

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

AGREED-UPON PROCEDURES

QUARTER ENDED MARCH 31, 2018

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER
BANK RECONCILIATIONS

QUARTER ENDED MARCH 31, 2018

TABLE OF CONTENTS

	<u>Page(s)</u>
Independent Accountants' Report on Applying Agreed-Upon Procedures	1 - 4
Exhibit A – General Account Cash Reconciliation – Quarter Ended March 31, 2018	5
Exhibit B – Reconciliation to Accounting – March 31, 2018	6 - 14
Exhibit C – Proof of Cash Reconciliation – Quarter Ended March 31, 2018	15



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, 2018. 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 March 31, 2018 as detailed below.

FSF Balance Sheet Account to Daily Validity Report Reconciliation - Cash and Investments
March 31, 2018

Combined Cash Balance as of March 31, 2018 per DGL046 \$1,872,168,637

Less Encumbrances and Remaining Spending Authority per DGL060:

	<u>Encumbered</u>	<u>Remaining Spending Authority</u>	<u>Total</u>	
NSF-20 (Nonappropriated Special Funds)	\$ 76,381,445	\$ 1,289,295,400	<u>\$ 1,365,676,845</u>	
				Remaining balance left to satisfy other fund types 506,491,792
ASF HOLD-30 (Appropriated Special Funds)	70,762,900	317,243,441	<u>388,006,341</u>	
				Remaining balance left to satisfy other fund types 118,485,451
GF-03 (General Fund - prior year continuing)	14,683,131	39,483,909	54,167,040	
GF-04 (General Fund - prior year encumbrance balance)	4,550,253	3,078,711	<u>7,628,964</u>	
				Remaining balance left to satisfy other fund types 56,689,447
GF-01 (General Fund - regular appropriations)	184,815,334	873,112,276	1,057,927,610	
GF-02 (General Fund - supplemental appropriations)	-	6,548,591	<u>6,548,591</u>	
Cash and Investments at the Office of the State Treasurer as of March 31, 2018 in excess (deficit) of all fund balances				<u>\$ (1,007,786,754)</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 March 31, 2018.



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4. Obtained the Office of the State Treasurer's reconciliation of bank balances to FSF as of March 31, 2018 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 \$3,510,000, 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 \$3,510,000 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 \$3,510,000 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, 2018 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 \$3,510,000 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, 2018	1/9/2018	\$ 30,617.96
	1/9/2018	\$ 201,862.90
	2/2/2018	\$ 56,731,879.04
	2/23/2018	\$ 26,397,175.04
	3/12/2018	\$ 1,619,336.67



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14. Obtained the Office of the State Treasurer's General Account Cash Reconciliation as of March 31, 2018 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
June 20, 2018

Exhibit A

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER
BANK RECONCILIATIONS

General Account Cash Reconciliation
Quarter ended March 31, 2018

Table with 2 columns: Description and Amount. Rows include: Balance per Citizens Bank (\$ 242,097), Balance per Mellon Bank (160,368,149), Bank balance at March 31, 2018 (160,610,246), Additions (Investments managed by Northern Trust, Receivables from various sources, Deposits in transit, etc.), Subtotal (2,056,485,068), Deductions (Outstanding zero-balance accounts (ZBAs) - outstanding checks, Payable for bank errors, etc.), Subtotal (57,512,597), Balance per State Treasurer's books, adjusted March 31, 2018 (\$ 2,159,582,717).

See accompanying independent accountants' report on applying agreed-upon procedures.

