

**GRAYSON COUNTY COLLEGE
INVESTMENT REPORT FOR THE QUARTER ENDED FEBRUARY 29, 2008**

The attached investment report details the investments held by Grayson County College at February 29, 2008. The college was in compliance with its investment policy and with applicable state law at that date.

Two major events are reflected in this report. In this quarter, the college sold all the general obligation bonds that the voters authorized in May 2007. That increased the total amount invested by almost \$45,000,000. Also, as of January 31, 2008, the college completed the transfer of all the endowment funds to the Grayson County College Foundation. This resulted in over \$3,000,000 being moved from the investments that are reported here.

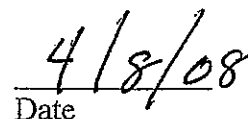
Two agency securities with a total par amount of \$1,500,000 matured during the quarter. The college purchased two agency securities with a total par amount of \$1,500,000 to replace the matured bonds. The bond proceeds were invested in a flexible certificate of deposit, in two agency securities and in the TexStar investment pool. The flexible certificate of deposit allows bi-monthly withdrawals starting in September 2008 and has a final maturity of September 1, 2009.

At February 29, 2008 the over-all yield on the portfolio was 3.02%, the weighted average number of days to maturity was 331, and the total fair market value of the portfolio was \$65,450,604. At February 28, 2007 those values were 4.66%, 130 days, and \$24,484,534 respectively. The lower yield reflects the general decline in short-term interest rates, the longer average maturity of the portfolio reflects the longer term of the flexible certificate of deposit, and the higher amount of investments reflects the investment of the general obligation bond proceeds.

This report meets the requirements of the Public Funds Investment Act and the college's investment policy.



Giles Brown
Investment Officer and
VP for Business Services
Grayson County College


