

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 GOVERNING BOARD

**EIGHTY-SIXTH (86TH) REGULAR MEETING OF THE NTA BOARD OF DIRECTORS
HELD AT THE BOARD ROOM, SECOND FLOOR, NTA BUILDING,
SCOUT REYES STREET COR. PANAY AVENUE, QUEZON CITY
06 JANUARY 2016, 12:00 NOON**

Present:

Hon. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Administrator
Hon. JOSE S. DIÑO	-	Member, Academic Community Sector
Hon. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Hon. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Hon. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Hon. PEDRO J. MENDIOLA, JR.	-	Member, Traders/Exporters Sector
Hon. RODOLFO F. SALANGA	-	Member, Manufacturing Sector

Others Present:

Atty. ROHBERT A. AMBROS
Chief Tobacco Production and Regulation Officer
and concurrently Acting Board Secretary and
Acting Legal Counsel

HIGHLIGHTS OF THE MEETING

I. OPENING PRAYER

Honorable Director Rogelio A. Elveña led the opening prayer.

II. CALL TO ORDER

The meeting was called to order at 12:00 noon, with Honorable Administrator and Vice-Chairman Edgardo D. Zaragoza as the Presiding Officer.

III. DETERMINATION OF A QUORUM

Atty. Rohbert A. Ambros, Acting Board Secretary, declared that there is a quorum with the presence of more than majority of the Appointive Members of the NTA Governing Board, which is sufficient to transact business for the meeting.

At this juncture, Honorable Director Jose S. Diño took over as the Presiding Officer for the meeting.

IV. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. APPROVAL AND CONFIRMATION OF THE MINUTES OF THE FIFTY-NINTH (59TH) SPECIAL MEETING OF THE BOARD OF DIRECTORS

HELD ON 18 DECEMBER 2015 AT THE NTA BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES CORNER PANAY AVENUE, QUEZON CITY

The Minutes of the 59th Special Meeting held on 18 December 2015 was presented for consideration and approval by the board.

Dir. Elveña moved for the approval of the minutes. Honorable Director Dante G. Claravall seconded the motion. There being no objection, the Board adopted the following resolution:

RESOLUTION NO. 540-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the amended Minutes of the Fifty-Ninth (59th) Special Meeting held on 18 December 2015 at the NTA Board Room, Second Floor NTA Bldg., Scout Reyes corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

B. APPROVAL OF THE NTA CORPORATE OPERATING BUDGET (COB) FOR FY 2016

Honorable Director Rodolfo F. Salanga moved for the approval of the matter. Honorable Director Geoffrey DG. Gacula seconded the motion. There being no objection, the board adopted the following resolution:

RESOLUTION NO. 541-2015

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the NTA Corporate Operating Budget (COB) for Calendar Year 2016 in the total amount of **ONE BILLION THREE HUNDRED NINETY EIGHT MILLION SEVEN HUNDRED EIGHTY FIVE THOUSAND PESOS (Php1,398,785,000.00).**

UNANIMOUSLY APPROVED.....”

C. APPROVAL OF THE PROPOSED DRAFT COMPROMISE AGREEMENT FOR THE SETTLEMENT OF THE CASE: “NTA VS HEIRS OF JOSE C. TUPINO, JR.”, CIVIL CASE NO. 15134251, PENDING BEFORE THE REGIONAL TRIAL COURT OF MANILA, BRANCH 41

Atty. Ambros reported that during the mediation hearing of the above subject case, the defendants manifested their willingness to voluntarily vacate the area that they encroached upon the NTA property. He reported that the respondents made as a condition that the NTA or the subsequent awardee should be responsible for the dismantling of the structure existing thereon, without any cost from them.



Dir. Gacula suggested to include in the agreement a provision that all materials to be recovered from the dismantled structure will be renounced by the respondent and shall inure to the benefit of the one who will dismantle the same.

Dir. Gacula moved for the approval of the agreement subject to amendment. Honorable Director Pedro J., Mendiola, Jr. seconded the motion.

There being no further objection or comment, the Board adopted the following resolution, to wit:

RESOLUTION NO. 542-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the proposed draft of Compromise Agreement, as amended, for the settlement of the case entitled: **“NTA (PVTA) vs. Heirs of Jose C. Tupino, Jr.”**, Civil Case No. 15-134251, Regional Trial Court of Manila, Branch 41, subject to further concurrence of the Office of the Government Corporate Counsel (OGCC).

UNANIMOUSLY APPROVED.....”

VI. OTHER MATTERS

A. DENGUE VACCINES

Dir. Gacula reported that he read an article in the newspaper on the DOH's allocation of P1Million worth of dengue vaccines for school children which will be taken from the Universal Health Care fund under Republic Act 10351. He manifested that a resolution be adopted for the NTA management to make representation with the DOH to request dengue vaccines for the benefit of the tobacco farmers and/or NTA employees.

Upon motion of Dir. Elveña, duly seconded by Dir. Claravall, the board adopted the following resolution:

RESOLUTION NO. 543-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board requests the Honorable Vice-Chairman/Administrator to make representation to the Department of health for the provision of Dengue Vaccines for the benefit of the tobacco farmers and/or NTA employees, the same to be taken from the Universal Health Care fund under Republic Act No. 10351 (New Excise Tax Law).

UNANIMOUSLY APPROVED.....”

B. REQUEST OF EMPLOYEES OF THE NTA-CAGAYAN BRANCH OFFICE TO AVAIL LOT AWARD

Dir. Claravall inquired on the status of the request of the NTA-Cagayan BO. He said that the BO submitted documents on the prevailing value of lots at the area averaging at P1,500.00, per square meter.

Dir. Salanga suggested to require the concerned employees to submit to the management a manifestation that they are amenable to the valuation of P1,500.00, per sq. m.

Dir. Diño said that the matter will be made as one of the agenda for the next meeting.

There being no other matter to be taken up, Dir. Mendiola moved for the adjournment of the meeting. Dir. Elveña seconded the motion. The Members of the Board agreed to conduct the next committee meeting on January 19, 2016, while the next Special Board Meeting will be on January 20, 2016.

There being no other matters to be taken up, the Presiding Officer adjourned the meeting at 2:05 P.M.

PREPARED AND CERTIFIED CORRECT:

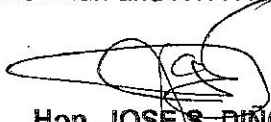


ATTY. ROHBERT A. AMBROS
Acting Board Secretary

ATTESTED:



Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator



Hon. JOSE S. DIÑO
Member
Academic Community Sector



Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector



Hon. GEOFFREY D.G. GACULA
Member
Tobacco Farmers Sector



Hon. **ROGELIO A. ELVEÑA**
Member
Tobacco Farmers Sector



Hon. **PEDRO J. MENDIOLA, JR.**
Member
Tobacco Traders/Exporters Sector



Hon. **RODOLFO F. SALANGA**
Member
Tobacco Manufacturing Sector



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OFFICE OF THE GOVERNING BOARD

**SIXTIETH (60TH) SPECIAL MEETING OF THE NTA BOARD OF DIRECTORS
HELD AT THE BOARD ROOM, SECOND FLOOR, NTA BUILDING
SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY
20 JANUARY 2016, 12:00 NOON**

Present:

Hon. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Administrator
Hon. JOSE S. DIÑO	-	Member, Academic Community
Hon. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Hon. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Hon. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Hon. PEDRO J. MENDIOLA, JR.	-	Member, Tob. Traders/Exporters Sector
Hon. RODOLFO F. SALANGA	-	Member, Tob. Manufacturing Sector

Others Present:

ATTY. ROHBERT A. AMBROS
Chief Tobacco Production and Regulation Officer
Concurrently Acting Board Secretary and
Acting Legal Counsel

HIGHLIGHTS OF THE MEETING

I. CALL TO ORDER AND OPENING PRAYER

The meeting was called to order at 12:00 noon, with the Honorable Vice-Chairman and Administrator Edgardo D. Zaragoza as the Presiding Officer. Honorable Director Rogelio A. Elveña led the opening prayer.

II. DETERMINATION OF QUORUM

Atty. Rohbert A. Ambros, Acting Board Secretary, declared that there is a quorum with the presence of more than majority of the Members of the NTA Governing Board which is sufficient to transact business for the meeting.

III. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. APPROVAL AND CONFIRMATION OF THE MINUTES OF THE EIGHTY-SIXTH (86TH) REGULAR MEETING OF THE BOARD OF DIRECTORS HELD ON 06 JANUARY 2016 AT THE BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

The Honorable Presiding Officer/Administrator presented the Minutes of the 86th Regular Meeting of the NTA Governing Board held on 06 January 2016 for their consideration and approval.

Honorable Director Jose S. Diño moved for the approval and confirmation of the minutes. Dir. Elveña seconded the motion. Thereafter, the Board adopted the following resolution, to wit:

RESOLUTION NO. 544-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves and confirms the Minutes of the Eighty-Sixth (86th) Regular Meeting held on 06 January 2016 at the Board Room, Second Floor, NTA Bldg., Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

- B. REVIEW OF THE EXISTING GUIDELINES AND PROCEDURES IN THE SCREENING AND PLACEMENT OF APPLICANTS TO UNFILLED PLANTILLA POSITIONS; and**
- C. FILLING-UP OF VANCANT PLANTILLA POSITIONS**

Dir. Diño stated that the above matters were discussed during yesterday’s committee meeting. He said that the members of the board came up with a unanimous decision to approve the guidelines and procedures with the proposed amendments, particularly the inclusion, among others, of a provision for the designation of Ms. Dinah E. Pichay as alternate for Dr. Roberto R. Bonoan in case the vacancy arises within his department. Other proposed amendment is the presence of a Member of the NTA Governing Board during the personal interview of applicants to vacant positions. Dir. Diño also mentioned the request of NTA Management for filling-up of eleven (11) vacant plantilla positions.

Dir. Diño moved for the approval of the Revised Guidelines and Procedures in the Screening and Placement of Applicants to Unfilled Plantilla Positions. Dir. Elveña seconded the said motion.

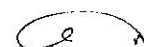
Likewise, Honorable Director Dante G. Claravall moved for the approval of the request for the filling-up of 11 vacant plantilla positions. Dir. Elveña also seconded the motion.

There being no further comment, the board adopted the following resolutions, to wit:

RESOLUTION NO. 545-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the Revised Guidelines and Procedures in the Screening and Placement of Applicants to Unfilled Plantilla Positions.

UNANIMOUSLY APPROVED.....”



RESOLUTION NO. 546-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the filling-up of vacant plantilla positions, to wit:

Item No.	Position	SG	Dept./Branch Off.
44-2	Science Research Specialist II	16	FTSD
109-1	Tobacco Production & Regulation Officer III	15	Candon BO
110-1	Agriculturist I	11	Candon BO
137	Tobacco Production & Regulation Officer III	15	Abra BO
142	Administrative Officer III	18	La Union BO
150	Agriculturist II	15	La Union BO
174	Computer Operator	9	Isabela BO
182-9	Tobacco Production & Regulation Officer I	11	Isabela BO
181-2	Agriculturist I	11	Isabela BO
31	Dept. Manager III	26	FTSD
218	Audio-Visual Aids Technician II	8	Admin. Dept.

nothing follows

UNANIMOUSLY APPROVED.....”

D. REQUEST OF CONCERNED EMPLOYEES OF THE NTA-CAGAYAN BRANCH OFFICE FOR HOUSING LOT AWARD

Dir. Diño stated that the matter was discussed during the committee meeting yesterday. Honorable Director Roldolfo F. Salanga said that the concerned employees manifested their willingness to abide with the valuation of the NTA. After several discussions, the NTA Governing Board agreed to adopt the BIR zonal valuation or the assessed value, whichever is higher, which is P1,800.00, per square meter.

Dir. Elveña inquired on who is responsible for the payment of Capital Gains Tax and Documentary Stamp Tax. The Administrator said that it is inclusive on the price to be paid by the employees. Dir. Claravall likewise suggested that the purchase price shall be payable through salary deduction for a period not exceeding five (5) years or date of retirement/separation of the concerned employees, whichever comes earlier. The Honorable Administrator said that there will be no interest to be imposed.

Upon motion of Dir. Diño duly seconded by Dir. Claravall and without further comment/objection from the other members, the Board adopted the following resolution, to wit:

RESOLUTION NO. 547-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the request of the concerned employees of the NTA-

Cagayan Branch Office for housing lot award of not exceeding 100 square meters, each, which shall be taken from the NTA property located at Tuguegarao City, Cagayan, particularly at the southernmost portion.

RESOLVED, FURTHER, that the NTA Governing Board adopts the BIR Zonal Value of P1,800.00, per square meters as the basis for the valuation for the subject award.

RESOLVED, FINALLY, that the purchase price for the subject lot awards may be paid by the concerned NTA employees through equal monthly salary deduction for a period not exceeding five (5) years or date of retirement/separation from the service, whichever comes earlier, without interest.

UNANIMOUSLY APPROVED.....”

- E. **REQUEST FOR THE CONDUCT OF PUBLIC BIDDING FOR THE PROJECT: 1) CONSTRUCTION OF THE NTA QUALITY ASSURANCE BUILDING COMPLEX WITH AN APPROVED BUDGET FOR THE CONTRACT (ABC) OF P15,908,552.00; AND, 2) PURCHASE OF ANALYTICAL LABORATORY EQUIPMENT AND OTHER ACCESSORIES WITH AN ABC OF P33,000,000.00**

Honorable Director Geoffrey DG. Gacula relayed the query of Honorable Director Pedro J. Mendiola, Jr. on his observation with respect to the difference of the value for the third and fourth floors which is P300,000.00 considering that the area of the 4th floor is only 195 square meters as compared to the third floor with an area of 211.75 sq.m.

The Honorable Administrator that the difference is about 10% to 8%. He said that these are just estimates for purposes of approval. Dir. Salanga added that the bid amounts will not exceed the ABC. Dir. Diño inquired why the painting works is not included in the estimate. The Honorable Administrator said that it is already included in the estimates.

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

RESOLUTION NO. 548-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the request of the NTA Management for the conduct of public bidding for the following projects, with their respective Approved Budget for the Contract (ABC), to wit:

Project	Approved Budget for the Contract
1. Quality Assurance Building 3-Floors with roof top/drying area	- P15,908,552.00

2. Analytical Laboratory Equipment - **P33,000,000.00**
and other accessories.

UNANIMOUSLY APPROVED.....”

V. OTHER MATTERS

A. NTA SCHOLARSHIP PROGRAM

Dir. Diño reported that during yesterday's committee meeting, the board discussed with Dr. Lopez regarding the appeal of one scholar from NTA-Cagayan Branch Office to extend his scholarship for two (2) years in addition to the four (4) years already granted to the said scholar.

The Honorable Administrator said that the management will have to wait for the formal recommendation as this will entail an amendment of the existing guidelines. He added that this might be a precedent and other scholars may follow and this will affect the budget of the NTA.

Dir. Elveña also added that the scholarship contract may be amended to include a provision that the scholar may serve the NTA as On-the-Job-Trainee, if the scholar would want to, but this is not mandatory. Dir. Claravall also added that after graduation, the scholar may be hired as a Job Order employee of the NTA.

The Honorable Administrator said that these will be studied thoroughly and a formal recommendation will be submitted for the consideration and approval by the Board.

B. UNIVERSAL HEALTH CARE PROGRAM

Dir. Gacula reported that the tobacco farmers and their children were not benefitted from the incremental revenue from the collection of excise taxes for universal health care. He suggested that Management should ask the Department of Health (DOH) on the matter.

The Honorable Administrator said that the national government had issued the necessary rules and regulations with respect to the matter and had always presented how the collections are spent. However, with respect to the utilization by the LGUs, he said that the national government had not issued yet the necessary guidelines.

C. DENGUE VACCINES

Dir. Elveña added that the members of the board have a pending resolution for NTA Management to ask the DOH to provide vaccines for the tobacco farmers.

The Honorable Administrator said that the NTA had already requested vaccines for employees only. He said that the NTA Management will make another request for the benefit of tobacco farmers.

D. 2016 TOBACCO FESTIVAL

Dir. Salanga informed the Members of the Board that the schedule of the 2016 Tobacco Festival will be held on March 18, 2016 at Candon City.



E. TOBACCO PRODUCTS SMUGGLING

Dir. Diño reported that the board had the opportunity to discuss with Ms. Maybelen Dictaan, Manager of the Regulation Department. He said that he informed Ms. Dictaan that smuggling of tobacco had been rampant recently as per information he gathered. He said that the intention is for him, Dir. Gacula and Dir. Salanga if they could initially discuss the matter with the BOC Commissioner. Dir. Salanga said that the real problem is not importation but transshipment.


Atty. Ambros reported that the NTA Management came up with a proposed measure to create an Anti-Illicit Task Force to look into the matter. He said that copies of the draft Administrative Order were sent to all stakeholders of the tobacco industry for their comment. He reported that a consultative meeting was conducted yesterday to discuss the comments of the industry players on the proposed measure. He said the concerned industry players will submit their respective position papers within 15 days to propose alternative ways by which the NTA can minimize smuggling. He said that the measure to be adopted will be implemented initially by the NTA with the help of the private sector. He said that in the event that the help of other government agencies will be needed that will only be the time that the NTA will formally request for coordination with either the BOC or the BIR.

Upon motion of Honorable Director Pedro J. Mendiola, Jr., duly seconded by Dir. E. Iveyña, the Board adjourned at 3:07 P.M.

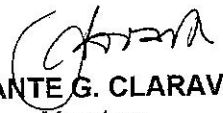
PREPARED AND CERTIFIED CORRECT:


ATTY. ROBERT A. AMBROS
Acting Board Secretary

ATTESTED:

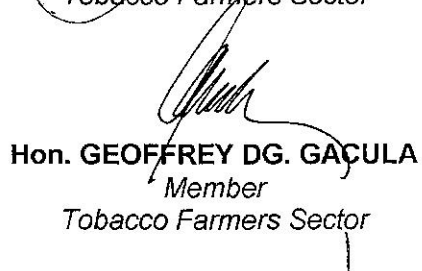

Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator
Presiding Officer


Hon. JOSE S. DIÑO
Member
Academic Community Sector


Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector



Hon. ROGELIO A. ELVENA
Member
Tobacco Farmers Sector



Hon. GEOFFREY DG. GACULA
Member
Tobacco Farmers Sector



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



Hon. RODOLFO F. SALANGA
Member
Tobacco Manufacturing Sector





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OFFICE OF THE GOVERNING BOARD

**EIGHTY-SEVENTH (87TH) REGULAR MEETING OF THE NTA BOARD OF DIRECTORS
HELD AT THE BOARD ROOM, SECOND FLOOR, NTA BUILDING,
SCOUT REYES STREET COR. PANAY AVENUE, QUEZON CITY
03 FEBRUARY 2016, 12:00 NOON**

Present:

Hon. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Administrator
Hon. JOSE S. DIÑO	-	Member, Academic Community Sector
Hon. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Hon. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Hon. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Hon. PEDRO J. MENDIOLA, JR.	-	Member, Traders/Exporters Sector
Hon. RODOLFO F. SALANGA	-	Member, Manufacturing Sector

Others Present:

Atty. ROHBERT A. AMBROS
Chief Tobacco Production and Regulation Officer
and concurrently Acting Board Secretary and
Acting Legal Counsel

HIGHLIGHTS OF THE MEETING

I. OPENING PRAYER

Honorable Director Rogelio A. Elveña led the opening prayer.

II. CALL TO ORDER

The meeting was called to order at 12:00 noon, with Honorable Administrator and Vice-Chairman Edgardo D. Zaragoza as the Presiding Officer.

III. DETERMINATION OF A QUORUM

Atty. Rohbert A. Ambros, Acting Board Secretary, declared that there is a quorum with the presence of more than majority of the Appointive Members of the NTA Governing Board, which is sufficient to transact business for the meeting.

IV. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

- A. APPROVAL AND CONFIRMATION OF THE MINUTES OF THE SIXTIETH (60TH) SPECIAL MEETING OF THE BOARD OF DIRECTORS HELD ON 20 JANUARY 2016 AT THE NTA BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES CORNER PANAY AVENUE, QUEZON CITY**

The Minutes of the 60th Special Meeting held on 20 January 2016 was presented for consideration and approval by the board.

Dir. Elveña moved for the approval of the minutes. Honorable Director Jose S. Diño seconded the motion. There being no objection, the Board adopted the following resolution:


RESOLUTION NO. 549 2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the amended Minutes of the Sixtieth (60th) Special Meeting held on 20 January 2016 at the NTA Board Room, Second Floor NTA Bldg., Scout Reyes corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

B. APPROVAL OF THE AWARD OF THE CONTRACT FOR THE PROJECT: “CONSTRUCTION OF KATANGRARAN SMALL WATER IMPOUNDING PROJECT” IN FAVOR OF JLP CONSTRUCTION AND SUPPLY WITH THE BID AMOUNT OF P15,572,165.02

The Presiding Officer/Vice-Chairman stated that the NTA decided to implement the project because of the perceived problems in the leadership of the Municipality of Solsona, Ilocos Norte due to the suspension order issued by the Sangguniang Panlalawigan.

He further said that upon the request of Mayor De Lara, the NTA implemented the project. He said that similar situation was encountered at Sinait, Ilocos Sur, with which the NTA implemented the project.

Dir. Diño reported that there was a deliberation on the matter during the committee meeting yesterday and that the Administrator explained some ideas/concerns. He then requested Honorable Directors Elveña, Geoffrey DG. Gacula and Rodolfo F. Salanga to explain the deliberations conducted before the body will decide on the matter.

The Presiding Officer/Vice-Chairman explained to the body on the repercussions if the matter will not be approved. He said that if NTA cannot implement the project, then it will be the next administration which will implement the same. He said that there will be a negative implication with the DBM if the NTA will not be able to implement the project on time. He requested the body to consider the matter on its merits if there are legal problems or if there were conditions of the law which were not followed.

Dir. Gacula said that while the NTA implemented the project at Sinait, which is similar to Solsona, he said that the only problem encountered is that the bidding came ahead before the new development in the LGU came out.

The Presiding Officer/Vice-Chairman countered that it was not the case with Solsona. He made as an example the Sinait project where there was no formal request from the LGU. Since the NTA was following a time

table set by the DBM and that the NTA determined that the LGU cannot really implement as scheduled, then the NTA on its own initiative implemented the project.

Dir. Gacula ask if the LGU has a letter to the NTA in order to compare with the Sinait project. He further said that the request should not only come from the Mayor but from the Sangguniang Bayan.

The Presiding Officer/Vice-Chairman said the request from Sinait was also verbal, the same with Solsona. The Administrator then distributed to the Members of the Board a letter from the Municipal Mayor of Solsona.

