

**STATE OF DELAWARE
OFFICE OF THE STATE TREASURER
BANK RECONCILIATIONS**

AGREED-UPON PROCEDURES

QUARTER ENDED SEPTEMBER 30, 2014

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER
BANK RECONCILIATIONS

QUARTER ENDED SEPTEMBER 30, 2014

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Independent Accountants' Report on Applying Agreed-Upon Procedures

Kathleen Davies
Chief Administrative Auditor
Office of Auditor of Accounts
State of Delaware

We have performed the procedures enumerated below, which were agreed to by the Office of the State Treasurer and the Office of Auditor of Accounts, State of Delaware, solely to assist you in the evaluation of the bank reconciliations of the Office of the State Treasurer as of September 30, 2014. The Office of the State Treasurer's management is responsible for the State of Delaware's (the "State") bank reconciliations. This agreed-upon procedures engagement was performed in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States, and the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings were as follows:

1. Compared the list of accounts generated from the First State Financials (FSF) *Activity by Balance Sheet Account* (DGL046) to the bank accounts reconciled by the Office of the State Treasurer and the accounts included as part of each quarter's ending cash balance in FSF cash accounts 11000, 11001, 11002, 11005, 11006, 11007, 11010, 11011, 11012, 11017, 11023, 11024, and 11025 and found them in agreement.

Performed the following procedures regarding agency and department level reconciliations:

- a. We discussed the reconciliation process with the Office of the State Treasurer, noting that the DGL046 report used for the monthly Treasurer's FSF reconciliation provides information by bank code only, not by agency/department level.
- b. Currently, there is not a system report that shows a breakout of the Office of the State Treasurer ending cash balances at the agency or department level. As a result, the Office of the State Treasurer completes the monthly Treasurer's to FSF reconciliation at the statewide level only (by bank code, as detailed on the DGL046). Detailed information is not available to complete a reconciliation at the agency/department level or to provide cash balances at the agency/department level as of a specified point in time.

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2. We compiled the required quarterly reconciliation format comparing the Ending Balance on the DGL046 "Cash account subtotals" page to the FSF *Daily Validity Report* (DGL060) "STATE TOTALS" page for the quarter ended September 30, 2014 as detailed below.

FSF Balance Sheet Account to Daily Validity Report Reconciliation - Cash and Investments
September 30, 2014

Combined Cash Balance as of September 30, 2014 per DGL046 \$1,629,760,328

Less Encumbrances and Remaining Spending Authority per DGL060:

	Encumbered	Remaining Spending Authority	Total	
NSF-20 (Nonappropriated Special Funds)	\$ 81,633,391	\$ 916,825,814	\$ 998,459,205	
Remaining balance left to satisfy other fund types				631,301,123
ASF HOLD-30 (Appropriated Special Funds)	85,436,509	374,552,436	459,988,945	
Remaining balance left to satisfy other fund types				171,312,178
GF-03 (General Fund - prior year continuing)	35,050,078	77,015,188	112,065,266	
GF-04 (General Fund - prior year encumbrance balance)	15,725,705	1,094,563	16,820,268	
Remaining balance left to satisfy other fund types				42,426,644
GF-01 (General Fund - regular appropriations)	318,254,864	2,581,574,862	2,899,829,726	
GF-02 (General Fund - supplemental appropriations)	442,540	31,408,676	31,851,216	
Cash and Investments at the Office of the State Treasurer as of September 30, 2014 in excess (deficit) of all fund balances				\$ (2,889,254,298)

3. We determined the bank account balances held by the Office of the State Treasurer are not sufficient to support the use of the fund types listed at procedure #2 at September 30, 2014.