Date

GRAYSON COLLEGE
 SCHEDULE OF INVESTMENTS
 FOR QUARTER ENDED FEBRUARY 29, 2008

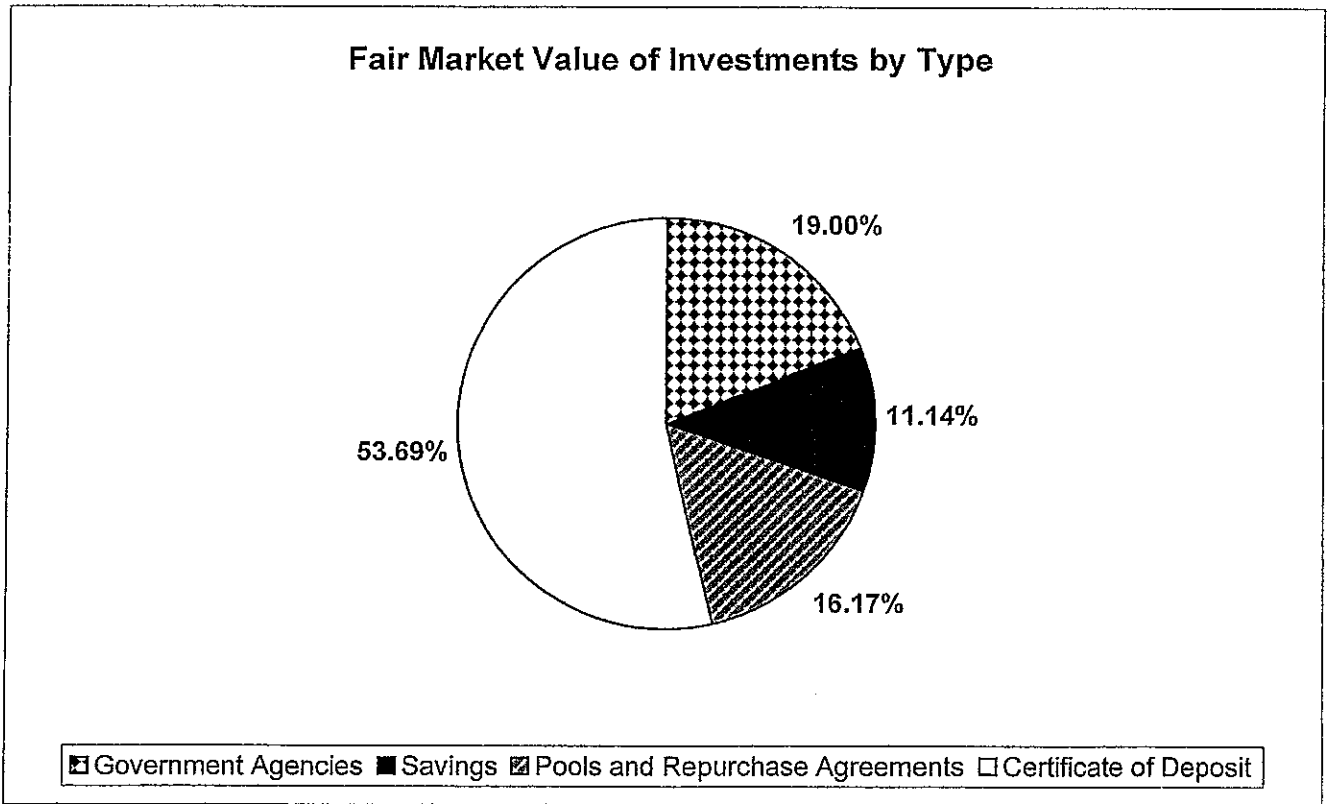
<u>Description</u>		<u>Investment Type</u>	<u>Yield</u>	<u>Maturity</u>	<u>Cost Basis</u>	<u>FMV 11/30/2007</u>	<u>Maturities</u>	<u>Sales/ Withdrawals</u>	<u>Additions/ Purchases</u>	<u>Changes in Market Value</u>	<u>FMV 02/29/08</u>
<u>Endowment (Transferred to Foundation as of 1/31/08)</u>											
Federal Home Loan MC	Agency	Agency	3.10%	7/23/2008	\$ 200,000	198,348	-	198,348	-	-	-
Federal Home Loan Bond	Agency	Agency	3.25%	3/24/2008	194,736	199,312	-	199,312	-	-	-
Federal Home Loan Bond	Agency	Agency	3.40%	12/26/2008	193,250	198,750	-	198,750	-	-	-
Federal Home Loan Bond	Agency	Agency	4.00%	6/11/2010	192,800	199,688	-	199,688	-	-	-
Federal National Mortgage	Agency	Agency	5.00%	10/15/2011	201,366	208,188	-	208,188	-	-	-
Federal Home Loan MC	Agency	Agency	4.75%	11/3/2009	199,416	203,937	-	203,937	-	-	-
Federal Home Loan Bond	Agency	Agency	5.25%	2/26/2009	50,000	50,148	-	50,148	-	-	-
Morgan Stanley	Corporate Bond	Corporate Bond	3.63%	4/1/2008	150,032	148,980	-	148,980	-	-	-
High Yield Savings Account	Savings	Savings	2.89%	N/A	-	1,011,893	-	1,011,893	-	-	-
A P Cash Management	Oth MMF/Pool	Oth MMF/Pool	4.50%	N/A	-	429,442	-	429,442	-	-	-
Repurchase Agreement	Repurchase Agreements	Repurchase Agreements	1.25%	N/A	-	325,348	-	325,348	-	-	-
						3,174,034	-	3,174,034	-	-	-
<u>Unrestricted</u>											
Federal Home Loan MC	Agency	Agency	3.00%	7/22/2008	492,500	495,710	-	-	-	4,785	500,495
Federal Home Loan MC	Agency	Agency	4.00%	10/21/2009	500,000	499,935	-	-	-	1,140	501,075
Federal Home Loan Bond	Agency	Agency	3.30%	4/28/2008	500,000	498,440	-	-	-	2,030	500,470
Federal Farm Credit	Agency	Agency	4.48%	10/10/2008	997,813	1,000,630	-	-	-	9,370	1,010,000
