



Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

OFFICE OF THE OMBUDSMAN,
Petitioner,

G.R. No. 207154

- versus -

VENANCIO G. SANTIDAD,
Respondent.

VENANCIO G. SANTIDAD,
Petitioner,

G.R. No. 222046

Present:

PERALTA, C.J., Chairperson,
CAGUIOA,
REYES, J., JR.,
LAZARO-JAVIER, and
INTING,* JJ.

- versus -

PEOPLE OF THE PHILIPPINES,
Respondent.

Promulgated:

DEC 05 2019

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DECISION

PERALTA, C.J.:

Before the Court are two consolidated cases involving two Petitions for Review on *Certiorari*. The petition filed by the Office of the Ombudsman (*OMB*), docketed as G.R. No. 207154, seeks to reverse and set aside the May 29, 2012 Decision¹ and the April 29, 2013 Resolution² of the Court of Appeals in C.A. G.R. SP No. 119936; while the petition filed by Venancio G. Santidad,

* Designated additional member per Special Order No. 2726 dated October 25, 2019.
¹ *Rollo* (G.R. No. 207154), pp. 42-56. Penned by Associate Justice Angelita A. Gacutan, with the concurrence of Associate Justice Magdangal M. De Leon and Associate Justice Francisco P. Acosta.
² *Id.* at 58-60.

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docketed as G.R. No. 222046, seeks to reverse and set aside the September 24, 2015 Decision³ and the November 25, 2015 Resolution⁴ of the Sandiganbayan in Criminal Case Nos. SB-10-CRM-0261 to SB-10-CRM-0281.

The Facts

The cases emanated from an Affidavit-Complaint⁵ dated February 2, 2007 filed by Special Investigator Claro C. Ramos of the National Bureau of Investigation (*NBI*), Isabela District Office, before the OMB charging Santidad and several others, who had signed the Invoice Receipts for Property (*IRPs*), in relation to the transfer and receipt of twenty-one (21) units of Mitsubishi Delica vans, in violation of Article 171 of the Revised Penal Code and Republic Act No. 3019. After evaluation of the complaint, it was determined that Santidad and the other named respondents therein may also be held administratively liable for their actions and, thus, an administrative complaint for Dishonesty and Gross Neglect of Duty was later filed against them by the NBI before the OMB which was docketed as OMB-L-A-07-0166-B.

Upon a finding of probable cause, Santidad was indicted for twenty-one (21) counts of Falsification of Public Documents defined and penalized under Article 171, paragraph 4 of the Revised Penal Code, in twenty-one (21) separate Informations filed before the Sandiganbayan. The accusatory portion of each of the Informations is similarly worded except as to the Engine Number, Chassis Number and Plate Number of the Mitsubishi Delica vans involved, to wit:

That on 29 March 2003, or sometime prior or subsequent thereto, in Mandaluyong City, and within the jurisdiction of this Honorable Court, the above-named accused, Venancio G. Santidad, a public officer, being then the Director of the Procurement Supply and Property Management Service of the Department of Transportation and Communications, acting in relation to his office and taking advantage of his official position, did there and then deliberately, willfully and feloniously falsify the Invoice Receipt of Property by making it appear that he had transferred to Congressman Antonio Abaya of the 4th District of Isabela a Delica Van with Engine No. x x x, Chassis No. x x x and Plate No. x x x, when in truth and in fact, no such vehicle was transferred by him, to the damage and prejudice of public interest.

CONTRARY TO LAW.⁶

³ *Rollo* (G.R. No. 222046), pp. 44-107. Penned by Associate Justice Rafael R. Lagos, with the concurrence of Associate Justice Efren N. De la Cruz and Associate Justice Rodolfo A. Ponferrada.

⁴ *Id.* at 128-132.

⁵ *Rollo* (G.R. No. 207154), p. 610.

⁶ *Rollo* (G.R. No. 222046), p. 47.

When arraigned on August 2, 2012, Santidad pleaded not guilty to the charges. After the pre-trial was terminated, trial on the merits ensued.⁷

The prosecution evidence tends to show that the late Congressman Antonio M. Abaya of the 4th District of Isabela requested from the Office of the President for the release of funds to be utilized for the purchase of multi-cab vehicles to be distributed to and used by some 235 *barangays* in his district. Said request was approved and the amount of ₱10 million was allocated for the multi-cab vehicle project. The Department of Transportation and Communications (*DOTC*) was the procurement agency for the purchase of the vehicles.⁸

In a letter dated November 25, 2002, the DOTC informed Cong. Abaya of the availability of ₱8 million for his multi-cab vehicle project and was advised to directly coordinate with the Director of the DOTC's Procurement, Supplies, Property Management Service (*PSPMS*), who at the time was Santidad, for the immediate utilization of the amount lest it be reverted to the Bureau of the Treasury if remained unobligated at the end of the year. In his December 2, 2002 letter, Cong. Abaya requested Santidad to facilitate the procurement of one (1) unit of Mitsubishi L-200 and one (1) unit of Nissan Pathfinder, while the remaining allotted amount shall be devoted for the purchase of several units of Mitsubishi Delica vans. On December 4, 2002, Allotment and Obligation Slip (*ALOBS*) No. LF (CO) 02-12-00478, with the PSPMS as payee, was prepared to allocate the amount of ₱7,720,000.00 for the purchase of the vehicles. On even date, Requisition and Issue Voucher (*RIV*) No. H-413-2002, for the amount of ₱7,720,000.00, was approved wherein Santidad certified that the requisitioned eighteen (18) units of Mitsubishi Delica vans, and the pick-up 4-wheeler and 6-wheeler trucks were necessary and would be used for the purposes for which they were intended.⁹

