

BRACKETT INDEPENDENT SCHOOL DISTRICT
May 21, 2012

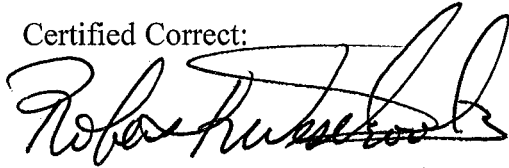
Earned interest report at the close of business on March 31, 2012.

Total amount of cash on hand locally in the general fund - \$ 903,051.57.
Total amount of investments - \$ 4,414,457.08.

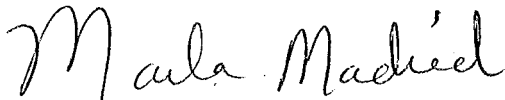
Interest earned during the 3rd quarter of the 2011/2012 school year.

Del Rio Bank & Trust	\$ 1,463.95	Average Rate	.67%
Lone Star Investment			
Liquidity Plus	\$ 1,107.86	Average Rate	.11%
TexPool	\$ 216.88	Average Rate	.10%
Total Interest Earned-3rd Quarter	\$ 2,788.69		
Total Interest Earned – Year to Date	\$ 8,570.25		

Certified Correct:



Robert Westbrook, Superintendent



Marla Madrid, Business Manager

Fund Performance Update

March 31, 2012

Comments by Bank of New York Mellon Cash Investment Strategies, Investment Manager

The Treasury bond market traded lower in the month of March as yields rose four to twenty-five basis points across the curve. The yield curve became steeper as the spread between the two-year note and thirty-year bond rose by 22 basis points to 3.01%. The equity markets traded higher in March as the Dow, NASDAQ and S&P 500 indices gained 2.0%, 4.2% and 3.1%, respectively.

The labor market continued to show signs of improvement in the month of March, but the unemployment rate remains elevated at 8.3%. Moody's continued to be active with its ratings actions and reviews in March. The ratings agency has published an expected schedule for the conclusion of its western European banks and firms with global markets operations. Moody's expects to conclude the rating reviews by the middle of May 2012.

As expected, there was no change in the Fed funds rate at the March 13th FOMC meeting. In the statement following the meeting, the Fed referenced a decline in unemployment and advancement in household and business spending. The next FOMC meeting is scheduled for April 25th.

Total Participants

Schools and Colleges	736
Other Governmental	164
Total	900

Lone Star Investment Pool is distributed by First Public.

Government Overnight Fund

Return Information

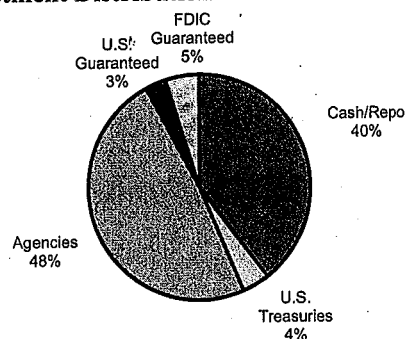
March 31, 2012

Average Monthly Return (a)	0.13%
SEC 7-Day Fund Yield (b)	0.12%
Weighted Average Maturity One (c)	54 Days
Weighted Average Maturity Two (c)	102 Days
Portfolio Maturing beyond One Year	7%
Net Asset Value	\$1.00
Annualized Expense Ratio	0.06%
Standard & Poor's Rating	AAAm

Inventory Position

	Book Value	Market Value
Cash/Repo	1,654,652,725	1,654,652,725
US Treasuries	149,959,042	149,969,750
Agencies	221,272,070	2,021,690,708
FDIC Guaranteed	212,658,350	212,771,252
US Dept of Ed Guaranteed	114,848,572	114,852,675
Money Market Funds	-	-
Total Assets	4,153,390,759	4,153,937,110

Investment Distribution



(a) The return information represents the average annualized rate of return on investments for the time period referenced. Return rates reflect a partial waiver of the Lone Star Investment Pool operating expense. Past performance is no guarantee of future results.

Federated®

Federated, founded in 1955, is a S&P 500 company that is publicly traded on the NYSE. It is one of the largest managers of AAA-rated money market portfolios in the country (Source: *iMoneyNet* as of 2/29/12).

Visit us at FederatedInvestors.com.

