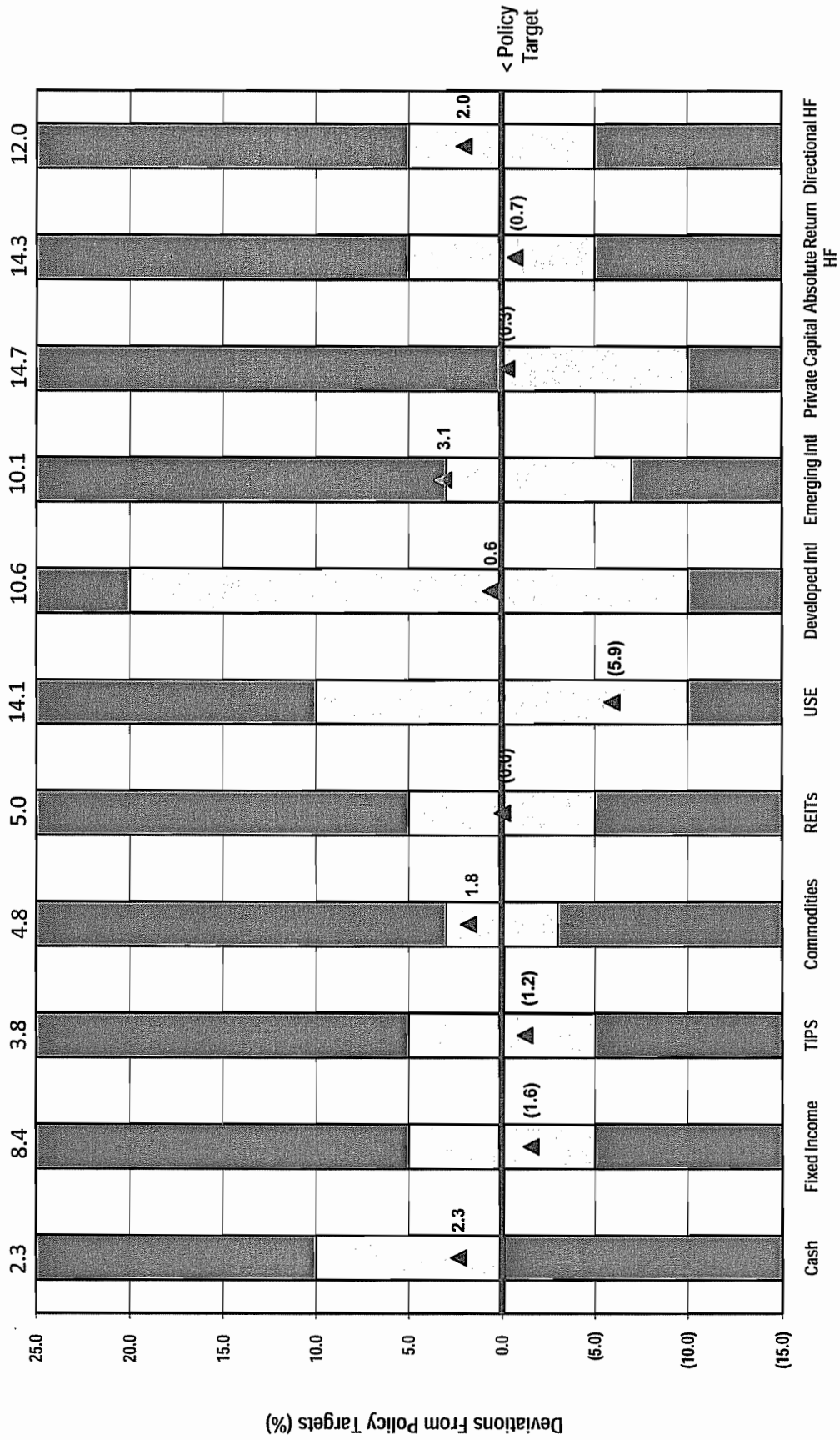


Performance During Last 3 Months

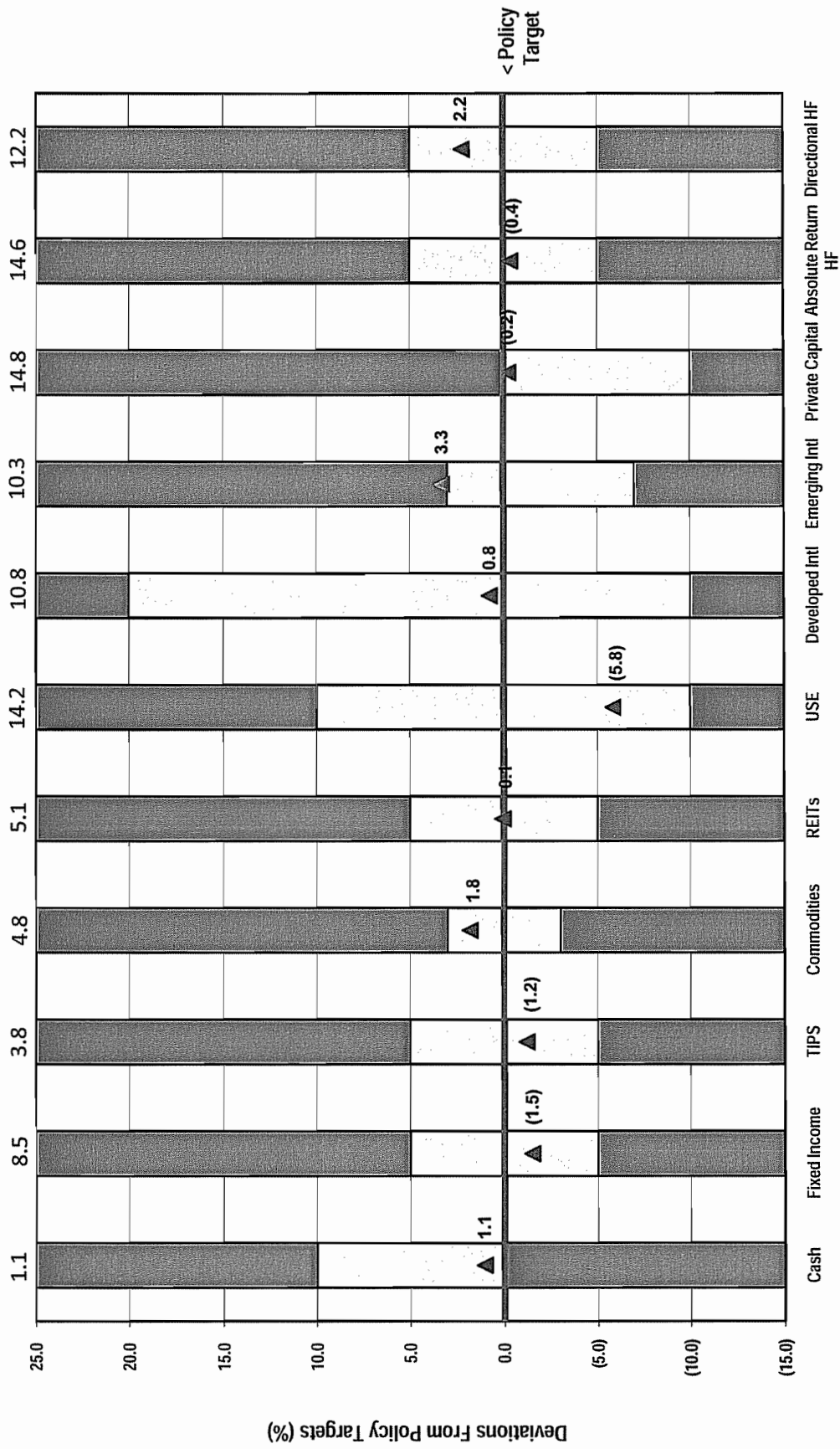
	11/30/2007 - 2/29/2008 Returns
Lehman Agg	2.1%
Lehman TIPS	5.1%
REITs	-9.2%
DJAIG	22.4%
Oil Spot	14.5%
Gold Spot	24.3%
S&P 500	-10.2%
Nasdaq 100	-16.5%
S&P Financials	-16.8%
EAFE	-10.2%
FTSE 100	-8.5%
DJ Euro Stoxx 50	-15.3%
Topix	-13.6%
MSCI Emerging Markets	-6.0%
China Index	-10.7%
ITF	-0.6%
GEF	-1.9%

Assets

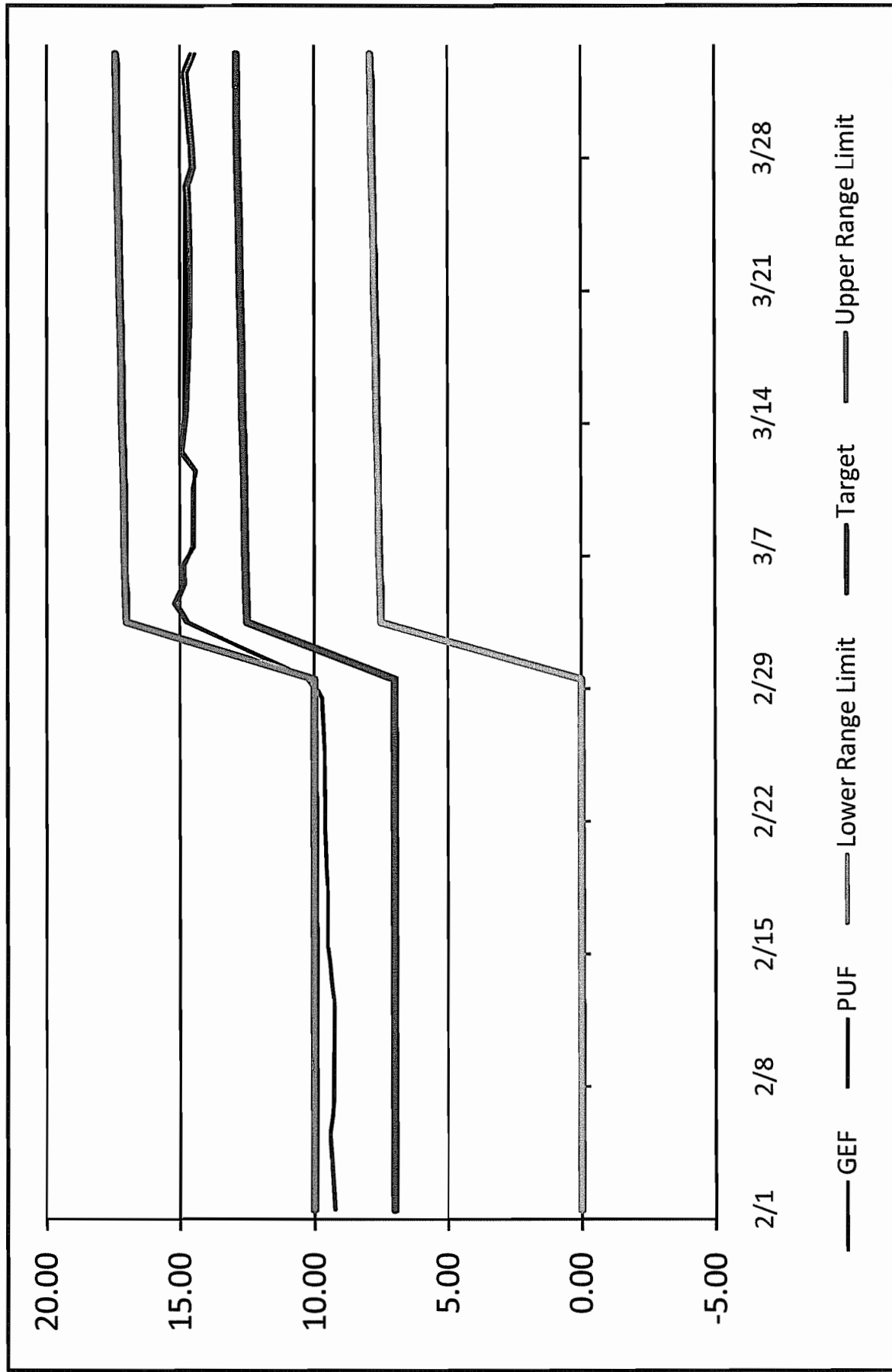
Deviations From Policy Targets Within Tactical Policy Ranges for PUF



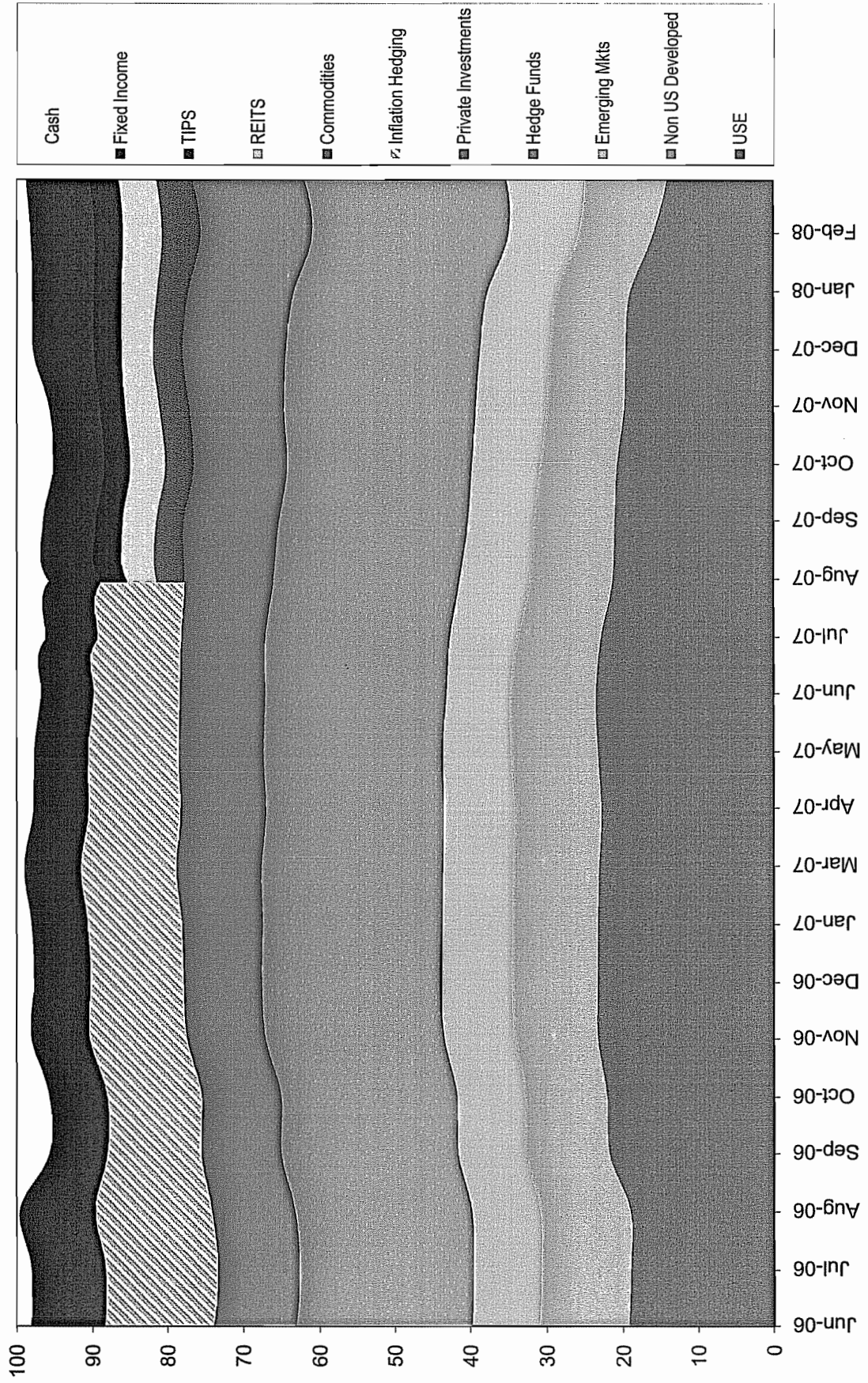
Deviations From Policy Targets Within Tactical Policy Ranges for GEF



PUF and GEF
Emerging Market Asset Allocation



GEF Dollar Allocation Over Time



General Endowment Fund
as of February 29, 2008
(in millions)

Asset Group	Asset Class	More Correlated and Constrained		Less Correlated and Constrained		Private Investments	Grand Total
		\$	%	\$	%		
Fixed Income	Investment Grade	884	13.4%	125	1.9%	-	1,009
	Credit-Related	-	0.0%	62	0.9%	215	277
Fixed Income Total		884	13.4%	187	2.8%	215	1,286
Real Assets	Real Estate	333	5.0%	16	0.2%	-	349
	Natural Resources	411	6.2%	36	0.5%	64	511
Real Assets Total		744	11.2%	52	0.7%	64	860
Equity	Developed Country	1,457	22.1%	1,449	22.0%	655	3,561
	Emerging Markets	678	10.3%	297	4.5%	40	1,015
Equity Total		2,135	32.4%	1,746	26.5%	695	4,576
Grand Total		\$ 3,763	57.0%	\$ 1,985	30.0%	\$ 974	\$ 6,722

