



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

ROMEO DC. RESULTA,
Petitioner,

G.R. No. 245855

Present:

- versus -

CAGUIOA, *J.*, Chairperson,
INTING,
GAERLAN,
DIMAAMPAO, and
SINGH,* *JJ.*

PUBLIC ASSISTANCE AND
CORRUPTION PREVENTION
OFFICE (PACPO)-LUZON,
represented by MARIVIC B.
DELA CRUZ,
Respondent.

Promulgated:

August 16, 2023

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DECISION

DIMAAMPAO, *J.*:

At bench is the Petition for Review on *Certiorari*¹ filed by Romeo DC. Resulta (petitioner), impugning the Decision² and the Resolution³ of the Court of Appeals (CA), which affirmed the Decision⁴ and the Consolidated Order⁵ of the Office of the Ombudsman (OMB), finding him guilty, among others, of grave misconduct; and denied his motion for reconsideration thereof, respectively, in CA-G.R. SP Nos. 150967 and 151036.

The salient facts unfurl as follows:

* On official leave.

¹ *Rollo*, pp. 26–46.

² *Id.* at 55–72. The September 10, 2018 Decision was penned by Associate Justice Geraldine C. Fiel-Macaraig, with the concurrence of Associate Justices Ramon R. Garcia and Eduardo B. Peralta, Jr.

³ *Id.* at 74–75. Dated February 20, 2019.

⁴ *Id.* at 93–120. The January 6, 2016 Decision in OMB-L-A-12-0326-G was penned by Graft Investigation and Prosecution Officer II Maria Viviane Cacho-Calicdan, with the approval of Ombudsman Conchita Carpio Morales.

⁵ *Id.* at 185–197. The February 23, 2017 Consolidated Order was penned by Graft Investigation and Prosecution Officer II Maria Viviane Cacho-Calicdan, with the approval of Deputy Ombudsman for Luzon Gerard A. Mosquera and Ombudsman Conchita Carpio Morales.

On March 18, 2004, Nelson C. Buenaflor (Buenaflor), the President and Chief Executive Officer of Quedan and Rural Credit Guarantee Corporation (QUEDANCOR), issued Memorandum Circular No. 270, also known as the Consolidated Guidelines on QUEDANCOR Swine Program (CG-QSP),⁶ thereby establishing an affordable credit facility intended for the breeding and fattening of swine, in support to swine raisers and their industry.⁷ Under this program, QUEDANCOR would issue purchase orders to farmer-borrowers upon approval of their respective loan applications.⁸ Thereafter, the farmer-borrowers would present the purchase orders to an accredited input supplier for the delivery of swine inputs such as hogs, gilts, medicines, feeds, and other biologics.⁹ Upon receipt of the swine inputs, the farmer-borrowers would then sign an acknowledgment receipt. By virtue of this receipt, the input supplier could collect payment from QUEDANCOR, which sum equals the farmer-borrower's loan amount.¹⁰

In Region IV, the farmer-borrowers' loan applications under the CG-QSP were processed in QUEDANCOR's district offices.¹¹ Swine inputs were obtained from two major suppliers, namely: Metro Livestock, Inc. (Metro Livestock) and Global Swine Philippines, Inc. (Global Swine).¹²

On October 15, 2007, the Fraud Audit and Investigation Office of the Legal Services Sector of the Commission on Audit (COA) conducted an audit investigation on the reported anomalies in the implementation of the CG-QSP in Region IV, pursuant to Legal and Adjudication Sector Order No. 2007-S-014.¹³ After the said investigation, the COA prepared a Report on the Conduct of Confirmation/Validation/Verification on the alleged anomalies of the Quedancor Swine Program (QSP) in Region IV,¹⁴ which revealed the following findings:

1. The guidelines formulated by QUEDANCOR in the acquisition of farm inputs to be loaned to farmer-borrowers under the QSP did not comply with the law on public bidding or Government Procurement Reform Act (R.A. 9184);¹⁵
2. QUEDANCOR extended undue advantage to Metro Livestock and Global Swine in terms of: (a) accrediting them as input suppliers without public bidding and despite non-compliance with the eligibility requirements, including financial and technical incapability; (b) full release of loan proceeds to the input suppliers despite incomplete

⁶ Id. at 141-149.

