



27 July 2023

ATTY. MARK NESTER T. MENDOZA
Corporate Board Secretary
**CIVIL AVIATION AUTHORITY OF
THE PHILIPPINES (CAAP)**
MIA Road, Pasay City

RE: REIMBURSABLE EXPENSES OF MEMBERS OF THE BOARD

Dear Atty. Mendoza,

This refers to your letter¹ seeking confirmation regarding reimbursable expenses of the Members of the Board of **CIVIL AVIATION AUTHORITY OF THE PHILIPPINES (CAAP)** under Item No. 10 of GCG Memorandum Circular (M.C.) No. 2016-01.²

At the outset, it must be emphasized that GCG M.C. No. 2016-01 was issued relative to Executive Order (E.O.) No. 203, s. 2016³ which was suspended by E.O. No. 36, s. 2017.⁴ Thus, the reimbursable expenses of the Members of GOCC Governing Boards shall be in accordance with E.O. No. 24, s. 2011.⁵

In accordance with Section 12 of E.O. No. 24, "[a]ll necessary expenses of the members of the Board of Directors⁶ to attend meetings and to discharge their official duties **shall be paid directly by the GOCC.**" Only when the following conditions occur may reimbursable expenses be allowed:

- (a) Due only to the exigency of the service,
- (b) Subject to the submission of receipts; and
- (c) It is necessary for the Board Director/Member to advance the same to perform his/her duties.

Finally, the amount of reimbursement allowed under Section 12 of E.O. No. 24 should not exceed the Representation and Transportation Allowance (RATA) given to a Department Undersecretary which is equivalent to ₱22,000 per month, or ₱264,000 per year, pursuant to Section 9 of Republic Act No. 6758.⁷

Very truly yours,

Atty. KAREN KREEZ L. TANGCO-PASCASIO, CESO IV
Director IV
Corporate Standards Office

Noted by:

ATTY. REMUS ROMANO A. REYES
Head Executive Assistant

¹ Officially received by the Governance Commission on 23 June 2023.

² *Compensation Framework for Members of the GOCC Governing Boards.*

³ *Adopting a Compensation and Position Classification System (CPCS) and a General Index of Occupational Services (IOS) for the GOCC Sector Covered by Republic Act No. 10149 and For Other Purposes.*

⁴ *Suspending the Compensation and Position Classification System Under Executive Order No. 203 (s. 2016), Providing for Interim Compensation Adjustments, and Other Purposes.*

⁵ *Prescribing Rules to Govern the Compensation of Members of the Board of Directors/Trustees in Government-Owned or Controlled Corporations Including Government Financial Institutions*

⁶ Both Appointive and Ex Officio Members.

⁷ The last paragraph of the "Compensation and Position Classification Act of 1989" provides that "[i]n no case shall the salary of the chairman, president, general manager or administrator, and the board of directors of government-owned or controlled corporations and financial institutions exceed Salary Grade 30: Provided, That the President may, in truly exceptional cases, approve higher compensation for the aforesaid officials."