

**MINUTES OF THE REGULAR MEETING  
CCP BOARD OF TRUSTEES  
28 July 2021, 2:00 PM, via Zoom**

**Present:**

Ma. Margarita Moran-Floirendo	Chairperson
Arsenio J. Lizaso	President/Trustee
Baltazar N. Endriga	Trustee
Michelle Nikki M. Junia	Trustee
Lorna Patajo-Kapunan	Trustee
Mary Rose Magsaysay	Trustee
Zenaida R. Tantoco	Trustee
Stanley Seludo	Trustee
Marivic H. Del Pilar	Trustee
Moises Benedict Carandang	Trustee
Rolando A. Bernales	Corporate Secretary

**Also Present:**

Chris B. Millado	VP-Artistic Sector
Manuel Cabalejo	IAD-DM
Ma. Belma R. Bagang	FSD-OIC
Teresa S. Rances	ASD-DM

**1. Determination of Quorum and Call to Order**

Atty. Bernales confirmed the presence of a quorum and accordingly, Chair Moran-Floirendo, Presiding Officer, called the meeting to order at 2:00 PM. Trustee Carandang then led the opening prayer.

**2. Approval of the Agenda**

Chair Moran-Floirendo asked the members of the Board if they approve the agenda or if they want to amend it.

Trustee Magsaysay stated that the ICT Committee has a presentation and would like to report under the Committee Reports. Trustee Del Pilar likewise stated that the Risk Management Committee will report as well.

The Board, thus, on motion made and duly seconded, passed the resolution that follows.

**CCP Board Resolution No. 45  
Series of 2021**

The Board of Trustees of the Cultural Center of the Philippines  
RESOLVED to APPROVE the Agenda as amended composed of the  
following items:

1. Determination of Quorum and Call to Order
2. Approval of the Agenda
3. Review and Approval of the Previous Minutes

4. Matters Arising from the Minutes
  - a. Action List
  - b. Budget for Digital Innovation
5. New Business
  - a. Election of Officers
  - b. First Semester Financial Statements
  - c. Artistic Department Report
  - d. Health & Safety Protocols Manual
  - e. Manual of Operations (Part II)
6. Committee Reports
  - a. Committee on Artistic Matters
  - b. Audit Committee
  - c. Ad hoc Committee on Renovations
  - d. ICT Committee
  - e. Risk Management Committee
7. Other Matters
8. Adjournment

### **3. Review and Approval of the Previous Minutes**

Chair Moran-Floirendo asked the Board if they have reviewed the Minutes of the previous meeting, and if they have comments or corrections.

Trustee Endriga commented that he would like to have corrected the portion on “Updates on Procurement of Construction Management Firm” to state that the Project Management Firm should have reasonable time to prepare and study the various aspects of the CCP Rehabilitation Project before any construction work should begin. Atty. Bernales agreed to make such corrections.

There being no other comments and objections sought on the minutes of the previous meeting, on motion duly made and seconded, the Board passed the resolution that follows:

#### **CCP Board Resolution No. 46 Series of 2021**

The Board of Trustees of the Cultural Center of the Philippines  
RESOLVED to APPROVE the minutes of the June 30, 2021 Board Meeting.

### **4. Matters Arising from the Minutes**

#### **a. Action List**

Atty. Bernales reported the Actions Taken with respect to the Action List culled from the minutes of the previous meeting.

On the first item, Atty. Bernales reported that Ms. Rances has sent the printed copies of the TOR to the Legal Office for Trustee Endriga to pick up and review the same. Chair Moran-Floirendo interposed a question if the TOR for the Project Management Firm has been reviewed by the Ad hoc Committee on Renovations

Trustee Endriga answered that the TOR has been reviewed and corrected by the Ad hoc Committee on Renovations and is now ready to be posted on PhilGEPS. Thus,

Trustee Endriga moved to approve the TOR for the hiring of a Project Management Firm, as corrected by the Ad hoc Committee on Renovations.

The Board, thus, on motion made and duly seconded, passed the resolution that follows.

**CCP Board Resolution No. 47**  
**Series of 2021**

The Board of Trustees of the Cultural Center of the Philippines  
RESOLVED to APPROVE the TOR for the hiring of a Project  
Management Firm, as corrected by the Ad hoc Committee on  
Renovations.

On the second item, Atty. Bernales clarified that this lot is actually titled under the name of the Republic of the Philippines, and its transfer to the name of the Cultural Center of the Philippines is currently undergoing as ASD is setting a meeting with Pasay City LGU.

Trustee Patajo-Kapunan interjected to suggest that CCP should have a safety vault where its important papers, titles, official documents and other valuables may be safely stored, and that which is fireproof in order to safeguard the same.

On the third item, Trustee Junia reported that during the meeting between CAM, OAD and OP, the observation of the Board regarding the budget allocation for projects was tackled and discussed. However, another meeting is needed to deeply discuss this matter which is set on the second week of August.

On the fourth item, Atty. Bernales reported that the Legal Office has already done the corrections pointed out by the Board for the first part of the Manual of Operations, and the same will be submitted to the IAD next week.

On the fifth item, Atty. Bernales reported that the Legal Office has created a separate manual for the CCP Complex Development and the corrections made by the Board were incorporated as well.

