

MINUTES OF THE BOARD AUDIT COMMITTEE MEETING

REFERENCE NO. : **BACM-2020-001**
DATE/ TIME : **11 February 2020 / 9:00 AM - onwards**
VENUE : **TPB Board Room**

I. ATTENDANCE:

- a. **ACOO Jetro Nicolas F. Lozada**, Alternate Representative
- b. **Undersecretary Reinier Paul R. Yebra**, Member
- c. **Director Eduardo F. Pelaez**, Member
- d. **Atty. Dioxenos Sulit**, Assistant Corporate Secretary
- e. **Jerson C. Tomoling**, Internal Auditor IV
- f. **Jerome C. Velasco**, Internal Auditor II
- g. **Edshi-Lee Cordero**, TPB-OCBS

II. CALL TO ORDER

ACOO Jetro Nicolas F. Lozada, the designated alternate representative of TIEZA and Chairman of the Board Audit Committee, called the meeting in order and started at 9:00 AM.

III. MEETING PROPER

Undersecretary Reinier Paul R. Yebra led the opening prayer and was followed by the determination of quorum. The Committee Chairman has declared that there was a quorum as three members of the committee were present, Usec. Yebra, Director Pelaez and himself.

IV. HIGHLIGHTS OF THE MEETING

1. Workforce of the Internal Audit Office

- The Internal Audit Office (IAO) of Tourism Promotions Board (TPB) has three (3) Plantilla Positions, Internal Auditor (IA) II and IA IV which is currently filled-up, and IA V(vacant). However, the IA IV through an office order is designated as Acting

Manager in Finance Department in the exigency of service. The IA IV still performing supervision in the IAO, although not in black and white.

- The Board Audit Committee commented that any designation of internal auditor to other department is a prerogative of the Chief Operating Officer .
- The vacant position is already posted in website, and a Job Order employee is already requested to Personnel and Human Resource Development Division (PHRDD). But due to the technicality of the position, there is a challenge in hiring appropriate personnel.
- The board audit committee emphasized the filling-up of vacancy in the IAO.

2. Approval of Internal Audit Plan FY 2020

- The IAO has prepared its proposed Internal Audit Plan FY 2020. The annual audit plan of the Internal Audit Office contains the summary of activities of the Internal Audit Office (IAO) for the calendar year 2020 anchored on available resources such manpower complement, and the size and complexity of the organization.
- The IAO may conduct assurance and advisory services. Assurance services may include compliance, management and/or operations audit. Also, the IAO may consider accepting proposed advisory engagements based on the engagement's potential to improve management of risks, add value, and improve the agency's operations. Accepted engagements must be included in the plan, if not, it should be subject to prior approval of the Board Audit Committee.
- In the proposed plan of IAO, the Internal Audit in MICE Department will be conducted on February to May 2020, MarCom Department on June to August, and PHRDD on September to November. Also, an audit follow-up will be conducted in Finance Department on the first semester and Procurement and General Services Division on the second semester of the year. Moreover, the proposed plan also included the professionalizing the workforce through seminars and trainings to be attended by the Internal Auditors.
- The annual membership fee of the internal auditors to the different organization such as Association of the Government Internal Auditors (AGIA) and Institute of the Internal Auditors (IIA) is charged to their personal expenses. Charging to government funds of annual membership fee to different organizations of a government employee is strictly prohibited.
- Last year, there is an instruction from Usec. Bong to the PHRDD to fill-up the vacancies and the division committed to 80% target will be filled-up at the end of 2019. In view of this, the Board Audit Committee directed the IAO to prioritize the conduct of Internal Audit in PHRDD. Based on the instructions, the annual audit plan will covers the Internal Audit in PHRDD which will be conducted on February to May 2020, MICE Department on June to August 2020, and MarCom Department on September to November 2020.

- After the review, deliberation and revision, the Board Audit Committee approved the Internal Audit Annual Plan FY 2020.
- 3. Presentation of Internal Audit conducted in 2019**
- The summary of Audit Findings and Recommendations for 2019 were presented to the Board Audit Committee.
- 4. Reporting and Communicating Audit Results**
- For 2020, all audit reports will be forwarded to the Board Audit Committee through the Office of the Corporate Secretary (OCBS).
- 5. Schedules of Board Audit Committee Meetings for 2020**
- Schedule of Board Audit Committee Meetings will be arranged by the OCBS, and ideally should be done prior to the scheduled board meeting.

V. ADJOURNMENT

There being no more matters to be discussed, the meeting was adjourned at around 10:30AM.

PREPARED BY:




JEROME C. VELASCO

Internal Auditor II

Resolved and adopted on 11 February 2020

BOARD AUDIT COMMITTEE:


ACOO JETRO NICOLAS F. LOZADA
Chairman


UNDERSECRETARY REINIER PAUL R. YEBRA
Member


DIRECTOR EDUARDO F. PELAEZ
Member