

**Title:** Office of the Ombudsman vs. Merceditas De Sahagun, Manuela T. Waquiz, and Raidis J. Bassig, G.R. No. 168079

---

**Facts:**

- November 13, 1992:** Raidis J. Bassig, Chief of the Research and Publications Division of the Intramuros Administration, recommended to Intramuros Administrator Edda V. Henson (Henson) the commissioning of Brand Asia, Ltd. to produce a video documentary, implement a media plan, and provide marketing support services for Intramuros.
- November 17, 1992:** The Bids and Awards Committee (BAC) of the Intramuros Administration, chaired by Merceditas de Sahagun with members Manuela T. Waquiz and Dominador C. Ferrer, Jr., recommended to Henson the approval of the award of the contract to Brand Asia, Ltd. Henson approved this recommendation and issued a Notice of Award to Brand Asia, Ltd.
- November 23, 1992:** A service contract was executed between Henson and Brand Asia, Ltd. for the video documentary.
- December 1, 1992:** A Notice to Proceed was issued to Brand Asia, Ltd.
- June 2, 1993:** The BAC, now including Augusto P. Rustia, recommended to Henson the approval of another contract for print collaterals with Brand Asia, Ltd. Henson approved this recommendation and issued the necessary notices.
- June 22, 1993:** A contract was entered between Henson and Brand Asia, Ltd. for the production of print collaterals.
- March 7, 1995:** An anonymous complaint was filed with the Presidential Commission Against Graft and Corruption (PGAC) against Henson for the contracts with Brand Asia, Ltd.
- November 30, 1995:** Henson was dismissed from service upon the recommendation of the PGAC, which found the contracts violated RA 3019 (the Anti-Graft and Corrupt Practices Act) due to the absence of public bidding.
- August 8, 1996:** An anonymous complaint was filed with the Ombudsman against the BAC members related to the Brand Asia, Ltd. contracts.

10. **September 5, 2000:** The Fact-Finding Intelligence Bureau (FFIB) filed criminal and administrative charges against the respondents for violations of RA 3019 and other misconduct.
11. **February 27, 2002:** The criminal case (OMB-0-00-1411) was dismissed for lack of probable cause.
12. **June 19, 2002:** Graft Investigation Officer recommended dismissal of the administrative case (OMB-ADM-0-00-0721), but this was disapproved by Ombudsman Simeon V. Marcelo.
13. **March 10, 2003:** Ombudsman Marcelo found respondents administratively liable, dismissed them from service, and imposed varying penalties.
14. **March 17, 2003:** Respondents filed a Motion for Reconsideration.
15. **June 24, 2003:** Ombudsman Marcelo reduced penalties, finding respondents guilty of simple misconduct and adjusting Rustia's suspension.
16. **Respondents' Legal Actions:** Dissatisfied, respondents filed a Petition for Review with the Court of Appeals (CA).
17. **April 28, 2005:** The CA set aside the Ombudsman's Orders, holding that the complaint was filed beyond the one-year period dictated by Section 20(5) of RA 6770, and stated that the Ombudsman's powers were recommendatory.

—

**Issues:**

1. **Prescription of Administrative Offenses:** Does Section 20(5) of RA 6770 prevent the Ombudsman from investigating complaints filed more than one year after the occurrence of the alleged acts?
2. **Authority of the Ombudsman:** Does the Ombudsman have punitive powers, or is it restricted to merely recommendatory actions?

—

**Court's Decision:**

**\*\*Prescription of Administrative Offenses:\*\***

- The Supreme Court ruled that administrative offenses do not prescribe. Section 20(5) of RA 6770 does not indicate the mandatory prescription of administrative offenses; it is within the Ombudsman's discretion to investigate complaints, even if filed after one year.
- The CA's interpretation that "may not" is mandatory was incorrect. The word "may" in the statute implies discretion, not a prohibition.

**\*\*Authority of the Ombudsman:\*\***

- The SC confirmed the Ombudsman's authority to impose administrative penalties directly. The CA's reliance on *Tapiador v. Office of the Ombudsman* was misplaced as the statement was an obiter dictum.
- The Ombudsman has the power to directly impose administrative penalties as established by the Constitution, RA 6770, and supported by jurisprudence. It ensures that the Ombudsman is a functional and effective constitutional body.
- The CA committed an error by ruling that the Ombudsman's power is recommendatory.

**\*\*Doctrine:\*\***

1. **\*\*Prescription of Administrative Offenses:\*\*** Administrative offenses are not subject to prescription periods.
2. **\*\*Ombudsman's Powers:\*\*** The Ombudsman has direct administrative disciplinary authority, including the power to impose penalties, not merely to recommend them.

—

**\*\*Class Notes:\*\***

1. **\*\*Key Legal Concepts:\*\***
  - **\*\*Administrative Offenses:\*\*** An administrative offense pertains to the conduct of public officers and does not prescribe.
  - **\*\*Discretionary Authority:\*\*** The use of "may" in statutory text confers discretion, not an obligatory act.
  - **\*\*Ombudsman's Powers:\*\*** RA 6770 grants the Ombudsman the authority to impose punitive actions directly against public officers, ensuring the efficacy of public service

discipline.

2. **Essential Statutory Provisions:**

- **Section 20(5) of RA 6770:** This section allows the Ombudsman discretion on whether to investigate a complaint filed after one year.
- **Sections 15, 21, 22, 25 of RA 6770:** These sections establish the punitive powers of the Ombudsman.

—

**Historical Background:**

This case emerged during a period in the Philippine government where emphasis on fighting graft and corruption among public officials was heightened. The involvement of the Presidential Commission Against Graft and Corruption and subsequently, the Ombudsman, illustrates the layered oversight intended to fortify governance against malpractices and upholds integrity within administrative proceedings. The legal interpretations and reaffirmations within the case also reflect the evolving nature of administrative jurisprudence, particularly in relation to the powers vested in the Office of the Ombudsman.