

DRAFT Minutes Finance and Audit Committee Open Meeting

February 15, 2023 | 8:00-8:45 a.m. Mountain
In-Person Meeting

JW Marriott Tucson
3800 W Starr Pass Blvd.
Tucson, AZ 85745

Call to Order

Mr. Jim Piro, Chair, called to order a duly noticed open meeting of the Finance and Audit Committee (the “Committee”) of the Board of Trustees (“Board”) of the North American Electric Reliability Corporation (NERC) on November 7, 2022 at approximately 8:00 a.m. Mountain, and a quorum was declared present. He summarized the topics addressed during the November 1, 2022 closed Committee meeting and noted that the Committee held two executive sessions. The first was held with NERC’s independent auditor, RSM, and the second was held with the Director of Internal Audit.

Present at the meeting were:

Committee Members

Jim Piro, Chair
Robert G. Clarke
George S. Hawkins
Susan Kelly
Colleen Sidford
Kenneth W. DeFontes, *ex officio*

NERC Staff

Tina Buzzard, Assistant Corporate Secretary
Manny Cancel, Senior Vice President, Chief Executive Office of the E-ISAC
Howard Gugel, Vice President, Engineering and Standards
Kelly Hanson, Senior Vice President and Chief Administrative Officer
Stan Hoptroff, Vice President, Business Technology
Nina Johnston, Assistant General Counsel
Mark Lauby, Senior Vice President, Chief Engineer
Sônia Mendonça, Senior Vice President, General Counsel, and Corporate Secretary
Kristin Miller, Director, Internal Audit

Bryan Preston, Vice President, People and Culture
Andy Sharp, Vice President, Chief Financial Officer

Minutes

Upon motion duly made and seconded, the Committee approved the minutes of the November 7, 2022 open meeting.

2022 Year-End Unaudited Summary of Results

Mr. Sharp provided a summary of the year-end unaudited statement of activities for NERC, for the quarter ending December 31, 2022. He noted that to date, total funding for NERC is over budget while total expenditures are under budget. Reserves are higher than budgeted. Mr. Sharp also provided a summary of results by category, touching on personnel, meetings and travel, operating expenses, fixed assets, and net financing activity. He also provided a breakdown of the year-end balances of the various reserve categories. Mr. Sharp presented a similar overview for the ERO Enterprise, inclusive of the six Regional Entities.

Upon motion duly made and seconded, the Committee approved a recommendation to the full Board of Trustees to accept the year end summary of results.

Annual Review of Committee Mandate

Ms. Johnston informed the Committee that Mr. Piro recommended removal of language in the charter calling for the General Counsel to hold an executive session with the Board of Trustees. She noted that this change would be made following the board meeting through written consent.

Other Matters and Adjournment

There being no further business, the meeting was adjourned.

Submitted by,



Sônia Mendonça
Corporate Secretary