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II. NOTICES AND COMMUNICATIONS

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III. DISCUSSION OF SIGNIFICANT VARIANCES BETWEEN THE 2021 BUDGET AND PROJECTED YEAR-END 2021 RESULTS

In the attached variance report, NERC outlines the following:

- (a) compares actual (unaudited) financial results through December 31, 2021 to NERC's budgeted expenditures through December 31, 2021; and,

- (b) provides additional discussion of significant variances by NERC department or program area and by major activity within departments and program areas. NERC treats “significant” variances as those that are \$500,000 or more.⁴

A. 2021 Actual Year-End Results vs. 2021 Budget Variances of \$500,000 or More by Revenue and Expense Category

Two revenue and expense categories had a budget variance \$500,000 or more as of December 31, 2021:

- “Meetings and Travel” expenses were \$1,921,854 (87.3%) under budget at year-end because of reduced in-person meetings and travel due to the ongoing COVID-19 pandemic.
- “Net Financing Activity” expenses were \$942,473 (111.6%) under budget at year-end. The “Net Financing Activity” budget did not contemplate NERC receiving loan proceeds in 2021 and therefore debt service payments on the loan were under budget. On May 14, 2020, the NERC Board approved the financing strategy for the \$3,800,000 Electric Reliability Organization Secure Evidence Locker (ERO SEL) capital investment, which included a \$2,000,000 credit facility. On June 22, 2020, the Commission issued a letter order approving NERC’s expenditure of up to \$3,800,000 for development costs, of which a maximum of \$2,000,000 would be funded through debt financing. Due to the pandemic, the project could not be completed in 2020 and continued into 2021. As such, NERC borrowed approximately \$1,292,000 of the \$2,000,000 in 2020 and \$683,000 in late 2021 to

⁴ In Section 7(b)(ii) of the Settlement Agreement, the Commission specifies that the threshold for its review and approval for expenditures from Operating Reserves is where any amount allocated from the unforeseen contingencies account of Operating Reserves plus any amount redirected from previously budgeted funds is, in the aggregate, \$500,000 or more for any one specific project or major activity in a program area.

finance the remaining costs, for a total of approximately \$1,975,000. Accordingly, debt principal payments in 2021 were lower than budgeted in the 2021 business plan and budget since only a portion of the financing occurred in 2020 with the remainder in late 2021. NERC underscores that in spite of the timing difference in receiving loan proceeds, the total borrowing for the ERO SEL project in 2020 and 2021 was \$25,000 less than the approved \$2,000,000 threshold for the ERO SEL capital investment.

B. 2021 Actual Year-End Results vs. 2021 Budget Variances of \$500,000 or More by Department or Program Area

The following departments or program areas were over or under budget as of December 31, 2021 by \$500,000 or more:

- Compliance Assurance was \$596,412 (9.2%) under budget at year-end. This was largely because of lower personnel costs (e.g., lower FTEs), as well as lower meeting and travel expenses, partially offset by higher contractor costs.
- Event Analysis was \$596,569 (25.0%) under budget at year-end. This is primarily attributable to lower personnel expenses due to the transfer of an open FTE position to Situation Awareness and also because of lower travel expenses.
- E-ISAC was \$561,812 (4.4%) under budget at year-end. This was mostly because of lower personnel expenses due to the allocation of a partial FTE to support administrative department projects, and lower travel and meeting expenses.

- In light of the Commission’s December 2, 2021 Order⁵ directing NERC to submit an informational filing explaining expenditures and amounts to fund the Cyber Risk Information Sharing Program (CRISP) activities, NERC is highlighting the excess or unspent 2021 year funding found in either the newly created CRISP Operating Reserve or the CRISP Special Projects Reserve.
 - On November 17, 2021, an amendment to the CRISP master agreement was sent to the CRISP participants stipulating that any unspent funds in any particular year, starting with 2021, collected from the CRISP participants for their participation in CRISP will be directed to a new CRISP Operating Reserve exclusively for use on CRISP activities. The amendment details how the Operating Reserve can be spent and the participants’ approval process for such expenditures. The amendment has since been executed by all CRISP participants. This treatment of excess current year funding, totaling \$1,419,796 received from CRISP participants, above actual expenses is being placed in the CRISP Operating Reserve. This is a departure from prior practice, which called for the return of unspent money to the participants in the following budget year. Out of this \$1,419,796, \$600,000 was approved via the 2021 Business Plan & Budget to be spent in 2021; however, due to the pandemic and changing priorities undertaken during the year, it was not spent in 2021. By directing that the \$600,000 be applied to the CRISP Operating Reserve, the CRISP participants have approved use of such funds in 2022 on other CRISP activities.

