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[G.R. No. 174788, April 11, 2013]

THE SPECIAL AUDIT TEAM, COMMISSION ON AUDIT, PETITIONERS, VS. COURT OF APPEALS AND GOVERNMENT SERVICE INSURANCE SYSTEM, RESPONDENTS.

D E C I S I O N

SERENO, C.J.:

This is a Petition for Certiorari and Prohibition[1] filed on 10 November 2006, seeking to set aside two Resolutions of the Court of Appeals (CA) of CA-G.R. SP No. 90484, dated 9 August 2006[2] and 23 September 2005,[3] respectively, and to prohibit the CA from proceeding with CA-G.R. SP No. 90484.

Respondent Government Service Insurance System (GSIS) filed a Petition for Prohibition with the CA dated 18 July 2005 against petitioner Special Audit Team (SAT) of the Commission on Audit (COA) with a prayer for the issuance of a temporary restraining order (TRO), a writ of preliminary prohibitory injunction, and a writ of prohibition.[4] Subsequently, GSIS also submitted a Manifestation and Motion dated 21 July 2005 detailing the urgency of restraining the SAT.[5] The CA issued a Resolution on 22 July 2005, directing petitioner SAT to submit the latter's comment, to be treated as an answer.[6] Additionally, the CA granted the prayer of GSIS for the issuance of a TRO effective sixty (60) days from notice.

After requiring the submission of memoranda, CA issued the assailed Resolution dated 23 September 2005 in CA-G.R. SP No. 90484, granting the prayer for the issuance of a writ of preliminary injunction upon the posting of an injunction bond.[7] The Office of the Solicitor General (OSG) filed a Motion for Reconsideration (MR) and a Comment on the petition dated 10 October 2005, after it was notified of the case, as the SAT had been represented in the interim by one of the team members instead of the OSG.[8] The MR was denied through a Resolution of the CA on 9 August 2006.[9]

The present Petition seeks to nullify both the 23 September 2005 and the 9 August 2006 CA Resolutions and to prohibit the CA from proceeding to decide the case.

ANTECEDENT FACTS

COA created the SAT under Legal and Adjudication Office (LAO) Order No. 2004-093, which was issued by COA Assistant Commissioner and General Counsel Raquel R. Ramirez-Habitan. Tasked to conduct a special audit of specific GSIS transactions, the SAT had the avowed purpose of conducting a special audit of those transactions for the years 2000 to 2004.[10] Accordingly, the SAT immediately initiated a conference with GSIS management and requested copies of pertinent auditable documents, which the latter initially agreed to furnish.[11] However, due to the objection of GSIS to the actions of SAT during the conference,[12] the request went unheeded. This prompted the latter to issue a *subpoena duces tecum*.[13]

In response to the *subpoena*, the GSIS, through its President and General Manager Winston F. Garcia, replied that while it did recognize the authority of COA to constitute a team to conduct a special audit, that team should not be the SAT, whose members were biased, partial, and hostile.[14] The then-COA Chairperson Guillermo N. Carague denied the request of GSIS on account of the restructuring of the commission under COA Resolution 2002-005, which formed the basis for the SAT's creation.[15] However, through a subsequent letter of Atty. Claro B. Flores and Atty. Nelo B. Gellaco, the GSIS alleged that the SAT's creation was not supported by COA Resolution 2002-005, which was without force and effect.[16]

The reasoning of both lawyers was based on the theory that the 1987 Constitution did not give COA the power to reorganize itself.[17] Allegedly, the commission only had the power to define the scope of its audit and examination, as well as to promulgate rules concerning pleading and practice.[18] Even if the COA were allowed to reorganize itself, the GSIS claimed that the *subpoena* required a case to have been brought to the commission for resolution.[19]

Thereafter, several GSIS officials sent COA Chairperson Carague a letter emphasizing that the special audit should be conducted by another team and detailing how the SAT, as then constituted, prejudged the legality of several key projects of the GSIS[20] while merely relying on hearsay and inapplicable legal standards.[21]

