



Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

AQUILINA B. GRANADA, G.R. No. 184092
CARLOS B. BAUTISTA, and
FELIPE PANCHO,
Petitioners,

-versus-

PEOPLE OF THE PHILIPPINES,
Respondent.

X-----X X-----X
VENANCIO R. NAVA, **G.R. No. 186084**
Petitioner,

-versus-

THE HONORABLE JUSTICES MA.
CRISTINA G. CORTEZ-ESTRADA,
ROLAND B. JURADO, and
TERESITA V. DIAZ-BALDOS, as
members of the Sandiganbayan's 5th
Division, and the PEOPLE OF THE
PHILIPPINES,
Respondents.

X-----X X-----X

JESUSA DELA CRUZ,
Petitioner,

G.R. No. 186272

-versus-

PEOPLE OF THE PHILIPPINES,
Respondent.

X-----X
AQUILINA B. GRANADA,
Petitioner,

X-----X
G.R. No. 186488

-versus-

PEOPLE OF THE PHILIPPINES,
Respondent.

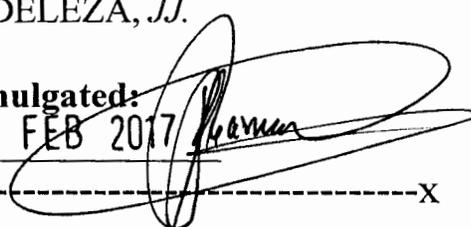
X-----X
SUSANA B. CABAUG,
Petitioner,

X-----X
G.R. No. 186570

-versus-

Present:
CARPIO, J., *Chairperson,*
VELASCO, JR.,*
MENDOZA,
LEONEN, and
JARDELEZA, JJ.

**PEOPLE OF THE PHILIPPINES
and SANDIGANBAYAN,**
Respondents.

Promulgated:
22 FEB 2017 

X-----X

DECISION

LEONEN, J.:

The Commission on Audit is the guardian of public funds with the mandate to review and audit public spending.¹ The Court generally sustains

* Designated additional member per Raffle dated February 20, 2017.

¹ *Technical Education and Skills Development Authority (TESDA) v. Commission on Audit*, G.R. No.



the decisions of administrative authorities like the Commission on Audit in recognition of the doctrine of separation of powers and their presumed knowledge and expertise of the laws they have been tasked to uphold.²

This resolves the consolidated Petitions for Review on *Certiorari* and Petition for *Certiorari*, which assail the Decision³ dated August 1, 2008 and the Resolution⁴ dated January 12, 2009 of the Sandiganbayan in Criminal Case No. 23459, finding petitioners Venancio R. Nava (Nava), Susana B. Cabahug (Cabahug), Aquilina B. Granada (Granada), Carlos Bautista (Bautista), Felipe Pancho (Pancho), and Jesusa Dela Cruz (Dela Cruz) guilty of violation of Section 3(g) of Republic Act No. 3019, otherwise known as the Anti-Graft and Corrupt Practices Act.⁵

On November 5, 1993, Teresita C. Lagmay (Lagmay), Eden Jane R. Intencion, and Mabini S. Reyes of the Commission on Audit, Region XI, Davao City, submitted a Joint-Affidavit⁶ with an attached Special Audit Report⁷ to the Commission on Audit Director, Region XI, Davao City.

The Special Audit Report disclosed that the various school forms and construction materials purchased by the Department of Education, Culture and Sports, now Department of Education, Division Office of Davao for the Elementary School Building Program were priced above the prevailing market prices, leading to a loss of ₱613,755.36 due to overpricing.⁸ The auditors recommended the refund of the excess amount, and the filing of a criminal or administrative action against the public officials who participated in the transactions.⁹

On July 25, 1996, the Office of the Ombudsman, Mindanao, found that there was sufficient evidence to indict several Department of Education, Culture and Sports officials for violating Section 3(g) and (e) of Republic Act No. 3019.¹⁰ The dispositive of the Ombudsman Resolution¹¹ reads:

196418, February 10, 2015, 750 SCRA 247, 254-255 [Per J. Bersamin, En Banc].

² Id. at 255 (citation omitted).

³ *Rollo* (G.R. No. 186272), pp. 34–79. The Decision was penned by Associate Justice Roland B. Jurado and concurred in by Associate Justices Ma. Cristina G. Cortez-Estrada and Teresita V. Diaz-Baldos of the Fifth Division, Sandiganbayan.

⁴ Id. at 81–86. The Resolution was penned by Associate Justice Roland B. Jurado and concurred in by Associate Justices Ma. Cristina G. Cortez-Estrada (Chairperson) and Teresita V. Diaz-Baldos of the Fifth Division, Sandiganbayan.

⁵ Id. at 77, Sandiganbayan Decision.

⁶ *Rollo* (G.R. No. 186488), p. 103.

⁷ Id. at 104–138.

⁸ Id. at 111.

⁹ Id. at 119.

¹⁰ *Rollo* (G.R. No. 186570), p. 126, Office of the Ombudsman Resolution.

¹¹ Id. at 111–128. The Resolution was penned by Graft Investigation Officer I Jovito A. Coresis, Jr., reviewed by Director Rodolfo M. Elman, recommended for approval by Deputy Ombudsman for Mindanao Margarito P. Gervacio, Jr., and approved by Ombudsman Aniano A. Desierto.

WHEREFORE, finding sufficient evidence to hold that the offense of violation of Section 3 (g) and (e) of RA 3019 and falsification have been committed and that the hereunder list of persons are probably guilty thereof, let the following criminal Informations be filed with the following courts, namely:

- A) Violation of Section 3 (g) of RA 3019 relative to the overpricing of school supplies and forms with the Regional Trial Court of Davao City against:
1. Division Superintendent Luceria de Leon,
 2. Bids and Awards Committee (BAC) Chairman Edilberto Madria,
 3. Clerk and BAC Member Stephen Acosta,
 4. Clerk III and BAC Member Timoteo Fulguerinas,
 5. Fiscal Clerk II Lydia Cerdinia and
 6. Supply Officer Felipe Pancho
- B) Violation of Section 3 (g) of RA 3019 relative to the overpricing of construction materials with the Sandiganbayan against:
1. DECS Regional Director VENANCIO NAVA (with salary[]),
 2. DECS Assistant Director SUSANA CABAUG,
 3. DECS Regional Administrative Officer AQUILINA B. GRANADA,
 4. DECS Finance Officer CARLOS BAUTISTA,
 5. DECS Division Superintendent LUCERIA M. DE LEON,
 6. DECS Division Administrative Officer EDILBERTO MADRIA,
 7. DECS Supply Officer FELIPE PANCHO, and
 8. GEOMICHE, Incorporated President JESUSA DELA CRUZ.
- C) Violation of Section 3 (e) of RA 3019 relative to the full payment of undelivered desks with the Regional Trial Court of Davao City against Division Superintendent Luceria de Leon, Edilberto Madrias and Fernando Gaddi, Jr.;
- D) Violation of Section 3 (e) of R.A. 3019 relative to the non-collection of liquidated damages from Romars with the Regional Trial Court of Davao City against Division



Superintendent Luceria M. De Leon;

- E) Falsification of public document relative to the falsified Inspection Report with the Regional Trial Court of Davao City against Administrative Officer Edilberto Madria, Clerk Stephen Acosta and Clerk III Timoteo Fulguerin as the cases to prosecuted (sic) until their termination by the Honorable Antonio V.A. Tan, City Prosecutor of Davao City except Violation of Section 3 (g) of RA 3019 which will have to be prosecuted by the Honorable Leonardo P. Tamayo, Special Prosecutor.

