

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

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Investment Position of the Entity as of May 31, 2008

Type of Deposit at Texas State Bank	Fund	MM/CD No.	Maturity Date	Interest Rate	Beginning Market Value March 1, 2008	Principal Additions & (Deductions)	Interest Earned	Ending Market Value May 31, 2008
Certificate of Deposit	Operating	2432022	09/01/08	2.04%	\$ 39,267,967.70	\$ 6,500,000.00	\$ 244,259.69	\$ 46,012,227.39
Certificate of Deposit	Endowment	2286837	09/01/08	4.44%	15,309.25	(167.65)	169.49	15,311.09
Certificate of Deposit	Endowment - Futuro Brillante	3068370	09/01/08	4.44%	204,570.93		2,297.95	206,868.88
Certificate of Deposit	Construction - E&G Transfer	2495400	09/01/08	2.04%	15,328,274.98		78,816.73	15,407,091.71
Certificate of Deposit	Construction - E&G Transfer	3780999	09/01/08	2.04%	12,272,209.38	(9,000,000.00)	27,677.18	3,299,886.56
Certificate of Deposit	Construction - E&G Transfer	3834135	06/16/08	1.50%	0.00	5,192,000.00	17,729.64	5,209,729.64
Certificate of Deposit	Interest & Sinking - Bond 96	2417955	Closed	2.05%	213,430.48	(214,268.64)	838.16	(0.00)
Certificate of Deposit	Interest & Sinking LTR - Bond 07	3742047	Closed	2.05%	137,273.70	(137,812.79)	539.09	0.00
Certificate of Deposit	Interest & Sinking MTR - Bond 07	3742065	Closed	2.05%	15,202.35	(15,262.10)	59.75	0.00
Total Investments at May 31, 2008					\$ 67,454,238.77	\$ 2,324,488.82	\$ 372,387.68	\$ 70,151,115.27

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.

Type of Deposit at Texas State Bank	Fund	MM/CD No.	Interest Earned *			For the Period of March 1, 2008 through May 31, 2008
			March	April	May	
Certificate of Deposit	Operating	2432022	70,271.40	94,830.30	79,157.99	244,259.69
Certificate of Deposit	Endowment	2286837	57.10	55.26	57.13	169.49
Certificate of Deposit	Endowment - Futuro Brillante	3068370	771.43	749.36	777.16	2,297.95
Certificate of Deposit	Construction - E&G Transfer	2495400	26,557.81	25,701.12	26,557.80	78,816.73
Certificate of Deposit	Construction - E&G Transfer	3780999	16,964.01	5,005.29	5,707.88	27,677.18
Certificate of Deposit	Construction - E&G Transfer	3834135	4,480.77	6,620.18	6,628.69	17,729.64
Certificate of Deposit	Interest & Sinking - Bond 96	2417955	371.62	360.22	106.32	838.16
Certificate of Deposit	Interest & Sinking LTR - Bond 07	3742047	239.03	231.68	68.38	539.09
Certificate of Deposit	Interest & Sinking MTR - Bond 07	3742065	26.47	25.71	7.57	59.75
Total Interest Earned - March 1, 2008 through May 31, 2008			\$ 119,739.64	\$ 133,579.12	\$ 119,068.92	\$ 372,387.68

