DARAGA PRESS, INC., PETITIONER, VS. COMMISSION ON AUDIT AND DEPARTMENT OF EDUCATION-AUTONOMOUS REGION IN MUSLIM MINDANAO, RESPONDENTS.

G.R. No. 201042. June 16, 2015

Ponente: DEL CASTILLO, J.

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DEL CASTILLO, J.:

Absent a clear showing of grave abuse of discretion, the factual findings of the Commission on Audit (COA) must be accorded great respect and finality.[1]

This Petition for Certiorari[2] assails the Decision[3] dated September 29, 2010 of the respondent COA, which denied petitioner Daraga Press, Lie's (DPI) money claim in the amount of P63,638,032.00. Likewise assailed is the Resolution[4] dated December 29, 2011 of the respondent COA, denying petitioner DPI's Motion for Reconsideration.[5]

Factual Antecedents

On November 15, 2007, pursuant to Section 19[6] of Republic Act No. 9401,[7] then Department of Budget and Management (DBM) Secretary Rolando G. Andaya, Jr. requested the respondent COA to validate and evaluate the request of then Regional Governor of the Autonomous Region in Muslim Mindanao (ARMM) Nur Misuari for the release of funds to cover the region's alleged unpaid obligation to petitioner DPI for textbooks delivered in 1998.[8]

In response to the request, the respondent COA issued Local Government Sector (LGS) Office Order No. 2007-058 dated December 7, 2007, creating a team of auditors to validate and evaluate the alleged unpaid obligation.[9]

On April 29, 2008, Assistant Commissioner Gloria S. Cornejo of the LGS issued a Memorandum[10] expressing serious doubts on the validity of the obligation as the actual receipt of the subject textbooks could not be ascertained.[11]

On September 22, 2008, petitioner DPI filed with the respondent COA a money claim[12] for the payment of textbooks it allegedly delivered on July 3, 1998 to the respondent Department of Education (DepEd)-ARMM, formerly the Department of Education, Culture and Sports (DECS)-ARMM.[13]

Pursuant to a directive of the Commission Proper, the Fraud Audit and Investigation Office (FAIO), Legal Services Sector (LSS) conducted further validation of petitioner DPI's money claim, which yielded the same result.[14] The findings of the FAIO complemented and corroborated the initial observations/findings of the audit team created under LGS Office Order No. 2007-058 dated December 7, 2007.[15]

Ruling of the Commission on Audit

Based on the Memorandum dated April 29, 2008 and the LSS-FAIO Report No. 2010-001,[16] the respondent

COA rendered the assailed Decision dated September 29, 2010. It denied the money claim because it found no convincing proof that the subject textbooks were delivered.[17] It noted that there was no showing that the Supply Officer actually inspected and received the said delivery;[18] that there was a violation of the rules on internal control on segregation of duties and responsibilities as the receipt/acceptance/inspection of the alleged deliveries was done by the DECS-ARMM Regional Secretary, who was also the one who approved the Requisition and Issue Voucher (RIV)[19] and recommended the approval of the Purchase Order (PO);[20] and that the audited Final Trial Balances[21] of DECS-ARMM and the audited Financial Statements[22] of petitioner DPI did not reflect any transaction in the amount of P63,638,032.00.[23] The respondent COA also pointed out discrepancies, inconsistencies, and inaccuracies in the documents submitted, to wit:

> 1. There were three (3) copies of [Purchase Orders] PO No. 075-PTB issued, which were all dated June 15, 1998 addressed to [petitioner] DPI. The first one with the amount of P63,638,750.00 was received undated by White Orchids Printing and Publishing with an unidentified signature, while the other two (2) POs, which bear the amount of P63,638,975.00 and P63,638,032.00, were received undated by [petitioner] DPI. The POs did not indicate the mode of procurement and the place and date of delivery;
>
> 2. There were two (2) sets of [Sales Invoice] SI Nos. 5806 and 5808 and two (2) sets of [Delivery Receipt] (DR) Nos. 5206 and 5207, all dated July 3, 1998, bearing similar serial numbers but with different signatories on the received portion thereof, which indicates possible falsification of public documents;
>
> 3. Two (2) Certifications, which were purportedly issued by Sulpicio Lines, differed as to the date of delivery and receipt, casting doubt on the authenticity of the delivery of textbooks;
>
> 4. Five (5) contradicting reports on receipt and acceptance of deliveries and three (3) sets of Inspection Reports by the Regional Secretary of ARMM, indicate doubtful invoices and [DRs]; and
>
> 5. The figures in the PO, DR, Memorandum Receipts, and Certification and Affidavit of Supply Officer differ.[24]

