

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

AGREED-UPON PROCEDURES

QUARTER ENDED DECEMBER 31, 2017

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER
BANK RECONCILIATIONS

QUARTER ENDED DECEMBER 31, 2017

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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 December 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, 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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- 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 December 31, 2017 as detailed below.

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

Combined Cash Balance as of December 31, 2017 per DGL046 \$1,809,987,220

Less Encumbrances and Remaining Spending Authority per DGL060:

	<u>Encumbered</u>	<u>Remaining Spending Authority</u>	<u>Total</u>	
NSF-20 (Nonappropriated Special Funds)	\$ 76,163,950	\$ 1,387,405,526	<u>\$ 1,463,569,476</u>	
				Remaining balance left to satisfy other fund types 346,417,744
ASF HOLD-30 (Appropriated Special Funds)	92,961,516	332,547,638	<u>425,509,154</u>	
				Remaining balance left to satisfy other fund types (79,091,410)
GF-03 (General Fund - prior year continuing)	19,834,993	46,139,805	65,974,798	
GF-04 (General Fund - prior year encumbrance balance)	6,643,363	2,450,325	<u>9,093,688</u>	
				Remaining balance left to satisfy other fund types (154,159,896)
GF-01 (General Fund - regular appropriations)	281,821,181	1,793,314,033	2,075,135,214	
GF-02 (General Fund - supplemental appropriations)	177,016	14,891,614	<u>15,068,630</u>	
Cash and Investments at the Office of the State Treasurer as of December 31, 2017 in excess (deficit) of all fund balances				<u>\$ (2,244,363,740)</u>

- 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 December 31, 2017.



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4. Obtained the Office of the State Treasurer's reconciliation of bank balances to FSF as of December 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 \$3,393,000, 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 \$3,393,000 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 \$3,393,000 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 December 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 \$3,393,000 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 December 31, 2017	10/13/2017	\$ 115,173.54
	10/24/2017	\$ 1,263,492.22
	11/3/2017	\$ 19,351,522.43
	11/21/2017	\$ 190,288.38
	12/12/2017	\$ 43,260.00



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14. Obtained the Office of the State Treasurer's General Account Cash Reconciliation as of December 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 examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the specified bank reconciliations. Accordingly, we do not express such an opinion or conclusion. 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 Axlerod LLC

ZELENKOFKSKE AXELROD LLC

Harrisburg, Pennsylvania
March 16, 2018

Exhibit A

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

General Account Cash Reconciliation

Quarter ended December 31, 2017

Balance per Citizens Bank	\$ 610,930
Balance per Mellon Bank	166,582,200
	<hr/>
Bank balance at December 31, 2017	167,193,130
Additions:	
Investments managed by Northern Trust, account number DOST01	192,426,909
Investments managed by Northern Trust, account number 4471371	193,434,880
Receivables from various sources	103,554
Deposits in transit	(172,133)
Balance at Northern Trust-JPMorgan, account number 4471381	247,846,343
Balance at Northern Trust, account number 4471378 and 4471376	296,714,485
Balance at Northern Trust, account number 4471379, 4471380, and 4471377	499,862,139
Fidelity Governmental Bonds Arbitrage Rebate	783,983
Balance at Northern Trust, account number 4471382, 4471383, 4471384, and 4471385	65,592,760
Balance at Northern Trust, Schroeder Intermediate, account number 4471375	202,360,996
Balance at JP Morgan Chase, Corp Lockbox	476,163
Fidelity 2013 MMLPA	288,372
Balance at PNC Bank, Concentration, account number 5694010993	5,076,409
Balance at PNC Bank, DMR Special Services, account number 56-94003988	296,205
US Bank - Bonds #107954000	916,592
	<hr/>
Subtotal	1,706,007,657
Deductions:	
Outstanding zero-balance accounts (ZBAs) - outstanding checks	47,953,378
Payable for bank errors	11,584
Payable to Mellon 07/98	10,069
Payable to PNC Bank miscellaneous adjustments	48,480
	<hr/>
Subtotal	48,023,511
	<hr/>
Balance per State Treasurer's books, adjusted December 31, 2017	<u>\$ 1,825,177,276</u>

