

**ODESSA COLLEGE**

**QUARTERLY INVESTMENT REPORT  
MARCH 1 – MAY 31, 2010**

**AS REQUIRED BY THE  
TEXAS PUBLIC FUNDS INVESTMENT ACT**

- I. Investment Position by Pooled Fund Group**
- II. Book Value and Market Value by Type of Asset**
- III. Diversity by Type and Maturity**
- IV. Investment Earnings by Type of Asset**
- V. Statements of Compliance of Investment Portfolio**

**ODESSA COLLEGE**

**I.**

**INVESTMENT POSITION BY POOLED FUND GROUP  
QUARTER ENDING MAY 31, 2010**

	<b>Beginning Market Value <u>Feb 28, 2010</u></b>	<b>Investment Additions (Deductions)</b>	<b>Market Value Appreciation</b>	<b>Ending Market Value <u>May 31, 2010</u></b>
<b><u>INVESTMENT POOL A:</u></b>				
Current Unrestricted Funds	23,084,433	(1,680,869)	25,914	21,429,478
Current Restricted Funds	258,696	60,078	386	319,160
Endowment Fund	778,945	1,382	945	781,272
Agency Funds Held for Others	121,772	8,990	158	130,920
	<u>24,243,846</u>	<u>(1,610,419)</u>	<u>27,403</u>	<u>22,660,830</u>
 <b><u>INVESTMENT POOL B (DEBT SERVICE):</u></b>				
Bond Interest & Sinking Fund	666,516	270,363	-	936,879
Bond Debt Service Reserve	2,495,589	(1,999,524)	-	496,065
	<u>3,162,105</u>	<u>(1,729,161)</u>	<u>-</u>	<u>1,432,944</u>
 <b>ALL FUNDS</b>				
	<u>27,405,951</u>	<u>(3,339,580)</u>	<u>27,403</u>	<u>24,093,774</u>

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II.

BOOK VALUE AND MARKET VALUE OF INVESTMENTS BY TYPE OF ASSET  
 QUARTER ENDING MAY 31, 2010

	P.F.I.A. Authorization	February 28, 2010		May 31, 2010		Maturity
		Book Value	Market Value	Book Value	Market Value	
<b>Public Funds Investment</b>						
<b>    Pools</b>						
	Sec. 2256.016					
TexPool General - Operating		691,295	691,295	272,984	272,984	Daily Liquidity
TexPool Prime - Operating		7,079,221	7,079,221	1,972,336	1,972,336	Daily Liquidity
TexPool General - Interest & Sinking		-	-	-	-	Daily Liquidity
Texpool Prime - Interest & Sinking		3,162,104	3,162,104	1,432,944	1,432,944	Daily Liquidity
Lone Star Government Overnight Fund		42,296	42,296	42,315	42,315	Daily Liquidity
Lone Star Corporate Overnight Fund		833,988	833,988	834,466	834,466	Daily Liquidity
Logic - Liquid Asset Fund		1,088,175	1,088,175	1,088,702	1,088,702	Daily Liquidity
		<u>12,897,079</u>	<u>12,897,079</u>	<u>5,643,747</u>	<u>5,643,747</u>	
<b>Money Market Funds</b>						
	Sec. 2256.014					
Goldman Sachs MMA		-	-	-	-	Daily Liquidity
ASB Business Savings		1,209,340	1,209,340	1,212,710	1,212,710	Daily Liquidity
		<u>1,209,340</u>	<u>1,209,340</u>	<u>1,212,710</u>	<u>1,212,710</u>	
<b>U.S. Govt Agencies</b>						
	Sec. 2256.009					
<u>Pooled Operating Funds:</u>	<u>Yield to Maturity:</u>					
FHLB 03/13/15	2.75%	-	-	1,000,000	1,021,250	1723 days
FNMA StepUp 02/17/2015	1.50%	2,000,000	2,005,000	2,000,000	2,005,000	1697 days
FNMA 09/15/14	3.00%	2,000,000	2,020,625	2,000,000	2,015,600	1635 days
FNMA 11/20/14	2.63%	-	-	1,000,000	1,021,874	1610 days
FNMA 12/11/13	2.88%	-	-	1,000,000	1,038,750	1271 days
FNMA 08/26/2013	2.05%	3,000,000	3,007,500	3,000,000	3,010,320	1166 days
FFCB 12/07/12	1.88%	-	-	1,000,000	1,014,690	907 days
FHLB 11/07/2012	1.75%	2,000,000	2,016,875	2,000,000	2,022,500	877 days
FHLB 02/15/2011	4.00%	1,000,000	1,035,000	1,000,000	1,019,520	255 days
FHLB StepUp 09/30/2014	2.50%	161,290	161,491	-	-	
		<u>10,161,290</u>	<u>10,246,491</u>	<u>14,000,000</u>	<u>14,169,504</u>	
<b>Certificates of Deposit</b>						
American State Bank		2,036,909	2,036,909	2,047,194	2,047,194	136 days
American State Bank		1,016,131	1,016,131	1,020,619	1,020,619	318 days
		<u>3,053,040</u>	<u>3,053,040</u>	<u>3,067,813</u>	<u>3,067,813</u>	
<b>Commercial Paper</b>						
	Sec. 2256.013					
		-	-	-	-	
		-	-	-	-	
		-	-	-	-	
		<u>27,320,749</u>	<u>27,405,950</u>	<u>23,924,270</u>	<u>24,093,774</u>	

