

**Texas State University-San Marcos  
Investment Report  
Operating, Bond and University Endowment Funds  
For the Quarter Ended August 31, 2008**

Description	Cusip Number	Purchase Date	Maturity Date	Book Balance	Market Balance	Additions		Deductions			Book Balance	Market Balance	Investment Income	
				5/31/2008	5/31/2008	Purchases	Earnings	Maturities	Withdrawals	Sales	8/31/2008	8/31/2008	This Quarter	FY to Date
<b>Short-Term Investments [Less than one year]</b>														
<b>OPERATING FUNDS</b>														
State Treasury - 0260 Cash				6,696,905.06	6,696,905.06	13,670,271.00	42,596.73		2,785,649.59		17,624,123.20	17,624,123.20	42,596.73	471,361.34
Pooled Investments														
TexPool Series 0007	Housing System Reserve/Equip-Mtn			3,107,272.06	3,107,272.06		17,779.52				3,125,051.58	3,125,051.58	17,779.52	106,323.23
TexPool Series 0009	General Account			184,068,546.59	184,068,546.59	95,577,719.37	948,583.21		64,410,096.87		216,184,752.30	216,184,752.30	948,583.21	6,542,661.73
TexPool Series 0011	Property Deposits			1,616,946.74	1,616,946.74		9,252.02				1,626,198.76	1,626,198.76	9,252.02	55,327.96
TexPool Series 0019	Perkins Loan Fund			17,715.81	17,715.81		101.33				17,817.14	17,817.14	101.33	606.18
Total Pooled Investments				188,810,481.20	188,810,481.20	95,577,719.37	975,716.08		64,410,096.87		220,953,819.78	220,953,819.78	975,716.08	6,704,919.10
<b>SHORT-TERM OPERATING FUNDS SUBTOTAL</b>				<b>195,507,386.26</b>	<b>195,507,386.26</b>	<b>109,247,990.37</b>	<b>1,018,312.81</b>		<b>67,195,746.46</b>		<b>238,577,942.98</b>	<b>238,577,942.98</b>	<b>1,018,312.81</b>	<b>7,176,280.44</b>
<b>BOND FUNDS</b>														
Pooled Investments														
TexPool Series 0001	Housing I&S			181,903.53	181,903.53		1,036.87		1,035.83		181,904.57	181,904.57	1,036.87	6,295.23
TexPool Series 0002	Housing Reserve			1,367,036.15	1,367,036.15	1,035.83	7,825.95		-		1,375,897.93	1,375,897.93	7,825.95	48,947.16
TexPool Series 0017	Utility			188,406.74	188,406.74	615,923.47	1,611.97		388,756.25		417,185.93	417,185.93	1,611.97	7,019.12
TexPool Series 0018	Utility Reserve			1,042,299.61	1,042,299.61		4,600.29		615,923.47		430,976.43	430,976.43	4,600.29	34,730.42
TexPool Series 0021	TSUS-03-Bldg			2,120.08	2,120.08		8.98		750.00		1,379.06	1,379.06	8.98	2,865.19
TexPool Series 0022	TSUS-03-RRHEC								-					734.41
TexPool Series 0024	TSUS-07-CoGen Expansion					4,800,000.00	2,457.66		4,553,241.46		249,216.20	249,216.20	2,457.66	52,507.88
TexPool Series 0025	TRB-08					78,989,886.31	63,172.33		1,421,551.44		77,631,507.20	77,631,507.20	63,172.33	63,172.33
TexPool Series 0026	TSUS-08					66,971,999.00	41,855.20		37,936,172.86		29,077,681.34	29,077,681.34	41,855.20	41,855.20
Total Pooled Investments				2,781,766.11	2,781,766.11	151,378,844.61	122,569.25		44,917,431.31		109,365,748.66	109,365,748.66	122,569.25	258,126.94
<b>SHORT-TERM BOND FUNDS SUBTOTAL</b>				<b>2,781,766.11</b>	<b>2,781,766.11</b>	<b>151,378,844.61</b>	<b>122,569.25</b>		<b>44,917,431.31</b>		<b>109,365,748.66</b>	<b>109,365,748.66</b>	<b>122,569.25</b>	<b>258,126.94</b>
<b>ENDOWMENT FUNDS</b>														
TexPool Series 0023	Endowment			3,315,352.23	3,315,352.23	1,340,949.09	19,975.22		27,997.36		4,648,279.18	4,648,279.18	19,975.22	243,429.95
Certificate of Deposits														
	Certificate of Deposits-Franklin Bank	4/8/2005	1/8/2009	108,211.52	108,211.52		810.07				109,021.59	109,021.59	810.07	5,225.72
	Certificate of Deposits-Compass Bank	4/8/2005	9/8/2008	90,000.00	90,000.00		737.33		737.33		90,000.00	90,000.00	737.33	3,211.49
Total Certificate of Deposits				198,211.52	198,211.52		1,547.40		737.33		199,021.59	199,021.59	1,547.40	8,437.21
<b>SHORT-TERM ENDOWMENT FUNDS SUBTOTAL</b>				<b>3,513,563.75</b>	<b>3,513,563.75</b>	<b>1,340,949.09</b>	<b>21,522.62</b>		<b>28,734.69</b>		<b>4,847,300.77</b>	<b>4,847,300.77</b>	<b>21,522.62</b>	<b>251,867.16</b>
<b>Short-Term Investments Total</b>				<b>201,802,716.12</b>	<b>201,802,716.12</b>	<b>261,967,784.07</b>	<b>1,162,404.68</b>		<b>112,141,912.46</b>		<b>352,790,992.41</b>	<b>352,790,992.41</b>	<b>1,162,404.68</b>	<b>7,686,274.54</b>