Thereafter, the project was bid out. The Pre-Bid Conference was attended by Robert T. Ngo, as the representative of the Office of Cong. Abaya, by Santidad, as Head of PSPMS, and by the representatives of the bidders Super Car Center, Microvan, Inc. and First Dekra Merchandising. During the said occasion, Santidad stressed that the vehicles must be first inspected at the PSPMS office before their delivery to the 4th District of Isabela. On January 22, 2003, the DOTC Bids and Awards Committee (*BAC*) declared Super Car Center as the winning bidder. Despite the award, Super Car Center, through its proprietor Super Sonic Claudio, apprised Cong. Abaya that the two (2) units of pick-up trucks previously offered for sale were no longer available. In his February 6, 2003 letter, Cong. Abaya requested the BAC Chairman to realign the budget for the two (2) trucks to cover the cost for the purchase of additional Mitsubishi Delica vans.¹⁰ The congressman also sent Santidad a

⁷ *Id.* at 54.

⁸ *Id.* at 14-15.

⁹ *Id.* at 15-16.

¹⁰ *Id.* at 71.

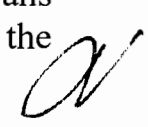
letter, likewise dated February 6, 2003, stating a schedule for the distribution of the vans and appended thereto the list of the recipients in the 4th District of Isabela.

On February 26, 2003, Cong. Abaya died of brain cancer.

In connection with Cong. Abaya's realignment request, the DOTC/PSPMS resolved to purchase three (3) more Mitsubishi Delica vans, in addition to the original procurement of 18 units. Hence, a Purchase Order (PO), with Control No. DOTC-2003-03-70, was issued in favor of Super Car Center as contractor/supplier for twenty-one (21) units of Mitsubishi Delica vans, with Land Transportation Office (LTO) Registration and Third Party Liability (TPL) Insurance, valued at Three Hundred Sixty Thousand Pesos (P360,000.00) each or for a total amount of Seven Million Five Hundred Sixty Thousand Pesos (P7,560,000.00). Santidad signed the recommending approval portion of the PO. On March 28, 2003, an unsigned Sales Invoice No. 0026, with handwritten specifications regarding the chassis and engine numbers of each van, was issued purportedly by Super Car Center in favor of the DOTC. Antonio D. Cruz, Storekeeper III of the DOTC Supply Division, executed a Certificate of Acceptance, likewise dated March 28, 2003, acknowledging receipt of the twenty-one (21) units of Mitsubishi Delica vans supposedly delivered by Super Car Center to the DOTC. The vans were allegedly inspected by Marcelo Desiderio, Jr., an Inspector of the DOTC Management Division, Ngo, as the representative of Cong. Abaya, and Cruz in Malinta, Bulacan on April 1, 2003. On even date, Desiderio prepared an Inspection Report.

Subsequently, Pablo Uy, Chief of the Property Utilization and Disposal Division (PUDD) of the DOTC, prepared twenty-one (21) IRPs to effect the turnover of the subject Mitsubishi Delica vans to the end-users/beneficiaries. Santidad had signed all the IRPs at the "Invoice" portion thereof, certifying that he had transferred the vehicle described in each of the IRPs to Cong. Abaya of the 4th District of Isabela. On the "Receipt" portion of each of the IRPs appeared the signature of the recipient certifying that he/she had received from the DOTC, through Santidad, the van indicated therein. Later, the total cost of the vehicles was paid to and received by Ngo, who was acting as attorney-in-fact of Super Car Center.

Juliet Macato, the Audit Team Leader of the Commission on Audit (COA), Region II, sent a letter dated May 30, 2005, informing Leoncio Kiat, then Mayor of Echague, Isabela, about the dropping of four (4) Mitsubishi Delica vans procured under Cong. Abaya's project from the books of the DOTC as the same should have been properly recorded in the books of accounts of the Municipality of Echague, Isabela. In the same letter, Kiat was requested to give his evaluation on the status of the Mitsubishi Delica vans referred to, as well as their whereabouts. Kiat was further notified that the



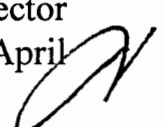
vehicles would be subjected to inspection. After receipt of this letter, Kiat sought the assistance of the National Bureau of Investigation (NBI), requesting for an investigation of an alleged scam in the deliveries of the Mitsubishi Delica vans since he and the other three *barangay* captains in his municipality who had signed the IRPs have not received the vehicles described therein. According to Kiat, he and the three *barangay* captains named in the May 30, 2005 letter of Macato had signed the IRPs merely to accommodate the request of Cong. Abaya and to facilitate the immediate release of the vehicles.

The investigation separately conducted by the COA and the NBI yielded a common result – that none of the named recipients who acknowledged or signed the IRPs has actually received the subject vans. The follow-up investigation by the NBI further revealed that a) seven (7) vans, with Plate Nos. XHF 591, XTC 688, XEB 180, XEP 316, XGU 972, XDA 793 and XDA 803, were actually sold to third parties or have different owners; b) seven (7) vans, with Plate Nos. XFG 680, XCT 853, XDU 749, VDF 854, XEV 467, XHK 463 and XGU 942, were either non-existent or not registered with the LTO or their registrations pertain to different vehicles; while c) the remaining seven (7) vans, with Plate Nos. XET 465, XCM 630, XCM 843, XEE 956, XET 495, XHB 980 and XHB 490, were still registered in the name of Microvan, Inc., without having been delivered to either the DOTC or the named recipients.

