RAMON T. LIM, PETITIONER, VS. COMMISSION ON AUDIT, RESPONDENT.

G.R. No. 130325. March 12, 2003

Ponente: SANDOVAL-GUTIERREZ, J.

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SANDOVAL-GUTIERREZ, J.:

Challenged in the instant petition for certiorari[1] is the Decision dated March 1, 1996 of the Commission on Audit (COA) affirming the Resident Auditor's disallowance in audit of the payment of P239,000.00 in favor of V.A. Rivera Enterprises representing the cost of one (1) unit electric generator purchased by the Government Service Insurance System (GSIS), Zamboanga City through petitioner Ramon T. Lim; and the COA Resolution dated July 29, 1997 denying his motion for reconsideration.

The petition alleges that on January 22, 1991, petitioner, then the Branch Manager of the GSIS at Zamboanga City (GSIS for brevity), requisitioned one (1) generator. It was intended to be used for the GSIS radio-telex machine during power interruptions in the locality.

After a canvass was conducted, the GSIS sent a letter to V.A. Rivera Enterprises, which offered the lowest price, asking the latter to deliver the 20 KVA Petter/Stamford generator set. On January 8, 1992, V.A. Rivera Enterprises delivered the generator set to the GSIS which tested and used it.

Petitioner then sought clearance from the head office in Manila for the purchase of the generator set. On March 3, 1992, Benjamin S. Dela Pena, GSIS Vice President for Physical Resources Group, sent a memorandum to petitioner approving the purchase of the unit.[2]

Realizing that the purchase of the generator set involved a big amount of money, the GSIS scheduled a bidding on May 28, 1992 and issued the Invitation to Pre-qualify and Bid which reads in part:

> "The Government Service Insurance System is inviting suppliers to pre-qualify and to submit their bids for the supply, installation and wiring lay-out of:
> ONE (1) UNIT 15 KVA GENERATOR SET (Brand New)
> Brand: PETER (Made in England)
> Single Phase, 60 cycle, 240 VAC
> - To include the Panel Board, Fuel Tank, Pilot Light, Circuit Breaker, Voltmeter, Cycle Meter and Ammeter."[3]

Before the bidding, or on May 18, 1992, the GSIS, upon the advice of its Branch Auditor, Roberto T. Marquez, returned to V.A. Rivera Enterprises the generator set it had delivered earlier. Considering that it was used from January 8 to May 18, 1992, V.A. Rivera Enterprises demanded P152,000.00 as rental.

Subsequently, V.A. Rivera Enterprises was declared the winner in the May 28, 1992 bidding. Thus, it returned to the GSIS the 20 KVA generator set and waived the P152,000.00 rental fee.

On June 23, 1992, Branch Auditor Marquez sent a letter[4] to petitioner informing him, among others, that the

generator set is not brand-new; and that it was the same unit previously offered by V.A. Rivera Enterprises to the Zamboanga City Water District, now subject of a legal suit between them.

On September 11, 1992, Branch Auditor Marquez rendered a Decision that the payment for the generator in the amount of P239,000.00 is being disallowed because (a) it is not brand-new and (b) it is 20 KVA instead of 15 KVA as specified in the Invitation to Pre-qualify and Bid. Petitioner moved for a reconsideration but it was denied.

Petitioner interposed an appeal to respondent COA.

On March 1, 1996, respondent COA promulgated its Decision affirming the Decision of Branch Auditor Marquez. Petitioner filed a motion for reconsideration but it was denied in the Resolution dated July 29, 1997, thus:

> "Records show that under COA Decision No. 96-121 dated March 1, 1996, this Commission sustained the action of the Auditor of the Government Service Insurance System (GSIS), Zamboanga City Branch, disallowing in audit the payment of P239,000.00 in favor of V.A. Rivera Enterprises representing the cost of one unit electric generator which the GSIS in Zamboanga City purchased. Said disallowance was predicated on the ground that the machine, as appraised by the Technical Audit Specialist of COA Regional Office No. IX, is not brand new and it does not conform to the specifications called for in the Invitation to Bid (ITB) which specified an imported 15KVA generator and that the dealer was not able to present Tax and Duty Receipt which would prove that the equipment is a duly imported item."[5]

In the same Resolution, respondent COA also held that the GSIS is not liable to V.A. Rivera Enterprises for payment of rentals.