After the discussion on the contents of the letter, Dir. Salanga suggested to amend the contents of the letter to include the statement that the letter confirms an earlier verbal request made on December 4, 2015. He then moved for the approval of the matter, subject to the submission of the said letter.

There being no objection, the board adopted the following resolution:


RESOLUTION NO. 550-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board, hereby approves the award of contract for the project: “Construction of Katangraran Small Water Impounding Project at Brgy. Katangraran, Solsona, Ilocos Norte (Contract ID No. 2015-07)” in favor of JLP CONSTRUCTION AND SUPPLY with the Single Calculated and Responsive Bid (SCRB) in the amount of P15,572,165.02, subject to the submission of a letter from the Municipal Mayor of Solsona, Ilocos Norte confirming the verbal request made on 04 Decembe. 2015 for the NTA to implement the aforesaid project.

UNANIMOUSLY APPROVED.....”

C. APPROVAL OF THE GUIDELINES AND PROCEDURES ON THE GRANT OF DISCOUNTS FOR SENIOR CITIZENS AND PERSONS WITH DISABILITIES IN THEIR PURCHASE OF AGRIPINOY PRODUCTS

Dir. Diño moved for the approval of the matter. Dir. Salanga seconded the motion. There being no further objection or comment, the Board adopted the following resolution, to wit:


RESOLUTION NO. 551-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the Guidelines and Procedures on the Grant of Discounts for Senior Citizens and Persons With Disabilities in Their Purchase of AgriPinoy Products.

UNANIMOUSLY APPROVED.....”

D. APPROVAL AND CONFIRMATION OF THE DESIGNATION OF THE COMMITTEE CHAIRPERSON AND MEMBERS FOR THE DISPOSAL OF THE NTA PROPERTIES AT TUMAUNI, ISABELA, AS THE SAME COMMITTEE TO DISPOSE THE NTA PROPERTY AT NAGUILIAN, ISABELA

Dir. Claravall reported that the property at Naguilian was subjected to evaluation by a private appraiser. He resaid that the property is being leased as market stalls and some portions were being squatted, as well as, terminal for tricycles and sometimes used as cockfighting area. He further said that the Branch Manager of NTA-Isabela Branch Office certified that there is no existing project being implemented in the said property. Dir. Claravall also suggested for the said Committee to include in their recommendation the disposal of the NTA properties at Jones, Isabela and Cauayan, Isabela. The board agreed to send first a letter to the present occupant of the NTA property at Cauayan, Isabela.

The Administrator said that the board will wait for the recommendation of the Disposal Committee.

Upon motion of Dir. Claravall, duly seconded by Honorable Director Perdro J. Mendiola, Jr., the board adopted the following resolution, to wit:

RESOLUTION NO. 55²-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves and confirms the designation of the Committee Chairperson and Members for the disposal of the NTA properties at Tumauni, Isabela, as the same committee to dispose the NTA property at Naguilian, Isabela.

UNANIMOUSLY APPROVED.....”

There being no other matter to be taken up, Dir. Mendiola moved for the adjournment of the meeting. Dir. Salanga seconded the motion.

The Members of the Board agreed to conduct the next committee meeting on 16 February 2016, while the next Special Board Meeting will be held on 17 February 2016.

The Presiding Officer/Vice-Chairman adjourned the meeting at 3:15 P.M.

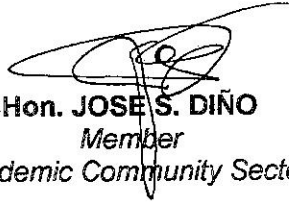
PREPARED AND CERTIFIED CORRECT:


ATTY. ROHBERT A. AMBROS
Acting Board Secretary

ATTESTED:



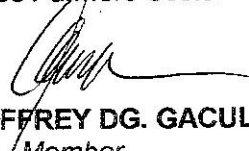
Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator



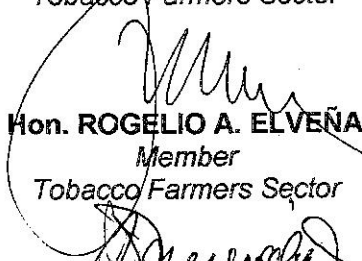
Hon. JOSE S. DIÑO
Member
Academic Community Sector



Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector



Hon. GEOFFREY DG. GACULA
Member
Tobacco Farmers Sector



Hon. ROGELIO A. ELVEÑA
Member
Tobacco Farmers Sector

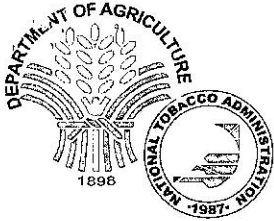


Hon. PEDRO J. MENDIOLA, JR.
Member
Tobacco Traders/Exporters Sector



Hon. RODOLFO F. SALANGA
Member
Tobacco Manufacturing Sector





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 GOVERNING BOARD

**SIXTY-FIRST (61ST) SPECIAL MEETING OF THE NTA BOARD OF DIRECTORS
HELD AT THE BOARD ROOM, SECOND FLOOR, NTA BUILDING
SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY
17 FEBRUARY 2016, 12:00 NOON**

Present:

Hon. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Administrator
Hon. JOSE S. DIÑO	-	Member, Academic Community
Hon. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Hon. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Hon. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Hon. PEDRO J. MENDIOLA, JR.	-	Member, Tob. Traders/Exporters Sector
Hon. RODOLFO F. SALANGA	-	Member, Tob. Manufacturing Sector

Others Present:

ATTY. ROHBERT A. AMBROS
Chief Tobacco Production and Regulation Officer
Concurrently Acting Board Secretary and
Acting Legal Counsel

HIGHLIGHTS OF THE MEETING

I. CALL TO ORDER AND OPENING PRAYER

The meeting was called to order at 12:00 noon, with the Honorable Vice-Chairman and Administrator Edgardo D. Zaragoza as the Presiding Officer. Honorable Director Rogelio A. Elveña led the opening prayer.

II. DETERMINATION OF QUORUM

Atty. Rohbert A. Ambros, Acting Board Secretary, declared that there is a quorum with the presence of more than majority of the Members of the NTA Governing Board which is sufficient to transact business for the meeting.

At this juncture, Honorable Director Jose S. Diño presided the meeting.

III. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. APPROVAL AND CONFIRMATION OF THE MINUTES OF THE EIGHTY-SEVENTH (87TH) REGULAR MEETING OF THE BOARD OF DIRECTORS HELD ON 03 FEBRUARY 2016 AT THE BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

The Presiding Officer presented the Minutes of the 87th Regular Meeting of the NTA Governing Board held on 03 February 2016 for their consideration and approval. The Presiding Officer further stated that the Honorable Jonathan L. De Lara, Municipal Mayor of Solsona, Ilocos Norte, submitted a letter dated February 3, 2016 confirming his verbal request made on December 4, 2015 for the NTA to implement the subject project and that the municipality will abide with any lawful decision and course action that the NTA may undertake. He then requested the Acting Board Secretary and Acting Legal Counsel to give his comment in relation to the letter for the protection of the board in connection with the approval of the award of the contract.

Atty. Ambros recalled that during the last meeting of the board of directors, there was a motion to approve the award of the contract to JLP Construction and Supply subject to the condition that the municipal mayor shall confirm his previous verbal request he made on December 2015. The Honorable Administrator then communicated the condition to Mayor De Lara who immediately sent his formal confirmation on 03 February 2016.

Dir. Diño further asked the possible repercussions or issues that may arise in any eventuality. Honorable Director Geoffrey DG. Gacula also asked Atty. Ambros if the authority given to NTA needs the Resolution of the Sangguniang Bayan considering that it was stated in the letter that only the Mayor made the request.

Atty. Ambros clarified that the board amended the guidelines for the irrigation project that in case the LGU cannot implement the same for any reason, the NTA can take over the project. Atty. Ambros also said that this is the same scheme the NTA adopted in the case of Sinait, Ilocos Sur Irrigation Projects. He said that in the case of Sinait project, there was even no formal or verbal request from the municipality either from the mayor or the sangguniang bayan. However, Atty. Ambros further clarified that the irrigation projects have specific schedules for each batch to be complied with before the funds for the next batch will be released by the DBM. He said further that the letter of confirmation of Mayor De Lara is not necessary and is superfluous. Atty. Ambros added that Resolution from the Sangguniang Bayan is not necessary.

Honorable Director Dante G. Claravall requested for the amendment on page 4 of the minutes on the property being used as cockfighting area that he is not referring to the NTA property at Naguillian but to the NTA property at Jones, Isabela.

Dir. Salanga moved for the approval and confirmation of the minutes. There being no objection, the Board adopted the following resolution, to wit:

RESOLUTION NO. 553-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves and confirms the Minutes of the Eighty-Seventh (87th) Regular Meeting held on 03 February 2016 at the Board Room, Second Floor, NTA Bldg., Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

B. REQUEST FOR THE APPROVAL OF THE AMENDED DRAFT OF COMPROMISE AGREEMENT FOR THE SETTLEMENT OF THE CASE ENTITLED: “NTA VS. HEIRS OF JOSE C. TUPINO, JR., ET. AL.”, CIVIL CASE NO. 15-134251 PENDING BEFORE THE REGIONAL TRIAL COURT-MANILA, BRANCH 41

The Presiding Officer stated that the matter had been discussed during the committee meeting yesterday. He then asked the board for their approval on the matter.

Dir. Gacula said that he has no objection on the amended draft of the compromise agreement. However, he said that the board suggested that the one who will repossess the property will be the one to take charge for the cost of the dismantling which was not included in the draft.

Atty. Ambros said that it was included in the first draft. However, he said that during the last mediation hearing, the respondent already agreed for themselves to undertake the dismantling and recover whatever scrap materials to be recovered therefrom. He further said that the amendment still needs concurrence of the OGCC.

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

RESOLUTION NO. 554-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the amended Compromise Agreement for the settlement of the case entitled: **“NTA vs. Heirs of Jose C. Tupino, Jr. at. al.”**, Civil Case No. 15-134251, pending before the Regional Trial Court, City of Manila.

UNANIMOUSLY APPROVED.....”

C. REQUEST FOR THE AMENDMENT OF THE APPROVED BUDGET FOR THE CONTRACT FOR THE PROJECT: “CONSTRUCTION OF NTA QUALITY ASSURANCE BUILDING COMPLEX”

The Presiding Officer also informed the members of the board that the matter had been thoroughly discussed during yesterday’s committee meeting. He said that Engr. Abraham Dela Peña made an explanation on the proposed change in the total cost of the project to P19,676,732.18.

Dir. Gacula asked if the NTA already have the Terms of Reference because of the change of completion from 90 days to 100 days. Atty. Ambros said that the same TOR submitted for the original budget will be adopted except on the detailed cost estimate and number of days of completion.

Dir. Gacula then moved for the approval of the matter. Honorable Director Pedro J. Mendiola, Jr., seconded the motion. There being no further comment, the board adopted the following resolution:



RESOLUTION NO. 555-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the amendment of the Approved Budget for the Contract (ABC) for the project: Construction of the NTA Quality Assurance Laboratory Building Complex” to PhP19,676,732.18.

UNANIMOUSLY APPROVED.....”

D. CONFIRMATION OF NEW APPOINTEES TO VACANT PLANTILLA POSITIONS

Dir. Gacula stated that there was a tight race between the two (2) contenting applicants for the position of Senior TPRO, SG-18, and that both applicants have equal qualifications in all aspects of the criteria for selection, except the personal interview. He manifested that he would like to ask Dir. Diño, as the Chairman on the Committee on Personnel Administration, for the board to conduct the necessary interview before the board will confirm the appointment.

Dir. Salanga said that he has no question on the request of Dir. Gacula. However, he said that he is aware that a representative of the board should be present during the personal interview.

Dir. Diño confirmed that during the personal interview, he was present during that time and was able to hear the questions propounded to the applicants but did not make any comment. He said that the personal interview by the Selection Committee in order. He said that the board will require the two (2) applicants to be present during the next committee meeting.

There being no further comment, the board adopted the following resolutions, to wit:

RESOLUTION NO. 556-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves and confirms the appointment of **Mr. Rhonelle P. Sulicipan to the plantilla position of Tobacco Production and Regulation Officer I, SG 15 of the NTA Batac Branch Office.**

RESOLVED, FURTHER, that the confirmation of the appointment for the plantilla position of Senior Tobacco Production and Regulation Officer, SG 18 of the NTA Batac Branch Office is hereby **deferred** and to require the applicants to attend the next meeting of the Committee on Personnel Administration for a personal interview.

UNANIMOUSLY APPROVED.....”



E. REQUEST FOR APPROVAL OF THE 2016 AUDIT PLAN OF THE INTERNAL AUDIT SERVICE

Upon motion of Dir. Salanga and without comment/objection from the other members, the Board adopted the following resolution, to wit:

RESOLUTION NO. 557-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the 2016 Audit Plan of the Internal Audit Service.

UNANIMOUSLY APPROVED.....”

V. OTHER MATTERS

A. REQUEST FOR THE CONDUCT OF PUBLIC BIDDING FOR THE PROJECT: “WATERPROOFING & REPAINTING OF THE NORTH WING, NTA MAIN BUILDING AT QUEZON CITY” WITH AN APPROVED BUDGET FOR THE CONTRACT (ABC) IN THE AMOUNT OF PhP352,798.49

Dir. Diño inquired on the status of the repainting of the NTA central office building particularly on the side facing Quezon Avenue. Atty. Ambros said that the cost estimate has been approved by the Honorable Administrator and he is just waiting for the copy of the estimate.

At this juncture, Atty. Ambros presented to the Board the detailed estimate for the project. He said that the estimate also includes the painting of COA logo at the South Wing wall of the COA Building.

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


RESOLUTION NO. 558-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the request of the NTA Management for the conduct of public bidding for the project: “Waterproofing and Repainting of the North Wing Wall, NTA Building, to include the painting of COA logo on the South Wing wall of the COA Building”, both located at the NTA Central Office, Quezon City, with an approved budget for the contract (ABC) of PhP352,798.59

UNANIMOUSLY APPROVED.....”

There being no other matter to be taken up, the board scheduled its next committee and regular meeting on March 1, 2016 and March 2, 2016, respectively.


Upon motion of Dir. Elveña, duly seconded by Dir. Mendiola, the Board adjourned at 3:40 P.M.




PREPARED AND CERTIFIED CORRECT:

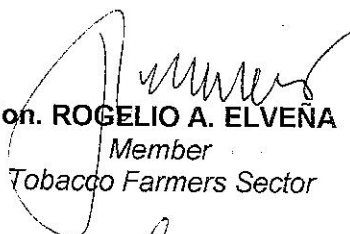

ATTY. ROBERT A. AMBROS
Acting Board Secretary

ATTESTED:


Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator
Presiding Officer

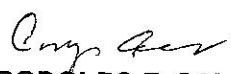

Hon. JOSE S. DIÑO
Member
Academic Community Sector

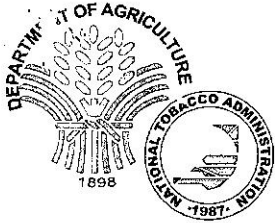

Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector


Hon. ROGELIO A. ELVENA
Member
Tobacco Farmers Sector


Hon. GEOFFREY DG. GÁCULA
Member
Tobacco Farmers Sector


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


Hon. RODOLFO F. SALANGA
Member
Tobacco Manufacturing Sector



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OFFICE OF THE NTA GOVERNING BOARD

**EIGHTY-EIGHTH (88TH) REGULAR MEETING OF THE NTA BOARD OF DIRECTORS
HELD AT THE BOARD ROOM, SECOND FLOOR, NTA BUILDING,
SCOUT REYES STREET COR. PANAY AVENUE, QUEZON CITY
02 MARCH 2016, 12:00 NOON**

Present:

Hon. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Administrator
Hon. JOSE S. DIÑO	-	Member, Academic Community Sector
Hon. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Hon. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Hon. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Hon. PEDRO J. MENDIOLA, JR.	-	Member, Traders/Exporters Sector
Hon. RODOLFO F. SALANGA	-	Member, Manufacturing Sector

Others Present:

Atty. ROHBERT A. AMBROS
Acting Board Secretary
Chief Tobacco Production and Regulation Officer
and concurrently Acting Board Secretary and
Acting Legal Counsel

Dr. PERLITA L. BAULA
Interim Board Secretary

HIGHLIGHTS OF THE MEETING

I. OPENING PRAYER

Honorable Director Rogelio A. Elveña led the opening prayer.

II. CALL TO ORDER

The meeting was called to order at 12:00 noon, with the Honorable Vice-Chairman and Administrator Edgardo D. Zaragoza as the Presiding Officer.

III. DETERMINATION OF A QUORUM

The Interim Board Secretary declared that there is a quorum with the presence of more than majority of the Appointive Members of the NTA Governing Board, which is sufficient to transact business for the meeting.

At this juncture, Honorable Director Jose S. Diño took over as the Presiding Officer.

IV. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. APPROVAL AND CONFIRMATION OF THE MINUTES OF THE SIXTY-FIRST (61ST) SPECIAL MEETING OF THE NTA GOVERNING BOARD

HELD ON 17 FEBRUARY 2016 AT THE NTA BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES CORNER PANAY AVENUE, QUEZON CITY

The Minutes of the 61st Special Meeting held on 17 February 2016 was presented for consideration and approval by the board.

Dir. Elveña moved for the approval of the minutes. Honorable Director Rodolfo F. Salanga seconded the motion. There being no objection, the Board adopted the following resolution:

RESOLUTION NO. 559-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the amended Minutes of the Sixty-First (61st) Special Meeting held on 17 February 2016 at the NTA Board Room, Second Floor NTA Bldg., Scout Reyes corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

- B. APPROVAL OF THE AWARD OF THE CONTRACT FOR THE PROJECT: “RE-INVITATION TO BID FOR THE SECURITY SERVICES FOR THE NTA OFFICES AT THE NCR, REGIONS I, II, CAR AND IV-A” IN FAVOR OF SYMEX SECURITY SERVICES (LOT 1); SUPERB SECURITY & INVESTIGATION AGENCY INC. (LOTS 2, 3 & 4); AND, REGION SECURITY & INVESTIGATION AGENCY (LOT 5)**

The presiding Officer stated there was a discussion of the matter during yesterday’s committee meeting. He said that there were several concerns or issues that need to be addressed, particularly the anonymous letter received by the Resident Auditor of the Commission on Audit. The board agreed to give time for Chairman of the Bids and Awards Committee (BAC), to submit the necessary requirements to the board.

Honorable Director Geoffrey DG. Gacula moved for the deferment. There being no objection, the board adopted the following resolution:

RESOLUTION NO. 560-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, the NTA Governing Board hereby defers the approval of the award of the contract: **“RE-INVITATION TO BID FOR THE SECURITY SERVICES FOR THE NTA OFFICES AT THE NCR, REGIONS I, II, CAR AND IV-A” IN FAVOR OF SYMEX SECURITY SERVICES (LOT 1); SUPERB SECURITY & INVESTIGATION AGENCY INC. (LOTS 2, 3 & 4); AND, REGION SECURITY & INVESTIGATION AGENCY (LOT 5)”**, is hereby deferred in view of the receipt by the Resident Auditor, Commission on Audit, of an anonymous letter and subject to the submission by the Bids and Awards Committee (BAC) of the requirements of the board on the matter.”



C. **APPROVAL OF THE AWARD OF THE CONTRACTS (4 LOTS) FOR THE: "SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF LABORATORY EQUIPMENT (BATCH 1) FOR THE PROJECT: CAPABILITY ENHANCEMENT FOR QUALITY ASSURANCE" IN FAVOR OF WCD INT'L. TRADING CORPORATION (LOT 1); GUILLBERN CORPORATION (LOT 2); MOLAVE TRADING CORPORATION (LOT 3); AND, EXCLUSIVE TRADERS INC. (LOT 4)**

Initially, Dir. Gacula stated that the matter was not in accordance with the principle of bidding because the laboratory equipment was bided out on a per lot basis which is in violation of the government procurement act and policies of the Government Procurement Policy Board (GPPB). He then moved for the deferment of the matter and seconded by Honorable Director Dante G. Claravall. Dir. Elveña said the board needs to see the company profile and financial statement of the winning bidders. Dir. Gacula also manifested that the board was not properly represented in the opening of bids which policy was agreed long time ago. He also added that the equipment should be bided out as a whole.

Dir. Gacula moved for the deferment of the matter.
(deferred)

D. **APPROVAL AND CONFIRMATION OF APPOINTMENTS TO VACANT PLANTILLA POSITIONS**

The Presiding Officer informed the Members of the NTA Governing Board that there are five (5) proposed appointees for confirmation. Dir. Gacula stated that the board needs first the appointment signed by the Administrator, because the board cannot confirm if there is no approval yet. Dir. Claravall said that the NTA will be running out of time considering the date of the election ban for appointments.

Dir. Elveña asked who between Ms. Myrna Salut and Ms. Patricia Inocente will be considered for the position as Sr. TPRO for the NTA-Batac Branch Office. The Presiding Officer stated that the board gave a go signal for Ms. Myrna Salut.

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

RESOLUTION NO. 562-2016

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves and confirms the following appointees to vacant plantilla positions, to wit:

Appointee	Position/SG	Unit
1. Charito M. Salazar	Budget Officer IV,SG-22	Finance Dept.
2. Myrna D. Salut	Sr. Tobacco Production & Reg. Officer,SG-18	NTA-Batac
3. Alberto C. Casison	Agriculturist II, SG-15	NTA-La Union
4. Rhonelle P. Sulicipan	Tobacco Production & Reg. Officer I, SG-11	NTA-Batac
5. Leah M. Ramones	Comp. Operator II, SG 9	NTA-Isabela

nothing follows



UNANIMOUSLY APPROVED.....”

V. OTHER MATTERS

A. PROPOSED RPROJECT FOR THE ESTABLISHMENT OF HOSPITALS FOR TOBACCO FARMERS IN REGIONS I & II

Dir. Gacula brought the matter to the board and said that he has been working a long time to propose the project, for the legacy of the present board. He said he is planning to propose the establishment of two (2) hospitals, one in Region 1 and another for Region II, to serve the health needs of the tobacco farmers.

He said the Administrator has objection on the ground that the project will be a duplication of the DOH's mandates. He said he went further and asked opinions from the people from the DOH and got an answer that if it is exclusive for the tobacco farmers, then there can be no duplication and the NTA can continue with the project.

He said that he is planning to use the fund from RA 4155 but Mr. Rex Teoxon said the uses of the Tobacco Fund under RA 4155 had been reduced to the extent that it cannot be used for the establishment of hospitals. He said further that Mr. Teoxon suggested the use of the incremental revenue from RA 10351 for Universal Health Care. He said that he is still awaiting the formal response from the DOH. He suggested to the Members of the Board to adopt a resolution to request the DOH to approve and provide the funds for the proposed project.