On the sixth item, Atty. Bernales reported that it is in fact mandatory for CCP to have a Citizen's Charter, and such Charter was drafted on 2017, uploaded on the CCP website on 2018, the latest revision was made on 2019, and the Certificate of Compliance for this was submitted to ARTA on December 2020. In this regard, Chair Moran-Floirendo requested Atty. Bernales to send via email, a copy of the CCP Citizen's Charter to each of the Trustees. Atty. Bernales agreed to do this.

On the seventh item, Trustee Carandang reported that for July, the following activities were accomplished:

- Building of Social Media Team
- Webinar with Google/Youtube
- Meeting with Virtual Reality group
- Meeting with Knowledge Channel & Arts Education

Lastly, Trustee Carandang reported that he is set to meet with several industry players before the month of July ends; while for August, he has already obtained the confirmation for a meeting with various organizations and will just have to find a suitable schedule for all.

On the eighth item, Atty. Bernales reported that a Memorandum was sent to FSD and HRMD for this purpose. Chair Moran-Floirendo asked if an applicant for this position has been selected. To this, Trustee Del Pilar, Trustee Endriga, and President Lizaso responded that their consensus pick was the applicant from Philippine Tourism Authority (PTA).

However, President Lizaso clarified that although the said applicant was qualified, it was their common understanding to defer the hiring for this position because perhaps there could be a better applicant if the notice of vacancy is posted again.

On the other hand, Trustee Endriga echoed the sentiments of FSD on this matter, stating that the hiring of a VP Admin & Finance is necessary and urgent, so that the workload of the OIC-FSD may be alleviated.

After further discussion, the Selection Committee for the hiring of VP Admin & Finance agreed to hire the aforementioned applicant as VP Admin & Finance. Thus, Trustee Patajo-Kapunan moved to approve the recommendation of the Selection Committee to hire the applicant from PTA, considering the exigencies of CCP's operation and the necessity of filling-up the position.

The Board, thus, on motion made and duly seconded, passed the resolution that follows.

**CCP Board Resolution No. 48**  
**Series of 2021**

The Board of Trustees of the Cultural Center of the Philippines  
RESOLVED to APPROVE the recommendation of the Selection  
Committee for the hiring of VP Admin & Finance, to hire the  
applicant from PTA.

On the ninth item, Atty. Bernales reported that a Memorandum from OP was sent to OAD, informing latter about the Board Resolution for this purpose.

On the tenth item, Trusted Endriga reported that the proponent who provides the accounting software for PICC and Credit Information Corporation of the Philippines (CICP) has presented their system before him, and his evaluation therefor is very good.

**b. Budget for Digital Innovation**

Trustee Carandang reported that according to FSD, an amount of Two Million to Five Million Pesos may still be allocated for workshops this year. Also, one of the leading Fil-Am animators in the U.S.A. is proposing to bring other Filipino-Americans who will be able to speak about the industry and do workshops for CCP.

In continuation, Trustee Carandang stated that his other proposals are slated for 2022, particularly an increase for the CCP Innovations Grant budget at Php 30-40 Million. However, these estimated budgets will be finalized after his meeting with various CCP Departments on July 29, 2021.

Trustee Endriga noted, however, that when FSD submitted its budget proposal for 2022, the said Php 30-40 Million does not seem to be included therein. Trustee Carandang

responded that he will still have to coordinate with OP if he can move other budget allocations to fund this proposal.

As to the Php 2-5 Million budget for workshops this year, Chair Moran-Floirendo asked where it will be sourced from. Trustee Carandang responded that he still has to determine the exact workshops to be given by the Fil-Am animators before the funds are sourced.

Trustee Magsaysay interjected to state that the proposals of Trustee Carandang are new special projects, and she is not sure if those can be accommodated with the current budget. Once the numbers are definite, ICT Committee can convene to come up with additional budget as necessary.

Trustee Patajo-Kapunan interjected to manifest the process check for all to follow, that the Committees and members of the Board, for any project/program proposal, should vet it first with the Office of the President before it is presented to the Board. Trustee Patajo-Kapunan emphasized that the President has the Masterplan for the whole CCP, as such he must be informed of any ideas first, as a matter of good governance and courtesy to the Office of the President.

Trustee Carandang manifested that his proposals were vetted with the Office of the President and VP Artistic Sector before its presentation right now.

Trustee Patajo-Kapunan then explained that President Lizaso also has its own initiatives which he reports to the Board. As such, the initiatives of the President and that of the Board must be synergized for the reason that the funds of CCP are not unlimited. With that being said, Trustee Patajo-Kapunan expressed her support for the proposals of Trustee Carandang, provided the Trustees coordinated with each other.

Trustee Patajo-Kapunan interposed a motion to have a special ExCom meeting to discuss this matter more thoroughly and invite those who can explain their project proposals for digital transformation. This was agreed to by Chair Moran-Floirendo and Trustee Magsaysay.

Lastly, Trustee Patajo-Kapunan interjected to request that the office assignment of CCP Employees be included in the Agenda for the special ExCom meeting. She clarified that perhaps the Board can look into the putting the employees into an office or position he/she would be most effective.

Trustee Endriga asked permission from President Lizaso that Mr. Ferdinand Sevilla be allowed to continue his participation with the Digital Transformation even though he has been transferred from MIS to CorPlan.

