



Republic of the Philippines  
DEPARTMENT OF AGRICULTURE  
NATIONAL IRRIGATION ADMINISTRATION  
CENTRAL OFFICE

October 17, 2023

*Handwritten signature*  
10/17/23

FOR : The BOARD AUDIT COMMITTEE  
NIA Board of Directors

THRU : The Corporate Board Secretary

SUBJECT : Notice of Meeting re 30<sup>th</sup> Board Audit Committee Meeting

Please be informed that the 30<sup>th</sup> Board Audit Committee Meeting will be held this 20<sup>th</sup> day of October 2023, 9:00 A.M., face-to-face or *via* Zoom application (Meeting ID: 817 9106 7611, Password: 195661) with the following matters to be discussed/presented:

1. IAS accomplishments
2. On-going activities
3. Administrative matters/concerns
4. Other matters.

Anticipating your attendance on said meeting. Thank you.

*Handwritten signature*  
PEPITO L. PADILLA

Manager, Internal Audit Services



Republic of the Philippines  
DEPARTMENT OF AGRICULTURE  
NATIONAL IRRIGATION ADMINISTRATION  
CENTRAL OFFICE

## OFFICE OF THE BOARD OF DIRECTORS

### BOARD AUDIT COMMITTEE MEETING

20 October 2023, 9:00 AM

Hybrid Meeting

### ATTENDANCE SHEET

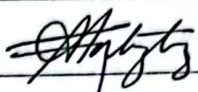



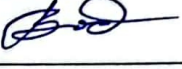

| No. | NAME                           | DESIGNATION/<br>OFFICE               | SIGNATURE                   |
|-----|--------------------------------|--------------------------------------|-----------------------------|
| 1.  | USEC. MARIA CATALINA E. CABRAL | DPWH                                 |                             |
| 2.  | ASEC. RODERICK M. PLANTA       | NEDA                                 | Present by Teleconferencing |
| 3.  | DIR. EFREN S. BARTOLOE SR.     | PRIVATE SECTOR                       | Present by Teleconferencing |
| 4.  | ATTY. PEPITO PADILLA           | Department Manager<br>IAS            |                             |
| 5.  | MIYA LUANNE D. BASUNILLO       | OCBS<br>Minute Officer A             |                             |
| 6.  | KATRINA ISABEL S. JIMENEZ      | Supervising Research<br>Analyst      |                             |
| 7.  | SARAH D. FRAGO                 | Records Officer A                    |                             |
| 8.  | KATRINA A. FERNAN              | SENIOR INTERNAL<br>CONTROL OFFICER A |                             |
| 9.  | MARIA TEODORA S. PAGALILAWAN   | Acting Division Manager<br>DMAD- IAS |                             |
| 10. | LOUIS ALBERT B. SADOI          | INTERNAL CONTROL<br>OFFICER A        |                             |
| 11. | Arjie C. Casiovin              | Secretary A                          |                             |
| 12. | Anna Lhiza V. Delmendo         | Internal Control Officer A           |                             |

National Government Center, EDSA, Diliman, Quezon City, Philippines  
Trunk line Nos.: (02) 8 929 6071 to 78 • Telefax No.: (02) 8 928 9343  
Website: www.nia.gov.ph • Facebook: www.facebook.com/nia.gov.ph  
TIN: 000916415

NIA-OCBS-INT-Form03 Rev.02



BOARD AUDIT COMMITTEE MEETING  
20 October 2023, 9:00 AM

|     |                     |         |   |
|-----|---------------------|---------|---|
| 13. | Anaelyn V. Tahingiz | OCAR    |  |
| 14. | Antonio Rindos      | P. M. O |  |
| 15. | Fe Banggulan        |         |  |
| 16. | VELLIE DURANTE      |         |  |
| 17. | ROBERTO J. V.       |         |  |
| 18. | Rowena Pang         |         |  |
| 19. |                     |         |   |
| 20. |                     |         |   |



Republic of the Philippines  
DEPARTMENT OF AGRICULTURE  
NATIONAL IRRIGATION ADMINISTRATION  
CENTRAL OFFICE

27 October 2023

*MA* 10/27/23  
Ms. Anna T.

**FOR : THE BOARD AUDIT COMMITTEE**  
This Agency

**THRU : THE CORPORATE BOARD SECRETARY**  
Same Office

**FROM : THE MANAGER**  
Internal Audit Services  
Same Office

**SUBJECT : MINUTES OF THE 30<sup>TH</sup> BOARD AUDIT COMMITTEE MEETING**

Respectfully submitting herewith the Minutes of Meeting during the 30<sup>th</sup> Board Audit Committee Meeting conducted last 20 October 2023 for your concurrence and approval.

