



**MINUTES
CASH MANAGEMENT REVIEW BOARD
MEETING OF OCTOBER 10, 2013
CITY PLAZA BUILDING
445 NORTH BOULEVARD
7TH FLOOR CONFERENCE ROOM**

The items listed on the Agenda are incorporated and considered to be a part of the minutes herein.

Chair Laura Lapeze called the meeting to order. Secretary Marella Houghton called the roll.

MEMBERS PRESENT:

Laura Lapeze, as Chair and designee for the State Treasurer
Mr. Afranie Adomako, CPA, as designee for the Commissioner of Administration
Tom Cole, CPA, as designee for Legislative Auditor (Non-voting member)

OTHER PERSONS PRESENT:

Marella Houghton, CPA, State Treasury Fiscal Control Manager and Secretary to the Board
Carol Leonard, JP Morgan Chase, Customer Service Professional
Scott Erwin, Department of Public Safety, Financial Service Director
Tara Pocorello, Department of Public Safety, Financial Service Assistant Director
Stacey Talley, Department of Natural Resources, Deputy Assistant Secretary
Beverly Hodges, Department of Transportation and Development, Accounting Administrator
Monica Mealie, Department of Culture, Recreation and Tourism, Accounting Director
Mary Canella, Department of Culture, Recreation and Tourism, Fiscal Officer

Mr. Afranie Adomako motioned to defer the approval of the minutes for the April 4, 2013 meeting, seconded by Ms. Laura Lapeze, and without objection, the approval for minutes were deferred until further review by the Deputy Commissioner of the Division of Administration.

Mr. Afranie Adomako motioned for approval of the minutes for the June 20, 2013 meeting, subject to edits, seconded by Laura Lapeze, and without objection, the minutes were approved.

Agenda Item 4a was submitted by the Department of Culture, Recreation and Tourism (CRT), Office of State Museum, and was a request for the Cash Management Review Board's (CMRB's) approval to open one (1) new Demand Deposit Account (DDA) at Exchange Bank and Trust Company in Natchitoches, Louisiana for the purpose of depositing museum revenues for the Louisiana SHOF (Sports Hall of Fame) and North West Regional History Museum. Pursuant to a prior exception to the 24-hour deposit rule, revenues will be deposited into a local bank account for holding and swept into the State Treasury's Central Depository Account on a weekly basis. The location of Exchange Bank and Trust Company in Natchitoches, Louisiana is a reasonable distance to CRT's location. The Exchange Bank and Trust Company is an approved fiscal agent bank.

Mr. Adomako motioned for approval of the request to open one (1) new Demand Deposit Account submitted by the Department of Culture, Recreation and Tourism, Office of State Museum, seconded by Ms. Lapeze, and without objection, Item 4a was approved.



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Agenda Item 4b was submitted by the Louisiana Special Education Center and was a request for the Cash Management Review Board's approval to open one (1) new Zero Balance Account (ZBA) at JP Morgan Chase Bank in Baton Rouge for the purpose of collecting payroll deductions by the Office of State Uniform Payroll from employees' paychecks for employee meals. The deduction amount is designated by the employee for meals, OSUP will collect the deduction, and OSUP will transfer the deduction to the new ZBA account on a bi-weekly basis, which will sweep into the Treasury's Central Depository Account. Daniel Debevec, the Business Manager for Louisiana Special Education Center, was contacted via telephone to further explain. Mr. Debevec stated OSUP is currently not involved in collecting payroll deductions for lunches; the agency is collecting cash for lunch funds from employees. Incorporating a ZBA will facilitate State Payroll to withhold funds from employee payroll checks. The Louisiana Special Education Center is considered an ISIS agency, and is located in Alexandria, Louisiana. Tom Cole inquired as to the cost of the ZBA account. Carol Leonard, with JP Morgan Chase Bank, stated that it is \$50 per month.

Mr. Adomako motioned approval of the request for one (1) new Zero Balance Account (ZBA) submitted by the Louisiana Special Education Center, seconded by Ms. Lapeze, and without objection, Item 4b was approved.

Agenda Item 4c was submitted by the Department of Transportation and Development (DOTD) and was a request for the Cash Management Review Board's approval to convert, repurpose, and rename one (1) existing Demand Deposit Account (DDA) at JP Morgan Chase Bank in New Orleans to a Zero Balance Account (ZBA) for the purpose of collecting New Orleans Ferry Tolls. The existing DDA was approved for conversion to a DDA from a ZBA by the CMRB on June 20, 2013 with the intent of closure upon the transfer of Algiers Canal Ferry Toll funds to Unclaimed Property. The Algiers Canal Ferry is now referred to as the New Orleans Ferry per Act 273 of the 2013 Louisiana Legislative Session, and the account was requested to be renamed "New Orleans Ferry".

