

EN BANC

[G.R. NO. 157684, April 27, 2005]

DEPARTMENT OF HEALTH, PETITIONER, VS. PRISCILLA G. CAMPOSANO, ENRIQUE L. PEREZ, AND IMELDA Q. AGUSTIN, RESPONDENTS.

D E C I S I O N

PANGANIBAN, J.:

Administrative due process requires that, prior to imposing disciplinary sanctions, the disciplining authority must make an independent assessment of the facts and the law. On its face, a decision imposing administrative sanctions must show the bases for its conclusions. While the investigation of a case may be delegated to and conducted by another body or group of officials, the disciplining authority must nevertheless weigh the evidence gathered and indicate the applicable law. In this manner, the respondents would be informed of the bases for the sanctions and thus be able to prepare their appeal intelligently. Such procedure is part of the sporting idea of fair play in a democracy.

The Case

Before us is a Petition for Review^[1] under Rule 45 of the Rules of Court, assailing the March 19, 2003 Decision^[2] of the Court of Appeals (CA) in CA-GR SP No. 67720. The challenged Decision disposed as follows:

"WHEREFORE, based on the foregoing, the petition is **GRANTED**. The assailed Resolutions of the CSC are hereby **SET ASIDE**.

"The Department of Health is hereby ordered to:

"1) Reinstatement petitioners without loss of seniority rights but without prejudice to an administrative investigation that may be undertaken against them by the DOH should the evidence warrant; and

"2) Pay petitioners their back salaries from the time their preventive suspension expired. Mandatory leave credits shall not be charged against their leave credits."^[3]

The Facts

The facts are narrated by the CA as follows:

"[Respondents] are former employees of the Department of Health—National Capital Region (hereinafter DOH-NCR). They held various positions as follows: [Respondent] Priscilla B. Camposano (hereinafter

Camposano) was the Finance and Management Officer II, [Respondent] Imelda Q. Agusin (hereinafter Agustin) was an Accountant I, and [Respondent] Enrique L. Perez (hereinafter Perez) was the Acting Supply Officer III.

"On May 15, 1996, some concerned [DOH-NCR] employees filed a complaint before the DOH Resident Ombudsman Rogelio A. Ringpis (hereinafter the Resident Ombudsman) against Dir. IV Rosalinda U. Majaraiz, Acting Administrative Officer III Horacio Cabrera, and [respondents], arising out of an alleged anomalous purchase by DOH-NCR of 1,500 bottles of Ferrous Sulfate 250 mg. with Vitamin B Complex and Folic Acid capsules worth P330,000.00 from Lumar Pharmaceutical Laboratory on May 13, 1996.

"On August 6, 1996, the Resident Ombudsman submitted an investigation report to the Secretary of Health recommending the filing of a formal administrative charge of Dishonesty and Grave Misconduct against [respondents] and their co-respondents.

"On August 8, 1996, the Secretary of Health filed a formal charge against the [respondents] and their co-respondents for Grave Misconduct, Dishonesty, and Violation of RA 3019. On October 25, 1996, then Executive Secretary Ruben D. Torres issued Administrative Order No. 298 (hereafter AO 298) creating an ad-hoc committee to investigate the administrative case filed against the DOH-NCR employees. The said AO was indorsed to the Presidential Commission Against Graft and Corruption (hereafter PCAGC) on October 26, 1996. The same reads:

'I have the honor to transmit herewith, for your information and guidance, a certified copy of Administrative Order No. 298 dated October 25, 1996 entitled 'CREATING AN AD HOC COMMITTEE TO INVESTIGATE THE ADMINISTRATIVE CASES FILED AGAINST NCR HEALTH DIRECTOR ROSALINDA U. MAJARAIS AND OTHER OFFICERS AND EMPLOYEES OF THE DEPARTMENT OF HEALTH, NATIONAL CAPITAL REGION.'

"On December 2, 1996, the PCAGC took over the investigation from the DOH. After the investigation, it issued a resolution on January 23, 1998 disposing [respondents]' case as follows:

'WHEREFORE, premises considered, this Commission finds Respondents Rosalinda U. Majaraiz, Priscilla G. Camposano, Financial Management Chief II, Horacio D. Cabrera, Acting Administrative Officer V, Imelda Q. Agustin, Accountant I and Enrique L. Perez, Acting Supply Officer III, all of the Department of Health – National Capital Region (DOH-NCR) guilty as charged and so recommends to his Excellency President Fidel V. Ramos that the penalty of dismissal from the government service be imposed thereon.

'SO ORDERED.'

"On April 20, 1998, President Ramos issued [Administrative Order No. 390 (hereinafter AO 390)] that reads:

'WHEREFORE, premises considered, respondent Dr. Rosalinda U. Majarais is hereby found guilty as charged and, as recommended by the Presidential Commission Against Graft and Corruption, is meted the Penalty of dismissal from the service. The records of the case with respect to the other respondents are remanded to Secretary Carmencita N. Reodica, Department of Health for appropriate action.'

