



**MINUTES FROM MEETING OF
THE CASH MANAGEMENT POLICY BOARD
June 4, 2025**

A meeting of the Cash Management Policy Board (the “Board”) was held on June 4, 2025, at 10:00 a.m. in 112 Large Conference Room of the Tatnall Building, 150 Martin Luther King Blvd. Dover, DE 19901. Board members and members of the public were able to participate in person or virtually using the provided dial-in information.

Board Members Represented or in Attendance:

Mr. Warren C. Engle, Chair
Mr. Mike Karia, Investment Subcommittee Chair
Mr. Stephen Marvin, Investment Subcommittee Vice Chair
Ms. Tarrie Miller, Banking Subcommittee Chair
Mr. Leland Sylver, Banking Subcommittee Vice Chair
Ms. Colleen C. Davis, State Treasurer
Mr. Michael Smith, Secretary of Finance
Ms. Charuni Patibanda-Sanchez, Secretary Department of State

Not in Attendance:

Ms. Ruth Ann Miller, Controller General

Others in Attendance:

Mr. Brennon Fountain, Deputy Treasurer, Office of State Treasurer (“OST”)
Mr. Jason Staib, Deputy Attorney General, Delaware Department of Justice
Ms. Khairat Makanjuola, Chief Operating Officer, OST
Ms. Fiah M. Kwessey, Director of Operations & Fund Management, OST
Mr. Vivek Maharaj, Merchant Services Program Manager, OST
Ms. Antonia Kramer, Cash Manager, OST
Ms. Shanese Ridgeway, Director of Reconciliations and Transaction Management, OST
Ms. Ninna Vaughn, Executive Assistant, OST
Mr. Daniel Scholl, Independent Contractor, OST
Ms. Jennifer Appel, NEPC
Mr. Jonovan Sackey, NEPC
Mr. Kevin Leonard, NEPC

Mr. Brent Hobby, CampusGuard

CALLED TO ORDER

Mr. Engle called the meeting to order at 10:07 a.m. A quorum was established.

INTRODUCTION

Mr. Fountain initiated roll call. All attendees of the meeting stated their names and titles.

APPROVAL OF THE MINUTES

A MOTION was made by Ms. Miller and seconded by Mr. Karia to approve minutes from the Board meeting on February 26, 2025.

MOTION ADOPTED UNANIMOUSLY.

INVESTMENT SUBCOMMITTEE REPORT

Presentation and Discussion of the 1st Quarter Performance Abbreviated Report

NEPC provided a review of the 1st Quarter Performance Report. Ms. Appel and Mr. Leonard presented the Board with an overview of the State's portfolio performance for the 1st Quarter of 2025.

Annual Investment Manager Review Meetings Update

Ms. Kwesseu provided an update explaining that the annual investment manager review meetings will begin this week. OST will provide the subcommittee and the Board with updates at subsequent meetings.

Resolution No. 2025-1 Further Amending Investment Architecture for the States Cash Accounts Discussion and Potential Vote

- **Investment Portfolio Allocation Rebalance Timeframe**

Ms. Makanjuola explained that, after internal discussion, OST is no longer requesting a change to the investment architecture for this agenda item. OST has an existing practice of rebalancing the liquidity portfolio when allocation balances fall outside of approved targets and ranges. OST believes that they can accomplish necessary rebalancing transactions within a 30-day time frame and will communicate these actions to the subcommittee and the Board via a memo.

- **Rebalance of Liquidity vs. Reserve Portfolios to Approved Targets Memo**

Ms. Makanjuola explained that the liquidity portion of Delaware's investment portfolio was at 21% as of December 31, 2024, and that the allocation dipped to 16.2% as of January 31, 2025. The OST team evaluated various scenarios and consulted with NEPC and investment managers and ultimately executed specific transactions that restored the liquidity allocation back to approximately 22% at the end of March 2025, which is within approved range of + or – 5% of the 25% target. OST expects the target allocation of the

liquidity portion of the consolidation to organically trend back to 25% by the end of June 2025. A memo has been shared with the Board.

