



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

FIRST DIVISION

VILMA B. CABRERA,
Petitioner,

G.R. No. 248842

Present:

- versus -

GESMUNDO, *C.J.*, Chairperson,
HERNANDO,
ZALAMEDA,
ROSARIO, and
MARQUEZ, *JJ.*

**THE HONORABLE OFFICE OF
THE OMBUDSMAN, PUBLIC
ASSISTANCE AND
CORRUPTION PREVENTION
OFFICE (PACPO) of the
OFFICE OF THE
OMBUDSMAN,**

Promulgated:

Respondents.

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DECISION

ROSARIO, J.:

This is a Petition for Review on *Certiorari*¹ assailing the Decision² and the Resolution³ of the Court of Appeals (CA) which affirmed the Decision⁴ of

¹ *Rollo*, pp. 11–43.

² *Id.* at 45–60. The April 11, 2019 Decision in CA-G.R. SP No. 152325 was penned by Associate Justice Ruben Reynaldo G. Roxas and concurred in by Associate Justices Marlene Gonzales-Sison and Victoria Isabel A. Paredes of the Twelfth Division, Court of Appeals, Manila.

³ *Id.* at 63–64. The August 7, 2019 Resolution in CA-G.R. SP No. 152325 was penned by Associate Justice Ruben Reynaldo G. Roxas and concurred in by Associate Justices Marlene Gonzales-Sison and Victoria Isabel A. Paredes of the Former Twelfth Division, Court of Appeals, Manila.

⁴ *Id.* at 252–284. The June 19, 2017 Decision in OMB-C-A-15-0076 was approved on July 12, 2017 by Ombudsman Conchita Carpio Morales, Office of the Ombudsman, Quezon City.

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the Office of the Ombudsman (OMB) in Administrative Case No. OMB-C-A-15-0076.

Antecedents

During his term as representative of the 1st District of Quezon City, Representative Vincent P. Crisologo (Rep. Crisologo) continuously endorsed the implementation of the Comprehensive Integrated Delivery of Social Services (CIDSS) programs in his legislative district to Kalookan Assistance Council, Inc. (KACI), a non-governmental organization (NGO), headed by Cenon M. Mayor (Mayor).⁵ The CIDSS was funded by the Priority Development Assistance Fund (PDAF). In 2009, a total of PHP 10 million, covered by two Special Allotment Release Orders (SARO) issued by the Department of Budget and Management (DBM), was taken from Rep. Crisologo's PDAF and released to the Department of Social Welfare and Development (DSWD), as the agency tasked to implement the CIDSS, to wit:⁶

SARO No. ROCS-09-01838 dated April 13, 2009	[PHP] 6,000,000.00
SARO No. ROCS-09-04691 dated June 30, 2009	[PHP] 4,000,000.00

In a Letter⁷ dated April 21, 2009, Rep. Crisologo requested DSWD Secretary Esperanza I. Cabral (Secretary Cabral) to transfer PHP 5 million to KACI, chargeable against his PDAF under SARO No. ROCS-09-01838, to cover the implementation of the CIDSS program in Quezon City.⁸ Secretary Cabral forwarded SARO No. ROCS-09-01838 to the Department Legislative Liaison Office (DLLO) of the DSWD, then headed by Mateo G. Montaña (Montaña).⁹

Meanwhile, as the chosen People's Organization (PO) of Rep. Crisologo, KACI submitted two project proposals in May and August 2009, to be funded by Rep. Crisologo's PDAF. The projects were intended to assist individuals in crisis situations such as, but not limited to, hospitalization, calamity, death, educational expenses, small scale livelihood and other similar financial expenses. The projects also proposed extending financial assistance at a maximum amount of PHP 25,000.00. Rep. Crisologo concurred with the project proposals.¹⁰

The budgetary requirements for the projects were as follows:¹¹

⁵ *Id.* at 45, 254.

⁶ *Id.* at 45-46. *See also Id.* at pp. 90-91, SARO dated April 13, 2009 and SARO dated June 30, 2009.

⁷ *Id.* at 92.

⁸ *Id.*

⁹ *Id.* at 46.

¹⁰ *Id.* at 255.