⁷ See COA Report on the Conduct of Confirmation/Validation/Verification on the Alleged Anomalies of the Quedancor Swine Program (QSP) in Region IV, *rollo*, p. 205.

⁸ Id. at 206.

⁹ Id.

¹⁰ Id.

¹¹ Id. at 208.

¹² Id.

¹³ See Complaint-Affidavit of Marivic B. Dela Cruz, *rollo*, p. 198.

¹⁴ See *rollo*, pp. 203-252.

¹⁵ Id. at 210.

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deliveries; (c) neglect in recording and monitoring of pull-outs/harvests of stocks; and (d) improper off-setting of payables and receivables¹⁶—

- (a) QUEDANCOR accredited Metro Livestock and Global despite their (1) not being in business operation for at least two years in violation of Circular No. 184, s. 2002 and MC No. 270; (2) being of very low financial capacity to undertake transactions as huge as ₱128,511,351.96, each had only ₱62,500.00 paid-up capital; and (3) lack of technical capacity to undertake their obligations under the contract.¹⁷
 - (b) Loan proceeds were paid in full directly to the IS in violation of Section 88(1) of P.D. 1445 on the prohibition against advance payment on government contracts, and based on Delivery Receipts (DR) pre-signed by the borrowers without verifying the actual deliveries made constituting falsification of public documents. Interviewed borrowers complained of incomplete deliveries made on a staggered basis without corresponding adjustment on the amount of loan as well as for refunds and replacements of deficient deliveries.¹⁸
 - (c) QUEDANCOR District Offices in Region IV failed to strictly impose the policy that “pull-out of swine produce shall be made solely on the basis of an Authority to Pull-out (ATP) to be issued to the IS,” thereby resulting in the difficulty of identification of the party ultimately liable for the loans.¹⁹
 - (d) The automatic offsetting of accounts receivable against accounts payable amounting to ₱27,357,948.69 and ₱38,595,957.19, respectively, was questionable. The relationship among the parties involved was not duly established due to absence of records evidencing the transfer of liabilities from one party to another.²⁰
3. QUEDANCOR Region IV failed to nullify the Certificates of Accreditation issued to the input suppliers, allowing exposure of huge government funds to probable loss and giving them undue advantage to the prejudice of the government and the farmer-borrowers.²¹
 4. QSP funds were mismanaged through (a) dispensing with public bidding where funds were exposed to suppliers in exchange of goods; (b) the Governing Board (GB) abdicating its policy(-)making powers to the CEO who is responsible only for day(-)to(-)day operational functions; and (c) failure to monitor the implementation of the QSP during its three-year period from 2004 to 2007. These resulted in non-

¹⁶ See *id.* at 216. Emphasis omitted.

¹⁷ *Id.* at 217. Emphasis omitted.

¹⁸ *Id.* at 224. Emphasis omitted.

¹⁹ See *id.* at 234. Emphasis omitted.

²⁰ See *id.* at 238. Emphasis omitted.

²¹ See *id.* at 242–243. Emphasis omitted.

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recovery of loan balances as of 30 June 2007 due from the IS and borrowers as well, amounting to ₱136,162,753.31.²²

Based on the foregoing findings, Marivic B. Dela Cruz, Associate Graft Investigation Officer II of the Public Assistance and Corruption Prevention Office (PACPO) – Luzon, filed Complaint-Affidavit²³ with the Office of the Ombudsman, docketed as OMB-L-A-12-0326-G, for violation of Republic Act (R.A.) No. 6713²⁴ against officials and employees of the QUEDANCOR – including petitioner, in his capacity as the District Supervisor for Tanauan, Batangas – for purported irregularities in the implementation of the CG-QSP in Region IV, particularly in the provinces of Batangas, Laguna, and Oriental Mindoro.

