



Document Request Form

Kind of Document: **IMS**

(1) Requesting Party: HRMD	(2) Document Code: 2025.GU.HRD.008	(3) Issue No.: 0	(4) Revision No.: 0	(5) Date Requested: 3 April 2025
(6) Document Title: Guidelines on the Appointment and/or Removal of the Internal Auditor (Department Manager A, JG 14, Internal Audit Department)				

(7) Type of Request Creation Issue Revision Deletion CTC Copy Retrieval

(8) Purpose/Reason for Request:

- These guidelines establish the process for the appointment and/or removal of Department Manager A, Internal Auditor (JG 14, Internal Audit Department) in compliance with the Corporate Governance Scorecard (CGS) requirements of the Governance Commission for Government-Owned or Controlled Corporations (GCG)

(9) Risk Management Measures (To be accomplished by the Office requesting enrollment)

(9.a) Risks and other possible adverse effects that may arise in lieu of this Document Request:

- Non-compliance with CSC Omnibus Rules on Appointment and other HR Actions

(9.b) Actions to be implemented by the Office to Mitigate the identified Risks and other possible adverse effects that may arise in lieu of this Document Request:

- Ensure alignment with CSC Omnibus Rules on Appointment and other HR Actions

Requested by: OLIVER E. RAMOS Records Keeper, HRM Division	Reviewed by: DENNISE L. DAVID ADDC, Administrative Department	Approved by: ESTHER A. SONEJA Manager, HRM Division
---	--	--

For request of confidential / restricted documented information: (for Records Office use only)

Approved Disapproved

Remarks/Reason:

)

↓

MANAGER/ HEAD OF OFFICE


(Document Owner)

Received by/date:	Issued by/date:
-------------------	-----------------

2017.FO.CDQ.001/07March2025

Note:

Please refer to the **Distribution List** at the back of this page.

	GUIDELINES	Doc. Code	2025.GU.HRD.008
		Page No.	1 of 6
	GUIDELINES ON THE APPOINTMENT AND REMOVAL OF THE INTERNAL AUDITOR (Department Manager A, JG 14, Internal Audit Department)	Issue No.:	0
		Revision No.	0
		Date Prepared	03 April 2025
		Date of Effectivity	

1.0 OBJECTIVE

These guidelines establish the process for the appointment and removal of Department Manager A, Internal Auditor (JG 14, Internal Audit Department) in compliance with the Corporate Governance Scorecard (CGS) requirements of the Governance Commission for Government-Owned or -Controlled Corporations (GCG).

2.0 SCOPE

These guidelines applies to the selection, appointment, tenure, and removal of the Department Manager A, JG 14, Internal Audit Department, to ensure independence, objectivity, and adherence to corporate governance standards.

3.0 GUIDELINES

3.1 Appointment of the Internal Auditor (Department Manager A, JG 14, Internal Audit Department)

3.1.1 Qualifications


The Department Manager A, Internal Auditor (JG 14) must meet the following qualifications:

Education: Master's degree or Certificate in Leadership and Management from the Civil Service Commission (CSC)

Experience: At least five (5) years of supervisory/management experience

Training: 120 hours of supervisory/management learning and development interventions

Eligibility: Career Service (Professional) / Second Level Eligibility

	GUIDELINES	Doc. Code	2025.GU.HRD.008
		Page No.	2 of 6
	GUIDELINES ON THE APPOINTMENT AND REMOVAL OF THE INTERNAL AUDITOR (Department Manager A, JG 14, Internal Audit Department)	Issue No.:	0
		Revision No.	0
		Date Prepared	03 April 2025
		Date of Effectivity	

3.2 Duties and Functions

The Internal Auditor shall:


- 3.2.1 Establish the annual goals, objectives, and performance targets of the Internal Audit Department with the concurrence of concerned officials.
- 3.2.2 Review and appraise systems, procedures/processes, organizational structure, asset management practices, financial and management records, reports, and performance standards of the Authority.
- 3.2.3 Conduct management and operations audits of LRTA activities and determine the degree of compliance with the mandate, policies, government regulations, established objectives, systems and procedures, and contractual obligations.
- 3.2.4 Perform a final review of internal audit plans to determine audit coverage, reasonable staff composition, time duration, adequacy and appropriateness of internal auditing guidelines and procedures, and possible risks associated with the audit.
- 3.2.5 Review and approve audit reports, findings, and recommendations on corrective measures and improvements.
- 3.2.6 Advise and report to the Audit Committee of the Board of Directors on all matters relating to management control, operations, and audits, and recommend courses of action to address inadequacies in internal control.
- 3.2.7 Perform such other functions as may be assigned or delegated by the Management and the Audit Committee of the Board of Directors.

