

**Republic of the Philippines
Office of the President**

JHMC

JOHN HAY MANAGEMENT CORPORATION
a member of **The BCDA Group**

**RISK MANAGEMENT
COMMITTEE**

REPORT

CY 2019

I. JHMC Board Risk Management Committee

The Risk Management Committee has six (6) members, to wit:

Chairperson: Eduardo B. Davalan

Members: Charito R. Dulay
Rufino G. Ibay Jr.
Ceasar G. Oracion
Gloria F. Peralta
Christian Paul L. Ulpindo

II. Committee Members' Qualifications

The Committee shall consist of at least three (3) members, with at least one member having a background in finance and investments.

Director Peralta is a Certified Public Accountant. Director Ibay has a Masters in Economics.

III. Committee Members' Responsibilities

The Committee shall be responsible for the following:

1. Performing oversight risk management functions specifically in the areas of managing credit, market, liquidity, operational, legal, reputational, and other risks of the GOCC, and crisis management, which shall include receiving from Senior Management periodic information on risk exposures and risk management activities;
2. Developing the Risk Management Policy of the GOCC, ensuring compliance with the same and ensure that the risk management process and compliance are embedded throughout the operations of the GOCC, especially the Board and Management level; and
3. Providing quarterly reporting and updating the Board on key risk management issues as well as *ad hoc* reporting and evaluation on investment proposals.

IV. Accomplishments

1. Reviewed and recommended the following policies for the Board's approval:
 - a. Policy and Implementing Guidelines for the Preservation of Trees vis-à-vis Development Projects within the John Hay Special Economic Zone (JHSEZ).
 - b. Guidelines for the Disposition of Wood Materials to Requesting Parties.
 - c. Anti-Littering Policy for the JHSEZ.
 - d. Guidelines for the Conduct of Fireworks Display within the JHSEZ.

- e. Policy and Implementing Guidelines on the Conduct of Research and Other Scientific Studies within Camp John Hay (CJH).
 - f. CJH Security Plan.
 - g. CJH Traffic Management Plan.
 - h. JHMC Security Guidelines.
 - i. Relief Response Operations Guidelines and Flowchart.
 - j. Flowchart of Security and Safety Related Incidents.
 - k. Corporate Social Responsibility Framework.
 - l. Guidelines on the Management of JHMC Official Social Media Accounts.
 - m. ICT Security Policy
 - n. Standard Contract Provisions.
 - o. Policy and Flow Chart on Contract Monitoring.
 - p. Amended Freedom of Information Manual.
2. Reviewed and recommended the following Terms of Reference (TOR) and Scope of Services for the Board's approval:
- a. Addendum to the TOR for Security Services for Area of Responsibility (AOR) 1 and AOR 2.
 - b. TOR for the Procurement of Consulting Services for a Third Party to Administer, Generate and Interpret the Results of the Customer Satisfaction Survey for CY 2019 and CY 2020.
 - c. TOR for the Procurement of the Design, Development and Deployment of the JHMC Document Tracking System.
 - d. Scope of Services for the Procurement of Solid Waste Collection and Disposal for CY 2019.
3. Reviewed and recommended the following Contracts for the Board's approval:
- a. Deed of Usufruct with the Philippine National Police (PNP) – Cordillera Anti-Illegal Drugs Unit at Scout Barrio, Camp John Hay.
 - b. Deed of Usufruct with the Department of Education (DepEd) – Division of Baguio City for Camp 7 Elementary School, Baguio City.
 - c. Deed of Usufruct with Philippine Information Agency-Cordillera Administrative Region.
 - d. Memorandum of Agreement for Adopt an Estero/ Waterbody Program with the Environment and Management Bureau - Cordillera Administrative Region (EMB-CAR).
 - e. Memorandum of Understanding for the Guerilla Race in Camp John Hay.
 - f. Letter of Agreement for Special Legal Services with the Office of the Government Corporate Counsel (OGCC).
 - g. Memorandum of Agreement for the Technical Assistance to Conduct Organization Review and Develop JHMC's Restructuring Plan with the Development Academy of the Philippines (DAP).
 - h. Contract for the Design and Build of the JHMC Office Building.
 - i. Contract for the Rehabilitation of Voice of America (VOA) Log Home No. 9.
 - j. Contract for the Phase 2 Repair and Maintenance of the Bell House Veranda.
 - k. Contract of Services for the Enhancement of the History Trail.
 - l. Contract on the Greenhouse Facility Extension and Repair of Gardener's Bunkhouse.

