

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

Mary G. Elizondo, CPA, MBA
Comptroller
South Texas College
Business Office
3201 W. Pecan Ave.
McAllen, TX 78501

email: marye@southtexascollege.edu
Telephone No. (956) 872-4646
Fax No. (956) 872-4647

Investment Position of the Entity as of May 31, 2009

Type of Deposit at BBVA Compass Bank	Fund	MM/CD No.	Maturity Date	Interest Rate	Beginning Market Value March 1, 2009	Principal Additions & (Deductions)	Interest Earned	Ending Market Value May 31, 2009
Certificate of Deposit	Operating	2432022	09/01/09	1.34%	\$ 45,670,121.98	\$ 12,000,000.00	\$ 186,288.86	\$ 57,856,410.84
Certificate of Deposit	Endowment	2286837	09/01/09	2.36%	15,168.75	(87.67)	90.87	15,171.95
Certificate of Deposit	Endowment - Futuro Brillante	3068370	09/01/09	2.36%	202,526.61	-	1,248.24	203,774.85
Certificate of Deposit	Construction - E&G Transfer	2495400	09/01/09	1.34%	23,213,541.84	(1,000,000.00)	77,193.03	22,290,734.87
Certificate of Deposit	Construction - E&G Transfer	3834135	05/31/09	1.04%	3,270,729.45	-	8,612.87	3,279,342.32
Total Investments at May 31, 2009					\$ 72,372,088.63	\$ 10,999,912.33	\$ 273,433.87	\$ 83,645,434.83

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 - March 1, 2009 through May 30, 2009

Type of Deposit at BBVA Compass Bank	Fund	MM/CD No.	Interest Earned *			March 1, 2009 through May 31, 2009
			March	April	May	
Certificate of Deposit	Operating	2432022	\$ 61,538.97	\$ 59,113.54	\$ 65,636.35	\$ 186,288.86
Certificate of Deposit	Endowment	2286837	30.35	29.37	31.15	90.87
Certificate of Deposit	Endowment - Futuro Brillante	3068370	443.42	393.71	411.11	1,248.24
Certificate of Deposit	Construction - E&G Transfer	2495400	26,418.92	25,493.27	25,280.84	77,193.03
Certificate of Deposit	Construction - E&G Transfer	3834135	2,984.06	2,798.27	2,830.54	8,612.87
Total Interest Earned - March 1, 2009 through May 31, 2009			\$ 91,415.72	\$ 87,828.16	\$ 94,189.99	\$ 273,433.87

*Includes Accrued Interest

The depository funds at BBVA Compass Bank are collateralized by the following securities:

Security Type	Cusip No.	Coupon Rate	Maturity Date	Par	Book Value	Fair Value	Standard & Poor's	Moody's Investors
					May 31, 2009	May 31, 2009	Ratings Services	Services, Inc.
							Rating	Rating
BIRDVILLE TEXAS ISD ZERO CPN	0908697G7	0.000%	2/15/2017	\$ 1,000,000.00	\$ 1,000,000.00	\$ 752,230.00	AAA	Aaa
FHLMC (1 X CALL 12/16/05)	3128X2HT5	4.500%	12/16/10	1,000,000.00	1,000,000.00	1,053,350.00	AAA	Aaa
FHLMC	3128X2QL2	4.300%	02/03/11	500,000.00	500,000.00	526,615.00	AAA	Aaa
FHLMC (1 X CALL 2/24/06)	3128X2ZQ1	4.125%	02/24/11	2,650,000.00	2,650,000.00	2,786,740.00	AAA	Aaa
FHLMC	3128X35R0	4.375%	03/01/10	1,000,000.00	1,000,000.00	1,027,110.00	AAA	Aaa
FHLMC	3128X35R0	4.375%	03/01/10	2,000,000.00	2,000,000.00	2,054,220.00	AAA	Aaa
FHLMC (1 X CALL 10/27/06)	3128X3F32	5.000%	10/27/14	1,000,000.00	1,000,000.00	1,100,000.00	AAA	Aaa
FHLMC (1 X CALL 10/27/06)	3128X3F32	5.000%	10/27/14	700,000.00	700,000.00	770,000.00	AAA	Aaa
FHLMC (1 X CALL 10/27/06)	3128X3F32	5.000%	10/27/14	620,000.00	620,000.00	682,000.00	AAA	Aaa
FHLMC (1 X CALL 10/27/06)	3128X3F32	5.000%	10/27/14	1,650,000.00	1,650,000.00	1,815,000.00	AAA	Aaa
FHLMC (1 X CALL 9/22/06)	3128X3WY5	4.000%	09/22/09	2,500,000.00	2,500,000.00	2,527,850.00	AAA	Aaa
FHLMC (1 X CALL 9/22/06)	3128X3WY5	4.000%	09/22/09	9,000,000.00	9,000,000.00	9,100,260.00	AAA	Aaa
FHLMC (1 X CALL 9/22/06)	3128X3WY5	4.000%	09/22/09	3,000,000.00	3,000,000.00	3,033,420.00	AAA	Aaa
FFCB	31331VGY6	4.950%	04/25/11	875,000.00	875,000.00	938,175.00	AAA	Aaa
FHLB	3133MBJA6	7.625%	05/14/10	900,000.00	900,000.00	959,526.00	AAA	Aaa
FHLB	3133MBJA6	7.625%	05/14/10	450,000.00	450,000.00	479,763.00	AAA	Aaa
FHLB	3133XDTB7	4.875%	12/14/12	20,000,000.00	20,000,000.00	21,846,600.00	AAA	Aaa
FHLB	3133XDTB7	4.875%	12/14/12	3,000,000.00	3,000,000.00	3,276,990.00	AAA	Aaa
FHLB	3133XDTB7	4.875%	12/14/12	2,000,000.00	2,000,000.00	2,184,660.00	AAA	Aaa
FHLB	3133XDTB7	4.875%	12/14/12	1,100,000.00	1,100,000.00	1,201,563.00	AAA	Aaa
FHLB	3133XDTB7	4.875%	12/14/12	2,000,000.00	2,000,000.00	2,184,660.00	AAA	Aaa
FHLB	3133XDTB7	4.875%	12/14/12	7,500,000.00	7,500,000.00	8,192,475.00	AAA	Aaa
FHLB	3133XH7E6	5.000%	10/02/09	2,000,000.00	2,000,000.00	2,030,920.00	AAA	Aaa
FHLB	3133XH7E6	5.000%	10/02/09	750,000.00	750,000.00	761,595.00	AAA	Aaa
FHLB	3133XH7E6	5.000%	10/02/09	250,000.00	250,000.00	253,865.00	AAA	Aaa
FHLB	3133XH7E6	5.000%	10/02/09	400,000.00	400,000.00	406,184.00	AAA	Aaa
FHLB	3133XBTH8	4.250%	06/11/10	1,200,000.00	1,200,000.00	1,243,980.00	AAA	Aaa
FHLB	3133XBTH8	4.250%	06/11/10	805,000.00	805,000.00	834,503.25	AAA	Aaa
FHLB	3133XL6B4	5.125%	06/04/09	4,900,000.00	4,900,000.00	4,901,960.00	AAA	Aaa
FHLMC	3134A4VB7	4.125%	07/12/10	1,500,000.00	1,500,000.00	1,560,315.00	AAA	Aaa
FHLMC	3134A4FM1	6.000%	06/15/11	2,500,000.00	2,500,000.00	2,753,175.00	AAA	Aaa
FHLMC	3134A4HF4	5.500%	09/15/11	5,000,000.00	5,000,000.00	5,471,050.00	AAA	Aaa
FNMA	31359MHK2	5.500%	03/15/11	5,000,000.00	5,000,000.00	5,396,650.00	AAA	Aaa
FNMA	31359MJH7	6.000%	05/15/11	6,500,000.00	6,500,000.00	7,118,020.00	AAA	Aaa
FNMA	31359MJH7	6.000%	05/15/11	3,000,000.00	3,000,000.00	3,285,240.00	AAA	Aaa
FNMA	31359MJH7	6.000%	05/15/11	1,500,000.00	1,500,000.00	1,642,620.00	AAA	Aaa
FNMA	31359MLS0	5.375%	11/15/11	1,500,000.00	1,500,000.00	1,644,630.00	AAA	Aaa
FNMA (1X CALL 1/19/07)	3136F6TK5	4.250%	01/19/10	2,110,000.00	2,110,000.00	2,156,736.50	AAA	Aaa
FHLMC	3137EAAB5	5.125%	04/18/11	6,000,000.00	6,000,000.00	6,445,200.00	AAA	Aaa
HARRIS CNTY TX MUN UTIL DIST	413952EK4	4.000%	06/01/20	700,000.00	700,000.00	714,392.00	AAA	Aa3
MAVERICK CNTY TX G/O	577676ET2	5.000%	03/01/18	1,270,000.00	1,270,000.00	1,363,599.00	AAA	Aa3
TULOSO MIDWAY TX ISD	899474JP6	3.750%	02/15/19	1,150,000.00	1,150,000.00	1,178,520.00	AAA	Aaa
WALLER TX ISD	932493BL2	4.000%	02/15/18	1,260,000.00	1,260,000.00	1,328,077.80	NR	Aaa
FHLMC	3134A35H5	6.875%	09/15/10	2,600,000.00	2,600,000.00	2,791,412.00	AAA	Aaa
FDIC - Money Market Accts					250,000.00	250,000.00		
FDIC - Certificate of Deposits					250,000.00	250,000.00		
Total Collateralized Securities as of May 31, 2009				\$ 116,340,000.00	\$ 116,840,000.00	\$ 124,275,851.55		

Money Market Accounts	\$ 21,620,010.48
Certificates of Deposit	83,645,434.83
Total Bank Accounts Balances	<u>\$ 105,265,445.31</u>
Average CD Interest Rate	1.69%
102% Collateralized Required	<u>\$ 107,370,754.22</u>

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 2, 2009
Date

María G. Elizondo, CPA, Comptroller

June 2, 2009
Date

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

June 2, 2009
Date