In his Counter Affidavit²⁵ and Position Paper,²⁶ petitioner prayed that the administrative charge against him be dismissed in the absence of any factual or legal bases. He denied causing undue injury to the government and postulated instead that he, together with other responsible officials of QUEDANCOR, merely implemented the CG-QSP as mandated by the management. He echoed the arguments set forth by Buenaflor that “QUEDANCOR’s role is only to remit the equivalent value of the goods for and in behalf of the borrower with the borrower’s money, upon receipt and acceptance by the borrower of such goods, and upon his advice. The advice of the borrower through the acknowledgment of the delivery receipt creates an obligation for QUEDANCOR as lender to pay the goods delivered through remittance of the loan proceeds to the input supplier.”²⁷ He further elucidated that “[d]espite the assumption of obligation provision in the Contract Growing Agreement (CGA), the borrowers are made aware of their obligation in the signed Promissory Notes communicated to them in the Values Orientation they attended as a first step in the loan application process of QUEDANCOR. It can be seen from the provisions of the CGA that assumption only happens upon authorized pull-out. Without this, the obligation still remains with the borrower. To address the actual computation and correct or adjust the booking entries of receivables from the input supplier and the borrowers, QUEDANCOR management issued Memorandum Circular No. 403 dated March 22, 2006 and Memorandum No. 313 dated March 31, 2006.”²⁸ Thus, petitioner stressed that, as the District Supervisor tasked to implement the CG-QSP at the field office, the offsetting procedure was carried out in good faith based on the memorandum circulars issued by the management of QUEDANCOR.²⁹

²² See *id.* at 245. Emphasis omitted.

²³ *Rollo*, pp. 198–202.

²⁴ CODE OF CONDUCT AND ETHICAL STANDARDS FOR PUBLIC OFFICIALS AND EMPLOYEES, approved on February 20, 1989.

²⁵ *Rollo*, pp. 253–256.

²⁶ *Id.* at 260–264.

²⁷ See letter of petitioner Romeo DC. Resulta dated June 15, 2011, *rollo*, pp. 258–259.

²⁸ See *id.* at 259.

²⁹ *Id.*

After evaluating the divergent postulations of the parties, the OMB adopted the findings of the COA and rendered the Decision³⁰ dated January 6, 2016, finding petitioner, among others, liable for grave misconduct. The pertinent portion of the *fallo* reads:

WHEREFORE, judgment is hereby rendered finding respondents Rhomady G. Bernabe, [petitioner] Romeo DC. Resulta, Marilyn T. Jayagan, Marilyn L. Tibayan, Cesario N. Castillo, Meynardo N. Morilla, Bobby C. Delorino, Susana E. Soriano, Mary Jean Aguila-Dela Cruz, Pamela R. Cutaran, Jackquelyn A. Atuel, Arlene Gutierrez, Vivian R. Dumalaon, Sarah Jane M. Suarez, Eileen E. Alcira and Jeanne P. Mendoza-Gutierrez guilty of Grave Misconduct and are hereby meted the penalty of **DISMISSAL FROM THE SERVICE** with cancellation of Eligibility, Forfeiture of Retirement Benefits and Perpetual Disqualification for Re-employment in the Government Service pursuant to Section 10, Rule III, Administrative Order No. 07, as amended by Administrative Order No. 07, as amended by Administrative Order No. 17, in relation to Section 25 of Republic Act No. 6770.

In case the penalty of Dismissal can no longer be enforced due to respondents' separation from the service, the penalty shall be converted into a **FINE** equivalent to respondents' salary for one (1) year payable to the Office of the Ombudsman, and may be deducted from respondents' retirement benefits, accrued leave credits, or any receivable from their office. The accessory penalties attached to the principal penalty of Dismissal shall continue to be imposed.

