

STATE BOARD OF DEPOSIT

STATE OF OHIO

Members:

Robert Sprague, Chairman
Treasurer of State

Dave Yost
Attorney General

Keith Faber
Auditor of State

Minutes of the meeting of the State Board of Deposit held May 27, 2025, which started at 10:30 a.m. in the Rhodes State Office Tower Administrative Hearing Room.

MEMBERS PRESENT:

Robert C. Sprague, Treasurer of the State of Ohio
Dave Yost, Ohio Attorney General
Timothy S. Keen, representing the Ohio Auditor of State

OTHERS PRESENT:

Elizabeth Meade, Secretary
Marjorie Kruse, Deputy Treasurer
Jane Wolfe, Treasurer of State
William Collier, Ohio Attorney General
Harold J. Anderson, Treasurer of State
Stephanie Motley, Treasurer of State
Lauren Roquemore, Treasurer of State
Walt Myers, Treasurer of State
Laura Martine, Treasurer of State
Steve Gray, Treasurer of State
Paul Theis, Treasurer of State
Elizabeth Miceli, Treasurer of State
Scott Adams, Treasurer of State
Hannah Poling, Treasurer of State
Holly Cooper, Treasurer of State
Travis Colliver, Treasurer of State
Kim Flasher, Treasurer of State
Aidan Oliver, Treasurer of State
Mac Robertson, Treasurer of State
Aiden Vanderbilt, Treasurer of State
Jessa Goldberg, Treasurer of State
Gabrielle Smith, Treasurer of State
Keith Ohanian, Treasurer of State

The Secretary of the State Board of Deposit has complied with section 135-1-01 of the Administrative Code concerning notice of the meetings of the State Board of Deposit.

Chairman Sprague called the meeting to order. Mr. Sprague then asked for a motion that the reading of the minutes from the State Board of Deposit meeting held March 17, 2025, which was previously distributed to the members, be dispensed with and that the minutes be approved upon motion and vote. Mr. Keen made the motion to approve the minutes and Mr. Sprague seconded. Motion carried (3-0).

Mr. Sprague indicated that any audience members who were interested in addressing the Board, should fill out a witness slip and give the slip to the Board Secretary. Mr. Sprague reminded the audience that witnesses were limited to two minutes when addressing the Board.

Mr. Yost asked Mr. Sprague to tell the Board more about the interns of the Treasurer's office in attendance at the meeting. Mr. Sprague asked Kim Flasher to introduce the interns of the Treasurer's office to the Board: Aidan Oliver, Aiden Vanderbilt, Keith Ohanian, Gabrielle Smith, Mac Roberton, and Jessa Goldberg. Mr. Sprague described the internship experience at the Treasurer's office.

OLD BUSINESS

Mr. Sprague stated there was no old business to come before the board at this time.

NEW BUSINESS

Mr. Sprague asked Jane Wolfe to provide an update on the fiscal year 2025 Board of Deposit budget for informational purposes only and no motion to approve is required. Ms. Wolfe indicated that the Board had before it the fiscal year 2025 budget status reports. She indicated that the status reports are for banking and consulting services processed through February 2025. Ms. Wolfe stated that about eighty percent remains in open encumbrances, so she believes that the Board is doing well and will not need to request an increase in budget. Ms. Wolfe stated that the Board should have received that morning the March 2025 certified expenditures, and that after those post, the Board will be at about seventy-two percent remaining for the rest of the year. She asked if there were any questions about the budget. There were none.

Additional new business before the Board: two resolutions were presented to the Board for approval. Mr. Sprague gave pretext to the first resolution – the first request for proposal is for an end processor for financial transaction devices, which the Board approves, to process credit cards; the second is to do more than traditional credit card processing by moving into digital financial transaction devices.

