

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

**AGREED-UPON PROCEDURES**

**QUARTER ENDED MARCH 31, 2017**

STATE OF DELAWARE  
OFFICE OF THE STATE TREASURER  
BANK RECONCILIATIONS

QUARTER ENDED MARCH 31, 2017

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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, 2017. 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 conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. 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, 11025, and 11029 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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### **Harrisburg**

830 Sir Thomas Court, Suite 100  
Harrisburg, PA 17109  
717.561.9200 Fax 717.561.9202

### **Philadelphia**

2370 York Road, Suite A-5  
Jamison, PA 18929  
215.918.2277 Fax 215.918.2302

### **Pittsburgh**

3800 McKnight E. Drive, Suite 3805  
Pittsburgh, PA 15237  
412.367.7102 Fax 412.367.7103

### **Greensburg**

210 Tollgate Hill Road  
Greensburg, PA 15601  
724.834.2151 Fax 724.834.5969

# 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, 2017 as detailed below.

FSF Balance Sheet Account to Daily Validity Report Reconciliation - Cash and Investments  
March 31, 2017

Combined Cash Balance as of March 31, 2017 per DGL046 \$1,675,278,183

Less Encumbrances and Remaining Spending Authority per DGL060:

	<b>Encumbered</b>	<b>Remaining Spending Authority</b>	<b>Total</b>	
NSF-20 (Nonappropriated Special Funds)	\$ 83,544,422	\$ 1,192,136,590	\$ 1,275,681,012	
Remaining balance left to satisfy other fund types				399,597,171
ASF HOLD-30 (Appropriated Special Funds)	78,234,943	361,573,056	439,807,999	
Remaining balance left to satisfy other fund types				(40,210,828)
GF-03 (General Fund - prior year continuing)	16,479,660	46,098,509	62,578,169	
GF-04 (General Fund - prior year encumbrance balance)	2,426,684	2,594,029	5,020,713	
Remaining balance left to satisfy other fund types				(107,809,710)
GF-01 (General Fund - regular appropriations)	178,901,303	827,368,389	1,006,269,692	
GF-02 (General Fund - supplemental appropriations)	658,285	11,796,100	12,454,385	
Cash and Investments at the Office of the State Treasurer as of March 31, 2017 in excess (deficit) of all fund balances				\$ (1,126,533,787)

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, 2017.

# Zelenkofske Axelrod LLC

4. Obtained the Office of the State Treasurer's reconciliation of bank balances to FSF as of March 31, 2017 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 \$3,141,000, 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 \$3,141,000 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 \$3,141,000 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, 2017 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 \$3,141,000 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, 2017	01/04/17	\$ 467,152.79
	01/18/17	\$ 1,429,424.09
	02/08/17	\$ 101,502.01
	03/10/17	\$ 23,831,490.46
	03/17/17	\$ 2,200,638.83

# Zelenkofske Axelrod LLC

14. Obtained the Office of the State Treasurer's General Account Cash Reconciliation as of March 31, 2017, 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 20, 2017

**Exhibit A**

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

General Account Cash Reconciliation

Quarter ended March 31, 2017

Balance per Citizens Bank	\$ 2,724,036
Balance per Mellon Bank	84,025,077
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Bank balance at March 31, 2017	86,749,113
	<hr/>
Additions:	
Investments managed by Northern Trust, account number DOST01	183,284,668
Investments managed by Northern Trust, account number 4471371	183,870,176
Receivables from various sources	213,830
Deposits in transit	(172,024)
Balance at Northern Trust-JPMorgan, account number 4471381	228,462,916
Balance at Northern Trust, account number 4471378 and 4471376	264,556,152
Balance at Northern Trust, account number 4471379, 4471380, and 4471377	421,849,074
Fidelity Governmental Bonds Arbitrage Rebate	779,047
Fidelity Government Obligation Bonds 2017A	161,582,288
Balance at Northern Trust, account number 4471382, 4471383, 4471384, and 4471385	64,868,029
Balance at Northern Trust, Schroeder Intermediate, account number 4471375	156,552,962
Balance at JP Morgan Chase, Corp Lockbox	2,993,454
Fidelity 2013 MMLPA	286,556
Balance at PNC Bank, Concentration, account number 5694010993	5,182,118
Balance at PNC Bank, DMR Special Services, account number 56-94003988	299,838
US Bank - Bonds #107954000	821,560
	<hr/>
Subtotal	1,675,430,644
	<hr/>
Deductions:	
Outstanding zero-balance accounts (ZBAs) - outstanding checks	71,514,204
Payable for bank errors	11,607
Payable to Mellon 07/98	10,069
Payable to PNC Bank miscellaneous adjustments	48,480
	<hr/>
Subtotal	71,584,360
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Balance per State Treasurer's books, adjusted March 31, 2017	\$ 1,690,595,397
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See accompanying independent accountants' report on applying agreed-upon procedures.

