

EN BANC

[G.R. NO. 161065, April 15, 2005]

EUFEMIO C. DOMINGO, CELSO D. GANGAN, PACASIO S. BANARIA, SOFRONIO B. URSAL, ALBERTO P. CRUZ, MARIA L. MATIB, RACHEL U. PACPACO, ANGELO G. SANCHEZ, AND SHERWIN A. SIP-AN, PETITIONERS, VS. HON. GUILLERMO N. CARAGUE, IN HIS CAPACITY AS CHAIRMAN, COMMISSION ON AUDIT, HON. EMMANUEL M. DALMAN AND HON. RAUL C. FLORES, IN THEIR CAPACITIES AS COMMISSIONERS, COMMISSION ON AUDIT, RESPONDENTS.

D E C I S I O N

SANDOVAL-GUTIERREZ, J.:

Judicial power is the power to hear and decide cases pending between parties who have the right to sue in courts of law and equity.^[1] Corollary to this dictum is the principle of *locus standi* of a litigant. He who is directly affected and whose interest is immediate and substantial has the standing to sue. Thus, a party must show a personal stake in the outcome of the case or an injury to himself that can be redressed by a favorable decision in order to warrant an invocation of the court's jurisdiction and justify the exercise of judicial power on his behalf.

Assailed in this petition for *certiorari* is the legality of Resolution No. 2002-05 of the Commission on Audit (COA) providing for Organizational Restructuring Plan. The above-named petitioners basically alleged therein that this Plan is intrinsically void for want of an enabling law authorizing COA to undertake the same and providing for the necessary standards, conditions, restrictions, limitations, guidelines, and parameters. Petitioners further alleged that in initiating such Organizational Restructuring Plan without legal authority, COA committed grave abuse of discretion amounting to lack or excess of jurisdiction.

At this point, it is pertinent to state that the COA is a quasi-judicial body and that its decision, order or ruling may be brought to the Supreme Court on *certiorari* by the aggrieved party.^[2]

Petitioners Eufemio C. Domingo, Celso C. Gangan, Pascasio S. Banaria are retired Chairmen, while Sofronio B. Ursal, and Alberto P. Cruz are retired Commissioners of COA. All claim "to maintain a deep-seated abiding interest in the affairs of COA,"^[3] especially in its Organizational Restructuring Plan, as concerned taxpayers.

The other petitioners are incumbent officers or employees of COA. Maria L. Matib and Angelo G. Sanchez are State Auditor III and State Auditor II, respectively, assigned to the Cordillera Administrative Region (CAR). Prior to the implementation of the questioned COA Organizational Restructuring Plan, they were Resident Auditors and later Audit Team Leaders. Petitioner Rachel U. Pacpaco is a State

Auditor III assigned to CAR and a Team Supervisor, while petitioner Sherwin A. Sipian is a State Auditor I also assigned at the CAR. These petitioners claim that they were unceremoniously divested of their designations/ranks as Unit Head, Team Supervisor, and Team Leader upon implementation of the COA Organizational Restructuring Plan without just cause and without due process, in violation of Civil Service Law. Moreover, they were deprived of their respective Representation and Transportation Allowances (RATA), thus causing them undue financial prejudice.

Petitioners now invoke this Court's judicial power to strike down the COA Organizational Restructuring Plan for being unconstitutional or illegal.

Initially, for our resolution is the issue of whether petitioners have the legal standing to institute the instant petition.

Petitioners invoke our ruling in *Chavez v. Public Estates Authority*,^[4] *Agan, Jr. v. Philippine International Air Terminals Co., Inc.*,^[5] and *Information Technology Foundation of the Philippines v. Commission on Elections*^[6] that where the subject matter of a case is a matter of public concern and imbued with public interest, then this fact alone gives them legal standing to institute the instant petition. Petitioners contend that the COA Organizational Restructuring Plan is not just a mere reorganization but a revamp or overhaul of the COA, with a "spillover effect" upon its audit performance. This will have an impact upon the rest of the government bodies subject to its audit supervision, thus, should be treated as a matter of transcendental importance. Consequently, petitioners' legal standing should be recognized and upheld.

Respondents, through the Office of the Solicitor General (OSG), counter that petitioners have no legal standing to file the present petition since following our ruling in *Kilusang Mayo Uno Labor Center v. Garcia, Jr.*,^[7] they have not shown "a personal stake in the outcome of the case" or an actual or potential injury that can be redressed by our favorable decision. Petitioners themselves admitted that "they do not seek any affirmative relief nor impute any improper or improvident act against the said respondents" and "are not motivated by any desire to seek affirmative relief from COA or from respondents that would redound to their personal benefit or gain." It is clear then that petitioners failed to show any "present substantial interest" in the outcome of this case, citing *Kilosbayan v. Morato*.^[8] Nor may petitioners claim that as taxpayers, they have legal standing since nowhere in their petition do they claim that public funds are being spent in violation of law or that there is a misapplication of the taxpayers' money, as we ruled in *Dumlao v. Comelec*.^[9]

Petitioners' reliance upon our rulings in *Chavez*,^[10] *Agan, Jr.*,^[11] and *Information Technology Foundation*^[12] is flawed.

In *Chavez*, we ruled that the petitioner has legal standing since he is a taxpayer and his purpose in filing the petition is to compel the Public Estate Authority (PEA) to perform its constitutional duties with respect to: (a) the right of the citizens to information on matters of public concern; and (b) the application of a constitutional provision intended to insure the equitable distribution of alienable lands of the public domain among Filipino citizens. The thrust of the first is to compel PEA to disclose