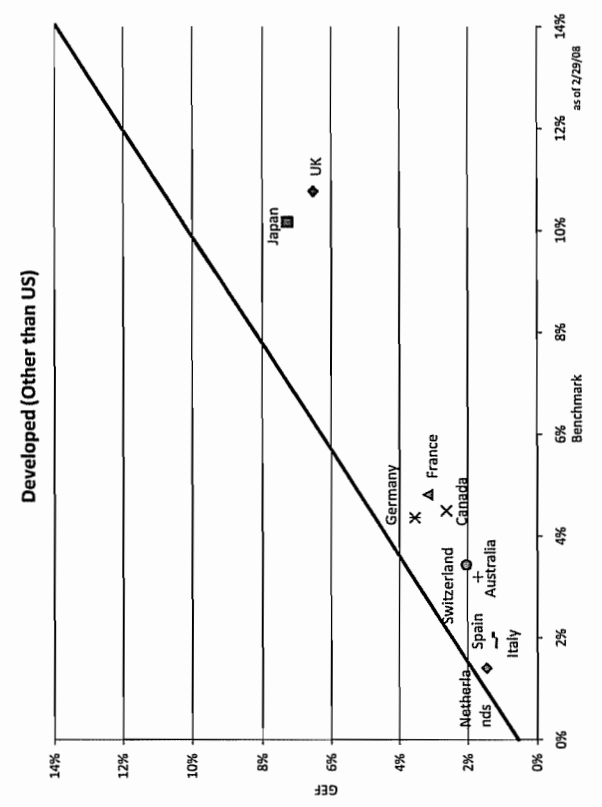
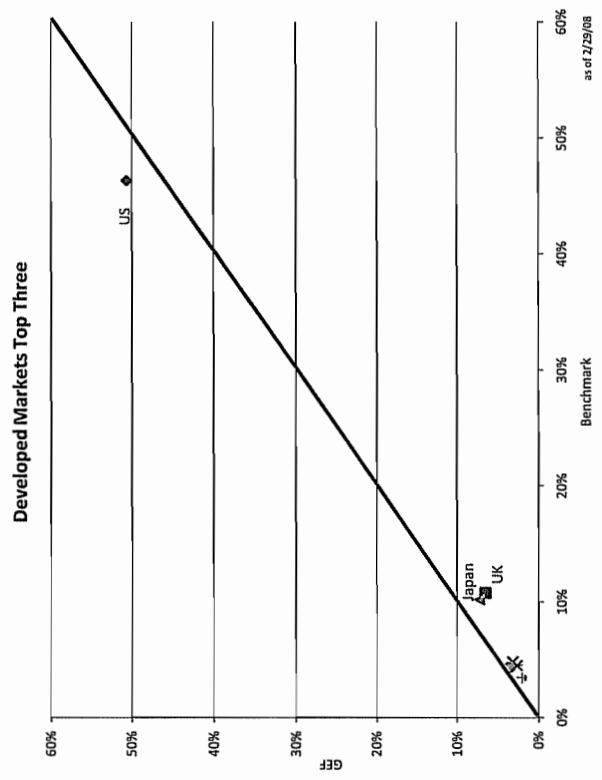
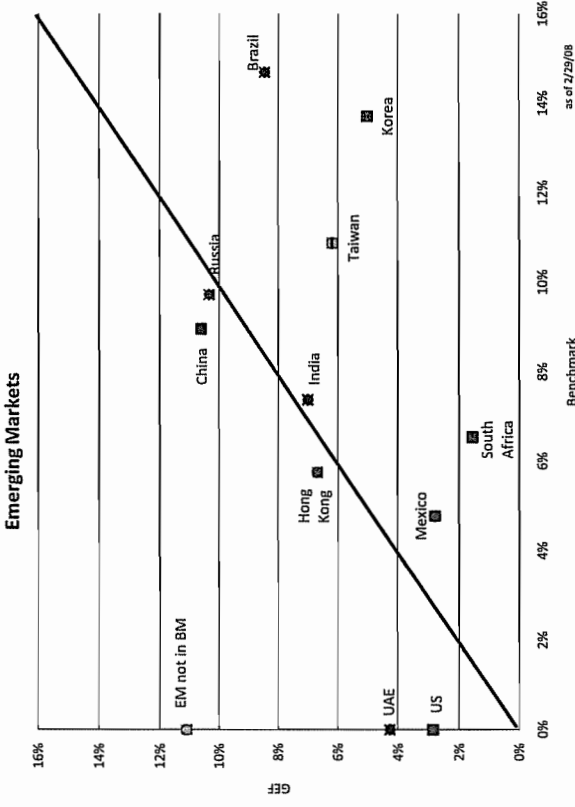
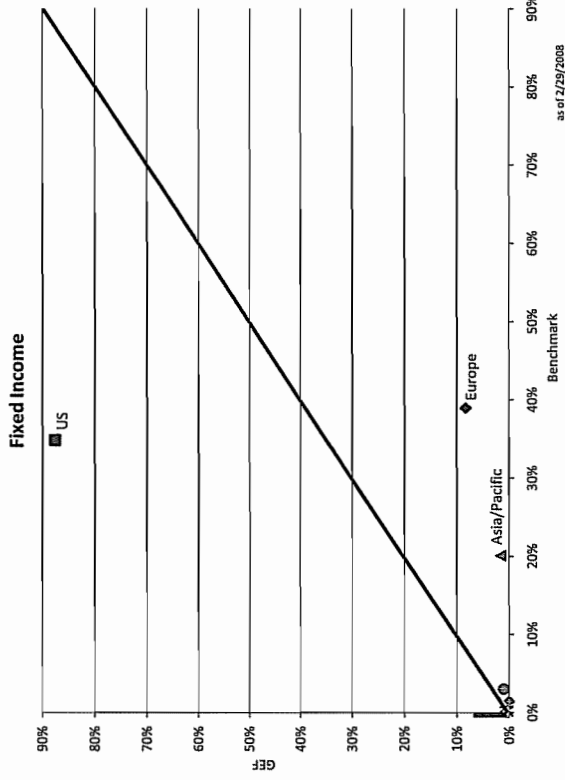
The total Asset Class & Investment Type exposure, including the amount of derivatives exposure not collateralized by Cash, may not exceed 105% of the Asset Class & Investment Type exposures excluding the amount of derivatives exposure not collateralized by Cash.

Asset Class and Investment Type Targets, Ranges, and Performance Objectives
General Endowment Fund
as of February 29, 2008

Asset Class	February 29, 2008 ACTUAL	March 1, 2008 Target		vs. Target
		Min	Max	
Investment Grade Fixed Income	15.3%	10.0%	14.0%	1.3%
Credit-Related Fixed Income	4.2%	0.0%	2.5%	1.7%
Real Estate	5.2%	2.5%	5.0%	0.2%
Natural Resources	7.7%	3.0%	6.0%	1.7%
Developed Country Equity	54.0%	52.5%	60.0%	-6.0%
Emerging Markets Equity	15.4%	7.5%	12.5%	2.9%
TOTAL	101.8%		100.0%	1.8%
Investment Types				
More Correlated & Constrained	57.0%	50.0%	58.5%	-1.5%
Less Correlated & Constrained	30.0%	25.0%	30.0%	0.0%
Private Investments	14.8%	7.5%	11.5%	3.3%
TOTAL	101.8%		100.0%	1.8%

Asset Class	February 29, 2008 ACTUAL	Fiscal Year ending August 31, 2008 Target		vs. Target
		Min	Max	
Investment Grade Fixed Income	15.3%	7.5%	11.0%	4.3%
Credit-Related Fixed Income	4.2%	0.0%	5.0%	-0.8%
Real Estate	5.2%	3.0%	6.0%	-0.8%
Natural Resources	7.7%	4.0%	8.0%	-0.3%
Developed Country Equity	54.0%	47.5%	55.0%	-1.0%
Emerging Markets Equity	15.4%	10.0%	15.0%	0.4%
TOTAL	101.8%		100.0%	1.8%
Investment Types				
More Correlated & Constrained	57.0%	47.5%	53.5%	3.5%
Less Correlated & Constrained	30.0%	27.5%	33.0%	-3.0%
Private Investments	14.8%	9.5%	13.5%	1.3%
TOTAL	101.8%		100.0%	1.8%

MCC: Geographic Actual vs Benchmark



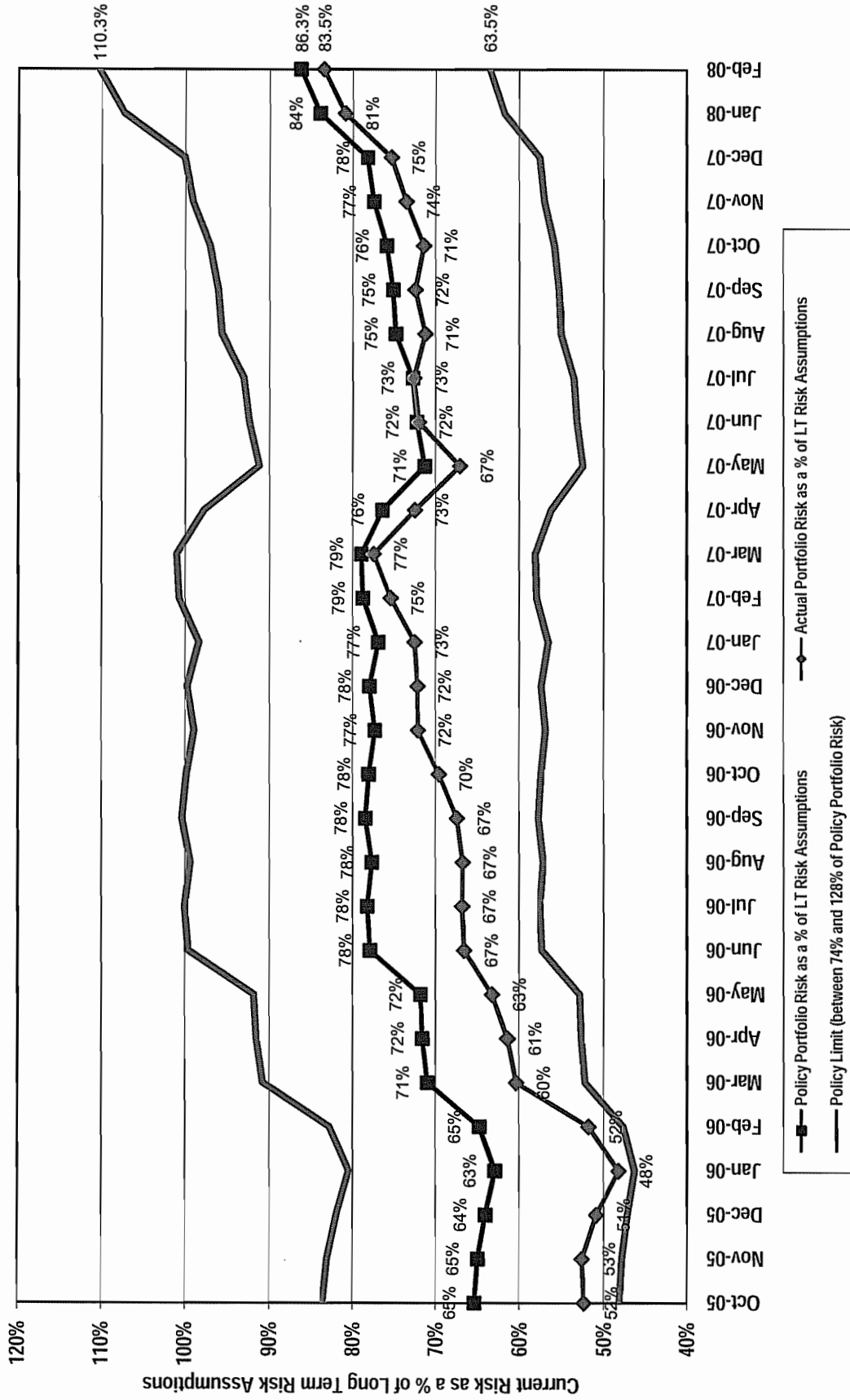
LCC Investment Policy Categorizations vs. "Look Through" Position Holding
February 29, 2008 Estimate

Asset Classification		Hedge Fund Strategy											Emerging Markets Long/Short	Total MA	
Fixed Income (ex distressed)	Convertible Arbitrage	Currencies	Other Relative Value & Arbitrage	Investment Grade Fixed Income	Credit Related	Real Estate	Commodities	US Long/Short	Developed Int'l Long/Short	Equity Market Neutral	Merger Arbitrage	Privates & Restructurings	Developed Country Equity	Emerging Markets Long/Short	Total MA
Investment Grade	0.7%	0.0%	0.2%	1.3%	0.0%	-	0.2%	0.1%	0.1%	0.0%	-	-	0.2%	-	1.8%
Credit-Related	0.0%	0.0%	-	0.0%	0.7%	-	-	0.0%	0.0%	-	-	0.1%	0.1%	0.0%	0.9%
Real Estate	-	-	-	-	-	0.2%	-	-	-	-	-	-	-	-	0.2%
Natural Resources	0.1%	0.1%	-	0.2%	-	-	0.2%	0.0%	0.0%	-	-	0.0%	0.1%	0.0%	0.5%
Developed Country	0.4%	0.0%	0.4%	1.3%	2.0%	-	0.1%	8.5%	4.7%	1.0%	0.6%	1.3%	16.1%	1.8%	21.2%
Emerging Markets	0.3%	0.0%	-	0.6%	-	-	-	0.7%	0.6%	-	-	0.1%	1.4%	2.5%	4.4%
Total MA	1.6%	0.5%	0.9%	3.5%	2.7%	0.2%	0.5%	9.4%	5.4%	1.1%	0.6%	1.5%	17.9%	4.3%	29.1%
Gross Leverage	16.70	2.37	7.41	7.09	1.36	1.65	3.71	2.29	2.24	2.06	1.68	1.43	2.17	1.44	3.03
Net Leverage	-3.19	0.19	4.88	0.30	1.07	0.15	1.30	0.35	0.32	0.01	0.96	1.25	0.41	0.74	0.47

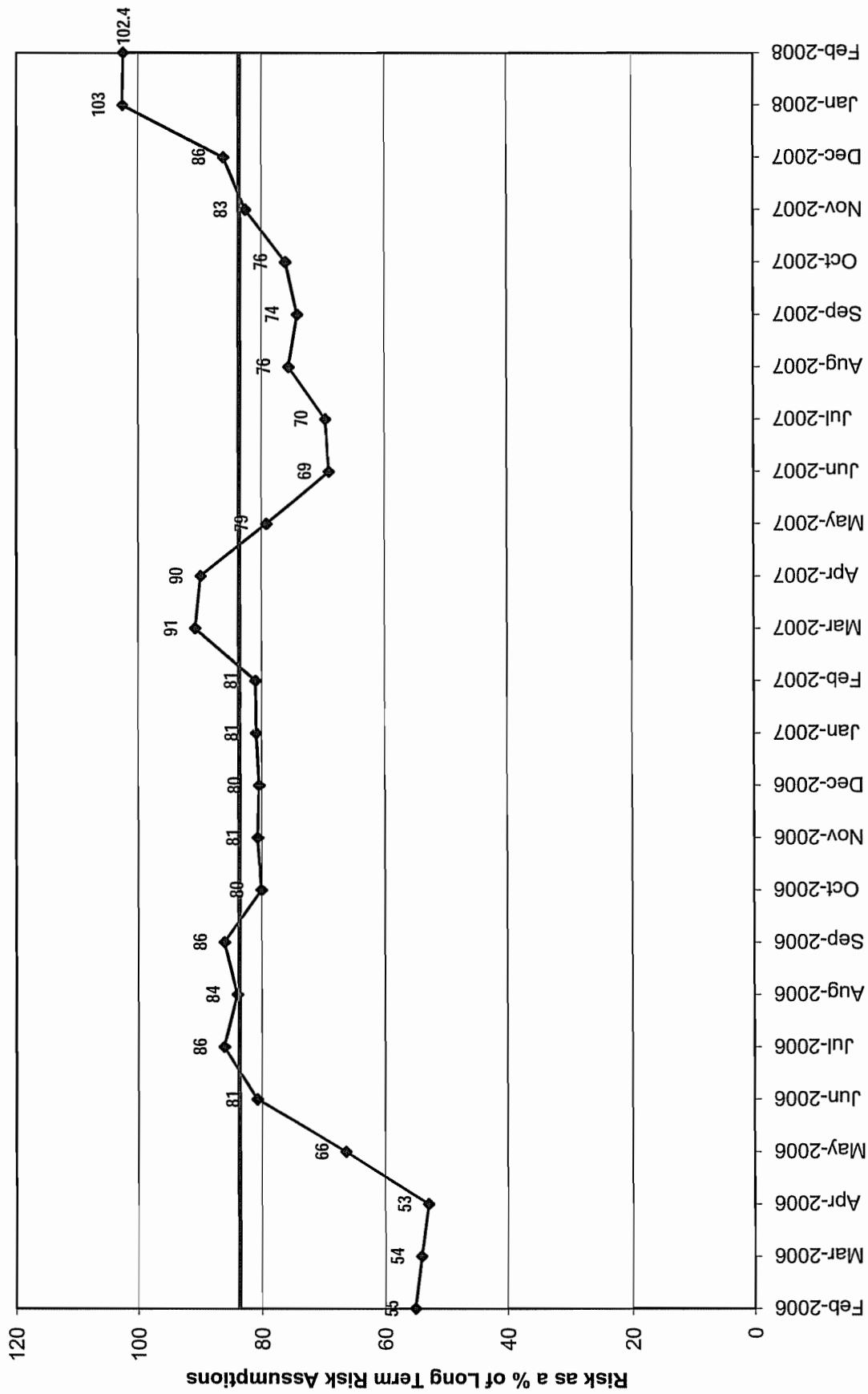
	Policy	Look-Through	Difference
Investment Grade Fixed Income	1.8%	3.5%	1.7%
Credit-Related Fixed Income	0.9%	2.7%	1.8%
Real Estate	0.2%	0.2%	0.0%
Natural Resources	0.5%	0.5%	0.0%
Developed Country Equity	21.2%	17.9%	-3.3%
Emerging Markets Equity	4.4%	4.3%	-0.2%
Less Correlated & Constrained	29.1%	29.1%	0.0%

