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SUPREME COURT OF THE PHILIPPINES
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Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

PSUPT. JOB F. MARASIGAN,
Petitioner,

-versus-

**OFFICE OF THE DEPUTY
OMBUDSMAN FOR THE
MILITARY AND OTHER LAW
ENFORCEMENT OFFICES and
HON. CONCHITA CARPIO-
MORALES,** in her capacity as
Ombudsman, and **HON. MEL
SENEN S. SARMIENTO,** in his
capacity as Secretary of the
Interior and Local Government,
Respondents.

X-----X

**OFFICE OF THE
OMBUDSMAN,**

Petitioner,

-versus-

**PSSUPT. CORNELIO R.
SALINAS, PSUPT. NEPOMU-
CENO MM. CORPUS, JR., and
PSSUPT. MICHAEL AMOS S.
FILART,**

Respondents.

G.R. No. 230865

G.R. No. 238934

Present:

LEONEN, S.A.J., Chairperson,
LAZARO-JAVIER,*
LOPEZ, M.,
LOPEZ, J., and
KHO, JR., JJ.

Promulgated:

OCT 23 2024 *[Signature]*

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* On official business.

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DECISION**LOPEZ, M., J.:**

The Court resolves in these consolidated Petitions for Review on *Certiorari*¹ the administrative liability of the members of the Bids and Awards Committee and chairperson of the Logistics Support Services in the procurement, inspection, and acceptance of police coastal crafts.

ANTECEDENTS

In 2009, the Bids and Awards Committee of the National Headquarters (NHQ BAC) of the Philippine National Police (PNP) issued Resolution No. 2009-53² for the procurement of the PNP Maritime Group's (PNP MG) 16 police coastal crafts. The NHQ BAC likewise issued Resolution No. 2009-54³ delegating its authority to PNP MG for the procurement of said coastal crafts through public bidding. The delegated authority was subject to the condition that the procured items must be first accepted by an *inspection and acceptance committee (IAC) created for the purpose or as determined by the NHQ BAC* to ensure compliance with the National Police Commission (NAPOLCOM) specifications for coastal crafts, thus:

NOW THEREFORE, the Committee resolved, as it hereby resolves, to recommend to the Chief, PNP that **the public bidding of the procurement of sixteen (16) units [of] Police Coastal Craft. . . should be delegated to [the PNP] MG Bids and Awards Committee** subject to existing accounting and auditing rules and regulations. **The item delivered, however, shall be accepted by the Inspection and Acceptance Committee (IAC) created for the purpose or as determined by the NHQ-BAC as a matter of procedure to ensure compliance with the NAPOLCOM confirmed PNP specifications** and for record purposes.⁴ (Emphasis supplied)

Accordingly, the PNP MG created its own Bids and Awards Committee (PNP MG BAC) which included Police Senior Superintendent (PSSUPT) Cornelio Salinas, Police Superintendent (PSUPT) Nepomuceno Corpus, Jr., and PSSUPT Michael Amos Filart (PSSUPT Salinas et al.).⁵ However, the PNP MG failed to create its own IAC. Neither did the NHQ BAC issue any resolution or authorization for the inspection of the items to be procured by the PNP MG as the end user of coastal crafts.⁶ Meantime, in September and October 2009, tropical storms Ondoy and Pepeng devastated the country and

¹ *Rollo* (G.R. No. 230865), pp. 28–48; and *rollo* (G.R. No. 238934), pp. 10–32.

² *Rollo* (G.R. No. 238934), pp. 113–114.

³ *Id.* at 115–116.

⁴ *Id.* at 115.

⁵ *Id.* at 64.

⁶ *Rollo* (G.R. No. 230865), p. 57.

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led to the declaration of a state of national calamity. In November 2009, strong tropical cyclones Quedan, Ramil, Santi, Tino, Urduja, and Vinta came in the wake of Ondoy and Pepeng.⁷

On November 27, 2009, the PNP MG BAC and its observers held a conference attended by two bidders: Four Petals Trading (Four Petals) and business partners Dante Samandan and Antonio Martines. However, Samandan and Martines were disqualified because their company was not registered and had no personality to participate. Thus, Four Petals became the sole participant. Considering that there were no existing specifications for coastal crafts yet, the PNP MG BAC used the particulars for motorized *bancas* under NAPOLCOM Resolution No. 2005-064.⁸

Thereafter, the PNP MG BAC found Four Petals qualified based on the following documentary requirements: (1) registration with the Department of Trade and Industry; (2) verified information sheet dated January 26, 2009; (3) verified letter of its proprietress, Ma. Pacita H. Umali; (4) certification of its personnel; (5) location map of its office address; (6) Parañaque City business permits for the years 2009 and 2010; (7) certificate of registration with the Bureau of Internal Revenue (BIR); (8) BIR tax clearance for 2008 and 2010; (9) certificate of registration dated August 12, 2009 issued by the Procurement Service of the Department of Budget and Management; (10) license to engage in afloat ship repair dated April 4, 2007 issued by the Maritime Industry Authority; and (11) various certificates of good standing issued by the PNP MG, PNP Traffic Management Group, PNP Office of the Legal Service, and PNP Police Community Relations Group.⁹

Cognizant of the widespread and massive damage brought about by Ondoy and Pepeng, and given the announcement from the Department of National Defense (DND) and the Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA) that more typhoons were still to be expected, the PNP MG BAC issued undated Resolution No. 2009-10¹⁰ recommending the emergency purchase of the coastal crafts and awarding the negotiated contract to Four Petals:

WHEREAS, inasmuch as there is a need to address immediately the problem of proper equipage, **this Group recommends the emergency purchase of sixteen (16) Police Coastal Crafts.**

....

WHEREAS, the meeting [on November 27, 2009] started at 11:15 a.m. and the [PNP MG BAC] Chairman-PSSUPT ASHER A. DOLINA **asked the members of the [PNP] MG BAC TWG if the samples submitted by**

⁷ *Rollo* (G.R. No. 238934), p. 40.

⁸ *Id.* at 40-41.

⁹ *Id.* at 170-171.

¹⁰ *Id.* at 117-119.

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FOUR PETALS TRADING is compliant with all pertinent NAPOLCOM resolutions on the standard specifications of equipment and PSUPT ALLAN G. CAMPOS, Chairman of [PNP] MG BAC TWG[,] answered in the affirmative. Also, Ms. Roselle Ferrer presented the FOUR PETALS TRADING eligibility documents, after which the [PNP] MG BAC TWG[,] represented by PSUPT ALLAN G. CAMPOS[,] certified that it is compliant with NAPOLCOM Board Res. No. 2005-64 (Approving the Standard Specifications for Motorized Banca).

....

WHEREAS, FOUR PETALS TRADING was found by the [PNP] MG BAC to have a bid in the amount of FOUR MILLION SEVEN HUNDRED NINETY[-]NINE THOUSAND NINE HUNDRED EIGHTY[-]FOUR PESOS (Php. 4,799,984.00) which is lower than the ABC of FIVE MILLION PESOS (Php. 5,000,000.00) with the above-mentioned freebies. . . **PSUPT Cornelio Salinas, a regular member of the [PNP] MG BAC, moved that FOUR PETALS TRADING be awarded the negotiated contract. . .**

....

NOW THEREFORE, the Committee resolved, it is hereby resolves [sic], that FOUR PETALS TRADING be awarded the negotiated contract for the purchase of the above[-]described Sixteen (16) Units [of] Police Coastal Crafts for having submitted a bid in the amount of FOUR MILLION SEVEN HUNDRED NINETY[-]NINE THOUSAND NINE HUNDRED EIGHTY[-]FOUR PESOS (Php. 4,799,984.00) with additional freebies as discussed above[.]¹¹ (Emphasis Supplied)

Subsequently, the PNP MG and Four Petals executed a purchase contract.¹² The agreement provided that the Maritime Group Inspection and Acceptance Committee (MG IAC) had the duty to accept the procured items after having verified that they conformed with the approved NAPOLCOM specifications, to wit:

PURCHASE CONTRACT
For SIXTEEN (16) UNITS POLICE COASTAL CRAFTS

....