These discrepancies, inconsistencies and inaccuracies, as well as the lack of appropriation for the purchase of the subject textbooks considering that the Special Allotment Release Order (SARO)[25] for the amount of P63,638,750.00,[26] upon which petitioner DPI anchored its claim, pertained to the payment of personal services (payment of salaries of teachers), not for the purchase of textbooks,[27] led the respondent COA to conclude that there was no substantial evidence to grant the money claim.[28] And since the actual delivery of the subject textbooks was not established, the respondent COA likewise ruled that the equitable principle of quantum meruit could not be applied.[29]

Aggrieved, petitioner DPI moved for reconsideration but the respondent COA denied the same in its Resolution dated December 29, 2011.

Issue

Hence, petitioner DPI filed the instant Petition raising the issue of whether the respondent COA committed grave abuse of discretion in denying the money claim.[30]

Petitioner DPI's Arguments

Petitioner DPI ascribes grave abuse of discretion on the part of the respondent COA in denying the money claim solely on sheer doubt.[31] Petitioner DPI claims there were funds available for the procurement of the subject textbooks but were inadvertently reverted to the National Treasury because the said amount was twice obligated under Personal Service.[32] And although there were typographical errors and minor inconsistencies in the documents submitted, petitioner DPI contends that it was still able to prove its entitlement to the money claim. It

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insists that the letters and certifications[33] from former ARMM Governors and high-ranking officials of the DepEd Central Office, as well as the Certification[34] issued by COA Auditor Dagaranao Saripada, all validate its money claim.[35] And if ever there was a breach on standard government procedure, petitioner DPI asserts that it could still recover the reasonable value of the subject textbooks conformably with the principle of quantum meruit.[36]

Respondents' Arguments

The respondents, through the Office of the Solicitor General, argue that the respondent COA committed no grave abuse of discretion in denying the money claim as the denial is supported by the evidence on record.[37] They maintain that there is no credible evidence to show that the subject textbooks were delivered and that without any proof of delivery, there is no basis for petitioner DPI to recover even under the principle of quantum meruit.[38]

Our Ruling

The Petition must fail.

Decisions and resolutions of the respondent COA may be reviewed and nullified only on the ground of grave abuse of discretion amounting to lack or excess of jurisdiction.[39] Grave abuse of discretion exists when there is an evasion of a positive duty or a virtual refusal to perform a duty enjoined by law or to act in contemplation of law as when the judgment rendered is not based on law and evidence but on caprice, whim, and despotism.[40]

The respondent COA committed no

grave abuse of discretion in denying

the money claim.

In this case, petitioner DPI imputes grave abuse of discretion on the part of the respondent COA in doubting and disregarding petitioner DPI's documentary evidence and in adopting the findings and recommendations contained in the Memorandum dated April 29, 2008 and the LSS-FAIO Report No. 2010-001. A careful reading of the assailed decision and resolution, however, negates any capriciousness or arbitrariness in the exercise of judgment of the respondent COA as the denial of petitioner DPI's money claim is supported by the evidence on record.

There are inconsistencies, discrepancies,

and inaccuracies in the dates and figures

stated in the documents.

Contrary to the claim of petitioner DPI, there is sufficient reason for the respondent COA to doubt and disregard the documentary evidence presented by petitioner DPI as the FAIO found inconsistencies, discrepancies, and inaccuracies in the dates and figures stated in the POs, DRs, Sis, and other documents. Pertinent portions of the LSS-FAIO Report No. 2010-001 are quoted below:

