



KASAGANA-KA Mutual Benefit Association, Inc.
2nd Regular Meeting of the Board of Trustees
KMBA Members' Center Bldg, 5 Matimpiin St. Pinyahan, Quezon City
March 24, 2023 9:00 am

In Attendance:

Board of Trustees:

- | | |
|--|---------------------------|
| 1. Marlin Perez | -President |
| 2. Nelly Vengano | -Vice President |
| 3. Emelda Castro | -Treasurer |
| 4. Myrna Verdadero | -Board Member |
| 5. Sylvia Trijo | -Board Member |
| 6. Philip Arnold P. Tuaño | -Independent Board Member |
| 7. Atty. Maria Cleofe Gettie C. Sandoval | -Independent Board Member |

Also Present:

Board of Advisers:

8. Chona Capayas
9. Isabel Iliw-iliw
10. Enriquetta Navarro

Board Member Emeritus

11. Leticia Rodriguez
12. Wenifreda Rodriguez

Management and Staff

- | | |
|--------------------------|----------------------|
| 13. Silvida R. Antiquera | -General Manager |
| 14. Evelyn Lagmay | -Finance Manager |
| 15. Analyn Shih | -Executive Assistant |




ORDER OF BUSINESS

A. Board Agenda

- I. Call to Order
- II. Prayer
- III. Determination of Quorum
- IV. Approval of Proposed Agenda
- V. Reading and Approval of the minutes of the previous meeting
- VI. Business arising from the previous meeting
- VII. Financial Report
 - a. Financial Statement (January and February 2023)
 - b. Investments as of February 2023
- VIII. For Discussion and Matters Requiring Resolution
 - a. Related Party Transactions Disclosure
 - b. Registration of KMBA Trademark to Intellectual Property Office
 - c. Registration to BIR EFPS
 - d. Renewal and Registration to National Privacy Commission
 - e. Authorized Signatory of Financial Statement
 - f. Representative to KDCI Board
 - g. Performance Incentive of Employees
- IX. FYI./Updates
 - a. Audit Committee Report
 - b. K-Coop Representative Assembly
 - c. MIMAP Learning session
 - d. Annual Board and Committee performance evaluation
 - e. Result of Performance Evaluation of GM Salve Antiquera
 - f. Pasasalamat package for employees
- X. Other Matters
- XI. Schedule of the Next Board Meeting
- XII. Adjournment

Prepared by:


Joseph M. Lopez
Secretary



DISCUSSION HIGHLIGHTS

I. The meeting was formally started at 9:16 am with a prayer.

II. Quorum and Agenda

President, Marlin Perez conducted the roll call and determined the presence of a quorum, with seven of the nine members of the Board present. She then inquired if there are any revisions or additions to the agenda, a suggestion was raised to add to the Agenda the discussion about the lapse accounts of members in KOK and K-Yakap. The Agenda was approved by the Board upon motion by BoT Emelda and seconded by BoT Myrna.

III. Reading and Approval of the Minutes of the Meeting

The minutes of the previous meeting was reviewed, and with no other clarifications, the minutes of the previous meeting was approved upon motion by BoT Nelly and seconded by BoT Sylvia.

IV. Business Arising

GM Silvida Antiquera mentioned that KMBA's request to lower the collection fee from 5% down to 3% has been approved by the management of K-Coop, and will be implemented starting March 1, 2023.

V. Financial Report

A. Financial Statements for February 2023

Finance Manager, Evelyn Lagmay presented the Statement of Financial Position for the months January and February 2023. The summary of the report is provided below:

Particular	As of February 31, 2023	As of February 31, 2022	Variance	
			Amount	%
Total Assets	Php 242,508,247.32	Php 231,145,768.65	Php 11,362,478.67	4.92%
Total Liabilities	135,252,201.86	152,027,966.01	(16,775,764.15)	-11%
Total Fund Balance	107,256,045.46	79,117,802.65	28,138,242.82	35.56%

On the other hand, the summary of the Income Statement for the months of January and February 2023 are as follows:

Particulars	For the Month of January 2023	For the Month of February 2023	Variance in Amount
Gross Revenue	Php 3,826,572.57	Php 4,222,162.57	Php 395,589.94
Total Benefit Expense	4,017,073.61	2,848,827.88	(1,168,245.72)
Total Operating Expense	1,422,388.07	1,427,078.81	4,690.47
Total Investment Revenue and Other Income	349,955.21	432,349.52	82,394.31
Net Surplus (Loss) before Income Tax	(1,262,933.90)	378,605.34	1,641,539.23
Income Tax Expense	-	-	-
Net Surplus (Loss)	(1,262,933.90)	378,605.34	1,641,539.23

Finance Manager Evelyn Lagmay explained that it can be gleamed that in the month of January the association's claims were high, and in the past this has actually been its pattern.



The Board accepted the Financial Report for the months of January and February 2023 upon motion by BoT Emelda and seconded by BoT Sylvia.