President Lizaso asked clarification from Atty. Bernales on the current designation of Mr. Sevilla to determine if the latter may still participate with the Digital Transformation. Atty. Bernales answered that as of the moment, Mr. Sevilla is the OIC of CorPlan, however he originally hails from MIS. Thus, President Lizaso stated that Mr. Sevilla may continue his participation with the Digital Transformation.

## **5. New Business**

### **a. Election of Officers**

Chair Moran-Floirendo cited R.A. 10149 which provides that the Chief Executive Officer has to be elected annually by the Board from among its ranks. Hence, Chair Moran-Floirendo proposed the re-election of President Lizaso.

The Board in general, was unanimous in re-electing President Lizaso. President Lizaso thanked all of the Board Members.

In continuation, Chair Moran-Floirendo manifested that according to the Manual of Corporate Governance, the Chairman of the Audit and Risk Committee renews their Chairmanship, as approved by the Board, hence, Chair Moran-Floirendo proposed the renewal of the chairmanship of Trustee Del Pilar for Risk Management Committee, and Trustee Endriga as OIC for Audit Committee, only until Dr. Laya is reinstated in the Board. The proposal of Chair Moran-Floirendo was approved by the Board.

Atty. Bernales interjected to suggest that the changes made in the membership of the committees be had in a single Board Resolution. Thus, Trustee Patajo-Kapunan moved to approve the new list of members of BOT Committees, as indicated below.

The Board, thus, on motion made and duly seconded, passed the resolution that follows.

**CCP Board Resolution No. 49**  
**Series of 2021**

The Board of Trustees of the Cultural Center of the Philippines  
RESOLVED to APPROVE the new list of members of BOT  
Committees as follows:

a. Executive Committee

Chairman: Ma. Margarita Moran Floirendo

Members: Jaime C. Laya (when reinstated), Baltazar  
N. Endriga, Lorna Patajo-Kapunan, Arsenio  
J. Lizaso, Marivic Del Pilar

Coordinator: Atty. Rolando Bernales

b. Audit Committee

OIC-Chairman: Baltazar N. Endriga

Members: Baltazar N. Endriga, Zenaida Tantoco,  
Benedict Carandang, Jaime C. Laya (to be  
Chairman when reinstated)

Coordinator: Manuel Cabalejo

c. Nomination & Remuneration Committee

Chairman: Arsenio J. Lizaso

Members: Baltazar N. Endriga, Michelle Nikki M. Junia

Coordinator: Lilian Barco

d. Artistic Committee

Chairman: Michelle Nikki M. Junia

Members: Jaime C. Laya, Stanley Seludo,  
Benedict Carandang

Coordinator: Eva Salvador

e. Governance Committee

Chairman: Ma. Margarita Moran Floirendo

Members: Arsenio J. Lizaso, Baltazar N. Endriga,  
Mary Rose Magsaysay

Coordinator: Atty. Rolando Bernales

f. Risk Management Committee

Chairman: Marivic H. Del Pilar

Members: Michelle Nikki M. Junia, Mary Rose  
Magsaysay, Lorna Patajo-Kapunan

Coordinator: Teresa S. Rances

g. Complex Development Committee

Chairman: Arsenio J. Lizaso

Members: Ma. Margarita Moran-Floirendo, Baltazar  
N. Endriga, Lorna Patajo-Kapunan,  
Jaime C. Laya (when reinstated)

Coordinator: Teresa S. Rances

h. Ad-hoc Committee on Renovations

Chairman: Baltazar N. Endriga

Members: Stanley B. Seludo, Marivic Del Pilar

Coordinator: Teresa S. Rances

i. Information and Communications Technology (ICT)  
Committee

Chairman: Mary Rose Magsaysay

Members: Michelle Nikki M. Junia, Lorna Patajo  
Kapunan, Stanley Seludo, Benedict  
Carandang

Coordinator: Joselle Calizo

j. Investments Committee

Chairman: Benedict Carandang

Members: Jaime C. Laya (when reinstated), Lorna  
Patajo-Kapunan, Baltazar N. Endriga

**b. First Semester Financial Statements**

Ms. Bagang reported that the Income Statement for the period ending June 30, 2021, the total revenue is Php 280,745,073.00 where 86% of which comes from the subsidy of the National Government.

As for the Operating Income, Php 1,732,448.00 comes from Income from Printing and Publication. While for the Non-Operating Income, Php 31, 307, 581.99 comes from Rent/Lease Income.

As to the Operating Expenses, the total amount therefor is Php 235,320,891.00, with the biggest part spent on Maintenance and Other Operating Expenses at Php 121,117,160.00. Ms. Bagang further explained the breakdown of other Operating Expenses.

As to the Balance Sheet, CCP's total assets is in the amount of Php 2,203,571,978.00 while CCP's total liabilities amounts to Php 304,398,582.00. Thus, CCP's Total Net Assets/Equity is in the amount of Php 1,899,173,396.00.

Trustee Endriga raised a question to Ms. Bagang if the investments in stocks are part of the "Cash and Cash Equivalent" or under "Other Investments?" To this, Ms. Bagang answered that it is under "Other Investments".

Trustee Endriga then stated that the figures for "Other Investment" is overstated but it has not been changed because the COA audit of 2020 had a different view on this. Trustee Endriga then expressed that he will further clarify this, on his report for Audit Committee later.