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2017

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger	
██████████ Citizens		2,705,315.67		Outstanding Deposits-FY 2017 949,546.77 Bank Error 0.00 CWA 0.00 Outstanding Deposits (prior FY10) (11.09) Over/Short (FY2010) 79.84 Deposits in Transit (old to FY2009) 86,395.29 CRs done to wrong bank code (old to FY2009) (39,017.79) MW/JV needed (prior FY2010) (35,156.98) Need JV's (2,111.30) Open Receivables (old to FY 2009) (15,807.23) Voucher Done to wrong bank account 0.00  <i>Paperwork Variances with Other Bank Accounts</i> NEED TRV (925,196.96)	0.00	0.00 170,974.82 (15,807.23)	949,546.77 0.00 (11.09) 79.84 (84,579.53) (39,017.79) (35,156.98) (2,111.30) 0.00
Offset Adjustment		(925,196.96)	0.00				
	2,724,036.22	1,780,118.71	943,917.51		155,247.43	788,670.08	
██████████ PNC Payroll		85,110.87		Bank Errors(bank)/Cks Cleared(pw-Book)(old-FY09) (2,633.21) Bank Errors(bank)/Cks Cleared(pw-Book)(FY10-FY17) 31,855.61 Direct Deposit Receivable (old-FY09) 40,120.04 Direct Deposit Receivable (FY10-17) 192,967.32 Forgery credit-need JE 0.00 Cancelled Checks(old-FY09) 152,922.88 Cancelled Checks(FY10-FY13,17) 19,839.02 Stale Dated Checks(old-FY09) (51,880.37) Stale Dated Checks(FY16/17) 28,031.45 Need JV-Handwritten checks(8/11-9/11,1/12,3/12) 93,997.41 Pay Cycle Adjustments(old to FY01) (263,195.03) Pay Cycle Adjustments(PHRST)(FY02) (302,190.38) Pay Cycle Adjustments(PHRST)(FY03) (267,632.16) Pay Cycle Adjustments(PHRST)(FY04) 94,358.85 Pay Cycle Adjustments(PHRST)(FY05) (143,665.93) Pay Cycle Adjustments(PHRST)(FY06) (277,530.56) Pay Cycle Adjustments(PHRST)(FY07) (125,053.38) Pay Cycle Adjustments(PHRST)(FY08) (24,346.64) Pay Cycle Adjustments(PHRST)(FY09) (29,288.06) Pay Cycle Adjustments(PHRST)(FY10) (116,153.70) Pay Cycle Adjustments(PHRST)(FY11) (17,449.96) Pay Cycle Adjustments(PHRST)(FY12) (79,197.08) Pay Cycle Adjustments(PHRST)(FY13) (73,428.25) Pay Cycle Adjustments(PHRST)(FY14) (6,119.15) Pay Cycle Adjustments(PHRST)(FY15) (40,602.64) Pay Cycle Adjustments(PHRST)(FY16) (18,991.63) Pay Cycle Adjustments(PHRST)(FY17) (29,696.07) Group Life/Dental 7,813.40 PHRST unidentified variance (FY02-FY10) 334,994.90 PHRST unidentified variance (FY11) 25,963.29 Tax Adjustment CY2012 (138,674.97) Vendor Refund Variances 73,821.98 Tax Adjustments 246,452.56 Personal Reimbursements 14,812.44 Personal Reimbursements(Need JV-FY13-FY17) (4,016.56)		6,539.89 0.00 (9,167.08) (10,563.05)	(9,173.10) 31,855.61 49,287.12 203,530.37 0.00 152,922.88 19,839.02 (51,880.37) 28,031.45 93,997.41 (263,195.03) (302,190.38) (267,632.16) 94,358.85 (143,665.93) (277,530.56) (125,053.38) (24,346.64) (29,288.06) (116,153.70) (17,449.96) (79,197.08) (73,428.25) (6,119.15) (40,602.64) (18,991.63) (29,696.07) 7,813.40 334,994.90 25,963.29 (138,674.97) 73,821.98 246,452.56 14,812.44 (4,016.56)