⁵ *N. Am. Reliability Corp.*, “Order Accepting 2020 True-Up Report with a Directive”, 177 FERC ¶61,163 (2021).

- In addition to the funds in the CRISP Operating Reserve, there is \$374,874 remaining in the CRISP Special Projects Reserve at the end of 2021. These funds were specifically for CRISP Operational Technology (OT) pilot projects and come from approximately \$1.0 million of funding collected in and unable to be spent in 2020 that was expected to be spent on the same projects in 2021. Due to other CRISP priorities and supply chain demands, the remainder was unable to be spent in 2021 and is anticipated to be spent on the same projects in 2022. In summary, the amounts originally budgeted to be spent on the CRISP OT pilot programs in 2020 that were deferred in 2020 and again 2021 due to the exigencies of the pandemic, are being spent in 2022 to complete the same CRISP OT pilot programs for which the expenditures were originally approved. There has been no redirection or reallocation of the budgeted but unspent 2020 or 2021 funds to any other project, activity, or program area from that in which the funds were originally budgeted. Indeed, placing the unspent 2020 and 2021 funds into a CRISP Special Projects Reserve served to *highlight* that these funds would be spent on these same CRISP activities and not on any other project, activity, or program, and set the funds aside for that purpose.

IV. CONCLUSION

NERC respectfully requests that the Commission accept this filing as compliant with Section II.7(b)(i) of the Settlement Agreement and the Commission's Settlement Order in Docket No. FA11-21-000.

Respectfully submitted,

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Dated: February 14, 2022

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the foregoing document upon all parties listed on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C. this 14th day of February, 2022.

/s/ Nina Jenkins-Johnston

Nina Jenkins-Johnston
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/s/ Stefan Bergere

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ATTACHMENT

Summary of Unaudited Results For the Period Ending December 31, 2021

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Executive Summary

Year-to-Date Actual Results (\$ millions)

<u>FUNDING</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Revenues	\$ 81.5	\$ 81.2	\$ 0.3
Funding from Reserves			
Assessment Stabilization Reserve	-	-	-
TOTAL FUNDING	\$ 81.5	\$ 81.2	\$ 0.3
<u>EXPENDITURES</u>			
Expenses (excluding Depreciation)	\$ 77.3	\$ 79.3	\$ (2.0)
Fixed Asset Additions	2.9	2.8	0.1
Net Financing Activity	(0.1)	0.8	(0.9)
TOTAL EXPENDITURES	\$ 80.1	\$ 82.9	\$ (2.8)
RESERVE INCREASE (DECREASE)	\$ 1.4	\$ (1.7)	\$ 3.1

Summary

Funding during 2021 is above budget mainly due to CRISP third-party funding being higher than budget as a result of unspent funds collected from the CRISP participants in 2021 being directed to a new CRISP Operating Reserve in 2021. This above budget funding is partially offset by lower than budgeted investment income. Expenditures (excluding depreciation) during the year are under budget primarily because of lower personnel, meeting, and travel expenses, as well as net financing activity, and are partially offset by higher office costs and professional services. The result is a reserve increase of \$3.1M higher than budget. This activity is explained in more detail in the remainder of this report.

