

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

AGREED-UPON PROCEDURES

QUARTER ENDED SEPTEMBER 30, 2015

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER
BANK RECONCILIATIONS

QUARTER ENDED SEPTEMBER 30, 2015

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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, 2015. 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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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 September 30, 2015 as detailed below.

FSF Balance Sheet Account to Daily Validity Report Reconciliation - Cash and Investments
September 30, 2015

Combined Cash Balance as of September 30, 2015 per DGL046 \$1,829,438,379

Less Encumbrances and Remaining Spending Authority per DGL060:

	<u>Encumbered</u>	<u>Remaining Spending Authority</u>	<u>Total</u>	
NSF-20 (Nonappropriated Special Funds)	\$ 72,682,447	\$ 972,523,959	\$ 1,045,206,406	
Remaining balance left to satisfy other fund types				784,231,973
ASF HOLD-30 (Appropriated Special Funds)	114,645,962	373,519,856	488,165,818	
Remaining balance left to satisfy other fund types				296,066,155
GF-03 (General Fund - prior year continuing)	32,507,251	81,933,020	114,440,271	
GF-04 (General Fund - prior year encumbrance balance)	14,412,244	1,128,828	15,541,072	
Remaining balance left to satisfy other fund types				166,084,812
GF-01 (General Fund - regular appropriations)	315,463,888	2,669,112,739	2,984,576,627	
GF-02 (General Fund - supplemental appropriations)	442,540	27,838,192	28,280,732	
Cash and Investments at the Office of the State Treasurer as of September 30, 2015 in excess (deficit) of all fund balances				\$ (2,846,772,547)

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 September 30, 2015.

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4. Obtained the Office of the State Treasurer's reconciliation of bank balances to FSF as of September 30, 2015, 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 \$3,275,000, 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 \$3,275,000 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 \$3,275,000 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. Exception noted. It was determined that the cash balance of \$1,629.7 million submitted by the Secretary of Finance to the Governor and members of the General Assembly was \$199.7 million lower than the balance of \$1,829.4 million reflected in the reconciliations.
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, 2015 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 \$3,275,000 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, 2015	07/02/15	\$ 3,938,847.86
	07/30/15	\$ 8,501,766.63
	08/04/15	\$ 380,849.58
	08/20/15	\$ 14,730,854.13
	09/10/15	\$ 517,748.96

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14. Obtained the Office of the State Treasurer's General Account Cash Reconciliation as of September 30, 2015, 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
December 11, 2015

Exhibit A

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER
BANK RECONCILIATIONS

General Account Cash Reconciliation
Quarter ended September 30, 2015

Balance per Citizens Bank	\$ 2,599,711
Balance per Mellon Bank	180,976,350
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Bank balance at September 30, 2015	183,576,061
 Additions:	
Investments managed by Wilmington Trust, account number 830754	197,903,311
Investments managed by Wachovia Bank, account number 830751	198,235,753
Receivables from various sources	147,663
Deposits in transit	(175,883)
Balance at Bank of New York Mellon, account number 353608	56,366,641
Balance at Bank of New York Mellon-JPMorgan, account number 830766	223,604,305
Balance at Bank of New York Mellon, account number 830760, 830762, and 830763	492,119,337
Balance at Bank of New York Mellon, account number 830764 and 830765	296,704,461
Fidelity Government Obligation Bonds 2014A	776,180
Fidelity Government Obligation Bonds 2014C	49,617,115
Balance at Bank of New York Mellon, account number 830800, 830801, 830802, and 830803	60,111,765
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	50,000
Balance at Wilmington Trust, Morgan Greenfield Intermediate, account number 830759	145,263,838
Balance at Bank of America, Labor Lockbox	1,316,491
Balance at JP Morgan Chase, Corp Lockbox	5,808,429
Fidelity 2013 MMLPA	285,502
Balance at PNC Bank, Concentration, account number 5694010993	5,386,332
Balance at PNC Bank, DMR Special Services, account number 56-94003988	6,352
US Bank - Bonds #1075400	647,716
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Subtotal	1,734,175,308
 Deductions:	
Outstanding zero-balance accounts (ZBAs) - outstanding checks	76,786,641
Payable for bank errors	11,108
Payable to Mellon 07/98	10,069
Payable to PNC Bank miscellaneous adjustments	48,480
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Subtotal	76,856,298
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Balance per State Treasurer's books, adjusted September 30, 2015	\$ 1,840,895,071
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See accompanying independent accountants' report on applying agreed-upon procedures.