- m. Contract for the Gardening Services.
 - n. Contract for Various Office Supplies for CY 2019
 - o. Deeds of Absolute Sale for the Disposition of Unserviceable Motor Vehicles of JHMC.
 - p. Non-Disclosure Agreements.
4. Reviewed and recommended the following for the Board’s approval:
- a. Tree Inventory and Health Assessment of the Benguet Pine Trees within JHSEZ.
 - b. Emergency Cutting of Dead/ Pest-Infested Trees
 - c. Road Map towards an Asbestos-Free Camp John Hay.
 - d. Corporate Actions to address the Negative Retained Earnings of JHMC for the Board’s approval.
 - e. Recommendations of the Fact-Finding Body of the Directors’ and Officers’ Liability Fund.
 - f. Performance Scorecard of JHMC for the Fourth Quarter of CY 2018.
 - g. Quarterly Reports on the CY 2019 JHMC Performance Scorecard.
5. Reviewed the following:
- a. Actions of Management on the High Risks Identified in the JHMC Risk Profile.
 - b. Result of the CY 2016 Corporate Governance Scorecard of JHMC.
 - c. Implementation of the BCDA-JHMC Barangay Segregation Program.
 - d. Performance and compliance of the Maximum Security and Services Corporation with the Security Services Contract with JHMC.
 - e. Implementation of the Sanitation Cutting of Dead and Pest-Infested Pine Trees pursuant to the letters of the Department of Environment and Natural Resources - Cordillera Administration Region (DENR-CAR).
 - f. JHMC’s Position Paper on Senate Bill No. 2169: “An Act Creating the Greater Baguio-Benguet Development Authority”.
 - g. Monitoring of JHMC Legal Cases.

V. Meetings:

A total of 19 meetings were conducted by the Risk Management Committee in 2019.

No.	Date of Meetings
1.	January 14, 2019 (joint meeting with the Business Development Committee)
2.	January 28, 2019 (joint meeting with the Governance Committee; and Special Committee on CJHDevCo Concerns and 19 Conditionalities)
3.	February 11, 2019 (joint meeting with the Governance Committee)
4.	March 08, 2019 (joint meeting with the Special Committee on CJHDevCo Concerns and 19 Conditionalities)
5.	March 25, 2019 (joint meeting with the Governance Committee)

No.	Date of Meetings
6.	April 22, 2019 (joint meeting with the Governance Committee; and Special Committee on CJHDevCo Concerns and 19 Conditionalities)
7.	May 06, 2019 (joint meeting with the Governance Committee)
8.	June 03, 2019 (joint meeting with the Governance Committee)
9.	June 17, 2019 (joint meeting with the Governance Committee)
10.	July 08, 2019 (joint meeting with the Finance Committee; and Governance Committee)
11.	July 22, 2019 (joint meeting with the Special Committee on CJHDevCo Concerns and 19 Conditionalities)
12.	August 05, 2019 (joint meeting with the Governance Committee; and Special Committee on CJHDevCo Concerns and 19 Conditionalities)
13.	August 19, 2019 (joint meeting with the Governance Committee)
14.	September 09, 2019 (joint meeting with the Nominations, Remunerations and Organizational Development Committee)
15.	October 07, 2019 (joint meeting with the Governance Committee; and Special Committee on CJHDevCo Concerns and 19 Conditionalities)
16.	October 21, 2019 (joint meeting with the Governance Committee; and Special Committee on CJHDevCo Concerns and 19 Conditionalities)
17.	November 08, 2019 (joint meeting with the Finance Committee; and Nominations, Remunerations and Organizational Development Committee)
18.	November 25, 2019 (joint meeting with the Governance Committee; and Special Committee on CJHDevCo Concerns and 19 Conditionalities)
19.	December 09, 2019 (joint meeting with the Governance Committee; and Special Committee on CJHDevCo Concerns and 19 Conditionalities)

VI. Attendance Record of the Members

Members	Date of Meetings						
	01/14/2019	01/28/19	02/11/2019	03/08/2019	03/25/19	04/22/19	05/06/2019
Eduardo B. Davalan	P	P	P	P	P	P	P
Charito R. Dulay	P	P	P	P	P	P	P
Rufino G. Ibay Jr.	P	P	P	P	P	P	P
Ceasar G. Oracion	P	P	P	P	P	P	P
Gloria F. Peralta	P	P	P	P	P	P	P
Christian Paul L. Ulpindo	P	P	P	P	P	P	P

Members	Date of Meetings						
	06/03/2019	06/17/19	07/08/2019	07/22/19	08/05/2019	08/19/19	09/09/2019
Eduardo B. Davalan	P	P	P	P	P	P	P
Charito R. Dulay	P	P	P	P	P	P	P
Rufino G. Ibay Jr.	P	P	P	P	P	P	P
Ceasar G. Oracion	P	P	P	P	P	P	P
Gloria F. Peralta	P	P	P	P	P	P	P
Christian Paul L. Ulpindo	P	P	P	P	P	P	P

Members	Date of Meetings				
	10/07/2019	10/21/19	11/08/2019	11/25/19	12/09/2019
Eduardo B. Davalan	P	P	P	P	P
Charito R. Dulay	P	P	P	P	P
Rufino G. Ibay Jr.	P	P	P	P	P
Ceasar G. Oracion	P	A	P	A	P
Gloria F. Peralta	P	P	P	P	P
Christian Paul L. Ulpindo	P	P	P	P	P

P - present

A - absent