Detailed Operating Results

Variances by Revenue and Expense Category

Total NERC (including CRISP)

			YTD	%
	YTD Actual	YTD Budget	Over (Under)	Over (Under)
TOTAL FUNDING	\$ 81,546,997	\$ 81,155,550	\$ 391,446	0.5%
EXPENDITURES				
Personnel	\$ 47,837,127	\$ 48,189,435	\$ (352,308)	(0.7%)
Meetings and Travel	279,894	2,201,748	(1,921,854)	(87.3%)
Consultants and Contracts	12,585,611	12,691,813	(106,202)	(0.8%)
Office Rent	3,555,401	3,603,442	(48,041)	(1.3%)
Office Costs, Professional, and Misc.*	12,935,758	12,471,039	464,719	3.7%
Other Non-Operating	128,104	129,661	(1,557)	(1.2%)
Fixed Asset Additions*	2,903,196	2,751,500	151,696	5.5%
Net Financing Activity**	(97,872)	844,601	(942,473)	(111.6%)
TOTAL EXPENDITURES	\$ 80,127,220	\$ 82,883,240	\$ (2,756,020)	(3.3%)
RESERVE INCREASE (DECREASE)	\$ 1,419,777	\$ (1,727,689)	\$ 3,147,466	(182.2%)
FTEs	208.8	213.4	(4.6)	(2.2%)

* Excludes depreciation expense

** A positive amount indicates that NERC is paying off more principal than it is receiving in proceeds. A negative amount indicates that NERC is receiving more in proceeds than it is paying off principal.

Following is a brief description of variances by category, as illustrated in the table above:

- Revenues are over budget primarily due to CRISP third-party funding being higher than budget and is partially offset by lower than budgeted investment income due to lower interest rates.
- Personnel expenses are under budget mainly because of lower medical insurance premiums due to lower rates and fewer FTEs, lower parking and transportation benefits due to the pandemic, and lower relocation and training costs.
- Meetings and Travel expenses are under budget because of reduced in-person meetings and travel due to the pandemic.

- Contracts and Consultants expenses are slightly under budget because of CRISP third party pilot program contractor costs being lower than budget and are partially offset by higher internal audit and corporate risk management support, as well as IT cybersecurity contractor support needed due the rapidly changing security environment.

CONTRACTS and CONSULTANTS	YTD Actual	YTD Budget	YTD Over (Under)	% Over (Under)
Reliability Standards and Power Risk Issue Management	\$ 239,798	\$ 114,552	\$ 125,246	109.3%
Compliance Assurance	175,295	50,000	125,295	250.6%
Registration and Certification	41,760	39,552	2,208	5.6%
Compliance Enforcement	38,070	69,000	(30,930)	(44.8%)
BPS Security and Grid Transformation	24,064	-	24,064	0.0%
Reliability Assessment and Technical Committees	130,680	59,552	71,128	119.4%
Advanced System Analytics and Modeling & Power System Analysis	114,750	165,000	(50,250)	(30.5%)
Performance Analysis	138,105	178,651	(40,546)	(22.7%)
Situation Awareness	-	15,000	(15,000)	(100.0%)
Event Analysis	86,445	115,590	(29,145)	(25.2%)
E-ISAC	2,334,751	2,399,918	(65,167)	(2.7%)
Training, Education and Personnel Certification	422,867	558,650	(135,783)	(24.3%)
General and Administrative and Executive	50,514	-	50,514	0.0%
Legal and Regulatory	501,450	210,000	291,450	138.8%
External Affairs	36,660	20,000	16,660	83.3%
Information Technology	1,966,270	1,635,625	330,645	20.2%
Human Resources and Administration	604,253	610,000	(5,747)	(0.9%)
Finance and Accounting	108,927	125,000	(16,073)	(12.9%)
TOTAL (excluding CRISP)	\$ 7,014,659	\$ 6,366,090	\$ 648,569	10.2%
CRISP	5,570,952	6,325,723	(754,771)	(11.9%)
TOTAL (including CRISP)	\$ 12,585,611	\$ 12,691,813	\$ (106,202)	(0.8%)