> 2) Various inconsistencies/inaccuracies were noted in the verification of documents submitted/attached to the claim showing different dates, amounts, and signatories, casting doubt on the authenticity of the documents and the transaction.
>
> a) Three (3) copies of POs were issued with the same number but with three different amounts, received undated by [petitioner] DPI and White Orchids Printing, indicating the absence of safeguards against irregularities in the handling or substitution of vital documents like PO.
>
> There were three copies of PO No. 075-PTB issued, all dated June 15, 1998 addressed to [petitioner DPI], one

with a total amount of P63,638,750 x x x was received undated by White Orchids Printing and Publishing with an unidentified signature while the other two copies with two different amounts of P63,638,975 x x x and P63,638,032 x x x were received also undated by the [petitioner DPI]. The PO did not indicate the mode of procurement and the place and date of delivery;

b) There were two sets of [SI] Nos. 5806 and 5808 and two (2) sets of [DRs] Nos. 5206 and 5207, all dated July 3, 1998, bearing similar serial numbers but with different signatories on the received portion thereof, indicating possible falsification of public documents.

x x x The first set of Sis x x x and DRs x x x was signed on the received portion by DECS-ARMM [Regional] Secretary x x x while the second set of Sis and DRs x x x was signed by x x x, Supply Officer I.

The owner of [petitioner] DPI, x x x sought to explain the two sets of Sis and DRs in his letter dated November 26, 2009 x x x in response to our letter dated November 9, 2009 x x x; that this came about when the then DECS-ARMM informed his Office that the Sis and DRs signed by DECS-ARMM [Regional] Secretary x x x [were] not in accordance with their practice that it is the Supply Officer who is supposed to sign these documents; that to rectify this, another set was signed by x x x, Supply Officer I, thus resulting in two different signatories in the same set of Sis and DRs.

The said explanation is untenable. To give due course to the explanation is tantamount to allowing the substitution of facts that did not actually happen and can be considered falsification of public documents.

c) Two Certifications purportedly issued by Sulpicio Lines differed in dates of delivery and receipt, casting doubt on the authenticity of the delivery of textbooks.

There were two Certifications with no official logo on the [letterhead] purportedly issued by Sulpicio Lines, Inc., Cotabato City Branch upon the request of [petitioner] DPI both dated 8[th] day of September 1999 but bearing different delivery and receipt dates as follows:

Date of Certification

Date delivered by Sulpicio Lines and received by
[the Regional Secretary of ARMM]

Annex

September 8, 1999

June 23, 1998

24

September 8, 1999

July 2, 1998

25

Moreover, the dates of delivery and receipt in the said Certifications do not agree with the dates of the two copies of Bill of Lading (BOL) of June 25, 1998 and June 29, 1998 x x x. The BOL states that the books are supplementary books and reference materials and not textbooks as alleged;

d) Five contradicting reports on receipt and acceptance of deliveries and three sets of Inspection Reports by the Regional Secretary of ARMM, indicate doubtful invoices and [DRs].

Four (4) sets of Reports on Receipt and Acceptance of the books by Regional Secretary x x x, DECS-ARMM,

dated July 5, 1998 and July 7, 1998, contained contradictory/conflicting facts and dates, as follows:

Date of Report on Receipt and Acceptance

Delivery Receipt (DR) No.

Date of DR

Sales Invoice (SI) No.

Date of SI

Annex

July 5, 1998

5206-5207

June 30, 1998

5808-5806

July 2, 1998

28

July 7, 1998

5098-5099

June 30, 1998

5508-3509

July 2, 1998

29

July 7, 1998

[5208]-5209

July 3, 1998

5809-5810

July 3, 1998

30

July 7, 1998

5206-5207

July 3,1998

5806-5808

July 3, 1998

31

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In addition, his Affidavit dated July 1998 still states another date of receipt/inspection/acceptance of the subject deliveries to be July 21, 1998. x x x

Also noted is a Certification dated December 15, 1998 xxx that [petitioner] DPI has fully delivered assorted elementary books amounting to P63,638,032.00 on July 3, 1998 under PR No. 5206 and on July 5, 1998 under DR No. 5207, and that the deliveries were duly received and accepted by DECS-ARMM Regional Secretary x x x. The Certification is under the letterhead of [the DepEd], which was renamed only in 2001 instead of [DECS], which was its designated name in 1998 when the transaction reportedly occurred, indicating that it was antedated, casting doubt on the documents and the transaction.

Moreover, DECS Regional Secretary xxx issued three Inspection Reports bearing different serial numbers of [SI] and dates, as follows:

Date of Inspection Report

Sales Invoice No.

