



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

CORPORATE OPERATING BUDGET

Calendar Year 2017

TO METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM REGULATORY OFFICE (MWSS-RO)

Your Corporate Operating Budget (COB) for Calendar Year 2017 per Board Resolution No. 2017-005-RO dated February 24, 2017 submitted pursuant to Section 6 of Executive Order (E.O.) No. 518, series of 1979 and Section 19, Chapter 3, Book VI of E.O. No. 292, series of 1987, is hereby approved for a total of **THREE HUNDRED FORTY FOUR MILLION FOUR HUNDRED THIRTY THREE THOUSAND PESOS ONLY (P344,433,000)**, details of which are shown below:

	PROPOSAL	APPROVED	VARIANCE
	(a)	(b)	(c=b-a)
TOTAL SOURCES:	P 366,382,000 ✓	P 366,382,000 ✓	
Corporate Funds	366,382,000 ✓	366,382,000 ✓	
TOTAL USES:	P 366,382,000 ✓	P 344,433,000 ✓	P (21,949,000) ✓
Personnel Services (PS)	105,811,000 ✓	89,804,000 ✓	(16,007,000) ✓ ^{a/}
Maintenance & Other Operating Exp. (MOOE)	166,368,000 ✓	160,426,000 ✓ ^{b/}	(5,942,000) ✓
Regular including Professional Services	131,560,000 ✓	125,618,000 ✓	(5,942,000) ✓
Debt Services	9,808,000 ✓	9,808,000 ✓	-
Reserved Fund for Arbitration	25,000,000 ✓	25,000,000 ✓	-
Capital Outlays (CO)	94,203,000 ✓	94,203,000 ✓ ^{c/}	-
EXCESS/SHORTFALL	P -	P 21,949,000 ✓	P 21,949,000 ✓

Footnotes:

a/ The variance of P16,007,000 refers to over provision for the following:

		Remarks
Salaries of permanent positions	P 9,398,000	Excess provision for 69 authorized positions
Uniform and Clothing Allowance	69,000	Limited to P5,000/yr x 69 positions
Mid-Year Bonus	783,000	Limited to one month basic salary
Year-End Bonus	783,000	Limited to one month basic salary
FY 2016 Back Pay for Uniform and Clothing Allowance	69,000	No legal basis
Rice Allowance	1,104,000	No legal basis
Meal Allowance	1,242,000	No legal basis
Health Care Plans	1,380,000	No legal basis
Life & Retirement Insurance Premium	1,128,000	12% of total salaries
Philhealth Contributions	51,000	Computed based on authorized rates under DBM Circular Letter No. 2017-3 dated Jan 3, 2017.
Total	<u>P 16,007,000 ✓</u>	

b/ MOOE level computed considering the previous year's actual amounts and effects of inflation. Extraordinary and Miscellaneous Expenses pegged at P 602,400 computed based on authorized rates and positions under Section 42, Provisions of R.A. No. 10924, FY 2017 GAA.

The Professional and Consultancy Services are subject to compliance with RA No. 9184.

c/ The breakdown of capital outlays is as follows:

Buildings and Structures Outlay	P 50,000,000
Office Equipment, Furniture and Fixtures	44,203,000
Total	<u>P 94,203,000 ✓</u>

TO: METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM REGULATORY OFFICE (MWSS-RO)

This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval of the OP. Further, the following conditions shall be observed and complied with:

1. All expenditures, whether for current operating expenditures or COs, shall be made within the limits of available funds realized from corporate receipts, authorized corporate borrowings and National Government budgetary support either in the form of subsidy, equity or loans outlay.
2. Disbursements for personnel amelioration/benefit shall be subject to the pertinent compensation laws, rules and regulations Executive Order (EO) Nos. 201 for GOCCs not covered by RA 10149 and EO 203 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 or Secretary of Budget and Management, as the case maybe.
3. Disbursements for Extraordinary and Miscellaneous Expenses shall be subject to relevant provision of the annual GAA.
4. Equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned (ex. Information and Communications Technology Office (DOST-ICT Office) for information 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.
5. The fiscal discipline measures prescribed under A.O. No. 103 dated August 31, 2004 shall be observed.
6. Electronic payment shall be observed in the disbursement of corporate and public funds. In cases when the adoption is impracticable, GOCC shall be allowed to continue with the existing payment scheme.
7. 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 and Section 80, Chapter 7, Book VI of EO 292.

Recommending Approval:

Approved:
By Authority of the Secretary:

Lorenzo C. Drapete
LORENZO C. DRAPETE
Director, BMB-C

Luiz M. Cantor
LUZ M. CANTOR
Undersecretary

Date: **AUG 01 2017**

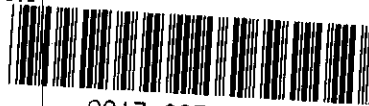
COB No. C1-17-0035

cc: The Chairman
Board of Directors, MWSS-RO

Assistant Commissioner Lourdes M. Castillo
Commission on Audit (COA) - Central Office
COA Building, Quezon City

The Resident Auditor
COA - MWSS-RO

Department of Budget and Management
BTS



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