

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

**AGREED-UPON PROCEDURES**

**QUARTER ENDED MARCH 31, 2016**

STATE OF DELAWARE  
OFFICE OF THE STATE TREASURER  
BANK RECONCILIATIONS

QUARTER ENDED MARCH 31, 2016

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# Zelenkofske Axelrod LLC

## Independent Accountants' Report on Applying Agreed-Upon Procedures

Mr. R. Thomas Wagner, Jr., CFE, CGFM, CICA  
State 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 March 31, 2016. 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 are 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. Confirmed 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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# Zelenkofske Axelrod LLC

2. Obtained 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 March 31, 2016 as detailed below.

FSF Balance Sheet Account to Daily Validity Report Reconciliation - Cash and Investments  
March 31, 2016

Combined Cash Balance as of March 31, 2016 per DGL046 \$1,721,792,465

Less Encumbrances and Remaining Spending Authority per DGL060:

	<b>Encumbered</b>	<b>Remaining Spending Authority</b>	<b>Total</b>	
NSF-20 (Nonappropriated Special Funds)	\$ 69,941,923	\$ 1,175,444,879	\$ 1,245,386,802	
Remaining balance left to satisfy other fund types				476,405,663
ASF HOLD-30 (Appropriated Special Funds)	80,926,579	381,778,908	462,705,487	
Remaining balance left to satisfy other fund types				13,700,176
GF-03 (General Fund - prior year continuing)	17,396,297	66,179,519	83,575,816	
GF-04 (General Fund - prior year encumbrance balance)	5,955,380	3,025,361	8,980,741	
Remaining balance left to satisfy other fund types				(78,856,381)
GF-01 (General Fund - regular appropriations)	175,907,384	885,143,554	1,061,050,938	
GF-02 (General Fund - supplemental appropriations)	-	11,997,440	11,997,440	
Cash and Investments at the Office of the State Treasurer as of March 31, 2016 in excess (deficit) of all fund balances				\$ (1,151,904,759)

3. 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 March 31, 2016.

# Zelenkofske Axelrod LLC

4. Obtained the Office of the State Treasurer's reconciliation of bank balances to FSF as of March 31, 2016 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 \$3,094,000, 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 \$3,094,000 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 \$3,094,000 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 March 31, 2016 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 \$3,094,000 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 March 31, 2016	01/04/16	\$ 6,022,204.08
	01/05/16	\$ 4,661,798.50
	02/02/16	\$ 4,374,820.91
	02/05/16	\$ 643,693.03
	03/01/16	\$ 6,334,668.44

# *Zelenkofske Axelrod LLC*

14. Obtained the Office of the State Treasurer's General Account Cash Reconciliation as of March 31, 2016, 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 audit, 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.

*Zelenkofske Axelrod LLC*

ZELENKOFKSKE AXELROD LLC

Harrisburg, Pennsylvania  
June 17, 2016

**Exhibit A**

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

General Account Cash Reconciliation

Quarter ended March 31, 2016

Balance per Citizens Bank	\$ 1,230,945
Balance per Mellon Bank	<u>269,167,445</u>
Bank balance at March 31, 2016	<u>270,398,390</u>
Additions:	
Investments managed by Wilmington Trust, account number 830754	189,454,689
Investments managed by Wachovia Bank, account number 830751	190,156,804
Receivables from various sources	128,065
Deposits in transit	(173,566)
Balance at Bank of New York Mellon, account number 353608	56,552,951
Balance at Bank of New York Mellon-JPMorgan, account number 830766	225,085,120
Balance at Bank of New York Mellon, account number 830760, 830762, and 830763	284,926,445
Balance at Bank of New York Mellon, account number 830764 and 830765	488,961,147
Fidelity Government Obligation Bonds 2014A	776,615
Fidelity Government Obligation Bonds 2016A	140,020,219
Fidelity Government Obligation Bonds 2016B	21,507,645
Balance at Bank of New York Mellon, account number 830800, 830801, 830802, and 830803	64,517,000
Wilmington Trust Land and Water Conservation Trust Fund #1, account number 830758	-
Balance at Bank of America, Division of Corp. State Lockbox, account number 2001800374	-
Balance at Wilmington Trust, Morgan Greenfield Intermediate, account number 830759	145,750,020
Balance at Bank of America, Labor Lockbox	28,610
Balance at JP Morgan Chase, Corp Lockbox	287,956
Fidelity 2013 MMLPA	285,661
Balance at PNC Bank, Concentration, account number 5694010993	5,194,585
Balance at PNC Bank, DMR Special Services, account number 56-94003988	6,773
US Bank - Bonds #1075400	<u>729,063</u>
Subtotal	<u>1,814,195,802</u>
Deductions:	
Outstanding zero-balance accounts (ZBAs) - outstanding checks	115,298,480
Payable for bank errors	11,349
Payable to Mellon 07/98	10,069
Payable to PNC Bank miscellaneous adjustments	<u>48,480</u>
Subtotal	<u>115,368,378</u>
Balance per State Treasurer's books, adjusted March 31, 2016	<u><u>\$ 1,969,225,814</u></u>

