

## Board Audit Committee

The Board Audit Committee (AuditCom) is chaired by the Board Director from the Department of Trade and Industry (DTI) whose members are the Board Directors from the Department of Finance (DOF), National Economic and Development Authority (NEDA), Department of Budget and Management (DBM), Department of Justice (DOJ) and Department of Energy (DOE). Most of the Board of Directors are seasoned financial management top officials.

### 2018 Accomplishments/Activities

The accomplishments of the Audit Committee for CY 2018 consisted of the following:

- a) Conducted four (4) meetings in 2018
  - 30 January 2018
  - 04 April 2018
  - 21 June 2018
  - 13 December 2018
- b) Transmitted Audit Reports to Management for appropriate action
- c) Presented to the PSALM Board the audit findings for information and further instructions
- d) Monitored compliance and/or actions taken by Management to ensure full resolutions on the lapses/breakdown noted in internal controls

The following were the audit areas in CY 2018:

1. Audit on Bids and Awards Committee on Procurement of Php50 million & above
2. Audit on Human Resource Management Systems and Processes
3. Audit on Liability Management Systems and Processes
4. Audit on Electricity Trading Systems and Processes
5. Audit on Budget and Tax Systems and Processes
6. Audit on Property and Insurance Systems and Processes
7. Audit on Information System and Technology Processes
8. Audit on Privatization/ Disposal of Real Estate Assets
9. Three (3) Special Audit Engagements
  - Special Audit on Contract of Lease and Fit-out of PSALM new Offices
  - Special Audit on Disbursement Control Process on Foreign Travel
  - Special Audit on PSALM's Process of Hiring and Paying Legal Consultants and Process of Responding to COA Legal Retainer Review (LRR), COA Decisions and Resolutions

#### 10. Four (4) Spot Audit Engagements

- Spot Audit on Warehousing and Storage Management
- Spot Audit on Petty Cash Fund and Working Fund for Repairs and Maintenance
- Spot Audit on Issuance of Office Order
- Spot Audit on Disbursement Systems and Process of:
  - o Travelling Expenses
  - o Extraordinary and Miscellaneous Expenses
  - o Actions Taken on Lapses Noted on the Issuance of Payment Instructions

The Audit Reports of the above stated audit engagements in 2018 were transmitted to top PSALM Management.