Office of the State Treasurer
 Reconciliation to Accounting
 March 2018

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
		(503,051.63)				
Citizens				Outstanding Deposits-FY 2018 750,777.88		750,777.88
				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 0.00		
				NEED TRV 0.00		
Offset Adjustment		0.00	0.00			
	242,096.99	(503,051.63)	745,148.62		155,247.43	589,901.19
		303,811.36				
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) 116,548.02	0.00	116,548.02
				Direct Deposit Receivable (old-FY09) 40,120.04	(9,167.08)	49,287.12
				Direct Deposit Receivable (FY10-18) 211,313.94	0.00	211,313.94
				ACH Returns (FY18) 11,180.81		11,180.81
				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) 25,660.23		25,660.23
				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) (115,938.63)		(115,938.63)
				Group Life/Dental 7,813.40		7,813.40
				PHRST unidentified variance (FY02-FY10) 334,994.90		334,994.90
				PHRST unidentified varainace (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

Office of the State Treasurer
 Reconciliation to Accounting
 March 2018

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments		Variations Bank to Ledger	Variations FSF/DFMS to Ledger
				Personal Reimbursements	14,812.44		14,812.44
				Personal Reimbursements(Need JV-FY13-FY18)	(4,178.18)		(4,178.18)
				Misc Variances	(29,864.34)		(29,864.34)
				Outstanding Checks	406,476.27	406,476.27	
				<u>Paperwork Variances with Other Bank Accounts</u>			
				Checks Cleared Monthly Journal Entry	0.00		
Offset Adjustment		0.00	0.00				
	0.00	303,811.36	(303,811.36)			403,849.08	(707,660.44)
		468,180.10		Outstanding Deposits	0.64		0.64
					0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>			
				Need TRV-Daily Wire	0.00		
Offset Adjustment		0.00	(0.00)				
	468,180.74	468,180.10	0.64			0.00	0.64
		21,678,423.34		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	(1,135.05)		(1,135.05)
				Need JE-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	0.91	0.00	0.91
				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	0.00		
				Need TRV -	0.00		
				Need TRV	0.00		
Offset Adjustment		0.00	0.00				
	21,636,648.24	21,678,423.34	(41,775.10)			42,177.98	(83,953.08)
		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
		(19,239,195.19)		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-FY18)	3,763.54	9,084.70	(5,321.16)
				Cancelled Checks (old to FY09)	(11,996.80)		(11,996.80)
				Cancelled Checks (FY18)	42.92		42.92

Office of the State Treasurer
 Reconciliation to Accounting
 March 2018

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
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 5,929.39		5,929.39
				Stale Dated Checks(old-FY09) 10,167.31		10,167.31
				Stale Dated Checks(FY10-FY18) 145,138.86		145,138.86
				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 18,991,057.15	18,991,057.15	
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Checks Cleared Monthly Journal Entry 0.00		
Offset Adjustment		0.00	0.00			
	0.00	(19,239,195.19)	19,239,195.19		18,959,382.69	279,812.50
		(23,902,084.78)		ACH Pmt processed March paid April 24,085,609.59	24,085,609.59	
				ACH Returns -FY11-FY15 25,040.86		25,040.86
PNC				ACH Returns -FY16 (228,535.18)		(228,535.18)
Vendor ACH				ACH Returns -FY17 391.10		391.10
				ACH Returns -FY18 19,578.41		19,578.41
				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	(23,902,084.78)	23,902,084.78		24,085,609.59	(183,524.81)
		156,813,930.77		Outstanding Deposits-FY 2011 (621.35)		(621.35)
Mellon				Outstanding Deposits-FY 2014 (17,958.76)		(17,958.76)
				Outstanding Deposits-FY 2018 3,572,798.75		3,572,798.75
				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 0.00		
				Need TRV Daily 0.00		
				Need TRV- CorpLXBX-Nov 0.00		
				Need TRV- CorpLXBX 0.00		
Offset Adjustment		0.00	0.00			
	160,368,149.31	156,813,930.77	3,554,218.54		0.00	3,554,218.54
		(6,208,773.87)		Outstanding Deposits-FY18 6,208,773.87		6,208,773.87

