

EN BANC

[G.R. No. 110798, July 20, 1999]

ODELON T. BUSCAINO, PETITIONER, VS. COMMISSION ON AUDIT, RESPONDENT.

D E C I S I O N

PURISIMA, J.:

This is a petition for *certiorari* assailing the decision of the Commission on Audit (COA) which adjudged petitioner Odelon T. Buscaino jointly and solidarily liable with the President of Polytechnic University of the Philippines (PUP), Dr. Pablo Mateo, and other PUP officials and employees in the amount of P1,527,176.40 for audit disallowances based on the schedule of disallowances submitted by the resident COA Auditor of the Polytechnic University of the Philippines.

The facts of the case that matter are as follows:

Petitioner Odelon T. Buscaino is the Director of Fiscal Management Services of the Polytechnic University of the Philippines (PUP) with position item of Chief Financial Management Officer II. His functions include signing disbursement vouchers and certifying the availability of funds and legality and propriety of supporting documents. As such, petitioner is one of the necessary PUP official signatories to every disbursement voucher of PUP before payment thereon can be made.

Petitioner is also a member of the PUP Canvass and Award Committee which reports the results of every bid or canvass conducted and at the same time, recommends to the PUP President the award of purchase or service contract to a supplier.

Ireneo Monteverde, former Auditor of PUP, issued four (4) Certificates of Settlement and Balances (CSBs) No. 86-003-151, 86-004-151, 86-007-151, and 86-008-151, dated May 23, July 28, November 12, and December 15, 1986, respectively, disallowing in audit an aggregate amount of P993,933.32, involving overpriced purchases of various office and school supplies in violation of pertinent laws, applicable rules and regulations.

A motion for reconsideration of the aforestated disallowances was interposed by former PUP President Dr. Pablo Mateo and the herein petitioner, Odelon Buscaino.

On March 3, 1989, the Commission on Audit (COA) came out with its Decision No. 826, affirming subject disallowances ordered by the PUP Auditor on the ground that there was "no public bidding and/or canvass resulting in overpricing" in the purchase of the various office and school supplies in question and holding petitioner jointly and severally liable with Dr. Pablo Mateo, and Dr. Juan E. Manuel, Jr., former President and Vice-President of PUP, respectively, for the said disallowances.

In a letter, dated August 2, 1989, addressed to then Commission on Audit Chairman Eufemio Domingo, petitioner sought reconsideration of Decision No. 826 on the following grounds:

- a. Based on existing documents, there was evident suppression of vital information which if made known to the authorities concerned, may have rendered a contrary decision; and
- b. The existing conditions and circumstances, at the time when some of the purchase were made, have not been given due consideration in post auditing the vouchers for the payment thereof.

During the pendency of the motion for reconsideration, former Auditor Ireneo Monteverde was succeeded by Auditor Federico Calpotura. After a reevaluation of the disallowances with respect to subject transactions, the motion for reconsideration was denied in COA Decision No. 1508 dated September 20, 1990. The aforesaid decision likewise increased the amount of disallowances from P993,933.32 to P2,379,304.98 and the corresponding Certificates of Settlement and Balances (CSBs) from four (4) to sixteen (16). As a result, petitioner is being held jointly and solidarily liable for the following transactions:

Check No.	Nature of Transaction	Amount Disallowed	Reason for Disallowance
CSB No. 86-007-151 1. TW-8,05,333,824	Purchase of school and supplies	P206,534.15	Aside from being signatory to Box No. 4 of the voucher, Mr. Buscaino is a signatory to the Abstract of Bids as member of the Canvass and Award Committee, which certified that the prices are fair and the lowest, and recommended the award to the Supplier.
2. TW 8-05-333-823	-do-	68,125.00	-do-
CSB No. 86-008-151 3. TW 8,05,333,876	-do-	58,294.00	-do-
4. SNB-3873896-1	-do-	42,038.50	-do-
5. SNB-3873960-2	Purchase of 6 drums Hy-tox	10,800.00	-do-
6. SNB-3874005-5	Purchase of 500	6,925.00	-do-