Risk

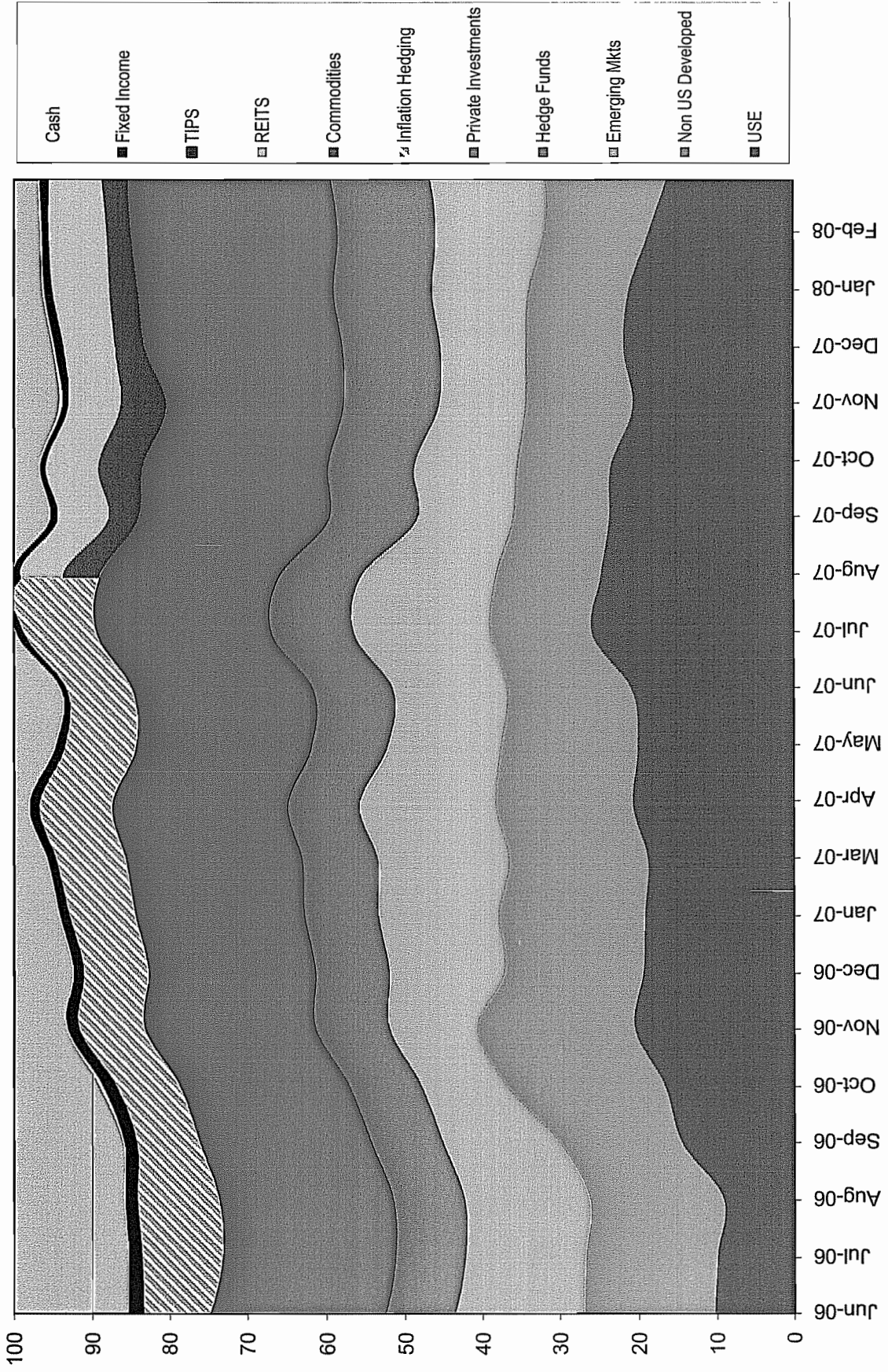
Current Risk Environment of GEF (Based on Downside Risk)



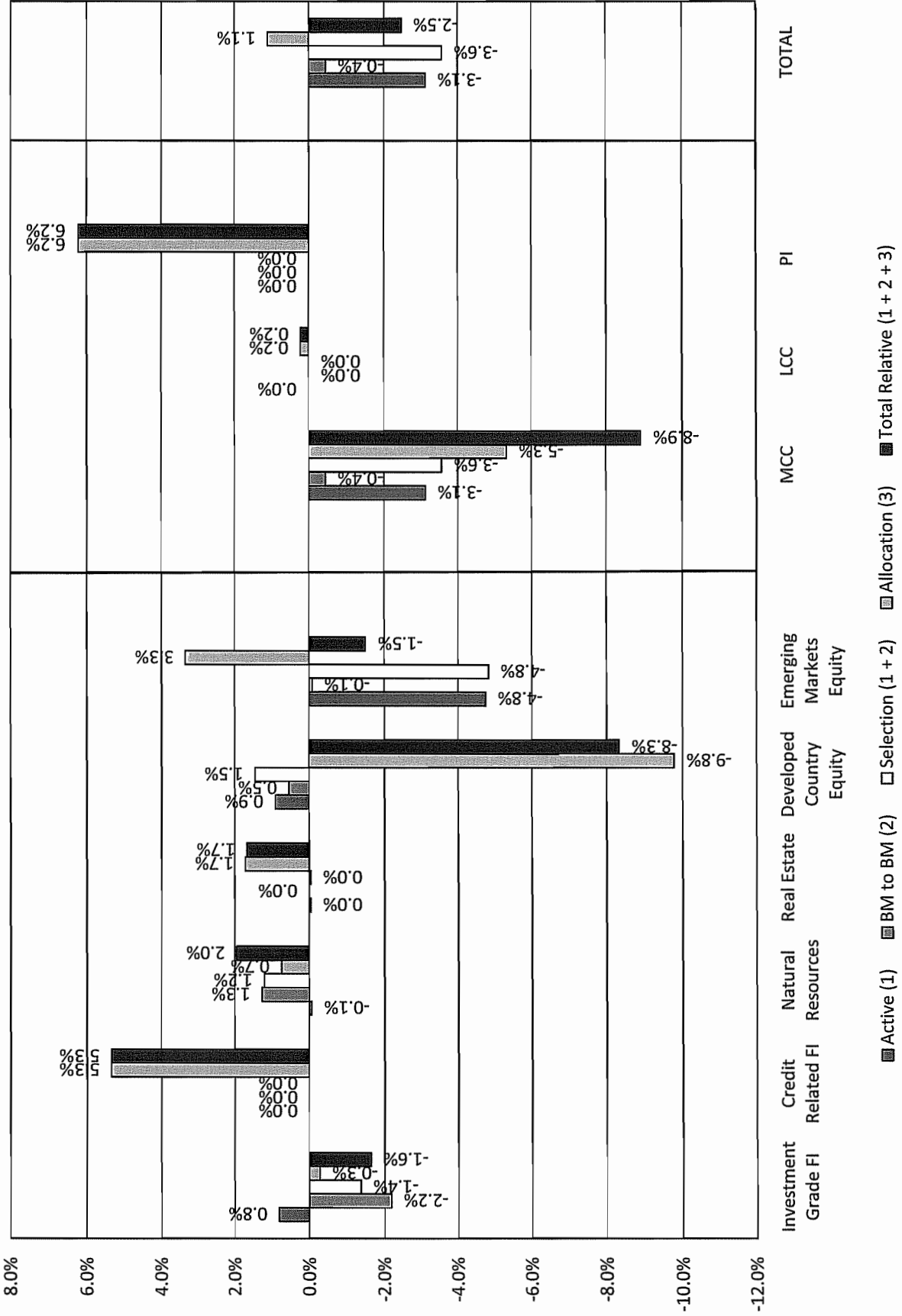
Rolling 12 Month Risk Estimate of Current GEF Portfolio



GEF Risk Allocation Over Time



GEF 4-Way Risk Decomposition as of 02/29/2008 Using New Investment Strategy



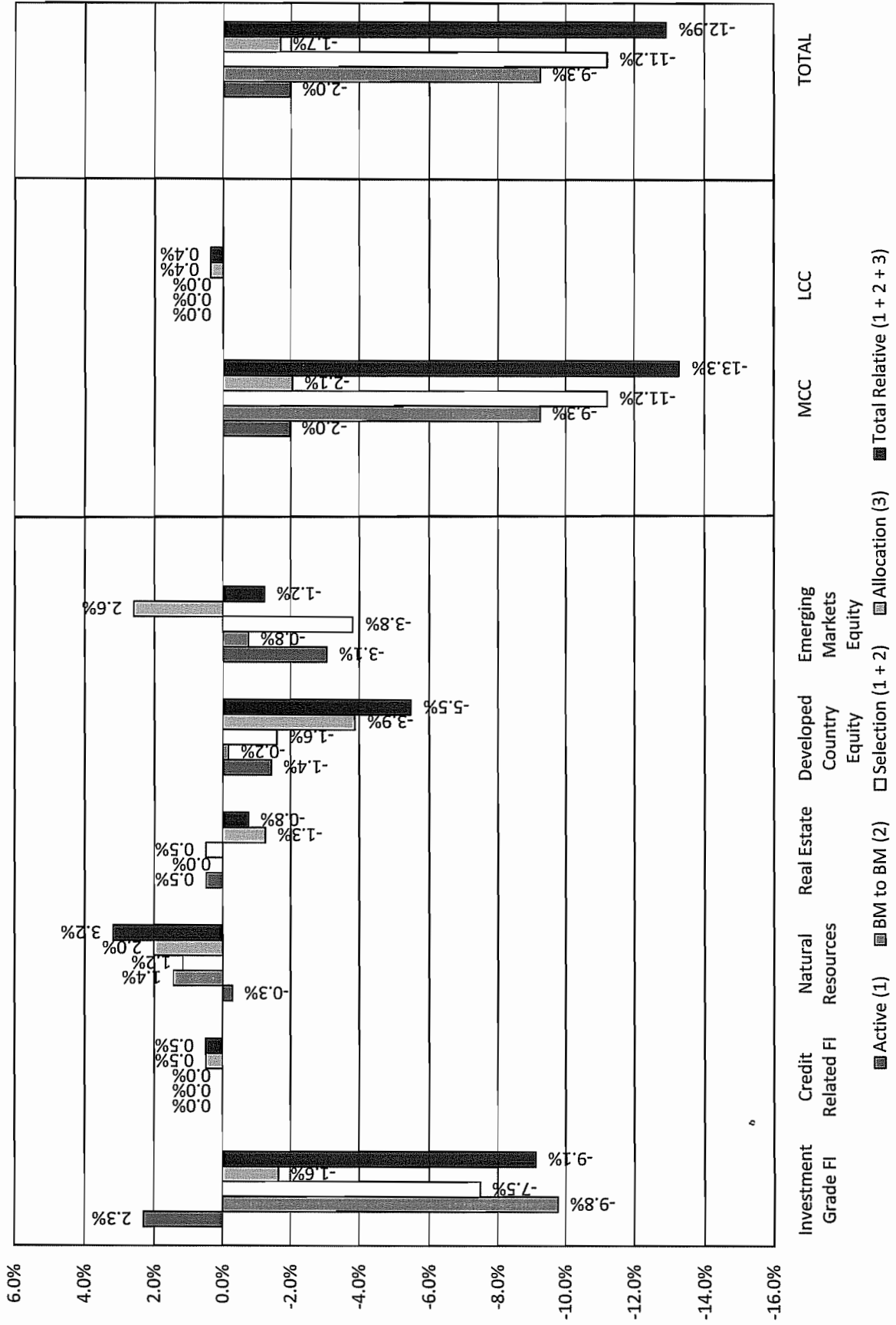


Risk Ratios – Relative to Overall Portfolio

Total Portfolio Risk = 1.0

	MCC	LCC	PI	TOTAL
Investment Grade Fixed Income	0.04	0.17		0.05
Credit-Related Fixed Income		0.33	0.53	0.49
Natural Resources	0.96	0.00	2.07	1.04
Real Estate	1.43	0.11		1.38
Developed Country Equity	1.45	0.53	2.18	1.20
Emerging Markets Equity	1.49	0.35	4.42	1.26
TOTAL	1.06	0.46	1.88	1.00

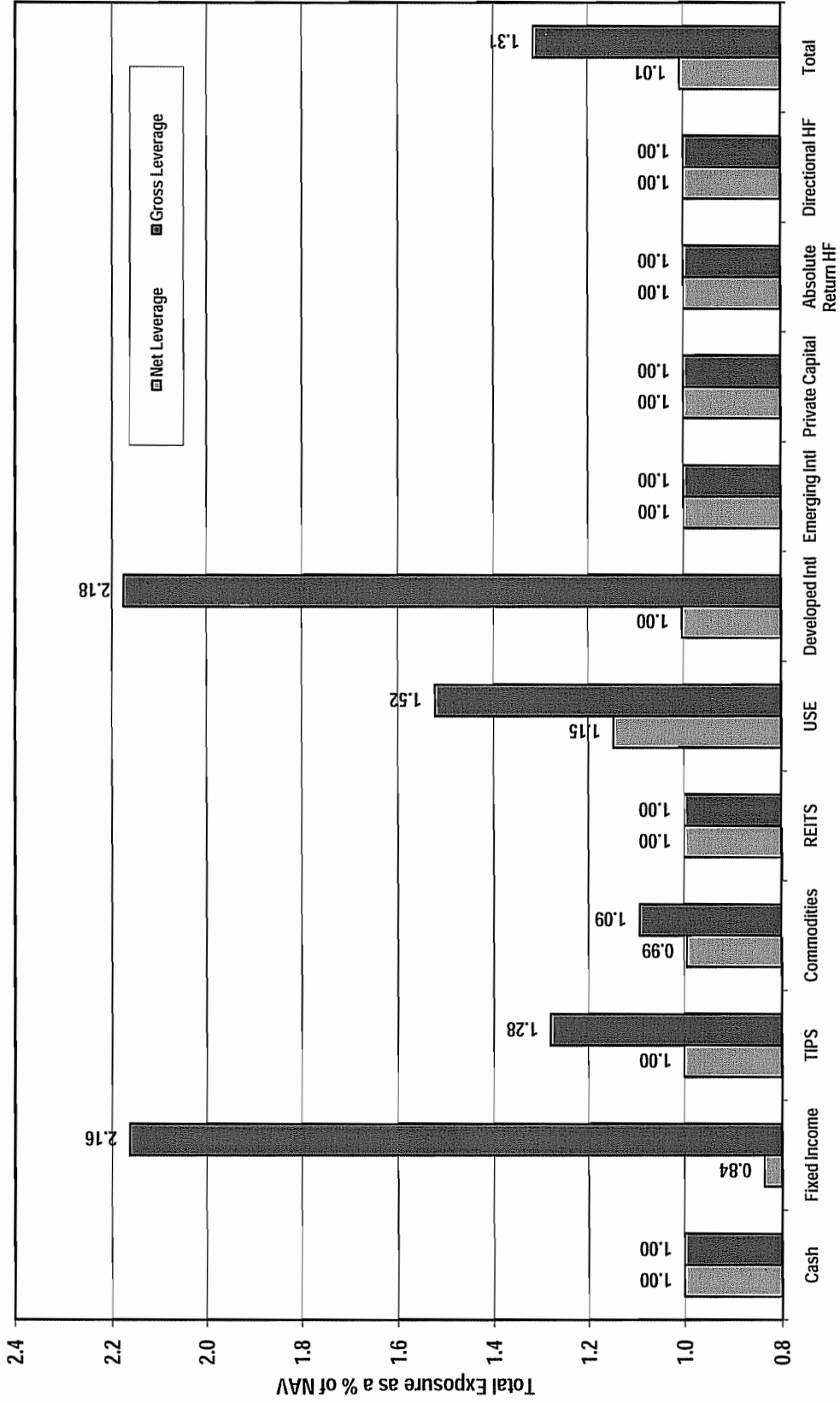
ITF 4-Way Risk Decomposition as of 02/29/2008 Using New Investment Strategy



Leverage

- Derivatives
- Counterparty Risk

Net and Gross Leverage of GEF



Comprehensive Derivative Report as of February 29, 2008

Manager	Derivative Strategy	Net Notional Value (\$ millions)	Activity from previous report (11/30/2007) (\$ millions)
<u>INTERNAL MANAGERS</u>			
<u>US Equities</u>			
S&P 500 Futures	Long S&P 500 futures	\$ 618	\$ (476)
US Equity Small Cap/Large Cap Spread Trade	Long US Large Cap Short US Small Cap	575 (576)	- -
US Collar	Russell 2000 Option	-	(300)
<u>Non-US Developed Equity</u>			
Developed Markets Futures	Long FTSE 100 & Euro Stoxx 50 futures Currency forwards used to hedge U.S. dollar	164 105	(303)
EAFE Swap	Long MSCI EAFE / Short LIBOR	100	100
Lansdowne Euro Forwards	Currency forwards used to replicate local currency exposure for investments in Lansdowne European Fund	27	-
Japan Futures	Currency forwards used to hedge U.S. dollar Long Topix Index futures	9 67	- 56
<u>Emerging Markets Equity</u>			
China Swap	Long CSI 300 Index / Short LIBOR	42	-
Emerging Swaps	Long Emerging Mkt Equity Index/Short LIBOR	121	-
<u>Commodities</u>			
Goldman Sachs Commodity Index	Long GSCI futures	474	(300)
DJAIG Swap	Long DJAIG Commodity Total Return Index	300	300

Comprehensive Derivative Report as of February 29, 2008

Manager	Derivative Strategy	Net Notional Value (\$ millions)
EXTERNAL MANAGERS		
Non-US Developed Equity		
Bridgewater	Currency Overlay	
	Implement currency overlay strategy	(0)
Blackrock Global Ex US	Options used for currency hedge, broad equity market hedge, and add opportunistic value	184
	Long Exchange-traded commodity futures	338
Commodities		
Gresham	Currency forwards used to underweight the US dollar	(6)
	Short US futures used to overweight duration in Eurozone	(97)
	Long Non- US futures used to overweight duration in Eurozone	-
	Long futures used to overweight front end of US and UK yield curves	258
	Receive Interest rate swaps used to overweight duration in the Eurozone and underweight intermediate portion of the Japanese yield curve	50
	Pay Interest rate swaps used to overweight duration in the Eurozone and underweight intermediate portion of the Japanese yield curve	(57)
	Interest rate swaps used to overweight front end of US and UK yield curves	125
	Long credit default swaps used to underweight credit risk	9
	Short credit default swaps used to underweight credit risk	(29)
	Written options used to increase portfolio yield	(3)
	Purchased options used to increase portfolio yield	2
	Sold Credit Default swaps to replicate long corporate bonds for protection in indices	34
Reams TIPS		

Comprehensive Derivative Report as of February 29, 2008

Manager	Derivative Strategy	Net Notional Value (\$ millions)
Fixed Income PIMCO Global Bonds	Currency forwards used to underweight the US dollar	50
	Short US and Non-US futures used to overweight duration in Eurozone	(600)
	Long futures used to overweight front end of US and UK yield curves	319
	Receive Interest rate swaps used to overweight duration in the Eurozone and underweight intermediate portion of the Japanese yield curve	1,359
	Pay Interest rate swaps used to overweight duration in the Eurozone and underweight intermediate portion of the Japanese yield curve	(875)
	Interest rate swaps used to overweight front end of US and UK yield curves	464
	Long credit default swaps used to underweight credit risk	55
	Short credit default swaps used to underweight credit risk	(105)
	Written options used to increase portfolio yield	(17)
	Purchased options used to increase portfolio yield	22
Reams Core Plus	Sold Credit Default swaps to replicate long corporate bonds for protection in indices	40
	GRAND TOTAL	\$ 3,547
Internal Managers		\$ 2,026
External Managers		1,520
GRAND TOTAL		\$ 3,547

Comprehensive Report on Approved Derivative Applications as of February 29, 2008

Internal Managers	Derivative Application (account name)	Purpose of Application
	S&P 500 Futures / FTSE Index / DJ Eurostoxx 50 / Topix / Goldman Sachs Commodity Index (GSCI)	Replicate Index exposure by Utilizing Futures and Cash (Cash Equitization)
	US Equity Small Cap/Large Cap Spread Trade	To alter the Funds market (systematic) exposure without trading the underlying cash market securities through purchases and short sales of appropriate derivatives. Reduce small cap exposure and increase large cap exposure.
	Structured Active Management Application - U.S. Equities	Use derivatives and cash, along with hedge funds, to obtain an overall risk exposure equivalent to that of a traditional active management portfolio within the Developed Markets portfolio.
	EAFE, Emerging Markets, China and DJAIG Swaps	Use derivatives in order for Funds to gain market (systematic) exposure without trading the underlying cash market securities and add value over the index by taking advantage of the borrow rate.
	Currency forwards	To replicate local currency exposure for hedged foreign investments in order to more closely align the targeted risk/return profile.

