



**MINUTES**  
**CASH MANAGEMENT REVIEW BOARD MEETING**  
**9:00 A.M.**  
**THURSDAY, JULY 7, 2022**  
**HOUSE COMMITTEE ROOM 1**  
**LOUISIANA STATE CAPITOL**

The items listed on the May 20, 2021 Agenda are incorporated and considered to be a part of the minutes herein.

Chair Lindsay Schexnayder called the meeting to order. Brent E. Manuel called the roll.

**MEMBERS PRESENT:**

State Treasurer John M Schroder  
Lindsay Schexnayder, as Chair and designee for the State Treasurer  
Brain Fleming, designee for the Commissioner of Administration  
Senator Mack "Bodi" White, Chair of Senate Finance Committee  
Representative Jerome Zeringue, Chair of House Appropriations Committee  
Mike Waguespack, CPA, Legislative Auditor (Non-voting member)

**OTHER PERSONS PRESENT:**

Brent E. Manuel, State Treasury Fiscal Control Manager and Secretary to the Board  
Greg Rattler Sr., JPMC Managing Director  
Bryan McClinton, Undersecretary Wildlife & Fisheries  
Karen Evans, NE Delta Human Services Authority, CFO  
Laura Lapeze, Undersecretary La. Dept. of Revenue

Ms. Schexnayder motioned for approval of minutes for the May 20, 2021 meeting, seconded by Treasurer John Schroder. Without objection, the minutes were approved.

Agenda Item 3: Ms. Schexnayder started off discussing that Act 66 of 2021 RLS required agencies to adapt a cybersecurity plan and financial procedures relative to this cash management review board by September 22, 2021. The board is required to review and approve the submissions and any changes that are made in the future. Treasury received and reviewed agency submitted plans. Treasurer said this is not difficult, the state needs to be proactive in mitigating fraud and cybersecurity attacks. Treasurer expressed frustration with agencies that could not get their plan in on time after they were given a year to do so. The Treasurer asked Mr. Greg Rattler to speak on this subject. Mr. Rattler recapped 4 years prior discussing this topic using tabletop meetings with Treasury. He reported this is the main topic and ever growing industry wide. Treasurer Schroeder agreed and said this topic dominates conference discussions. The Treasurer expressed interest in putting out letters advising the division about who is complying and who is not. Ms. Schexnayder agreed and responded Treasury will not get any changes unless changes in policy are made and we will get signed off signatures. Senator White mentioned Louisiana Tech is a leading authority in cybersecurity and should be part of the solution to financial cybersecurity due to the amount of resources they are given by the State. Mr. Rattler will follow up with Treasury. Treasurer Schroder wants the Treasury to be involved in cybersecurity meetings given that it deals with the cash



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management and is the banker for the state. When JPMC is having issues, they call Treasury. Representative Zeringue reiterated frustrations of not receiving agency plans timely. Representative Zeringue agreed with Senator White in that we need to integrate resources available to the state to combat this problem. Treasurer Schroeder asked if the legislative auditors has guidelines regarding cybersecurity to follow when auditing agencies, Mr. Waguespack responded not to his knowledge. Ms. Schexnayder made a motion for approval for Agenda Item 3, seconded by Treasurer Schroeder. Without objection, Agenda Item 3 was approved.

Agenda Item 4: Ms. Schexnayder presented this item stating that this resolution directed cash management review board to meet established and function as a Louisiana digital assets working group to research specified issues relating to the use of digital assets in Louisiana and report findings and recommendations regarding legal and regulatory improvements to the State Treasurer on or before February 1<sup>st</sup>, 2023. It defines virtual currency as a medium of exchange or form of digitally stored value and virtual currency businesses engage in the exchanging, transferring, or storing of that virtual currency. This working group should research, report and make specific recommendations on a range of issues to improve Louisiana's banking and business climate for all kinds of technological firms and those that transact in digital currencies and assets. Ms. Schexnayder said this meeting is to set the first two board members, which is to meet the third Wednesday of each month starting in July and report back to the CMRB by the end of December. Representative White will be the chair of this board and Treasurer Schroeder is the other member. Treasurer Schroeder has no intention of investing state money into cryptocurrencies. He wants the state to be able to take electronic types of payments. He also mentioned he thinks he does not need legislation to do this and this can be done relatively quickly. Treasurer Schroeder reiterated this is not about investing; this strictly is about how the state receives payments. Agenda Item 4 does not require a motion.

