

SECOND DIVISION

[G.R. No. 248639, October 14, 2019]

**ROY HUNNOB AND SALVADOR GALEON, PETITIONERS, VS.
PEOPLE OF THE PHILIPPINES, RESPONDENT.**

DECISION

LAZARO-JAVIER, J.:

The Case

This Petition for Review on Certiorari assails the following issuances of the Court of Appeals in CA-G.R. CR No. 40245 entitled "*People of the Philippines v. Roy Hunnob and Salvador Galeon*:"

- 1) Decision^[1] dated November 22, 2018, affirming petitioners' conviction for violation of Section 3(e)^[2] of RA 3019;^[3] and
- 2) Resolution^[4] dated July 4, 2019, denying petitioners' motion for reconsideration.

The Antecedents

The Charge

Petitioners Roy Hunnob and Salvador Galeon, barangay captain and barangay treasurer, respectively, of Barangay Dulao, Lagawe, Ifugao were indicted for violation of Section 3 (e) of Republic Act No. 3019 (RA 3019), viz:

That on or about the 30th day of July 2007 at Dulao, Lagawe, Ifugao and within the jurisdiction of this Honorable Court, the above-named accused being then barangay officials as above-mentioned, conspiring, confederating and mutually helping one another, did then and there willfully, unlawfully and feloniously cause undue injury to the government and give a private party unwarranted benefits, advantage or preference in the discharge of their official administrative functions through manifest partiality and evident bad faith by facilitating and causing the payment to CAROLINE B. HUNNOB accused ROY HUNNOB'S sister, the amount of Sixty Seven Thousand Two Hundred (P67,200.00) Pesos for the fictitious delivery of a 25 horsepower speedboat.

CONTRARY TO LAW.^[5]

The case was raffled to the Regional Trial Court-Branch 14, Lagawe, Ifugao.

Only petitioner Roy Hunnob got arrested. Petitioner Salvador Galeon was then at large.^[6] Trial ensued as against Roy Hunnob.

Proceedings before the Trial Court

Prosecution's Evidence

One of the complainants, Edwin Dulnuan, testified: in 2007, he was a barangay kagawad of Barangay Dulao. The barangay received from the Provincial Government of Ifugao a grant of P70,000.00 for the purchase of Johnson 25-HP motor engine for speed boat. Roy Hunnob, then the barangay captain, kept the grant a secret from the other barangay officials. He learned from the barangay treasurer and the vice-governor's men about the grant only on October 25, 2007.^[7]

Instead of buying a Johnson 25-HP motor engine, what Roy Hunnob bought was an old Evinrude 25-HP motor engine. Roy Hunnob bought it from his sister, Caroline Hunnob, for P67,200.00. He did not sign the documents, such as the invitation to apply for eligibility to bid, minutes of the Barangay Bids and Awards Committee (BBAC), purchase request, local canvass, inspection and acceptance report, disbursement voucher, among others. Later on, the Commission on Audit (COA) disallowed the purchase and the P67,200.00 was returned to the barangay's coffers.^[8]

COA State Auditor III Juanita Bautista stated: she had in her possession the original documents pertaining to the purchase of the motor engine for the speed boat. When the purchase was disallowed, it was Caroline Hunnob, Roy Hunnob's sister, who returned the amount. Insofar as her office was concerned, the problem had already been resolved.^[9]

Barangay kagawad Peter Maugao confirmed that Roy Hunnob purchased a motor engine different from what the grant was intended for.^[10]

Barangay health worker Mercy Bahiwag denied ever signing the documents which led to the procurement of the wrong motor engine. She was never elected as a barangay kagawad nor was she ever a member of Barangay Dulao's BBAC.^[11]

Petitioners' Evidence

Roy Hunnob testified: during his term as barangay captain, from 2005 to 2010, the BBAC was formed and it was Ricardo Gatic who led it. He was not a member of the BBAC and never interfered with its proceedings. He never falsified the signatures of Edwin Dulnuan, Peter Maugao, and Mercy Bahiwag. Their signatures were already on the procurement papers when the same were presented for his signature. He never conspired with Salvador Galeon to declare his sister Caroline Hunnob as the sole eligible supplier for the motor engine.^[12]

A few days after Roy Hunnob testified, petitioner Salvador Galeon got arrested. On arraignment, he pleaded not guilty. The prosecution called to the witness stand Edwin Dulnuan, Peter Maugao, Mercy Bahiwag and state auditor Juanita Bautista. The prosecution and the defense both manifested they were adopting the previous testimonies of said witnesses.^[13]

Salvador Galeon testified: he was the barangay treasurer of Barangay Dulao in 2007. He did not participate in the procurement process of the motor engine. Nor did he conspire with Roy Hunnob in giving unwarranted benefits and advantage to Caroline Hunnob. He was the one who prepared the check for P67,200.00 for

