



SUSQUEHANNA RIVER  
BASIN COMMISSION

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NY ■ PA ■ MD ■ USA

August 4, 2017

The Honorable Eugene DePasquale  
Auditor General of Pennsylvania  
Finance Building  
613 North Street, Room 229  
Harrisburg, PA 17120-0018

Dear Mr. Auditor General:

As you may know, the Commonwealth of Pennsylvania is a signatory member of several interstate compact commissions, one of them being the Susquehanna River Basin Commission (SRBC). SRBC was formed by New York State, Pennsylvania, the State of Maryland, and the United States government to manage the water resources of the Susquehanna River and the land that drains to it. We have been conducting our regulatory, planning, management, conservation, monitoring and coordination efforts for nearly 50 years under the jurisdiction afforded us by the Susquehanna River Basin Compact.

Recently, however, SRBC has come under scrutiny by some members of the Pennsylvania General Assembly and faced accusations of operating beyond the authority granted us by the Compact, particularly with respect to certain regulatory activities and the fees implemented and charged to cover the costs of those activities. One of the complaints from a few members has been that SRBC is not accountable to Pennsylvania taxpayers and should be subject to the jurisdiction of the Commonwealth's Auditor General. In my opinion, I believe that the Commission is accountable by the fact that the Compact requires that the SRBC undergo an annual audit of its finances by an independent auditor. Further, the Compact conveys direct auditing oversight to the United States General Accounting Office (now the Government Accountability Office). Finally, the Compact entitles authorized officers of each signatory party to examine and audit the Commission's financial affairs.

In consideration of the above, I find the suggestion that the Commission submit to a financial and procedural audit by the Pennsylvania Auditor General to be entirely reasonable. I hereby offer, with concurrence of our four Commissioners, the Commission's full cooperation if your office finds it appropriate to conduct such an audit. I am confident that you will determine that our financial practices are sound, that the collection and usage of regulatory fees are permissible, appropriate, and within any applicable bounds, and that the Commission's services are supported by the Compact and are not duplicative of Commonwealth activities. You will also find that we continually strive to keep fees as low as possible, to implement process and program improvements, and to provide excellent and efficient service to our signatory members in balancing the needs of aquatic ecosystems and economic development.

*A water resource agency serving  
the Susquehanna River Watershed*

Please feel free to contact me at your convenience as you determine how you may wish to proceed. To assist you in your deliberation, I am enclosing the Commission's 2016 independent financial audit and would be happy to provide additional annual audits at your request. I look forward to working with your office to allay the concerns of the General Assembly.

Sincerely,



Andrew D. Dehoff  
Executive Director