

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

**AGREED-UPON PROCEDURES**

**QUARTER ENDED JUNE 30, 2016**

STATE OF DELAWARE  
OFFICE OF THE STATE TREASURER  
BANK RECONCILIATIONS

QUARTER ENDED JUNE 30, 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 June 30, 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 June 30, 2016 as detailed below.

FSF Balance Sheet Account to Daily Validity Report Reconciliation - Cash and Investments  
June 30, 2016

Combined Cash Balance as of June 30, 2016 per DGL046 \$2,201,469,794

Less Encumbrances and Remaining Spending Authority per DGL060:

	<b>Encumbered</b>	<b>Remaining Spending Authority</b>	<b>Total</b>	
NSF-20 (Nonappropriated Special Funds)	\$ 60,393,256	\$ 928,915,771	\$ 989,309,027	
Remaining balance left to satisfy other fund types				1,212,160,767
ASF HOLD-30 (Appropriated Special Funds)	58,441,754	401,390,505	459,832,259	
Remaining balance left to satisfy other fund types				752,328,508
GF-03 (General Fund - prior year continuing)	12,201,904	28,853,590	41,055,494	
GF-04 (General Fund - prior year encumbrance balance)	-	-	-	
Remaining balance left to satisfy other fund types				711,273,014
GF-01 (General Fund - regular appropriations)	68,232,541	68,638,997	136,871,538	
GF-02 (General Fund - supplemental appropriations)	-	3,605,478	3,605,478	
Cash and Investments at the Office of the State Treasurer as of June 30, 2016 in excess (deficit) of all fund balances			\$ 570,795,998	

3. Determined the bank account balances held by the Office of the State Treasurer are sufficient to support the use of the fund types listed at procedure #2 at June 30, 2016.

# Zelenkofske Axelrod LLC

4. Obtained the Office of the State Treasurer's reconciliation of bank balances to FSF as of June 30, 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 \$3,903,000, 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 \$3,903,000 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 \$3,903,000 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 June 30, 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 \$3,903,000 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 June 30, 2016	04/04/16	\$ 1,072,349.15
	04/22/16	\$ 9,834,549.54
	05/23/16	\$ 868,922.40
	06/01/16	\$ 4,657,028.27
	06/17/16	\$ 4,262,939.07

# Zelenkofske Axelrod LLC

14. Obtained the Office of the State Treasurer's General Account Cash Reconciliation as of June 30, 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*

ZELENKOFSCHE AXELROD LLC

Harrisburg, Pennsylvania  
September 8, 2016

**Exhibit A**

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

General Account Cash Reconciliation

Quarter ended June 30, 2016

Balance per Citizens Bank	\$ 1,908,609
Balance per Mellon Bank	223,713,375
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Bank balance at June 30, 2016	225,621,984
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Additions:	
Investments managed by Wilmington Trust, account number 830754	229,886,772
Investments managed by Wachovia Bank, account number 830751	230,337,733
Receivables from various sources	123,586
Deposits in transit	(172,533)
Balance at Bank of New York Mellon, account number 353608	56,784,006
Balance at Bank of New York Mellon-JPMorgan, account number 830766	243,422,301
Balance at Bank of New York Mellon, account number 830760, 830762, and 830763	574,199,201
Balance at Bank of New York Mellon, account number 830764 and 830765	333,134,445
Fidelity Government Obligation Bonds 2014A	777,087
Fidelity Government Obligation Bonds 2016A	97,704,077
Fidelity Government Obligation Bonds 2016B	21,522,868
Balance at Bank of New York Mellon, account number 830800, 830801, 830802, and 830803	64,316,437
Balance at Wilmington Trust, Morgan Greenfield Intermediate, account number 830759	163,812,100
Balance at Bank of America, Labor Lockbox	100
Balance at JP Morgan Chase, Corp Lockbox	1,787,083
Fidelity 2013 MMLPA	285,835
Balance at PNC Bank, Concentration, account number 5694010993	4,691,444
Balance at PNC Bank, DMR Special Services, account number 56-94003988	6,182
US Bank - Bonds #1075400	738,965
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Subtotal	2,023,357,689
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Deductions:	
Outstanding zero-balance accounts (ZBAs) - outstanding checks	53,847,906
Payable for bank errors	11,349
Payable to Mellon 07/98	10,069
Payable to PNC Bank miscellaneous adjustments	48,480
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Subtotal	53,917,804
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Balance per State Treasurer's books, adjusted June 30, 2016	\$ 2,195,061,869
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Office of the State Treasurer  
 Reconciliation to Accounting  
 June 2016