¹¹ *Id.*

SARO No. ROCS-09-01838

PROJECT	AMOUNT
1. Funeral and Medical Assistance	
a. Minimum of [PHP] 100-Maximum of [PHP] 25,000.00	[PHP] 1,250,000.00
b. Tents for Lend	[PHP] 250,000.00
2. Educational Assistance	
Minimum of [PHP] 1,000.00 – Maximum of [PHP] 25,000.00	[PHP] 500,000.00
3. Financial/Augmentation Assistance	
Minimum of [PHP] 1,000.00 – Maximum of [PHP] 25,000.00	[PHP] 1,250,000.00
4. Free Medical and Dental	[PHP] 250,000.00
5. Socio-Cultural Program	
a. Provision of equipment	[PHP] 250,000.00
b. Financial Assistance to Activities	[PHP] 250,000.00
6. Program Support for KACI (Administrative Expenses)	[PHP] 1,000,000.00
GRAND TOTAL	[PHP] 5,000,000.00

SARO No. ROCS-09-04691

PROJECT	AMOUNT
1. Funeral and Medical Assistance	
a. Minimum of [PHP] 1,000.00 – Maximum of [PHP] 25,000.00	[PHP] 600,000.00
b. Tents for Lend	[PHP] 250,000.00
2. Financial/Augmentation Assistance	[PHP] 550,000.00
Minimum of [PHP] 1,000.00 – Maximum of [PHP] 25,000.00	
3. Free Medical and Dental	[PHP] 250,000.00
4. Anti-Rabies Operation	[PHP] 250,000.00
5. Socio-Cultural Program	
a. Provision of equipment	[PHP] 250,000.00
b. Financial Assistance to Activities	[PHP] 250,000.00
6. Program Support for KACI (Administrative Expenses)	[PHP] 600,000.00
GRAND TOTAL	[PHP] 3,000,000.00

Upon receipt of the aforesaid project designs, Montañó issued two Memoranda, requesting Cabrera, who was the head of the Program Management Bureau (PMB), Director Sally Escutin (Escutin) of Legal Services, Director Desiree D. Fajardo (Fajardo) of the Finance Management

Services, and Director Susan Argel (Argel) of the BAC Secretariat, to review the project proposals submitted by KACI.¹²

Through an Office Memorandum¹³ dated May 11, 2009, Cabrera recommended the approval of the project proposals and their subsequent implementation, subject to legal restrictions and limitations. Escutin, for her part, discouraged the implementation of the first project proposal, as there was no basis for the 20% administrative expense charged by KACI. She also observed that the project is essentially a dole-out project and susceptible to fund slippage. Argel and Fajardo, on the other hand, did not interpose any objection but recommended the inclusion of the audit procedures under COA Circular No. 2007-001 in the Memorandum of Agreement (MOA). For the second project, Argel noted that the procedure in selecting qualified NGO/PO based on DSWD Memorandum Circular No. 15, series of 2009, must be observed. Fajardo and Escutin did not pose any objection, but Fajardo emphasized compliance with the provisions of COA Circular No. 2009-002, which states that “all release of funds to NGOS/POS shall be subject to pre-audit and that no subsequent releases shall be made unless the previous release is liquidated.”¹⁴

In a letter dated May 20, 2009, Mayor requested Montaña to facilitate the release of Rep. Crisologo’s PDAF. In the same letter, Mayor undertook to submit reports of all unliquidated projects of KACI during the years 2006 and 2007.¹⁵

Notwithstanding the unliquidated releases to KACI for previous projects and the observations made as to KACI’s qualifications, two MOAs¹⁶ were entered into by and among Mayor, as president of KACI, Rep. Crisologo, and Secretary Cabral, representing DSWD. Under the MOAs, the DSWD shall, among others, (1) transfer to KACI 30% of the program cost or the amounts of PHP 1,500,000.00 (for the first project) and PHP 900,000.00 (for the second project) upon approval and signing of the MOA; (2) transfer the remaining 70% or the amount of PHP 3,500,000.00 upon submission of accomplishment report and/or report of inspection by the DSWD; and (3) monitor the status of the program, as well as the utilization of the funds used for the same. On the other hand, KACI was expected to comply with the memorandum circulars of the DSWD on the management of PDAF. Pertinently, procurement of goods and services amounting to more than PHP 250,000.00 shall be undertaken by the DSWD. Accordingly, said amount shall no longer be released to KACI.¹⁷

¹² *Id.* at 47.

¹³ *Id.* at 94.