Article IV
ACCEPTANCE AND PAYMENT

1. The Maritime Group Inspection and Acceptance Committee (IAC) shall accept the delivery of the above-mentioned items by virtue of and pursuant to this Contract by seeing to it that the quantity is in accordance with the number written [in the] Purchase Order (PO) and that the above[-]mentioned items conform to the approved technical specifications of NAPOLCOM. Acceptance of the items shall be made within five (5) days from its actual delivery.

¹¹ *Id.*

¹² *Id.* at 120-125.

2. **Upon final acceptance** of the above-mentioned items, FOUR PETALS TRADING **shall be paid** [] the contract price through Disbursement Voucher. Partial payment for partial delivery is not allowed.¹³ (Emphasis supplied)

On December 29, 2009, the PNP Logistics Support Services (PNP LSS) issued the corresponding purchase order. On January 26, 2010, the NAPOLCOM issued Resolution 2010-065¹⁴ providing that the standard engine specifications for police coastal crafts must be “gasoline-fed, 100hp, 4-cylinder with transmission.”¹⁵ On March 22, 2010, Four Petals delivered the 16 coastal crafts. At that time, the PNP MG still did not have its own IAC. Neither did the NHQ BAC authorize any other entity to inspect the procured items. However, a stamp bearing the words “Inspected Mgmt Division, ODC [Office of Directorate for Comptrollership]” with a written note of “Date: March 22, 2010. Inspector: PO3 Avensuel Dy” appeared on the face of the delivery receipt.¹⁶ The PNP MG Logistics Office (PNP MG LO), through Police Chief Inspector Ervin Provideo (PCINSP Provideo), received the coastal crafts and indicated in the delivery receipt that they were “in good condition” but with a marginal note that they are “lacking requirements as per DRD [Directorate for Research and Development] report to be complied by proponent.”¹⁷

On March 26, 2010, the PNP LSS IAC headed by PSUPT Job F. Marasigan (PSUPT Marasigan) attested that the coastal crafts conform to the updated standard specifications under NAPOLCOM Resolution No. 2010-065 and that they passed the acceptance criteria,¹⁸ thus:

PHILIPPINE NATIONAL POLICE LOGISTICS SUPPORT SERVICE
INSPECTION AND ACCEPTANCE COMMITTEE
Resolution No. 2010-46

....

WHEREAS, after inspection and evaluation was conducted, the Committee found the said delivered items to be conforming to the approved NAPOLCOM specifications and passed the acceptance criteria **as stated in the certificate of the end user.**

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED that the above-mentioned items be accepted for use of the PNP.

SO RESOLVED.

¹³ *Id.* at 120–122.

¹⁴ *Id.* at 127–129.

¹⁵ *Id.*

¹⁶ *Id.* at 339.

¹⁷ *Id.* at 65.

¹⁸ *See rollo* (G.R. No. 230865), p. 151, Resolution No. 2010-46 dated March 26, 2010.

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Done this 26 March 2010 at Camp Crame, Quezon City.

(Signed)
JOB F. MARASIGAN
Police Superintendent
Chairman¹⁹ (Emphasis supplied)

The report indicated the following members: PSUPT Marasigan as chairperson, PCINSP Juanito G. Estrebor and PCISNP Renelfa L. Saculles as members, and PSUPT Leodegario B. Visaya as technical inspector.²⁰ Notably, PSUPT Marasigan was assigned to the PNP LSS only on April 1, 2010²¹ and became its Chief of the Supply Storage and Distribution Division only on April 6, 2010.²² PSUPT Marasigan was also only designated as the Chairperson of the PNP LSS IAC effective on April 26, 2010 under LSS Letter Order No. 60,²³ thus:

PNP LSS
LETTER ORDERS NR 60

....

II. Designation:

PSUPT JOB F. MARASIGAN, in addition to his other duties[,] is designated as **Chair[person] of the PNP LSS Inspection and Acceptance Committee (IAC) for the General and Direct Support Procurement of supplies and equipment effective April 26, 2010.**²⁴ (Emphasis supplied)

On July 12, 2010, a disbursement voucher was issued for the payment of the coastal crafts. On August 2, 2010, Four Petals requested the PNP MG to inspect the delivered police coastal crafts. On August 12, 2010, PCINSP Provideo, together with representatives from the Commission on Audit (COA) and the DRD, inspected the coastal crafts. The COA used the standards in NAPOLCOM Resolution 2010-065 and reported that the engines are diesel-fed and not gasoline-fed and that some needed immediate repairs. The COA also recommended that the coastal crafts be rectified subject to final inspection by the DRD prior to acceptance and payment. Despite this report, Four Petals received the payment for the coastal crafts on August 27, 2010.²⁵

On October 18, 2010, the DRD released its findings and recommendations. It noted that: (a) the boat should be repainted prior to

¹⁹ *Id.*

²⁰ *Id.*

²¹ *See id.* at 131, Reassignment/Detail dated March 22, 2010.

²² *See id.* at 132, Reassignment dated April 6, 2010.

²³ *Id.* at 133.

²⁴ *Id.*

²⁵ *Rollo* (G.R. No. 238934), pp. 66–67, 136–137, 360.

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acceptance; (b) repair/replace the top portion of the bow on one unit boat; and (c) tighten the nylon string of the canopy and outriggers. Moreover, there was no water temperature gauge, fuel gauge, and speedometer—all of which were required in both NAPOLCOM Resolutions No. 2005-64 and 2010-065.²⁶ In two letters dated September 3²⁷ and November 23, 2010,²⁸ the PNP MG LO through PCINSP Provideo requested Four Petals to rectify the defects on the coastal crafts. However, Four Petals did not respond.²⁹ On February 22, 2011, PCINSP Provideo wrote another letter to Four Petals to correct the following defects: “engine not operational; no rudder and post; damaged outrigger; no ampere gauge; no canvass; no hole at the back portion of the starboard side; no alternator; stocked-up transmission[;] no heater plug[;] etc.”³⁰ Yet, Four Petals did not comply.³¹ Thus, the PNP MG BAC issued Resolution No. 2011-003 MG BAC³² recommending the rescission of the contract with Four Petals.

Later, several Complaints for violation of the Anti-Graft and Corrupt Practices Act³³ were filed before the Office of the Ombudsman against PSSUPT Salinas et al. as PNP MG BAC members, PSUPT Marasigan as chairperson of the PNP LSS IAC, and all other officers involved in the procurement.³⁴ The complaints cited usurpation of authority in the issuance of LSS IAC Resolution No. 2010-46, the irregularities in the acceptance of defective coastal crafts, and the premature release of funds.³⁵ The Ombudsman’s fact-finding investigation discovered that the marginal note in the delivery receipt of coastal crafts was antedated and written after the DRD report was submitted.³⁶ Worse, the Ombudsman found that the PNP LSS did not make any actual inspection.³⁷ The ODC likewise submitted its Inquiry on the Procurement of Sixteen (16) Units Police Coastal Crafts³⁸ and learned that LSS Letter Order No. 60 limited the authority of PSUPT Marasigan to the acceptance of General and Direct Support procurement of supplies and equipment made by the LSS and does not include those procured by the NHQ BAC or other BACs.³⁹ The PNP Criminal Investigation and Detection Group (CIDG) also conducted an investigation and released its findings, to wit:

Unfortunately, un known [sic] to [PNP] MG, which is the end user and which under the existing PNP NHQ BAC Resolution No. 2009-54 and Art. IV of the Purchase Contract is the only authorized entity to accept the sixteen (16) Police Coastal Crafts, the Inspection and Acceptance

²⁶ *Id.* at 132–134, WTCD Report Number: T2010-11 dated October 18, 2010.