FINDING insufficient evidence to hold the other respondents liable for the charge, let the instant case against them be dismissed.

SO RESOLVED.¹²

Petitioners Nava, Cabahug, Granada, and Dela Cruz were subsequently charged with Violation of Section 3(g) of Republic Act No. 3019 in an Information¹³ filed on July 25, 1996. The accusatory portion of the Information reads:

That on or during the period comprising the calendar year 1991, in the City of Davao, Philippines and within the jurisdiction of this Honorable Court, the accused VENANCIO NAVA, SUSANA B. CABAUG, AQUILINA B. GRANADA, CARLOS BAUTISTA, LUCERIA M. DE LEON, EDILBERTO MADRIA, FELIPE PANCHO, all public officers being then the Regional Director with salary grade of 27, Assistant Regional Director, Administrative Officer, Finance Officer, Division Superintendent, Administrative Officer, Supply Officer, respectively, of the Department of Education, Culture and Sports, Region XI, while in the performance of their duties, committing the offense in relation to their office, taking advantage of their official positions, conspiring, confederating with each other, and with Geomiche Incorporated President JESUSA DELA CRUZ, to wit: 1. DECS Regional Director VENANCIO NAVA approved the disbursement voucher, purchase order and invitation to bid and signed the checks for payment; 2. DECS Assistant Director SUSANA CABAUG approved the disbursement voucher and the purchase order for and in behalf of Regional Director Nava; 3. DECS Regional Administrative Officer AQUILINA B. GRANADA signed two different sets of purchase order with exactly the same contents and the abstract of price quotations; 4. DECS Finance Officer CARLOS BAUTISTA signed Abstract of Quotations as canvassing member; 5. DECS Division Superintendent LUCERIA M. DE LEON approved the disbursement voucher, signed the checks, recommended the approval of two different sets of purchase order, directed the preparation of the voucher and as (sic) signed the Abstract of Quotations as Canvassing member; 6. DECS Division Administrative Officer EDILBERTO MADRIA signed the checks and the abstract of quotations and canvass; 7. DECS Supply Officer FELIPE PANCHO directed the preparation of the disbursement voucher; and 8. GEOMICHE, Incorporated President

¹² Id. at 126-127.

¹³ Rollo (G.R. No. 186272), pp. 105-107.

JESUSA DELA CRUZ supplied the aforementioned construction materials despite knowledge that the same were overpriced, which acts though seemingly separate and distinct yet parts of a grand conspiratorial design to defraud the government, did then and there, wilfully, unlawfully, criminally, purchase in behalf of the DECS Division Office of Davao City, form (sic) Geomiche Incorporated represented [by] Jesusa dela Cruz[,] construction materials at overpriced costs ranging from 6.09% to 695.45% thus enter into a contract grossly and manifestly disadvantageous to the government for it left the DECS short-changed by a hefty sum of P512,967.69 - the total amount of the overprice.

CONTRARY TO LAW¹⁴

On March 3, 1997, the Sandiganbayan issued a hold departure order against petitioners and the other accused.¹⁵

Petitioners entered separate pleas of not guilty during their respective arraignments.¹⁶

On October 13, 1999, the parties admitted the following stipulations of facts and issues during pre-trial:¹⁷

1. That all the accused, except Cabahug and Pancho, admit their official positions as mentioned in the Information during the time relevant to this case. However, accused dela Cruz, who is not a public officer, admits her personal circumstances as mentioned in the information;

2. That accused Venancio Nava was not the Chairman nor a member of the Pre-Qualification Bids and Awards Committee (PBAC) at the time relevant to this case;

....

ISSUE

1. Whether or not the transactions entered into by the accused public officials with the accused supplier for the purchase of construction materials and supplies in the amount of P2,072,318.25 were unreasonably overpriced, thus, causing undue injury to the government.¹⁸

Luceria De Leon (De Leon) died before final judgment was handed down, thus, the Sandiganbayan granted the motion to dismiss filed by her counsel.¹⁹

¹⁴ Id. at 105-106.

¹⁵ Id. at 35, Sandiganbayan Decision.

¹⁶ Id. at 36 and 39-40.

¹⁷ Id. at 40.

¹⁸ *Rollo* (G.R. No. 186488), pp. 163-166.

¹⁹ *Rollo* (G.R. No. 186272), pp. 42-43, Sandiganbayan Decision.

The prosecution presented the following witnesses: Araceli P. Geli (Geli), State Auditor for the Department of Education, Culture and Sports Division Office, and Lagmay, State Auditor III for the Commission on Audit.²⁰

Geli was the state auditor stationed at Department of Education, Culture and Sports Division Office, Davao City. Part of her duty as state auditor was to review and audit the transactions of the Division Office.²¹

On March 6, 1992, Geli submitted her annual report²² to the Commission on Audit where she disclosed the overpricing committed in the Elementary School Building Program.²³ Geli recommended the institution of the proper action against all Department of Education, Culture and Sports officials involved in the transaction, and the restitution of the overpricing in the amount of ₱512,967.89.²⁴

Geli testified that she re-canvassed the price of each item ordered by the Division Office after she was informed that there was no public bidding undertaken prior to the purchase.²⁵ Geli stressed that only Director Venancio Nava, as the approving officer, signed the invitation to bid and that the invitation to bid had no signature or even initials of the members of the Prequalification, Bids and Awards Committee. After her re-canvass, Geli computed an excess payment of ₱512,967.69.²⁶

Lagmay testified that she headed a special audit team sometime in 1992, pursuant to the August 5, 1992 Commission on Audit Assignment Order No. 92-2113 issued by Commission on Audit Regional Office No. XI.²⁷

The audit covered the period of January 1, 1991 to August 31, 1992, with the special audit team examining the purchases of supplies and materials using the Maintenance and Operating Expenses Funds and the purchase of materials for the Elementary School Building Project and grader's desks. Lagmay testified that the special audit was prompted by Geli's findings.²⁸

²⁰ Id. at 43 and 47.