Date of Sales Invoice

Annex

July 5, 1998

5508-5509

July 2, 1998

34

July 7, 1998

5806-5808

July 3, 1998

35

July 7, 1998

5809-5810

July 3, 1998

36

e) Four different quantities of books ordered and delivered in PO, MRs, and Certification/Affidavit of receipt by Supply Officer II, none of which were witnessed by COA Auditor/TAS, casting doubt on the alleged delivery.

Examination of documents shows that there were different quantities or copies of books received per documents submitted, as follows:

Per Document

PO

DR

MRs/IRs

Certification of SO II

Affidavit of SO II

Quantity (in copies)

543,030/543,022

543,022

542,722

542,822

593,022

The figures on the PO and DRs x x x do not agree with the figures on the totals of Memorandum Receipt (MRs) x x x for Equipment, Semi-expendable, and Non-expendable Property and Invoice Receipts (IRs) x x x signed by the respective Supply Officers of Maguindanao, Sulu I and II, Tawi-Tawi, and Lanao Sur I and II. Neither do these figures agree with the figures certified to have been allegedly received on July 2, 1998 by x x x, Supply Officer II, in his Certification dated July 24, 1998 and Affidavit of August 28, 2008, respectively x x x.

Moreover, the volume of the books allegedly delivered notwithstanding, all the foregoing receipt and acceptance of deliveries by DECS-ARMM x x x were not witnessed by any of the Auditors or Technical Audit Specialists of COA assigned in the DECS-ARMM Division Schools concerned.

3) Review supporting documents on requisition, purchase order, receipt and acceptance and invoice of property shows an unwarranted override of functions and responsibility by an approving official, violating internal control on segregation of duties and responsibilities.

Examination shows that despite the substantial amount of P63,638,032.60, the RIV x x x was certified by x x x Supply Officer I, instead of by x x x Supply Officer II, and approved by DECS-ARMM Secretary x x x. The PO was recommended for approval by Regional Secretary x x x and approved by the ARMM Governor, x x x.

On the alleged delivery of books, examination of invoices and receipts revealed that it was DECS Regional Secretary x x x and not the Supply Officer II who received the books as shown by his signature on the [SI] Nos. 5806 and 5808 x x x and [DR] Nos. 5206 and 5207 x x x all dated July 3, 1998. Thereafter, he issued five reports on receipt and acceptance of deliveries, and upon inspection, three Inspection Reports, as discussed in Finding #2.d hereof.

Also, the undated and unnumbered MRs and IRs x x x signed by the respective Supply Officers of Maguindanao, Sulu I and II, Tawi-Tawi, and Lanao Sur I and II, state that the alleged textbooks have all been received by them from DECS-ARMM Secretary x x x, indicating that it was really [the] Secretary x x x who received the books. The [IRs] x x x however are under the letterhead of the Department of Science and Technology (DOST) instead of DECS-ARMM and are not signed by the secretary who transferred the books to the respective Supply Officers.

It is significant to note that receipt/acceptance of deliveries in government is normally a responsibility of the Administrative/Supply/Property Officer. The receipt/acceptance and inspection of alleged deliveries by the DECS-ARMM Secretary who also approved the RTV and recommended the approval of the purchase order, [are] not in accordance with standard government procurement procedure as [they violate] internal control on segregation of duties an functions. The involvement of senior [officials] at almost all stages of the transaction is not in order, and signifies override of function and responsibility which belong to the Supply/Property Officer.

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4) Copies of excerpts of audited Balance Sheet of DECS-ARMM as of December 31, 1999 and 2000 show no Inventory of Books amounting to P63,638,032, belying the MRs/ERs for books issued by the Supply Officers of six division schools. x x x

> Verification of the copies of the excerpts of the audited Final Trial Balance of DECS-ARMM, Cotabato City as of December 31, 1999 and 2000 furnished by the COA ARMM x x x showed the balance of the account Fixed Assets-Furniture, Fixtures, Equipment and Books to be only P4,624,023.46 and P4,705,693.46, respectively, indicating that no books costing P63,638,032 were purchased/delivered in 1998.
>
> x x x x x x x x x

5) Certified copies of the audited Financial Statements of the [petitioner] DPI for 1997-1998 and 2000-2001, furnished by the SEC to the FAIO do not show that the P63,638,032 transaction transpired in 1998, casting doubt on the veracity of the money claim.[41]

We believe that these inconsistencies, discrepancies, and inaccuracies are enough reasons for the respondent COA to deny the money claim.