Repurchase Agreement	Repurchase Agreements	Repurchase Agreements	1.25%		-	-	-	-	1,231,435	-	1,231,435
High Yield Savings Account	Savings	Savings	2.89%	N/A	-	7,219,287	-	70,778	-	-	7,290,065
						9,714,002	-	1,302,213	-	17,325	11,033,540
<u>Auxiliary</u>											
Federal Home Loan Bank Disc.	Agency	Agency	5.08%	12/21/2007	476,472	498,800	500,000	-	-	1,200	-
Federal National Mortgage	Agency	Agency	3.87%	9/5/2008	486,582	-	-	-	486,582	7,218	493,800
Repurchase Agreement	Repurchase Agreements	Repurchase Agreements	1.25%	N/A	-	304,095	-	-	416,542	-	720,437
						802,895	500,000	-	902,924	8,418	1,214,237
<u>Restricted</u>											
Repurchase Agreement	Repurchase Agreements	Repurchase Agreements	1.25%		-	-	-	-	1,264,065	-	1,264,065
<u>Plant</u>											
Federal Home Loan Bank Disc.	Agency	Agency	5.09%	12/21/2007	952,944	997,600	1,000,000	-	-	2,400	-
Federal National Mortgage	Agency	Agency	4.33%	4/23/2008	1,470,740	1,475,250	-	-	-	18,750	1,494,000
Federal Home Loan Bond	Agency	Agency	4.01%	9/26/2008	1,001,719	-	-	-	1,001,719	7,341	1,009,060
Repurchase Agreement	Repurchase Agreements	Repurchase Agreements	1.25%	N/A	-	1,220,322	-	-	403,293	-	1,623,615
TexStar	Investment Pool	Investment Pool	3.42%	N/A	-	2,080,445	-	29,296	-	-	2,109,741
						5,773,617	1,000,000	-	1,434,308	28,491	6,236,416
<u>Agency</u>											
Repurchase Agreement	Repurchase Agreements	Repurchase Agreements	1.25%	N/A	-	387,831	-	-	361,281	-	749,112
<u>G. O. Proceeds</u>											
Federal National Mortgage	Agency	Agency	4.14%	5/16/2008	1,967,170	-	-	-	1,967,170	21,630	1,988,800
Federal Home Loan Bank Disc.	Agency	Agency	3.95%	8/29/2008	4,867,000	-	-	-	4,867,000	71,500	4,938,500
Agency Bank	Certificate of Deposit	Certificate of Deposit	2.93%	9/1/2009	-	-	-	-	35,140,000	-	35,140,000
TexStar	Investment Pool	Investment Pool	3.42%		-	-	-	-	2,885,934	-	2,885,934
						-	-	-	44,860,104	93,130	44,953,234

