



KASAGANA - KA
Mutual Benefit Association, Inc.

KASAGANA-KA Mutual Benefit Association, Inc.

Audit Committee Meeting

Via zoom

23 April 2021 2:00 pm

<p>Present</p> <p>Board Committee Members</p> <ol style="list-style-type: none"> 1. Philip Arnold P. Tuaño 2. Maria Cleofe Gettie C. Sandoval 3. Alma D. Gilbaliga <p>Also Present:</p> <ol style="list-style-type: none"> 1. Silvida R. Antiquera 2. Evelyn A. Lagmay 	<ul style="list-style-type: none"> - Chairperson, Independent Board Member - Committee Member, Independent Board Member - Committee Member, BoT Vice-President <ul style="list-style-type: none"> - General Manager/Compliance Officer - Finance Manager
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Topic	Discussion
Call to Order	The meeting started at 2:00 pm

- I. IAM Randy, as per business arising, presented the internal audit report to the Committee of areas assigned and planned for the first quarter of 2021.

Area	Audit Findings/Observations	Recommendation	Status of Management Action
Spot Audit on KMBA's Petty Cash Funds	<ol style="list-style-type: none"> 1. HIIP Claims Fund was used for other purpose 2. Overage of PCF-General and PCF-Building amounting to Php962.10. 3. Sole custodian for all KMBA PCF's 	<ol style="list-style-type: none"> 1. Ensure prompt replenishments of PCF expenses/ reimbursements by the custodian in order to have sufficient fund at any time. 2. Separate other cash from PCF (eg. Sikap Buhay member payment) and avoid any advances by the custodian to the expenses. 3. Account Officers may handle other funds as custodian. 	Resolved by KMBA Management.
Process Review on KMBA's Finance	<ol style="list-style-type: none"> 1. Double filing on Claims 2. Inconsistent Attachment on disbursement on allowances (Trustees/Coordinators) 3. Inconsistency of the use of Acknowledgement Receipt/Claims Slip from beneficiaries 4. Inappropriate recording/posting practice of transactions 5. Issuing receipts (Cash Receipt) and recording are performed by the same staff 		Management responses and management actions were documented.

The Committee accepted the report.



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II. IAM Randy next presented the audit engagement for the 2nd Quarter of the year.

Areas	1. Process Review: Transactions on Investment
	2. Process Reviews: Payroll Management
	3. Oversee Election Process and Validate Results.

The Committee consented and agreed to the engagements.

III. Finally, IAM Randy presented the KMBA Internal Audit Charter to update the language that will reflect emerging trends and risks of the Association and that of the provisions of the *International Professional Practices Framework ("the Standard")* published by the Institute of Internal Auditors. The Audit Committee supports and accepts the provisions itemized in the Charter and recommends the approval of the same from the Board.

Adjournment

There being no other matter to discuss, the meeting ended at 3:45 pm.