External Managers Under Agency Agreement	Primary Use of Derivatives
Blackrock (formerly State Street Research)	Short sales limited to 5%, able to use stock and index options, buy and sell puts/calls, forwards, futures (within our max loss provision)
Bridgewater	Permitted to use currency spot and forward contracts, currency futures, options on currency forwards or futures (within our max loss provision)
Dalton	Short sales of equity index options, protective puts, futures and forwards are allowed within our max loss provision.
Goldman Sachs Asset Management	Equity futures, currency forwards and short sales are allowed within a tightly controlled structure which targets a net equity exposure equivalent to that of the underlying benchmark.
Globeflex	May invest in foreign currency forward and foreign currency futures contracts in order to maintain the same currency exposure as its respective index.
Gresham	Use derivatives to gain market (systematic) exposure without trading the physical commodity.
Morgan Stanley REITs	May invest in foreign currency forward and foreign currency futures contracts in order to maintain the same currency exposure as its respective index.
PIMCO Global Bonds	May invest in foreign currency forward and foreign currency futures contracts in order to maintain the same currency exposure as its respective index or to protect against anticipated adverse changes in exchange rates among foreign currencies.
PIMCO Real Return	May use FX option.
PIMCO TIPS	May use forward purchase and sale contracts, futures (including Commodity Futures, Commodity Index Futures, and Exchange Traded Swaps Futures), and Options (including commodity options)
Reams	May use futures, forwards, options and swaps and fixed income securities linked to foreign interest rates.

OTC Derivative Counterparty Report as of February 29, 2008

Counterparty	S & P Counterparty Rating	Mark-to-Market Owed by Broker	Mark-to-Market Owed by UTIMCO	Total Mark-to- Market	Percentage of Total Funds	Notional Value
GOLDMAN SACHS	AA+	340.7	(295.5)	45.2	0.20%	2,867.0
BARCLAYS	AA-	15.2	(10.9)	4.3	0.02%	1,322.6
J. ARON	AA+	4.1	-	4.1	0.02%	61.0
ROYAL BANK OF SCOTLAND PLC	AA	16.1	(13.3)	2.8	0.01%	1,142.7
BNP PARIBAS	AA+	1.5	(0.5)	1.0	0.00%	80.9
COMMONWEALTH BK OF AUSTRALIA	AA	0.9	-	0.9	0.00%	36.6
CITIBANK NY	AA-	1.9	(1.1)	0.8	0.00%	281.2
LEHMAN BROTHERS	AA-	2.8	(2.1)	0.7	0.00%	310.5
MERRILL LYNCH	AA-	1.9	(1.2)	0.7	0.00%	86.9
CS FIRST BOSTON GBL FOREIGN EXCH	AA-	1.2	(0.7)	0.5	0.00%	72.2
CHASE MANHATTAN	AA	2.2	(1.8)	0.4	0.00%	115.2
CITIGROUP	AA-	1.7	(1.4)	0.3	0.00%	93.9
MERRILL LYNCH INTL BANK LTD, NY	AA-	0.4	(0.1)	0.3	0.00%	26.7
ABN AMSTERDAM	AA-	0.4	(0.2)	0.2	0.00%	17.9
CREDIT SUISSE FIRST	AA-	0.5	(0.3)	0.2	0.00%	30.4
ABN AMRO	AA-	0.3	(0.2)	0.1	0.00%	24.3
NATIONAL AUSTRALIA BANK LIMITED	AA	0.4	(0.3)	0.1	0.00%	21.5
ROYAL BANK OF CANADA	AA	0.5	(0.4)	0.1	0.00%	25.9
UNION BK OF SWITZERLAND, NY	AA	0.1	-	0.1	0.00%	13.0
AUSTRALIA & NZ BANK LTD	AA	0.1	(0.1)	-	0.00%	4.9
BANK OF NOVA SCOTIA	AA-	0.1	(0.1)	-	0.00%	4.1
CITIBANK NA, LONDON	AA	-	-	-	0.00%	2.8
MELLON BANK	AA-	-	-	-	0.00%	4.6
NORTHERN TRUST CHICAGO	AA-	0.1	(0.1)	-	0.00%	7.9
STATE ST BOSTON CAPITAL MKT	AA	1.3	(1.3)	-	0.00%	80.9
UBS AG, STAMFORD	AA-	1.7	(1.7)	-	0.00%	189.7
WACHOVIA BANK	AA	-	-	-	0.00%	0.5
WESTPAC BANKING CORP, SYDNEY	AA	0.3	(0.3)	-	0.00%	17.3
CALYON FINANCIAL, LONDON	AA-	-	(0.1)	(0.1)	0.00%	3.9
UBS A G, ZURICH	AA-	4.8	(5.1)	(0.3)	0.00%	380.2
DEUTSCHE BANK AG	AA	2.6	(3.1)	(0.5)	0.00%	351.4
J P MORGAN, CHASE	AA-	2.1	(3.4)	(1.3)	-0.01%	197.1
MORGAN STANLEY	AA-	13.9	(15.2)	(1.3)	-0.01%	993.4
HSBC BK USA, NEW YORK	AA	2.8	(4.2)	(1.4)	-0.01%	192.2
BEAR STEARNS *	A	0.4	(4.5)	(4.5)	-0.02%	143.4
BANK OF AMERICA	AA+	4.1	(10.0)	(5.9)	-0.03%	451.9
Grand Total		427.1	(379.6)	47.5	0.21%	9,656.6

* On 3/14/2008, Bear Stearn's rating was downgraded to BBB.

**OTC Derivative Counterparty Report as of 2/29/2008
By Counterparty and Manager**

Counterparty	Manager	Mark-to-Market Owed by Broker	Mark-to-Market Owed by UTIMCO	Total Mark-to- Market	Percentage of Total Funds	Notional Value
INTERNALLY MANAGED						
BARCLAYS	DJAIG SWAP	-	(0.7)	(0.7)	0.00%	150.0
BARCLAYS Total		-	(0.7)	(0.7)	0.00%	150.0
BEAR STEARNS	CHINA SWAP	-	(0.9)	(0.9)	0.00%	41.8
BEAR STEARNS	EAFE SWAP	-	(4.0)	(4.0)	-0.02%	96.2
BEAR STEARNS Total		-	(4.9)	(4.9)	-0.02%	138.0
GOLDMAN SACHS	DJAIG SWAP	2.6	-	2.6	0.01%	150.0
GOLDMAN SACHS	EEM SWAP	1.4	-	1.4	0.01%	121.4
GOLDMAN SACHS	INTERNATIONAL DEVELOPED FUTURES	8.1	(7.6)	0.5	0.00%	748.9
GOLDMAN SACHS	JAPAN FUTURES	1.3	(0.3)	1.0	0.00%	26.1
GOLDMAN SACHS	LANSOWNE EURO FORWARD	17.0	(2.7)	14.3	0.06%	388.6
GOLDMAN SACHS Total		30.4	(10.6)	19.8	0.08%	1,435.0
Grand Total Internally Managed		30.4	(16.2)	14.2	0.06%	1,723.0
EXTERNALLY MANAGED						
ABN AMRO	BRIDGEWATER CURRENCY OVERLAY	0.3	(0.2)	0.1	0.00%	24.3
ABN AMRO Total		0.3	(0.2)	0.1	0.00%	24.3
ABN AMSTERDAM	BRIDGEWATER CURRENCY OVERLAY	0.4	(0.2)	0.2	0.00%	17.9
ABN AMSTERDAM Total		0.4	(0.2)	0.2	0.00%	17.9
AUSTRALIA & NZ BANK LTD	BRIDGEWATER CURRENCY OVERLAY	0.1	(0.1)	-	0.00%	4.9
AUSTRALIA & NZ BANK LTD Total		0.1	(0.1)	-	0.00%	4.9
BANK OF AMERICA	BLACKROCK GLOBAL EX US	-	-	-	0.00%	4.0
BANK OF AMERICA	BLACKROCK SMALL CAP	-	-	-	0.00%	2.1
BANK OF AMERICA	BRIDGEWATER CURRENCY OVERLAY	0.4	(0.2)	0.2	0.00%	17.1
BANK OF AMERICA	PIMCO FIXED INCOME	3.5	(9.6)	(6.0)	-0.03%	419.3
BANK OF AMERICA	PIMCO REAL RETURN	-	-	-	0.00%	0.6
BANK OF AMERICA	PIMCO TIPS	0.2	(0.2)	-	0.00%	8.9
BANK OF AMERICA Total		4.1	(10.0)	(5.8)	-0.03%	452.0
BANK OF NOVA SCOTIA	PIMCO TIPS	0.1	(0.1)	-	0.00%	4.1
BANK OF NOVA SCOTIA Total		0.1	(0.1)	-	0.00%	4.1
BARCLAYS	BRIDGEWATER CURRENCY OVERLAY	0.7	(0.3)	0.4	0.00%	39.6
BARCLAYS	PIMCO FIXED INCOME	13.6	(9.1)	4.6	0.02%	1,073.2
BARCLAYS	PIMCO REAL RETURN	0.1	-	0.1	0.00%	1.8
BARCLAYS	PIMCO TIPS	0.7	(0.9)	(0.2)	0.00%	58.1
BARCLAYS Total		15.1	(10.3)	4.9	0.02%	1,172.7

**OTC Derivative Counterparty Report as of 2/29/2008
By Counterparty and Manager**

Counterparty	Manager	Mark-to-Market Owed by Broker	Mark-to-Market Owed by UTIMCO	Total Mark-to- Market	Percentage of Total Funds	Notional Value
BEAR STEARNS	PIMCO FIXED INCOME	0.1	-	0.1	0.00%	2.0
BEAR STEARNS	PIMCO TIPS	0.4	-	0.4	0.00%	3.4
BEAR STEARNS Total		0.5	-	0.5	0.00%	5.4
BNP PARIBAS	BRIDGEWATER CURRENCY OVERLAY	0.7	(0.2)	0.5	0.00%	50.2
BNP PARIBAS	PIMCO FIXED INCOME	0.8	-	0.8	0.00%	21.9
BNP PARIBAS	PIMCO TIPS	-	(0.1)	(0.1)	0.00%	8.7
BNP PARIBAS Total		1.5	(0.3)	1.2	0.00%	80.8
CALYON FINANCIAL, LONDON	BRIDGEWATER CURRENCY OVERLAY	-	(0.1)	(0.1)	0.00%	3.9
CALYON FINANCIAL, LONDON Total		-	(0.1)	(0.1)	0.00%	3.9
CHASE MANHATTAN	PIMCO FIXED INCOME	1.9	(1.3)	0.6	0.00%	94.0
CHASE MANHATTAN	PIMCO REAL RETURN	0.2	(0.3)	(0.1)	0.00%	14.1
CHASE MANHATTAN	PIMCO TIPS	0.1	(0.2)	(0.1)	0.00%	7.1
CHASE MANHATTAN Total		2.2	(1.8)	0.4	0.00%	115.2
CITIBANK NA, LONDON	BRIDGEWATER CURRENCY OVERLAY	-	-	-	0.00%	2.8
CITIBANK NA, LONDON Total		-	-	-	0.00%	2.8
CITIBANK NY	BLACKROCK GLOBAL EX US	-	-	-	0.00%	1.1
CITIBANK NY	BLACKROCK SMALL CAP	-	-	-	0.00%	-
CITIBANK NY	BRIDGEWATER CURRENCY OVERLAY	1.1	(0.6)	0.5	0.00%	60.9
CITIBANK NY	PIMCO FIXED INCOME	0.4	(0.2)	0.2	0.00%	192.4
CITIBANK NY	PIMCO REAL RETURN	0.2	(0.2)	-	0.00%	21.6
CITIBANK NY	PIMCO TIPS	0.2	-	0.2	0.00%	5.2
CITIBANK NY Total		1.9	(1.0)	0.9	0.00%	281.2
CITIGROUP	PIMCO FIXED INCOME	1.7	(1.1)	0.6	0.00%	92.7
CITIGROUP	PIMCO TIPS	-	(0.3)	(0.3)	0.00%	1.2
CITIGROUP Total		1.7	(1.4)	0.3	0.00%	93.9
COMMONWEALTH BK OF AUSTRALIA	BRIDGEWATER CURRENCY OVERLAY	-	-	-	0.00%	1.1
COMMONWEALTH BK OF AUSTRALIA	PIMCO FIXED INCOME	0.9	-	0.9	0.00%	35.5
COMMONWEALTH BK OF AUSTRALIA Total		0.9	-	0.9	0.00%	36.6
CREDIT SUISSE FIRST	PIMCO FIXED INCOME	0.4	(0.2)	0.2	0.00%	19.5
CREDIT SUISSE FIRST	PIMCO TIPS	0.1	(0.1)	-	0.00%	11.0
CREDIT SUISSE FIRST Total		0.5	(0.3)	0.2	0.00%	30.5
CS FIRST BOSTON GBL FOREIGN EXCH	BRIDGEWATER CURRENCY OVERLAY	1.2	(0.6)	0.6	0.00%	66.9

**OTC Derivative Counterparty Report as of 2/29/2008
By Counterparty and Manager**

Counterparty	Manager	Mark-to-Market Owed by Broker	Mark-to-Market Owed by UTIMCO	Total Mark-to- Market	Percentage of Total Funds	Notional Value
CS FIRST BOSTON GBL FOREIGN EXCH	MORGAN STANLEY REIT	-	-	-	0.00%	0.2
CS FIRST BOSTON GBL FOREIGN EXCH	PIMCO FIXED INCOME	-	(0.1)	(0.1)	0.00%	5.1
CS FIRST BOSTON GBL FOREIGN EXCH Total		1.2	(0.7)	0.5	0.00%	72.2
DEUTSCHE BANK AG	BRIDGEWATER CURRENCY OVERLAY	-	(0.1)	(0.1)	0.00%	2.9
DEUTSCHE BANK AG	PIMCO FIXED INCOME	2.2	(2.5)	(0.3)	0.00%	297.6
DEUTSCHE BANK AG	PIMCO TIPS	0.4	(0.5)	(0.1)	0.00%	50.9
DEUTSCHE BANK AG Total		2.6	(3.1)	(0.5)	0.00%	351.4
GOLDMAN SACHS	BRIDGEWATER CURRENCY OVERLAY	2.0	(0.7)	1.3	0.01%	106.1
GOLDMAN SACHS	PIMCO FIXED INCOME	307.9	(281.0)	27.1	0.12%	1,269.2
GOLDMAN SACHS	PIMCO TIPS	0.3	(0.7)	(0.4)	0.00%	31.7
GOLDMAN SACHS	REAMS CORE PLUS	-	(0.9)	(0.9)	0.00%	10.1
GOLDMAN SACHS	REAMS TIPS	-	(1.7)	(1.7)	-0.01%	14.8
GOLDMAN SACHS Total		310.2	(285.0)	25.4	0.12%	1,431.9
HSBC BK USA, NEW YORK	BRIDGEWATER CURRENCY OVERLAY	0.9	(1.8)	(0.9)	0.00%	94.7
HSBC BK USA, NEW YORK	PIMCO FIXED INCOME	1.1	(2.2)	(1.1)	0.00%	69.8
HSBC BK USA, NEW YORK	PIMCO REAL RETURN	0.2	(0.2)	-	0.00%	15.5
HSBC BK USA, NEW YORK	PIMCO TIPS	0.6	(0.1)	0.5	0.00%	12.2
HSBC BK USA, NEW YORK Total		2.8	(4.3)	(1.5)	0.00%	192.2
J P MORGAN, CHASE	BRIDGEWATER CURRENCY OVERLAY	1.3	(2.1)	(0.8)	0.00%	111.5
J P MORGAN, CHASE	PIMCO FIXED INCOME	0.8	(0.5)	0.3	0.00%	69.4
J P MORGAN, CHASE	PIMCO TIPS	-	(0.8)	(0.8)	0.00%	16.2
J P MORGAN, CHASE Total		2.1	(3.4)	(1.3)	0.00%	197.1
J. ARON	PIMCO FIXED INCOME	3.8	-	3.8	0.02%	56.2
J. ARON	PIMCO TIPS	0.3	-	0.3	0.00%	4.8
J. ARON Total		4.1	-	4.1	0.02%	61.0
LEHMAN BROTHERS	BRIDGEWATER CURRENCY OVERLAY	0.8	(1.1)	(0.3)	0.00%	56.4
LEHMAN BROTHERS	PIMCO FIXED INCOME	2.0	(0.7)	1.3	0.01%	246.0
LEHMAN BROTHERS	PIMCO TIPS	-	(0.3)	(0.3)	0.00%	8.1
LEHMAN BROTHERS Total		2.8	(2.1)	0.7	0.01%	310.5
MELLON BANK	GLOBEFLEX	-	-	-	0.00%	3.4
MELLON BANK	GLOBEFLEX MICROCAP	-	-	-	0.00%	1.2
MELLON BANK Total		-	-	-	0.00%	4.6
MERRILL LYNCH	PIMCO FIXED INCOME	1.7	(1.1)	0.6	0.00%	80.6
MERRILL LYNCH	PIMCO TIPS	0.2	(0.1)	0.1	0.00%	6.4