The Honorable Secretary, Department of Interior and Local Government is hereby directed to implement this **DECISION** immediately upon receipt thereof pursuant to Section 7, Rule III of Administrative Order No. 07, as amended by Administrative Order No. 17 (Ombudsman Rules of Procedure) in relation to Memorandum Circular No. 1, series of 2006 dated 11 April 2006 and to promptly inform this office of the action taken hereon.

X X X X

SO ORDERED.³¹

The OMB found petitioner, among others, guilty of grave misconduct for acting with gross inexcusable negligence in the supervision and in implementation of the CG-QSP in QUEDANCOR's Region IV district office in Tanauan, Batangas; for allowing Metro Livestock and Global Swine to collect loan proceeds despite incomplete deliveries of farm inputs; for certifying that expenses were necessary and lawful and duly supported by documents notwithstanding incomplete deliveries of inputs; for allowing the offsetting of accounts receivable against accounts payable in spite of the absence of records of transfer of liabilities from one party to another; and, for

³⁰ *Rollo*, pp. 93–120. The January 6, 2016 Decision was penned by Graft Investigation and Prosecution Officer II Maria Viviane Cacho-Calican, with the approval of Ombudsman Conchita Carpio Morales.

³¹ *Id.* at 115–116.

allowing the pull-out of products in the absence of authority to pull-out and made on the sole basis of certifications issued by the input supplier.³²

Aggrieved, petitioner moved for reconsideration,³³ which was denied by the OMB in its Consolidated Order.³⁴

Displeased by the judgment against him, petitioner sought recourse before the CA *via* a Petition for Review³⁵ docketed as CA-G.R. SP No. 151036. Ensuingly, this petition was consolidated with CA-G.R. SP No. 150967 filed by Arlene C. Gutierrez, Acting District Accountant of QUEDANCOR, District Office of Tanauan, Batangas, questioning the same OMB Decision and Consolidated Order.³⁶

Thereupon, the CA rendered the now-assailed Decision³⁷ affirming the findings of the OMB and disposing, thusly:

PREMISES CONSIDERED, the Consolidated Petitions are hereby **DENIED**. The Decision dated 06 January 2016 and the Consolidated Order dated 23 February 2017 of the Office of the Ombudsman are hereby **AFFIRMED *in toto***.

SO ORDERED.³⁸

In echoing the findings of the OMB, the CA ratiocinated that the gravity of petitioner's infractions resulted in the non-recovery of loan balances from the input suppliers and farmer-borrowers in the amount of ₱47,264,469.22, to the prejudice of the government. The CA found his duty of verifying documents and deliveries so basic to be ignored, such that his failure to stay true to the mandate of his office amounted to a flagrant disregard of the law and established rules and constituted grave misconduct, warranting the supreme penalty of dismissal.³⁹

By the same token, petitioner's bid for reconsideration was struck down by the CA through the challenged Resolution.⁴⁰

Crestfallen, petitioner filed the instant petition before this Court, intransigently asseverating that the CA gravely erred in affirming the finding of grave misconduct on his part, considering that he was merely performing

³² See January 6, 2016 Decision of the Office of the Ombudsman, *rollo*, pp. 112-113.

³³ *Rollo*, pp. 121-132.

³⁴ *Id.* at 185-197. The February 23, 2017 Consolidated Order was penned by Graft Investigation, and Prosecution Officer II Maria Viviane Cacho-Calicdan, with the approval of Deputy Ombudsman for Luzon Gerard A. Mosquera and Ombudsman Conchita Carpio Morales.

³⁵ *Id.* at 78-92.

³⁶ See September 10, 2018 Decision of the Court of Appeals, *rollo*, p. 56.

³⁷ *Rollo*, pp. 55-72; The September 10, 2018 Decision was penned by Associate Justice Geraldine C. Fiel-Macaraig, with the concurrence of Associate Justices Ramon R. Garcia and Eduardo B. Peralta, Jr.

