

THIRD DIVISION

[G.R. NO. 161950, December 19, 2006]

FLORENCIO B. CAMPOMANES, PETITIONER, VS. PEOPLE OF THE PHILIPPINES, RESPONDENT

DECISION

CARPIO, J.:

The Case

This is a petition for review on certiorari^[1] assailing the Decision^[2] promulgated on 31 January 2003 and the Resolution^[3] promulgated on 6 February 2004 by the Sandiganbayan in Criminal Case No. 23672 entitled *People of the Philippines v. Cecilio G. Hechanova and Florencio B. Campomanes*. The accused were charged with conspiracy in violating Article 218 of the Revised Penal Code, which defines and penalizes the failure of an accountable officer to render accounts.

The Sandiganbayan acquitted then Philippine Sports Commission (PSC) Chairman Cecilio G. Hechanova ("Hechanova") for failure of the prosecution to prove conspiracy. The Sandiganbayan, however, convicted accused-petitioner Florencio B. Campomanes ("Campomanes"), then President of the *Federation Internationale Des Echecs* (FIDE), of the crime of failure to render accounts as defined in Article 218 in relation to Article 222 of the Revised Penal Code. The Sandiganbayan sentenced Campomanes to one year and ten months of imprisonment.

On reconsideration, the Sandiganbayan reduced Campomanes' penalty to a fine of P6,000 due to his advanced age.

The Facts

The present petition involves alleged irregularities in the disbursement and liquidation of the funds that the PSC made available to the FIDE through Campomanes in connection with the PSC's bid to host the 1992 Chess Olympiad and Congress in Manila from 6 to 25 June 1992.

The parties stipulated upon the following facts:

1. That during the period material to the Information of this case, accused Cecilio G. Hechanova was the Chairman of the Philippine Sports Commission (PSC) and Florencio B. Campomanes was the President of the Federation International [sic] Des Echecs (FIDE), a private international organization with offices at Lausanne, Switzerland.
2. That on 6 March 1991 the Philippine Sports Commission submitted to FIDE a bid offer to host the 30th Chess Olympiad of 1992 in

Manila, making the promissory representations required under FIDE rules, viz:

3. '- Financial Guarantee Declaration and/or Government Guarantee if applicable. Provisional budget to be added.
- The Funding of the Olympiad and Congress shall be the responsibility of the Philippine Sports Commission. (attached board resolution) budget US\$6 million P180 M.

(1) Additional arrangements:

The sum of One Million [sic] Swiss Francs (SFr.1,000,000.00) has been place in the Philippines National Bank in an account In Trust to the Federation Internationale Des Echecs to guarantee the organization of the 1992 Chess Olympiad and Congress, in case of the award of the same, which amount shall be forfeited in favor of FIDE in the event that the Philippine Sports Commission fails to organize the said Chess Olympiad and Congress.

- Deposit: We enclose with out [sic] offer/bid our deposit fee of SFr. 5,000.00 to FIDE. We are aware that we forfeit this sum if for any reason we do not organize the event. If we do organize the event this sum will be put to the credit of our account with FIDE.

We have organized the specific FIDE stipulations for the above mentioned event and will observe them.

- All conditions offered are subject to the approval of the FIDE President or his representatives.

- The President has the right to demand additional deposits or guarantees from the organizers when he so decides.

- Twelve months before the commencement of the event the President must be in possession of sufficient evidence of the full financial reliability and attention of the sponsors. If such evidence is not at hand at the given time, the President has the right to withdraw the option.

4. That the PSC's bid offer was accepted by FIDE, and accordingly the Philippine government thru the PSC was granted the right to organize and host the 30th World Chess Olympiad in Manila from June 6-25, 1992.

5. That in connection with the 30th World Chess Olympiad, the PSC governing board passed Resolution No. 292 on June 4, 1991 appropriating the amount of Fourty [sic] Thousand Swiss Francs (SFr40,000.00) as monthly expenditure of FIDE from May 1991 to June 1992.
6. That from October 1990 to June 1992 the PSC, also complying with its obligations under the bid offer, remitted to FIDE – received in FIDE's behalf by its President, Florencio Campomanes – the total amount of P12,876,008.00 in connection with the 30th World Chess Olympiad in Manila.
7. That the amount of P12,876,008.00 was acknowledged as having been received by FIDE as shown by a letter dated December 22, 1995 of Willy Iclicki, FIDE Treasurer.
8. Also the FIDE transmitted to the PSC two letter-explanations/clearances re the above funds received from PSC:

Letter dated 8 December 1995:

- 'As far as the World Chess Federation is concerned, Mr. Florencio Campomanes made his clarifications and there are no further queries on the amount assigned for FIDE for the Manila Olympiad 1992. As you may know, he was given a total vote of confidence by the General Assembly and elected FIDE Chairman.' -[see Exhibit "2-Campomanes"]

Letter dated 29 May 1997:

- 'Attached is my letter dated Singapore, 22 December 1995, where we had our FIDE Presidential Board meeting, as authenticated today 29 May 1997, by the Philippine Embassy in Brussels.