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4. Obtained the Office of the State Treasurer's reconciliation of bank balances to FSF as of September 30, 2014, and performed procedures #5 - #9 below.
5. Agreed each bank balance to the actual bank statements, and also agreed each book balance to the DGL046 report. No exceptions were noted.
6. Obtained explanations and examined supporting documentation for reconciling items over \$2,938,000, including the subsequent clearing of these reconciling items in the following months. No exceptions were noted.
7. Recalculated the reconciliations for mathematical accuracy. No exceptions were noted.
8. Compared the types and amounts of reconciling items over \$2,938,000 for nonrecurring items. Nonrecurring items are any items that are not outstanding deposits, outstanding checks – vendor and Division of Revenue accounts, ACH payments, general journal vouchers and Treasury vouchers. No items were noted that were both over \$2,938,000 and nonrecurring.
9. Agreed the cash balance reflected in the reconciliations to the Monthly Financial Report submitted by the Secretary of Finance to the Governor and members of the General Assembly. No exceptions were noted.
10. Obtained and reviewed the Office of the State Treasurer's bank reconciliation policies and procedures dated February 28, 2000, in order to determine if these policies and procedures were applied when the Office of the State Treasurer performed its September 30, 2014 reconciliation. We noted that the 2000 policy document was still in effect for the reconciliation process to FSF; there were no material changes to the reconciliation process. No deviation from written policy was noted.
11. Obtained the wire transfer log for the quarter. Selected all significant transfers between accounts in excess of \$2,938,000 for the quarter and agreed the transfer information to the applicable month's bank statements, ensuring both sides of the transfer actually occurred within one business day. No exceptions were noted.
12. Agreed the transfer activity obtained in procedure #11 to the appropriate postings in the accounts on the DGL046 report. No exceptions were noted.
13. Haphazardly selected the following five wire transfers between accounts in the quarter from the zero-balance bank accounts and agreed the net activity to the corresponding clearing in the concentration bank account. In addition, agreed the monthly posting of the zero balance and concentration activity to the DGL046 report. No exceptions were noted.

	<u>Wire Date</u>	<u>Amount</u>
Quarter ended September 30, 2014	07/15/14	\$ 959,242.11
	07/24/14	\$ 20,717,373.35
	08/07/14	\$ 132,901,492.94
	09/09/14	\$ 624,776.48
	09/26/14	\$ 15,593,139.12

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14. Obtained the Office of the State Treasurer's General Account Cash Reconciliation as of September 30, 2014, summarized the quarter's reconciliations into the form of Exhibit A, and performed the following procedures:
 - a. Agreed the bank account information to the corresponding bank statements. No exceptions were noted.
 - b. Agreed the ending book balance to the ending balance as reported in the Reconciliation to Accounting Exhibit B and the to the quarter-end reconciliation. No exceptions were noted.
15. Obtained the monthly rollforward of cash activity from the Office of the State Treasurer, summarized the quarterly activity and obtained the "Proof of Cash Reconciliation" in the form of Exhibit C, and performed the following procedure:
 - a. Agreed the beginning balances to the prior month's ending balances and agreed the ending balances to the monthly reconciliations. No exceptions were noted.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the specified bank reconciliations. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Office of the State Treasurer and the Office of the Auditor of Accounts, State of Delaware, and is not intended to be, and should not be, used by anyone other than those specified parties. However, under 29 Del. C. §10002(1), this report is a public record and its distribution is not limited. This report is required by statute, was provided to the Governor of the State of Delaware, the State of Delaware Controller General, the State of Delaware Attorney General, and the State of Delaware Office of Management and Budget.



ZELENKOFKSKE AXELROD LLC

Harrisburg, Pennsylvania
January 5, 2015

Exhibit A

**STATE OF DELAWARE
OFFICE OF THE STATE TREASURER
BANK RECONCILIATIONS**

General Account Cash Reconciliation
Quarter ended September 30, 2014

Balance per Citizens Bank	\$ 1,046,650
Balance per Mellon Bank	<u>152,669,235</u>
Bank balance at September 30, 2014	<u>153,715,885</u>
Additions:	
Investments managed by Wilmington Trust, account number 830754	179,444,213
Investments managed by Wachovia Bank, account number 830751	179,819,913
Receivables from various sources	150,371
Deposits in transit	(171,990)
Balance at Bank of New York Mellon, account number 353608	56,000,454
Balance at Bank of New York Mellon-JPMorgan, account number 830766	220,535,497
Balance at Bank of New York Mellon, account number 830760, 830762, and 830763	454,132,645
Balance at Bank of New York Mellon, account number 830764 and 830765	294,602,285
Fidelity Government Obligation Bonds 2014A	23,807,817
Balance at Wilmington Trust, DELGIP, account number 830755	2,931
Wilmington Trust Land and Water Conservation Trust Fund #1, account number 830758	78,443,886
Balance at Bank of America, Division of Corp. State Lockbox, account number 2001800374	217,273
Balance at Wilmington Trust, Morgan Greenfield Intermediate, account number 830759	65,716,254
Balance at Bank of America, Labor Lockbox	1,305,922
Balance at JP Morgan Chase, Corp Lockbox	2,036,114
Fidelity 2013 MMLPA	6,154,522
Balance at PNC Bank, Concentration, account number 5694010993	5,041,691
Balance at PNC Bank, DMR Special Services, account number 56-94003988	183,819
US Bank - Bonds #1075400	<u>558,896</u>
Subtotal	<u>1,567,982,513</u>
Deductions:	
Outstanding zero-balance accounts (ZBAs) - outstanding checks	81,928,624
Payable for bank errors	11,089
Payable to Mellon 07/98	10,069
Payable to PNC Bank miscellaneous adjustments	<u>48,480</u>
Subtotal	<u>81,998,262</u>
Balance per State Treasurer's books, adjusted September 30, 2014	<u>\$ 1,639,700,136</u>