Mr. Sprague stated he believes this is important because the Treasurer's office has noticed a trend toward digital financial transaction devices, and that there is a choice to be made – to lead on this issue with the right people, processes, technology, and contracting, via a Request for Proposal ("RFP"), to ensure that the taxpayer is the safest; or to not lead on this issue, and the general assembly or the federal government may impose things on the treasury that are unsafe for the taxpayers. He continued that in his opinion, only those within the Treasurer's office have the ability to exercise the people, processes, technology, and put the contracts in place to safeguard the taxpayer and be able to lead on these financial digital transactions. Mr. Sprague commented that the Board may not lead on this issue but that it is the way of the world, and in the next four years the Board will see even greater changes than have happened in the last four years. He stated six years ago, the argument could have been made that these would pass by or would not be applicable, but what we've seen instead is an even greater movement toward these digital transactions. Mr. Sprague stated that it is his hope that the Board will be able to lead on digital transactions, and provide security and safety for the taxpayers, which is the primary mission of the Treasurer's office. The Treasurer's office has completed a couple of these transactions already, at least one for the Attorney General's office for seized cryptocurrency; but one-off transactions and the Treasurer's office making up the process as it goes along for specific instances is not good enough, there needs to be a standardized way to think through them. Mr. Sprague believes that the Board is solely capable of creating the standardized process and doing it the right way to be able to protect the taxpayers and ensuring the treasury only possesses U.S. dollars.

Resolution 2025-05, for the solicitation for financial transaction device and electronic payment processing, was presented to the Board for approval. Secretary Meade read the Resolution into the record.

**STATE BOARD OF DEPOSIT
RESOLUTION – 2025-05**

May 27, 2025

WHEREAS, the State Board of Deposit hereby adopts this resolution pursuant to Ohio Revised Code (R.C.) §113.40, to permit all state elected officials and state entities to accept the following financial transaction devices as payment for amounts owed to the state: credit cards; debit cards; prepaid or stored value cards; internet initiated, point-of-purchase, and telephone-initiated software applications; electronic payments or transfers of funds denominated in U.S. dollars; and

WHEREAS, R.C. §113.40(B) requires this Board to designate the Treasurer of State as administrative agent to solicit proposals for financial transaction device processing, in compliance with procedures provided in R.C. §113.40(C), from financial institutions, issuers of electronic payment and financial transaction devices, and/or end processors of financial transaction devices that desire to provide financial transaction device processing services to any state elected official or state entity; and

WHEREAS, further this Board, pursuant to R.C. §113.40(B), designates the Treasurer of State as administrative agent to solicit proposals for processing of electronic payments or transfers of funds, in compliance with procedures provided in R.C. §113.40(C), from financial institutions, issuers of electronic payment and financial transaction devices, and/or end processors of electronic payments or transfers of funds converted into and denominated in U.S. dollars; and

WHEREAS, the Treasurer of State shall make recommendations about the proposals to the State Board of Deposit; and

THEREFORE, BE IT RESOLVED BY THE STATE BOARD OF DEPOSIT:

1. That in accordance with R.C. §113.40, the State Board of Deposit hereby authorizes the Treasurer of State, as administrative agent, to solicit financial transaction device processing proposals for credit cards; debit cards; prepaid or stored value cards; internet-initiated, point of purchase, and telephone-initiated software applications; which solicitation shall be in compliance with the procedures provided in R.C. §113.40(C) and to make recommendations about those proposals to the Board of Deposit; and to assist state entities and state elected officials in implementing the state's financial transaction device program by means as set out above. The solicitations shall be completed in a timeframe that reasonably permits this Board to designate the selected provider or providers not later than January 31, 2026.
2. That in accordance with R.C. §113.40, the State Board of Deposit hereby authorizes the Treasurer of State, as administrative agent, to solicit proposals for the processing of electronic payments and/or electronic transfers of funds including conversion into U.S. dollars as needed, in compliance with the procedures provided in R.C. §113.40(C) and to make recommendations about those proposals to the Board of Deposit; and to assist state entities and state elected officials in implementing the processing of electronic payments and/or electronic transfers of funds converted into and denominated in U.S. dollars by means as set out above. The solicitations shall be completed in a timeframe that reasonably permits this Board to designate the selected provider or providers not later than September 30, 2025.
3. Further, the State Board of Deposit herewith permits state entities and state elected officials to impose a surcharge or convenience fee on processing any financial transaction device transaction, and/or electronic payment and/or transfer of funds in accordance with R.C. §113.40(E) and (F) and such

guidelines as may be established by the Treasurer of State. The State Board of Deposit hereby permits the assessment of a penalty for any returned or dishonored financial transaction device payment or related to the failed electronic payment and/or transfer of funds in accordance with R.C. §113.40(G).

