



MINUTES FROM THE BANKING SUBCOMMITTEE OF THE CASH MANAGEMENT POLICY BOARD

February 11, 2026

A meeting of the Banking Subcommittee (the “Subcommittee”) of the Cash Management Policy Board (the “Board”) was held on February 11, 2026, 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 Chair
Mr. Leland Sylver, Subcommittee Co-Chair
Mr. Warren Engle, Board Chair
Ms. Colleen Davis, State Treasurer
Mr. Michael Smith, Secretary of Finance

Others in Attendance:

Ms. Regina Mitchell, Deputy Secretary of State, Secretary of State
Mr. Brennon Fountain, Deputy Treasurer, OST
Mr. Jason Staib, Deputy Attorney General, Delaware Department of Justice
Ms. Khairat Makanjuola, Chief Operating Officer, OST
Ms. Fiah M. Kwesueu, Director of Operations and Fund Management, OST
Mr. Vivek Maharaj, Merchant Services Program Manager, OST
Ms. Ninna Vaughn, Executive Administrator, OST
Ms. Shanese Ridgeway, Director of Reconciliation and Transaction Management, OST
Ms. Layne Taylor, Director of Policy and Communication, OST
Mr. Brent Hobby, CampusGuard
Mr. Dave Tancredi, Public

CALL TO ORDER

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

INTRODUCTIONS

Mr. Fountain led introductions. Mr. Fountain formally introduced Steve McVay, Casual Seasonal Assistant Cash and Debt Manager at OST. Mr. McVay has returned from retirement to assist OST with the departure of Antonia Kramer. He also announced Ms. Makanjuola’s departure from OST. She has accepted a new role with another agency. The Subcommittee and the OST team shared their best wishes with her.

APPROVAL OF MINUTES

A MOTION to approve the November 12, 2025, minutes was made by Mr. Sylver and seconded by Mr. Engle.

A MOTION to approve the November 12, 2025, executive session minutes was made by Mr. Sylver and seconded by Mr. Engle.

BOTH MOTIONS WERE ADOPTED UNANIMOUSLY.

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

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

- FISERV MIGRATION PROJECT UPDATE

Progress was reported in addressing the Judiciary’s complex merchant environment, which has received a PCI DSS extension through December 31, 2026. OST, CampusGuard, Delaware Digital Government, and the Delaware Criminal Justice Information System (“DELJIS”) have identified a compliant replacement solution and established project teams to develop workflows, conduct proof-of-concept testing, and define requirements. Conversion efforts are expected to begin prior to the end of the second quarter of 2026.

Ms. Miller asked whether any delays are anticipated in meeting the second quarter 2026 timeline. Mr. Maharaj indicated that no delays are expected at this time and that any changes will be communicated to the Subcommittee.

- PCI-DSS COMPLIANCE PROGRAM UPDATE

As of December 31, 2025, 1,526 users were assigned PCI-DSS training, with a 93% completion rate. OST and CampusGuard supported training efforts through outreach, online resources, and direct assistance to State merchants to support completion of the 2025 Self-Assessment Questionnaire (SAQ) process.

- DIGITAL GOVERNMENT PROJECT UPDATE

The resident and visitor portal (GoDE), supported by OST payment infrastructure, launched in April 2024. As of December 2025, the platform has processed over 84,507 payment transactions.

GOVOLUTION TO FISERV MIGRATION OVERVIEW

Govolution to Fiserv merchant identification numbers (MIDs) do not convert on a one-to-one basis and are dependent on the configuration of each merchant’s Fiserv environment.

- Govolution Environment Baseline:
 - OST initially confirmed 361 merchant environments under Govolution.
 - 302 Govolution environments are transitioned to Fiserv
 - 57 Govolution environments are pending transition to Fiserv
- ServiceNow applications: 112
 - 65 existing Govolution applications
 - 33 new GoDe applications
 - 14 cancelled or test applications
- Clover Device Deployment (In-Person Transactions):
 - 296 Clover devices have been deployed
 - 46 devices are currently pending activation

Mr. Engle inquired about the cost of device deployment. Mr. Maharaj reported that approximately \$257,174 was spent for 296 Clover devices over a three- to four-year period, averaging roughly \$1,000 per device.

The Subcommittee was informed that onboarding of new and existing applications into the Fiserv environment will continue, with updates provided as part of ongoing oversight and reporting.

Ms. Miller inquired about the anticipated timeline for full activation of all pending devices. Mr. Maharaj indicated that no definitive timeline has been established, as activation depends on infrastructure readiness.

MONEY NETWORK PAYMENT SERVICES AGREEMENT DISCUSSION AND VOTE

Mr. Maharaj reported that OST received a request from DHSS/DHCI Canteen for a reloadable prepaid debit card solution to replace its current paper-based ledger process. The program supports the administration of federal funds on behalf of nursing home residents, which would be distributed via prepaid debit cards.

He noted that OST's current prepaid debit card provider, U.S. Bank, does not offer a reloadable card solution that meets the agency's operational needs. Fiserv indicated that a reloadable card solution is available through its Money Network subsidiary, and the Subcommittee was informed that there is no cost to the State for this service; a \$4.00 per card fee will be paid by the agency.