²¹ Id. at 47.

²² *Rollo* (G.R. No. 186084), pp. 210–221.

²³ Id. at 212–220.

²⁴ *Rollo* (G.R. No. 186272), p. 47, Sandiganbayan Decision.

²⁵ Id. at 48.

²⁶ Id.

²⁷ Id. at 43.

²⁸ Id. at 44.

Lagmay identified the disbursement vouchers made to Geomiche Incorporated (Geomiche), a Manila-based supplier,²⁹ and the purchase orders that the special audit team examined during the audit. She testified that the audited transactions required public bidding but the documents submitted to them for audit did not show any indication that public bidding was conducted.³⁰

The defense thereafter presented petitioners and the other accused as witnesses.

Nava was the Department of Education, Culture and Sports Regional Director for Davao City, Region XI from March 12, 1990 to August 1, 1993. He was transferred to Department of Education, Culture and Sports Region VIII, Eastern Visayas, and then to Region I. He was Regional Director of Region II when he retired in 2000.³¹

Nava testified that then Secretary of Education Isidro Cariño ordered that the construction of elementary school buildings in Davao City should be prioritized. The Division Office and Regional Office thus agreed to expedite the project and create a Prequalification, Bids and Awards Committee (Committee) for its joint implementation.³²

Nava admitted signing the invitations to bid but he asserted that the quotation of construction materials were not yet indicated when he signed the invitations to bid.³³ He testified that the abstract of bids was attached to the invitations to bid sent to him and that it was signed by the members of the Committee. The abstract of bids was also approved by De Leon, the Schools Division Superintendent of Davao City.³⁴

Nava likewise admitted signing the disbursement vouchers. However, he claimed that he signed them only after De Leon certified that “the expenses [were] necessary, lawful[,] and incurred in her direct supervision.”³⁵

Bautista testified that he worked in the Budget and Finance Division of the Department of Education, Culture and Sports Region XII, Cotabato City as a finance officer.³⁶

²⁹ *Rollo* (G.R. No. 186084), p. 114, Special Audit Report on the Department of Education, Culture and Sports Division Office, Davao City.

³⁰ *Rollo* (G.R. No. 186272), pp. 44–45, Sandiganbayan Decision.

³¹ *Id.* at 50.

³² *Id.* at 51.

³³ *Id.*

³⁴ *Id.* at 52.

³⁵ *Id.* at 52–53.

³⁶ *Id.* at 53.

Bautista attested that in 1991, he became a member of the Committee.³⁷ He narrated that the Committee had to evaluate the quotations or the bids from the suppliers and then enter these bids in the abstract of bids. The Committee would then recommend for approval the quotation from the lowest bidder. He admitted that after he received the quotations from the suppliers, he no longer verified the accuracy of the submitted quotations.³⁸

Cabahug was the Department of Education, Culture and Sports Assistant Regional Director for Region XI from April 1, 1991 to June 30, 1992. She was transferred to Cebu, Region VII for a few years before being re-assigned to Region XI on September 8, 1994. On January 9, 1995, she was assigned as the Regional Director of Region XI, and served in that capacity until her retirement on August 10, 2000.³⁹

Cabahug acknowledged that in 1991, in her capacity as Assistant Regional Director, she signed eight (8) purchase orders and one (1) disbursement voucher on behalf of Regional Director Nava, who was then on official leave. Cabahug asserted that before she signed the purchase orders, Granada and De Leon had already affixed their signatures on the purchase orders.⁴⁰ Granada certified that the prices of the material purchased were reasonable, while De Leon certified that the purchases were necessary, legal, and made under her direct supervision.⁴¹ The Fiscal Clerk of the Davao City Division then signed the disbursement voucher, certifying the availability of funds and that all the supporting documents were in order.⁴²

Granada testified that in 1991, she was the Department of Education, Culture and Sports Regional Administrative Officer for Region XI. As the Regional Administrative Officer, Granada prepared communications for the Regional Director's signature. Her other functions included acting as Chairman of the Committee in the absence of the Assistant Regional Director. However, she said that she was only a member, and not the chair, in the bidding conducted in 1991.⁴³

Granada stated that in preparation for the purchase of materials for the construction of school buildings, bidding was conducted in 1991. The invitation to bid was published in a newspaper and copies were sent to the different construction and hardware shops in Davao City.⁴⁴ Interested parties

³⁷ Id. at 54.

³⁸ Id.

³⁹ Id. at 55.

⁴⁰ Id. at 55-56.

⁴¹ Id. at 56.

⁴² Id.

⁴³ Id. at 58.

⁴⁴ Id.

then confirmed their intention to bid and the actual bidding was conducted in the Department of Education, Culture and Sports Regional Office.⁴⁵ However, Granada admitted that she could no longer recall the number of suppliers who participated.⁴⁶

After evaluating the bids, Granada testified that the Committee awarded the project to petitioner Dela Cruz of Geomiche, the bidder with the lowest submitted quotations.⁴⁷

Pancho testified that in 1991, he was employed as a supply officer for the Department of Education, Culture and Sports.⁴⁸

Pancho attested that he was directed by De Leon to prepare payment vouchers for the deliveries made by Geomiche.⁴⁹ He stated that he did not consider going against the directives of De Leon, who was his superior, because he did not think that there was anything irregular with her instructions.⁵⁰

Counsel for Dela Cruz manifested that he would not be presenting testimonial evidence for Dela Cruz.⁵¹

On August 1, 2008, the Sandiganbayan ruled that the prosecution was able to prove the guilt of petitioners. The Sandiganbayan also ruled that there was a concerted effort by the petitioners to facilitate the release of funds and make it appear that a public bidding took place.⁵² The *fallo* of the assailed Sandiganbayan Decision reads:

WHEREFORE, premises considered, judgment is hereby rendered convicting accused **VENANCIO R. NAVA, SUSANA B. CABAUG, AQUILINA B. GRANADA, CARLOS BAUTISTA, EDILBERTO MADRIA, FELIPE PANCHO and JESUSA DELA CRUZ** of the crime of violation of the Anti-graft and Corrupt Practices Act particularly Section 3(g) thereof, or entering on behalf of government in a contract or transaction manifestly and grossly disadvantageous to the same whether or not the public officer profited or did not profit thereby.

In the absence of any aggravating or mitigating circumstances, applying the Indeterminate Sentence Law, accused are hereby sentenced to suffer the penalty of imprisonment of six (6) years, and one (1) day as minimum to twelve (12) years and one (1) day as maximum and to suffer

⁴⁵ Id. at 58–59.

⁴⁶ Id. at 59.

⁴⁷ Id. Geomiche Incorporated was mistakenly referred to as Daimitsi Company.

⁴⁸ Id. at 61.