Trustee Patajo-Kapunan interposed a question as to the Cashflow requirement of CCP for each month and if there is enough reserve to meet this requirement. Ms. Bagang answered that if only regular expenditures are considered, the Cashflow required is about Php 30,000,000.00 monthly.

Chair Moran-Floirendo then asked Ms. Bagang to report on the 2022 budget. Ms. Bagang reported that for 2022, CCP Total Budget Proposal Amounts to Php 599,957,000.00 where Php 355,913,000.00 comes from the Regular Subsidy of the National Government.

For the Operating Income for 2022, Ms. Bagang reports that Php 44,004,000.00 is the expected total operating income for said year. For the Non-Operating income for 2022, Php 172,697,000.00 is the expected total operating income.

Chair Moran-Floirendo asked VP Millado to verify the correctness of the 2022 Subsidy for Resident Companies which was doubled. VP Millado clarified that the original proposal was to double the subsidy for 2021 but he moved that this doubling of subsidy be postponed to 2022, Ms. Bagang agreed to the answer to VP Millado.

Ms. Bagang then reported that for the 2022 subsidy to the Resident Companies, the additional budget of Php 10,000,000.00 requested to the DBM was disallowed. Hence, Ms. Bagang requests that said budget addition be moved to 2023 instead. The Board agreed to the request of Ms. Bagang thus, the 2022 budget for the Resident Company is now Php 8,190,000.00.

In summary, Ms. Bagang reported that for 2022 CCP's Total Sources of Funds is Php 572,614,000.00 while its Total Uses of Funds is Php 599,957,000.00 which would result in a deficit of Php 27,343,000.00 and the Estimated Corporate Fund Balance at December 31, 2022 will be Php 39,173,000.00.

Trustee Endriga asked if there is a chance that the Congress will grant us an additional amount to cover our deficit. President Lizaso answered that it is being worked out in the Congress for the R.A. 11392.

Trustee Endriga also asked if the budget request for the CAPEX includes the Php 5 Million for the computerization of the accounting and budgeting system. Also Trustee Del Pilar asked if the budget includes the funding for the plans and programs of the Board.



Ms. Bagang answered that it does not include yet the budget for the computerization of the accounting system but as told by DBM, CCP can realign as long as it is within the budget of I.T.

Trustee Junia then asked how much is the budget for I.T. and will the budget be able to accommodate some of the digitization projects. To this, Ms. Bagang answered that the budget for I.T. is Php 23.6 Million and the digitization projects can be accommodated as long as such are within the Php 23.6 Million cap.

Trustee Magsaysay requested Ms. Bagang to submit the breakdown of the spending of the Php 23.6 Million to the I.C.T. Committee. Ms. Bagang agreed to do submit the requested breakdown. Also, Trustee Magsaysay asked Ms. Bagang to check on the subscription of DBM as the latter has plenty of software that FSD may need, and the cost of such would automatically be charged to the budget of CCP.

Trustee Endriga asked Ms. Bagang to clarify the Congressional initiative budget for the CCP Rehabilitation Project which amounts to Php 653,412 Million. Ms. Bagang explained that such amount includes the Blackbox Theater, Artists Center, etc.

Trustee Magsaysay and Trustee Endriga emphasized the importance of the budget for the computerization of the accounting and budgeting system and must be included in the budget for 2022. Ms. Bagang clarified that such project can be prioritized as long as it is within the Php 23.6 Million I.T. Budget.

Thus, President Lizaso moved to approve the CCP Budget Proposal for CY 2022 as adjusted following the disapproval by DBM of certain budget requests.

The Board, thus, on motion made and duly seconded, passed the resolution that follows.

**CCP Board Resolution No. 50**  
**Series of 2021**

The Board of Trustees of the Cultural Center of the Philippines  
RESOLVED to APPROVE the CCP Budget Proposal for CY 2022 in the  
amount of PESOS: **FIVE HUNDRED NINETY-NINE MILLION NINE  
HUNDRED FIFTY-SEVEN THOUSAND PESOS (P 599,957,000.00)**,  
broken down as follows:

Personal Services	P 244,044,000
Maintenance and Other Operating Expenses	332,298,000
Capital Expenditures	<u>23,615,000</u>
Total	P 599,957,000

RESOLVED further, that funds to cover CCP's Budget for FY 2022 shall come from the following sources:

Projected Income	P 216,701,000
Subsidy from the National Government	P <u>355,913,000</u>
Total	P <u>572,614,000</u>

RESOLVED further, to authorize President Arsenio J. Lizaso and/or his duly authorized representative to present to the Department of Budget and Management the above approved CCP Budget for CY 2022.

RESOLVED finally, to authorize President Arsenio J. Lizaso and/or his duly authorized representative to undertake any and all acts proper and necessary to implement the foregoing.

**c. Artistic Department Report**

VP Millado reported that for the 2<sup>nd</sup> Quarter of 2021 focused on Education and Training, as well as the ramping up of the digitization efforts led by the Cultural Content Department.

VP Millado then stated that some of the institutional leadership initiatives are exemplified by the announcement of the successful grantees of the Innovation Grants along with the initiatives of OP like Kanto Cultura and Percussion Festival.

Further, VP Millado reported that the CCP Façade was lit up on May 2021, as well as on June 2021 for the Philippine Independence, Pride Month, and the passing of former President Aquino. Images of the three events made it to the headlines and frontpage of major news outlets such as ANC, CNN, and GMA news.

