

PHILIPPINE NATIONAL BANK, PETITIONER, VS. RICARDO V. GARCIA JR., RESPONDENT.

G.R. No. 141246. September 09, 2002

Ponente: PANGANIBAN, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-141246/>

PANGANIBAN, J.:

There is nothing in the law that bars an appeal of a decision exonerating a government official or an employee from an administrative charge. If a statute is clear, plain and free from ambiguity, it must be given its literal meaning and applied without attempted interpretation. Indeed, the campaign against corruption, malfeasance and misfeasance in government will be undermined if the government or the private offended party is prevented from appealing erroneous administrative decisions.

The Case

Before us is a Petition for Review under Rule 45 of the Rules of Court, assailing the February 24, 1999 Decision and the December 22, 1999 Resolution of the Court of Appeals (CA)[1] in CA-GR SP No. 43900. The Decision affirmed the Resolution of the Civil Service Commission (CSC) exonerating Respondent Ricardo V. Garcia Jr. from administrative liability. The dispositive portion of the assailed CA Decision reads as follows:

“WHEREFORE, for lack of merit, the petition is DENIED and the assailed Orders are AFFIRMED.

“SO ORDERED.”[2]

The assailed Resolution denied reconsideration.[3]

The Facts

Adopting the narration of facts by the Office of the Solicitor General (OSG), the CA summarizes the antecedents in this wise:

“Private respondent Ricardo V. Garcia, Jr., a check processor and cash representative at the Buendia Branch of petitioner Philippine National Bank (PNB), was charged by the latter with Gross Neglect of Duty in connection with the funds it had lost on August 5, 1994 in the amount of Seven Million Pesos (P7,000,000.00).[4]

“On July 21, 1995, the PNB-Administrative Adjudication Office (AAO) rendered its decision, duly approved by PNB Executive Vice President Inocencio B. Deza, Jr., finding private respondent guilty as charged and, accordingly, imposing upon him the penalty of ‘Forced Resignation with Benefits. . . without prejudiced to his monetary liability arising from the case.[’]

“Private respondent moved for reconsideration of the aforesaid decision, but the same was denied by the PNB-AAO in its Resolution dated September 21, 1995. Aggrieved, private respondent appealed to public respondent on September 28, 1995.

“Meanwhile, on May 27, 1996, petitioner was privatized pursuant to Executive Order No. 80, otherwise known as the 1996 Revised Charter of the Philippine National Bank.

“Thereafter, public respondent issued Resolution No. 967612 on December 3, 1996, granting private respondent’s appeal after finding that the evidence on record failed to establish neglect of duty on the part of private respondent. The dispositive portion of the decision reads:

‘WHEREFORE, the appeal of Ricardo V. Garcia, Jr. is hereby granted. Accordingly, he is exonerated of the charges and the appealed decision of PNB is set aside. Garcia is automatically reinstated to his position with back salaries.’

“Petitioner moved for reconsideration of the above resolution, but public respondent, on March 11, 1997, denied the same in its Resolution No. 971762.”[5]

The CA Ruling

In dismissing PNB’s appeal, the CA cited *Mendez v. Civil Service Commission*,[6] which had ruled that only the “party adversely affected by the decision” -- namely, the government employee -- may appeal an administrative case. The CA held that a decision exonerating a respondent in an administrative case is final and unappealable.

Hence, this Petition.[7]

The Issues

Petitioner submits the following issue for resolution:

“Whether or not the Court of Appeals is correct in so holding that petitioner cannot anymore elevate on appeal the resolution of the Civil Service Commission reversing petitioner’s finding of guilt for gross neglect of duty on Respondent Garcia[.]”[8]

The Court’s Ruling

The Petition is meritorious.

Main Issue:

Party Adversely Affected Construed

The right to appeal is not a natural right or a part of due process, but a mere statutory privilege that may be exercised only in the manner prescribed by law.[9] Under Presidential Decree (PD) 807, the CSC has jurisdiction over appeals of administrative disciplinary cases, in which the penalty imposed is suspension for more than thirty days; a fine exceeding thirty days’ salary; a demotion in rank or salary; or transfer, removal, or dismissal from office.[10] The CA stated that this provision must be read in congruence with Section 39 of the same law. The latter provision reads thus:

“Sec. 39. Appeals. – (a) Appeals, where allowable, shall be made by the party adversely affected by the decision within fifteen days from receipt of the decision unless a petition for reconsideration is seasonably filed, which petition shall be decided within fifteen days.”[11]

Citing *Mendez v. Civil Service Commission*,[12] the CA construed the phrase “party adversely affected” in the above-quoted provision to refer solely to the public officer or employee who was administratively disciplined. Hence, an appeal may be availed of only in a case where the respondent is found guilty.[13]

However, this interpretation has been overturned in *Civil Service Commission v. Dacoycoy*. [14] Speaking through Justice Bernardo P. Pardo, the Court said that “we now expressly abandon and overrule extant jurisprudence that the phrase ‘party adversely affected by the decision’ refers to the government employee against whom the administrative case is filed for the purpose of disciplinary action which may take the form of

suspension, demotion in rank or salary, transfer, removal or dismissal from office x x x.”

