



Senate of Pennsylvania

May 15, 2017

The Honorable Eugene DePasquale
Auditor General
Commonwealth of Pennsylvania
Room 229 Finance Building
Harrisburg, PA 17120

Dear Auditor General DePasquale:

As indicated informally to you on Friday, we are writing to officially request a full audit of all funds associated with the Democratic National Convention (DNC), including but not limited to the \$10 million of state resources.

Governor Wolf and his staff were adamant during budget negotiations that the General Assembly needed to authorize \$10 million in state resources for the DNC event or its success would be in jeopardy. No information was provided on how the money would be specifically spent, but we took the advocates at their word that this event would fail if not for this funding. We authorized the substantial expenditure in the Regional Events Security line of the Appropriations Act (Act 16A).

The revelations over the past several days are particularly troubling. It is undisputed that the DNC had no less than \$4 million in unencumbered funds upon completion of the event. A small group of individuals including former Governor Rendell chose to allocate the excess on targeted special interest initiatives and exorbitant bonuses, one greater than \$300,000. We were not contacted at any point by the officials at the DNC, the Governor's office, or DCED (who administered the grant) about the surplus. No efforts were made to return any portion of the surplus to the Commonwealth.

We were heartened to hear on Friday that an audit was performed by an outside firm for DCED of the \$10 million in state resources. Our enthusiasm quickly dissipated after reading the so-called audit. The audit was woefully inadequate, since it did not include any details or receipts of the spending, rather it simply listed three broad nondescript expenditures. Therefore, we remain fearful that some of the state resources were indeed, directly or indirectly, utilized for staff bonuses and targeted special interest initiatives itemized in the DNC year-end report.

We are requesting that your audit be expedited so that we can make any needed line item adjustments in the 2017-18 budget to rectify this unfortunate ordeal.

Sincerely,

Handwritten signature of Senator Joe Scarnati in black ink.

Senator Joe Scarnati
President Pro Tempore

Handwritten signature of Senator Jake Corman in blue ink.

Senator Jake Corman
Majority Leader

Handwritten signature of Senator Pat Browne in black ink.

Senator Pat Browne
Appropriations Chairman