³⁸ *Id.* at 72.

³⁹ *Id.* at 71.

⁴⁰ *Id.* at 74-75. Dated February 20, 2019.

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his ministerial functions in good faith as QUEDANCOR's District Supervisor for Tanauan, Batangas. He posits that his approval of disbursement vouchers did not necessarily evince that he acted with manifest partiality or evident bad faith in order to give undue advantage to Metro Livestock and Global Swine, and in the process caused injury to the government. Neither was it shown that his acts were made to secure benefits for himself or for another person. Petitioner stresses that his actions were made in accordance with the circulars and guidelines issued by QUEDANCOR's top management. Assuming *arguendo* that he may be held liable for grave misconduct, petitioner avers that the penalty of dismissal is unduly harsh, considering that he has been in the service for 33 years, and this is his first infraction.

In its Comment,⁴¹ respondent PACPO avouches that substantial evidence exists to hold petitioner administratively liable for grave misconduct. PACPO maintains that petitioner's conduct fell short of the exacting standards required of public office, violated basic social ethical norms, and eroded public trust in government employees. Avowedly, as petitioner was adjudged guilty of a serious administrative infraction, his invocation of length of service and first offense cannot be considered as mitigating circumstances in his favor. Consequently, the imposition against him of the penalty of dismissal from service was properly affirmed by the CA.

From the foregoing, the pivotal issue for the Court's resolution is whether or not the CA was correct in holding petitioner liable for grave misconduct.

THE COURT'S RULING

The Petition is impressed with merit.

It is well-settled that factual findings of the Ombudsman are generally accorded great weight and respect, if not finality, by the courts because of their special knowledge and expertise over matters falling under its jurisdiction.⁴² This rule on conclusiveness of factual findings, however, is not an absolute one. The Court of Appeals may resolve factual issues, review and reevaluate the evidence on record, and reverse the Ombudsman's findings if not supported by substantial evidence. Thus, when the findings of fact by the Ombudsman are not adequately supported by substantial evidence, they shall not be binding upon the courts.⁴³

Substantial evidence means "such relevant evidence as a reasonable mind may accept as adequate to support a conclusion. The requirement is satisfied where there is reasonable ground to believe that one is guilty of the

⁴¹ Id. at 349-363.

⁴² *Purisima v. Ricafranca*, G.R. No. 237530, November 29, 2021.

⁴³ Id. at 20.



act or omission complained of, even if the evidence might not be overwhelming.”⁴⁴ Put differently, substantial evidence is more than a mere scintilla of evidence. In administrative cases before the Office of the Ombudsman, the rule is that the complainant has the burden of proving, by substantial evidence, the allegations in his or her complaint.⁴⁵

In this case, the OMB and the CA both found substantial evidence to hold petitioner liable for grave misconduct when it relied solely on the COA’s report that the officers of QUEDANCOR in Region IV committed the following infractions: *one*, they allowed Metro Livestock and Global Swine to collect the loan proceeds in full despite incomplete deliveries of farm inputs; *two*, they allowed the offsetting of accounts receivable against accounts payable notwithstanding the absence of records of transfer of liabilities from one party to another; and *three*, they allowed Metro Livestock and Global Swine to pull out the swine produce without the necessary authority to pull-out.

After judicious scrutiny of the records of this case, the Court finds that there is no substantial evidence to hold petitioner administratively liable for grave misconduct.

