

Office of the State Treasurer

FY 2027 Joint Finance Committee Hearing

February 10, 2026

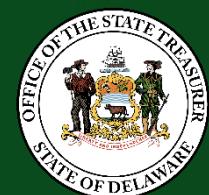
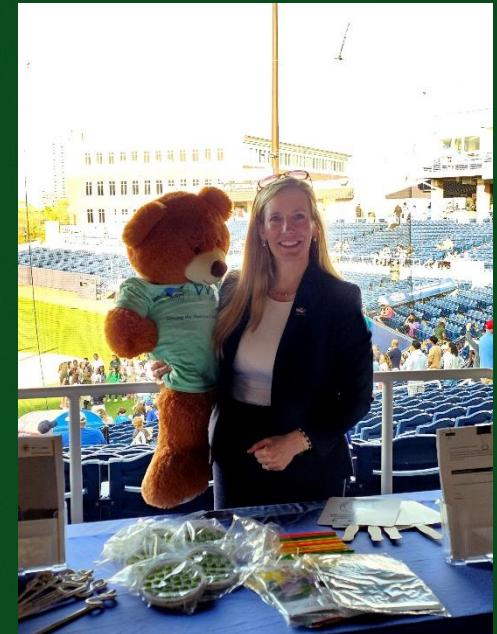


Our Mission

To create value for Delawareans by fostering a culture of financial excellence in the execution of secure transactions, stewardship of state tax dollars, and provision of financial empowerment avenues – with an emphasis on serving our communities.

Through continuous innovation and execution of impactful policy, we aim to build a future where every Delawarean benefits from economic opportunity and long-term financial security.





OST Divisions & Operations

Contributions & Plan Management

Deferred Compensation

DE529

DEPENDABLE

Delaware EARNS

Operations & Fund Management

State Banking Relationships

Merchant Services

Debt Management

Cash Management

Reconciliation & Transaction Management

Revenue Collection

Payment Distribution

Bank Reconciliations

Internal Budget Preparation & Monitoring

Performance & Project Management

Operational Coordination

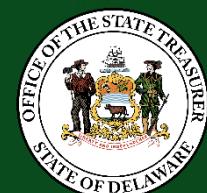
Process Improvement

Business Process Modeling

IT Services

Policy, Communications & Community Engagement

Administration



Investment Performance

\$6.62B

total market value of the state's portfolio

\$4.52B

reserve portfolio
FY25 return: 6.52%

\$1.67B

liquidity portfolio
FY25 return: 5.27%

\$143M

endowment fund
FY25 return: 12.8%

\$289M

federal ARPA holdings
FY25 return: 5.08%



Savings Plan Growth

DELAWARE EARN\$

\$9.1 million

total assets

▲ \$7.7M YoY

8,788

funded accounts

▲ 91% YoY

As of January 31, 2026



DEFER

\$1.61 billion

total assets

▲ 15% YoY

1,651

2025 enrollments

▲ 8% YoY

As of December 31, 2025

DE529

\$748.2 million

total assets

▲ 10% YoY

3,636

2025 enrollments

▲ 8% YoY

As of December 31, 2025



DEPENDABLE

\$8.6 million

total assets

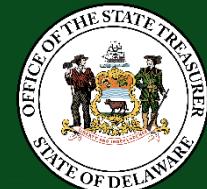
▲ 10% YoY

\$3.15 million

YTD contributions

▲ 70% YoY

As of December 31, 2025



Vacant Positions

OST has **one vacant FTE position**
that is currently in the final stages
of being filled.



Federal Funding Changes & Considerations

Medicaid and Supplemental Nutrition Assistance Program

Medicaid work requirements could result in 50,000+ Delawareans losing coverage; SNAP benefit cuts and pending reduction in federal coverage of administrative costs

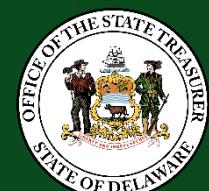
Mandated Electronic Payments

New legislation in alignment with federal initiative that took effect on Sept. 30, 2025, mandates electronic payments for all state vendors



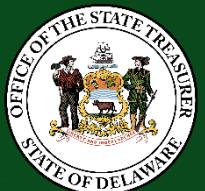
Agency Performance Metrics

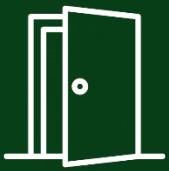
Operational Area	Performance Measure	FY27 GRB Goals	How?
Contributions & Plan Management – 457(b) and 403(b)	Account & AUM growth	<ul style="list-style-type: none">• 33,000 accounts• \$1.725B AUM	Continued educational campaigns and outreach efforts
Contributions & Plan Management – DE529	Account & AUM growth	<ul style="list-style-type: none">• 29,600 accounts• DE529: \$795M	Ongoing community engagement, sponsorships, and collaboration with Office of Vital Statistics
Contributions & Plan Management – DEpendABLE	Account & AUM growth	<ul style="list-style-type: none">• 950 accounts• \$13M AUM	Raise awareness through further engagement, leveraging age adjustment and cap increases
Operations & Fund Management	Investment returns and liquidity performance	Returns at or above benchmark while preserving liquidity and principal	Proactive portfolio management and allocation review
Reconciliations & Transaction Management	Timely reconciliation and transaction processing	Accounts reconciled monthly, maintaining audit readiness	Reconciliation software expansion, process improvements, staff training, and interagency collaboration