Mr. Adomako motioned approval of the request to convert, repurpose, and rename one existing DDA to a ZBA submitted by the Department of Transportation and Development, seconded by Ms. Lapeze, and without objection, Item 4c was approved.

Agenda Item 4d was submitted by the Department of Revenue, Charitable Gaming, and was a request for the Cash Management Review Board's approval to open one (1) new Zero Balance Account (ZBA) at JP Morgan Chase Bank in Baton Rouge for the purpose of collecting revenues for charitable gaming by cash or check with intentions of later implementing Image Direct Deposit. Department of Revenue does not have any existing accounts identified as inactive to repurpose. Joyce Anderson, Fiscal Director for the Department of Revenue, was contacted via telephone to obtain further information. Ms. Anderson stated the budget for the ZBA will be \$2 million. Details of bank statement reconciliations were discussed as follows: (1) the Department of Revenue will receive monthly bank statements and perform monthly reconciliations, and (2) a copy of these reconciliations will be given to the State Treasurer's Office.



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Mr. Adomako motioned approval of the request to open (1) new Zero Balance Account (ZBA) submitted by the Department of Revenue, Charitable Gaming, seconded by Ms. Lapeze, and without objection, Item 4d was approved.

Agenda Item 4e was submitted by the Department of Revenue, Alcohol Tobacco Control, and was a request for the Cash Management Review Board's approval to open one (1) new Zero Balance Account (ZBA) at JP Morgan Chase Bank in Baton Rouge for the purpose of collecting revenues for Alcohol Tobacco Control by cash or check with intentions of later implementing Image Direct Deposit. Department of Revenue does not have any existing inactive accounts to repurpose. Joyce Anderson, Fiscal Director for the Department of Revenue, was contacted via telephone to obtain further information. Ms. Anderson stated the budget for the ZBA to be \$7 million. Details of bank statement reconciliations were discussed as follows: (1) the Department of Revenue will receive monthly bank statements and perform monthly reconciliations, and (2) these reconciliations will be given to the State Treasurer's Office.

Mr. Adomako motioned approval of the request to open (1) new Zero Balance Account (ZBA) submitted by the Department of Revenue, Alcohol Tobacco Control, seconded by Ms. Lapeze, and without objection, Item 4e was approved.

Agenda Item 4f was submitted by the Department of Public Safety, Office of Motor Vehicles (DPS), and was a request for Cash Management Review Board's (CMRB's) approval to convert and rename one (1) existing Zero Balance Account (ZBA) at JP Morgan Chase Bank in Baton Rouge to a Demand Deposit Account (DDA) for the purpose of collecting face-to-face credit card revenues for the Office of Motor Vehicles, including a convenience fee for a third-party contractor. Details of DPS's application were explained by Mr. Erwin, Fiscal Services Director of the Department of Public Safety. Louisiana Revised Statute 49:316.1 lists the agencies that are permitted the use of a third-party contractor. Per Mr. Erwin, ENVOC is a local company that provides a no-cost solution and acts as a third-party contractor. Convenience fees collected will cover all costs associated with the acceptance of credit cards, debit cards, and E-checks at the point of sale. Having a state-owned depository account will satisfy the requirements of First Data and the credit card companies. From the DDA, DPS will pay ENVOC for their fees, and DPS will transfer to the State Treasury's Central Depository Account the remaining collections on a daily basis. A chart was provided by DPS to explain the flow of funds. The existing ZBA account was approved by CMRB on November 20, 2007 to collect credit card payments for vehicle registrations, drivers' licenses and reinstatement fees. The account was initially created for another purpose, but was never utilized. The account will be renamed POS OMV Face to Face Credit Card Revenue Collections.

Mr. Adomako motioned approval of the request to convert and rename one (1) existing Zero Balance Account (ZBA) to a Demand Deposit Account (DDA) submitted by the Department of Public Safety, Office of Motor Vehicles, seconded by Ms. Lapeze, and without objection, Item 4f was approved.



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Agenda Item 4g was submitted by the Department of Public Safety, Office of State Police, and was a request for the Cash Management Review Board's (CMRB's) approval to convert, repurpose, and rename one (1) existing Zero Balance Account (ZBA) at JP Morgan Chase Bank in Baton Rouge to a Demand Deposit Account (DDA) for the purpose of collecting face-to-face credit card revenues for the Office of State Police, including a convenience fee for a third party contractor. From the DDA, DPS will pay their third-party contractor, ENVOC, their fees, and DPS will transfer to the State Treasury's Central Depository Account the remaining collections on a daily basis. The existing account was approved by CMRB on November 20, 2007 to collect cash payments for vehicle registrations, driver's license and reinstatement fees. The account was initially created for another purpose, but was never utilized. The account will be renamed POS OSP Face to face Credit Card Revenue Collections.

