

TO: Board of Trustees
Kilgore College

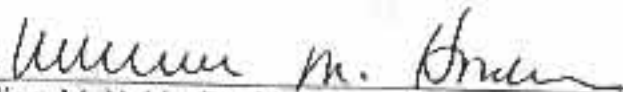
DATE: August 2, 2004

RE: Investment Reporting

The attached Statement of Investment Assets as of May 31, 2004 along with the corresponding Schedule of Short Term Investments as of May 31, 2004 has been prepared in accordance with Texas Government Code, Section 2256.023 and the Higher Education Investment Reporting Requirements issued by the State Auditor's Office. Inquiries related to this report may be directed to:

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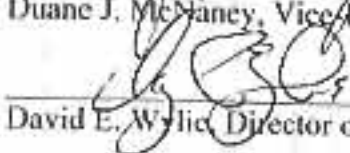
The investment strategies is in compliance with the Kilgore College investment strategy to manage and invest funds with the following objectives listed in order of their priority: safety, suitability, liquidity, diversity and yield.



William M. Holda, President



Duane J. McNaney, Vice-President of Administrative Services



David E. Wylie, Director of Development

Kilgore College Statement of Investment Assets

Investment Type	Book Value			Market Value		
	Feb. 29, 2004 Book Value	Change in Book Value	May 31, 2004 Book Value	Feb. 29, 2004 Market Value	Change in Market Value	May 31, 2004 Market Value
Equity Securities						
U.S. Common Stocks						
Wal-Mart Stores, Inc.	108,250.00	0.00	108,250.00	119,380.00	(13,860.00)	105,520.00
Devon Energy Corporation	<u>11,634.00</u>	<u>0.00</u>	<u>11,634.00</u>	<u>7,792.10</u>	<u>1,051.90</u>	<u>8,844.00</u>
Total Equity Securities	119,884.00	0.00	119,884.00	127,172.10	(12,808.10)	114,364.00
Other Investments						
Total Other Investments	0.00	0.00	0.00	0.00	0.00	0.00
Debt Investments > 1 year						
Total Debt Investments > 1 year	0.00	0.00	0.00	0.00	0.00	0.00
Short Term Investments*						
Certificate of Deposits	4,546,193.98	3,219.66	4,549,413.64	4,546,193.98	3,219.66	4,549,413.64
TexPool	4,759,093.38	24,496.69	4,783,590.07	4,759,093.38	24,496.69	4,783,590.07
Bank Deposits	<u>6,182,436.92</u>	<u>163,669.17</u>	<u>6,346,106.09</u>	<u>6,182,436.92</u>	<u>163,669.17</u>	<u>6,346,106.09</u>
Total Short Term Investments	15,487,724.28	191,385.52	15,679,109.80	15,487,724.28	191,385.52	15,679,109.80
TOTAL INVESTMENTS	<u>15,607,608.28</u>	<u>191,385.52</u>	<u>15,798,993.80</u>	<u>15,614,896.38</u>	<u>178,577.42</u>	<u>15,793,473.80</u>

Kilgore College does not employ outside investment advisors or managers and does not have soft dollar arrangements. The market value of the Kilgore College Foundation trust as of May 31, 2004 was \$1,937,264.05.

SCHEDULE OF SHORT-TERM INVESTMENTS*
 AT MAY 31, 2004

FUND	Maturity Date	Rate	Operating	Auxiliary	Restricted	Endowment	Plant Reserve	Bond Reserve	Agency	Accrued Interest
Certificates of Deposit										
Rangerette Forever (91 day)	8/9/04	1.05%							50,124.07	30.70
Rangerette Fund (91 day)	8/9/04	1.05%							26,130.16	16.00
ETOM (91 day)	8/13/04	1.17%		412,409.82						241.26
Bond Reserve (91 day)	7/20/04	1.17%						435,000.00		579.64
KC Rangerette & Ranger Band (91 day)	8/16/04	1.17%							120,150.85	58.57
Endowed Scholarship (91 day)	8/25/04	1.17%				3,500,000.00				4,672.56
Total Certificates of Deposit			0	412,409.82	0.00	3,500,000.00		435,000.00	196,405.08	5,598.74
TexPool		0.98%	3,293,328.13				1,486,105.18			4,156.76
Bank Deposits		1.05%	<u>4,132,278.06</u>	<u>602,570.85</u>	<u>-2,103,829.47</u>	<u>2,101,017.11</u>	<u>1,120,849.48</u>	<u>1,454.08</u>	<u>487,486.42</u>	<u>4,279.56</u>
			<u>7,425,606.19</u>	<u>1,014,980.67</u>	<u>-2,103,829.47</u>	<u>5,601,017.11</u>	<u>2,606,954.66</u>	<u>436,454.08</u>	<u>683,891.50</u>	<u>14,035.06</u>
									15,665,074.74	15,679,109.80