*[Signature]*  
**ATTY. PEPITO L. PADILLA**

MTSP - *[Signature]*  
KAF - *[Signature]*  
ACC - *[Signature]*





Republic of the Philippines  
DEPARTMENT OF AGRICULTURE  
NATIONAL IRRIGATION ADMINISTRATION  
CENTRAL OFFICE

*AS* 10/26/23  
8:08 AM

Ms. Anna T.

## MINUTES OF MEETING

### 30<sup>th</sup> BOARD AUDIT COMMITTEE VIRTUAL MEETING October 20, 2023 at 9:00 AM

#### ATTENDEES:

##### BOARD AUDIT COMMITTEE

Hon. Roderick M. Planta  
Hon. Efren S. Bartolome, Sr.

- Chairman, Assistant Secretary, NEDA
- Member, Private Sector

##### OFFICE OF THE NIA CORPORATE BOARD SECRETARY

Miya Luanne D. Basunillo  
Katrina Isabel S. Jimenez  
Sarah D. Frago

- Minutes Officer A
- Supervising Researcher Analyst
- Records Officer A

##### INTERNAL AUDIT SERVICES (IAS)

Atty. Pepito L. Padilla  
Mary Jean P. Estefanio  
Maria Teodora S. Pagalilauan  
Maria Kathleen E. Barbosa  
Wenonah J. Dela Vega  
Katrina A. Ferrer  
Anna Lhiza V. Delmendo  
Louis Albert B. Saddi  
Arjie C. Casiquin

- Department Manager
- Manager, FOAD
- Acting Manager, OMAD
- Chief, Financial Audit Section
- Senior Internal Control Officer A, FOAD
- Senior Internal Control Officer A, FOAD
- Senior Internal Control Officer A, FOAD
- Senior Internal Control Officer A, OMAD
- Secretary A

#### I. CALL TO ORDER

The 1st Board Audit Committee (Board AuditCom) meeting for CY 2023 commenced at exactly 8:54 a.m., beginning with a brief orientation for Director Bartolome, Sr., the new Private Sector Representative. The orientation covered the IAS organizational structure, its functions, responsibilities, and emphasized the roles and responsibilities of the Board AuditCom in Internal Audit.

The meeting proper was called to order by Chairman Planta at exactly 9:00 a.m.

#### II. AGENDA

##### A. Accomplishments

###### > CY 2022

Atty. Padilla discussed IAS accomplishments for CY 2022, including thirty (30) total engagements conducted, with eight (8) pending reports awaiting review by the previously designated Manager.

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TIN: 000916415





## MINUTES OF MEETING

### 30<sup>th</sup> BOARD AUDIT COMMITTEE VIRTUAL MEETING October 20, 2023 at 9:00 AM

#### ATTENDEES:

##### BOARD AUDIT COMMITTEE

- |                              |                                       |
|------------------------------|---------------------------------------|
| Hon. Roderick M. Planta      | - Chairman, Assistant Secretary, NEDA |
| Hon. Efren S. Bartolome, Sr. | - Member, Private Sector              |

##### OFFICE OF THE NIA CORPORATE BOARD SECRETARY

- |                           |                                  |
|---------------------------|----------------------------------|
| Miya Luanne D. Basunillo  | - Minutes Officer A              |
| Katrina Isabel S. Jimenez | - Supervising Researcher Analyst |
| Sarah D. Frago            | - Records Officer A              |

##### INTERNAL AUDIT SERVICES (IAS)

- |                              |   |
|------------------------------|---|
| Atty. Pepito L. Padilla      | - Department Manager                      |
| Mary Jean P. Estefanio       | - Manager, FOAD                           |
| Maria Teodora S. Pagalilauan | - Acting Manager, OMAD                    |
| Maria Kathleen E. Barbosa    | - Chief, Financial Audit Section          |
| Wenonah J. Dela Vega         | - Senior Internal Control Officer A, FOAD |
| Katrina A. Ferrer            | - Senior Internal Control Officer A, FOAD |
| Anna Lhiza V. Delmendo       | - Senior Internal Control Officer A, FOAD |
| Louis Albert B. Saddi        | - Senior Internal Control Officer A, OMAD |
| Arjie C. Casiquin            | - Secretary A                             |

#### I. CALL TO ORDER

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###### ➤ CY 2022

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➤ **CY 2023**

A special audit was conducted in Balog - Balog Multi-Purpose Project Phase II (BBMP-II), in compliance with the request of the former Deputy Administrator for Engineering and Operations, Engr. C'zar M. Sulaik.