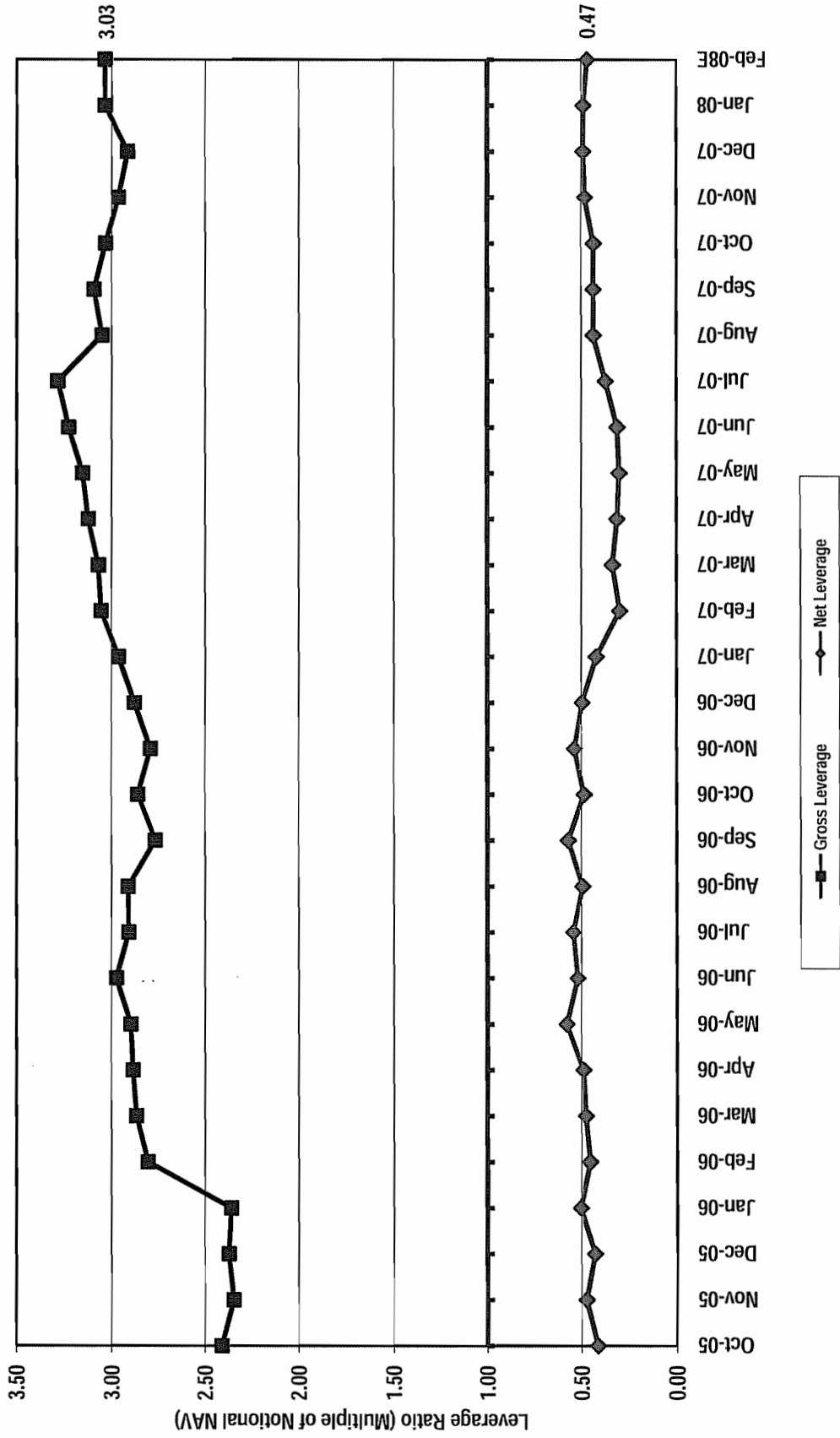
OTC Derivative Counterparty Report as of 2/29/2008
By Counterparty and Manager

Counterparty	Manager	Mark-to-Market Owed by Broker	Mark-to-Market Owed by UTIMCO	Total Mark-to- Market	Percentage of Total Funds	Notional Value
MERRILL LYNCH Total		1.9	(1.2)	0.7	0.00%	87.0
MERRILL LYNCH INTL BANK LTD, NY	BRIDGEWATER CURRENCY OVERLAY	0.2	(0.1)	0.1	0.00%	14.3
MERRILL LYNCH INTL BANK LTD, NY	PIMCO FIXED INCOME	0.2	-	0.2	0.00%	12.4
MERRILL LYNCH INTL BANK LTD, NY Total		0.4	(0.1)	0.3	0.00%	26.7
MORGAN STANLEY	BLACKROCK GLOBAL EX US	-	-	-	0.00%	7.5
MORGAN STANLEY	BLACKROCK SMALL CAP	-	-	-	0.00%	4.3
MORGAN STANLEY	BRIDGEWATER CURRENCY OVERLAY	1.3	(2.8)	(1.5)	-0.01%	144.5
MORGAN STANLEY	PIMCO FIXED INCOME	10.7	(8.9)	1.9	0.01%	686.7
MORGAN STANLEY	PIMCO REAL RETURN	1.1	(0.6)	0.5	0.00%	42.5
MORGAN STANLEY	PIMCO TIPS	0.9	(1.2)	(0.3)	0.00%	59.0
MORGAN STANLEY	REAMS CORE PLUS	-	(1.1)	(1.1)	0.00%	29.4
MORGAN STANLEY	REAMS TIPS	-	(0.7)	(0.7)	0.00%	19.3
MORGAN STANLEY Total		14.0	(15.3)	(1.2)	0.00%	993.2
NATIONAL AUSTRALIA BANK LIMITED	BRIDGEWATER CURRENCY OVERLAY	0.4	(0.3)	0.1	0.00%	21.5
NATIONAL AUSTRALIA BANK LIMITED Total		0.4	(0.3)	0.1	0.00%	21.5
NORTHERN TRUST CHICAGO	BRIDGEWATER CURRENCY OVERLAY	0.1	(0.1)	-	0.00%	7.9
NORTHERN TRUST CHICAGO Total		0.1	(0.1)	-	0.00%	7.9
ROYAL BANK OF CANADA	BRIDGEWATER CURRENCY OVERLAY	0.5	(0.4)	0.1	0.00%	25.9
ROYAL BANK OF CANADA Total		0.5	(0.4)	0.1	0.00%	25.9
ROYAL BANK OF SCOTLAND PLC	BRIDGEWATER CURRENCY OVERLAY	2.8	(3.3)	(0.5)	0.00%	255.3
ROYAL BANK OF SCOTLAND PLC	PIMCO FIXED INCOME	11.4	(6.9)	4.7	0.02%	788.6
ROYAL BANK OF SCOTLAND PLC	PIMCO REAL RETURN	0.5	(0.8)	(0.3)	0.00%	24.2
ROYAL BANK OF SCOTLAND PLC	PIMCO TIPS	1.4	(2.3)	(0.9)	0.00%	74.7
ROYAL BANK OF SCOTLAND PLC Total		16.1	(13.3)	3.0	0.02%	1,142.8
STATE ST BOSTON CAPITAL MKT	BRIDGEWATER CURRENCY OVERLAY	1.3	(1.3)	-	0.00%	80.9
STATE ST BOSTON CAPITAL MKT Total		1.3	(1.3)	-	0.00%	80.9
UBS A G, ZURICH	BRIDGEWATER CURRENCY OVERLAY	1.9	(2.4)	(0.5)	0.00%	183.4
UBS A G, ZURICH	PIMCO FIXED INCOME	1.1	(2.3)	(1.2)	-0.01%	126.2
UBS A G, ZURICH	PIMCO TIPS	1.8	(0.4)	1.4	0.01%	70.6
UBS A G, ZURICH Total		4.8	(5.1)	(0.3)	0.00%	380.2

**OTC Derivative Counterparty Report as of 2/29/2008
By Counterparty and Manager**

Counterparty	Manager	Mark-to-Market Owed by Broker	Mark-to-Market Owed by UTIMCO	Total Mark-to- Market	Percentage of Total Funds	Notional Value
UBS AG, STAMFORD	BRIDGEWATER CURRENCY OVERLAY	0.3	(0.2)	0.1	0.00%	53.0
UBS AG, STAMFORD	PIMCO FIXED INCOME	1.4	(1.1)	0.3	0.00%	99.8
UBS AG, STAMFORD	PIMCO REAL RETURN	-	-	-	0.00%	6.2
UBS AG, STAMFORD	PIMCO TIPS	-	(0.2)	(0.2)	0.00%	17.2
UBS AG, STAMFORD	REAMS CORE PLUS	-	(0.1)	(0.1)	0.00%	13.4
UBS AG, STAMFORD Total		1.7	(1.6)	0.1	0.00%	189.6
UNION BK OF SWITZERLAND, NY	REAMS CORE PLUS	0.1	-	0.1	0.00%	13.0
UNION BK OF SWITZERLAND, NY Total		0.1	-	0.1	0.00%	13.0
WACHOVIA BANK	PIMCO FIXED INCOME	-	-	-	0.00%	0.5
WACHOVIA BANK Total		-	-	-	0.00%	0.5
WESTPAC BANKING CORP, SYDNEY	BRIDGEWATER CURRENCY OVERLAY	0.3	(0.3)	-	0.00%	17.3
WESTPAC BANKING CORP, SYDNEY Total		0.3	(0.3)	-	0.00%	17.3
Grand Total Externally Managed		396.7	(363.4)	34.0	0.16%	7,933.6
GRAND TOTAL - ALL MANAGERS		427.1	(379.6)	48.2	0.21%	9,656.6

UTIMCO Hedge Fund Portfolio Gross and Net Leverage



Manager Exposure

Top 20 Managers - By Total Assets

Manager	NAV	% of GEF Risk	% of NAV
Dreyfus	2,831,551,118	0.1%	12.5%
BGI	1,740,726,240	10.8%	7.7%
PIMCO	1,263,912,220	0.7%	5.6%
Lansdowne	986,369,154	5.6%	4.4%
REAMS	926,582,303	-0.1%	4.1%
Cohen & Steers	730,671,111	3.7%	3.2%
Farallon	665,317,357	2.0%	2.9%
Perry	633,783,775	0.8%	2.8%
Maverick	571,564,159	2.2%	2.5%
ValueAct	521,198,878	3.8%	2.3%
Top 10	10,871,676,315	29.5%	48.0%
Blue Ridge	519,104,130	0.7%	2.3%
INT US Nominal	482,580,540	0.0%	2.1%
GSCI	476,139,617	1.6%	2.1%
OakTree	473,578,198	0.8%	2.1%
GlobeFlex	421,618,276	3.2%	1.9%
OZ	353,106,581	0.3%	1.6%
Levin	352,009,809	1.8%	1.6%
Westport	337,664,492	2.2%	1.5%
Bridgewater	318,862,017	0.2%	1.4%
Protege	314,561,927	0.6%	1.4%
Top 20	14,920,901,902	41.0%	65.9%

Top 20 Managers - By Risk Contribution

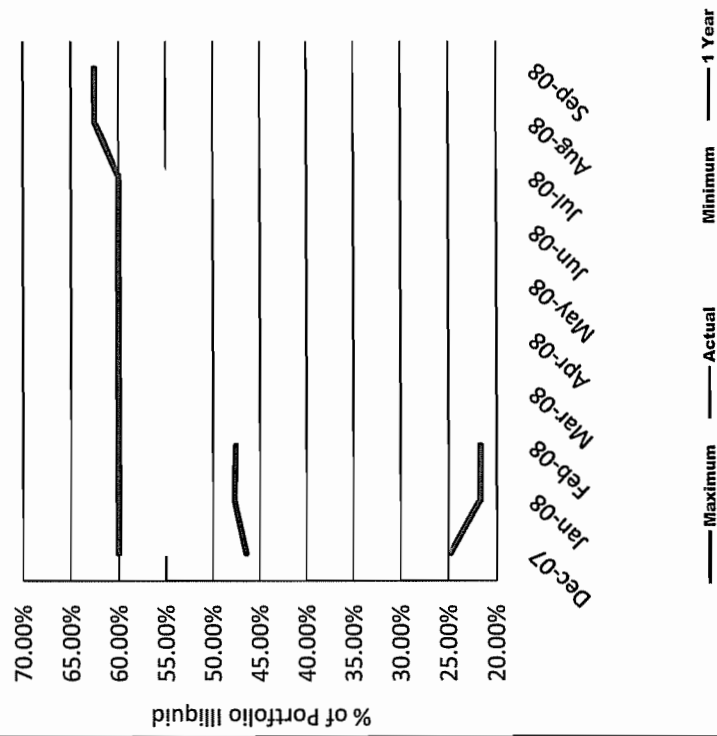
Manager	NAV	% of GEF Risk	% of NAV
BGI	1,740,726,240	10.8%	7.7%
Lansdowne	986,369,154	5.6%	4.4%
ValueAct	521,198,878	3.8%	2.3%
Cohen & Steers	730,671,111	3.7%	3.2%
GlobeFlex	421,618,276	3.2%	1.9%
Blackrock	311,530,566	2.5%	1.4%
Futures in Overlay	-9,191,786	2.3%	0.0%
Lazard	195,289,176	2.3%	0.9%
Westport	337,664,492	2.2%	1.5%
Maverick	571,564,159	2.2%	2.5%
Top 10	5,807,440,266	38.6%	25.6%
Farallon	665,317,357	2.0%	2.9%
European INV EII	279,085,088	1.9%	1.2%
Levin	352,009,809	1.8%	1.6%
GSAM-INTL EQ DEV	245,605,436	1.7%	1.1%
Relational	269,375,844	1.7%	1.2%
Temperton Alpha	221,596,889	1.7%	1.0%
MS REIT	284,913,162	1.6%	1.3%
GSCI	476,139,617	1.6%	2.1%
INTL Dev Futures	154,557,050	1.5%	0.7%
Rexiter	145,688,827	1.4%	0.6%
Top 20	8,901,729,345	55.5%	39.3%

**Managers outside of Delegation of Authority limits due to appreciation
As of 2/29/2008**

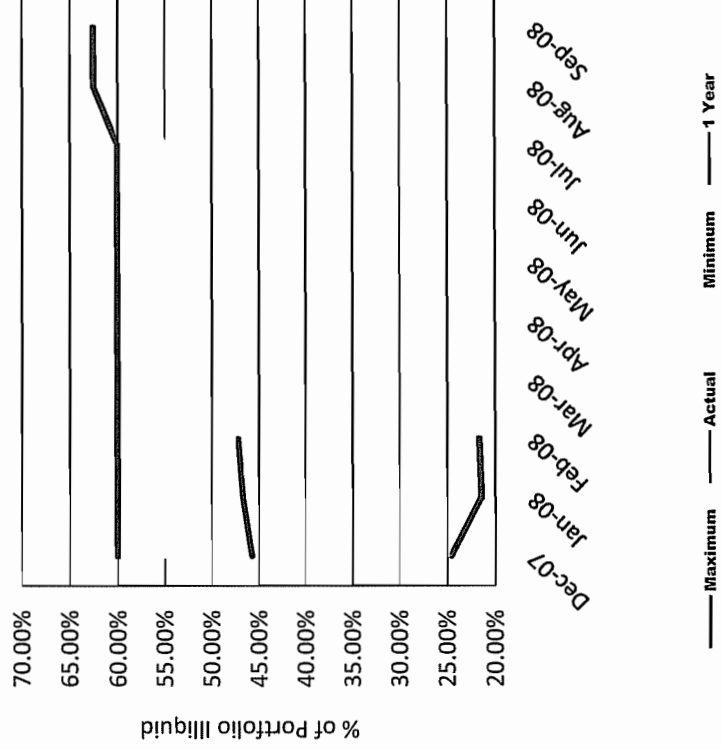
<u>Manager Name</u>	<u>Investment Amount</u>	<u>Delegation of Authority Limit</u>
<u>More Correlated and Constrained</u>		
Lansdowne	882,950,439	750,000,000
Reams	926,582,303	850,000,000
<u>Less Correlated and Constrained</u>		
Blue Ridge	519,104,130	375,000,000
Bridgewater	318,862,017	300,000,000
Farallon	665,317,357	530,000,000
Och Ziff	353,106,581	300,000,000
Protégé	314,561,927	300,000,000
<u>Private Investments</u>		
None		
<u>All Investment Types</u>		
Lansdowne	986,369,154	750,000,000

Liquidity

**Permanent University Fund
Actual Illiquidity vs. Trigger Zones**



**General Endowment Fund
Actual Illiquidity vs. Trigger Zones**



Private Markets Exposure Report - 2/29/08

Investment Focus / Stage	Market Value	% of Total Market Value	Unfunded Commitment	Total Exposure	% of Total Exposure	MV as % of Total Endowments	Unfunded Commitment as % of Total Endowments
BUYOUT	\$1,194,229,764	43.89%	\$974,336,876	\$2,168,566,640	43.83%	6.45%	5.27%
VENTURE CAPITAL	\$443,006,582	16.28%	\$457,850,636	\$900,857,218	18.21%	2.39%	2.47%
OPPORTUNISTIC	\$183,902,670	6.76%	\$124,441,206	\$308,343,876	6.23%	0.99%	0.67%
DEVELOPED MARKETS EQUITY	\$1,821,139,016	66.94%	\$1,556,628,718	\$3,377,767,734	68.26%	9.84%	8.41%
EMERGING MARKETS EQUITY	\$105,557,890	3.88%	\$210,678,367	\$316,236,257	6.39%	0.57%	1.14%
NATURAL RESOURCES	\$187,114,079	6.88%	\$238,763,067	\$425,877,146	8.61%	1.01%	1.29%
CREDIT-RELATED FIXED INCOME	\$606,902,674	22.31%	\$221,337,182	\$828,239,856	16.74%	3.28%	1.20%
GRAND TOTAL PRIVATE MARKETS	\$2,720,713,659	100.00%	\$2,227,407,334	\$4,948,120,993	100.00%	14.70%	12.04%
TOTAL ENDOWMENTS	\$18,504,620,967						17.50%