Thereafter, the prosecution rested its case and formally offered its documentary evidence.

The defense presented Santidad who maintained that he affixed his signature on the IRPs because the same were duly supported by pertinent documents and the beneficiaries/end-users had already affixed their respective signatures therein. He contended that he was merely performing a ministerial duty when he signed the IRPs considering that the procurement of the subject vehicles was made with the approval of the higher authorities of the DOTC.

Santidad testified that the late Cong. Abaya requested him to facilitate the purchase of the vehicles for the latter's multi-cab vehicle project; on January 22, 2003, the DOTC-BAC passed Resolution No. PD-220-07 declaring Super Car Center as the winning bidder for Cong. Abaya's project; the Accounting Division of the DOTC prepared PO No. 2003-03-70 and, later, Super Car Center issued Sales Invoice No. 0026 dated March 28, 2003 indicating the total selling price of ₱7,560,000.00; a Certificate of Acceptance, also dated March 28, 2003, was issued by Cruz who purportedly received the subject vans; on April 1, 2003, the DOTC, through its Management Division under the Finance and Comptroller Service, inspected the subject vans in Malinta, Bulacan; Management Division Inspector Desiderio prepared and certified as correct an Inspection Report dated April



1, 2003 which was noted by Management Division Chief Lalaine P. Cortes; thereafter, Uy prepared the IRPs and transmitted them to the named local officials of the 4th District of Isabela; payments for the purchased twenty-one (21) units of Mitsubishi Delica vans were processed by the Accounting Division; and, later, Land Bank Check No. 41232, dated June 11, 2003, and Check No. 31883, dated August 28, 2003, were released in favor of Super Car Center with the face values of ₱2,000,000.00 and ₱5,216,363.63, respectively, representing payment for the twenty-one (21) units of Mitsubishi Delica vans.

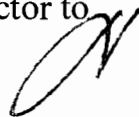
Insisting on his innocence of the offenses charged, Santidad pointed out that he cannot be faulted for relying on the regularity of the abovementioned documents prepared by the DOTC employees to support the IRPs. Santidad asserted that as the Director of PSPMS, he cannot be expected to personally inspect the vans delivered to the DOTC since the same is the responsibility of the Management Division. He disclaimed any knowledge anent the fraud committed in the purchase of the subject vans. He alleged that he did not obtain any advantage or benefit from the anomalous transaction and that he signed the IRPs in good faith.

Santidad recalled that as a matter of procedure then observed in his office, the recipient must first sign the IRP confirming receipt of the property before he affixes his signature thereon; he signs the IRP only when all the attachments are complete, in particular, he would look for and evaluate the Inspection Report and the Certificate of Acceptance specially when the supporting documents of the IRP are voluminous; he never inquired from Uy nor from Desiderio about the delivery of the subject vans; and the PUDD and the Management Division are tasked to deliver the vans to the actual end-users. With respect to the two IRPs which bore his signature but without the signature of the recipients, Santidad explained that he signed these IRPs because they were properly supported by a Certificate of Acceptance and an Inspection Report.

Santidad filed his Formal Offer of Evidence on November 27, 2014, while the prosecution filed its Comment/Opposition thereto on December 12, 2014.

Meanwhile, on July 13, 2010, the OMB rendered its assailed Decision¹¹ in OMB-L-A-07-0166-B, finding Santidad guilty of Serious Dishonesty and meted upon him the penalty of dismissal from the service with cancellation of eligibility, forfeiture of retirement benefits and perpetual disqualification from employment in the government service. The OMB held that when Santidad certified in the IRPs the transfer of possession of the subject twenty-one (21) units of Mitsubishi Delica vans to the beneficiaries, he knew that said act never took place since said vehicles were never delivered by the contractor to

¹¹ *Rollo* (G.R. No. 207154), pp. 676-701.



the DOTC. The OMB rejected the defense of good faith interposed by Santidad declaring that he was very much aware of the falsity of the statements contained in the IRPs at the time he signed them.

Santidad filed a motion for reconsideration but the same was denied by the OMB in its Order¹² dated April 28, 2011.

Aggrieved, Santidad filed a Petition for Review under Rule 43 of the Rules of Court before the Court of Appeals seeking for the reversal of the July 13, 2010 Decision of the OMB.

On May 29, 2012, the Court of Appeals rendered its assailed Decision absolving Santidad of his administrative liability for Serious Dishonesty on the ground of insufficiency of evidence. The dispositive portion of the said Decision states:

WHEREFORE, premises considered, the petition is hereby GRANTED. The Decision dated July 13, 2010 of the Office of the Deputy Ombudsman for Luzon and its Order dated April 28, 2011 are hereby REVERSED and SET ASIDE and a new one entered ordering the reinstatement of petitioner Venancio G. Santidad with full back salaries and such other emoluments that he did not receive by reason of his removal[.]

SO ORDERED.¹³

In stark contrast to the conclusion reached by the Ombudsman, the Court of Appeals found that Santidad could not be held administratively liable for Serious Dishonesty because he signed the IRPs in good faith, relying on the regularity of the supporting documents prepared by public officials in the performance of their duties, and on the signatures of the end-users/beneficiaries in the IRPs which confirmed the latter's receipt of the vehicles. The Court of Appeals added that there was no showing of any fact that should have raised a red flag that the transaction for the procurement of the vehicles was highly irregular.