Office of the State Treasurer

FY 2027 Budget Requests





1

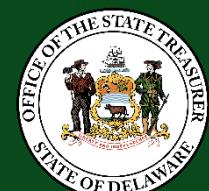
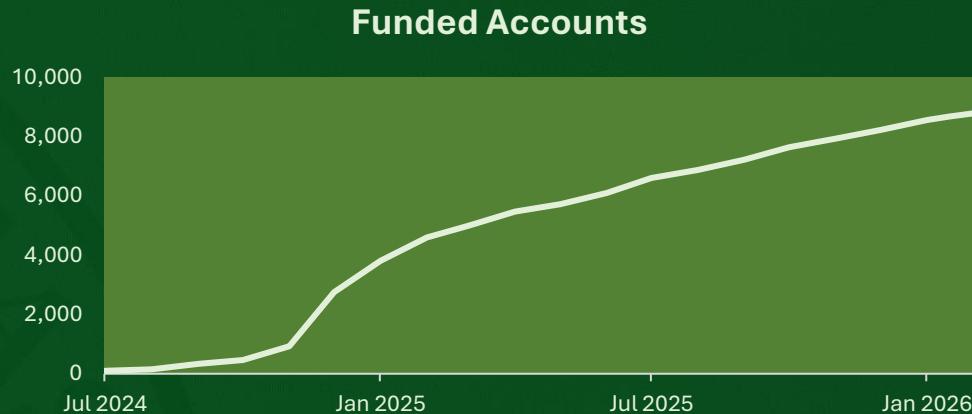
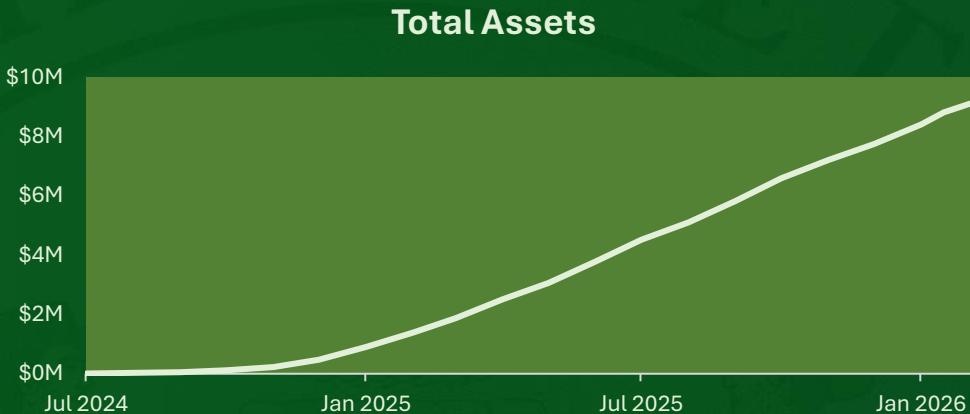
EARNS Program Manager FTE \$117.9 (GF)

GRB

Personnel costs associated with the Program Manager position to support the continued growth of the statutorily mandated Delaware EARNS program.



Delaware EARNS Growth



Information Technology

2

Secure End User Services (SEUS)

\$60.0 (ASF)

GRB

Technology products and services provided through DTI's Shared Service Cost Model – including network security, collaboration software, and voice services.

3

Technology Needs

\$107.8 (GF)

GRB

Partial

Covers the cost of replacement for PCs going out of warranty during FY27, miscellaneous technology supplies, software licensing, and non-SEUS DTI services.



Bank Account Reconciliation Project

4

Transaction Reconciliation Transition

\$150.0 (ASF)

GRB

Supports the ongoing project of moving bank account reconciliations into cloud-based software as OST continues its transition from inefficient legacy software.



Debt Management Technology

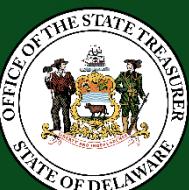
5

Integration & Automation Enhancements

\$150.0 (ASF)

GRB

Supports our transition from manual debt management processes to an integrated, cloud-based platform.



Merchant Services & PCI Compliance

6

Merchant Services & PCI-DSS

\$500.0 (ASF)

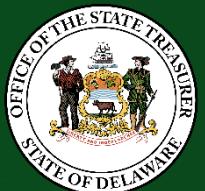
GRB

Covers rising costs associated with statewide merchant services – including credit card processing, e-commerce transactions, and maintaining secure & compliant payment systems.



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Q&A / Public Comment





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TreasurerDavis