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2016

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
		1,652,433.05		Outstanding Deposits-FY 2016 593,321.51		593,321.51
				Bank Error (40.00)		(40.00)
				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
				<i>Paperwork Variances with Other Bank Accounts</i>		
				NEED TRV-1/22/16 (1,009,140.28)		
Offset Adjustment		(1,009,140.28)	0.00			
	1,230,945.02	643,292.77	587,652.25		155,247.43	432,404.82
		473,360.07		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-FY16) (2,075.51)	0.00	(2,075.51)
				Direct Deposit Receivable (old-FY09) 40,120.04	(9,167.08)	49,287.12
				Direct Deposit Receivable (FY10-16) 196,363.95	(7,995.32)	204,359.27
				Forgery credit-need JE 0.00		0.00
				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(FY16) 6,965.92		6,965.92
				Need JV-Handwritten checks(8/11-9/11,1/12,3/12) (17,607.78)		(17,607.78)
				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) (40,602.64)		(40,602.64)
				Pay Cycle Adjustments(PHRST)(FY16) 33,475.50		33,475.50
				Group Life/Dental 7,813.40		7,813.40
				PHRST unidentified variance (FY02-FY10) 334,994.90		334,994.90
				PHRST unidentified variance (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-FY16) (244.00)		(244.00)
				Misc. Variances (29,864.34)		(29,864.34)
				Outstanding Checks 112,818.01	112,818.01	

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2016

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>			
				Checks Cleared Monthly Journal Entry	0.00		
Offset Adjustment		0.00	0.00				
	0.00	473,360.07	(473,360.07)			102,195.50	(575,555.57)
		0.00					
				Transits	0.00	0.00	
				Interest- Need CR	0.00		0.00
				Outstanding Deposits	0.00		0.00
				Bank Error	0.00	0.00	
				<i>Paperwork Variances with Other Bank Accounts</i>			
				Need TRV from JPM Lockbox	0.00		
				ECC: Need TRV	0.00		
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
		28,610.32					
				Outstanding Deposits	0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>			
				Need TRV to Corp Lockbox	0.00		
				ECC: Need TRV	0.00		
Offset Adjustment		0.00	0.00				
	28,610.32	28,610.32	0.00			0.00	0.00
		0.00					
				Outstanding Deposits	0.00		0.00
					0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>			
				Need TRV-Daily Wire	0.00		
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
		(61,997,626.86)					
				Bank Errors(bank)/Cks Cleared(pw-Book)(old-FY09)	10,999.62	48,705.07	(37,705.45)
				Outstanding Deposits -DNREC	0.00		0.00
				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	(808.80)		(808.80)
				JV Needed for Child Support	112,531.23	0.00	112,531.23
				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
				<i>Paperwork Variances with Other Bank Accounts</i>			
				Need TRV--1/22/16	67,121,839.57		

