
PENNSYLVANIA DEPARTMENT OF THE AUDITOR GENERAL

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News for Immediate Release

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Auditor General DeFoor Releases Performance Audit of PENNVEST

HARRISBURG, PA – Auditor General Timothy L. DeFoor today released a performance audit of the Pennsylvania Infrastructure Investment Authority (PENNVEST), reviewing the agency’s processes in awarding and monitoring grants and loans for nonpoint source management program projects.

“In 2018, the Pennsylvania House of Representatives passed a resolution requesting our department perform this audit of PENNVEST and we have fulfilled that request,” Auditor General DeFoor said. “Our audit found PENNVEST has met all legal requirements in awarding and monitoring projects. However, there is an opportunity for policy makers to refine terms in the PENNVEST Act to ensure that all projects being funded are consistent with the legislative intent of the General Assembly.”

The first audit objective was to evaluate the approval process PENNVEST used to provide financial assistance for nonpoint source pollution projects from July 1, 2017, to June 20, 2018. The second objective was to evaluate PENNVEST’s monitoring activities related to the loans issued to Lyme Emporium Highlands II, LLC, to ensure compliance with the respective loan agreements.

The audit team recommended that potential changes to state law and PENNVEST’s procedures could result in a more thorough review and deliberation of projects being considered for financial assistance to ensure projects are consistent with the intent of the law. In particular, auditors recommended the General Assembly amend the PENNVEST Act to add comprehensive definitions of the terms “facility” and “system” that more clearly convey legislative intent. The auditors also recommended process improvements for the PENNVEST Board and management to ensure all relevant information is being considered when deciding to fund a project.

To see the full audit, visit www.paauditor.gov.

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