



Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

DEPARTMENT OF HEALTH,
REPRESENTED BY SECRETARY
ENRIQUE T. ONA,

Petitioner,

- versus -

GLORIA B. AQUINTEY,
EDUARDO F. MENDOZA AND
AGNES N. VILLANUEVA,
Respondents.

G.R. No. 204766

Present:

CARPIO, J., Chairperson,
PERALTA,
MENDOZA,
PERLAS-BERNABE,* and
LEONEN, JJ.

Promulgated:

06 MAR 2017

X-----X

DECISION

PERALTA, J.:

Before the Court is a petition for review on *certiorari* seeking the reversal and setting aside of the Decision¹ and Resolution² of the Court of Appeals (CA), dated March 20, 2012 and November 27, 2012, respectively, in CA-G.R. SP No. 108775. The assailed Decision reversed and set aside the October 6, 2008 and March 31, 2009 Resolutions of the Civil Service Commission (CSC) finding herein respondents guilty of gross insubordination and imposing upon them the penalty of nine (9) months suspension, while the questioned CA Resolution denied petitioner's Motion for Reconsideration.

* Designated Fifth Member in lieu of Associate Justice Francis H. Jardeleza, per Special Order No. 2416-M, dated January 4, 2017.

¹ Penned by Associate Justice Elihu A. Ybañez, with the concurrence of Associate Justices Celia C. Librea-Leagogo and Angelita A. Gacutan, Annex "A" to Petition, *rollo* pp. 24-42.

² Annex "B" to Petition, *id.* at 43-45.

The pertinent factual and procedural antecedents of the case are as follows:

On February 24, 2004, the Center for Health Development I, represented by Dr. Eduardo C. Janairo (*Dr. Janairo*), in his capacity as Officer-in-Charge (*OIC*) of the Ilocos Training and Regional Medical Center (*ITRMC*) in San Fernando, La Union, filed before the Department of Health (*DOH*) an administrative complaint charging herein respondents with gross insubordination, grave misconduct, gross neglect of duty and conduct prejudicial to the best interest of the service. The complaint basically alleged that respondents, with full knowledge that Dr. Janairo was the lawfully designated OIC of ITRMC, disregarded and defied the orders issued to them by the latter without any valid or justifiable reason.³

Prior to the filing of the above administrative complaint, Dr. Janairo was involved in a dispute as to who, between him and a certain Dr. Gilbert De Leon (*Dr. De Leon*), was the lawfully designated OIC of the ITRMC.

Records disclose that on February 4, 2002, then DOH Secretary, Dr. Manuel A. Dayrit, designated Dr. De Leon as OIC of the ITRMC for a fixed term of one year, or until February 4, 2003. It would appear that Dr. De Leon remained in his position beyond the one-year period or until June 6, 2003 when Secretary Dayrit issued Department Order Nos. 108-A and 108-I relieving him of his duties and responsibilities as OIC and designating Dr. Janairo as his replacement.

Claiming that he was aggrieved by such replacement, Dr. De Leon filed a petition for injunction and/or temporary restraining order (*TRO*) with the Regional Trial Court (*RTC*) of San Fernando, La Union. This dispute between Dr. Janairo and Dr. De Leon spawned a series of cases, including the present petition, which eventually reached this Court.

Meanwhile, on June 23, 2003, the RTC issued a TRO and, thereafter, on July 11, 2003, a writ of preliminary injunction, directing Secretary Dayrit to cease and desist from enforcing his order relieving Dr. De Leon from his post as OIC and designating Dr. Janairo as his replacement.

Secretary Dayrit and Dr. Janairo then filed a petition for *certiorari* with the CA questioning the writ of preliminary injunction issued by the RTC. On November 10, 2003, the CA issued a Resolution which ordered the maintenance of the *status quo*. Pertinent portions of the said Resolution read as follows:

³ See Affidavit-Complaint, Annex "E" to Petition, *rollo*, pp. 60-64.



x x x x x x x x x

Without delving yet on the merits of the main petition, this court finds that there is a need to maintain *status quo* so as not to preempt and render nugatory whatever resolution this Court may hand down in its consideration of the main petition x x x

x x x x x x x x x

While we are in the process of determining whether or not the issuance by the Respondent Judge of the mandatory injunction (sic) was done with caution and within the parameters of the law, the *status quo* should be respected in the meantime.

x x x x x x x x x

WHEREFORE, in the interest of an orderly and efficient service and in order to preserve the respective rights of the parties pending actual resolution of the principal controversy, this Court resolves to grant the petitioner's application and hereby issues a Writ of Preliminary Injunction effective until Resolution of the instant Petition for *Certiorari*.