⁴⁹ Id. at 61–62.

⁵⁰ Id. at 61.

⁵¹ Id. at 63.

⁵² Id. at 73–74 and 76–77.

perpetual disqualification from public office. The accused are further ordered to pay, jointly and severally, the government the amount of P512,967.69, which it suffered in view of the overpricing in the purchases committed by them.

SO ORDERED.⁵³ (Emphasis in the original)

On January 12, 2009, the Sandiganbayan denied⁵⁴ the motions for reconsideration filed by Nava, Cabahug, Granada, and Dela Cruz.

Nava filed a petition for *certiorari*,⁵⁵ while Cabahug,⁵⁶ Granada⁵⁷ and Dela Cruz⁵⁸ filed their respective petitions for review of the Sandiganbayan Decision and Resolution.

Petitioner Nava asserts that his Petition for *Certiorari* under Rule 65 was filed in lieu of an appeal under Rule 45 because the latter, being only limited to questions of law, was insufficient.⁵⁹ Nava claims that the assailed Decision and Resolution “were based on a gross misapprehension of facts arising from the **fraudulent** conduct of the audit[.]”⁶⁰ Furthermore, he asseverates that the Sandiganbayan findings were not supported by evidence and were in fact, even contradicted by evidence.⁶¹

Nava posits that the Special Audit Report was baseless as it relied heavily on the personal and unauthorized post-canvass conducted by Geli.⁶² Nava claims that Geli’s post-canvass was full of irregularities because it:

(i) intentionally did not detail and compare the brands to be purchased, (ii) failed to take into consideration the level of inventory of the establishments, (iii) failed to get the name and designations, as well as the sworn statements, of the persons who supposedly submitted the quotations, (iv) failed to consider that the establishments did not intend to deliver the items quoted for the price quoted, and (v) failed to consider the terms of the purchases made by the Division Office.⁶³

Lastly, Nava asserts that the Decision erred in applying the presumption of regularity to Geli’s canvass when Geli did not follow the established Commission on Audit procedures.⁶⁴

⁵³ Id. at 77.

⁵⁴ Id. at 86.

⁵⁵ *Rollo* (G.R. No. 186084), pp. 3–42.

⁵⁶ *Rollo* (G.R. No. 186570), pp. 11–39.

⁵⁷ *Rollo* (G.R. No. 186488), pp. 16–39.

⁵⁸ *Rollo* (G.R. No. 186272), pp. 8–33.

⁵⁹ *Rollo* (G.R. No. 186084), p. 9, Petition.

⁶⁰ Id. (Emphasis in the original).

⁶¹ Id.

⁶² Id.

⁶³ Id.

⁶⁴ Id. at 29–30.

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The Office of the Special Prosecutor states that Nava erred in filing a special civil action pursuant to Rule 65 when the proper remedy should have been an appeal under Rule 45.⁶⁵ The Office of the Special Prosecutor maintains that Nava's Petition involves questions of fact, which should not be allowed in a petition for certiorari.⁶⁶ It also posits that the Petition cannot be considered as a petition for review, as the Court's jurisdiction in a petition for review is limited to errors of law.⁶⁷

Furthermore, the Office of the Special Prosecutor argues that the Sandiganbayan did not commit grave abuse of discretion in considering the finding of irregularities in the transaction, even if the pre-trial was limited to the overpricing of the construction materials. The collateral matter of the irregularities in the transaction is intimately related to the overpricing of the construction materials purchased.⁶⁸ The Office of the Special Prosecutor also argues that in the absence of bad faith or malice, the canvass performed by the auditors should be given the benefit of the doubt due to the presumption of regularity accorded to a public official.⁶⁹

Finally, the Office of the Special Prosecutor asserts that the finding of conspiracy against Nava and the other petitioners was sufficiently established.⁷⁰

Petitioner Cabahug claims that she merely signed the disbursement vouchers and purchase orders because her immediate superior, petitioner Nava, was absent and she had to act on his behalf so that construction would not be stalled.⁷¹

Cabahug likewise claims that the prosecution failed to prove her participation in the supposed conspiracy. Her participation was ministerial in nature since she had to sign on behalf of her immediate supervisor in his absence. She also did not participate in the execution and consummation of the contract, and she had no knowledge of the defects of the contract. Hence, she asserts that conspiracy has not been proven beyond reasonable doubt against her.⁷²

Cabahug maintains that the questioned documents "already passed [through] several layers of other signatories before it reached her."⁷³ She

⁶⁵ Id. at 327–332, Office of the Special Prosecutor's Comment.

⁶⁶ Id. at 330.

⁶⁷ Id. at 331.

⁶⁸ Id. at 332–333.

⁶⁹ Id. at 336.

⁷⁰ Id. at 341–342.

⁷¹ *Rollo* (G.R. No. 186570), p. 12, Petition for Review on Certiorari.

⁷² Id. at 33–34.

⁷³ Id. at 33.

insists that she relied on the presumption of regularity in the acts of her subordinates.⁷⁴

The Office of the Special Prosecutor posits that Cabahug cannot claim good faith when she signed on Nava's behalf because she was fully aware of the irregularities of the documents when she signed them. The Office of the Special Prosecutor also asserts that the *Arias* doctrine cannot be applied to Cabahug, and that her participation in the conspiracy was duly proven.⁷⁵

Petitioner Granada claims that Geli's post-canvass should not have been considered by the Sandiganbayan since the participants in the post-canvass were not the actual bidders in the previously held bidding for the construction materials and supplies.⁷⁶ Furthermore, Granada maintains that Geli's canvassed prices, which were lower than Geomiche's, were not absolute proof that there was gross disadvantage to the government.⁷⁷

The Office of the Solicitor General contends that it was sufficiently proven that no public bidding was conducted, leading to a violation of Section 3(g) of Republic Act No. 3019.⁷⁸ The Office of the Solicitor General also contends that the Sandiganbayan did not err in finding that Granada and her other co-accused conspired with each other.⁷⁹

The Office of the Special Prosecutor states that the prosecution sufficiently proved that the transactions entered into by the petitioners caused undue injury to the government.⁸⁰ The Office of the Special Prosecutor further states that Granada's guilt was proven beyond reasonable doubt, and that conspiracy was evident, making all the accused liable as principals.⁸¹

Petitioner Dela Cruz asserts that a strict construction of Section 3(g) of Republic Act No. 3019 "covers **only public officers** who enter into a proscribed contract or transaction '**on behalf of the government**'. It does not impose any penalty upon a private party – natural or juridical – with whom the public officer contracts."⁸²

Dela Cruz further asserts that even if she acted as Geomiche's president, as a corporate officer, she cannot be held personally liable for the

⁷⁴ Id.

