

SMITH, LAMBRIGHT & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Marlin R. Smith, CPA
J. W. Lambright, CPA

Cheri E. Kirkland, CPA
Deborah Adcock, CPA
Michael D. Rogers, CPA

P. O. Box 912
505 E. Tyler
Athens, Texas 75751
(903) 675-5674
FAX (903) 675-5676
jwlsla@cox - internet.com

**REPORT ON COMPLIANCE WITH PROVISIONS OF
THE PUBLIC FUNDS INVESTMENT ACT**

The Board of Trustees
Trinity Valley Community College
100 Cardinal Drive
Athens, Texas 75751

Members of the Board:

We have completed our audit of the Trinity Valley Community College for the year ended August 31, 2005. During the course of our audit, we noted that you have an investment policy which complies with the Public Funds Investment Act (Act). This compliance report is in response to the provisions of Chapter 2256.005 (m) of the Act.

We reviewed your investment policy, the monthly reports and other provisions of the policy including the types of investments you made during the year under audit. We noted no matters of noncompliance with the Act, lack of adherence to the College's investment policy, internal control weaknesses over the investment function or any other investment issues during the audit.

Please see the following schedule that is a schedule of portfolio composition as of August 31, 2005, which is part of this compliance report.

Respectfully submitted,

Smith, Lambright & Associates, P.C.

SMITH, LAMBRIGHT & ASSOCIATES, P. C.
Certified Public Accountants

November 18, 2005

Trinity Valley Community College
 Portfolio Composition as of August 31, 2005

Investment Type	Book Value August 31, 2005	Market Value August 31, 2005
Savings Account(s) in Financial Institutions		
Certificates of Deposit	\$ 6 024 158	\$ 6 024 158
Repurchase Agreements		
Bankers Acceptances		
Commercial Paper		
No-Load Money Market Mutual Fund		
No-Load Mutual Fund		
Investment Pool (s): (1) <i>Constant Net Asset Value</i> _____ (Name of investment pool) _____ (Name of investment pool) <i>Variable Net Asset Value</i> _____ (Name of investment pool) _____ (Name of investment pool)		
U.S. Government Securities: Long-term Short-term		
U.S. Government Securities: Long-term Short-term		

- (1) An investment pool with a constant net asset value (market value/book value) means that money is deposited and withdrawn at a stable price of \$1.00 per share. In a variable net asset value pool, the share price fluctuates with the market value of the pool's portfolio.