Dir. Elveña asked what happened to the NTA's request for vaccines. He said he is asking the matter because the universal health care program is too broad to include senior citizens. He said that it would be proper for the board to wait for the response of the DOH before it will adopt a resolution.

Dir. Salanga added that the intention of the project is to distribute the same to the LGUs nationwide. He said the NTA can get funding for the project and he said he don't think the LGUs will object to the noble purpose of the project. He said that once the LGU gave the authority for the NTA to implement the project, there would be no problem. He also suggested that the NTA can lobby from the legislators to give a portion from their share from excise tax collections.

Dir. Gacula said that he can request the formal response the Legal Department of the DOH. Dir. Claravall suggested to include other beneficiaries in its coverage, i.e. trading center and tobacco manufacturers' employees and hawkers and other cigarette vendors who are also exposed to dangers of cigarette smoking, so that the funds can be increased. Dir. Gacula likewise suggested to include employees of the NTA. Dir. Elveña further suggested that not only organic employees of the NTA but also those who are hired under Job-Orders to include security personnel.

There being no other matter to be taken up, Honorable Director Pedro J. Mendiola, Jr. moved for the adjournment of the meeting. Dir. Claravall seconded the motion.


The Members of the Board agreed to conduct the next committee meeting on 15 March 2016, while the next Special Board Meeting will be held on 16 March 2016.


The Presiding Officer adjourned the meeting at 2:30 P.M.


PREPARED AND CERTIFIED CORRECT:


ATTY. ROBERT A. AMBROS
Acting Board Secretary

ATTESTED:


Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator


Hon. JOSE S. DIÑO
Member
Academic Community Sector


Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector


Hon. GEOFFREY DG. GACULA
Member
Tobacco Farmers Sector


Hon. ROGELIO A. ELVEÑA
Member
Tobacco Farmers Sector


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


Hon. RODOLFO F. SALANGA
Member
Tobacco Manufacturing Sector

**RECONVENING OF THE 88TH REGULAR MEETING
OF THE NTA GOVERNING BOARD**

While the board has already adjourned, with Dir. Elveña and Honorable Director Rodolfo F. Salanga having left the board room, the remaining Members of the NTA Governing Board, who were still present and constituting a quorum, reconvened at 3:20 P.M. to reconsider Item IV-C of the Agenda.

- C. **APPROVAL OF THE AWARD OF THE CONTRACTS (4 LOTS) FOR THE: "SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF LABORATORY EQUIPMENT (BATCH 1) FOR THE PROJECT: CAPABILITY ENHANCEMENT FOR QUALITY ASSURANCE" IN FAVOR OF WCD INT'L. TRADING CORPORATION (LOT 1); GUILL-BERN CORPORATION (LOT 2); MOLAVE TRADING CORPORATION (LOT 3); AND, EXCLUSIVE TRADERS INC. (LOT 4)**

The members made discussions and exchanges of views on the above subject and clarified the issues which were earlier raised by some members of the NTA Governing Board. The board then agreed to award the contracts in favor of the winning bidders.

Upon motion of the Honorable Administrator Zaragoza, the board agreed to approve the award of the contracts to the winning bidders. There being no further objection or comment, the Board adopted the following resolution, to wit:

RESOLUTION NO. 561-2016

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the award of the contracts for the project: **"SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF LABORATORY EQUIPMENT (BATCH 1) FOR THE PROJECT: CAPABILITY ENHANCEMENT FOR QUALITY ASSURANCE"** in favor of: **1) WCD INT'L. TRADING CORPORATION INC. (LOT 1)** with the Single Calculated and Responsive Bid (SCRB) of P9,583,447.65; **2) GUILL-BERN CORPORATION INC. (LOT 2)** with the Single Calculated and Responsive Bid (SCRB) of P7,480,000.00; **3) MOLAVE TRADING CORPORATION INC. (LOT 3)** with the Single Calculated and Responsive Bid (SCRB) of P1,265,688.77; and, **4) EXCLUSIVE TRADERS INC. (LOT 4)** with the Single Calculated and Responsive Bid (SCRB) of P1,100,000.00."

The meeting was adjourned at 4:30 P.M.

PREPARED AND CERTIFIED CORRECT:


ATTY. ROHBERT A. AMBROS
Acting Board Secretary

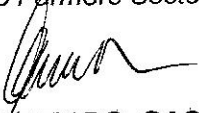
ATTESTED:


Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator

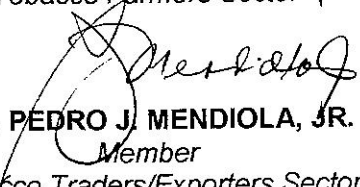

Hon. JOSE S. DIÑO
Member
Academic Community Sector



Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector

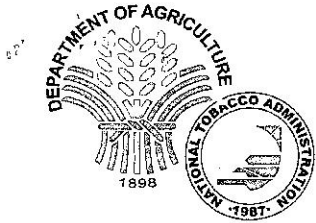


Hon. GEOFFREY DG. GACULA
Member
Tobacco Farmers Sector



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





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 GOVERNING BOARD

**SIXTY-SECOND (62ND) SPECIAL MEETING OF THE NTA BOARD OF DIRECTORS
HELD AT THE BOARD ROOM, SECOND FLOOR, NTA BUILDING
SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY
16 MARCH 2016, 12:00 NOON**

Present:

Hon. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Administrator
Hon. JOSE S. DIÑO	-	Member, Academic Community
Hon. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Hon. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Hon. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Hon. PEDRO J. MENDIOLA, JR.	-	Member, Tob. Traders/Exporters Sector
Hon. RODOLFO F. SALANGA	-	Member, Tob. Manufacturing Sector

Others Present:

ATTY. ROHBERT A. AMBROS
Chief Tobacco Production and Regulation Officer
Concurrently Acting Board Secretary and
Acting Legal Counsel

HIGHLIGHTS OF THE MEETING

I. CALL TO ORDER AND OPENING PRAYER

The meeting was called to order at 12:00 noon, with the Honorable Vice-Chairman and Administrator Edgardo D. Zaragoza as the Presiding Officer. Honorable Director Rogelio A. Elveña led the opening prayer.

II. DETERMINATION OF QUORUM

Atty. Rohbert A. Ambros, Acting Board Secretary, declared that there is a quorum with the presence of more than majority of the Members of the NTA Governing Board which is sufficient to transact business for the meeting.

III. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. APPROVAL AND CONFIRMATION OF THE MINUTES OF THE EIGHTY-SEVENTH (87TH) REGULAR MEETING OF THE BOARD OF DIRECTORS HELD ON 02 MARCH 2016 AT THE BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

The Presiding Officer presented the Minutes of the 88th Regular Meeting of the NTA Governing Board held on 02 March 2016 for their consideration and approval.

Dir. Salanga moved for the amendment of the minutes, particularly, the reconvening of the board meeting after he and Dir. Elveña already left.

Dir. Elveña stated that while he understands the concern of Dir. Salanga, he said further there is no problem on the matter considering that it is only the minutes of the meeting that will be approved and that there was still a quorum when the board reconvened.

Atty. Ambros explained that the concern of Dir. Salanga, to have separate minutes, can be done. However, he said that the notes for the reconvening of the board meeting will be indicated in the same minutes after the signatures of the members of the board on the first adjournment and the same will again be signed by the members who were still present.

Upon motion of Dir. Diño and duly seconded by Dir. Elveña, the board adopted the following resolution, to wit:

RESOLUTION NO. 563-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the minutes of the Eighty-Eighth (88th) Regular Meeting of the NTA Governing Board, as amended, held on 02 March 2016 at the NTA Board Room, NTA Bldg., Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

B. APPROVAL OF THE BOARD RESOLUTION AUTHORIZING THE GRANT OF 2015 PERFORMANCE-BASED INCENTIVE (PBB) FOR THE APPOINTIVE DIRECTORS

Without comment from the Members of the NTA Governing Board, and upon motion of Dir. Diño, duly seconded by Dir. Claravall, the board adopted the following resolution:

BOARD RESOLUTION NO. 564-2016
DATED 16 MARCH 2016

ADOPTING THE PERFORMANCE-BASED INCENTIVE SYSTEM IN ACCORDANCE GCG MEMORANDUM CIRCULAR NO. 2015-06

WHEREAS, the Governance Commission for GOCCs (GCG) issued GCG Memorandum Circular (MC) No. 2015-06 establishing, among others, the Performance-Based Incentive (PBI) System for Appointive Members of the Governing Board of GOCCs covered by GVCG pursuant to Section 23 of the “GOCC Governance Act of 2011” (RA 10149);

WHEREAS, GCG M.C. No. 2015-06 provides that GOCCs that apply for the 2015 PBB for their Officers and Employees are deemed to have automatically applied for the PBI for the Appointive Directors;



WHEREAS, GCG approved the grant of the PBB for the Corporation's Officers and Employees;

WHEREAS, no other allowances, incentives and bonuses other than what is allowed under GCG MC No. 2015-06 will be given to the Appointive Members of the Governing Board, and there is sufficient corporate funds to grant the PBI in accordance with applicable laws, rules and regulations;

NOW, BE IT –

RESOLVED, that the National Tobacco Administration has sufficient funds in the DBM-approved Corporate Operating Budget for 2015 and the amount not exceeding **Two Million Five Hundred Ninety Thousand Pesos (P2,590,000.00)**, chargeable against Corporate Funds exclusive of the prohibited sources in GCG MC No. 2015-06, is hereby allocated for the grant of the PBI for CY 2015 to eligible Appointive Members of the NTA Governing Board, and shall be released upon approval of the GCG.

The Acting Board Secretary and all concerned executives officers shall issue the necessary certifications, attesting under oath the veracity of all information disclosed in the documents required by the GCG.

DONE, this 16th day of March 2016, in Quezon City, Philippines.

(on official business)
Hon. PROCESO J. ALCALA
Chairman and Secretary,
Department of Agriculture (DA)

(signed)
Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator

(on official business)
Hon. DENNIS M. GUERRERO
Ex-Officio Member and Chief of Staff
DA Office of the Secretary

(signed)
Hon. JOSE S. DIÑO
Member
Academic Community Sector

(signed)
Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector

(signed)
Hon. GEOFFREY DG. GACULA
Member
Tobacco Farmers Sector

(signed)
Hon. ROGELIO A. ELVEÑA
Member
Tobacco Farmers Sector

(signed)
Hon. PEDRO J. MENDIOLA, JR.
Member
Tobacco Traders/Exporters Sector

(signed)
Hon. RODOLFO F. SALANGA
Member
Tobacco Manufacturing Sector

C. **APPROVAL OF THE BOARD RESOLUTION AUTHORIZING THE GRANT OF 2015 PERFORMANCE-BASED BONUS (PBB) FOR THE NTA OFFICERS AND EMPLOYEES**

There being no comment and upon motion of Dir. Gacula duly seconded by Dir. Mendiola, Jr., the board adopted the following resolution, to wit:

BOARD RESOLUTION NO. 565
DATED 16 MARCH 2016

ADOPTING THE CY 2015 PERFORMANCE-BASED BONUS SYSTEM FOR THE NATIONAL TOBACCO ADMINISTRATION (NTA) IN ACCORDANCE WITH EXECUTIVE ORDER NO. 80, S. 2012 AND GCG MEMORANDUM CIRCULAR NO. 2015-05

WHEREAS, on 20 July 2012, President BENIGNO S. AQUINO III issued Executive Order (E.O) No. 80, s. 2012, which directed the Governance Commission on 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. 2015-05 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, the NTA has attained a weighted average of _____% based on its Performance Scorecard for 2015, and has complied with all Good Governance Conditions, pursuant to GCG MC No. 2015.05;

WHEREAS, E.O. No. 80 s. 2012 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 CY 2015.

BE IT –



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

1. Application for authorization from GCG to grant the 2015 PBB, which consists of:

- (a) Productivity Enhancement Incentive (PEI) amounting to PHP5,000.00, which shall be granted across-the-board; and
- (b) PBB for Qualified Officers and Employees on their Percentile Ranking within their respective levels and the applicable fixed rate.

2. Allocation of an amount not exceeding Three Million, Five Hundred Twenty-Two Thousand, Five Hundred Pesos (P3,522,500.00), chargeable against the corporate funds, for the grant of the CY 2015 PBB to qualified Officers and Employees; Provided, the grant of the CY 2015 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 to the veracity of all information disclosed in the submitted documents required in GCG MC No. 2015-05 and such other documents that may be required by GCG.

DONE, this 16th day of March 2016, in Quezon City, Philippines.

(on official business)
Hon. PROCESO J. ALCALA
Chairman and Secretary,
Department of Agriculture (DA)

(signed)
Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator

(on official business)
Hon. DENNIS M. GUERRERO
Ex-Officio Member and Chief of Staff
DA Office of the Secretary

(signed)
Hon. JOSE S. DIÑO
Member
Academic Community Sector

(signed)
Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector

(signed)
Hon. GEOFFREY DG. GACULA
Member
Tobacco Farmers Sector

(signed)
Hon. ROGELIO A. ELVEÑA
Member
Tobacco Farmers Sector

(signed)
Hon. PEDRO J. MENDIOLA, JR.
Member
Tobacco Traders/Exporters Sector

(signed)
Hon. RODOLFO F. SALANGA
Member
Tobacco Manufacturing Sector

- D. APPROVAL OF THE AUTHORITY OF THE NTA MANAGEMENT TO REQUEST FROM THE DEPARTMENT OF FINANCE (DOF) FOR DOWNWARD ADJUSTMENT OF THE PERCENTAGE OF NET EARNINGS TO BE DECLARED FROM 50% TO 0%

Dir. Salanga moved for the approval of the matter. Dir. Elveña, seconded the motion. There being no further comment, the board adopted the following resolution:

RESOLUTION NO. 566-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves and grants authority for NTA Management to request from the Department of Finance (DOF) for downward adjustment of the percentage of net earnings of the NTA that will be declared pursuant to Section 5 of Republic Act No. 7656 from fifty percent (50%) to zero percent (0%) for Calendar Year 2015, the same to be included in the previous request of the NTA to the DOF.

UNANIMOUSLY APPROVED”

- E. APPROVAL OF NTA MEMORANDUM CIRCULAR NO. 001, SERIES 2016 WITH THE SUBJECT: LICENSING/ REGISTRATION OF IMPORTERS/EXPORTERS/TRANSSHIPPERS OF E-CIGARETTES AND E-LIQUIDS

(deferred, subject to further consultation
with the concerned stakeholders)

- F. RECONSTITUTION OF THE BOARD EXECUTIVE COMMITTEES AND SCHEDULE OF COMMITTEE AND BOARD MEETINGS FOR 2016

Upon motion of Dir. Gacula, duly seconded by Dir. Diño and without comment/objection from the other members, the Board adopted the following resolution, to wit:

RESOLUTION NO. 567-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the reconstitution of the board executive committees to wit:



- I. BOARD AUDIT AND FINANCE:**
 Chairman - Dir. Rodolfo F. Salanga
 Members - Adm. Edgardo D. Zaragoza
 Dir. Geoffrey DG. Gacula
 Dir. Dante G. Claravall
- II. CORPORATE GOVERNANCE:**
 Chairman - Dir. Dante G. Claravall
 Members - Adm. Edgardo D. Zaragoza
 Dir. Rogelio A. Elveña
 Dir. Jose S. Diño
- III. RESEARCH, EXTENSION & TRADING OPERATIONS:**
 Chairman - Dir. Pedro J. Mendiola Jr.
 Members - Dir. Dante G. Claravall
 Dir. Rodolfo F. Salanga
 Dir. Geoffrey DG. Gacula
- IV. NOMINATION, REMUNERATION AND PERSONNEL ADMINISTRATION:**
 Chairman - Dir. Jose S. Diño
 Members - Dir. Pedro J. Mendiola, Jr.
 Dir. Geoffrey DG. Gacula
 Dir. Rodolfo F. Salanga
- V. CORPORATE SOCIAL RESPONSIBILITIES, PUBLIC RELATIONS AND PUBLIC SAFETY AND SECURITY:**
 Chairman - Dir. Rogelio A. Elveña
 Members - Dir. Dante G. Claravall
 Dir. Jose S. Diño
 Dir. Pedro J. Mendiola, Jr.
- VI. LEGAL MATTERS AND PROPERTIES:**
 Chairman - Dir. Geoffrey DG. Gacula
 Members - Adm. Edgardo D. Zaragoza
 Dir. Rogelio A. Elveña
 Dir. Pedro J. Mendiola, Jr.
- VII. RISK MANAGEMENT:**
 Chairman - Adm. Edgardo D. Zaragoza
 Members - Dir. Rogelio A. Elveña
 Dir. Jose S. Diño
 Dir. Rodolfo F. Salanga

RESOLVED, FURTHER, that the schedule of Committee and Board Meetings, starting with CY 2016 shall be every First Tuesdays and Wednesdays and Third Tuesdays and Wednesdays, of each month, respectively, except when the scheduled Committee or Board Meetings fall on Regular or Special Non-Working Holidays, in which case, the NTA Governing Board shall agree to hold the meetings on another date.

UNANIMOUSLY APPROVED.....”

G. REQUEST FOR AUTHORITY TO NEGOTIATE AND ENTER INTO AN AMICABLE SETTLEMENT WITH AYALA LAND INC. FOR THE SETTLEMENT OF THE CASE AYALA LAND INC. VS. PVTA, ET. AL." CA G.R. NO. 104668, PENDING BEFORE THE COURT OF APPEALS AND AUTHORITY FOR THE VICE-CHAIRMAN/ADMINISTRATOR TO SIGN THE VERIFICATION AND CERTIFICATION OF NON-FORUM SHOPPING IN THE NTA'S APPELLEE'S BRIEF

Atty. Ambros informed the members of the NTA governing Board on the background of the case filed by Ayala Land Inc. against NTA and other claimants involving the property located at Las Piñas City. He said that Ayala Land Inc. lost in the Regional Trial Court-Branch 275, Las Piñas City and that Ayala Land appealed the case before the Court of Appeals. The case was referred to the Philippine Mediation Center for possible settlement. He also said that the NTA is in the process of finalizing the draft of its Appellee's Brief. He further said that there is a need for the issuance of authority for the representative/s of the NTA to negotiate with Ayala Land Inc. and that the Honorable Vice-Chairman be authorized to sign the verification portion of the NTA's Appellee's Brief.

Upon motion of Dir. Gacula, duly seconded by Dir. Elveña, the board adopted the following resolution:

RESOLUTION NO. 568-2016

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board designates Vice-Chairman/Administrator Edgardo D. Zaragoza and/or Director Geoffrey DG. Gacula as the official representatives of the NTA with authority to initially negotiate with Ayala Land Inc. for possible settlement of the case entitled: **"AYALA LAND INC. VS. PVTA, ET. AL."** CA-G.R. No. 104668, pending before the Court of Appeals, subject to the final approval of the NTA Governing Board of whatever initial negotiations to be entered into.

RESOLVED, FURTHER, that the Vice-Chairman/Administrator is hereby authorized to execute and sign, for and in behalf of the NTA, the verification of the Appellee's Brief for the NTA in the above entitled case.

UNANIMOUSLY APPROVED"

V. OTHER MATTERS

A. GRADUATING SCHOLARS UNDER THE NTA TOBACCO FREE-SCHOLARSHIP PROGRAM

Dir. Elveña reported that there are NTA scholars who will be graduating this year and that some of them are graduating with honors. He suggested if the NTA can reward the scholars with medallion to be given during the commencement exercises. He said that this can contribute to credibility building against the effect of smoking (lung cancer) and to prove



to the public that the NTA has very good projects for the benefit of the public.

Dir. Salanga also suggested that there should also be cash award for the honor graduates. The Administrator said the awarding can be done in Metro Manila as tentative venue, during the last week of April or first week of May.

On Motion of Dir. Eiveña, duly seconded by Dir. Salanga, the board adopted the following resolution:

RESOLUTION NO. 569-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves to extend a fitting ceremony for graduating NTA scholars for AY 2015-2016 under the NTA Tobacco Free-Education Program, to be tentatively held at the NTA Central Office, either on the last week of April or first week of May 2016, and each graduate shall be conferred with a token, in the form of a medallion.

RESOLVED, FURTHER, that graduating scholars who will be conferred with honors (at least *Cum Laude*) shall be granted an additional cash incentive of P10,000.00, each, the same to be taken from the corporate funds of the NTA.


UNANIMOUSLY APPROVED.....”

Upon motion of Dir. Mendiola, duly seconded by Dir. Diño, the Board adjourned at 3:50 P.M.

PREPARED AND CERTIFIED CORRECT:


ATTY. ROBERT A. AMBROS
Acting Board Secretary

ATTESTED:


Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator
Presiding Officer


Hon. JOSE S. DIÑO
Member
Academic Community Sector



Hon. DANTE G. CLARAVALL

Member

Tobacco Farmers Sector



Hon. ROGELIO A. ELVEÑA

Member

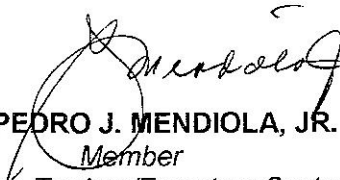
Tobacco Farmers Sector



Hon. GEOFFREY DG. GACULA

Member

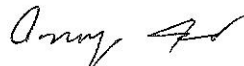
Tobacco Farmers Sector



Hon. PEDRO J. MENDIOLA, JR.

Member

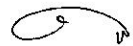
Tobacco Traders/Exporters Sector



Hon. RODOLFO F. SALANGA

Member

Tobacco Manufacturing Sector





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OFFICE OF THE NTA GOVERNING BOARD

**EIGHTY-NINTH (89TH) REGULAR MEETING OF THE NTA BOARD OF DIRECTORS
HELD AT THE BOARD ROOM, SECOND FLOOR, NTA BUILDING,
SCOUT REYES STREET COR. PANAY AVENUE, QUEZON CITY
06 APRIL 2016, 12:00 NOON**

Present:

Hon. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Administrator
Hon. JOSE S. DIÑO	-	Member, Academic Community Sector
Hon. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Hon. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Hon. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Hon. PEDRO J. MENDIOLA, JR.	-	Member, Traders/Exporters Sector
Hon. RODOLFO F. SALANGA	-	Member, Manufacturing Sector

Others Present:

Atty. ROBERT A. AMBROS
Chief Tobacco Production and Regulation Officer
and concurrently Acting Board Secretary and
Acting Legal Counsel

HIGHLIGHTS OF THE MEETING

I. OPENING PRAYER

Honorable Director Rogelio A. Elveña led the opening prayer.