¹⁴ *Id.* at 48, 256.

¹⁵ *Id.* at 48. Copy of the letter dated May 20, 2009 was not attached to the Petition.

¹⁶ *Id.* at 95–100, Memorandum of Agreement dated May 20, 2009; *id.* at 101–106, Memorandum of Agreement dated August 28, 2009.

¹⁷ *Id.* See also *id.* at 96–97.

Upon signing of the MOAs, Montaña prepared Disbursement Vouchers representing 30% of the total cost of the projects, to wit:¹⁸

Disbursement Voucher 09-05-04579 dated May 21, 2009 (first project)	[PHP] 1,500,000.00
Disbursement Voucher 09-08-08519 dated August 28, 2009 (second project)	[PHP] 900,000.00

The DSWD then issued LBP Check Nos. 911100 and 965450 amounting to PHP 1,500,000.00 and PHP 900,000.00, respectively.¹⁹

On June 22, 2009 and November 3, 2009, Mayor informed Secretary Cabral that 30% of the projects were already complete and submitted partial liquidation reports. As a consequence thereof, Mayor requested for the release of the 70% of the budget allocation for the completion of the projects.²⁰

Based on the partial liquidation reports submitted by Mayor, Cabrera, through Pacita D. Sarino (Sarino), issued Certifications of Inspection Report. In the said Certifications, Cabrera certified that KACI has satisfactorily implemented 30% of the projects involved. Upon issuance of the Certifications of Inspection Report, Montaña issued disbursement vouchers, requesting the release of the remaining 70% of the funds, thus:²¹

Disbursement Voucher 09-06-06271 dated June 30, 2009 (first project)	[PHP] 3,500,000.00
Disbursement Voucher 09-11-12156 dated November 18, 2009 (second project)	[PHP] 2,100,000.00

The DSWD then issued the LBP Check Nos. 1017519 and 963535 amounting to PHP 3,500,000.00 and PHP 2,100,000.00, respectively.²²

On October 14, 2010, however, the Commission on Audit (COA) issued a Notice of Suspension due to the irregularities found in implementing the CIDSS under SARO No. ROCS-09-01838. The following defects were noted by the COA:²³

Amount	Particulars	Deficiencies
[PHP] 749,996.00	Procurement of tents, medicines, trophies, balls	The procurement, inspection[,] and

¹⁸ *Id.*

¹⁹ *Id.* at 49.

²⁰ *Id.*

²¹ *Id.*

²² *Id.*

²³ *Id.*

		<p>distribution of the goods/items purchased were not coordinated with the DSWD as required under the MOA. Since the procurement was above [PHP] 250,000.00, the funds that were used for the same should not have been released to the NGO concerned.</p> <p>No proof of canvass/bidding conducted and procurement plan for the project.</p>
[PHP] 451,000.00	Financial, burial assistance	<p>The payments were not supported with documents pursuant to Administrative Order No. 75. In addition, the following were observed:</p> <ul style="list-style-type: none"> • The recipients of assistance were coordinators of the legislator – [PHP] 410,000.00 • Twelve payees confirmed that they have not received the assistance – [PHP] 60,000.00
[PHP] 300,000.00	Administrative Expenses	<p>The expenses should have been shouldered by the NGO as their equity for the project, pursuant to COA Circular No. 2007-001. Justify why the same should be charged against the PDAF.</p>

The COA directed Mayor and Sarino to settle the defects noted and submit their compliance within a period of 90 days. However, Sarino and Mayor failed to comply with the directives of the COA within the period allowed. Hence, a Notice of Disallowance was issued on July 9, 2012.²⁴

Thereafter, a Complaint²⁵ was filed by the Public Assistance and Corruption Prevention Office (PACPO) against Cabrera, including other DSWD officials, Rep. Crisologo, and Mayor for violation of Section 3(e) of Republic Act No. 3019, malversation of public funds, grave misconduct,

²⁴ *Id.* at 51.

