



Republic of the Philippines  
DEPARTMENT OF AGRICULTURE  
**NATIONAL TOBACCO ADMINISTRATION**  
Scout Reyes Street, corner Panay Avenue, Quezon City  
Tel No. (02) 374-3987 Fax. No. (02) 374-2505

OFFICE OF THE NTA GOVERNING BOARD

ONE HUNDRED AND FOURTEENTH (114<sup>TH</sup>) REGULAR MEETING OF THE NTA BOARD OF DIRECTORS HELD AT THE BOARD ROOM, 2/F NTA BUILDING, SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY  
12 JULY 2016, 12:00 NOON

Present:

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

Others Present:

Atty. MEL JOHN I. VERZOSA	-	Deputy Administrator for Operations
Dr. ROBERTO R. BONCAN	-	Dept. Manager III, IRD
Ms. MA. TERESA B. LAUDENCIA	-	Dept. Manager III, Finance Department
Ms. IMELDA I. RIÑEN	-	Dept. Manager III, FTSD
Dr. GIOVANNI B. PALABAY	-	Dept. Manager III, NTA-La Union
Engr. HERMOGENES G. GALVEZ	-	Project Manager II, Tobacco Dust Project
Atty. ROBERT A. AMBROS	-	Dept. Manager III, Regulation Dept. & Acting Board Secretary
Ms. ALONA A. MANGANAAN	-	Executive Assistance IV
Ms. KYRA P. CLAMAÑA	-	Private Secretary II
Mr. RAMON R. MUNCAL	-	Stenographer II

HIGHLIGHTS OF THE MEETING

I. CALL TO ORDER

Honorable Robert L. Seares, M.D., Vice-Chairman of the NTA Governing Board, called the meeting to order at 10:55 A.M.

II. ACKNOWLEDGEMENT OF THE PRESENCE OF THE APPOINTIVE DIRECTORS AND DETERMINATION OF QUORUM

The Acting Board Secretary acknowledged the presence of the following Appointive Members of the NTA Governing Board, to wit:

1. Adm. ROBERT L. SEARES, M.D.
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 Acting Board Secretary declared that there is a quorum for the meeting with the presence of majority of the Members of the NTA Governing Board. He also recognized the presence of the of the Deputy Administrator for Operations and the Department Managers.

III. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. APPROVAL OF THE AGENDA FOR THE ONE HUNDRED AND FOURTEENTH (114<sup>TH</sup>) REGULAR MEETING HELD THIS 12 JULY 2018 AT THE BOARD ROOM, 2/F NTA BUILDING, SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

Dir. Salanga moved for the approval of the Agenda for the 114<sup>th</sup> Regular Meeting of the Board, subject to the other matters that will be discussed. Dir. Quintal seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 869-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED that the NTA Governing Board approves the Agenda of the One Hundred and Fourteenth (114<sup>th</sup>) Regular Meeting of the NTA Governing Board held this 12 July 2018 at the Board Room, 2/F NTA Building, Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

B. APPROVAL OF THE MINUTES OF THE EIGHTY-SIXTH (86<sup>TH</sup>) SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD ON 27 JUNE 2018 AT THE BOARD ROOM, 2/F NTA BUILDING, SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

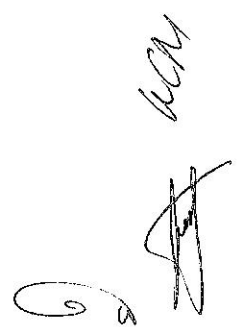
The Presiding Officer presented the Minutes of the Eighty-Sixth (86<sup>th</sup>) Special Meeting of the NTA Governing Board held on 27 June 2018 at the Board Room, 2/F NTA Building, Scout Reyes Street corner Panay Avenue, Quezon City, for the consideration and approval of the Members.

Dir. Casela requested for the amendment of the minutes, particularly on page 8, second sentence of the first paragraph, to be read as follows: “NTA will shoulder the expenses for the establishment of two (2) separate demo-farms consisting of one (1) hectares each”.

