



SUPREME COURT OF THE PHILIPPINES
PUBLIC INFORMATION OFFICE
RELEASE
AUG 22 2019
BY: Henry
TIME: 3:12 PM

Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

**FACT-FINDING INVESTIGATION
BUREAU (FFIB) - OFFICE OF
THE DEPUTY OMBUDSMAN FOR
THE MILITARY AND OTHER
LAW ENFORCEMENT OFFICES,**
Petitioner,

G.R. No. 216574

Members:

CARPIO, *Chairperson*
PERLAS-BERNABE,
CAGUIOA,
J. REYES, JR., *and*
LAZARO-JAVIER,

- versus -

RENATO P. MIRANDA,
Respondent.

Promulgated:

10 JUL 2019

X-----X

DECISION

LAZARO-JAVIER, J.

THE CASE

This Petition for Review on Certiorari¹ seeks to reverse and set aside the following issuances of the Court of Appeals² in CA-G.R. SP No. 127459 entitled "*Renato P. Miranda v. Office of the Ombudsman-Office of the Deputy Ombudsman for the Military and Other Law Enforcement Offices and Fact-Finding Investigation Bureau (FFIB-OMB-MOLEO)*":

- 1. Decision³ dated July 30, 2014 which reversed and set aside respondent's

¹ Under Rule 45 of the Revised Rules of Court.
² Penned by Associate Justice Elihu A. Ybañez with Associate Justice Japar B. Dimaampao and Associate Justice Carmelita S. Manahan, concurring.
³ *Rollo*, pp. 31-39.

dismissal from the service as decreed by petitioner Office of the Deputy Ombudsman-MOLEO in OMB-P-A-06-0106-A;⁴

2. Resolution⁵ dated January 13, 2015 which denied petitioner's motion for reconsideration.⁶

FACTUAL ANTECEDENTS

Sometime in April 2000, the Philippine Marine Corps (PMC) earmarked and released P36,768,028.95 as Combat Clothing Allowance and Individual Equipment Allowance (CCIE) for its enlisted personnel for CY 1999. Each enlisted employee was to get P8,381.25 as Combat Clothing Allowance and P6,337.80 as Individual Equipment Allowance, or a total of P14,719.05. The disbursements were released through nineteen (19) checks in various amounts. PMC Commanding Officer and Deputized Disbursing Officer Major Felicisimo C. Millado and PMC Commandant BGen. Percival M. Subala signed the checks payable to Deputized Disbursing Officer Major Millado.⁷

Acting on the records forwarded by the Commission on Audit (COA), FFIB-OMB-MOLEO initiated an investigation of subject disbursements. On basis thereof, FFIB-MOLEO charged respondents MGen. Renato P. Miranda (Formerly Col. Miranda, SG 26), BGen. Percival M. Subala (SG 27), Lt. Col. Jeson P. Cabatbat (SG 25), Maj. Adelo B. Jandayan (SG 24), Capt. Felicisimo C. Millado (SG 23), Capt. Edmundo D. Yurong (SG 23), and Carolyn L. Bontolo (SG 15) with malversation of public funds through falsification of public documents, violation of COA Rules and Regulations, and violation of Section 3(e) of Republic Act 3019 (RA 3019) or the Anti-Graft and Corrupt Practices Act. The case was docketed OMB P-A-06-00106-A.⁸

PROCEEDINGS BEFORE THE OFFICE OF THE DEPUTY OMBUDSMAN-MOLEO

In its Affidavit-Complaint⁹ dated January 13, 2006, FFIB-OMB-MOLEO alleged that through "random sampling" of liquidation payrolls, COA discovered that some PMC personnel did not receive the P14,719.05 CCIE allowance supposedly intended for each of them. These PMC personnel disowned the signatures appearing on the payrolls and even denied

⁴ Decision dated February 27, 2009 penned by Graft Investigation and Prosecution Officer Jamila R. Cruz-Sarga, concurred in by Director Eulogio S. Cecilio, and approved by Acting Ombudsman Orlando C. Casimiro, *rollo*, pp. 50-57.

