



**MINUTES FROM THE INVESTMENT SUBCOMMITTEE
OF THE CASH MANAGEMENT POLICY BOARD
August 6, 2025**

A meeting of the Investment Subcommittee (the “Subcommittee”) of the Cash Management Policy Board (the “Board”) was held on August 6, 2025, 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:

Mr. Stephen Marvin, Vice Chair
Mr. Michael Smith, Secretary of Finance
Ms. Colleen Davis, State Treasurer
Mr. Warren Engle, Board Chair

Not in Attendance:

Mr. Mike Karia, Subcommittee Chair
Ms. Charuni Patibanda-Sanchez, Secretary, Department of State

Others in Attendance:

Mr. Brennon Fountain, Deputy Treasurer, OST
Mr. Jason Staib, Deputy Attorney General, Delaware Department of Justice
Ms. Fiah Kwessey, Director of Operations and Fund Management, OST
Ms. Khairat Makanjuola, Chief Operating Officer, OST
Ms. Antonia Kramer, Assistant Cash and Debt Manager, OST
Ms. Ninna Vaughn, Executive Assistant, OST
Mr. Jonovan Sackey, NEPC
Mr. Kevin Leonard, NEPC

CALLED TO ORDER

The meeting was called to order at 10:03 a.m. A quorum was established.

INTRODUCTIONS

Ms. Kwessey commenced roll call. Each attendee introduced themselves.

APPROVAL OF THE MINUTES

A MOTION to approve the May 7, 2025, minutes was made by Treasurer Davis and seconded by Mr. Marvin.

MOTION ADOPTED UNANIMOUSLY

PRESENTATION AND DISCUSSION OF THE 2nd QUARTER PERFORMANCE REPORT

NEPC provided a review of the 2nd Quarter Performance Report. Mr. Leonard and Mr. Sackey presented the Subcommittee with an overview of the State's portfolio performance for the 2nd Quarter 2025.

SCHOOL AND SPECIAL FUND RATE CALCULATION ANNUAL REVIEW DISCUSSION AND POTENTIAL VOTE

Mr. Sackey explained that the School and Special Fund (SSF) rate is reviewed annually, providing an opportunity to assess the rate methodology. To protect SSF recipients and the State, a rate cap and floor are applied: if the liquidity rate exceeds the total portfolio rate, the cap limits payment to the portfolio rate; if returns are negative, the floor ensures the SSF rate does not fall below zero, guaranteeing no loss to SSFs. NEPC recommended no changes to the rate methodology.

COLLATERAL FOR STATE FUNDS DISCUSSION AND POTENTIAL VOTE

Ms. Kwessey explained that recently Moody's downgraded the credit rating of the FHLB LOC, following earlier U.S. credit downgrades by Standard & Poor's in 2011 and Fitch in 2023. OST received an inquiry from the FHLB of Pittsburgh regarding the interpretation of CMPB guidance under Section 5.2.1 and reviewed the matter to ensure alignment with the Board's established policies and determine if any updates are needed. A memo was prepared to document this item for Board review.

A MOTION to reapprove OST's continued use of FHLB letters of credit, pending formal amendment of the Investment Guidelines, as recommended by OST, was made by Mr. Engle and seconded by Mr. Marvin.

MOTION ADOPTED UNANIMOUSLY

ANNUAL INVESTMENT MANAGER REVIEW MEETINGS UPDATE

Mr. Leonard and Mr. Sackey discussed that the annual investment manager meetings have concluded. All investment managers have submitted their recommendations pertaining to the investment guidelines, and NEPC provided a due diligence memo for the subcommittee's review, outlining their recommendations. NEPC recommended increasing 144a limits from 15% to 30% in the Reserve and increasing the Average Life Restrictions on ABS limits from 2 to 2.5. NEPC recommended against five of the other changes proposed by the managers and indicated that three of the proposed changes required further discussion.

ARPA FUNDS

Ms. Kramer presented that as of June 30, 2025, the State ARPA funds totaled \$289 million, with two draws for \$111 million occurring during the quarter.

OTHER MATTERS OF THE SUBCOMMITTEE

None

PUBLIC COMMENT

No public comment issued by an attending member of the public.

EXECUTIVE SESSION

No executive session was held.

NEXT MEETING

- The next full Board meeting is scheduled for September 3, 2025, at Buena Vista - 661 S Dupont Hwy, New Castle, DE 19720.
- The next Investment Subcommittee meeting is on November 5, 2025.

ADJOURNMENT

The meeting concluded at 11:13 am.

Respectfully submitted,

Stephen Marvin, Vice Chair