Robert Cole Sprague, Chairman
Treasurer of State

Dave Yost
Attorney General

Keith Faber
Auditor of State

Mr. Sprague stated that Marjorie Kruse would like to explain the resolution. Ms. Kruse stated that the first item in the resolution is the traditional credit card and debit card presentment that has been an accepted method of payment for twenty-five years with the State, where the card is presented or the numbers on the card are key entered into a telephone application, an Internet webpage, etc. The current contract expires in April of 2026 and the first item in the resolution will allow an RFP to solicit one or more vendors for the new four-year contract. Ms. Kruse stated that the second item in the resolution is a newer form of financial transaction device, digital wallet. With the digital wallet, the personal information, credit card information, debit card information, check account information, etc. is protected within the digital wallet. This has become a popular form of payment, and the Treasurer's office has had inquiries from State agencies about making this method available to their customers. Ms. Kruse stated this would be a separate RFP since it is a different type of processing, and if so needed, it would also include the conversion into U.S. dollars. The Treasurer's office would get the electronic transfer of funds into the State treasury, along with the information that the State agencies need to match the payment with the payor. Ms. Kruse stated she would be happy to answer any additional questions the Board may have. Mr. Sprague moved for the approval of Resolution 2025-05; Mr. Keen seconded the motion.

Mr. Sprague asked the Board if there is any discussion on the topic. Mr. Yost asked if this resolution was for the standard credit card, clarifying that it did not have anything to do with cryptocurrency. Mr. Sprague replied that was correct, it allowed for the digital wallet. Ms. Kruse clarified that a digital wallet could include cryptocurrency, but it could also be Venmo, PayPal, Apple Pay, Google Pay, etc., which could be processed in a similar way. Mr. Yost asked if those were dollar for dollar devices. Ms. Kruse confirmed. Mr. Sprague asked if there was any other discussion or questions. Mr. Keen asked for clarification as to how many resolutions were being voted on. Mr. Sprague stated there are two, resolution 2025-05, which was just read, and resolution 2025-06, which will be read next. Mr. Keen asked for clarification as to what resolution 2025-06 is. Mr. Sprague asked Ms. Kruse to clarify what each resolution was for. Ms. Kruse stated that resolution 2025-06 is to approve interim depositories for the next designation period, which begins July 7, 2025, and ends July 1, 2029. Resolution 2025-05 strictly covers financial transaction devices, but two separate RFPs for financial transaction device processing. Mr. Keen thanked Ms. Kruse for the clarification. Mr. Keen restated for clarification that section one of resolution 2025-05 is the traditional activity that has been in practice for many years, and that section two of the same resolution is to move into new space, opening up an acceptance of a variety of different payment options, all in U.S. dollars. He stated Auditor Faber is supportive of moving in this direction but wants to ensure there is no risk to the State that fluctuations in values of non-U.S. dollar payments could adversely affect the State; that the way this is set up, the State bears no risk. Mr. Sprague stated that is the concern of the Treasurer's office as well, which is why he would like the Board to lead on this issue to ensure that is the case, that only U.S. dollars are accepted into the

State treasury, and to ensure it is done the right way. These methods of payment are available at grocery stores, and people are going to want to use them to pay for items such as their boating licenses and other items. He stated this allows the Board to put together a RFP to accept a contract that will have the stipulations Mr. Keen described included in it.