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2017

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments		Variance Bank to Ledger	Variance FSF/DFMS to Ledger
				Misc Variances	(29,864.34)		(29,864.34)
				Outstanding Checks	598,548.05	598,548.05	
				<u>Paperwork Variances with Other Bank Accounts</u>			
				Checks Cleared Monthly Journal Entry	0.00		
Offset Adjustment		0.00	(0.00)				
	0.00	85,110.87	(85,110.87)			585,357.81	(670,468.68)
		0.00					
BOA Corp LxBx				Transits	0.00	0.00	
				Interest- Need CR	0.00		0.00
				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	0.00		
				ECC: Need TRV	0.00		
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
		0.00					
BOA Labor LxBx				Outstanding Deposits	0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			
				Need TRV to Corp Lockbox	0.00		
				ECC: Need TRV	0.00		
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
		0.00					
BOA Credit Card				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
		5,193,177.39		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	(1,015.08)		(1,015.08)
				JV Needed for pretax pmt	0.00		0.00
				Need TRV-Bonds	(0.02)		(0.02)
				Daily wire JV done wrong amt-12/26/13	0.60		0.60
				Misc Adjustment	1.01	0.00	1.01
				MW Done Early	(46,192.67)	0.00	(46,192.67)
					(23,787,727.80)		(23,787,727.80)

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2017

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments		Variations Bank to Ledger	Variations FSF/DFMS to Ledger
				<u>Paperwork Variances with Other Bank Accounts</u>			
				Need TRV	23,810,999.22		
				Need TRV	7,323.73		
				Need TRV	0.00		
Offset Adjustment		23,818,322.95	0.00				
	5,182,117.51	29,011,500.34	(23,829,382.83)			42,177.98	(23,871,560.81)
		0.00		Voucher Done to wrong bank account	0.00		0.00
							0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			
				Checks Cleared Monthly Journal Entry	0.00		
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
		(29,930,558.55)		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-FY17)	1,441,877.60	9,137.99	1,432,739.61
				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	5,552.36		5,552.36
				Stale Dated Checks(old-FY09)	10,167.31		10,167.31
				Stale Dated Checks(FY10-FY17)	131,258.75		131,258.75
				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	136,082.51		136,082.51
				Outstanding checks	28,258,606.51	28,258,606.51	
				<u>Paperwork Variances with Other Bank Accounts</u>			
				Checks Cleared Monthly Journal Entry	0.00		
Offset Adjustment		0.00	0.00				
	0.00	(29,930,558.55)	29,930,558.55			28,226,985.34	1,703,573.21
		(34,530,715.33)		ACH Pmt processed Jan paid Feb	14,363,583.10	14,363,583.10	
				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	(228,535.18)		(228,535.18)
				ACH Returns -FY17	473,638.61		473,638.61
				Reversal Vouchers-FY11	13,404.56		13,404.56
				Need TRV-June 13	90.00		90.00
				Wire Service Fees	(30.00)		(30.00)
				Checks Cleared Monthly Journal Entry	19,896,987.94		19,896,987.94
				<u>Paperwork Variances with Other Bank Accounts</u>			
				Checks Cleared Monthly Journal Entry			
Offset Adjustment		0.00	(0.00)			0.00	
	0.00	(34,530,715.33)	34,530,715.33			14,363,583.10	20,167,132.23



Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2017

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
██████████ BONY				<i>Paperwork Variances with Other Bank Accounts</i> TRV-Federated Inter 0.00		
Offset Adjustment	0.00	0.00	0.00		0.00	0.00
██████████ BONY		0.00		<i>Paperwork Variances with Other Bank Accounts</i> TRV-PFM Liquidity 0.00		0.00
Offset Adjustment	0.00	0.00	0.00		0.00	0.00
██████████ BONY		0.00		Interest 0.00 <i>Paperwork Variances with Other Bank Accounts</i> TRV-Correction 0.00		0.00
Offset Adjustment	0.00	0.00	0.00		0.00	0.00
██████████ BONY		0.00		Interest 0.00 <i>Paperwork Variances with Other Bank Accounts</i> TRV-Chandler 0.00 TRV-Morgan Stanley 0.00		0.00
Offset Adjustment	0.00	0.00	0.00		0.00	0.00
██████████ BONY		0.00		Interest 0.00 <i>Paperwork Variances with Other Bank Accounts</i> need trv 0.00		0.00
Offset Adjustment	0.00	0.00	0.00		0.00	0.00
██████████ BONY		0.00		Interest 0.00 <i>Paperwork Variances with Other Bank Accounts</i> Need TRV-Bud Reserve 0.00		0.00
Offset Adjustment	0.00	0.00	0.00		0.00	0.00
██████████ BONY		0.00		Interest 0.00 <i>Paperwork Variances with Other Bank Accounts</i> Need TRV-Bud Reserve 0.00		0.00
Offset Adjustment	0.00	0.00	0.00		0.00	0.00
██████████ BONY		0.00		Interest 0.00 <i>Paperwork Variances with Other Bank Accounts</i> Need TRV-Bud Reserve 0.00		0.00
Offset Adjustment	0.00	0.00	0.00		0.00	0.00

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2017

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
██████████ ██████████ BONY		0.00		Interest	0.00		0.00
				Bonds-July 2013	0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			
				Need TRV-Correction	0.00		
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
██████████ ██████████ BONY		0.00		Interest	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
██████████ ██████████ BONY		0.00		Interest	0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			0.00
				Need TRV-Federated Inter	0.00		
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
██████████ ██████████ BONY		0.00		Interest	0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			0.00
				Need TRV-Federated Inter	0.00		
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
██████████ ██████████ BONY		0.00		Interest	0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			0.00
				Need TRV-Mellon	0.00		
				Need TRV-Cutwater	0.00		
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
██████████ ██████████ BONY		0.00		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				
	0.00	0.00	0.00			0.00	0.00
██████████ ██████████ BONY		0.00		Interest	0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			0.00
				Need TRV-schroders	0.00		
Offset Adjustment		0.00	0.00				
	0.00	0.00	0.00			0.00	0.00
██████████ ██████████ BONY		0.00		Interest	0.00		0.00
				Bond TRV	0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			0.00

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2017

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
				Need TRV-Bud Reserve 0.00		
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
██████████ ██████████ BONY		0.00		Interest 0.00 Need Correction 0.00  <u>Paperwork Variances with Other Bank Accounts</u> Need Correction 0.00		0.00 0.00 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  <u>Paperwork Variances with Other Bank Accounts</u> Daily TRV needs correction done to wrong Account 0.00		0.00 0.00 0.00
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
██████████ ██████████ JPMorgan		2,993,453.55		Outstanding Deposits 0.00  <u>Paperwork Variances with Other Bank Accounts</u> Need TRV from Lockbxs 0.00 TRV-ECC 0.00		0.00 0.00 0.00
Offset Adjustment		0.00	0.00			
	2,993,453.55	2,993,453.55	0.00		0.00	0.00
██████████ ██████████ PNC-CC		910,998.22		Outstanding Deposits 1.00  <u>Paperwork Variances with Other Bank Accounts</u> Need TRV-Daily Wire (910,999.22) Need TRV-Deposit		1.00 0.00 0.00
Offset Adjustment		(910,999.22)	0.00			
	0.00	(1.00)	1.00		0.00	1.00
██████████ ██████████ PNC DMR		521,061.90		NEED TRV FOR Correction-1/2005 0.00 NEED TRV FOR ACTIVITY-12/15 (94.00) NEED TRV FOR ACTIVITY-12/15 0.03 NEED TRV FOR ACTIVITY-1/17 (278,495.19) NEED TRV FOR ACTIVITY-3/17 57,365.16 NEED TRV FOR ACTIVITY-3/17 0.00 NEED TRV FOR ACTIVITY-3/17 0.00  <u>Paperwork Variances with Other Bank Accounts</u>		0.00 (94.00) 0.03 (278,495.19) 57,365.16 0.00 0.00 0.00
Offset Adjustment		0.00	0.00			
	299,837.90	521,061.90	(221,224.00)		0.00	(221,224.00)
██████████ ██████████ PNC Abandoned Property		(19,474,795.56)		Bank Errors(bank)/Cks Cleared(pw-Book)(FY17) 763,271.81 Cancelled Checks 0.00 Forgery Credits 0.00 Stale Dated Checks(FY17) 1,343,367.88 Outstanding Checks 17,368,155.87	(61,035.44)	824,307.25 0.00 0.00 1,343,367.88
					17,368,155.87	1,343,367.88