VP Millado also reported that for the Cultural Cache Online, the episodes of “Pitong Sining”, “Confetti”, “Genesis”, “Epithet”, and “Triptych.” Then, VP Millado reported that the Arts Education Department conducted workshops on folkdance, visual arts, choral singing, writing, directing online productions, rondalla music arrangement with 254 students and teachers attending the online sessions, representing schools from all over the country. The combined analytics for these shows an engagement of 20,110.

VP Millado continued reporting that the Ramon Obusan Folkloric Group Dancemasters series streamed the last episode of Arts Tanghal Sayaw and engaged 1332 on its initial release on the CCP Facebook page.

Also, the Virtual Apprenticeship Program of the Kaisa sa Sining Program held from June 1 to June 24 involved 34 region-based artists and cultural workers engaged through 48 zoom sessions. While, the Sining Galing Arts Therapy Workshop for PGH was held on June via Zoom and was participated by 417 medical front liners and health professionals.

The initial phase of the CCP Professional Dance Support Program provided 31 scholarships and job opportunities for 14 individuals; there were 53 zoom participants composed of dancers, ballet masters, teachers and staff; this held a total of 284 classes (399 hours) with participants from NCR, Davao, Bicol, and Hong Kong; the training component of the dance program allocated a total of Php 552,000.00; the scholarship component of the program provided a total of Php 3.5 Million.

CCP hosted the Philippine Pen International Online Congress – an annual gathering of writers. The 2021 Congress spotlighted the linguistic and cultural inclusivity that the internet allows. Its streaming on Facebook pages garnered 271 engagements and 122 live viewership.

The Ani 41: Lakbay book was launched in April 2021 featuring 146 literary works on the theme of travel; the launch event had an engagement of 2,522; while 2,475 e-books have been downloaded as of June 6, 2021.

Two concert tributes entitled “Sining sa Tanggapan: Tribute to Frontliners” were produced from Mindanao and Visayas in cooperation with Kaliwat Theater Collective (Mindanao) and Performance Lab (Visayas); combined engagements of both tributes reached 954, the project also created 15 job opportunities for performers and performing groups.

The Art House Cinema screened 14 titles that tackled themes of heroism, lengthened traditions, and labor; the free screenings garnered a total of 453 views and 222 unique viewers.

On the Digital Development Front, 44 assets were streamed on CCP Facebook, Youtube, and Vimeo; YouTube unique viewers totaled 5,909. The CCP YouTube channel reported a growth of 2.56% of subscribers; CCP Channels garnered a cumulative amount of 15,287 viewers, 583 watch hours; When the CCP Channel launched its platform, the IPR Team was able to successfully secure 56 screening permits.

At the end of the quarter, 6698 items (out of 11,260) transferred onto the database; 1,092 events playbills scanned and 40 content access requests processed. By April 2021, the access fees and royalty schemes were finalized.

The Time Capsule website has been secured, its search engine optimized, ranking first on the first results page of Google when searching “CCP Time Capsule”; The website contains a total of 1,936 entries, the website has also completed its mobile version both for Android and iOS platforms. To date, the website has 788 active users.

As of July, the Encyclopedia of Philippine Art has a total of 1,256 individual subscribers which is equivalent to 43% of annual target; 347 updated entries for the first and second quarter were uploaded; 1,078 images have been added to website and 200 videos have been uploaded and incorporated.

The inventory work conducted by the Library has accomplished 4,77 new entries (out of 26,000 accession records) while 3,410 news articles clipped and classified; the Library and Archives also received the personal collection of Gawad CCP Awardee for Theater: Naty Crame Rodgers which included 74 items comprising of prints, publication, etc.; At the end of the second quarter 103 audio, 252 photo materials were digitized, bringing the percentages of completed digitized audio-visual materials to 71% VHS tapes, 39% cassette tapes, 69% reel tapes.

The Visual Arts Collection completed the organization, identification and consolidation of past inventories, and creation of an updated comprehensive general inventory of the CCP Visual Arts Collection.

Chair Moran-Floirendo interposed a question as to the value of CCP’s Visual Arts Collection. To this, VP Millado answered that CCP’s Visual Arts Collection are yet to be valued in terms of Peso, and stated that such valuation needs to be done.

Trustee Patajo-Kapunan expressed that the Artistic Sector has to focus more on its online audience during lockdowns, VP Millado agreed to this suggestion and stated that they have adjusted the upcoming activities of the Artistic Sector to be made online.

In continuation, VP Millado then reported in details the First and Second Quarter Matrices. In summary, the activities for the first half 2021 had a total 1,091 shows which created 495 jobs, and the budget spent totaled Php 9,750,136.00

VP Millado then reported the Artistic Sector's forthcoming activities for the third quarter of 2021. From July to August 2021, there are 16 activities lined up including Arts Academy, Cinemalaya, CCP Channel screenings, CCP Collections Relaunch, and etc.

For September 2021, there are 13 activities slated, including CCP Anniversary Gala 360 + Binaural; Sinag 2021: CCP Façade lighting + 360, Print folio of Gawad CCP Para Sa Sining with augmented reality features, and etc.