²⁷ *Id.* at 412.

²⁸ *Id.* at 414.

²⁹ *Id.* at 67.

³⁰ *Id.* at 138.

³¹ *Id.*

³² *Id.* at 599–603.

³³ Republic Act No. 3019 (1960).

³⁴ *See rollo* (G.R. No. 238934), pp. 58–63.

³⁵ *Id.* at 67–69.

³⁶ *Id.* at 149.

³⁷ *Id.* at 77.

³⁸ *Id.* at 135–141.

³⁹ *Id.* at 139.

Committee of the Logistics Support Services (IAC-LSS) composed of the following:

- A. Chairman PSUPT JOB F MARASIGAN (Letter Order No. 60 dated April 30, 2010)
- B. PSUPT LEODEGARIO B VISAYA (Technical Inspector)
- C. PCI RENELFA L. SACULLES (member)
- D. PCI JUANITO G ESTREBOR (member)

[h]ad long earlier (July 2010) inspected and accepted the said Police Coastal Crafts despite complaints and non-acceptance by its end user, the PNP Maritime Group, **by arrogating unto themselves such power to inspect and accept which indeed lawfully belongs only to the PNP Maritime Group.** In fact[,] thru said spurious IAC-LSS Report denominated as Resolution 2010-46 which was attached to the Disbursement Voucher, the Accounting Division eventually processed the said disbursement voucher resulting to the issuance/payment of Land Bank Check. . .

....

The foregoing dilemma could not have transpired if the members of the. . . (IAC-LSS) observed more diligence and. . . had they not arrogated unto themselves the authority to inspect and accept the sixteen Police Coastal Crafts.

Likewise, irregularity has been observed on the part of the Directorate for Comptrollership, particularly the Management Division composed of PSUPT HENRY [] DUQUE and PO3 Avensuel [] Dy who made a corresponding report (INSPECTION REPORT FORM) which form part of the documents that served as basis for the Finance Service to make payments for [sic] Four Petals Trading by issuing Land Bank Check[.]⁴⁰ (Emphasis supplied)

In its Consolidated Resolution⁴¹ dated June 2, 2015, the Ombudsman found probable cause against PSSUPT Salinas et al. and PSUPT Marasigan for violation of Section 3(e) of Republic Act No. 3019. The Ombudsman also held them administratively liable for grave misconduct and dismissed them from service. The Ombudsman explained that no emergency necessitated the resort to a negotiated procurement. Furthermore, Four Petals was not a technically, legally, and financially capable supplier. Finally, the PNP LSS IAC had no authority to inspect the coastal crafts,⁴² thus:

[PSSUPT Salinas et al.'s Administrative Liability]

The BAC issued undated Resolution No. 2009-10 (Emergency Purchase of Sixteen Coastal Crafts) to rationalize the purchase of coastal crafts from FPT yet. . . Salinas. . . Corpus. . .

⁴⁰ *Id.* at 290.

⁴¹ *Id.* at 58–85. The Consolidated Resolution in OMB-P-C-11-0762-I and OMB-P-A-11-0741-I, et al. was signed by Graft Investigation and Prosecution Officers Laurie Layne P. Cristobal and Gil Rose O. Corcino-Inovejas, reviewed by Director Dennis L. Garcia, and approved by Ombudsman Conchita Carpio Morales (Ret.).

⁴² *Id.* at 74–80.

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Filart. . . failed to conduct research on other suppliers/distributors of coastal crafts and their prices to ensure that the government will not get a raw deal. There was no basis to make FPT as the sole supplier for the coastal crafts. . .

....

FPT is not a technically, legally[,] and financially capable supplier. First, its address is a residential address. Second, it has no company website. Third, it is not a supplier known for coastal crafts or a company known for coastal craft building. It is simply a trading company. . . .

Another irregularity attending this procurement is that the documents used in the procurement of PCCs are either unnumbered and/or undated which, if examined closely, reveal inconsistencies and falsities.

....

Furthermore, the PCCs delivered by FPT lack water temperature gauges, fuel gauges, engine oil pressure gauges[,] and speedometers which are all necessary for a motorized watercraft.

....

In this case. . . Salinas. . . Corpus. . . Filart made FPT their sole choice of supplier and dispensing [sic] the public bidding for the 16 PCCs despite working knowledge on violations of Sections 48 and 53 of RA 9184. Clearly, there is substantial evidence to hold said respondents liable for Grave Misconduct.

....

[P/Supt Marasigan's Administrative Liability]

The LSS-IAC composed of respondents **Marasigan, Visaya, Estrebor, and Saculles** issued Resolution No. 2010-46, attesting that the 16 PCCs delivered had conformed to NAPOLCOM specifications and passed the acceptance criteria as stated in the certificate of end-user. **Be it noted that said respondents had no authority to inspect and accept the PCCs but they still issued Resolution No. 2010-46.** Records further reveal that Marasigan, Visaya, Estrebor[,] and Saculles **did not actually inspect the coastal crafts but merely relied on the findings of Duque, Dy[,] and Visaya.**⁴³ (Emphasis supplied, citations omitted)

The parties filed Motions for Reconsideration⁴⁴ but were denied.⁴⁵ Aggrieved, PSSUPT Salinas et al. and PSUPT Marasigan questioned the

⁴³ *Id.*

⁴⁴ *Id.* at 536–566, Joint Motion for Reconsideration with Motion for Inhibition dated October 20, 2015.

⁴⁵ *Id.* at 86–103. Signed by Acting Assistant Ombudsman Maria Corazon A. Arancon.

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finding of probable cause before the Court.⁴⁶ The Court dismissed the Petitions mainly on the judicial policy of non-interference with the discretion of the Ombudsman regarding the determination of probable cause.⁴⁷ Upon Motion for Reconsideration, the Court dismissed the criminal complaints against PSSUPT Salinas et al.⁴⁸ The Court explained that the Ombudsman's factual findings were too sweeping and contrary to evidence. The Court emphasized that extreme weather conditions justified the resort to negotiated procurement with Four Petals which is a qualified supplier of coastal crafts. Moreover, PSSUPT Salinas et al. adopted measures to ensure transparency in the procurement process.⁴⁹ On the other hand, the finding of probable cause against PSUPT Marasigan was not reversed,⁵⁰ thus:

We regard the declarations of the Office of the Ombudsman too sweeping, and also contrary to the evidence.

First of all, considering the existence of the extreme weather conditions then prevailing in the country that even warranted the proclamation by the President of the state of national calamity, and in view of the announcement by the DND and PAGASA of more of such cyclones to be expected, it definitely behooved the Office of the Ombudsman to assiduously assess and appreciate the established conditions in their proper light, instead of ignoring them. **The resort to the negotiated procurement with Four Petals was seemingly justified by such conditions, which swayed the petitioners in G.R. No. 225188 and G.R. No. 225277 as members of the [PNP] MG BAC to consider the need for the PCCs to be urgent enough as to warrant the resort to the negotiated purchase as an alternative to the regular bidding process that had already been commenced.**

For sure, Section 53 of R.A. No. 9184 allows the conduct of negotiated procurement in times of calamity that posed imminent danger to lives and property. . .

....

Secondly, the Office of the Ombudsman concluded that Four Petals had lacked the technical, legal[,] and financial capability to supply the PCCs. . .

....

The conclusion by the Office of the Ombudsman is unreasonable and unwarranted.

The records plainly show that Four Petals turned out to be the only supplier following the disqualification of the other supposed supplier on the basis of its being an unregistered partnership; and that the [PNP] MG BAC considered Four Petals as a qualified supplier for purposes of the procurement based on its submission of the several

⁴⁶ Docketed as G.R. Nos. 225188 & 225277 and G.R. Nos. 224648 & 224806-07, respectively.

