

**Ethics, Integrity and
Accountability in Public Financial
Management in relation to**

ANTI-CORRUPTION LAWS





OBJECTIVE

At the end of the session, the participants will be able to identify common acts that are considered corrupt practices of public officers.



OFFICE OF THE OMBUDSMAN



MANDATE

The Ombudsman and his Deputies, as protectors of the people, shall act promptly on complaints filed in any form or manner against officers or employees of the Government ...

(Section 13, RA 6770, Art. XI, Sec. 12, Constitution)



JURISDICTION

Investigate and prosecute on its own or on complaint by any person, any act or omission of any public officer or employee, office or agency, when such act or omission appears to be illegal, unjust, improper or inefficient.

(Section 15 (1), RA 6770)



DISCIPLINARY AUTHORITY

All elective and appointive officials of the government agencies, including Members of the Cabinet, local government, GOCCs, except over officials who may be removed only by impeachment, members of Congress, and the Judiciary.

(Section 21, RA 6770)



INVESTIGATIVE
AUTHORITY

Over impeachable officers for purposes of
filing a complaint for impeachment

Over private individuals
in conspiracy with a public official or employee

(Section 22, RA 6770)



FUNCTIONS

Public
Assistance

Investigation

Graft
Prevention

Adjudication

Prosecution



OMB PROCESS

Process in Filing a Complaint

- Complaint-Affidavit with VCNFS
- Evidence – object, documentary and testimonial

Evaluation

- Outright dismissal
- Submit lacking documents
- Referral to other agency/ies
- For docketing (*Preliminary Investigation and Administrative Adjudication*)
- For Case Build-up/Fact-Finding Investigation



ANTI-CORRUPTION LAWS

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Public Officers Definitions

Who are Public Officers?

“For the purpose of applying the provisions of this and the preceding titles of this book, ***any person who***, by direct provision of the law, popular *election or appointment* by competent authority, shall take part in the *performance of public functions* in the Government of the Philippine Islands, or shall perform in said Government or in any of its branches *public duties as an employee, agent or subordinate official, of any rank or class*, shall be ***deemed to be a public officer.***” (*Revised Penal Code, Art. 203*)

"Public officer" includes elective and appointive officials and employees, permanent or temporary, whether in the classified or unclassified or exempt service receiving compensation, even nominal, from the government as defined in the preceding subparagraph”. (*Section 2, RA 3019*)

"Public Officials" includes elective and appointive officials and employees, permanent or temporary, whether in the career or non-career service, including military and police personnel, whether or not they receive compensation, regardless of amount”. (*Section 3 (b), RA 6713*)



A c c o u n t a b l e
O f f i c e r s
D e f i n i t i o n s

Who are Accountable Officers?

- Accountable public officer is a public officer who, by reason of his office, is accountable for public funds and property (*Government Auditing Code of the Philippines*)
- Any officer of the local government unit whose duty permits or requires the possession or custody of local government funds shall be accountable and responsible for the safekeeping thereof (*Local Government Code*)



ANTI- CORRUPTION LAWS

- **Republic Act No. 3019** "Anti-Graft and Corrupt Practices Act"
- **Republic Act No. 6713** "Code of Conduct and Ethical Standards for Public Officials and Employees"
- Crimes committed by Public Officers/Employees under the **Revised Penal Code** (Act No. 3815, as amended by RA 10951)
- **Presidential Decree No. 46** "Making it punishable for Public Officials and Employees to Receive, and for Private Persons to Give Gifts on any Occasion, including Christmas"
- **Republic Act No. 1379** "Unexplained Wealth Act" /Ill-gotten Wealth/Forfeiture Law



REPUBLIC ACT NO. 6713

“Code of Conduct and Ethical Standards”

Anti-
Corruption
Laws





Section 5 -Duties of Public Officials and Employees

RA 6713,
Sec 5(a~e)

- (a) Act promptly on letters and requests
- (b) Submit annual performance reports
- (c) Process documents and papers expeditiously
- (d) Act immediately on the public's personal transactions.
- (e) Make documents accessible to the public



RA 6713,
Sec 7(a~d)

Section 7 -Prohibited Acts and Transactions

- (a) Financial and material interest.
- (b) Outside employment and other activities related thereto
- (c) Disclosure and/or misuse of confidential information.
- (d) Solicitation or acceptance of gifts.



Crimes committed by Public Officers/ Employees under the

REVISED PENAL CODE

(Act No. 3815, as amended by RA 10951)

**Anti-
Corruption
Laws**





RPC

*RA 10951 primarily UPDATES the PENALTIES for crimes involving property, such as theft, estafa (fraud), and malversation of public funds. It also amends penalties for other offenses to ensure that they are COMMENSURATE with the GRAVITY of the crime committed.





