

OFFICE OF THE GOVERNING BOARD

**EIGHTY-FIFTH (85TH) SPECIAL MEETING OF THE NTA GOVERNING
BOARD HELD AT THE BOARD ROOM, 2/F NTA BUILDING, SCOUT REYES STREET
CORNER PANAY AVENUE, QUEZON CITY
25 MAY 2018, 12:00 NOON**

Present:

Hon. ROBERT L. SEARES, M.D.	- Administrator/Vice-Chairman/Presiding
Hon. PEDRO J. MENDIOLA, JR.	- Member, Tob. Traders/Exporters Sector
Hon. RODOLFO F. SALANGA	- Member, Tob. Manufacturing Sector
Hon. WILFREDO C. MARTINEZ	- Member, Tobacco Farmers Sector
Hon. TEOFILO R. QUINTAL	- Member, Tobacco Farmers Sector
Hon. NESTOR C. CASELA	- Member, Academic Community

Others Present:

Mr. ENRIQUE G. DELA CRUZ	- Consultant, DA-High Value Crop
Ms. FORTUNA C. BENOSA	- Department Manager III, Corp. Planning Dept.
ATTY. ROHBERT A. AMBROS	- Department Manager III, Regulation Dept. and concurrent Acting Board Secretary
Ms. ALONA A. MANGANAAN	- Executive Assistant IV
Mr. RAMON R. MUNCAL	- Stenographer II
Ms. KYRA CLAMAÑA	- Private Secretary II

HIGHLIGHTS OF THE MEETING

I. OPENING PRAYER

The opening prayer was led by Mr. Enrique G. Dela Cruz.

II. CALL TO ORDER

The meeting was called to order at 12:00 noon, with Vice-Chairman/Administrator Robert L. Seares, M.D., as the Presiding Officer.

III. DETERMINATION OF QUORUM

The Acting Board Secretary declared that there is a quorum for the meeting with the presence of majority of the Appointive Members of the NTA Governing Board. The Acting Board Secretary noted the presence of the following members of the board, to wit:

1. Adm. ROBERT L. SEARES
2. Dir. PEDRO J. MENDIOLA, JR.
3. Dir. RODOLFO F. SALANGA
4. Dir. WILFREDO C. MARTINEZ

5. Dir. TEOFILO R. QUINTAL; AND
6. Dir. NESTOR C. CASELA.

The presence of Mr. Dela Cruz of the Department of Agriculture – High Value Crops and representative of Undersecretary Evelyn G. Laviña was likewise recognized.

IV. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

- A. APPROVAL OF THE AGENDA OF THE 85TH SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD THIS 25 MAY 2018 AT THE BOARD ROOM, 2/F NTA BUILDING, SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY**

Vice-Chairman/Administrator Seares presented to the Members of the Board the Agenda for the 85th Special Meeting. Upon motion of Dir. Salanga and duly seconded by Dir. Quintal, the board unanimously adopted the following resolution, to wit:

RESOLUTION NO. 842-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the Agenda for the Eighty-Fifth (85th) Special Meeting of the NTA Governing Board held this 25th day of May 2018 at the Board Room, 2/F NTA Building, Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

- B. APPROVAL AND CONFIRMATION OF THE MINUTES OF THE ONE HUNDRED AND TWELFTH (112TH) REGULAR MEETING OF THE NTA GOVERNING BOARD HELD ON 11 MAY 2018 AT THE BOARD ROOM, SECOND FLOOR, NTA CENTRAL OFFICE BUILDING, SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY**

The Presiding Officer presented the Minutes of the 112th Regular Meeting of the NTA Governing Board held on 11 May 2018 for their consideration and approval.

Dir. Mendiola moved for the approval of the minutes. Dir. Salanga seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 843-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the amended Minutes of the One Hundred and Twelfth (112th) Regular Meeting of the NTA Governing Board held on 11 May 2018 at the NTA Board Room, NTA Bldg., Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

C. NTA'S PERFORMANCE SCORECARD AND PERFORMANCE BASED-BONUS (PBB) FORMS FOR CY 2017 FOR SUBMISSION TO THE GOVERNANCE COMMISSION FOR GOCCs (GCG)

Dir. Casela moved for the approval of the above matter. However, Dir. Quintal inquired on the changes made on the forms as submitted yesterday as compared to the forms being requested to be signed by the Members of the NTA Governing Board. Ms. Benosa explained that the changes was due to the rechecking of the ratings per strategic measure.