See accompanying independent accountants' report on applying agreed-upon procedures.

DELAWARE STATE TREASURY'S
RECONCILIATION TO ACCOUNTING
SEPTEMBER 30, 2014

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
11000		644,990.34		Outstanding Deposits-FY 2015 407,288.30		407,288.30
				Bank Error 0.00		0.00
				CWA 0.00	0.00	
				Outstanding Deposits (prior FY10) (11.09)		(11.09)
				Over/Short (FY2010) 79.84	79.84	
				Deposits in Transit (old to FY2009) 86,395.29	170,974.82	(84,579.53)
				CRs done to wrong bank code (old to FY2009) (39,017.79)		(39,017.79)
				MW/JV needed (prior FY2010) (35,156.98)		(35,156.98)
				Need JV's (2,111.30)		(2,111.30)
				Open Receivables (old to FY 2009) (15,807.23)	(15,807.23)	
				Voucher Done to wrong bank account 0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>		
				NEED TRV 0.00		
Offset Adjustment	1,046,649.38	0.00	0.00		155,247.43	246,411.61
11001		464,261.31	401,659.04	Bank Errors(bank)/Cks Cleared(pw-Book)(old-FY09) (2,633.21)	6,539.89	(9,173.10)
				Bank Errors(bank)/Cks Cleared(pw-Book)(FY10-FY15) (81.04)	0.00	(81.04)
				Direct Deposit Receivable (old-FY09) 40,120.04	(9,167.08)	49,287.12
				Direct Deposit Receivable (FY10-15) 173,816.46	(12,558.27)	186,374.73
				Cancelled Checks(old-FY09) 152,922.88		152,922.88
				Cancelled Checks(FY10-FY13) 626.40		626.40
				Stale Dated Checks(old-FY09) (51,880.37)		(51,880.37)
				Stale Dated Checks(FY15) 580.19		580.19
				Need JV-Handwritten checks(8/11-9/11,1/12,3/12) (1,661.52)		(1,661.52)
				Pay Cycle Adjustments(old to FY01) (263,195.03)		(263,195.03)
				Pay Cycle Adjustments(PHRST)(FY02) (302,190.38)		(302,190.38)
				Pay Cycle Adjustments(PHRST)(FY03) (267,632.16)		(267,632.16)
				Pay Cycle Adjustments(PHRST)(FY04) 94,358.85		94,358.85
				Pay Cycle Adjustments(PHRST)(FY05) (143,665.93)		(143,665.93)
				Pay Cycle Adjustments(PHRST)(FY06) (277,530.56)		(277,530.56)
				Pay Cycle Adjustments(PHRST)(FY07) (125,053.38)		(125,053.38)
				Pay Cycle Adjustments(PHRST)(FY08) (24,346.64)		(24,346.64)
				Pay Cycle Adjustments(PHRST)(FY09) (29,288.06)		(29,288.06)
				Pay Cycle Adjustments(PHRST)(FY10) (116,153.70)		(116,153.70)
				Pay Cycle Adjustments(PHRST)(FY11) (17,449.96)		(17,449.96)
				Pay Cycle Adjustments(PHRST)(FY12) (79,197.08)		(79,197.08)
				Pay Cycle Adjustments(PHRST)(FY13) (73,428.25)		(73,428.25)
				Pay Cycle Adjustments(PHRST)(FY14) (6,119.15)		(6,119.15)
				Pay Cycle Adjustments(PHRST)(FY15) (38,365.15)		(38,365.15)
				Group Life/Dental 7,813.40		7,813.40
				PHRST unidentified variance (FY02-FY10) 334,994.90		334,994.90
				PHRST unidentified varinace (FY11) 25,963.29		25,963.29
				Vendor Refund Variances 73,821.98		73,821.98
				Tax Adjustments 246,452.56		246,452.56
				Personal Reimbursements 70,100.38		70,100.38
				Personal Reimbursements(Need JV-FY13-FY15) (244.00)		(244.00)
				Misc Variances (29,986.59)		(29,986.59)
				Outstanding Checks 164,269.52	164,269.52	
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Checks Cleared Monthly Journal Entry 0.00		
Offset Adjustment	0.00	0.00	0.00		149,084.06	(613,345.37)
11002		217,273.47		Transits 0.00	0.00	
				Interest- Need CR 0.00		0.00