ACCORDINGLY, this Court hereby RESOLVES to direct respondent Judge and/or any person acting under his authority to cease and desist from implementing or enforcing the Order dated 11 July 2003 x x x

RESOLVED FURTHER, to direct private respondent Dr. Gilbert De Leon to cease and desist from discharging and/or performing the duties as Officer-in-Charge of Ilocos Training and Regional Medical Center (ITRMC), San Fernando City, La Union.

RESOLVED FINALLY, to direct both parties to maintain *status quo* or the last, actual, peaceable non-contested status which preceded the original controversy in the court *a quo*, **which is the assumption by petitioner Dr. Eduardo Janairo.**⁴

Thereafter, Secretary Dayrit issued Department Order No. 231-D,⁵ directing Dr. Janairo to perform his function as OIC of ITRMC. Nonetheless, Dr. De Leon refused to vacate the office and continued to perform the duties of the OIC.

Subsequent to the issuance of Department Order No. 231-D, Dr. Janairo, issued several Office Orders, Memoranda and letters addressed separately to respondents, as follows:

a. Office Order No. 1414 dated November 14, 2003, directing respondents Aquintey and Mendoza to undertake the inventory of equipment, supplies and materials, drugs and medicines, medical/surgical/lab supplies and all other properties of the hospital and to

⁴ See CA *rollo*, p. 21. (Emphasis supplied.)

⁵ Annex "C" to Petition, *rollo*, p. 46.

report directly to Janairo the results thereof. Under this Order, Aquintey and Mendoza were temporarily relieved of their duties as Administrative Officer IV and Accountant III, respectively.

b. Memorandum No. 55 dated November 18, 2003, addressed to Aquintey and Mendoza, as well as Memorandum No. 60 dated November 20, 2003, addressed to Villanueva, directing the three respondents to cease and desist from discharging and/or performing the duties and responsibilities inherent to their respective positions. They were, likewise, ordered to refrain from signing official documents pertinent to the day-to-day operations of the hospital and to turn over all records and other pertinent documents of all operational transactions of ITRMC to Dr. Janairo.

c. Letter dated November 20, 2003, requiring Aquintey and Mendoza to submit their written comment/answer within 48 hours for their failure to comply with the directives stated in Office Order No. 1414 and Memorandum No. 55.

d. Memorandum No. 34 dated November 17, 2003, advising Mendoza and Villanueva to hold all transactions awaiting payment and/or issuance of checks in the ITRMC.

e. Memorandum No. 66 dated November 25, 2003, directing Villanueva to turn over all accountabilities to the designated OIC Cashier to be witnessed by the resident auditors;

f. Office Memorandum No. 068-A dated December 5, 2003, ordering Villanueva to discuss with Dr. Janairo the deteriorating condition of ITRMC; and

g. Memorandum No. 71 dated December 11, 2003, directing Villanueva to turn over to the Budget Officer III of the ITRMC within 48 hours from receipt of the said Memorandum various documents consisting of checkbooks for 9 accounts, disbursement records, records of checks issued and cancelled, passbooks and cash receipt journal.

However, respondents did not comply with the said issuances leading to the filing of the abovementioned administrative case against them before the DOH, which was docketed as Administrative Case No. 51-04.

On July 12, 2007, then DOH Secretary Francisco T. Duque III, who took over from Secretary Dayrit, rendered a Decision⁶ in the said administrative case finding herein respondents guilty of gross insubordination, grave misconduct, gross neglect of duty and conduct prejudicial to the best interest of the service, and imposing on them the penalty of dismissal from the service including all its accessory penalties.

⁶ Annex "F" to Petition, *id.* at 65-82.

Secretary Duque ruled that respondents' refusal to recognize the authority of Dr. Janairo as the duly designated OIC of the ITRMC and their willful and intentional disregard of his lawful and reasonable directives rendered them liable for administrative sanctions.