²⁵ *Id.* at 180–211.

conduct prejudicial to the best interest of the service, and gross neglect of duty.²⁶

The PACPO alleged, among others, that KACI is not an accredited PO under DSWD Memorandum Circular (MC) No. 24, series of 2009, and thus, not qualified to be a beneficiary of any PDAF. KACI also failed to comply with its obligations under the MOA.²⁷

As for Cabrera's personal liability, the PACPO claimed that, as head of the PMB, she should have monitored the status of the project, as well as the utilization of the funds released. The PACPO pointed out that Cabrera failed to discharge her functions with the necessary diligence when she certified the completion of the projects without even reviewing them. Whether or not Sarino sought her authority in issuing the Certificates of Inspection Report, she should have reviewed the same or at least denounced Sarino's action if the same was made without her express authority. As head of the PMB, it was incumbent upon her to see to it that no transactions which required the approval of her office be entered into without her knowledge, much more her acquiescence and authority.²⁸

Cabrera filed her Counter-Affidavit²⁹ on December 8, 2015. She countered that Sarino acted as her substitute and not as her subordinate. As such, she was not required to review the acts executed by Sarino while the latter was the PMB's OIC. At any rate, Cabrera averred that she should not be made liable to the acts of her subordinate following the ruling in *Arias v. Sandiganbayan*.³⁰ She also asseverated that there was no malversation of public funds as there was no allegation that she personally took or misappropriated actual funds.³¹

In an Order³² dated January 22, 2016, Task Force PDAF of the Office of the Ombudsman required the parties to submit their respective position papers. Cabrera, Montaña, and Sarino filed their consolidated Position Paper on March 28, 2016.³³

In their Position Paper,³⁴ Cabrera and her colleagues insisted that the selection of KACI as a beneficiary was made in the regular course of business. They alleged that KACI was registered as a Partner-NGO since June 18, 2004. Its registration then has officially included KACI in the registry of social

²⁶ *Id.* at 51.

²⁷ *Id.*

²⁸ *Id.*

²⁹ *Id.* at 212–216.

³⁰ 259 Phil. 794 (1989) [Per J. Gutierrez, Jr., *En Banc*]

³¹ *Rollo*, pp. 51–52.

³² *Id.* at 218–219. The January 22, 2016 Order in OMB-C-A-15-0076 was signed by Executive Officer M.A. Christian O. Uy of the Office of the Ombudsman, Quezon City.

³³ *Id.* at 52.

³⁴ *Id.* at 222–251.

welfare development agencies of the Department. In fact, on March 19, 2009, KACI was granted a Certificate of Registration and License to Operate. During that time, the DSWD only accredits programs and it only registers and licenses Social Welfare Development Agencies (SWDA). While COA Circular 2007-001 was issued in 2007, Cabrera asserted that she received the same in January 2008. She explained that since the DSWD could not immediately implement the above-mentioned circular, no actual accreditation was held. Based on their interpretation of the circular, accredited NGO/PO also refer to licensed SWDA. The requirements were dispensed with because KACI was a recognized and duly licensed SWDA.

Cabrera also asseverated that Sarino acted as the OIC Director of PMD and not merely a subordinate. Sarino, on the other hand, claimed that she diligently reviewed the liquidation reports and supporting documents submitted by KACI.

In its Decision,³⁵ the OMB found that there was indeed misappropriation of public funds through the negligence of Cabrera and the other respondents. Hence, they were found administratively liable for grave misconduct, serious dishonesty, and conduct prejudicial to the best interest of the service, thus:

WHEREFORE, this Office, through the undersigned, finds respondents MATEO G. MONTAÑO, VILMA B. CABRERA, and PACITA D. SARINO administratively liable for Grave Misconduct, Serious Dishonesty and Conduct Prejudicial to the Best Interest of the Service and hereby orders their DISMISSAL from the service with FORFEITURE of retirement benefits, CANCELLATION of eligibility, BAR from taking civil service examinations and PERPETUAL DISQUALIFICATION from re-employment in the government service.

In the event that above-named respondents are already retired or separated from government service or if the principal penalty cannot be enforced for any reason, the alternative penalty of FINE equivalent to ONE YEAR'S SALARY is hereby imposed upon [them] with the same accessory penalties of forfeiture of benefits and privileges and perpetual disqualification from the re-employment in government service.

Compliance is respectfully enjoined consistent with Section 15.3 of [Republic Act] No. 6770.

SO ORDERED.³⁶

Aggrieved, Cabrera filed a Petition for Review³⁷ under Rule 43 before the CA.

³⁵ *Id.* at 252-284.

³⁶ *Id.* at 282.

³⁷ *Id.* at 291-333.