Delaware State Treasury's
Reconciliation to Accounting
September 2015

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variances Bank to Ledger	Variances FSF/DFMS to Ledger
		2,059,836.69		Outstanding Deposits-FY 2016	545,503.83	545,503.83
				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
				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		0.00	0.00			
	2,599,711.26	2,059,836.69	539,874.57		155,247.43	384,627.14
		485,110.36		Bank Errors(bank)/Cks Cleared(pw-Book)(old-FY09)	(2,633.21)	6,539.89
				Bank Errors(bank)/Cks Cleared(pw-Book)(FY10-FY16)	(2,075.51)	0.00
				Direct Deposit Receivable (old-FY09)	40,120.04	(9,167.08)
				Direct Deposit Receivable (FY10-16)	194,091.67	(7,568.08)
				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)	1,378.91	1,378.91
				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)	(40,602.64)	(40,602.64)
				Pay Cycle Adjustments(PHRST)(FY16)	(38,249.68)	(38,249.68)
				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

Delaware State Treasury's
Reconciliation to Accounting
September 2015

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments		Variances Bank to Ledger	Variances FSF/DFMS to Ledger
				Personal Reimbursements(Need JV-FY13-FY16)	(244.00)		(244.00)
				Misc Variances	(29,864.34)		(29,864.34)
				Outstanding Checks	164,705.93	164,705.93	
				<u>Paperwork Variances with Other Bank Accounts</u>			
				Checks Cleared Monthly Journal Entry	0.00		
Offset Adjustment		0.00	0.00				
	0.00	485,110.36	(485,110.36)			154,510.66	(639,621.02)
		499,307.76		Transits	0.00	0.00	
				Interest- Need CR	36,000.00		36,000.00
				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	(485,307.76)		
				ECC: Need TRV	0.00		
Offset Adjustment		(485,307.76)	0.00				
	50,000.00	14,000.00	36,000.00			0.00	36,000.00
		831,183.12		Outstanding Deposits	0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			
				Need TRV to Corp Lockbox	485,307.76		
				ECC: Need TRV	0.00		
Offset Adjustment		485,307.76	0.00				
	1,316,490.88	1,316,490.88	0.00			0.00	0.00
		0.00		Outstanding Deposits	0.00		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
		5,427,294.99		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	(323.52)		(323.52)
				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

Delaware State Treasury's
Reconciliation to Accounting
September 2015

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
				Misc Adjustment 1.01	0.00	1.01
				MW Done Early (46,192.67)	0.00	(46,192.67)
				<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			
	5,386,331.52	5,427,294.99	(40,963.47)		42,177.98	(83,141.45)
		0.00		Voucher Done to wrong bank account 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
		(37,973,136.81)		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) 10,968.46	9,550.99	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 (1,186.27)		(1,186.27)
				Stale Dated Checks(old-FY09) 10,167.31		10,167.31
				Stale Dated Checks(FY10-FY16) 180,771.51		180,771.51
				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 37,689,534.28	37,689,534.28	
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Checks Cleared Monthly Journal Entry 0.00		
Offset Adjustment		0.00	0.00			
	0.00	(37,973,136.81)	37,973,136.81		37,658,326.11	314,810.70
		(26,600,862.78)		ACH Pmt processed july paid aug 26,491,357.56	26,491,357.56	
				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 84,464.36		84,464.36
				Reversal Vouchers-FY11 13,404.56		13,404.56
				Need TRV-June 13 90.00		90.00
				Wire Service Fees (30.00)		(30.00)

Delaware State Treasury's
Reconciliation to Accounting
September 2015

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
				<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	(26,600,862.78)	26,600,862.78		26,491,357.56	109,505.22
		179,562,322.52				
				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 2016	1,429,587.27	1,429,587.27
				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	(0.10)	(0.10)
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Need TRV-Daily wire	0.00	
				Need TRV bonds	0.00	
Offset Adjustment		0.00	0.00			
	180,976,349.58	179,562,322.52	1,414,027.06		0.00	1,414,027.06
		(1,039,555.13)				
				Outstanding Deposits-FY16	1,079,293.12	1,079,293.12
				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			
	0.00	(1,039,555.13)	1,039,555.13		0.00	1,039,555.13
		0.00		Interest	0.00	0.00
						0.00
				<u>Paperwork Variances with Other Bank Accounts</u>		
				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
				<u>Paperwork Variances with Other Bank Accounts</u>		
Offset Adjustment		0.00	0.00			