Office of the State Treasurer
 Reconciliation to Accounting
 December 2017

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
		(1,696,543.51)				
Citizens				Outstanding Deposits-FY 2018 946,856.46		946,856.46
				Bank Error 0.00		0.00
				Outstanding Deposits (prior FY10) (11.09)		(11.09)
				Over/Short (FY2010) 79.84	79.84	
				Deposits in Transit (old to FY2009) 86,395.29	170,974.82	(84,579.53)
				CRs done to wrong bank code (old to FY2009) (39,017.79)		(39,017.79)
				MW/JV needed (prior FY2010) (35,156.98)		(35,156.98)
				Need JV's (2,111.30)		(2,111.30)
				Open Receivables (old to FY 2009) (15,807.23)	(15,807.23)	
				Voucher Done to wrong bank account 0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>		
				NEED TRV-11/29-Done Twice 1,366,246.03		
				NEED TRV 0.00		
Offset Adjustment		1,366,246.03	0.00			
	610,929.72	(330,297.48)	941,227.20		155,247.43	785,979.77
		393,035.58				
PNC				Bank Errors(bank)/Cks Cleared(pw-Book)(old-FY09) (2,633.21)	6,539.89	(9,173.10)
Payroll				Bank Errors(bank)/Cks Cleared(pw-Book)(FY10-FY18) 70,878.03	0.00	70,878.03
				Direct Deposit Receivable (old-FY09) 40,120.04	(9,167.08)	49,287.12
				Direct Deposit Receivable (FY10-18) 214,640.78	0.00	214,640.78
				Forgery credit-need JE 0.00		0.00
				Cancelled Checks(old-FY09) 152,922.88		152,922.88
				Cancelled Checks(FY10-FY13,17) 27,644.30		27,644.30
				Stale Dated Checks(old-FY09) (51,880.37)		(51,880.37)
				Stale Dated Checks(FY16-18) 20,716.28		20,716.28
				Need JV-Handwritten checks(8/11-9/11,1/12,3/12) 93,997.41		93,997.41
				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) (18,991.63)		(18,991.63)
				Pay Cycle Adjustments(PHRST)(FY17) (59,878.43)		(59,878.43)
				Pay Cycle Adjustments(PHRST)(FY18) (52,635.37)		(52,635.37)
				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
				Tax Adjustment CY2012 (138,674.97)		(138,674.97)
				Vendor Refund Variances 73,821.98		73,821.98
				Tax Adjustments 246,452.56		246,452.56
				Personal Reimbursements 14,812.44		14,812.44
				Personal Reimbursements(Need JV-FY13-FY18) (7,221.48)		(7,221.48)
				Misc Variances (31,016.90)		(31,016.90)

Office of the State Treasurer
 Reconciliation to Accounting
 December 2017

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
				Outstanding Checks 316,612.56	316,612.56	
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Checks Cleared Monthly Journal Entry 0.00		
Offset Adjustment		0.00	0.00			
	0.00	393,035.58	(393,035.58)		313,985.37	(707,020.95)
		335.79		Outstanding Deposits 0.00		0.00
BOA					0.00	0.00
Credit Card				<u>Paperwork Variances with Other Bank Accounts</u>		
				Need TRV-Daily Wire 0.00		
Offset Adjustment		0.00	0.00			
	335.79	335.79	0.00		0.00	0.00
		30,994,504.54		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
PNC				Credit Card Fees (old-FY10) (6,507.39)	(6,507.39)	
Concentration				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 (826.35)		(826.35)
				CY2017-TaxPmt 10,000.00		10,000.00
				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)
				Direct Deposit		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Need TRV -Daily 11/29-Nov (25,886,965.17)		
				Need TRV - 0.00		
				Need TRV 0.00		
Offset Adjustment		(25,886,965.17)	(0.00)			
	5,076,073.07	5,107,539.37	(31,466.30)		42,177.98	(73,644.28)
		0.00		Voucher Done to wrong bank account 0.00		0.00
PC:						0.00
BONY				<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
		(25,679,712.90)		Bank Errors(bank)/Cks Cleared(pw-Book)(old-FY09) (55,178.09)	(40,759.16)	(14,418.93)
PNC				Bank Errors(bank)/Cks Cleared(pw-Book)(FY10-FY18) 3,816.73	9,137.89	(5,321.16)
				Cancelled Checks (old to FY09) (11,996.80)		(11,996.80)
				Cancelled Checks (FY10) 0.00		0.00
Vendor				ACH Returns (old-FY10) (2,133.78)		(2,133.78)
				ACI Pymts Outstanding 12,844.05		12,844.05
				Misc Adjustments 3,478.13		3,478.13
				Forgery Credits 5,742.36		5,742.36
				Stale Dated Checks(old-FY09) 10,167.31		10,167.31
				Stale Dated Checks(FY10-FY18) 82,003.36		82,003.36