3.3 Leadership Competencies

- Planning and Organizing** – Ability to identify results, necessary actions, and resource requirements while working with others to achieve set goals.
- Strategic Management** – Ability to analyze the organization's

Documents that do not bear fresh LRTA's official document stamp are considered "Uncontrolled"



	GUIDELINES	Doc. Code	2025.GU.HRD.008
		Page No.	5 of 6
	GUIDELINES ON THE APPOINTMENT AND REMOVAL OF THE INTERNAL AUDITOR (Department Manager A, JG 14, Internal Audit Department)	Issue No.:	0
		Revision No.	0
		Date Prepared	03 April 2025
		Date of Effectivity	

3.7 Removal Process

- The Audit Committee of the LRTA Board of Directors shall conduct a formal review and investigation of the alleged grounds for removal.
- The Internal Auditor of the Board of Directors (Department Manager A, JG 14, Internal Audit Department) shall be given due process, including the right to respond to allegations.
- If warranted, the Audit Committee shall recommend removal to the Board of Directors.
- The LRTA Board of Directors shall make the final decision and issue a formal resolution on the removal.
- Proper turnover and transition measures shall be implemented to ensure the continuity of internal audit functions.

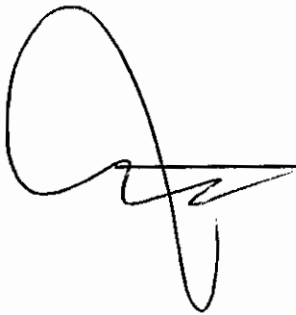
2.8 Movement/Re-assignment of Internal Auditor VI


- 2.8.1 The Audit Committee of the LRTA Board of Directors shall be informed of any movement/re-assignment of the Internal Auditor VI to any office within LRTA.

2.9 Compliance and Reporting

- 2.9.1 The appointment and removal of the Internal Auditor shall be reported to the Governance Commission for GOCCs (GCG) as required.

- 2.10 **Effectivity.** These guidelines shall take effect immediately.



	GUIDELINES	Doc. Code	2025.GU.HRD.008
	GUIDELINES ON THE APPOINTMENT AND REMOVAL OF THE INTERNAL AUDITOR (Department Manager A, JG 14, Internal Audit Department)	Page No.	6 of 5 <i>6</i> p.
		Issue No.:	0
		Revision No.	0
		Date Prepared	03 April 2025
		Date of Effectivity	

<p>Prepared by:</p> <p style="text-align: center;"><i>Esther A. Soneja</i></p> <p>ESTHER A. SONEJA Manager, Human Resource Management Division</p>	<p>Reviewed by:</p> <p style="text-align: center;"><i>Leo A. Mangampo</i></p> <p>LEO A. MANGAMPO Officer in Charge, Administrative Department</p> <p style="text-align: center;"><i>Engr. Sherwin P. Biscocho</i></p> <p>ENGR. SHERWIN P. BISCOCHO Team Leader, IMS Core Team</p>	<p>Approved by:</p> <p style="text-align: center;"><i>Atty. Hernando T. Cabrera</i></p> <p>ATTY. HERNANDO T. CABRERA Administrator</p> <p style="text-align: center;"><i>Engr. Sherwin P. Biscocho</i></p>
---	---	---

Documents that do not bear fresh LRTA's official document stamp are considered "Uncontrolled"

GUIDELINES ON THE APPOINTMENT AND REMOVAL OF THE INTERNAL AUDITOR (Department Manager A, JG 26, Internal Audit Department)

(In Compliance with the Corporate Governance Scorecard Requirements of the GCG)

1. Purpose

These guidelines establish the process for the appointment and removal of Department Manager A, Internal Auditor (JG 26, Internal Audit Department) in compliance with the Corporate Governance Scorecard (CGS) requirements of the Governance Commission for Government-Owned or -Controlled Corporations (GCG).

2. Scope

This policy applies to the selection, appointment, tenure, and removal of the Department Manager A, JG 26, Internal Audit Department to ensure independence, objectivity, and adherence to corporate governance standards.