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2016

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments		Variations Bank to Ledger	Variations FSF/DFMS to Ledger
Offset Adjustment		67,121,080.77	(0.00)	Need TRV-Deposit 2/16	117,888.50		
	5,194,536.39	5,123,453.91	71,082.48	Need TRV-Pension 3/16	(118,647.30)		
						42,177.98	28,904.50
Offset Adjustment		0.00		Voucher Done to wrong bank account	0.00		0.00
							0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			
Offset Adjustment		0.00	0.00	Checks Cleared Monthly Journal Entry	0.00		
	0.00		0.00			0.00	0.00
		(37,662,273.71)		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-FY16)	10,888.46	9,470.99	1,417.47
				Cancelled Checks (old to FY09)	(11,996.80)		(11,996.80)
				Cancelled Checks (FY10)	0.00		0.00
				ACH Returns (old-FY10)	(2,133.78)		(2,133.78)
				ACI Pymts Outstanding	12,844.05		12,844.05
				Misc. Adjustments	3,478.13		3,478.13
				Forgery Credits	6,632.06		6,632.06
				Stale Dated Checks(old-FY09)	10,167.31		10,167.31
				Stale Dated Checks(FY10-FY16)	224,144.24		224,144.24
				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	135,868.01		135,868.01
				Outstanding checks	37,327,560.12	37,327,560.12	
				<u>Paperwork Variances with Other Bank Accounts</u>			
Offset Adjustment		0.00	0.00	Checks Cleared Monthly Journal Entry	0.00		
	0.00	(37,662,273.71)	37,662,273.71			37,296,271.95	366,001.76
		(21,437,593.67)		ACH Pmt processed Dec paid Jan	21,641,479.48	21,641,479.48	
				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	36,454.45		36,454.45
				ACH Returns -FY16	(228,926.67)		(228,926.67)
				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>			
Offset Adjustment		0.00	(0.00)	Checks Cleared Monthly Journal Entry	0.00		
	0.00	(21,437,593.67)	21,437,593.67			0.00	
		266,217,835.45		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)

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2016

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments		Variance Bank to Ledger	Variance FSF/DFMS to Ledger
				Outstanding Deposits-FY 2016	2,789,310.87		2,789,310.87
				TRV-Bond Pmt-	0.00		0.00
				Need Manual Pmt-	0.00		0.00
				PW done twice-	0.00		0.00
				PW Done-Money Moved April 2016	2,108,307.16		2,108,307.16
				Need TRV from WTC-Bonds	0.00		0.00
				TRV Correction-TTF	(0.10)		(0.10)
				<i>Paperwork Variances with Other Bank Accounts</i>			
				Need TRV-Daily wire	(65,390,859.72)		
				Need TRV bonds	63,500,000.00		
				Need TRV- ECC	(41,588.74)		
Offset Adjustment		(1,932,448.46)	(0.00)				
	269,167,444.81	264,285,386.99	4,882,057.82			0.00	4,882,057.82
		(5,738,347.39)		Outstanding Deposits-FY16	5,736,496.64		5,736,496.64
				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
				<i>Paperwork Variances with Other Bank Accounts</i>			
				Need TRV to move money from ECC to Mellon	41,588.74		
				Need TRV- Corp LxBx	0.00		
				Need TRV-Labor LxBx	0.00		
Offset Adjustment		41,588.74	0.00				
	0.00	(5,696,758.65)	5,696,758.65			0.00	5,696,758.65
		0.00		Interest	0.00		0.00
							0.00
				<i>Paperwork Variances with Other Bank Accounts</i>			
				TRV	0.00		
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
		0.00		Interest	0.00		0.00
				Misc. Transfer Adjustment	0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>			
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
		0.00		Interest	0.00		0.00
				Misc. Transfer Adjustment	0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>			
				TRV-PFM Liquidity	0.00		
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
		96,025,431.37		Interest	105,211.69		105,211.69
				<i>Paperwork Variances with Other Bank Accounts</i>			
				TRV-Federated Inter	0.00		