DELAWARE STATE TREASURY'S
RECONCILIATION TO ACCOUNTING
SEPTEMBER 30, 2014

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variations Bank to Ledger	Variations FSF/DFMS to Ledger
				Outstanding Deposits 0.00		0.00
				Bank Error 0.00	0.00	
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Need TRV from JPM Lockbox 0.00		
				ECC: Need TRV 0.00		
Offset Adjustment		0.00	0.00			
	217,273.47	217,273.47	0.00		0.00	0.00
11002		1,305,922.18				
P				Outstanding Deposits 0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Need TRV to Corp Lockbox 0.00		
				ECC: Need TRV 0.00		
Offset Adjustment		0.00	0.00			
	1,305,922.18	1,305,922.18	0.00		0.00	0.00
11002		0.00				
				Outstanding Deposits 0.00		0.00
						0.00
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Need TRV-Daily Wire 0.00		
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
11005		5,033,986.86				
				Bank Errors(bank)/Cks Cleared(pw-Book)(old-FY09) 10,999.62	48,705.07	(37,705.45)
				Outstanding Deposits -DNREC 48,709.99		48,709.99
				Credit Card Fees (old-FY10) (6,507.39)	(6,507.39)	
				Over/Shorts (FY10) (20.00)	(20.00)	
				Vendor ACH PMT- Returned- Need CR 2,500.00		2,500.00
				Open Payables 0.30	0.30	
				JV Needed for Payroll Ondemand Check (750.40)		(750.40)
				JV Needed for Wire Returned (671.00)		(671.00)
				Need Manual Pmt- Pension Bank Fee (365.60)		(365.60)
				JV Needed for Child Support 0.00	0.00	0.00
				Need TRV-Bonds (0.02)		(0.02)
				Daily wire JV done wrong amt-12/26/13 0.60		0.60
				Misc Adjustment 1.01	0.00	1.01
				MW Done Early (46,192.67)	0.00	(46,192.67)
						0.00
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Need TRV 0.00		
				Checks Cleared Monthly Journal Entry 0.00		
Offset Adjustment		0.00	0.00			
	5,041,691.30	5,033,986.86	7,704.44		42,177.98	(34,473.54)
11006		0.00				
				Interest 0.00		0.00
						0.00
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Checks Cleared Monthly Journal Entry 0.00		
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
11006		(41,047,926.36)				
				Bank Errors(bank)/Cks Cleared(pw-Book)(old-FY09) (55,178.09)	(40,759.16)	(14,418.93)
				Bank Errors(bank)/Cks Cleared(pw-Book)(FY10-FY15) 8,850.03	9,427.03	(577.00)
				Cancelled Checks (old to FY09) (11,996.80)		(11,996.80)
				Cancelled Checks (FY10) 0.00		0.00
Vendor				ACH Returns (old-FY10) (2,133.78)		(2,133.78)