Office of the State Treasurer
 Reconciliation to Accounting
 March 2018

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variance Bank to Ledger	Variance FSF/DFMS to Ledger
Mellon-ECC				<i>Paperwork Variances with Other Bank Accounts</i>		
				Need TRV to move money from ECC to Mellon	0.00	
				Need TRV- Corp LxBx	0.00	
Offset Adjustment		0.00	0.00			
	0.00	(6,208,773.87)	6,208,773.87		0.00	6,208,773.87
		1,001,388.54		Outstanding Deposits	0.00	0.00
JPMorgan						0.00
				<i>Paperwork Variances with Other Bank Accounts</i>		
				Need TRV BNYM-Nov	0.00	
				TRV-BNYM	0.00	
Offset Adjustment		0.00	0.00			
	1,001,388.54	1,001,388.54	0.00		0.00	0.00
		(3,282.41)		Outstanding Deposits	3,282.41	3,282.41
PNC-CC						0.00
				<i>Paperwork Variances with Other Bank Accounts</i>		
				Need TRV-Daily Wire	0.00	
				Need TRV-Daily Wire	0.00	
Offset Adjustment		0.00	0.00			
	0.00	(3,282.41)	3,282.41		0.00	3,282.41
		28,581.30		NEED TRV FOR Correction-1/2005	0.00	0.00
PNC DMR					(94.00)	(94.00)
				NEED TRV FOR ACTIVITY-12/15	0.03	0.03
				NEED TRV FOR ACTIVITY-2/18	240,202.95	240,202.95
				NEED TRV FOR ACTIVITY-3/18	23,354.19	23,354.19
				NEED TRV FOR ACTIVITY-4/17	0.00	0.00
					0.00	0.00
				<i>Paperwork Variances with Other Bank Accounts</i>		
Offset Adjustment		0.00	0.00			
	292,044.47	28,581.30	263,463.17		0.00	263,463.17
		(2,297,966.40)		Bank Errors(bank)/Cks Cleared(pw-Book)(FY18)	59.84	4,704.79
PNC Abandoned Property				Cancelled Checks	0.00	0.00
				Forgery Credits	0.00	0.00
				Stale Dated Checks(FY18)	91,227.52	91,227.52
				Need JE-Checkwrite	0.00	0.00
				Outstanding Checks	2,206,679.04	2,206,679.04
				<i>Paperwork Variances with Other Bank Accounts</i>		
				Checks Cleared entry	0.00	
				Checks Cleared entry	0.00	

Office of the State Treasurer
 Reconciliation to Accounting
 March 2018

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments		Variations Bank to Ledger	Variations FSF/DFMS to Ledger
Offset Adjustment		0.00	0.00				
	0.00	(2,297,966.40)	2,297,966.40			2,211,383.83	86,582.57
██████████ PNC PENSION		(1,203,269.22)		Direct Deposit Receivable (old-FY09)	(7,542.19)	(3,644.68)	(3,897.51)
				Direct Deposit Receivable (FY10-FY18)	(7,483.19)	0.00	(7,483.19)
				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)	6,098.46	7.08	6,091.38
				Federal and State Tax Adjustments	(24,584.97)		(24,584.97)
				Disbursement Adjustment	(5,888.14)		(5,888.14)
				TRV Needed for Federal Tax Pyrmt	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
				Stale Dated Checks(old-FY09)	(1,228.63)		(1,228.63)
				Stale Dated Checks(FY10-FY18)	(1,311.27)		(1,311.27)
				Need JV Check Write	(5,798.93)		(5,798.93)
				Need JV Blue Cross Blue Shield	6,254.13		6,254.13
				Misc Adjustments	15,970.77		15,970.77
				Outstanding Checks	1,198,810.17	1,198,810.17	
				<i>Paperwork Variances with Other Bank Accounts</i>			
				Need TRV	0.00		
Offset Adjustment		0.00	0.00				
	0.00	(1,203,269.22)	1,203,269.22			1,190,042.40	13,226.82
██████████ PNC REVENUE		(12,292,654.51)		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)	1,304,698.51	(2,300.87)	1,306,999.38
				Cancelled Checks (old to FY09)	217.09		217.09
				Cancelled Checks (FY18)	140,405.14		140,405.14
				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)	133,901.99		133,901.99
				Need JV Monthly check write	0.00		0.00
				Misc Adjustments	5,500.04		5,500.04
				Outstanding Checks	10,336,515.53	10,336,515.53	
				<i>Paperwork Variances with Other Bank Accounts</i>			
				Checks Cleared Monthly Journal Entry	0.00		
Offset Adjustment		0.00	0.00				
	0.00	(12,292,654.51)	12,292,654.51			10,320,703.97	1,971,950.54
██████████ ██████████ PNC WELFARE		719,574.21		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)	40,655.00		40,655.00
				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)	164,087.97		164,087.97
				Need JV-Monthly Check Write	(1,314,522.00)		(1,314,522.00)
				Need JV-Stimulus Check Write	0.00		0.00
				Forgery Credits (old to FY09)	(136.00)		(136.00)