It bears stressing that petitioner DPI has the burden to show, by substantial evidence, that it is entitled to the money claim. Corollarily, it has to prove the actual delivery of the subject textbooks by presenting substantial evidence or "evidence [that] a reasonable mind might accept as adequate to support [such] conclusion."[42] However, petitioner DPFs documentary evidence could hardly be considered substantial evidence as these contain so many inconsistencies, discrepancies, and inaccuracies, which would cause a reasonable person to doubt the veracity and authenticity of the money claim.

It is significant that in the LSS-FAIO Report No. 2010-001, the explanation given by the owner as to why there are two sets of DRs and Sis is not consistent with the one offered by petitioner DPI in the instant Petition. In the LSS-FAIO Report No. 2010-001, the owner explained:

> xxx that this came about when the then DECS-ARMM informed his Office that the Sis and DRs signed by DECS-ARMM [Regional] Secretary xxx was not in accordance with their practice that it is the Supply Officer who is supposed to sign these documents; that to rectify this, another set was signed by x x x, Supply Officer I, thus resulting in two different signatories in the same set of Sis and DRs.[43]

However, in the instant Petition, the counsel for petitioner DPI reasoned that:

> xxx Considering the volume of the textbooks delivered, it is not difficult to appreciate that there were two representatives or responsible officers of the agency who worked together to receive the textbooks. It is not difficult to appreciate either that one officer signed the first copy of the [DR] while the other signed the second copy of the receipt. xxx[44]

If, indeed, there was an actual delivery of the subject textbooks, we cannot understand why petitioner DPI would have two versions of the story. Clearly, this is another reason to doubt the truthfulness of petitioner DPI's money claim.

There was no appropriation for the

purchase of the subject textbooks.

Aside from these inconsistencies, discrepancies, and inaccuracies, there was also no appropriation for the purchase of the subject textbooks as the SARO in the amount of P63,638,750.00, upon which petitioner DPI anchors its claim, pertains to the payment of personal services or salaries of the teachers, not for the purchase of textbooks.[45]

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Anent petitioner DPI's claim that there were funds available for the procurement of the subject textbooks but the funds were inadvertently reverted to the National Treasury because the said amount was twice obligated under Personal Service, this has been addressed by the Assistant Commissioner Gloria S. Cornejo of the LGS in the Memorandum dated April 29, 2008, to wit:

> - There are no records to show that the funds were available when DECS-ARMM entered into contract with [petitioner DPI] because SARO No. B-98-03383 dated October 10, 1998 was released by DBM for payment of salaries and compensation benefits of 490 positions for Teacher I, but without the corresponding Notice of Cash Allocation thus the allotment obligated became a prior year's accounts payable of the Department;
>
> - The DBM issued two (2) Notices of Cash Allocation (NCA) for the SARO cited in (a) above. NCA No. 091427 dated May 5, 1999 was transferred to DECS-ARMM under ADA No. 99-7-049 for payment of salaries, while NCA No. 091094 dated April 22, 1999 was reverted to the Bureau of Treasury on December 31, 1999. As stated by the DepEd Secretary, only one accounts payable was recorded in the OSEC books chargeable against the SARO to cover payment of personal services only.[46]

Since there was no appropriation for the purchase of the subject textbooks, the respondent COA had reason to deny the money claim as Section 29(1), Article VI of the 1987 Constitution provides that: "No money shall be paid out of the Treasury except in pursuance of an appropriation made by law."

The letters and certifications issued by

high-ranking officials do not prove the

actual delivery of the subject textbooks.

To dispute the findings of the respondent COA, petitioner DPI attached to the instant Petition copies of letters and certifications issued by high-ranking officials attesting to the validity of the money claim. Said letters and certifications, however, are not sufficient to prove that there was an actual delivery of the subject textbooks as the persons who signed these letters and certifications were not present during the delivery nor were they privy to the transaction. In fact, COA Auditor Dagaranao Saripada in a letter[47] dated August 15, 2011 denied executing the undated Certification. According to him, at the time the transaction transpired in 1998, he was not yet the Unit Head of the said Department.