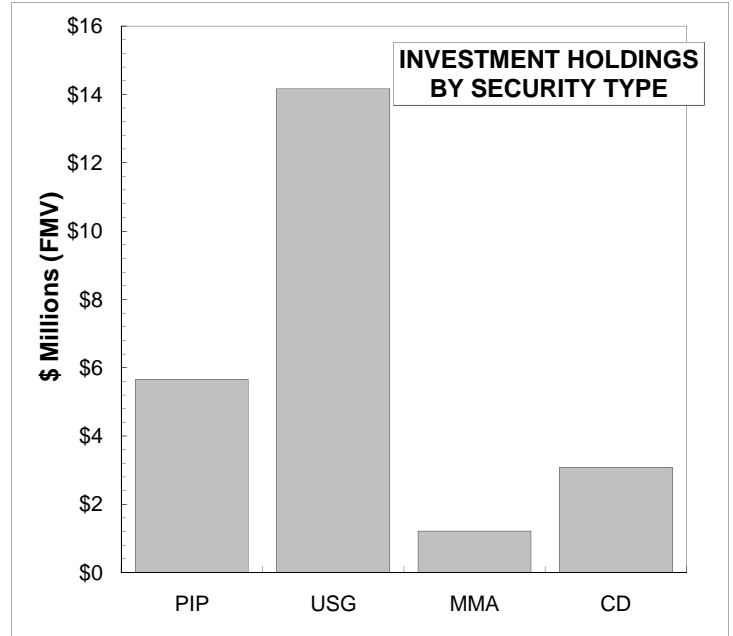
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**III.**

**DIVERSITY REPORT  
QUARTER ENDING MAY 31, 2010**

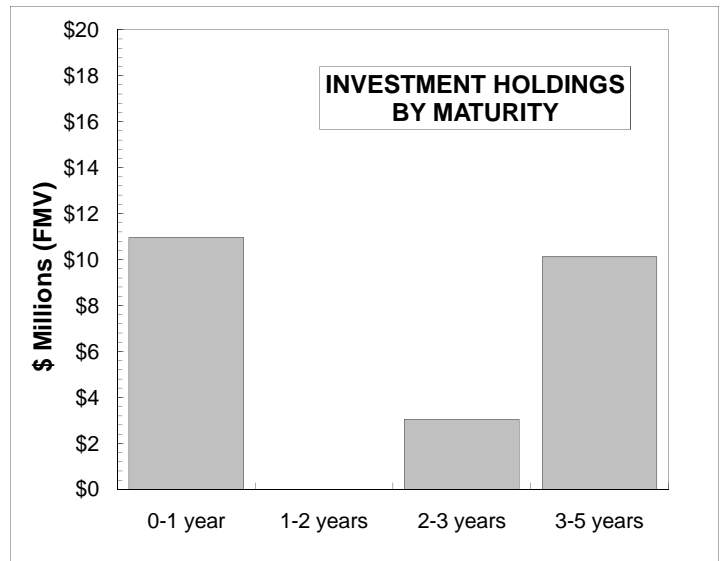
**DIVERSITY BY SECURITY TYPE:**

PIP	Public Investment Pools	5,643,747	23%
USG	U.S. Govt Agencies	14,169,504	59%
MMA	Money Market Funds	1,212,710	5%
CD	Certificates of Deposit	3,067,813	13%
		<u>\$24,093,774</u>	<u>100%</u>



**DIVERSITY BY MATURITY**

0-1 year	10,943,790	45%	
1-2 years	0	0%	
2-3 years	3,037,190	13%	
3-5 years	10,112,794	42%	
		<u>\$24,093,774</u>	<u>100%</u>