In the assailed Decision,³⁸ the CA denied the Petition for Review and affirmed the Decision of the OMB. Cabrera filed a Motion for Reconsideration which was denied in the assailed Resolution.³⁹

Hence, this Petition where Cabrera raises the following issues:

First, whether KACI was qualified to receive the PDAF funding from the DSWD. Therefore, her recommendation to approve the project proposal should not make her administratively liable;⁴⁰

Second, whether the transfer of funds from the DSWD to KACI was valid pursuant to the Philippine Constitution and the mandate of the DSWD as an agency; and⁴¹

Lastly, whether there is substantial evidence to hold her liable for grave misconduct, serious dishonesty and conduct prejudicial to the best interest of the service.⁴²

In its Comment,⁴³ the OMB, through the Office of the Solicitor General (OSG), argues that KACI was not a qualified NGO which could receive funds due to the absence of the requisite endorsement from the Standards Bureau. Hence, the CA did not err in finding petitioner Cabrera guilty of grave misconduct, serious dishonesty and conduct prejudicial to the best interest of the service.⁴⁴

In her Reply,⁴⁵ Cabrera reiterates the arguments in her Petition. She maintains that KACI was a qualified NGO at the time of the transaction based on the issued Certificate of Registration, and Certificate of Registration and License to Operate by the DSWD. These documents were issued by the National Capital Region Field Office and the Standards Bureau, respectively, which are the offices independently tasked to check the eligibility of SWDAs that receive PDAF transfers from the DSWD. It has been a practice of the Department, and not the petitioner alone, that the endorsement of the Standards Bureau is dispensed with once an NGO is already a recognized and duly licensed SWDA. The process of issuing a certification and a license is

³⁸ *Id.* at 45–60.

³⁹ *Id.* at 63–64.

⁴⁰ *Id.* at 23.

⁴¹ *Id.* at 30.

⁴² *Id.* at 35.

⁴³ *Id.* at 874–888.

⁴⁴ *Id.* at 878–879.

⁴⁵ *Id.* at 936–948.

conducted by the Standards Bureau, which checks the eligibility of the NGO to become a partner of the DSWD in implementing the CIDSS project.⁴⁶

The sole issue for consideration is whether the CA correctly affirmed the Decision of the OMB which found Cabrera administratively liable for grave misconduct, serious dishonesty, and conduct prejudicial to the best interest of the service.

We answer in the affirmative.

Grave misconduct is defined as the transgression of some established and definite rule of action, more particularly, unlawful behavior or gross negligence by a public officer coupled with the elements of corruption, willful intent to violate the law or to disregard established rules.⁴⁷ The same must be established by substantial evidence.⁴⁸

To warrant dismissal from the service, the misconduct must be grave, serious, important, weighty, momentous, and not trifling. It must imply wrongful intention and not a mere error of judgment and must also have a direct relation to and be connected with the performance of the public officer's official duties amounting either to maladministration or willful, intentional neglect, or failure to discharge the duties of the office. In order to differentiate gross misconduct from simple misconduct, the elements of corruption, clear intent to violate the law, or flagrant disregard of established rule, must be manifest in the former.⁴⁹

On the other hand, established jurisprudence defines dishonesty, as follows:

As an administrative offense, dishonesty is defined as the concealment or distortion of truth in a matter of fact relevant to one's office or connected with the performance of his /[her] duty. It is the "disposition to lie, cheat, deceive or defraud; untrustworthiness; lack of integrity, lack of honesty, probity or integrity in principle; lack of fairness and straightforwardness; disposition to defraud, deceive or betray." Dishonesty requires malicious intent to conceal the truth or to make false statements. In short, dishonesty is a question of intention. Although this is something internal, we can ascertain a person's intention not from his /[her] own protestation of good faith, which is self-serving, but from the evidence of his /[her] conduct and outward acts.⁵⁰ (Citations omitted)

⁴⁶ *Id.* at 936-937.

⁴⁷ *Ramos v. Rosell*, 885 Phil. 703, 718 (2020) [Per J. Lopez, First Division].

⁴⁸ *Office of the Court Administrator v. Umblas*, 795 Phil. 515, 522 (2016) [*Per Curiam, En Banc*].