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2016

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				
	96,130,643.06	96,025,431.37	105,211.69			0.00	105,211.69
		188,496,922.96			298,878.50		298,878.50
				<i>Paperwork Variances with Other Bank Accounts</i>			
				TRV-PFM Liquidity	0.00		
Offset Adjustment		0.00	0.00				
	188,795,801.46	188,496,922.96	298,878.50			0.00	298,878.50
		190,034,537.87		Interest	122,266.50		122,266.50
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
				TRV-Correction	0.00		
Offset Adjustment		0.00	0.00				
	190,156,804.37	190,034,537.87	122,266.50			0.00	122,266.50
		143,766,463.10		Interest	100,171.67		100,171.67
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
				TRV-Chandler	0.00		
				TRV-Morgan Stanley	0.00		
Offset Adjustment		0.00	(0.00)				
	143,866,634.77	143,766,463.10	100,171.67			0.00	100,171.67
		56,477,340.84		Interest	75,609.97		75,609.97
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
Offset Adjustment		0.00	0.00				
	56,552,950.81	56,477,340.84	75,609.97			0.00	75,609.97
		20,697,152.14		Interest	0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>	0.00		0.00
				Need TRV-Bud Reserve	0.00		
Offset Adjustment		0.00	0.00				
	20,697,152.14	20,697,152.14	0.00			0.00	0.00
		9,948,685.79		Interest	386,433.64		386,433.64
				<i>Paperwork Variances with Other Bank Accounts</i>	0.00		0.00
				Need TRV-Bud Reserve	0.00		
Offset Adjustment		0.00	(0.00)				
	10,335,119.43	9,948,685.79	386,433.64			0.00	386,433.64
		214,750,000.00		Interest	0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
				Need TRV-Bud Reserve	0.00		
Offset Adjustment		0.00	0.00				
	214,750,000.00	214,750,000.00	0.00			0.00	0.00
		189,380,971.40		Interest	73,717.85		73,717.85
				Bonds-July 2013	0.00		0.00

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2016

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>			
				Need TRV-Correction	0.00		
Offset Adjustment		0.00	0.00				
	189,454,689.25	189,380,971.40	73,717.85			0.00	73,717.85
		0.00		Interest	0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
		20,021,903.22		Interest	0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
				Need TRV-Federated Inter	0.00		
Offset Adjustment		0.00	0.00				
	20,021,903.22	20,021,903.22	0.00			0.00	0.00
		153,912,745.08		Interest	258,221.82		258,221.82
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
				Need TRV-Federated Inter	0.00		
Offset Adjustment		0.00	0.00				
	154,170,966.90	153,912,745.08	258,221.82			0.00	258,221.82
		190,908,296.80		Interest	15,248.82		15,248.82
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
				Need TRV-Mellon	0.00		
				Need TRV-Cutwater	0.00		
Offset Adjustment		0.00	0.00				
	190,923,545.62	190,908,296.80	15,248.82			0.00	15,248.82
		3,002,430.88		Interest	589.95		589.95
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
				Need TRV-Bud Reserve	0.00		
Offset Adjustment		0.00	(0.00)				
	3,003,020.83	3,002,430.88	589.95			0.00	589.95
		145,543,151.51		Interest	206,868.63		206,868.63
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
				Need TRV-Bud Reserve	0.00		
Offset Adjustment		0.00	0.00				
	145,750,020.14	145,543,151.51	206,868.63			0.00	206,868.63
		20,794,414.05		Interest	510.46		510.46
				Bond TRV	0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
				Need TRV-Bud Reserve	0.00		

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2016

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments		Variances Bank to Ledger	Variances FSF/DFMS to Ledger
Offset Adjustment		0.00	(0.00)				
	20,794,924.51	20,794,414.05	510.46			0.00	510.46
		0.00		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
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
		1,080.00		TRV needs correction done to wrong Account	(1,080.00)		(1,080.00)
							0.00
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
				Daily TRV needs correction done to wrong Account	0.00		
Offset Adjustment		0.00	0.00				
	0.00	1,080.00	(1,080.00)			0.00	(1,080.00)
		287,955.61		Outstanding Deposits	0.00		0.00
							0.00
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
				Need TRV from Lockbxs	0.00		
				TRV-ECC	0.00		
Offset Adjustment		0.00	0.00				
	287,955.61	287,955.61	0.00			0.00	0.00
		839,728.07		Outstanding Deposits	0.00		0.00
							0.00
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
				Need TRV-Daily Wire	(721,839.57)		
				Need TRV-Deposit	(117,888.50)		
Offset Adjustment		(839,728.07)	0.00				
	0.00	0.00	0.00			0.00	0.00
		20,539.93			0.00		0.00
				NEED TRV FOR Correction-1/2005	(94.00)		(94.00)
				NEED TRV FOR ACTIVITY-12/15	0.03		0.03
				NEED TRV FOR ACTIVITY-2/16	(14,524.18)		(14,524.18)
				NEED TRV FOR ACTIVITY-3/16	850.68		850.68
				NEED TRV FOR ACTIVITY-	0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>			
Offset Adjustment		0.00	0.00				
	6,772.46	20,539.93	(13,767.47)			0.00	(13,767.47)
		(6,576,934.22)		Direct Deposit Receivable (old-FY09)	(7,542.19)	(3,644.68)	(3,897.51)
				Direct Deposit Receivable (FY10-FY16)	750.99	(11,936.56)	12,687.55
				Bank Errors(bank)/Cks Cleared(pw-Book)(old-FY09)	2,744.61	(5,130.17)	7,874.78
				Bank Errors(bank)/Cks Cleared(pw-Book)(FY10-FY12)	11,336.47	7.08	11,329.39
				Federal and State Tax Adjustments	(24,478.52)		(24,478.52)
				Disbursement Adjustment	(5,888.14)		(5,888.14)
				TRV Needed for Federal Tax Pymt	5,354,986.02		5,354,986.02