Office of the State Treasurer
 Reconciliation to Accounting
 December 2017

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variances Bank to Ledger	Variances FSF/DFMS to Ledger
				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 25,494,887.12	25,494,887.12	
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Checks Cleared Monthly Journal Entry 0.00		
Offset Adjustment		0.00	0.00			
	0.00	(25,679,712.90)	25,679,712.90		25,463,265.85	216,447.05
		(17,196,525.71)		ACH Pmt processed November paid December 16,504,932.25	16,504,932.25	
				ACH Returns -FY11-FY15 25,040.86		25,040.86
				ACH Returns -FY16 (228,535.18)		(228,535.18)
				ACH Returns -FY17 391.10		391.10
				ACH Returns -FY18 894,696.68		894,696.68
				ACH Returns -FY 0.00		0.00
				ACH Returns -FY 0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Checks Cleared Monthly Journal Entry 0.00		
				Checks Cleared Monthly Journal Entry 0.00		
Offset Adjustment		0.00	0.00		0.00	
	0.00	(17,196,525.71)	17,196,525.71		16,504,932.25	691,593.46
		140,236,859.92		Outstanding Deposits-FY 2011 (621.35)		(621.35)
				Outstanding Deposits-FY 2014 (17,958.76)		(17,958.76)
				Outstanding Deposits-FY 2018 5,285,628.35		5,285,628.35
				TRV-Bond Pmt- 0.00		0.00
				Need Manual Pmt- 0.00		0.00
				Wire sent wrong amount 0.00		0.00
				PW Done CM-Money Moved NM 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 -11/29 24,033,753.97		
				Need TRV Daily 0.00		
				Need TRV- CorpLXBX-Nov (1,324,636.96)		
				Need TRV- CorpLXBX (1,630,824.65)		
Offset Adjustment		21,078,292.36	(0.00)			
	166,582,200.42	161,315,152.28	5,267,048.14		0.00	5,267,048.14
		(3,358,054.77)		Outstanding Deposits-FY18 3,358,054.77		3,358,054.77
				<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		

Office of the State Treasurer
 Reconciliation to Accounting
 December 2017

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	(3,358,054.77)	3,358,054.77		0.00	3,358,054.77
██████████ JPMorgan		(2,479,298.38)		Outstanding Deposits 0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>		0.00
				Need TRV BNYM-Nov 1,324,636.96		0.00
				TRV-BNYM 1,630,824.65		0.00
Offset Adjustment		2,955,461.61	0.00			
	476,163.23	476,163.23	0.00		0.00	0.00
██████████		(1,023,508.77)		Outstanding Deposits 536,543.60		536,543.60
				<i>Paperwork Variances with Other Bank Accounts</i>		0.00
				Need TRV-Daily Wire-Nov 11/29 486,965.17		0.00
				Need TRV-Daily Wire 0.00		0.00
Offset Adjustment		486,965.17	0.00			
	0.00	(536,543.60)	536,543.60		0.00	536,543.60
██████████		2,122.31		NEED TRV FOR Correction-1/2005 0.00		0.00
				NEED TRV FOR ACTIVITY-12/15 (94.00)		(94.00)
				NEED TRV FOR ACTIVITY-12/17 0.03		0.03
				NEED TRV FOR ACTIVITY-7/17 294,176.25		294,176.25
				NEED TRV FOR ACTIVITY-4/17 0.00		0.00
				0.00		0.00
				0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>		0.00
Offset Adjustment		0.00	0.00			
	296,204.59	2,122.31	294,082.28		0.00	294,082.28
██████████ PNC Abandoned Property		(1,181,586.87)		Bank Errors(bank)/Cks Cleared(pw-Book)(FY18) 59.84	4,704.79	(4,644.95)
				Cancelled Checks 0.00		0.00
				Forgery Credits 0.00		0.00
				Stale Dated Checks(FY18) 1,246.70		1,246.70
				Need JE-Checkwrite 0.01		0.01
				Outstanding Checks 1,180,280.32	1,180,280.32	
				<i>Paperwork Variances with Other Bank Accounts</i>		
				Checks Cleared entry 0.00		
				Checks Cleared entry 0.00		
Offset Adjustment		0.00	0.00			
	0.00	(1,181,586.87)	1,181,586.87		1,184,985.11	(3,398.24)
██████████ PNC PENSION		(331,026.16)		Direct Deposit Receivable (old-FY09) (7,542.19)	(3,644.68)	(3,897.51)
				Direct Deposit Receivable (FY10-FY18) 20,870.57	0.00	20,870.57
				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-FY18) 3,330.33	7.08	3,323.25
				Federal and State Tax Adjustments (24,584.97)		(24,584.97)
				Disbursement Adjustment (5,888.14)		(5,888.14)
				TRV Needed for Federal Tax Pymt 0.00		0.00
				Deferred Comp Adjustment 982.58		982.58
				Cancelled Checks (old to FY09) 14,578.19		14,578.19
				Cancelled Checks (FY11/12/14) 11,667.63		11,667.63

