

## SECOND DIVISION

[ G.R. No. 169391, October 10, 2012 ]

**SPS. EUGENE C. GO AND ANGELITA GO, AND MINOR EMERSON CHESTER KIM B. GO, PETITIONERS, VS. COLEGIO DE SAN JUAN DE LETRAN, REV. FR. EDWIN LAO, REV. FR. JOSE RHOMMEL HERNANDEZ, ALBERT ROSARDA AND MA. TERESA SURATOS, RESPONDENTS.**

### DECISION

**BRION, J.:**

Before the Court is a petition for review on *certiorari*<sup>[1]</sup> assailing the decision<sup>[2]</sup> dated May 27, 2005 and the resolution<sup>[3]</sup> dated August 18, 2005 of the Court of Appeals (CA) in CA-G.R. CV No. 80349. The CA decision reversed and set aside the decision<sup>[4]</sup> of the Regional Trial Court (RTC) of Caloocan City, Branch 131, awarding civil damages to the petitioners. The CA resolution denied the petitioners' subsequent motion for reconsideration.

The petitioners claim that respondents Colegio de San Juan de Letran (*Letran*), Rev. Fr. Edwin Lao, Rev. Fr. Jose Rhommel Hernandez, Mr. Albert Rosarda and Ma. Teresa Suratos should be held liable for moral, exemplary, and actual damages for unlawfully dismissing petitioner Emerson Chester Kim B. Go (*Kim*) from the rolls of the high school department of Letran. The respondents claim that they lawfully suspended Kim for violating the school's rule against fraternity membership.

#### **Factual Background**

In October 2001, Mr. George Isleta, the Head of Letran's Auxiliary Services Department, received information that certain fraternities were recruiting new members among Letran's high school students. He also received a list of the students allegedly involved. School authorities started an investigation, including the conduct of medical examinations on the students whose names were on the list. On November 20, 2002, Dr. Emmanuel Asuncion, the school physician, reported that six (6) students bore injuries, probable signs of blunt trauma of more than two weeks, on the posterior portions of their thighs.<sup>[5]</sup> Mr. Rosarda, the Assistant Prefect for Discipline, conferred with the students and asked for their explanations in writing.

Four (4) students, namely: Raphael Jay Fulgencio, Nicolai Lacson, Carlos Parilla, and Isaac Gumba, admitted that they were neophytes of the Tau Gamma Fraternity and were present in a hazing rite held on October 3, 2001 in the house of one Dulce in Tondo, Manila. They also identified the senior members of the fraternity present at their hazing. These included Kim, then a fourth year high school student.

In the meantime, Gerardo Manipon, Letran's security officer, prepared an incident

report<sup>[6]</sup> that the Tau Gamma Fraternity had violated its covenant with Letran by recruiting members from its high school department. Manipol had spoken to one of the fraternity neophytes and obtained a list of eighteen (18) members of the fraternity currently enrolled at the high school department. Kim's name was also in the list.

At the Parents-Teachers Conference held on November 23, 2001, Mr. Rosarda informed Kim's mother, petitioner Mrs. Angelita Go (Mrs. Go), that students had positively identified Kim as a fraternity member. Mrs. Go expressed disbelief as her son was supposedly under his parents' constant supervision.

Mr. Rosarda thereafter spoke to Kim and asked him to explain his side. Kim responded through a written statement dated December 19, 2001; he denied that he was a fraternity member. He stated that at that time, he was at Dulce's house to pick up a gift, and did not attend the hazing of Rafael, Nicolai, Carlos, and Isaac.

On the same day, Mr. Rosarda requested Kim's parents (by notice) to attend a conference on January 8, 2002 to address the issue of Kim's fraternity membership.<sup>[7]</sup> Both Mrs. Go and petitioner Mr. Eugene Go (Mr. Go) did not attend the conference.

In time, the respondents found that twenty-nine (29) of their students, including Kim, were fraternity members. The respondents found substantial basis in the neophytes' statements that Kim was a senior fraternity member. Based on their disciplinary rules, the Father Prefect for Discipline (respondent Rev. Fr. Jose Rhommel Hernandez) recommended the fraternity members' dismissal from the high school department rolls; incidentally, this sanction was stated in a January 10, 2002 letter to Mr. and Mrs. Go.<sup>[8]</sup> After a meeting with the Rector's Council,<sup>[9]</sup> however, respondent Fr. Edwin Lao, Father Rector and President of Letran, rejected the recommendation to allow the fourth year students to graduate from Letran. Students who were not in their fourth year were allowed to finish the current school year but were barred from subsequent enrollment in Letran.

