

## ACCOMPLISHMENT REPORT CY2020

### AUDIT AND RISK MANAGEMENT COMMITTEE

REPORT	TOPIC / AGENDA	DISPOSITION / STATUS
I. Audit and Risk Management Committee Report No. 2020-01  28 January 2020	1. Joint Investigation Report by the Compliance and Risk Management Division	After discussion, the Committee proposed to elevate to the Board, the creation of a new investigating committee to conduct a reinvestigation on the incident and subsequently report its findings to the Committee. The Committee initially recommended designating Atty. Ma. Rosalie Richa Taguian to head the special investigating committee, for the Board's action and approval.
	2. 2019 Accomplishments and Proposed 2020 Audit Plan	After thorough deliberation, the Committee took due cognizance of the reports on the Audit Observation presented by the Audit Committee. The Committee further instructed the Management to issue a Memorandum to the concerned branches and individuals requiring them to respond to the issues at hand and subsequently present the compilation of the responses to the Board for further discussion and deliberation.
II. Audit and Risk Management Committee Report No. 2020-02  13 May 2020	1. Report on the assessment of the alleged glitch in the network attached storage	After thorough deliberation and discussion, the Committee resolved that: <ol style="list-style-type: none"> <li>1. The findings and recommendations submitted by the NHMFC IT consultant Edwin Soliman on the alleged glitch in the Network Attached Storage (NAS) is hereby adopted; and</li> <li>2. There is no data breach committed in the Network Attached Storage (NAS) glitch.</li> </ol> The Committee hereby approved the following Plan-of-Action the Management will undertake:

		<ol style="list-style-type: none"> <li>1. The ICTD is directed to comment on the said report with respect to the following questions:             <ol style="list-style-type: none"> <li>a. Do you agree with the recommendations as revised?</li> <li>b. If you agree, are there any actions made regarding these recommendations ? if there is none, what is your timeline?</li> </ol> </li> <li>2. The ICTD is also directed to segregate which files go to GAIA, back-up storage and in Cebu, to evaluate how big the expected volume of the data storage.</li> <li>3. The Data privacy Officer and Risk Compliance Officer will be informed of the decision of the Committee</li> <li>4. The Management is directed to use the corporation’s resources efficiently when it comes to data storage; and</li> <li>5. There should be a remote backup for business continuity purposes</li> </ol>
	<p>2. Letter response on Audit Observations</p>	<p>After thorough deliberations, the Committee approved the following plan-of-action to be undertaken by the Management:</p> <ol style="list-style-type: none"> <li>1. Request the Central Office Operations to issue a Memorandum to their branches instructing them to respond and comment particularly on the Internal Findings and set deadline immediately. The Operations branch is tasked to coordinate and consolidate all the responses and comments from the branches and submit the report within 30 days from receipt.</li> <li>2. Request the Management to provide a response or update if</li> </ol>

		<p>they have already ceased the pre-signing of the Official Receipts and other documents prior to the Board Meeting.</p> <ol style="list-style-type: none"> <li>3. Finalization of the policy on the administrative and disciplinary actions and the imposition of sanctions on the employees who committed misrepresentations in their report.</li> <li>4. The Internal Audit Department will make a checklist on the documents that the Vice President need to certify when they present to the Board.</li> <li>5. The Vice-Presidents should conduct actual site visits for inspection of the site prior to the Executive Committee presentation of the project.</li> <li>6. The Specialist up to the Vice-President should certify under-oath that all they are presenting to the Board and Executive Committee are true and correct.</li> </ol>
<p>III. Audit and Risk Management Committee Report No. 2020-03</p> <p>20 July 2020</p>	<p>1. Scope and Limitations of Audit to be conducted by the Internal Audit Department</p>	<p>After thorough deliberation, the Committee decided that Chairperson Lita will draft the resolution of the Committee to be routed subsequently to its members and to the Management.</p>



**ATTY. MELANIE B. VALENCIANO**  
Acting Board Secretary