- Office cost expenses are over budget primarily because of higher software license and support costs, a portion of which is being funded with the CRISP Special Projects reserve.
- Professional Services expenses are over budget largely due to fees for an additional NERC trustee and increased costs for liability insurance.
- Fixed Asset Additions are slightly over budget primarily because of the timing of approximately \$636k in expenditures for the ERO SEL project that were approved to be spent and financed in 2020, but were incurred and financed instead in 2021. This is partially offset by lower than budgeted spending for IT equipment and servers.
- The Net Financing Activity budget, which is comprised of financing proceeds and principal payments, did not contemplate NERC receiving loan proceeds in 2021, but due to the timing of expenditures on the ERO SEL capital investment, NERC borrowed approximately \$683k in 2021 to fund costs of the project primarily carried over from 2020. Accordingly, debt principal payments in 2021 were lower than budgeted since the loan did not occur until later in the year. The total borrowing for the ERO SEL project in 2020 and 2021 was \$25k less than the \$2.0 million approved

by the NERC Board of Trustees in 2020 for the project initial investment, and the total capital costs incurred in 2020 and 2021 were slightly under the approved budget of \$3.8M.

- Reserves are higher than budget by \$3.1 million, primarily due to 1) reduced in-person meeting and travel costs due to the pandemic, 2) net financing activity due to loan proceeds received in 2021 and lower than budgeted loan principal payments, and 3) underspend in CRISP department contractor costs partially offset by overspend in other department contractor costs.

Variations by Department

DIRECT EXPENSES, FIXED ASSETS, AND FINANCING ACTIVITY	YTD Actual	YTD Budget	YTD Over (Under)	% Over (Under)
Reliability Standards and Power Risk Issue Management	\$ 3,882,316	\$ 3,627,620	\$ 254,695	7.0%
Compliance Assurance	5,912,049	6,508,460	(596,412)	(9.2%)
Registration and Certification	1,134,145	1,248,210	(114,066)	(9.1%)
Compliance Enforcement	3,935,544	4,244,467	(308,923)	(7.3%)
Power System Analysis	319,629	428,239	(108,610)	(25.4%)
Reliability Assessment and Technical Committees	1,910,046	1,957,274	(47,228)	(2.4%)
Advanced System Analytics and Modeling & Power System Analysis	2,054,593	2,503,640	(449,047)	(17.9%)
Performance Analysis	1,351,982	1,665,414	(313,432)	(18.8%)
Situation Awareness	2,704,974	2,790,692	(85,718)	(3.1%)
Event Analysis	1,793,161	2,389,731	(596,569)	(25.0%)
E-ISAC	12,136,866	12,698,677	(561,812)	(4.4%)
Training, Education and Personnel Certification	1,488,063	1,635,119	(147,056)	(9.0%)
General and Administrative and Executive	8,637,544	8,445,444	192,100	2.3%
Legal and Regulatory	5,116,464	4,631,911	484,553	10.5%
External Affairs	2,854,179	2,859,325	(5,146)	(0.2%)
Information Technology	12,851,193	12,936,602	(85,409)	(0.7%)
Human Resources and Administration	2,765,661	2,775,720	(10,059)	(0.4%)
Finance and Accounting	2,075,831	2,052,043	23,789	1.2%
TOTAL (excluding CRISP)	\$ 72,924,241	\$ 75,398,589	\$ (2,474,348)	(3.3%)
CRISP	7,202,980	7,484,651	(281,671)	(3.8%)
TOTAL DIRECT EXPENSES, FIXED ASSETS, AND FINANCING ACTIVITY	\$ 80,127,220	\$ 82,883,240	\$ (2,756,020)	(3.3%)

Following is a brief description of significant variances by department, as illustrated in the table above:

- Reliability Standards and Power Risk Issue Management – Over budget in personnel costs mainly due to the repurposing of one FTE from the Advanced System Analytics and Modeling & Power System Analysis department to this department, as well as higher than budgeted contractor costs, partially offset by lower meeting and travel expenses.
- Compliance Assurance – Under budget largely because of lower personnel costs due to lower FTEs, as well as lower meeting and travel expenses, partially offset by higher contractor costs.
- Compliance Enforcement – Under budget primarily attributable to lower personnel costs because of lower FTEs and also because of lower travel costs.
- Advanced System Analytics and Modeling & Power System Analysis – Under budget largely due to the repurposing of one FTE to the Reliability Standards and Risk Issue Management department and also because of lower travel and software license and support costs.
- Performance Analysis – Under budget mainly because of personnel expenses due to lower FTEs than budgeted and also because of lower travel expenses.
- Event Analysis – Under budget primarily attributable to lower personnel expenses due to the transfer of an open FTE position to Situation Awareness and also because of lower travel expenses.

