



Republic of the Philippines  
METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM  
CORPORATE OFFICE



MWSS-PRD-M-19-065

25 September 2019

**MEMORANDUM**

**FOR :** **BYRON A. CARBON**  
Manager, Research and Standards Department

**FROM :** **SUSANNE S. STA. MARIA**  
OIC, Policy, Planning and Public Relations Department

**SUBJECT :** **Request to Post at MWSS Website –MWSS-COB for 2019**

---

This is to respectfully request for the posting of the MWSS-COB for 2019 under Transparency Seal (TS) as MWSS-CO's compliance with Section 43.3 (d) of the Code of Corporate Governance for GOCCs.

Thank you.

25 Sep 2019

SSM

For copy plr.



In following-up, pls. cite DMS ref #

**2019-BC-0060622**

REPUBLIC OF THE PHILIPPINES  
**DEPARTMENT OF BUDGET AND MANAGEMENT**  
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

**ACKNOWLEDGEMENT RECEIPT**

The **DEPARTMENT OF BUDGET AND MANAGEMENT** hereby acknowledges the receipt of your letter/request which has been uploaded to the DBM-Document Management System and routed to the appropriate office/s with the following information:

Sender: MWSS - PERSONAL DELIVERY

Document Title: MWSS-COB CY 2019

Document Reference No: 2019-BC-0060622

Date and Time  
Uploaded: Friday, June 28, 2019 2:03:54 PM

Uploaded By: CRD ADMIN

Routed To: BMB-C Lalaine N. Paule

CC:

Total no of pages  
received: 1 copy and 43 pages

The determination of the completeness of the documentary requirements submitted, if any, is subject to the evaluation of the technical person in charge.

This receipt is system generated and does not require signature.

Received by:



DOCUMENT  
MANAGEMENT  
SYSTEM

*ms. [Signature]*



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

Excerpts from the Minutes of the Second (2<sup>nd</sup>) Regular Board Meeting held on 24 January 2019:

**"RESOLUTION NO. 2019-012-CO**

(In re: Corporate Operating Budget for CY 2019 of the MWSS-CO)

As recommended by the MWSS Corporate Office (MWSS-CO) and favorably endorsed by the Executive and Governance Committee (EGC) on motion made and duly seconded, **RESOLVE**, as it is hereby **RESOLVED**, to **APPROVE**, the Corporate Operating Budget (COB) of the MWSS-CO for CY 2019 in the amount of Five Billion One Hundred Five Million Two Hundred Sixty-Three Thousand Pesos (P5,150,263.00) allocated in the following classification of expenditures:

CLASSIFICATION OF EXPENDITURES	AMOUNT (In Thousand Pesos)	
1. Personnel Services (PS)		207,342
2. Maintenance and Other Operating Expenses (MOOE)		216,578
2.1 Regular	211,752	
2.2 Professional Services	4,826	
3. Capital Outlays		411,912
4. Debt Service		1,361,846
5. Progress Billing		2,743,382
6. Contingent Expenses		209,203
<b>TOTAL</b>		<b>5,150,263</b>

\* \* \*

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 24 January 2019.

*[Signature]*  
**FLORENDO B. BATASIN, JR.**  
Manager IAD/OIC, Board Secretariat



REPUBLIC OF THE PHILIPPINES  
 DEPARTMENT OF BUDGET AND MANAGEMENT  
 BONCODIN HALL, GENERAL SOLANO STREET, SAN MIGUEL, MANILA

*Oct 26, 2018*  
*To: Jopi*  
*your self*

METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM ADMINISTRATOR'S OFFICE

RECEIVED BY:

NAME: Pat  
 DATE: OCT 24 2018

CORPORATE OPERATING BUDGET

Fiscal Year 2018

NON-METROPOLITAN WATERWORKS AND SEWERAGE SYSTEMS RESIDUAL (MWSS-CO)

Your Corporate Operating Budget (COB) for Fiscal Year 2018 per Board Resolution No. 2018-003-CO dated January 11, 2018 submitted pursuant to Section 6 of Executive Order (EO) No. 518, series of 1979 and Section 19, Chapter 3, Book VI of EO No. 292, series of 1987, is hereby approved for a total amount not exceeding FOUR BILLION FOUR HUNDRED FIFTY SEVEN MILLION FIVE HUNDRED SEVENTY SEVEN THOUSAND PESOS ONLY (P4,457,577,000) details of which are shown below:

PARTICULARS	PROPOSAL		APPROVED		VARIANCE (c=b-a)
	(a)		(b)		
<b>TOTAL SOURCES:</b>					
Corporate Funds	P 4,495,607,000	P	4,495,607,000		-
Borrowings	3,447,415,000		3,447,415,000		-
	1,048,192,000		1,048,192,000		-
<b>TOTAL USES:</b>					
Personnel Services (PS)	P 4,495,607,000	P	4,457,577,000	P	(38,030,000)
Maintenance & Other	202,578,000		199,942,000	a/	(2,636,000) b/
Operating Expenses (MOOE)					
Regular	2,239,137,000		2,203,743,000		(35,394,000)
Progress Billing	184,471,000		149,077,000	c/	(35,394,000) d/
Debt Service	764,647,000		764,647,000		-
Capital Outlays (CO)	1,290,019,000		1,290,019,000		-
EXCESS/SHORTFALL	2,053,892,000	e/	2,053,892,000	f/	-
	-	P	38,030,000	P	38,030,000

Footnotes:

a/ Includes P4,118,000 welfare fund benefits recommended for budgetary purposes. The release and disbursement shall be limited to the existing and prevailing welfare fund rates implemented by the MWSS as of June 20, 2008 and any increases are subject to rules, regulations and procedures based on DBM Budget Circular 2008-3 dated June 20, 2008 and approval from the Office of the President.