RPC

Common Violations under the **Revised Penal Code**

- Falsification (Art. 171)
- Bribery (Art. 210)
- Malversation of Public Funds or Property (Art. 217)
- Failure to Render Accounts (Art. 218)
- Illegal Use of Public Funds or Property (Art. 220)





RPC

BRIBERY





THE STORY OF JUDGE DRED

JOSE filed an election protest against PEDRO before the MTCC of Lumang Bayan presided by Judge Dred. JUANA was the Court Interpreter of said MTCC.

During the pendency of the election protest, Judge Dred borrowed ₱20,000.00 from PEDRO. The money was received by JUANA and she delivered the same to Judge Dred. The amount was in consideration of a favorable judgement issued by Judge Dred in the election protest in favor of PEDRO. The favorable decision was rendered by Judge Dred after his receipt of the ₱20,000.00.

**Situation
1**





Case # 1

Jurisprudence

- **Mangulabnan vs. People**
G.R. No. 236848, 8 June 2020
- **Ruling: Convicted**
Guilty of Direct Bribery under Art. 210, RPC
- **Penalties:**
Imprisonment (4-9 years)
Fine (3x the value, or Php60,000.00)
Special temporary disqualification from holding public office
- **Administrative Complaints:**
Judge: He had already been dismissed from service in PREVIOUS Admin Case; he was simply ordered to pay 50k FINE.
Court Interpreter: Suspended for 1 year; with mitigating circumstance. This appears to be her first offense. Dismissal from the service is too harsh.



Article 210, Revised Penal Code

Elements

**Direct
Bribery
(Art. 210, RPC)**

- Public officer does an act (that may or may not be a crime) or does not do an act in connection with the performance of his official duties.
- The doing or not doing was because of another person's offer, promise, gift, or present.
- The offer, promise, gift or present was received personally or through another person.



Article 210, Revised Penal Code

Penalties

- Imprisonment
6 months to 6 years (or) 6 years to 12 years.
- Fine at least 3x the value of the gift or present received.
- Special temporary disqualification from public office

**Direct
Bribery
(Art. 210, RPC)**



Other
Laws on
Gift

**REPUBLIC ACT
NO. 6713,
Section 7(d)**





Section 7 (d) – Prohibited Acts and Transaction

R. A. 6713

Solicitation or acceptance of gifts. - Public officials and employees shall not solicit or accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan or anything of monetary value from any person in the course of their official duties or in connection with any operation being regulated by, or any transaction which may be affected by the functions of their office.



Situation # 2

Assistant Provincial Prosecutor and his wife were accused of soliciting money from the mother of Mr. X, who has a pending case before the Assistant Prosecutor.



Jurisprudence

Case # 2

- **Cabaron and Cabaron vs. People and SB**

G.R. No. 156981, 05 October 2009

- **Ruling:**
Convicted

GUILTY of violation of Sec. 7(d) of R.A. 6713

- **Penalties**

Imprisonment (1-2 years)

Damages (both accused are solidarily liable to the mother of Mr. X in the amount of P30,000.00 as moral damages)



Other
Laws on
Gift

PRESIDENTIAL DECREE NO. 46





PD 46

Making it punishable for public officials and employees to receive, and for private persons to give, gifts on any occasion, including Christmas.