Delaware State Treasury's
Reconciliation to Accounting
September 2015

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
	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
██████████		95,422,364.76		Interest 86,688.53		86,688.53
██████████				<i>Paperwork Variances with Other Bank Accounts</i>		
██████████				TRV-Federated Inter 0.00		
Offset Adjustment		0.00	(0.00)			
	95,509,053.29	95,422,364.76	86,688.53		0.00	86,688.53
██████████		197,269,221.30			164,075.33	164,075.33
██████████				<i>Paperwork Variances with Other Bank Accounts</i>		
██████████				TRV-PFM Liquidity 0.00		
Offset Adjustment		0.00	0.00			
	197,433,296.63	197,269,221.30	164,075.33		0.00	164,075.33
██████████		198,161,972.37		Interest 73,780.81		73,780.81
██████████				<i>Paperwork Variances with Other Bank Accounts</i>		
██████████				TRV-Correction 0.00		0.00
Offset Adjustment		0.00	(0.00)			
	198,235,753.18	198,161,972.37	73,780.81		0.00	73,780.81
██████████		143,278,402.82		Interest 10,029.07		10,029.07
██████████				<i>Paperwork Variances with Other Bank Accounts</i>		
██████████				TRV-Chandler 0.00		0.00
				TRV-Morgan Stanley 0.00		
Offset Adjustment		0.00	0.00			
	143,288,431.89	143,278,402.82	10,029.07		0.00	10,029.07
██████████		56,306,846.86		Interest 59,793.90		59,793.90
██████████				<i>Paperwork Variances with Other Bank Accounts</i>		
██████████						0.00
Offset Adjustment		0.00	0.00			
	56,366,640.76	56,306,846.86	59,793.90		0.00	59,793.90
██████████		20,001,172.00		Interest 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			

Delaware State Treasury's
Reconciliation to Accounting
September 2015

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
	20,001,172.00	20,001,172.00	0.00		0.00	0.00
██████████		8,552,488.34		Interest 301,816.84		301,816.84
██████████				Paperwork Variances with Other Bank Accounts 0.00		0.00
██████████				Need TRV-Bud Reserve 0.00		
Offset Adjustment		0.00	(0.00)			
	8,854,305.18	8,552,488.34	301,816.84		0.00	301,816.84
██████████		214,750,000.00		Interest 0.00		0.00
██████████				Paperwork Variances with Other Bank Accounts 0.00		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
██████████		197,685,572.68		Interest 217,738.68		217,738.68
██████████				Bonds-July 2013 0.00		0.00
██████████				Paperwork Variances with Other Bank Accounts 0.00		
██████████				Need TRV-Correction 0.00		
Offset Adjustment		0.00	(0.00)			
	197,903,311.36	197,685,572.68	217,738.68		0.00	217,738.68
██████████		0.00		Interest 0.00		0.00
██████████				Paperwork Variances with Other Bank Accounts 0.00		0.00
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
██████████		20,001,200.00		Interest 0.00		0.00
██████████				Paperwork Variances with Other Bank Accounts 0.00		0.00
██████████				Need TRV-Federated Inter 0.00		
Offset Adjustment		0.00	0.00			
	20,001,200.00	20,001,200.00	0.00		0.00	0.00
██████████		153,245,880.77		Interest 170,148.06		170,148.06
██████████				Paperwork Variances with Other Bank Accounts 0.00		0.00
██████████				Need TRV-Federated Inter 0.00		
Offset Adjustment		0.00	(0.00)			
	153,416,028.83	153,245,880.77	170,148.06		0.00	170,148.06
██████████		199,046,156.64		Interest 130,830.70		130,830.70
██████████				Paperwork Variances with Other Bank Accounts 0.00		0.00
██████████				Need TRV-Mellon 0.00		
██████████				Need TRV-Cutwater 0.00		
Offset Adjustment		0.00	(0.00)			
	199,176,987.34	199,046,156.64	130,830.70		0.00	130,830.70