Trustee Endriga asked VP Millado if the National Rondalla Workshop is in coordination with NAMCYA. To this, VP Millado answered that in the past it has involved some NAMCYA winners and some NAMCYA groups, but it is a different workshop from NAMCYA.

Lastly, VP Millado announced to the Board that a member of Cinemalaya, Joseph Laban has passed away recently due to COVID. Also, artist Orestes Ojeda passed away yesterday. CCP will do a tribute for them at the page "Hanggang sa Muli" with special obituaries and written tributes by writers.

#### **d. Health & Safety Protocols Manual**

Ms. Rances reported that Health & Safety Protocols Guidelines for the venues of CCP and the operations of CCP was initially approved by the Board on November 2020.

To date, the present Health & Safety Protocols Handbook is about 90 pages, including the new guidelines that were set by IATF Protocols and is undergoing the final editing before the handbook is printed.

Ms. Rances presented the timeline of this Handbook which provides that by the 4<sup>th</sup> week of August 2021 such Handbook will be finalized, and by September 2021, the same will be for submission to the IATF, for printing, launching, uploading and dissemination to CCP offices and regional partners.

Further, Ms. Rances informed the Board that some members of the Health & Safety Committee was given a training on Occupational Safety & Health which was led by DOLE.

Ms. Rances then presented the list of members of the CCP Executive Oversight Committee for Health & Safety, the CCP Health and Safety Guidelines Committee and the CCP Health and Safety Action Team.

Chair Moran-Floirendo asked if this Handbook is a part of the Risk Management Manual. Ms. Rances answered that a Risk Management Manual is not intended to be done, because additional risks may present itself and a strategy to address such risks will be formulated moving forward, and will form part of this handbook.

President Lizaso interjected to inform the Board that the President's report has been sent via email, by the Legal Office, to each of the Trustees. In this regard, any questions relative thereto is welcome and President Lizaso will answer them.

Trustee Endriga interposed a question as to who the Project Manager for the Black Box Theater Project is. Further, Trustee Endriga would like to be apprised as to why this project has had so many delays.

In response to the questions of Trustee Endriga, Ms. Rances answered that the delays experienced in the Black Box Theater Project is largely due to MERALCO, the latter has not yet connected from Buendia to CCP Complex which leads to the Black Box Theater therefore, the failure of MERALCO to establish its connection has delayed this project.

Further, Ms. Rances explained that MERALCO and CCP will be meeting on July 29, 2021 to resolve this matter. MERALCO has communicated that it is now only awaiting for the approval of the right-of-way from Pasay City LGU, and thereafter the connection can be done.

#### **e. Manual of Operations (Part II)**

Mr. Cabalejo reported that he was able to finish the outline of the Operations Manual and is now only waiting for the Divisions that has not submitted its part of the Manual for updating.

Mr. Cabalejo explained that part two of the Manual of Operations is about the Corporate Strategic Plan that was updated by OAD. While part three is the Organizational Structure composed of the Policy Group and the Support Group.

Each offices have their own introduction, organizational chart, job description of their personnel, procedure, and work instruction, which consists of the document title, process map, activity, the responsible person, the procedure and all the forms used in the respective offices.

For the General Policy and Guidelines, those pertaining to Artistic matters were placed under the Artistic Sector; those pertaining to financial matters were placed under Financial Services Department; those pertaining to Administrative matters were placed under the Administrative Services Department, likewise for all other departments.

Part Five of the Manual of Operations consists of the Committees, thus, all committees of the CCP were placed therein. And, Part Six is the Corporate Linkages under the Corporate Communications strategy of connecting with all the government offices, and other stakeholders of CCP.

This outline having been finished now only needs to be populated by the inputs of the Divisions/Departments concerned; Mr. Cabalejo also informed the board that he

sought the help of ManCom to assist him in finishing the Procedure and Work Instructions so that he can present the same on the next Board Meeting.

Trustee Del Pilar then asked Mr. Cabalejo to provide the Risk Management Committee with those pages in the Manual of Operations pertaining to Risks, Risk Structure, Risk Management Protocols, and Risk Accountabilities. Mr. Cabalejo agreed to do this.

Trustee Endriga also asked if the Operations Manual includes the Charter of each Committees, if not Trustee Endriga proposes to have the aforementioned included for the reason that it is a requirement that each committee has a Charter. Mr. Cabalejo agreed to do this.

## **6. Committee Reports**

### **a. Committee on Artistic Matters**

Trustee Junia reported that the Committee on Artistic Matters (CAM), together with President Lizaso, had a meeting with the Artistic Sector, a week after the June 2021 BOT Meeting, where Trustee Carandang was officially introduced as a new member of CAM.

As of BOT regular meeting held last June 2021, there was a question about whether Philippine Philharmonic Orchestra (PPO) is a Resident Company or not. In said meeting with Artistic Sector it was said by VP Millado that there are different classifications of Resident Companies as stated in the Manual of Operations, and PPO is a Resident Company salaried by the Government.

Trustee Endriga interposed a question if the classification of PPO can be changed by the Board or is it immutable. Atty. Bernales responded that the classification of PPO can be changed on the Manual of Operations as the part to be updated by the Artistic Sector.

Trustee Endriga moved that the PPO should not be classified as a Resident Company because Resident Companies should separate and distinct in legal personalities from CCP.