RPC

MALVERSATION

**OF PUBLIC FUNDS OR
PROPERTY**

RPC, ARTICLE 217



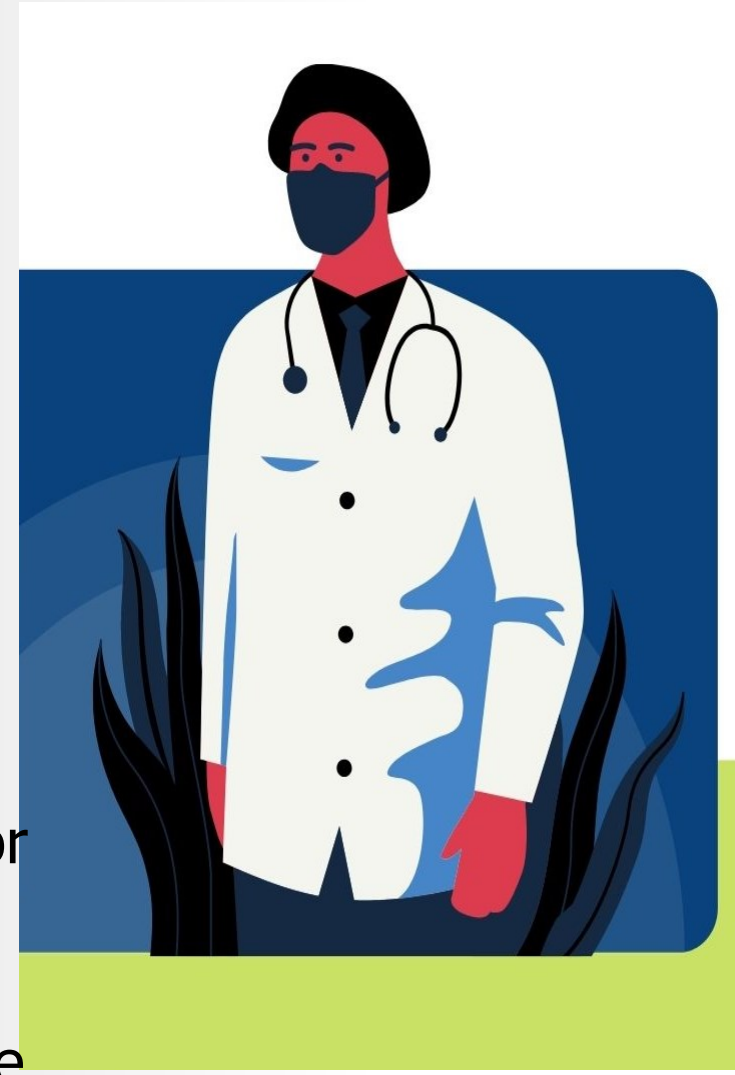


Situation #3

Dr. Juan is the Chief of Kagandahan District Hospital.

The Hospital has a supply of various medicines. As Chief of Hospital, Dr. Juan directed the Supply Officer to get him various medicines from the hospital stock. Dr. Juan signed Requisition and Issue Vouchers with the list of the medicines he received for his personal use.

When audited, Dr. Juan could not account or give a reasonable excuse for the disappearance of said medicines. Later, however, Dr. Juan replaced the medicines he took.





Case # 3

Jurisprudence

- **Penanueva, Jr. vs. Sandiganbayan and People**
G.R. Nos. 98000-02, 30 June 1993 (3 counts of Malversation valued at P5,502.95; P9,525.30; & P10,620.00)
- **En Banc Ruling:** Guilty of Malversation of Public Property
- **Penalties:**
 - Imprisonment** (2-6 years; 6-10 years) with mitigating circumstance of
 - Restitution** (replacement of medicine)
 - (**N.B.** The return of amount malversed does NOT exculpate him from criminal liability)

 - Fine** (P5,502.95; P9,525.30; & P10,620.00)

 - Perpetual disqualification from Office**



Elements

- 1 Offender is a public officer;
- 2 Had custody or control of funds or property by reason of the duties of his/her office;
- 3 Funds or property were public funds or property for which he/she was accountable;
- 4 Appropriated, took, misappropriated or consented or,
- 5 Through abandonment or negligence, permitted another person to take it.

MALVERSATION

Article 217, RPC
(as amended by Section
40, R.A. 10951)



Effect of Reimbursement

- Not a defense, only mitigating
- Payment only erases the civil aspect

MALVERSATION

Article 217, RPC
(as amended by Section
40, R.A. 10951)



Penalties

Amount Malversed/Misappropriated	Imprisonment
does not exceed ₱40K	6 months and 1 day to 6 years
more than ₱40K but does not exceed ₱1.2M	6 months and 1 day to 12 years
more than ₱1.2M but does not exceed ₱2.4M.	6 years and 1 day to 12 years
more than ₱2.4M but does not exceed ₱4.4M.	12 years and 1 day to 20 years
more than ₱4.4M but does not exceed ₱8.8M	
amount exceeds ₱8.8M	Imprisonment for at least thirty (30) years

MALVERSATION

Article 217, RPC
(as amended by Section
40, R.A. 10951)



Penalties

- Perpetual special disqualification to hold public office; and
- Fine
 - a. equal to the amount of the funds malversed, or
 - b. equal to the total value of the property embezzled.

MALVERSATION

Article 217, RPC
(as amended by Section
40, R.A. 10951)



Jurisprudence involving Government Accountants

Case #4

Case Title:

**ZOLETA vs. SANDIGANBAYAN
AND PEOPLE**

G.R. No. 185224, July 29, 2015



Situation No. 4

Parties Involved:

- Vice Governor (*He died in a vehicular accident*)
- **Provincial Accountant** (*At large*)
- Provincial Board Member (*At large*)
- Executive Assistant III (*Daughter of Vice Governor*)
- Private Individual (*Payee/Alleged Treasurer of the Cooperative*)



Situation
No. 4

Amount Involved:

Php 20,000.00



**Situation
No. 4**

- 1. Disbursement Voucher** (signed by VG, Board Member and Accountant)
- 2. LBP Check** (signed by Vice Governor)
- 3. COA Audit Report** (Special Audit)
- 4. ALOBS** (signed by Accountant)
- 5. Letter Request for Financial Assistance**



Situation
No. 4

Republic of the Philippines OFFICE OF THE OMBUDSMAN Agham Road, Diliman, Quezon City			
DISBURSEMENT VOUCHER			Fund Cluster :
			Date :
			DV No. :
Mode of Payment	<input type="checkbox"/> MDS Check <input type="checkbox"/> Commercial Check <input type="checkbox"/> ADA <input type="checkbox"/> Others (Please specify)		
Payee			TIN/Employee No.:
Address			
A. Certified: Expenses/Cash Advance necessary, lawful and incurred under my direct supervision.			
_____ Printed Name, Designation and Signature of Supervisor			
B. Accounting Entry:			
Account Title		UACS Code	Debit
			Credit
C. Certified:		D. Approved for Payment	
<input type="checkbox"/> Cash Available NCA No.			
<input type="checkbox"/> Subject to Authority to Debit Account (when applicable)			
<input type="checkbox"/> Supporting documents complete and amount claimed proper			
Signature			Signature
Printed Name			Printed Name
Position			Position
Date			Date
E. Receipt of Payment			JEV No.
Check/			Bank Name & Account Number:
ADA No. :		Date :	
Signature :		Date :	Printed Name:
Official Receipt No. & Date/Other Documents			Date



Situation No. 4

SB HELD: Vice Governor conspired with private individual and with the other accused using in dummy organization to facilitate Malversation.