The management's request for a special audit was primarily to validate 2 issues: a.) project implementation without the approved Revised Overall Program of Work (POW) and b.) emergency procurement conducted by the BBMP-II, even without meeting the conditions provided in RA 9184.

Atty. Padilla informed the Board AuditCom members that the result of the special audit has been discussed with the auditees and management during the exit conference and the official report has been submitted to the management. Further, Atty. Padilla summarized the result of the special audit and presented the recommendations to the management as follows:

- i. Projects were implemented even without the approved Revised Overall POW (*Annex A, Item 3.i of 2016 Revised IRR of RA 9184*);
- ii. One contract was repackaged into two or more packages without the approval of the Administrator (*MC No. 81 s.2018*);
- iii. The Supplemental Annual Procurement Plan (APP) was implemented without the approval of the Administrator (*MC 69 s.2020*);
- iv. The alternative mode of procurement for the Emergency Cases was not in accordance with the procedures specified in Annex H of the 2016 Revised IRR of RA 9184;
- v. Processing, approval, and payment of contractor's claims even with inconsistent/insufficient documentation. (*PD No. 1445 Section 4.6*); and
- vi. Payment of unperformed contract works (*PD No. 1445 Section 4.6*)

The IAS recommended that the top management should initiate disciplinary administrative proceedings against the BBMP-II project officials/staff responsible/liable for the adverse findings and impose the appropriate penalties as necessary. According to the latest information, the official report is already with the Committee on Discipline (COD), which will conduct further investigations for the aforementioned administrative proceedings and recommend appropriate penalties for the involved officials. The Administrator, as the head of the disciplining committee, has the authority to approve the sanctions.

**B. Ongoing Activities**

Atty. Padilla explained that in addition to the special audit conducted, IAS is currently in the process of developing its IAS Strategic Plan for CY 2024 – 2026 in preparation for the Annual Work Plan. The Strategic Plan is essential in determining audit priorities, given the number of auditees nationwide.

IAS management sought input from the Board AuditCom members, welcoming suggestions and recommendations for priority areas to be considered in the 2024 Annual Work Plan.

Atty. Padilla also discussed that the IAS has followed and applied the Strategic and Annual Work Planning process as outlined in the Revised Philippine Government Internal Audit Manual (RPGIAM) to determine the priority areas. The first activity in strategic planning is the Baseline Assessment of Internal Control System (BAICS). IAS has conducted a survey to assess employees' level of awareness and compliance with the agency's internal policies.

Following the survey, IAS personnel were divided into 6 teams responsible for validation, interviews, walkthroughs, and testing of controls, both in the field and at the Central Office. Atty. Padilla informed the Board AuditCom members that the IAS teams followed a comprehensive process to ensure that the auditees were in compliance with the standard operating procedures.

### **B.1 IAS Strategic Plan Accomplishment and Way Ahead**

Atty. Padilla explained that this was the first time IAS had conducted a Strategic Planning activity. The IAS had also undergone training and workshops to be fully guided and prepared. Below are the completed activities of the IAS related to Strategic Planning.

| <b>ACTIVITY</b>   | <b>TIMELINE</b>         |
|---|-------------------------|
| Training-Workshop for the BAICS and IAS Strategic Planning    | August 15-17, 2022      |
| Conceptualization and Planning                                | August – November 2022  |
| <b>AGENCY-LEVEL</b>   |                         |
| Administration of agency-level ICC                            | December 2022           |
| Validation and analysis of agency-level ICC                   | January – February 2023 |
| <b>OPERATIONS-LEVEL</b>                                       |                         |
| Identification of NIA Programs, sub-programs and its projects | March 2023              |
| Consolidation of implementing guidelines of each program      |                         |
| Formulation and finalization of operations-level ICC          | March – April 2023      |
| Administration of operations-level ICC                        | April – May 2023        |
| Initial validation of the administered ICC                    | May 2023                |
| Conduct of Walkthrough and Test of Control                    | June – September 2023   |
| Final validation of the administered ICC                      | September 2023          |

Currently, IAS is in the process of consolidating the results of the validation, interviews, walkthroughs and test of controls to establish the Control Universe, a critical factor for the agency's operations. Simultaneously, IAS is reviewing oversight bodies and local/International Development Partners' reports, including reports from COA, and DBM, among others, as factors to consider in determining priority areas.



