



## NATIONAL POWER CORPORATION

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### 2021 NATIONAL POWER BOARD AUDIT COMMITTEE REPORT

The National Power Board Audit Committee (NPBAC) is composed of the following duly designated members:

#### Chairperson

Ryan S. Lita  
Elena Regina S. Brillantes

Department of Budget and Management (DBM)

#### Vice Chairperson

Roderick M. Planta

National Economic and Development Authority (NEDA)

#### Members

Bayani H. Agabin  
Danielle Marie S. Rieza-Culangen  
Analiza R. Teh  
Nonita S. Caguioa  
Epimaco V. Densing III

Department of Finance (DOF)

Department of Environment and Natural Resources (DENR)  
Department of Interior and Local Government (DILG)  
Department of Trade and Industry (DTI)

Ceferino S. Rodolfo  
Ma. Corazon Halili-Dichosa  
Sandra Marie S. Recolizado  
Veronica F. Magsino

Department of Agriculture (DA)

Ariel T. Cayanan  
Bernadette F. San Juan

The NPBAC met five (5) times in CY 2021. The Committee held three (3) regular and two (2) special meetings during the year. The highlights of the meetings are summarized below:

### REGULAR MEETINGS

#### Meeting 1. 15 April 2021

##### Members in Attendance:

Dir. Ryan S. Lita	Chairman, DBM
Asec. Roderick M. Planta	Vice Chairman, NEDA
Usec. Bayani H. Agabin	Member, DOF
Usec. Analiza Rebuelta-Teh	Member, DENR
Usec. Epimaco V. Densing III	Member, DILG

##### Matters Discussed:

1. Results of IAD Audit Projects. The NPBAC discussed the results of the *Systems Review on the Decentralized Bids and Awards Committee* and *Audit on the Fuel Inventory Management*, both of SPUG Luzon. The Committee issued instructions for the Management to address the audit observations.
2. IAD 2021 Work Plan. The NPBAC approved the IAD 2021 Work Plan that was provisionally approved on 15 December 2020.

3. Filling-up of Internal Auditor B, SG 20 / JG14, Item No. IAD 005-02. The NPBAC approved and adopted the assessment and evaluation conducted by the IAD and HR, and agreed to endorse the same to the National Power Board, through the Board Nomination and Remuneration Committee.

## **Meeting 2. 22 July 2021**

### Members in Attendance:

Director Ryan S. Lita	Chairman, DBM
Asec. Roderick M. Planta	Vice Chairman, NEDA
Asec. Danielle Marie S. Rieza- Culangen	Member, DOF
Director Bernadette F. San Juan	Member, DENR
Exec. Dir. Veronica F. Magsino	Member, DTI

### Matters Discussed:

1. Result of the 12 July 2021 Special Meeting of the NPBAC. The NPBAC instructed the IAD to monitor the reconciliation and other efforts being undertaken by the Management relative to the COA audit report.
2. Results of IAD Audit Projects. The NPBAC discussed the results of the following projects: *Review of Warehousing System – SPUG Luzon Operations; Audit of Budget Management; and Review of Procurement System – Head Office.* The Committee issued instructions for the Management to address the audit observations.
3. IAD Procedures. The NPBAC took note of the revised departmental procedures and emphasized the importance of maintaining and preserving the independence of the IAD in the conduct of its activities.
4. Filling-up of IAD Vacant Positions. The Committee authorized the filling up of the two (2) vacant positions, Internal Auditor B, Management Audit Division, and Internal Auditor C, Operations Audit Division.

## **Meeting 3. 4 November 2021**

### Members in Attendance:

Director Ryan S. Lita	Chairman, DBM
Asec. Roderick M. Planta	Vice Chairman, NEDA
Usec. Bayani H. Agabin	Member, DOF
Asec. Danielle Marie S. Rieza-Culangen	Member, DOF
Exec. Director Veronica F. Magsino	Member, DTI
Director Bernadette F. San Juan	Member, DA

### Matters Discussed:

1. Results of IAD Audit Projects. The NPBAC discussed the results of the *Audit of National Power Corporation's Data Privacy Management System and Follow-up Audit on Management Actions on Prior Years' IAD Observations.* The Committee issued directives for the Management relative to the observations.
2. Proposed Changes in IAD Personnel Assignment and Structure. The NPBAC approved the changes in personnel assignment within the IAD. The Committee

also took note of the proposed IAD structure and agreed to its use in the on-going NPC restructuring activities.

## **SPECIAL MEETINGS**

### **12 July 2021**

#### Members in Attendance:

Dir. Ryan S. Lita	Chairperson, DBM
Usec. Bayani H. Agabin	Member, DOF
Asec. Danielle Marie S. Rieza-Culangen	Member, DOF
Asec. Nonita S. Caguioa	Member, DENR
Exec. Dir. Veronica F. Magsino	Member, DTI

#### Matters Discussed:

NPC's CY 2020 Financial Statement and Statement of Management's Responsibility. The NPBAC discussed the NPC Management's proposal to revise the financial statements and Statement of Management's Responsibility. The Committee denied the proposal, and instructed the Management to pursue its reconciliation activities and submit a detailed action plan to the National Power Board.

### **10 September 2021**

#### Members in Attendance:

Director Ryan S. Lita	Chairman, DBM
Asec. Danielle Marie S. Rieza-Culangen	Member, DOF
Asec. Nonita S. Caguioa	Member, DENR
Exec. Director Veronica F. Magsino	Member, DTI
Director Bernadette F. San Juan	Member, DA

#### Matters Discussed:

1. Annual Audit Report of the Commission on Audit. The NPBAC discussed the COA's Annual Audit Report (AAR) on the NPC financial statements for the Years Ending 31 December 2020 and 2019. The Committee also took note of the proposed action plan of the NPC Management on the AAR and status of the reconciliation efforts by the Finance Group on the audit findings.
2. Filling-up of IAD Vacant Positions. The NPBAC took note of the results of assessment of applicants and agreed to endorse the same to the Board Nomination and Remuneration Committee for deliberation.