In his Concurring Opinion, Justice Reynato S. Puno explained that the Civil Service Law did not categorically sanction the old doctrine barring appeals by parties other than the respondent employee. What the law declared as “final” were only those decisions of heads of agencies involving suspensions of not more than thirty days or fines not exceeding thirty days’ salary. These decisions, he said, involved minor and petty offenses, and to allow multiple appeals in those instances would overburden the quasi-judicial machinery of our administrative systems.[15]

Neither can the old doctrine barring appeal be justified by the provision limiting the jurisdiction of the Civil Service Commission. According to that provision, the CSC was limited to the review of decisions involving: (1) suspension for more than thirty days; (2) fine in an amount exceeding (30) days’ salary; (3) demotion in rank or salary; and (4) transfer, removal or dismissal from office. Nothing in the provision, however, indicates a legislative intent to bar appeals from decisions exonerating a government official or an employee from a administrative charge.[16]

It is a well-entrenched rule that if a statute is clear, plain and free from ambiguity, it must be given its literal meaning and applied without attempted interpretation.[17] Verily, the words employed by the legislature in a statute correctly express its intent or will and preclude courts from construing it differently.[18] The legislature is presumed to have known the meanings of the words, to have used those words advisedly, and to have expressed its intent by the use of such words as are found in the statute.[19] Where the language of a statute is plain and unambiguous and conveys a clear and definite meaning, there is no occasion for resorting to the rules of statutory construction, and this Court has no right to look for or impose another meaning.[20]

Indeed, the battles against corruption, malfeasance and misfeasance will be seriously undermined if we bar appeals of exoneration. After all, administrative cases do not partake of the nature of criminal actions, in which acquittals are final and unappealable based on the constitutional proscription of double jeopardy.[21]

Furthermore, our new Constitution expressly expanded the range and scope of judicial review. Thus, to prevent appeals of administrative decisions except those initiated by employees will effectively and perversely erode this constitutional grant.

Finally, the Court in *Dacoycoy* ruled that the CSC had acted well within its rights in appealing the CA’s exoneration of the respondent public official therein, because it has been mandated by the Constitution to preserve and safeguard the integrity of our civil service system. In the same light, herein Petitioner PNB has the standing to appeal to the CA the exoneration of Respondent Garcia. After all, it is the aggrieved party which has complained of his acts of dishonesty. Besides, this Court has not lost sight of the fact that PNB was already privatized on May 27, 1996. Should respondent be finally exonerated indeed, it might then be incumbent upon petitioner to take him back into its fold. It should therefore be allowed to appeal a decision that in its view hampers its right to select honest and trustworthy employees, so that it can protect and preserve its name as a premier banking institution in our country.

WHEREFORE, the Petition is DENIED, and the assailed Decision and Resolution SET ASIDE. This case is remanded to the Court of Appeals, which is DIRECTED to review on the merits the Resolution of the Civil Service Commission exonerating Respondent Ricardo V. Garcia from administrative liability. No costs.

SO ORDERED.

Puno, (Chairman), Corona, and Carpio-Morales, JJ., concur.

Sandoval-Gutierrez, J., on leave.

[1] Twelfth Division. Penned by Justice Portia Aliño-Hormachuelos and concurred in by Justices Buenaventura J. Guerrero (Division chairman) and Teodoro P. Regino (member).

[2] Assailed Decision, p. 7; rollo, p. 26.

[3] Rollo, p. 28.

[4] This was a typographical error; the actual amount lost was P700,000.

[5] Assailed Decision, p. 2; rollo, p. 21.

[6] 204 SCRA 965, December 23, 1991.

[7] This case was deemed submitted for decision on September 12, 2000, upon receipt by this Court of respondent's Memorandum, which was signed by Atty. Ricardo P. Escueta. Petitioner's Memorandum, signed by Atty. Eligio P. Petilla, was submitted on August 16, 2000.

[8] Petitioner's Memorandum, p. 10; rollo, p. 81. Original in upper case.

[9] *University of the Philippines v. Civil Service Commission*, 228 SCRA 207, December 1, 1993; citing *Villanueva v. Court of Appeals*, 205 SCRA 537, January 27, 1992.

[10] §37, par. (a) PD 807.

[11] §39, par. (a) PD 807.

[12] 204 SCRA 965, December 23, 1991.

[13] Assailed Decision, p. 6; rollo, p. 25.

[14] 306 SCRA 425, April 29, 1999.

[15] *Id.*, p. 452.

[16] *Ibid.*

[17] R.E. Agpalo, *Statutory Construction*, 1990 ed., p. 94.

[18] *Espiritu v. Cipriano*, 55 SCRA 533, February 15, 1974.

[19] *Aparri v. CA*, 127 SCRA 231, January 31, 1984.

[20] *Guevara v. Inocentes*, 16 SCRA 379, March 15, 1966.

[21] *Tecson v. Sandiganbayan*, 318 SCRA 80, November 16, 1999.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.