**INVESTMENT EARNINGS BY TYPE OF ASSET  
QUARTER ENDING MAY 31, 2010**

	<u>Quarter Ending 05/31/10</u>	<u>Quarterly Yield</u>	<u>Year-to-Date Sep 2009 - May 2010</u>	<u>Annual Yield</u>
<b><u>INTEREST INCOME:</u></b>				
<b>Public Funds Investment Pools</b>				
TexPool	147	0.17%	573	0.21%
TexPool - Prime	3,372	0.20%	13,691	0.25%
LoneStar Government Overnight Fund	20	0.18%	53	0.17%
LoneStar Corporate Overnight Plus Fund	479	0.23%	1,567	0.25%
Logic	527	0.27%	1,913	0.27%
	<u>4,545</u>		<u>17,798</u>	
<b>Money Market Funds</b>	3,376	1.13%	10,421	0.94%
<b>U.S. Government Agencies</b>	75,998	2.33%	151,300	2.53%
<b>Certificates of Deposit</b>	14,774	1.93%	43,633	1.93%
<b>Commercial Paper</b>	<u>0</u>	0.00%	<u>0</u>	0.00%
<b>Total Interest Earnings</b>	<u><b>\$98,693</b></u>	<u><b>1.52%</b></u>	<u><b>\$223,153</b></u>	<u><b>1.35%</b></u>

**Benchmark Yield:**

52-Week Treasury Bill	0.38%		0.35%
Actual above Benchmark (BPS)	+ 114		+ 100
	Basis Points		Basis Points

Annual Budgeted Interest Earnings (All Funds)	\$907,360
Percent of Budget Earned To Date	<b>24.6%</b>

**GAINS (LOSSES) ON SALE OF INVESTMENTS:**

Unrealized Gains (Losses) - Changes in Market Value Since Beginning of Year	<u>\$27,403</u>	<u>\$54,975</u>
Realized Gains (Losses) On Investments Sold or Matured Since Beginning of Year	<u>\$0</u>	<u>\$ (4,230)</u>

**STATEMENTS OF COMPLIANCE OF INVESTMENT PORTFOLIO  
QUARTER ENDING MAY 31, 2010****Statement 1: Compliance with investment strategies of the District.**

As evidenced by the market valuations and maturities described in this report, the investments of the District for the quarter ending May 31, 2010 comply with the investment objectives and strategies as expressed in the Odessa Junior College District Investment Policy. The investment objectives, in order of priority, are:

- a. Preservation and Safety of Principal
- b. Liquidity
- c. Maturity
- d. Portfolio Diversification
- e. Yield
- f. Investment Suitability

**Statement 2: Investment Strategies for the next quarter:**

**Current, Loan, Endowment, and Agency Funds:** These funds are pooled together and invested to assure adequate liquidity for cash flows. To accomplish this, the District will continue to invest in public funds investment pools, daily liquidity money market funds, short- to medium-term government agencies, high-quality dual-rated commercial paper, and/or certificates of deposit.

**Unexpended Bond Proceeds:** At the end of this quarter, there were no unspent bond funds.

**Bond Debt Service Interest & Sinking Funds:** Interest and sinking funds are set aside on a monthly basis and invested in a separate TexPool account until the semi-annual debt service payments are made in June and December.

**Bond Debt Service Reserves:** The 2009 Bond debt service reserve is invested in a separate TexPool debt service account.

**Renewal/Replacement Funds:** These funds are invested in a variety of instruments including public funds investment pools, daily liquidity money market funds, short- to medium-term government agencies, high-quality dual-rated commercial paper, and/or certificates of deposit. The average maturity of these funds is longer than the Operating Funds as only a portion of the fund balance is budgeted for expenditure in the current year.


**Statement 3: Compliance with requirements relating to business organizations seeking to sell investments.**


All business organizations that have sold investments to Odessa College during the quarter ended May 31, 2010, have executed a written instrument stating that the qualified representative of the organization has:

- 1) received and thoroughly reviewed the Investment Policy of the Odessa Junior College District, and
- 2) implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the District and the organization.

**Statement 4: Compliance with requirements of the Public Funds Investment Act.**

To the best of my knowledge, the investment portfolio of the District at May 31, 2010 and the investment transactions entered into during the quarter then ended are in compliance with the Texas Public Funds Investment Act.

  
Virginia Chisum, CPA, M.Ed.  
Vice President for Business Affairs

  
Kristi Gibbs  
Director of Accounting