⁷⁵ Id. at 149–151, Office of the Special Prosecutor's Comment

⁷⁶ *Rollo* (G.R. No. 186488), pp. 34–35, Petition for Review on Certiorari.

⁷⁷ Id. at 35.

⁷⁸ Id. at 589, Office of the Solicitor General's Comment.

⁷⁹ Id. at 597.

⁸⁰ Id. at 678–680, Office of the Special Prosecutor's Comment.

⁸¹ Id. at 680–681.

⁸² *Rollo* (G.R. No. 186272), pp. 17–18, Petition for Review on Certiorari. (Emphasis in the original).

acts of the corporation.⁸³ She maintains that while the Information alleged conspiracy, the assailed Decision was silent on her conspiracy with the other petitioners.⁸⁴

Dela Cruz claims that the Sandiganbayan's finding of irregularities or deficiencies are in excess of its jurisdiction for going beyond the issue formulated in the pre-trial order.⁸⁵ She also avers that the finding of excessive amounts by the state auditors was without factual or legal basis.⁸⁶

The Office of the Special Prosecutor maintains that the finding of conspiracy against Dela Cruz and her other co-accused makes her liable for violating Section 3(g) of Republic Act No. 3019, even if she was not a public officer.⁸⁷

We resolve the following issues:

First, whether Nava's Petition for Review on *Certiorari* under Rule 65 was the proper remedy to take;

Second, whether the presumption of regularity applies with the State Auditor's post-canvass of similar items purchased by the Department of Education, Culture and Sports from Geomiche; and

Finally, whether conspiracy was sufficiently proven by the prosecution.

The petitions are devoid of merit.

I

The Office of the Special Prosecutor claims that Nava erred in filing a special civil action pursuant to Rule 65 when the proper remedy should have been an appeal under Rule 45.⁸⁸ The Office of the Special Prosecutor states that Nava's Petition asks for a re-examination of the evidence presented, which is not proper in a petition for certiorari.⁸⁹

The Office of the Special Prosecutor also posits that Nava's Petition

⁸³ Id. at 18.

⁸⁴ Id. at 20.

⁸⁵ Id. at 22-23.

⁸⁶ Id. at 28-30.

⁸⁷ Id. at 147-148 and 152-154, Office of the Special Prosecutor's Comment.

⁸⁸ *Rollo* (G.R. No. 186084), p. 327, Office of the Special Prosecutor's Comment.

⁸⁹ Id. at 330.

cannot be considered as a petition for review, as the Court's jurisdiction in a petition for review is limited to errors of law.⁹⁰ It then points out that the issues raised in Nava's Petition are primarily questions of fact, but "with [an] allegation that there was grave abuse of discretion amounting to lack or excess of jurisdiction."⁹¹

Nava insists that his Petition for *Certiorari* under Rule 65 was not a substitute for a lost appeal since it was timely filed. Nava further insists that while the remedy of appeal under Rule 45 was available to him, the same was insufficient as it was limited to questions of law. Nava claims that the assailed Decision and Resolution were based on a fraudulent audit, surmises, and speculations.⁹²

Section 1 of Rule 45 of the Rules of Court provides the mode of appeal from judgments, final orders, or resolutions of the Sandiganbayan:

SECTION 1. *Filing of Petition with Supreme Court.* – A party desiring to appeal by *certiorari* from a judgment or final order or resolution of the Court of Appeals, the Sandiganbayan, the Regional Trial Court or other courts whenever authorized by law, may file with the Supreme Court a verified petition for review on *certiorari*. The petition shall raise only questions of law which must be distinctly set forth.

*Icdang v. Sandiganbayan, et al.*⁹³ emphasized that the proper remedy to take from a judgment of conviction by the Sandiganbayan is a petition for review on *certiorari* under Rule 45:

At the outset it must be emphasized that the special civil action of *certiorari* is not the proper remedy to challenge a judgment conviction rendered by the [Sandiganbayan]. Petitioner should have filed a petition for review on *certiorari* under Rule 45.

Pursuant to Section 7 of Presidential Decree No. 1606, as amended by Republic Act No. 8249, decisions and final orders of the Sandiganbayan shall be appealable to the Supreme Court by petition for review on *certiorari* raising pure questions of law in accordance with Rule 45 of the Rules of Court. Section 1 of Rule 45 of the Rules of Court provides that "[a] party desiring to appeal by *certiorari* from a judgment, final order or resolution of the . . . Sandiganbayan . . . whenever authorized by law, may file with the Supreme Court a verified petition for review on *certiorari*. The petition . . . shall raise only questions of law, which must be distinctly set forth." Section 2 of Rule 45 likewise provides that the petition should be filed within the fifteen-day period from notice of the judgment or final order or resolution, or of the denial of petitioner's motion for reconsideration filed in due time after notice of

⁹⁰ Id. at 331.

⁹¹ Id.

⁹² Id. at 9, Petition for Certiorari.

⁹³ 680 Phil. 265 (2012) [Per J. Villarama, Jr., First Division].

judgment.⁹⁴ (Underscoring in the original, citation omitted)

The assailed Decision and Resolution convicted Nava and the other petitioners of the crime of entering into a manifestly and grossly disadvantageous contract or transaction on behalf of the government. Thus, the proper remedy to take is a petition for review on *certiorari* under Rule 45.

Nonetheless, inasmuch as Nava's Petition was filed within the 15-day period provided under Section 2 of Rule 45,⁹⁵ this Court treated it as an appeal and did not dismiss it outright. While procedural rules should be treated with utmost respect since they serve to facilitate the adjudication of cases in support of the speedy disposition of cases mandated by the Constitution, "[a] liberal interpretation . . . of the rules of procedure can be resorted to only in proper cases and under justifiable causes and circumstances."⁹⁶

II

The Commission on Audit is the guardian of public funds and the Constitution has vested it with the "power, authority, and duty to examine, audit, and settle all accounts pertaining to the revenue and receipts of, and expenditures or uses of funds and property [of] the Government, or any of its subdivisions, agencies, or instrumentalities, including government-owned or controlled corporations with original charters."⁹⁷

The Constitution likewise empowered the Commission on Audit with the:

exclusive authority . . . to define the scope of its audit and examination, establish the techniques and methods required therefor, and promulgate accounting and auditing rules and regulations, including those for the prevention and disallowance of irregular, unnecessary, excessive, extravagant, or unconscionable expenditures, or uses of government funds and properties.⁹⁸

⁹⁴ Id. at 275–276.

⁹⁵ RULES OF COURT, Rule 45, sec. 2 provides:
Rule 45. Appeal by Certiorari to the Supreme Court

.....

Section 2. *Time for Filing; Extension.* — The petition shall be filed within fifteen (15) days from notice of the judgment or final order or resolution appealed from, or of the denial of the petitioner's motion for new trial or reconsideration filed in due time after notice of the judgment. On motion duly filed and served, with full payment of the docket and other lawful fees and the deposit for costs before the expiration of the reglementary period, the Supreme Court may for justifiable reasons grant an extension of thirty (30) days only within which to file the petition.