Office of the State Treasurer
 Reconciliation to Accounting
 March 2018

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variances Bank to Ledger	Variances FSF/DFMS to Ledger
				Forgery Credits (FY10-FY18) 18,193.00		18,193.00
				Outstanding Checks 217,316.00	217,316.00	
				<u>Paperwork Variances with Other Bank Accounts</u>		
				Checks Cleared Monthly Journal Entry 0.00		
Offset Adjustment		0.00	0.00			
	0.00	719,574.21	(719,574.21)		213,416.68	(932,990.89)
		785,525.43		Interest-Need Cash Receipt 920.96		920.96
				<u>Paperwork Variances with Other Bank Accounts</u>		0.00
Fidelity BONDS						
Offset Adjustment		0.00	0.00			
	786,446.39	785,525.43	920.96		0.00	920.96
		0.00		Interest-Need Cash Receipt 0.00		0.00
				<u>Paperwork Variances with Other Bank Accounts</u>		0.00
Fidelity BONDS				TRV-Mellon		
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
		287,635.24		Interest-Need Cash Receipt 337.23		337.23
				<u>Paperwork Variances with Other Bank Accounts</u>		0.00
Fidelity Bell Lease						
Offset Adjustment		0.00	0.00			
	287,972.47	287,635.24	337.23		0.00	337.23
		1,303.63		Interest-Need Cash Receipt 1.53		1.53
				<u>Paperwork Variances with Other Bank Accounts</u>		0.00
Fidelity Trane Lease				Need TRV	0.00	
Offset Adjustment		0.00	0.00			
	1,305.16	1,303.63	1.53		0.00	1.53
		(79,944,669.43)		Interest-Need Cash Receipt 252,235,501.84		252,235,501.84
				<u>Paperwork Variances with Other Bank Accounts</u>		0.00
Fidelity BONDS				Need TRV Bond PW	0.00	
Offset Adjustment		0.00	0.00			
	172,290,832.41	(79,944,669.43)	252,235,501.84		0.00	252,235,501.84
		(17,797,319.70)		Interest-Need Cash Receipt 25,008,686.26		25,008,686.26
				<u>Paperwork Variances with Other Bank Accounts</u>		0.00
Fidelity BONDS				Need TRV Bond PW	0.00	
Offset Adjustment		0.00	0.00			
	7,211,366.56	(17,797,319.70)	25,008,686.26		0.00	25,008,686.26
		0.00		Interest-Need Cash Receipt 0.00		0.00