In its Petition, the SAT claimed that due to the continued refusal of GSIS to cooperate, the team was constrained to employ "alternative audit procedures" by gathering documents from the Office of the Auditor of GSIS, the House of Representatives, and others.[22] Meanwhile, some of the audit observations made by the SAT appeared in the newspaper *Manila Times,*[23] resulting in the refusal of GSIS management to attend the SAT's exit conference.[24]

COURT INTERVENTION

On 15 April 2005, GSIS filed with the COA itself a "Petition/Request to nullify Special Audit Report dated 29 March 2005 on selected transactions of the GSIS for CY 2000 to 2004."[25] The GSIS also filed a Petition for Prohibition dated 18 July 2005[26] before the CA, whose Resolutions therein led to this present Petition.

PARTIES' CLAIMS

Petitioner SAT anchors its claims on the following grounds:

First, the grant of the preliminary injunction was in grave abuse of discretion because of procedural infirmities in the Petition.[27]

Second, the CA had no jurisdiction to rule on the validity or correctness of the findings and recommendations of the SAT because of the doctrines of primary jurisdiction and exhaustion of administrative remedies. Additionally, judicial review over the COA is vested exclusively in the Supreme Court.[28]

Third, the SAT's special audit has basis in law.[29]

Respondent GSIS, on the other hand, claims that the need for an injunction was urgent, since the SAT's supervisor had said that notices for disallowance were available at the COA's Records Division.[30] As to the procedural and substantial aspect, GSIS claims the following:

> First, the Petition for Prohibition satisfies the legal and procedural requirements.[31]
>
> Second, the CA has the power to prohibit the conduct of special audit and the issuance of notices of disallowance.[32]
>
> Third, the special audit does not have statutory basis.[33]

In support of the prohibitory writ, GSIS claims that it is only the regular auditor who can conduct such audits and issue disallowances; that it is only the commissioner of COA who can delegate this power; and that GSIS would suffer grave and irreparable injury, should the SAT implement the latter's report.

ISSUES

We categorize the arguments in the following manner:

1. Whether or not prohibition is the correct remedy
2. Whether or not the writ of preliminary injunction was properly issued
3. Whether or not the SAT was validly constituted

RULING

PROHIBITION IS NOT THE CORRECT REMEDY.

There is an appeal or a plain, speedy, and adequate remedy available.

A rule of thumb for every petition brought under Rule 65 is the unavailability of an appeal or any "plain, speedy, and adequate remedy."[34] Certiorari, prohibition, and mandamus are extraordinary remedies that historically require extraordinary facts to be shown[35] in order to correct errors of jurisdiction.[36] The law also dictates the necessary steps before an extraordinary remedy may be issued.[37] To be sure, the availability of other remedies does not always lend itself to the impropriety of a Rule 65 petition.[38] If, for instance, the remedy is insufficient or would be proven useless,[39] then the petition will be given due course.[40]

COA itself has a mechanism for parties who are aggrieved by its actions and are seeking redress directly from the commission itself.

Section 48 of Presidential Decree No. 1445 reads:

> Appeal from decision of auditors. Any person aggrieved by the decision of an auditor of any government agency in the settlement of an account or claim may within six months from receipt of a copy of the decision appeal in writing to the Commission.

Additionally, Rule V, Section 1 of the 1997 COA Rules provides:

> An aggrieved party may appeal from an order or decision or ruling rendered by the Auditor embodied in a report, memorandum, letter, notice of disallowances and charges, Certificate of Settlement and Balances, to the Director who has jurisdiction over the agency under audit.[41]

Rule VI, Section 1, continues the linear procedure, to wit:

> The party aggrieved by a final order or decision of the Director may appeal to the Commission Proper.[42]

This discussion of the different procedures in place clearly shows that an administrative remedy was indeed available. To allow a premature invocation of Rule 65 would subvert these administrative provisions, unless they fall under the established exceptions to the general rule, some of which are as follows:

1) when the question raised is purely legal;

2) when the administrative body is in estoppel;

3) when the act complained of is patently illegal;