Office of the State Treasurer
 Reconciliation to Accounting
 December 2017

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(old-FY09) (1,228.63)		(1,228.63)
				Stale Dated Checks(FY10-FY18) 3,105.13		3,105.13
				Need JV Check Write (5,798.93)		(5,798.93)
				Need JV Blue Cross Blue Shield 6,254.13		6,254.13
				Misc Adjustments (17,197.40)		(17,197.40)
				Outstanding Checks 329,733.25	329,733.25	
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Need TRV 0.00		
Offset Adjustment		0.00	0.00			
	0.00	(331,026.16)	331,026.16		320,965.48	10,060.68
		(4,367,096.52)		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-FY18) (248,269.32)	(2,991.21)	(245,278.11)
				Cancelled Checks (old to FY09) 217.09		217.09
				Cancelled Checks (FY18) 158,899.28		158,899.28
				Misc Disbursements (7,898.62)		(7,898.62)
				Forgery Credits (old to FY09) (19,205.60)		(19,205.60)
				Forgery Credits (FY10-FY18) (1,474.31)		(1,474.31)
				Stale Dated Checks(old to FY09) 72,769.82		72,769.82
				Stale Dated Checks(FY16-18) 161,859.91		161,859.91
				Need JV Monthly check write 0.00		0.00
				Misc Adjustments 5,500.04		5,500.04
				Outstanding Checks 3,917,473.31	3,917,473.31	
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Checks Cleared Monthly Journal Entry 0.00		
Offset Adjustment		0.00	0.00			
	0.00	(4,367,096.52)	4,367,096.52		3,900,971.41	466,125.11
		(548,951.79)		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-FY18) 3,535.99	496.02	3,039.97
				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
				Stale Dated Checks(FY12-FY18) 156,514.97		156,514.97
				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-FY17) 17,776.00		17,776.00
				Outstanding Checks 209,460.00	209,460.00	
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Checks Cleared Monthly Journal Entry 0.00		
Offset Adjustment		0.00	0.00			
	0.00	(548,951.79)	548,951.79		205,560.68	343,391.11
		782,660.12		Interest-Need Cash Receipt 1,323.25		1,323.25
				<u>Paperwork Variances with Other Bank Accounts</u>		0.00
Fidelity BONDS						
Offset Adjustment		0.00	0.00			
	783,983.37	782,660.12	1,323.25		0.00	1,323.25

