



**MEMORANDUM ORDER NO. 2018-09**

**RESTRUCTURING OF THE INTERNAL AUDIT SERVICE OF THE NATIONAL TOBACCO ADMINISTRATION**

**WHEREAS**, the NTA requested for the creation of additional positions in its Internal Audit Service (IAS) in view of DBM Circular Letter (CL) No. 2008-5 dated 14 April 2008;

**WHEREAS**, under DBM CL No. 2008-5 and the Philippine Government Internal Audit Manual (PGIAM) promulgated in DBM CL No. 2011-5, the Internal Audit Unit (IAU) of a GOCC shall be a Department or its equivalent organizational unit, which shall be headed by a Department Manager with a Salary Grade of 26 or its equivalent position, and it shall have two (2) divisions - an Operations Audit Division and a Financial Audit Division - each to be headed by an Internal Auditor V (SG 24).

**WHEREAS**, the internal audit unit has the purpose of strengthening the internal control systems, improving existing systems and procedures, and promoting transparency and accountability in various aspects of the operations of government.

**WHEREAS**, the Governance Commission for GOCCs (GCG) pursuant to Republic Act (R.A.) No. 10149 is mandated to "evaluate the performance and determine the relevance of the GOCC, to ascertain whether such GOCC should be reorganized, merged, streamlined, abolished or privatized, ...[and] implement the reorganization, merger or streamlining *unless otherwise directed by the President.*;

**WHEREAS**, the GCG has determined that it is in the best interest of the State to restructure NTA's IAS as an Internal Audit Department (IAD) in accordance with existing government policy;

**NOW**, Be it –

**RESOLVED**, that the following plantilla positions under the 2007 DBM-approved staffing pattern of NTA are hereby **ABOLISHED**:

No. of Positions	Position Title	Salary Grade
1	Internal Auditor IV	22
1	Computer Operator II	9
<b><u>2</u></b>	<b><u>TOTAL</u></b>	

**RESOLVED FURTHER**, that the staffing pattern of the restructured Internal Audit Department shall be as follows:

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No. of Positions	Position Title	Salary Grade
1	Department Manager III	26
<i>Operations Audit Division</i>		
1	Internal Auditor V	24
1	Internal Auditor III	18
1	Internal Auditor II	15
1	Internal Auditor I	11
<i>Management Audit Division</i>		
1	Internal Auditor V	24
1	Internal Auditor III	18
1	Internal Auditor I	11
<b>8</b>	<b>TOTAL</b>	

**RESOLVED FINALLY**, the implementation of this Order shall comply with the following conditions and guidelines:

1. Funds for the purpose shall be taken fully from the corporate funds of the NTA, included in its Corporate Operating Budget (COB) as approved by its Board of Trustees;
2. In the event that the PS requirement exceeds the COB level, the Governing Board may request from the Department of Budget and Management (DBM) the approval of the Supplemental Budget necessary for this purpose; and
3. The pertinent budgetary, accounting, auditing, civil service and other applicable laws, rules and regulations shall be complied with.

**DONE**, in the City of Makati, this 22<sup>th</sup> day of October 2018.

**SAMUEL G. DAGPIN, JR.**  
Chairman

**MICHAEL P. CLORIBEL**  
Commissioner

**MARITES C. DORAL**  
Commissioner