

For any inquiries regarding the College's investments please contact:

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Investment Position of the Entity as of August 31, 2008

Type of Deposit at Texas State Bank	Fund	MM/CD No.	Maturity Date	Interest Rate	Beginning Market Value June 1, 2008	Principal Additions & (Deductions)	Interest Earned	Ending Market Value August 31, 2008
Certificate of Deposit	Operating	2432022	09/01/08	2.04%	\$ 46,012,227.39	\$ (5,000,000.00)	\$ 207,439.51	\$ 41,219,666.90
Certificate of Deposit	Endowment	2286837	09/01/08	4.44%	15,311.09	(337.07)	169.46	15,143.48
Certificate of Deposit	Endowment - Futuro Brillante	3068370	09/01/08	4.44%	206,868.88		2,323.16	209,192.04
Certificate of Deposit	Construction - E&G Transfer	2495400	09/01/08	2.04%	15,407,091.71	5,000,000.00	84,135.36	20,491,227.07
Certificate of Deposit	Construction - E&G Transfer	3780999	09/01/08	2.04%	3,299,866.56		16,996.84	3,316,863.40
Certificate of Deposit	Construction - E&G Transfer	3834135	09/22/08	2.11%	5,209,729.64	(2,000,000.00)	17,991.98	3,227,721.62
Total Investments at August 31, 2008					\$ 70,151,095.27	\$ (2,000,337.07)	\$ 329,056.31	\$ 68,479,814.51

The difference between the beginning and ending market value is a result of accrued and earned interest and transfers to or from money market bank accounts.

Interest Earned - June 1, 2008 through August 31, 2008

Type of Deposit at Texas State Bank	Fund	MM/CD No.	Interest Earned *			For the Period of
			June	July	August	June 1, 2008 through August 31, 2008
Certificate of Deposit	Operating	2432022	\$ 76,599.98	\$ 79,297.71	\$ 51,541.82	\$ 207,439.51
Certificate of Deposit	Endowment	2286837	55.26	57.10	57.10	169.46
Certificate of Deposit	Endowment - Futuro Brillante	3068370	754.93	782.94	785.29	2,323.16
Certificate of Deposit	Construction - E&G Transfer	2495400	25,701.11	26,557.81	31,876.44	84,135.36
Certificate of Deposit	Construction - E&G Transfer	3780999	5,532.84	5,727.10	5,736.90	16,996.84
Certificate of Deposit	Construction - E&G Transfer	3834135	6,572.67	5,764.02	5,655.29	17,991.98
Total Interest Earned - June 1, 2008 through August 31, 2008			\$ 115,216.79	\$ 118,186.68	\$ 95,652.84	\$ 329,056.31

*Includes Accrued Interest

The depository funds at Texas State Bank are collateralized by the following securities:

Security Type	Cusip No.	Coupon Rate	Maturity Date	Par	Book Value	Fair Value	
					August 31, 2008	August 31, 2008	
FHLMC	3128X35R0	4.375%	03/01/10	\$ 1,000,000.00	\$ 1,017,180.00	\$ 1,017,180.00	
FHLMC (1 X CALL 10/27/06)	3128X3F32	5.000%	10/27/14	1,000,000.00	1,052,332.22	1,035,110.00	
FHLMC (1 X CALL 9/22/06)	3128X3WY5	4.000%	09/22/09	9,000,000.00	9,238,470.00	9,079,470.00	
FHLMC (1 X CALL 9/22/06)	3128X3WY5	4.000%	09/22/09	2,500,000.00	2,566,241.67	2,522,075.00	
FHLMC (1 X CALL 9/22/06)	3128X3WY5	4.000%	09/22/09	3,000,000.00	3,079,490.00	3,026,490.00	
FHLMC	3128X4N56	5.250%	02/24/11	5,000,000.00	5,048,404.17	5,043,300.00	
FHLB	3133XDTB7	4.875%	12/14/12	20,000,000.00	20,989,341.67	20,780,800.00	
FHLB	3133XDTB7	4.875%	12/14/12	3,000,000.00	3,148,401.25	3,117,120.00	
FHLB	3133XH7E6	5.000%	10/02/09	2,000,000.00	2,080,448.89	2,039,060.00	
FHLB	3133X3YY3	3.500%	02/13/09	2,500,000.00	2,511,763.89	2,507,875.00	
FHLB	3133XBTH8	4.250%	06/11/10	1,200,000.00	1,234,925.33	1,223,592.00	
FHLB	3133XL6B4	5.125%	06/04/09	4,900,000.00	5,040,019.54	4,979,331.00	
FHLMC	3134A4VB7	4.125%	07/12/10	1,500,000.00	1,535,061.88	1,526,640.00	
FHLMC	3134A4FM1	6.000%	06/15/11	2,500,000.00	2,696,666.67	2,665,000.00	
FNMA	31359MJH7	6.000%	05/15/11	6,500,000.00	7,039,868.33	6,925,035.00	
FNMA (NON-CALLABLE)	31359MTZ6	3.250%	02/15/09	1,000,000.00	1,002,774.44	1,001,330.00	
FNMA	31359MXL2	4.000%	01/26/09	1,500,000.00	1,512,283.33	1,506,450.00	
FNMA	31359MVE0	4.250%	05/15/09	3,000,000.00	3,062,261.67	3,024,720.00	
FNMA	3136F7B48	5.625%	05/19/11	5,000,000.00	5,155,687.50	5,076,000.00	
FHLMC	3137EAA85	5.125%	04/18/11	6,000,000.00	6,371,304.17	6,257,700.00	
HARRIS CNTY TEX MU	413952EK4	4.000%	06/01/20	700,000.00	708,232.00	701,232.00	
TULOSO MIDWAY TX ISD	899474JP6	3.750%	02/15/19	1,150,000.00	1,146,028.67	1,144,112.00	
WALLER TX ISD	932493BL2	4.000%	02/15/18	1,260,000.00	1,289,997.80	1,287,757.80	
FHLMC	3134A35H5	6.875%	09/15/10	2,600,000.00	2,864,111.61	2,781,688.00	
FDIC - Money Market Accts					100,000.00	100,000.00	
FDIC - Certificate of Deposits					100,000.00	100,000.00	
Total Collateralized Securities as of August 31, 2008					\$ 87,810,000.00	\$91,591,296.70	\$90,469,067.80

Money Market Account	\$ 14,157,876.99
Certificate of Deposit	68,479,814.51
Total Bank Accounts Balances	\$ 82,637,691.50
Average CD Interest Rate	2.85%

The College's investments are in compliance with:

- (A) the investment strategy expressed in the College investment policy; and
- (B) relevant provisions of Chapter 2256 of the Public Funds Investment Act.

The primary objective of all investments activity is the preservation of capital and the safety of principal in the overall portfolio in accordance with STC's Board approved Investment Policy. The depository bank paid the College the highest rate of interest possible at the time of investment and in accordance with the depository bank contract.

Diana Pena, Vice President for Finance and Administrative Services

September 5, 2008
Date

Maria G. Elizondo, CPA, Comptroller

September 5, 2008
Date

Dr. Alejo Salinas, Board of Trustees, Designated Investment Officer

September 5, 2008
Date