



# Metropolitan Waterworks and Sewerage System

## Manual of Corporate Governance

23 January 2015

(MWSS-CO Policy No. 2014-02-03)

(b) Provide recommendations to the Board on how to improve regulatory functions of MWSS over its Concessionaires;

19.2.6. *Combining the Mandatory Committees.* – Nothing herein shall preclude the MWSS Board of Trustees from formally combining the functions of the committees into such combinations that will best serve the interest of MWSS.

19.2.7. *Other Committees Required by Law, Rules and Regulations.*<sup>62</sup> – In addition to the committees provided in this Manual, the MWSS may establish other committees that it deems necessary or are required under applicable rules and regulations issued by the appropriate government agency.

**SEC. 20. Internal Audit Department.**<sup>63</sup> – This department is responsible for the monitoring, evaluation and appraisal of the internal control system of MWSS, in order to safeguard company resources, promote operational efficiency, and ensure compliance with policies, laws, rules and regulations. It shall perform the following functions:

20.1. Plan, institute and conduct an internal audit program, which primarily encompasses the examination and evaluation of the different aspects of the MWSS functions; develop and strengthen the internal control system, which includes preparation of audit reports; and propose corrective actions on operational deficiencies;

20.2. Perform financial audits/examinations for the purpose of ascertaining (i) the reliability and integrity of information and ensuring that effective controls and safeguards are maintained over MWSS assets, liabilities, revenues, expenditures and investments, and (ii) that the systems established are in compliance with prescribed policies, plans, procedures, laws and regulations;

20.3 Perform operations audit to (i) ensure efficiency in the deployment and use of resources, and (ii) ascertain effectiveness of results achieved by specific projects, programs, or activities vis-à-vis established objectives and goals;

20.4 Report promptly to the Audit and Risk Management Committee and/or the MWSS Administrator on the results of audit examinations and recommend corrective actions on operational deficiencies observed;

20.5 Exercise such other powers as may be necessary to accomplish the purposes for which the MWSS was established.

**SEC. 21. Annual Performance Evaluation of the Board.**<sup>64</sup> – The MWSS adheres to the mechanics and provisions of the Performance Evaluation for Directors (PED), as contained in the letter of the GCG to the MWSS dated 5 May 2014. The PED is a necessary tool in enhancing professionalism in the Board and will be useful as an

<sup>62</sup>Sec 16.4, GCG MC. No. 2012-07 – Code of Corporate Governance

<sup>63</sup>GCG MC No. 2013-06 – Interim Performance Based Incentive (PBI) System for Appointive Directors/Trustees of GOCCs Covered by R.A. No. 10149

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Republic of the Philippines  
**METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM**  
Katipunan Road, Balara, Quezon City 1105, Philippines

Excerpts from the Minutes of the Seventh (7<sup>th</sup>) Regular Board Meeting held on 12 April 2018:

**“Resolution No. 2018-057-CO**

**(In re: Technical Working Group for ARMC)**

As requested by Trustee Pasquil, Chairman of the Audit & Risk Management Committee (ARMC), and favorably endorsed by the Joint Executive and Governance Committee (EGC) and Audit and Risk Management Committee, on motion made and duly seconded, **BE IT RESOLVED**, as it is hereby resolved, to **APPROVE**, the creation and composition of a Technical Working Group (TWG) to assist the Audit and Risk Management Committee with its new mandate relative to Audit and Risk, Engineering, Business and Finance matters under Resolution No. 2018-043-CO re: Harmonization of different Board Committees under MWSS Manual of Corporate Governance as adopted pursuant the GCG MC No. 2012-07 and MWSS By-Laws, viz:

- |                                  |                |
|----------------------------------|----------------|
| 1) Atty. Florendo B. Batasin Jr. | Chairman       |
| 2) Engr. Evangeline B. Dacanay   | Vice-Chairman  |
| 3) Engr. Loida G. Ceguerra       | Member         |
| 4) Mr. Napoleon I. Quinonez      | Member         |
| 5) Ms. Kathleen M. Agullana      | Secretariat    |
| 6) Mr. Cenon D. Ordoña           | Support-Driver |

\* \* \*

I, the undersigned, hereby certify that the foregoing is a true copy of the resolution adopted by the Board of Trustees of Metropolitan Waterworks and Sewerage System, and spread in the Minutes of a duly constituted meeting of said Board held on 12 April 2018 and confirmed on 10 May 2018.

*Ma. Lourdes R. Naz*  
**MA. LOURDES R. NAZ**  
Board Secretary VI