Delaware State Treasury's
Reconciliation to Accounting
September 2015

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
██████████ ██████████ ██████████		0.00		Interest 1,333.76		1,333.76
				<i>Paperwork Variances with Other Bank Accounts</i>		0.00
				Need TRV-Bud Reserve 0.00		
Offset Adjustment		0.00	0.00			
	1,333.76	0.00	1,333.76		0.00	1,333.76
██████████ ██████████ ██████████		145,089,147.99		Interest 174,689.96		174,689.96
				<i>Paperwork Variances with Other Bank Accounts</i>		0.00
				Need TRV-Bud Reserve 0.00		
Offset Adjustment		0.00	0.00			
	145,263,837.95	145,089,147.99	174,689.96		0.00	174,689.96
██████████ ██████████ ██████████		20,001,200.00		Interest 106,859.25		106,859.25
				Bond TRV 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			
	20,108,059.25	20,001,200.00	106,859.25		0.00	106,859.25
██████████ ██████████ ██████████		0.00		Interest 0.00		0.00
				Need Correction 0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>		0.00
				Need Correction 0.00		
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
██████████ ██████████		0.00		Daily TRV needs correction done to wrong Account 0.00		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	0.00	0.00		0.00	0.00
██████████ ██████████ ██████████		5,251,301.27		Outstanding Deposits 557,128.20		557,128.20
				<i>Paperwork Variances with Other Bank Accounts</i>		0.00
				Need TRV from Lockbxs 0.00		0.00
				TRV-ECC 0.00		
Offset Adjustment		0.00	0.00			
	5,808,429.47	5,251,301.27	557,128.20		0.00	557,128.20
██████████ ██████████ ██████████		0.00		Outstanding Deposits 0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>		0.00
				Need TRV-Daily Wire 0.00		

Delaware State Treasury's
Reconciliation to Accounting
September 2015

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			
	0.00	0.00	0.00		0.00	0.00
██████████		2,671.38			0.00	0.00
██████████				NEED TRV FOR Correction-1/2005	(94.00)	(94.00)
██████████				NEED TRV FOR ACTIVITY-9/15	3,774.53	3,774.53
				NEED TRV FOR ACTIVITY-	0.00	0.00
				NEED TRV FOR ACTIVITY-	0.00	0.00
				NEED TRV FOR ACTIVITY-	0.00	0.00
				<u>Paperwork Variances with Other Bank Accounts</u>		
Offset Adjustment		0.00	0.00			
	6,351.91	2,671.38	3,680.53		0.00	3,680.53
██████████		(6,303,453.64)		Direct Deposit Receivable (old-FY09)	(7,542.19)	(3,644.68)
██████████				Direct Deposit Receivable (FY10-FY16)	(19,047.05)	(29,063.98)
██████████				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	(24,432.51)	(24,432.51)
				Disbursement Adjustment	(5,888.14)	(5,888.14)
				TRV Needed for Federal Tax Pymt	5,261,415.50	
				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)	24,492.75	24,492.75
				Need JV Check Write	(5,798.93)	(5,798.93)
				Need JV Blue Cross Blue Shield	6,254.13	6,254.13
				Misc Adjustments	(26,441.22)	(26,441.22)
				Outstanding Checks	1,067,213.38	1,067,213.38
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Checks Cleared Monthly Journal Entry	0.00	
Offset Adjustment		0.00	0.00			
	0.00	(6,303,453.64)	6,303,453.64		1,029,381.63	5,274,072.01
██████████		(12,188,883.31)		Bank Errors(bank)/Cks Cleared(pw-Book)(old-FY09)	327,224.92	(13,510.69)
██████████				Bank Errors(bank)/Cks Cleared(pw-Book)(FY10-FY16)	(193,500.84)	(2,564.96)
██████████				Cancelled Checks (old to FY09)	217.09	217.09
██████████				Cancelled Checks (FY16)	278,762.85	278,762.85
				Misc Disbursements	(7,898.62)	(7,898.62)
				Forgery Credits (old to FY09)	(19,205.60)	(19,205.60)
				Forgery Credits (FY10-FY16)	(1,812.31)	(1,812.31)
				Stale Dated Checks(old to FY09)	72,769.82	72,769.82
				Stale Dated Checks(FY13-FY16)	650,313.14	650,313.14
				Need JV Monthly check write	0.00	0.00
				Misc Adjustments	(406.96)	(406.96)
				Outstanding Checks	11,082,419.82	11,082,419.82
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Checks Cleared Monthly Journal Entry	0.00	

Delaware State Treasury's
Reconciliation to Accounting
September 2015

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				
	0.00	(12,188,883.31)	12,188,883.31		11,066,344.17	1,122,539.14	
		(711,626.09)		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)	2,571.99	157.01	2,414.98
				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)	240,246.48		240,246.48
				Need JV-Monthly Check Write	0.00		0.00
				Need JV-Stimulus Check Write	0.00		0.00
				Forgery Credits (old to FY09)	(136.00)		(136.00)
				Forgery Credits (FY10-FY16)	15,733.00		15,733.00
				Outstanding Checks	291,409.79	291,409.79	
				<u>Paperwork Variances with Other Bank Accounts</u>			
				Checks Cleared Monthly Journal Entry	0.00		
Offset Adjustment		0.00	0.00				
	0.00	(711,626.09)	711,626.09		287,171.46	424,454.63	
		0.00		Interest-Need Cash Receipt	0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			0.00
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00		0.00	0.00	
		0.00		Interest-Need Cash Receipt	0.00		0.00
				Need Cash Receipt	0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			
				need TRV	0.00		
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00		0.00	0.00	
		776,174.00		Interest-Need Cash Receipt	6.38		6.38
				<u>Paperwork Variances with Other Bank Accounts</u>			0.00
Offset Adjustment		0.00	(0.00)				
	776,180.38	776,174.00	6.38		0.00	6.38	
		0.00		Interest-Need Cash Receipt	0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			0.00
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00		0.00	0.00	