⁴⁹ *Office of the Court Administrator v. Viesca*, 758 Phil. 16, 27 (2015) [*Per Curiam, En Banc*], citing *OCA v. Amor*, 745 Phil. 1, 8 (2014) [Per J. Perlas-Bernabe, *En Banc*], citing *Echano, Jr. v. Toledo*, 645 Phil. 97, 101 (2010) [Per J. Abad, Second Division], further citing *Bureau of Internal Revenue v. Organo*, 468 Phil. 111, 118 (2004) [Per J. Panganiban, First Division].

⁵⁰ *Ramos v. Rosell*, 885 Phil. 703, 714 (2020) [Per J. Lopez, First Division].

Dishonesty shows lack of integrity or a disposition to defraud, cheat, deceive, or betray, or intent to violate the truth.⁵¹

Conduct prejudicial to the best interest of the service has been consistently held to pertain to acts that tarnish the image and integrity of the public office, although not necessarily related or connected to the public officer's function.⁵² It pertains to any conduct that is detrimental or derogatory or naturally or probably bringing about a wrong result; it refers to acts or omissions that violate the norm of public accountability and diminish—or tend to diminish—the people's faith in the public office.⁵³ Prejudice to the service is not only through wrongful disbursement of public funds or loss of public property. Greater damage comes with the public's perception of corruption and incompetence in the government.⁵⁴

In this case, We affirm the factual findings and conclusions of the OMB, as affirmed by the CA, that petitioner Cabrera is guilty of grave misconduct, serious dishonesty, and conduct prejudicial to the best interest of the service.

As a general rule, the findings of fact and conclusions by the OMB are conclusive when supported by substantial evidence. Its factual findings are generally accorded great weight and respect, if not, finality by the courts, by reason of their special knowledge and expertise over matters falling under its jurisdiction.⁵⁵

Cabrera claims that KACI was already recognized as a duly licensed SWDA as it has been registered since 2002 and was granted a Certificate of Registration and License to Operate in 2009. She adds that KACI is officially included in the registry of SWDAs of the DSWD. Cabrera based her claims on DSWD MC No. 15, Series of 2006, which reads in part, as follows:

To reconcile the definition of the term 'accreditation' as used in COA Circular No. 96-003 against DSWD standards on the recognition of Non-Governmental Organization/People's Organization (NGOs/POs) as social welfare and development entities of good standing, Section 4.1 of Memorandum Circular No. 24, series of 2005, is hereby further amended to read as follows:

4.1. In deference to DSWD mandate on the regulation of NGOs/POs and in pursuit of strengthening the accountability

⁵¹ *Fajardo v. Corral*, 813 Phil. 149, 157 (2017) [Per J. Tijam, Third Division].

⁵² *Office of the Ombudsman v. Borja*, 772 Phil. 470, 480 (2015) [Per J. Perlas-Bernabe, First Division].

⁵³ *Zarate-Fernandez v. Lovendino*, 827 Phil. 191, 199 (2018) [*Per Curiam, En Banc*], citing *Contreras-Soriano v. Salamanca*, 726 Phil. 355, 361–362 (2014) [Per J. Reyes, First Division].

⁵⁴ *Duque III v. Veloso*, 688 Phil. 318, 328 (2012) [Per J. Brion, *En Banc*].

⁵⁵ *Chavez v. Garcia and the Office of the Ombudsman*, 783 Phil. 562, 572 (2016) [Per J. Brion, Second Division].

system covering government funds, only registered NGOs shall be eligible for any PDAF transfer from DSWD. For this purpose, the DLLO shall determine the eligibility of the identified NGOs/POs/LGUs through an endorsement from the Standards Bureau of the Field Office concerned prior to the processing of the request of fund transfer by the solons. (Emphasis Supplied)

As correctly ruled by the CA, Cabrera's interpretation of the aforesaid Circular is misplaced. Her argument that the comments of the Standards Bureau can be dispensed with because KACI is already a recognized duly licensed SWDA deserves scant consideration.

