TO: Board of Trustees
Kilgore College

DATE: June 24, 2010
RE: Investment Reporting

The attached Statement of Investment Assets as of May 31, 2010 along with the corresponding Schedule of Short Term Investments as of May 31, 2010 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:

Duane McNaney
Vice-President of Administrative Services
Kilgore College
1100 Broadway
Kilgore, TX 75662
903.984.8531
dmcnaney@kilgore.edu

The investments are held 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
### Statement of Investment Assets

<table>
<thead>
<tr>
<th>Kiugore College</th>
</tr>
</thead>
</table>

#### Total Investments

<table>
<thead>
<tr>
<th>Description</th>
<th>May 31, 2010</th>
<th>Book Value</th>
<th>Change in</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short Term Investments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Short Term Investments</td>
<td></td>
<td>10,000.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Total Debt Investments</td>
<td></td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td>Total Other Investments</td>
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<td>0.00</td>
</tr>
<tr>
<td>Total Equity Securities</td>
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<td>0.00</td>
</tr>
<tr>
<td>Total Unrealized Gains</td>
<td></td>
<td>10,000.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

#### Additional Information

- The market value of the Kiugore College Foundation trust as of May 31, 2010 was $2,207,469.87.
- Kiugore College does not employ outside investment advisors or managers and does not have any collateral arrangements.

#### Notes

- **Book Value** refers to the fair market value of the assets at the specified date.
- **Change in** indicates the difference between the book value and the market value for the specified period.