4) when there is urgent need for judicial intervention;

5) when the claim involved is small;

6) when irreparable damage will be suffered;

7) when there is no other plain, speedy and adequate remedy;

8) when strong public interest is involved;

9) when the subject of the controversy is private land;

10) in *quo warranto* proceedings.[43]

GSIS claims that its case falls within the exceptions, because (a) the SAT supervisor has threatened to issue notices of disallowance;[44] (b) GSIS did nothing to stop the threatened issuances or the public appearances of the SAT supervisor;[45] (c) the petition/request filed with the COA has not been acted upon as of date;[46] (d) GSIS was denied due process because SAT had acted with partiality and bias;[47] and (e) the special audit was illegal, arbitrary, or oppressive, having been done without or in excess or in grave abuse of discretion.[48]

All of these claims are baseless. First, a threat to issue a notice of disallowance is speculative, absent actual proof. Moreover, even if the threat were real, it would not fall

under any of the exceptions, because the COA rules provide an adequate remedy to dispute a notice of disallowance:

> Who May Appeal. - An aggrieved party may appeal from an order or decision or ruling rendered by the Auditor embodied in a report, memorandum, letter, **notice of disallowances** and charges, Certificate of Settlement and Balances, to the Director who has jurisdiction over the agency under audit.factual issues that require some form of proof in order that they may be considered. (Emphasis supplied)[49]

Second, GSIS also mentions the fact that the COA has not acted on the former's petition/request both in the original Petition before the CA[50] and the pleadings before this Court.[51] This inaction is, of course, explainable by the fact that the CA issued a TRO and a writ of preliminary injunction. Moreover, the cited two (2) month delay is not so unreasonable as to require the trampling of procedural rules.

Third, the claim that there was a denial of due process runs counter to the claim that there is a pending petition/request before the COA. The fact that the petition/request was not denied or delayed for reasons within the control of the COA contradicts any claim that there was a due process violation involved.

Fourth, allegations of partiality and bias are questions of fact already before the COA. As the Court has clarified, "[t]here is a question of law when the doubt or difference arises as to what the law is on a certain state of facts, and not as to the truth or the falsehood of alleged facts."[52]

> A question of fact exists when the doubt or difference arises as to the truth or falsehood of facts or when the query invites calibration of the whole evidence considering mainly the credibility of witnesses, the existence and relevancy of specific surrounding circumstances as well as their relation to each other and to the whole, and the probability of the situation.[53]

True enough, questions of fact require evidentiary processes, the "calibration of the evidence, the credibility of the witnesses, the existence and the relevance of surrounding circumstances, and the probability of specific situations,"[54] especially "[i]f the query requires x x x the existence or relevance of surrounding circumstances and their relation to each other, the issue in that query is factual."[55] Generally, these questions of fact cannot be decided by a petition for prohibition under Rule 65,[56] because the rule applies to jurisdictional flaws brought about by lack, excess, or grave abuse of discretion.[57]

The Petition before the CA did not present anything to show that the remedies available to the GSIS were insufficient. If the Petition itself admitted to the existence of other remedies,[58] then the burden of proving that there was an exception was on the party seeking that exception; in the absence of proof the Petition must be denied.[59] This burden of proof is "the duty of a party to present such amount of evidence on the facts in issue as the law deems necessary for the establishment of his claim."[60]

The failure to fulfill the requirements of Rule 65 disallows the CA from taking due course of the Petition;[61] otherwise appeals and motions for reconsideration would be rendered meaningless,[62] as stated time and again by this Court:

> [I]f resort to a remedy within the administrative machinery can still be made by giving the administrative officer concerned every opportunity to decide on a matter that comes within his or her jurisdiction, then such remedy should be exhausted first before the court's judicial power can be sought. The premature invocation of the intervention of the court is fatal to one's cause of action. The doctrine of exhaustion of administrative remedies is based on practical and legal reasons. The availment of administrative remedy entails lesser expenses and provides for a speedier disposition of controversies. Furthermore, the courts of justice, for reasons of comity and convenience, will shy away from a dispute until the system of administrative redress has been completed and complied with, so as to give the administrative agency concerned every opportunity to correct its error and dispose of the case.[63] x x x.

