

**ODESSA COLLEGE**

**QUARTERLY INVESTMENT REPORT  
JUNE 1 – AUGUST 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**

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

	<b>Beginning Market Value June 1, 2010</b>	<b>Investment Additions (Deductions)</b>	<b>Market Value Appreciation</b>	<b>Ending Market Value Aug 31, 2010</b>
<b><u>INVESTMENT POOL A:</u></b>				
Current Unrestricted Funds	21,429,478	1,064,240	76,717	22,570,435
Current Restricted Funds	319,160	(250,943)	233	68,450
Endowment Fund	781,272	(10,351)	2,629	773,550
Agency Funds Held for Others	130,920	(11,974)	406	119,352
	<u>22,660,830</u>	<u>790,972</u>	<u>79,985</u>	<u>23,531,787</u>
 <b><u>INVESTMENT POOL B (DEBT SERVICE):</u></b>				
Bond Interest & Sinking Fund	936,879	628,752	0	1,565,631
Bond Debt Service Reserve	496,065	(496,065)	-	0
	<u>1,432,944</u>	<u>132,687</u>	<u>0</u>	<u>1,565,631</u>
 <b>ALL FUNDS</b>	 <u>24,093,774</u>	 <u>923,659</u>	 <u>79,985</u>	 <u>25,097,418</u>

Aug. 31, 2009 \$26,460,802
-------------------------------

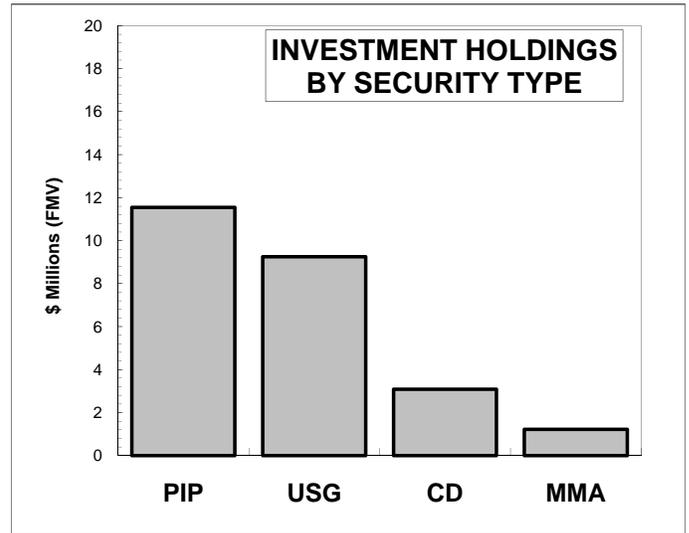
**BOOK VALUE AND MARKET VALUE OF INVESTMENTS BY TYPE OF ASSET  
QUARTER ENDING AUGUST 31, 2010**

	P.F.I.A. Authorization	May 31, 2010		August 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		272,984	272,984	563,913	563,913	Daily Liquidity
TexPool Prime - Operating		1,972,336	1,972,336	8,251,690	8,251,690	Daily Liquidity
TexPool General - Interest & Sinking		-	-	-	-	Daily Liquidity
Texpool Prime - Interest & Sinking		1,432,944	1,432,944	1,565,631	1,565,631	Daily Liquidity
Lone Star Government Overnight Fund		42,315	42,315	42,338	42,338	Daily Liquidity
Lone Star Corporate Overnight Fund		834,466	834,466	34,816	34,816	Daily Liquidity
Logic - Liquid Asset Fund		1,088,702	1,088,702	1,089,504	1,089,504	Daily Liquidity
		<u>5,643,747</u>	<u>5,643,747</u>	<u>11,547,892</u>	<u>11,547,892</u>	
<b>Money Market Funds</b>						
	Sec. 2256.014					
Goldman Sachs MMA		-	-	-	-	Daily Liquidity
ASB Business Savings		1,212,710	1,212,710	1,216,126	1,216,126	Daily Liquidity
		<u>1,212,710</u>	<u>1,212,710</u>	<u>1,216,126</u>	<u>1,216,126</u>	
<b>U.S. Govt Agencies</b>						
	Sec. 2256.009					
<u>Pooled Operating Funds:</u>	<u>Yield to Maturity:</u>					
FHLB 11/07/2012	1.75%	2,000,000	2,022,500	2,000,000	2,037,220	1787 days
FHLB 03/13/15	2.75%	1,000,000	1,021,250	1,000,000	1,052,700	1633 days
FNMA 11/20/14	2.63%	1,000,000	1,021,874	1,000,000	1,056,600	1520 days
FNMA 09/15/14	3.00%	2,000,000	2,015,600	2,000,000	2,002,200	1455 days
FNMA 12/11/13	2.88%	1,000,000	1,038,750	1,000,000	1,059,500	1181 days
FFCB 12/07/12	1.88%	1,000,000	1,014,690	1,000,000	1,025,400	817 days
FHLB 02/15/2011	4.00%	1,000,000	1,019,520	1,000,000	1,017,120	165 days
FNMA StepUp 02/17/2015	1.50%	2,000,000	2,005,000	-	-	0 days
FNMA 08/26/2013	2.05%	3,000,000	3,010,320	-	-	0 days
		<u>14,000,000</u>	<u>14,169,504</u>	<u>9,000,000</u>	<u>9,250,740</u>	
<b>Certificates of Deposit</b>						
American State Bank		2,047,194	2,047,194	2,057,532	2,057,532	44 days
American State Bank		1,020,619	1,020,619	1,025,128	1,025,128	226 days
		<u>3,067,813</u>	<u>3,067,813</u>	<u>3,082,660</u>	<u>3,082,660</u>	
<b>Commercial Paper</b>						
	Sec. 2256.013					
		-	-	-	-	days
		-	-	-	-	days
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
		<u>23,924,270</u>	<u>24,093,774</u>	<u>24,846,678</u>	<u>25,097,418</u>	