⁹⁶ *Hon. Fortich v. Hon. Corona*, 359 Phil 210, 220 (1998) [Per J. Martinez, Second Division].

⁹⁷ CONST., art. IX-D, sec. 2(1).

⁹⁸ CONST., art. IX-D, sec. 2(2).

The Commission on Audit's exercise of its general audit power is part of the checks and balances system inherent in our form of government.⁹⁹

Petitioner Nava insists that this Court's ruling in *Arriola v. Commission on Audit*,¹⁰⁰ is applicable in the case at bar.¹⁰¹ In *Arriola*, this Court ruled that in order to accord due process to the subjects of an audit by the Commission on Audit, there should be a policy of transparency where the subjects of the audit could access and review the documents used for the canvass.¹⁰² *Arriola* also prompted the Commission on Audit to issue Memorandum Order No. 97-102 dated March 31, 1997, which states:¹⁰³

3.2 To firm up the findings to a reliable degree of certainty, initial findings of overpricing based on market price indicators mentioned in pa. 2.1 above have to be supported with canvass sheet and/or price quotations indicating:

- a) the identities of the suppliers or sellers;
- b) the availability of stock sufficient in quantity to meet the requirements of the procuring agency;
- c) the specifications of the items which should match those involved in the finding of overpricing;
- d) the purchase/contract terms and conditions which should be the same as those of the questioned transaction.¹⁰⁴

Unfortunately for petitioners, neither *Arriola* nor the Commission on Audit Memorandum Order No. 97-102 can be applied retroactively.¹⁰⁵

The questioned transactions and the delivery of construction materials happened sometime in 1991. Geli then conducted her post-audit, and submitted her Memorandum¹⁰⁶ and Report on the Annual Operations Audit¹⁰⁷ on March 6, 1992. Thus, the requirements of canvass sheets or price quotations listed down in the Commission on Audit's Memorandum Order No. 97-102, which was issued on March 31, 1997, cannot be applied to Geli's 1992 audit.

More importantly, the Sandiganbayan found that the contract for the

⁹⁹ *Olague v. Hon. Domingo*, 411 Phil. 576, 593 (2001) [Per J. Puno, En Banc].

¹⁰⁰ 279 Phil. 156 (1991) [Per J. Medialdea, En Banc].

¹⁰¹ *Rollo* (G.R. No. 186084), pp. 27–28, Petition for Certiorari.

¹⁰² *Arriola v. Commission on Audit*, 279 Phil. 156, 163 (1991) [Per J. Medialdea, En Banc].

¹⁰³ *Nava v. Justices Palattao, Ong, and Cortez-Estrada*, 531 Phil. 345, 363 (2006) [Per C.J. Panganiban, First Division].

¹⁰⁴ *Id.* at 363–364.

¹⁰⁵ *Id.* at 364.

¹⁰⁶ *Rollo* (G.R. No. 186084), p. 210.

¹⁰⁷ *Id.* at 211–221.

purchase of construction materials and supplies from Geomiche for the construction of school buildings did not undergo public bidding.¹⁰⁸

Petitioner Nava asserts that the Sandiganbayan erred in ruling on the issue of public bidding when the same was not included in the Information. He argues that the only charge against him and the other petitioners in the Information was whether they entered into a grossly and manifestly disadvantageous contract to the government, and not whether public bidding was conducted.¹⁰⁹

While it is true that the Information only charged petitioners with entering into a gross and manifestly disadvantageous contract to the government, the Sandiganbayan's assailed Decision touched on the issue of lack of public bidding as a circumstantial evidence in support of the accusation of overpricing. The finding of overpricing was never determined simply because there was no public bidding. The absence of public bidding only underscored the irregularity of the transactions. The various audits conducted confirmed the fact of overpricing as follows:

To make things worse, it was also indubitably established that aside from the fact that there was no public bidding conducted, the accused overpriced the construction supplies and materials in the amount of P512,967.69, to the disadvantage and prejudice of the government (Exhibits "C", "C-1", "D", "D-1", "D-2", "D-3", "D-3-a").

....

In the case at bar, there being no public bidding conducted, the government was deprived of setting the standard or parameter upon which to lay the basis of what may be considered just or reasonable prices of the purchases made from the lone supplier. In the absence of such indispensable basis, the purchases made from Geomiche Incorporated are considered grossly or manifestly disadvantageous to the government. Hence, the manifest or gross disadvantage complained of is not purely speculative or that it has no basis in fact and in law because the same have been quantified by the overpriced purchases. The prosecution, through testimonial and documentary evidence, was able to substantiate with concrete evidence of what it claimed to be grossly or manifestly disadvantageous to the government.¹¹⁰

Petitioners fault Geli for conducting a purportedly personal and unauthorized canvass when she sent out invitations to bid to the other suppliers of construction materials in Davao City.

We do not agree.

¹⁰⁸ *Rollo* (G.R. No. 186272), pp. 70–71, Sandiganbayan Decision.

¹⁰⁹ *Rollo* (G.R. No. 186084), pp. 13–15, Petition for Certiorari.

¹¹⁰ *Rollo* (G.R. No. 186272), pp. 71–73, Sandiganbayan Decision.

As an auditor of the Commission on Audit, Geli had the same mandate to audit all government agencies and to be vigilant in safeguarding the proper use of the people's property, thus:

[Pros. Calonge]: Will you kindly state briefly the basic or regular function of your job as State Auditor 2 stationed at DECS Division Office of Davao City?

[Geli]: My duties then as State Auditor among others was to examine, settle and audit the regular accounts and transactions of the Division office.¹¹¹

....

[Atty. Fernandez]: But what you conducted, according to you, was a private canvass, was it not?

[Geli]: Yes, that was a canvass, sir.

Q: It was an informal canvass which you undertook on your own without any order or directive from any superior officer, is it not?

A: No, sir, because we are covered by a particular circular which is COA Circular No. 76-34 dated July 15, 1976.

Q: And what does that Circular provide?

A: It provides that in case of doubt as to the reasonableness of the price or prices of the items purchased, the auditor shall canvass thereof.¹¹²

The Special Audit Report found that:

[d]uring the period of delivery, [Geli] made a canvass of prices of similar construction materials from reputable suppliers/establishments in Davao City in order to determine the reasonableness of their prices . . . In the canvass conducted, the prices for each item were observed to have been excessive ranging from 6.09% to 695.45% . . . As a result, the government lost the amount of ₱512,967.69[.]¹¹³

Geli testified on the methodology she used in the re-canvass as follows:

¹¹¹ *Rollo* (G.R. No. 186488), p. 461. TSN, February 27, 2001, p. 11.