⁵ *Id.* at 41-42.

⁶ *Id.* at 43-49.

⁷ *Id.* at 50-51.

⁸ *Id.*

⁹ CA *rollo*, pp. 40-46.

authorizing any representative to receive these allowances on their behalf.¹⁰ They also pointed out that the liquidation payrolls were prepared following the payrolls system based on rank. This new payroll system meant that the payroll shall be routed to all marine personnel in different locations all over the country. This sharply deviated from the standard procedure of preparing payrolls according to unit assignment to facilitate its release by the liaison officer to the PMC personnel concerned. The PMC personnel further disclosed that they had already been receiving clothing allowance of P200.00 each since long before; but they never received the supposed additional clothing allowance of P8,381.25.¹¹

As for respondent MGen. Renato Miranda, FFIB-OMB-MOLEO found that he did not have the authority to approve the grant of the CCIE. It was the head of office, PMC Commandant BGen. Subala who had such authority conformably with Section 168, Volume 1 of the Government Accounting and Auditing Manual.¹²

Respondent's Defense

In refutation, respondent argued that it was BGen. Subala who authorized him to approve the corresponding disbursement vouchers. He maintained that when all the conditions and requirements for approval of the disbursement vouchers were present, he had no discretion but to approve the same.¹³

As regards the other respondent officers, they, too, argued that they signed the checks as part of their ministerial duty considering that the requirements for approval of the disbursements were all complied with.¹⁴

RULING OF THE OFFICE OF THE DEPUTY OMBUDSMAN-MOLEO (ODO-MOLEO)

By Decision¹⁵ dated February 27, 2009, the ODO-MOLEO found five (5) respondent officers, including MGen. Renato P. Miranda, guilty of grave misconduct and dishonesty. They were ordered dismissed from the service. As for Maj. Adelo Jandayan, in view of his retirement from the service, his retirement benefits, except accrued leave credits, were ordered forfeited, with prejudice against re-employment with the government. With respect to BGen. Percival Subala and Carolyn Bontolo, the cases against them were dismissed. The dispositive portion of the decision reads, viz:

¹⁰ *Id.* at 40-42.

¹¹ *Id.* at 42-43.

¹² *Id.* at 43.

¹³ *Id.* at 50-52.

¹⁴ *Id.* at 51-52.

¹⁵ *Rollo*, pp. 50-57.

16

WHEREFORE, finding substantial evidence, this Office finds respondents **COL. RENATO P. MIRANDA, LT. COL. JESON P. CABATBAT, MAJ. ADELO B. JANDAYAN, CAPT. FELICISIMO C. MILLADO, and CAPT. EDMUNDO D. YURONG** GUILTY of Grave Misconduct and Dishonesty pursuant to Section 19 in relation to Section 25, RA 6770 otherwise known as The Ombudsman Act of 1989, and are hereby meted out the penalty of **DISMISSAL** from the service effective immediately with forfeiture of all the benefits, except accrued leave benefits, if any, with prejudice to re-employment in any branch or service of the government including government owned and controlled corporations.

With respect to respondent **MAJ. ADELO B. JANDAYAN**, since he had already retired from the service, the forfeiture of all his retirement benefits, except accrued leave credits, is hereby **ORDERED**, and his reemployment in any branch or instrumentality of the government, including government-owned or controlled corporations is **PROSCRIBED**.

With respect to respondents **BGEN. PERCIVAL M. SUBALA** and **CAROLYN L. BONTOLO**, this case is hereby **DISMISSED**.

xxx

In its Joint Order¹⁶ dated November 25, 2011, the ODO-MOLEO denied the respective motions for reconsideration of herein respondent MGen. Miranda, (Ret.) Capt. Millado, and Lt. Col. Cabatbat.