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

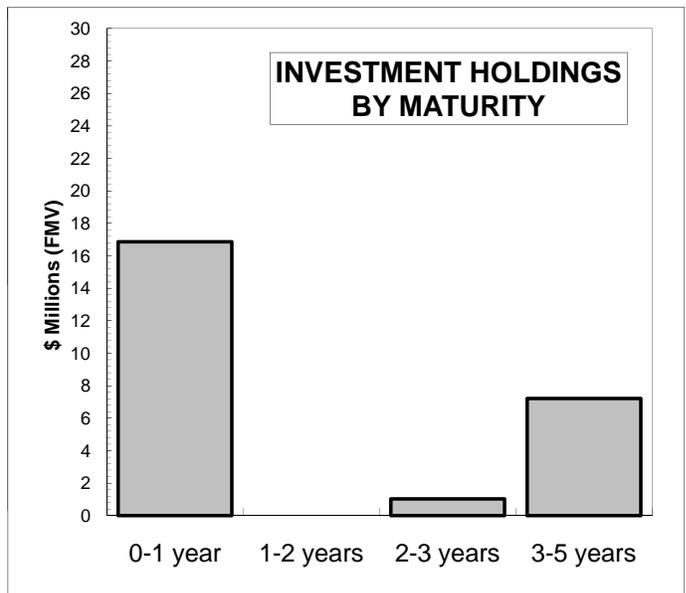
**DIVERSITY BY SECURITY TYPE:**

PIP	Public Investment Pools	11,547,892	46%
USG	U.S. Govt Agencies	9,250,740	37%
CD	Certificates of Deposit	3,082,660	12%
MMA	Money Market Funds	1,216,126	5%
		<u>\$25,097,418</u>	<u>100%</u>



**DIVERSITY BY MATURITY**

0-1 year	16,863,798	67%
1-2 years	0	0%
2-3 years	1,025,400	4%
3-5 years	7,208,220	29%
		<u>\$25,097,418</u>
		<u>100%</u>



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

	<u>Quarter Ending 08/31/10</u>	<u>Quarterly Yield</u>	<u>Year-to-Date Sep 2009 Aug 2010</u>	<u>Annual Yield</u>
<b><u>INTEREST INCOME:</u></b>				
<b>Public Funds Investment Pools</b>				
TexPool	159	0.22%	732	0.17%
TexPool - Prime	2,811	0.31%	16,502	0.22%
LoneStar Government Overnight Fund	23	0.22%	76	0.14%
LoneStar Corporate Overnight Plus Fund	350	0.29%	1,917	0.20%
Logic	802	0.29%	2,715	0.22%
	<u>4,145</u>		<u>21,943</u>	
<b>Money Market Funds/Savings</b>	3,423	1.13%	13,844	0.99%
<b>U.S. Government Agencies</b>	80,679	2.36%	232,281	2.47%
<b>Certificates of Deposit</b>	14,845	1.93%	58,478	1.92%
<b>Commercial Paper</b>	<u>0</u>	0.00%	<u>0</u>	0.00%
<b>Total Interest Earnings</b>	<u><b>\$103,092</b></u>	<u><b>1.75%</b></u>	<u><b>\$326,547</b></u>	<u><b>1.35%</b></u>

**Benchmark Yield:**

52-Week Treasury Bill

0.28%

0.33%

**Actual above Benchmark (BPS)**

+ 148

+ 102

Basis Points

Basis Points

Annual Budgeted Interest Earnings (All Funds)

\$907,360

Percent of Budget Earned To Date

**36.0%**

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

Unrealized Gains (Losses) - Changes in Market Value

Since Beginning of Year

\$79,985

\$134,960

Realized Gains (Losses) On Investments Sold or

Matured Since Beginning of Year

\$1,250

-\$2,980

**STATEMENTS OF COMPLIANCE OF INVESTMENT PORTFOLIO  
QUARTER ENDING AUGUST 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 August 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 August 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 August 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