Mr. Maharaj further noted that this item was previously presented to the Banking Subcommittee on August 13, 2025, and approved, with subsequent approval by the full Board on September 3, 2025. During contract negotiations, it was identified that the solution utilizes Flagstar Bank, which is not currently an approved CMPB depository institution.

This item was returned to the Subcommittee for further discussion and consideration due to the involvement of a non-approved depository institution. The Subcommittee was informed that the associated Flagstar funding account is a non-traditional account and does not function as a standard demand deposit account (DDA).

The Subcommittee was informed that two funding options are available under this solution:

- ACH directly to individual prepaid cards, in which case no Flagstar funding account is required; or
- Use of a program-specific Flagstar funding account, which functions as a non-traditional “holding” account tied to a 16-digit account number and is used solely to facilitate real-time funding of prepaid cards.

This item was brought back to the Subcommittee for additional discussion and consideration. There are no applicable collateral concerns at this time, as the current program exposure is approximately \$5,000, and collateral is not expected based on this low balance.

The Subcommittee was informed that program balances will be monitored and that any applicable deposit or collateral requirements will be evaluated if balances materially increase.

A MOTION to approve the use of Flagstar Bank solely for the purpose of implementing a prepaid debit card solution for DHSS/DHCI Canteen, subject to compliance with CMPB guidelines, was made by Mr. Engle and seconded by Ms. Miller.

MOTION ADOPTED UNANIMOUSLY.

BANKING SERVICES AND ELECTRONIC PAYMENT CONSULTING SERVICES (PCI CONSULTANT) REQUEST FOR PROPOSAL (RFP) DISCUSSION, UPDATES, & VOTE

Ms. Makanjuola explained to the subcommittee that following the Board’s ratification vote, OST issued formal communications to the incumbent bidders on December 19, 2025, to initiate contract negotiations. Current efforts are focused on the U.S. Bank and CampusGuard contracts, which expire on March 6, 2026, and February 28, 2026, respectively. The remaining banking services contracts expire in August 2026.

If negotiations are not finalized prior to expiration, OST has requested authorization to issue temporary extension letters to each vendor to ensure continuity of services.

A MOTION to authorize temporary contract extensions for up to 90 days, if negotiations are not finalized prior to expiration, to ensure continuity of services, was made by Mr. Engle and seconded by Ms. Miller.

MOTION ADOPTED UNANIMOUSLY.

RESPONSE TO BANKING SUBCOMMITTEE QUESTION REGARDING COLLATERALIZATION

Ms. Kwesseu reported that the State maintains approximately 102% collateralization across all public deposits, ensuring balances are secured above statutory requirements. She noted that collateral levels fluctuate based on cash balances, investment activity, and agency cash flows. Collateral consists of a mix of U.S. Treasuries, other eligible securities, and Federal Home Loan Bank (FHLB) Letters of Credit from banking partners. OST actively monitors collateral levels to ensure ongoing compliance. Mr. Engle requested additional detail regarding the overall dollar amount of deposits being collateralized, as well as a point-in-time breakdown of collateral by type (e.g., U.S. Treasuries, FHLB Letters of Credit, and other bank assets), noting interest in understanding the magnitude and composition of collateral supporting State deposits.

Ms. Kwesseu indicated that OST is in the process of confirming point-in-time collateral balances with banking partners and will follow up with additional details.

Ms. Makanjuola clarified that the request includes both total deposit exposure and a breakdown of collateral types by bank. She noted that certain institutions primarily utilize FHLB Letters of Credit, while others may utilize a combination of FHLB support and pledged U.S. Treasuries, depending on deposit levels.

Ms. Kwesseu added that OST will provide a follow-up summary to the Subcommittee outlining collateral structures by bank.

CONTRACT DISCUSSION AND UPDATE

Ms. Kwesseu provided the following contract updates:

- LOCAL BANKING SERVICES REQUEST FOR PROPOSAL (RFP)

The Subcommittee was informed that the Local Banking Services Professional Services Agreements are scheduled to expire on September 10, 2027, for M&T Bank, and on December 21, 2027, for Citizens Bank and TD Bank. A tentative RFP timeline has been developed, with plans to post the Local Banking Services RFP in October 2026. The Subcommittee will be kept informed as the RFP process and timeline progress.

The Subcommittee was further informed that, as M&T Bank's agreement expires first, alignment of M&T Bank's contract expiration date with the expiration dates of the other local banking contracts is being considered to support continuity of services and a coordinated competitive procurement process.

A MOTION to authorize temporary contract extensions for up to 90 days, if negotiations are not finalized prior to expiration, to ensure continuity of services, was made by Mr. Engle and seconded by Ms. Miller.

MOTION ADOPTED UNANIMOUSLY.

OTHER MATTERS OF THE SUBCOMMITTEE

None

PUBLIC COMMENT

One member of the public, Mr. Dave Tancredi, was present and did not provide comment.

EXECUTIVE SESSION

No executive session was held.

NEXT MEETING

The next full Board Meeting is scheduled for February 25, 2026.

The next Banking Subcommittee meeting is scheduled for May 13, 2026.

ADJOURNMENT

The meeting was adjourned at 10:48 a.m.

Respectfully submitted,

Tarrie Miller
Chair, Banking Subcommittee