INTERNAL AUDIT UPDATE
Finance & Audit Committee
October 29, 2021
AGENDA

• Audit Highlights
• 2021 Audit Plan Status
• Open Management Action Plans

- PMO Projects are 50% of LIPA’s $514M T&D Annual Capital Budget.
- Recommendations included revising risk and contingency percentages, enhancing the scheduling tool and implementing a portfolio management system.
- Risk and contingencies, in the final estimate phase, was high compared to other utilities.
Refer to Appendix A for detailed listing of 2021 Audits
OPEN MANAGEMENT ACTION PLANS

2020 Open Management Action Plans

- Observation - High Risk: 6
- Observation - Moderate Risk: 1
- Observation - Low Risk: 0

- Process Improvement Opportunity: 0

2021 Open Management Action Plans

- Observation - High Risk: 2
- Observation - Moderate Risk: 1
- Observation - Low Risk: 0

- Process Improvement Opportunity: 2
# Entity | 2021 Audit Plan | Proposed Timing | Status  
---|---|---|---  
1 | PSEG Long Island | Electric Expansion Projects - Capital Project Performance | 3rd Qtr | Not Started  
2 | PSEG Long Island | Electric Expansion Projects - Capital Project Estimating | 2nd Qtr | Completed  
3 | PSEG Long Island | SEQRA Compliance | 1st Qtr | Completed  
4 | PSEG Long Island | Storm Compliance - Outage Management System (OMS) Business Continuity (Manual Work Arounds) | 3rd Qtr | Not Started  
5 | PSEG Long Island | Storm Compliance - Crew Guides | 2nd Qtr | Reporting  
6 | PSEG Long Island | Workforce Management Productivity | 3rd Qtr | Reporting  
7 | PSEG Long Island | Advanced Metering Infrastructure (AMI) - Remote Connects and Disconnects | 1st Qtr | Completed  
8 | PSEG Long Island | Information Technology (IT) Governance | 2nd Qtr | Reporting  
9 | PSEG ER&T | 2021 Energy Resources & Trade (ER&T) Metrics | 3rd Qtr | Reporting  
10 | LIPA & UDSA | LIPA & UDSA Internal Control Testing | 4th Qtr | Not Started  
11 | PSEG Long Island | Affiliate Transactions | 2nd Qtr | In-Progress  
12 | PSEG Long Island | DPS Tropical Storm Isaias Costs | 1st Qtr | Reporting  
13 | PSEG Long Island | Tropical Storm Isaias Food and Medicine Spoilage Claims | 1st Qtr | Completed  
14 | LIPA & UDSA | Debt Management | 3rd Qtr | In-Progress  
15 | PSEG Long Island | PSEG Long Island Procurement – General Contracting, Facilities Maintenance and Snow Removal | 3rd Qtr | In-Progress