Dir. Mendiola also inquired why SM5 was previously rated 2% of 65 but it was amended. Ms. Benosa replied that there was inadvertence in copying the target which cannot be changed. She further said that the target was already established in 2017 during the negotiation of the NTA Performance Agreement.

Dir. Quintal further inquired if the changes in the rating would affect the PBB of the NTA personnel. Ms. Benosa confirmed that there will be no change as long as the NTA would pass the 90% mark.

Dir. Casela also asked why the ratio of income from tobacco is lesser than the income from other crops when the NTA should establish that the farmers would earn more from tobacco production as compared to any other crops. Ms. Benosa clarified that the measure was a requirement from the Department of Budget and Management (DBM) for the Agency to put more effort in providing alternative crops for the farmers without necessarily reducing the production of tobacco. Dir. Salanga confirmed that the said requirement was the commitment of the government under the Inter-Agency Committee on Tobacco (IACT). Ms. Benosa manifested that the NTA is inclined to remove this measure in the next performance negotiation or device/introduce a better performance indicator.

Dir. Casela requested from Ms. Benosa on the procedures to be undertaken the GCG in the evaluation of the ratings. Ms. Benosa explained that after the submissions of the forms, the GCG will conduct validation by visiting the NTA Central Office and the different Branch Offices and requiring the production of documents to support the ratings.

Mr. Dela Cruz interjected on the request of Usec. Laviña to meet one (1) personnel from the NTA for the techno-cropping to campaign for high value crops. Ms. Imelda Riñen, Manager of the Farm Technology and Services Department was recommended and her presence was requested in the next board/committee meeting.

Upon motion of Dir. Casela, duly seconded by Dir. Quintal, the board adopted the following resolution to wit:

RESOLUTION NO. 844-2018

**ADOPTING THE FY 2017 PERFORMANCE-BASED
BONUS SYSTEM FOR THE NATIONAL TOBACCO
ADMINISTRATION IN ACCORDANCE WITH
EXECUTIVE ORDER NO. 80, S. 2012 AND GCG
MEMORANDUM CIRCULAR NO. 2017-01.**

WHEREAS, on 20 July 2012, President BENIGNO S. AQUINO III issued Executive Order (E.O.) No. 80, s. 2012, which directed the Governance Commission for GOCCs (GCG) to issue the necessary guidelines for the Performance-Based Incentive(PBI)System of GOCCs under GCG's jurisdiction;

WHEREAS, GCG Memorandum Circular (M.C.) No. 2017-01 established the rules and regulations for the Interim Performance-Based Bonus (PBB) System for Qualified Officers and Employees of GOCCs covered by GCG pursuant to the "GOCC Governance Act of 2011" (R.A. No. 10149);

WHEREAS, subject to further evaluation by GCG, NTA has attained a weighted-average of 91.14% based on its Performance Scorecard for 2017, and has complied with all Good Governance Conditions, pursuant to GCG M.C. No. 2017-01;

WHEREAS, E.O. No. 80 requires that the funds for the grant of PBB in GOCCs shall be charged against their respective corporate funds, subject to the approval of their respective governing boards; and

WHEREAS, no other performance-based incentive or its equivalent has been granted to the Officers and Employees of NTA for FY 2017.

BE IT RESOLVED, the Board hereby **APPROVES** the following:

1. Application with GCG for authorization to grant the 2017 PBB for Qualified Officers and Employees based on their Percentile Ranking within their respective levels, and the applicable rate of incentive.
2. Allocation of an amount not exceeding **Four Million Nine Hundred Seventy Thousand Forty-Five Pesos and Eight Centavos (P4,970,045.08)** based on PBB Form 3A, chargeable against corporate funds, for the grant of the FY 2017 PBB to qualified Officers and Employees; *Provided*, the grant of the FY 2017 PBB is subject to the approval and/or adjustment by the GCG.
3. Authorization of the Chairperson of the Governing Board, the Chief Executive Officer, Heads of Finance and Planning or their equivalent in authority and area of responsibility, Chairperson of the Bids and Awards Committee and other Officers concerned, to certify and attest under oath the veracity of all information disclosed in the submitted documents required in GCG M.C. No. 2017-01 and such other documents that may be required by GCG.

DONE, this 25th day of May 2018, in Quezon City, Philippines.

UNANIMOUSLY APPROVED....."

