



**MINUTES FROM THE BANKING SUBCOMMITTEE  
OF THE CASH MANAGEMENT POLICY BOARD  
November 8, 2023**

A meeting of the Banking Subcommittee (the “Subcommittee”) of the Cash Management Policy Board (the “Board”) was held on November 8, 2023, 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. Leland Sylver Subcommittee Member  
Ms. Colleen Davis, State Treasurer  
Mr. Warren Engle, Board Chair

Others in Attendance:

Mr. Jordan Seemans, Deputy State Treasurer, OST  
Mr. Jason Staib, Deputy Attorney General, Delaware Department of Justice  
Ms. Fiah M. Kwesseu, Director of Operations & Fund Management, OST  
Mr. Brian Maxwell, Director of Policy and Communications, OST  
Ms. Lisa Embert, Chief Operating Officer, OST  
Ms. Paulette Hopkins, Merchant Services Program Manager, OST  
Ms. Monai Roberts, Special Assistant to the State Treasurer  
Ms. Lindy Scott, Executive Assistant, OST  
Mr. Brent Hobby, Security Advisor, CampusGuard  
Mr. Vivek Maharaj, New Merchant Services Program Manager, OST  
Ms. Regina Mitchell, Director Division of Small Business, Department of State (“DOS”)  
Mr. Andrew Harton, Director of Business Finance, DOS

**CALLED TO ORDER**

The meeting was called to order at 10:01 a.m. A quorum was established.

**INTRODUCTIONS**

- Vivek Maharaj- Merchant Services Program Manager
- Brian Maxwell – Director of Policy and Communications

**APPROVAL OF THE MINUTES**

A MOTION was made by Mr. Engle seconded by Treasurer Davis approving minutes from the Subcommittee meetings on August 9, 2023.

MOTION ADOPTED UNANIMOUSLY

**RESOLUTION ESTABLISHING BANKING SUBCOMMITTEE CHARTER DISCUSSION**

- This resolution is part of a broader discussion of governance issues that were identified in the annual report. The goals for this year included bylaws and committee charters. The proposed resolution includes an automatic referral and mandate for the Subcommittee that includes the matters currently discussed and addressed by the Subcommittee on a quarterly or annual basis. It also includes basic governance provisions for both standing subcommittees and will serve as their respective charters.
- No further action was taken. The resolution will be reviewed and discussed during the February banking subcommittee meeting.

## **GENERAL AND LOCAL BANKING PROJECTS DISCUSSION AND VOTE**

- **General Banking Project Update**

- The concentration account at PNC Bank is on track to close by December 31<sup>st</sup>. PHRST is currently testing their child support withholding file with JPMC. This is the final transition process at PNC Bank for the General Banking accounts.

- **Local Banking Project Update and Vote**

- Discovery calls have been scheduled with all remaining schools and state agencies converting to M&T, TD and Citizens Banks. We have noticed that due to the State Date check requirement of 180 days some bank accounts will remain open going into calendar year 2024.
- OST is seeking a motion to recommend to the Board an extension of the PNC Bank contract until December 31, 2024.

A MOTION to recommend to the Board an extension of the PNC Bank contract until December 31, 2024, was made by Mr. Engle and seconded by Mr. Sylver.

MOTION ADOPTED UNANIMOUSLY

## **OUTSIDE BANK ACCOUNTS DISCUSSION AND POTENTIAL VOTE**

- **Legacy Accounts**

- The Legacy banking accounts include the Fidelity bond proceeds account(s), Fidelity restricted accounts for ESCO transactions, and the Wilmington Trust bond escrow accounts. These will be addressed during an upcoming meeting with the bond officers. The Subcommittee will be apprised of the meeting with the bond officers during the next Subcommittee meeting in February.

- **Local Banking Accounts**

- Three school districts have expressed concerns about transitioning to the State's contractual banking partners:
  1. Capital School District (Del-One Student Banking Program)
  2. Laurel School District (Bank of Delmarva)
  3. Polytech School District (Shore United)

OST will share any developments made with these three school districts during the February Subcommittee meeting.