MAXIMUM AMOUNT OF UNFUNDED COMMITMENTS ALLOWED PER LIQUIDITY POLICY

Asset Class/Investment Type

Highlights

Fixed Income

- Investment Grade: Brandywine
- Credit Related Pipeline

Natural Resources

- Index
- Gresham
- Private
 - NGP
 - SCF
- Pipeline

Endowment Real Estate Portfolio: 2007-2012

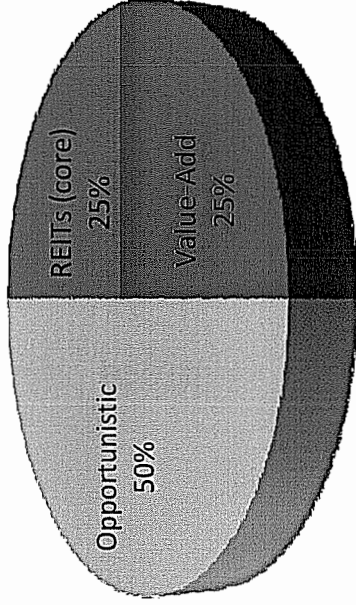
FYE07 Actual - \$813 million

Strategy Diversification

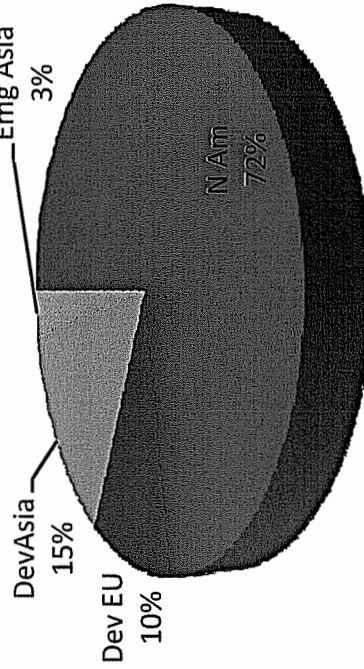


FYE2012 Target - \$2.0 billion (est)

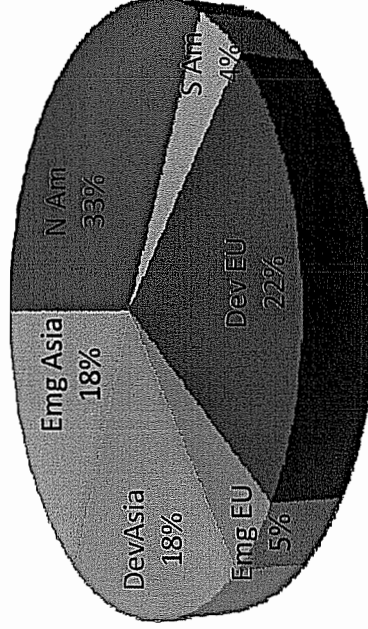
Strategy Diversification



Geographic Diversification



Geographic Diversification



Investments-to-date

Public	Private
*EII	*MS Special Situations
*CSFB	*Northwood
	*Trophy
	*Shorenstein
	*Five Mile

Investment Activities

**Report on Investment Transactions Made Under the Delegation of Authority
January 16, 2008 through March 31, 2008**

	<u>Amount</u> <u>(\$ millions)</u>	<u>Description</u>	<u>Illiquid</u>	<u>New Mandate Categorization assigned to new investments</u>
<u>More Correlated & Constrained - Investment Grade Fixed Income</u>				
Global Investment Advisors	(271)	{Termination of manager; partially funds new manager	No	More Correlated & Constrained
Brandywine	400			Inv Grade FI
<u>More Correlated & Constrained - Real Estate</u>				
Cohen & Steers	(105)	{Partial withdrawal from manager in order to fund new manager	No	More Correlated & Constrained
Credit Suisse	200			Real Estate
<u>More Correlated & Constrained - Natural Resources</u>				
Pimco Real Return	(302)	{Termination of manager's mandate; reallocated to new manager	No	More Correlated & Constrained
Gresham	304			Natural Resources
GSCI futures	(782)	{Completely liquidate futures to; reinvested in swap	No	Natural Resources
DJAIG swap	782			Natural Resources
<u>More Correlated & Constrained - Dev Country Equity</u>				
Large Cap/Small Domestic Spread Trade	(75)	{Reduce exposure in spread trade		
TCW	(238)	{Termination of manager		
S&P futures	(411)	{Sell of futures to be reallocated		
FTSE futures	(304)	{Sell futures in order to provide additional funding to manager		
BGI EAFE	303			
BGI EAFE	377	{Additional funding to manager; some proceeds from S&P futures sales		
BGI EAFE	(100)	{Partial withdrawal from manager to be allocated to EAFE swap		
EAFE Swap	100			
Japan futures / Dalton Japan	56	{Purchase futures from initial proceeds of terminated manager		
<u>More Correlated & Constrained - Emerging Markets Equity</u>				
Lazard	50	{Additional funding to manager to increase emerging exposure		
BGI EMSI	75	{Additional funding to manager to increase emerging exposure		
Lansdowne Emerging Emerging ETFs	(100)	{Partial withdrawal from manager to purchase ETFs		
BGI EMSI	100			
BGI EMSI	100	{Additional funding to manager to increase emerging exposure		
China swap	(34)	{Final pricing of swap		
Quorum	50	{Initial investment in manager; partially funded by sell of ETFs	No	More Correlated & Constrained
				Emerging Mkt Eq

1 Trades fall under the Derivative Investment Policy. Amounts shown represent Notional Value.

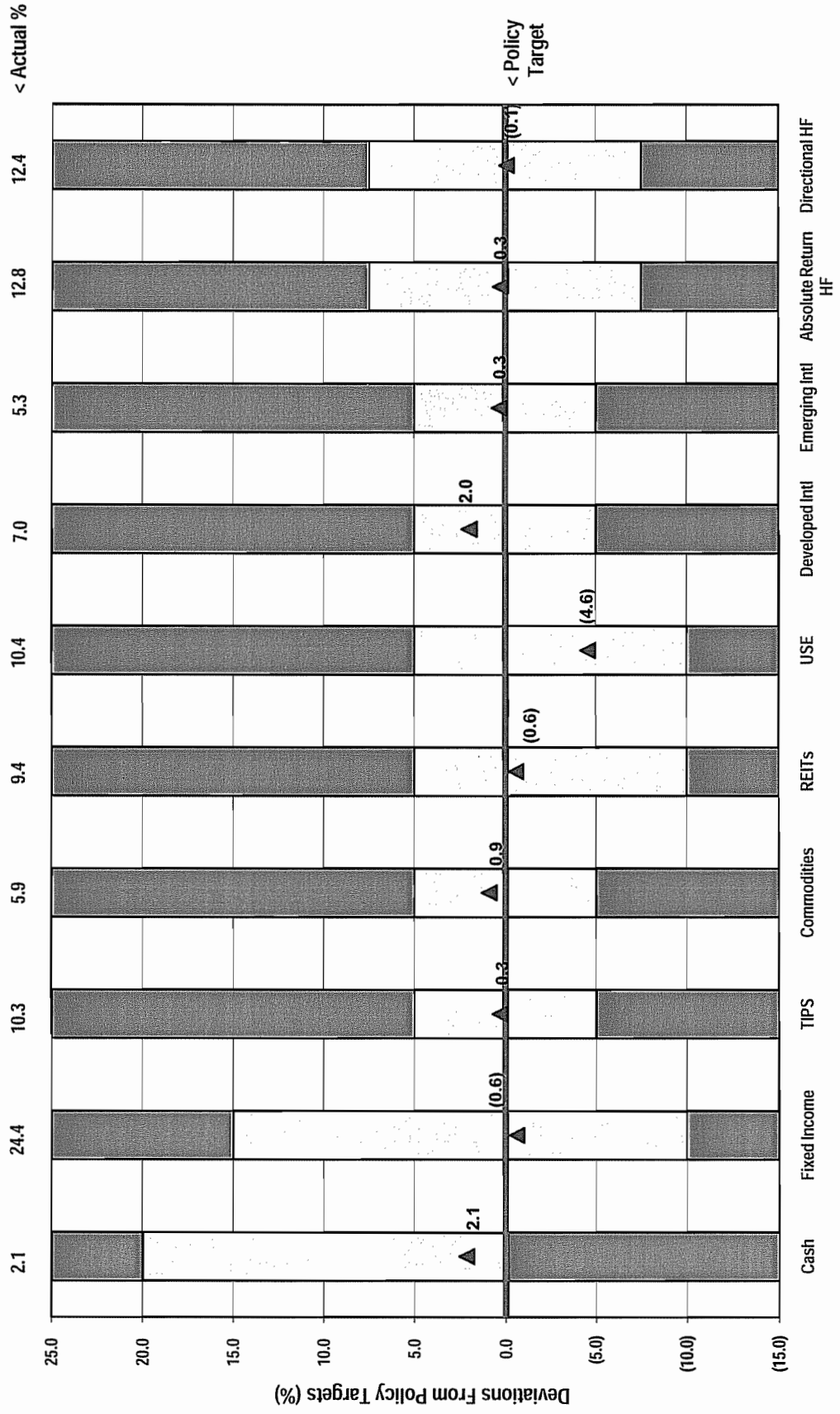
Report on Investment Transactions Made Under the Delegation of Authority
January 16, 2008 through March 31, 2008

Amount (\$ millions)	Description	Illiquid	New Mandate Categorization assigned to new investments
Less Correlated & Constrained - Credit Related Fixed Income			
100	{Initial investment in manager	Yes	Credit Related FI
25	{Additional funding to manager		
Less Correlated & Constrained - Dev Country Equity			
50	{Additional funding to manager		
40	{Additional funding to manager		
25	{Additional funding to manager		
(42)	{Liquidation of fund by manager		
Less Correlated & Constrained - Emerging Markets Equity			
30	{Initial investment in manager	Yes	Emerg Mkt Equity
30	{Initial investment in manager	Yes	Emerg Mkt Equity
Private Investments - Credit Related Fixed Income			
100	The Vårde Fund IX, L.P.	Yes	Credit Related FI
Private Investments - Real Estate			
25	Northwood Real Estate Partners, L.P.	Yes	Real Estate
25	Northwood Real Estate Co-Investors, L.P.	Yes	Real Estate
50	Morgan Stanley RE Special Situations III	Yes	Real Estate
Private Investments - Natural Resources			
50	Natural Gas Partners IX, L.P.	Yes	Natural Resources
Private Investments - Dev Country Equity			
25	Union Square Ventures 2008, L.P.	Yes	Dev Country Equity
51	CVC European Equity Partners V, L.P.*	Yes	Dev Country Equity
Private Investments - Emerging Markets Equity			
50	NewMargin Growth Fund, L.P.	Yes	Emerg Mkt Equity

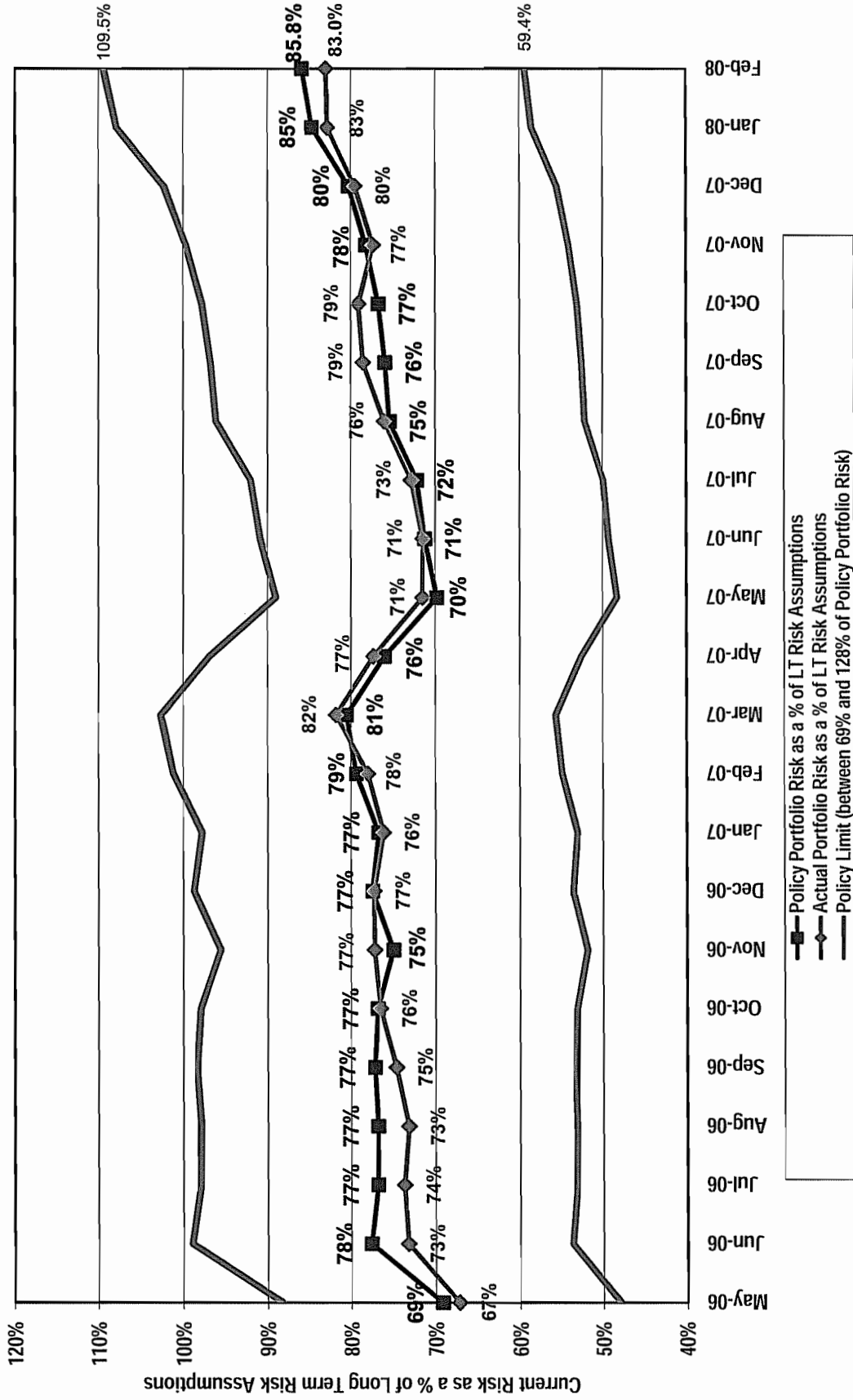
*Euro denominated commitments to Non US funds are converted to US dollars using the exchange rate in effect on the closing date.

ITF

Deviations From Policy Targets Within Tactical Policy Ranges for ITF



Current Risk Environment of ITF (Based on Downside Risk)



Intermediate Term Fund
as of February 29, 2008
(in millions)

Asset Group	Asset Class	More Correlated and Constrained		Less Correlated and Constrained		Private Investments		Grand Total
		\$	%	\$	%	\$	%	
Fixed Income	Investment Grade Credit-Related	1,448	36.8%	53	1.3%	-	0.0%	1,501
		-	0.0%	27	0.7%	-	0.0%	27
Fixed Income Total		1,448	36.8%	80	2.0%	-	0.0%	1,528
Real Assets	Real Estate	370	9.4%	7	0.2%	-	0.0%	377
	Natural Resources	272	6.9%	16	0.4%	-	0.0%	288
Real Assets Total		642	16.3%	23	0.6%	-	0.0%	665
Equity	Developed Country	646	16.4%	718	18.3%	-	0.0%	1,364
	Emerging Markets	209	5.3%	170	4.3%	-	0.0%	379
Equity Total		855	21.7%	888	22.6%	-	0.0%	1,743
Grand Total		\$ 2,945	74.8%	\$ 991	25.2%	\$ -	0.0%	\$ 3,936

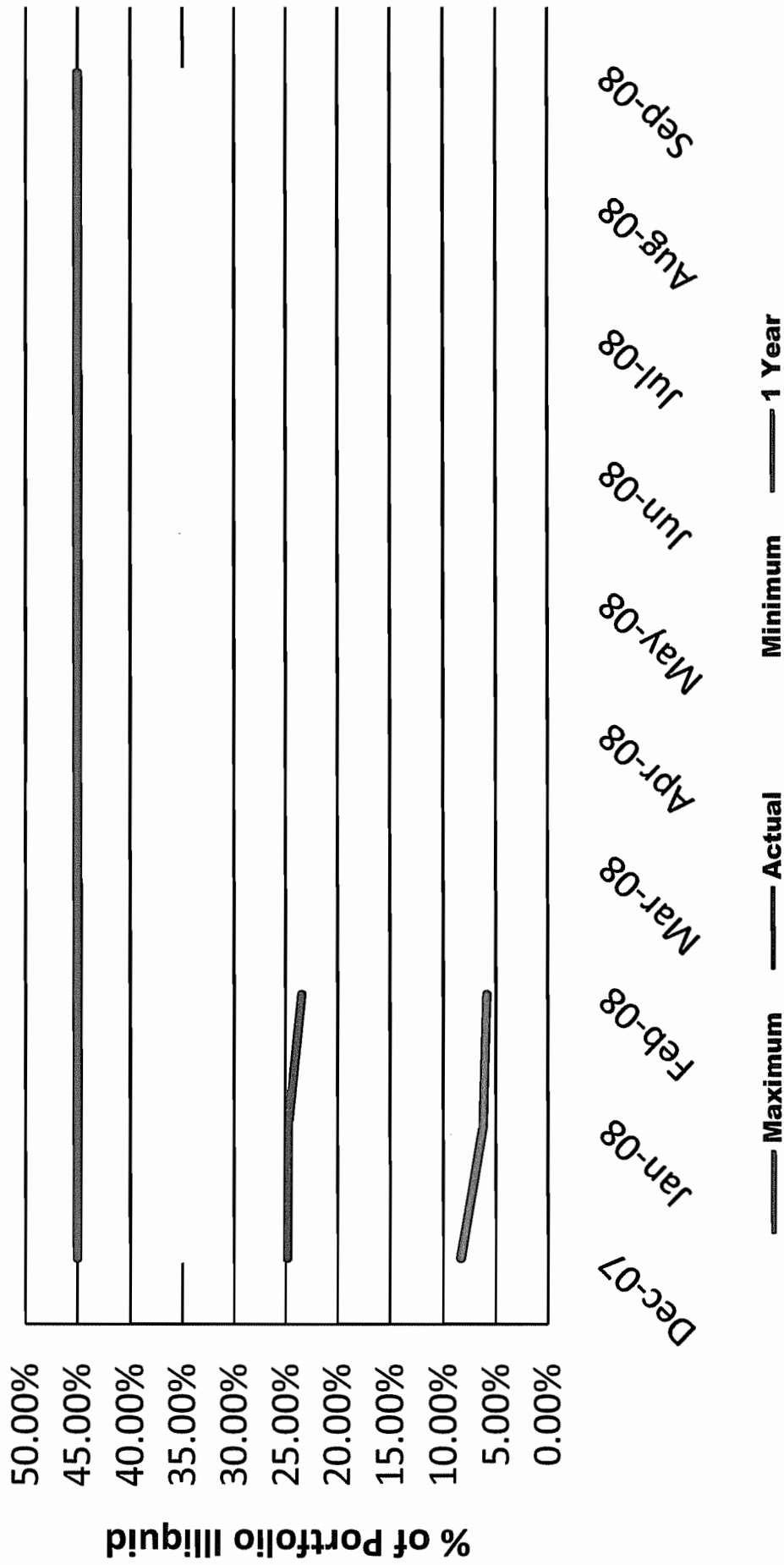
Asset Class and Investment Type Targets, Ranges, and Performance Objectives