D. REQUEST FOR THE APPROVAL OF THE REVISED NTA CORPORATE OPERATING BUDGET (COB) FOR FISCAL YEAR 2018

Dir. Salanga moved for the approval of the revised NTA COB for FY 2018. Dir. Quintal seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 845-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the Revised NTA Corporate Operating Budget for Fiscal Year (FY) 2018 in the amount of **ONE BILLION ONE HUNDRED THREE MILLION FOUR HUNDRED NINETY ONE THOUSAND PESOS (Php1,103,491,000.00).**

UNANIMOUSLY APPROVED.....”

E. REQUEST FOR THE AMENDMENT OF THE AUTHORIZED SIGNATORIES FOR ALL BANK ACCOUNTS OF THE AGRIPINOY PROJECTS

Dir. Martinez moved for the approval of the matter. Dir. Mendiola seconded the motion. Thereafter, the board adopted the following resolution, to wit:

RESOLUTION NO. 846-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board hereby designates the following NTA officials as authorized signatories to all checks and other required bank forms for all bank accounts of the AgriPinoy Projects maintained with the Land Bank of the Philippines (LBP), Narvacan, Ilocos Sur, to wit:

- 1. ROBERT L. SEARES, M.D., Administrator**
and
- 2. FELICISIMO T. LAZO, Cashier-Designate**

RESOLVED, FURTHER, that the NTA Governing Board designates the following officials as authorized signatories for all Disbursement Vouchers, to wit:

Box A- NORA A. CORRE, OIC-Project Manager
Box B- ORLANDO E. PACAPAC III, Accountant
Box C- ROBERT L. SEARES, M.D., Administrator

RESOLVED, FINALLY, that all previously issued authority/designation to any NTA Officials for the subject LBP Accounts of the AgriPinoy Projects are hereby revoked effective 25 May 2018. Let a copy of the foregoing resolution be furnished to the Land Bank of the Philippines (LBP), Narvacan, Ilocos Sur, for its

information and amendment of the signature cards for the said bank accounts.

UNANIMOUSLY APPROVED....."

- F. REQUEST FOR SUPPLEMENTAL BUDGET IN THE AMOUNT OF P104,000.00 TO COVER THE COST OF ACCOMMODATION FOR THE NTA BRANCH OFFICE PARTICIPANTS (23 PAX) AND TRAINING MANAGEMENT TEAM (3 PAX) TO ATTEND THE GROUP SPECIFIC TRAINING ON THE OFFICIAL USA STANDARD GRADES FOR FLUE-CURED AND BURLEY TOBACCO**

On motion of Dir. Quintal, duly seconded by Dir. Salanga, the board adopted the following resolution to wit:

RESOLUTION NO. 847-2018

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board hereby approves the request of NTA Management for a Supplemental Budget in the amount of P104,000.00 to cover the cost of accommodation for the NTA Branch Office participants (23 pax) and Training Management Team (3 pax) in attending the Group Specific Training on the Official USA Standard Grades for Flue-cured and Burley Tobacco.

UNANIMOUSLY APPROVED....."

- G. AWARD OF CONTRACT FOR THE PROJECT: "CONSTRUCTION OF THE NTA TRAINING AND LABORATORY BUILDING AT BANGUED, ABRA" IN FAVOR OF 739 BUILDERS WITH THE SINGLE CALCULATED AND RESPONSIVE BID (SCRB) IN THE AMOUNT OF PHP11,449,885.63**

Dir. Casela moved for the approval of the above matter, however, he requested the submission of an operational plan on how the said building shall be utilized and operated by the NTA, the same to be submitted to the board in the next meeting. Dir. Martinez seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 848-2018

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the award of the contract for the project: "Construction of the NTA Training and Laboratory Building at Bangued, Abra" in favor of 739 Builders with the Single Calculated and Responsive Bid (SCRB) in the amount of Php11,449,885.63.

RESOLVED, FURTHER, that the NTA Management should submit to the NTA Governing Board an Operational Plan on how the said building shall be utilized and operated by the NTA.

UNANIMOUSLY APPROVED.....”

- H. REQUEST FOR THE CONDUCT OF PUBLIC BIDDING AND/OR SMALL VALUE PROCUREMENT FOR THE PURCHASE OF VARIOUS LABORATORY FURNITURE, EQUIPMENT AND FIXTURES FOR THE PRODUCT DEVELOPMENT DIVISION-IRD AT THE NTA-BATAC, ILOCOS NORTE WITH AN APPROVED BUDGET FOR THE CONTRACT (ABC) IN THE TOTAL AMOUNT OF PHP3,366,000.00

On motion of Dir. Casela, the above matter was deferred, the same to be resubmitted for approval of the board upon completion and acceptance of the on-going project for the rehabilitation of the laboratories at the NTA-Batac, Ilocos Norte.