The OMB filed an Omnibus Motion to Intervene and to Admit Attached Motion for Reconsideration¹⁴ dated December 20, 2012. However, the Court of Appeals denied the OMB's motion for reconsideration per its Resolution dated April 29, 2013.

Unperturbed, the OMB elevated the matter to this Court via a Petition for Review on *Certiorari*, docketed as G.R. No. 207154, contending that the Court of Appeals seriously erred in issuing the assailed May 29, 2012

¹² *Id.* at 702-707.

¹³ *Id.* at 55.

¹⁴ *Id.* at 62-69.

Decision. The OMB posits that its findings of fact in OMB-L-A-07-0166-B are supported by substantial evidence and, thus, conclusive upon the reviewing authority.¹⁵

Later, the Sandiganbayan rendered its assailed September 24, 2015 Decision¹⁶ finding Santidad guilty of Reckless Imprudence resulting to Falsification of Public Documents. The pertinent portion of the *fallo* of the said Decision reads:

WHEREFORE, premises considered, this Court finds:

x x x x

4. In Criminal Case Nos. SB-10-CRM-0261 to SB-10-CRM-0281

Accused Venancio Gonzales Santidad, GUILTY beyond reasonable doubt of Reckless Imprudence resulting to Falsification of Public Documents, as provided in Article 365 of the Revised Penal Code, and hereby sentence him to the indeterminate penalty of four (4) months of *arresto mayor* as minimum to two (2) years[,] ten (10) months and twenty-one (21) days of *prision correccional* as maximum, for each count, and the accessory penalties thereof. Accused Santidad is also ordered to pay P360,000, for each count, as his civil liability, with interest of 12% *per annum* from finality of this judgment until its satisfaction.

Costs de officio.

SO ORDERED.¹⁷

According to the Sandiganbayan, Santidad made untruthful statements in the IRPs by certifying that he had transferred the subject vans to the 4th District of Isabela since it was duly proven that there were no such deliveries and Super Car Center, the contractor/supplier, was not the owner of the vehicles. The anti-graft court ruled that Santidad acted negligently when he failed to ascertain for himself the veracity of the narrations in the IRPs, particularly as to 1) whether the subject vans were actually delivered and received by the named recipients/beneficiaries; and 2) whether each of the subject vehicles has the corresponding LTO certificate of registration and TPL insurance as required by the DOTC. The Sandiganbayan, however, declared that not an iota of proof was presented showing that Santidad conspired with Ngo to defraud the government nor was there any showing that he acted with malice or that he falsified the IRPs in order to gain some benefit.

Santidad filed a motion for reconsideration but the same was denied by the Sandiganbayan via its assailed November 25, 2015 Resolution.¹⁸

¹⁵ *Id.* at 23.

¹⁶ *Rollo* (G.R. No. 222046), pp. 44-107.

¹⁷ *Id.* at 105-107.

¹⁸ *Id.* at 128-132.

Unfazed, Santidad filed a Petition for Review on *Certiorari*, docketed as G.R. No. 222046, beseeching the Court to reverse and set aside the Decision and the Resolution of the Sandiganbayan, and thereby submitting the following issues:

I.

WHETHER OR NOT THE RULE ON PRESUMPTION OF REGULARITY IN THE PERFORMANCE OF OFFICIAL DUTY PRECLUDES FINDING OF NEGLIGENCE AND RECKLESS IMPRUDENCE.

II.

WHETHER OR NOT THERE WAS A FAILURE OF THE PROSECUTION TO PROVE THE NEGLIGENCE AND IMPRUDENCE OF THE PETITIONER BEYOND REASONABLE DOUBT AMOUNTING TO FALSIFICATION OF DOCUMENTS.

III[.]

WHETHER OR NOT THE MINISTERIAL NATURE OF SIGNING THE IRPs PRECLUDE THE FINDING OF NEGLIGENCE[.]¹⁹

The Court's Ruling

In the main, it is Santidad's stance that the prosecution failed to prove beyond reasonable doubt his criminal culpability for twenty-one (21) counts of reckless imprudence resulting to falsification of public documents. Anent the administrative charge, Santidad submits that the Court of Appeals is correct in exonerating him from the charge of Serious Dishonesty considering that the same was not established by substantial evidence. He denies knowledge of the fraud perpetrated upon the government through the anomalous procurement of the subject vehicles and he maintains that he did not derive any benefit from the transaction. He posits that his act, consisting of certifying the transfer of possession of the subject vans to the end-users/beneficiaries by affixing his signature on the IRPs, enjoys the presumption of regularity in the performance of official functions and that no evidence was adduced to show that he signed the IRPs with reckless imprudence prejudicial to the interest of the government.

He invokes the doctrine in *Arias v. Sandiganbayan*,²⁰ contending that he signed the IRPs after relying in good faith on the supporting documents, particularly, the Certificate of Acceptance and the Inspection Report which showed that the subject vans were delivered to the DOTC. He argues that to impute that his alleged negligence sprouted from his omission to verify the contents, correctness and completeness of each and every supporting

¹⁹ *Id.* at 19-20.

²⁰ 259 Phil. 794 (1989).

document of the IRPs would go against all rationality and logic. He asserts that when he signed the IRPs, he was merely performing a ministerial function within the confines of his mandated duty.

G.R. No. 207154

The petition filed by the OMB is partly meritorious.

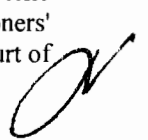
As a general rule, only questions of law may be raised in a petition for review on *certiorari* because the Court is not a trier of facts.²¹ When supported by substantial evidence, the findings of fact of the Court of Appeals are conclusive and binding on the parties and are not reviewable by this Court, unless the case falls under any of the recognized exceptions.²² In this case, since the findings and conclusions of the Ombudsman are contrary to the Court of Appeals, a recognized exception, the Court is constrained to review the factual issues raised.