Hence, this petition.

Petitioner alleges in the instant petition that respondent COA acted with grave abuse of discretion amounting to lack of jurisdiction in disallowing the payment of the generator set in favor of V.A. Rivera Enterprises and in failing to appreciate and apply the principle of quantum meruit.

Petitioner contends that the unit is brand-new although it was locally-assembled and that the requirement for the purchase of the unit was complied with because the 20 KVA generator set delivered by V.A. Rivera Enterprises is more powerful than the 15 KVA specified in the invitation to bid.

Petitioner's arguments lack merit.

As found by respondent COA, what was delivered to the GSIS was a locally-assembled 20 KVA generator set which was previously offered by V.A. Rivera Enterprises to the Zamboanga City Water District.[6]

These findings of fact by respondent COA sustaining the conclusion to disallow the payment of P239,000.00 in favor of V.A. Rivera Enterprises are entitled to respect. Well-settled is the rule that factual findings of administrative agencies are generally respected and even accorded finality because of the special knowledge and expertise gained by these agencies from handling matters falling under their specialized jurisdiction.[7] In Tuazon vs. Godoy,[8] this Court held:

> "Factual findings of administrative agencies are generally held to be binding and final so long as they are supported by substantial evidence in the record of the case (Philtranco Service Enterprise, Inc. vs. NLRC, 288 SCRA 585 [1998]). It is not the function of the Supreme Court to analyze or weigh all over again the evidence and credibility of witnesses presented before the lower court, tribunal or office. The Supreme Court is not a trier of facts. Its jurisdiction is limited to reviewing and revising errors of law imputed to the lower court, its findings of fact being conclusive and not reviewable by this Court (Manzano vs. Court of Appeals, 278 SCRA 688 [1997])."

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The 20 KVA generator set, not being in conformity with the specifications provided in the Invitation to Pre-Qualify and Bid, respondent COA's Decision disallowing its payment is in order.

As to petitioner's contention that the GSIS has to pay rentals for its use of the generator set based on the principle of quantum meruit, the same is bereft of merit.

In a petition for certiorari under Rule 65 of the 1997 Rules of Civil Procedure, as amended, such as the one at bar, the only issue to be resolved is whether the assailed act of the respondent "tribunal, board or officer exercising judicial or quasi-judicial functions" was done without or in excess of its or his jurisdiction or with grave abuse of discretion amounting to lack or excess of jurisdiction. The payment of rentals for the use of the generator set based on quantum meruit is certainly not an issue here.

WHEREFORE, the instant petition is DISMISSED. The assailed Decision dated March 1, 1996 and Resolution dated July 29, 1997 of respondent COA are AFFIRMED.

SO ORDERED.

Davide, Jr., C.J., Bellosillo, Puno, Vitug, Mendoza, Panganiban, Quisumbing, Carpio, Austria-Martinez, Corona, Carpio-Morales, Callejo, Sr., and Azcuna, JJ., concur.
Ynares-Santiago, J., on leave.

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[1] Pursuant to Section 2, Rule 64 in relation to Rule 65 of the 1997 Rules of Civil Procedure.

[2] Annex "H-2," Petition, Rollo at 50.

[3] Annex "I," id. at 51.

[4] Rollo at 65.

[5] Id. at 33.

[6] Id. at 31.

[7] Mapa vs. Arroyo, 175 SCRA 76, 81 (1989).

[8] G.R. No. 146927, December 10, 2002, citing Pabu-aya vs. Court of Appeals, 356 SCRA 651, 657 (2001).

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