PROCEEDINGS BEFORE THE COURT OF APPEALS

On respondent's petition for review, he faulted the ODO-MOLEO for finding him guilty of grave misconduct and dishonesty and ordering his dismissal from the service with all its accessory penalties. He insisted that he approved the CCIE disbursement as part of his ministerial duty. He also rejected the ODO-MOLEO's finding that he conspired with his co-respondents below.

In its Comment¹⁷ dated January 18, 2013, petitioner FFIB-OMB-MOLEO asserted that the ODO-MOLEO did not err when it found respondent guilty of grave misconduct and dishonesty.¹⁸

¹⁶ *Id.* at 58-65, penned by GIPO Kathryn Rose A. Hitalia-Baliatan, and reviewed by Director Dennis L. Garcia and approved by Ombudsman Conchita Carpio Morales.

¹⁷ *CA rollo*, pp. 278-306.

¹⁸ *Id.* at 291.

^

Under Decision¹⁹ dated July 30, 2014, the Court of Appeals reversed, thus:

WHEREFORE, the petition is hereby **GRANTED**. The assailed Decision dated 27 February 2009 and the Joint Order dated 25 November 2011 issued by the Office of the Deputy Ombudsman for Military and Other Law Enforcement Officers are **REVERSED** and **SET ASIDE** with respect to petitioner Renato P. Miranda. Accordingly, Renato P. Miranda is **EXONERATED** from the administrative charges against him for lack of substantial evidence.

SO ORDERED.²⁰

The Court of Appeals found that no substantial evidence was presented showing that respondent actively participated in the alleged conspiracy to defraud the government. The documents signed by petitioner only showed he approved the release of subject funds upon certification by subordinate officers in charge of evaluating the proposed disbursement that the same was in order and that funds were available for the purpose. The mere fact of signing the documents in question did not make respondent liable for grave misconduct and dishonesty, conformably with the Court's pronouncement in *Albert v. Gangan*.²¹

Under Resolution²² dated January 13, 2015, FFIB-OMB-MOLEO's motion for reconsideration was denied.

THE PRESENT PETITION

Petitioner FFIB-OMB-MOLEO, through the Office of the Solicitor General, represented by then Acting Solicitor General Florin T. Hilbay, Assistant Solicitor General Marissa Macariag-Guillen, and Senior State Solicitor Karen A. Ong, now implores the Court to exercise its discretionary appellate jurisdiction to reverse and set aside the assailed Decision dated July 30, 2014 and Resolution dated January 13, 2015.

Petitioner faults the Court of Appeals for: (1) ruling that respondent cannot be held administratively liable for grave misconduct and dishonesty in the absence of direct evidence of conspiracy with other PMC officers in the release of more than P36 Million in clothing and equipment allowances; and (2) dismissing the complaint in OMB-P-A-06-00106-A on the strength of

¹⁹ *Id.* at 463-470.

²⁰ *Id.* at 470.

²¹ 406 Phil. 231, 242 (2001).

²² CA *rollo*, pp. 509-510.

*Albert v. Gangan*²³ which authorizes officers to rely on the certifications, recommendations, and memoranda of subordinate officers or staff, before giving their own seal of approval on official documents or transactions.

According to petitioner, respondent together with other PMC personnel clearly participated in the web of conspiracy to defraud the government of a substantial amount through the fictitious grant of CCIE allowances to supposed enlisted PMC personnel who vigorously denied having received the same. Respondent performed the following specific acts which are allegedly indispensable to the consummation of the fraud, viz:

ONE. Through a document captioned *Funds Entrusted to Agent Officer/Teller*, he authorized Maj. Jandayan to receive the P36,768,028.95 CCIE funds, albeit, the latter was not the duly authorized disbursement officer; and

TWO. Although claiming that the CCIE funds were used to purchase clothing and equipment for PMC enlisted personnel, he submitted payroll copies showing that the supposed beneficiaries received checks, not anything in kind. One hundred forty-five (45) of these supposed beneficiaries, however, attested that they did not receive these funds in full or in part.