DELAWARE STATE TREASURY'S
RECONCILIATION TO ACCOUNTING
SEPTEMBER 30, 2014

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variations Bank to Ledger	Variations FSF/DFMS to Ledger
				ACI Pymts Outstanding 12,844.05		12,844.05
				Misc Adjustments 3,478.13		3,478.13
				Forgery Credits (1,186.27)		(1,186.27)
				Stale Dated Checks(old-FY09) 10,167.31		10,167.31
				Stale Dated Checks(FY10-FY15) 259,279.12		259,279.12
				Paid Check -Cancelled in FSF-Need TRV 18000 0.00		0.00
				July 2010 Cancelled check twice in FSF 0.00		0.00
				Ck 804761-returned by pnc 0.00		0.00
				FSF Variance 138,507.01		138,507.01
				Outstanding checks 40,685,295.65	40,685,295.65	
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Checks Cleared Monthly Journal Entry 0.00		
Offset Adjustment		0.00	0.00			
	0.00	(41,047,926.36)	41,047,926.36		40,653,963.52	393,962.84
11007		(31,201,395.37)		ACH Pmt processed Aug paid Sept 31,193,752.37	31,193,752.37	
				ACH Returns -FY11 (48,448.22)		(48,448.22)
				ACH Returns -FY12 (1,002.73)		(1,002.73)
				ACH Returns -FY13 2,088.94		2,088.94
				ACH Returns -FY14 22,483.86		22,483.86
				ACH Returns -FY15 19,056.59		19,056.59
				Reversal Vouchers-FY11 13,404.56		13,404.56
				Need TRV-June 13 90.00		90.00
				Wire Service Fees (30.00)		(30.00)
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Checks Cleared Monthly Journal Entry 0.00		
Offset Adjustment		0.00	(0.00)		0.00	
	0.00	(31,201,395.37)	31,201,395.37		31,193,752.37	7,643.00
11010		151,158,546.43		Outstanding Deposits-FY 2011 (621.35)		(621.35)
				Outstanding Deposits-FY 2013 3,020.00		3,020.00
				Outstanding Deposits-FY 2014 (17,958.76)		(17,958.76)
				Outstanding Deposits-FY 2015 1,008,430.29		1,008,430.29
				TRV-Bond Pmt- 0.00		0.00
				Need Manual Pmt- 0.00		0.00
				PW done twice- 0.00		0.00
				Need Manual Pmt 0.00		0.00
				Need TRV from WTC-Bonds 0.00		0.00
				TRV Correction-TTF 0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Need TRV-Daily wire 0.00		
				Need TRV bonds 517,818.20		
Offset Adjustment		517,818.20	(0.00)			
	152,669,234.81	151,676,364.63	992,870.18		0.00	992,870.18
11011		(1,080,026.21)		Outstanding Deposits-FY15 1,119,764.20		1,119,764.20
				Outstanding Deposits-FY13 (31,480.93)		(31,480.93)
				Outstanding Deposits-FY12 (8,257.06)		(8,257.06)
				Need JE Correction-GL Team 0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Need TRV to move money from ECC to Mellon 0.00		
				Need TRV- Corp LxBx 0.00		
				Need TRV-Labor LxBx 0.00		
Offset Adjustment		0.00	0.00			

DELAWARE STATE TREASURY'S
RECONCILIATION TO ACCOUNTING
SEPTEMBER 30, 2014

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variations Bank to Ledger	Variations FSF/DFMS to Ledger
	0.00	(1,080,026.21)	1,080,026.21		0.00	1,080,026.21
11012 ██████ ██████		0.00		Interest 0.00 <i>Paperwork Variances with Other Bank Accounts</i> TRV 0.00		0.00 0.00
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
11012 ██████ BONY		0.00		Interest 0.00 Misc Transfer Adjustment 0.00 <i>Paperwork Variances with Other Bank Accounts</i>		0.00 0.00
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
11012 ██████ ██████		0.00		Interest 0.00 Misc Transfer Adjustment 0.00 <i>Paperwork Variances with Other Bank Accounts</i> TRV-PFM Liquidity 0.00		0.00 0.00
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
11012 ██████ ██████		94,462,257.91		Interest 55,038.96 <i>Paperwork Variances with Other Bank Accounts</i> TRV-Federated Inter 0.00		55,038.96 0.00
Offset Adjustment		0.00	(0.00)			
	94,517,296.87	94,462,257.91	55,038.96		0.00	55,038.96
11012 ██████ ██████		178,769,740.13		 <i>Paperwork Variances with Other Bank Accounts</i> TRV-PFM Liquidity 0.00	261,489.24	261,489.24
Offset Adjustment		0.00	(0.00)			
	179,031,229.37	178,769,740.13	261,489.24		0.00	261,489.24
11012 ██████ ██████		179,706,561.59		Interest 113,351.37 <i>Paperwork Variances with Other Bank Accounts</i> TRV-Correction 0.00		113,351.37 0.00
Offset Adjustment		0.00	(0.00)			
	179,819,912.96	179,706,561.59	113,351.37		0.00	113,351.37
11012 ██████ ██████		142,136,764.62		Interest 24,593.24 <i>Paperwork Variances with Other Bank Accounts</i> TRV-Chandler 0.00 TRV-Morgan Stanley 0.00		24,593.24 0.00
Offset Adjustment		0.00	(0.00)			
	142,161,357.86	142,136,764.62	24,593.24		0.00	24,593.24
11012 ██████ ██████		55,970,545.55		Interest 29,908.77 <i>Paperwork Variances with Other Bank Accounts</i>		29,908.77 0.00
Offset Adjustment		0.00	(0.00)			
	56,000,454.32	55,970,545.55	29,908.77		0.00	29,908.77
11012		7,807,997.01		Interest 182,500.36		182,500.36

