

**Texas Woman's University**  
**Summary of Investments**

|                                        | August 31, 2011      | August 31, 2011      |
|----------------------------------------|----------------------|----------------------|
|                                        | <u>Book Value</u>    | <u>Market Value</u>  |
| <b>Equity Securities:</b>              |                      |                      |
| U.S. Common Stock                      | \$ 135,266           | \$ 1,078,152         |
| Equity Mutual Funds                    | -                    | -                    |
| Other Equity Securities (list)         | -                    | -                    |
| <b>Total Equities</b>                  | <b>\$ 135,266</b>    | <b>\$ 1,078,152</b>  |
| <b>Other Investments:</b>              |                      |                      |
| Real Estate                            | \$ -                 | \$ -                 |
| Private Equity                         | -                    | -                    |
| Annuities                              | -                    | -                    |
| Collective Endowment Funds             | 10,056,536           | 10,175,211           |
| Commodities                            | -                    | -                    |
| Collectibles                           | -                    | -                    |
| Other (list)                           | -                    | -                    |
| <b>Total Other Investments</b>         | <b>\$ 10,056,536</b> | <b>\$ 10,175,211</b> |
| <b>Debt Investments &gt;1 year:</b>    |                      |                      |
| U.S. Government                        | \$ 25,443,880        | \$ 27,058,502        |
| U.S. Government Agency                 | 17,940,227           | 18,477,253           |
| Mortgage Pass Throughs                 | 5,912,403            | 6,196,301            |
| C.M.O.s                                | -                    | -                    |
| Interest Only Strips                   | -                    | -                    |
| Principal Only Strips                  | -                    | -                    |
| Inverse Floaters                       | -                    | -                    |
| Stated Maturities longer than 10 years | -                    | -                    |
| PFIA Compliant C.M.O.s                 | -                    | -                    |
| Other Asset-Backed Bonds               | -                    | -                    |
| Foreign Issued Obligations             | -                    | -                    |
| Municipal Obligations                  | -                    | -                    |
| Corporate Obligations                  | -                    | -                    |
| Highly Rated (AAA/AA)                  | 39,396,462           | 41,419,865           |
| Investment Grade (A/BBB)               | -                    | -                    |
| NR/High Yield (<BBB)                   | -                    | -                    |
| G.I.C's                                | -                    | -                    |
| Bond Mutual Funds                      | -                    | -                    |
| Other                                  | -                    | -                    |
| <b>Total Debt &gt;1 year</b>           | <b>\$ 88,692,972</b> | <b>\$ 93,151,921</b> |

|                                     | August 31, 2011       | August 31, 2011       |
|-------------------------------------|-----------------------|-----------------------|
|                                     | <u>Book Value</u>     | <u>Market Value</u>   |
| <b>Short Term Investments:</b>      |                       |                       |
| U.S. Government                     | \$ -                  | \$ -                  |
| U.S. Government Agency              | -                     | -                     |
| C.D.'s/B.A.'s                       | -                     | -                     |
| A1/P1 Commercial Paper              | -                     | -                     |
| Repurchase Agreements               | -                     | -                     |
| TexPool                             | 85,731,272            | 85,731,272            |
| Other Money Market Funds & Pools    | 50,661                | 50,661                |
| Bank Deposits                       |                       |                       |
| Cash Held at State Treasury         | -                     | -                     |
| Other (list)                        | -                     | -                     |
|                                     | <hr/>                 | <hr/>                 |
| <b><i>Total Short Term Debt</i></b> | <b>\$ 85,781,934</b>  | <b>\$ 85,781,934</b>  |
| <b>TOTAL INVESTMENTS:</b>           | <b>\$ 184,666,708</b> | <b>\$ 190,187,218</b> |
|                                     | <hr/> <hr/>           | <hr/> <hr/>           |

**Required Questions**

Q) Does the institution employ outside investment advisors or managers, and, if so, who are they? Do the outside investment advisors or managers have the authority to make investment decisions without obtaining prior approval?

A) Texas Woman's University (TWU) employs an outside investment manager. The manager has the authority to make decisions that fall within the guidelines prescribed in the University's investment policy. The managers name and address are:

**Vaughan, Nelson, Scarborough, & McCullough (VNS&M)**  
6300 Chase Tower  
Houston, Texas 77002-3071

**Hester Capital Management, L.L.C.**  
1301 S. Mopac Expressway, Suite 350  
Austin, Texas 78746

Q) Does the institution use soft dollar arrangements (a means of paying for services through brokerage commission revenue, rather than through direct payments)? (If the answer is yes, the institution must provide a copy of the guidelines that govern the use of soft dollar arrangements.)

A) No, TWU does not use soft dollar arrangements.

Q) Is the institution associated with an independent endowment or foundation? (If the answer is yes, the institution must provide contact information (name and address) for the individual(s) who manage the independent endowment or foundation. The institution must also provide, if available, the market value of the endowment's or foundation's investments.)

A) Yes, TWU is associated with a foundation. The Texas Woman's University Foundation employs Hester Capital Management, L.L.C. as its investment manager. The TWU Foundation has a FMV of \$22,067,578.17 in investments as of 8/31/11. The managers name and address are:

**Hester Capital Management, L.L.C.**  
1301 S. Mopac Expressway, Suite 350  
Austin, Texas 78746