- Non-existent cooperative/dummy organization
- VG's own daughter (EA) ordered a Computer Operator to make a Letter Request for FINANCIAL ASSISTANCE using a non-existent cooperative.
- Executive Assistant directed the another staff, Office of the Vice Gov. to FALSIFY the signature of the Cooperative's Secretary on the Letter Request.
- VG certified and approved the DV
- EA presented the DV to the Board Member, Accountant and VG for their respective signatures.



Situation No. 4

GROUNDS FOR PETITION FOR REVIEW ON CERTIORARI

Accounting

- SB Decision was VOID. One of its signatories, Justice Gregory Ong was not a natural-born Filipino; hence, not qualified to be a SB Justice.
- The totality of evidence presented by the Prosecution is INSUFFICIENT to overcome Petitioner's PRESUMPTION OF INNOCENCE.
- SB denied her due process when it issued an Order amending certain portions of PTO without any hearing.



Situation No. 4

SC HELD:

SB correctly convicted the Petitioner of the Complex Crime of Malversation of Public Funds through Falsification of Public Documents. ALL the elements of Malversation have been established by the Prosecution;

SB Decision affirmed with modification:

- **Imprisonment** (The maximum term was increased, 14-16 years to 16-18 years)
- **Accused were directed to pay Php20,000.00** to the Provincial Government plus interest from January 2002.



Situation No. 4

- There is no doubt that VG facilitated the illegal release of the fund by signing the questioned DV. Without the signatories of VG, EA and private individual (alleged Treasurer/payee/recipient of check), the amount could not have been disbursed.
- Accused readily signed the DV with its supporting documents despite lack of proper documentation.
- EA-Petitioner had contact with the payee of the check (alleged Treasurer) who received the amount.

Their **COMBINED ACTS** coupled with the **FALSIFICATION** of the signature of the named Secretary of the Cooperative, **ALL LEAD** to the **CONCLUSION** that the **ACCUSED CONSPIRED TO DEFRAUD THE GOVERNMENT.**



RPC

ILLEGAL USE OF PUBLIC FUNDS OR PROPERTY

(TECHNICAL MALVERSATION)

RPC, ARTICLE 220





Elements

ILLEGAL USE OF PUBLIC FUNDS OR PROPERTY

(Article 220, RPC)

- 1 That the offender is a public officer;
- 2 Public fund or property is under his/her administration;
- 3 Such public fund or property has been appropriated by law or ordinance;
- 4 Applies the same to a public use **other than** that for which such fund or property has been appropriated by law or ordinance.



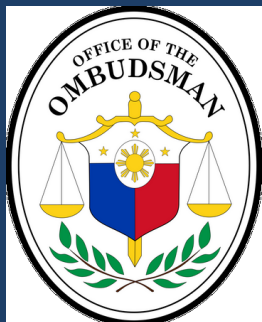
Jurisprudence

- **Ysidoro vs. People**

G.R. No. 192330, 14 November 2012

- **Facts of the case:** Municipal Mayor was charged for illegal diversion of goods worth Php3,396.00 (consisting of 4 sacks of rice and 2 boxes of sardines)
- **Ruling:** Convicted
- **Penalty:** Fine only (50% of the sum misapplied, or P1,698.00)
- **Justification:** His action caused no damage or embarrassment to public service

Case #5c



Jurisprudence

Imprisonment

6 months and 1 day to 6 years;

Fine

If by reason of such misapplication, any **damages** or **embarrassment** shall have resulted to the public service.

- Ranging from one-half to the total of the sum misapplied;

Case #5



RPC

FAILURE OF ACCOUNTABLE OFFICER TO RENDER ACCOUNTS

RPC, ARTICLE 218





**FAILURE OF
ACCOUNTABLE
OFFICER TO
RENDER ACCOUNTS**

ARTICLE 218, RPC
(as amended by Sec 41,
R.A. 10951)

Elements

- 1 Public officer, whether in the service or separated therefrom;
- 2 Accountable officer for public funds or property;
- 3 Required by law or regulation to render accounts to COA or Provincial Auditor;
- 4 Fails to do so for a period of two (2) months after such accounts should be rendered.