All Short-term Investments	This Qtr	YTD
Actual Rate of Return	2.30%	3.60%
Benchmark Rate (TexPool)	2.27%	3.48%
Over/(Under) Realization	0.03%	0.11%


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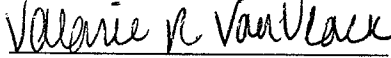
Description	Cusip Number	Purchase Date	Maturity Date	Book Balance 5/31/2008	Market Balance 5/31/2008	Additions		Deductions			Book Balance 8/31/2008	Market Balance 8/31/2008	Investment Income							
						Purchases	Earnings	Premium/(Discount) Amortization and Maturities	Withdrawals	Sales			This Quarter	FY to Date						
<b>Long-Term Investments [Greater than one year]</b>																				
<b>OPERATING FUNDS</b>																				
<i>Fixed Income</i>																				
Government Securities																				
U.S. Treasury Note 4.000	912828EH9	08-11-06	09-30-07																	
Fed Home Loan Bank 3.625	3133X1XC6	08-11-06	11-14-08	496,397.42	502,655.00		6,332.54		(1,801.29)	6,332.54	498,198.71	500,780.00	6,332.54	25,330.16						
Fed Home Loan Mtge Corp 4.375	3134A4VF8	08-11-06	11-16-07											5,679.59						
Fed Home Loan Bank 2.750	3133MXFT1	08-11-06	03-14-08											14,207.03						
Fed Home Loan Bank 5.125	3133XFN69	08-11-06	06-18-08	499,965.14	500,625.00		1,244.93	499,965.14	1,244.93				1,244.93	20,777.42						
Fed Home Loan Bank 3.875	3133XCFH1	08-11-06	08-22-08	498,442.88	501,565.00		5,916.49	498,442.88	5,916.49				5,916.49	25,119.10						
<b>Total Government Securities</b>				<b>1,494,805.44</b>	<b>1,504,845.00</b>		<b>13,493.96</b>	<b>996,606.73</b>	<b>13,493.96</b>		<b>498,198.71</b>	<b>500,780.00</b>	<b>13,493.96</b>	<b>93,154.73</b>						
Corporate Bonds																				
Gillette Company	375766AL6	08-11-06	03-15-08											14,407.59						
Eli Lilly	532457AW8	08-11-06	03-15-08											16,014.19						
Wells Fargo & Co	949746JB8	08-11-06	08-15-08	498,349.37	500,080.00		5,761.74	498,349.37	5,761.74				5,761.74	25,713.63						
Gen Elec Cap Crp	36962GVV1	08-11-06	12-10-07											7,092.50						
Bank of New York	06406MAW8	08-11-06	02-01-08											11,529.99						
<b>Total Corporate Bonds</b>				<b>498,349.37</b>	<b>500,080.00</b>		<b>5,761.74</b>	<b>498,349.37</b>	<b>5,761.74</b>				<b>5,761.74</b>	<b>74,757.90</b>						