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2016

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments		Variance Bank to Ledger	Variance FSF/DFMS to Ledger
				Deferred Comp Adjustment	982.58		982.58
				Cancelled Checks (old to FY09)	14,578.19		14,578.19
				Cancelled Checks (FY11/12/14)	4,814.70		4,814.70
				Stale Dated Checks(old-FY09)	(1,228.63)		(1,228.63)
				Stale Dated Checks(FY10-FY16)	18,869.24		18,869.24
				Need JV Check Write	(5,798.93)		(5,798.93)
				Need JV Blue Cross Blue Shield	6,254.13		6,254.13
				Misc. Adjustments	(32,459.90)		(32,459.90)
				Outstanding Checks	1,120,366.30	1,120,366.30	
				<i>Paperwork Variances with Other Bank Accounts</i>			
				Need TRV-Tax JV	118,647.30		
Offset Adjustment		118,647.30	0.00				
	0.00	(6,458,286.92)	6,458,286.92			1,099,661.97	5,358,624.95
		(59,098,048.00)		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-FY16)	1,966,903.28	(1,842.96)	1,968,746.24
				Cancelled Checks (old to FY09)	217.09		217.09
				Cancelled Checks (FY16)	539,601.24		539,601.24
				Misc. Disbursements	(7,898.62)		(7,898.62)
				Forgery Credits (old to FY09)	(19,205.60)		(19,205.60)
				Forgery Credits (FY10-FY16)	(8,550.64)		(8,550.64)
				Stale Dated Checks(old to FY09)	72,769.82		72,769.82
				Stale Dated Checks(FY13-FY16)	1,421,601.21		1,421,601.21
				Need JV Monthly check write	0.00		0.00
				Misc. Adjustments	(406.96)		(406.96)
				Outstanding Checks	54,805,792.26	54,805,792.26	
				<i>Paperwork Variances with Other Bank Accounts</i>			
				Checks Cleared Monthly Journal Entry	0.00		
Offset Adjustment		0.00	0.00				
	0.00	(59,098,048.00)	59,098,048.00			54,790,438.61	4,307,609.39
		(769,836.36)		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-FY16)	3,256.00	338.02	2,917.98
				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-FY16)	464,036.08		464,036.08
				Need JV-Monthly Check Write	0.00		0.00
				Need JV-Stimulus Check Write	(165,882.90)		(165,882.90)
				Forgery Credits (old to FY09)	(136.00)		(136.00)
				Forgery Credits (FY10-FY16)	16,348.00		16,348.00
				Outstanding Checks	290,463.35	290,463.35	
				<i>Paperwork Variances with Other Bank Accounts</i>			
				Checks Cleared Monthly Journal Entry	0.00		
Offset Adjustment		0.00	0.00				
	49.00	(769,836.36)	769,885.36			286,406.03	483,479.33
		0.00		Interest-Need Cash Receipt	19,927.48		19,927.48
				Wire In-Need Cash Receipt	203,500,291.86		203,500,291.86