Caroline Hunnob but he was not aware of the delivery of the wrong motor engine. His only participation in the transaction was the issuance of the check.^[14]

Elmer Bahiwag confirmed that he was a member of the Barangay Council of Dulao from 2004 to 2007. He was also a member of the BBAC. On June 12, 2007 and July 13, 2007, the BBAC held meetings to discuss the purchase of the motor engine. His fellow barangay officials, namely Ricardo Gatic, Toribio Naupoc, Peter Maugao, and Edwin Dulnuan attended the meetings. Both petitioners were not present during the meetings. He was not aware as to what happened to the purchased motor engine because he was no longer in office at the time.^[15]

The Trial Court's Ruling

By Decision^[16] dated March 2, 2017, the trial court found both petitioners guilty of violating Section 3(e) of RA 3019. Caroline Hunnob should have been automatically disqualified from bidding because she was petitioner Roy Hunnob's sister. A relative within the third civil degree of the head of the procuring entity is automatically disqualified from participating in a bid, per Republic Act No. 9184 (RA 9184)^[17] and its implementing rules. When petitioners resorted to Shopping, an alternative procurement mode, the requirement that there should be three (3) price quotations from bona fide suppliers were not complied with. Instead, only one (1) canvass result was floated and it came from Caroline Hunnob. Petitioners' conspiracy was duly proven by their signatures on all the documents pertaining to the award, purchase, delivery, acceptance, and payment of the motor engine. The trial court directed:

WHEREFORE, judgment is hereby rendered finding accused Roy Hunnob and Salvador Galeon guilty of the crime of Violation of Section 3(e) of Republic Act 3019 and are hereby sentenced to suffer the indeterminate penalty of imprisonment of six (6) years and one (1) month, as minimum, to nine (9) years and eight (8) months, as maximum, with perpetual disqualification from holding public office.

SO ORDERED.^[18]

Proceedings Before the Court of Appeals

On appeal, petitioners faulted the trial court for rendering a verdict of conviction. They argued that the fact alone that it was Roy Hunnob's sister who supplied the motor engine does not suffice to hold them liable for violation of Section 3(e) of RA 3019. There were no other suppliers and the barangay would have been deprived of the chance to own a motor engine if not for Caroline Hunnob. They were not educated enough to know the law. A mistake involving a difficult question of law may be the basis of good faith and excuses a person from liability. Besides, the amount paid to Caroline Hunnob had already been returned to the barangay's coffers, thus, there is no injury to speak of.^[19]

On the other hand, the Office of the Solicitor General (OSG), through Assistant Solicitor General Magtanggol Castro and State Solicitor Dino Robert De Leon, submitted that petitioners' failure to comply with the requirements of alternative mode of procurement amounted to evident bad faith. The manifest partiality in favor of Caroline Hunnob was evident as only one (1) canvass was sent out. Lastly, restitution of the amount is not a mode of extinguishing criminal liability.^[20]

The Ruling of the Court of Appeals

By its assailed Decision dated November 22, 2018, the Court of Appeals affirmed, viz:

WHEREFORE, premises considered, the instant appeal is **DENIED**. The Decision of the Regional Trial Court of Lagawe, Ifugao, Branch 14, dated 2 March 2017 in Criminal Case No. 1835, is **AFFIRMED**.

SO ORDERED.^[21]

Petitioners moved for reconsideration,^[22] which the Court of Appeals denied through its assailed Resolution dated July 4, 2019.

The Present Petition

Petitioners now invoke good faith anew to support their continuous pleas for acquittal. They assert that their only intention here was to acquire the needed motor engine for the barangay and it turned out that Caroline Hunnob was the only available supplier therefor.

Threshold Issue

Did the Court of Appeals has jurisdiction to review the trial court's verdict of conviction for violation of Section 3(b) of RA 3019?

Ruling

The Court of Appeals does not have appellate jurisdiction over appeals from final judgments, resolutions or orders of regional trial courts pertaining to violations of RA 3019. The assailed rulings should, therefore, be vacated and the case, remanded to the court of origin for referral to the proper forum -- the *Sandiganbayan*.

Section 4 of Presidential Decree (PD) 1606^[23] provides:

Jurisdiction. - The *Sandiganbayan* shall exercise exclusive original jurisdiction in all cases involving:

a. **Violations of Republic Act No. 3019**, as amended, otherwise known as the Anti-Graft and Corrupt Practices Act, Republic Act No. 1379, and Chapter II, Section 2, Title VII, Book II of the Revised Penal Code, where one or more of the accused are officials occupying the following positions in the government, whether in a permanent, acting or interim capacity, at the time of the commission of the offense:

XXXX

Provided.

XXXX

In cases where none of the accused are occupying positions corresponding to Salary Grade "27" or higher, as prescribe in the said Republic Act No. 6758, or military and PNP officers mentioned above, exclusive original jurisdiction thereof shall be vested in the proper regional trial court, metropolitan trial court, municipal trial court, and