Intermediate Term Fund
as of February 29, 2008

Asset Class	February 29, 2008 ACTUAL	March 1, 2008 Target		vs. Target
		Min	Max	
Investment Grade Fixed Income	38.1%	20.0%	55.0%	0.1%
Credit-Related Fixed Income	0.7%	0.0%	5.0%	-1.3%
Real Estate	9.6%	5.0%	15.0%	-1.4%
Natural Resources	7.3%	0.0%	10.0%	1.3%
Developed Country Equity	34.7%	25.0%	55.0%	-0.3%
Emerging Markets Equity	9.6%	0.0%	10.0%	1.6%
TOTAL	100.0%	100.0%	100.0%	0.0%
Investment Types				
More Correlated & Constrained	74.8%	70.0%	80.0%	-0.2%
Less Correlated & Constrained	25.2%	20.0%	30.0%	0.2%
TOTAL	100.0%	100.0%	100.0%	0.0%

Asset Class	February 29, 2008 ACTUAL	Fiscal Year ending August 31, 2008 Target		vs. Target
		Min	Max	
Investment Grade Fixed Income	38.1%	20.0%	55.0%	0.1%
Credit-Related Fixed Income	0.7%	0.0%	5.0%	-2.3%
Real Estate	9.6%	5.0%	15.0%	-1.4%
Natural Resources	7.3%	0.0%	10.0%	0.3%
Developed Country Equity	34.7%	20.0%	50.0%	3.7%
Emerging Markets Equity	9.6%	0.0%	15.0%	-0.4%
TOTAL	100.0%	100.0%	100.0%	0.0%
Investment Types				
More Correlated & Constrained	74.8%	70.0%	80.0%	-0.2%
Less Correlated & Constrained	25.2%	20.0%	30.0%	0.2%
TOTAL	100.0%	100.0%	100.0%	0.0%

Intermediate Term Fund Actual Illiquidity vs. Trigger Zones



Contracts Update

**Report on
New Contracts and Existing Contract Renewals, Leases, and Other Commercial
Arrangements**

For January 16, 2008 through April 7, 2008

(Total Obligation per Agreement greater than \$50,000)

Agreement	Purpose	Contract Term	Annual Amount
Investment Training and Consulting Institute	Perform audit of Internal Derivatives and Internal Fixed Income, in conjunction with UT System Audit Office	March - May 2008	\$126,825

Services that renew via invoice on a monthly or quarterly basis:

Bloomberg	All-in-one investment platform for trading, analysis and information	Renews quarterly via invoice and may be canceled at any time	\$235,887
International Fund Services	Risk System	Quarterly invoice – fees increased as accounts are added	\$510,500
Factset Research Systems	Analytical tool for performance	Monthly invoice	\$285,210
Albourne America LLC	Advisor to Marketable Alternative staff	Monthly invoice	\$400,000

TAB 3

Agenda Item
UTIMCO Board of Directors Meeting
April 25, 2008

Agenda Item: Discussion and Appropriate Action on Items from Risk Committee including Recommendation of Distribution Rates for the Investment Funds

Developed By: Staff

Presented By: Tate

Type of Item: Action required by UTIMCO Board related to Recommendation of Distribution Rates for the Investment Funds; other items are discussion items

Description: The Risk Committee ("Committee") will meet on April 15, 2008. The Committee's agenda includes (1) review and discussion of risk reporting; (2) review and discussion of compliance reporting; (3) discussion and appropriate action related to categorization of new investment mandates; and (4) discussion and appropriate action related to recommended distribution rates for the Permanent University Fund (PUF), Permanent Health Fund (PHF), Long Term Fund (LTF), and Intermediate Term Fund (ITF).

Discussion The Committee will review the quarterly risk reporting and compliance reporting.

The Committee will review and approve or re-categorize, as appropriate, the mandate categorizations prepared by staff through March 31, 2008, that had not been previously presented to the Committee. The Mandate Categorization Procedure ("Procedure") was adopted by the UTIMCO Board on November 29, 2007. The purpose of the Procedure is to provide greater transparency into the process of classifying an investment mandate within the approved Asset Classes and Investment Types as defined in the Investment Policy Statements for the PUF, GEF and ITF (collectively, the "Funds"). The Investment Policy Statements state that the assets of the Funds shall be allocated among a broad set of Asset Classes and Investment Types based on their individual/risk characteristics and relationships to other Asset Classes and Investment Types. The Procedure requires that all new mandates be categorized by the Managing Directors, and that the Chief Compliance Officer provide the Chief Investment Officer his/her agreement or recommended categorization, after which the Chief Investment Officer will designate the Asset Class and Investment Type for the Committee's approval or re-categorization. The Committee will report to the UTIMCO Board the results of its review of the Investment Mandate Categorizations.

In addition, the Committee will review the proposed distribution rates for the Funds. Each of the Funds' respective Investment Policy Statement provides the guidelines to calculate the distribution amount or rate and provides the spending policy objectives of the Fund. The recommendations for the distribution amount and payout rates are discussed in the attached Recommendation of Distribution Rates and are based on the Investment Policy Statements.

Agenda Item
UTIMCO Board of Directors Meeting
April 25, 2008

Recommendation: Staff has recommended to the Committee to approve the recommendation of distribution rates for the Investment Funds. The Committee will request the UTIMCO Board take appropriate action based on the Committee's action from its meeting. UTIMCO staff has proposed the following for fiscal year ending August 31, 2009:

- 1) The distribution from the PUF to the Available University Fund be increased by 18.3% from \$448,942,761 to \$530,932,622;
- 2) The distribution rate for the PHF be increased from \$0.0511 per unit to \$0.0528 per unit;
- 3) The distribution rate for the LTF be increased from \$0.2929 per unit to \$0.3024 per unit; and
- 4) The distribution rate for the ITF remains at 3.0% per annum.

Reference: Recommendation of Distribution Rates
Investment Policy Statements

**RESOLUTION RELATED TO PUF DISTRIBUTION AND
PHF, LTF AND ITF DISTRIBUTION RATE INCREASES**

RESOLVED, that the annual distribution amount for the Permanent University Fund be increased from \$448,942,761 to \$530,932,622, for fiscal year 2009, effective with the September 1, 2008 distribution; the distribution rate for the Permanent Health Fund be increased from \$.0511 per unit to \$.0528; the Long Term Fund be increased from \$0.2929 per unit to \$0.3024 per unit for fiscal year 2009, effective with the November 30, 2008 distributions; and the distribution rate for the Intermediate Term Fund remain at 3.0% per annum for fiscal year 2009, effective with the September 1, 2008 distribution.

BE IT FURTHER RESOLVED, that the annual distribution amount for the Permanent University Fund and the distribution rates for the Permanent Health Fund, Long Term Fund, and Intermediate Term Fund be, and are hereby, approved subject to approval by the Board of Regents of The University of Texas System.

Recommendation of Distribution Amount and Rates

PUF

The Permanent University Fund ("PUF") Investment Policy states that the annual distribution from the PUF to the Available University Fund ("AUF") shall be an amount equal to 4.75% of the trailing 12 - quarter average of the net asset value of the Fund for the quarter ending February of each fiscal year unless the average annual rate of return of the PUF investments over the trailing 12 quarters exceeds the Expected Return by 25 basis points or more, in which case the distribution shall be 5.0% of the trailing 12 - quarter average. "Expected Return" is the Expected Annual Return or Benchmarks set out in Exhibit A to the PUF Investment Policy Statement.

As shown in the table below the average annual return of the PUF investments for the trailing twelve quarters ending February 29, 2008 has exceeded the Expected Return by 25 basis points or more (.25%) as set out in Exhibit A to the PUF Investment Policy Statement.

	Trailing 12 - Quarters Ending February 29, 2008	Expected Return	Excess Return
Average Annual Rate of Return	11.32%	8.34%	2.98%

Therefore, as outlined in the PUF Investment Policy, the amount to be distributed from the PUF for Fiscal Year 2008-2009 is \$530,932,622 as calculated below:

Quarter Ended	Net Asset Value
5/31/2005	\$ 8,899,839,516
8/31/2005	9,426,742,792
11/30/2005	9,564,640,080
2/28/2006	9,798,633,228
5/31/2006	10,028,861,545
8/31/2006	10,313,393,571
11/30/2006	10,760,220,191
2/28/2007	11,058,603,363
5/31/2007	11,763,605,335
8/31/2007	11,742,780,402
11/30/2007	12,160,738,716
2/29/2008	11,905,770,605
	\$ 127,423,829,345
Number of quarters	12
Average Net Asset Value	\$ 10,618,652,445
Distribution Percentage	5.00%
FY 2008-09 Distribution	\$ 530,932,622

Article VII, Section 18 of the Texas Constitution requires that the amount of distributions to the AUF be determined by the Board of Regents of The University of Texas System ("Board of Regents") in a manner intended to provide the AUF with a stable and predictable stream of annual distributions and to maintain over time the purchasing power of PUF investments and annual distributions to the AUF. The Constitution further limits the Board of Regents' discretion to set annual PUF distributions to the satisfaction of three tests:

- The amount of PUF distributions to the AUF in a fiscal year must be not less than the amount needed to pay the principal and interest due and owing in that fiscal year on PUF bonds and notes. The proposed distribution of \$530,932,622 is substantially greater than PUF Bonds Debt Service of \$189,364,986 projected for FY 2008-2009.

System	Debt Service
U. T. System	\$ 110,464,986
TAMU System	78,900,000
Total	\$ 189,364,986

Sources: U. T. System Office of Finance
Texas A&M University System Office of Treasury Services

- The Board of Regents may not increase annual PUF distributions to the AUF (except as necessary to pay PUF debt service) if the purchasing power of PUF investments for any rolling 10-year period has not been preserved. As the schedule below indicates, the average annual increase in the rate of growth of the value of PUF investments (net of expenses, inflation, and distributions) for the trailing 10-year period ended February 29, 2008 was 2.81%, which indicates that the purchasing power test was met.

Average Annual	Percent
Rate of Total Return	8.37%
Mineral Interest Receipts	1.67%
Expense Rate	(0.25)% (1)
Inflation Rate	(2.72)%
Distribution Rate	(4.26)%
Net Real Return	2.81%

(1) The expense rate as shown is a ten-year annualized average rate and includes all PUF Investment and PUF Land expenses, including the UTIMCO management fee, paid directly by the PUF. Prior to November 29, 1999, expenses related to PUF Investments and PUF Lands were paid from the AUF. Management fees that are netted from asset valuations, and are not paid directly by the PUF are not included, as they are a reduction to the Rate of Total Return.

- The annual distribution from the PUF to the AUF during any fiscal year made by the Board of Regents may not exceed an amount equal to 7% of the average net fair market value of PUF investment assets as determined by the Board of Regents, (except as necessary to pay PUF bonds debt service). The annual distribution rate calculated using the trailing 12 - quarter average value of the PUF is within the 7% maximum allowable distribution rate.

Value of PUF Investments (1)	Proposed Distribution	Proposed Distribution as a % of Value of PUF Investments	Maximum Allowed Rate
\$10,618,652,445	\$530,932,622	5.00%	7.00%

(1) Source: UTIMCO

LTF AND PHF

The spending policy objectives of the Permanent Health Fund ("PHF") Investment Policy Statement and the Long Term Fund ("LTF") Investment Policy Statement are to:

- A. provide a predictable stable stream of distributions over time;
- B. ensure that the inflation adjusted value of the distributions is maintained over the long-term; and
- C. ensure that the inflation adjusted value of the assets of the PHF and the LTF, as appropriate, after distributions is maintained over the long-term.

The spending formula under the LTF Investment Policy Statement and the PHF Investment Policy Statement increases distributions at the rate of inflation subject to a distribution range of 3.5% to 5.5% of the average market value of the LTF assets and PHF assets for each fund's respective trailing twelve fiscal quarters. The Board of Regents has full authority to alter distributions rates at their sole discretion.

We are recommending a 3.2% increase in the LTF distribution rate from \$0.2929 to \$0.3024 per unit. The increase is recommended based on the LTF's Investment Policy to increase the distributions by the average rate of inflation for the trailing twelve quarters. The LTF's distribution rate calculated using the prior twelve quarter average value of the LTF is 4.4%, within the range of 3.5% to 5.5% set forth in the LTF Investment Policy. The increase in the consumer price index for the prior three years as of November 30, 2007, was 3.2%.

We are recommending a 3.2% increase in the PHF distribution rate of \$.0511 to \$.0528 per unit. The PHF's distribution rate calculated using the prior twelve quarter average value of the PHF is 4.3%, within the range of 3.5% to 5.5% set forth in the PHF Investment Policy.

ITF

We are recommending that the distribution rate for the Intermediate Term Fund remain at 3.0% for fiscal year 2009.

TAB 4

Agenda Item
UTIMCO Board of Directors Meeting
April 25, 2008

Agenda Item: Private Markets Presentation

Developed By: Private Markets staff

Presented By: Eakman

Type of Item: Discussion item

Description: The Private Markets staff will present an overview of the existing Private Markets portfolio.

Reference: None

TAB 5

Agenda Item
UTIMCO Board of Directors Meeting
April 25, 2008

Agenda Item: UTIMCO Organization Update

Developed By: Zimmerman

Presented By: Zimmerman

Type of Item: Discussion item

Description: Mr. Zimmerman will provide an update on the following:

- UTIMCO expenses versus budget
- Hiring Summary
- Organization chart
- Other Matters

Reference: Schedule of UTIMCO expenses versus budget, Hiring Summary, Organization charts

FUND CHARGES

YTD February 2008			Favorable/(Unfavorable)	
	Actual	Budget	\$	%
SUMMARY				
UTIMCO Personnel	\$4,860	\$5,652	\$792	14%
UTIMCO Other	<u>1,899</u>	<u>2,033</u>	<u>134</u>	7%
Total UTIMCO	6,759	7,685	926	12%
Other, Non-Investment Manager	<u>6,343</u>	<u>3,255</u>	<u>(3,088)</u>	-95%
Total Non-Investment Manager	13,102	10,940	(2,162)	-20%
Investment Manager - Invoiced	<u>5,936</u>	<u>21,358</u>	<u>15,421</u>	72%
Total	\$19,038	\$32,298	\$13,260	41%
DETAIL				
<u>UTIMCO Personnel</u>				
Salaries	\$2,603	\$3,006	\$402	13%
Bonus	1,632	1,629	(3)	0%
Benefits	418	589	171	29%
Taxes	145	209	64	31%
Hiring	<u>62</u>	<u>220</u>	<u>158</u>	72%
Total	\$4,860	\$5,652	\$792	14%
<u>UTIMCO Other</u>				
Travel	\$261	\$231	(\$30)	-13%
Online Services/Data	349	386	37	10%
Subscriptions	59	76	17	22%
Lease	457	472	15	3%
Depreciation	272	304	31	10%
Insurance	123	126	3	2%
Office Expenses	211	167	(44)	-27%
Professional Services	163	271	108	40%
Other	<u>3</u>	<u>0</u>	<u>(3)</u>	#DIV/0!
Total	\$1,899	\$2,033	\$134	7%
<u>Other, Non-Investment Manager</u>				
Custodian	\$811	\$768	(\$43)	-6%
Consultants	382	663	281	42%
Measurement & Analytics	676	765	89	12%
Investment-related Legal	383	550	167	30%
Audit	640	377	(263)	-70%
Printing	153	98	(55)	-57%
UBIT	3,275	0	(3,275)	N/A
Other	<u>24</u>	<u>35</u>	<u>11</u>	31%
Total	\$6,343	\$3,255	(\$3,088)	-95%
<u>Investment Manager - Invoiced</u>				
Management Fees	\$10,732	\$9,495	(\$1,237)	-13%
Performance Fees	<u>(4,796)</u>	<u>11,863</u>	<u>16,659</u>	140%
Total	\$5,936	\$21,358	\$15,421	72%