Mr. Yost pointed out that section two of resolution 2025-05 contained the language “conversion into U.S. dollars,” stating this means that they are not originally put in in U.S. dollars. He continued that because the resolution is approving a RFP, he was going to vote in favor of the resolution with the understanding that the selection, if any, the Treasurer’s office would make from the RFP would have to come before the Board for approval. Mr. Sprague confirmed that is correct. Mr. Yost stated that he did not support the expansion of payments to include cryptocurrencies or many other kinds of things that can be converted. He stated that he likes crypto and believes it is a good store of value if we think about the actual meaning of money, but he questions whether the State should, at this point, be authorizing payments or its various receivables in the form of crypto, regardless whether it’s converted or not. It was suggested to him by Secretary of State Frank LaRose that this is good for business and the State should be out in front, being supportive of this emerging technology and businesses. Mr. Yost stated that a couple of the State’s largest trade partners are Canada and Mexico, positing whether the State will also want a facility for people to be able to pay their taxes or other debts into the State in the form of those foreign currencies. He stated crypto is not a currency, but rather a commodity, and the State has lots of commodities; positing whether the State should add a facility for gold, silver, or platinum, or should allow bearer bonds, which are privately issued instruments of value. Mr. Yost stated he believes this path opens up a whole host of questions that simply are not necessary since everything is working the fine the way it is and everyone has access to U.S. dollars, and he does not see himself willing to be persuaded differently to see the value to the State. He stated the assurance that there is no risk is dependent upon the nature of the contract that is put out. No one in the room, having not even written the RFP yet, can possibly guarantee that there is no risk, and the answer to that question fairly is it remains to be seen. Mr. Yost stated that the notion that the Board should act quickly because the general assembly might act in a contrary or divergent direction was surprising to him. The constitution says that all political power in Ohio is adhering to the people, that the people have delegated the policy apparatus to the legislature, where Mr. Sprague served and zealously guarded that interest. He continued that even if the Board were to act and enter into a contract, it would not prevent the legislature from acting. That while the general assembly could not cancel the contract, they could forbid the State to act in certain ways since this would be a demand service, they could prohibit the State from having the demand. Mr. Yost concluded that he does not believe this new payment platform is ready for primetime, but that he was going to vote yes with the caveat that all the Board is authorizing is the RFP, and that the Board will have a more robust debate in the future.

Mr. Sprague thanked Mr. Yost for his comments. Mr. Sprague stated he appreciated everyone’s remarks and the weight of trying to deliberate on this topic. The world is obviously changing, for example the way transactions were processed during COVID, the Treasurer’s office shut down the cash window because it was no longer needed and simply went to direct overnight drop-boxes. He stated he appreciated the Attorney General’s remarks and concerns and Auditor Faber and Mr. Keen’s remarks and concerns, and that this is going to be an ongoing debate that the Board can figure this out together, but it is his belief that the State is best when the Board leads. He continued that the Board leads in the areas where we’re strongest, and he has great confidence in the staff at the Treasurer’s office to be able to do this the right way and protect the taxpayers and people of the State. Mr. Sprague asked if there were any other questions or comments. Hearing none, Mr. Sprague called for a vote on resolution 2025-05. The motion carried (3-0).

Resolution 2025-06, for the designation of public depositories, was presented to the Board for approval. Mr. Sprague asked Secretary Meade to read Resolution 2025-06 into the record.

**STATE BOARD OF DEPOSIT
RESOLUTION – 2025-06**

May 27, 2025

***WHEREAS**, the Treasurer of State, on behalf of the State Board of Deposit, solicited applications from eligible financial institutions to be designated as public depositories of the public moneys of the state; and*

***WHEREAS**, the Treasurer of State has received applications from eligible financial institutions desiring to be designated as public depositories of interim deposits of the public moneys of the state for the period commencing July 7, 2025, and ending on July 1, 2029; and*

***WHEREAS**, the Treasurer of State has reviewed such applications and determined that each satisfies the requirements of Chapter 135 of the Ohio Revised Code;*

THEREFORE, BE IT RESOLVED BY THE STATE BOARD OF DEPOSIT:

The attached list of financial institutions, hereafter Attachment A, are hereby designated as public depositories of the public moneys of the state, for interim deposits only, for the period commencing July 7, 2025, and ending on July 1, 2029.

Robert Cole Sprague, Chairman
Treasurer of State

Dave Yost
Attorney General

Keith Faber
Auditor of State

ATTACHMENT A
(Resolution BOD 2025-06)
May 27, 2025

Name of Financial Institution:

*1st National Bank
The Andover Bank
The Apple Creek Banking Company
Bridge Credit Union
Buckeye State Bank
Century Federal Credit Union
Civista Bank
CME Federal Credit Union
The Commercial & Savings Bank
Farmers & Merchants State Bank
The Farmers National Bank of Canfield*

Fidelity Federal Savings & Loan Association
The First Citizens National Bank of Upper Sandusky
First Federal Community Bank of Bucyrus
First National Bank in New Bremen
The Genoa Banking Company
German American Bank
Greenville Federal
Greenville National Bank
The Hamler State Bank
Hancock Federal Credit Union
Hocking Valley Bank
Home National Bank
Hometown Bank
Impact Credit Union, Inc.
Kemba Credit Union, Inc.
KEMBA Financial Credit Union, Inc.
Kingston National Bank
LCNB National Bank
Merchants National Bank
The Middlefield Banking Company
Minster Bank
National Cooperative Bank, N.A.
North Valley Bank
Osgood Bank
The Ottoville Bank Company
Peoples State Bank
Quest Federal Credit Union
S&T Bank
The St. Henry Bank
Superior Credit Union Inc
Sutton Bank
Telhio Credit Union
Twin Valley Bank
Your Legacy Federal Credit Union