Misconduct is a transgression of some established and definite rule of action, particularly, as a result of a public officer’s unlawful behavior, recklessness, or gross negligence.⁴⁶ The misconduct is gross if it involves any of the additional elements of corruption, willful intent to violate the law, or to disregard established rules, which must be proven by substantial evidence.⁴⁷ As distinguished from simple misconduct, the elements of corruption, clear intent to violate the law, or flagrant disregard of established rule, must be manifest in a charge of grave misconduct.⁴⁸

Elsewise stated, grave misconduct is defined as the “wrongful, improper or unlawful conduct motivated by a premeditated, obstinate or intentional purpose.”⁴⁹ It is not mere failure to comply with the law.⁵⁰ Failure to comply must be deliberate and must be done in order to secure benefits for the offender or for some other person.⁵¹

Here, there is sheer dearth of evidence to show that petitioner was motivated by a premeditated, obstinate, or deliberate intent to violate the law, or disregard any established rule; or that he wrongfully used his position to procure some benefit for himself or for another person, contrary to duty and

⁴⁴ *Office of the Ombudsman v. De Zosa*, 751 Phil. 293, 299 (2015).

⁴⁵ See *Espinas v. Office of the Ombudsman*, G.R. No. 250013, June 15, 2022.

⁴⁶ *Seares, Jr. v. National Electrification Administration Board*, G.R. No. 254336, November 18, 2021.

⁴⁷ *Id.*

⁴⁸ *Id.*

⁴⁹ See *Jaspe v. Public Assistance and Corruption Prevention Office*, G.R. No. 251940, July 12, 2021.

⁵⁰ *Id.*

⁵¹ *Id.*

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the rights of others. The disquisitions of the OMB and the CA, bordering on sweeping generalizations, do not clearly establish petitioner's participation in the purported irregularities. In sooth, the COA's report, which was relied upon solely by the OMB and the CA did not spell out the specific acts attributable to petitioner or his degree of participation in the supposed irregularities.

To be sure, the OMB and the CA could not rely merely on the fact that petitioner was QUEDANCOR's District Supervisor for Tanauan, Batangas to conclude point-blank that he is guilty of the violations imputed against him. The records bear no showing that petitioner approved the disbursements of the expenses without first having verified and validated them, which purportedly led to the release of the loan proceeds in full. In the same vein, there is no evidence showing petitioner's direct participation in allowing the offsetting of accounts receivable against accounts payable between QUEDANCOR and the input suppliers. Indeed, the Court cannot automatically infer manifest partiality or fraudulent intent on petitioner's part by the mere fact that he signified his approval of the disbursement vouchers. Indubitably, there is insufficient evidence from which it may be reasonably concluded that petitioner's approval of the disbursement vouchers was done due to corruption, willful intent to violate the law, or persistent disregard of established rules. Without any other evidence to establish the extent of petitioner's participation in the alleged infractions and his deliberate intent to violate the rules, the OMB and the CA ventured into speculations and conjectures, both of which fall short of substantial evidence. Verily, mere assumption of petitioner's guilt cannot justify the imposition of the harshest administrative penalties against him.

Neither are the elements of simple misconduct attendant in this case. Records do not show that petitioner actively or directly participated in the transgression of some established and definite rule of action, more particularly, unlawful behavior or gross negligence.⁵² Concomitantly, this Court is hard-pressed to rule in favor of petitioner's exoneration.

On that score, it is worthy to note that the duty of the Ombudsman as the "protector of the people" should not be marred by overzealousness at the expense of public officers.⁵³ This is especially true in instances where the supreme penalty of dismissal from service may be imposed.⁵⁴

In the instant case, petitioner has been in the service for 33 years with an unblemished service record. Significantly, in all his years in the public service, he has neither been charged or accused of any misconduct, nor has he been found guilty of any administrative or criminal offense, prior to this case. That the penalty of dismissal would mean not only petitioner's separation

⁵² See *Office of the Ombudsman, Field Investigation Office v. Faller*, 786 Phil. 467, 479 (2016).

⁵³ See *Lukban v. Ombudsman Carpio-Morales*, G.R. No. 238563, February 12, 2020, 932 SCRA 174, 176.