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments		Variances Bank to Ledger	Variances FSF/DFMS to Ledger
██████████ Citizens		1,914,237.98		Outstanding Deposits-FY 2016	0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>			
				Checks Cleared Monthly Journal Entry	0.00		
Offset Adjustment		0.00	0.00				
	0.00	440,375.53	(440,375.53)			194,595.54	(634,971.07)
██████████ BOA Corp LxBx		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
██████████ BOA Labor LxBx		100.00		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				
	100.00	100.00	0.00			0.00	0.00
██████████ BOA Credit Card		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
██████████ PNC Concentration		4,732,171.89		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	(87.93)		(87.93)
				JV Needed for Child Support	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		1.01
				MW Done Early	(46,192.67)	0.00	(46,192.67)
							0.00

Office of the State Treasurer  
 Reconciliation to Accounting  
 June 2016

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variences Bank to Ledger	Variences FSF/DFMS to Ledger
██████ Citizens		1,914,237.98		Outstanding Deposits-FY 2016 0.00 <i>Paperwork Variences with Other Bank Accounts</i> Need TRV Need TRV 0.00 Need TRV		0.00
Offset Adjustment		0.00	0.00			
	4,691,444.01	4,732,171.89	(40,727.88)		42,177.98	(82,905.86)
██████ BONY		0.00		Voucher Done to wrong bank account 0.00 <i>Paperwork Variences with Other Bank Accounts</i> Checks Cleared Monthly Journal Entry 0.00		0.00
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
██████ PNC Vendor		(32,007,713.87)		Bank Errors(bank)/Cks Cleared(pw-Book)(old-FY09) (55,178.09) Bank Errors(bank)/Cks Cleared(pw-Book)(FY10-FY16) 4,209.83 Cancelled Checks (old to FY09) (11,996.80) Cancelled Checks (FY10) 0.00 ACH Returns (old-FY10) (2,133.78) ACI Pymts Outstanding 12,844.05 Misc Adjustments 3,478.13 Forgery Credits 5,552.36 Stale Dated Checks(old-FY09) 10,167.31 Stale Dated Checks(FY10-FY16) 176,951.04 Paid Check -Cancelled in FSF-Need TRV 18000 0.00 July 2010 Cancelled check twice in FSF 0.00 Ck 804761 -returned by pnc 0.00 FSF Variance 135,868.01 Outstanding checks 31,727,951.81 <i>Paperwork Variences with Other Bank Accounts</i> Checks Cleared Monthly Journal Entry 0.00	(40,759.16) 9,530.99	(14,418.93) (5,321.16) (11,996.80) 0.00 (2,133.78) 12,844.05 3,478.13 5,552.36 10,167.31 176,951.04 0.00 0.00 0.00 135,868.01 31,727,951.81 31,727,951.81
Offset Adjustment		0.00	0.00			
	0.00	(32,007,713.87)	32,007,713.87		31,696,723.64	310,990.23
██████ PNC Vendor ACH		203,494.32		ACH Pmt processed June paid July 0.00 ACH Returns -FY11 (48,448.22) ACH Returns -FY12 (1,002.73) ACH Returns -FY13 2,088.94 ACH Returns -FY14 22,483.86 ACH Returns -FY15 36,454.45 ACH Returns -FY16 (228,535.18) Reversal Vouchers-FY11 13,404.56 Need TRV-June 13 90.00 Wire Service Fees (30.00) <i>Paperwork Variences with Other Bank Accounts</i> Checks Cleared Monthly Journal Entry 0.00	0.00	(48,448.22) (1,002.73) 2,088.94 22,483.86 36,454.45 (228,535.18) 13,404.56 90.00 (30.00)
Offset Adjustment		0.00	(0.00)			
	0.00	203,494.32	(203,494.32)		0.00	(203,494.32)