The entire activity is aimed at enabling Atty. Padilla to present the formulated initial IAS Strategic Plan to the Board AuditCom in November 2023, followed by the creation of the IAS Annual Work Plan. Below are the forthcoming activities for IAS for the remaining months of CY 2023:

| ACTIVITY  | TIMELINE                |
|---|-------------------------|
| <b>OPERATIONS-LEVEL</b>                                       |                         |
| Preparation and consolidation of operations-level BAR         | October – November 2023 |
| Consideration of the Control Risk of Key Processes            | November 2023           |
| Assessment of Internal Audit Risk                             |                         |
| Formulation and submission of IAS Strategic Plan CY 2024-2026 |                         |
| Formulation and submission of IAS Annual Work Plan CY 2024    | December 2023           |

#### C. Administrative Matters

Atty. Padilla presented several movements with the IAS Department Manager position from CY 2022 to the present. The appointment and designation of IAS Department and Division Managers should require the approval of the Board of Directors. However, the reassignment of these officials is still at the discretion of the Administrator, without prior Board approval.

Director Bartolome Sr. responded that he wanted to be briefed further on the matter in the next meeting.

#### D. Other Matters

- IAS personnel are continuously attending training programs to stay updated and relevant to the agency.
- NIA IAS plans to benchmark with DPWH IAS to assess and enhance its performance.
- Asec. Planta planned for a face-to-face meeting this November to prepare for the presentation of the IAS Strategic Plan to the Board of Directors.
- Asec. Planta raised concerns about the busy schedule of Usec. Cabral, a member of the Board AuditCom, and requested an alternate or representative on her behalf.
- The schedule of the next meeting was tentatively set on November 16, 2023.




### III. Motion to Adjourn

The meeting was adjourned at exactly 9:35 a.m. as there were no other matters to be discussed.

**PREPARED BY:**

  
**KATRINA A. FERRER**  
Sr. Internal Control Officer A

**SUBMITTED BY:**

  
**ATTY. PEPITO L. PADILLA**  
Secretariat, Board Audit Committee  
Manager, Internal Audit Services  
MJP-  
mso-

**APPROVED BY:**

**HON. RODERICK M. PLANTA**  
Chairman, Board Audit Committee  
NEDA Assistant Secretary

**MARIA CATALINA E. CABRAL, PhD**  
Member, Board Audit Committee  
DPWH Undersecretary

**DIR. EFREN S. BARTOLOME, SR.**  
Member, Board Audit Committee  
Private Sector

### **III. Motion to Adjourn**

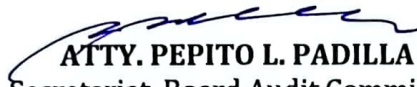
The meeting was adjourned at exactly 9:35 a.m. as there were no other matters to be discussed.

#### **PREPARED BY:**



**KATRINA A. FERRER**  
Sr. Internal Control Officer A

#### **SUBMITTED BY:**



**ATTY. PEPITO L. PADILLA**  
Secretariat, Board Audit Committee  
Manager, Internal Audit Services

#### **APPROVED BY:**

**HON. RODERICK M. PLANTA**  
Chairman, Board Audit Committee  
NEDA Assistant Secretary

**MARIA CATALINA E. CABRAL, PhD**  
Member, Board Audit Committee  
DPWH Undersecretary

**DIR. EFREN S. BARTOLOME, SR.**  
Member, Board Audit Committee  
Private Sector

## Zoom Link Details of the NIA Board Audit Committee Meeting to be held on November 16, 2023

2 messages

MLD &lt;mld.ocbsnia@gmail.com&gt;

Wed, Nov 8, 2023 at 10:08 AM

To: "Atty. Pepito Padilla" &lt;pepleep@yahoo.com&gt;, Internal Audit Services &lt;ias@nia.gov.ph&gt;

Dear Atty. Padilla,

Please be informed that right after Atty. Paul had a conversation with the Executive Staff of Usec. Cabral, the staff from DPWH, Ms. Arlene, informed me yesterday morning that the DPWH Representative for the Board Audit Committee prefers to attend the NIA Board Audit Committee Meeting to be held on November 16, 2023, via teleconferencing. She then asked me for the meeting link and notice of the meeting. To be able to immediately respond to her request I initially provided her the Zoom meeting link of the said meeting.

Herewith, I am sending you likewise the Zoom link details for your reference.