- E-ISAC – Under budget mostly because of lower personnel expenses due to the allocation of part of an FTE to support administrative department projects, and lower travel and meeting expenses.
- Legal and Regulatory – Over budget primarily due to contract and consultants expense for internal audit staff augmentation and support for corporate risk management initiatives, outside counsel support for the Atlanta and DC office lease negotiations, and higher personnel expenses because of transition costs.
- CRISP – Under budget largely as a result of lower third party contractor and pilot contractor costs, partially offset by higher software license and liability insurance costs.

Supplemental Schedules

Schedule 1 – Year-End Actual Reserves

Reserve Account	1/1/2021		Unbudgeted Funding/(Use)	Operating and Financing Activity		12/31/2021	
	Beginning Balance ⁽¹⁾	Budgeted Funding/(Use) ⁽²⁾		Versus Budget ⁽³⁾	Ending Balance		
NERC Operating Contingency	\$ 7,982,913	\$ (1,800,000)	\$ -	\$ 2,551,666	\$	\$ 8,734,579	
Future Obligations	1,657,901	(551,600)	275,542	-	-	1,381,843	
Assessment Stabilization	2,521,000	-	-	-	-	2,521,000	
System Operator	996,220	-	-	(77,010)	-	919,210	
CRISP Defense Fund	500,000	-	-	-	-	500,000	
CRISP Operating ⁽⁴⁾	-	-	1,419,796	-	-	1,419,796	
CRISP Special Projects ⁽⁵⁾	1,049,549	-	(674,675)	-	-	374,874	
Total Reserves	\$ 14,707,584	\$ (2,351,600)	\$ 1,020,663	\$ 2,474,655	\$	\$ 15,851,303	

NOTES:

(1) 2021 beginning balances have been adjusted from the 12/31/2020 variance report balances as the result of a reconciliation to the final audited balance sheet.

(2) The 2021 Business Plan & Budget contained a budgeted use of Operating Contingency Reserves totaling \$1,800,000 to lower assessments for costs associated with the Compliance Monitoring and Enforcement Program Align project. The Future Obligations Reserve decrease of \$551,600 is a budgeted use of deferred rent reserves to fund a portion of office lease costs.

(3) This column primarily reflects the net impact of normal operations. For example, under normal circumstances, if tracking well under budget in actual expenditures, this would reflect additional funds into the reserve account. It also reflects the increase or decrease in working capital during the period.

(4) On November 17, 2021, an amendment to the CRISP contract was sent to the CRISP participants stipulating that any unspent funds collected from the CRISP participants will be directed to a new CRISP Operating Reserve category exclusively for CRISP use, starting with 2021 funds. The amendment has been signed by all CRISP participants. This treatment of excess current year funding received from CRISP participants above actual expenses being placed in reserve is a departure from prior practice, which was to return unspent money to the participants in the following budget year.

\$600k of the money that will fund the CRISP Operating Reserve was approved via the 2021 Business Plan & Budget to be spent in 2021, but due to other CRISP projects undertaken during the year, it was not spent, and the current plan is to spend it on a project in 2022 that was approved by the participants in 2021.

(5) The money remaining in the CRISP Special Projects Reserve at the end of 2021, which was specifically for operational technology pilot projects, is from approximately \$1.0M of funding collected in and unable to be spent in 2020 that was expected to be spent on the same projects in 2021. However, due to other CRISP priorities and supply chain demands, the remainder was unable to be spent in 2021 and is anticipated to be spent on the same projects in 2022.

