



**Long Term Fund
Investment Summary Report
(\$ millions)**

	1st Quarter 11/30/99	2nd Quarter 2/29/00	3rd Quarter 5/31/00	4th Quarter 8/31/00	Year-to- Date
Beginning Net Assets	\$ 2,602.3	\$ 2,755.6	\$ 2,967.0	\$ 2,971.0	\$ 2,602.3
Net Contributions (Withdrawals)	23.1	27.5	57.9	10.4	118.9
Investment Return	158.2	214.1	(20.9)	195.7	547.1
Receipt of Funds from System for UTIMCO fee	0.5	0.5	0.5	0.4	1.9
Expenses	(1.9)	(3.8)	(2.4)	(1.5)	(9.6)
Distributions (Payout)	(26.4)	(26.7)	(30.9)	(31.2)	(115.2)
Distribution of Gain on Participant Withdrawals	(0.2)	(0.2)	(0.2)	(8.6)	(9.2)
Ending Net Assets	\$ 2,755.6	\$ 2,967.0	\$ 2,971.0	\$ 3,136.2	\$ 3,136.2
Net Asset Value, Per Unit	\$ 5.612	\$ 5.983	\$ 5.877	\$ 6.198	\$ 6.198
No. of Units (End of Period)	490,996,364	495,867,447	505,503,979	506,024,547	506,024,547
Distribution Rate Per Unit	\$ 0.05375	\$ 0.05375	\$ 0.06125	\$ 0.06125	\$ 0.23000

Year End Commentary August 31, 2000

During the year, net contributions totaled \$118.9 million representing a 40% increase over the prior fiscal year. The number of endowments and other accounts underlying the LTF increased by over 200. Total net investment return for the year was 20.59% versus the neutral policy portfolio return of 14.81%. The LTF outperformed the neutral policy portfolio by the largest margin at 5.78%. In general, U.S. small cap stocks, nonmarketable equities and UTIMCO's adoption of an inflation hedging asset class contributed most to the outperformance. Total net investment return (unannualized) for the fourth quarter was 6.46%.

Distributions to over 5,000 endowment and other accounts underlying the LTF totaled \$115.2 million; an increase in distributions of 13% versus the prior year. On a per unit basis, each endowment's ownership in the LTF ended the year at \$6.198 a share. Asset allocation was 18% fixed income and 82% broadly defined equities.

Third Quarter Commentary

Distributions to the 5,302 endowment and other accounts underlying the LTF totaled \$30.9 million; an increase in distributions of 21% versus the third quarter of the prior year. The annual payout rate was increased by 14%, effective May 31, 2000, from \$.215 to \$.245. On a per unit basis, each endowment's ownership in the LTF decreased from \$5.983 to \$5.877 a share. Total net investment return (unannualized) for the quarter was (.69%) versus the neutral policy portfolio return of .33%. Asset allocation was 18% fixed income, 77% broadly defined equities and 5% money market funds.

Second Quarter Commentary

Distributions to the 5,210 endowment and other accounts underlying the LTF totaled \$26.7 million; and increase in distributions of 5.95% versus the second quarter of the prior year. On a per unit basis, each endowment's ownership in the LTF increased from \$5.612 to \$5.983 a share. Total net investment return (unannualized) for the quarter was 7.6% versus the neutral policy portfolio return of 3.87%. Asset allocation was 20% fixed income, 76% broadly defined equities and 4% money market funds.

First Quarter Commentary

Distributions to the 5,148 endowment and other accounts underlying the LTF totaled \$26.4 million; an increase in distributions of 5.2% versus the first quarter of the prior year. On a per unit basis, each endowment's ownership in the LTF increased from \$5.347 to \$5.612 a share. Total net investment return (unannualized) for the quarter was 6.0% versus the neutral policy portfolio return of 4.9%. Asset allocation was 21% fixed income and 79% broadly defined equities.