



**MINUTES FROM THE INVESTMENT SUBCOMMITTEE
OF THE CASH MANAGEMENT POLICY BOARD
November 6, 2019**

A meeting of the Investment Subcommittee (the “Subcommittee”) of the Cash Management Policy Board (the “Board”) was held on November 6, 2019, 10:00 a.m., in the small conference room of the Office of the State Treasurer (“OST”), located at 820 Silver Lake Blvd., Suite 100, Dover, Delaware 19904.

Subcommittee Members Represented or in Attendance:

Mr. Dave Marvin, Subcommittee Chair (Telephonically)
Mr. Mike Karia, Subcommittee Co-Chair (Telephonically)
Mr. John Flynn, Board Chair (Telephonically)
The Honorable Colleen Davis, State Treasurer (Telephonically)
Mr. Richard Geisenberger, Secretary, Department of Finance (Telephonically)

Subcommittee Members Not Represented or in Attendance:

Others in Attendance:

Ms. Stephanie Scola, Director of Bond Finance, Department of Finance (Telephonically)
Mr. Jason Staib, Deputy Attorney General, Delaware Department of Justice (Telephonically)
Ms. Liza Druck Davis, Deputy State Treasurer, OST
Mr. Daniel Madrid, Director of Policy and Office Management, OST (Telephonically)
Ms. Dawn Davis, Assistant Debt and Cash Manager, OST
Mr. Stephen McVay, Cash Manager, OST
Mr. John Krimmel, Partner, NEPC (Telephonically)
Ms. Jennifer Appel, Senior Research Analyst, NEPC (Telephonically)

CALLED TO ORDER

Ms. Davis called the meeting to order at 10:03a.m.

APPROVAL OF THE MINUTES

A MOTION was made by Treasurer Davis and seconded by Mr. Flynn to approve minutes from the Subcommittee meeting on August 7, 2019

MOTION ADOPTED UNANAMOUSLY WITH Mr. Mike Karia ABSTAINING.

INVESTMENT ACCOUNTS UPDATE

Private Placement Securities Update

Mr. Krimmel provided an update on the removal of private placement securities from the fixed income managers' portfolios. The transition has been completed and the managers are no longer purchasing or holding private placement securities on behalf of the State. There was a gain in the sale of the securities.

Investment Guideline APA Update Process Update

The Deputy Treasurer provided an update on the status of the five Guideline changes approved by the Board at the last meeting. The changes were posted in the October registry for public comment. No comments were received. OST will circulate an implementing order prior to the December 4, 2019 full board meeting. Once the order is approved, it will be posted to the registry, with the revised Guidelines being effective 10 days later.

Endowment Manager RFP Update

The Deputy Treasurer stated that the endowment managers are in their final year of their contracts. The contracts will expire on staggered dates in July 2020. OST is currently working on a new RFP that will be posted in January 2020, with approval of contracts slated for the May Board meeting.

INVESTMENT CONSULTANT CONTRACT EXTENSION

[Mr. John Kimmel and Ms. Jennifer Appel (NEPC) left the call for the discussion of the investment consultant contract extension.] The Deputy Treasurer stated that last year the Board approved the first of two optional one-year extensions for NEPC's contract. The contract with NEPC is now up for renewal with the second one-year extension. The Deputy Treasurer commented that OST has been pleased with NEPC's work and requested that OST be authorized to exercise the final one-year extension of the investment consultant contract.

A MOTION was made by Mr. Marvin and seconded by Ms. Scola to recommend that the Board approve the final one-year extension of the NEPC contract.

MOTION ADOPTED UNANIMOUSLY

EXECUTIVE SESSION

No executive session was held.

PUBLIC COMMENTS

No members of the public present for comment.

NEXT MEETING

The next full Board meeting is scheduled for December 4, 2019.

The next committee meeting is scheduled for February 5, 2020.

ADJOURNMENT

A MOTION was made by Treasurer Davis and seconded by Ms. Scola to adjourn the meeting of the Subcommittee at 10:10a.m.

MOTION ADOPTED UNANIMOUSLY

Respectfully submitted,

David Marvin
Chair for the Investment Subcommittee

Mike Karia
Co-Chair for the Investment Subcommittee



Colleen C. Davis
State Treasurer

Tel: 302.672.6700
Fax: 302.739.2274