

	TITLE OF MANUAL INTERNAL AUDIT MANUAL	INITIAL ISSUE DATE September 15, 2016
		REVISION NO. -
		REVISION DATE -

PROCESS	CONTROLS
1. Palay Sourcing <ul style="list-style-type: none"> ➤ Misclassification of Palay ➤ Lack of compliance testing ➤ High Procurement Cost of Palay ➤ Failure to comply with the internal policies ➤ Lack of training of employees 	<ul style="list-style-type: none"> ➤ Strict compliance with policies and procedures on palay classification ➤ Annual calibration of the Moisture Tester ➤ Weekly Monitoring of price of palay ➤ Identifying appropriate trainings for MSI personnel ➤ Coordination with LBP Personnel on the calendar trainings for the year ➤ Continuous training based on identified appropriate training needs of MSI employees
2. Procurement of Supplies, Materials & Equipment <ul style="list-style-type: none"> ➤ Fraud ➤ Internal Control 	<ul style="list-style-type: none"> ➤ Strict compliance with Republic Act No. 9184
3. Warehousing, Storage and Inventory Management <ul style="list-style-type: none"> ➤ Abnormal shrinkage & weight loss ➤ Insurance ➤ Product Delivery & 	<ul style="list-style-type: none"> ➤ Strict implementation of palay procurement policies and procedures ➤ Ensure compliance with storage / warehousing

	TITLE OF MANUAL INTERNAL AUDIT MANUAL	INITIAL ISSUE DATE September 15, 2016
		REVISION NO. -
		REVISION DATE -

Support <ul style="list-style-type: none"> ➤ Milling Arrangements ➤ Lack of Compliance Testing ➤ Fraud 	management system <ul style="list-style-type: none"> ➤ Regular scale calibration ➤ Ensure that palay stored is covered with insurance ➤ Ensure end-day validation on the proceeds/results of milling ➤ Established strong partnership with Toll Miller ➤ Ensure MSI presence before, during and after milling ➤ Strict adherence to policies and procedures
4. Milled Rice Delivery <ul style="list-style-type: none"> ➤ Product Delivery and Support 	<ul style="list-style-type: none"> ➤ GPS Tracking device ➤ On-time delivery ➤ Constant reminder to the Driver to be alert en-route to the delivery point
5. Recording and Report Preparation <ul style="list-style-type: none"> ➤ Accounting, Reporting and Disclosure 	<ul style="list-style-type: none"> ➤ Strict adherence to policies and procedures
6. Manual of Operations	<ul style="list-style-type: none"> ➤ Continuous review and enhancement of Manual of Operations

	TITLE OF MANUAL INTERNAL AUDIT MANUAL	INITIAL ISSUE DATE September 15, 2016
		REVISION NO. -
		REVISION DATE -

7. Monitoring of Accounts Receivables	<ul style="list-style-type: none"> ➤ Continuous sending of collection letters ➤ Aging of Accounts Receivables
8. Accounting and Recording System for various transactions	<ul style="list-style-type: none"> ➤ Compliance with timeframe of preparation of bookkeeping and accounting entries/data ➤ Monthly Bank reconciliation statements
9. Maintenance of SL / Book of Accounts and Accounts Schedule	<ul style="list-style-type: none"> ➤ Strict compliance with timeframe for posting of SL