Office of the State Treasurer  
 Reconciliation to Accounting  
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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>			
Offset Adjustment	0.00	0.00	0.00				
	0.00	(19,474,795.56)	19,474,795.56			17,307,120.43	2,167,675.13
██████████ ██████████ PNC PENSION		(6,789,749.91)		Direct Deposit Receivable (old-FY09)	(7,542.19)	(3,644.68)	(3,897.51)
				Direct Deposit Receivable (FY10-FY17)	38,738.42	(34,429.20)	73,167.62
				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)	18,662.04	7.08	18,654.96
				Federal and State Tax Adjustments	(23,104.55)		(23,104.55)
				Disbursement Adjustment	(5,888.14)		(5,888.14)
				TRV Needed for Federal Tax Pymt	5,659,477.39		5,659,477.39
				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-FY17)	2,662.07		2,662.07
				Need JV Check Write	(5,798.93)		(5,798.93)
				Need JV Blue Cross Blue Shield	6,254.13		6,254.13
				Misc Adjustments	(38,028.66)		(38,028.66)
				Outstanding Checks	1,122,426.88	1,122,426.88	
				<i>Paperwork Variances with Other Bank Accounts</i>			
				Need TRV-Tax JV			
Offset Adjustment	0.00	0.00	0.00				
	0.00	(6,789,749.91)	6,789,749.91			1,079,229.91	5,710,520.00
██████████ ██████████ PNC REVENUE		(14,224,357.74)		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-FY17)	3,375,050.77	(2,463.80)	3,377,514.57
				Cancelled Checks (old to FY09)	217.09		217.09
				Cancelled Checks (FY17)	710,061.78		710,061.78
				Misc Disbursements	(7,898.62)		(7,898.62)
				Forgery Credits (old to FY09)	(19,205.60)		(19,205.60)
				Forgery Credits (FY10-FY16)	(2,416.31)		(2,416.31)
				Stale Dated Checks(old to FY09)	72,769.82		72,769.82
				Stale Dated Checks(FY16/17)	164,488.11		164,488.11
				Need JV Monthly check write	0.00		0.00
				Misc Adjustments	5,500.04		5,500.04
				Outstanding Checks	9,598,565.74	9,598,565.74	
				<i>Paperwork Variances with Other Bank Accounts</i>			
				Checks Cleared Monthly Journal Entry		0.00	
Offset Adjustment	0.00	0.00	0.00				
	0.00	(14,224,357.74)	14,224,357.74			9,582,591.25	4,641,766.49
██████████ ██████████ PNC WELFARE		745,059.85		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)	6,194.99	338.02	5,856.97
				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