N.B. Prior demand to liquidate is NOT a requisite for conviction under Art. 218, RPC



Penalties

- 1 Imprisonment
6 months and 1 day to 6 years
- 2 Fine
₱40K to ₱1.2M OR
- 3 Both
Imprisonment and Fine

**FAILURE OF
ACCOUNTABLE
OFFICER TO
RENDER ACCOUNTS**

ARTICLE 218, RPC
(as amended by Sec 41,
R.A. 10951)



Jurisprudence

Case #6

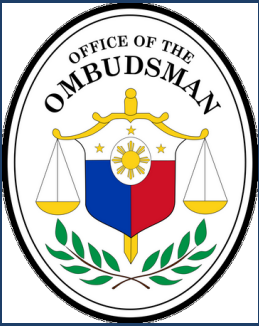
- **Lumauig vs. People**
G.R. No. 166680, 7 July 2014
- **Accused:**
Municipal Mayor
- **Amount Involved:**
Php101,736.00 – Cash Advance for the payment of insurance coverage of 12 motorcycles purchases by the municipal





Situation #6

- **Charge:**
Failure to liquidate the Cash Advance. It was discovered by COA Auditor in the examination of year-end reports involving Municipal Officials.
- **Defense:**
He was neither informed by COA nor did he receive any demand from COA to liquidate his cash advance
- **SB Rulings:**
 1. Violation of Sec. 3(e), RA 3019 acquitted.
 2. Failure to render account (Art. 218, RPC) convicted – straight 6 mos. and 1 day and Php1,000.00 fine.



Situation #6

Petition for Certiorari filed under Rule 45, Rules of Court Supreme Court

1. The acquittal in the anti-graft case is NOT a bar to his conviction for failure to render account

Two charges stemmed from the same incident, the same act may give rise to 2 or more separate and distinct charges

Variance in the elements of the offenses

2. Prior demand to liquidate is **NOT** a requisite for conviction under Art. 218 (*Manlangit vs. Sandiganbayan*)

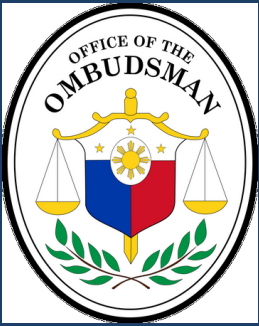


Situation #6

ELEMENTS (Failure to Render Account, Art 218, RPC)

1. Public Officer (whether in the service or separated thereof)
2. Accountable officer of public funds or property
3. He is required by law or regulation to render accounts to the COA or to a Provincial Auditor; and
4. He fails to do so for a period of 2 months after such account should be rendered.

(The law is very clear, there is no room for interpretation, but only application.)

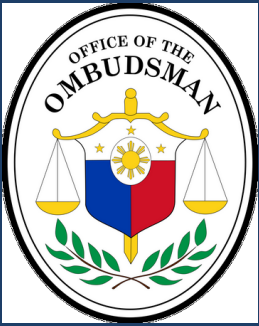


Situation #6

CONTENTION BEFORE SUPREME COURT:

Assuming he is liable, he should be meted a lesser penalty.
Why?

1. He subsequently liquidated the subject cash advance when he later discovered and was confronted with his delinquency, and
2. COA did not immediately inform him of his unliquidated cash advance.



Situation #6

SUPREME COURT AGREED:

- SB only considered the mitigating circumstance of voluntary surrender.
- SB failed to consider the mitigating circumstance of return or full restitution of the funds that were previously unliquidated.

Supreme Court affirmed with the ff modification

- Prison Correccional to Prison Mayor (6 mos. & 1 day to 4 mos. & 1 day imprisonment)
- The imposition of Fine was DELETED



Anti- Corruption Laws

Some Salient Provisions of RA 3019





Sec. 3 (b)
RA 3019

Requesting or Receiving Gift

Directly or indirectly requesting or receiving any gift or benefit (present, share, percentage) in connection with a **government contract or transaction** between the government and any other party, in which the public officer has to intervene in his official capacity

Sec 3 (b) penalizes 3 DISTINCT acts:

1. Demanding or requesting
2. Receiving; OR
3. Demanding, requesting AND receiving



Situation # 7

- Mayor B and her security officer demanded, and actually received, money from a contractor whose company undertook the construction of government projects for the municipality.
- Amount Involved: P15,000 cash; P162,400 check
- The demand was made under threat that the final payment for the said projects will not be released if “the condition is not met.”



Case # 7

Jurisprudence

Cadio-Palacios vs. People

(G.R. No. 168544, March 31, 2009)

Ruling:

The accused **CONSPIRED** in committing the offense charged

Convicted:

- **Mayor** - Petitioner was found guilty xxx
- Her co-accused/Security Officer's separate **PETITION** has been previously **DENIED** by the SC

Penalties

- : Imprisonment (6-9 yrs.)
- : accessory penalties



Sec. 3(c)
RA 3019

Requesting or Receiving Gift

- Directly or indirectly requesting or receiving any gift or benefit (pecuniary or material) from any person for whom the public officer has secured or obtained, or will secure or obtain, any **Government permit or license**, in consideration for the help given or to be given.



