



## **OFFICE OF THE NTA GOVERNING BOARD**

### **2020 REPORT OF THE COMMITTEE ON BOARD AUDIT AND FINANCE**

**Composition:** Reconstituted as per Board Resolution No. 1037-2019 dated 12 March 2019 and further reconstituted by Board Resolution No. 1198-2020 dated 29 June 2020.

**Chairman - Dir. Rodolfo F. Salanga**  
**Members - Adm. Robert Victor G. Seares, Jr.**  
**Dir. Nestor C. Casela**  
**Dir. Wilfredo C. Martinez**

#### **Functions:**

- a. To serve as a study group to recommend to the Governing Board the adoption/enhancement of policies related to effective management, and operational systems & procedures. Specifically, it shall be responsible for the following: 1. Oversee, monitor and evaluate the adequacy and effectiveness of NTA's internal control system, 2. Engage and provide oversight of the NTA's internal and external auditors, and, 3. Coordinate with the Commission on Audit (COA);
- b. Reviewing and approving audit scope and frequency, the annual internal audit plan, quarterly, semi-annual and annual financial statements before submission to the Governing Board, focusing on changes in accounting policies and practices, major judgmental areas, significant adjustments resulting from the audit, going-concern assumptions, compliance with accounting standards, and compliance with tax, legal, regulatory and COA requirements;
- c. Receiving and reviewing reports of internal and external auditors and regulatory agencies, and ensuring that Management is taking appropriate corrective actions, in a timely manner in addressing control and compliance functions with regulatory agencies;

- d. Ensuring that internal auditors have free and full access to the NTA's records, properties and personnel relevant to and required by its function and that the internal auditing activity shall be free from interference in determining its scope, performing its work and communicating its results; and
- e. Developing a transparent financial management system that will ensure the integrity of internal control activities throughout the NTA through a procedures and policies handbook that will be used by the entire organization.

**Dates of committee meetings conducted:**

- a. January 14, 2020;
- b. March 4, 2020;
- c. July 14, 2020;
- d. October 27, 2020; and
- e. December 17, 2020

**The Committee recommended the approval of the following matters, to wit:**

1. Recommended the approval for the amendment of the cost for the proposed construction of new NTA Building to P1.9 Billion as confirmed in Board Res. No. 1171-2020;
2. Recommended the approval of the Audit Plan for CY 2019, as confirmed under Board Res. No. 1006-2019 dated January 25, 2019;
3. Recommended the approval of the FY 2020 Corporate Operating Budget (COB) in the amount of P1.365Billion as confirmed under Board Res. No. 1183-2020;
4. Recommended the partial modification on the utilization of the amount of P164.28Million initial funding for the construction of new NTA Building, as confirmed under Board Res. No. 1184-2020;
5. Recommended the approval for the designation of authorized signatories of the NTA AgriPinoy Meat Processing Plant, as confirmed under Board Res. No. 1186-2020;
6. Recommended the approval of the Amended FY 2020 COB in the amount of P1.326Billion, as confirmed under Board Res. No. 1191-2020;

7. Recommended the approval of the amendment of Board Resolution No. 1184-2020 to further revise the cost of the proposed new NTA building, as confirmed under Board Res. No. 1192-2020;
8. Recommended the approval of the of the FY 2021 Agency Plan and Budget (APB) in the amount of P2.635Billion, as confirmed under Board Res. No. 1193-2020;
9. Recommended the grant of authority for the Administrator as official signatory to all NTA Bank Accounts, as confirmed under Board Res. No. 1199-2020;
10. Recommended the realignment of CBAP fund to the Improved Tobacco Seedling Production, as confirmed under Board Res. No. 2012-2020;
11. Recommended the approval for the allocation of funds for the Tobacco Farm Mechanization Program in the amount of P51.55Million, as confirmed under Board Res. No. 2013-2020; and
12. Recommended the amendment of Board Res. No. 620-2017 to include Dorman and Current Receivables for Impairment of Losses, as confirmed under Board Res. No. 2019.

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Prepared and Certified Correct by:



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