Petitioner also rejects respondent's invocation of *Arias* and *Gangan*. Being a mere subordinate officer in the hierarchy of the PMC, respondent cannot validly excuse himself from the duty of thoroughly reviewing the documents which are routed to him in the regular course of the PMC's operations.

Respondent counters,²⁴ in the main:

FIRST. No evidence was adduced to prove the elements of corruption nor his clear intent to violate the law and established rules. Neither was it established that he had a disposition to lie, cheat, deceive, or defraud the government.²⁵ The Court of Appeals was correct in finding that the documents on record did not on their face show any irregularity which could have prompted him to doubt before affixing his signature of approval.²⁶

SECOND. He relied on the presumption that the reviewing and approving officers who processed the documents had done so in a regular manner. After all, these officers below had already performed the process of verification, ensuring that the acquisition of supplies or equipment was necessary, the funds therefor were available, and disbursement and distribution of the checks were actually done.²⁷

²³ *Supra* Note 21.

²⁴ Comment dated July 21, 2015, *rollo*, pp. 85-90.

²⁵ *Rollo*, p. 85.

²⁶ *Id.* at 85-86.

²⁷ *Id.* at 86-87.

N

THIRD. The element of corruption is absent in this case. Records do not show that he unlawfully appropriated for himself any amount from the CCIE allowances.²⁸ He was not even involved in the distribution or safekeeping of these funds.²⁹ Verily, the extent of his participation in approving the release of the CCIE allowances cannot be equated with grave misconduct and dishonesty.

FOURTH. Lt. Col. Dammang presented evidence showing that payments were actually made to the suppliers of the uniform and equipment. means that the CCIE funds were appropriated according to their This simply purpose and the government did not suffer any injury by reason thereof.³⁰

Petitioner, thus, presents the following issues for our resolution:

1. Did the Court of Appeals err when it ruled that in the absence of direct evidence of conspiracy, respondent cannot be held liable for grave misconduct and dishonesty?
2. Did the Court of Appeals correctly rely on *Gangan* and similar cases to support a decree of exoneration in respondent's favor?

RULING

To begin with, the Court clarifies that only questions of law may be raised in a petition for review on certiorari.³¹ Rule 45 of the Revised Rules of Court provides, thus:

Section 1. Filing of petition with Supreme Court. A party desiring to appeal by certiorari from a judgment, final order or resolution of the Court of Appeals, the Sandiganbayan, the Court of Tax Appeals, the Regional Trial Court or other courts, whenever authorized by law, may file with the Supreme Court a verified petition for review on certiorari. The petition may include an application for a writ of preliminary injunction or other provisional remedies and shall raise only questions of law, which must be distinctly set forth. The petitioner may seek the same provisional remedies by verified motion filed in the same action or proceeding at any time during its pendency. (As amended by A.M. No. 7-12-07-SC)

Jurisprudence, however, has laid down exceptions.³² The presence of

²⁸ *Id.* at 88.

²⁹ *Id.* at 87.

³⁰ *Id.* at 89.

³¹ Rule 45, Sec. 1, Rules of Court.

³² The general rule for petitions filed under Rule 45 admits exceptions, to wit: (1) When the conclusion is a finding grounded entirely on speculation, surmises or conjectures; (2) When the inference made is

any one of these exceptions compels the Court to review all over again the factual findings of the Court of Appeals. Here, the Court is constrained to take a second look at the factual milieu of the case and re-evaluate if the Court of Appeals committed reversible error in absolving respondent of his administrative liability under the law, in the face of evidence on record supporting a different conclusion.

Existence of Conspiracy

Bahilidad v. People defines conspiracy, in this wise, viz:

There is conspiracy when two or more persons come to an agreement concerning the commission of a felony and decide to commit it. Conspiracy is not presumed. Like the physical acts constituting the crime itself, the elements of conspiracy must be proven beyond reasonable doubt. While conspiracy need not be established by direct evidence, for it may be inferred from the conduct of the accused before, during and after the commission of the crime, all taken together, however, the evidence must be strong enough to show the community of criminal design. For conspiracy to exist, it is essential that there must be a conscious design to commit an offense. Conspiracy is the product of intentionality on the part of the cohorts.