Agenda Item 5: The Treasurer wants the state to be more willing to utilize the technology of electronic payments, such as Paypal, Venmo, and Zelle. Treasurer Schroeder said our contract allows this, legislation is not needed. The Treasurer said this is about the taxpayers and the convenience for taxpayers. Representative Zeringue asked for clarification on not just credit card payments but for all electronic payments, the Treasurer confirmed, yes all electronic payments. Mr. Bryan McClinton addressed the board confirming Wildlife and Fisheries does rather accept instant payments instead of checks as they encounter many issues with check payments. Agenda Item 5 does not require a motion.

Agenda Item 6a: Ms. Schexnayder stated that the Department of Revenue is requesting to create 4 escrow accounts, two from income tax checkoffs from the 2021 RLS, where tax payers will donate money to these organizations and the department of revenue will send those monies to the organizations. One is for the sexual trauma and awareness and response escrow account, one is for the LSU Agriculture, the 4-H Camp Grant Walker Center. The other is related to CEAs that department of revenue enters into based on legislation, the Enterprise Boulevard Economic Development and the I-10 Corridor Economic Development. No questions. Representative



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Zeringue made a motion to approve, seconded by Ms. Schexnayder. Without objection, Item 6a was approved.

Agenda Item 6b: Ms. Schexnayder stated that the Department of Wildlife and Fisheries is requesting a creating of an escrow account from ACT 356 of the 2021 RLS, allowing for the collection of the donations from disabled veterans when an individual is purchasing a fishing or hunting license. Mr. Fleming made a motion to approve, seconded by Ms. Schexnayder. Without objection, Item 6b was approved.

Agenda Item 7a: Ms. Schexnayder stated that the Department of Public Safety and Corrections, Office of Motor Vehicles requested to open an account with State Bank & Trust in Golden Meadow. Preapproved because the local branch close and the closest Chase bank was 40 minutes away, and they needed a place to deposit their money. Ms. Schexnayder made a motion to approve, seconded by Representative Zeringue. Without objection, Item 7a was approved.

Agenda Item 7b: Ms. Schexnayder stated that the Department of Revenue is requesting to open an account at JP Morgan Chase for tax collections for the external collection agencies. Representative Zeringue made a motion to approve, seconded by Mr. Fleming. Without objection, Item 7b was approved.

Agenda Item 7c: Ms. Schexnayder stated that the Department of Health, Northeast delta Human Services Authority is requesting to open a bank account at Origin Bank in Monroe, which will be used to accept debit/credit cards. Their three branches will be consolidating existing accounts, saving \$71.50 per account of monthly charges. NE Delta Services' CFO Karen Evans was concerned about people transporting cash from Bastrop into Monroe because there is no Chase Bank in Bastrop. There is an Origin Bank in Monroe, Bastrop, and Ruston. The cash is people's copay for insurance. The amount is close to \$5000 a year. The agency wants to close both of their accounts with Chase and moving all three new accounts to Origin. The contract that the state has with JP Morgan Chase gives the state the ability to authorize entities to move banks in this committee. Mr. Rattler stated that any state board agency, department, or commission are entitled to open an account at any Chase branch throughout the state. Continued with stating that JP Morgan Chase will accommodate any state or governmental agency in this endeavor. Treasurer moves for approval based on the fact that the agency needs a bank to do business with, and the state can't force Chase to open a bank in every city of Louisiana. Senator White seconded the motion and without objection, Item 7c was approved.

Agency Item 7d: Ms. Schexnayder stated that the Department of Justice is requesting a new bank account at JP Morgan Chase to collect online payments for their public protection transactions. Item 7d was motioned for approval by Treasurer Schroeder and seconded by Representative Zeringue. Without objection, Item 7d was approved.



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Agency Item 7e: Public Service Commission. There was notification that this item could be removed. After further research, their account was already setup for this purpose. Removed.

Agency Item 7f: Ms. Schexnayder stated that the Special School District is requesting a name change on their existing account at Chase Bank. Louisiana. Treasurer Schroder made a motion to approve, seconded by Representative Zeringue. Without objection, Item 7f was approved.

Agency Item 7g: Ms. Schexnayder stated that the Department of Health, Office of Management and Finance is requesting to reactivate and repurpose an existing lockbox at JP Morgan Chase so they can accept deposits and documentation for their Health Information Technology for Economic and Clinical Health Program deposits. Treasurer Schroder made a motion to approve, seconded by Representative Zeringue. Without objection, Item 7g was approved.

The Treasurer discussed his past discussions with cash and digital assets. He wants participation from all ages, those using cash, and those using digital assets. The Treasurer would like to meet with the Administration to discuss this. Treasurer ended with saying that Louisiana needs to be friendlier with digital payments and develop their systems.

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