Situation # 8

- Regional Director requested for PhP2.5M, and actually received PhP1.5M, from private persons in consideration of the grant and approval of the latter's Free Patent applications.



Case # 8

Jurisprudence

- **Lucman vs. People**

(G.R. No. 238815 March 18, 2019)

- **Ruling:**
Convicted

Regional Director was found GUILTY of violation of Sec. 3(c) of R.A. 3019

- **Penalties**

- : imprisonment (6-9 years maximum; from 6 yrs. & 1 mos.)
- : perpetual disqualification



Causing undue injury to any party or giving unwarranted benefit, including the Government

Sec. 3(e)

- Public Officer;
- In relation to the discharge of administrative, judicial, or official duties;
- Causes or gives: a. Undue injury, b. Unwarranted benefit, advantage, or preference.
- Through: a. Manifest partiality, b. Evident bad faith, c. Gross inexcusable negligence
- Prescription: 15 years



Jurisprudence involving Government Accountants

Case #9

Case Title:

JACA, et al. v. PEOPLE

G.R. No. 166974, January 28, 2013



Situation # 9

Parties Liable:

City Accountant

City Administrator

City Treasurer

Chief Cashier, Cash Division (Did NOT appeal)

Amount:

Php 18,527,137.19.00

Issue:

Processing of CASH ADVANCE



**Situation
9**

Charge:

Violation of Sec. 3(e), RA 3019



Relevant Documents

1. Disbursement Voucher

2. COA Report

**Situation
9**



Situation #9

Republic of the Philippines OFFICE OF THE OMBUDSMAN Agham Road, Diliman, Quezon City			
DISBURSEMENT VOUCHER			Fund Cluster :
			Date :
			DV No. :
Mode of Payment	<input type="checkbox"/> MDS Check <input type="checkbox"/> Commercial Check <input type="checkbox"/> ADA <input type="checkbox"/> Others (Please specify)		
Payee			TIN/Employee No.:
Address			
A. Certified: Expenses/Cash Advance necessary, lawful and incurred under my direct supervision.			
_____ Printed Name, Designation and Signature of Supervisor			
B. Accounting Entry:			
Account Title		UACS Code	Debit
			Credit
C. Certified:		D. Approved for Payment	
<input type="checkbox"/> Cash Available NCA No. <input type="checkbox"/> Subject to Authority to Debit Account (when applicable) <input type="checkbox"/> Supporting documents complete and amount claimed proper			
Signature		Signature	
Printed Name		Printed Name	
Position		Position	
Date		Date	
E. Receipt of Payment			JEV No.
Check/ ADA No. :		Date :	Bank Name & Account Number:
Signature :		Date :	Printed Name:
Official Receipt No. & Date/Other Documents			Date



The Cash Advance Voucher has 3 boxes

Accounting

- **Box A** is to be signed by the head of the office requesting the cash advance;
- **Box B** is to be signed by the head of the office which would conduct pre-audit of the cash advances;
- **Box C** is to be signed by the person of authority who will finally approve the cash advances.

Situation
9



Antecedent Facts

Accounting

- On March 4, 1998, the City Auditor created team of auditors with the task to conduct a SURPRISE AUDIT of the cash and other accounts handled by all the accountable officers assigned at the Cash Division, Office of the City Treasurer.
- The audit team conducted cash examination of the cash and other accounts on accountable officer's custody. The audit team reported a CASH SHORTAGE of Php18,527,137.19.

Situation
9



Situation # 9

Administrative Liability

Ombudsman rendered a decision in the administrative aspect of the case, finding City Accountant and City Treasurer guilty of simple neglect of duty and imposed on them the penalty of **suspension for six (6) months.**



Petitioners' Arguments

Accounting

CITY TREASURER (signed Box A; certified that the expense/CA is necessary, lawful, incurred under his direct supervision):

1. He adhered to the procedure LONG OBSERVED and PREVAILING at the time;
2. He claims he signed Box A as a requesting party and not as approving authority.

Situation
9



Petitioners' Arguments

CITY ACCOUNTANT (signed Box B; certified that funds are available, expenditures are properly certified, supported by documents per checklist, previous cash advance are liquidated/accounted for, attached Accountant's Advice):

1. STRICT COMPLIANCE with prior and complete liquidation of requester's previous CA is "impractical and unrealistic;"
2. The request has to be acted upon IF ONLY TO AVOID DELAY In the payment of salaries;
3. While she certified that requester had liquidated her previous CA (which is untrue), she had PREVIOUSLY INFORMED the City Treasurer and the City Auditor (at that time) of the unliquidated CA.