In the case at bench, Santidad was charged with Gross Neglect of Duty and Serious Dishonesty before the Ombudsman which found him guilty solely of Serious Dishonesty, and imposed on him the supreme penalty of dismissal from government service with all its accessory penalties. The OMB declared that Santidad was dishonest because he certified the transfer of possession of the subject vehicles even though he knew that there were no such deliveries to the beneficiaries. On the other hand, the Court of Appeals exonerated Santidad of the charge of Serious Dishonesty, ratiocinating that he merely relied in good faith on the supporting documents prepared by his subordinates and that there were no indications that the transaction for the procurement of the subject vans was highly irregular.

After a judicious review of the records, the Court finds that Santidad failed to observe a higher degree of diligence prior to affixing his signature on the IRPs. Notably, his certification authorized the full payment of the contract price for the twenty-one (21) units of Mitsubishi Delica vans despite the non-delivery of said vehicles. For easy reference, the certification signed by Santidad, as appearing on the invoice portion of the twenty-one (21) IRPs, is reproduced hereto as follows:

²¹ *Office of the Ombudsman v. Atty. Bernardo*, 705 Phil. 524, 534 (2013).

²² *Id.* at 534-535; (1) when the conclusion is a finding grounded entirely on speculation, surmises and conjectures; (2) when the inference made is manifestly mistaken, absurd or impossible; (3) when there is a grave abuse of discretion; (4) when the judgment is based on a misapprehension of facts; (5) when the findings of fact are conflicting; (6) when the Court of Appeals, in making its findings, went beyond the issues of the case and the same is contrary to the admissions of both appellant and appellee; (7) when the findings are contrary to those of the trial court; (8) when the findings of fact are conclusions without citation of specific evidence on which they are based; (9) when the findings set forth in the petition as well as in the petitioners' main and reply briefs are not disputed by the respondents; and (10) when the findings of fact of the Court of Appeals are premised on the supposed absence of evidence and contradicted by evidence on record.



I CERTIFY that upon authority of Sec. 76 of Presidential Decree No. 1445, I have transferred to 4TH DISTRICT OF ISABELA CONG. ANTONIO M. ABAYA the above listed articles/property of Dept. of Transportation & Communications.

Signed
VENANCIO G. SANTIDAD
Director III, PSPMS

Contrary to the findings of the Court of Appeals, the Court observes that the documents prepared by Santidad's subordinates contained red flags that should have aroused a reasonable sense of suspicion or curiosity on him which should have prompted him to exercise proper diligence if only to determine that he was not conforming to a fraudulent transaction.

Firstly, the Certificate of Acceptance dated March 28, 2003 is incomplete and irregular on its face. Nowhere in said certificate does it indicate the plate numbers of the Mitsubishi Delica vans, their LTO certificates of registration numbers and the TPL insurance contracts which is contrary to the requirement of the DOTC, as reflected in PO No. 2003-03-70, stating that the procured vehicles must be accompanied by said registration and insurance. That the Mitsubishi Delica vans were, nonetheless, accepted despite noncompliance with the aforesaid requirement should have placed Santidad on guard.

Secondly, while the Inspection Report dated April 1, 2003 made reference to PO No. 2003-03-70 which pertained to the procurement of twenty-one (21) units of Mitsubishi Delica vans, the same report also made reference to ALOBS No. LF (CO) 02-12-00478 and RIV No. H-413-2002 which pertained to the purchase of eighteen (18) units of Mitsubishi Delica vans, a pick-up 4-wheeler truck and a pick-up 6-wheeler truck. Thus, there is an apparent discrepancy regarding the type and number of vehicles that were supposedly inspected by Desiderio. This defect could not have escaped the attention of Santidad since after all, he was the one who approved RIV No. H-413-2002 and signed the recommending for approval portion of the PO.

Thirdly, the amount indicated in Disbursement Voucher Nos. 101-200304-0092 and 101-2003-0383, which became the bases for the release of Land Bank Check Nos. 41232 and 31883, with face values of ₱2,000,000.00 and ₱5,216,363.63, respectively, or for a full payment of ₱7,216,363.63, was way below the contract price of ₱7,560,000.00. It must be pointed out that the approved budget allocated for the project of Cong. Abaya was pegged at ₱7,720,000.00, as reflected in ALOBS No. LF (CO) 02-12-00478. Santidad was simply too uncaring to notice and rectify these discrepancies.

Fourthly, the realignment of the budget for the two units of pick-up trucks which were already bid out, because Super Car Center could not deliver them, would necessarily entail the preparation of another set of documents

and the probable disqualification of the winning bidder. Such irregularity should have forewarned Santidad to make the necessary inquiries on the transaction.