It is necessary that a conspirator should have performed some overt act as a direct or indirect contribution to the execution of the crime committed. The overt act may consist of active participation in the actual commission of the crime itself, or it may consist of moral assistance to his co-conspirators by being present at the commission of the crime or by exerting moral ascendancy over the other co-conspirators. Hence, the mere presence of an accused at the discussion of a conspiracy, even approval of it, without any active participation in the same, is not enough for purposes of conviction.³³

To prove conspiracy, it is not always necessary that direct evidence be presented to establish its existence. That the conspirators came to an agreement to pursue a common evil design may be inferred from the overt acts of the conspirators themselves. The act of every conspirator must be

manifestly mistaken, absurd or impossible; (3) Where there is a grave abuse of discretion; (4) When the judgment is based on a misapprehension of facts; (5) When the findings of fact are conflicting; (6) When the Court of Appeals, in making its findings, went beyond the issues of the case and the same is contrary to the admissions of both appellant and appellee; (7) The findings of the Court of Appeals are contrary to those of the trial court; (8) When the findings of fact are conclusions without citation of specific evidence on which they are based; (9) When the facts set forth in the petition as well as in the petitioner's main and reply briefs are not disputed by the respondents; and (10) The finding of fact of the Court of Appeals is premised on the supposed absence of evidence and is contradicted by the evidence on record. (*Miano v. Manila Electric Company*, 800 Phil. 118, 123 (2016).)

³³ 629 Phil. 567, 575 (2010).

shown to have been done to contribute to the realization of a common unlawful goal. In *Macapagal-Arroyo v. People*,³⁴ the Court ordained:

xxx In terms of proving its existence, conspiracy takes two forms. The first is the express form, which requires proof of an actual agreement among all the co-conspirators to commit the crime. However, conspiracies are not always shown to have been expressly agreed upon. Thus, we have the second form, the implied conspiracy. An implied conspiracy exists when two or more persons are shown to have aimed by their acts towards the accomplishment of the same unlawful object, each doing a part so that their combined acts, though apparently independent, were in fact connected and cooperative, indicating closeness of personal association and a concurrence of sentiment. Implied conspiracy is proved through the mode and manner of the commission of the offense, or from the acts of the accused before, during and after the commission of the crime indubitably pointing to a joint purpose, a concert of action and a community of interest. xxx

Here, respondent was accused of being a co-conspirator in an alleged grand design to steal money from government coffers under the guise of supposed disbursements for clothing and equipment of enlisted PMC personnel. Respondent's purported participation in the alleged conspiracy was his act of signing the disbursement vouchers and authorizing the transfer of funds to Maj. Jandayan who was not duly authorized to receive, nay, disburse these funds.

Respondent asserts that his acts and those of the other accused did not show a concerted effort toward achieving a common criminal goal. For they simply acted in the performance of their ministerial duty of approving the documents relative to the proposed disbursements in light of a clear showing that these documents had already passed the hands of several subordinate officers who had carefully reviewed and certified them to be correct. Respondent also asserts that his only participation in the questioned transaction was signing the disbursement vouchers for the CCIE allowances in his capacity as duly authorized representative of the head of office.

Respondent's argument does not persuade.

Respondent's culpability did not arise solely because he signed the disbursement vouchers. His culpability rather was hinged on his act of authorizing Maj. Jandayan to receive the CCIE funds, albeit, the latter did not have the requisite authority to receive, much less, disburse these funds.

³⁴ 790 Phil. 367, 419-420 (2016) (citations omitted).

Entrusting funds to an unauthorized officer

Respondent cannot validly claim that signing the disbursement vouchers was part of his ministerial duty. Notably, what gave rise to his liability was his entrusting a large amount of public funds to an officer who did not have the authority to receive, let alone, disburse the funds. And as it turned out, the funds which respondent entrusted to Maj. Jandayan were not disbursed to their supposed beneficiaries. No one could account for these funds anymore, not even Maj. Jandayan himself.