Particulars	Amount	Remarks
Loyalty Incentive	P 530,000	Chargeable against savings pursuant to Civil Service Commission Omnibus Rules Implementing Executive Order No. 292.
Meal Allowance	1,984,000	} Limited to incumbents as of June 30, 1989 per Letter of Implementation No. 97
Medical Allowance	13,000	
Rice Subsidy	109,000	
Total	P 2,636,000	Limited to incumbents as of June 30, 1989 as affirmed by Commission on Audit through its letter dated October 4, 2002.

The MOOE level is computed considering audited/actual expenses for the previous years and effects of inflation. Includes the provision of Extraordinary and Miscellaneous Expenses pegged at P 547,200 computed based on Section 43, General Provisions of R.A. No. 10964, FY 2018 GAA and P5,000,000 Confidential Fund subject to the approval of the Office of the President pursuant to COA-DBM-DILG-GCG-DND Joint Circular No. 2015-01 dated January 8, 2015.

The variance of P35,394,000 refers to the overprovision of the following:

Particulars	Amount	Remarks
Communication Expenses	P 499,000	} Excess in the computation considering audited/actual expenses and inflation.
Office Supplies and Materials	6,374,000	
Representation Expense	104,000	
Travelling Expenses	2,629,000	
Training and Seminars	85,000	
Gender And Development (GAD) Expenses	7,308,000	Based on GAD Budget Plan as endorsed by the Philippine Commission on Women
Other MOOE	18,395,000	} Based on the MWSS-CO's submitted details
	P 35,394,000	

Notwithstanding the above indicated variance in MOOE, the LWUA has the flexibility to modify its utilization within the DBM-approved budget level for each allotment class for items funded out of corporate funds. In case of those funded out of national government budgetary support, Section 72 of the General Provisions of RA No. 10964 on the rules on the modification in the allotment shall apply.

Includes P1,048,192,000 requirement for the on-going implementation of Angat Water Transmission Improvement Project.

f/ CO level is recommended as proposed. Includes P1,748,192,000 refers to the requirements for the implementation of various water infrastructure projects.

**NON-METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM RESIDUAL (MWSS-CO)**

The approval of the COB shall be subject to the following conditions:

1. All expenditures, whether for current operating expenditures or for COs, shall be made within the limits of available funds from corporate receipts, authorized corporate borrowings and National Government budgetary support either in the form of subsidy, equity or loans outlay.
  2. Any increase in the approved principal COB in the course of the budget year, as may be warranted by additional corporate receipts, shall require the submission of a supplemental COB to cover the additional expenditures.
  3. This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval by the Office of the President. Disbursement for PS shall strictly observe pertinent compensation laws, rules and regulations, including Executive Order (EO) Nos. 7 and 24 dated September 8, 2010 and February 10, 2011, respectively, and EO 203 as amended by EO No. 36 (Suspending the Compensation and Position Classification System under EO No. 203, providing for Interim Compensation Adjustments and for Other Purposes) for GOCCs covered by RA 10149. Such expenditures shall be subject to relevant conditions under the General Provisions of the annual General Appropriations Act (GAA) or any specific law or approval of the President of the Philippines and/or Secretary of Budget and Management or the GCG, as the case may be.
  4. Disbursements for Extraordinary and Miscellaneous Expenses shall be subject to relevant provision of the annual GAA.
  5. Equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned (e.g. Department of Information and Communications Technology particularly Medium-Term Information and Communications Technology Harmonization Initiative Steering Committee) for information and communication technology equipment and Office of the President/Department of Budget and Management/Supervising Department for motor vehicles), the same shall be secured before acquisition thereof in accordance with Corporate Budget Circular No. 17 dated February 9, 1996, Budget Circular No. 2017-1 dated April 26, 2017, amending Budget Circular No. 2016-5 dated August 22, 2016, Administrative Order (A.O.) No. 15 dated May 25, 2011, amending AO No. 233 dated August 1, 2008, Office of the President Memorandum Circular No. 9 dated December 14, 2010, among others.
  6. The fiscal discipline measures prescribed under A.O. No. 103 dated August 31, 2004 shall be observed.
  7. Electronic payment shall be observed in the disbursement of corporate and public funds. In case the same is impracticable, the GOCC shall be allowed to continue with the existing payment scheme.
- It is understood that this review action does not authorize any item of expenditure that is prohibited by or inconsistent with the provisions of law.
- Any and all officials or employees who will authorize, allow or permit, as well as those who are negligent in the performance of their duties and functions which resulted in the incurrence or payment of unauthorized and unlawful obligation or expenditure shall be personally liable to the government for the full amount committed or expended and subject to disciplinary actions in accordance with Section 43, Chapter 5 Section 80, Chapter 7, Book VI of EO 292.

<p>Recommending Approval:</p> <p><i>Garmen A. P. Mahinay</i>  <b>GARMEN A. P. MAHINAY</b>          Director, BMB-C</p>	<p>Approved          By Authority of the Secretary:</p> <p><i>Tina Rose Marie Canda</i>  <b>TINA ROSE MARIE CANDA</b>          Undersecretary</p>
--	---

Date: 9-25-18 / **SEP 27 2018**

COB No. C1-18-0043

cc: The Chairman  
 Board of Directors, MWSS-CO

Assistant Commissioner Winnie Rose H. Encallado  
 Commission on Audit (COA) - Central Office  
 COA Building, Quezon City

The Resident Auditor  
 COA - MWSS-CO

Department of Budget and Management

