

BOARD AUDIT AND COMPLIANCE COMMITTEE

Major Initiatives and Accomplishments for CY 2017

The Board Audit and Compliance Committee convened five (5) meetings in 2017. Its major initiatives and accomplishments for the year are as follows:

INTERNAL AUDIT GROUP

- A. Discussed and endorsed the following for approval and/or for consideration:
 - 1. Annual Report on Internal Audit Activities for CY 2016
 - 2. Results of Internal Audit Effectiveness Survey
 - 3. Annual Audit Plan for CY 2017
 - 4. Results of Audit on Leave Administration Process
 - 5. Results of Audit on AMLC Reporting
 - 6. Results of Follow-up Audit on ROPA Management – South Luzon Group
 - 7. Results of Audit on Credit Process as Managed by the South Luzon Group (Wholesale & Retail Lending, Collateral Verification, and Validation of First-Time Borrowers)
 - 10. Results of Audit on Procurement Process
 - 11. Results of Financial Statements Review as of 30 June 2017
 - 12. Status of Acton Plan on “Co-dependency” Issue
 - 13. Request for Audit Prioritization
 - 14. Status on the BACC Directives Relative to the Audit Findings on AMLA Reporting
 - 15. Status of Compliance to Audit on ROPA Management
 - 16. Status Report on Compliance to Audit on Leave Administration Process

- B. Discussed the following for information and notation:
 - 1. Trend Analysis Report of Past due for the Period 2013-2015
 - 2. Loan Portfolio & Past Due Management
 - o Action Plan to Improve Past Due Rate (SLG)
 - 3. Comparative Past Due Rate (2012 vs. 2017)
 - 4. Results of Profiling of Retail Past Due Accounts as managed by the South Luzon Group
 - 5. Requisites for Write-Off of Accounts vis-à-vis BSP Circular No. 855
 - 6. Update on Automated Timekeeping & Leave Monitoring System
 - 7. Status on BACC Directives Relative to Developing a Protocol for Resigning / Retiring Account Officers
 - 8. Internal Audit Tracking Report

OFFICE OF THE CHIEF COMPLIANCE OFFICER

- 1. Results of Compliance Testing on AMLA-Reported Accounts for Fourth Quarter 2016
- 2. Results of Compliance Testing on AMLA-Reported Accounts for First, Second, and Third Quarters of 2017
- 3. OCCO’s Response to the Audit Findings on the AMLC Reporting Procedures
- 4. Materials on Credit Information Corporation (CIC)