It is indubitable that Maj. Jandayan came into the picture only when respondent out of nowhere and without any valid designation or authority possessed by Maj. Jandayan suddenly brought the latter in as recipient and disbursing officer of the funds. It was truly the final operative act which caused first the release, then the misappropriation, and finally the total loss of the funds which to date, have remained unaccounted for.

In *Mangubat v. Sandiganbayan*,³⁵ the Court recognized the importance of the individual acts performed by each conspirator which may at first seem to be an independent act but which, if taken together, would demonstrate the common criminal goal of the conspirators. The Court ordained:

“xxx no doubt the defrauding of the government would not have been possible were it not for the cooperation respectively extended by all the accused, including herein petitioner. The scheme involved both officials and employees from the Regional Office. Some made the falsifications, others worked to cover-up the same to consummate the crime charged. Petitioner’s role was indubitably an essential ingredient especially so because it was he who issued the false LAAs, which as previously mentioned, initiated the commission of the crime. When the defendants by their acts aimed at the same object, one performing one part, and the other performing another part so as to complete it, with a view to the attainment of the same object, and their acts though apparently independent, were in fact concerted and cooperative, indicating closeness of personal association, concerted action and concurrence of sentiments, the court will be justified in concluding that said defendants were engaged in a conspiracy xxx”

The Court keenly notes that from day one up until now, respondent has not produced the authority of Maj. Jandayan, if any, to receive and disburse the funds in question. Too, respondent up until now has not directly or indirectly responded to the core issue against him, albeit, he alleged lot of things in his pleadings before the Office of the Ombudsman, the Court of Appeals and this Court. Nowhere in any of these pleadings did respondent

³⁵ 231 Phil. 429, 435-436 (1987).

6

ever give a direct response to, let alone, refutation of, the damaging evidence against him.

Respondent's disturbing silence on the singular cause of his indictment could only be inferred as an implied admission of the veracity of these accusations. *Judge Noel-Bertulfo v. Nuñez* is *apropos*:

The natural instinct of man impels him to resist an unfounded claim or imputation and defend himself. It is totally against our human nature to just remain reticent and say nothing in the face of false accusations. Hence, silence in such cases is almost always construed as implied admission of the truth thereof.³⁶

Inapplicability of *Gangan*

Respondent invokes the ruling in *Albert v. Gangan*³⁷ which essentially ordains that a head of office may rely on the certifications, recommendations, and memoranda of his subordinates who have presumably performed their duty of reviewing, examining, evaluating, scrutinizing, inquiring, and probing all the documents relative to a transaction, before presenting them to the head of office for approval.

FFIB-OMB-MOLEO rejects the application of *Gangan* here allegedly because respondent was not a department secretary, bureau chief, commission chairman, agency head, department head, or chief of office. Since respondent did not occupy an equivalent post, *Gangan*, according to FFIB-OMB-MOLEO is not available to him as a defense.

The Court opines that this is not the appropriate case for an extended discourse on *Gangan*. For in the first place, *Gangan* is not even applicable herein.

In any event, to emphasize anew, respondent is not faulted for relying, or at least believing that he had the right to rely, on the documents he claims to have already been thoroughly processed and reviewed by his subordinates.

Respondent's liability hinges on this question: Why did he designate Maj. Jandayan as recipient and disbursing officer of the CCIE funds, albeit, the latter was not the duly authorized disbursing officer nor the duly designated official authorized to act in the absence of the regular disbursing officer?

It is clear as day that not a single piece of document routed to him by his subordinates ever named Maj. Jandayan as the duly authorized person to

³⁶ *Judge Noel-Bertulfo v. Nuñez*, 625 Phil. 111, 121 (2010).