Mr. Adomako motioned approval of the request to convert, repurpose, and rename one (1) existing Zero Balance Account (ZBA) to a Demand Deposit Account (DDA) submitted by the Department of Public Safety, Office of State Police, seconded by Ms. Lapeze, and without objection, Item 4g was approved.

Agenda Item 4h was submitted by the Department of Public Safety, State Fire Marshall, and was a request for the Cash Management Review Board's (CMRB's) approval to convert, repurpose, and rename one (1) existing Zero Balance Account (ZBA) at JP Morgan Chase Bank in Baton Rouge to a Demand Deposit Account (DDA) for the purpose of collecting face-to-face credit card revenues for the State Fire Marshall, including a third party contractor. From the DDA, DPS will pay ENVOC for their fees, and DPS will transfer to the State Treasury's Central Depository Account the remaining collections on a daily basis. The existing ZBA account was approved by CMRB on November 20, 2007 to collect credit card payments for vehicle registrations, drivers' licenses and reinstatement fees. The account will be renamed POS SFM face to face Credit Card Revenue Collections. The account was initially created for another purpose, but was never utilized.

Mr. Adomako motioned approval of the request to convert, repurpose, and rename one (1) existing Zero Balance Account (ZBA) to a Demand Deposit Account (DDA) submitted by the Department of Public Safety, State Fire Marshall, seconded by Ms. Lapeze, and without objection, Item 4h was approved.

Agenda Item 4i was submitted by the Department of Public Safety, Office of Management and Finance, and was a request for the Cash Management Review Board's (CMRB's) approval to open one (1) new Demand Deposit Account (DDA) at JP Morgan Chase Bank in Baton Rouge for the purpose of collecting face-to-face credit card revenues for the Office of Management & Finance, including a convenience fee for a third-party contractor. From the DDA, DPS will pay the third-party contractor, ENVOC, their fees; and DPS will transfer to the State Treasury's Central Depository Account the remaining collections on a daily basis. The account will be named POS OMF Face to Face Credit Card Revenue Collections.



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Mr. Adomako motioned approval of the request to open one (1) new Demand Deposit Account (DDA) submitted by the Department of Public Safety, Office of Management and Finance, seconded by Ms. Lapeze, and without objection, Item 4i was approved.

Agenda Item 4j was submitted by the Department of Natural Resources, Office of Mineral Resources, and was a request for the Cash Management Review Board's (CMRB's) approval to open one (1) new Demand Deposit Account (DDA) at JP Morgan Chase Bank in Baton Rouge for the purpose of collecting online, good-faith bid deposits for mineral lease sales for the Office of Mineral Resources. Stacey Talley, Deputy Assistant Secretary for the Office of Mineral Resources Executive Division, stated the agency currently collects paper bids but plans to offer online bidding in the future. Upon adopting online bidding, transactions between the agency and bidder will require a place to hold bids until the bids are either awarded or reimbursed. Bid amounts vary. Maximum bids can be as high as \$5 million. Most bids occur between Monday and Tuesday morning. DNR does not receive many competing bids, which permits most bids to be awarded. Non-awarded bids will be handled as a "rejected wire" and returned by ACH or by wire.

Mr. Adomako motioned approval of the request to open one (1) new Demand Deposit Account (DDA) submitted by the Department of Natural Resources, Office of Mineral Resources, seconded by Ms. Lapeze, and without objection, Item 4j was approved.

For informational purposes only, Agenda Item 5a was submitted by the Louisiana Special Education Center (LSEC) to notify the board of the closure of the Client Clothing Account at the MidSouth Bank in Alexandria. The account was initially approved by the Cash Management Review Board (CMRB) on September 11, 2007 as a Demand Deposit Account (DDA) and was funded with Medicaid funds. LSEC is currently using their State Procurement Card for these purchases.

For informational purposes only, Agenda Item 5b was submitted by the Recovery School District to notify the board of their withdrawal of the initial request from the June 20, 2013 CMRB meeting to convert an existing Zero Balance Account (ZBA) to a Demand Deposit Account (DDA) until further internal discussions and discussions with the vendor have occurred.

For informational purposes only, Mr. Tom Cole expressed interest in the management of existing, inactive bank accounts. Mr. Afranie Adomako stated that the management of these accounts was discussed at the prior Cash Management Review Board meeting. The State Treasurer's Office, along with Chase Bank, is reviewing activity for approved bank accounts on a quarterly basis and is in the process of creating procedures for monitoring inactive accounts.

There were no Other Business topics to be discussed.

Mr. Adomako motioned to adjourn, seconded by Ms. Lapeze, and without objection, the meeting was adjourned.