Situation # 9



Petitioners' Arguments

CITY ADMINISTRATOR (signed Box C/ approval portion]

1. He affixed his signature on Box C of the DV because the City Accountant had EARLIER CERTIFIED that requester's previous CA were liquidated and accounted for;
2. The approval of the DV was a MINISTERIAL act on his part. A member of his staff, Internal Control Office, had allegedly determined the regularity of the Voucher and their attachments;
3. His duties as City Administrator do NOT impose upon him accountability for the funds entrusted to the requester or the City Treasurer;

Situation
9



Petitioners' Argument

Accounting

4. NEITHER is he tasked with pre-audit activities nor with the record-keeping of the requester's accountabilities.

THEY also argued GOOD FAITH in affixing their signature.

They alleged that the Prosecution's Witnesses (COA Auditors) were INCOMPETENT to testify.

Situation
9



Supreme Court Ruling:

The Sandiganbayan decision and ruling was **affirmed**.

1. The information is valid
2. COA report is not hearsay evidence. xxx
3. COA's findings are accorded great weight and respect. Xxx
4. Good faith is not a defense
5. ARIAS DOCTRINE - All heads of offices HAVE TO RELY to a reasonable extent on their subordinates and on the good faith of those who prepare xxx [documents]. xxx There has to be SOME ADDED REASON why he should examine each voucher in such detail.

Situation
9



Supreme Court Ruling:

Supreme Court emphasized that,

Accounting

- The petitioners are ALL HEADS of their respective offices that perform interdependent functions in the processing of cash advances.
- The petitioners' attitude of BUCK-PASSING in the face of the irregularities in the voucher (and the absence of supporting documents), as established by the prosecution, and their **INDIFFERENCE TO THEIR INDIVIDUAL AND COLLECTIVE DUTIES** to ensure that laws and regulations are observed in the disbursement of the funds of the LGU can only lead to a finding of **CONSPIRACY** of silence and inaction, contemplated in Sistoza. ”

**Situation
9**



Sec. 3 (f)
RA 3019

Neglecting or refusing to act

- Neglecting or refusing, after due demand or request,
- without sufficient justification,
- to act within a reasonable time on any matter pending before him



Sec. 3 (f)
RA 3019

Neglecting or refusing to act

- for the purpose of:
 - obtaining, directly or indirectly, from any person interested in the matter some pecuniary or material benefit or advantage; or
 - favoring his own interest or giving undue advantage in favor of; or
 - discriminating against any other interested party.



Situation # 10

- Mayor L refused to act, within a reasonable time and despite repeated demands and submission of supporting documents, on the application for Mayor's Permit filed by Ms. F.
- Mayor L had a personal misunderstanding with Ms. F.



Case # 10

- **Lacap vs. Sandiganbayan**

(G.R. No. 198162, June 21, 2017)

- **Facts:**

- Complainant went to OMB to SEEK ASSISTANCE.
- OMB wrote a LETTER to the mayor asking her to INFORM the Office of whatever ACTION she may have taken with regard to the application for a Mayor's Permit.
- REPLY of Mayor's personal lawyer: CANNOT possibly act; the application NOT YET submitted to Mayor's Office
- As per SB: the Mayor merely "dribbled the ball";
- SC completely AGREES with the ruling of SB
- REMINDER: Public office is a public trust. Public officers and employees must at all times be ACCOUNTABLE to the people, serve them with utmost responsibility, integrity, loyalty & efficiency.



Case #10

- **Ruling**

- SC ruling: There was INTENTIONAL INACTION and DELIBERATE REFUSAL to act on the application for Mayor's Permit.
- Mayor was found GUILTY of violation of Sec. 3(f) of R.A. 3019

- **Penalties**

- : Imprisonment (6-10 years)
- : Perpetual disqualification



Republic Act No. 1379

“Unexplained Wealth Act”
Ill-gotten Wealth/Forfeiture Law



Anti-
Corruption
Laws



RA 1379

REPUBLIC ACT No. 1379

An act declaring **forfeiture** in favor of the state any property found to have been unlawfully acquired by any public officer or employee and providing for the proceedings therefor.



RA 1379

ELEMENTS

In forfeiture proceedings, there is a *prima facie* presumption that properties are unlawfully acquired.

1. The offender is a public officer or employee;
2. He must have acquired a considerable amount of money or properties DURING his incumbency. It is settled that it is the ACQUISITION COST and not the fair market value, that must be used in ascertaining the value of respondent's properties since it is the actual amount of money shelled out by respondent in acquiring them; and
3. Said amount is MANIFESTLY OUT OF PROPORTION to his SALARY as such public officer or employee and to his OTHER LAWFUL INCOME and the income from LEGITIMATELY ACQUIRED PROPERTY.



Computation of Unexplained Wealth

ASSET METHOD

Ending net worth

Less: Beginning net worth

Increase (Decrease) in net worth

Adjustments:

Add: Living expenses

Income (includes receipts derived from all sources)

Less: Income from known Sources

Funds from unknown or illegal sources

Unexplained
Wealth



Computation of Unexplained Wealth

EXPENDITURE METHOD

Compare **known expenditures** and **known source of funds** during a given period.

The difference between the two or the excess expenditures is the amount attributable to unknown sources, or the so-called **unexplained wealth**.