³⁷ See *Supra* Note 21.

receive and disburse the funds in question. As stated, it was respondent alone who toward the end of the documents processing brought for the first time named Maj. Jandayan as recipient and disbursing officer of the funds, albeit, the latter was not clothed with the proper authority.

Respondent is guilty of grave misconduct and serious dishonesty

Office of the Ombudsman, et al v. PS/Supt. Espina defines grave misconduct and serious dishonesty, in this wise:

Misconduct generally means wrongful, improper or unlawful conduct motivated by a premeditated, obstinate or intentional purpose. It is intentional wrongdoing or deliberate violation of a rule of law or standard of behavior and to constitute an administrative offense, the misconduct should relate to or be connected with the performance of the official functions and duties of a public officer. It is a transgression of some established and definite rule of action, more particularly, unlawful behavior or gross negligence by a public officer. xxx

On the other hand, dishonesty, which is defined as the "disposition to lie, cheat, deceive, or defraud; untrustworthiness, lack of integrity," is classified in three (3) gradations, namely: serious, less serious, and simple. **Serious dishonesty** comprises dishonest acts: (a) causing serious damage and grave prejudice to the government; (b) directly involving property, accountable forms or money for which respondent is directly accountable and the respondent shows an intent to commit material gain, graft and corruption; (c) exhibiting moral depravity on the part of the respondent; (d) involving a Civil Service examination, irregularity or fake Civil Service eligibility such as, but not limited to, impersonation, cheating and use of crib sheets; (e) committed several times or in various occasions; (f) committed with grave abuse of authority; (g) committed with fraud and/or falsification of official documents relating to respondent's employment; and (h) other analogous circumstances.³⁸ (emphasis supplied)

Misconduct is a transgression of some established and definite rule of action, more particularly, unlawful behavior or gross negligence by a public officer. As an administrative offense, misconduct should relate to or be connected with the performance of the official functions and duties of a public

³⁸ *Office of the Ombudsman, et al v. PS/Supt. Espina*, 807 Phil. 529, 540-542 (2017) (citations omitted).

officer.³⁹ It is considered grave where the elements of corruption and clear intent to violate the law or flagrant disregard of established rule are present.⁴⁰

To repeat, respondent violated the rule that whoever holds custody of official funds in trust must bear the requisite authority. Respondent was in charge of affirming the grant, release, and disbursement of millions of pesos in PMC funds. It was upon his directive alone through the document captioned *Funds Entrusted to Agent Officer/Teller*, that the funds were ordered released to Maj. Jandayan. Respondent cannot explain why he entrusted the CCIE funds to Maj. Jandayan, albeit, the latter did not have the requisite authority to hold and disburse the same for the PMC.

In addition, respondent knowingly, nay, unlawfully named Maj. Jandayan trustee of the funds at least twelve (12) times⁴¹ in several millions of pesos. As it was, the intended beneficiaries did not receive the funds. Respondent again could not explain why it was so. Verily, he is guilty of grave misconduct.

Respondent's culpability for dishonesty, on the other hand, is rooted in his actions indicating his predisposition to lie for the purpose of defrauding the government in huge amounts of public funds. He diverted the CCIE allowances of marine personnel, entrusting them to one not duly authorized to receive, let alone, disburse the same to their supposed beneficiaries. As it turned out, the beneficiaries did not receive even a single centavo of these public million funds. And it was respondent's irresponsible, nay, unlawful action which directly caused serious damage and prejudice to the government. For public funds were dissipated and lost beyond recovery.

The Court notes that respondent presented receipts supposedly issued by suppliers for clothing and equipment claimed to have been purchased using the CCIE funds and stock cards. He was trying to establish that these supplies were actually delivered to the PMC personnel concerned.

We are not persuaded. The so called receipts were produced too late in the day; only after respondent and the PMC officials had already been charged with ghost disbursement of funds. The lie becomes more evident considering that per official records, the intended beneficiaries were supposed to receive cash and not anything in kind like clothing or equipment supplies.