B. Investments as of February 2023

The portfolio mix as of February 28, 2023, is as follows:

Type of Investment	As of February 28, 2023	As of March 23, 2023
Cash in Bank	Php 32,603,001.69	Php 33,425,410.41
Time Deposit	3,194,720.73	3,195,662.41
UITF	22,761,946.01	22,761,946.01
Government Securities	75,646,307.26	75,646,307.26
Corporate Bonds	10,280,000.00	10,280,000.00
Mutual Fund	5,672,862.20	5,672,862.20
Stocks	13,007,600.00	13,007,600.00
Investment Property	62,891,358.94	62,891,358.94
TOTAL INVESTMENTS	Php 231,057,796.83	Php 231,881,147.23

The Investment Mix as of February 28, 2023 was approved upon motion by BoT Nelly and seconded by BoT Myrna.

VI. For Discussion

a. Related Party Transactions Disclosure

Independent Trustee, Mr. Philip Arnold Tuaño discussed the report on related party transactions, which shows the transactions of KMBA with its sister organizations, such as K-Coop. The purpose of this reporting is to provide transparency and demonstrate that transactions within sister organizations were done with fairness and practices of good governance were observed properly. The report was prepared by the independent auditor Roxas Cruz Tagle and Co and it went through the deliberation of the Related Party Transactions Committee:

RELATED PART BALANCES		As of December 31, 2022
1.	Unremitted contribution dues and fees	Php 3,790,824.28
2.	Unremitted Premiums CLIP	1,180,208.84
3.	Unremitted Premiums HIIP	295,075.00
4.	Receivables to (from)	839.31
5.	Payable to K-Coop	2,831,687.98

Mr. Tuaño explained that based on the analysis, the transactions between KMBA and K-Coop were based on standards and there was nothing that needed attention. GM Salve added that as of the current date, the amounts involved in the said report have been remitted to the concerned organizations.

The Board accepted the report of the Committee regarding related party transactions upon motion by BoT Nelly and seconded by BoT Myrna

b. Registration of KMBA Trademark to Intellectual Property Office

The Board was informed that the KMBA logo must be registered with the Intellectual Property Office. GM Salve explained the importance that intellectual property rights must be registered so that it can be preserved and prevented from being used by others. By registering with the IPO, KMBA acquires exclusive ownership and the right to use its logo as a trademark.



The trademark registration of the KMBA logo at the Intellectual Property Office (IPO) was approved by the Board upon motion by BoT Nelly and seconded by BoT Emelda

c. Registration to BIR EFPS

The Board was informed that the filing of documents with the Bureau of Internal Revenue (BIR) is required to be done through the Electronic Filing and Payment System (EFPS). This is one of the requirements of the agency in their office transactions. It was also requested that the authorized representative for this transaction are the following: Ms. Silvida Antiquera and Ms. Evelyn Lagmay.

The registration of KMBA in the BIR EFPS was approved by the Board upon motion by BoT Nelly and seconded by BoT Sylvia.

BOARD RESOLUTION No. 4 series of 2023
AUTHORIZING THE ENROLMENT TO THE BUREAU OF INTERNAL REVENUE (BIR)
ELECTRONIC FILING AND PAYMENT SYSTEM (EFPS)

***RESOLVED**, to authorize the enrolment of KMBA to the Bureau of Internal Revenue (BIR) Electronic Filing and Payment System (EFPS).*

d. Renewal of Registration to National Privacy Commission

The Board was informed that KMBA annually renews its registration with the National Privacy Commission, where the appointed Data Privacy Officer is GM Silvida Antiquera.

The Independent Trustee, Atty. Gettie Sandoval explained that under the Data Privacy Act, "data processing organizations" such as KMBA are required to be registered with the Data Privacy Commission in order to protect members' data.

The renewal of KMBA's registration with the National Privacy Commission was approved by the Board upon motion by BoT Sylvia and seconded by BoT Myrna

BOARD RESOLUTION No. 5 series of 2023
AUTHORIZING THE REGISTRATION OF KMBA TO NATIONAL PRIVACY COMMISSION
AND APPOINT MS. SILVIDA ANTIQUERA AS DATA PROTECTION OFFICER

***RESOLVED**, to authorize the registration of KMBA to the National Privacy Commission and re-appoint Ms. Silvida Antiquera as the Data Protection Officer.*

e. Authorized Signatory of Financial Statement

The Board was requested to authorize GM Salve to accept and sign the Financial Statement from the external auditor. It was also clarified in the discussion that the approval of the aforementioned financial statement is still at the discretion of the Board.

The authorization to sign the Financial Statement was approved by the Board upon motion by BoT Emelda and seconded by BoT Myrna.



f. Representative of KMBA on the KDCI Board

KMBA is an institutional member of Kasagana-ka Development Center, Inc. therefore the Board is required to appoint two (2) of its members to represent and be part of the KDCI Board due to its conduct of the Annual General Membership meeting. In the discussion, it was suggested that the representative would be the following: Board Emeritus, Mrs. Leticia Rodriguez and Board Adviser Mrs. Chona Capayas.