Dir. Martinez moved for the approval of the minutes as amended. Dir. Casela seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 870-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the amended Minutes of the Eighty-Sixth (86<sup>th</sup>) Special Meeting of the NTA Governing Board held on 27 June



2018 at the Board Room, 2/F NTA Building, Scout Reyes  
Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

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C. AMENDMENT TO THE IMPLEMENTING GUIDELINES FOR THE  
IFOIGAP-RICE COMPONENT CY 2018 WET SEASON TO INCLUDE THE  
PROVISION OF SUBSIDY

Dir. Casela inquired on what will be covered by the subsidy. Ms. Rifen replied that it will be 20% of the farm input (fertilizers). Dir. Casela suggested to add a collatilia for the grant that only those who have paid 100% of their production assistance shall be qualified. Dir. Salanga likewise suggested to add another collatilia that the farmer should also fully paid their production assistance for the TCGS 2017-2018.

Dr. Palabay informed the board that in La Union, there are Rice Farmers who availed of the 2018 rice production assistance but did not plant tobacco for CY 2017-2018 for some reasons. Dir. Casela said that farmers who did not plant tobacco previously will be exempted from the parameters.

Dir. Martinez commented that while it is nice to achieve 100% collection, however, he said that the NTA should not put too much pressure to the managers and the farmers. He suggested that the NTA should give more importance to farmers by treating them as brothers and that the managers should be given the discretion to do their thing and to see the result. He said that one farmer leader was not able to pay his production loan because his expected income was not achieved. He also added that once the board adopts a decision in providing the conditions to qualify for subsidy, it should not change the conditions as many times as the board wishes to.

Dir. Salanga replied that the percentage of collection is a requirement of the GCG to be entitled to PSB and PBI. He added that the board is not limiting those who may avail the production loan, but only limiting those who will be entitled to the subsidy. Dir. Casela also added that the NTA is lenient to the farmers such that if they will not be able to pay their loans, the assisting technicians will ask the reason/s, and if acceptable, they may be offered a restructuring of their loans.

Atty. Verzosa requested the presence of the Finance Manager to clarify if they allocated fund for the subsidy for rice production because when he asked the Chief Accountant, the latter said that there was no subsidy for rice. Atty. Ambros informed the body that it was Ms. Laudencia herself who confirmed that there was an allocation for subsidy both for Rice and Tobacco. Ms. Laudencia confirmed that for CY 2018, as approved by the board, there is subsidy for rice which is 20%, the same with the percentage subsidy for tobacco and it is already incorporated in the corporate operating budget for FY 2018.

Dir. Salanga also inquired if there is subsidy for the curing barn assistance project. Ms. Laudencia replied in the affirmative. Dir. Salanga again asked if the farmers expect to have a subsidy every year. Ms. Laudencia also replied affirmatively, provided that the board will approve.

Dir. Casela summarized the amended provision of subsidy for the Rice Component that 20% subsidy shall be given to farmers who have fully paid their loan obligation including the production loan from the previous CY 2017-2018 TCGS. Dir. Casela inquired if seeds material is also included in the subsidy. Dr. Bonoan responded that it is part of the production assistance. Dr. Quintal suggested that all herbicides and other CPAs should be included in the subsidy. Dr. Bonoan also suggested to include the cost of the seeds as part of the subsidy to encourage the farmers to use certified seeds. Dir. Quintal suggested for the NTA to request from the LGUs inasmuch as they are giving free certified seeds. Dir. Salanga agreed with Dir. Quintal on the LGUs' participation but it should not prevent the NTA from providing the certified seeds the cost of which is more or less P600,000.00 for an area of 2,200 hectares as per report of the Finance Manager.

(deferred, the guidelines shall be amended as per above discussion)

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D. **REQUEST TO CONDEMN THE NTA (PTRTC) APPLIED RESEARCH BUILDING AT ISABELA STATE UNIVERSITY, CABAGAN CAMPUS, CABAGAN, ISABELA**

Atty. Ambros reported on the factual antecedents of the building. He said that the building was not utilized since the merger of the PTRTC into the NTA. Sometime in 2007, the then President of ISU-Cabagan Campus requested the donation of the building in its favor. While the board approved the request of the ISU, the Deed of Donation was not executed, hence the building is still recorded in the list of properties of the NTA. He said that the purpose of the request of Dir. Martinez is to drop the building from the inventory of properties.