Office of the State Treasurer  
 Reconciliation to Accounting  
 June 2016

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variances Bank to Ledger	Variances FSF/DFMS to Ledger
██████████		1,914,237.98				
██████████				Outstanding Deposits-FY 2016	0.00	0.00
██████████		237,777,442.09		Outstanding Deposits-FY 2011	(621.35)	(621.35)
Mellon				Outstanding Deposits-FY 2013	0.00	0.00
				Outstanding Deposits-FY 2014	(17,958.76)	(17,958.76)
				Outstanding Deposits-FY 2016	0.00	0.00
				TRV-Bond Pmt-	0.00	0.00
				Need Manual Pmt-	0.00	0.00
				PW done twice-	0.00	0.00
				PW Done July-Money Moved June	(14,045,487.15)	(14,045,487.15)
				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		
				Need TRV bonds		
				Need TRV- ECC		
Offset Adjustment		0.00	0.00			
	223,713,374.73	237,777,442.09	(14,064,067.36)		0.00	(14,064,067.36)
██████████		0.00		Outstanding Deposits-FY16	0.00	0.00
██████████				Outstanding Deposits-FY13	(0.00)	(0.00)
PC: 12999				Outstanding Deposits-FY12	(0.00)	(0.00)
				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	0.00	0.00		0.00	(0.00)
██████████		0.00		Interest	0.00	0.00
██████████						0.00
BONY				<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
BONY				<u>Paperwork Variances with Other Bank Accounts</u>		
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
BONY				<u>Paperwork Variances with Other Bank Accounts</u>		
				TRV-PFM Liquidity	0.00	
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00

Office of the State Treasurer  
 Reconciliation to Accounting  
 June 2016

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments		Variance Bank to Ledger	Variance FSF/DFMS to Ledger
██████████ ██████████ ██████████ BONY		1,914,237.98		Outstanding Deposits-FY 2016	0.00		0.00
		113,646,966.41		Interest	176,100.27		176,100.27
				<u>Paperwork Variances with Other Bank Accounts</u>			
				TRV-Federated Inter	0.00		
Offset Adjustment		0.00	(0.00)				
	113,823,066.68	113,646,966.41	176,100.27			0.00	176,100.27
██████████ ██████████ ██████████		228,878,857.54			96,540.31		96,540.31
				<u>Paperwork Variances with Other Bank Accounts</u>			
				TRV-PFM Liquidity	0.00		
Offset Adjustment		0.00	(0.00)				
	228,975,397.85	228,878,857.54	96,540.31			0.00	96,540.31
██████████ ██████████ ██████████		230,237,466.72		Interest	100,266.39		100,266.39
				<u>Paperwork Variances with Other Bank Accounts</u>			0.00
				TRV-Correction	0.00		
Offset Adjustment		0.00	(0.00)				
	230,337,733.11	230,237,466.72	100,266.39			0.00	100,266.39
██████████ ██████████ BONY		160,931,098.19		Interest	131,509.46		131,509.46
				<u>Paperwork Variances with Other Bank Accounts</u>			0.00
				TRV-Chandler	0.00		
				TRV-Morgan Stanley	0.00		
Offset Adjustment		0.00	(0.00)				
	161,062,607.65	160,931,098.19	131,509.46			0.00	131,509.46
██████████ ██████████ BONY		56,746,774.81		Interest	37,231.42		37,231.42
				<u>Paperwork Variances with Other Bank Accounts</u>			0.00
Offset Adjustment		0.00	0.00				
	56,784,006.23	56,746,774.81	37,231.42			0.00	37,231.42
██████████ ██████████ BONY		20,769,919.64		Interest	0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			0.00
				Need TRV-Bud Reserve	0.00		
Offset Adjustment		0.00	0.00				
	20,769,919.64	20,769,919.64	0.00			0.00	0.00
██████████ ██████████ BONY		28,427,889.77		Interest	244,411.47		244,411.47
				<u>Paperwork Variances with Other Bank Accounts</u>			0.00
				Need TRV-Bud Reserve	0.00		
Offset Adjustment		0.00	(0.00)				
	28,672,301.24	28,427,889.77	244,411.47			0.00	244,411.47
██████████ ██████████ BONY		214,750,000.00		Interest	0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			0.00

