

BOARD AUDIT AND COMPLIANCE COMMITTEE

Major Initiatives and Accomplishments for 2018

The Board Audit and Compliance Committee convened four (4) meetings in 2018. 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 2017
 2. Results of Internal Audit Effectiveness Survey
 3. Annual Audit Plan for CY 2018
 4. Results of Operations Audit on Central Luzon Group
 - o Wholesale & Retail Lending
 - o High Risk Account Management
 - o Collateral Verification
 - o Validation of First Time Borrowers and
 - o Profiling of Retail Past Due Accounts
 5. Results of Audit on Pondo sa Pagbabago at Pag-Asenso (P3) Program – 1st report (17 Partner-MFIs as managed by South Luzon and Central Luzon Groups)
 6. Results of Audit on Pondo sa Pagbabago at Pag-Asenso (P3) Program – 2nd report (13 Partner-MFIs as managed by North Luzon Group)
 7. Results of Audit on Pondo sa Pagbabago at Pag-Asenso (P3) Program – 3rd report (12 Partner-MFIs as managed by Mindanao Group)
 8. Results of Audit on Pondo sa Pagbabago at Pag-Asenso (P3) Program – 4th report (15 Partner-MFIs as managed by Visayas Group)
 9. Results of Audit on Pondo sa Pagbabago at Pag-Asenso (P3) Program – 5th report (9 branches of Taytay sa Kauswagan, Inc. located in 5 provinces)
 10. Proposed Guidelines and Policies in Handling Violations of MFIs
 11. Request for Audit Prioritization
- B. Discussed the following for information and notation:
 1. Accomplishment report - Loan Recovery Task Force
 2. Actions Taken on Audited P3 Microfinance Institutions – South Luzon Group
 3. ManCom Resolution No. 2018-06-210 re: Instructions on the Results of the P3 Audit for NLG & MG
 4. P3 Committee Directives and Actions Plans Relative to ManCom's Instructions per MR No. 2018-06-210
 5. ManCom Resolution No. 2018-09-267 Re: Reply to P3 Audit Findings
 6. Internal Audit Tracking Report
 7. Status Report on Compliance to Audit on Leave Administration

OFFICE OF THE CHIEF COMPLIANCE OFFICER

1. Results of Compliance Testing on AMLA-Reported Accounts for the 4th Quarter of 2017
2. Results of Compliance Testing on AMLA-Reported Accounts for the 1st Quarter of 2018
3. Results of Compliance Testing on AMLA-Reported Accounts for the 2nd Quarter of 2018
4. Matrix of Regulatory Requirements for Compliance
5. BSP's Report of Examination (ROE) of Small Business Corporation
(Examination Completed on 10 October 2017)