⁵⁴ *Id.*

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from service but would also entail the forfeiture of his retirement benefits and perpetual disqualification from holding public office should have impelled the OMB to be more circumspect in imputing liability to him.⁵⁵ This is one of those instances where the Court is called once again to put its foot down in the “shot-gun” approach employed by the Office of the Ombudsman.⁵⁶

One final inflection. Considering petitioner’s absolution from the penalty of dismissal, which is immediately executory and is not stayed by a pending appeal,⁵⁷ he must perforce be reinstated, without loss of seniority rights and with payment of backwages and all benefits which would have accrued to him as if he had not been illegally dismissed, pursuant to Section 58⁵⁸ of the 2017 Rules on Administrative Cases in the Civil Service⁵⁹ and settled jurisprudence.⁶⁰

⁵⁵ See *id.*

⁵⁶ See *Rejas v. Office of the Ombudsman*, G.R. Nos. 241576 & 241623, November 3, 2020, 960 SCRA 293, 316.

⁵⁷ Rules of Procedure of the Office of the Ombudsman, as amended by Administrative Order No. 17 dated September 15, 2003, Rule III, Sec. 7: Rule III PROCEDURE IN ADMINISTRATIVE CASES x x x Section 7. *Finality and execution of decision.* — **Where the respondent is absolved of the charge, and in case of conviction where the penalty imposed is public censure or reprimand, suspension of not more than one month, or a fine equivalent to one month salary, the decision shall be final, executory and unappealable.** In all other cases, the decision may be appealed to the Court of Appeals on a verified petition for review under the requirements and conditions set forth in Rule 43 of the Rules of Court, within fifteen (15) days from receipt of the written Notice of the Decision or Order denying the motion for reconsideration.

An appeal shall not stop the decision from being executory. In case the penalty is suspension or removal and the respondent wins such appeal, he shall be considered as having been under preventive suspension and shall be paid the salary and such other emoluments that he did not receive by reason of the suspension or removal.

A decision of the Office of the Ombudsman in administrative cases shall be executed as a matter of course. The Office of the Ombudsman shall ensure that the decision shall be strictly enforced and properly implemented. The refusal or failure by any officer without just cause to comply with an order of the Office of the Ombudsman to remove, suspend, demote, fine, or censure shall be a ground for disciplinary action against such officer. (Emphasis supplied)

⁵⁸ *Effects of Exoneration on Certain Penalties.* — The following rules shall govern when the decision is for exoneration:

- a. In case the penalty imposed is fine, the same shall be refunded.
- b. In case of demotion, the respondent shall be entitled to restoration of former salary grade with the same salary step and payment of salary differentials during the period the demotion was imposed.
- c. In case the penalty imposed is suspension, the respondent shall immediately be reinstated to former post without loss of seniority rights and with payment of back wages and all benefits which would have accrued as if the respondent has not been illegally suspended.
- d. In case the penalty imposed is dismissal, the respondent shall immediately be reinstated without loss of seniority rights and with payment of back wages and all benefits which would have accrued as if the respondent has not been illegally dismissed.
- e. The respondent who is exonerated on appeal shall be entitled to the leave credits for the period the respondent had been out of the service.

The grant of back wages and other benefits may be subject of settlement and/or compromise. (Underscoring supplied)

⁵⁹ CSC Resolution No. 1701077, promulgated on July 3, 2017.

⁶⁰ See *Philippine National Police – Criminal Investigation and Detection Group (PNP CIDG) v. Villafuerte*, 840 Phil. 243, 262 (2018); *Espinas v. Office of the Ombudsman*, G.R. No. 250013, June 15, 2022.

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Still and all, QUEDANCOR was already abolished by virtue of Memorandum Order No. 13⁶¹ signed by then President Rodrigo Duterte on June 28, 2017. Thus, petitioner's reinstatement to his former position as QUEDANCOR's District Supervisor for Tanauan, Batangas is no longer possible. In lieu of reinstatement, he must be awarded separation pay in accordance with Section 3 of Memorandum Order No. 13.⁶² Likewise, the backwages and other benefits which he is entitled to must be computed from the time he was actually dismissed from service up to the date of the actual abolition of QUEDANCOR.