⁴⁷ *PSUPT Duque v. Ombudsman*, 860 Phil. 693, 703 (2019) [Per C.J. Bersamin, Special Third Division].

⁴⁸ *Id.* at 718.

⁴⁹ *Id.* at 708–714.

⁵⁰ *Id.* at 718.

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required documents for the qualification process. As earlier mentioned, the documents included Four Petals' registration with the DTI; its verified information sheet dated January 26, 2009; the certification of its personnel; the location map of its office address; its business permits for the years 2009 and 2010 issued by Parañaque City; its certificate of registration with the BIR; its BIR tax clearances for 2008 and 2010; its certificate of registration dated August 12, 2009 issued by the Procurement Service of the DBM; its license to engage in afloat ship repair dated April 4, 2007 issued by the MARINA; and various certificates of good standing issued by the MG, PNP Traffic Management Group, PNP Office of the Legal Service, and PNP Police Community Relations Group.

The [PNP] MG BAC was the body legally tasked to vet such qualifications. The Office of the Ombudsman should not supplant the determination of Four Petals' qualifications with its hindsight finding that Four Petals was "not a technically, legally[,] and financially capable supplier" based only on the grounds that the address given was a residential address, and that Four Petals had no company website; or that Four Petals was not a "supplier known for coastal crafts or a company known for coastal craft-building;" or that Four Petals was "simply a trading company;" or that the internet search revealed nothing about Four Petals except its involvement in the "current controversy." For one, it was not shown that there were standing prior criteria requiring the address of the potential supplier not to be residential, or for the potential supplier to maintain a company website, or to have internet presence, or not to be a mere trading company, or to be "known for coastal crafts or [to be] a company known for coastal craft-building."

.....

Thirdly, the Office of the Ombudsman made much of the failure of the [PNP] MG BAC to follow and comply with the specifications of the NAPOLCOM for police coastal seacraft in the procurement. However, the Office of the Ombudsman was thereby whimsical and capricious, and the reason why were too obvious to be missed.

The failure to comply with the specification laid down by the NAPOLCOM should not be a factor for determining the potential liability of the petitioners in G.R. No. 225188 and G.R. No. 225277. To recall, the PNP-NHQ BAC had delegated the procurement of the PCCs to the [PNP] MG to give the latter experience in procurement, but the delegation did not expressly require the MG to await the specifications for the PCCs that were yet to be issued by the NAPOLCOM. At the start of the procurement process, when the absence of specifications from the NAPOLCOM was noticed, a representative of the NAPOLCOM assured the [PNP] MG BAC that the existing specifications for motorized *banca* as stated in NAPOLCOM Resolution No. 98-151 could still apply. Thus, the MG BAC applied the specifications for motorized *banca* to the procurement of the 16 PCCs.

As stated earlier, Director Sumanga of the NAPOLCOM certified in his affidavit, among others, that NAPOLCOM Resolution No. 98-151 dated June 2, 1998, as amended by NAPOLCOM Resolution No. 2005-64 dated February 2, 2005, had prescribed the standard specifications for motorized *banca* as basis for the procurement during the public bidding.

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By the time the NAPOLCOM adopted the new specifications on January 26, 2010 through Resolution No. 2010-065, the [PNP] MG BAC had already completed the negotiated procurement with Four Petals. Plainly enough, subjecting the petitioners in G.R. No. 225188 and G.R. No. 225277 to liability for not applying the non-existent specifications was unfair.

It is relevant to point out, moreover, that Resolution No. 2010-065 laid down the specifications for the use by the various PNP units, not only for the use of the [PNP] MG in procuring the 16 PCCs.

Fourthly, the petitioners in G.R. No. 225188 and G.R. No. 225277 should not be held liable for the acceptance of the substandard or defective PCCs delivered to the PNP. Their participation as members of the [PNP] MG BAC was limited to the bidding process and later on to the negotiated procurement. They did not anymore participate in the stage of the inspection and acceptance of the supplied PCCs because such participation was not part of their official responsibility. As to them, therefore, the delivery of the PCCs was a future event over which they had no control; hence, to impute criminal motives to them based on an event beyond their control was totally unreasonable and unfair.

And, lastly, it was evident that the petitioners in G.R. No. 225188 and G.R. No. 225277 adopted measures during the negotiated procurement for the sake of ensuring the transparency of the procurement. They caused the negotiations to be duly recorded, and in that regard[,] they submitted documents like the minutes of the negotiation, the attendance sheet of the November 20, 2009 proceedings, the affidavit of Ms. Abra as the recording person, and the video capture of the proceedings to prove that the proceedings actually took place. **Their adoption of the measures evinced a sincere desire to prevent the process of procurement from being tainted with suspicion and irregularity.**

On the whole, therefore, the Office of the Ombudsman lacked factual bases to find and hold that the petitioners had acted with partiality or bias in awarding the contract to Four Petals. . . . The Office of the Ombudsman likewise did not demonstrate how they could have been guilty of gross inexcusable negligence. The record rather showed that they had dutifully carried out their functions as members of the [PNP] MG BAC, including ascertaining the propriety and advisability of resorting to the negotiated procurement. **In fine, the Office of the Ombudsman indulged in speculative, capricious[,] and whimsical assumptions, and thereby gravely abused its discretion amounting to lack or excess of jurisdiction.**

WHEREFORE, the Court:

(1) GRANTS the motion for reconsideration filed in G.R. No. 225188 and G.R. No. 225277 by petitioners **PSSUPT. ASHER A. DOLINA, PSSUPT. FERDINAND P. YUZON, PSSUPT. THOMAS U. ABELLAR, PSSUPT. CORNELIO R. SALINAS, PSSUPT. NEPOMUCENO MAGNO M. CORPUS, JR., PSSUPT. RICO P. PAYONGA, and PSUPT. MICHAEL AMOR FILART;** and,

accordingly, **DISMISSES** the criminal complaints filed against them in OMB-P-C-11-0762-I and OMB-P-C-12-0190-C; and

(2) **PARTIALLY GRANTS** the motion for reconsideration filed in G.R. No. 224648 and G.R. Nos. 224806-07 by petitioner **PSUPT. HENRY YLARDE DUQUE**; and, accordingly, **ANNULS** and **SETS ASIDE** the [R]esolution dated June 2, 2015 and the [O]rder dated March 28, 2016 issued by the **OFFICE OF THE OMBUDSMAN** only insofar as charging petitioner **PSUPT. HENRY YLARDE DUQUE** with the violation of Section 3(e) of Republic Act No. 3019 for processing the purchase order was concerned. The [R]esolution dated June 2, 2015 and the [O]rder dated March 28, 2016 of the **OFFICE OF THE OMBUDSMAN** are upheld in all other respects.

No pronouncement on costs of suit.

SO ORDERED.⁵¹ (Emphasis supplied, citations omitted)

As to the administrative aspect of the case, PSUPT Marasigan and PSSUPT Salinas et al. filed separate Petitions for Review⁵² before the Court of Appeals (CA).⁵³ PSUPT Marasigan averred that he relied in good faith on the previous actions of his subordinates in inspecting the coastal crafts.⁵⁴ On the other hand, PSSUPT Salinas et al. maintained that the resort to negotiated procurement is justified due to the tropical storms that caused massive damage to the country.⁵⁵

On November 24, 2016, the CA in CA-G.R. SP No. 142847 affirmed⁵⁶ the Ombudsman's ruling that PSUPT Marasigan is liable for grave misconduct. The CA rejected the defense of good faith and found that PSUPT Marasigan had no authority to inspect the coastal crafts. The CA observed that PSUPT Marasigan should have been wary of the procurement procedures given the notation in the delivery receipt that the items were lacking the necessary requirements,⁵⁷ to wit:

The Petitioner's argument that his and his co-members' authority as LSS-IAC to inspect and accept the PCCs was deemed granted in view of NHQ-BAC's failure to create an IAC specifically for such purpose is unavailing. Pertinent portion of NHQ-BAC Resolution No. 2009-54 clearly states: The item delivered, however, shall be accepted by the Inspection and Acceptance Committee (IAC) created for the purpose or as may be determined by the NHQ-BAC as a matter of procedure to ensure compliance with the NAPOLCOM confirmed POP specifications and for record purposes. **Notably, said issuance did not delegate to LSS-IAC the**

⁵¹ *Id.* at 708–714.

