

**LONG ISLAND POWER AUTHORITY**

**MINUTES OF THE FINANCE AND AUDIT COMMITTEE MEETING**

**HELD ON FEBRUARY 17, 2022**

*The Finance and Audit Committee of the Long Island Power Authority (“LIPA”) was convened at 9:33 a.m. at LIPA Headquarters, Uniondale, NY, pursuant to legal notice given on February 11, 2022 and electronic notice posted on LIPA’s website annually.*

*In compliance with New York State Open Meeting Law and in furtherance of COVID-19 public safety, the following guidelines were publicly posted and followed:*

*The Long Island Power Authority is taking steps to minimize the risk of exposure for the public and our employees. As such, LIPA will not be permitting in-person access to its February 17, 2022 Finance and Audit Committee meeting. Members of the public are encouraged to observe the live stream of the meeting posted at the LIPA website. The meeting will also be recorded and posted to LIPA’s website for later viewing.*

*The following LIPA Trustees were present:*

**Sheldon Cohen, Committee Chair (in person)**  
**Elkan Abramowitz, Committee Member (via video conferencing)**  
**Mark Fischl, Committee Member (in person)**  
**Laureen Harris, Committee Member (in person)**  
**Valerie Anderson Campbell (via video conferencing)**  
**Drew Biondo (in person)**  
**Nancy Goroff (in person)**  
**Ali Mohammed (via video conferencing)**

**Representing LIPA, in person, were Thomas Falcone, Chief Executive Officer; Bobbi O’Connor, General Counsel & Board Secretary; Tamela Monroe, Chief Financial Officer; Donna Mongiardo, Vice President – Controller; Jen Hayen, Director of Communications; and Andrew Berger, Communications Assistant. Participating via video conferencing were Billy Raley, Senior Vice President of T&D Oversight; Kenneth Kane, Senior Advisor to Operations Oversight; Rick Shansky, Senior Vice President of Power Supply and Wholesale**

Markets; Tom Locascio, Director of External Affairs; and Jason Horowitz, Assistant General Counsel and Assistant Secretary to the Board.

Representing PSEG Long Island via video conferencing were Gregory Filipkowski, Chief Information Officer; Richard Tinelli, Manager of Regulatory Requirements; and Premal Patel, Manager of Accounting Services.

Chair Cohen welcomed everyone to the Finance and Audit Committee meeting of the Long Island Power Authority Board of Trustees.

*Chair Cohen stated that the first item on the agenda is the adoption of the minutes from the December 15, 2021 Committee meeting.*

*Upon motion duly made and seconded, the minutes of the December 15, 2021 meeting were approved unanimously.*

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*Chair Cohen stated that next item on the agenda is the Overview of Financial Results to be presented by Donna Mongiardo, Rich Tinelli, Prem Patel and Greg Filipkowski of PSEG LI.*

*Ms. Mongiardo and Mr. Tinelli, Mr. Patel and Mr. Filipkowski presented the Overview of Financial Results and then took questions from the Trustees.*

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*Chair Cohen stated that the next item on the agenda is the Discussion of Internal Audit Activities and Approval of the 2022 Internal Audit Plan, 2022 Internal Audit Budget, and Resource Requirements, to be presented by Billy Raley.*

*Mr. Raley presented the Discussion of Internal Audit Activities, and the following action items and took questions from the Trustees:*

### **Requested Action**

The Finance and Audit Committee is requested to approve the 2022 Internal Audit Plan (the “Plan”), 2022 Internal Audit Budget, and Resource Requirements.

### **Background**

In accordance with the International Standards for the Professional Practice of Internal Auditing (the “Standards”), LIPA annually establishes an Internal Audit Plan. The Standards provide in relevant part that the chief audit executive must establish a risk-based plan to determine the priorities of the internal audit activity, consistent with the organization’s goals. Additionally, as set forth in the Standards, the chief audit executive must communicate the internal audit activity’s plans and resource requirements, including significant interim changes, to senior management and the Board for review and approval.

### **Discussion**

The 2022 LIPA Internal Audit Plan includes internal audits selected and prioritized based on the results of a risk assessment performed by the LIPA Internal Audit Department, with input from Enterprise Risk Management, and various stakeholders. The annual goal is to define a plan that reflects adequate coverage across LIPA and PSEG Long Island’s business units and risk areas, to align LIPA’s strategic initiatives and top enterprise risks, and to address the resources necessary to successfully complete the Plan with input from key stakeholders and LIPA senior management.

The Plan includes eight (8) audits of PSEG Long Island.

### **Recommendation**

Based upon the foregoing, I recommend approval of the above-requested action by the adoption of the Resolution in the form attached.

*A motion was made and seconded, and the Trustees unanimously adopted the following resolution:*

### **RESOLUTION APPROVING THE 2022 INTERNAL AUDIT PLAN, INTERNAL AUDIT BUDGET, AND RESOURCE REQUIREMENTS**

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**RESOLVED**, that consistent with the attached memorandum, the Finance and Audit Committee of the Board Trustees hereby approves the 2022 Internal Audit Plan, 2022 Internal Audit Budget, and Resource Requirements.

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*Chair Cohen stated that last item on the agenda is the Committee's Annual Self Report to the Board and Review of the Committee's Charter to be presented by Bobbi O'Connor.*

*Ms. O'Connor presented the Committee's Annual Self Report to the Board and Review of the Committee's Charter and then took questions from the Trustees.*

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*At approximately 10:14 a.m. Chair Cohen asked for a motion to adjourn to Executive Session to discuss personnel matters and announced that no votes would be taken and that the Committee would not be returning to Open Session. The motion was duly made and seconded and the Committee adjourned into Executive Session.*