

Legislative Budget and Finance Committee

PA Game Commission Compliance with Its Strategic Plan

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Mr. Chairman and Members of the Committee, good morning. Act 166 of 1998 requires the Legislative Budget and Finance Committee to conduct a performance audit every three years of the Pennsylvania Game Commission's compliance with its Strategic Plan. This is our eighth performance audit on this topic.

This audit of the PGC's compliance with its Strategic Plan sought to determine the PGC's progress in realizing its five core goals, which are:

1. Put wildlife first.
2. Improve wildlife habitat.
3. Follow sound business practices.
4. Serve the Pennsylvania public.
5. Improve support for hunting and trapping.

The PGC's *Pennsylvania Game Commission Strategic Plan 2015-2020* identifies the PGC's vision, values, and mission statements, in addition to the previously mentioned core goals. The plan also identifies 34 Strategic Objectives that set forth specific initiatives or issues designed to accomplish each goal. These are designed to form the initial basis for directing the work of the PGC's bureaus, divisions, and regions.

In general, all five core goals are reported to be at least partially achieved regarding the identified strategic objectives with some objectives more fully developed than others. Unless stated otherwise in our report, we agreed with the assessment of the PGC as to their progress with the Strategic Objectives.

To determine the extent of progress made by the PGC in implementing its 2015-2020 Strategic Plan, this audit, as in prior audits, “grades” the PGC’s success in achieving the goals and objectives of its Strategic Plan. This rating is based largely on documentation provided by the PGC as to their assessment of their level of achievement of the various objectives. We also reviewed PGC Annual Reports and other supplemental materials in making these assessments.

We found the PGC appeared to be generally in compliance with the *Pennsylvania Game Commission Strategic Plan 2015-2020* and their mission to “manage Pennsylvania’s wild birds, wild mammals, and their habitats for current and future generations.” For example, Strategic Objective 1.1.1 – recovering the population of peregrine falcons and ospreys – was upgraded from Partially Achieved to Fully or Largely Achieved. The osprey was delisted as a threatened species by the PGC. The status of the peregrine falcon was upgraded from endangered to threatened. Both mark a significant achievement for the PGC.

However, we also found the Commission has not achieved its goal of implementing a marketing program and outreach effort that achieves a no-net loss of general hunting license sales (Strategic Objective 5.7). In fact, the number of general hunting licenses sold dropped from 930,000 in FY 2015-16 to 860,000 in FY 2019-20.

To expand and update our Financial Trend Analysis of the PGC, we obtained data from PGC annual reports, the Commonwealth’s SAP accounting system, Pennsylvania’s Comprehensive Annual Financial Report, and a performance audit report issued by the Pennsylvania Department of Auditor General. We used this information to calculate 17 financial indicators necessary to analyze the PGC’s fiscal condition. Our analysis shows that PGC expenditures as they relate to benefits and retirement costs continue to be a significant concern. Pension costs, while largely outside the Commission’s control, rose significantly from FY 2010-11 to FY 2019-20. We are also concerned the PGC heavily relies on the sale of natural resources to fund its operations. From FY 2010-11 to FY 2019-20, revenues from the sale of natural resources increased from \$11.5 million to \$61 million in constant dollars. Put another way, the sale of natural resources accounted for 14 percent of PGC revenues in FY 2010-11 and increased to 45 percent of revenues by FY 2019-20.

To address these findings, we recommend the PGC's next strategic plan reduce the number of core goals, which will allow the Commission to focus more intently on recruiting significantly more new hunters and bringing lapsed hunters back into the sport. It will also allow the PGC to concentrate on diversifying the Commission's revenues to rely less on the sale of natural resources given the unpredictability of that source of revenue.

In closing, we would like to thank Executive Director Bryan Burhans and his staff for the excellent cooperation we received during this project. I would also like to personally thank the LBFC Analysts who worked on this audit – Stevi Sprenkle and Shanika Mitchell–Saint Jean.

Thank you.