¹¹² *Id.* at 493, TSN, September 26, 2001, p. 11.

¹¹³ *Rollo* (G.R. No. 186084), p. 115, Special Audit Report on the Department of Education, Culture and Sports Division Office, Davao City.

[Pros. Calonge]: What formula did you adopt in arriving in the conclusion that there was overpricing in this transaction?

[Geli]: The procedures, Your Honor, that I undertook is to re-canvass of the price of each and every item ordered by the Division Office since I was told that there was no public bidding conducted, as evidenced by the documents submitted like the disbursement vouchers. First, the invitation to bid was only signed by Director Venancio Nava as the approving officer; Second- there were no signatures or even initials by the members of the PBAC which is the Prequalification Bid and Award Committee; Third- There is no indication that there was participation by the resident auditor of the DECS Regional Office or representative; and Fourth- As confirmed by the resident auditor herself from the DECS Regional Office, she told me that indeed there was no public bidding conducted as result of the re-canvass I made, I compared with the price list offered by the bidders and, upon computation and the additional of the ten (10) percent tolerable allowance granted by our Rules and Regulations, I came up with the total overpriced of P512,967.69.

....

Q: Why did you conduct a personal canvass?

A: First, as I said, Your Honor the payment was to be made at the DECS Division Office; Secondly- I doubted the reasonableness of the price offered by the winning bidder.¹¹⁴

In the absence of malice or bad faith, the canvass and audit performed by the auditors, which were substantiated by evidence, should be upheld in recognition of their technical expertise. This finds support in *Lumayna, et al. v. Commission on Audit*,¹¹⁵ citing *Ocampo v. Commission on Elections*,¹¹⁶ which states:

[I]t must be stressed that factual findings of administrative bodies charged with their specific field of expertise, are afforded great weight by the courts, and in the absence of substantial showing that such findings were made from an erroneous estimation of the evidence presented, they are conclusive, and in the interest of stability of the governmental structure, should not be disturbed.¹¹⁷

¹¹⁴ *Rollo* (G.R. No. 186488), pp. 470–471 and 476, TSN, February 27, 2001, pp. 20–21 and 26.

¹¹⁵ 616 Phil. 929 (2009) [Per J. Del Castillo, En Banc].

¹¹⁶ 382 Phil. 522 (2000) [Per J. Kapunan, En Banc].

¹¹⁷ *Lumayna, et al. v. Commission on Audit*, 616 Phil. 929, 940 (2009) [Per J. Del Castillo, En Banc].

Instead of finding fault, the vigilance and initiative of Geli should be commended. Our audit officers should be expected to discharge their duties with zeal within the bounds of the law.

III

Conspiracy happens “when two or more persons come to an agreement concerning the commission of a felony and decide to commit it.”¹¹⁸ Furthermore, conspiracy does not have to be established by direct evidence since it may be inferred from the conduct of the accused taken collectively.¹¹⁹ However, it is necessary that a conspirator directly or indirectly contributes to the execution of the crime committed through the performance of an overt act.¹²⁰

The Sandiganbayan found that there was a common design among the petitioners to make it appear that bidding took place to effect the release of funds for the purchase of overpriced construction supplies and materials, thus:

The series of acts of the accused in signing all the documents to effect the release of the funds for the purchase of construction supplies and materials spelled nothing but conspiracy. The signatures of all the accused appearing in the documents indicate accused’s common design in achieving their one goal to the damage and prejudice of the government.

As indubitably proved by the prosecution, the direct interrelated participation of each of the accused (Exhibit “N-1”) were as follows[:] Venancio Nava approved the Invitation to Bids, Disbursement Vouchers, Purchase Orders and signed the checks; Aquilina Granada signed two (2) different sets of Purchase Orders, with the same contents and signed the Abstract of Quotation as Chairman; Susan Cabahug approved a Disbursement Voucher and another set of Purchase Order for Director Nava; Carlos Bautista signed the Abstract of Quotation/Canvass as a member; Luceria M. De Leon directed the preparation of Disbursement Vouchers and approved the same, recommended the approval of two (2) different sets of Purchase Orders, signed the Abstract of Quotation/Canvass as member and signed the checks; Edilberto Madria signed the Abstract of Quotation/Canvass as member and signed the checks; and Felipe Pancho directed the preparation of the Disbursement Vouchers. In these series of interconnected acts of the public officers, accused Dela Cruz was the beneficiary.

Verily, where the acts of the accused collectively and individually demonstrate the existence of a common design towards the accomplishment of the same unlawful purpose, conspiracy is evident, and all the perpetrators will be liable as principals.¹²¹

¹¹⁸ REV. PEN. CODE, art. 8, par. 2.

¹¹⁹ *Magsuci v. Sandiganbayan*, 310 Phil. 14, 19 (1995) [Per J. Vitug, En Banc].

¹²⁰ *Pecho v. People*, 331 Phil. 1, 17 (1996) [Per J. Davide, Jr., En Banc].

¹²¹ *Rollo* (G.R. No. 186272), pp. 75–76, Sandiganbayan Decision.

The records show that the invitations to bid¹²² were only signed by Nava as the approving officer without the signature or initials of the members of the Committee, or the participation of the resident auditor.¹²³ Furthermore, the abstract of quotations was not signed by all the Committee members, or the representative of the Commission on Audit, as testified by State Auditor Geli:

AJ NAZARIO:

Why did you say that there was no public bidding?

[Geli]:

Firstly, Your Honor, I was told by the resident auditor that there was no public bidding because in the first place all biddings conducted by the Regional office then were witnessed by the resident auditor or any representative.

AJ NAZARIO:

You came to the conclusion that there was no public bidding because the resident auditor told you?

Witness:

Yes, Your Honor. Secondly, the documents supporting the disbursement voucher do not indicate that there was any public bidding conducted.

AJ NAZARIO:

What was wrong with the documents?

Witness:

First, it should be the PBAC who will initiate the calling of the public bidding. Second- there was no publication in any newspaper or general circulation. Third, there was never a posting of the invitations to bid and then all the members of the PBAC have no participation as indicated in the Invitations to Bid as well as the Abstract of Quotations.

AJ NAZARIO:

This Invitation to Bid, which was according to you, you were told that there was no public bidding. Under what circumstances, how was it told to you?

¹²² *Rollo* (G.R. No. 186084), pp. 161–190.

¹²³ *Rollo* (G.R. No. 186272), p. 48, Sandiganbayan Decision.



Witness:

It was only verbally communicated to me. Not only by the resident auditor but also the DECS Division office' officials and employees.

AJ NAZARIO:

How did these employees get involved, was it in the course of the performance of your functions that this information was given to you?