G35884-24 (04/12)

Federated is a registered trademark of Federated Investors, Inc.

2012 ©Federated Investors, Inc.

Economic and Market Commentary

PERFORMANCE as of March 31, 2012

	TexPool	TexPool Prime
Current Invested Balance	\$17,100,536,508.68	\$1,317,146,929.01
Weighted Average Maturity (1)*	45 Days	46 Days
Weighted Average Maturity (2)*	85 Days	49 Days
Net Asset Value	1.00007	1.00001
Total Number of Participants	2,261	139
Management Fee on Invested Balance	0.0473%	0.0638%
Interest Distributed	\$1,717,002.79	\$180,642.27
Management Fee Collected	\$705,117.84	\$72,072.95
Standard & Poor's Current Rating	AAAm	AAAm

Month Averages

Average Invested Balance	\$17,579,640,300.21	\$1,332,233,172.65
Average Monthly Yield, on a simple basis (3)*	0.12%	0.16%
Average Weighted Average Maturity (1)*	44 Days	38 Days
Average Weighted Average Maturity (2)*	84 Days	41 Days

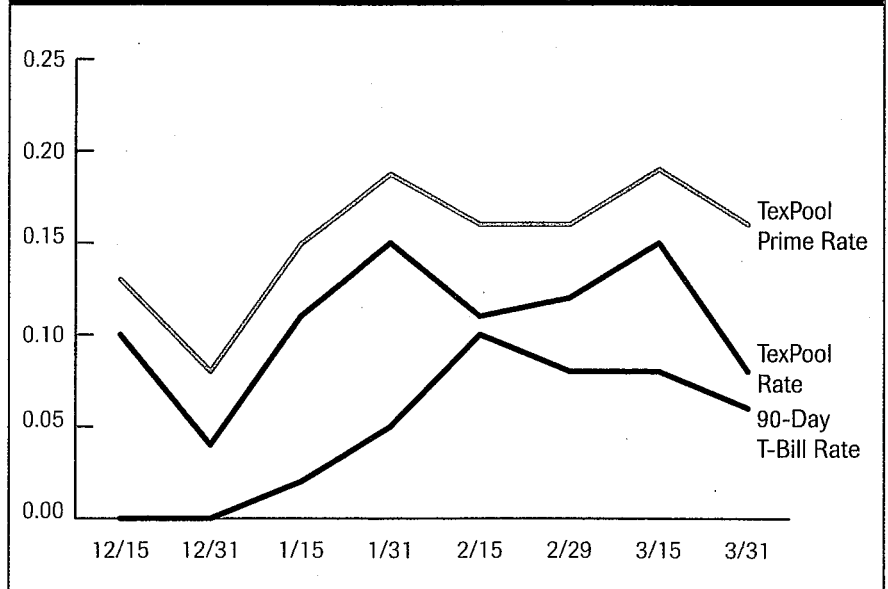
*Definitions for Average monthly yield and Average Weighted Maturity can be found on page 2.

(continued from page 1)

Portugal are all going backward. Put it all together, and the euro-zone economy is flat to slightly negative. Still, with the upward rate bias on both government and credit so far this year, we've been able to capture more yield for TexPool and TexPool Prime by lengthening the average maturity on our funds by a few days.

Increased supply of Treasuries, either directly in the form of Treasury bills or as securities available as collateral for repurchase agreements, added to the upward pressure on yields. We wouldn't be surprised to see a slight pullback in yields this month, particularly on the government side, as taxpayers make payments. The subsequent substantial inflow of tax payments will boost the supply of funds for the Treasury, temporarily lessening its need to tap the marketplace. Overall, however, we believe short rates will remain around the recently higher levels with an upward bias, driven by economic fundamentals. We wouldn't expect any drastic moves up, particularly with a Fed Chairman determined to hold rates down even though some of his fellow Fed governors feel differently. But after three years of darkness, savers may be starting to see some light at the end of the record-low-rates tunnel.

TexPool & TexPool Prime vs. 90-Day Treasury Bill



90-Day Treasury Bill is a short-term debt instrument backed by the national government. These are used to collect immediate cash to meet outstanding obligations.

Any private investor can invest in a Treasury bill. The 90-Day Treasury Bill is a weighted average rate of the weekly auctions of 90-Day Treasury Bills.