



Office of the President of the Philippines
GOVERNANCE COMMISSION
 FOR GOVERNMENT OWNED OR CONTROLLED CORPORATIONS
 3/F Citibank Centre, Citibank Plaza, Paseo de Roxas cor. Villar St., Makati City 1226



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 ISO 9001:2008
 www.tqv.com
 +31 43 381 0100

11 January 2018

PPDG. REYNALDO V. VELASCO (Ret)
Administrator
METROPOLITAN WATERWORKS AND SEWERAGE
SYSTEM – CORPORATE OFFICE (MWSS-CO)
 MWSS Complex, 489 Katipunan Ave.
 Quezon City, Philippines

METROPOLITAN WATER
 & SEWERAGE SYSTEM
 ADMINISTRATOR'S OFFICE
 RECEIVED BY:
 NAME: Ed
 DATE: 13 JAN 2018

RE: **E.O. 24 RECLASSIFICATION OF MWSS**

Dear Administrator Velasco,

We write in reply to your letter dated 18 December 2017¹ requesting the reclassification of the MWSS from category "C" to "B" pursuant to the provisions of Executive Order (E.O.) No. 24, s. 2011.

Section 6 of E.O. No. 24 provides that GOCCs *shall be classified by size based on the assets and revenues* for the purpose of determining the maximum allowable compensation for members of the Board, as illustrated in the table below:

Classification	Assets (P)	Revenues (P)
A	≥ 100 Billion	≥ 10 Billion
B	≥ 25 Billion and < 100 Billion	≥ 2.5 Billion and < 10 Billion
C	≥ 5 Billion and < 25 Billion	≥ 500 Million and < 2.5 Billion
D	≥ 1 Billion and < 5 Billion	≥ 100 Million and < 500 Million
E	< 1 Billion	< 100 Million

Further, the basis for classification of assets is the prior year's audited balance sheet while that of the revenues is the average of prior three year's audited income statements.

Based on the 2016 Commission on Audit (COA) report, MWSS assets are at **₱58.171 Billion** while its 3-year average revenue is at **₱2.688 Billion**:

2014 Revenue	2015 Revenue	2016 Revenue	Average
₱ 2,552,202,057	₱ 2,674,759,876	₱ 2,838,263,797	₱ 2,688,408,577

In view of the foregoing, the request for reclassification of MWSS from category "C" to "B" pursuant to the provisions of E.O. No. 24 is hereby **APPROVED**.

¹ Received by the Governance Commission on 21 December 2017.

Accordingly, the per diem rates for members of the MWSS Board following Classification "B" are as follows:


Board Meetings (P)		Committee Meetings (P)	
Max Per Meeting	Max Per Year	Max Per Meeting	Max Per Year
20,000	480,000	12,000	288,000

It is noted further that pursuant to Section 9(b) of EO No. 24, the Chairman may receive a premium of not more than 20% of the amounts above.

FOR YOUR INFORMATION AND GUIDANCE.

Very truly yours,
BY AUTHORITY OF THE COMMISSION


SAMUEL G. DAGPIN
Chairman


MICHAEL P. CLORIBEL
Commissioner


MARITES CRUZ-DORAL
Commissioner

cc: DOF Secretary CARLOS G. DOMINGUEZ III
DBM Secretary BENJAMIN E. DIOKNO
The Resident Auditor - MWSS-CO