Moreover, these letters and certifications cannot outweigh the findings and recommendations contained in the Memorandum dated April 29, 2008 issued by Assistant Commissioner Gloria S. Cornejo of the LGS and in the LSS-FAIO Report No. 2010-001 prepared by the State Auditor IV Filomena D. Ilagan, reviewed by Director III Nelia C. Villeza, and approved by Leonor F. Boado, as the findings and recommendations in the memorandum and in the report were arrived at as a result of an exhaustive and extensive investigation conducted by the auditors.

The principle of quantum meruit does not apply.

Petitioner DPI's invocation of the equitable principle of quantum meruit must also fail. The principle of quantum meruit allows a party to recover "as much as he reasonably deserves."[48] However, as aptly explained by the respondent COA, the principle of quantum meruit presupposes that an actual delivery of the goods has been made. In this case, petitioner DPI failed to present any convincing evidence to prove the actual delivery of the-subject textbooks. Thus, the principle of quantum meruit invoked by petitioner DPI cannot be applied.

All told, we find no grave abuse of discretion on the part of the respondent COA in denying petitioner DPI's money claim for failure to present substantial evidence to prove the actual delivery of the subject textbooks. Without a doubt, the inconsistencies and discrepancies in the documents submitted by petitioner DPI and the lack of appropriation for purchase of the subject textbooks lead only to one inescapable conclusion: that there was no

actual delivery of the subject textbooks.

The factual findings of the respondent

COA must be accorded great respect

and finality.

In the absence of grave abuse of discretion, the factual findings of the respondent COA, which are undoubtedly supported by the evidence on record, must be accorded great respect and finality. The respondent COA, as the duly authorized agency to adjudicate money claims against government agencies and instrumentalities, pursuant to Section 26[49] of Presidential Decree No. 1445,[50] has acquired special knowledge and expertise in handling matters falling under its specialized jurisdiction. And as we have often said:

> [I]t is the general policy of the Court to sustain the decisions of administrative authorities, especially one that was constitutionally created like herein respondent COA, not only on the basis of the doctrine of separation of powers, but also of their presumed expertise in the laws they are entrusted to enforce. It is, in fact, an oft-repeated rule that findings of administrative agencies are accorded not only respect but also finality when the decision and order are not tainted with unfairness or arbitrariness that would amount to grave abuse of discretion. x x x[51]

Such is the situation in the instant case.

WHEREFORE, the Petition is hereby DISMISSED for lack of merit. The assailed Decision dated September 29, 2010 and the Resolution dated December 29, 2011 of the respondent COA are hereby AFFIRMED.

SO ORDERED.

Sereno, C.J., Carpio, Velasco, Jr., Leonardo-De Castro, Brion, Bersamin, Villarama, Jr., Perez, Mendoza, Reyes, and Perlas-Bernabe, JJ., concur.

Jardeleza, J., no part, prior OSG action.

Peralta and Leonen, JJ., on official leave.

NOTICE OF JUDGMENT

Sirs/Mesdames:

Please take notice that on June 16, 2015 a Decision/Resolution, copy attached herewith, was rendered by the Supreme Court in the above-entitled case, the original of which was received by this Office on July 03,2015 at 9:25 a.m.

Very truly yours,
(SGD.)
ENRIQUETA ESGUERRA-VIDAL
Clerk of Court

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[1] Director Villanueva v. Commission on Audit, 493 Phil. 887, 906 (2005).

[2] Rollo, pp. 3-32. The instant Petition was filed under Rule 65, in relation to Rule 64, of the Rules of Court. It must be noted, however, that the instant Petition was filed beyond the period provided in Section 3, Rule 64 of the

Rules of Court. Under the said Section, if a motion for reconsideration is filed before the Commission on Audit and the motion is denied, the aggrieved party may file the petition within the remaining period, but which shall not be less than five (5) days in any event, reckoned from the notice of denial. In this case, petitioner alleged that it received a copy of the assailed Decision on October 11, 2010; that it filed a Motion for Reconsideration on November 11, 2010; and that it received the assailed Resolution, denying its Motion for Reconsideration, on March 2, 2012. Accordingly, it only had five days from March 2, 2012 or until March 7, 2012 within which to file the instant Petition. Records, however, show that the instant Petition was filed on April 2, 2012.

[3] Id. at 33-40; penned by Chairman Reynaldo A. Villar and Commissioners Juanito G. Espino, Jr. and Evelyn R. San Buenaventura.