Schedule 2 – IT Projects

Projects in Progress	Project Budget ⁽¹⁾	Actual Spend to Date	Expected Spend	Expected Over (Under) Budget
Align Initial Development through Release 3	\$ 7,203,000	\$ 7,249,618	\$ 7,249,618	\$ 46,618
E-ISAC Portal Replacement	259,680	259,680	259,680	-
CRISP Dragos Operational Technology Pilot	426,000	299,675	426,600	-

Projects Completed in 2021	Project Budget ⁽¹⁾	Actual Spend
Secure Evidence Locker	\$ 2,265,000	\$ 2,171,312
Mobile Device Management/Laptop Build	36,000	62,573
SAFNR Disaster Recovery	78,516	67,372

NOTES:

(1) The Project Budget noted above usually corresponds to the approved business case for each project and funds for each project are drawn from the available budget. In some projects, business cases may not be prepared, particularly when a project is smaller and/or may be in response to a FERC order.

** Some of these projects span multiple years, so the amounts above do not represent a single budget year expenditure.*

** The amounts noted above do not include internal labor or license/maintenance/support costs and reflect only external (consultant) costs of the projects.*

Schedule 2 (continued) – IT Projects

Align Initial Development through Release 3

(Started Q2 2017 / Release 3 Completed Q4 2021)

This project will provide registered entities, Regional Entities, and NERC the ability manage the compliance and enforcement processes and data in a single ERO Enterprise system. Today, those processes and related data are managed across three separate systems that have to be synchronized (webCDMS, CITS, and CRATS). Release 4 to be completed in 2022.

CRISP Dragos Operational Technology Pilot

(Started Q4 2020 / Planned Completion Q1 2022)

The objective of this project is to measure the capabilities of the Dragos Platform to evaluate cyber security risks based upon data made available through CRISP. Additionally, the pilot will promote E-ISAC analyst training and capabilities through guided-hunt participation and development of other cyber security threat intelligence best practices (such as generation of analytics and playbooks). The one-year pilot will be funded through CRISP and benefit its participants, but will enrich the overall threat intelligence capabilities of the E-ISAC.

E-ISAC Portal Replacement

(Started Q3 2020 / Planned Completion Q1 2022)

This project will re-platform the current portal and ticket/case system, which will combine the functions and services into a single E-ISAC Sharing Platform (ESP) solution, allowing members, partners, and the E-ISAC staff to interact more effectively and efficiently.

Secure Evidence Locker

(Started Q2 2020 / Completed Q1 2021)

This is a key component of the NERC's reimagined suite of Compliance Monitoring and Enforcement Program (CMEP) work and data management tools and is being implemented in conjunction with Align. It will be used for the collection and analysis of evidence provided by registered entities in connection with CMEP activities.

Mobile Device Management/Laptop Build

(Started Q1 2021 / Completed Q2 2021)

This project provided NERC with the capability to secure mobile devices and send laptops to remote employees while having most of the build completed remotely, thereby reducing the time required to build the laptop in the office and then ship to employees.

SAFNR Disaster Recovery

(Started Q3 2020 / Completed Q3 2021)

This project involved the installation of a redundant instance of the SAFNR application in NERC's data warehouse to be activated in a disaster recovery situation should the primary site become physically unavailable.

Schedule 3 – E-ISAC and CRISP Summary of Activity

FUNDING	Annual Actual	Annual Budget	Over (Under)
Assessments	\$ 22,673,035	\$ 22,673,035	\$ 0
Other Funding	7,736,916	7,148,703	588,213
TOTAL FUNDING	\$ 30,409,951	\$ 29,821,738	\$ 588,213
EXPENDITURES			
Personnel Expense	\$ 9,337,275	\$ 9,463,819	\$ (126,544)
Meetings and Travel Expense	52,140	297,080	(244,940)
Operating Expenses (excluding Depreciation)	9,920,429	10,339,429	(419,000)
Other Non-Operating Expenses	-	-	-
Fixed Asset Purchases (excluding Fixed Asset Allocation)	30,000	83,000	(53,000)
Net Financing Activity (excluding Net Financing Activity Allocation)	-	-	-
Total Direct Costs (excluding Depreciation and Allocations)	\$ 19,339,845	\$ 20,183,328	\$ (843,483)
Indirect Expense Allocation	10,163,290	9,315,576	847,714
Fixed Asset Allocation	69,803	188,624	(118,821)
Net Financing Activity Allocation	115,767	134,209	(18,442)
TOTAL EXPENDITURES (excluding Depreciation, including Allocations)	\$ 29,688,705	\$ 29,821,738	\$ (133,033)
RESERVE INCREASE (DECREASE)	\$ 721,246	\$ 0	\$ 721,246