**Topic: NIA Board Audit Committee Meeting****Time: Nov 16, 2023 09:00 AM Hong Kong SAR****Join Zoom Meeting**<https://us02web.zoom.us/j/83809703172?pwd=dVlXTFg5WnV4U1FjdTJCT3lBV04vdz09>**Meeting ID: 838 0970 3172****Passcode: 828015**

Best Regards,

**MIYA LUANNE D. BASUNILLO**

Minutes Officer A

Office of the Corporate Board Secretary

(+63) 8929-6071-79 Local 108

(+63) 8928-8820 / (63) 8928-8820

National Irrigation Administration

EDSA, Diliman, Quezon City

[www.nia.gov.ph](http://www.nia.gov.ph)

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Internal Audit Services &lt;ias@nia.gov.ph&gt;

Wed, Nov 8, 2023 at 10:11 AM

To: Pete Padilla &lt;plp.ias.nia@gmail.com&gt;

**INTERNAL AUDIT SERVICES**(02) 8926-2411 - [ias@nia.gov.ph](mailto:ias@nia.gov.ph)National Irrigation Administration  
EDSA, Diliman, Quezon City





Republic of the Philippines  
DEPARTMENT OF AGRICULTURE  
NATIONAL IRRIGATION ADMINISTRATION  
CENTRAL OFFICE

IAS FILE

9:20  
11/28/23  
Anna

November 07, 2023

**FOR : The BOARD AUDIT COMMITTEE**  
**NIA Board of Directors**

**THRU : THE CORPORATE BOARD SECRETARY**

**SUBJECT : NOTICE OF MEETING RE 31<sup>ST</sup> BOARD AUDIT COMMITTEE MEETING**

Please be informed that the 31<sup>st</sup> Board Audit Committee Meeting will be held this 16<sup>th</sup> day of November 2023, 9:00 A.M. at NIA Board Conference Room with the following matters to be discussed/presented:

1. Highlights of the Baseline Assessment Report (BAR)
2. Parameters/Criteria in the Prioritization of Auditable Areas
3. Updates on the Timeline of IAS Strategic Planning
4. Other matters.

Anticipating your attendance on said meeting. Thank you.

  
**ATTY. PEPITO L. PADILLA**  
Manager, Internal Audit Services



Republic of the Philippines  
DEPARTMENT OF AGRICULTURE  
NATIONAL IRRIGATION ADMINISTRATION  
CENTRAL OFFICE

November 07, 2023

**FOR : The BOARD AUDIT COMMITTEE**  
**NIA Board of Directors**

**THRU : THE CORPORATE BOARD SECRETARY**




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**ATTY. PEPITO L. PADILLA**  
Manager, Internal Audit Services

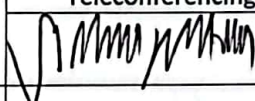



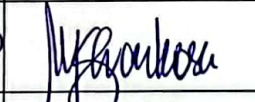
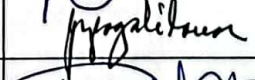


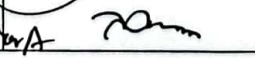
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MTSP -   
ACC - 

## OFFICE OF THE BOARD OF DIRECTORS

### NIA BOARD AUDIT COMMITTEE MEETING






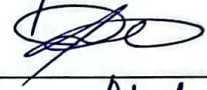
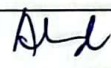
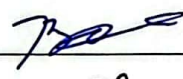
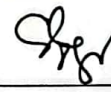

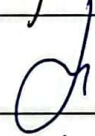

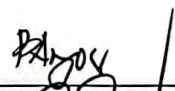

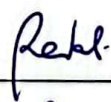

Via Zoom Teleconferencing  
16 November 2023 at 9:00 AM

### ATTENDANCE SHEET

| No. | NAME                                | DESIGNATION/<br>OFFICE              | SIGNATURE   |
|-----|-------------------------------------|-------------------------------------|---|
| 1.  | SEC. ARSENIO M. BALISACAN           | NEDA                                |   |
|     | ASEC. RODERICK M. PLANTA            |                                     | Present by<br>Teleconferencing  |
| 2.  | SEC. MANUEL M. BUNOAN               | DPWH                                |   |
|     | USEC. MARIA CATALINA E. CABRAL, PhD |                                     | Present by<br>Teleconferencing  |
|     | ENGR. ABDULFATAK A. PANDAPATAN      |                                     |   |
| 3.  | DIR. EFREN S. BARTOLOME             | PRIVATE SECTOR                      | Present by<br>Teleconferencing  |
| 4.  | ATTY. PEPITO L. PADILLA             | DEPT. MANAGER IAS                   |  |
| 5.  | ATTY. ALLAN PAUL S. SARANGAYA       | Corporate Board<br>Secretary/NIA    |  |
| 6.  | MARY JEAN P. ESTEFANIO              | Mgr., TOAD, IAS                     |  |
| 7.  | MARIA KATHLEEN E. PARBONA           | CHIEF, IED/IAS/FOOD                 |  |
| 8.  | MARIA TERESA S. PAGULANA            | Acting Mgr., OHAD                   |  |
| 9.  | ROMULO F. CUOMO JR.                 | Sr. Internal Control<br>Officer - B |  |
| 10. | KATRINA A. FERRER                   | Sr. Internal Control<br>Officer A   |  |
| 11. | Ramon, Renita H.                    | Sr. Internal Control Officer A      |  |