[4] Id. at 41-46; penned by Chairperson Ma. Gracia M. Pujido Tan and Commissioners Juanito G. Espino, Jr. and Heidi L. Mendoza.

[5] Id. at 47-51.

[6] Sec. 19. Valid Prior Years Obligations. The DBM is authorized to approve the payment of valid prior years unbooked obligations as certified by the COA. Out of the agency appropriations authorized in this Act, the DBM may identify in the fund release documents the amounts due to cover valid prior years unbooked obligations. x x x

[7] GENERAL APPROPRIATIONS ACT OF 2007.

[8] Rollo, p. 34.

[9] Id.

[10] Records, COA CP Case No. 2008-045, pp. 414-418.

[11] Rollo, p. 34.

[12] Id. at 79-86. The amount claimed in the letter dated September 22, 2008 is P63,638,975.00, not P63,638,032.00. According to petitioner DPI, the discrepancy was a result of the difference in the quantity of the textbooks ordered. In the first copy of the Purchase Order (PO), it states that 53,000 copies of a certain book, with a unit cost of P117.90, were ordered; but in the second copy of the PO, it states that 53,008 copies of the same book were ordered. Thus, in the first PO, the total amount is P63,638,032; while in the second PO, the total amount is P63,638,975 (Id. at 20-21). However, it must be noted that the exact amount should be P63,638,975.20.

[13] Id. at 80.

[14] Id. at 36.

[15] Id.

[16] Records, COA CP Case No. 2008-045, pp. 280-418.

[17] Rollo, p. 39.

[18] Id. at 38.

[19] Id. at 52.

[20] Id. at 38.

[21] As of December 31, 1999 and 2000, Records, COA CP Case No. 2008-045, pp. 366-369.

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[22] For the years 1997-1998 and 2000-2001, Records, COA CP Case No. 2008-045, pp. 397-405.

[23] Rollo, p. 38.

[24] Id. at 37.

[25] Records, COA CP Case No. 2008-045, p. 322.

[26] The amount in the SARO is not the same as the amount claimed by petitioner DPI.

[27] Rollo, pp. 38-39.

[28] Id. at 37.

[29] Id. at 39.

[30] Id. at 15.

[31] Id. at 195-196.

[32] Id. at 17, 23 and 195.

[33] Id. at 69-75.

[34] Id. at 114.

[35] Id. at 9-14, 18, 22-23 and 195.

[36] Id. at 26-28 and 196.

[37] Id. at 181-186.

[38] Id. at 186-187.

[39] Delos Santos v. Commission on Audit, G.R. No. 198457, August 13, 2013, 703 SCRA 501, 513 citing Veloso v. Commission on Audit, 672 Phil. 419 (2011).

[40] Id.

[41] Records, COA CP Case No. 2008-045, pp. 290-299.

[42] Suarez v. Commission on Audit, 355 Phil. 527, 539 (1998).

[43] Records, COA CP Case No. 2008-045, p. 291.

[44] Rollo, p.21.

[45] Id. at 38-39.

[46] Records, COA CP Case No. 2008-045, p. 415.

[47] Id. at 860-861.

[48] F.F. Mañacop Construction Co., Inc. v. Court of Appeals, 334 Phil. 208, 214 (1997).

[49] Section 26. General jurisdiction. — The authority and powers of the Commission shall extend to and comprehend all matters relating to auditing procedures, systems and controls, the keeping of the general accounts of the Government, the preservation of vouchers pertaining thereto for a period of ten years, the examination and inspection of the books, records, and papers relating to those accounts; and the audit and settlement of the

accounts of all persons respecting funds or property received or held by them in an accountable capacity, as well as the examination, audit, and settlement of all debts and claims of any sort due from or owing to the Government or any of its subdivisions, agencies and instrumentalities. The said jurisdiction extends to all government-owned or controlled corporations, including their subsidiaries, and other self-governing boards, commissions, or agencies of the Government, and as herein prescribed, including non-governmental entities subsidized by the government, those funded by donations through the government, those required to pay levies or government share, and those for which the government has put up a counterpart fund or those partly funded by the government.

[50] Ordaining and Instituting a Government Auditing Code of the Philippines.

[51] Yap v. Commission on Audit, 633 Phil. 174, 195 (2010).

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