Office of the State Treasurer  
 Reconciliation to Accounting  
 June 2016

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments		Variance Bank to Ledger	Variance FSF/DFMS to Ledger
██████████ Citizens		1,914,237.98		Outstanding Deposits-FY 2016	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
██████████ BONY		229,719,866.36		Interest	166,905.40		166,905.40
				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				
	229,886,771.76	229,719,866.36	166,905.40			0.00	166,905.40
██████████ BONY		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
██████████ BONY		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
██████████ BONY		171,892,682.68		Interest	179,154.97		179,154.97
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
				Need TRV-Federated Inter	0.00		
Offset Adjustment		0.00	0.00				
	172,071,837.65	171,892,682.68	179,154.97			0.00	179,154.97
██████████ BONY		231,121,935.28		Interest	278,800.83		278,800.83
				<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)				
	231,400,736.11	231,121,935.28	278,800.83			0.00	278,800.83
██████████ BONY		3,004,617.98		Interest	902.92		902.92
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
				Need TRV-Bud Reserve	0.00		
Offset Adjustment		0.00	0.00				
	3,005,520.90	3,004,617.98	902.92			0.00	902.92
██████████ BONY		163,716,095.47		Interest	96,004.58		96,004.58
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
				Need TRV-Bud Reserve	0.00		

Office of the State Treasurer  
 Reconciliation to Accounting  
 June 2016

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments		Variences Bank to Ledger	Variences FSF/DFMS to Ledger
██████████ Citizens		1,914,237.98		Outstanding Deposits-FY 2016	0.00		0.00
Offset Adjustment		0.00	(0.00)				
	163,812,100.05	163,716,095.47	96,004.58			0.00	96,004.58
██████████ ██████████ BONY		20,498,812.20		Interest	20,280.73		20,280.73
				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)				
	20,519,092.93	20,498,812.20	20,280.73			0.00	20,280.73
██████████ ██████████ BONY		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		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		0.00
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
██████████ ██████████ JPMorgan		1,787,083.45		Outstanding Deposits	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				
	1,787,083.45	1,787,083.45	0.00			0.00	0.00
██████████ ██████████ PNC-CC		0.00		Outstanding Deposits	0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
				Need TRV-Daily Wire			
				Need TRV-Deposit	0.00		
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
██████████ ██████████ PNC DMR		15,577.93		NEED TRV FOR Correction-1/2005	0.00		0.00
				NEED TRV FOR ACTIVITY-12/15	(94.00)		(94.00)
				NEED TRV FOR ACTIVITY-6/16	0.03		0.03
				NEED TRV FOR ACTIVITY	(9,302.15)		(9,302.15)
					0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00