**NIA BOARD AUDIT COMMITTEE MEETING**  
16 November 2023 at 9:00 AM

|    |                            |                                      |   |
|----|----------------------------|--------------------------------------|---|
| 12 | MADEL B. GARRAN            | Sr. Internal Control officer B / IAS |    |
| 13 | MIYA LUANNE D. BASINILEW   | Minutes Officer                      |    |
| 14 | Katrina Isabel S. Jimenez  | Supervising Research Analyst         |    |
| 15 | WENONAH J. DELA VEGA       | SR. ICO-A                            |    |
| 16 | ARJIE C. CASIZUIN          | Secretary A, IAS                     |    |
| 17 | JULIUS EDWARD B. TAPULISAN | SR. ICO B, IAS                       |    |
| 18 | ANNA UENA V. DOMENITH      | ICO-A, IAS                           |    |
| 19 | RALPH JUN TABUT            | MID-COMPLIANCE                       |    |
| 20 | SARAH D. FRAGA             | MANAG-OFFICE                         |   |
| 21 | ULYSSES F. UYARBE SR       |                                      |  |
| 22 | Antonio Rindon J.          | OCBS                                 |  |
| 23 | Analyn Vidal Tahingiz      | OCBS                                 |  |
| 24 | Beverly Angos MS           |                                      |  |
| 25 | Christine Corpuz           | SICO A -OMAD                         |  |
| 26 | Rey Lynn A. Valerio        | SICO B - OMAD                        |  |
| 27 | LOUIS ROBERT B. SADOI      | ICO A - OMAD                         |  |
| 28 |                            |                                      |   |
| 29 |                            |                                      |   |





Republic of the Philippines  
DEPARTMENT OF AGRICULTURE  
NATIONAL IRRIGATION ADMINISTRATION  
CENTRAL OFFICE

INS-FILE  
Rashid 12-01-23

November 30, 2023

**FOR : THE BOARD AUDIT COMMITTEE**  
This Agency




**THRU : THE NIA CORPORATE BOARD SECRETARY**  
Same Office

**FROM : THE DEPARTMENT MANAGER**  
Internal Audit Services  
Same Office

**SUBJECT : MINUTES OF THE 31<sup>st</sup> BOARD AUDIT COMMITTEE MEETING**

Respectfully submitted herewith the Minutes of the 31<sup>st</sup> Board Audit Committee Meeting conducted on November 16, 2023 at the Conference Room of the Office of the NIA Corporate Board Secretary for your concurrence and approval.

  
**ATTY. PEPITO L. PADILLA**

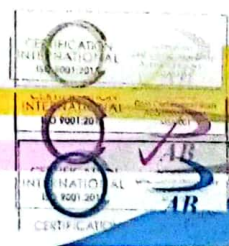
MTSP -   
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ACC - 

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Republic of the Philippines  
DEPARTMENT OF AGRICULTURE  
NATIONAL IRRIGATION ADMINISTRATION  
CENTRAL OFFICE

**MINUTES OF THE 31<sup>st</sup> BOARD AUDIT COMMITTEE MEETING HELD ON  
NOVEMBER 16, 2023 AT THE OFFICE OF THE NIA CORPORATE BOARD  
SECRETARY, 3<sup>rd</sup> FLOOR, BLDG. B, NIA, EDSA, QUEZON CITY**

**I. ATTENDANCE**

**(VIRTUAL)**

**BOARD AUDIT COMMITTEE**

|                               |  |
|-------------------------------|--|
| Hon. Roderick M. Planta       | - Chairman / Assistant Secretary, NEDA   |
| Hon. Maria Catalina E. Cabral | - Member / Under Secretary, DPWH         |
| Dir. Efren S. Bartolome, Sr.  | - Member / Private Sector Representative |

**NEDA**

|                  |              |
|------------------|--------------|
| Dave Zornosa     | - NEDA Staff |
| Jerome Semillano | - NEDA Staff |

**ALL OTHER INTERNAL AUDIT SERVICES (IAS) PERSONNEL**

**(FACE-TO-FACE)**

**BOARD AUDIT COMMITTEE**

|                                |  |
|--------------------------------|--|
| Engr. Abdulfatak A. Pandapatan | - Alternate Representative of USec. Cabral |
|--------------------------------|--|