Unexplained
Wealth



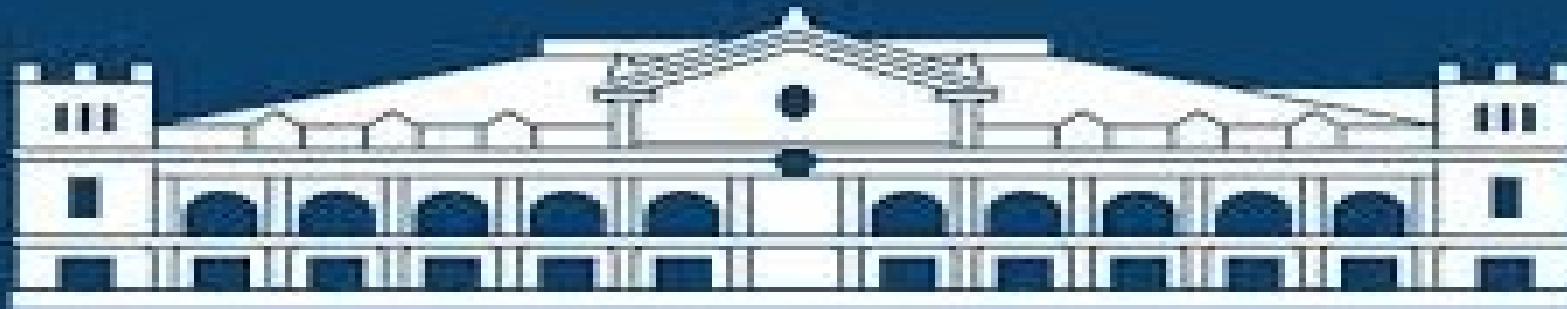
Computation of Unexplained Wealth

BANK DEPOSIT METHOD

TOTAL Deposits to ALL Accounts	XXX
Less: TRANSFER and REDEPOSITS	<u>XXX</u>
NET deposits	XXX
Add: Cash expenditures	<u>XXX</u>
TOTAL receipts from ALL SOURCES	XXX
Less: Funds from KNOWN sources	<u>XXX</u>
Funds from UNKNOWN/ILLEGAL sources	XXX

Unexplained
Wealth

Corruption Statistics Report





No. of Cases Disposed of According to Nature of Offense (February 1979 to January 2024)

Nature of Offense	Total	Percent Distribution
Corruption Related Cases		
Malversation Cases	11,806	29.835
Violation of R.A. 3019	9,045	22.858
Falsification Cases	6,945	17.551
Violation of Presidential Decree	725	1.832
Infidelity of PO in the Custody of Prisoners/Documents	604	1.256
Other Offense Committed by PO	597	1.509
Bribery	379	0.958
Plunder	8	0.02
Perjury	173	0.437
sub-total	30,282	76.526%
Other Cases	9,289	23.474%
TOTAL	39,571	100%

Source: https://sb.judiciary.gov.ph/statistics_report.html



CPI

2023 Corruption Perception Index in Southeast Asia

Country	CPI 2022	CPI 2023
Singapore	83	83
Malaysia	47	50
Timor Leste	42	43
Vietnam	42	41
Thailand	36	35
Indonesia	34	34
Philippines	33	34
Laos	31	28
Cambodia	24	22
Myanmar	23	20

In 2023, Singapore was perceived to be the least corrupt country in Southeast Asia, reaching a corruption index score of 83 out of 100.

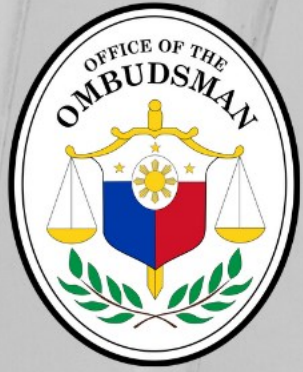
Comparatively, Myanmar was perceived to be the most corrupt country across the ASEAN region, with a corruption index score of 24 out of 100.

- Transparency International

Source: <https://www.transparency.org/en/cpi/2023>

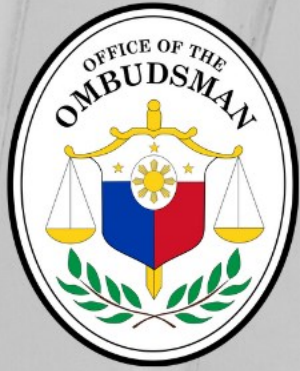
**The fight against
corruption has to start
within you, as integrity is
an inner quality.**

Sadguru



QUESTIONS?





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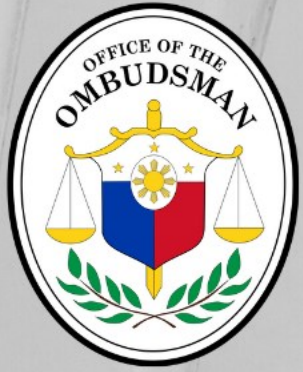
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THANK
YOU!