Office of the State Treasurer  
 Reconciliation to Accounting  
 June 2016

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments		Variance Bank to Ledger	Variance FSF/DFMS to Ledger
		1,914,237.98					
█████ Citizens Offset Adjustment		0.00	0.00	Outstanding Deposits-FY 2016	0.00		0.00
	6,181.81	15,577.93	(9,396.12)			0.00	(9,396.12)
█████ PC:12ESC PNC Abandoned Property		(13,410,463.55)		Bank Errors(bank)/Cks Cleared(pw-Book)(FY16)	0.00		0.00
				Cancelled Checks	0.00		0.00
				Forgery Credits (FY10-FY16)	0.00		0.00
				Stale Dated Checks(old to FY09)	0.00		0.00
				Outstanding Checks	13,410,463.55	13,410,463.55	
				<u>Paperwork Variances with Other Bank Accounts</u>			
Offset Adjustment		0.00	0.00				
	0.00	(13,410,463.55)	13,410,463.55			13,410,463.55	0.00
█████ PC:12PEN PNC PENSION		(6,520,772.79)		Direct Deposit Receivable (old-FY09)	(7,542.19)	(3,644.68)	(3,897.51)
				Direct Deposit Receivable (FY10-FY16)	7,337.77	(6,650.25)	13,988.02
				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	5,435,956.20		5,435,956.20
				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)	(1,539.14)		(1,539.14)
				Need JV Check Write	(5,798.93)		(5,798.93)
				Need JV Blue Cross Blue Shield	6,254.13		6,254.13
				Misc Adjustments	(33,699.38)		(33,699.38)
				Outstanding Checks	1,116,943.07	1,116,943.07	
				<u>Paperwork Variances with Other Bank Accounts</u>			
				Need TRV-Tax JV			
Offset Adjustment		0.00	0.00				
	0.00	(6,520,772.79)	6,520,772.79			1,101,525.05	5,419,247.74
█████ PC:12REV PNC REVENUE		(8,076,806.21)		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)	152,240.13	(1,880.79)	154,120.92
				Cancelled Checks (old to FY09)	217.09		217.09
				Cancelled Checks (FY16)	0.00		0.00
				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)	428,080.52		428,080.52
				Need JV Monthly check write	0.00		0.00
				Misc Adjustments	(406.96)		(406.96)
				Outstanding Checks	7,125,597.22	7,125,597.22	
				<u>Paperwork Variances with Other Bank Accounts</u>			
				Checks Cleared Monthly Journal Entry	0.00		
Offset Adjustment		0.00	0.00				

Office of the State Treasurer  
 Reconciliation to Accounting  
 June 2016

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variences Bank to Ledger	Variences FSF/DFMS to Ledger	
██████████ Citizens		1,914,237.98					
	0.00	(8,076,806.21)	8,076,806.21	Outstanding Deposits-FY 2016 0.00		0.00	
██████████ ██████████ PNC WELFARE		(738,693.54)		Bank Errors(bank)/Cks Cleared(pw-Book)(old-FY09) 8,104.06 Bank Errors(bank)/Cks Cleared(pw-Book)(FY10-FY16) 3,256.00 Cancelled Checks (old to FY09) 11,841.00 Cancelled Checks (FY10-FY11) 10,505.00 Misc Adjustments (170.23) Stale Dated Checks(old to FY09) 55,590.00 Stale Dated Checks(FY10-FY11) 75,931.00 Stale Dated Checks(FY12-FY16) 297,084.19 Need JV-Monthly Check Write 0.00 Need JV-Stimulus Check Write 0.00 Forgery Credits (old to FY09) (136.00) Forgery Credits (FY10-FY16) 16,819.00 Otstanding Checks 259,869.52  <u>Paperwork Variences with Other Bank Accounts</u> Checks Cleared Monthly Journal Entry 0.00		(4,395.34) 338.02	12,499.40 2,917.98 11,841.00 10,505.00 (170.23) 55,590.00 75,931.00 297,084.19 0.00 0.00 (136.00) 16,819.00 259,869.52
Offset Adjustment		0.00	0.00				
	0.00	(738,693.54)	738,693.54		255,812.20	482,881.34	
██████████ Fidelity BONDS		97,679,502.53		Interest-Need Cash Receipt 24,574.11 Wire In-Need Cash Receipt 0.00  <u>Paperwork Variences with Other Bank Accounts</u> Need TRV-Mellon		24,574.11 0.00	
Offset Adjustment		0.00	0.00				
	97,704,076.64	97,679,502.53	24,574.11		0.00	24,574.11	
██████████ Fidelity BONDS		21,517,611.86		Interest-Need Cash Receipt 5,256.39 Need Cash Receipt 0.00  <u>Paperwork Variences with Other Bank Accounts</u> need TRV 0.00		5,256.39 0.00	
Offset Adjustment		0.00	(0.00)				
	21,522,868.25	21,517,611.86	5,256.39		0.00	5,256.39	
██████████ Fidelity BONDS		776,922.73		Interest-Need Cash Receipt 164.30  <u>Paperwork Variences with Other Bank Accounts</u>		164.30 0.00	
Offset Adjustment		0.00	(0.00)				
	777,087.03	776,922.73	164.30		0.00	164.30	
██████████ Fidelity BONDS		0.00		Interest-Need Cash Receipt 0.00  <u>Paperwork Variences with Other Bank Accounts</u>		0.00 0.00	
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00		0.00	0.00	
██████████ Fidelity		284,485.20		Interest-Need Cash Receipt 60.16		60.16 0.00	