Office of the State Treasurer  
 Reconciliation to Accounting  
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Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments		Variance Bank to Ledger	Variance FSF/DFMS to Ledger
				Stale Dated Checks(FY12-FY17)	276,798.17		276,798.17
				Need JV-Monthly Check Write	(1,411,405.00)		(1,411,405.00)
				Need JV-Stimulus Check Write	0.00		0.00
				Forgery Credits (old to FY09)	(136.00)		(136.00)
				Forgery Credits (FY10-FY17)	17,369.00		17,369.00
				Outstanding Checks	204,318.16	204,318.16	
				<u>Paperwork Variances with Other Bank Accounts</u>			
				Checks Cleared Monthly Journal Entry	0.00		
Offset Adjustment		0.00	0.00				
	0.00	745,059.85	(745,059.85)			200,260.84	(945,320.69)
		0.00		Interest-Need Cash Receipt	0.00		0.00
				Wire In-Need Cash Receipt	0.00		0.00
Fidelity BONDS				<u>Paperwork Variances with Other Bank Accounts</u>			
				Need TRV-Mellon			
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
Fidelity BONDS				<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
		778,712.98		Interest-Need Cash Receipt	333.83		333.83
Fidelity BONDS				<u>Paperwork Variances with Other Bank Accounts</u>			0.00
Offset Adjustment		0.00	(0.00)				
	779,046.81	778,712.98	333.83			0.00	333.83
		161,523,654.65		Interest-Need Cash Receipt	58,633.83		58,633.83
Fidelity BONDS				<u>Paperwork Variances with Other Bank Accounts</u>			0.00
Offset Adjustment		0.00	0.00				
	161,582,288.48	161,523,654.65	58,633.83			0.00	58,633.83
		285,140.73		Interest-Need Cash Receipt	122.24		122.24
Fidelity Bell Lease				<u>Paperwork Variances with Other Bank Accounts</u>			0.00
Offset Adjustment		0.00	0.00				
	285,262.97	285,140.73	122.24			0.00	122.24
		1,292.34		Interest-Need Cash Receipt	0.55		0.55
							0.00

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2017

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
Fidelity Trane Lease				<i>Paperwork Variances with Other Bank Accounts</i>		
				Need TRV	0.00	
Offset Adjustment		0.00	(0.00)			
	1,292.89	1,292.34	0.55		0.00	0.55
██████████		0.00		Interest-Need Cash Receipt	0.00	0.00
Fidelity BONDS				<i>Paperwork Variances with Other Bank Accounts</i>		
				Need TRV Bond PW	0.00	
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
██████████		821,559.72		Interest- Need Cash Receipt	0.00	0.00
BONDS				<i>Paperwork Variances with Other Bank Accounts</i>		
				Need Correction PW done to wrong acct	0.00	
Offset Adjustment		0.00	0.00			
	821,559.72	821,559.72	0.00		0.00	0.00
██████████		82,014,400.13		Interest	123,419.36	123,419.36
Northern Trust				<i>Paperwork Variances with Other Bank Accounts</i>		
				TRV- CTW	0.00	
Offset Adjustment		0.00	0.00			
	82,137,819.49	82,014,400.13	123,419.36		0.00	123,419.36
██████████		182,297,621.93			120,710.81	120,710.81
Northern Trust				<i>Paperwork Variances with Other Bank Accounts</i>		
				TRV-PFM Liquidity		
Offset Adjustment		0.00	(0.00)			
	182,418,332.74	182,297,621.93	120,710.81		0.00	120,710.81
██████████		183,739,817.73		Interest	130,358.07	130,358.07
Northern Trust				<i>Paperwork Variances with Other Bank Accounts</i>		
				TRV-Correction	0.00	0.00
Offset Adjustment		0.00	(0.00)			
	183,870,175.80	183,739,817.73	130,358.07		0.00	130,358.07
██████████		114,132,735.58		Interest	73,106.81	73,106.81
Northern Trust				<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)			
	114,205,842.39	114,132,735.58	73,106.81		0.00	73,106.81
██████████		21,024,565.27		Interest	(5,709.08)	(5,709.08)
Northern Trust				<i>Paperwork Variances with Other Bank Accounts</i>		
				Need TRV-	0.00	0.00
Offset Adjustment		0.00	(0.00)			
	21,018,856.19	21,024,565.27	(5,709.08)		0.00	(5,709.08)
██████████		7,155,520.37		Interest	222,395.79	222,395.79