A simple perusal of the Circular clearly shows that a registered NGO/PO may be qualified to receive the PDAF provided that the DLLO identifies the eligibility of the same through an endorsement from the Standards Bureau. Thus, Cabrera could not interpret the Circular without taking into consideration the whole context or import of the Circular. Its provisions must be read in relation to the whole law. Every part of the statute must be interpreted with reference to the context, in that every part of the statute must be considered together with other parts of the statute and kept subservient to the general intent of the whole enactment.⁵⁶

We note that Cabrera failed to prove that the DSWD automatically considers all SWDAs as accredited NGO/PO which can receive the PDAF. Moreover, she failed to substantiate her claim that SWDAs could be exempted from the endorsement requirement from the Standards Bureau. Furthermore, Cabrera failed to show compliance with DSWD MC No. 15, Series of 2009, to wit:

4. Transfer of Funds to NGOs/POs/LGUs

4.1. The legislator shall identify through a letter to DSWD the priority projects under its authorized budget, which may be implemented by NGO/PO. The information on the projects shall include their purposes, specifications and intended beneficiaries and timetable for the implementation of the project. To ensure transparency, the foregoing information shall be made public via newspapers, agency websites, bulletin boards and the like, at least three months prior to the target date of the start of the identified project/s.

4.2. NGOs/POs that are interested to engage in partnership with the Department on the implementation of the project shall submit a complete project proposal approved/signed by its officers which shall include the

⁵⁶ *Tan v. Crisologo*, 820 Phil. 611, 624 (2017) [Per J. Martires, Third Division].

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objectives, target beneficiaries, feasibility studies, risk assessment, designs, plans, blueprints, charts, etc.

4.3 The Department shall select the NGO/PO partner through a Selection Committee to be created by the Department. The Selection Committee shall perform the selection process, including the screening of the qualifications documents, ocular inspection of the NGOs/POs business site, and evaluation of the technical and financial capability of the NGO/PO.

4.4 To expedite the process of selection, the Standards Bureau shall provide the Selection Committee a list of accredited NGOs as a permanent reference file, where the Committee could refer to with regard to, among others, its status, basic information and the services provided by said NGO.

Selection of NGO/PO

4.5 In deference to DSWD mandate on the regulation of NGOs/POs and in pursuit of strengthening the accountability system covering government funds, only NGOs registered and licensed by the DSWD shall be eligible for any transfer of DSWD funds.

4.5.1 A DSWD Selection Committee shall be created for the purpose which shall formulate the criteria for the selection of NGOs/POs that would implement the social welfare/development program/project.

.....

4.5.6 NGOs shall not be eligible for DSWD engagement or transfer of DSWD funds under the following conditions:

- **NGOs found by either the Internal Audit Services (IAS) or Program Management Bureau (PMB) or Financial Management Service (FMS) or the Legal Service (LS) or Standards Bureau (SB) or Administrative Service (AS)/Bids and Awards Committee (BAC) Secretariat or any duly constituted DSWD body to have materially violated the provisions of the Memorandum of Agreement (MOA) with DSWD, among others: non-delivery or incomplete delivery of programs/projects as approved by DSWD and stipulated in the MOA; non-**

**liquidation of cash advances;
fraudulent liquidation of cash
advances; and; other similarly
related cases;** (Emphasis supplied)

From the foregoing, it is clear that KACI is not qualified to be a beneficiary of the PDAF due to its failure to comply with the requirements of the law or, at the very least, provide an explanation for its failure to comply with the same.

We further note that the facts and circumstances surrounding this case would show that there were several irregularities surrounding the release and use of the PDAF for which Cabrera must be held accountable, to wit:

- 1) Cabrera approved the project proposals of KACI even without the required accreditation or following the procedure for accreditation;
- 2) She approved the project proposals of KACI despite the fact that the proposals were signed only by Mayor;
- 3) She approved the project proposal despite the fact that KACI failed to liquidate previous advances;
- 4) She issued Certifications of Inspection Report without actually reviewing the documents submitted by KACI; and
- 5) She failed to monitor the utilization of the funds used for the project.

Verily, as found by the CA, Cabrera's conduct is not just a mere oversight. She failed to exercise the utmost diligence in the conduct of her administrative responsibilities. The observance of the provisions of the Circulars are mandatory in nature and are designed to promote full accountability for government funds and, therefore, could not just be disregarded by mere practice.⁵⁷

As a final attempt at exoneration, Cabrera argues that Sarino signed the Certifications as the Officer-in-Charge of the PMB. Thus, Sarino was acting as her substitute and not her subordinate.

This argument is untenable.

⁵⁷ *Office of the Court Administrator v. Dionisio*, 792 Phil. 7, 10 (2016) [Per J. Mendoza, Second Division].