Respondents appealed the above Decision to the CSC and, on October 6, 2008, the CSC issued Resolution No. 081889⁷ disposing as follows:

WHEREFORE, the appeal of Gloria B. Aquintey, Eduardo F. Mendoza, and Agnes N. Villanueva is hereby **PARTLY GRANTED**. Accordingly, the Decision dated July 12, 2007 of the Secretary of Health, Department of Health, finding them guilty of Grave Misconduct, Gross Neglect of Duty, Gross Insubordination, and Conduct Prejudicial to the Best Interest of the Service and imposing upon them the penalty of dismissal from the service, and the Resolution dated February 13, 2008, denying their motion for reconsideration are **MODIFIED** to the extent that Aquintey, Mendoza and Villanueva are found guilty only of Gross Insubordination and are hereby imposed the penalty of nine (9) months suspension.⁸

The CSC held that it is clear from the language of the *status quo* order issued by the CA in the *certiorari* case filed by Secretary Dayrit and Dr. Janairo that the last actual, peaceable and uncontested status which preceded the original controversy in the appellate court refers to the assumption of office by Dr. Janairo; hence, respondents' failure to comply with the various issuances of Dr. Janairo amounts to gross insubordination. However, the CSC did not find respondents liable for grave misconduct, conduct prejudicial to the best interest of the service and gross neglect of duty. Thus, the CSC imposed upon them the penalty of suspension for nine months.

Respondents filed a motion for partial reconsideration, but the CSC denied it in its Resolution No. 090489 dated March 31, 2009.

Unsatisfied with the above Resolution, respondents filed a petition for review with the CA.

On March 20, 2012, the CA promulgated its assailed Decision with the following dispositive portion:

WHEREFORE, premises considered, the instant Petition is hereby **GRANTED** and CSC Resolutions Nos. 081889 dated October 6, 2008 and 090489 dated March 31, 2009, finding petitioners Gloria B. Aquintey, Eduardo F. Mendoza and Agnes N. Villanueva guilty of Gross Insubordination and imposing upon them the penalty of nine (9) months

⁷ Annex "G" to Petition, *id.* at 83-90.

⁸ *Id.* at 90.

suspension, are hereby **REVERSED** and **SET ASIDE**. The Secretary of Health is hereby directed to pay the petitioners their salaries during the 9-month suspension.

SO ORDERED.⁹

The CA ruled that, while there was no question that herein respondents indeed refused to obey the orders of Dr. Janairo as the duly-designated OIC of the ITRMC, such disobedience was based on their belief in good faith that it was Dr. De Leon who was entitled to the position being contested. As such, their mistake upon a doubtful question of law excuses them from administrative liability.

Herein petitioner filed a motion for reconsideration, but the CA denied it in its Resolution dated November 27, 2012.

Hence, this petition for review on *certiorari* based on the sole ground that the assailed Decision of the CA is not in accord with law and jurisprudence.

The Court finds the petition meritorious.

The basic issue in the present case is whether or not respondents are guilty of gross insubordination when they chose not to follow the various orders of Dr. Janairo which were issued in his capacity as OIC of the ITRMC.

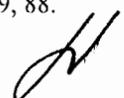
Insubordination is defined as a refusal to obey some orders, which a superior officer is entitled to give and have obeyed.¹⁰ The term imports a willful or intentional disregard of the lawful and reasonable instructions of the employer.¹¹

In her Answer to the show-cause letter of Dr. Janairo, respondent Aquintey, aside from refusing to obey the directives of the former, even accused him of grave misconduct, abuse of authority and usurpation of authority. On the other hand, respondent Mendoza never filed an answer or comment to Dr. Janairo's show-cause letter. On her part, respondent Villanueva never attempted to see and meet with Dr. Janairo to discuss the condition of the hospital, as required by the latter. These instances clearly show that respondents never recognized Dr. Janairo's authority as OIC.

⁹ Rollo, pp. 40-41.

¹⁰ *Civil Service Commission, et al. v. Arandia*, G.R. No. 199549, April 7, 2014, 721 SCRA 79, 88.