3. Appointment of the Internal Auditor (Department Manager A, JG 26, Internal Audit Department)

3.1. Qualifications

The Department Manager A, Internal Auditor (JG 26) must meet the following qualifications:

Education: Master's degree or Certificate in Leadership and Management from the Civil Service Commission (CSC)

Experience: At least five (5) years of supervisory/management experience

Training: 120 hours of supervisory/management learning and development interventions

Eligibility: Career Service (Professional) / Second Level Eligibility

3.2. Duties and Functions

The Internal Auditor shall:

1. Establish the annual goals, objectives, and performance targets of the Internal Audit Department with the concurrence of concerned officials.
2. Review and appraise systems, procedures/processes, organizational structure, asset management practices, financial and management records, reports, and performance standards of the Authority.
3. Conduct management and operations audits of LRTA activities and determine the degree of compliance with the mandate, policies, government regulations, established objectives, systems and procedures, and contractual obligations.

4. Perform a final review of internal audit plans to determine audit coverage, reasonable staff composition, time duration, adequacy and appropriateness of internal auditing guidelines and procedures, and possible risks associated with the audit.
5. Review and approve audit reports, findings, and recommendations on corrective measures and improvements.
6. Advise and report to the Audit Committee of the Board of Directors on all matters relating to management control, operations, and audits, and recommend courses of action to address inadequacies in internal control.
7. Perform such other functions as may be assigned or delegated by the Management and the Audit Committee of the Board of Directors.

3.3. Leadership Competencies

- Planning and Organizing– Ability to identify results, necessary actions, and resource requirements while working with others to achieve set goals.
- Strategic Management– Ability to analyze the organization's competitive position by considering market and industry trends, potential customers, and internal strengths and weaknesses.
- Decision-Making– Ability to use effective approaches in selecting a course of action, addressing concerns, and making decisions based on available facts, constraints, and anticipated consequences.
- Innovation– Develops and implements useful, unique, and innovative ideas, embracing diverse perspectives for continuous improvement.
- Results-Oriented– Recognizes important outcomes and the necessary steps to achieve them.

3.4. Technical Competencies

- Technical Knowledge of the Job– Applies and enhances extensive or in-depth specialized knowledge, skills, and judgment to accomplish tasks effectively.
- Development and Implementation of Quality Policies, Standards, and Procedures– Establishes and enforces policies, standards, and procedures to ensure outputs, processes, and services meet quality requirements.
- Oral and Written Communication Skills– Effectively conveys information through oral and written communication.

3.5. Selection Process

- The Human Resource Merit Promotion and Selection Board (HRMPSB) for Executive Managerial positions shall oversee the selection process.
- The position shall be open to internal and/or external candidates following LRTA's recruitment policies and Merit Selection Plan as approved by the Civil Service Commission (CSC).
- A panel interview and evaluation will be conducted to assess candidates' technical competencies, ethical standards, and professional integrity.

- The HRMPSB shall assist the Administrator in the judicious and objective selection of candidates for appointment in accordance with the approved Merit Selection Plan.
- The Administrator shall be guided by the HRMPSB's assessment report and, in exercising sound discretion, shall select for appointment the most qualified candidate(s) from among the top five (5) candidates or fewer, depending on the number of applicants.
- The Audit Committee shall review, validate, and recommend to the LRTA Board the ratification of appointment.
- Finally, the Board of Directors (BOD) or the highest governing authority shall ratify the appointment based on the Audit Committee's recommendation.

4. Removal of the Internal Auditor

4.1. Grounds for Removal

An Internal Auditor may be removed for any of the following reasons:

- Gross misconduct, fraud, or violation of ethical standards.
- Conflict of interest that compromises independence and objectivity.
- Repeated failure to perform duties effectively as determined through performance evaluations.
- Breach of confidentiality or unauthorized disclosure of sensitive information.
- Any act that violates corporate governance principles and internal control policies.

4.2. Removal Process

- The Audit Committee shall conduct a formal review and investigation of the alleged grounds for removal.
- The Internal Auditor shall be given due process, including the right to respond to allegations.
- If warranted, the Audit Committee shall recommend removal to the Board of Directors.
- The Board of Directors shall make the final decision and issue a formal resolution on the removal.
- Proper turnover and transition measures shall be implemented to ensure the continuity of internal audit functions.

5. Compliance and Reporting

- The appointment and removal of the Internal Auditor shall be reported to the Governance Commission for GOCCs (GCG) as required.

6. Effectivity

These guidelines shall take effect immediately.