<b>LONG-TERM OPERATING FUNDS SUBTOTAL</b>				<b>1,993,154.81</b>	<b>2,004,925.00</b>		<b>19,255.70</b>	<b>1,494,956.10</b>	<b>19,255.70</b>		<b>498,198.71</b>	<b>500,780.00</b>	<b>19,255.70</b>	<b>167,912.63</b>						
<b>BOND FUNDS</b>																				
There are no long-term investments for bond funds at this time.																				
<b>ENDOWMENT FUNDS</b>																				
<i>Fixed Income</i>																				
Government Securities																				
U.S. Treasury Note 3.750	912828DT4	02-27-06	05-15-08																	
Corporate Bonds																				
Prudential Funding	74433KCR6	08-02-06	05-15-08											11,459.00						
Wal-mart Stores	931142BU6	08-02-06	10-01-08	297,672.10	300,369.00		3,927.99	(1,396.74)	3,927.99	299,068.84	300,138.00	3,927.99	15,711.96							
Intl Lease Finance Corp	459745FF7	08-02-06	05-01-08											8,306.37						
CitiCorp	17303MDR7	08-18-05	10-15-07											463.38						
Bank One Texas JPM	06422KAA0	02-27-06	02-15-08											9,369.89						
JPM Chase Bank	163714AF5	08-02-06	08-15-08	300,904.14	302,214.00		3,227.53	300,904.14	3,227.53				3,227.53	15,590.11						
Morgan Stanley Dean	617446HW2	08-02-06	04-01-08											9,672.55						
Cit Group Inc	125581AC2	02-24-04	09-25-07											862.89						
Rockwell Intl	773903AA7	02-27-06	01-15-08											7,628.82						
Sallie Mae (SLM Corp)	78442FAN8	02-28-06	03-17-08											11,109.96						
Bear Stearns Co	073902CF3	08-02-06	03-25-09	221,172.80	221,976.00		2,976.28	(1,148.16)	2,976.28	222,320.96	224,320.00	2,976.28	11,905.14							
AT&T Corp	78387GAN3	05-08-08	09-15-09	402,492.00	400,548.00		3,657.75	467.25	3,657.75	402,024.75	402,256.00	3,657.75	4,482.75							
Citigroup Inc	172967AZ4	05-08-08	10-01-10	421,792.00	417,040.00		4,995.70	2,254.30	4,995.70	419,537.70	412,588.00	4,995.70	6,445.70							
Nations Bank Corp	638585BH1	05-08-08	05-15-10	419,308.00	414,100.00		4,186.50	2,413.50	4,186.50	416,894.50	411,012.00	4,186.50	5,506.50							
Amgen Inc	031162AG5	05-08-08	11-18-09	401,620.00	398,796.00		3,730.00	270.00	3,730.00	401,350.00	401,532.00	3,730.00	4,530.00							
Fifth Third Bank	31677QAP4	05-08-08	02-23-10	401,324.00	397,264.00		4,019.42	180.58	4,019.42	401,143.42	389,232.00	4,019.42	4,859.42							