Mr. Rosarda conveyed to Mrs. Go and Kim, in their conference on January 15, 2002, the decision to suspend Kim from January 16, 2002 to February 18, 2002.<sup>[10]</sup> Incidentally, Mr. Go did not attend this conference.<sup>[11]</sup>

On even date, Mrs. Go submitted a request for the deferment of Kim's suspension to January 21, 2002<sup>[12]</sup> so that he could take a previously scheduled examination.<sup>[13]</sup> The request was granted.<sup>[14]</sup>

On January 22, 2002, the respondents conferred with the parents of the sanctioned fourth year students to discuss the extension classes the students would take (as arranged by the respondents) as make-up for classes missed during their suspension. These extension classes would enable the students to meet all academic requirements for graduation from high school by the summer of 2002. The respondents also proposed that the students and their parents sign a *pro-forma* agreement to signify their conformity with their suspension. Mr. and Mrs. Go refused to sign.<sup>[15]</sup> They also refused to accept the respondents' finding that Kim was a fraternity member. They likewise insisted that due process had not been observed.

On January 28, 2002, the petitioners filed a complaint<sup>[16]</sup> for damages before the RTC of Caloocan City claiming that the respondents<sup>[17]</sup> had unlawfully dismissed Kim.<sup>[18]</sup> Mr. and Mrs. Go also sought compensation for the “business opportunity losses” they suffered while personally attending to Kim’s disciplinary case.

### **The Ruling of the RTC**

Mrs. Go<sup>[19]</sup> and Mr. Go<sup>[20]</sup> testified for the petitioners at the trial. Mr. Rosarda,<sup>[21]</sup> Fr. Hernandez,<sup>[22]</sup> and Fr. Lao<sup>[23]</sup> testified for the respondents.

The RTC<sup>[24]</sup> held that the respondents had failed to observe “the basic requirement of due process” and that their evidence was “utterly insufficient” to prove that Kim was a fraternity member.<sup>[25]</sup> It also declared that Letran had no authority to dismiss students for their fraternity membership. Accordingly, it awarded the petitioners moral and exemplary damages. The trial court also held that Mr. Go was entitled to actual damages after finding that he had neglected his manufacturing business when he personally attended to his son’s disciplinary case. The dispositive portion of the decision reads:

WHEREFORE, in view of all the foregoing, the Court renders judgment in favor of plaintiffs-spouses Eugene C. Go and Angelita B. Go, together with their minor son Emerson Chester Kim B. Go, as against defendants Colegio De San Juan De Letran, Fr. Edwin Lao, Fr. Jose Rhommel Hernandez, Albert Rosarda and Ma. Teresa Suratos, and they are hereby ordered the following:

1. To pay plaintiff Eugene C. Go the amount of P2,854,000.00 as actual damages;
2. To pay each plaintiff, Eugene C. Go and Angelita B. Go, the amount of P2,000,000.00 for each defendant, or a total amount of P20,000,000.00 as moral damages; and P1,000,000.00 for each defendant, or a total amount of P10,000,000.00 as exemplary damages, or a grand total of P30,000,000.00, to be paid solidarily by all liable defendants, plus prevailing legal interest thereon from the date of filing until the same is fully paid;
3. To pay plaintiffs 20% of the total amount awarded, as attorney’s fees, to be paid solidarily by all liable defendants; and
4. The cost of suit.<sup>[26]</sup>

### **The Ruling of the CA**

On appeal, the CA reversed and set aside the RTC decision. It held, among others, that the petitioners were not denied due process as the petitioners had been given ample opportunity to be heard in Kim’s disciplinary case. The CA also found that there was no bad faith, malice, fraud, nor any improper and willful motive or conduct on the part of the respondents to justify the award of damages. Accordingly, it dismissed the petitioners’ complaint in Civil Case No. C-19938 for lack

of merit.

The petitioners moved for the reconsideration of the decision, but the CA denied the motion for lack of merit;<sup>[27]</sup> hence, the present petition for review on *certiorari*.

### **The Issue**

Based on the petition's assigned errors,<sup>[28]</sup> the issue for our resolution is whether the CA had erred in setting aside the decision of the RTC in Civil Case No. C-19938.