Office of the State Treasurer
 Reconciliation to Accounting
 March 2018

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variations Bank to Ledger	Variations FSF/DFMS to Ledger
PC: Fidelity BONDS						0.00
				<u>Paperwork Variances with Other Bank Accounts</u> Need TRV Bond PW	0.00	
Offset Adjustment		0.00	0.00			
	0.00	0.00	0.00		0.00	0.00
██████████ BONDS		916,592.49		Interest- Need Cash Receipt	0.00	0.00
				<u>Paperwork Variances with Other Bank Accounts</u> Need Correction PW done to wrong acct	0.00	
Offset Adjustment		0.00	0.00			
	916,592.49	916,592.49	0.00		0.00	0.00
██████████ Northern Trust		0.00		Interest	268,467.97	268,467.97
				Stmnt Adj-0817	0.00	0.00
				<u>Paperwork Variances with Other Bank Accounts</u> TRV-3/18	306,019,232.18	
Offset Adjustment		306,019,232.18	0.00			
	306,287,700.15	306,019,232.18	268,467.97		0.00	268,467.97
██████████ Northern Trust		105,577,993.04		Interest	(283,137.05)	(283,137.05)
				Stmnt Adj-0817	0.00	0.00
				<u>Paperwork Variances with Other Bank Accounts</u> TRV-cr wrong bc TRV-3/18	(2,870.49) 202,878,294.88	
Offset Adjustment		202,875,424.39	0.00			
	308,170,280.38	308,453,417.43	(283,137.05)		0.00	(283,137.05)
██████████ Northern Trust		126,919,296.72		Interest	(881.51)	(881.51)
				Stmnt Adj-0817	0.00	0.00
				<u>Paperwork Variances with Other Bank Accounts</u> TRV-cr wrong bc TRV-3/18	2,870.49 (126,920,093.53)	
Offset Adjustment		(126,917,223.04)	(0.00)			
	1,192.17	2,073.68	(881.51)		0.00	(881.51)
██████████ Northern Trust		128,674,643.40		Interest	14,766.35	14,766.35
				<u>Paperwork Variances with Other Bank Accounts</u> TRV-3/18	(128,687,111.60)	0.00
Offset Adjustment		(128,687,111.60)	0.00			
	2,298.15	(12,468.20)	14,766.35		0.00	14,766.35
██████████ Northern Trust		147,836,149.53		Interest	(15,350.36)	(15,350.36)
				Stmnt Adj-0817	0.00	0.00
				<u>Paperwork Variances with Other Bank Accounts</u> TRV-3/18 TRV-Morgan Stanley	(147,819,299.23) 0.00	
Offset Adjustment		(147,819,299.23)	0.00			
	1,499.94	16,850.30	(15,350.36)		0.00	(15,350.36)
██████████ Northern Trust		21,604,813.86		Interest	21,952.29	21,952.29
				<u>Paperwork Variances with Other Bank Accounts</u> Need TRV-	0.00	0.00

Office of the State Treasurer
 Reconciliation to Accounting
 March 2018

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			
	21,626,766.15	21,604,813.86	21,952.29		0.00	21,952.29
██████████ Northern Trust		71,631,427.58		Interest 134,343.16 Stmt Adj-0817 0.00 <u>Paperwork Variances with Other Bank Accounts</u> Need TRV-BNYMellon 0.00		134,343.16 0.00 0.00
Offset Adjustment		0.00	(0.00)			
	71,765,770.74	71,631,427.58	134,343.16		0.00	134,343.16
██████████ 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		45,000,000.00		Interest (1,378,390.17) need cr-dtcc 0.00 Stmt Adj-0917 0.00 <u>Paperwork Variances with Other Bank Accounts</u> Need TRV-3/18 255,607,205.13		(1,378,390.17) 0.00 0.00 0.00
Offset Adjustment		255,607,205.13	0.00			
	299,228,814.96	300,607,205.13	(1,378,390.17)		0.00	(1,378,390.17)
██████████ Northern Trust		282,742,240.41		Interest 126,251.88 need cr-dtcc 0.00 Stmt Adj-0917 0.00 <u>Paperwork Variances with Other Bank Accounts</u> Need TRV-Correction 0.00		126,251.88 0.00 0.00 0.00
Offset Adjustment		0.00	0.00			
	282,868,492.29	282,742,240.41	126,251.88		0.00	126,251.88
██████████ Northern Trust		20,556,513.62		Interest 50,275.38 Stmt Adj-0817 0.00 <u>Paperwork Variances with Other Bank Accounts</u> Need TRV-Federated Inter 0.00		50,275.38 0.00 0.00
Offset Adjustment		0.00	0.00			
	20,606,789.00	20,556,513.62	50,275.38		0.00	50,275.38
██████████ Northern Trust		158,184,086.97		Interest 17,115.01 Stmt Adj-0817 0.00 <u>Paperwork Variances with Other Bank Accounts</u> Need TRV-3/18 (158,199,932.95)		17,115.01 0.00 0.00
Offset Adjustment		(158,199,932.95)	0.00			
	1,269.03	(15,845.98)	17,115.01		0.00	17,115.01
██████████ Northern Trust		284,865,165.28		Interest 125,465.38 Stmt Adj-0817 0.00 <u>Paperwork Variances with Other Bank Accounts</u> Need TRV-Mellon 0.00 Need TRV-Cutwater 0.00		125,465.38 0.00 0.00 0.00
Offset Adjustment		0.00	(0.00)			
	284,990,630.66	284,865,165.28	125,465.38		0.00	125,465.38