(deferred)

- I. REQUEST FOR THE ADOPTION OF REFERENDUM RESOLUTION FOR THE APPROVAL OF THE AWARD OF CONTRACT FOR THE PROJECT: “SUPPLY AND DELIVERY OF FERTILIZERS FOR THE IFOIGAP-RICE CY 2018-WET SEASON

Dir. Casela moved for the approval of the request with the collatilla that samples of the fertilizers should be taken for chemical analysis on the major elements to determine compliance with the specifications of the NTA. Dir. Salanga seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 849-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the request of NTA Management for the adoption of a referendum resolution for the award of contract for the project: “Supply and Delivery of Fertilizers for the IFOIGAP-Rice CY 2018-Wet Season, in favor of the winning bidder.

RESOLVED, FURTHER, that the NTA Management is hereby directed to obtain samples of the fertilizers for chemical analysis on the major elements to determine compliance with the NTA specifications.

UNANIMOUSLY APPROVED.....”

- J. REQUEST FOR AUTHORITY FOR MR. RAMON R. MUNCAL TO FILE THE PETITIONS FOR VOLUNTARY TITLE STANDARDIZATION PROGRAM WITH THE LAND REGISTRATION AUTHORITY/REGISTER OF DEEDS

On motion of Dir. Martinez, duly seconded by Dir. Quintal, the board adopted the following resolution, to wit:



RESOLUTION NO. 850-2018

**“BE IT RESOLVED, AS IT IS HEREBY
RESOLVED,** that the NTA Governing Board grants
authority for Mr. Ramon R. Muncal, Stenographer II,
Office of the NTA Governing Board, to file the Petitions
for Voluntary Title Standardization Program with the
Land Registration Authority/Register of Deeds.

UNANIMOUSLY APPROVED.....”

IV. OTHER MATTERS

**A. LETTER REQUEST OF JT INTERNATIONAL ASIA MANUFACTURING
INC.**

On motion of Dir. Quintal, duly seconded by Dir. Casela, the board
adopted the following resolution, to wit:

RESOLUTION NO. 851-2018

**“BE IT RESOLVED, AS IT IS HEREBY
RESOLVED,** that the NTA Governing Board approves
the request of JT International Asia Manufacturing Inc.
for the reduction of monitoring fees in their importation of
non-tobacco related materials and ingredients from
P3.00 to P0.50, per kilogram, pursuant to NTA
Memorandum Circular No. 002-A, Series of 2010,
effective 01 July 2018.

UNANIMOUSLY APPROVED.....”

**B. REQUEST FOR INTERNET CONNECTION FOR THE OFFICE OF THE
NTA GOVERNING BOARD**

Upon request of Dir. Martinez, Atty. Ambros and Mr. Muncal were
directed to request the NTA Administrative Department for the provision
of internet connection for the Office of the NTA Governing Board.

VI. ADJOURNMENT

On motion of Dir. Mendiola, duly seconded by Dir. Quintal, the meeting was
officially adjourned at 2:30 P.M.

The board agreed to conduct the next committee and board meetings for the
month of June and July, as follows:

- | | | |
|--|---|----------------|
| a. Committee Meeting | - | June 6, 2018; |
| b. 113 th Regular Board Meeting | - | June 7, 2018; |
| c. Committee Meeting | - | June 27, 2018; |
| d. 86 th Special Board Meeting | - | June 28, 2018; |
| e. Committee Meeting | - | July 11, 2018; |
| f. 114 th Regular Board Meeting | - | July 12, 2018; |
| g. Committee Meeting | - | July 23, 2018; |

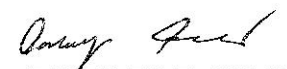
PREPARED AND CERTIFIED CORRECT:



ATTY. ROBERT A. AMBROS
Acting Board Secretary

ATTESTED:


Hon. ROBERT L. SEARES
Vice-Chairman and Administrator


Hon. PEDRO J. MENDIOLA, JR.
Appointive Director, Tobacco Traders/Exporters Sector


Hon. RODOLFO F. SALANGA
Appointive Director, Tobacco Manufacturing Sector


Hon. WILFREDO C. MARTINEZ
Appointive Director, Tobacco Farmers Sector


Hon. TEOFILO R. QUINTAL
Appointive Director, Tobacco Farmers Sector


Hon. NESTOR C. CASELA
Appointive Director, Academic Community