### **DELAWARE CAPITAL ACCESS PROGRAM (“DCAP”) EXCEPTION DISCUSSION AND POTENTIAL VOTE**

- Mr. Seemans gave a brief overview of the DCAP program and request to open a reserve account with prospective participating lender, Del-One. The Subcommittee heard a presentation about DCAP from Andrew Harton and Regina Mitchell with the Division of Small Business. After discussion, the Subcommittee asked for additional information to be reviewed and requested Mr. Staib’s opinion as to whether the proposed reserve account is subject to Board oversight.

### **BANKING CONTRACT EXTENSIONS DISCUSSION AND VOTE**

- **CampusGuard Contract Extension and Vote**
  - The CampusGuard contract is set to expire on February 29, 2024. We have an additional one-year optional term left on the contract. OST would like to continue the partnership with CampusGuard for an additional one-year term, which would extend the contract through February 28, 2025.

A MOTION was made by Mr. Engle and seconded by Ms. Miller to extend the CampusGuard contract for an additional one-year term with an expiration date of February 28, 2025.

MOTION ADOPTED UNANIMOUSLY

- **Govolution Contract Extension Discussion and Vote**
  - The Govolution contract is set to expire on December 31, 2023. The contract has one additional six-month extension remaining until June 30, 2024. During the June 7<sup>th</sup> Full Board meeting, a vote was ratified to extend this contract June 30, 2025. It has come to our attention that the migration of these services from Govolution to Fiserv may extend past June 30, 2025. Furthermore, OST is requesting authority to negotiate two additional six-month terms, which, if executed, would have the contract set to expire on June 30, 2026.

A MOTION was made by Ms. Miller and seconded by Mr. Engle to recommend to the full board for OST to enter into an extension with Govolution until June 30, 2024, recognizing that OST was previously given authority to extend the contract to June 30, 2025, and grant authority to negotiate an additional two six-month term extensions until June 30, 2026.

MOTION ADOPTED UNANIMOUSLY

- **US Bank Contract Extension Discussion and Vote**
  - The U.S. Bank contract is set to expire on March 5, 2024. The contract has one additional two-year term extension available. OST would like to exercise the last two-year extension with U.S. Bank, which will extent the contract through March 5, 2026.

A MOTION was made by Ms. Miller and seconded by Mr. Engle to authorize OST to enter into the final extension with US Bank.

MOTION ADOPTED UNANIMOUSLY

## **MERCHANT SERVICES AND PAYMENT CARD INDUSTRY DATA SECURITY STANDARDS (“PCI-DSS”) COMPLIANCE DISCUSSION**

- **Fiserv Migration Project Update**

- We continue to make progress with our migration of payment gateway and merchant processing services to Fiserv. Currently, the migration has a target completion date of May 31, 2025, which is contingent upon the creation of the digital government payment portal.

- **PCI-DSS Compliance Project Update**

- The second round of merchant site-visits were held the week of October 2-6<sup>th</sup>. These merchant site-visits help OST and CampusGuard better understand the merchant environment. These meetings are crucial to OST’s efforts to become PCI-DSS compliant.
- Merchant self-assessment questionnaires (SAQ) are scheduled to begin in November. Merchants must attest on an annual basis to their respective SAQ.

- **Digital Government Project Update**

- The design of a resident and visitor portal, which includes the payment infrastructure provided by OST, is progressing with an anticipated start date of March 2024.

### **OTHER MATTERS OF THE SUBCOMMITTEE**

#### **PUBLIC COMMENT**

#### **EXECUTIVE SESSION**

None Scheduled

#### **NEXT MEETING**

The next full Board meeting is scheduled for December 14, 2023

The next Banking Subcommittee meeting is scheduled for February 14, 2024

#### **ADJOURNMENT**

Meeting adjourned at 11:07 a.m.

Respectfully Submitted,

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Tarrie Miller  
Chair, Banking Subcommittee