DELAWARE STATE TREASURY'S
RECONCILIATION TO ACCOUNTING
SEPTEMBER 30, 2014

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
██████████ ██████████				<i>Paperwork Variances with Other Bank Accounts</i> 0.00		0.00
				Need TRV-Bud Reserve 0.00		
Offset Adjustment		0.00	(0.00)			
	7,990,497.37	7,807,997.01	182,500.36		0.00	182,500.36
11012 ██████████ ██████████		212,545,000.00		Interest 0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>		
				Need TRV-Bud Reserve 0.00		
Offset Adjustment		0.00	0.00			
	212,545,000.00	212,545,000.00	0.00		0.00	0.00
11012 ██████████ ██████████		179,295,330.81		Interest 148,882.14		148,882.14
				Bonds-July 2013 0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>		
				Need TRV-Correction 0.00		
Offset Adjustment		0.00	0.00			
	179,444,212.95	179,295,330.81	148,882.14		0.00	148,882.14
11012 ██████████ ██████████		78,131,495.94		Interest 312,389.60		312,389.60
				<i>Paperwork Variances with Other Bank Accounts</i>		
Offset Adjustment		0.00	(0.00)			
	78,443,885.54	78,131,495.94	312,389.60		0.00	312,389.60
11012 ██████████ ██████████		152,192,702.80		Interest 248,224.15		248,224.15
				<i>Paperwork Variances with Other Bank Accounts</i>		
				Need TRV-Federated Inter 0.00		0.00
Offset Adjustment		0.00	0.00			
	152,440,926.95	152,192,702.80	248,224.15		0.00	248,224.15
11012 ██████████ ██████████		180,445,578.35		Interest 138,540.65		138,540.65
				<i>Paperwork Variances with Other Bank Accounts</i>		
				Need TRV-Mellon 0.00		
				Need TRV-Cutwater 0.00		
Offset Adjustment		0.00	(0.00)			
	180,584,119.00	180,445,578.35	138,540.65		0.00	138,540.65
11012 ██████████ ██████████		65,631,756.77		Interest 84,497.50		84,497.50
				<i>Paperwork Variances with Other Bank Accounts</i>		
				Need TRV-Bud Reserve 0.00		0.00
Offset Adjustment		0.00	0.00			
	65,716,254.27	65,631,756.77	84,497.50		0.00	84,497.50
11012 ██████████ ██████████		0.00		Interest 0.00		0.00
				Bond TRV 0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>		
				Need TRV-Bud Reserve 0.00		0.00
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
11012 ██████████ ██████████		2,930.61		Interest 0.00		0.00
				Need Correction 0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>		
				Need Correction 0.00		0.00