At any rate, the existence of receipts of purchase is one thing, the actual receipt of the merchandise or items themselves is another. The supposed beneficiaries denied receipt of these items.

³⁹ See *Office of the Ombudsman-Visayas, et al v. Mary Ann Castro*, 759 Phil. 68, 79 (2015) (citation omitted).

⁴⁰ See *Vertudes v. Buenaflor*, 514 Phil. 399, 424 (2005).

⁴¹ CA rollo, pp. 340-358.

In administrative cases, the quantum of proof required is substantial evidence.⁴² It is such relevant evidence which a reasonable mind might accept as adequate to support a conclusion, even if other minds equally reasonable might conceivably opine differently.⁴³ The evidence adduced here, specifically, the repeated, yet, unexplained authorization extended to Maj. Jandayan to receive and disburse the CCIE funds speak for themselves. Had respondent not done it, public funds would not have been dissipated and lost. What respondent did was truly indispensable to the consummation of the unlawful disbursement of public funds which caused prejudice to the government.


The Constitution ordains: “[p]ublic office is a public trust [and] [p]ublic officers and employees must at all times be accountable to the people, serve them with utmost responsibility, integrity, loyalty, and efficiency, act with patriotism and justice, and lead modest lives.” This Constitutional standard of conduct is not intended to be a mere rhetoric, and should not be taken lightly. For those in the public service are enjoined to fully comply with this standard or run the risk of facing administrative sanctions ranging from reprimand to the extreme penalty of dismissal from the service.⁴⁴

All told, the Court of Appeals gravely erred when it exonerated respondent from the charges of grave misconduct and serious dishonesty. There is in fact compelling evidence on record showing that respondent did commit these offenses.

ACCORDINGLY, the petition is **GRANTED** and the Decision dated July 30, 2014 and Resolution dated January 13, 2015 of the Court of Appeals, **REVERSED and SET ASIDE**.

The Decision dated February 27, 2009 and Joint Order dated November 25, 2011 of the Office of the Ombudsman in OMB-P-A-06-0106-A are **REINSTATED**. Major General Renato P. Miranda is found guilty of grave misconduct and serious dishonesty. He is ordered **DISMISSED** from the service with forfeiture of all benefits, except accrued leave benefits, if any. He is perpetually disqualified from re-employment in any branch or service of the government, including government-owned and controlled corporations.

SO ORDERED.


AMY C. LAZARO- JAVIER
Associate Justice

⁴² *Office of the Court Administrator v. Lopez*, 654 Phil. 602, 604 (2011).


⁴³ See *Fajardo v. Corral*, G.R. No. 212641, July 5, 2017, 830 SCRA 161, 168 (citation omitted).

⁴⁴ *Field Investigation Office of the Office of the Ombudsman v. Castillo*, 794 Phil. 53, 65 (2016), citing *Amit vs. Commission on Audit, et al.*, 699 Phil 9, 25 (2012).


WE CONCUR:




ANTONIO T. CARPIO
Senior Associate Justice
Chairperson



ESTELA M. PERLAS-BERNABE
Associate Justice




ALFREDO BENJAMIN S. CAGUIOA
Associate Justice




JOSE C. REYES, JR.
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division

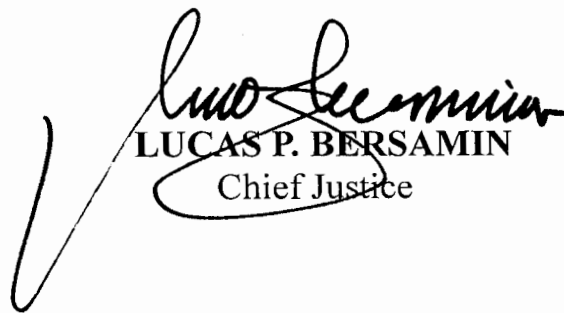


ANTONIO T. CARPIO
Senior Associate Justice
Chairperson, Second Division



CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the above Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



LUCAS P. BERSAMIN
Chief Justice