WHEREFORE, the Petition for Review on *Certiorari* is hereby **GRANTED**. The Decision dated September 10, 2018 and the Resolution dated February 20, 2019 of the Court of Appeals in CA-G.R. SP Nos. 150967 and 151036, insofar as the finding of guilt upon petitioner Romeo DC. Resulta of grave misconduct, are **REVERSED** and **SET ASIDE**.

Accordingly, the complaint against petitioner Romeo DC. Resulta is **DISMISSED**. He is **AWARDED** separation pay in lieu of reinstatement, pursuant to Section 3, Memorandum Order No. 13 dated June 28, 2017, of then President Rodrigo Roa Duterte. Petitioner Romeo DC. Resulta shall also be immediately entitled to payment of backwages and all other benefits which would have accrued as if he had not been illegally dismissed, in accordance with Section 58 of the 2017 Rules on Administrative Cases in the Civil Service. The backwages and other benefits must be computed from the time he was actually dismissed from service up to the date of the actual abolition of Quedan and Rural Credit Guarantee Corporation.

SO ORDERED.


JAPAR B. DIVA AMPAO
Associate Justice

⁶¹ DIRECTING THE ABOLITION OF QUEDAN AND RURAL CREDIT GUARANTEE CORPORATION AND FOR OTHER PURPOSES.

⁶² *Compensation for Affected Officials and Personnel.* – Affected officials and personnel of QUEDANCOR, whether regular or contractual personnel, may avail of the separation benefits below in addition to retirement or separation benefits allowed under existing laws:

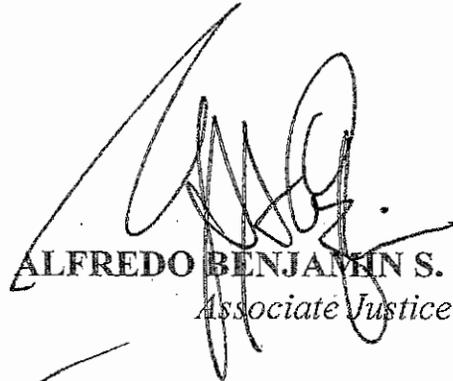
Years in Service	Rates
First 20 years	1.00 x BMP* x No. of years
20 years and one day to 30 years	1.25 x BMP x No. of years
30 years and one day and above	1.50 x BMP x No. of years

**Basic Monthly Pay*

Funding for the separation pay and other benefits of affected officials and personnel of QUEDANCOR shall be sourced from its corporate funds. The Department of Budget and Management shall ensure that there are sufficient funds to cover the compensation for affected officials and personnel.

WE CONCUR:

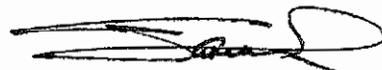
*See
Concurring
Opinion*



ALFREDO BENJAMIN S. CAGUIOA
Associate Justice



HENRI JEAN PAUL B. INTING
Associate Justice

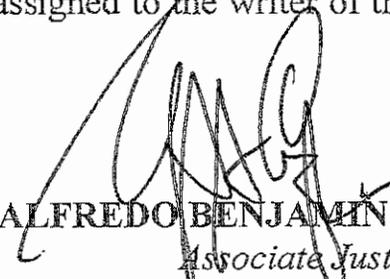


SAMUEL H. GAERLAN
Associate Justice

On Official Leave
MARIA FILOMENA D. SINGH
Associate Justice

ATTESTATION

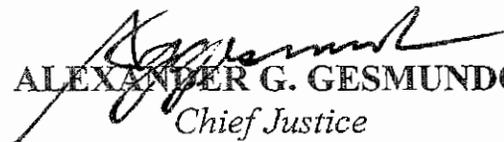
I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



ALFREDO BENJAMIN S. CAGUIOA
Associate Justice
Chairperson, Third 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 this Court.


ALEXANDER G. GESMUNDO
Chief Justice