II. CALL TO ORDER

The meeting was called to order at 12:00 noon, with the Honorable Vice-Chairman and Administrator Edgardo D. Zaragoza as the Presiding Officer.

III. DETERMINATION OF A QUORUM

The Interim Board Secretary declared that there is a quorum with the presence of all of the Appointive Members of the NTA Governing Board, which is sufficient to transact business for the meeting.

At this juncture, Honorable Director Jose S. Diño took over as the Presiding Officer.

IV. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. APPROVAL AND CONFIRMATION OF THE MINUTES OF THE SIXTY-SECOND (62ND) SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD ON 16 MARCH 2016 AT THE NTA BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES CORNER PANAY AVENUE, QUEZON CITY

The Minutes of the 62nd Special Meeting held on 16 March 2016 was presented for consideration and approval by the board.

Honorable Director Dante G. Claravall observed that Resolution No. 564-2016 should be amended that instead of Performance-Based Incentive, it should be replaced with Performance-Based Bonus.

With respect to the reorganization of the board committees, Dir. Claravall suggested for the swapping of his chairmanship on Corporate Governance with the Research, Extension and Trading of Honorable Director Pedro J. Mendiola, Jr.

Dir. Elveña moved for the approval of the minutes, as amended. Dir. Claravall seconded the motion. There being no objection, the Board adopted the following resolution:

RESOLUTION NO. 570-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the amended Minutes of the Sixty-Second (62nd) Special Meeting held on 16 March 2016 at the NTA Board Room, Second Floor NTA Bldg., Scout Reyes corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

B. APPROVAL OF THE AWARD OF THE CONTRACT FOR THE PROJECT: “WATERPROOFING AND REPAINTING OF THE NORTH WING – NTA MAIN BUILDING, SCOUT REYES STREET AND PANAY AVENUE, QUEZON CITY” (CONTRACT ID NO. 2016-04)

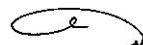
The Honorable Presiding Officer presented to the NTA Governing Board the approval of the contract for the above stated project. He said that he was personally present during the opening of bids.

Dir. Claravall moved for the approval of the matter. Dir. Elveña seconded the motion. There being no objection, the board adopted the following resolution:

RESOLUTION NO. 571-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, the NTA Governing Board hereby approves the award of the contract for the project: “Waterproofing and Repainting of the North Wing – NTA Main Building, Scout Reyes Street corner Panay Avenue, Quezon City (Contract ID No. 2016-04) in favor of Shieham Construction & Enterprises, with the Single Responsive and Calculated Bid (SCRB) in the amount of PhP307,039.04.

APPROVED UNANIMOUSLY.”



- C. **APPROVAL OF THE AWARD OF THE CONTRACTS (6 LOTS) FOR THE: "SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF LABORATORY EQUIPMENT (BATCH 2) FOR THE PROJECT: CAPABILITY ENHANCEMENT FOR QUALITY ASSURANCE" IN FAVOR OF EXCLUSIVE TRADERS INC. (LOT 1); CEBU FAR EASTERN DRUG INC. (LOT 2); SHIEHAM CONSTRUCTION & ENTERPRISES (LOT 3); GRIMIT LABORATORY FURNITURE & EQUIPMENT CORP. (LOT 4); SHIEHAM CONSTRUCTION & ENTERPRISES (LOT 5); AND, WCD INTERNATIONAL TRADING CORP. (LOT 6) (CONTRACT ID NO. 2016-02)**

Dir. Diño inquired on the delivery dates of the subject laboratory equipment. Atty. Ambros responded that delivery may be undertaken immediately prior to or after completion of the laboratory building.

Honorable Director Geoffrey DG. Gacula also inquired on who will bear the loss of the equipment while the same are in the custody of the bidder. Atty. Ambros replied that it will be for the account of the bidder. Atty. Ambros further said that ownership of the equipment will only be transferred to the NTA upon the issuance of the Certificate of Acceptance.

Dir. Elveña asked if the bidders will provide maintenance services. Atty. Ambros answered that the bidder warrants the replacement and/or maintenance of the equipment within the one (1) warranty period from acceptance.

On motion of Dir. Gacula and duly seconded by Dir. Claravall, the board adopted the following resolution, to wit:

RESOLUTION NO. 572-2016

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, the NTA Governing Board hereby approves the award of the contracts (6 Lots) for the: "Supply, Delivery, Installation and Commissioning Of Laboratory Equipment (Batch 2) for the Project: Capability Enhancement for Quality Assurance" in favor of: Exclusive Traders Inc. (Lot 1); Cebu Far Eastern Drug Inc. (Lot 2); Shieham Construction & Enterprises (Lot 3); Grit Laboratory Furniture & Equipment Corp. (Lot 4); Shieham Construction & Enterprises (Lot 5); and, WCD International Trading Corp. (Lot 6) (Contract Id No. 2016-02).

APPROVED UNANIMOUSLY."

- D. **APPROVAL OF THE AWARD OF THE CONTRACT FOR THE PROJECT: "CONSTRUCTION OF THE QUALITY ASSURANCE BUILDING OF THE NATIONAL TOBACCO ADMINISTRATION (NTA)" (CONTRACT ID NO. 2016-03) IN FAVOR OF VVH CONSTRUCTION CORPORATION WITH THE SINGLE CALCULATED AND RESPONSIVE BID (SCRB) IN THE AMOUNT OF PHP19,646,550.13**

Dir. Gacula inquired on the process by which the bidding was conducted. Atty. Ambros, as a Member of the Bids and Awards Committee explained to the Members of the NTA Governing Board the procedures undertaken by the BAC. He said that there bidders which were disqualified during the

opening of bids due non-compliance of non-discretionary pass/fail criteria. Considering that the disqualified bidders had either opt not to file any Request for Reconsideration or that they have withdrawn their Protest, Atty. Ambros said that there is no more impediment for the award of the contract, even if the same will be awarded during the election period, except that there will be no construction that will be undertaken during the election ban until May 9, 2016.

Dir. Salanga made it a point that the contract to be entered into with VVH Construction Corp. should specifically indicate the date "May 10, 2016" by which VVH will commence the construction.

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


RESOLUTION NO. 572-2016

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, the NTA Governing Board hereby approves the award of the contract: "Construction of the Quality Assurance Building of the National Tobacco Administration (NTA)" (Contract ID No. 2016-03) in favor of VVH Construction Corporation with the Lowest Calculated and Responsive Bid (SCRB) in the amount of PhP19,646,550.13.

UNANIMOUSLY APPROVED....."

V. OTHER MATTERS

A. TRAVEL TO REGION I AND CAR

The Appointive Members have a scheduled travel to Region I and CAR from April 11 to 14, 2016 Dir. Elveña suggested to the group to extend the period until; April 15, 2016. The same was duly note by the board with the instruction to revise the Special Order issued for the said travel.

There being no other matter to be taken up, Honorable Director Pedro J. Mendiola, Jr. moved for the adjournment of the meeting. Dir. Salanga seconded the motion.

The Members of the Board agreed to conduct the next committee meeting on 19 April 2016, while the next Special Board Meeting will be held on 20 April 2016.

The Presiding Officer adjourned the meeting at 3:10 P.M.

PREPARED AND CERTIFIED CORRECT:


ATTY. ROBERT A. AMBROS
Acting Board Secretary

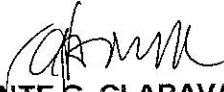
ATTESTED:



Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator



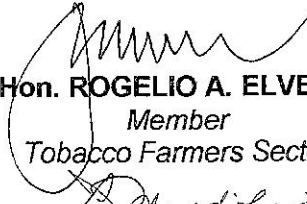
Hon. JOSÉ S. DIÑO
Member
Academic Community Sector



Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector



Hon. GEOFFREY DG. GACULA
Member
Tobacco Farmers Sector



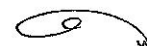
Hon. ROGELIO A. ELVEÑA
Member
Tobacco Farmers Sector



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



Hon. RODOLFO F. SALANGA
Member
Tobacco Manufacturing Sector





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 GOVERNING BOARD

**SIXTY-THIRD (63RD) SPECIAL MEETING HELD AT THE BOARD ROOM,
SECOND FLOOR, NTA BUILDING, SCOUT REYES STREET CORNER
PANAY AVENUE, QUEZON CITY
20 APRIL 2016, 12:00 NOON**

Present:

Hon. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Administrator
Hon. JOSE S. DIÑO	-	Member, Academic Community
Hon. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Hon. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Hon. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Hon. PEDRO J. MENDIOLA, JR.	-	Member, Tob. Traders/Exporters Sector
Hon. RODOLFO F. SALANGA	-	Member, Tob. Manufacturing Sector

Others Present:

ATTY. ROHBERT A. AMBROS
Chief Tobacco Production and Regulation Officer
Concurrently Acting Board Secretary and
Acting Legal Counsel

HIGHLIGHTS OF THE MEETING

I. CALL TO ORDER AND OPENING PRAYER

The meeting was called to order at 12:00 noon, with the Honorable Vice-Chairman/Administrator Edgardo D. Zaragoza as the Presiding Officer. Honorable Director Rogelio A. Elveña led the opening prayer.

II. DETERMINATION OF QUORUM

Atty. Rohbert A. Ambros, Acting Board Secretary, declared that there is a quorum with the presence of more than majority of the Members of the NTA Governing Board which is sufficient to transact business for the meeting.

At this juncture, Honorable Director Jose S. Diño presided the meeting.

III. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. APPROVAL AND CONFIRMATION OF THE MINUTES OF THE EIGHTY-NINTH (89TH) REGULAR MEETING OF THE NTA GOVERNING BOARD HELD ON 06 APRIL 2016 AT THE BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

The Presiding Officer presented the Minutes of the 89th Regular Meeting of the NTA Governing Board held on 06 April 2016 for their consideration and approval.

Dir. Salanga moved for the approval of the minutes. Honorable Director Pedro J. Mendiola, Jr. duly seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 574-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the minutes of the Eighty-Ninth (89th) Regular Meeting of the NTA Governing Board, as amended, held on 02 March 2016 at the NTA Board Room, NTA Bldg., Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

B. REQUEST FOR AUTHORITY TO ENTER INTO A MEMORANDUM OF AGREEMENT WITH THE CIVIL SERVICE COMMISSION (CSC) FOR THE CONDUCT OF TRAINING COURSES FOR THE DEVELOPMENT OF COMPETENCY-BASED HR SYSTEM WITH A TOTAL BUDGET OF PhP785,000.00

Dir. Diño presented to the Members of the NTA Governing Board the Memorandum of Agreement with the Civil Service Institute, Civil Service Commission (CSC) for the conduct of training courses on human resource development for the NTA employees, with a contract price of PhP785,000.00.

Dir. Elveña moved for the approval of the Memorandum of Agreement with the Civil Service Institute and authorizing the Vice-Chairman/Administrator to sign the MOA for and in behalf of the NTA. Dir. Mendiola duly seconded the motion. There being no objection, the board adopted the following resolution:

RESOLUTION NO. 575-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the request of the NTA Management to enter into a Memorandum of Agreement (MOA) with the Civil Service Institute for the conduct of training courses for the NTA employees essential in the development of Competency-Based HR System, to wit:

- **Competency Modelling and Profiling;**
- **Development of Competency-Based Quality Standards and Job Descriptions;**
- **Competency Assessment; and**
- **Integration in the Recruitment and Promotion System.**



RESOLVED, FURTHER, that the NTA Governing Board approves the amount of P785,000.00 as service fee under the MOA, in addition to the undertakings of the NTA as provided in paragraph B of Article I of the MOA;

RESOLVED, FINALLY, that the Vice-Chairman/Administrator Edgardo D. Zaragoza is hereby authorized to enter into and sign the aforesaid MOA, for and in behalf of the NTA.

UNANIMOUSLY APPROVED.”

C. REQUEST FOR AUTHORITY FOR MR. HERMAN C. TORRES, DEPARTMENT MANAGER III, NTA-ISABELA BRANCH OFFICE, TO ENTER INTO A MEMORANDUM OF AGREEMENT WITH LANDBANK OF THE PHILIPPINES-ILAGAN BRANCH FOR THE AUTOMATION OF THE BRANCH'S PAYROLL SYSTEM

Honorable Director Dante G. Claravall noted that the NTA-Isabela Branch Office will be a pilot area for the automated payroll system which will eventually be adopted by the other branch offices. He then moved for the approval of the matter.

Dir. Elveña suggested that the NTA Management should conduct rigid training orientation to NTA employees especially so that this scheme is prone to money laundering as per information gathered from previous reports that moneys in the ATM bank accounts were stolen without the knowledge of the account holders. He then seconded the motion for the approval of the above matter.

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

RESOLUTION NO. 576-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the request of the NTA-Isabela Branch Office to enter into a Memorandum of Agreement (MOA) with the LAND BANK OF THE PHILIPPINES-ILAGAN BRANCH for the availment of an ATM Payroll System/Visa Debit Card Payroll Account for the twenty seven (27) branch personnel.

RESOLVED, FINALLY, that the Mr. HERMAN C. TORRES, Department Manager III, NTA-Isabela Branch Office is hereby authorized to enter into and sign the aforesaid MOA, for and in behalf of the NTA-Isabela Branch Office.

UNANIMOUSLY APPROVED.”



D. REQUEST FOR AUTHORITY TO OPEN A SEPARATE ACCOUNT WITH THE LANDBANK OF THE PHILIPPINES-NARVACAN BRANCH FOR THE NTA AGRIPINOY FEED MILL COMPLEX PROJECT

Dir. Diño stated that the matter was discussed during the committee meeting yesterday with the presence of the Managers of the Finance and Administrative Departments.

Dir. Salanga moved for the approval of the matter for purposes of audit. Dir. Gacula, seconded the motion. There being no further comment, the board adopted the following resolution:

RESOLUTION NO. 577-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the request of the NTA Management to open a separate interest-bearing Current Account with the LAND BANK OF THE PHILIPPINES – NARVACAN BRANCH, Narvacan, Ilocos Sur, where all fund transfers, sales, deposits and withdrawals for the **NTA AgriPinoy Feed Milling Complex Project** shall be made/drawn.

RESOLVED, FURTHER, that the following NTA personnel are hereby authorized and designated as the joint official signatories to all checks, bank forms and deposit/withdrawal slips, to wit:

Operations Manager - Ms. MINERVA P. MIZAL
Cashier - Mr. FELICISIMO T. LAZO

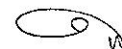
UNANIMOUSLY APPROVED.”

E. REQUEST FOR AUTHORITY TO DISPOSE CERTAIN FARM IMPLEMENTS OF THE NTA-CANDON BRANCH OFFICE

The Acting Board Secretary reported that Ms. Estrella G. De Peralta wrote the Honorable Administrator informing the latter that she received an Audit Observation Memorandum from their Resident COA Auditor with the findings that there were farm equipment/supplies which were not being used. He further reported that some of the items are still operational while others are unserviceable or of no market value.

Honorable Director Geoffrey DG. Gacula inquired the purpose/s for the purchase of the said farm equipment. Atty. Ambros responded that the items were purchased sometime in 2010, which was originally planned to be used for the corporate farming in the production of raw materials for the Tobacco Dust Processing Plant (TDPP) as tobacco dust product. However, he said that the plan did not materialize.

Upon further inquiry of Dir. Gacula why the project did not materialize, Dir. Salanga answered that the intention of the former Administrator was to produce reject tobacco as raw materials for the TDPP. However, he said that at that time, the price of reject tobacco was Php30.00, per kilo, and the NTA will pay only Php5.00, per kilo for the project. He said that this



would lead to pole vaulting as the farmer-cooperators will sell their tobacco to the tobacco traders at higher prices.

Atty. Ambros added that in order to remedy the matter, the NTA adopted a Memorandum Circular directing all trading centers and tobacco manufacturers not to dispose their tobacco sweepings except in favor of the NTA.

Honorable Director Dante G. Claravall said that, instead of donating the said equipment, he suggested to sell the same to accumulate more income for the NTA. He also said that there are similar items with the other branch offices, however, the resolution approving the disposal of the items will be applicable to NTA-Candon Branch Office only and that the concerns of the other branch offices will be dealt with separately as soon as they formally request for authority.

Dir. Elveña added that the determination of the price disposal for the subject items will be undertaken by a Disposal Committee to be created for the purpose.

Dir. Gacula moved for the disposal of the subject farm equipment/supplies through sale. Dir. Claravall seconded the motion.

There being no objection, the NTA Governing Board unanimously agreed to adopt the following resolution, to wit:

RESOLUTION NO. 578-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board duly notes the letter dated 18 February 2016 of Ms. Estrella G. De Peralta, Department Manager III, NTA-Candon Branch Office, on the status and conditions of the Branch’s unutilized farm equipment/accessories and obsolete bale tags.

RESOLVED, FURTHER, that the NTA Governing Board approves the disposal of the subject farm equipment/accessories through public auction, or in case of failure, through negotiations.

RESOLVED, FINALLY, that for the obsolete bale tags, NTA Management is hereby authorized to drop the same from the books of inventories in accordance with COA rules and procedures.

UNANIMOUSLY APPROVED.”

F. REQUEST FOR THE INCLUSION OF MS. EMMACULATA G. PAGGAO, BRANCH CASHIER, ON THE LIST OF NTA-CAGAYAN EMPLOYEES TO AVAIL A HOUSING LOT FROM THE NTA PROPERTY AT TUGUEGARAO CITY, CAGAYAN

The Presiding Officer informed the Members of the Board that Ms. Paggao who was recently appointed as Cashier of the NTA-Cagayan Branch Office and was requesting to be included in the list of beneficiaries of



awardees for a housing lot at the NTA property at Tuguegarao City. He also noted that Dir. Claravall was included in the list during the previous meeting of the board but it has to be formalized.

At this juncture, the board called for a recess and Dir. Claravall was requested to be excused in the deliberation of the matter. Thereafter, the Presiding Officer reconvened the meeting without the presence of Dir. Claravall

Dir. Elveña moved for the approval of the request, to include Dir. Claravall in the list of beneficiaries. Dir. Salanga seconded the motion. Without further comment/objection from the other members, the Board adopted the following resolution, to wit:

RESOLUTION NO. 579-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board duly approves the inclusion of **HONORABLE DIRECTOR DANTE G. CLARAVALL and MS. EMMACULATA G. PAGGAO,** in the list of NTA-officials/employees who signified their intent to avail housing lot from the NTA property located at Tuguegarao City, Cagayan, for residential purposes.

RESOLVED, FURTHER, that the NTA Governing Board adopts the following policies in the availment of lot award from the NTA property at Tuguegarao City, Cagayan, to wit:

1. Lot to be awarded shall not exceed 100 square meters for each avalee;
2. Area to be awarded for residential purpose shall be taken from the southern-most portion of the NTA property;
3. Valuation shall be P1,800.00, per square meter; Provided that any additional area to be utilized as right of way shall be shared by all avallees in proportion to the area that they shall avail, the value of which shall be included in the total purchase price;
4. The total contract price may be paid on installment basis through salary deduction for a period not exceeding five (5) years or sixty (60) equal monthly amortizations, without interest; Provided, that the period of amortization should not be later than the retirement date of the concerned NTA official/employee;
5. Approval of lot award is not an authority for the NTA official/employee to segregate the title for the lot they respectively availed;
6. Issuance of separate title to the individual avalee shall be made only upon full payment of the purchase price and payment of the Capital Gains Tax, Documentary Stamp Tax, Transfer Tax, Register of Deeds Fees and other miscellaneous fees;

9

7. Only officials and staff which has not availed any previous lot award from the NTA shall be qualified to avail a lot award;
8. All the availeds shall share the cost for the subdivision survey at no expense from the NTA; and
9. No improvement shall be undertaken on the lots awarded until final approval of the subdivision plan and after the signing of the Contracts of Sale.

UNANIMOUSLY APPROVED."

V. OTHER MATTERS

A. PROPOSAL TO INCREASE THE RENTAL RATES OF AGGABAO AND MORALES FOR THEIR LEASE OF PORTIONS OF THE NTA PROPERTY AT TUGUEGARAO CITY

Dir. Claravall noted that there are two (2) lessees of portions of the NTA property at Tuguegarao City occupied by the Morales family and Aggabao family, respectively. He suggested for the NTA Management to inform the lessees for the increase of rental rates or sell the same at the same price.

B. TRAVEL REPORT ON THE INSPECTION OF IRRIGATION PROJECTS IN REGION 1 AND CORDILLERA AUTONOMOUS REGION (CAR)

Dir. Elveña reported that the Members of the Board and Project Engineer Abraham Dela Peña were able to visit the irrigation projects. They noted the problems of some farmers at Tayum, Abra which was considered and to be recommend for inclusion in Batch 4 of the project.

Dir. Elveña then submitted the travel report addressed to the Vice-Chairman/Administrator.

C. TRANSFER OF THE AMOUNT ALLOCATED FOR THE IRRIGATION PROJECT AT BALINGAOAN, SALVADOR PRIMERA TO BRGY. BUGNAY AND REQUEST TO FACILITATE THE IRRIGATION PROJECT FOR BRGY. TIRAD PASS

Dir. Gacula manifested about the proposed irrigation project in Brgy. Balingaoan which is not viable and that there are already funds for the purpose from the National Irrigation Administration (NIA). He then suggested for the transfer of the allocation for Brgy. Bugnay. He also requested to facilitate the irrigation project at Brgy. Tirad Pass.

Upon motion of Dir. Mendiola, duly seconded by Dir. Salanga, the Board adjourned at 3:45 P.M.