¹¹ *Id.*



There can be no denying that respondents were aware of the November 10, 2003 Resolution of the CA which ordered the maintenance of the *status quo*. The supposed confusion as to what the CA considers as the *status quo* in the present controversy is more imagined than real as the fact remains that the language of the CA in its Resolution clearly considered Dr. Janairo's assumption of the office of the OIC as the *status quo*, when the appellate court held, thus:

RESOLVED FINALLY, to direct both parties to maintain *status quo* or the last, actual, peaceable non-contested status which preceded the original controversy in the court *a quo*, **which is the assumption by petitioner Dr. Eduardo Janairo.**¹²

Also, in the same Resolution, the CA directed the RTC to cease and desist from implementing its Order which prevents the Secretary of Health from designating Dr. Janairo as the OIC. The necessary implication of such directive is that the CA recognizes Dr. Janairo's assumption of the office of OIC of the ITRMC, pending its resolution of the controversy as to who is rightfully entitled to the contested position.

Moreover, the said Resolution also clearly directed Dr. De Leon to cease and desist from discharging and/or performing the duties of OIC of the ITRMC.

Furthermore, any doubts which may have been entertained by respondents as to who was really entitled to the contested office of the OIC, should have been cleared when DOH Secretary Dayrit issued Department Order No. 231-D which affirmed Dr. Janairo's assumption of the office of OIC of the ITRMC. Respondents had no excuse in not recognizing Secretary Dayrit's Order as he occupies a position which is even higher than that of Dr. Janairo or Dr. De Leon. As DOH employees, they are bound to obey the lawful orders of the DOH Secretary, notwithstanding any legal issues that may exist between Dr. De Leon and Dr. Janairo. Thus, it becomes apparent that, in view of the clear language of the above CA Resolution and the DOH Secretary's Order, respondents' deliberate refusal to obey Dr. Janairo is not prompted by confusion or by what they claim as their belief in good faith, but by their personal preference or bias in favor of Dr. De Leon and against Dr. Janairo. Thus, respondents' defiance of the successive memoranda and office orders of Dr. Janairo clearly constitutes gross insubordination as it was a continuing intentional refusal to obey a direct order which is reasonable and was given by and with proper authority.

In administrative proceedings, the quantum of proof necessary for a finding of guilt is substantial evidence or such relevant evidence as a

¹² *Supra* note 4.



reasonable mind may accept as adequate to support a conclusion.¹³ Well-entrenched is the rule that substantial proof, and not clear and convincing evidence or proof beyond reasonable doubt, is sufficient as basis for the imposition of any disciplinary action upon the employee.¹⁴ The standard of substantial evidence is satisfied where the employer has reasonable ground to believe that the employee is responsible for the misconduct and his participation therein renders him unworthy of trust and confidence demanded by his position.¹⁵ In this case, the attending facts and the evidence presented, point to no other conclusion than the administrative liability of respondents for gross insubordination.

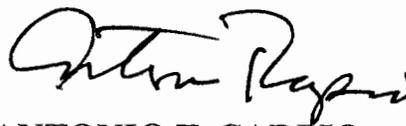
Under Section 52, Rule IV of the Uniform Rules on Administrative Cases in the Civil Service, which are the applicable Rules at the time of the commission of the offense, gross insubordination is a grave offense punishable by suspension from six months and one day to one year for the first offense. There being no mitigating nor aggravating circumstance, the Court finds no error in the CSC's imposition of the penalty of suspension for nine (9) months.

WHEREFORE, the instant petition is **GRANTED**. The assailed Decision and Resolution of the Court of Appeals, dated March 20, 2012 and November 27, 2012, respectively, are **REVERSED** and **SET ASIDE**. Resolution No. 081889 of the Civil Service Commission, dated October 6, 2008, finding respondents **GUILTY of GROSS INSUBORDINATION**, and imposing upon them the penalty of **NINE (9) MONTHS SUSPENSION**, is **REINSTATED**.

SO ORDERED.


DIOSDADO M. PERALTA
Associate Justice

WE CONCUR:


ANTONIO T. CARPIO
Associate Justice
Chairperson

¹³ *Government Service Insurance System, et al. v. Mayordomo*, 665 Phil. 131, 144-145 (2011).

¹⁴ *Id.* at 145.

¹⁵ *Id.*


JOSE CATRAL MENDOZA
Associate Justice


ESTELA M. PERLAS-BERNABE
Associate Justice


MARVIC M.V.F. LEONEN
Associate Justice

ATTESTATION

I attest that the conclusion 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
Associate Justice
Chairperson, Second Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the 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.


MARIA LOURDES P. A. SERENO
Chief Justice