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2017

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variations Bank to Ledger	Variations FSF/DFMS to Ledger
██████████ Northern Trust				<i>Paperwork Variances with Other Bank Accounts</i> 0.00		0.00
				Need TRV-Bud Reserve 0.00		
Offset Adjustment		0.00	0.00			
	7,377,916.16	7,155,520.37	222,395.79		0.00	222,395.79
██████████ Northern Trust		221,085,000.00		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			
	221,085,000.00	221,085,000.00	0.00		0.00	0.00
██████████ Northern Trust		150,404,456.16		Interest 15,211.55		15,211.55
				Bonds-July 2013 0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>		
				Need TRV-Correction 32,865,000.00		
Offset Adjustment		32,865,000.00	(0.00)			
	183,284,667.71	183,269,456.16	15,211.55		0.00	15,211.55
██████████ Northern Trust		20,058,939.71		Interest 4,521.62		4,521.62
				<i>Paperwork Variances with Other Bank Accounts</i>		0.00
				Need TRV-Federated Inter 0.00		
Offset Adjustment		0.00	0.00			
	20,063,461.33	20,058,939.71	4,521.62		0.00	4,521.62
██████████ Northern Trust		122,043,239.47		Interest 188,166.39		188,166.39
				<i>Paperwork Variances with Other Bank Accounts</i>		0.00
				Need TRV-Federated Inter 0.00		
Offset Adjustment		0.00	(0.00)			
	122,231,405.86	122,043,239.47	188,166.39		0.00	188,166.39
██████████ Northern Trust		185,292,696.83		Interest 119,128.92		119,128.92
				<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			
	185,411,825.75	185,292,696.83	119,128.92		0.00	119,128.92
██████████ Northern Trust		3,011,328.56		Interest 548.65		548.65
				<i>Paperwork Variances with Other Bank Accounts</i>		0.00
				Need TRV-Bud Reserve 0.00		
Offset Adjustment		0.00	0.00			
	3,011,877.21	3,011,328.56	548.65		0.00	548.65
██████████ Northern Trust		156,423,000.25		Interest 129,961.76		129,961.76
				<i>Paperwork Variances with Other Bank Accounts</i>		0.00
				Need TRV-schroders 0.00		
Offset Adjustment		0.00	0.00			

Office of the State Treasurer  
 Reconciliation to Accounting  
 March 2017

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variances Bank to Ledger	Variances FSF/DFMS to Ledger
	156,552,962.01	156,423,000.25	129,961.76		0.00	129,961.76
██████████		20,754,009.82		Interest 19,824.89		19,824.89
██████████				Bond TRV 0.00		0.00
Northern Trust				<i>Paperwork Variances with Other Bank Accounts</i>		0.00
				Need TRV-Bud Reserve 0.00		
Offset Adjustment		0.00	(0.00)			
	20,773,834.71	20,754,009.82	19,824.89		0.00	19,824.89
Grand Total	1,762,137,950.85	1,675,278,182.95	86,859,767.90	86,859,767.90	71,542,554.09	15,317,213.81
					General Ledger	<u>1,690,595,396.76</u>

**Exhibit C**

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

Proof of Cash Reconciliation

Quarter ended March 31, 2017

Balance per State Treasurer's books, December 31, 2016	\$ 1,658,797,244
Additions:	
Deposits to Cash Receipts Journal	2,544,043,815
Transportation Trust Fund Deposits	131,557,984
Receivables for Bank Errors	67,198
Receivables for CM Forgery Credits	349
Outstanding Cash Receipts	1,671,108
Division of Mental Retardation Transfer	14,157
Outstanding Checks Prior Month	210,211,748
Subtotal	<u>2,887,566,359</u>
Deductions:	
Transfer for Principal and Interest Bonds	150,920,000
Transfer from Mellon for Direct Deposit for Payroll and Pensions	518,329,153
Transfer from Mellon to Mercantile for Pensions	77,361,663
Transfer from Mellon -TTF	1,144,859
Transfer from Mellon - DTCC Vendor Payments	6,954
Transfer from Mellon - Def Comp	10,010,841
Transfer from Mellon -TSA Plan	5,226,708
Transfer from Mellon -DNREC-Tunnell & Raysor	95,000
Transfer from Mellon - Highmark	1,388,913
Transfer from Mellon Medicaid	539,093,749
Transfer from Mellon Supercard	29,028,852
Transfer from Mellon SSI	180,000
Transfer from PNC for PNC Bank Fees SPO	309
Transfer from PNC for Bonds	37,568,782
Transfer from PNC - ACA Trans. Reinsurance Program	2,639,403
Transfer for Fed Tx, FICA, & Medicare	134,030,645
Transfer for Child Support-Payroll Vendor	802,149
ACH Transfers	823,756,154
Transfer for Cleared ZBAs	299,853,875
Transfer for Outstanding ZBAs	224,330,197
Subtotal	<u>2,855,768,206</u>
Balance per State Treasurer's books, adjusted March 31, 2017	<u>\$ 1,690,595,397</u>