Office of the State Treasurer
 Reconciliation to Accounting
 December 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 BONDS		0.00		Interest-Need Cash Receipt 0.00 <u>Paperwork Variances with Other Bank Accounts</u> TRV-Mellon		0.00 0.00
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
██████████ Fidelity Bell Lease		286,586.05		Interest-Need Cash Receipt 484.53 <u>Paperwork Variances with Other Bank Accounts</u>		484.53 0.00
Offset Adjustment		0.00	(0.00)			
	287,070.58	286,586.05	484.53		0.00	484.53
██████████ Fidelity Trane Lease		1,298.88		Interest-Need Cash Receipt 2.19 <u>Paperwork Variances with Other Bank Accounts</u> Need TRV		2.19 0.00
Offset Adjustment		0.00	0.00			
	1,301.07	1,298.88	2.19		0.00	2.19
██████████ PC: Fidelity BONDS		0.00		Interest-Need Cash Receipt 0.00 <u>Paperwork Variances with Other Bank Accounts</u> Need TRV Bond PW		0.00 0.00
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
██████████ BONDS		905,268.10		Interest- Need Cash Receipt 11,324.39 <u>Paperwork Variances with Other Bank Accounts</u> Need Correction PW done to wrong acct		11,324.39 0.00
Offset Adjustment		0.00	(0.00)			
	916,592.49	905,268.10	11,324.39		0.00	11,324.39
██████████ Northern Trust		105,076,374.45		Interest 157,314.51 Stmt Adj-0817 0.00 <u>Paperwork Variances with Other Bank Accounts</u> TRV-cr wrong bc (2,870.49)		157,314.51 0.00
Offset Adjustment		(2,870.49)	0.00			
	105,230,818.47	105,073,503.96	157,314.51		0.00	157,314.51
██████████ Northern Trust		191,314,066.23		Interest 166,729.95 Stmt Adj-0817 0.00 <u>Paperwork Variances with Other Bank Accounts</u> TRV-cr wrong bc 2,870.49		166,729.95 0.00
Offset Adjustment		2,870.49	0.00			
	191,483,666.67	191,316,936.72	166,729.95		0.00	166,729.95
██████████ Northern Trust		193,293,643.46		Interest 141,236.98 <u>Paperwork Variances with Other Bank Accounts</u> TRV-Correction		141,236.98 0.00

Office of the State Treasurer
 Reconciliation to Accounting
 December 2017

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
Offset Adjustment		0.00	0.00			
	193,434,880.44	193,293,643.46	141,236.98		0.00	141,236.98
██████████ Northern Trust		147,333,972.73		Interest 127,020.70 Stmt Adj-0817 0.00 <u>Paperwork Variances with Other Bank Accounts</u> TRV-BNYMellon 0.00 TRV-Morgan Stanley 0.00		127,020.70 0.00 0.00 0.00
Offset Adjustment		0.00	(0.00)			
	147,460,993.43	147,333,972.73	127,020.70		0.00	127,020.70
██████████ Northern Trust		20,241,071.23		Interest 1,059,106.63 Paperwork Variances with Other Bank Accounts 0.00 Need TRV-		1,059,106.63 0.00
Offset Adjustment		0.00	0.00			
	21,300,177.86	20,241,071.23	1,059,106.63		0.00	1,059,106.63
██████████ Northern Trust		15,986,076.02		Interest 220,266.88 Stmt Adj-0817 0.00 <u>Paperwork Variances with Other Bank Accounts</u> Need TRV-BNYMellon 0.00		220,266.88 0.00 0.00
Offset Adjustment		0.00	(0.00)			
	16,206,342.90	15,986,076.02	220,266.88		0.00	220,266.88
██████████ Northern Trust		231,640,000.00		Interest 0.00 <u>Paperwork Variances with Other Bank Accounts</u> Need TRV-Bud Reserve 0.00		0.00 0.00
Offset Adjustment		0.00	0.00			
	231,640,000.00	231,640,000.00	0.00		0.00	0.00
██████████ Northern Trust		192,280,761.94		Interest 146,147.00 need cr-dtcc 0.00 Stmt Adj-0917 0.00 <u>Paperwork Variances with Other Bank Accounts</u> Need TRV-Correction 0.00		146,147.00 0.00 0.00 0.00
Offset Adjustment		0.00	0.00			
	192,426,908.94	192,280,761.94	146,147.00		0.00	146,147.00
██████████ Northern Trust		19,042,960.01		Interest 1,344,157.72 Stmt Adj-0817 0.00 <u>Paperwork Variances with Other Bank Accounts</u> Need TRV-Federated Inter 0.00		1,344,157.72 0.00 0.00
Offset Adjustment		0.00	0.00			
	20,387,117.73	19,042,960.01	1,344,157.72		0.00	1,344,157.72
██████████ Northern Trust		157,589,933.60		Interest 169,753.19 Stmt Adj-0817 0.00 <u>Paperwork Variances with Other Bank Accounts</u> Need TRV-BNYMellon 0.00		169,753.19 0.00 0.00
Offset Adjustment		0.00	0.00			
	157,759,686.79	157,589,933.60	169,753.19		0.00	169,753.19
██████████ Northern Trust		194,584,979.57		Interest 56,479.39 Stmt Adj-0817 0.00 <u>Paperwork Variances with Other Bank Accounts</u> Need TRV-Mellon 0.00		56,479.39 0.00 0.00