*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 May 31, 2008	Fair Value May 31, 2008
ALAMO HEIGHTS TX IS	011338KN9	4.40%	07/01/13	\$ 160,000.00	\$160,000.00	\$162,348.80
BELLAIRE TX	078275UE2	3.70%	02/15/18	50,000.00	50,000.00	49,774.00
CNP UTIL DIST TEX	126133KZ9	4.00%	04/01/21	835,000.00	835,000.00	825,873.45
DEER PARK TX	244109ZG2	3.25%	03/15/11	265,000.00	265,000.00	268,055.45
FHLMC	3128X35R0	4.38%	03/01/10	1,000,000.00	1,000,000.00	1,020,610.00
FHLMC (1 X CALL 10/27/06)	3128X3F32	5.00%	10/27/14	1,000,000.00	1,000,000.00	1,037,220.00
FHLMC (1 X CALL 9/22/06)	3128X3WY5	4.00%	09/22/09	9,000,000.00	9,000,000.00	9,120,150.00
FHLMC (1 X CALL 9/22/06)	3128X3WY5	4.00%	09/22/09	2,500,000.00	2,500,000.00	2,533,375.00
FEDERAL HOME LOAN BANK	3133MGVB9	5.50%	08/15/08	300,000.00	300,000.00	301,836.00
FEDERAL HOME LOAN BANK	3133MGVB9	5.50%	08/15/08	500,000.00	500,000.00	503,060.00
FHLB	3133XDTB7	4.88%	12/14/12	20,000,000.00	20,000,000.00	20,743,200.00
FHLB	3133XH7E6	5.00%	10/02/09	2,000,000.00	2,000,000.00	2,052,740.00
FHLB	3133X3YY3	3.50%	02/13/09	2,500,000.00	2,500,000.00	2,515,200.00
FHLB	3133XBTH8	4.25%	06/11/10	1,200,000.00	1,200,000.00	1,224,840.00
FHLB DISCOUNT NOTE	3133XPQW7	2.55%	08/15/08	9,000,000.00	9,000,000.00	9,002,610.00
FHLB	3133XC4D2	4.10%	06/13/08	3,000,000.00	3,000,000.00	3,001,530.00
FHLB	3133XJWS3	5.13%	08/21/08	3,600,000.00	3,600,000.00	3,621,240.00
FHLB	3133XL6B4	5.13%	06/04/09	4,900,000.00	4,900,000.00	5,014,709.00
FHLMC DISCOUNT NOTE	313396XQ1	0.00%	06/02/08	1,000,000.00	1,000,000.00	1,000,000.00
FHLMC	3134A4VB7	4.13%	07/12/10	1,500,000.00	1,500,000.00	1,527,195.00
FHLMC	3134A4FM1	6.00%	06/15/11	2,500,000.00	2,500,000.00	2,656,825.00
FNMA (NON-CALLABLE)	31359MSQ7	3.25%	08/15/08	1,935,000.00	1,935,000.00	1,938,270.15
FNMA	31359MTF0	3.75%	09/15/08	5,000,000.00	5,000,000.00	5,019,050.00
FEDERAL NATIONAL MORTGAGE	31359MTF0	3.75%	09/15/08	1,000,000.00	1,000,000.00	1,003,810.00
FNMA (NON-CALLABLE)	31359MTZ6	3.25%	02/15/09	1,000,000.00	1,000,000.00	1,004,380.00
FNMA	31359MX40	5.00%	09/15/08	4,000,000.00	4,000,000.00	4,033,080.00
FNMA	31359MXL2	4.00%	01/26/09	1,500,000.00	1,500,000.00	1,513,545.00
FNMA	3136F4BT0	4.10%	08/28/08	2,600,000.00	2,600,000.00	2,610,400.00
FNMA (1 X CALL 10/24/06)	3136F4PV0	3.75%	10/24/08	1,000,000.00	1,000,000.00	1,005,280.00
FHLMC	3137EAAB5	5.13%	04/18/11	6,000,000.00	6,000,000.00	6,252,240.00
HARRIS CNTY TEX MU	413952EK4	4.00%	06/01/20	700,000.00	700,000.00	707,308.00
PROGRESO TEX ISD	743259FZ1	5.75%	02/15/10	35,000.00	35,000.00	36,919.05
RICE TEX ISD	762829DG1	4.00%	02/15/18	50,000.00	50,000.00	51,236.00
TULOSO MIDWAY TX ISD	899474JP6	3.75%	02/15/19	1,150,000.00	1,150,000.00	1,149,528.50
WALLER TX ISD	932493BL2	4.00%	02/15/18	1,260,000.00	1,260,000.00	1,295,406.00
WOODLANDS METRO	979686JE3	3.75%	04/01/13	590,000.00	590,000.00	602,844.30
FNMA (1 X CALL 12/30/05)	3136F6SG5	3.80%	06/30/08	1,000,000.00	1,000,000.00	1,001,020.00
FHLMC	3134A35H5	6.88%	09/15/10	2,600,000.00	2,600,000.00	2,799,498.00
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 May 31, 2008				\$ 98,230,000.00	\$98,430,000.00	\$100,406,206.70

Money Market Account	\$ 24,411,972.49
Certificate of Deposit	70,151,115.27
Total Bank Accounts Balances	<u>\$ 94,563,087.76</u>
Average CD Interest Rate	2.52%

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

June 3, 2008
Date

Maria G. Elizondo, CPA, Comptroller

June 3, 2008
Date

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

June 3, 2008
Date