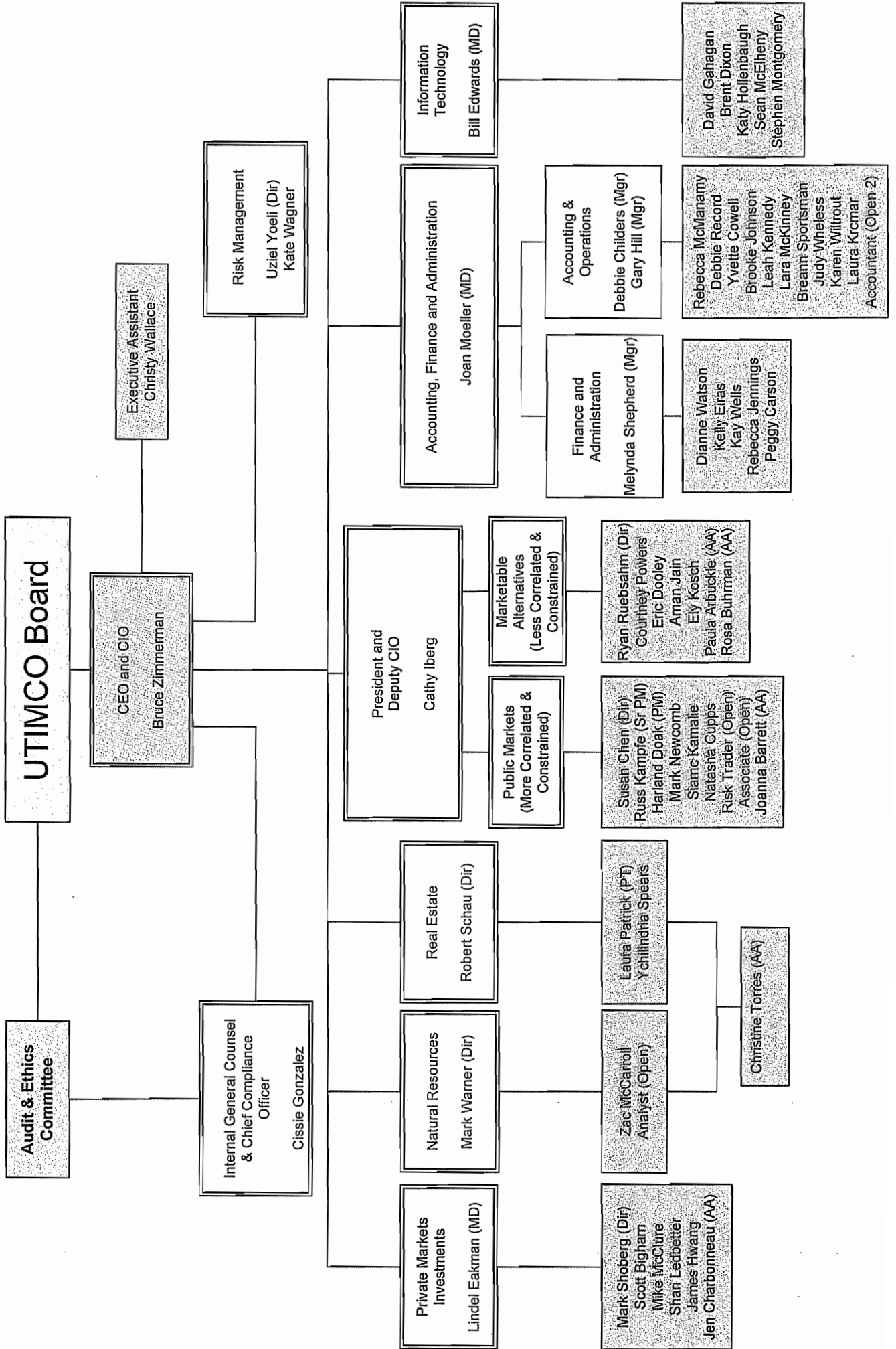
Hiring Summary

<u>Position</u>	<u>Action</u>	<u>Comments</u>
Chief Compliance Officer	Cissie Gonzalez	Savings vs. budget
MD, Inflation Hedging	Mark Warner, Dir Nat Res Bob Schau, Dir Real Estate	Neutral to budget, total comp
MD, Pub Mkts	Susan Chen, Dir (Aug 08)	Savings vs. budget
Assoc, Nat Res	Zac McCarroll (transfer from Priv Inv)	Analyst position budgeted
Assoc, RE	Laura Patrick (Part time, transferred from Pub Mkts)	Unbudgeted
AA, Nat Res/RE	Christine Torres	Unbudgeted
Assoc, Mkt Alt	Courtney Powers	Budgeted (replace Glenn Stokes)
Acctg Anal, Mkt Alt	Ely Kosch	Unbudgeted
AA, Mkt Alt	Paula Arbuckle	Budgeted (replace Mark Iversen)
Anal, Pub Mkts	Simac Kamalie	Budgeted (replace Russell Mollen)
Anal, Pub Mkts	Natasha Cupps	Unbudgeted
Assoc, Priv Inv	Mike McClure (Jun 08)	Budgeted (replace Zac McCarroll)
Anal, Priv Inv	Shari Ledbetter	Budgeted (replace Scott Bigham)
Anal, Priv Inv	James Hwang (Jun 08)	Unbudgeted
Anal, RE	Ychilindria Spears (contract)	Unbudgeted
Acctg/Ops	Brooke Johnson (May 08)	Budgeted (replace Marjorie Randolph)
Acctg/Ops	Breann Sportsman	Budgeted (replace Barrett Greeness)
Acctg/Ops	Laura Krcmar	Budgeted (AA given additional responsibilities of Luanna Scott)
Adm, Finance	Kelly Eiras	Budgeted

Open Positions/Pending Actions

MD, Risk Management	Opportunistically looking for Risk Trader
Assoc, Pub Mkts	Plan to replace Laura Patrick
Anal, Nat Res	Plan to hire analyst
Acctg/Ops	Two openings, actively interviewing for one
Admin	One opening, on hold

UTIMCO - Organizational Structure





OTHER MATTERS

- Facilities
- Investment Committee
- Technology
- Travel
- Legislative/Public Affairs

TAB 6

Agenda Item
UTIMCO Board of Directors Meeting
April 25, 2008

- Agenda Item:** Discussion and Appropriate Action Related to Corporate Resolutions - Election of UTIMCO Officers, Designation of Key Employees
- Developed By:** Zimmerman, Moeller
- Presented By:** Zimmerman
- Type of Item:** Action required by UTIMCO Board
- Description:** As stated in the Bylaws, there shall be an election of Officers for the ensuing year.
- The Corporation's Code of Ethics requires the Board to designate, by position with UTIMCO, the employees who exercise significant decision-making authority. By virtue of their position with UTIMCO, these persons are "key employees".
- Recommendation:** Staff recommends that the individuals designated in the resolution related to corporation officers and the resolution related to the key employees of the corporation be approved as set forth.
- Reference:** UTIMCO Bylaws and Code of Ethics

RESOLUTION RELATED TO CORPORATION OFFICERS

RESOLVED, that the following persons are hereby appointed to the respective office or offices of the Corporation set forth opposite their names, to serve until the next Annual Meeting of the Corporation or until their resignation or removal.

<u>Name</u>	<u>Office or Offices</u>
Robert B. Rowling	Chairman
J. Philip Ferguson	Vice-Chairman
Kenneth I. Shine	Vice-Chairman for Policy (effective May 1, 2008)
Bruce Zimmerman	Chief Executive Officer and Chief Investment Officer
Cathy Iberg	President and Deputy Chief Investment Officer
Lindel Eakman	Managing Director
Bill Edwards	Managing Director
Joan Moeller	Managing Director, Treasurer and Secretary
Christy Wallace	Assistant Secretary

**RESOLUTION RELATED TO KEY EMPLOYEES OF THE
CORPORATION**

RESOLVED, that, as required by the Corporation's Code of Ethics, the following persons are designated, by position, as key employees of the Corporation.

Bruce Zimmerman	Chief Executive Officer and Chief Investment Officer
Cathy Iberg	President and Deputy CIO
Lindel Eakman	Managing Director – Private Markets
Bill Edwards	Managing Director - Information Technology
Joan Moeller	Managing Director - Accounting, Finance and Administration
Russ Kampfe	Senior Portfolio Manager - Fixed Income Investments
Harland Doak	Portfolio Manager - Fixed Income Investments
Debbie Childers	Manager of Portfolio Accounting and Operations
Gary Hill	Manager of Investment Reporting
Melynda Shepherd	Manager - Finance and Administration
Cissie Gonzalez	General Counsel and Chief Compliance Officer
Mark Newcomb	Associate – Public Markets Investments
Christy Wallace	Executive Assistant

TAB 7

Agenda Item
UTIMCO Board of Directors Meeting
April 25, 2008

Agenda Item: Report from Policy Committee

Developed By: Staff

Presented By: McHugh

Type of Item: Information Item

Description: The Policy Committee ("Committee") will meet on April 15, 2008. The Committee's agenda included a discussion and appropriate action related to the UTIMCO Travel Guidelines. The UTIMCO Travel Guidelines provide UTIMCO employees with information regarding and guidance about the procedures and responsibilities for traveling on company business. In addition, the Committee participated in a joint meeting with the Audit and Ethics Committee to review the UTIMCO Code of Ethics ("Code"). The Code sets forth the basic principles and guidelines for Directors and Employees of UTIMCO.

Discussion: The Committee will review proposed amendments to the UTIMCO Travel Guidelines and take appropriate action related to the proposed changes. The current UTIMCO Travel Guidelines were approved by the Committee, effective January 25, 2007.

Staff also presented to the Committee proposed changes related to the UTIMCO Code of Ethics for review and discussion but did not request any action to be taken by the Committee. A general discussion of the draft changes will be presented to the UTIMCO Board and to the Board of Regents of The University of Texas System at its May meeting. The current Code was reviewed in May of 2006 and approved by the Board of Regents on July 13, 2006.

Recommendation: None

Reference: None

TAB 8

Agenda Item
UTIMCO Board of Directors Meeting
April 25, 2008

Agenda Item: Report from Audit and Ethics Committee

Developed By: Staff

Presented By: Nye

Type of Item: Information item

Description: The Audit and Ethics Committee ("Committee") will meet on April 25, 2008. The Committee's agenda included the review of unaudited financial statements for the six months ended February 29, 2008 for the Investment Funds and the Corporation; and review of other compliance, reporting, and audit issues. In addition, the Committee participated in a joint meeting with the Policy Committee to review the UTIMCO Code of Ethics ("Code"). The Code sets forth the basic principles and guidelines for Directors and Employees of UTIMCO.

Discussion: Staff presented to the Committee proposed changes related to the UTIMCO Code of Ethics for review and discussion but did not request any action to be taken by the Committee. A general discussion of the draft changes will be presented to the UTIMCO Board, and to the Board of Regents of The University of Texas System at Board of Regents' May meeting. The current Code was reviewed in May of 2006 and approved by the Board of Regents on July 13, 2006.

Staff will also update the Committee on the contract discussions with Deloitte & Touche, LLP. The Board of Regents approved the renewal of the auditing services with Deloitte & Touche, LLP for the fiscal year ending August 31, 2008, for the funds managed by UTIMCO. Before entering into a contract, Regent Paul Foster, Chair of the Board of Regents Audit, Compliance and Management Review Committee, and Vice Chairman Robert Rowling are to be notified of the contract amount.

Routine activities of the Committee will include reviewing the unaudited financial statements for the Funds and UTIMCO Corporation, budget to actual expenses, capital budget, quarterly compliance reports, and other compliance activities.

Recommendation: None

Reference: None

TAB 9

Agenda Item
UTIMCO Board of Directors Meeting
April 25, 2008

Agenda Item: Report from Compensation Committee

Developed By: Zimmerman, Gonzalez, Moeller

Presented By: Ferguson

Type of Item: Discussion item

Description: The Compensation Committee (the "Committee") met on April 1, 2008. The Committee's agenda included (1) Discussion and Review of UTIMCO Peer Group; (2) Discussion and Review of Compensation Policy and Plan Review; (3) Discussion and Review of Performance Measurement Standards for Compensation Program; and (4) Discussion of Employee Benefits

Recommendation: None

Discussion: The UTIMCO Compensation Program ("Compensation Program") currently has a Peer Group as part of the entity performance measurement. The peer group is a group of endowment funds maintained by the Board's external investment advisor that is comprised of all endowment funds with assets greater than \$1 billion on the last day of each of the three immediately preceding Performance Periods and set forth on Appendix B of the Compensation Program; provided, however, that Harvard University's endowment fund, Yale University's endowment fund, and Total Endowment Assets are excluded from the Peer Group. The Peer Group is updated from time to time as deemed appropriate by the Board. Cambridge Associates determines the Peer Group on an annual basis. The Committee discussed the appropriateness of the current methodology for determining the performance Peer Group and reviewed considerations presented by both Bruce Myers of Cambridge Associates and Nanci Hibsichman of Mercer. Further discussion on the performance Peer Group will continue at the next Committee meeting.

Additionally, the Compensation Program requires that salary range midpoints for key management, investment, and operations positions be updated at least every three years based on a salary benchmarking study conducted by a qualified compensation consultant selected by the Compensation Committee. Mercer was selected as the compensation consultant at the November 15, 2007, Compensation Committee meeting. As part of the salary benchmarking study, Mercer utilizes a peer group to benchmark the UTIMCO staff against. Nanci Hibsichman presented Mercer's recommended peer group related to the salary benchmarking study. After discussion, the Committee decided upon a peer group for the salary benchmarking study.

The Committee also reviewed and discussed Mercer's incentive plan design draft, including preliminary recommendations. Mr. Ferguson will update the Board on the Committee's progress related to the plan design.

Agenda Item
UTIMCO Board of Directors Meeting
April 25, 2008

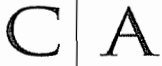
The discussion and review of the performance measurement standards for the compensation program and the discussion of employee benefits was postponed for the next Compensation Committee meeting.

Reference: None

TAB 10

**RESOLUTION REGARDING
EXTERNAL INVESTMENT CONSULTANT CONTRACT**

RESOLVED, that the contract renewal of Cambridge Associates as the external investment consultant be, and is hereby, approved in the form submitted to the Board.



CAMBRIDGE ASSOCIATES LLC

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TEL 617.457.7500 FAX 617.457.7501
www.cambridgeassociates.com

March 25, 2008

Mr. Robert B. Rowling
Chair
The University of Texas Investment Management Company
401 Congress Avenue, 28th Floor
Austin, TX 78701

Dear Mr. Rowling:

I am writing to confirm that within the context of the existing Agreement with Cambridge Associates ("CA") dated December 1, 2002, the generalist and specialist consultants at CA will provide The University of Texas Investment Management Company ("Client") with the following services for the twelve month period beginning December 1, 2007.

General Consulting Services

- Access via the CA consulting team and CA's web site to proprietary databases on capital markets, investment managers, and partnerships (including marketable alternative asset managers). Additionally, the Client will have access to comparative peer performance data and quarterly and annual surveys of investment and financial data.
- Twenty-four (24) hours of consulting time for miscellaneous communications and inquiries..
- A variety of research reports and working papers on investment and financial issues.
- Attendance at up to eight (8) UTIMCO Board meetings (CA will attend six of these meetings in-person in Texas and two committee meetings will be attended via conference call) per year to discuss investment strategy, asset allocation, performance, market environment, best practices of peer institutions and investment manager selections.

Non Marketable Alternative Asset Consulting Services

- A Specialist consultant, Jeff Mansukhani, will be available on a monthly basis via telephone to serve as a sounding board for ideas sourced by Client's staff. Work beyond these "sounding board" conversations would be billed as an additional service and would not be included in the Fee stated below.

Robert B. Rowling
March 25, 2008
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These services will be provided for a Fee of \$310,000. This Fee will be payable in four equal installments; quarterly in advance. The Fee for subsequent years will be negotiated between the parties depending on the scope of services provided. Out-of-pocket expenses such as communications, printing, copying, etc. and the cost of travel to Texas by members of the consulting team are included in the Annual Fee. International travel costs will be billed to the Client as reimbursable expenses.

At your request, additional consulting services will be provided and billed at CA's standard fees with prior fee authorization when requested. Additional services may include, for example, additional meetings with the Client, marketable alternative assets manager searches or additional due diligence memos.

We greatly value our relationship and look forward to continuing to work with you. If you are in agreement with these terms, please sign and return one fully executed copy of this letter, keeping an original for your records. A self-addressed envelope is enclosed for your convenience. Thank you.

Sincerely,



Steven Y. Quintero
General Counsel

APPROVED:

_____ Date: _____

By: Robert B. Rowling
Chair
The University of Texas Investment
Management Company

SEEN AND ACKNOWLEDGED:

_____ Date: _____

By: Bruce Zimmerman
Chief Executive Officer
The University of Texas Investment
Management Company

Agenda Item
UTIMCO Board of Directors Meeting
April 25, 2008

Agenda Item: Discussion and Appropriate Action Related to Investment Consultant Contract Renewal

Developed By: Staff

Presented By: Zimmerman

Type of Item: Action item by UTIMCO Board to approve contract renewal.

Description: In accordance with the Delegation of Authority, the UTIMCO Board executes the investment consultant contract. The UTIMCO Board approved retaining Cambridge Associates as its investment consultant during its September 22, 2006, board meeting. This agenda item renews the contract expiring on November 30, 2007. The renewal contract is for the twelve month period beginning December 1, 2007.

Recommendation: Staff recommends the approval of the external investment consultant contract.

Discussion: Cambridge Associates has served as UTIMCO's consultant since its inception in 1996. Under the terms of the current contract with Cambridge, UTIMCO receives access via the Cambridge Associates consulting team and Cambridge Associate's web site to proprietary databases on capital markets, investment managers, and partnerships (including marketable alternative asset managers). UTIMCO also has access to comparative peer performance data and quarterly and annual surveys of investment and financial data. Also included in the contract is 24 hours of consulting time, a variety of research reports and working papers on investment and financial data, and attendance at UTIMCO Board and Committee meetings.

The prior Cambridge Associates contract was for \$650,000 annually. The renewal contract proposed by Cambridge is \$310,000 annually, a net decrease of \$340,000. The non-marketable services provided have been reduced to a specialist consultant format. The current team of consultants will remain available on a monthly basis via telephone to serve as a sounding board for ideas sourced by UTIMCO's staff. In the prior year contract, Cambridge Associates provided UTIMCO's staff with access to a proprietary database of US Venture Capital and Private Equity benchmark statistics. UTIMCO's staff also had the option of requesting up to four due diligence memos providing summaries of references, highlights of competitive advantages, and other issues for consideration related to specific managers.

The general consulting services have also been reduced. A comprehensive asset allocation review was not included in this year's contract. In addition, the attendance at the Board and committee meetings has been reduced from eleven in person and two conference calls to eight meetings (six in person and two via conference call.)

Additional consulting services, if any, will be provided and billed at Cambridge Associate's standard fees.

Reference: Contract with Cambridge Associates

TAB 11

Agenda Item
UTIMCO Board of Directors Meeting
April 25, 2008

Agenda Item: Discussion of Investment Environment and Opportunities

Developed By: Zimmerman

Presented By: Zimmerman

Type of Item: Information Item

Description: This agenda item is intended to provide an opportunity for an open-ended discussion on issues, expectations, and opportunities in the current investment environment.

Recommendation: None

Discussion: Staff hopes to get input from Board members on issues, concerns, and opportunities in the current investment environment. The conversation will be unstructured and open-ended. Staff will come prepared to initiate discussions and provide views on several topics.

Reference: None