Office of the State Treasurer  
 Reconciliation to Accounting  
 June 2016

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
██████████ Citizens Bell Lease		1,914,237.98		Outstanding Deposits-FY 2016 <i>Paperwork Variances with Other Bank Accounts</i>	0.00	0.00
Offset Adjustment		0.00	0.00			
	284,545.36	284,485.20	60.16		0.00	60.16
██████████ Fidelity Trane Lease		1,289.38		Interest-Need Cash Receipt  <i>Paperwork Variances with Other Bank Accounts</i> Need TRV	0.27  0.00	0.27  0.00
Offset Adjustment		0.00	0.00			
	1,289.65	1,289.38	0.27		0.00	0.27
██████████ Fidelity BONDS		0.00		Interest-Need Cash Receipt  <i>Paperwork Variances with Other Bank Accounts</i> Need TRV Bond PW	0.00  0.00	0.00  0.00
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
██████████ BONDS		729,062.87		Interest- Need Cash Receipt  <i>Paperwork Variances with Other Bank Accounts</i> Need Correction PW done to wrong acct	9,902.13  0.00	9,902.13
Offset Adjustment		0.00	0.00			
	738,965.00	729,062.87	9,902.13		0.00	9,902.13
Grand Total	2,249,028,619.67	2,201,469,794.07	47,558,825.60		47,558,825.60	53,966,751.13

General Ledger 2,195,061,868.54

## Exhibit C

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

Proof of Cash Reconciliation

Quarter ended June 30, 2016

Balance per State Treasurer's books, March 31, 2016	\$ 1,969,225,814
Additions:	
Deposits to Cash Receipts Journal	2,783,099,227
Transportation Trust Fund Deposits	172,542,281
Receivables for Bank Errors	583
Receivables for CM Forgery Credits	471
Outstanding Cash Receipts	(234,222,860)
Division of Mental Retardation Transfer	(591)
Outstanding Checks Prior Month	269,226,548
	<u>2,990,645,659</u>
Subtotal	2,990,645,659
Deductions:	
Transfer from Mellon for Direct Deposit for Payroll and Pensions	495,820,501
Transfer from Mellon to Mercantile for Pensions	61,217,389
Transfer from Mellon -TTF	3,272,683
Transfer from Mellon - OST Vendor Payment	1,602,449
Transfer from Mellon - DTCC Vendor Payments	27,336
Transfer from Mellon - Saul Ewing	2,725,564
Transfer from Mellon - Def Comp	9,961,737
Transfer from Mellon -TSA Plan	5,744,774
Transfer from Mellon -DNREC-Tunnell & Raysor	4,184,742
Transfer from Mellon - Highmark	14,045,487
Transfer from Mellon Medicaid	25,065,027
Transfer from Mellon Supercard	32,937,604
Transfer from Mellon SSI	355,066
Transfer from PNC for PNC Bank Fees SPO	248
Transfer from PNC for Bonds	8,582,050
Transfer for Fed Tx, FICA, & Medicare	153,790,521
Transfer for Child Support-Payroll Vendor	792,062
ACH Transfers	1,333,423,032
Transfer for Cleared ZBAs	403,485,359
Transfer for Outstanding ZBAs	207,775,973
	<u>2,764,809,604</u>
Subtotal	2,764,809,604
Balance per State Treasurer's books, adjusted June 30, 2016	<u>\$ 2,195,061,869</u>