



**MEMORANDUM ORDER NO. 2019-03**

**AUTHORIZING THE LBP INSURANCE BROKERAGE, INC. (LIBI) TO CREATE ONE (1) INTERNAL AUDITOR POSITION**

**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 LIBI Board of Directors approved the creation of additional positions through Board Resolution No. 2018-011-030 to provide manpower complement to perform the accountability and audit function of the corporation;

**WHEREAS**, LIBI requested for approval of the Governance Commission to create one (1) Internal Auditor (SG 15) in compliance with the requirement of the Securities and Exchange Commission (SEC) and Insurance Commission (IC). In addition, the requested position is to comply with the Code of Corporate Governance under GCG Memorandum Circular (M.C.) No. 2012-07, which requires the creation of an Audit Committee to oversee, monitor, and evaluate the adequacy and effectiveness of the GOCCs' internal control systems.

**WHEREAS**, the GCG determined that it is in the best interest of the State and the public to create one (1) Internal Auditor position for LIBI to promote better, effective, and efficient services to the public;

**NOW**, Be it –

**RESOLVED**, the creation of one (1) Internal Auditor (SG 15) is hereby **APPROVED**, which shall report directly to the Audit Committee of the Board;

**RESOLVED FURTHER**, that the authorization to create the aforementioned position is **SUBJECT TO THE FOLLOWING CONDITIONS**:

1. Funds for the purpose shall be taken fully from the corporate funds of LIBI as approved by its Governing Board, and no budgetary support will be provided by the National Government for personal services; and,
2. 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>nd</sup> day of April 2019.

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

  
**MICHAEL P. CLORIBEL**  
*Commissioner*

  
**MARITES C. DORAL**  
*Commissioner*