Lastly, the IRPs appear spurious at face value. It bears stressing that out of the twenty-one (21) IRPs, only two (2) IRPs contained the date of receipt of the vehicles by the end-users/beneficiaries while the rest were undated. Meanwhile, the date of receipt indicated in the IRP for the delivery of the Mitsubishi Delica van to its beneficiary, *Barangay Dappig*, San Agustin, Isabela, was March 30, 2003;²³ while the date of receipt for the delivery of another Mitsubishi Delica van to its beneficiary, *Barangay Bugallon Norte*, Ramon, Isabela, was March 29, 2003.²⁴ Recall, however, that Desiderio, together with Ngo and Cruz, allegedly inspected the procured twenty-one (21) Mitsubishi Delica vans in Malinta, Bulacan only on April 1, 2003, as per the Inspection Report issued on even date. How then could these two beneficiaries receive the vehicles on the dates indicated on the IRPs when they were yet to be inspected on April 1, 2003, assuming there was in fact an inspection. The irregularities were too obvious but Santidad ignored them and signed the IRPs instead. Further, Santidad admitted during trial that he signed two (2) IRPs even without the signature of the recipients, contrary to his professed procedure that the recipient must first sign the IRP before he affixes his signature. His failure to satisfactorily justify such deviation has all the more showed that he is negligent in the performance of his assigned task.

Verily, the peculiar circumstances obtaining in these cases should have pricked Santidad's curiosity and prompted him, at the very least, to make inquiries into the transaction and verify whether there was delivery of the purchased vehicles to the DOTC, and whether there were deliveries made to the beneficiaries named in the IRPs. The discrepancies and irregularities enumerated above were sufficient to alert Santidad, if he was conscientious of his duties as he purports to be and was truly out to protect the interest of the government, that something was definitely amiss, and should have prodded him to exercise a higher degree of circumspection and go beyond what his subordinates had prepared. In *SPO1 Lihaylihay, et al. v. People*,²⁵ the Court pointed out that the nature of the public officers' responsibilities and their role in the procurement process are compelling factors that should have led them to examine with greater detail the documents which they are made to approve.

Santidad cannot trivialize his role in the procurement process as he was personally involved in every stage of the purchase of the missing vehicles. Also, it must be emphasized that Santidad's signing of the IRPs was one of the final steps needed for the release of payment to the contractor. As such, he had the power, if not the duty, to unearth and expose anomalous or irregular transactions. Santidad cannot blindly adhere to the findings and opinions of

²³ *Rollo* (G.R. No. 222046), p. 164.

²⁴ *Id.* at 173.

²⁵ 715 Phil. 722, 732 (2013).

his subordinates, lest he be reduced to a mere clerk who has no authority over his subordinates. As the Director of PSPMS-DOTC specifically tasked to procure the Mitsubishi Delica vans for Cong. Abaya's project, he should have closely examined and validated the veracity of his subordinates' reports. Indeed, the Court has pronounced that a public officer's high position imposes upon him greater responsibility and obliges him to be more circumspect in his actions and in the discharge of his official duties.²⁶

Had Santidad made the proper inquiries, he would have discovered the non-delivery of the procured Mitsubishi Delica vans. However, he did not do this at all. Instead, he simply sat back in his executive chair, satisfied himself as to the existence of the documents prepared by his subordinates, signed the IRPs and looked the other way, thus, ignoring the fact that the subject vans were never delivered to the DOTC. Perhaps, the most telling indication of the inexcusable lack of precaution on the part of Santidad is the non-existence of the subject vehicles.

Taken in the light of the foregoing disquisitions, the Court finds Santidad administratively liable for Gross Neglect of Duty or Gross Negligence, instead of Serious Dishonesty, warranting his dismissal from government service even for the first offense.²⁷ Gross neglect of duty is defined as "[n]egligence characterized by the want of even slight care, or by acting or omitting to act in a situation where there is a duty to act, not inadvertently but wilfully and intentionally, with a conscious indifference to the consequences, insofar as other persons may be affected. It is the omission of that care that even inattentive and thoughtless men never fail to give to their own property."²⁸ It must be underscored that Santidad was also charged with Gross Neglect of Duty before the OMB. At any rate, the designation of the offense or offenses with which a person is charged in an administrative case is not controlling, and one may be found guilty of another offense where the substance of the allegations and evidence presented sufficiently proves one's guilt.²⁹

Considering the sheer magnitude of the amount in taxpayers' money involved, Santidad should have exercised utmost care before signing the IRPs. By failing to do so, the taxpayers' money was spent without the corresponding procured vans having been delivered to the DOTC. Indeed, no rule is more settled than that a public office is a public trust and public officers and employees must, at all times, be accountable to the people.³⁰ Santidad carelessly relied on the reports and submissions of his subordinates and affixed his signature on the IRPs. Plainly, he acted negligently, unmindful of the high position he occupied and the responsibilities it carried, and without

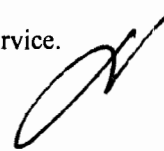
²⁶ *Amit v. Commission on Audit, et al.*, 699 Phil. 9, 24 (2012).

²⁷ Rule IV, Section 52 (A) of the Uniform Rules on Administrative Cases in the Civil Service.

²⁸ *Office of the Ombudsman v. Delos Reyes, Jr.*, 745 Phil. 366, 381 (2014).

²⁹ *Dr. Pia v. Hon. Gervacio, Jr., et al.*, 710 Phil. 196, 207 (2013).

³⁰ Section 1, Article XI of the 1987 Constitution.



regard to his accountability for the millions of pesos in taxpayers' money involved.

A public office is a public trust and public officers and employees must at all times be accountable to the people, serve them with utmost responsibility, integrity, loyalty and efficiency, act with patriotism and justice and lead modest lives. This high constitutional standard of conduct is not intended to be mere rhetoric and taken lightly because those in the public service are enjoined to fully comply with this standard or run the risk of facing administrative sanctions ranging from reprimand to the extreme penalty of dismissal from the service.³¹ Unfortunately, Santidad failed miserably in this respect.

In a futile attempt to refute negligence on his part, Santidad invokes the *Arias* doctrine contending that he relied in good faith that his subordinates would perform their functions regularly. We beg to differ.