Moreover, courts have accorded respect for the specialized ability of other agencies of government to deal with the issues within their respective specializations prior to any court intervention.[64] The Court has reasoned thus:

> We have consistently declared that the doctrine of exhaustion of administrative remedies is a cornerstone of our judicial system. The thrust of the rule is that courts must allow administrative agencies to carry out their functions and discharge their responsibilities within the specialized areas of their respective competence. The rationale for this doctrine is obvious. It entails lesser expenses and provides for the speedier resolution of controversies. Comity and convenience also impel courts of justice to shy away from a dispute until the system of administrative redress has been completed.[65]

The 1987 Constitution created the constitutional commissions as independent

constitutional bodies, tasked with specific roles in the system of governance that require expertise in certain fields.[66] For COA, this role involves

> [T]he power, authority, and duty to examine, audit, and settle all accounts pertaining to the revenue and receipts of, and expenditures or uses of funds and property, owned or held in trust by, or pertaining to, the Government, or any of its subdivisions, agencies, instrumentalities, including government-owned and controlled corporations with original charter[.] x x x.[67]

As one of the three (3) independent constitutional commissions, COA has been empowered to define the scope of its audit and examination and to establish the techniques and methods required therefor; and to promulgate accounting and auditing rules and regulations, including those for the prevention and disallowance of irregular, unnecessary, excessive, extravagant or unconscionable expenditures or uses of government funds and properties.[68]

Thus, in the light of this constitutionally delegated task, the courts must exercise caution when intervening with disputes involving these independent bodies, for

> The general rule is that before a party may seek the intervention of the court, he should first avail of all the means afforded him by administrative processes. The issues which administrative agencies are authorized to decide should not be summarily taken from them and submitted to a court without first giving such administrative agency the opportunity to dispose of the same after due deliberation.[69]

COA was not exercising judicial, quasi-judicial, or ministerial functions when it issued LAO Order No. 2004-093.

LAO Order No. 2004-093 reads as follows:

> ***SUBJECT: SPECIAL AUDIT/INVESTIGATION ON SELECTED TRANSACTION OF THE GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS) FROM CY 2000 TO 2004.***
>
> Pursuant to COA Memorandum No. 2002-053 dated August 26, 2002, a team is hereby constituted composed of the following personnel, namely:
>
> x x x x

> who shall conduct a special audit on selected transactions for the period 2000-2004 with particular attention on the creation of subsidiaries such as GSIS Properties, Inc., missing paintings, cash advances and allowances/benefits of the Officers and Members of the Board of Trustees of the GSIS within a period of ten (10) working days and shall submit the appropriate report thereon within five (5) days after completion of the audit to the Director, Legal and Adjudication Office – Office of Legal Affairs who shall supervise the proper implementation of this order.
>
> Travel and other incidental expenses that may be incurred with this assignment shall be charged against the appropriate funds of this Commission and the Team Leaders are hereby authorized to draw a cash advance of P1,900 to defray out of pocket expenses subject to the usual accounting and auditing rules and regulations.
>
> By virtue of Section 40 of Presidential Decree No. 1445 in relation to Item III.A.6 of COA Memorandum 2002-053, the team shall have the authority to administer oaths, take testimony, summon witnesses and compel the production of documents by compulsory processes in all matters relevant to this audit/investigation. x x x.[70]

This was obviously not an exercise of judicial power, which is constitutionally vested in the Supreme Court and such other courts as may be established by law.[71] Neither was it an exercise of quasi-judicial power, as administrative agencies exercise it "to hear and determine questions of fact to which the legislative policy is to apply and to decide in accordance with the standards laid down by the law itself in enforcing and administering the same law."[72] The Court has made this point clear:

> In carrying out their quasi-judicial functions, the administrative officers or bodies are required to investigate facts or ascertain the existence of facts, hold hearings, weigh evidence, and draw conclusions from them as basis for their official action and exercise of discretion in a judicial nature.[73]

Yet issuing the Order was not ministerial, because it required the exercise of discretion. Ministerial acts do not require discretion or the exercise of judgment, but only the performance of a duty pursuant to a given state of facts in the manner prescribed.[74] The Order obviously involved discretion, in both the choice of the personnel and the powers/functions to be given them.

