



**MINUTES**  
**CASH MANAGEMENT REVIEW BOARD**  
**THURSDAY, JUNE 20, 2019**  
**HOUSE COMMITTEE ROOM 6**  
**STATE CAPITOL**

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. Brent Manuel called the roll.

**MEMBERS PRESENT:**

Laura Lapeze, as Chair and designee for the State Treasurer  
Senator Eric LaFleur, Chair of Senate Finance Committee  
Representative Cameron Henry, Chair of House Appropriations Committee  
Rick McGimsey, as designee for the Commissioner of Administration  
Ernie Summerville, CPA, as designee for the Legislative Auditor (Non-voting member)

**OTHER PERSONS PRESENT:**

John M. Schroder Sr., State Treasurer  
Brent Manuel, State Treasury Fiscal Control Manager and Secretary to the Board  
Marella Houghton, Deputy Undersecretary for Division of Administration  
Shanda Jones, Undersecretary for Secretary of State  
Garry Williams, Undersecretary for Office of Juvenile Justice  
Tara Pocorello, Department of Public Safety, Assistant Director  
Clarence Lymon, Undersecretary for Louisiana Department of Revenue  
Kevin Richard, Deputy Secretary of Louisiana Department of Revenue

Senator LaFleur motioned for approval of the minutes for the February 21, 2019 meeting, seconded by Ms. Lapeze, and without objection, the minutes were approved.

Agenda Item 3a was submitted by the Office of Group Benefits requesting approval to repurpose and rename two existing Escrow Accounts. Ms. Houghton, Deputy Undersecretary for the Division of Administration, explained the revenue and expenditure Escrow accounts would be utilized for holding refund tax garnishments received through the Louisiana Department of Revenue, Office of Debt Recovery for collections of final debt. Mr. McGimsey made the motion to approve, seconded by Ms. Lapeze, and without objection, Item 3a was approved.

Agenda Item 4a was submitted by Louisiana Secretary of State requesting to close an existing Imprest bank account at Capital One, Baton Rouge Louisiana, and open a new Imprest bank account at J.P. Morgan Chase, Baton Rouge, Louisiana due to higher banking fees at Capital One. Mr. McGimsey made a motion to approve, seconded by Ms. Lapeze, and without objection, Item 4a was approved.

Agenda Item 4b was submitted by the Department of Public Safety, Youth Services, Office of Juvenile Justice, requesting to open a new ZBA bank account at J.P. Morgan Chase, Alexandria, Louisiana. Acadiana Center for Youth is a newly opened secure care facility and requires funds to



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be separate from other locations. These self-generated funds, which include commissions, private donations, youth hobby craft sales and contraband, will be deposited into this account. Mr. McGimsey made a motion to approve, seconded by Ms. Lapeze, and without objection, Item 4b was approved.

Agenda Item 4c was submitted by the Department of Public Safety, Youth Services, Office of Juvenile Justice, requesting to open a new Imprest bank account, which will include Petty Cash, at J.P. Morgan Chase, Alexandria, Louisiana to allow Acadiana Center for Youth to separate funds from other locations. Mr. McGimsey made a motion to approve, seconded by Ms. Lapeze, and without objection, Item 4c was approved.

Item 4d was submitted by Department of Public Safety and Corrections, Office of Motor Vehicles requesting to close an existing bank account at Capital One, Mansfield, Louisiana, and open a new bank account at Citizens National Bank, Mansfield, Louisiana. These funds are swept to the State Treasury Central Depository Bank Account daily, creating the need for a new bank account to be established. There are no J.P. Morgan Chase branches in Mansfield. Due to the closing of the Mansfield Capital One branch as of May 6, 2019, the request was preapproved by Ms. Lapeze on May 9, 2019, and the bank account was opened on May 13, 2019. Mr. McGimsey made a motion to approve, seconded by Ms. Lapeze, and without objection, Item 4d was approved.

Agenda Item 4e was submitted by the Louisiana Department of Insurance requesting to repurpose an existing ZBA bank account at J.P. Morgan Chase, Baton Rouge, Louisiana, to begin accepting credit card usage for payment for regulatory fees and/or taxes in addition to ACH transactions. Ms. Lapeze preapproved this request on June 13, 2019. The bank account is active and currently being used to receive money for ACH (e-check) transactions. Mr. McGimsey made a motion to approve, seconded by Ms. Lapeze, and without objection, Item 4e was approved.

Agenda Items 4f and 4g were submitted by Louisiana Tax Free Shopping Commission (LTFS) requesting to convert the Refund Center bank account with Hancock Whitney Bank, New Orleans and the Operating bank account with J.P. Morgan Chase to be under the State's Central Banking Services contract with J.P. Morgan Chase. Mr. Lymon, Undersecretary of Louisiana Department of Revenue (LDR), and Kevin Richard, Deputy Secretary of LDR, spoke on behalf of LTFS explaining the cost effectiveness of converting these bank accounts. Mr. Lymon explained the Board's request of LDR to exercise more oversight in the operating and refund activities of LTFS. LDR through its Financial Services Division will assist LTFS in reconciling accounts and reporting to the Commission. LDR expects considerable savings using the banking agreement negotiated by the Treasurer's Office.



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Treasurer Schroder asked Ms. Lapeze why we were not utilizing the State's central banking services contract with J.P. Morgan Chase across entire state government. Ms. Lapeze responded that agencies required to deposit with State Treasury must use the State's central banking services contract. These agencies are allowed to use another fiscal agent bank in rural areas in which there is not a J.P. Morgan Chase branch nearby. J.P. Morgan Chase allows agencies, boards and commissions not required to deposit with Treasury to utilize the State's pricing; however, those agencies are directly billed for those services. Treasurer Schroder commented that agencies should be conscientious to save money every single day. Mr. McGimsey stated that until the Constitution is changed, boards and commissions do not have to deposit their funds with Treasury. The Treasurer stated that he is not saying that anyone should be required to put their funds in Treasury; they should be required to get the best finance deal that they can. Mr. McGimsey made a motion to approve, seconded by Ms. Lapeze, and without objection, Items 4f and 4g were approved.

Having no further business to discuss, Representative Henry made a motion to adjourn, seconded by Ms. Lapeze, and without objection, the meeting was adjourned.