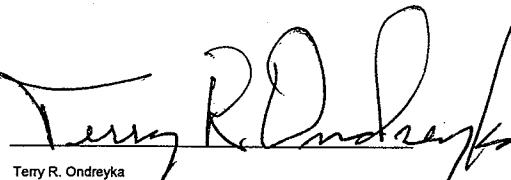
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Description	Cusip Number	Purchase Date	Maturity Date	Book Balance 5/31/2008	Market Balance 5/31/2008	Additions		Deductions			Book Balance 8/31/2008	Market Balance 8/31/2008	Investment Income		
						Purchases	Earnings	Premium/(Discount) Amortization and Maturities	Withdrawals	Sales			This Quarter	FY to Date	
<b>ENDOWMENT FUNDS (continued)</b>															
<i>Fixed Income (continued)</i>															
Genl Elec Cal	36962G2S2	05-08-08	12-01-10	413,728.00	410,512.00		3,671.52		1,328.48	3,671.52	412,399.52	410,980.00	3,671.52	4,671.52	
Subtotal Corporate Bonds				3,280,013.04	3,262,819.00		34,392.69		305,273.35	34,392.69	2,974,739.69	2,952,058.00	34,392.69	132,575.96	
Mutual Funds															
Commonfund Multi-Strategy Bond Fund				7,317,618.47	8,649,749.45		93,128.12			100,722.12	7,310,024.47	8,469,281.68	93,128.12	322,088.29	
<b>Total Fixed Income</b>				<b>10,597,631.51</b>	<b>11,912,568.45</b>		<b>127,520.81</b>		<b>305,273.35</b>	<b>135,114.81</b>	<b>10,284,764.16</b>	<b>11,421,339.68</b>	<b>127,520.81</b>	<b>467,888.02</b>	
<i>Equities</i>															
Mutual Funds															
Commonfund Multi-Strategy Equity				14,603,032.43	21,512,236.56		93,187.17			134,997.61	14,561,221.99	19,393,165.02	93,187.17	287,169.96	
<b>Total Equities</b>				<b>14,603,032.43</b>	<b>21,512,236.56</b>		<b>93,187.17</b>			<b>134,997.61</b>	<b>14,561,221.99</b>	<b>19,393,165.02</b>	<b>93,187.17</b>	<b>287,169.96</b>	
<b>LONG-TERM ENDOWMENT FUNDS</b>				<b>25,200,663.94</b>	<b>33,424,805.01</b>		<b>220,707.98</b>		<b>305,273.35</b>	<b>270,112.42</b>	<b>24,845,986.15</b>	<b>30,814,504.70</b>	<b>220,707.98</b>	<b>755,057.98</b>	
<b>Long-Term Investments Total</b>				<b>27,193,818.75</b>	<b>35,429,730.01</b>		<b>239,963.68</b>		<b>1,800,229.45</b>	<b>289,368.12</b>	<b>25,344,184.86</b>	<b>31,315,284.70</b>	<b>239,963.68</b>	<b>922,970.61</b>	
												<b>All Long-term Investments</b>		<b>This Qtr</b>	<b>YTD</b>
												Actual Rate of Return		3.62%	4.31%
												Benchmark Rate (Mem'l Lynch Gov't 1 - 5 yr)		1.39%	6.88%
												Over/(Under) Realization		2.23%	-2.57%
<b>TOTAL INVESTMENTS FOR ALL FUNDS</b>				<b>228,996,534.87</b>	<b>237,232,446.13</b>		<b>261,967,784.07</b>		<b>1,402,368.36</b>	<b>112,431,280.58</b>	<b>378,135,177.27</b>	<b>384,106,277.11</b>	<b>1,402,368.36</b>	<b>8,609,245.15</b>	

This report is prepared in conformity with (a) Texas State University System Investment Policy, (b) State Statutes and Guidelines including the Public Funds Investment Act and (c) Texas State University-San Marcos Investment Policy.

  
William A. Nance  
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Valerie R. VanVlack  
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