Office of the State Treasurer
 Reconciliation to Accounting
 March 2018

Bank Account	Bank Balance	Accounting Total (FSF-DGL046)	Total Account Variance	General Ledger Adjustments	Variances Bank to Ledger	Variances FSF/DFMS to Ledger
██████████ Northern Trust		3,550,983.77		Interest 3,049.36 <i>Paperwork Variances with Other Bank Accounts</i> Need TRV-Bud Reserve 0.00		3,049.36 0.00
Offset Adjustment		0.00	0.00			
	3,554,033.13	3,550,983.77	3,049.36		0.00	3,049.36
██████████ Northern Trust		202,878,479.14		Interest 2,799.21 Stmt Adj-0817 0.00 <i>Paperwork Variances with Other Bank Accounts</i> Need TRV-3/18 (202,878,294.88)		2,799.21 0.00
Offset Adjustment		(202,878,294.88)	(0.00)			
	2,983.47	184.26	2,799.21		0.00	2,799.21
██████████ Northern Trust		20,894,164.38		Interest 18,822.25 Stmt Adj-0817 0.00 <i>Paperwork Variances with Other Bank Accounts</i> Need TRV-Bud Reserve 0.00		18,822.25 0.00
Offset Adjustment		0.00	0.00			
	20,912,986.63	20,894,164.38	18,822.25		0.00	18,822.25
Grand Total	2,217,164,530.62	1,872,168,636.97	344,995,893.65	344,995,893.65	57,581,813.65	287,414,080.00
					General Ledger	2,159,582,716.97

Exhibit C

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

Proof of Cash Reconciliation

Quarter ended March 31, 2018

Balance per State Treasurer's books, December 31, 2017	\$ 1,825,177,276
Additions:	
Deposits to Cash Receipts Journal	2,485,276,371
Deposits JE	3,043
Transportation Trust Fund Deposits	105,962,140
Receivables for Bank Errors	68,173
Receivables for CM Forgery Credits	1,757
Outstanding Cash Receipts	272,754,753
Division of Mental Retardation Transfer	(4,160)
Outstanding Checks Prior Month	<u>159,024,278</u>
Subtotal	<u>3,023,086,355</u>
Deductions:	
Transfer for Principal and Interest Bonds	55,960,000
Transfer from Mellon for Direct Deposit for Payroll and Pensions	538,262,333
Transfer from Mellon to Mercantile for Pensions	74,131,428
Transfer from Mellon -TTF	1,125,592
Transfer from Mellon - OMB vendor pmts	1,315,329
Transfer from Mellon - PNC Providence Creek	7,963
Transfer from Mellon - DTCC Vendor Payments	447,129
Transfer from Mellon - Def Comp	9,981,697
Transfer from Mellon -TSA Plan	5,473,770
Transfer from Mellon -DNREC-Tunnell & Raysor	459,139
Transfer from Mellon Medicaid	560,623,379
Transfer from Mellon DOJ	2,000,000
Transfer from Mellon Supercard	28,091,952
Transfer from Mellon SSI	97,000
Transfer from PNC for PNC Bank Fees SPO	309
Transfer from PNC for Bonds	37,328,145
Transfer for Fed Tx, FICA, & Medicare	150,636,012
Transfer for Child Support-Payroll Vendor	743,664
ACH Transfers	802,798,016
Transfer for Cleared ZBAs	250,684,694
Transfer for Outstanding ZBAs	<u>168,513,363</u>
Subtotal	<u>2,688,680,914</u>
Balance per State Treasurer's books, March 31, 2018	<u>\$ 2,159,582,717</u>