



**MEETING MINUTES OF THE BOARD OF REGENTS  
LEE COLLEGE DISTRICT  
AUDIT & INVESTMENT COMMITTEE  
April 13, 2026**

The Board of Regents Audit and Investment Committee of the Lee College District met on April 13, 2026, at the President's Conference Room, Rundell Hall, Room 200-G. Judy Jirrels, Committee Chair, called the meeting to order at 4:30 p.m.

**PRESENT:** Judy Jirrels, Committee Chair; Mark Himsel; Gina Guillory (virtual)

Jacob Atkin, Interim President; Leslie Gallagher, Chief of Staff and Vice President, Strategic Initiatives and External Relations; Renea Woodruff, Controller; Greg Goings, Internal Auditor; David Mohlman, Coordinator of Board Relations; David McElwain, President, Gulf Coast Investment Consulting

**ABSENT:** None

**QUARTERLY INVESTMENTS REPORT**

Although the most recent quarter ended February 28, 2026, Mr. McElwain's report focused on movements since that date of the price of oil, and other economic impacts, resulting from the bombing of Iran by the United States and Israel. Also, he reported on loss of jobs and a slight increase in unemployment during February. Gross Domestic Product (GDP) growth as was forecast for this year depends now on how long the war in Iran continues, he said. In answer to a question by Mr. Atkin, Mr. McElwain said it is plausible that interest rates could rise this year, if oil rises to \$120 per barrel and remains there, and if the consumer price index increases above 4%.

During the last few weeks, interest rates have bounced up and down in a 40-basis-point trading range, in reaction to various reports, Mr. McElwain said. To take advantage of a spike within that range, some of the college's reserves were invested in money market funds in late March, he said. Longer term yields continue to improve, compared to shorter term, as the yield curve remains inverted for terms of less than a year. Given the current environment, previous expectations of two or three Fed rate cuts in 2026 have decreased to only one cut later this year, Mr. McElwain said.

Mr. McElwain reviewed amounts of the various investment types and the maturity distribution in the college's investment portfolio, which ended the quarter with an average yield of 3.85%. Weighted average maturity decreased to 316 days, but will increase again in the next quarterly report as the result of the money market purchases in March, he noted. Overall portfolio book value increased from \$51.4 million at the end of last quarter to nearly \$84.7 million by the end of February, as the result of the General Operating fund increasing by \$30.8 million, Mr. McElwain said. Earnings to date this fiscal year for the investment portfolio total \$1.16 million, for a 3.97% effective rate of return.

In answer to a question by Regent Himsel, discussion ensued as to philosophy and presentation of college reserves, and assets held for investment. Mr. Atkin said this will be addressed in June when proposed expenses for the 2026-2027 fiscal year are presented to the entire Board of Regents.

*(Mr. McElwain left the meeting at 5:15 p.m.)*

## REPORT FROM INTERNAL AUDITOR

- Content Management & Records Retention – Mr. Goings said five issues are identified, with which all involved parties are comfortable. Q&A and discussion ensued as to guidance the college follows for records retention, activities by Mr. Goings in conducting the audit, and clarification that records sent to Harris County Department of Education are for storage only (not for back up).
- PAC (Performing Arts Center) Operations – The draft of this audit is now under review, Mr. Goings said. Q&A and discussion ensued as to detail available for event expenses/income, the extent to which the PAC is being used, and future plans for the PAC.  
*(Regent Guillory left the meeting at 5:25 p.m.)*
- Workday Implementation – Mr. Goings and Mr. Atkin explained the “high level overview” work being done by Mr. Goings to confirm implementation is moving forward as expected. Mr. Atkin elaborated on particulars of how implementation is taking place.
- Business Impact Analysis – Non-financial impacts identified in this audit are more relevant than financial exposure, Mr. Goings reported.
- Cybersecurity – Outsourcing of various functions is a positive, Mr. Goings said. Q&A and discussion ensued, to note that Human Resources is developing a system of annual training for various subjects, including cybersecurity.
- Comcast Update – The fiber path by which Comcast enters the main campus has been confirmed, Mr. Goings reported. A reliability vulnerability that was identified is in the process of being addressed, he said.

The status report from Mr. Goings also listed seven audit projects completed during this fiscal year.

## MATTERS OF CONCERN FOR FUTURE AGENDAS

Committee members asked for information as to future audits that are planned. The Administration noted that Workday ERP implementation, and budgeting for the next fiscal year, are consuming significant time. Mr. Goings will update and send to committee members the original list of audits that were planned for the current fiscal year.

### **Adjournment**

Committee Chair Jirrels declared the meeting adjourned at 5:53 pm.

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Chairman, Board of Regents

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Secretary, Board of Regents