



**MINUTES FROM MEETING OF
THE CASH MANAGEMENT POLICY BOARD
December 14, 2022**

A meeting of the Cash Management Policy Board (the “Board”) was held on December 14, 2022, at 10:00 a.m. The meeting was conducted virtually, with public accommodations provided in the Large Conference Room of the Office of the State Treasurer (“OST”), 820 Silver Lake Blvd., Suite 100, Dover, Delaware.

Board Members Represented or in Attendance:

Mr. John Flynn, Chair
Mr. David Marvin, Investment Subcommittee Chair
Mr. Mike Karia, Investment Subcommittee Co-Chair
Mr. Warren Engle, Banking Subcommittee Chair
Ms. Tarrie Miller, Banking Subcommittee Co-Chair
The Honorable Colleen Davis, State Treasurer
Ms. Ruth Ann Jones, Controller General
Mr. Richard Geisenberger, Secretary, Department of Finance
Mr. Jeffrey Bullock, Secretary, Department of State

Others in Attendance:

Ms. Liza Davis, Deputy State Treasurer, OST
Ms. Lisa Embert, Chief Operating Officer, OST
Mr. Jason Staib, Deputy Attorney General, Delaware Department of Justice
Ms. Fiah Kwesseu, Director of Operations & Fund Management, OST
Mr. Brennon Fountain, Director of Reconciliations and Transaction Management, OST
Mr. Stephen McVay, Assistant Cash and Debt Manager, OST
Ms. Lindy Scott, Executive Assistant, OST
Ms. Paulette Hopkins, Merchant Services Program Manager

CALLED TO ORDER

Mr. Flynn called the meeting to order at 10:03 a.m.

INTRODUCTIONS

Ms. Davis provided an update to the Cash Management Policy Board regarding Administrative changes. Ms. Lisa Embert is the Chief Operating Officer and Mr. Brennon Fountain is the Director of Reconciliations and Transaction Management. Both will have interactions with the subcommittees and board.

APPROVAL OF THE SEPTEMBER 7, 2022, AND NOVEMBER 2, 2022, MINUTES

A MOTION was made by Mr. Karia and seconded by Ms. Miller to approve minutes from the Board meeting on September 7, 2022.

MOTION ADOPTED UNANIMOUSLY.

A MOTION was made by Treasurer Davis and seconded by Secretary Geisenberger to approve minutes from the Board meeting on November 2, 2022.

MOTION ADOPTED MINUS ONE ABSTENTION.

NEPC PERFORMANCE REPORT

2022 3rd Quarter Investment Performance Analysis

Ms. Sollers presented the Board with an overview of the State's portfolio performance for the 3rd Quarter of 2022. The State's consolidated balance is \$5.6 billion (including CARES and ARPA funds), with liquidity and reserve portfolio balances of \$4.8 billion.

INVESTMENT SUBCOMMITTEE REPORT

Investment Guidelines Change Update and Vote

Resolution Approving Fourth Amended Investment Architecture for the State's Cash Accounts.

Ms. Kwesseu discussed Resolution 2022-2 and proposed changes to the Investment Architecture for the State's cash accounts. The Board approved a return to a 60% liquidity and 40% reserve allocation at the November 2, 2022 special meeting. Ms. Kwesseu asked for a motion to memorialize the decision in Resolution 2022-2.

A MOTION to approve Resolution 2022-2 was made by Mr. Engle and seconded by Ms. Miller.

MOTION ADOPTED UNANIMOUSLY.

BANKING SUBCOMMITTEE REPORT

General and Local Banking Services Project Discussion

The final account for the Health and Social Services monthly welfare payments was transitioned to M&T Bank in September 2022. This account was moved to M&T bank instead of JPMC because it requires branch services to support the clients.

The Division of Revenue released the second update for their new accounting system. This release moved the collections for the payment plans from BNY Mellon to JPMC. OST is on track to close the BNY Mellon accounts by December 31, 2022.

Merchant Services Project Discussion and Vote

PCI Compliance Update

The PCI Compliance Update was tabled until the January 25, 2023, Banking Subcommittee meeting.

CampusGuard Contract Update

OST is working with CampusGuard to finalize a one-year extension. OST will provide notice to CampusGuard 60 days before the contract extension to begin the process.

Digital Government Update

The fourth component of the digital government project, focuses on the design of an online resident and visitor portal, remains under contract negotiation. The coordinated set of digital government services, which includes the payment infrastructure provided by OST, has moved forward with a multi-track project implementation plan. OST has opened a new depository account with JP Morgan for ACH and credit card collections.

Bank of America “BOA” Contract Update and Vote

Currently, OST has a contract with BOA for the collections of all credit card deposits. The contract with BOA is set to expire on December 27, 2022. OST is requesting authority to extend the BOA contract for two years. This extension is needed for business operational purpose as we continue to transition our credit card collections to JPMC. The Banking Subcommittee supports the extension.

A MOTION was made by Mr. Engle and seconded by Ms. Miller to approve the BOA two-year contract extension.

MOTION ADOPTED UNANIMOUSLY.

Review of 2023 Calendar Dates

The 2023 Investment, Banking, and Full Board Meeting Calendar was presented. Calendar invites for the 2023 calendar year will be forthcoming.

Annual Report

Treasurer Davis presented and discussed the draft Fiscal Year 2022 Annual Report.

A MOTION was made by Mr. Engle and seconded by Ms. Miller to approve the Fiscal Year 2022 Annual Report as presented.

MOTION ADOPTED UNANIMOUSLY.

OTHER MATTERS OF THE BOARD

PUBLIC COMMENTS

No members of the public present for comment.

EXECUTIVE SESSION

No executive session was held.

NEXT MEETINGS

- The next Investment Subcommittee meeting is scheduled for January 18, 2023.
- The next Banking Subcommittee meeting is scheduled for February 25, 2023.
- The next full Board meeting is scheduled for February 8, 2023.

ADJOURNMENT

Mr. Flynn adjourned the meeting at 10:49 a.m.

Respectfully submitted,

John Flynn
Board Chair

DRAFT