



Republic of the Philippines  
OFFICE OF THE PRESIDENT  
**PHILIPPINE RECLAMATION AUTHORITY**

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## **AUDIT COMMITTEE REPORT**

**CHAIRMAN: DIR. DIOSCORO E. ESTEBAN, JR.**

**MEMBERS: Dir. Nolasco K. Bathan**  
**Dir. Oscar T Lactao\***  
**Dir. Ulysses T. Sevilla\*\***  
**Chairman Alexander T. Lopez\*\*\***  
**Dir. Anthony Peter D. Crisologo\*\*\***  
**General Manager/CEO Cesar S. Siador, Jr.\*\*\***

The PRA Audit Committee consists of four (4) members, whose chairman competently understands accounting, auditing, and/or fiscal management.

The Committee is performing its policy-making and oversight functions through its various responsibilities, such as: **[I.]** Ascertaining the adequacy and effectiveness of internal control structure and system over (1) financial reporting, (2) accounting policies, (3) core operations, (4) business processes and procedure, and (5) support services; **[II.]** Reviewing the (1) internal audit and (2) COA reports that is to ascertain the response of Management or remedial actions and consequently (3) report to the Board; **[III.]** Reviewing changes on accounting practices and recommend for approval those of significant and with major impact on the Agency; **[IV.]** Overseeing and evaluating (1) the internal audit function, (2) monitoring its compliance with the relevant government laws, rules and regulations, (3) ensuring the professional competence of internal auditors, (4) the adequacy of staffing and budget, and (5) to ensure adherence to objectivity and impartiality; **[V.]** Establishing (1) a policy for the receipt, retention, and treatment of complaints regarding accounting, internal auditing matters, (2) procedures for confidential, anonymous submissions by employees regarding questionable accounting or auditing matters; **[VI.]** Monitoring the Agency (1) compliance to the policies on risk assessment and risk management; (2) ensuring that Management is aligning its systems and procedures with the policy, (3) the continuous development of preventive measures against cybercrime, external and internal security breaches, and it is observing a formal information security governance approach; and periodically reviewing policies to ensure their appropriateness to the Agency's programs and activities.

For CY 2023, the PRA Audit Committee held multiple sessions and discussed, deliberated, and acted on the observations and recommendations of the Internal Audit Division on the following matters:

- 1) Policy and Guidelines on Forfeiture of Illegal Reclamation
- 2) Documentation of information on Reclamation, Regulation operations, and Environmental management
- 3) Committee Directive: Special Operations Audit

- 4) Committee Directive: Special Compliance Audit
- 5) Documented processes of various financial services
- 6) Policy and Guidelines - Accounting of Foreclosed Illegal Reclamation
- 7) Policy on Derecognition of Assets
- 8) The PRA Collection Process
- 9) Establishment of a Financial Management Information System
- 10) Policy on Financial Management
- 11) Formulation of PRA Public Service Continuity Plan (PSCP)
- 12) The Geographic Information System
- 13) The Human Resource Management System
- 14) The Program to Institutionalize Meritocracy and Excellence in Human Resource Management (PRIME-HRM)
- 15) The Records Management System
- 16) The Coastal Plaza Condominium Project
- 17) Validation of functional responsibilities of the Marketing and Estates Management Office
- 18) The COA Reports and Management Responses
- 19) Approved the Annual Internal Audit Work Plan
- 20) Approved the implementation of Board Resolution No. 5477 s.2022 – Organizational Reform in the Internal Audit Division
- 21) Endorsement to the Governing Board of IAD Complaints against non-responsive auditees
- 22) Monitoring of Compliance of IAD to GPPB Resolution No. 39-2017
- 23) The digitization of current and non-current documents
- 24) The implementation of IAD's Individual Development Plan in line with closing the gap in internal auditor's professional competency
- 25) Functional supervision over the Internal Audit affairs

\*End of Term: November 13, 2023

\*\*End of Term: November 15, 2023

\*\*\*Date of Appointment: November 07, 2023