"Thereafter, on May 8, 1998, the Secretary of Health issued an Order disposing of the case against [respondents] and [Horacio Cabrera]. The dispositive portion reads:

'WHEREFORE, pursuant to the Resolution rendered by the Presidential Commission Against Graft and Corruption (PCAGC) dated 23 January 1998 on the above-captioned case, respondents Priscilla G. Camposano, Financial Management Chief II, Horacio D. Cabrera, Acting Administrative Officer V, Imelda Q. Agustin, Accountant I and Enrique L. Perez, Acting Supply Officer III, all of the Department of Health – NCR are hereby DISMISSED from the service.

'SO ORDERED.'

"On May 28, 1998 [respondents] filed a motion for reconsideration of the said Order. The Secretary of Health denied the same on June 5, 1998. Thus, [respondents] filed a Notice of Appeal on June 29, 1998.

"On July 17, 1998, [respondents] filed their appeal with the CSC. The appeal was denied by the CSC on May 21, 1999. Horacio Cabrera filed a separate appeal with the CSC which was denied on August 17, 1999. [Respondents]' motion for reconsideration was denied on September 30, 1999. While Cabrera's motion for reconsideration was denied on January 27, 2000. [Respondents], however, received the resolution denying their motion for reconsideration on November 2001. Thus, Horacio Cabrera was able to appeal to [the CA] the CSC's resolutions ahead of [respondents]. The petition of Cabrera was granted [by the CA] in a decision dated October 15, 2001 with a dispositive portion which reads:

'WHEREFORE, the instant petition is GRANTED. The Assailed Resolutions of the Civil Service Commission are hereby SET ASIDE.

'Petitioner Horacio D. Cabrera is exonerated of the administrative charges against him. The Civil Service Commission is hereby ORDERED[:]

'(1) To reinstate petitioner immediately, without loss of seniority rights; and

'(2) To pay petitioner's back salaries from the time his

preventive suspension expired. Mandatory leave credits shall not be charged against his leave credits.

‘SO ORDERED.’”^[4]

Not satisfied with the denial by the CSC (Civil Service Commission) of their appeal, respondents brought the matter to the CA.

Ruling of the Court of Appeals

While the herein assailed Decision made no reference to the separate appeal of Horacio Cabrera, the CA nonetheless used the same legal bases for annulling the CSC’s Resolution against respondents.^[5]

The appellate court held that the PCAGC’s jurisdiction over administrative complaints pertained only to presidential appointees. Thus, the Commission had no power to investigate the charges against respondents.^[6] Moreover, in simply and completely relying on the PCAGC’s findings, the secretary of health failed to comply with administrative due process.^[7]

Hence, this Petition.^[8]

The Issues

Petitioner raises the following grounds for our consideration:

“I

The Court of Appeals erred in finding that the Presidential Commission Against Graft and Corruption (PCAGC) did not have jurisdiction to investigate the anomalous transaction involving respondents.

“II

The Court of Appeals erred in concluding that the authority to investigate and decide was relinquished by the Secretary of Health and that the Secretary of Health merely performed a mechanical act when she ordered the dismissal of respondents from government service.

“III

The Court of Appeals erred in ignoring the fact that an exhaustive investigation was already conducted by the Presidential Commission Against Graft and Corruption (PCAGC) which resulted in the finding that the anomalous contract for the purchase of medicines without the required public bidding is patently illegal.”^[9]

The second and the third grounds will be discussed together, as they are necessarily intertwined.

The Court’s Ruling

The Petition is partly meritorious.

First Issue:

Jurisdiction to Investigate

Executive Order (EO) No. 151^[10] granted the PCAGC the jurisdiction to investigate administrative complaints against presidential appointees allegedly involved in graft and corruption. From a cursory reading of its provisions, it is evident that EO 151 authorizes the PCAGC to investigate charges against presidential, not non-presidential, appointees. In its Preamble, specifically in its "Whereas" clauses, the EO "specifically tasked [the PCAGC] to x x x investigate presidential appointees charged with graft and corruption x x x." More pointedly, Section 3 states that the "Commission shall have jurisdiction over all administrative complaints involving graft and corruption filed in any form or manner against presidential appointees x x x." We quote the pertinent provisions below:

"Section 3. *Jurisdiction.* – The Commission shall have jurisdiction over all administrative complaints involving graft and corruption filed in any form or manner against **presidential appointees**, including those in government-owned or controlled corporations." (emphasis supplied)

"Section 4. *Powers, Functions and Duties.* – The Commission shall have the following powers, functions and duties:

"(a) Investigation – The Commission shall have the power to investigate administrative complaints against **presidential appointees** in the executive department of the government, including those in government-owned or controlled corporations, charged with graft and corruption. In the exercise thereof, the Commission is (1) authorized to summon witnesses, administer oaths, or take testimony or evidence relevant to the investigation by subpoena ad testificandum and subpoena duces tecum, and do such other acts necessary and incidental to the discharge of its function and duty to investigate the said administrative complaints; and (2) empowered to call upon and secure the assistance of any department, bureau, office, agency, or instrumentality of the government, including government-owned or controlled corporations.

"The Commission shall confine itself to cases of graft and corruption involving one or a combination of the following criteria:

"1. Presidential appointees with the rank equivalent to or higher than an Assistant Regional Director;

"2. The amount involved is at least Ten Million Pesos (P10,000,000.00);

"3. Those which threaten grievous harm or injury to the national interest; and

"4. Those which may be assigned to it by the President.^[11]