We note that both Certifications of Inspection Report dated June 30, 2009⁵⁸ and November 11, 2009⁵⁹ were signed by Sarino *on behalf* of Cabrera. One of the Certifications is quoted in full, as follows:

CERTIFICATION OF INSPECTION REPORT

This is to certify that the 1st Tranche of the project funded from the Priority Development Assistance Fund of [Representative] Vincent P. Crisologo has been completed by “Kalookan Assistance Council, Inc.” and hereby accepted.

This certification is issued in compliance with the requirement of the Department of Social Welfare and Development under Memorandum Circular No. 24, Series of 2005, as amended, and COA Circular No. 2007-001 dated October 25, 2007 as a condition for the release of the 2nd Tranche for the project.

Done in Quezon City, this 30 day of June 2009.

for (signed by Sarino)
VILMA B. CABRERA
Assistant Secretary and Head
Program Management Bureau

As correctly observed by the CA, while it appears that Sarino signed the Certifications, it also appears that these were made on behalf of Cabrera, as indicated by the word ‘for’. Thus, Cabrera’s allegation that Sarino acted in her own volition does not absolve her from administrative liability. As the Head of the PMB, she should have reviewed the documents signed by Sarino in her absence, especially so since it was signed on her behalf. More importantly, she should have exercised utmost care in reviewing the same because it involves the use or release of public funds. Hence, Cabrera was remiss in her duty to the point that a second Certification was signed and issued for her by Sarino without the proper review and accounting.

As a final note, this Court has repeatedly emphasized the time-honored rule that a public office is a public trust, and that 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.⁶⁰ This high constitutional standard of conduct is not intended to be mere rhetoric and taken lightly as those in the public service are enjoined to fully comply with this standard or run the risk of facing

⁵⁸ *Rollo*, p. 123.

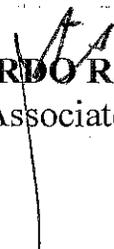
⁵⁹ *Id.* at 179.

⁶⁰ *See Office of the Ombudsman v. Espina*, 807 Phil. 529, 547 (2017) [*Per Curiam*, First Division].

administrative sanctions ranging from reprimand to the extreme penalty of dismissal from the service.⁶¹ Public officers, as recipients of public trust, are under obligation to perform the duties of their offices honestly, faithfully, and to the best of their ability.⁶² Unfortunately, Cabrera failed in this respect.

ACCORDINGLY, the Petition for Review on *Certiorari* is **DENIED**. The Decision dated April 11, 2019 and Resolution dated August 7, 2019 of the Court of Appeals in CA-G.R. SP No. 152325, are **AFFIRMED**.

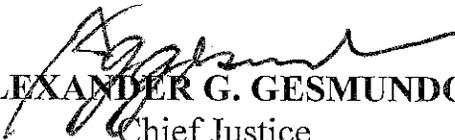
SO ORDERED.

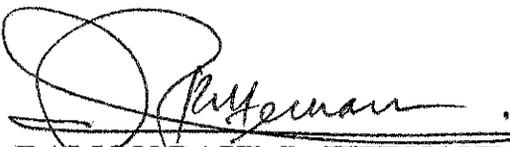

RICARDO R. ROSARIO
Associate Justice

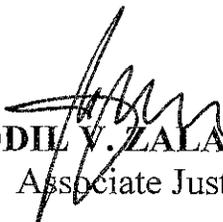
⁶¹ *Amit v. Commission on Audit*, 699 Phil. 9, 25 (2012) [Per J. Brion, *En Banc*].

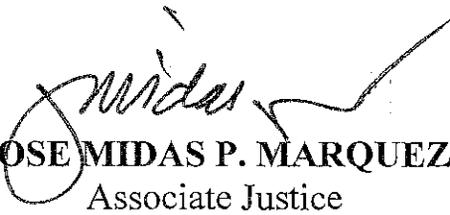
⁶² *Peñalosa v. Viscaya, Jr.*, 173 Phil. 487, 489 (1978) [Per J. Antonio, Second Division].

WE CONCUR:


ALEXANDER G. GESMUNDO
Chief Justice
Chairperson


RAMON PAUL L. HERNANDO
Associate Justice


RODIL V. ZALAMEDA
Associate Justice


JOSE MIDAS P. MARQUEZ
Associate Justice

CERTIFICATION

Pursuant to Article VIII, Section 13 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.


ALEXANDER G. GESMUNDO
Chief Justice