The assignment of Mrs. Leticia Rodriguez and Mrs. Chona Capayas as representatives of KMBA in the Board of Trustees of KDCI was approved by the Board upon motion by BoT Nelly and seconded by BoT Emelda.

**BOARD RESOLUTION No. 6 series of 2023
AUTHORIZING MS. LETICIA RODRIGUEZ AND MS. CHONA CAPAYAS
TO REPRESENT KMBA TO KDCI BOARD OF TRUSTEES**

***RESOLVED,** to authorize Ms. Leticia Rodriguez and Ms. Chona Capayas to represent KMBA to Kasagana-ka Development Center, Inc. Board of Trustees.*

g. Results of the Performance Evaluation of Employees

The results of the performance evaluation of the employees were presented to the Board. GM Salve explained that this is carried out throughout KSO every six months, January to June and July to December. In the performance evaluation conducted for July to December 2022, the total amount requested to be distributed to employees as a performance incentive is Php 221,562.27.

The disbursement of the employees' performance incentive worth Php 221,562.27 was approved by the Board upon motion by BoT Nelly and seconded by BoT Sylvia.

**BOARD RESOLUTION No. 7 series of 2023
AUTHORIZING THE RELEASE OF THE PERFORMANCE INCENTIVE OF EMPLOYEES
FOR THE PERIOD JULY TO DECEMBER 2022**

***RESOLVED,** to authorize the release of the performance incentive of qualified employees for the period July to December 2022, subject to adherence to the existing policies on performance evaluation.*

h. Audit Committee Report

Independent Trustee, Atty. Getty Sandoval discussed the Internal Audit Program for the year 2023:

SCOPE	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Assurance services	<ul style="list-style-type: none"> ▪ 1 Spot Audit ▪ Monetization of unused leave credits ▪ Follow-up audit on payroll management ▪ Audit of lapsed accounts ▪ Checking of KPE 	<ul style="list-style-type: none"> ▪ Process reviews: HIIP ▪ Oversee Election Process and Validate Results ▪ Koins system Audit 	<ul style="list-style-type: none"> ▪ Follow up audit of claims transactions ▪ Compliance audit of AML and CTF ▪ Check KPE ▪ Check Step Increment 	<ul style="list-style-type: none"> ▪ 1 Spot Audit ▪ Audit of Investments and PPE ▪ Audit of digital transactions ▪ Audit plan for 2024



- i. K-Coop Representative Assembly
K-Coop will hold its Representative assembly on March 25, 2023 at the SkyDome SM North EDSA. The KMBA was invited to this gathering and the attendees for the KMBA were President Marlin Perez and Vice-President Nelly Vengano. In management, the attendees will be GM Salve Antiquera and Finance Manager Evelyn Lagmay.
- j. MIMAP Learning Session
MIMAP will conduct a learning session on March 30, 2023 where GM Salve will discuss the governance practices of KMBA among fellow members in the network.
- k. Board and Committee Performance Evaluation
The Board was informed that performance evaluation for the July to December 2022 will be conducted after the meeting. This is part of ensuring that the Board meets the expectations regarding leadership in the organization.
- l. Result of Performance Evaluation of GM Salve Antiquera
The Board was informed that based on the performance evaluation conducted on GM Salve for July to December 2022, she was able to obtain a grade of 1.30 or A or equivalent to excellent.

The Board expressed gratitude and recognition for the hard work and dedication of the KMBA General Manager.

VII. Other Matters

BoT Nelly Vengano raised the concern regarding members' accounts that have lapse or are not enrolled in KOK and K-Yakap, without the knowledge of the member. She explained that information should be more intensively distributed to the members led by the Coordinators of KMBA. K-Coop GM Dexter explained that KOK and K-Yakap are products of KDCI's partner, RIMANSI Mutual Solutions, Inc. (RMSI) so it cannot be seen and monitored in Koins. Enrollment of members in these insurances is done by KDCI. In the current process, 2 months before the renewal deadline, KDCI will send K-Coop a list of its members who need to renew.

In the discussion, the list from KDCI will also be shared with the KMBA Coordinators to help with monitoring and information campaigns among members.

VIII. Schedule the next meeting

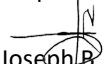
GM Salve mentioned that due to the preparations being made for the Annual General Meeting of the KMBA, it is necessary to fix the schedules and activities of KMBA. The management will inform the schedule of the next meeting once the schedules and activities have been arranged.

XI.

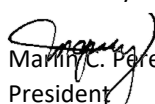
Adjournment

There being no other matters discussed, the meeting ended at at 11:53 am upon motion by BoT Myrna and seconded by Bot Nelly.

Prepared by:


Joseph B. Lopez
Board Secretary

Attested by:


Marlin C. Perez
President