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

**RESOLUTION NO. 871-2018**

**"BE IT RESOLVED, AS IT IS HEREBY RESOLVED,** that the NTA Governing Board approves the condemnation of the NTA (PTRTC) building at the Isabela State University-Cabagan Campus, Cabagan, Isabela, for purposes of dropping the said property from the list of inventory of Property, Plant and Equipment.

**RESOLVED, FURTHER,** that the NTA is hereby authorized to cause the demolition of the said building by commissioning qualified interested party, without cost from the NTA; Provided, that the said interested party shall be entitled to appropriate to himself and dispose of whatever scrap materials that may be recovered therefrom.

**UNANIMOUSLY APPROVED....."**

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E. **AWARD OF THE CONTRACT FOR THE PROJECT: "REPAIR AND IMPROVEMENT OF THE NTA-VIGAN BRANCH OFFICE LOWER GROUND FLOOR, LOCATED AT BANTAY, ILOCOS SUR"**

Upon motion of Dir. Quintal, the board adopted the following resolution, to wit:

RESOLUTION NO. 872-2018

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the award of contract for the project: "Repair and Improvement of the NTA-Vigan Branch Office, Lower Ground Floor, Located at Bantay, Ilocos Sur" in favor of 739 Builders with the Lowest Calculated and Responsive Bid (LCRB) in the amount of Php2,234,137.46.

UNANIMOUSLY APPROVED....."

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F. **REQUEST FOR THE CONDUCT OF RE-BIDDING FOR THE PROJECT: "CONSTRUCTION OF 2-STOREY NTA TOBACCO FARMERS TRAINING BUILDING, LOCATED AT TAGUDIN, ILOCOS SUR"**

Atty. Ambros reported on behalf of the Chairman of the NTA Bids and Awards Committee that the bidding was declared as failure because the lone bidder failed to submit its Bid Form in its financial documents. Hence, the NTA management is requesting for authority from the board for the conduct of re-bidding of the same project.

Dir. Salanga moved for the approval of the request. Dir. Casela reiterated the request of the board for Dr. Bonoan and Ms. Rifen to prepare and submit the operational plan of the proposed building in the next board meeting.

There being no further objection, the board adopted the following resolution, to wit:

RESOLUTION NO. 873-2018

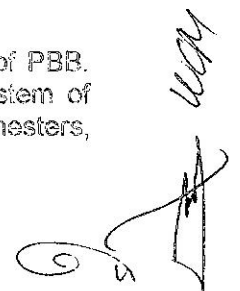
"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the request of NTA Management to conduct the re-bidding for the project: "Construction of 2-Storey NT Tobacco Farmers Training Building, located at Tagudin, Ilocos Sur" with an Approved Budget for the Contract (ABC) in the amount of Php11,519,348.17.

UNANIMOUSLY APPROVED....."

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G. **POLICY GUIDELINES FOR THE GRANT OF PERFORMANCE BASED BONUS (PBB) FOR STARTING CY 2018**

The board discussed the proposed policy guidelines in the grant of PBB. Atty. Ambros informed the members of the board the current system of ranking the NTA employees which is according to the rates of 2 semesters,



irrespective of the functions they are performing. Likewise, SG-22 or supervisors were included under the Middle Management Group but they are not performing managerial function. He said that most of the staff that gets the highest ratings come from the Support Services Group. He said that definitely, support service and operations group have entirely different functions. He explained that with the proposed guidelines, support services and operations groups will be segregated. He said that the Governing Board has the power of flexibility under GCG Memorandum Circular No. 2018-01.

Dir. Casela pointed out that the policy should avoid complaints from the employees or bias from certain sector or group of employees. He then asked if there is significant difference between what is being practiced right now and the proposal. Atty. Ambros replied that there are significant changes because there will be equitable distribution of best performers and will avoid complaints from employees.