	boxes of chalk		
CSB No. 87-002-151 7. SNB-3874216-6	Purchase of 1,000 rolls typewriter ribbons	14,250.00	Signatory only to the Abstract of Bids, as member of the Canvass and Award Committee which certified that the prices are fair and the lowest, and recommended the award to the supplier
8.SNB-3874214-4	-do-	14,250.00	-do-
9.SNB-3874235-4	Purchase of school and office supplies	31,550.00	-do-
CSB NO. 87-004-151 10.SNB-3874384-6	-do-	24,121.00	-do-
11.TW-B, 05,466,446	-do-	216,289.50	-do-
12.TW-B 05,466,445	-do-	62,573.00	-do-
CSB No. 87-005-151 13.TW-B, 05,509-319	-do-	14,344.00	-do-
14.SN6-1968866-1	-do-	29,100.00	-do-
15.TW-B, 05,509,321	-do-	12,773.00	-do-
16.TW-B, 05,509,320	-do-	36,567.70	-do-
17.TW-B, 05,509,323	-do-	124,971.75	-do-
18.TW-B, 05,509,322	-do-	55,098.50	-do-
19.SN6-1968869-4	-do-	15,949.80	-do-
20.SN6-1968879-0	Purchase of 6 drums of Hy-tox chlorine	10,770.00	-do-
CSB No. 87-017-101	Purchase	50,800.00	Short delivery by four

21.TW-B, 05,204,044	of 125 units of Manual Typewriters		(4) units. Mr. Buscaino is the signatory to Box 4 of the voucher certified that the transaction was supported by documents appearing legal and proper. The voucher was supported by only one (1) Sales Invoice bearing only 121 serial nos. and no other proof of additional delivery.
CSB No.86- 002-151 22.SN5- 7567061-6	Payment of housing P allowance for Feb. 1986 to former PUP Pres.	500.00	Mr. Buscaino is the signatory to Box 4 of the voucher, certified that the transaction was supported by documents appearing legal and proper. The voucher is not supported by any document.
CSB No.86- 003-151 23.SN5- 7580362-0	-do- Mar. 1985	500.00	-do-
CSB No.86- 004-151 24.SN5- 7580561	-do- April, 1985	500.00	-do-
CSB No.86- 005-151 25.SN5- 7580726	-do- May 1985	500.00	-do-
CSB No.86- 006-151 26. SN5- 7580937-1	-do- June 1985	500.00	-do-
CSB No.86- 003-151 27.SNB- 3873861-1	-do- July ,1985	500.00	-do-
CSB No.86- 008-151 28.SNB- 3874007-0	-do- August, 1985	500.00	-do-
CSB No.86- 004-151 29.SN5- 7580508-6	Payment of gasoline	302.00	-do-

	and toll gate fees		
CSB No.86-004-151 30.SN5-7580551-0	Purchase of 249 supplies	249.00	Mr. Buscaino is the signatory to Box 4 of the voucher. The supplies were delivered in advance (on Mar 8/85) w/o canvasses nor Purchase Order. The confirmation of the delivery was on Mar.20,1985.
CSB No. 86-008-101 31.TW-B-05-333-932	Payment of ITT Telephone System to Asia Pacific Phil., Inc.	405,000.00	Mr. Buscaino is the signatory to Box 4 of the voucher. Per CSB issued by the former Auditor. There was no refund in 1985 for the purpose. The transaction was paid out of the revalidated CDCs of prior years' accounts payable obligated in 1983 in favor of various creditors other than the supplier, hence, violation of Sec. 43, P.D. 1177.
32.SN5-7580495-0	Purchase of school and office supplies	12,000.00	Mr. Buscaino is the signatory to Box 4 of the voucher, certifying that the transaction was supported by documents appearing legal and proper. The transaction was not supported by any canvass nor Purchase Order. It was an advanced delivery confirmed only later.

The pertinent portion of COA Decision No. 1508 reads:

"xxx In sum, these disallowances are the result of overpricing of school and office supplies procured without canvassing or bidding in the aggregate amount of P1,948,455.33; unnecessary procurement of telephone system; short delivery of four (4) units of typewriter at a total cost of P50,800.00; unauthorized collection of allowances; and expenditures for health, transportation, and gasoline for unofficial purposes."