A Rule 65 petition for prohibition can only be aimed at judicial, quasi-judicial, and

ministerial functions.[75] Since the issuance of the LAO Order assailed was not characterized by any of the three functions, as shown supra, then it follows that the GSIS chose the wrong remedy. Moreover, "where it is the Government which is being enjoined from implementing an issuance which enjoys the presumption of validity, such discretion [to enjoin] must be exercised with utmost caution.[76]

THE WRIT SHOULD NOT HAVE BEEN ISSUED.

Writs of injunction do not perfunctorily issue from the courts.

> For the issuance of a writ of preliminary injunction to be proper, it must be shown that the invasion of the right sought to be protected is material and substantial, that the right of complainant is clear and unmistakable and that there is an urgent and paramount necessity for the writ to prevent serious damage. **In the absence of a clear legal right, the issuance of the injunctive writ constitutes grave abuse of discretion.** In this case, respondents failed to show that they have a right to be protected and that the acts against which the writ is to be directed are violative of the said right. (Emphasis supplied)[77]

The CA Resolution stated the following as its reason for issuing the writ of preliminary injunction:

> It should be noted that the instant petition precisely questions the creation of the respondent SAT, and consequently, the validity of its actions. In order to completely review and adjudicate the matters raised herein, the issuance of a preliminary injunction is warranted in the meantime in order to preserve the status quo and to avoid grave and irreparable injury should the recommendations in the AOM and special audit report regarding the notices of disallowance of certain GSIS transactions be enforced. Furthermore, such recourse is necessary in order not to render moot any pronouncement that this Court may render in this petition.[78]

From its ruling, it is clear that the CA erred in granting a TRO and writ of preliminary injunction. A preliminary injunction is proper only when the plaintiff appears to be clearly entitled to the relief sought and has substantial interest in the right sought to be defended.[79] Factually, there must exist "a right to be protected and that the acts against which the writ is to be directed are violative of the said right."[80] As this Court has previously ruled, "[w]hile the existence of the right need not be conclusively established, it must be clear."[81]

Lacking a clear legal right,[82] the provisional remedy should not have been issued, all the more because the factual support for issuing the writ had not been established. In giving injunctive relief, courts cannot reverse the burden of proof, for to do so "would assume the proposition which the petitioner is inceptively duty bound to prove."[83] This concern is not a mere technicality, but lies at the heart of procedural law, for every case before a court of law requires a cause of action.[84]

Moreover, there was no urgency in the request of the GSIS for injunctive relief, because no notice of disallowance had been issued. The CA held that since there was a question on the validity of the SAT and a corresponding threat of a notice of disallowance, then the status quo must be preserved.[85] Its criteria falls short of the "clear legal right" standard. Even if there was a notice of disallowance,, the COA's rules for contesting the issuance would have been the proper remedy; otherwise, any administrative dispute settlement procedure would be rendered useless by the simple filing of an injunctive suit in court.

THE SAT WAS VALIDLY CONSTITUTED.

We come now to the crux of the dispute: the validity of the creation of the SAT. Much as the procedural discussion already leads this Court to a conclusion, in the interest of justice and in consideration of the manifest desire of both parties to have the matter dealt with in this forum, it shall rule on the validity of the SAT, notwithstanding the procedural infirmities of the original Petition in the CA. This power is vested in this Court when so required by the exigencies of the case.[86] The exercise of this power is especially important in this case, because the justification of GSIS for directly seeking court intervention is based on the alleged invalidity of the SAT's creation. Considering that court intervention must be put to an end, and that the question has its roots in the powers of a constitutional commission, we rule on the merits of the case.

