



**MINUTES FROM THE BANKING SUBCOMMITTEE
OF THE CASH MANAGEMENT POLICY BOARD
February 9, 2022**

A meeting of the Banking Subcommittee (the “Subcommittee”) of the Cash Management Policy Board (the “Board”) was held on February 9, 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, DE 19904.

Subcommittee Members Represented or in Attendance:

Ms. Tarrie Miller, Subcommittee Co-Chair
Mr. Daniel Madrid, Chief Operating Officer, OST (for Treasurer Davis)
Mr. Rick Geisenberger, Secretary, Department of Finance

Subcommittee Members Not Represented or in Attendance:

Mr. John Flynn, Board Chair
Mr. Warren Engle, Subcommittee Chair
Ms. Colleen Davis, Treasurer, OST
Mr. Sean McNeeley, Director of Bond Finance, Department of Finance

Others in Attendance:

Mr. Jason Staib, Deputy Attorney General, Delaware Department of Justice (“DDOJ”)
Ms. Fiah Kwesseu, Director of Operations & Fund Management, OST
Ms. Lisa Embert, Director of Reconciliations and Transaction Management, OST
Mr. Brennon Fountain, Controller II, OST
Ms. Lindy Scott, Executive Assistant, OST
Ms. Valeria Cappucci, Executive Director, J.P. Morgan Chase

CALLED TO ORDER

The meeting was called to order at 10:05 a.m.

INTRODUCTIONS

APPROVAL OF THE MINUTES

A MOTION was made by Ms. Miller and seconded by Secretary Geisenberger to approve minutes from the Subcommittee meetings on November 10, 2021.

MOTION ADOPTED UNANIMOUSLY

BANKING SERVICES PROJECT DISCUSSION

Ms. Embert shared that agencies continue to provide the new JPMC account information to their vendors. Over the next three to six months, OST plans to determine a final closing date for the concentration accounts at BNY Mellon and PNC Bank.

The first of two potential two-year contract extensions for the U.S. Bank prepaid debit card product is due on March 6, 2022. The contract requires consent of the Board to approve and continue services. OST and the agencies receiving services have been satisfied with the prepaid debit card product provided by U.S. Bank to date.

A MOTION was made to approve the first two-year term extension by Ms. Miller and seconded by Secretary Geisenberger.

MOTION ADOPTED UNANIMOUSLY

LOCAL BANKING DISCUSSION

Ms. Kwesseu discussed the progress made transitioning State agencies and local school districts to our new local banking partners - TD, Citizens, and M&T Bank. On February 7th, OST went live with an over-the-counter account at M&T Bank for a select test group in Sussex County. OST will be adding additional sites once file testing is completed with First State Financials in March 2022.

MERCHANT SERVICES DISCUSSION

PCI Compliance

Mr. Madrid provided an update on the State of Delaware's Payment Card Industry (PCI) compliance. OST requested a one-year extension (until March 31, 2023) of the deadline to submit the State's PCI compliance reporting. The request, which was based on OST's substantial progress to date, was approved on February 4, 2022.

OST finished a virtual weeklong on-site review of the State's merchant environments with our Qualified Security Assessor, CampusGuard. Meetings were held with over a dozen merchants in Delaware during the week of January 24th. The annual review with CampusGuard is part of the State's PCI requirements.

Ms. Miller thanked Mr. Madrid and the PCI Compliance team for their commitment and efforts. Mr. Madrid further complimented the team of Paulette Hopkins, Fiah Kwesseu, Deanna Bledsoe, and Lindy Scott for their ongoing efforts to coordinate, engage, and consult with the agencies.

Digital Government RFP

OST is in the final stages of contract negotiations with Fiserv for two of the three components of the digital government RFP, including, payment gateway software and technology, and merchant processing services. OST will continue and finalize contract negotiations for our third component, account reconciliation and fee analysis, which will be under a separate contract.

The fourth component of digital government focuses on the design of a resident and visitor portal that remains under evaluation by the digital government evaluation committee. This service is anticipated to reach a final decision on contract award later this month. The coordinated set of services will move forward in the spring with a multi-track project implementation plan.

OTHER MATTERS OF THE SUBCOMMITTEE

House Bill 305 -The Delaware Marijuana Control Act

Secretary Geisenberger discussed House Bill 305 and asked OST to reach out to the State’s banking partners to inquire on their position on acceptance of State revenue, potentially in the form of cash receipts, from the associated taxes on potential businesses conducting this work.

Mr. Madrid acknowledged the nuances of this Bill and offered OST’s due diligence on this matter. OST will keep Secretary Geisenberger apprised of any information received from the State’s banking partners on this matter.

EXECUTIVE SESSION

No executive session was held.

PUBLIC COMMENTS

Ms. Cappucci shared that she will reach out to her legal team to assess JPM’s position on House Bill 305 and will follow up with OST.

NEXT MEETING

The next Banking Subcommittee meeting is scheduled for May 11, 2022.
The next full Board meeting is scheduled for March 9, 2022.

ADJOURNMENT

A MOTION was made by Ms. Miller and seconded by Secretary Geisenberger to adjourn the meeting of the Subcommittee at 10:36 a.m.

MOTION ADOPTED UNANIMOUSLY

Respectfully Submitted,

Warren Engle
Chair, Banking Subcommittee

Tarrie Miller
Co-Chair, Banking Subcommittee