⁵² *See rollo* (G.R. No. 230865), p. 7; and *rollo* (G.R. No. 238934), pp. 205–213.

⁵³ Docketed as CA-G.R. SP No. 142847 and CA-GR. SP No. 145739, respectively.

⁵⁴ *Rollo* (G.R. No. 230865), p. 13.

⁵⁵ *Rollo* (G.R. No. 238934), pp. 185–189.

⁵⁶ *See rollo* (G.R. No. 230865), pp. 6–18. Penned by Associate Justice Normand B. Pizarro, with the concurrence of Associate Justices Samuel H. Gaerlan (now a member of this Court) and Ma. Luisa C. Quijano-Padilla of the Thirteenth Division, Court of Appeals, Manila.

⁵⁷ *Id.* at 14–17.

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responsibility of inspecting and accepting the PCCs should NHQ-BAC fail to create an IAC for such purpose. Guided by the basic rule in statutory construction that when the law is clear and unambiguous, there is no alternative but to apply the same according to its clear language, **it is resoundingly clear that the authority to make the necessary inspection and acceptance of the PCCs is lodged with the IAC created for the purpose or as may be determined by the NHQ-BAC.** Needless to stress, LSS-IAC should not have made such inspection and acceptance as it had no authority to do so.

As for the Petitioner's assertion that he should not be faulted for relying in good faith on his subordinate especially since Resolution No. 2010-46 dated March 26, 2010, which stated that the PCCs delivered conformed to NAPOLCOM specifications and passed the acceptance criteria and accepting the same for the use of the PNP, was presumably prepared before he assumed office as LSS-IAC Chairman on April 6, 2010, **suffice it to say that his being new to the position should have made him more wary or on guard as he, admittedly, did not yet know that procedures and processes involved in the procurement of the PCCs.** Lest it be forgotten, **Provido made a marginal note on the delivery receipt that the delivered PCCs lacked the necessary requirement. This fact, standing alone, should have impelled the Petitioner to make further inquiries to ascertain that the transaction was above board. In failing to do so, he flagrantly disregarded established rules and standards required of him by his duties.** . . .

By and large, it is clear that the findings of fact of the [Ombudsman] are supported by substantial evidence; thus, should be accorded due respect and weight. Accordingly, its [D]ecision finding the Petitioner equally responsible with his co-respondents below must be sustained.

WHEREFORE, the instant petition for review is **DENIED**. The assailed issuance is **AFFIRMED**. With costs.

SO ORDERED.⁵⁸ (Emphasis supplied, citations omitted)

Meanwhile, on January 30, 2018, the CA in CA-GR. SP No. 145739 exonerated⁵⁹ PSSUPT Salinas et al. from administrative liability. The CA ruled that PSSUPT Salinas et al. were justified in dispensing with competitive bidding due to the calamities that wreaked havoc on the country. The CA also noted that PSSUPT Salinas et al. complied with the requirements of negotiated procurement and that Four Petals was a supplier in good standing,⁶⁰ thus:

⁵⁸ *Id.*

⁵⁹ *See rollo* (G.R. No. 238934), pp. 38-54. Penned by Associate Justice Socorro B. Inting, with the concurrence of Associate Justices Apolinario Bruselas, Jr. and Rafael Antonio M. Santos of the Thirteenth Division, Court of Appeals, Manila.

⁶⁰ *Id.* at 49-53.

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A state of calamity, a requirement that necessitates resort to a negotiated procurement pursuant to Section 53(b) of RA 9184, was existent. More so, the high probability of upcoming typhoons necessitated the procurement of the said crafts. As in fact, after Ondoy and Pepeng, six (6) more tropical storms, which were earlier predicted by PAGASA, hit the country in the same year of 2009. **Verily, the negotiated procurement of the coastal crafts was an urgent necessity and must be expedited for time was of the essence to prevent further damage to or loss of life or property.**

Notably too, it should not be missed that the amendments on Section 23.1, or on RA 9184 as a whole, were implemented only in 2013, that is, after the negotiated procurement took place.

At any rate, Section 54 of RA 9184, as amended, provides for the terms and conditions for the use of alternative methods. . .

.....

In the case at bar, we find that the PNP[MG]BAC observed and complied with the requirements laid down by Section 54.2(d) of RA 9184 in relation to Section 53 when it contracted a negotiated procurement with FPT. In turn, FPT proved to be a previous supplier or contractor in good standing of the procuring entity concerned in accordance with Section 54.2(d) of RA 9184.

.....

These notwithstanding, the Ombudsman nonetheless found petitioners, among others, guilty of Grave Misconduct for allegedly dispensing with a competitive or public bidding and for deliberately making FPT their sole choice to award the contract to. . . .

On the contrary, it is observed that the PNP[MG]BAC conducted the negotiated procurement with utmost transparency and in accordance with the rules and NAPOLCOM specifications. In fact, it conducted several inspections and were insistent in requiring FPT to conform to the agreed specifications such that upon FPT's failure, it even recommended rescission of the contract. More to that, records show that it even got the best deal for the Government when it was able to secure an approved contract which was lower than the initial budget allocation of P5,000,000.00. It is thus quite perplexing to charge the members of the PNP[MG]BAC of Grave Misconduct when the records reveal otherwise.

In fine, petitioners must be absolved of the administrative liability wrongfully imposed upon them. . . .

WHEREFORE, the petition for review is GRANTED. The June 2, 2015 Consolidated Resolution and the March 26, 2016 Order of the Office of the Ombudsman finding petitioners PSSUPT CORNELIO R. SALINAS, PSUPT NEPOMUCENO MM CORPUS, JR., and PSSUPT MICHEL AMOS S. FILART guilty of

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the offenses charged against them are hereby REVERSED and SET ASIDE. The complaint against them for Grave Misconduct is accordingly DISMISSED and all accessory penalties attached to the wrongful dismissal are RECALLED and LIFTED. They are accordingly ordered REINSTATED immediately to their former or equivalent position in the Philippine National Police without loss or diminution in their salaries and benefits. In addition, they shall be paid their salaries and such other emoluments corresponding to the period they were out of the service by reason of the judgment of dismissal decreed by the Office of the Ombudsman.

IT IS SO ORDERED.⁶¹ (Emphasis supplied, citations omitted)

Unsuccessful at reconsideration,⁶² PSUPT Marasigan and the Ombudsman filed Petitions for Review on *Certiorari*⁶³ before the Court docketed as G.R. Nos. 230865 and 238934, respectively.

RULING

The Office of the Ombudsman exercises full administrative disciplinary jurisdiction over all elective and appointive officials, save only for impeachable officers. This power covers the entire range of administrative activities attendant to administrative adjudication. It includes the authority to receive complaints, conduct investigations, hold hearings in accordance with its rules of procedure, summon witnesses and require the production of documents, place under preventive suspension public officers and employees pending an investigation, determine the appropriate penalty imposable on erring public officers or employees as warranted by the evidence, and impose the corresponding penalties.⁶⁴ The quantum of proof in administrative proceedings necessary for a finding of guilt is substantial evidence or such relevant evidence as a reasonable mind may accept as adequate to support a conclusion.⁶⁵ The burden to establish the charges rests upon the complainant. The case should be dismissed for lack of merit if the complainant fails to show in a satisfactory manner the facts upon which his or her accusations are based.⁶⁶ The respondent is not even obliged to prove his or her exception or

⁶¹ *Id.*

⁶² *Rollo* (G.R. No. 230865), pp. 84-95.