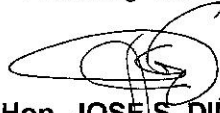
PREPARED AND CERTIFIED CORRECT:


ATTY. ROBERT A. AMBROS
Acting Board Secretary

ATTESTED:



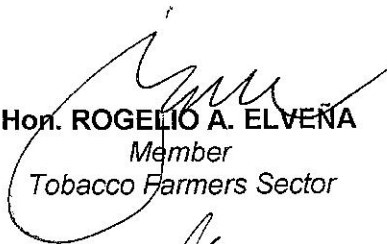
Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator
Presiding Officer



Hon. JOSE S. DIÑO
Member
Academic Community Sector



Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector



Hon. ROGELIO A. ELVEÑA
Member
Tobacco Farmers Sector



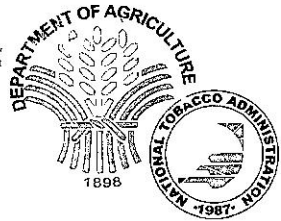
Hon. GEOFFREY DG. GACULA
Member
Tobacco Farmers Sector



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



Hon. RODOLFO F. SALANGA
Member
Tobacco Manufacturing Sector



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OFFICE OF THE NTA GOVERNING BOARD

**NINETIETH (90TH) REGULAR MEETING OF THE NTA BOARD OF DIRECTORS
HELD AT THE BOARD ROOM, SECOND FLOOR, NTA BUILDING,
SCOUT REYES STREET COR. PANAY AVENUE, QUEZON CITY
12 MAY 2016, 12:00 NOON**

Present:

Hon. **EDGARDO D. ZARAGOZA**
Hon. **JOSE S. DIÑO**
Hon. **DANTE G. CLARAVALL**
Hon. **ROGELIO A. ELVEÑA**
Hon. **GEOFFREY DG. GACULA**
Hon. **PEDRO J. MENDIOLA, JR.**
Hon. **RODOLFO F. SALANGA**

Vice-Chairman/Administrator
Member, Academic Community Sector
Member, Tobacco Farmers Sector
Member, Tobacco Farmers Sector
Member, Tobacco Farmers Sector
Member, Traders/Exporters Sector
Member, Manufacturing Sector

Others Present:

Atty. **ROHBERT A. AMBROS**
Chief Tobacco Production and Regulation Officer
and concurrently Acting Board Secretary and
Acting Legal Counsel

HIGHLIGHTS OF THE MEETING

I. OPENING PRAYER

Honorable Director Rogelio A. Elveña led the opening prayer.

II. CALL TO ORDER

The meeting was called to order at 12:00 noon, with the Honorable Vice-Chairman and Administrator Edgardo D. Zaragoza as the Presiding Officer.

III. DETERMINATION OF A QUORUM

The Acting Board Secretary declared that there is a quorum with the presence of all of the Appointive Members of the NTA Governing Board, which is sufficient to transact business for the meeting.

IV. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. APPROVAL AND CONFIRMATION OF THE MINUTES OF THE SIXTY-THIRD (63RD) SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD ON 20 APRIL 2016 AT THE NTA BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES CORNER PANAY AVENUE, QUEZON CITY

The Minutes of the 63rd Special Meeting held on 20 April 2016 was presented for consideration and approval by the board.

Honorable Director Jose S. Diño moved for the approval of the minutes. Honorable Director Dante G. Claravall seconded the motion. There being no objection, the Board adopted the following resolution:

RESOLUTION NO. 580-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the amended Minutes of the Sixty-Third (63rd) Special Meeting of the NTA Governing Board held on 20 April 2016 at the NTA Board Room, Second Floor, NTA Bldg., Scout Reyes corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

- B. APPROVAL OF THE MEMORANDUM OF AGREEMENT (MOA) BETWEEN THE NTA AND THE ILOCOS SUR POLYTECHNIC STATE COLLEGE FOR THE PROJECT: “CONDUCT OF CUSTOMER SATISFACTION SURVEY” WITH A BUDGETARY REQUIREMENT OF Php670,550.00 AND AUTHORITY FOR THE VICE-CHAIRMAN/ADMINISTRATOR TO REPRESENT THE NTA IN THE SAID MOA**

The Honorable Presiding Officer presented to the NTA Governing Board the approval of the MOA for the above said project.

Honorable Director Jose S. Diño recalled that during yesterday’s committee meeting, the Governance Committee invited Mr. Rex Antonio P. Teoxon, Department Manager III, Corporate Planning Department, for some clarificatory questions. He said that Mr. Teoxon explained to all the Appointive Directors the need to conduct customer satisfaction by a third party in compliance with the requirements of the Governance Commission for GOCCs.

Mr. Teoxon likewise explained that prior to the decision to engage the services of ISPSC, the NTA had explored the possibility for the Development Academy of the Philippines (DAP) to conduct the subject consultancy services, since the latter was the one who conducted the training in ISO Management System. However, the DAP declined to provide the subject consultancy services and advised the NTA to secure the services of another qualified provider.

Honorable Director Geoffrey DG. Gacula said that since the project will benefit the NTA in general, he then moved for the approval of the matter. Honorable Director Rodolfo F. Salanga seconded the motion. There being no objection, the board adopted the following resolution:

RESOLUTION NO. 581 2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, the NTA Governing Board hereby approves the Memorandum of Agreement (MOA) by and between the NTA and the Ilocos Sur Polytechnic State College (ISPSC) for the conduct of Customer Satisfaction Survey and authorizing the disbursement of

consultancy fee in favor of ISPSC in the total amount of **Php670,550.00** in accordance with the schedule of payment provided in the said MOA and subject to compliance with appropriate auditing rules and regulations.

RESOLVED, FURTHER, that the Vice-Chairman/Administrator is hereby authorized to enter into and sign the subject MOA for and in behalf of he NTA.

APPROVED UNANIMOUSLY."

V. OTHER MATTERS

A. REFORESTATION PROJECT

Director Elveña reported that he has with him a report with respect to the Reforestation Project. However, he said that the report was not signed and he just noticed a note the same came from Ms. Dinah E. Pichay, Department Manager III, Internal Audit Service.

Director Claravall noted that the information is lacking due to improper indorsement of the concerned NTA officials. Director Gacula likewise suggested that copies of the report should be provided to the members of the board and board should look into the authenticity of the data provided by Ms. Pichay.

There being no other matter to be taken up, Honorable Director Pedro J. Mendiola, Jr. moved for the adjournment of the meeting. Dir. Elveña seconded the motion.

The Members of the Board agreed to conduct the next committee meeting on 24 May 2016, while the next Special Board Meeting will be held on 24 May 2016.


The Presiding Officer adjourned the meeting at 2:30 P.M.

PREPARED AND CERTIFIED CORRECT:


ATTY. ROHBERT A. AMBROS
Acting Board Secretary

ATTESTED:


Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator


Hon. JOSE S. DIÑO
Member
Academic Community Sector



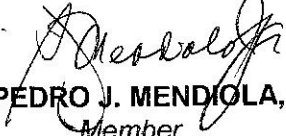
Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector




Hon. GEOFFREY DG. GACULA
Member
Tobacco Farmers Sector



Hon. ROGELIO A. ELVEÑA
Member
Tobacco Farmers Sector



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



Hon. RODOLFO F. SALANGA
Member
Tobacco Manufacturing Sector





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OFFICE OF THE GOVERNING BOARD

**SIXTY-FOURTH (64TH) SPECIAL MEETING HELD AT THE BOARD ROOM
SECOND FLOOR, NTA BUILDING, SCOUT REYES STREET CORNER
PANAY AVENUE, QUEZON CITY
25 MAY 2016, 12:00 NOON**

Present:

Hon. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Administrator
Hon. JOSE S. DIÑO	-	Member, Academic Community
Hon. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Hon. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Hon. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Hon. PEDRO J. MENDIOLA, JR.	-	Member, Tob. Traders/Exporters Sector
Hon. RODOLFO F. SALANGA	-	Member, Tob. Manufacturing Sector

Others Present:

ATTY. ROHBERT A. AMBROS
Chief Tobacco Production and Regulation Officer
Concurrently Acting Board Secretary and
Acting Legal Counsel

HIGHLIGHTS OF THE MEETING

I. CALL TO ORDER AND OPENING PRAYER

The meeting was called to order at 12:00 noon, with the Honorable Vice-Chairman/Administrator Edgardo D. Zaragoza as the Presiding Officer. Honorable Director Rogelio A. Elveña led the opening prayer.


II. DETERMINATION OF QUORUM

Atty. Rohbert A. Ambros, Acting Board Secretary, declared that there is a quorum with the presence of all of the Appointive Directors of the NTA Governing Board constituting a quorum and which is sufficient to transact business for the meeting.

III. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. APPROVAL AND CONFIRMATION OF THE MINUTES OF THE NINETIETH (90TH) REGULAR MEETING OF THE NTA GOVERNING BOARD HELD ON 12 MAY 2016 AT THE BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

The Presiding Officer presented the Minutes of the 90th Regular Meeting of the NTA Governing Board held on 12 May 2016 for their consideration and approval.



Honorable Director Jose S. Diño moved for the approval of the minutes. Honorable Director Geoffrey DG. Gacula. duly seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 582-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the minutes of the Ninetieth (90th) Regular Meeting of the NTA Governing Board, as amended, held on 12 May 2016 at the NTA Board Room, NTA Bldg., Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

B. CONSIDERATION OF THE EXISTING SYSTEMS AND PROCEDURES IN THE PROCESSING OF DISBURSEMENT VOUCHERS FOR THE PAYMENT OF PER DIEMS OF APPOINTIVE DIRECTORS IN ATTENDING COMMITTEE AND BOARD MEETINGS

The Presiding Officer informed the Appointive Directors of the NTA Governing Board that pursuant to the Internal Quality Audit in relation to the NTA's application for ISO 9001:2008 certification of its Quality Management System, the Finance Department was required to strictly implement its systems and procedures in the processing of disbursement vouchers.

The Presiding Officer said that under the said systems and procedures of the Finance Department, vouchers for per diems of Appointive Directors should be properly documented with the attached attendance sheet and minutes of the meeting conducted. Since minutes of meetings are still subject for confirmation in the next scheduled board meeting, the subject attachments cannot be had on the day of the meeting. Hence, to remedy the subject requirement, the Finance Department initially suggested the issuance of Special Order for the drawing of cash advance to pay the per diems.

However, he said that the Finance Department has already dispensed with the cash advance procedure, and instead, committed to just facilitate the processing of voucher on the day of the committee meeting so that the Appointive Members can already receive their per diems on the next day during the board meeting.

On the basis of the commitment from the Finance Department, the NTA Governing Board duly noted the foregoing matter.

C. APPROVAL OF THE SUBMISSION BY THE NTA TO THE GCG OF ITS QUALIFICATION FOR THE APPLICATION OF THE COMPENSATION AND POSITION CLASSIFICATION SYSTEM (CPCS) FOR THE GOCC SECTOR

The Presiding Officer informed the Appointive Directors of the NTA Governing Board that His Excellency President Benigno S. Aquino III has issued Executive order No. 203 on 22 March 2016. He explained that the



subject EO adopted a new Compensation and Position Classification System (CPCS) and a General Index of Occupational Services (IOS) for government owned and controlled corporations (GOCCs). He said that with the subject issuance, GOCCs which will be evaluated and screened by the Governance Commission for GOCCs (GCG) may adopt a much higher job pay rate compared to standardized salary rates for the National Government agencies.

He reported that the NTA was initially evaluated to have consistently incurred losses for the past three (3) years covering the 2012 to 2014 as per letter from the GCG, hence, the NTA was advised to retain its current compensation framework without prejudice to the application of the CPCS in the event that the NTA has shown that it has improved its financial capability.

However, the NTA was able to get a favorable reply from the Department of Budget and Management (DBM) that the releases of Tobacco Fund from Republic Act No. 4155 (An Act to Promote and Strengthen the Virginia Tobacco Industry) should be treated as income of the NTA. He said that with the recent letter from the DBM, the NTA's financial statements can be amended and in that case, the NTA can present an income which would qualify the NTA under the CPCS. He said that the approval by the NTA Governing Board of the subject application is necessary prior to submission of the same to the GCG.

Dir. Gacula recalled that the matter had been previously discussed during the past board meetings and said that this development will benefit the employees of the NTA.

Upon motion of Honorable Director Dante G. Claravall and duly seconded by Honorable Director Rogelio A. Elveña, the board adopted the following resolution, to wit:

RESOLUTION NO. 583-2016


“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the submission by the National Tobacco Administration (NTA) to the Governance Commission for Government-Owned and Controlled Corporations [GOCCs] (GCG) of its qualification for the application of the Compensation and Position Classification System (CPCS) for the GOCC Sector.

UNANIMOUSLY APPROVED”


There being no other matter to be discussed and upon motion of Honorable Director Pedro J. Mendiola, Jr., duly seconded by Honorable Director Rodolfo F. Salanga, the Board adjourned at 2:45 P.M.

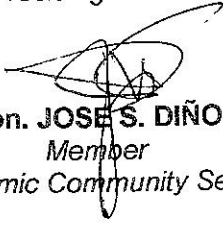
The NTA Governing Board confirmed the schedule of next Committee Meeting on 07 June 2016 and Board Meeting on 08 June 2016.

PREPARED AND CERTIFIED CORRECT:



ATTY. ROBERT A. AMBROS
Acting Board Secretary

ATTESTED:

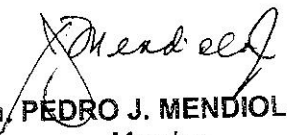

Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator
Presiding Officer


Hon. JOSE S. DIÑO
Member
Academic Community Sector

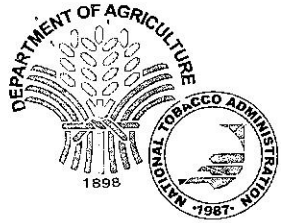

Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector


Hon. ROGELIO A. ELVEÑA
Member
Tobacco Farmers Sector


Hon. GEOFFREY DG. GACULA
Member
Tobacco Farmers Sector


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


Hon. RODOLFO F. SALANGA
Member
Tobacco Manufacturing Sector



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

**NINETY-FIRST (91ST) REGULAR MEETING OF THE NTA BOARD OF DIRECTORS
HELD AT THE BOARD ROOM, SECOND FLOOR, NTA BUILDING,
SCOUT REYES STREET COR. PANAY AVENUE, QUEZON CITY
08 JUNE 2016, 12:00 NOON**

Present:

Hon. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Administrator
Hon. JOSE S. DIÑO	-	Member, Academic Community Sector
Hon. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Hon. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Hon. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Hon. PEDRO J. MENDIOLA, JR.	-	Member, Traders/Exporters Sector
Hon. RODOLFO F. SALANGA	-	Member, Manufacturing Sector

Others Present:

Atty. ROHBERT A. AMBROS
Chief Tobacco Production and Regulation Officer
and concurrently Acting Board Secretary and
Acting Legal Counsel

HIGHLIGHTS OF THE MEETING

I. OPENING PRAYER

Honorable Director Rogelio A. Elveña led the opening prayer.

II. CALL TO ORDER

The meeting was called to order at 12:00 noon, with the Honorable Vice-Chairman and Administrator Edgardo D. Zaragoza as the Presiding Officer.

III. DETERMINATION OF A QUORUM

The Acting Board Secretary declared that there is a quorum with the presence of all of the Appointive Members of the NTA Governing Board, which is sufficient to transact business for the meeting.

At this juncture, Honorable Director Jose S. Diño took over to preside the meeting.

IV. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

- A. MINUTES OF THE SIXTY-FOURTH (64TH) SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD ON 25 MAY 2016, AT THE BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY**

The Minutes of the 64th Special Meeting held on 25 May 2016 was presented for consideration and approval by the board.

Dir. Elveña moved for the approval of the minutes. Honorable Director Rodolfo F. Salanga seconded the motion. There being no objection, the Board adopted the following resolution:

RESOLUTION NO. 584-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the Minutes of the Sixty-Fourth (64th) Special Meeting of the NTA Governing Board held on 25 May 2016 at the NTA Board Room, Second Floor, NTA Bldg., Scout Reyes corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

B. REALIGNMENT/AMENDMENT OF FY 2016 CORPORATE OPERATING BUDGET (COB)

The Presiding Officer submitted to the Honorable Members the request of NTA Management for the approval of the amendments in the NTA COB for CY 2016. He said that the board approved the amount of P1,398,785,000.00 as the total COB for CY 2016 in its previous Resolution No. 541-2016. He further said that in view of recent developments, there is a need to amend the COB which includes the actual beginning balance/carry over funds, realignment of some funds to other items in the budget to cover some deficiencies and other necessary adjustments on the amounts of payables and investment outlay expenditures, which will entail a reduction of the COB by P27,712.00 or a total reduced budget of P1,371,073,000.00.

Dir. Salanga moved for the approval of the matter. Honorable Director Dante G. Clarvall seconded the motion. There being no objection, the board adopted the following resolution:

RESOLUTION NO. 585-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the amendment/realignment in the NTA FY 2016 Corporate Operating Budget (COB) from PhP1,398,785,000.00 to **PhP1,371,073,000.00** or a reduction of PhP27,712.00.

APPROVED UNANIMOUSLY.”

C. FUELWOOD MARKETING AGREEMENT (FMA) BETWEEN THE NTA AND UNIVERSAL LEAF PHILIPPINES INC. (ULPI) AND AUTHORITY FOR THE VICE-CHAIRMAN/ADMINISTRATOR TO REPRESENT THE NTA IN THE SAID FMA



Dir. Elveña stated that there was an exhaustive discussion of the matter with Mr. Rex Antonio P. Teoxon, Department Manager III, Corporate Planning Department. He said that during yesterday's committee meeting the board agreed that the agreement should include the 1,800 hectares planted in 2013 subject to the joint verification by ULPI and NTA representatives and to include in the provision that buying prices should be at the prevailing market prices in the locality but in no case less than P650.00, per cubic meter. Likewise, it was suggested that the Farmer Cooperators should be included as signatories in the agreement.

Honorable Director Geoffrey DG. Gacula moved for the approval of the matter. Dir. Claravall seconded the motion and the board adopted the following resolution, to wit:

RESOLUTION NO. 586-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the Fuelwood Marketing Agreement (FMA) between the Universal Leaf Philippines Inc. (ULPI) and NTA, subject to the following conditions:

- a. Commitment to purchase the total farmers fuelwood harvest estimated at 1,800 hectares, subject to the joint verification between the ULPI and NTA representatives;
- b. Buying price of fuelwood from the contracted farmers should be the market prices within the locality but not less than P650.00, per cubic meter; and
- c. Include the Farmer-Cooperators as signatories to the FMA.

RESOLVED, FURTHER, that the Vice-Chairman/Administrator is hereby authorized to enter into and sign the FMA for and in behalf of the NTA.

APPROVED UNANIMOUSLY.”

D. TOBACCO DUST DISTRIBUTORSHIP AGREEMENT (RENEWAL) BETWEEN NTA AND MR. RENATO E. DELA CRUZ AND AUTHORITY FOR THE VICE-CHAIRMAN/ADMINISTRATOR TO REPRESENT THE NTA IN THE SAID AGREEMENT

Atty. Ambros reported that during yesterday's committee meeting, the matter was discussed and the Members of the NTA Governing Board made comments thereto. He said that it was unanimously agreed by the Honorable Members to require the distributor to post a performance bond to answer his postdated checks as well as guaranty his purchase commitment of 15,000 bags. Dir. Elveña suggested that the distributor should also submit his DTI Certificate of Registration as one of the requirements of the agreement.

The Presiding Officer said that the board in the meantime will approve in principle the renewal of the distributorship agreement with the condition that the Project Manager, Mr. Hermogenes Galvez, will attend the next committee meeting of the board.

Upon motion of Dir. Elveña, duly seconded by Dir. Claravall, the Board adopted the following resolution, to wit:

RESOLUTION NO. 587-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves in principle the Tobacco Dust Distributorship Agreement between NTA and Mr. Renato C. Dela Cruz, subject to the following conditions:

- a. Submission of performance bond to guaranty the postdated checks and to ensure commitment to buy the 15,000 bags of Tobacco Dust; and
- b. Submission of DTI Certificate of Business Name Registration.

RESOLVED, FURTHER, that Mr. Hermogenes G. Galvez, Project Manager of the Tobacco Dust Processing Plant (TDPP), is hereby required to attend the next committee meeting to clarify some queries from the Members of the NTA Governing Board in connection with the operations of the TDPP.

APPROVED UNANIMOUSLY.”

E. NTA GOVERNING BOARD APPRAISAL SYSTEM

Atty. Ambros informed the members of the Board that the board appraisal system was required to be adopted in compliance with the requirements of the GCG which will be uploaded in the NTA's Website. He said that the subject compliance is necessary for the NTA's entitlement to the grant of PBB and PBI.

The board then unanimously adopted the following resolution:

RESOLUTION NO. 588-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the NTA Governing Board Appraisal System.

APPROVED UNANIMOUSLY.”

F. NTA WHISTLEBLOWING POLICY

In the same manner, Atty. Ambros likewise explained that the foregoing matter is also a requirement of the GCG and is necessary for the grant of PBB and PBI.

The board then unanimously adopted the following resolution:

RESOLUTION NO. 589-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the NTA Whistleblowing Policy.

APPROVED UNANIMOUSLY.”

V. OTHER MATTERS

A. UPDATE OF THE REQUEST FOR THE RELEASE OF THE PBI FOR CYs 2014 AND 2015

Dir. Claravall inquired from the Acting Board Secretary on the effect of the ineligibility of the Members of the Board for the grant of CY 2014 PBI. Atty. Ambros said that the term of the GCG letter would seem that they insists for the NTA to first pay the dividend to the National Treasury as per decision of the DOF. He opined that the board could not make any response to the GCG letter without first complying with the DOF requirement.

Dir. Gacula said that Ms. Laudencia was requesting the DOF to furnish her how they arrived at their computation for P38Million considering that the subject amounts were already spent. He said that nonetheless if DOF insists that NTA will pay, then the funds from RA 4155 can be used for the purpose. He however said that the GCG letter is rebuttable.

B. APPLICATION FOR INTERNET/WI-FI CONNECTION WITH PLDT FOR USE BY THE OFFICE OF THE NTA GOVERNING BOARD

Upon unanimous decision of the board, the following resolution was adopted, to wit:

RESOLUTION NO. 590-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the application for a post-paid internet/Wi-Fi connection with PLDT for use by the Office of the NTA Governing Board.

RESOLVED, FURTHER, that the Vice-Chairman/Administrator is hereby authorized to sign the Customer Information Sheet for and in behalf of the NTA.

APPROVED UNANIMOUSLY.”

There being no other matter to be taken up, Honorable Director Pedro J. Mendiola, Jr. moved for the adjournment of the meeting. Dir. Gacula seconded the motion.

The Members of the Board agreed to conduct the next committee meeting on 21 June 2016, while the next Special Board Meeting will be held on 22 June 2016.

The Presiding Officer adjourned the meeting at 4:05 P.M.