**OFFICE OF THE NIA CORPORATE BOARD SECRETARY (OCBS)**

|                               |                                  |
|-------------------------------|----------------------------------|
| Atty. Allan Paul S. Sarangaya | - NIA Corporate Board Secretary  |
| Miya Luanne D. Basunillo      | - Minutes Officer A              |
| Katrina Isabel S. Jimenez     | - Supervising Researcher Analyst |
| Sarah D. Frago                | - Records Officer A              |

**INTERNAL AUDIT SERVICES (IAS)**

|                              |   |
|------------------------------|---|
| Atty. Pepito L. Padilla      | - Department Manager                      |
| Mary Jean P. Estefanio       | - Division Manager, FOAD                  |
| Maria Teodora S. Pagalilauan | - Acting Division Manager, OMAD           |
| Maria Kathleen E. Barbosa    | - Chief Internal Control Officer, FOAD    |
| Wenonah J. Dela Vega         | - Senior Internal Control Officer A, FOAD |
| Katrina A. Ferrer            | - Senior Internal Control Officer A, FOAD |
| Nenita H. Ramon              | - Senior Internal Control Officer A, OMAD |
| Madel B. Garan               | - Senior Internal Control Officer B, OMAD |
| Julius Edward B. Tapispisan  | - Senior Internal Control Officer B, OMAD |
| Romillo F. Cudal, Jr.        | - Senior Internal Control Officer B, FOAD |
| Avelyn U. Nocellado          | - Senior Internal Control Officer B, FOAD |
| Anna Lhiza V. Delmendo       | - Internal Control Officer A, FOAD        |
| Louis Albert B. Saddi        | - Internal Control Officer A, OMAD        |
| Arjie C. Casiquin            | - Secretary, Office of the IAS Manager    |

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TIN: 000916415





## I. CALL TO ORDER

The meeting was called to order by Chairman Roderick M. Planta at exactly 9:15 A.M. A roll call of attendees was made by Atty. Padilla acknowledging everyone physically and virtually in attendance including Engr. Pandapatan who physically represented Usec. Cabral. The meeting proceeded upon the declaration of a quorum by Atty. Padilla and upon adoption of the Meeting Agenda by the Board Audit Committee (Board AuditCom). The meeting is the 2<sup>nd</sup> Board Audit Committee meeting for CY 2023.

Chairman Planta requested to make the meeting shorter and productive and provide time for them to discuss as the Board AuditCom wants the same Agenda to be presented to the NIA Board.

## II. HIGHLIGHTS OF THE MEETING AGENDA

Atty. Padilla informed the Board AuditCom that this is the 1<sup>st</sup> time that IAS has conducted a Baseline Assessment of Internal Control Systems (BAICS) and Strategic Plan.

### A. Highlights of Baseline Assessment Report (BAR)

Atty. Padilla presented and discussed the Objectives of the Baseline Assessment Report, Scope and Limitation, Methodology, the Strengths Noted in the Core and Support Processes, Findings/Observations and the Overall Assessment.

Particularly, Atty. Padilla provided updates on the following specific findings and observations:

- *The office has no set guidelines on the preparation of Site or Right-of-way plans and schedule of acquisition.*

Atty. Padilla mentioned that basically this is being addressed with the ongoing Consultancy of Services for the Preparation of the Right-Of-Way Manual of the Agency.

- *The photocopies of the original "Good for Construction" drawings were allowed to be stamped "Built As Approved Plans" in lieu of the "As-Built Plans" that must be prepared by the contractors.*

Atty. Padilla explained further that, for purposes of public bidding, the Agency requires Office Engineers to be included in the key personnel pledged to the Project so that means the contractors should submit "As-Built Plans" and not merely rely on the stamped "Built as Approved Plans".

- *The field offices cannot comply with the set minimum standard equipment requirement for the National Irrigation System due to Budgetary constraints.*

Atty. Padilla updated the group that this is already being addressed by the Management through the Re-fleeting Program which is being transmitted to the NIA Board for approval.

- *Real property inventory from field offices was not regularly and properly reported and recorded which may result in inaccurate and unreliable property records.*

According to Atty. Padilla, this is now being addressed by the Management, through the creation of the Asset Recovery Management Office (ARMO), a new interim office in the Agency, which particularly addresses the issue of acquired properties that are still untitled including recovery of properties previously acquired by NIA.

- *Completed projects of the field offices were not recorded in the RPCPPE which may result to inaccurate and unreliable property records.*

As an update, the NIA thru the Property Section/Unit is currently implementing the One-Time Cleansing of PPE which includes conduct of inventory and eventual recording of PPEs.

Atty. Padilla also presented observations of oversight bodies including lending institutions such as the World Bank specifically on the World Bank-funded project, Participatory Irrigation Development Project (PIDP).