⁶³ *Id.* 28-48; and *rollo* (G.R. No. 238934), pp. 10-32.

⁶⁴ *Alejandro v. Office of the Ombudsman Fact-Finding and Intelligence Bureau*, 708 Phil. 32, 43-44 (2013) [Per J. Brion, Second Division].

⁶⁵ *Office of the Ombudsman v. Manalastas*, 791 Phil. 557, 567 (2016) [Per J. Carpio, Second Division]. In this case, we ruled that the standard of substantial evidence is satisfied when there is a reasonable ground to believe, based on the evidence presented, that the respondent is responsible for the misconduct complained of. It need not be overwhelming or preponderant, as is required in an ordinary civil case, or evidence beyond reasonable doubt, as is required in a criminal case, but the evidence must be enough for a reasonable mind to support a conclusion. *See also Delorino v. Abellanosa*, 648 Phil. 32, 46 (2010) [Per Curiam, *En Banc*].

⁶⁶ *Santos v. Tanciongeo*, 588 Phil. 435, 439-440 (2008) [Per J. R.T. Reyes, Third Division]; and *Kilat v. Macias*, 510 Phil. 584, 592-593 (2005) [Per J. Tinga, Second Division].

defense.⁶⁷ More importantly, an absolution from a criminal charge is not a bar to an administrative prosecution or *vice versa*. The ruling on the existence or absence of probable cause is entirely independent from an inquiry as to the administrative liability of the respondent.⁶⁸ Given these precepts, the Court now rules on the administrative liability of PSSUPT Salinas et al. and PSUPT Marasigan.

The Petitions are unmeritorious.

PSSUPT Salinas et al., as members of the bids and awards committee, did not commit any misconduct in the procurement of police coastal crafts

In G.R. No. 238934,⁶⁹ the Ombudsman raised a question regarding the appreciation of evidence, which is one of fact and is beyond the ambit of the Court's jurisdiction in a petition for review on *certiorari*. However, this rule of limited jurisdiction admits of exceptions and one of them is when the factual findings of the CA and the Ombudsman are conflicting.⁷⁰ In this case, the Ombudsman concluded that PSSUPT Salinas et al. were guilty of grave misconduct⁷¹ while the CA ruled that they were not administratively liable.⁷² Considering these conflicting findings, the Court can examine the evidence to determine whether the CA manifestly overlooked relevant facts which would justify a different conclusion.⁷³ Here, the Court finds that PSSUPT Salinas et al., as members of the bids and awards committee, did not commit any administrative violation in the procurement of police coastal crafts.

As a rule, all government procurement must undergo competitive bidding⁷⁴ to ensure transparency, competitiveness, and public accountability in the procurement process.⁷⁵ However, the government may resort to alternative methods of procurement for purposes of efficiency and economy. One of these is negotiated procurement which is allowed in cases of emergency or situations beyond the procuring entity's control, thus:

Section 48. *Alternative Methods.* — Subject to the prior approval of the Head of the Procuring Entity or [their] duly authorized representative,

⁶⁷ *Bruselas, Jr. v. Mallari*, A.C. No. 9683 et al., February 21, 2017 [Notice, *En Banc*].

⁶⁸ *Ferrer, Jr. v. Sandiganbayan*, 572 Phil. 244, 253 (2008) [Per J. Austria-Martinez, Third Division].

⁶⁹ *Rollo* (G.R. No. 238934), pp. 10–32.

⁷⁰ *Office of the Ombudsman v. De Villa*, 760 Phil. 937, 950 (2015) [Per J. Mendoza, Second Division]; *Miro v. Vda. de Erederos*, 721 Phil. 772, 784–785 (2013) [Per J. Brion, Second Division]; *Office of the Ombudsman v. Dechavez*, 721 Phil. 124, 130 (2013) [Per J. Brion, Second Division].

⁷¹ *Rollo* (G.R. No. 238934), p. 82.

⁷² *Id.* at 53.

⁷³ *De Castro v. Office of the Ombudsman*, 810 Phil. 31, 45 (2017) [Per J. Caguioa, First Division], citing *Ambray v. Tsourous*, 789 Phil. 226, 238 (2016) [Per J. Perlas-Bernabe, First Division].

⁷⁴ Republic Act No. 9184 (2003), art. IV, sec. 10, Government Procurement Reform Act.

⁷⁵ Government Procurement Reform Act, art. I, sec. 3.

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and whenever justified by the conditions provided in this Act, the Procuring Entity may, in order to promote economy and efficiency, resort to any of the following alternative methods of Procurement:

.....

e. ***Negotiated Procurement*** - a method of Procurement that may be resorted under the extraordinary circumstances provided for in Section 53 of this Act and other instances that shall be specified in the IRR, **whereby the Procuring Entity directly negotiates a contract with a technically, legally and financially capable supplier, contractor or consultant.**⁷⁶

.....

Section 53. *Negotiated Procurement.* — Negotiated Procurement shall be allowed only in the following instances:

.....

b. **In case of imminent danger to life or property during a state of calamity, or when time is of the essence arising from natural or [hu]man-made calamities or other causes where immediate action is necessary to prevent damage to or loss of life or property, or to restore vital public services, infrastructure facilities and other public utilities[.]**⁷⁷ (Emphasis Supplied)

In negotiated procurement, the procuring entity directly negotiates a contract with a technically, legally, and financially capable supplier, contractor, or consultant.⁷⁸ The Implementing Rules and Regulations of the Government Procurement Reform Act provides additional requirements that must be complied with, to wit:

Section 54. *Terms and Conditions for the Use of Alternative Methods.* —

.....

d) For item (b) of Section 53 of the Act and this IRR-A, **the negotiation shall be made with a previous supplier, contractor or consultant of good standing of the procuring entity concerned, or a supplier, contractor or consultant of good standing situated within the vicinity where the calamity or emergency occurred[.]**⁷⁹ (Emphasis supplied)

In this case, there is an emergency to justify resort to an alternative method of procurement. PSSUPT Salinas et al. heeded the DND and PAGASA's announcement that more typhoons were expected after the widespread and massive destruction brought about by the onslaught of cyclones *Ondoy* and *Pepeng*. In fact, six more tropical storms hit the country

⁷⁶ Government Procurement Reform Act, art. XVI, sec. 48.

⁷⁷ Government Procurement Reform Act, art. XVI, sec. 53.

⁷⁸ *Office of the Ombudsman v. De Guzman*, 819 Phil. 282, 298 (2017) [Per J. Leonen, Third Division].

⁷⁹ Implementing Rules and Regulations Part A of Government Procurement Reform Act (2003), sec. 54.2

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in 2009.⁸⁰ The extreme weather conditions warranted the proclamation of a state of national calamity. Undoubtedly, the imminent danger to lives and property that the calamity posed swayed PSSUPT Salinas et al. to consider the urgent purchase of coastal crafts through negotiated procurement. Time was of the essence. There was a pressing necessity to expedite the procurement to prevent further loss of lives and damage to property.