(deferred subject to the amendment of the proposed guidelines)

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H. APPROVAL OF THE MINUTES OF THE EIGHTY-SIXTH (86<sup>TH</sup>) SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD ON 27 JUNE 2018 AT THE BOARD ROOM, 2/F NTA BUILDING, SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

(deferred)

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IV. OTHER MATTERS

A. RESOLUTIONS FOR THE NTA AGRIPINOY PROJECTS CONCERNS:

Upon unanimous agreement of the members of the board, to include discussions from the yesterday's Committee Meeting, the following resolutions are hereby adopted, to wit:

RESOLUTION NO. 874-2018

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board grants authority for Ms. NORA A. CORRE, Officer-in-Charge, NTA AgriPinoy Projects, to transact in behalf of the National Tobacco Administration (NTA) before the Ilocos Sur - Bureau of Internal Revenue, Registry of Deeds of Ilocos Sur and Narvacan Municipal Assessor's Office, in connection with the processing of documents for the transfer of title of the property located at Brgy. Sulvec, Narvacan, Ilocos Sur.

UNANIMOUSLY APPROVED....."

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RESOLUTION NO. 875-2018

"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 Feed Mill Project at Brgy. Sulvec, Narvacan, Ilocos Sur, 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 Account of the AgriPinoy Feed Mill Project is/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....."**  
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**RESOLUTION NO. 876-2018**

**"BE IT RESOLVED, AS IT IS HEREBY RESOLVED,** that the NTA Governing Board hereby authorizes the Management of the NTA AgriPinoy Training School to open a checking account with the Land Bank of the Philippines (LBP), Narvacan, Ilocos Sur, and hereby designates the following NTA officials as authorized signatories to all checks and other required bank forms for the said account, 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**

**UNANIMOUSLY APPROVED....."**  
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**B. KAKAHUYANG PANGKALIKASAN AT PANGKABUHAYAN PROJECT**

Dir. Casela requested the BAC to come-up with a necessary action in line with the recommendations made by Dr. Foronda. He said that the board and the NTA management previously agreed that the KPP will be assessed/evaluated but after the recommendation there was no action yet. He said he wants the NTA Management to come up with a revitalized or improved version of the KPP which should include the recommendation of the consultant and thereafter, the management can now decide who will implement the project.

Atty. Verzosa said that the matter was already discussed with the Administrator including the manpower complement and assignment of staff who will review the project guidelines. Dir. Salanga requested Atty. Verzosa to submit the management's recommendation on July 23. Atty. Verzosa requested to submit the recommendation in the next meeting after the anniversary.

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**V. ADJOURNMENT**

The agreed to conduct the next Committee and Special Board Meetings, as follows:

- a. Committee Meeting - 10:00 A.M., 23 July 2018;
- b. 87<sup>th</sup> Special Meeting - 12:00 noon, 24 July 2018;
- c. Committee Meeting - 2:00 P.M., 08 August 2018; and
- d. 115<sup>th</sup> Regular Meeting - 12:00 noon, 09 August 2018.

There being no other matter to be taken up, and upon motion of Dir. Mendiola, duly seconded by Dir. Salanga, the meeting was officially adjourned at 4:15 P.M.

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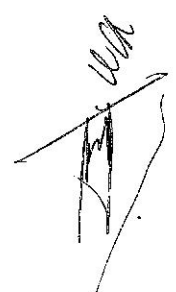
**PREPARED AND CERTIFIED CORRECT:**

  
**ATTY. ROBERT A. AMBROS**  
Acting Board Secretary

**ATTESTED:**

  
**Hon. ROBERT L. SEARES**  
*Administrator, National Tobacco Administration  
and Vice-Chairman, NTA Governing Board*

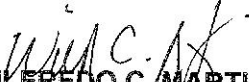
  
**Hon. PEDRO J. MENDIOLA, JR.**  
*Appointive Director, Tobacco Trader/Exporter Sector*







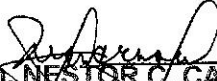
**Hon. RODOLFO F. SALANGA**  
*Appointive Director, Tobacco Manufacturing Sector*



**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 Sector*