In *Arias v. Sandiganbayan*,³² this Court held that a head of office can rely on his subordinates to a reasonable extent, and there has to be some reason shown why any particular voucher must be examined in detail. Accordingly, where there are circumstances that should have alerted heads of offices to exercise more diligence in the performance of their duties, they cannot escape liability by claiming that they relied in good faith on the submissions of their subordinates, and in such cases, our ruling in *Arias* does not apply.³³ Otherwise stated, when a matter is irregular on the document's face, so much so that a detailed examination becomes warranted, the *Arias* doctrine is unavailing.

Our pronouncement in *Arias* cannot be applied to exculpate Santidad in view of the presence of peculiar circumstances in the case at bench which should have caused Santidad to exercise a higher degree of circumspection and, necessarily, to conduct a detailed examination and carefully scrutinize the documents submitted to him by his subordinates. We must clarify that the *Arias* doctrine is not an absolute rule. It is not a magic cloak that can be used as a cover by a public officer to conceal himself in the shadows of his subordinates and necessarily escape liability.³⁴

G.R. No. 222046

Santidad was indicted for twenty-one (21) counts of Falsification of Public Documents under Article 171, paragraph 4 of the Revised Penal Code or Falsification of Public Documents by making untruthful statements in the

³¹ *Amit v. COA*, *supra* note 26, at 25.

³² *Supra* note 20, at 801.

³³ *Escobar v. People*, G.R. No. 205576, November 20, 2017, 845 SCRA 86, 119.

³⁴ *Typoco v. People*, 816 Phil. 914, 938 (2017).

narration of facts. After trial, the Sandiganbayan found him guilty of twenty-one (21) counts of Reckless Imprudence resulting to Falsification of Public Documents instead. According to the Sandiganbayan, Santidad did not act with malicious intent to falsify the IRPs but merely failed to ascertain for himself the veracity of narrations in the documents in question before affixing his signature thereon. The anti-graft court observed that the reckless signing of the IRPs, without verifying the data therein, makes him criminally liable for such act.

The Court, however, finds Santidad's conviction for twenty-one (21) counts of Reckless Imprudence resulting to Falsification of Public Documents to be improper. Falsification of Public Documents is an intentional felony committed by means of "*dolo*" or "malice" and could not result from imprudence, negligence, lack of foresight or lack of skill.

Felonies are committed not only by means of deceit (*dolo*), but likewise by means of fault (*culpa*). There is deceit when the wrongful act is performed with deliberate intent; and there is fault when the wrongful act results from imprudence, negligence, lack of foresight or lack of skill.³⁵ "In intentional crimes, the act itself is punished; in negligence or imprudence [quasi-offenses], what is principally penalized is the mental attitude or condition behind the act, the dangerous recklessness, lack of care or foresight, the *imprudencia punible*."³⁶

In *Jabalde v. People*,³⁷ the Court explained:

[T]he term "*dolo*" or "malice" is a complex idea involving the elements of freedom, intelligence, and intent. The element of intent is described as the state of mind accompanying an act, especially a forbidden act. It refers to the purpose of the mind and the resolve with which a person proceeds. On the other hand, the term "felonious" means, *inter alia*, malicious, villainous, and/or proceeding from an evil heart or purpose. With these elements taken together, the requirement of intent in intentional felony must refer to malicious intent, which is a vicious and malevolent state of mind accompanying a forbidden act.³⁸ (Citation omitted)

Intentional felony requires the existence of *dolus malus* - that the act or omission be done willfully, maliciously, with deliberate evil intent, and with malice aforethought.³⁹ In culpable felonies or criminal negligence, the injury inflicted on another is unintentional, the wrong done being simply the result of an act performed without malice or criminal design.⁴⁰

³⁵ Article 3, paragraphs 2 and 3 of the Revised Penal Code.

³⁶ *People v. Garcia*, 467 Phil. 1102, 1108 (2004).

³⁷ 787 Phil. 255 (2016).

³⁸ *Id.* at 272-273.

³⁹ *Villareal v. People*, 680 Phil. 527, 565 (2012).

⁴⁰ *People v. PO3 Fallorina*, 468 Phil. 816, 829 (2004).

A careful perusal of the provision of Article 171 of the Revised Penal Code, which defines and penalizes falsification of public documents, would readily reveal that the perpetrator must perform the prohibited act with deliberate intent in order to incur criminal liability thereunder, thus:

Article 171. *Falsification by Public Officer, Employee or Notary or Ecclesiastical Minister.* – The penalty of *prision mayor* and a fine not to exceed 5,000 pesos shall be imposed upon any public officer, employee, or notary who, taking advantage of his official position, shall falsify a document by committing any of the following acts:

1. Counterfeiting or imitating any handwriting, signature, or rubric;
2. Causing it to appear that persons have participated in any act or proceeding when they did not in fact so participate;
3. Attributing to persons who have participated in an act or proceeding statements other than those in fact made by them;
4. *Making untruthful statements in a narration of facts;*
5. Altering true dates;
6. Making any alteration or intercalation in a genuine document which changes its meaning;
7. Issuing in authenticated form a document purporting to be a copy of an original document when no such original exists, or including in such copy a statement contrary to, or different from, that of the genuine original; or
8. Intercalating any instrument or note relative to the issuance thereof in a protocol, registry, or official book. (Italics supplied)

The crime of Falsification of Public Documents has the following elements: 1) the offender is a public officer, employee, or notary public; 2) he takes advantage of his official position; and 3) he falsifies a document by committing any of the acts enumerated in Article 171 of the Revised Penal Code. To warrant conviction for Falsification of Public Documents by making untruthful statements in a narration of facts under Article 171, paragraph 4 of the Revised Penal Code, the prosecution must establish beyond reasonable doubt the following elements: 1) the offender makes in a public document untruthful statements in a narration of facts; 2) he has a legal obligation to disclose the truth of the facts narrated by him; and 3) the facts narrated by him are absolutely false.⁴¹

In Falsification of Public Documents, the offender is considered to have taken advantage of his official position in making the falsification when (1) he has the duty to make or prepare or, otherwise, to intervene in the preparation of a document; or (2) he has the official custody of the document.