### **The Court's Ruling**

#### **We deny the petition and affirm the CA decision.**

Preliminarily, we note that the disciplinary sanction the respondents imposed on Kim was actually a suspension and not a "dismissal" as the petitioners insist in their complaint. We agree with the CA that the petitioners were well aware of this fact, as Mrs. Go's letter specifically requested that Kim's *suspension* be deferred. That this request was granted and that Kim was allowed to take the examination further support the conclusion that Kim had not been dismissed.

Further, the RTC's statement that Letran, a private school, possesses no authority to impose a dismissal, or any disciplinary action for that matter, on students who violate its policy against fraternity membership must be corrected. The RTC reasoned out that Order No. 20, series of 1991, of the then Department of Education, Culture, and Sports (*DECS Order No. 20, s. 1991*),<sup>[29]</sup> which the respondents cite as legal basis for Letran's policy, only covered public high schools and not private high schools such as Letran.

We disagree with the RTC's reasoning because it is a restrictive interpretation of DECS Order No. 20, s. 1991. True, the fourth paragraph of the order states:

4. EFFECTIVE UPON RECEIPT OF THIS ORDER, FRATERNITIES AND SORORITIES ARE PROHIBITED IN PUBLIC ELEMENTARY AND SECONDARY SCHOOLS. PENALTY FOR NON-COMPLIANCE IS EXPULSION OF PUPILS/STUDENTS.

This paragraph seems to limit the scope of the order's prohibition to public elementary and secondary schools. However, in ascertaining the meaning of DECS Order No. 20, s. 1991, the entire order must be taken as a whole.<sup>[30]</sup> It should be read, not in isolated parts, but with reference to every other part and every word and phrase in connection with its context.<sup>[31]</sup>

Even a cursory perusal of the rest of DECS Order No. 20, s. 1991 reveals the education department's clear intent to apply the prohibition against fraternity membership for *all* elementary and high school students, regardless of their school of enrollment.

The order's title, "Prohibition of Fraternities and Sororities in Elementary and Secondary Schools," serves to clarify whatever ambiguity may arise from its fourth paragraph.<sup>[32]</sup> It is a straightforward title. It directs the prohibition to elementary and secondary schools *in general*, and does not distinguish between private and public schools. We also look at the order's second paragraph, whereby the department faults an earlier regulation, Department Order No. 6, series of 1954, for failing to ban fraternities and sororities in public and *private* secondary schools. With the second paragraph, it is clear that the education department sought to remedy the earlier order's failing by way of DECS Order No. 20, s. 1991.

Finally, we note that the order is addressed to the heads of private schools, colleges, and universities, and not just to the public school authorities.

For this Court to sustain the RTC's restrictive interpretation and accordingly limit the prohibition in DECS Order No. 20, s. 1991 to students enrolled in public schools would be to impede the very purpose of the order.<sup>[33]</sup> In *United Harbor Pilots' Association of the Philippines, Inc. v. Association of International Shipping Lines, Inc.*, where the Court construed an executive order,<sup>[34]</sup> we also stated that statutes are to be given such construction as would advance the object, suppress the mischief, and secure the benefits the statute intended. There is no reason why this principle cannot apply to the construction of DECS Order No. 20, s. 1991.

Incidentally, the penalty for non-compliance with DECS Order No. 20, s. 1991, is *expulsion*, a severe form of disciplinary penalty consisting of excluding a student from admission to *any* public or private school in the country. It requires the approval of the education secretary before it can be imposed.<sup>[35]</sup> In contrast, the penalty prescribed by the rules of Letran for fraternity membership among their high school students is *dismissal*, which is limited to the exclusion of an erring student from the rolls of the school.

Even assuming *arguendo* that the education department had not issued such prohibition, private schools still have the authority to promulgate and enforce a similar prohibition pursuant to their right to establish disciplinary rules and regulations.<sup>[36]</sup> This right has been recognized in the Manual of Regulations for Private Schools, which has the character of law.<sup>[37]</sup> Section 78 of the 1992 Manual of Regulations of Regulations for Private Schools, in particular and with relevance to this case, provides:

Section 78. *Authority to Promulgate Disciplinary Rules.* Every private school shall have the right to promulgate reasonable norms, rules and regulations it may deem necessary and consistent with the provisions of this Manual for the maintenance of good school discipline and class attendance. Such rules and regulations shall be effective as of promulgation and notification to students in an appropriate school issuance or publication.

The right to establish disciplinary rules is consistent with the mandate in the Constitution<sup>[38]</sup> for schools to teach discipline,<sup>[39]</sup> in fact, schools have the duty to develop discipline in students.<sup>[40]</sup> Corollarily, the Court has always recognized the