As previously discussed, the COA has "the power, authority, and duty to examine, audit, and settle all accounts pertaining to the revenue and receipts of, and expenditures or uses of funds and property, owned or held in trust by, or pertaining to, the Government, or any of its subdivisions, agencies, instrumentalities, including government-owned and controlled corporations with original charter[.] x x x."[87] The Constitution further provides as follows:

> The Commission shall have exclusive authority, subject to the limitations in this Article, to define the scope of its audit and examination, establish the techniques and methods required therefor, and promulgate accounting and auditing rules and regulations, including those for the prevention and disallowance of irregular, unnecessary, excessive, extravagant, or unconscionable expenditures or uses of government funds and properties.[88]

The Constitution grants the COA the exclusive authority to define the scope of its audit and examination, and establish the techniques and methods therefor. Pursuant to this authority, COA Memorandum No. 2002-053 was promulgated, giving the General Counsel the authority to deputize a special audit team, viz:

> In case the Director, Legal and Adjudication Office for the sector in the Central Office finds that the transaction/event is a proper subject of special or fraud audit, he shall recommend the creation of a special audit team for approval of the General Counsel who shall sign the office order for the purpose. This memorandum shall constitute authority for the General Counsel to deputize the team pursuant to the provisions of Section 40 of P.D. 1445.[89]

This Memorandum, in turn, draws its force from COA Resolution No. 2002-005,[90] the preamble of which states:

> WHEREAS, the Constitution (Article IX, D (2)) invests the Commission on Audit with the exclusive authority to define the scope of its audit and examination as well as establish the techniques and methods required therefor;
>
> WHEREAS, inherent in this authority is the prerogative of COA to organize its manpower in such a manner that would be appropriate to cope with its defined scope of audit as well as the methods and techniques it prescribes or adopts;
>
> WHEREAS, since such scope of audit, methods and techniques vary from time to time as the exigencies of the situation may demand, COA is impelled to continually restructure its organization to keep abreast of the necessary changes;
>
> WHEREAS, invoking the independence and fiscal autonomy which the Constitution guarantees, COA has in the past successfully effected various changes in its organizational structure within the limits of its appropriations; x x x.

The validity of the SAT, therefore, cannot be contested on the grounds claimed by GSIS. If ever it has a cause for complaint, it should refer to the conduct of the audit, and not to the validity of the auditing body. And since the COA itself provides for the procedure to contest such audit, the Court must not interfere. Simplifying it once and for all,

> The increasing pattern of law and legal development has been to entrust "special cases" to “special bodies” rather than the courts. As we have also held, the shift of emphasis is attributed to the need to slacken the encumbered dockets of the

judiciary and so also, **to leave "special cases" to specialists and persons trained therefor.** (Emphasis supplied)[91]

CONCLUSION

Once again, the Court must remind the parties to judicial disputes to adhere to the standards for litigation as set by procedural rules. These rules exist primarily for the benefit of litigants, in order to afford them both speedy and appropriate relief from a body duly authorized by law to dispense the remedy. If a litigant prematurely invokes the jurisdiction of a court, then the potential result might be a deafening silence. Although we recognize that justice delayed is justice denied,[92] we must also bear in mind that justice in haste is justice defiled.

WHEREFORE, the Petition for Certiorari and Prohibition is GRANTED, the Resolutions dated 9 August 2006 and 23 September 2005 in CA-G.R. SP No. 90484 are hereby **ANNULLED** and **SET ASIDE.** The CA is directed to dismiss the Petition in CA–G.R. SP No. 90484.

SO ORDERED.

Carpio, Velasco, Jr., Leonardo-De Castro, Brion, Peralta, Bersamin, Abad, Villarama, Jr., Perez, Mendoza, Reyes, and *Leonen, JJ.*, concur.
Del Castillo, and *Perlas-Bernabe, JJ.*, took no part.

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[1] *Rollo*, pp. 23-77.

[2] Id. at 16-17; penned by Associate Justice Elvi John S. Asuncion, chairperson and concurred in by Associate Justices Amelita G. Tolentino and Mariflor P. Punzalan-Castillo.