PREPARED AND CERTIFIED CORRECT:



ATTY. ROBERT A. AMBROS
Acting Board Secretary

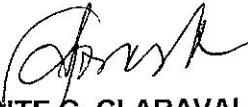
ATTESTED:



Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator



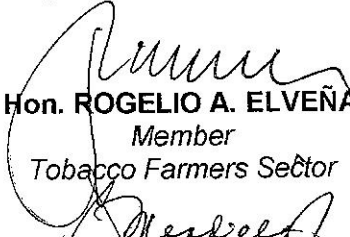
Hon. JOSE S. DIÑO
Member
Academic Community Sector



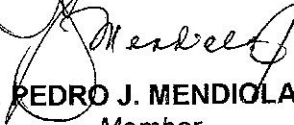
Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector



Hon. GEOFFREY DG. GACULA
Member
Tobacco Farmers Sector



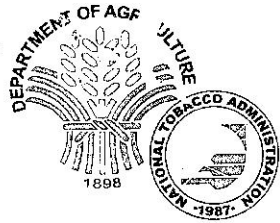
Hon. ROGELIO A. ELVEÑA
Member
Tobacco Farmers Sector



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



Hon. RODOLFO F. SALANGA
Member
Tobacco Manufacturing Sector



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OFFICE OF THE GOVERNING BOARD

**SIXTY-FIFTH (65TH) SPECIAL MEETING HELD AT THE BOARD ROOM
SECOND FLOOR, NTA BUILDING, SCOUT REYES STREET CORNER
PANAY AVENUE, QUEZON CITY
22 JUNE 2016, 12:00 NOON**

Present:

Hon. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Administrator
Hon. JOSE S. DIÑO	-	Member, Academic Community
Hon. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Hon. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Hon. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Hon. PEDRO J. MENDIOLA, JR.	-	Member, Tob. Traders/Exporters Sector
Hon. RODOLFO F. SALANGA	-	Member, Tob. Manufacturing Sector

Others Present:

ATTY. ROHBERT A. AMBROS
Chief Tobacco Production and Regulation Officer
Concurrently Acting Board Secretary and
Acting Legal Counsel

HIGHLIGHTS OF THE MEETING

I. CALL TO ORDER AND OPENING PRAYER

The meeting was called to order at 12:00 noon, with the Honorable Vice-Chairman/Administrator Edgardo D. Zaragoza as the Presiding Officer. Honorable Director Rogelio A. Elveña led the opening prayer.

II. DETERMINATION OF QUORUM

Atty. Rohbert A. Ambros, Acting Board Secretary V, declared that there is a quorum with the presence of all of the Appointive Directors of the NTA Governing Board which is sufficient to transact business for the meeting.

At this juncture, Honorable Director Jose S. Diño took over to preside the meeting.

III. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. APPROVAL AND CONFIRMATION OF THE MINUTES OF THE NINETY-FIRST (91ST) REGULAR MEETING OF THE NTA GOVERNING BOARD HELD ON 08 JUNE 2016 AT THE BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

The Presiding Officer presented the Minutes of the 91st Regular Meeting of the NTA Governing Board held on 08 June 2016 for their consideration and approval.

Honorable Director Geoffrey DG. Gacula moved for the approval of the minutes. Honorable Director Dante G. Claravall duly seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 592-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the minutes of the Ninety-First (91st) Regular Meeting of the NTA Governing Board, as amended, held on 08 June 2016 at the NTA Board Room, NTA Bldg., Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

B. CONFIRMATION OF REFERENDUM RESOLUTION NO. 591-2016 APPROVING THE NTA JOB LEVELING/POSITION CLASSIFICATION

The Acting Board Secretary recalled that during the last board meeting, the NTA Governing Board approved the Agency's application of the Compensation and Position Classification System (CPCS) pursuant to Executive Order No. 203, Series of 2016, which was immediately submitted to the Governance Commission for GOCCs (GCG) for evaluation. Atty. Ambros further informed the Honorable Appointive Directors that on 15 June 2016, the GCG approved the NTA's application of the CPCS. Atty. Ambros further stated that the GCG, in the same letter, required the NTA to submit a Board Resolution approving the proposed Job Leveling of the NTA Plantilla of Positions. On 16 June 2016, the NTA management was prompted to request the Honorable Appointive Members to adopt a referendum resolution for the purpose, considering that the next board meeting was scheduled today, June 22, 2016, and the submission of the same was very urgent.

On motion of Honorable Director Rodolfo F. Salanga, duly seconded by Dir. Elveña, the board adopted the following resolution, to wit:

RESOLUTION NO. 593-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board confirms the adoption of Referendum Resolution No. 591-2016 approving the proposed NTA Job Leveling/Position Classification in compliance with the requirements for the application of the Compensation and Position Classification System (CPCS) pursuant to Executive Order No. 203, Series of 2016.

UNANIMOUSLY APPROVED.....”

There being no other matter to be discussed and upon motion of Honorable Director Pedro J. Mendiola, Jr., duly seconded by Honorable Director Rodolfo F. Salanga, the Board adjourned at 3:20 P.M.

The NTA Governing Board scheduled the next Board Committee Meeting on 30 June 2016 and Board Meeting on 01 July 2016.



PREPARED AND CERTIFIED CORRECT:




ATTY. ROBERT A. AMBROS
Acting Board Secretary

ATTESTED:



Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator
Presiding Officer



Hon. JOSE S. DIÑO
Member
Academic Community Sector



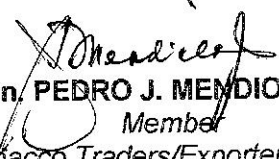
Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector



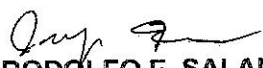
Hon. ROGELIO A. ELVEÑA
Member
Tobacco Farmers Sector



Hon. GEOFFREY DG. GACULA
Member
Tobacco Farmers Sector



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



Hon. RODOLFO F. SALANGA
Member
Tobacco Manufacturing Sector



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OFFICE OF THE NTA GOVERNING BOARD

**NINETY-SECOND (92ND) REGULAR MEETING OF THE NTA BOARD OF DIRECTORS
HELD AT THE BOARD ROOM, SECOND FLOOR, NTA BUILDING,
SCOUT REYES STREET COR. PANAY AVENUE, QUEZON CITY
17 AUGUST 2016, 12:00 NOON**

Present:

Adm. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Presiding Officer
Dir. JOSE S. DIÑO	-	Member, Academic Community Sector
Dir. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Dir. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Dir. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Dir. PEDRO J. MENDIOLA, JR.	-	Member, Traders/Exporters Sector
Dir. RODOLFO F. SALANGA	-	Member, Manufacturing Sector

Others Present:

Atty. ROHBERT A. AMBROS
Chief Tobacco Production and Regulation Officer
and concurrently Acting Board Secretary and
Acting Legal Counsel

HIGHLIGHTS OF THE MEETING

I. OPENING PRAYER

Director Rogelio A. Elveña led the opening prayer.

II. CALL TO ORDER

The meeting was called to order at 12:00 noon, with the Vice-Chairman and Administrator Edgardo D. Zaragoza as the Presiding Officer.

III. DETERMINATION OF A QUORUM

The Acting Board Secretary declared that there is a quorum with the presence of all of the Appointive Members of the NTA Governing Board, which is sufficient to transact business for the meeting.

IV. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. MINUTES OF THE SIXTY-FIFTH (65TH) SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD ON 22 JUNE 2016, AT THE BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

The Minutes of the 65th Special Meeting of the NTA Governing Board held on 22 June 2016 was presented for consideration and approval by the board.

Director Jose S. Diño moved for the approval of the minutes. Director Pedro J. Mendiola, Jr. seconded the motion. There being no objection, the Board adopted the following resolution:

RESOLUTION NO. 594-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the Minutes of the Sixty-Fifth (65th) Special Meeting of the NTA Governing Board held on 22 June 2016 at the NTA Board Room, Second Floor, NTA Bldg., Scout Reyes corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

B. REQUEST TO THE DEPARTMENT OF BUDGET AND MANAGEMENT (DBM) FOR SUPPLEMENTAL BUDGET FOR PERSONAL SERVICES (PS) AND CONCOMITANT AMENDMENT OF FY 2016 CORPORATE OPERATING BUDGET (COB)

The Presiding Officer submitted to the Honorable Members for the approval of the NTA’s request to the Department of Budget and Management (DBM) for Supplemental Budget for Personal Services (PS) He said that the NTA needs additional Php50 Million for the purpose.

Director Rodolfo F. Salanga moved for the approval of the matter. Director Geoffrey DG. Gacula seconded the motion. There being no objection, the board adopted the following resolution:

RESOLUTION NO. 595-2016

“WHEREAS, on 06 January 2016, the NTA Governing Board approved the NTA Corporate Operating Budget (COB) for FY 2016 in the total amount of Php1,398,785,000.00.

WHEREAS, on 08 June 2016, the NTA Governing Board approved to amend the COB for FY 2016, with a reduced amount of Php1,371,073,000.00. The amendments include the realignment of the allocation for the Renewable Energy Project of Php90 Million to PS, Php25 Million and Maintenance and Other Operating Expenses, Php65 Million.

WHEREAS, the Department of Budget and Management (DBM) denied the realignment of the Php25 Million for PS, as of June 2016. The NTA further needs an additional amount of Php25 Million as PS for July to December 2016, which shall cover the shortfall in the Agency’s collections due to the continuing occurrence of El Niño phenomenon in the tobacco growing regions. Hence, NTA’s total PS requirement for FY 2016 is Php50 Million.



NOW, THEREFORE:

BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the NTA's request to the DBM for Supplemental Budget for Personal Services (PS) amounting to Php50 Million, to be charged against NTA's Tobacco Fund/Special Account in the General Fund (SAGF-Fund 151, pursuant to Republic Act 4155) and the concomitant amendment of the FY 2016 NTA Corporate Operating Budget.

UNANIMOUSLY APPROVED."

C. APPLICATION OF THE PORTION OF THE NTA SPECIAL ACCOUNT FOR PAYMENT OF ANNUAL DIVIDENDS AS DETERMINED BY THE DEPARTMENT OF FINANCE (DOF) PURSUANT TO SECTION 5 OF REPUBLIC ACT NO. 7656 (DIVIDEND LAW)

Considering that the above matter was extensively discussed during yesterday's Committee Meeting with clarification made by the Manager of the Finance Department, Director Rogelio A. Elveña moved for the approval of the matter. Dir. Dante G. Claravall seconded the motion and the board adopted the following resolution, to wit:

RESOLUTION NO. 596-2016

"WHEREAS, pursuant to Republic Act No. 7656 (Dividend Law of 1993), the Department of Finance (DOF) assessed the NTA the total amount of Php673,247,788.00, representing the dividend due to the national government which were incurred by the NTA from CYs 1998 to 2014;

WHEREAS, after series of clarification and submissions of prior years' audited financial statements, the subject dividend was reduced by the DOF to Php38,107,967.00, which is immediately due and payable.

WHEREAS, the NTA has an existing Special Account pursuant to Republic Act No. 4155 (Tobacco Fund) wherein the NTA's share from the tobacco excise tax collections is deposited, which as of date has a total balance of Php46.539 Billion. The subject tobacco fund is under the custody of the Bureau of Treasury and releases therefrom are subject to the prior approval of the Department of Budget and Management (DBM).

WHEREAS, the NTA intends to apply the amount Php38,107,967.00 from the said Tobacco Fund as payment of the NTA's dividend for CYs 2006 and 2007.

NOW, THEREFORE:

BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the payment of the amount of Php38,107,967.00 in favor of the national government, representing the NTA's dividend due for CYs 2006 and 2007, the same to be applied from the NTA's Tobacco Fund, subject to the favorable clearance and approval from the DBM.

APPROVED UNANIMOUSLY."

D. OPENING OF CHECKING ACCOUNT WITH BANCO DE ORO (BDO) FOR THE NTA AGRIPINOY MEAT PRODUCTS AND DESIGNATION OF AUTHORIZED SIGNATORIES TO THE SAID CHECKING ACCOUNT

Director Gacula moved for the deferment of the matter considering that the NTA as a government agency is mandated to utilize government financial institutions. Considering that there is a necessity to open the account to maintain the marketing ties with Ever Supermarkets, Director Gacula suggested that the NTA should first seek approval from the Department of Finance (DOF).

(deferred)

There being no other matter to be taken up, Dir. Mendiola, Jr. moved for the adjournment of the meeting. Dir. Salanga seconded the motion.


The NTA Governing Board agreed to conduct the next committee meeting on 25 August 2016, while the next Special Board Meeting will be held on 26 August 2016.

The Presiding Officer adjourned the meeting at 2:35 P.M.

PREPARED AND CERTIFIED CORRECT:


ATTY. ROBERT A. AMBROS
Acting Board Secretary

ATTESTED:


Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator


Hon. JOSE S. DIÑO
Member
Academic Community Sector


Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector

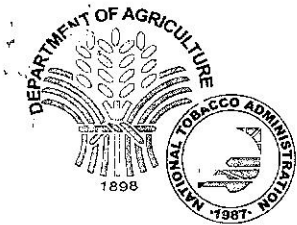

Hon. GEOFFREY DG. GACULA
Member
Tobacco Farmers Sector


Hon. ROGELIO A. ELVEÑA
Member
Tobacco Farmers Sector


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


Hon. RODOLFO F. SALANGA
Member
Tobacco Manufacturing Sector





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 GOVERNING BOARD

**SIXTY-SIXTH (66TH) SPECIAL MEETING HELD AT THE BOARD ROOM
SECOND FLOOR, NTA BUILDING, SCOUT REYES STREET CORNER
PANAY AVENUE, QUEZON CITY
26 AUGUST 2016, 12:00 NOON**

Present:

Hon. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Administrator
Hon. JOSE S. DIÑO	-	Member, Academic Community
Hon. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Hon. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Hon. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Hon. PEDRO J. MENDIOLA, JR.	-	Member, Tob. Traders/Exporters Sector
Hon. RODOLFO F. SALANGA	-	Member, Tob. Manufacturing Sector

Others Present:

ATTY. ROHBERT A. AMBROS
Chief Tobacco Production and Regulation Officer
Concurrently Acting Board Secretary V and
Acting Attorney V

HIGHLIGHTS OF THE MEETING

I. CALL TO ORDER AND OPENING PRAYER

The meeting was called to order at 12:00 noon, with the Vice-Chairman/Administrator Edgardo D. Zaragoza as the Presiding Officer. Director Rogelio A. Elveña led the opening prayer.

II. DETERMINATION OF QUORUM

Atty. Rohbert A. Ambros, Acting Board Secretary V, declared that there is a quorum with the presence of all of the Appointive Directors of the NTA Governing Board which is sufficient to transact business for the meeting.

III. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. APPROVAL AND CONFIRMATION OF THE MINUTES OF THE NINETY-SECOND (92ND) REGULAR MEETING OF THE NTA GOVERNING BOARD HELD ON 17 AUGUST 2016 AT THE BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

The Vice-Chairman/Administrator presented the Minutes of the 92nd Regular Meeting of the NTA Governing Board held on 17 August 2016 for their consideration and approval.

Director Rodolfo F. Salanga moved for the approval of the minutes. Director Jose S. Diño duly seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 597-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the minutes of the Ninety-Second (92nd) Regular Meeting of the NTA Governing Board held on 17 August 2016 at the NTA Board Room, NTA Bldg., Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

B. MANDATORY MEDICAL CHECK-UP FOR THE 431 NTA EMPLOYEES (REGULAR AND JOB ORDER STAFF)

The Acting Board Secretary reported that prior to the board meeting, the Bids and Awards Committee (BAC) conducted a Pre-Procurement Plan on the subject procurement of medical check-up for all regular and job order employees. He said that based on the initial canvass, the total amount of approved budget for the contract was P560,000.00, which needs public bidding. However, he said that Dr. Cristina C. Lopez, Department Manager III, Administrative Department, reported during yesterday's committee meeting that the BAC conducted further canvass and it was gathered from the Department of Health that there were accredited service providers which offer their services as low as P380.00, per employee (@115 staff), for the NTA Central Office staff, while the Branch staff is P800.00, per employee (@291 staff), or an estimated total budget of P297,000.00, which does not need public bidding but only requires posting of notice with the PhilGeps and canvass of at least 6 DOH-accredited service providers.

On motion of Director Diño, which was duly seconded by Director Salanga, the board adopted the following resolution, to wit:

RESOLUTION NO. 598-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the procurement of DOH-Accredited Service Provider for the conduct of mandatory medical check-up for the 431 NTA Employees (Regular and Job Order) through the authorized mode of government procurement with an estimated budget for the contract of P297,000.00.

UNANIMOUSLY APPROVED.....”

C. CONDUCT OF PUBLIC BIDDING FOR THE PROCUREMENT OF RAW MATERIALS NEEDED TO OPERATE THE FEED MILL FOR THE PRODUCTION OF TWO (2)-MONTH SUPPLY OF HOG FEEDS FOR THE AGRIPINOY FEED MILL PROJECT WITH AN APPROVED BUDGET FOR THE CONTRACT (ABC) IN THE AMOUNT OF P2,630,558.80



The Vice-Chairman/Administrator explained to the Members of the Board on the necessity for the procurement of raw materials for the operation of the AgriPinoy Feed Mill Complex the same having been completed and undergone a test run by the supplier. He said that the initial operation of the feed mill plant will be on a trial basis only to determine the return of investment (ROI). However, he said that since the volume of raw materials is less than the maximum capacity of the feed mill equipment, the costing of the produce might be higher than the commercial price of feeds. He said that the management will evaluate the initial production if NTA will proceed with the full operation of the feed mill complex.

Director Salanga then moved for the approval of the matter. Director Elveña seconded the motion. There being no other comment, the Board accepted the following resolution, to wit:

RESOLUTION NO. 599-2016

"WHEREAS, sometime in 2011, the NTA developed the AgriPinoy Meat Processing and Feed Milling Projects (*Projects for brevity*) in its earnest desire to effectively implement its banner program called the Integrated Farming and Other Income Generating Activities Project (IFOIGAP). The IFOIGAP is a strategic development program aimed at improving the economic and living conditions of small tobacco farmers and the tobacco growing communities through the production of raw material inputs. The NTA Management then formulated the business plan for the AgriPinoy Tobacco Farmers Food Processing and Trading Center

WHEREAS, to supplement the requirements of the food processing plant, particularly in the production of hogs by the contracted tobacco farmers, the NTA likewise formulated the business plan for the NTA AgriPinoy Feed Mill Project, which is now fully completed and operational;

WHEREAS, after conducting the requisite pre-procurement planning to discuss the canvass made by the Operations Manager of the NTA AgriPinoy Project, the total cost for the purchase of raw materials needed to operate the feed mill for the production of two (2)-month supply of hog feeds is P2,630,558.80;

WHEREAS, the threshold amount necessitates the conduct of public bidding and, as per policy adopted by the NTA Governing Board, prior approval from the board should first be secured before conducting any public bidding.

NOW, THEREFORE:

BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the conduct of public bidding for the procurement of raw materials needed to operate the feed mill for the



production of two (2)-month supply of hog feeds for the AgriPinoy Feed Mill Project with an Approved Budget for the Contract (ABC) in the amount of P2,630,558.80.

UNANIMOUSLY APPROVED.....”

- D. **REQUEST FOR FINAL DECISION WHETHER TO APPROVE OR DISAPPROVE THE RECOMMENDATION OF THE NTA-BIDS AND AWARDS COMMITTEE (NTA-BAC) ON THE AWARD OF CONTRACT FOR SECURITY SERVICES, AND IN CASE OF DISAPPROVAL, FOR THE NTA MANAGEMENT TO CONDUCT ANOTHER PUBLIC BIDDING FOR THE SUBJECT PROCUREMENT**

Considering that the matter had been extensively discussed during yesterday's committee meeting with Dr. Lopez and Atty. Ambros, the Members of the Board agreed to approve the matter.

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

RESOLUTION NO. 600-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board **DISAPPROVES** the recommendation of the NTA-Bids and Awards Committee (NTA-BAC) for the award of the contracts for security services for failure of the NTA Management to secure prior authority for the re-bidding of the subject procurement.

RESOLVED, FURTHER, that the NTA Management, through the NTA-BAC, is hereby authorized to conduct another public bidding for the procurement of security services for the NTA.

UNANIMOUSLY APPROVED.”

- E. **CONDUCT OF PUBLIC BIDDING FOR THE PROCUREMENT OF PETROLEUM PRODUCTS FOR THE NTA CENTRAL AND BRANCH OFFICES' OFFICIAL SERVICE VEHICLES WITH AN APPROVED BUDGET FOR THE CONTRACT (ABC) IN THE AMOUNT OF P3,020,000.00**

Upon the unanimous decision of the Members of the NTA Governing Board on the above matter, the following resolution was adopted, to wit:

RESOLUTION NO. 601-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the request of the NTA Management for the conduct of public bidding for the procurement of petroleum products for the NTA Central Office and Branch Offices' official service vehicles with an approved budget for the contract (ABC) of P3,020,000.00.



UNANIMOUSLY APPROVED.”

There being no other matter to be discussed and upon motion of Director Pedro J. Mendiola, Jr., duly seconded by Director Rodolfo F. Salanga, the Board adjourned at 2:20 P.M.

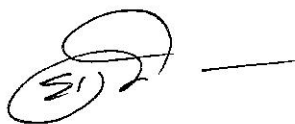
The NTA Governing Board tentatively scheduled the next Board Committee Meeting on 15 September 2016 and Board Meeting on 16 September 2016.

PREPARED AND CERTIFIED CORRECT:

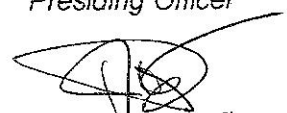


ATTY. ROBERT A. AMBROS
Acting Board Secretary

ATTESTED:



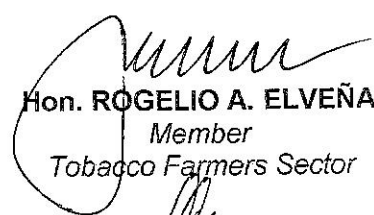
Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator
Presiding Officer



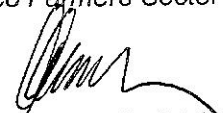
Hon. JOSE S. DIÑO
Member
Academic Community Sector



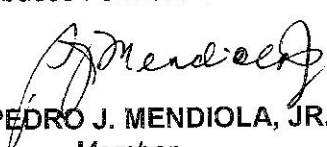
Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector



Hon. ROGELIO A. ELVEÑA
Member
Tobacco Farmers Sector



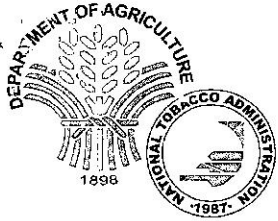
Hon. GEOFFREY DG. GACULA
Member
Tobacco Farmers Sector



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

Rodolfo F. Salanga
Hon. RODOLFO F. SALANGA
Member
Tobacco Manufacturing Sector

9



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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

**NINETY-THIRD (93RD) REGULAR MEETING OF THE NTA BOARD OF DIRECTORS
HELD AT THE BOARD ROOM, SECOND FLOOR, NTA BUILDING,
SCOUT REYES STREET COR. PANAY AVENUE, QUEZON CITY
12 OCTOBER 2016, 12:00 NOON**

Present:

Adm. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Presiding Officer
Dir. JOSE S. DIÑO	-	Member, Academic Community Sector
Dir. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Dir. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Dir. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Dir. PEDRO J. MENDIOLA, JR.	-	Member, Traders/Exporters Sector
Dir. RODOLFO F. SALANGA	-	Member, Manufacturing Sector

Others Present:

Atty. ROBERT A. AMBROS
Chief Tobacco Production and Regulation Officer
and concurrently Acting Board Secretary and
Acting Legal Counsel

HIGHLIGHTS OF THE MEETING

I. OPENING PRAYER

Director Rogelio A. Elveña led the opening prayer.