- **Budget Stabilization Fund Location**

Ms. Makanjuola explained that the Budget Stabilization Fund was created to help the State build substantial and accessible cash reserves and manage expected budget deficits without the necessity for major tax policy changes or budget cuts. The existing architecture has the Budget Stabilization Fund placed in Liquidity Accounts for accounting purposes. OST is proposing to move the Budget Stabilization Fund back to the Reserve Accounts. The balance of the fund was \$469.2 million as of July 1, 2024, per the FY 2025 Budget Stabilization Fund memorandum provided by the Department of Finance.

A MOTION to move the placement of the fund back to Reserve Accounts was made by Treasurer Davis and seconded by Mr. Karia.

MOTION ADOPTED UNANIMOUSLY.

Delaware Agriculture Lands Preservation Foundation Funds Update

Treasurer Davis discussed that the Memorandum of Understanding (MOU) between the Department of Agriculture and OST is currently under review. The MOU outlines the agreement between the Department of Agriculture and OST to invest funds from the Delaware Agriculture Lands Preservation Foundation in the endowment portfolio. Approximately, \$10-12 million is expected to be invested. OST will continue to provide further updates.

BANKING SUBCOMMITTEE REPORT

Local Banking Projects and Waiver Discussion, Potential Vote and Update

Ms. Ridgeway explained that, as of May 2025, all PNC Bank accounts have been zeroed out and transitioned over to one of the State's local banking partners. The Department of State (Delaware Veterans Home) has requested that three zero-balance accounts remain open for the next month or so to ensure a smooth transition of resident accounts to TD Bank. OST will work with the Department of State to ensure that the accounts are officially closed on or before June 30, 2025.

In addition, the OST team will aggressively work with all State agencies and local school districts to assist with the over-the-counter banking process and to ensure that over-the-counter banking is streamlined on or before December 31, 2025.

Merchant Services and Payment Card Industry Data Security Standards ("PCI-DSS") Compliance Discussion

Mr. Maharaj and Mr. Hobby provided the following updates on the Merchant Services and PCI-DSS compliance:

- **Fiserv Migration Project Update**

OST continues to migrate merchants to Fiserv payment gateway and processing services. Currently, OST is working to determine an appropriate end date based on the pending merchants and their infrastructure allowance to complete the migration.

DNREC, DEJLIS, and Courts are working with OST and CampusGuard on a PCI-DSS solution for accepting payments.

- **PCI-DSS Compliance Project Update**

OST and Campusguard announced that Delaware received its 1st PCI-DSS attestation of compliance in December 2024. This excluded the MIDs associated with the Judicial Department, which have a compliance extension until December 31, 2026. Courts and DELJIS are actively working on a plan to transition to Fiserv by the extension date.

To attain the mentioned PCI-DSS compliance for 2024, OST and CampusGuard released 100% of the State's SAQs to the merchants for completion. The CampusGuard portal reflected 98.37% completed and PCI compliant. A step-by-step recorded tutorial created by OST in conjunction with CampusGuard was a resourceful tool; the recording is currently available on OST's website. OST will continue to have the tutorial available for all merchant environments to help with the 2025 SAQ completions. OST will continue to provide guidance for State merchants as this process continues.

OST will launch new PCI training within the CampusGuard portal. The portal will use a single sign-on to allow for a seamless transition for State agencies and school districts. OST will provide regular PCI training updates during subsequent Board meetings.

- **Digital Government Project Update**

The design of a resident and visitor portal—featuring payment infrastructure provided by OST—was launched in April 2024. As of April 2025, GoDE has processed 10,000 payment transactions through the portal.

OST indicated that there were originally 361 merchant e-commerce environments hosted with Govolution. As part of the transition to Fiserv, the following updates were shared:

- There are 250 Clover devices deployed for in-person transactions, with 27 still pending activation.
- 72 Govolution MIDs remain in transition to Fiserv.
- GoDE currently shows 87 active applications in the Fiserv e-commerce migration queue, 60 of which are existing Govolution applications.

OST will continue onboarding both new and existing applications and will provide regular updates on progress.

Other Matters of the Board

None

Public Comment

None

Executive Session

None

Next Meetings

- The next full Board meeting is scheduled for September 3, 2025, at Buena Vista - 661 South DuPont Highway, New Castle, DE 19720.
- The next Investment Subcommittee meeting is scheduled for August 6, 2025.
- The next Banking Subcommittee meeting is scheduled for August 13, 2025.

ADJOURNMENT

The meeting was adjourned at 11:30 a.m.

Respectfully submitted,

Warren C. Engle
Board Chair