More importantly, the PNP MG BAC complied with the requirements of a valid negotiated procurement with Four Petals—proven as a technically, legally, and financially capable supplier of coastal crafts. The Ombudsman cannot disregard the extreme and destructive weather conditions prevailing at the time PSSUPT Salinas et al. acted to determine the qualifications of Four Petals as a supplier of coastal crafts. The records show that Four Petals complied with the required documents for the qualification process.⁸¹ In the interest of transparency, the actual conduct of the negotiated procurement was duly recorded. Several documents attested to the measures taken to preserve transparency, including the minutes of negotiation, the attendance sheet for the November 20, 2009 proceedings, the video recording of the proceedings, and the affidavit of Antolin Abra confirming that she was the one who recorded the session. The PNP MG BAC caused the taking of several screen shots of the proceedings to document that it had actually taken place. In addition, Director Conrado Sumanga of NAPOLCOM executed an affidavit attesting that: (1) he had been invited to be present during the bidding; (2) the attendees during the bidding included representatives of NAPOLCOM and COA; and (3) NAPOLCOM Resolution No. 98-151 dated June 2, 1998, as amended by NAPOLCOM Resolution No. 2005-64 dated February 2, 2005, had prescribed the standard specifications of motorized *bancas* for the procurement.⁸² Remarkably, Four Petals emerged as the sole supplier following the disqualification of the other participants.⁸³ The records also established that during the negotiations, PNP MG BAC found that Four Petals had been a previous supplier, contractor, or consultant in good standing.⁸⁴ This status boosted the qualifications of Four Petals as a supplier of coastal crafts. As the CA aptly observed, the PNP MG BAC “conducted the negotiated procurement with utmost transparency and in accordance with the rules and NAPOLCOM specifications.”⁸⁵ PSSUPT Salinas et al. did not afford Four Petals any unwarranted preference or benefits. On the contrary, the government secured an approved contract lower than the budget allocation.⁸⁶

Lastly, it is inequitable to take against PNP MG BAC the circumstances that transpired after the negotiated procurement was completed. The delivery

⁸⁰ *Rollo* (G.R. No. 238934), p. 40.

⁸¹ *Id.* at 170–171, 220–224, 577–594.

⁸² *Id.* at 567–576.

⁸³ *Id.* at 40.

⁸⁴ *Id.* at 51.

⁸⁵ *Id.* at 52.

⁸⁶ *Id.* at 118.

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and receipt of coastal crafts that exhibited defects, as well as the refusal of Four Petals to replace or repair them, were beyond PSSUPT Salinas et al.'s control and outside the scope of their official responsibility. Suffice it to say that the participation of PNP MG BAC was limited only to the bidding process and later on to the negotiated procurement. PSSUPT Salinas et al. had no hand in the inspection and acceptance of the coastal crafts.⁸⁷ Likewise, PNP MG BAC cannot be blamed for the purchase of unserviceable coastal crafts after relying on the particulars for motorized *bancas*. This is because there were no specifications yet for coastal crafts at the time of procurement. To be sure, PSSUPT Salinas et al. already completed the negotiated procurement when NAPOLCOM adopted new specifications.⁸⁸ Taken together, PSSUPT Salinas et al. are not guilty of any misconduct in their duties as members of the bids and awards committee. The CA correctly exonerated PSSUPT Salinas et al. from administrative liability.

PSUPT Marasigan, as chairperson of the logistics support services, is liable for grave misconduct in the inspection and acceptance of police coastal crafts

In G.R. No. 230865, PSUPT Marasigan assailed the unanimous rulings of the CA and the Ombudsman finding him guilty of grave misconduct.⁸⁹ Again, the Court is not a trier of facts.⁹⁰ It cannot go over the proofs presented to courts below to ascertain if they were weighed correctly, especially when the CA and the Ombudsman speak as one in their findings and conclusions.⁹¹ In any event, there is no compelling reason to overturn the questioned decisions.

Foremost, the PNP LSS IAC had no authority to conduct the inspection and acceptance of the police coastal crafts. As intimated earlier, NHQ BAC Resolution No. 2009-54 delegated the authority to procure the coastal crafts to the PNP MG and entrusted the duty to inspect and accept them to "the Inspection and Acceptance Committee (IAC) created for the purpose or as determined by the NHQ-BAC as a matter of procedure."⁹² The purchase contract between PNP MG and Four Petals reflected this by stating that MG IAC has the obligation to accept the procured items after having verified that they conformed with the approved NAPOLCOM specifications.⁹³ At the time the coastal crafts were delivered, the PNP MG still did not have its own IAC.

⁸⁷ *Id.* at 339.

⁸⁸ *Id.* at 40-41.

⁸⁹ *Rollo* (G.R. No. 230865), pp. 37-43.

⁹⁰ *Heirs of Villanueva v. Heirs of Mendoza*, 810 Phil. 172, 177-178 (2017) [Per J. Peralta, Second Division].

⁹¹ *Gatan v. Vinarao*, 820 Phil. 257, 273-274 (2017) [Per J. Leonardo-De Castro, First Division], citing *People v. Regaspi*, 768 Phil. 593, 598 (2015) [Per J. Peralta, Third Division]; *Bacsasar v. Civil Service Commission*, 596 Phil. 858, 867 (2009) [Per J. Nachura, *En Banc*].

⁹² *Rollo* (G.R. No. 238934), p. 115.

⁹³ *Id.* at 122.

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Neither did the NHQ BAC authorize any other entity to inspect the procured items.⁹⁴ For unexplained reasons, the PNP LSS IAC, through PSUPT Marasigan, attested on March 26, 2010 that the coastal crafts conform to the updated standard specifications under NAPOLCOM Resolution No. 2010-065 and that they passed the acceptance criteria.⁹⁵ PSUPT Marasigan did not submit any evidence to show that it is a matter of procedure for the PNP LSS IAC to inspect delivered items procured by the PNP MG or other units or of the PNP.

Indeed, the ODC and the CIDG stated that the PNP LSS IAC had no authority to inspect the coastal crafts and that its authority was limited only to the acceptance of General and Direct Support Procurement of supplies and equipment made by the LSS. This did not include procurements made by NHQ BAC or other BACs.⁹⁶ Similarly, the PNP Procurement Manual of 1997⁹⁷ did not authorize a separate IAC created by an administrative support unit such as the PNP LSS IAC to inspect procured items given that there were IACs at the NHQ and Regional levels, thus:

3-10. Inspection And Acceptance Committee

All deliveries must be properly inspected by the appropriate Inspection and Acceptance committees. The following Inspection and Acceptance Committees shall be constituted with membership as indicated:

a. At NHQ Level:

Dir, Logistics Support Service	Chairperson
Directorate for Logistics	Member
Directorate for Research and Development	Member
Chief, SSDD, LSS	Member
Technical / Using Units	Member
NAPOLCOM Rep	Observer
Directorate for Comptrollership (Mgt Div) Rep	Observer
Commission on Audit Rep	Observer

b. At Regional / NSO Level

HQ Commandant/CO, Direct Support Unit	Chairperson
Assistant Regional Director for Logistics Rep	Member
Technical / Using Unit Rep	Member
Assistant Regional Director for Comptrollership Rep	Observer
Commission on Audit, Rep	Observer ⁹⁸

⁹⁴ *Rollo* (G.R. No. 230865), p. 57.

⁹⁵ *Id.* at 151.

⁹⁶ *Rollo* (G.R. No. 238934), pp. 139, 296.

⁹⁷ *Id.* at 308-312.

⁹⁸ *Id.* at 311.