II. CALL TO ORDER

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

III. DETERMINATION OF A QUORUM

The Acting Board Secretary declared that there is a quorum for the meeting with the presence of all of the Appointive Members of the NTA Governing Board. At this juncture, Director Jose S. Diño presided the meeting.

IV. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. MINUTES OF THE SIXTY-SIXTH (66TH) SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD ON 26 AUGUST 2016, AT THE BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

The Minutes of the 66th Special Meeting of the NTA Governing Board held on 26 August 2016 was presented for the consideration and approval by the board.



Director Mendiola inquired on Item E of the Minutes with respect to the kind of petroleum products that will be purchased. Atty. Ambros responded that it will include gas and diesel fuels, engine oils and lubricants for all the NTA vehicles at the central office and branch/field offices. Dir. Mendiola then moved for the approval of the minutes.

Dir. Elveña also inquired if the budget for CY 2017 has already been approved by the Department of Budget and Management (DBM) and why the NTA Management is in a hurry to purchase these petroleum products considering that the budget is intended for CY 2017. Atty. Ambros replied while the 2017 COB has not been approved, however, the NTA submitted its 2017 Agency Plan and Budget (APB). Atty. Ambros further said that the bidding should be conducted before the end of the year so that winning bidder can already provide the petroleum products starting 01 January 2017.

Dir. Elveña further commented on the accuracy of the budget considering that the prices of petroleum products fluctuate and it would be very premature for the NTA to estimate the consumption for next year. Atty. Ambros replied that it is one of the benefits of having the procurement to be publicly bid and that whether the prices will go up or go down the bidders would have already considered the fluctuations for next year.

Dir. Gacula inquired what was the basis of the Management in coming up with the P3M consumption. Atty. Ambros responded that the figure came from Ms. Ma. Teresa B. Laudencia, Finance Manager, which according to the latter came from the record of actual expenditures and projections until December 31, 2016.

There being no further comment, Director Dante G. Claravall seconded the motion and the Board adopted the following resolution:

RESOLUTION NO. 602-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the Minutes of the Sixty-Sixth (66th) Special Meeting of the NTA Governing Board held on 26 August 2016 at the NTA Board Room, Second Floor, NTA Bldg., Scout Reyes corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

- B. CONSIDERATION OF THE REQUEST OF THE MUNICIPALITY OF GAMU, ISABELA TO ACQUIRE THE NTA (FORMERLY PTA) PROPERTY LOCATED AT BRGY. DIST. 1, GAMULA ISABELA, CONSISTING OF 2,741 SQUARE METERS, TO BE UTILIZED AS ITS PUBLIC MARKET**

(deferred upon motion of Dir. Gacula, subject to submission of formal study and recommendation by the Technical Working Group [TWG])

- C. APPROVAL OF THE COMPROMISE AGREEMENT FOR THE SETTLEMENT OF THE CASE ENTITLED: “NTA VS. AZUCENA BELLO**

& THERESA BELLO”, CIVIL CASE NO. 15-134249, PENDING BEFORE THE REGIONAL TRIAL COURT OF MANILA-BRANCH

Dir. Gacula inquired if the policy to extend the payment period is also applicable to other tenants who availed of lot awards. Atty. Ambros responded that the policy to extend the payment until December 2018 would be applicable only to the Defendants in this particular case and will not apply to other tenants.

Dir. Salanga also inquired if these Defendants are the only occupants and how many more Defendants that has still pending cases. Atty. Ambros replied that there are 178 tenants in the subject NTA property and only 10 tenants did not apply for any lot award. Hence, the NTA filed separate cases against the said 10 occupants. He also said that the board already approved the first compromise agreement with one defendant who agreed to vacate the property. However, Atty. Ambros said that the Defendants in this particular case will not vacate but instead opted to purchase the portion which they occupy but are requesting for an extension to time to pay the amortization.

Considering that the above matter was extensively discussed during yesterday's Committee Meeting, Director Elveña moved for the approval of the matter. Director Rodolfo F. Salanga seconded the motion and the board adopted the following resolution, to wit:

RESOLUTION NO. 603-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the draft of Compromise Agreement for the settlement of the case entitled: **“NATIONAL TOBACCO ADMINISTRATION (formerly Philippine Virginia Tobacco Administration) represented by its Administrator, Edgardo D. Zaragoza, Plaintiff vs. Azucena B. Bello and Theresa B. Bello, Defendants”**, Civil Case No. 15-134249 for Accion Publiciana/Recovery of Possession, pending before the Regional Trial Court of Manila, Branch 39, subject to further review and concurrence by the Office of the Government Corporate Counsel (OGCC).

APPROVED UNANIMOUSLY.”

- D. DESIGNATION OF AN AUTHORIZED REPRESENTATIVE OF THE NTA TO ACT, EXECUTE AND SIGN NECESSARY DOCUMENTS, FOR IN BEHALF OF THE NATIONAL TOBACCO ADMINISTRATION (NTA), RELATIVE TO THE CLAIM FOR SERVICE CHARGE REFUND FROM THE MANILA ELECTRIC COMPANY (MERALCO)**

Atty. Ambros informed the Appointive Directors that Meralco has informed the NTA that it is qualified for a SC refund for its several Service Identification Numbers pursuant to Decision of the Supreme Court in G.R. Nos. 141314 and 141369 and Order of the Energy Regulatory Commission in ERC Case No. 2001-243 amounting to P283,261.21.

As a government entity, Meralco require the designation of an authorized representative to claim the subject SC Refund and to sign the waiver and quitclaim.

Dir. Elveña moved for the approval of the matter and to designate the Vice-Chairman/Administrator Edgardo D. Zaragoza as the authorized representative to act for and in behalf of the NTA for the subject refund.

Dir. Salanga seconded the motion. There being no further comment, the NTA Governing Board adopted the following resolution, to wit:

RESOLUTION NO. 604-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the designation of **Vice-Chairman/Administrator EDGARDO D. ZARAGOZA**, to act, execute and sign any or all necessary documents, for and in behalf of the National Tobacco Administration (NTA) in connection with the claim for SC Refund from the Manila Electric Company (Meralco) amounting to **P283,251.21**.

APPROVED UNANIMOUSLY.”

E. APPROVAL OF THE REQUEST FOR EXTENSION OF TIME TO SUBMIT DOCUMENTARY REQUIREMENTS AND REPORTS TO THE GOVERNANCE COMMISSION FOR GOCCS (GCG) IN CONNECTION WITH THE 2017 PERFORMANCE AGREEMENT NEGOTIATION (PAN)

As the above matter had been thoroughly discussed during yesterday’s meeting for Committee on Corporate Governance and considering that the matter is a requirement of the Governance Commission for GOCCs (GCG), Dir. Gacula moved for the approval of the matter. The motion was duly seconded by Dir. Elveña.

There being no further comment, the NTA Governing Board adopted the following resolution, to wit:

RESOLUTION NO. 605-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board respectfully requests from the Governance Commission for GOCCs (GCG) to favorably grant an extension of time, or until **31 October 2016**, within which to submit all necessary documents and reports in preparation for the execution of the NTA Performance Agreement Negotiation (PAN) for FY 2017.

APPROVED UNANIMOUSLY.”

V. OTHER MATTERS

A. CLAIMS AGAINST THE ESTATE OF THE LATE SYLVIA CHUA

Dir. Gacula inquired from the Acting Legal Counsel on the status of properties owned by the late Sylvia Chua. Atty. Ambros informed the Appointive Directors that he and Atty. Samuel L. Viernes had already coordinated with each other and are now preparing the draft of Petition for the Settlement of Estate. Atty. Ambros said that some of the properties of Ms. Chua were already transferred to the name of her adopted son but some are still in the name of the Sylvia Chua. He further reported that the Petition will be filed next year considering that the filing fee will still be included in the CY 2017 COB.

B. TOBACCO DUST PROCESSING PLANT (TDPP)

Dir. Elveña suggested that the NTA Management should conduct its own independent investigation on the cause of fire that razed the TDPP and also to determine the extent of damage and make a finding whether or not an administrative case should be filed against those who would be found liable therefor. He then suggested for the Management to create a committee to conduct the said independent investigation, and for the said investigation committee to include a Member of the NTA Governing Board.

Dir. Mendiola supported the suggestion of the Dir. Elveña for the creation of the said investigation committee.

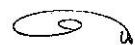
C. NTA CAGAYAN HOUSING PROJECT

Dir. Claravall informed the Board that the concerned employees of the NTA Cagayan Branch Office on the provision of the resolution approving their request for the availment of housing lot from the NTA property at Brgy. San Gabriel, Tuguegarao City. He said that the employees were questioning one of the conditions that construction of houses will be done only upon the execution of the Contract of Sale which will be executed after 5 years when they have already fully paid the amortization.

Atty. Ambros clarified that the prohibition was with respect to the approval of the subdivision plan. This is to prevent any encroachment as the technical description will be available upon the approval of the subdivision plan. Atty. Ambros said that the Contract of Sale shall be executed immediately upon approval of the plan and the concerned employees can already commence to construct their houses. The NTA will just execute the Deed of Absolute Sale after full payment of the amortizations at which time the employees can already process the transfer of the titles to their own names, subject to the payment of applicable taxes and fees.

D. NTA PROPERTY AT TUBA, BENGUET

Dir. Elveña reported that a group of tobacco farmers allegedly informed him that there is an existing property of the NTA located at Tuba, Benguet where the NTA used to conduct farmers' trainings. He said that he wanted to verify the veracity of the said information and he is requesting for an authority to be issued to him to conduct the verification.



There being no other matter to be taken up, Dir. Mendiola, Jr. moved for the adjournment of the meeting. Dir. Salanga seconded the motion.

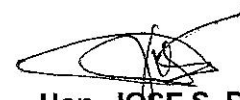
The Presiding Officer adjourned the meeting at 2:20 P.M.

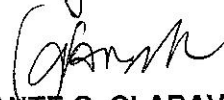
PREPARED AND CERTIFIED CORRECT:



ATTY. ROBERT A. AMBROS
Acting Board Secretary


ATTESTED:


Hon. EDGARDO D. ZARAGOZA
Appointive Director, Vice-Chairman and Administrator


Hon. JOSE S. DIÑO
Appointive Director, Academic Community Sector

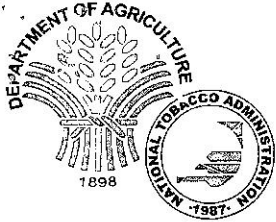

Hon. DANTE G. CLARAVALL
Appointive Director, Tobacco Farmers Sector


Hon. GEOFFREY DG. GACULA
Appointive Director, Tobacco Farmers Sector


Hon. ROGELIO A. ELVEÑA
Appointive Director, Tobacco Farmers Sector


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


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



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NATIONAL TOBACCO ADMINISTRATION

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OFFICE OF THE GOVERNING BOARD

**SIXTY-SEVENTH (67TH) SPECIAL MEETING HELD AT THE BOARD ROOM
SECOND FLOOR, NTA BUILDING, SCOUT REYES STREET CORNER
PANAY AVENUE, QUEZON CITY
21 OCTOBER 2016, 12:00 NOON**

Present:

Hon. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Administrator
Hon. JOSE S. DIÑO	-	Member, Academic Community
Hon. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Hon. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Hon. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Hon. PEDRO J. MENDIOLA, JR.	-	Member, Tob. Traders/Exporters Sector

Others Present:

Dr. PERLITA L. BAULA
Interim Board Secretary

HIGHLIGHTS OF THE MEETING

I. CALL TO ORDER AND OPENING PRAYER

The meeting was called to order at 12:00 noon, with the Vice-Chairman/Administrator Edgardo D. Zaragoza as the Presiding Officer. Director Rogelio A. Elveña led the opening prayer.

II. DETERMINATION OF QUORUM

The Interim Board Secretary declared that there is a quorum with the presence of all of the Appointive Directors of the NTA Governing Board which is sufficient to transact business for the meeting.

At this juncture, Director Jose S. Diño presided the meeting.

III. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. APPROVAL AND CONFIRMATION OF THE MINUTES OF THE NINETY-THIRD (93RD) REGULAR MEETING OF THE NTA GOVERNING BOARD HELD ON 12 OCTOBER 2016 AT THE BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

The Presiding Officer presented the Minutes of the 93rd Regular Meeting of the NTA Governing Board held on 12 October 2016 for their consideration and approval.

Dir. Elveña moved for the approval of the minutes. Director Pedro J. Mendiola, Jr. duly seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 606-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the minutes of the Ninety-Third (93rd) Regular Meeting of the NTA Governing Board held on 12 October 2016 at the NTA Board Room, NTA Bldg., Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

B. PRE-EMPTIVE MEASURES TO MITIGATE THE EFFECT ON THE TOBACCO FARMERS ON THE PROPOSED EXECUTIVE ORDER EXPANDING THE “NO SMOKING AREAS” THROUGHOUT THE COUNTRY

Director Geoffrey DG. Gacula said that during yesterday’s committee meeting, the Acting Board Secretary explained that the information that the draft EO is about to be signed by President Rodrigo Duterte came from the website of CNN Philippines which is a trusted source of news articles. Further, the Appointive Members were informed that that DOH Secretary Paulyn Jean B. Rosell-Ubial was heard over the radio while being interviewed by former Senator Orly Mercado in the latter’s radio program that the EO will adopt the local ordinance of Davao City designating smoking areas within the city. Secretary Ubial further stated that the EO will only direct the local government units to adopt an ordinance to designate certain smoking areas. She further said that the establishment owners will be the ones to be subjected to fines and penalties and not the smokers.

Dir. Gacula said that the Agency will just wait for the EO to be signed by the President. However, he said that the same should not go beyond what RA 9211 designates as no smoking areas.

Director Dante G. Claravall also noted that the Agenda B pertains only to tobacco farmers. He suggested that the title should be amended to include the other stakeholders of the tobacco industry.

(deferred subject to the issuance of the proposed Executive Order)

C. PROPOSED LEGISLATIVE BILLS FURTHER INCREASING THE SIN TAX ON CIGARETTES

Dir. Gacula stated that the matter under consideration is akin with that of the proposed EO expanding the no smoking area. As such, the Agency will just wait for the proponents of the said legislative bills to be filed before the Agency will make its comment.

(deferred subject to the filing of the proposed Legislative Bills)

V. OTHER MATTERS:

A. CONSTRUCTION OF NTA QUALITY ASSURANCE LABORATORY BUILDING

Dir. Gacula manifested that during the last committee meeting there was a discussion in connection with the delays in the construction of the building. He said that despite notice, the contractor failed to appear. He then moved that the contractor be declared in default and require them to show-cause why their performance bond should not be forfeited.

Dir. Diño instructed the Interim Board Secretary to inform the NTA Management of the manifestation of Dir. Gacula and that the executives in-charged on the matter be invited to join the next committee meeting.

B. SUPER TYPHOON "LAWIN"

Dir. Diño instructed the Interim Board Secretary to require the branch offices to submit their respective reports on the extent of damages caused by the recent super typhoon which affected Regions I, II and CAR. He intimated that the report should be ready before October 27.

Dir. Claravall emphasized that the report on damages should include WS Rice 2016, KPP-bamboo and tree modules, IFOIGAP-TCGS seedbeds and the curing barns. However, he requested that the reports for Cagayan and Isabela BOs be exempted from the October 27 deadline because there are no electricity and communications system yet. Dir. Gacula said that partial assessment may do.

Dir. Elveña suggested to also add in the notice to the branch offices their suggestions on how the NTA can help the affected tobacco farmers.

C. TOBACCO DUST PROCESSING PLANT

Dir. Elveña recalled that the board suggested for the creation of an Ad Hoc Committee to conduct investigation of the fire that razed the TDPP. He said that the incident was reported to the board only after a month. However, the board cannot wait for the report of the Ad Hoc Committee, he then moved that the Project Manager of the TDPP should submit his incident report and personally submit the same to the board in the next meeting.

There being no other matter to be discussed and upon motion of Dir. Mendiola, Jr., duly seconded by Dir. Elveña, the Board adjourned at about 2:15 P.M.

The NTA Governing Board tentatively scheduled the next Board Committee Meeting on 27 October 2016 and Board Meeting on 28 October 2016.

PREPARED AND CERTIFIED CORRECT:


DR. PERLITA L. BAULA
Interim Board Secretary

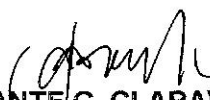
ATTESTED:



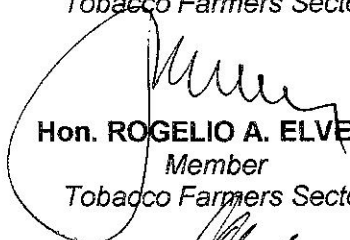
Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator
Presiding Officer



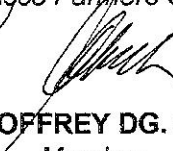
Hon. JOSE S. DIÑO
Member
Academic Community Sector



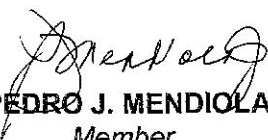
Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector



Hon. ROGELIO A. ELVEÑA
Member
Tobacco Farmers Sector



Hon. GEOFFREY DG. GACULA
Member
Tobacco Farmers Sector



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

(Absent)

Hon. RODOLFO F. SALANGA
Member
Tobacco Manufacturing Sector



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 GOVERNING BOARD

**SIXTY-EIGHTH (68TH) SPECIAL MEETING HELD AT THE BOARD ROOM
SECOND FLOOR, NTA BUILDING, SCOUT REYES STREET CORNER
PANAY AVENUE, QUEZON CITY
28 OCTOBER 2016, 12:00 NOON**

Present:

Hon. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Administrator
Hon. JOSE S. DIÑO	-	Member, Academic Community
Hon. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Hon. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Hon. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Hon. PEDRO J. MENDIOLA, JR.	-	Member, Tob. Traders/Exporters Sector
Hon. RODOLFO F. SALANGA	-	Member, Tob. Manufacturing Sector

Others Present:

Dr. PERLITA L. BAULA
Interim Board Secretary

HIGHLIGHTS OF THE MEETING

I. CALL TO ORDER AND OPENING PRAYER

The meeting was called to order at 12:00 noon, with the Vice-Chairman/Administrator Edgardo D. Zaragoza as the Presiding Officer. Director Rogelio A. Elveña led the opening prayer.

II. DETERMINATION OF QUORUM

The Interim Board Secretary declared that there is a quorum with the presence of all of the Appointive Directors of the NTA Governing Board which is sufficient to transact business for the meeting.

At this juncture, Director Jose S. Diño presided the meeting.

III. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. APPROVAL AND CONFIRMATION OF THE MINUTES OF THE SIXTY SEVENTH (67TH) SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD ON 21 OCTOBER 2016 AT THE BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

The Presiding Officer presented the Minutes of the 67th Special Meeting of the NTA Governing Board held on 21 October 2016 for their consideration and approval.

Dir. Elveña moved for the approval of the minutes. Director Dante G. Claravall duly seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 607-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the minutes of the Ninety-Third (93rd) Regular Meeting of the NTA Governing Board held on 12 October 2016 at the NTA Board Room, NTA Bldg., Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

- B. REQUEST OF THE MUNICIPALITY OF GAMU, ISABELA TO ACQUIRE THE NTA (FORMERLY PTA) PROPERTY LOCATED AT BRGY. DIST. 1, GAMU, ISABELA, CONSISTING OF 2,741 SQUARE METERS**

(deferred)

- C. APPROVAL OF THE COMPROMISE AGREEMENT FOR THE SETTLEMENT OF THE CASE ENTITLED: “NTA VS. HEIRS OF JUAN T. AGOO, represented by NESTOR D. AGOO & RAMON D. AGOO”, CIVIL CASE NO. 15-134251, PENDING BEFORE THE REGIONAL TRIAL COURT OF MANILA-BRANCH 51**

The Presiding Officer informed the body that the above subject matter was already discussed during the meeting of the Committee on Legal Matters and Properties for which the Appointive Members agreed to approve.

Director Rodolfo F. Salanga moved for the approval of the matter. Dir. Elveña duly seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 608-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the draft of Compromise Agreement for the settlement of the case entitled: **“NATIONAL TOBACCO ADMINISTRATION (formerly Philippine Virginia Tobacco Administration) represented by its Administrator, Edgardo D. Zaragoza, Plaintiff vs. Heirs of Juan T. Agoo, represented by Nestor D. Agoo and Ramon D. Agoo, Defendants”**, Civil Case No. 15-134251 for: Accion Publiciana/Recovery of Possession, pending before the Regional Trial Court of Manila, Branch 51, subject to further review and concurrence by the Office of the Government Corporate Counsel (OGCC).

UNANIMOUSLY APPROVED.....”

D. ASSESSMENT OF DAMAGES CAUSED BY SUPER TYPHOON "LAWIN" ON THE RICE PRODUCTION AND TOBACCO SEEDBEDDING PREPARATION

The Presiding Officer stated that the matter was discussed yesterday's committee meeting. He said that the Board needs the complete report of the different Branch Offices on the extent of typhoon damage.

Dir. Elveña requested that the reports should include the damages on rice production and tobacco seed bedding in addition to the report of damaged curing barns and the KPP project, and other NTA facilities, if any.

Dir. Dir. Claravall however commented that curing barns should be deleted.

The Presiding Officer requested the Interim Board Secretary to request the Vice-Chairman/Administrator to issue a memorandum to the BOs on the matter.

Director Pedro J. Mendiola, Jr. moved for the deferment of the matter subject to the submission of the complete damage report. Dir. Salanga seconded the motion.

(deferred)

ADDENDUM:

E. APPROVAL OF THE NTA'S REQUEST TO THE GOVERNANCE COMMISSION FOR GOCCs FOR THE GRANT OF DIFFERENTIAL OF FY 2015 PERFORMANCE-BASED BONUS (PBB) BASED ON THE RATE FOR PROFITABLE GOCCs

Dr. Cristina C. Lopez, Department Manager III, Administrative Department, explained that before the grant of the FY 2015 PBB of NTA officers and employees, she already made an unofficial reservation on the classification of NTA as a "Losing" Corporation. However, at the time of the GCG authority to grant was issued, the NTA Management had already received the GCG's classification of the NTA as a "Profitable" Corporation, but she said there was no more time to refute the same considering the pending change of administration and wait the new set of GCG Commissioners which would take a long time to be reconsidered.