Schedule 3 (continued) – E-ISAC and CRISP Summary of Activity

CRISP

FUNDING	Annual Actual	Annual Budget	Over (Under)
Assessments	\$ 1,095,863	\$ 1,095,863	\$ 0
Other Funding	7,675,197	7,100,343	574,854
TOTAL FUNDING	\$ 8,771,060	\$ 8,196,207	\$ 574,854
EXPENDITURES			
Personnel Expense	\$ 904,300	\$ 833,011	\$ 71,289
Meetings and Travel Expense	27,574	28,939	(1,365)
Operating Expenses (excluding Depreciation)	6,241,106	6,572,701	(331,595)
Other Non-Operating Expenses	-	-	-
Fixed Asset Purchases (excluding Fixed Asset Allocation)	30,000	50,000	(20,000)
Net Financing Activity (excluding Net Financing Activity Allocation)	-	-	-
Total Direct Costs (excluding Depreciation and Allocations)	\$ 7,202,980	\$ 7,484,651	\$ (281,671)
Indirect Expense Allocation	930,008	687,687	242,321
Fixed Asset Allocation	6,387	13,946	(7,559)
Net Financing Activity Allocation	10,593	9,923	671
TOTAL EXPENDITURES (excluding Depreciation, including Allocations)	\$ 8,149,968	\$ 8,196,207	\$ (46,238)
RESERVE INCREASE (DECREASE)	\$ 621,092	\$ (0)	\$ 621,092

E-ISAC (excluding CRISP)

FUNDING	Annual Actual	Annual Budget	Over (Under)
Assessments	\$ 21,577,172	\$ 21,577,172	\$ 0
Other Funding	61,719	48,360	13,359
TOTAL FUNDING	\$ 21,638,891	\$ 21,625,531	\$ 13,359
EXPENDITURES			
Personnel Expense	\$ 8,432,975	\$ 8,630,809	\$ (197,833)
Meetings and Travel Expense	24,567	268,141	(243,574)
Operating Expenses (excluding Depreciation)	3,679,324	3,766,728	(87,404)
Other Non-Operating Expenses	-	-	-
Fixed Asset Purchases (excluding Fixed Asset Allocation)	-	33,000	(33,000)
Net Financing Activity (excluding Net Financing Activity Allocation)	-	-	-
Total Direct Costs (excluding Depreciation and Allocations)	\$ 12,136,866	\$ 12,698,677	\$ (561,812)
Indirect Expense Allocation	9,233,282	8,627,890	605,393
Fixed Asset Allocation	63,415	174,678	(111,263)
Net Financing Activity Allocation	105,174	124,286	(19,113)
TOTAL EXPENDITURES (excluding Depreciation, including Allocations)	\$ 21,538,737	\$ 21,625,531	\$ (86,794)
RESERVE INCREASE (DECREASE)	\$ 100,154	\$ 0	\$ 100,154

Schedule 4 – Summary of Investments

	Quarter-End Balance	Ticker Symbol	Fund Name	S&P Credit Rating	Average Annualized Yield
<u>Cash Sweep Accounts</u>					
Operating Account Sweep	\$ 22,716,643	TDDXX	BlackRock Liquidity Fund FedFund Dollar	AAAm	0.03%
SOCED Account Sweep	1,597,833	TDDXX	BlackRock Liquidity Fund FedFund Dollar	AAAm	0.03%
CRISP Account Sweep	4,604,020	TDDXX	BlackRock Liquidity Fund FedFund Dollar	AAAm	0.03%
<u>Total Cash Sweep Accounts</u>	<u>\$ 28,918,496</u>				
<u>Investment Account</u>					
Reserve Funds	\$ 8,471,776	GRTXX	Federated Hermes Government Obligations Fund	AAAm	0.03%
<u>Total Investments</u>	<u>\$ 8,471,776</u>				