

## EN BANC

**[ G.R. No. 160568, September 15, 2004 ]**

**CIVIL SERVICE COMMISSION, PETITIONER, VS. HERMOGENES P. POBRE, RESPONDENT.**

### DECISION

**CORONA, J.:**

Before us is a petition for review on certiorari under Rule 45 of the 1997 Revised Rules of Civil Procedure, seeking a review and reversal of the decision<sup>[1]</sup> dated March 31, 2003 of the Court of Appeals annulling and setting aside the resolutions<sup>[2]</sup> promulgated by petitioner Civil Service Commission (CSC), specifically CSC Resolution Nos. 01-1739 dated October 29, 2001 and 02-0236 dated February 19, 2002.

Respondent Hermogenes P. Pobre is a former government official who retired from the government service three times. Respondent first retired as commissioner of the Commission on Audit (COA) on March 31, 1986. He reentered the government and retired as chairman of the Board of Accountancy on October 31, 1990. He was then appointed as associate commissioner of the Professional Regulation Commission (PRC) of which he retired eventually as chairman on February 17, 2001. The first two times he retired, respondent Pobre received his terminal leave pay amounting to P310,522.60 and P55,000, respectively.

On his third retirement, respondent Pobre claimed payment of his terminal leave based on his highest monthly salary as PRC chairman but to be reckoned from the date he first entered the government service as budget examiner in the defunct Budget Commission in 1958. He invoked Section 13 of Commonwealth Act 186:

Sec. 13. Computation of service. - The aggregate period of service which forms the basis for retirement and calculating the amount of annuity described in section eleven hereof shall be computed from the date of original employment, whether as a classified or unclassified employee in the service of an "employer," including periods of service at different times and under one or more employers; x x x.

Doubtful of the legality of the claim, successor PRC chairperson Antonieta Fortuna-Ibe sought the opinion of two constitutional commissions, petitioner CSC and the COA.

On October 29, 2001, petitioner CSC promulgated CSC Resolution No. 01-1739 stating that all respondent Pobre was entitled to were his terminal leave benefits based only on his accrued leave credits from the date of his assumption to office as PRC chairman and not his total terminal leave credits, including those earned in other government agencies<sup>[3]</sup> from the beginning of his government service.

Respondent Pobre sought reconsideration of the above resolution. On February 19, 2002 the CSC issued Resolution No. 02-0236 denying his motion, with the modification, however, that the computation of his terminal leave benefits should include his service as PRC associate commissioner:

WHEREFORE, the motion for reconsideration of former PRC Chairman Hermogenes P. Pobre is hereby DENIED for want of merit. CSC Resolution No. 01-1739 dated October 29, 2001 is, however, modified such that Chairman Pobre is entitled to the payment of his terminal leave benefits computed from the date he was appointed as PRC Commissioner until the termination of his term as Chairman of the Professional Regulation Commission.<sup>[4]</sup>

Dissatisfied with the resolution, respondent Pobre elevated the case to the Court of Appeals *via* a petition for review, raising two issues:

1. whether or not the CSC had the jurisdiction to pass upon the validity of petitioner's claim for terminal leave benefits when this claim was pending adjudication by the COA and
2. whether or not a retired employee who had served a string of government agencies in his career was entitled to have his terminal leaves computed from the time of his original appointment to the first agency in the manner retirement annuities are computed under Section 13 of Commonwealth Act 186.<sup>[5]</sup>

In a decision dated March 31, 2003, the Court of Appeals set aside the resolutions of petitioner CSC and declared that it was the COA, not petitioner CSC, which had jurisdiction to adjudicate respondent Pobre's claim for terminal leave benefits:

WHEREFORE, the instant petition is PARTIALLY GRANTED. The assailed Resolution No. 02-0236 dated February 19, 2002 of the Civil Service Commission is ANNULLED and SET ASIDE for having been issued without jurisdiction. Instead, the parties are ordered to await the outcome of the query addressed by the respondent Professional Regulation Commission to the Commission on Audit and thereafter, move on the premises. No costs.

SO ORDERED.<sup>[6]</sup>

Petitioner CSC filed a motion for reconsideration but it was denied on September 24, 2003.

Hence, the instant petition. Petitioner CSC raises a lone issue:

WHETHER THE PETITIONER CSC HAS JURISDICTION TO PASS UPON THE VALIDITY OF RESPONDENT HERMOGENES P. POBRE'S CLAIM FOR TERMINAL LEAVE, THE COMPUTATION OF WHICH IS TO BE RECKONED FROM THE DATE HE WAS FIRST EMPLOYED IN THE GOVERNMENT SERVICE IN 1958, UP TO HIS RETIREMENT AS CHAIRMAN OF THE PROFESSIONAL REGULATION COMMISSION ON FEBRUARY 17, 2001, ALTHOUGH IN THE MEANTIME HE ALREADY RECEIVED THE MONETARY

VALUE OF HIS TERMINAL LEAVE WHEN HE TWICE RETIRED FROM THE GOVERNMENT SERVICE.<sup>[7]</sup>

Petitioner CSC anchors its authority to dispose of respondent Pobre's claim for terminal leave benefits to its powers under the 1987 Administrative Code. Section 12 (17), Subtitle A, Title I, Book V of the Code enumerates the expanded powers and functions of petitioner CSC, among which is to "(a)administer the retirement program for government officials and employees."

Under PD 807, otherwise known as the Civil Service Decree of the Philippines, the CSC has, among others, the following powers and functions:

- (1)administer and enforce the constitutional and statutory provisions on the merit system;
- (2)prescribe, amend and enforce suitable rules and regulations for carrying into effect the provisions of the Decree;
- (3)promulgate policies, standards, and guidelines for the Civil Service and adopt plans and programs to promote economical, efficient, and effective personnel administration in the government;
- (4)supervise and coordinate the conduct of civil service examination;
- (5)approve appointments, whether original or promotional, to positions in the civil service;
- (6)inspect and audit periodically the personnel work program of the different departments, bureaus, offices, agencies and other instrumentalities of the government;
- (7)hear and decide administrative disciplinary cases instituted directly with it or brought to it on appeal; and
- (8)perform such other functions as properly belonging to a central personnel agency.<sup>[8]</sup>

On the other hand, the powers and functions of COA are delineated in Section 2 subsections (1) and (2) Article IX-D of the 1987 Constitution:

SEC. 2 (1) The Commission on Audit shall have the power, authority, and duty to examine, audit, and settle all accounts pertaining to the revenue and receipts of, and expenditures or uses of funds and property owned or held in trust by or pertaining to, the government, or any of its subdivisions, agencies, or instrumentalities, including government-owned and controlled corporations with original charters, and on a post-audit basis: (a) constitutional bodies, commissions and offices that have been granted fiscal autonomy under this constitution; (b) autonomous state colleges and universities; (c) other government-owned or controlled corporations and their subsidiaries and (d) such non-governmental entities receiving subsidy or equity, directly or indirectly, from or through the government which are required by law or the granting institution to