Trustee Junia then reported that after examining the report on the Budget allocation on different Art forms, CAM observed that most of the budget is allocated for Luzon, second to Mindanao, and last is the Visayas Region. Thus, VP Millado suggested that maybe the Board can consider allocating Php 5 Million budget for 2022 in order for CCP to reach Visayas and Mindanao regions, thru extending grants to the proponents in said regions.

Trustee Junia then expressed that she acknowledges that CCP will have a tight budget for 2022 but she would appreciate if the Board can approve this budget in order for CCP to reach Visayas and Mindanao areas.

Trustee Endriga moved to approve the proposed budget of Php 5 Million so that CCP can extend its reach to Visayas and Mindanao regions, especially for Eastern Visayas.

Trustee Carandang shared that the Investment Committee is still on the process of determining how much of the savings can be allocated for other purposes. As such, it is needed first to make sure that CCP has enough for its cash flow.

President Lizaso asked CAM if it would like to have a meeting regarding this requested budget allocation, Trustee Junia answered that a meeting on the second week of August is doable.

Trustee Junia then shared the important points on the workshop entitled “YouTube Best Practices” which taught that in order for CCP to increase its presence online – Consistency is key. Thus, CCP’s programs have to consistently posted in all of its social media accounts and the sound quality of its posts must be given focus.

In line with the digitization of CCP, Trustee Junia underscored the importance for CCP to invest in the best sound equipment to deliver quality contents to its online audience. Also, Continuing Learning via YouTube Academy enables CCP to know its audience so that CCP can better position itself in the online community.

Lastly, Trustee Junia reported that CAM was able to speak with the leaders from M.P.O. headed by Mr. Rodel Colmenar, Manila Youth Orchestra, and ABS-CBN orchestra to get feedback on how CCP can help them during this situation. However, CAM has to recalibrate its Kanto Classical project due to financial constraints. Nonetheless, the aforementioned organizations expressed their gratitude to the CCP Board of Trustees for reaching out and giving them attention.

#### **b. Audit Committee**

Trustee Endriga reported on the COA Audit Report. Said Audit Report for the year ended 31 December 2020 was transmitted to the Office of the President on June 14, 2021, without discussing it with the Audit Committee.

Based on the Charter of Audit Committee, it is its responsibility to review all results of both internal and external audits. Thus, as far as this is concerned, the Audit Committee was not able to perform its responsibilities.

Trustee Endriga has several comments on the Report itself, he stated that the Report has a qualified opinion because the subsidiary ledgers kept by the Accounting Department does not reconcile with the physical audit. The same qualification COA had last year was merely repeated.

COA issued a circular last January 2020 which says that all government agencies and GOCCs with a proper set of prescribed procedure which requires that the President or Head of Agency create or convene an Inventory Committee. Thus, Trustee Endriga proposes to do the prescribed procedures in COA Circular 2020-06, in order that CCP’s 2021 Audit Report will not have the same qualified opinion anymore.

Trustee Endriga also brought up the matter on the other Investment Accounts, in 2019, COA suggested that CCP ought to connect with a transfer agent to establish whether those stock investments are really valuable as it is stated in CCP’s Financial Statements.

The cashier has done all of the suggested actions of COA, and has come up with the “realizable value” of all stock investment stated in the Balance Sheet is really Php 1.7 Million only, but Ms. Bagang cannot make the adjustment because there is no approval from COA.

The accounting department and the cashier has reported this matter to the COA on June 4, 2021. COA’s report was dated June 14, 2021, thus COA had 10 days to resolve the matter and not to include this comment anymore.

Also, Trustee Endriga reported that President Lizaso and Chair Moran-Floirendo has written COA to request a meeting, COA replied that they can meet with CCP Board on August but they cannot state a definite date.

Trustee Endriga then reported on the write-off of receivables which now amounts to more than Php 100 Million. These receivables are dormant and even after exerting all efforts, the same cannot be collected anymore, so in 2019 the Finance Department wrote to COA asking for permission to write-off those receivables but COA never replied. Now, in their latest Audit Report, COA says that CCP has not done its part.

These are the matters that CCP Board must take up with COA when the August meeting happens.

**c. Ad hoc Committee on Renovations.**

Trustee Endriga reported that the Ad hoc Committee on Renovations has submitted its minutes of the committee meeting held on July 8, 2021. The contents therein are hereby reiterated on this meeting.

As to the Ramp Retrofitting Project, Trustee Endriga reported that it was monitored until February 2021 and was turned-over to CCP and the Contractor has been paid in full already, thus, said project is now finished. However, the original plan to hold a ceremony was not pursued anymore.

**d. ICT Committee**

Trustee Magsaysay reported on the vulnerability detected by MIS which was relayed to her via email, said vulnerability is being properly handled by Mr. Joselle Calizo.

There are recommendations by MIS that does not require any financial expense, but only for the adaption of the 3700 framework of Risk Management and how to assess our vulnerabilities on the internet.

Mr. Calizo explained that based on the programmers and Web Administrators of MIS, there existed a vulnerability on the CCP website but the bugs have been fixed already by their team.

Also, the updating of the CCP website has begun, so CCP can migrate onto the new trends of website development with new Operating System and servers. The MIS plans to launch the updated website at the last quarter of the year.



Trustee Endriga suggested that the ICT Committee, with respect to the digital transformation project, should come up with a Masterplan that clearly shows the place of each project under it, including the computerization of the accounting system.