Delaware State Treasury's
Reconciliation to Accounting
September 2015

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
██████████ ██████████ ██████████ ██████████		284,211.03		Interest-Need Cash Receipt 2.34 <i>Paperwork Variances with Other Bank Accounts</i>		2.34 0.00
Offset Adjustment		0.00	0.00			
	284,213.37	284,211.03	2.34		0.00	2.34
██████████ ██████████ ██████████ ██████████		1,288.12		Interest-Need Cash Receipt 0.01 <i>Paperwork Variances with Other Bank Accounts</i> Need TRV 0.00		0.01 0.00
Offset Adjustment		0.00	(0.00)			
	1,288.13	1,288.12	0.01		0.00	0.01
██████████ ██████████ ██████████ ██████████		49,615,852.64		Interest-Need Cash Receipt 1,261.86 <i>Paperwork Variances with Other Bank Accounts</i> Need Correction PW done to wrong acct 0.00		1,261.86 0.00
Offset Adjustment		0.00	0.00			
	49,617,114.50	49,615,852.64	1,261.86		0.00	1,261.86
██████████ ██████████ ██████████		647,715.98		Interest- Need Cash Receipt 0.00 <i>Paperwork Variances with Other Bank Accounts</i> Need Correction PW done to wrong acct 0.00		0.00 0.00
Offset Adjustment		0.00	0.00			
	647,715.98	647,715.98	0.00		0.00	0.00
Grand Total	1,917,779,588.40	1,829,438,378.63	88,341,209.77	88,341,209.77	76,884,517.00	11,456,692.77
					General Ledger	<u>1,840,895,071.40</u>

Exhibit C

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

Proof of Cash Reconciliation

Quarter ended September 30, 2015

Balance per State Treasurer's books, June 30, 2015	\$ 2,253,435,076
Additions:	
Deposits to Cash Receipts Journal	1,743,096,247
Transportation Trust Fund Deposits	79,869,471
Receivables for Bank Errors	5,084
Receivables for CM Forgery Credits	1,044
Outstanding Cash Receipts	7,950,278
Division of Mental Retardation Transfer	(5,903)
Outstanding Checks Prior Month	192,784,558
	<u>2,023,700,779</u>
Subtotal	2,023,700,779
Deductions:	
Deposits to Cash Receipts Journal Prior Month	2,585,485
Transfer for Principal and Interest Bonds	58,276,965
Transfer from Mellon for Direct Deposit for Payroll and Pensions	436,165,681
Transfer from Mellon to Mercantile for Pensions	95,840,663
Transfer from Mellon -TTF	18,826,583
Transfer from Mellon - PNC Providence Creek	22,294
Transfer from Mellon - TD Equipment	4,877,231
Transfer from Mellon - Epicor Software	641,386
Transfer from Mellon - Def Comp	9,902,744
Transfer from Mellon -TSA Plan	5,593,795
Transfer from Mellon -DNREC-Tunnell & Raysor	2,415,755
Transfer from Mellon - Aetna	982,898
Transfer from Mellon - Blue Cross Blue Shield	20,878,679
Transfer from Mellon - Medco	8,883,520
Transfer from Mellon Medicaid	293,755,609
Transfer from Mellon - DHSS Vendor Pmts	2,587
Transfer from Mellon Supercard	27,736,216
Transfer from Mellon SSI	153,000
Transfer from PNC for PNC Bank Fees SPO	243
Transfer from PNC for Bonds	38,668,393
Transfer for Fed Tx, FICA, & Medicare	133,982,908
Transfer for Child Support-Payroll Vendor	660,587
ACH Transfers	828,342,935
Transfer for Cleared ZBAs	239,091,038
Transfer for Outstanding ZBAs	207,953,589
	<u>2,436,240,784</u>
Subtotal	2,436,240,784
Balance per State Treasurer's books, adjusted September 30, 2015	<u>\$ 1,840,895,071</u>