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2016

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
B [REDACTED]				<i>Paperwork Variances with Other Bank Accounts</i> Need TRV-Mellon (63,500,000.00)		
Offset Adjustment		(63,500,000.00)	0.00			
	140,020,219.34	(63,500,000.00)	203,520,219.34		0.00	203,520,219.34
I [REDACTED] [REDACTED] [REDACTED] [REDACTED]		0.00		Interest-Need Cash Receipt 2,556.42 Need Cash Receipt 21,505,088.76		2,556.42 21,505,088.76
Offset Adjustment		0.00	0.00	<i>Paperwork Variances with Other Bank Accounts</i> need TRV 0.00		
	21,507,645.18	0.00	21,507,645.18		0.00	21,507,645.18
[REDACTED] [REDACTED] [REDACTED] B [REDACTED]		776,466.48		Interest-Need Cash Receipt 148.17 <i>Paperwork Variances with Other Bank Accounts</i>		148.17 0.00
Offset Adjustment		0.00	(0.00)			
	776,614.65	776,466.48	148.17		0.00	148.17
I [REDACTED] [REDACTED] [REDACTED] [REDACTED]		0.00		Interest-Need Cash Receipt 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
I [REDACTED] [REDACTED] B [REDACTED] [REDACTED]		284,318.13		Interest-Need Cash Receipt 54.26 <i>Paperwork Variances with Other Bank Accounts</i>		54.26 0.00
Offset Adjustment		0.00	(0.00)			
	284,372.39	284,318.13	54.26		0.00	54.26
[REDACTED] [REDACTED] F [REDACTED] [REDACTED]		1,288.61		Interest-Need Cash Receipt 0.25 <i>Paperwork Variances with Other Bank Accounts</i> Need TRV 0.00		0.25 0.00
Offset Adjustment		0.00	0.00			
	1,288.86	1,288.61	0.25		0.00	0.25
[REDACTED] [REDACTED] [REDACTED] [REDACTED]		0.00		Interest-Need Cash Receipt 0.00 <i>Paperwork Variances with Other Bank Accounts</i> Need TRV Bond PW 0.00		0.00 0.00
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
[REDACTED] F [REDACTED]		729,062.87		Interest- Need Cash Receipt 0.00		0.00

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2016

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variances Bank to Ledger	Variances FSF/DFMS to Ledger
				<i>Paperwork Variances with Other Bank Accounts</i>		
				Need Correction PW done to wrong acct	0.00	
		0.00	0.00			
	729,062.87	729,062.87	0.00		0.00	0.00
Grand Total	2,084,639,693.41	1,721,792,465.39	362,847,228.02		362,847,228.02	115,413,878.95

General Ledger 1,969,225,814.46

## Exhibit C

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

Proof of Cash Reconciliation

Quarter ended March 31, 2016

Balance per State Treasurer's books, December 31, 2015	\$ 1,876,571,501
Additions:	
Deposits to Cash Receipts Journal	2,188,019,898
Transportation Trust Fund Deposits	112,178,127
Receivables for Bank Errors	7,142
Receivables for CM Forgery Credits	7,008
Outstanding Cash Receipts	234,910,101
Division of Mental Retardation Transfer	(889,301)
Outstanding Checks Prior Month	204,743,723
Subtotal	<u>2,738,976,698</u>
Deductions:	
Deposits to Cash Receipts Journal Prior Month	4,371,424
Transfer for Principal and Interest Bonds	156,710,000
Transfer from Mellon for Direct Deposit for Payroll and Pensions	445,626,619
Transfer from Mellon to Mercantile for Pensions	64,956,860
Transfer from Mellon -TTF	1,035,142
Transfer from Mellon - OMB-BOA	1,466,885
Transfer from Mellon - DTCC Vendor Payments	46,451
Transfer from Mellon - Street & Ellis	353,690
Transfer from Mellon - Def Comp	8,465,036
Transfer from Mellon -TSA Plan	5,009,425
Transfer from Mellon -DNREC-Tunnell & Raysor	207,997
Transfer from Mellon Medicaid	154,077,816
Transfer from Mellon Supercard	25,937,438
Transfer from Mellon SSI	155,000
Transfer from PNC for PNC Bank Fees SPO	243
Transfer from PNC for Bonds	35,499,779
Transfer from PNC - ACA Trans. Reinsurance Program	3,217,874
Transfer for Fed Tx, FICA, & Medicare	128,761,118
Transfer for Child Support-Payroll Vendor	662,904
ACH Transfers	1,063,956,826
Transfer for Cleared ZBAs	302,306,993
Transfer for Outstanding ZBAs	243,496,865
Subtotal	<u>2,646,322,385</u>
Balance per State Treasurer's books, adjusted March 31, 2016	<u>\$ 1,969,225,814</u>