Trustee Magsaysay responded that although the suggestion of Trustee Endriga is correct, there must be a clear identification of programs to be under the digital transformation which can only be had if all the Committees have ascertained their respective programs.

Trustee Endriga clarified that the Masterplan must precede the allocation for the budget, because after the Masterplan is done the digital transformation could include marketing, administration, cultural development, etc., it is an all-encompassing plan, without which, we would not know the budgetary requirement of the whole digital transformation process.

Trustee Endriga proposes to have the ICT Committee or CCP Management to come up with a Masterplan for the Digital Transformation of the CCP, which would include Trustee Carandang's Project Proposals, the computerization of the accounting and budgeting system, the digitalization of all the cultural content, the marketing software products necessary, the creation of an app for CCP, and anything that is to be part of the digital transformation. This Masterplan will serve as the framework and will give proper perspective with timetables and budget for everything that is included for digital transformation.

Trustee Carandang responded that he will use the meetings he will have on July 29, 2021 with the various departments to brainstorm the details of these proposals, so that they can come up with a Masterplan by August 2021.

Trustee Magsaysay then stated that the ICT Committee already has a Masterplan in the ISSP and that she has distributed this to the Trustees. Hence, what is instead needed is a harmonization of all proposals into the ISSP.

Trustee Magsaysay explained that a Policy must precede the Masterplan, and she will utilize the forthcoming meetings of the ICT Committee to come up with this Policy and be able to start drafting the Masterplan based thereon.

#### **e. Risk Management Committee**

Trustee Del Pilar reported on the Enterprise Risk Management of the CCP, it provides that right now CCP has a COVID Risk Response Manual presented by Ms. Rances earlier, which includes CCP's compliance to various departmental directives and COVID response and protocols.

Also, CCP has a comprehensive Risk Contingency Plan-compliance which is a requirement for government institutions as well as a requirement for the ISO accreditation. Each Department has a Risk Contingency Plan where the risks were identified and responsible unit therefor. Trustee Del Pilar then stated for the Contingency Plan, most of the solutions rests on budget, thus, CCP cannot mitigate the risks identified without a budget.

Trustee Del Pilar then shared that the Risk Management Committee proposes the following:

- The Operations Manual should have a section on Risk policy provisions: risk culture, governance and operating structures, and risk management policies and procedures, including roles and responsibilities on risk management to ensure accountability;
- Laws and contracts are there to mitigate risks and address vulnerabilities: ex stealing, IPO violations;
- In terms of Risk Assessment, some govt offices are the only ones accredited to do this for other govt institutions;
- Risk assessment: needs budget to embark on an activity like this. We may create an adhoc committee with 4 employees. Allocate budget for this.
- In lieu of a risk assessment (because uncertainty is different from risk and we cannot really anticipate all possible risks):
  - Account for all assets
  - Audit employees (they are the greatest source of risk)
  - Check contracts provisions to ensure that all possible risks are addressed
  - Embed risk principles in day-to-day operations.... accountability
  - Monitor implementation of risk treatment plans and align with organization's performance management (KPI). (Monthly reporting of corrective actions to risk committee)

Trustee Del Pilar then presented a typical standard Enterprise Risk Management Process, it was pointed out that in terms of Governance and Culture, it is not embedded in our Operations Manual and this is why Risk Management Committee is insisting to include this on said Manual.

Also, the Risk culture is not strong enough and that's why the employees are not talking about all the risks and how fast they should mitigate these because it's not part of the KPIs and not part of the Institutional System.

Trustee Del Pilar then explained that in order for CCP to move towards the Risk Culture, its people have to be trained towards this goal i.e., seminars. The benefits for this training are that people will become more prepared and its mindset will be towards anticipatory management, and turn risks into opportunities.

Trustee Del Pilar asks the Board if the Risk Response of CCP can be included in the Operations Manual and to set a policy to plug-in KPIs of people towards risk mitigation.

Chair Moran-Floirendo acknowledged the importance of what Trustee Del Pilar reported, she stated for example that the value of the artworks of CCP are not even known. Trustee Carandang interjected to state that CCP can tap Salcedo Auctions to help appraise the artworks.

Trustee Endriga asked if the Risk Management Committee is including insurance as a feature of the Risk Management process such as Insurance of Assets, Director's Liability, and of Third Party. Trustee Del Pilar and other Trustees answered affirmatively. Trustee Del Pilar expressed for the insurance of the CCP assets and embed the KPI system towards attaining the Risk Mitigation cures.

Trustee Endriga suggests for the Director's Liability Insurance to be reviewed citing that is inadequate. On the point of Director's Liability, Trustee Patajo-Kapunan expressed that it is very expensive because Insurance Companies will charge a lot for this.

Trustee Patajo-Kapunan also stated that a manual will not replace ordinary and extraordinary care such that a piece of paper will not protect us from risks or uncertainty. Secondly, there are laws in place which mitigates risks.

Lastly, Trustee Patajo-Kapunan shared there is no insurance for artwork because an artwork's value varies from person to person. As such, CCP can instead look for insurance on its structures against earthquakes, fires and etc.

## **7. Adjournment**

There being no further business the meeting was adjourned at around 5:30 pm.

Certified Correct:

**Atty. ROLANDO A. BERNALES, Ed.D.**  
Board Secretary