[3] Id. at 12-14, Penned by Associate Justice Asuncion, chairperson and concurred in by Associate Justices Mariano C. del Castillo (now a member of this Court) and Mariflor P. Punzalan-Castillo.

[4] Id. at 184-203.

[5] Id. at 206-211.

[6] Id. at 205; CA-G.R. SP No. 90484; penned by Associate Justice Asuncion, and concurred in by Associate Justices Hakim S. Abdulwahid and Estela M. Perlas-Bernabe (now a member of this Court).

[7] Id. at 79-81; Resolution dated 23 September 2005.

[8] Id. at 276-321.

[9] Id. at 83-83; CA-G.R. SP No. 90484 Resolution.

[10] Id. at 85-86; dated 30 September 2004.

[11] Id. at 28

[12] Id. at 87-88.

[13] Id. at 107.

[14] Id. at 87.

[15] Id. at 105-106.

[16] Id. at 90

[17] Id.

[18] Id.

[19] Id. at 90-91.

[20] Id. at 108-142.

[21] Id. at 92-96.

[22] Id. at 31.

[23] Id. at 211.

[24] Id. at 143.

[25] Id. at 160-178.

[26] Id. at 184-203.

[27] Id. at 37.

[28] Id. at 38.

[29] Id.

[30] Id. at 356.

[31] Id. at 360.

[32] Id.

[33] Id.

[34] 1997 RULES OF COURT, Rule 65, Sec. 1, 2, & 3.

[35] *Separate Opinion of Justice Johnson, Garcia v. Sweeney*, 4 Phil. 751, 754 (1904); *Ongsitco v. Court of Appeals*, 325 Phil. 1069, 1076 (1996).

[36] O*ngsitco v. Court of Appeals*, 325 Phil. 1069, 1076 (1996); *New Frontier Sugar Corp. v. RTC of Iloilo,* 542 Phil. 587, 597 (2007).

[37] *Belisle Investment & Financing Co., Inc. v. State Investment House Inc.*, 235 Phil. 633, 640 (1987).

[38] *Chua v. Court of Appeals,* 398 Phil. 17, 30-31 (2000).

[39] *Republic v. Lacap,* G.R. No. 158253, 2 March 2007, 517 SCRA 255.

[40] *People v. Lipao,* G.R. No. 154557, 13 February 2008, 545 SCRA 52.

[41] 1997 REVISED RULES OF PROCEDURE OF THE COMMISSION ON AUDIT (1997 COA Rules).

[42] Id.

[43] *Philippine Health Insurance Corporation v. Chinese General Hospital*, 496 Phil. 349, 361 (2005).

[44] *Rollo*, pp. 365-366.

[45] Id. at 366.

[46] Id.

[47] Id.

[48] Id. at 366-367.

[49] 1997 COA Rules , Rule V, Sec. 1.

[50] *Rollo*, pp. 185 & 190.

[51] Id. at 355.

[52] *Vigilar v. Aquino,* G.R. No. 180388, 18 January 2011, 639 SCRA 772, 778; *Development Bank of the Philippines v. Go*, G.R. No. 168779, 14 September 2007, 533 SCRA 460, 468.

[53] *Mendoza v. People,* 500 Phil. 550, 558 (2005).

[54] *Cabaron v. People*, G.R. No. 156981, 5 October 2009, 603 SCRA 1, 7.

[55] Id.

[56] *Padua v. Ranada*, 439 Phil. 538, 552 (2002); *National Power Corporation v. Province of Quezon and Municipality of Pagbilao*, G.R. No. 171586, 25 January 2010, 611 SCRA 71; *Olivares v. Marquez,* 482 Phil. 183, 192 (2004).

[57] 1997 RULES OF COURT, Rule 65, Sec. 1.

[58] *Rollo*, p. 185.

[59] *Teotico v. Agda*, 274 Phil. 960, 979-981 (1991).