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Assuming that the PNP LSS IAC had the requisite authority, the factual findings of the Ombudsman pointed out that PSUPT Marasigan did not make an actual inspection.⁹⁹ Admittedly, PSUPT Marasigan merely relied on the report of Police Officer III Avenue Dy and PSUPT Henry Duque from the ODC's Management Division.¹⁰⁰ PSUPT Marasigan also cannot conveniently argue that he relied in good faith on the previous actions of his subordinates in inspecting the coastal crafts. It is settled that public officials are not required to personally investigate the smallest details of transactions involving a document before they sign it. The mere act of affixing their signature in good faith does not render them *ipso facto* liable for any resulting irregularities in the transaction. This is because all heads of offices have to rely to a reasonable extent on their subordinates and on the good faith of those who prepare bids, purchase supplies, or enter into negotiations.¹⁰¹ However, this rule is not absolute. Public officials should examine the document in detail when exceptional or additional circumstances prod them to exercise a higher degree of circumspection and go beyond what their subordinates had prepared or recommended.¹⁰²

Here, some circumstances discount PSUPT Marasigan's defense of good faith. PSUPT Marasigan became the chairperson of the PNP LSS IAC on April 26, 2010 but the alleged inspection of the coastal crafts occurred on March 26, 2010 or long before he assumed office. This fact demands that PSUPT Marasigan exercise greater diligence in verifying whether an actual evaluation transpired. Yet, PSUPT Marasigan signed LSS IAC Resolution No. 2010-46 without hesitation and confirmed that the coastal crafts conformed to the standard specifications and passed the acceptance criteria "as stated in the certificate of the end user."¹⁰³ Interestingly, the PNP MG BAC denied that they issued a Certificate of Acceptance by the End User.¹⁰⁴ Likewise, PSUPT Marasigan and the other members of the PNP LSS IAC did not provide such a certificate. Verily, the lack of final acceptance should have impelled PSUPT Marasigan to inquire further before he signed the resolution, especially since the NHQ BAC Resolution No. 2009-54¹⁰⁵ and the purchase contract¹⁰⁶ required the standard practice of end-user acceptance of the procured items.

Inarguably, PSUPT Marasigan committed grave misconduct when he flagrantly disregarded the established rules and standards required of him. PSUPT Marasigan arrogated upon himself the duty to inspect the police

⁹⁹ *Id.* at 77.

¹⁰⁰ *Rollo* (G.R. No. 230865), p. 13.

¹⁰¹ *Arias v. Sandiganbayan*, 259 Phil. 794-820 (1989) [Per J. Gutierrez, Jr., *En Banc*].

¹⁰² *Field Investigation Office v. Piano*, 820 Phil. 1031, 1047 (2017) [Per J. Peralta, Second Division].

¹⁰³ *Rollo* (G.R. No. 230865), p. 151.

¹⁰⁴ *Rollo* (G.R. No. 238934), p. 70.

¹⁰⁵ *Id.* at 115-117.

¹⁰⁶ *Id.* at 120-125.

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coastal crafts when he did not have the authority to do so and attested that the procured items conformed to the required specifications when no actual inspection was made. In *Roque v. Court of Appeals*,¹⁰⁷ the voluntary disregard of established rules in the procurement of supplies was considered grave misconduct. In *Re: Letter of Judge Lorenza Bordios Paculdo*,¹⁰⁸ the employee's act of arrogating unto herself the responsibilities that were clearly beyond her given duties constituted grave misconduct. In *Field Investigation Office v. Piano*,¹⁰⁹ the the respondent's act of signing a resolution despite the lack of available data amounted to a distortion of truth in a matter connected with the performance of his duties.

The prescribed penalty for grave misconduct is dismissal from the service.¹¹⁰ In the interest of substantial justice, the Court considers PSUPT Marasigan's length of service in the government and lack of derogatory records as mitigating circumstances.¹¹¹ In *Fact-Finding and Intelligence Bureau v. Campaña*,¹¹² the Court found the respondent guilty of grave misconduct but reduced the penalty from dismissal to one-year suspension without pay in view of his length of service, his unblemished record in the past, and the fact that it was his first offense. In *Office of the Ombudsman v. Espina*,¹¹³ the same penalty was imposed upon the respondent given his almost three decades of active service in the government, numerous awards and service commendations, and untainted reputation. Here, PSUPT Marasigan has rendered more than 30 years of service to the government starting in 1979 as a cadet at Philippine Military Academy. PSUPT Marasigan also has no previous derogatory record, criminal or administrative.¹¹⁴ Thus, the Court imposes the penalty of one-year suspension without pay.

On this point, the Court reminds that misconduct has always been, and should remain, anathema in the public service. When public officers or employees are disciplined, the object sought is not punishment but the improvement of public service and the preservation of the public's faith and confidence in the government.¹¹⁵ The high constitutional standard of conduct that "*public office is a public trust*"¹¹⁶ must at all times be upheld.

ACCORDINGLY, the Petition in G.R. No. 238934 is **DENIED**. The Decision dated January 30, 2018 of the Court of Appeals in CA-G.R. SP No.

¹⁰⁷ 581 Phil. 623, 638 (2008) [*Per Curiam, En Banc*].

¹⁰⁸ 569 Phil. 346, 353 (2008) [Per J. Corona, First Division].

¹⁰⁹ 820 Phil. 1031, 1045–1046 (2017) [Per J. Peralta, Second Division].

¹¹⁰ Revised Rules on Administrative Cases in the Civil Service (2011), Rule 10, sec. 46(A)(3).

¹¹¹ Revised Rules on Administrative Cases in the Civil Service (2011), Rule 10, sec. 49(a). *See also Office of the Ombudsman v. Asis*, G.R. No. 237503, June 20, 2018 [Notice, First Division]; *Buntag v. Paña*, 520 Phil. 175, 180 (2006) [Per J. Austria-Martinez, First Division]; *Cabauatan v. Uvero*, 820 Phil. 296, 304–305 (2017) [Per J. Peralta, Second Division; and *De Guzman, Jr. v. Mendoza*, 493 Phil. 690, 699 (2005) [Per J. Ynares-Santiago, First Division].

¹¹² 584 Phil. 654, 668 (2008) [Per J. Chico-Nazario, Third Division].

¹¹³ 840 Phil. 114, 119 (2018) [*Per Curiam*, Special First Division].

¹¹⁴ *Rollo* (G.R. No. 230865), p. 130.

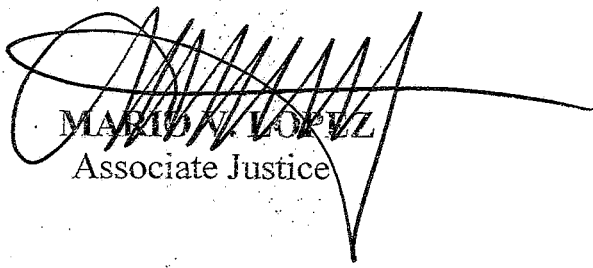
¹¹⁵ *Civil Service Commission v. Cortez*, 474 Phil. 670, 690 (2004) [*Per Curiam, En Banc*].

¹¹⁶ CONST., art. XI, sec. 1.

145739 is **AFFIRMED**. Police Senior Superintendent Cornelio Salinas, Police Superintendent Nepomuceno Corpus, Jr., and Police Senior Superintendent Michael Amos Filart are **EXONERATED** from administrative liability.


The Petition in G.R. No. 230865 is **PARTLY GRANTED**. The Decision dated November 24, 2016 of the Court of Appeals in CA-G.R. SP No. 142847 is **AFFIRMED** with **MODIFICATION**. Police Superintendent Job F. Marasigan is **GUILTY** of grave misconduct and is **SUSPENDED** for one year without pay.

SO ORDERED.



MARION N. LOPEZ
Associate Justice

WE CONCUR:



MARVIC M.V.F. LEONEN

Senior Associate Justice

On official business

AMY C. LAZARO-JAVIER

Associate Justice



JOSEF Y. LOPEZ

Associate Justice



ANTONIO T. KHO, JR.

Associate Justice

ATTESTATION

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



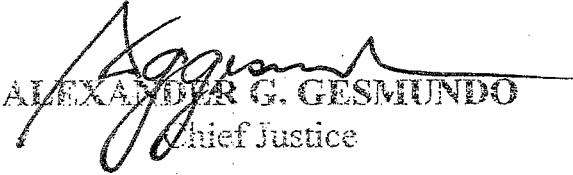
MARVIC M.V.F. LEONEN

Senior Associate Justice

Chairperson, Second Division

CERTIFICATION

Pursuant to Article VIII, Section 13 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 cases were assigned to the writer of the opinion of the Court's Division.



ALEXANDER G. GESMUNDO

Chief Justice