GRAYSON COUNTY COLLEGE

TYPES OF INVESTMENTS

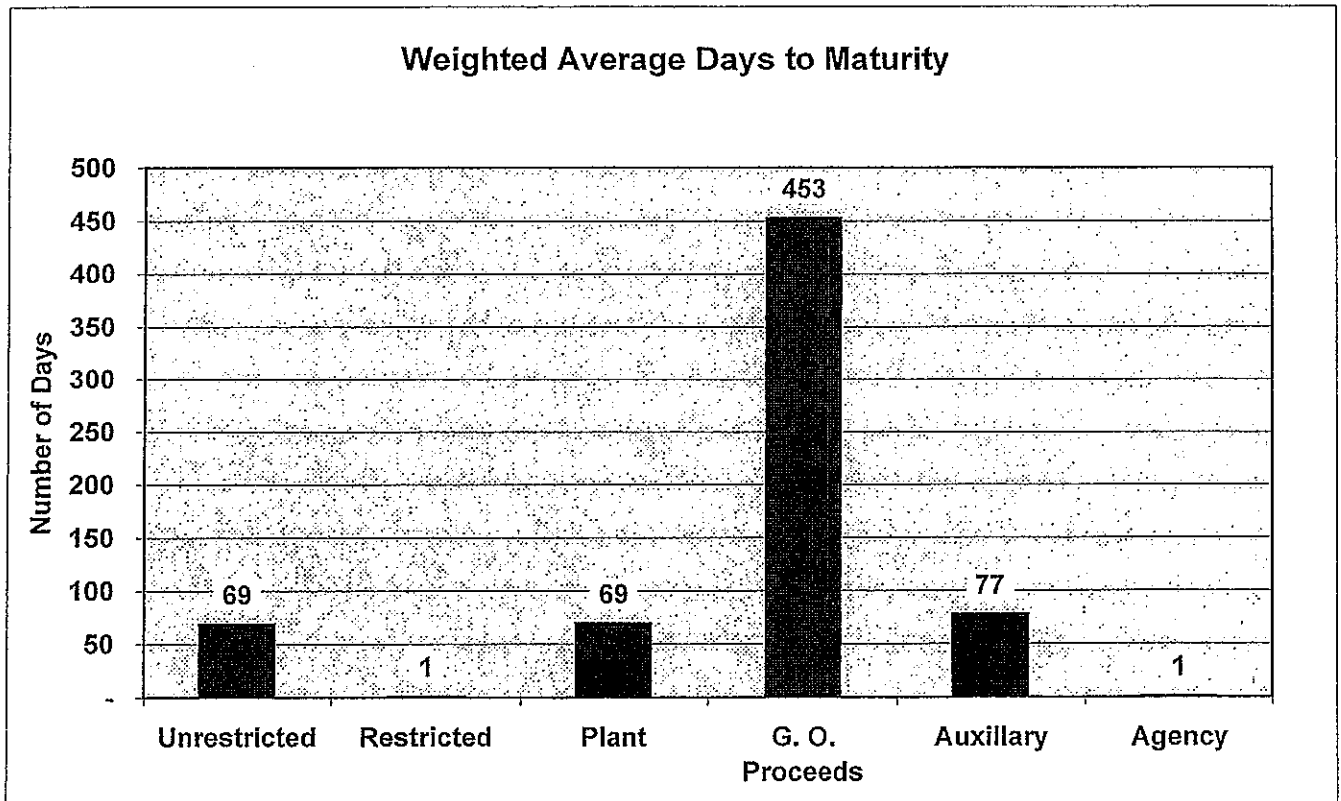
February 29, 2008

	Fair Market Value at February 29, 2008	Weighted Average Yield
Government Agencies	\$ 12,436,200	4.01%
Savings	7,290,065	2.89%
Pools and Repurchase Agreements	10,584,339	2.28%
Certificate of Deposit	35,140,000	2.93%
	<u>\$ 65,450,604</u>	3.02%



GRAYSON COUNTY COLLEGE
WEIGHTED AVERAGE MATURITY
 February 29, 2008

	Fair Market Value at February 29, 2008	Weighted Average Days to Maturity
Unrestricted	\$ 11,033,540	69
Restricted	1,264,065	1
Plant	6,236,416	69
G. O. Proceeds	44,953,234	453
Auxillary	1,214,237	77
Agency	749,112	1
	\$ 65,450,604	331



**GRAYSON COUNTY COLLEGE
MATURITIES AND PURCHASES**

<u>Maturities</u>		<u>Yield</u>	<u>Maturity</u>	<u>Par Value</u>
Federal Home Loan Bank Disc.	U.S. Government Agency	5.08%	12/21/2007	\$ 500,000
Federal Home Loan Bank Disc.	U.S. Government Agency	5.09%	12/21/2007	1,000,000
				\$ 1,500,000

<u>Purchases/Deposits (other than interest earnings)</u>		<u>Yield</u>	<u>Maturity</u>	<u>Purchase Price</u>
Federal Home Loan Bank	U.S. Government Agency	4.01%	9/26/2008	\$ 1,001,719
Federal National Mortgage	U.S. Government Agency	3.87%	9/5/2008	486,582
Federal National Mortgage	U.S. Government Agency	4.14%	5/16/2008	1,967,170
Federal Home Loan Bank	U.S. Government Agency	3.95	8/29/2008	4867000
TexStar	Investment Pool	3.42%	N/A	2,885,934
Amegy Bank	Certificate of Deposit	2.93	9/1/2009	35,140,000
				\$ 46,348,405

<u>Repurchase Agreement</u>		<u>Yield</u>	<u>Maturity</u>	<u>Net Increase</u>
Chase Bank	Overnight Repurchase Agreement	2.68%	N/A	\$ 3,676,416