Account #	Account Description	Prev May	
10-00-000-1110	CASH, MAINTENANCE ACCOUNT	4,125,699.62	
10-00-000-1118	CASH, PAYROLL ACCOUNT	6,004.63	
10-00-000-1124	CASH, RETURNED CHECKS ACCOUNT	573.81	
	Total Fund 10		4,132,278.06
21-00-000-1110	CASH, BOOKSTORE	306,761.87	
22-00-000-1110	CASH, ATHLETICS FUND	(453,629.15)	
23-00-000-1110	CASH, ETOM	(4,171.33)	
24-00-000-1110	CASH, DORMITORIES	303,621.12	
25-00-000-1110	CASH, CAFETERIA & CONCESSIONS	161,349.51	
26-00-000-1110	CASH, STUDENT ACTIVITIES	380,310.12	
27-00-000-1110	CASH, CHILD DEVELOPMENT	(20,232.24)	
28-00-000-1110	CASH-FITNESS CENTER	1,712.29	
29-00-000-1110	CASH, TSF	(65,049.53)	
91-00-000-1110	CASH, PRINT SHOP	(8,101.81)	
	Total Auxiliary		602,570.85
31-00-000-1110	CASH, CARL PERKINS GRANTS	(114,143.26)	
32-00-000-1110	CASH, RADIO STATION GRANTS	(59,355.49)	
33-00-000-1110	CASH, SBDC GRANTS	(102,161.24)	
33-00-000-1112	CASH - PROGRAM INCOME	122,759.43	
34-00-000-1110	CASH, MISC STATE GRANTS	10,931.98	
35-00-000-1110	CASH, TPEG	31,511.26	
35-00-000-1154	CASH, DEPT OF EDUC ACCOUNT	335.68	
35-00-000-1156	CASH, COLLEGE WORK STUDY	(39,352.58)	
35-00-000-1158	CASH, PELL GRANT	(1,612,340.05)	
35-00-000-1160	CASH, SEOG	26,144.17	
35-00-000-1162	CASH, TEXAS GRANT PROGRAM	(76,453.37)	
35-00-000-1157	CASH, TGSLC GRANT	2,649.00	
36-00-000-1110	CASH, ADULT EDUCATION PROGRAMS	(61,787.45)	
37-00-000-1110	CASH, FEDERAL GRANTS	(70,992.80)	
38-00-000-1110	CASH, MISC RESTRICTED FUND	(30,671.61)	
38-00-000-1120	CASH, SECURITY	1,015.83	
39-00-000-1130	CASH, SCHOLARSHIP AND REFUND	(131,918.97)	
	Total Restricted		(2,103,829.47)
41-00-000-1130	CASH, SCHOLARSHIP & REFUNDS	1,500,065.36	
42-00-000-1130	CASH, SCHOLARSHIP & REFUNDS	349,402.67	
45-00-000-1110	CASH, CAPITAL CAMPAIGN	251,549.08	
	Total Endowment		2,101,017.11
51-00-000-1120	CASH, PLANT FUNDS	872,483.48	
51-00-000-1121	CASH, ASBESTOS RESERVE	129,095.38	
51-00-000-1122	CASH, ADA RESERVE	50,000.00	
52-00-000-1120	CASH, ATHLETIC DIRECTOR	69,270.62	
	Total Plant Funds		1,120,849.48
61-00-000-1148	CASH, INT & SINK FUND (1997)	1,454.08	
	Total Debt Service		1,454.08
81-00-000-1110	CASH, STUDENT CLUB ACCOUNTS	438,154.67	
82-00-000-1110	CASH, AGENCY SCHOLAR FUNDS	66,662.31	
83-00-000-1110	CASH, GOVERNMENT AGENCIES	(17,330.56)	
	Total Agency		487,486.42
<u>CD's</u>			
23-00-000-1180	C.D., ETOM	412,409.82	
41-00-000-1180	C.D., INST. SCHOLARSHIPS	2,665,250.00	
42-00-000-1180	C.D., PRESIDENTIAL SCHOLAR	834,750.00	
81-00-000-1180	C.D., RANGERETTES FOREVER	50,124.07	
81-00-000-1182	C.D., RANGERETTE FUND	26,130.16	
81-00-000-1181	C.D., RANGERETTE/RANGER BAND	120,150.85	
61-00-000-1146	CASH, BOND RESERVE FUND (1997)	435,000.00	
	Total CD's		4,543,814.90
<u>TexPool</u>			
10-00-000-1184	MAINTENANCE FUND TEX POOL	3,293,328.13	
51-00-000-1184	CASH, BLDG FUND, TEX POOL	1,486,105.18	
	Total Tex Pool		4,779,433.31

		15,665,074.74	15,665,074.74