⁴¹ *Fullero v. People*, 559 Phil. 524, 539 (2007).



which he falsifies.⁴² By "legal obligation," it means that there is a law requiring the disclosure of the truth of the facts narrated.⁴³ In falsification of public or official documents, it is not necessary that there be present the idea of gain or the intent to injure a third person because in the falsification of a public document, what is punished is the violation of the public faith and the destruction of the truth as therein solemnly proclaimed.⁴⁴

Measured against the foregoing parameters, it is clear that the crime of Falsification of Public Documents, by its structure, could not be committed by means of *culpa*. Not to be overlooked is that this felony falls under the category of *mala in se* offenses that requires the attendance of criminal intent. A deliberate intent to do an unlawful act is inconsistent with the idea of a felony committed by means of *culpa*. Being an intentional crime, Falsification of Public Documents is conceptually incompatible with the element of imprudence obtaining in quasi-crimes. In fine, the crime of Falsification of Public Documents could not be committed by means of reckless imprudence.

Neither can Santidad be held criminally culpable for Falsification of Public Documents by making untruthful statements in a narration of facts (Article 171, paragraph 4 of the Revised Penal Code) inasmuch as the records do not show that the prosecution was able to prove the existence of malicious intent when he affixed his signature on the IRPs certifying the transfer of the subject Mitsubishi Delica vans to Cong. Abaya of the 4th District of Isabela. To be criminally liable for falsification by making untruthful statements in a narration of facts, the person making the narration of facts must be aware of the falsity of the facts narrated by him.⁴⁵ Here, there is dearth of evidence to show that Santidad knew that there were no deliveries of vans to the recipients at the time he signed the IRPs. No matter how gross the nature and gravity of the imprudence or negligence attributable to Santidad, the same would not shatter the fine distinction between *dolo* and *culpa* so as to consider Santidad's act as one committed with malicious intent.

In the light of the foregoing, the Court resolves to set aside the Sandiganbayan's judgment of conviction against Santidad for twenty-one (21) counts of Reckless Imprudence resulting to Falsification of Public Documents.

WHEREFORE, in G.R. No. 207154, the petition is **PARTLY GRANTED**. The May 29, 2012 Decision and the April 29, 2013 Resolution of the Court of Appeals in C.A. G.R. SP No. 119936 are hereby **SET ASIDE**. A new one is **ENTERED** finding Venancio G. Santidad **GUILTY** of **GROSS**

⁴² *Galeos v. People*, 657 Phil. 500, 521 (2011).

⁴³ *Id.* at 524.

⁴⁴ *Regidor, Jr., et al. v. People, et al.*, 598 Phil. 714, 732 (2009).

⁴⁵ *United States v. Gonzaga Changco*, 14 Phil. 562, 564 (1909); The Revised Penal Code, Book Two, Seventeenth Edition, p. 225.

NEGLECT OF DUTY. Accordingly, he is **DISMISSED** from government service with all the accessory penalties.

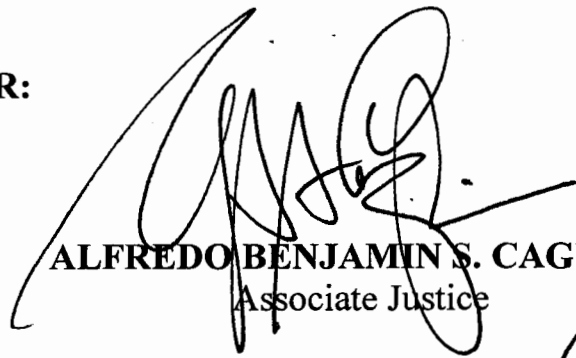
In G.R. No. 222046, the petition is **GRANTED**. The September 24, 2015 Decision and the November 25, 2015 Resolution of the Sandiganbayan in Criminal Case Nos. SB-10-CRM-0261 to SB-10-CRM-0281 are hereby **REVERSED** and **SET ASIDE**.

SO ORDERED.

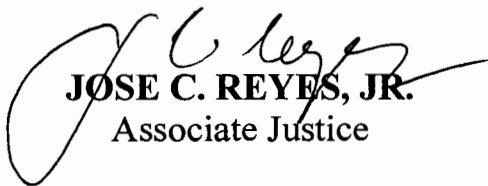


DIOSDADO M. PERALTA
Chief Justice

WE CONCUR:



ALFREDO BENJAMIN S. CAGUIOA
Associate Justice



JOSE C. REYES, JR.
Associate Justice



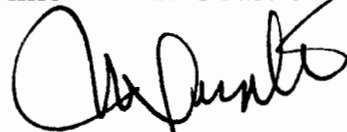
AMY C. LAZARO-JAVIER
Associate Justice



HENRI JEAN PAUL B. INTING
Associate Justice

CERTIFICATION

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



DIOSDADO M. PERALTA
Chief Justice