- We began issuing official receipts only in late 1993 and it is FIDE practice not to issue official receipts unless specifically requested.' [see Exhibit "4-Campomanes"]^[4]

The Commission on Audit (COA) conducted an audit of the PSC's transactions from March 1990 up to June 1992. During the audit, the COA team, composed of team leader Remy Mendoza ("Mendoza") and members Ignacia Rodrigo and Alexander Rodriguez, requested for the journal and checks and disbursements issued by the PSC pertaining to the P12 million appropriated to defray the organization, administration, and hosting of the Chess Olympiad and Congress. The COA team noticed irregularities in the claims payable to the FIDE. The irregularities consisted of the lack of acknowledgment receipts and of accounting liquidation attached to the disbursement vouchers. The COA defined an acknowledgment receipt as an official receipt evidencing that the FIDE received the funds from the PSC. An accounting liquidation is used to explain how the funds were expended pursuant to the purpose specified in the disbursement voucher.

The COA invited the PSC officials to an exit conference on 27 October 1993. During the conference, the COA submitted its team's findings to the PSC and requested for the PSC's comment on the matter. In the absence of the PSC's comment, the COA prepared SAO Report No. 93-27. The report stated that the FIDE, through Campomanes, received P12,876,008 without acknowledgment and without liquidation.

In an Information dated 1 April 1997, Hechanova and Campomanes were charged as follows:

That, on or about August 25, 1992, or sometime prior or subsequent thereto, in the City of Manila and within the jurisdiction of this Honorable Court, the above-named accused Cecilio G. Hechanova, a public officer, being then the Chairman of the Philippine Sports Commission (PSC), and as such was accountable for public funds disbursed by his office, conspiring and confederating with Florencio B. Campomanes, President of the Federacion [sic] Internationale des Echecs (FIDE), a private organization, to whose custody and possession was entrusted PSC funds to be used in connection with the World Chess Olympiad in Manila, hosted by the Philippine Government from June 6-25, 1992, amounting to PESOS: TWELVE MILLION EIGHT HUNDRED SEVENTY SIX THOUSAND EIGHT (P12,876,008.00), Philippine Currency, did then and there willfully, unlawfully and feloniously fail to render account on the disbursement thereof, within the period provided for by law and the rules and regulations of the Commission on Audit, preventing the auditors from fully establishing the cash accountabilities of both accused and/or the offices they represent to the prejudice of the Government.^[5]

Campomanes entered a plea of not guilty upon arraignment on 24 July 1997 and filed a motion for reconsideration the next day. On 14 January 1998, Special Prosecution Officer II Cicero D. Jurado, Jr. recommended the dismissal of the case. Ombudsman Aniano Desierto overruled the recommendation.

During trial, the prosecution presented Mendoza as its sole witness. Hechanova and Campomanes testified on their own behalf.

The Ruling of the Sandiganbayan

In its decision promulgated on 31 January 2003, the Sandiganbayan's Fifth Division acquitted Hechanova but declared Campomanes guilty and sentenced him accordingly. The dispositive portion of the decision reads thus:

Premises considered, accused Cecilio G. Hechanova is hereby ACQUITTED of the crime charged for failure of the prosecution to prove conspiracy.

On the basis of proof beyond reasonable doubt, accused Florencio B. Campomanes is hereby CONVICTED of the crime of failure to render accounts as defined in Article 218 in relation to Article 222 of the Revised Penal Code. Accordingly, he is hereby meted the straight penalty of *one (1) year and ten (10) months imprisonment*.

There is no pronouncement as to civil liability as the fact from which the same might arise was not established in the case at bar.

The cash bond posted by accused Hechanova is hereby ordered returned to him subject to the usual accounting and auditing procedures.

The Hold Departure Order issued on May 20, 1997 against accused Hechanova is likewise ordered lifted.

SO ORDERED.^[6] (Emphasis in the original)

In its resolution promulgated on 6 February 2004, the Sandiganbayan denied Campomanes' Motion for Reconsideration filed on 11 February 2003 but modified its previous judgment. The dispositive portion of the resolution reads as follows:

In view of all the foregoing, the instant Motion for Reconsideration dated February 10, 2003 is hereby denied for lack of merit. However, due to accused's advanced age and for humanitarian reasons, the penalty imposed in the questioned Decision is hereby amended to a fine of six thousand pesos (Php6,000.00), instead of imprisonment of one (1) year and ten (10) months, pursuant to Article 218 of the Revised Penal Code.

SO ORDERED.^[7]

Justices Francisco Villaruz, Jr. and Diosdado Peralta wrote separate dissenting opinions.

The Issues

Campomanes comes before this Court to question the Sandiganbayan's rulings. He raises the following issues:

I

The Assailed Decision violated petitioner's constitutional right to be informed of the nature and cause of the charges against him.

II

Even assuming that the Sandiganbayan's findings were alleged in the Information, petitioner is not required by law to render an accounting and therefore did not violate Article 218 of the RPC.

III

Assuming further that petitioner was required by law to account for the funds paid by the PSC to the FIDE, the admitted and undisputed facts warrant his acquittal.^[8]

The Ruling of the Court

The petition has merit.

The main issue in this appeal is whether Campomanes is indeed guilty of failure to render accounts as defined in Article 218 in relation to Article 222 of the Revised