Office of the State Treasurer
 Reconciliation to Accounting
 December 2017

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)	Need TRV-Cutwater	0.00		
	194,641,458.96	194,584,979.57	56,479.39			0.00	56,479.39
██████████ Northern Trust		3,437,179.07		Interest	2,227.97		2,227.97
				<i>Paperwork Variances with Other Bank Accounts</i>			0.00
				Need TRV-Bud Reserve	0.00		
Offset Adjustment		0.00	(0.00)				
	3,439,407.04	3,437,179.07	2,227.97			0.00	2,227.97
██████████ Northern Trust		202,162,145.90		Interest	198,850.29		198,850.29
				Stmnt Adj-0817	0.00		0.00
				<i>Paperwork Variances with Other Bank Accounts</i>			
				Need TRV-BNYMellon	0.00		
Offset Adjustment		0.00	0.00				
	202,360,996.19	202,162,145.90	198,850.29			0.00	198,850.29
██████████ Northern Trust		20,263,689.63		Interest	202,368.17		202,368.17
				Stmnt Adj-0817	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)				
	20,466,057.80	20,263,689.63	202,368.17			0.00	202,368.17
Grand Total	1,873,269,367.55	1,809,987,219.75	63,282,147.80		63,282,147.80	48,092,091.56	15,190,056.24

General Ledger 1,825,177,275.99

Exhibit C

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

Proof of Cash Reconciliation

Quarter ended December 31, 2017

Balance per State Treasurer's books, September 30, 2017	\$ 1,658,945,823
Additions:	
Deposits to Cash Receipts Journal	2,466,837,021
Deposits JE	653,282
Transportation Trust Fund Deposits	129,501,294
Receivables for Bank Errors	5,509
Receivables for CM Forgery Credits	34,250
Outstanding Cash Receipts	7,952,497
Division of Mental Retardation Transfer	1,736
Outstanding Checks Prior Month	<u>209,433,848</u>
Subtotal	<u>2,814,419,437</u>
Deductions:	
Transfer for Principal and Interest Bonds	35,440,000
Transfer from Mellon for Direct Deposit for Payroll and Pensions	468,524,167
Transfer from Mellon to Mercantile for Pensions	60,030,869
Transfer from Mellon -TTF	4,879,495
Transfer from Mellon - OMB vendor pmts	18,323,634
Transfer from Mellon - PNC Providence Creek	203,076
Transfer from Mellon - DTCC Vendor Payments	1,917,912
Transfer from Mellon - Def Comp	7,961,298
Transfer from Mellon -TSA Plan	4,485,253
Transfer from Mellon -DNREC-Tunnell & Raysor	1,678,157
Transfer from Mellon -DOS	3,000
Transfer from Mellon Medicaid	592,203,168
Transfer from Mellon DOJ	2,500,000
Transfer from Mellon Supercard	24,698,232
Transfer from PNC for PNC Bank Fees SPO	310
Transfer from PNC for Bonds	7,109,750
Transfer for Fed Tx, FICA, & Medicare	167,293,476
Transfer for Child Support-Payroll Vendor	649,417
ACH Transfers	842,897,234
Transfer for Cleared ZBAs	234,386,088
Transfer for Outstanding ZBAs	<u>173,003,448</u>
Subtotal	<u>2,648,187,984</u>
Balance per State Treasurer's books, adjusted December 31, 2017	<u>\$ 1,825,177,276</u>