DELAWARE STATE TREASURY'S
RECONCILIATION TO ACCOUNTING
SEPTEMBER 30, 2014

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
Offset Adjustment		0.00	0.00			
	2,930.61	2,930.61	0.00		0.00	0.00
11012		0.00		Daily TRV needs correction done to wrong Account	0.00	0.00
						0.00
				<u>Paperwork Variances with Other Bank Accounts</u>		0.00
				Daily TRV needs correction done to wrong Account	0.00	
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
11017		1,603,410.60		Outstanding Deposits	432,703.18	432,703.18
						0.00
						0.00
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Need TRV from Lockbxs	0.00	
Offset Adjustment		0.00	0.00			
	2,036,113.78	1,603,410.60	432,703.18		0.00	432,703.18
11023		0.00		Outstanding Deposits	0.00	0.00
						0.00
				<u>Paperwork Variances with Other Bank Accounts</u>		0.00
				Need TRV-Daily Wire	0.00	
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
11023		11,067.06			0.00	0.00
				NEED TRV FOR Correction-1/2005	(94.00)	(94.00)
				NEED TRV FOR ACTIVITY-July 14	(6,736.58)	(6,736.58)
				NEED TRV FOR ACTIVITY- August	265,916.69	265,916.69
				NEED TRV FOR ACTIVITY- Sept	(86,334.01)	(86,334.01)
				NEED TRV FOR ACTIVITY-		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>		
Offset Adjustment		0.00	0.00			
	183,819.16	11,067.06	172,752.10		0.00	172,752.10
11023		(6,095,519.75)		Direct Deposit Receivable (old-FY09)	(7,542.19)	(3,644.68)
				Direct Deposit Receivable (FY10-FY15)	(5,242.52)	(31,230.48)
				Bank Errors(bank)/Cks Cleared(pw-Book)(old-FY09)	2,744.61	(5,130.17)
				Bank Errors(bank)/Cks Cleared(pw-Book)(FY10-FY12)	11,336.47	7.08
				Federal and State Tax Adjustments	(25,055.13)	(25,055.13)
				Disbursement Adjustment	(5,888.14)	(5,888.14)
				TRV Needed for Federal Tax Pymt	4,925,665.27	4,925,665.27
				Deferred Comp Adjustment	982.58	982.58
				Cancelled Checks (old to FY09)	14,578.19	14,578.19
				Cancelled Checks (FY11/12/14)	(1,815.31)	(1,815.31)
				Stale Dated Checks(old-FY09)	(1,228.63)	(1,228.63)
				Stale Dated Checks(FY10-FY15)	2,966.26	2,966.26
				Need JV Check Write	(5,798.93)	(5,798.93)
				Need JV Blue Cross Blue Shield	6,254.13	6,254.13
				Misc Adjustments	(13,626.20)	(13,626.20)
				Outstanding Checks	1,197,189.29	1,197,189.29
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Checks Cleared Monthly Journal Entry	0.00	
Offset Adjustment		0.00	0.00			
	0.00	(6,095,519.75)	6,095,519.75		1,157,191.04	4,938,328.71

DELAWARE STATE TREASURY'S
RECONCILIATION TO ACCOUNTING
SEPTEMBER 30, 2014

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments		Variances	Variances
						Bank to Ledger	FSF/DFMS to Ledger
11023		(8,945,995.58)		Bank Errors(bank)/Cks Cleared(pw-Book)(old-FY09)	327,224.92	(13,510.69)	340,735.61
				Bank Errors(bank)/Cks Cleared(pw-Book)(FY10-FY15)	(89,846.43)	(1,903.96)	(87,942.47)
				Cancelled Checks (old to FY09)	217.09		217.09
				Cancelled Checks (FY15)	155,513.21		155,513.21
				Misc Disbursements	(7,898.62)		(7,898.62)
				Forgery Credits (old to FY09)	(19,205.60)		(19,205.60)
				Forgery Credits (FY10-FY15)	(1,812.31)		(1,812.31)
				Stale Dated Checks(old to FY09)	72,769.82		72,769.82
				Stale Dated Checks(FY13-FY15)	83,053.58		83,053.58
				Need JV Monthly check write	0.00		0.00
				Misc Adjustments	(406.96)		(406.96)
				Outstanding Checks	8,426,386.88	8,426,386.88	
				<u>Paperwork Variances with Other Bank Accounts</u>			
				Checks Cleared Monthly Journal Entry	0.00		
Offset Adjustment		0.00	0.00				
	0.00	(8,945,995.58)	8,945,995.58			8,410,972.23	535,023.35
11023		(445,667.03)		Bank Errors(bank)/Cks Cleared(pw-Book)(old-FY09)	8,104.06	(4,395.34)	12,499.40
				Bank Errors(bank)/Cks Cleared(pw-Book)(FY10-FY14)	(97,099.80)	157.00	(97,256.80)
				Cancelled Checks (old to FY09)	11,841.00		11,841.00
				Cancelled Checks (FY10-FY11)	10,505.00		10,505.00
				Misc Adjustments	(170.23)		(170.23)
				Stale Dated Checks(old to FY09)	55,590.00		55,590.00
				Stale Dated Checks(FY10-FY11)	75,931.00		75,931.00
				Stale Dated Checks(FY12-FY15)	324,691.00		324,691.00
				Need JV-Monthly Check Write	0.00		0.00
				Need JV-Stimulus Check Write	(219,749.82)		(219,749.82)
				Forgery Credits (old to FY09)	(136.00)		(136.00)
				Forgery Credits (FY10-FY15)	14,431.00		14,431.00
				Outstanding Checks	261,729.82	261,729.82	
				<u>Paperwork Variances with Other Bank Accounts</u>			
				Checks Cleared Monthly Journal Entry	0.00		
Offset Adjustment		0.00	0.00				
	0.00	(445,667.03)	445,667.03			257,491.48	188,175.55
11024		0.00		Interest-Need Cash Receipt	0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
11024		23,031,458.23		Interest-Need Cash Receipt	255.68		255.68
				Need Cash Receipt	0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			
Offset Adjustment		0.00	0.00				
	23,031,713.91	23,031,458.23	255.68			0.00	255.68
11024		776,096.39		Interest-Need Cash Receipt	6.38		6.38
				<u>Paperwork Variances with Other Bank Accounts</u>			
Offset Adjustment		0.00	(0.00)				
	776,102.77	776,096.39	6.38			0.00	6.38
11024		0.00		Interest-Need Cash Receipt	0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			