Witness:

Yes, Your Honors.¹²⁴

The purchase orders certified by Granada and approved by Nava, were found to be grossly inadequate to substantiate the payments made through the disbursement vouchers approved by Nava and Cabahug.¹²⁵ The Special Audit Report¹²⁶ submitted by State Auditor Lagmay reads:

The first payment to G[e]omich[e], Inc. under Voucher No. 91-05-02-SB for ₱1,500,000.00 (Appendix 11) was supported by purchase orders issued by the DECS Division Office (Appendix 9) with a total amount of only ₱70,505.21. The second voucher amounting to ₱557,093.25 (Appendix 12) was supported by the DECS Regional Office purchase orders for only ₱71,459.25 (Appendix 10) while the third voucher for ₱15,225.00 (Appendix 13) had no purchase order attached. From these payments, it appears that the amounts indicated/appearing in the purchase orders were less than the payments made, as tabulated hereunder:

<u>Voucher No.</u>	<u>Amount</u>	<u>PO attached</u>	<u>Diff.</u>
91-05-02-SB	₱1,500,000.00	₱70,505.21	₱1,429,494.79
91-07-114SB	557,093.25	71,459.25	485,634.00
91-07-179SB	15,225.00	-	15,225.00
	<u>₱2,072,318.25</u>	<u>₱141,964.46</u>	<u>₱1,930,353.79</u> ¹²⁷

(Underscoring in the original)

Clearly, conspiracy between the accused-petitioners was duly established as their collective and individual acts demonstrated a common design, to award the contract to Geomiche without a public bidding. Their actions then led to the purchase of overpriced construction materials to the disadvantage of the government.

Petitioner Dela Cruz asserts that as a private individual, she cannot be held liable under Section 3(g) of Republic Act No. 3019 because it only

¹²⁴ *Rollo* (G.R. No. 186488), pp. 478–479, TSN, February 27, 2001, pp. 28–29.

¹²⁵ *Rollo* (G.R. No. 186084), pp. 216–217, Report on the Annual Operations Audit.

¹²⁶ *Id.* at 113–120.

¹²⁷ *Id.* at 117–118.

covers public officers who enter into a contract or transaction on behalf of the government.¹²⁸

Dela Cruz is mistaken.

Section 3(g) of Republic Act No. 3019 reads:

Section 3. Corrupt practices of public officers. – In addition to acts or omissions of public officers already penalized by existing law, the following shall constitute corrupt practices of any public officer and are hereby declared to be unlawful:

....

(g) Entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby.

The elements of this offense are as follows:

(1) that the accused is a public officer; (2) that he entered into a contract or transaction on behalf of the government; and (3) that such contract or transaction is grossly and manifestly disadvantageous to the government.¹²⁹

Private persons acting in conspiracy with public officers may be indicted and if found guilty, be held liable for the pertinent offenses under Section 3 of Republic Act No. 3019. This supports the “policy of the anti-graft law to repress certain acts of public officers and private persons alike [which constitute] graft or corrupt practices act or which may lead thereto.”¹³⁰

In *Singian, Jr. v. Sandiganbanyan, et al.*:¹³¹

For one to be successfully prosecuted under Section 3(g) of RA 3019, the following elements must be proven: “1) the accused is a public officer; 2) the public officer entered into a contract or transaction on behalf of the government; and 3) the contract or transaction was grossly and manifestly disadvantageous to the government.” However, private persons may likewise be charged with violation of Section 3(g) of RA 3019 if they conspired with the public officer. Thus, “if there is an allegation of conspiracy, a private person may be held liable together with the public officer, in consonance with the avowed policy of the Anti-Graft and Corrupt Practices Act which is ‘to repress certain acts of public

¹²⁸ *Rollo* (G.R. No. 186272), pp. 17–18, Petition for Review on Certiorari.

¹²⁹ *Dans, Jr. v. People*, 349 Phil. 434, 460 (1998) [Per J. Romero, Third Division].

¹³⁰ *People v. Go*, 730 Phil. 362, 369 (2014) [Per J. Peralta, En Banc].

¹³¹ 718 Phil. 455 (2013) [Per J. Del Castillo, Second Division].

officers and private persons alike which may constitute graft or corrupt practices or which may lead thereto.”¹³² (Citations omitted)

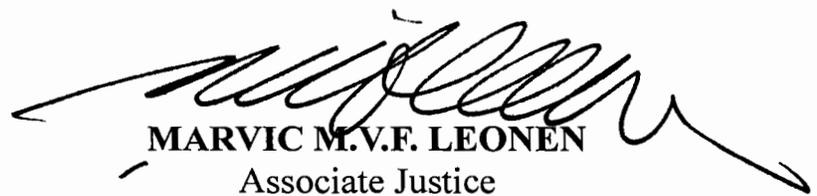
The prosecution, through testimonial and documentary evidence, sufficiently proved the connivance between the public officers, who entered into and facilitated the grossly disadvantageous transactions on behalf of the government with Dela Cruz’s Geomiche as the beneficiary. Undoubtedly, the collective and individual acts of petitioners showed a common design of purchasing the overpriced construction materials from Dela Cruz to the disadvantage of the government.

When the separate juridical personality of a corporation is used “to defeat public convenience, justify wrong, protect fraud, or defend crime, the law will regard the corporation as an association of persons.”¹³³

The Sandiganbayan has proven beyond reasonable doubt that petitioners conspired with each other to forego the required bidding process and to purchase grossly overpriced construction materials from Geomiche. There is sufficient basis to pierce the corporate veil, and Dela Cruz, as Geomiche’s president, should be held equally liable as her co-conspirators.

WHEREFORE, premises considered, the Petitions are **DISMISSED**. The assailed Decision dated August 1, 2008 and Resolution dated January 12, 2009 of the Sandiganbayan are **AFFIRMED** in toto.

SO ORDERED.



MARVIC M.V.F. LEONEN
Associate Justice

WE CONCUR:



ANTONIO T. CARPIO
Associate Justice
Chairperson

¹³² Id. at 472.

¹³³ *Republic v. Mega Pacific eSolutions, Inc.*, G.R. No. 184666, June 27, 2016
<<http://sc.judiciary.gov.ph/pdf/web/viewer.html?file=/jurisprudence/2016/june2016/184666.pdf>> 36
[Per C.J. Sereno, First Division].


PRESBITERO J. VELASCO, JR.
Associate Justice


JOSE CATRAL MENDOZA
Associate Justice


FRANCIS H. JARDELEZA
Associate Justice

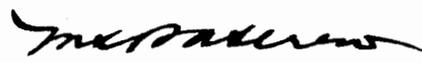
ATTESTATION

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


ANTONIO T. CARPIO
Associate Justice
Chairperson, Second Division

CERTIFICATION

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


MARIA LOURDES P. A. SERENO
Chief Justice