Chairman Planta commented that while IAS conducting the Strategic Plan is commendable, the NIA Board might ask the question why it is being undertaken only now. Atty. Padilla explained that, IAS was created only during the Rationalization Plan. Personnel from the Management Services then suddenly shifted to internal audit function with lack of technical training required to be an internal auditor. It was only a learning process through experience. But now, with all the training experience gained by the internal auditors, the Strategic Plan is being pursued. The formulation of the Strategic Plan was also triggered by the query of the Board AuditCom Chairman two years ago during the same meeting as to how the audit areas are being prioritized.

With regards to the scope and limitation presented, Chairman Planta asked when will the other areas be included now that the ongoing Strategic Plan focuses on prioritized Major Programs. Atty. Padilla answered that while the core function is prioritized, the Strategic Plan is iterative and adjustments can be made as the year progresses depending on the result of the 1<sup>st</sup> year of audit.

#### **B. Parameters/Criteria in the Prioritization of Auditable Areas**

Atty. Padilla presented the proposed parameters/criteria that will be used which are the Quantity, Magnitude of Consequence, Impact on Main Final Outputs (MFOs) and Strategic Goals and Visibility. The Rating Scale Assessment of Materiality and Significance was also presented.

#### **C. Updates on the Timeline of IAS Strategic Planning**

The timeline of the IAS Strategic Plan was presented by Atty. Padilla and provided updates on ongoing activities.



#### **D. Other Matters**

- Atty. Padilla informed the Board AuditCom that he recently attended the workshop on the revision of NIA Manual of Delegated Authority where he articulated as an input that reassignment of IAS Managers should be subject for approval of the Board AuditCom to which Chairman Planta agreed.
- With regards to the concern raised by Chairman Planta on the inadequate manpower complement and personnel movement in IAS, Atty. Padilla responded that IAS is hiring casual personnel as a short-term remedy to address the situation. He also mentioned that IAS has been actively participating in the finalization of the NIA Reorganization Plan proposing an increased number of positions enough to strengthen IAS.
- Atty. Sarangaya informed the Board AuditCom that he attended the review and finalization of the NIA Reorganization Plan and wrote a proposal to separate the Office of the Corporate Board Secretary and IAS to have complete independence. The NIA Reorganization proposal is expected to be presented to the Pre-Board Review Panel on November 22, 2023 and on November 29, 2023 for the Regular NIA Board meeting.

#### **III. ACTIONS TO BE UNDERTAKEN**

1. The IAS will prepare a simplified, concise and shorter version of the presentation for the NIA Board.
2. The IAS will add a column for the specific office tasked to address the issues presented in the table matrix of the Findings/Observations.
3. For issues identified by oversight agencies, IAS will put in a matrix format following the project cycle to be able to identify causes of implementation delays. Chairman Planta will ask his team to assist IAS on how to formulate it.
4. The IAS shall mention in the final report as a colatilla that there are many auditable areas aside from big projects, however, IAS could not cover all since the formulation of IAS Strategic Plan is new and just started. The audit area will not be limited to the core functions identified but also other areas and programs that the Board AuditCom may identify later that they may see fit to be included.
5. Regarding the parameters and criteria, IAS will include in the report and presentation the limitations and sufficient flexibility in case the screening/prioritization results to complications such as the same total points and specifically when there are changes as influenced by the NIA Board or as instructed by the President or DA Secretary.
6. For the Quantitative Criteria, it is suggested to get the lowest and highest projects to get a reasonable range. IAS will coordinate with the Finance and Engineering and Operations regarding this matter.

7. IAS to incorporate in the presentation to the NIA Board concerns regarding IAS manpower need and capacity development for its personnel to be raised and discussed all at once during the next NIA Board meeting.
8. The Office of the Corporate Board Secretary will arrange a Face-to-Face meeting in December 2023 at the DPWH.
9. Atty. Padilla requested Usec. Cabral the possibility of meeting the DPWH IAS counterpart for a benchmarking activity to learn their best practices and vice-versa. Usec. Cabral will arrange a meeting with the DPWH IAS.

#### IV. ADJOURNMENT

The meeting adjourned at 10:27 A.M.

**Prepared by:**



**NENITA H. RAMON**  
Sr. Internal Control Officer A

**Submitted By:**



**ATTY. PEPITO L. PADILLA**  
Manager, Internal Audit Services

**Approved By:**



**HON. RODERICK M. PLANTA**  
Chairman, Board Audit Committee  
NEDA Assistant Secretary



**MARIA CATALINA E. CABRAL, PhD**  
Member, Board Audit Committee  
DPWH Undersecretary



**DIR. EFREN S. BARTOLOME, SR.**  
Member, Board Audit Committee  
Private Sector Representative