DELAWARE STATE TREASURY'S
RECONCILIATION TO ACCOUNTING
SEPTEMBER 30, 2014

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
██████						
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
11024		3,836,920.11		Interest-Need Cash Receipt 31.54		31.54
██████						0.00
██████				<i>Paperwork Variances with Other Bank Accounts</i>		
Offset Adjustment		0.00	(0.00)			
	3,836,951.65	3,836,920.11	31.54		0.00	31.54
11024		2,835,367.90		Interest-Need Cash Receipt 20.61		20.61
██████						0.00
██████				<i>Paperwork Variances with Other Bank Accounts</i>		
Offset Adjustment		(517,818.20)	(0.00)	Need TRV (517,818.20)		
	2,317,570.31	2,317,549.70	20.61		0.00	20.61
11025		0.00		Interest-Need Cash Receipt		0.00
██████						0.00
██████				<i>Paperwork Variances with Other Bank Accounts</i>		
Offset Adjustment		0.00	0.00	Need Correction PW done to wrong acct 0.00		
	0.00	0.00	0.00		0.00	0.00
11025		558,895.52		Interest- Need Cash Receipt 0.00		0.00
██████						
██████				<i>Paperwork Variances with Other Bank Accounts</i>		
Offset Adjustment		0.00	0.00	Need Correction PW done to wrong acct 0.00		
	558,895.52	558,895.52	0.00		0.00	0.00
Grand Total	1,721,720,016.31	1,629,760,328.19	91,959,688.12		91,959,688.12	82,019,880.11
						9,939,808.01

General Ledger 1,639,700,136.20
Variance 0.00

Exhibit C

**STATE OF DELAWARE
OFFICE OF THE STATE TREASURER
BANK RECONCILIATIONS**

Proof of Cash Reconciliation

Quarter ended September 30, 2014

Balance per State Treasurer's books, June 30, 2014	\$ 2,075,693,829
Additions:	
Deposits to Cash Receipts Journal	1,721,057,855
Transportation Trust Fund Deposits	93,686,369
Receivables for Bank Errors	3,033
Receivables for CM Forgery Credits	1,948
Outstanding Cash Receipts	6,977,011
Division of Mental Retardation Transfer	172,846
Outstanding Checks Prior Month	<u>176,360,768</u>
Subtotal	<u>1,998,259,830</u>
Deductions:	
Deposits to Cash Receipts Journal Prior Month	2,755,848
Transfer for Principal and Interest Bonds	143,610,000
Transfer from Mellon for Direct Deposit for Payroll and Pensions	423,475,208
Transfer from Mellon to Mercantile for Pensions	88,865,091
Transfer from Mellon -Saul Ewing	254,861
Transfer from Mellon -TTF	13,220,890
Transfer from Mellon -OMB	3,398,501
Transfer from Mellon – College Prep Academy	35,100
Transfer from Mellon - Def Comp	9,145,667
Transfer from Mellon -TSA Plan	5,363,454
Transfer from Mellon -DNREC-Tunnell & Raysor	1,759,109
Transfer from Mellon - Blue Cross Blue Shield	15,072,625
Transfer from Mellon Medicaid	121,616,266
Transfer from Mellon Medco	9,600,226
Transfer from Mellon - DHSS vendor pmts	2,387
Transfer from Mellon Supercard	21,205,362
Transfer from Mellon SSI	245,022
Transfer from PNC for PNC Bank Fees SPO	285
Transfer from PNC for Bonds	34,172,125
Transfer for Fed Tx, FICA, & Medicare	130,888,513
Transfer for Child Support-Payroll Vendor	711,625
ACH Transfers	915,489,655
Transfer for Cleared ZBAs	279,336,232
Transfer for Outstanding ZBAs	<u>214,029,471</u>
Subtotal	<u>2,434,253,523</u>
Balance per State Treasurer's books, adjusted September 30, 2014	<u><u>\$ 1,639,700,136</u></u>