Dr. Lopez recalled that since May 10, 2016, the Department of Budget and Management (DBM) already made a categorical statement that the NTA's share from RA 4155 may be treated as an income. She said that the GCG made inconsistent classification of the NTA in its approval of the PBB and its June 15, 2016 letter wherein the GCG classified the NTA as a Profitable Corporation.

Dir. Claravall said that considering that the GCG has already made a categorization of the NTA as a Profitable Corporation, then it necessarily follows that the NTA should also apply for a reclassification of the PBB rate.

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

RESOLUTION NO. 609-2016

“WHEREAS, on 27 June 2016, the Governance Commission for Government-Owned and Controlled Corporations (GCG) authorized the grant of FY 2015 Performance-Based Bonus (PBB) to eligible NTA officers and employees in the total amount of **P3,487,850.00** based on the schedule of incentive for “Losing” GOCCs, pursuant to Section 5.2.2 of GCG Memorandum Circular No. 2015-05 dated 15 July 2015.

WHEREAS, the Department of Budget and Management (DBM) in its letter to the NTA dated May 10, 2016, has made a categorical position that the NTA’s 40% share from the total excise tax collection may be treated as income of the NTA, hence, the NTA can be eligible as a Profitable GOCC pursuant to Section 5.2.1 of GCG MC No. 2015-05, as follows:

Percentile	-	Multiple
Top: Maximum 10%	-	2.50
Next: Maximum 25%	-	1.50
Remaining: Maximum 65%-		1.00

WHEREAS, through the representation of Mesdames Cristina C. Lopez and Dinah E. Pichay before Ms. Clariza Mae A. Columna of the GCG with respect to the above matters and for the reconsideration of the GCG letter dated 27 June 2016 on the basis that the GCG in its letter dated 15 June 2016 has classified the NTA as a Profitable GOCC and for the concomitant amendment/adjustment of the rates of PBB for FY 2015 provided under Section 5.2.1 of GCG MC No. 2015-05, the latter advised the NTA to submit its formal request to the effect.

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board hereby approves the NTA’s request for the payment of differentials of the Performance-Based Bonus (PBB) for FY 2015 to NTA officers and employees at the incentive rate provided under Section 5.2.1 of GCG MC No. 2015-05, subject to the approval of and authorization from the GCG..

UNANIMOUSLY APPROVED.....”

V. OTHER MATTERS:

A. EARLY GRANT OF YEAR-END BONUS (YEB)

The Presiding Officer stated that as far as the board is concerned, it cannot make action because the law provides that the grant of YEB should not be earlier than November 15.

Dr. Lopez explained that the matter was prompted by an appeal from the NTA employees in view of the damages caused by Typhoon Lawin in Regions 1, 2 and CAR. She said further that the Civil Service Commission allows the monetization of 50% of accrued leave credits in similar cases.

B. CLAIM OF BACKPAY OF COST OF LIVING ALLOWANCE (COLA)

Dir. Claravall inquired from Dr. Lopez on the status of claim for COLA. Dr. Lopez reported that there was already a Decision from the Regional Trial Court of Quezon City on entitlement of COLA, but the said decision directed the claimants to file their claim before the Commission on Audit. Dr. Lopez further said that the claim was already filed with the COA and the NTA is still awaiting for the decision. She said that the initial computation of the total claims amounts to about P165 Million.

C. TOBACCO DUST PROCESSING PLANT (TDPP)

Dir. Elveña stated that it is the third time that the board requested the presence of Mr. Hermogenes Galvez to submit his investigation report which should be parallel to the on-going investigation report by the Bureau of Fire Protection. He said that Mr. Galvez should explain why he should not be held liable for not reporting the fire incident.

Dir. Gacula further said that if Mr. Galvez will not comply, then it is required to file the necessary administrative case for insubordination.

Dr. Lopez said that Mr. Galvez already submitted his report to the Administrator immediately after the incident. She said that the NTA Management Team evaluated the report and came out with its own report and she said she is not aware if the Administrator forwarded the report to the Honorable Board.

Dir. Salanga observed that the pictures taken do not show any pile or fire and there is no "mandala" that was burned.

Dr. Lopez reported that in compliance with the directive of the board during its meeting last week, the Administrator already signed the composition of an Investigation Committee through a Special Order with Atty. Ambros as the Chairman. She said that the SO also provides that any member of the board may oversee the investigation.

Dir. Elveña then reiterated his instruction to require Mr. Galvez to report to the board in its next meeting to discuss his report and to include the consideration of his request for budget in the repair of certain equipment/machineries in the TDPP.


There being no other matter to be discussed and upon motion of Dir. Mendiola, Jr., duly seconded by Dir. Elveña, the Board adjourned at about 3:02 P.M.


The NTA Governing Board tentatively scheduled the next Board Committee Meeting on 10 November 2016 and Board Meeting on 11 November 2016.

PREPARED AND CERTIFIED CORRECT:


DR. PERLITA L. BAULA
Interim Board Secretary

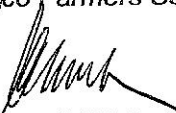
ATTESTED:



Hon. EDGARDO D. ZARAGOZA
Vice-Chairman and NTA Administrator
Presiding Officer


Hon. JOSE S. DIÑO
Member
Academic Community Sector


Hon. DANTE G. CLARAVALL
Member
Tobacco Farmers Sector

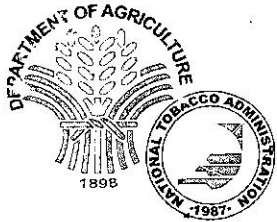

Hon. ROGELIO A. ELVEÑA
Member
Tobacco Farmers Sector


Hon. GEOFFREY DG. GACULA
Member
Tobacco Farmers Sector


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


Hon. RODOLFO F. SALANGA
Member
Tobacco Manufacturing Sector

B



Republic of the Philippines
DEPARTMENT OF AGRICULTURE
NATIONAL TOBACCO ADMINISTRATION
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Tel No. (02) 374-3987 Fax. No. (02) 374-2505

OFFICE OF THE NTA GOVERNING BOARD

**NINETY-FOURTH (94TH) REGULAR MEETING OF THE NTA BOARD OF DIRECTORS
HELD AT THE BOARD ROOM, SECOND FLOOR, NTA BUILDING,
SCOUT REYES STREET COR. PANAY AVENUE, QUEZON CITY
22 NOVEMBER 2016, 12:00 NOON**

Present:

Adm. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Presiding Officer
Dir. JOSE S. DIÑO	-	Member, Academic Community Sector
Dir. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Dir. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Dir. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Dir. PEDRO J. MENDIOLA, JR.	-	Member, Traders/Exporters Sector
Dir. RODOLFO F. SALANGA	-	Member, Manufacturing Sector

Others Present:

Atty. ROHBERT A. AMBROS
Chief Tobacco Production and Regulation Officer
and concurrently Acting Board Secretary and
Acting Legal Counsel

HIGHLIGHTS OF THE MEETING

I. OPENING PRAYER

Director Rogelio A. Elveña led the opening prayer.

II. CALL TO ORDER

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

III. DETERMINATION OF A QUORUM

The Acting Board Secretary declared that there is a quorum for the meeting with the presence of all of the Appointive Members of the NTA Governing Board. At this juncture, Director Jose S. Diño presided the meeting.

IV. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. MINUTES OF THE SIXTY-EIGHT (68TH) SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD ON 28 OCTOBER 2016, AT THE BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

The Minutes of the 68th Special Meeting of the NTA Governing Board held on 28 October 2016 was presented for the consideration and approval by the board.

Dir. Elveña stated that the Members of the Board had made perusal of the copy of the minutes and found no significant correction or amendment. He then moved for the approval of the minutes. Director Dante G. Claravall seconded the motion.

There being no further comment, the Board adopted the following resolution:

RESOLUTION NO. 610-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED,
that the NTA Governing Board approves the Minutes of the Sixty-Eight (68th) Special Meeting of the NTA Governing Board held on 28 October 2016 at the NTA Board Room, Second Floor, NTA Bldg., Scout Reyes corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

B. CONDUCT OF PUBLIC BIDDING FOR THE PROCUREMENT OF UPGRADED INFORMATION TECHNOLOGY HARDWARE/ SOFTWARE WITH AN APPROVED BUDGET FOR THE CONTRACT (ABC) IN THE AMOUNT OF P2,915,000.00

The Presiding Officer presented to the Members of the NTA Governing Board the request of NTA Management for the conduct of public bidding in the purchase of computer units, scanner and LCD projectors amounting to P2,915,000.00. The Presiding Officer said that the matter had been deliberated during the committee meeting yesterday and there were proposed changes in the units to be purchased as well as on the cost.

Director Rodolfo F. Salanga stated that the changes were brought about by the reduction of 1 unit of laptop and 1 unit desktop computers. He then moved for the approval of the public bidding at the reduced amount.

Dir. Claravall however said that there is an insertion for the one (1) laptop unit for use by the legal officer, hence, the reduced amount is further increased to P2,790,000.00.

Both Directors Claravall and Pedro J. Mendiola, Jr. seconded the motion for the approval of the matter. There being no further comment, the board adopted the following resolution, to wit:

RESOLUTION NO. 611-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED,
that the NTA Governing Board approves the request of the NTA Management for the conduct of public bidding for the procurement of upgraded Information Technology hardware/software with an Approved Budget for the Contract (ABC) in the amount of P2,790,000.00.

UNANIMOUSLY APPROVED.....”

C. FILLING-UP OF VACANT PLANTILLA POSITIONS

The Presiding Officer stated that the Members of the Board thoroughly discussed the matter during yesterday's committee meeting. He said that majority of the Members requested for the deferment of the matter pending the receipt of the official communication from the Civil Service Commission (CSC) stating that there is no legal impediment to make appointments in view of the fact that all the Appointive Members of the Board are in hold-over capacities.

(deferred)

D. APPROVAL OF THE 2017 PERFORMANCE EVALUATION SCORECARD (PES)

Dir. Claravall moved for the approval of the matter. There being no further comment, the NTA Governing Board adopted the following resolution, to wit:

RESOLUTION NO. 612-2016

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the submission of the 2017 Performance Evaluation Scorecard (PES) in preparation for the execution of the NTA Performance Agreement Negotiation (PAN) for FY 2017.

APPROVED UNANIMOUSLY."

E. NOTATION THAT THE 2015 NTA RISK MANAGEMENT PLAN IS A CONTINUING PROJECT OF THE AGENCY AND APPLICABLE FOR CYs 2016 AND 2017

Dir. Elveña recalled that there was a discussion on the matter yesterday. However, he said that there was likewise a motion for the NTA Management to submit the consolidated damage report caused by Typhoon Lawin, including the report of damages caused by fire incident at the Tobacco Dust Processing Plant (TDPP). He then moved for the approval of the matter.

Dir. Gacula seconded the motion. There being no further comment, the NTA Governing Board adopted the following resolution, to wit:

RESOLUTION NO. 613-2016

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board duly notes that the 2015 NTA Risk Management Plan is a continuing project of the Agency and is applicable for CYs 2016 and 2017, subject to additional funding on a need basis to be incorporated in the 2017 Corporate Operating Budget (COB).

APPROVED UNANIMOUSLY."

**E. REQUEST FOR PUBLIC BIDDING OF VARIOUS LABORATORY
FIXTURES, EQUIPMENT AND SOFTWARE**

(deferred)

V. OTHER MATTERS

**A. ALLEGED ILLEGAL MANUFACTURERS OF COUNTERFEIT
CIGARETTES**

Dir. Elveña brought to the attention of the Members of the NTA Governing Board about the alleged proliferation cigarette manufacturing plants in San Fernando, La Union, Villasis, Pangasinan and Lubao, Pampanga, as reported by Dir. Salanga. He inquired from the Presiding Officer if NTA Management has initiated any action on the matter.

The Presiding Officer gave additional information that the November 22, 2016 issue of the Philippine Daily Inquirer reported that the Bureau of Customs seized worth P50 Million fake cigarettes from different warehouses in Davao City. He then inquired from the Acting Board Secretary to give the Members of the Board for any action by the NTA Management.

Atty. Ambros reported that, after receiving reliable information, a Team from the Regulation Department, went to Lubao, Pampanga, where fake cigarettes were allegedly being manufactured. The NTA Inspectors found tobacco cut rags, cigarettes making machines and packaging materials, as well as BIR excise tax stamps. He also reported that aside from a warehouse in Brgy. San Isidro, the NTA Inspectors also inspected another warehouse at Brgy. Lourdes of the same municipality, where they have found packages of acetate tow. The NTA inspectors were able to padlock the warehouse at Brgy. San Isidro.

Dir. Gacula further stated that the BOC and BIR have the arm to do the confiscation and they can deputize the Armed Forces of the Philippines whenever it is needed. The Presiding Officer then stated that he matter should be discussed in the next board meeting.

Dir. Salanga reported that he already suggested the creation of a Task Force composed by the different concerned agencies of the government. While the private sector group had provided the DTI, BIR and the DOH of pictures and list of vendors of smuggled cigarettes, but no action was taken by the said agencies. He suggested that the NTA should ask to be deputized by the BIR in the confiscation of fake tax stamps and from the BOC for cigarette making machines.

Dir. Gacula asked from the Acting Board Secretary if the NTA has intelligence funds. The Acting Board Secretary replied that it does not have, but the NTA is collecting regulatory and supervision fees and it can be used for the purpose. Dir. Gacula then suggested that the NTA should request the BOC and BIR to be deputized in implementing the Revenue Code and BIR Regulations.

Dir. Elveña then requested the Acting Board Secretary to prepare the draft of resolution for the request to the BIR and BOC for NTA to be deputized

in the confiscation of illegal stamps and cigarette making machines. He also suggested that an intelligence fund be created and included in the COB for next year, which will come from the collection of regulatory fees.

There being no other matter to be taken up, Dir. Mendiola, Jr. moved for the adjournment of the meeting. Dir. Salanga seconded the motion.


The Presiding Officer adjourned the meeting at 3:15 P.M.

PREPARED AND CERTIFIED CORRECT:


ATTY. ROBERT A. AMBROS
Acting Board Secretary


ATTESTED:


Hon. EDGARDO D. ZARAGOZA
Appointive Director, Vice-Chairman and Administrator


Hon. JOSE S. DIÑO
Appointive Director, Academic Community Sector

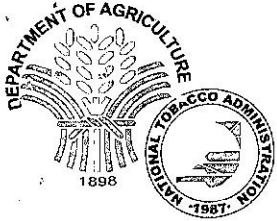

Hon. DANTE G. CLARAVALL
Appointive Director, Tobacco Farmers Sector


Hon. GEOFFREY DG. GACULA
Appointive Director, Tobacco Farmers Sector


Hon. ROGELIO A. ELVEÑA
Appointive Director, Tobacco Farmers Sector


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


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



OFFICE OF THE NTA GOVERNING BOARD

**NINETY-FIFTH (95TH) REGULAR MEETING OF THE NTA BOARD OF DIRECTORS
HELD AT THE BOARD ROOM, SECOND FLOOR, NTA BUILDING,
SCOUT REYES STREET COR. PANAY AVENUE, QUEZON CITY
20 DECEMBER 2016, 12:00 NOON**

Present:

Adm. EDGARDO D. ZARAGOZA	-	Vice-Chairman/Presiding Officer
Dir. JOSE S. DIÑO	-	Member, Academic Community Sector
Dir. DANTE G. CLARAVALL	-	Member, Tobacco Farmers Sector
Dir. ROGELIO A. ELVEÑA	-	Member, Tobacco Farmers Sector
Dir. GEOFFREY DG. GACULA	-	Member, Tobacco Farmers Sector
Dir. PEDRO J. MENDIOLA, JR.	-	Member, Traders/Exporters Sector
Dir. RODOLFO F. SALANGA	-	Member, Manufacturing Sector

Others Present:

Atty. ROHBERT A. AMBROS
Chief Tobacco Production and Regulation Officer
and concurrently Acting Board Secretary and
Acting Legal Counsel

HIGHLIGHTS OF THE MEETING

I. OPENING PRAYER

Director Rogelio A. Elveña led the opening prayer.

II. CALL TO ORDER

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

III. DETERMINATION OF A QUORUM

The Acting Board Secretary declared that there is a quorum for the meeting with the presence of all of the Appointive Members of the NTA Governing Board. At this juncture, Director Jose S. Diño presided the meeting.

IV. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. MINUTES OF THE NINETY-FOURTH (94TH) SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD ON 22 NOVEMBER 2016, AT THE

BOARD ROOM, SECOND FLOOR, NTA BLDG., SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

The Minutes of the 94th Regular Meeting of the NTA Governing Board held on 22 November 2016 was presented for the consideration and approval by the board.

There being no further comment, the Board unanimously adopted the following resolution:

RESOLUTION NO. 614-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED,
that the NTA Governing Board approves the Minutes of the Ninety-Fourth (94th) Regular Meeting of the NTA Governing Board held on 22 November 2016 at the NTA Board Room, Second Floor, NTA Bldg., Scout Reyes corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

B. PUBLIC BIDDING OF VARIOUS LABORATORY FIXTURES, EQUIPMENTS AND SOFTWARE

(deferred)

C. APPROVAL OF THE SUBDIVISION PLAN FOR THE NTA CGAYAN PROPERTY AS HOUSING LOTS FOR NINE (9) NTA OFFICERS/EMPLOYEES

The Presiding Officer presented to the Appointive Directors of the NTA Governing Board the subdivision plan of the NTA property at Tuguegarao City, Cagayan, as housing lots for none (9) officers/employees.

Upon motion of Director Geoffrey DG. Gacula and duly seconded by Dir. Elveña, the board adopted the following resolution, to wit:

RESOLUTION NO. 615-2016

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED,
that the NTA Governing Board approves the subdivision plan for the NTA Property located at Tuguegarao City, Cagayan, as housing lots for nine (9) NTA officers/employees, subject to compliance with the terms and conditions embodied in Board Resolution No. 547-2016 dated 20 January 2016.

UNANIMOUSLY APPROVED.....”

D. RENEWAL OF THE CONTRACT OF SERVICE OF ATTY. SAMUEL L. VIERNES FOR THE PERIOD 01 JANUARY 2017 TO 31 DECEMBER 2017

For consideration is the request for the renewal of the contract of Atty. Viernes. Corollary to the request is the increase of Atty. Viernes' monthly

consultancy from P19,251.00 to P30,000.00 due to the reasons that the current rate of Atty. Viernes was based on the salary of Legal Officer IV in 2005 and the same was not increased for more than 10 years and that Atty. Viernes will be handling 10 new cases for recovery of possession against the informal settlers of the NTA Paco Property and additional cases to be filed for the same case of recovery of possession for the NTA properties located at the Provinces of Isabela and Cagayan.

Dir. Gacula informed that body that Atty. Viernes was invited during yesterday's committee meeting and reported on the updates of NTA cases that he is handling. He said further that Atty. Viernes will be working with the Acting Legal Counsel in the settlement of estate of Sylvia Chua and the recovery of possession of properties located at the Provinces of Isabela and Cagayan.

Dir. Diño moved for the approval of the renewal of contract of services of Atty. Viernes. The motion was duly seconded by Director Dante G. Claravall.

There being no further comment, the NTA Governing Board adopted the following resolution, to wit:

RESOLUTION NO. 616-2016

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the renewal of the contract of services of Atty. Samuel L. Viernes effective 01 January 2017 to 31 December 2017.

RESOLVED, FURTHER, that for the reasons stated in the request, the monthly consultancy fee of Atty. Viernes is hereby increased from P19,251.00 to P30,000.00, subject to the concurrence of the Office of the Government Corporate Counsel (OGCC) and the Commission on Audit (COA).

RESOLVED, STILL FURTHER, that in the meantime that the concurrences of the OGCC and COA are still being sought for the increase in the consultancy fee of Atty. Viernes, the contract of services of Atty. Viernes may be renewed under the old rate and that upon concurrence thereof by OGCC and COA, the increase in his fee shall be automatically incorporated in the contract of service to take effect retroactively from 01 January 2017.

RESOLVED, FINALLY, that Atty. Viernes shall submit a monthly report to the NTA Governing Board on the status of all NTA cases he is handling..

APPROVED UNANIMOUSLY."

- E. **REQUEST FOR APPROVAL OF RECLASSIFICATION OF THE AMOUNT OF PHP25,000,000.00 FROM LAND AND LAND IMPROVEMENT OUTLAY TO BUILDING AND STRUCTURE OUTLAY OF THE CORPORATE OPERATING BUDGET FOR CY 2016**

Director Rodolfo F. Salanga stated that Mr. Rex Antonio P. Teoxon, Manager, Corporate Planning Department and Mr. Reynaldo R. Aquino, Budget Officer V, were invited during yesterday's committee meeting. He said that the said resource persons satisfactorily explained the reason for the reclassification which was due to mere inadvertence in the submission of the CY 2016 Corporate Operating Budget (COB). He further said that the approval of the board of the subject reclassification is being required by the Department of Budget and Management for necessary adjustment.

Dir. Salanga then moved for the approval of the matter. Director Pedro J. Mendiola, Jr. seconded the motion. There being no further comment, the NTA Governing Board adopted the following resolution, to wit:

RESOLUTION NO. 617-2016

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the reclassification of the amount of **TWENTY FIVE MILLION PESOS (P25,000,000.00)** from "Land and Land Improvement Outlay" to "Building and Structure Outlay" in the DBM-Approved NTA Corporate Operating Budget for Fiscal Year 2016.

APPROVED UNANIMOUSLY."

There being no other matter to be taken up, Dir. Mendiola, Jr. moved for the adjournment of the meeting. Dir. Salanga seconded the motion.

The Presiding Officer adjourned the meeting at 4:05 P.M.


PREPARED AND CERTIFIED CORRECT:


ATTY. ROBERT A. AMBROS
Acting Board Secretary

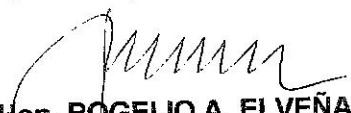
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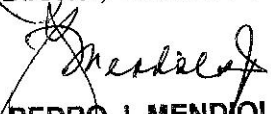

Hon. EDGARDO D. ZARAGOZA
Appointive Director, Vice-Chairman and Administrator


Hon. JOSE S. DIÑO
Appointive Director, Academic Community Sector


Hon. DANTE G. CLARAVALL
Appointive Director, Tobacco Farmers Sector


Hon. GEOFFREY DG. GACULA
Appointive Director, Tobacco Farmers Sector


Hon. ROGELIO A. ELVEÑA
Appointive Director, Tobacco Farmers Sector


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


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