

TO: Board of Trustees
Kilgore College

DATE: November 21, 2005

RE: Investment Reporting

The attached Statement of Investment Assets as of August 31, 2005 along with the corresponding Schedule of Short Term Investments as of August 31, 2005 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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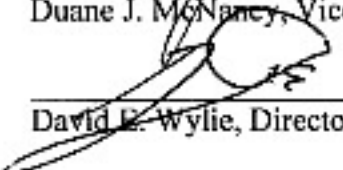
The investments are held in compliance with the Kilgore College investment strategy to manage and invest funds with the following objectives listed in order of their priority: safety, suitability, liquidity, diversity and yield.



William M. Holda, President



Duane J. McNaney, Vice-President of Administrative Services



David E. Wylie, Director of Development

Kilgore College Statement of Investment Assets

Investment Type	Book Value			Market Value		
	May 31, 2005 <u>Book Value</u>	Change in <u>Book Value</u>	August 31, 2005 <u>Book Value</u>	May 31, 2005 <u>Market Value</u>	Change in <u>Market Value</u>	August 31, 2005 <u>Market Value</u>
Equity Securities						
U.S. Common Stocks						
Wal-Mart Stores, Inc.	108,250.00	0.00	108,250.00	104,800.00	(17,159.48)	87,640.52
Devon Energy Corporation	<u>11,634.00</u>	<u>0.00</u>	<u>11,634.00</u>	<u>10,899.56</u>	<u>7,495.96</u>	<u>18,395.52</u>
Total Equity Securities	119,884.00	0.00	119,884.00	115,699.56	(9,663.52)	106,036.04
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	4,569,712.79	(10,213.43)	4,559,499.36	4,562,952.40	(3,453.04)	4,559,499.36
TexPool	3,405,786.19	28,043.36	3,433,829.55	3,382,184.76	51,644.79	3,433,829.55
Bank Deposits	<u>6,339,518.76</u>	<u>2,452,228.18</u>	<u>8,791,746.94</u>	<u>6,126,908.58</u>	<u>2,664,838.36</u>	<u>8,791,746.94</u>
Total Short Term Investments	14,315,017.74	2,470,058.11	16,785,075.85	14,072,045.74	2,713,030.11	16,785,075.85
TOTAL INVESTMENTS	<u>14,434,901.74</u>	<u>2,470,058.11</u>	<u>16,904,959.85</u>	<u>14,187,745.30</u>	<u>2,703,366.59</u>	<u>16,891,111.89</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 August 31, 2005 was \$2,110,812.56.

SCHEDULE OF SHORT-TERM INVESTMENTS
 At August 31, 2005

FUND	Maturity Date	Rate	Operating	Auxiliary	Restricted	Endowment	Plant Reserve	Bond Reserve	Agency	Totals
Certificates of Deposit										
Rangerette Forever (91 day)	11/11/05	3.50%							51,339.93	
Rangerette Fund (91 day)	11/7/05	3.50%							26,763.99	
ETOM (91 day)	11/11/05	3.71%		423,116.23						
Bond Reserve (91 day)	10/18/05	3.47%						435,000.00		
KC Rangerette & Ranger Band (91 day)	11/15/05	3.71%							123,279.21	
Endowed Scholarship (91 day)	11/8/05	4.16%				3,500,000.00				
Total Certificates of Deposit			0.00	423,116.23	0.00	3,500,000.00	0.00	435,000.00	201,383.13	4,559,499.36
TexPool		3.45%	3,389,962.68				43,866.87			3,433,829.55
Bank Deposits		4.00%	<u>4,197,906.22</u>	<u>1,153,709.29</u>	<u>-571,493.00</u>	<u>2,297,191.92</u>	<u>1,383,803.84</u>	<u>(108.48)</u>	<u>330,737.15</u>	<u>8,791,746.94</u>
			<u>7,587,868.90</u>	<u>1,576,825.52</u>	<u>-571,493.00</u>	<u>5,797,191.92</u>	<u>1,427,670.71</u>	<u>434,891.52</u>	<u>532,120.28</u>	<u>16,785,075.85</u>