[60] *Destreza v. Riñoza-Plazo*, G.R. No. 176863, 30 October 2009, 604 SCRA 775, 785; *New Sun Valley Homeowner's Association Inc. v. Sangguniang Barangay,* G.R. No. 156686, 27 July 2011, 654 SCRA 438; *Santos v. National Statistics Office,* G.R. No.

171129, 6 April 2011, 647 SCRA 345.

[61] *William Golangco Construction Corporation, v. Ray Burton Development Corporation*, G.R. No. 163582, 9 August 2010, 627 SCRA 74, 82-83..

[62] *Dimarucot v. People*, G.R. No. 183975, 20 September 2010, 630 SCRA 659, 668-669; *Domdom v. Third and Fifth Divisions of Sandiganbayan,* G.R. Nos. 182382-83, 24 February 2010, 613 SCRA 528.

[63] *Ongsuco v. Malones,* G.R. No. 182065, 27 October 2009, 604 SCRA 499, 511-512.

[64] *Fua, Jr. v. Commission on Audit,* G.R. No. 175803, 4 December 2009, 607 SCRA 347.

[65] *Addition Hills Mandaluyong Civic & Social Organization Inc. v. Megaworld Properties and Holdings Inc.,* G.R. No. 175039, 18 April 2012, 670 SCRA 83, 89.

[66] 1987 Constitution, Art. IX.

[67] Id. at Sec. 2(1).

[68] *National Irrigation Administration v. Enciso*, 523 Phil. 237, 242 (2006).

[69] *Addition Hills Mandaluyong Civic & Social Organization Inc. v. Megaworld Properties and Holdings Inc.,* supra note 65, at 90.

[70] *Rollo,* pp. 85-86.

[71] 1987 CONSTITUTION, Art. VIII, Sec. 1.

[72] *Smart Communications, Inc. v. National Telecommunications Commission,* 456 Phil. 145, 156 (2003).

[73] Id. at 156-157.

[74] *Espiridion v. Court of Appeals*, G.R. No. 146933, 8 June 2006, 490 SCRA 273, 277.

[75] 1997 RULES OF COURT, Rule 65, Sec. 2.

[76] *Ermita v. Aldecoa-Delorino*, G.R. No. 177130, 7 June 2011, 651 SCRA 128, 136-140.

[77] *Equitable PCI Bank, Inc. v. Fernandez*, G.R. No. 163117, 18 December 2009, 608 SCRA 433, 440.

[78] *Rollo*, p. 81.

[79] *Power Sites and Signs, Inc. v. United Neon,* G.R. No. 163406, 24 November 2009, 605 SCRA 196, 208.

[80] *National Power Corporation v. Hon. Vera*, 252 Phil. 747, 752 (1989).

[81] *Power Sites and Signs, Inc. v. United Neon,* supra note 79.

[82] See *Fua, Jr. v. Commission on Audit,* supra note 64; *Rosario v. Court of Appeals*, G.R. No. 89554, 10 July 1992, 211 SCRA 384, 387.

[83] *Government Service Insurance System v. Hon. Florendo,* 258 Phil. 694, 705 (1989).

[84] *Republic vs. Hon. De Los Angeles,* 148-B Phil. 902, 921 (1971).

[85] *Rollo*, pp. 79-81, 83-84.

[86] *Dela Llana v. The Chairperson, Commission on Audit*, G. R. No. 180989, 7 February 2012, 665 SCRA 176.

[87] 1987 CONSTITUTION, at Art. IX, Sec. 2(1).

[88] 1987 CONSTITUTION, at Art. IX-D, Sec. 2(2).

[89] COA Memorandum No. 2002-053, Guidelines on the Delineation of the Auditing and Adjudication Functions, 26 August 2002, III (A) Sec. 6.

[90] COA Resolution No. 2002-005, COA Organizational Restructuring, 17 May 2002, Preamble.

[91] *Qualitrans Limousine Service Inc. v. Royal Class Limousine Service,* 259 Phil. 175, 189 (1989).

[92] *Atty. Sanchez v. Judge Vestil*, 358 Phil. 477, 481 (1998).