Mr. Sprague noted the Treasurer's office is glad to have so many participants in the interim depository programs and so many trusted partners in terms of financial institutions here in the State. Mr. Sprague asked for a motion to approve Resolution 2025-06. Mr. Keen made the motion to approve the resolution, and both Mr. Sprague and Mr. Yost seconded. The motion carried (3-0).

PUBLIC COMMENT

Mr. Sprague asked Secretary Meade if any witness slips had been turned in. Ms. Meade stated that no slips had been turned in.

Mr. Sprague stated there was not any additional business to come before the Board and moved to adjourn the meeting. Mr. Yost seconded the motion. The motion carried (3-0). The meeting was adjourned at 10:59 a.m.

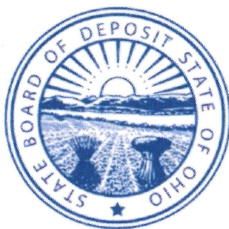
Robert Sprague
ROBERT SPRAGUE, TREASURER OF STATE
CHAIRMAN, STATE BOARD OF DEPOSIT

ATTORNEY GENERAL William Collins

AUDITOR OF STATE Scotty Sreen

ATTEST: Cheryl Nae
SECRETARY

Date approved: June 25, 2025



STATE BOARD OF DEPOSIT STATE OF OHIO

Members:
Robert Sprague, Chairman
Treasurer of State
Dave Yost
Attorney General
Keith Faber
Auditor of State

STATE BOARD OF DEPOSIT RESOLUTION – 2025-07

June 25, 2025

WHEREAS, the Treasurer of State, on behalf of the State Board of Deposit, solicited applications from eligible financial institutions to be designated as public depositories of the public moneys of the state; and

WHEREAS, the Treasurer of State has received applications from eligible financial institutions desiring to be designated as public depositories of interim deposits of the public moneys of the state for the period commencing July 7, 2025, and ending on July 1, 2029; and

WHEREAS, the Treasurer of State has reviewed such applications and determined that each satisfies the requirements of Chapter 135 of the Ohio Revised Code;

THEREFORE, BE IT RESOLVED BY THE STATE BOARD OF DEPOSIT:

The attached list of financial institutions, hereafter Attachment A, are hereby designated as public depositories of the public moneys of the state, for interim deposits only, for the period commencing July 7, 2025, and ending on July 1, 2029.

Robert Cole Sprague, Chairman
Treasurer of State

Dave Yost
Attorney General

Keith Faber
Auditor of State

ATTACHMENT A
(Resolution BOD 2025-07)
June 25, 2025

Name of Financial Institution:

Adelphi Bank	Main Street Bank Corp.
Buckeye Community Bank	The Metamora State Bank
Cardinal Credit Union, Inc.	Monroe Federal Savings & Loan
CFBank, NA	Association
The Citizens Bank Company	North Side Bank & Trust Company
CNB Bank	Pathways Financial Credit Union, Inc.
The Community Bank	Peoples Bank
Community Savings	The Peoples Savings Bank
Day Air Credit Union	Portage Community Bank
Farmers State Bank	The Richwood Banking Company
The Farmers State Bank	The Savings Bank
First Bank Richmond	Seven Seventeen Credit Union, Inc.
First Commonwealth Bank	Sharefax Credit Union
First Federal Savings & Loan Association of Lakewood	The State Bank & Trust Company
First Federal Savings and Loan Association of Lorain	Sun Federal Credit Union
First Financial Bank	Toledo Urban Federal Credit Union
First National Bank of Pandora	Towpath Credit Union, Inc.
Fremont Federal Credit Union	Unified Bank
Guardian Savings Bank	The Union Bank Company
The Home Loan Savings Bank	Union Savings Bank
The Home Savings and Loan Company of Kenton Ohio	WesBanco Bank, Inc
Liberty Savings Bank, F.S.B.	