



Republic of the Philippines
SANDIGANBAYAN
Quezon City

SIXTH DIVISION

**PEOPLE OF THE
PHILIPPINES,**

Plaintiff,

SB-14-CRM-0434 to 0435

For: Violation of Section 3(e) of
Republic Act (R.A.) No. 3019 and
Malversation of Public Funds under
Article 217 of the Revised Penal
Code (RPC)

-versus-


**SERAFIN GUIVELONDO
BLANCO,**

Accused,

PRESENT:

FERNANDEZ, SJ, J., *Chairperson*
MIRANDA, J, &
VIVERO, J.

Promulgated:

January 22, 2021 

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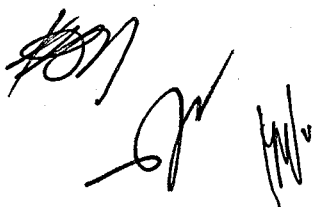
DECISION

MIRANDA, J.:

In two (2) Informations both dated April 10, 2014 and filed on December 3, 2014, the Office of the Ombudsman, through the Office of the Special Prosecutor (OSP), charged the accused with violation of Section 3(e) of R.A. No. 3019, otherwise known as the Anti-Graft and Corrupt Practices Act, and Malversation of Public Funds under Article 217 of the RPC.

The Information in SB-14-CRM-0434 states:

That on or about December 20, 2001, or sometime prior or subsequent thereto, in Mandaue City, Province of Cebu, Philippines, and within the jurisdiction of this Honorable Court, the above-named accused, **SERAFIN BLANCO**, a high ranking public officer, then the City Administrator of Mandaue City, committing the offense in relation to office, taking advantage of the public office, acting with evident bad faith and/or gross inexcusable negligence, did then and there willfully, unlawfully and criminally take, misappropriate, embezzle and convert to his personal use and benefit, public funds in the amount of **ONE HUNDRED EIGHTY NINE THOUSAND SIX HUNDRED PESOS**



(**Php189,600.00**), part of the proceeds of the cash advance he drew for the Christmas Party of the employees, and despite demand to liquidate/account/refund for the same, accused failed to liquidate/account/refund the amount of **ONE HUNDRED EIGHTY NINE THOUSAND SIX HUNDRED PESOS (Php189,600.00)**, thereby causing undue injury to the City of Mandaue, and or the government in the aforestated amount.

CONTRARY TO LAW.¹

On the other hand, the Information in SB-14-CRM-0435 states:

That on or about December 20, 2001, or sometime prior or subsequent thereto, in Mandaue City, Province of Cebu, Philippines, and within the jurisdiction of this Honorable Court, the above-named accused, **SERAFIN BLANCO**, a high ranking public officer, then the City Administrator of Mandaue City, committing the offense in relation to office, taking advantage of the public office, acting with evident bad faith and or gross inexcusable negligence, did then and there willfully, unlawfully and feloniously take, misappropriate, embezzle and convert for his personal use and benefit, public funds in the amount of **ONE HUNDRED EIGHTY NINE THOUSAND SIX HUNDRED PESOS (Php189,600.00)**, part of the proceeds of the cash advance he drew for the Christmas Party of the employees, and despite demand made by the Commission of Audit and the Office of the City Accountant of Mandaue to liquidate/account/refund for the same, accused failed to liquidate/account/refund the amount of **ONE HUNDRED EIGHTY NINE THOUSAND SIX HUNDRED PESOS (Php189,600.00)**, to the damage and prejudice of the City of Mandaue, or the government in the aforestated amount.

CONTRARY TO LAW.²

On January 21, 2015, the Court found probable cause for the issuance of a warrant of arrest against the accused.³

On February 16, 2015, the accused posted bail before Acting Executive Judge Mercedita G. Dadole-Ignacio of the Regional Trial Court of Mandaue City, Branch 28 which the Court received on February 27, 2015⁴ and noted on March 9, 2015.⁵



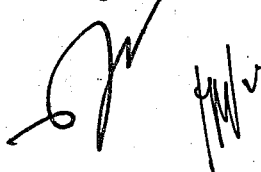
¹ Information dated April 10, 2014, Records, vol. 1, pp. 1-2.

² Information dated April 10, 2014, Records, separate folder attached to vol. 1, pp. 1-2.

³ Minutes of the Proceedings held on January 21, 2015, Records, vol. 1, pp. 164-165.

⁴ Indorsement dated February 17, 2005 of Atty. Tranne Lee Digao-Ferrer, Branch Clerk of Court of RTC of Mandaue City, Branch 28, Records, vol. 1, pp. 175-191.

⁵ Minutes of the Proceedings held on March 9, 2015, Records, vol. 1, p. 193.



On November 25, 2015, the accused was arraigned and pleaded “not guilty” to the charges against him.⁶

In the Pre-Trial Order dated November 15, 2016, the parties stipulated on the identity of the accused as the same person charged in both Informations, and that the accused was a public officer, being the City Administrator of Mandaue City, at the time material to these cases.⁷

After taking into consideration the issues proposed by the parties, the Court shall now resolve the following:

1. Whether or not the accused is guilty of violating Section 3(e) of R.A. No. 3019 for failing to liquidate Php189,600.00 which is a portion of his cash advance; and
2. Whether or not the accused is guilty of Malversation of Public Funds for misappropriating or converting to his personal use Php189,600.00 which is a portion of his cash advance.

EVIDENCE FOR THE PROSECUTION

In support of its accusations against the accused for violation of Section 3(e) of R.A. No. 3019 and Malversation of Public Funds, the Prosecution presented seven (7) witnesses, namely: 1) Carolina M. Mendez (Mendez); 2) Nenita Solis Regencia (Regencia); 3) Jocelyn Longkakit Peñalosa (Peñalosa); 4) Melba B. Macapobre (Macapobre); 5) Lolita Mercedes (Mercedes); 6) Jocelyn Y. Dacumos (Dacumos); and 7) Virginia Palanca-Santiago (Palanca-Santiago).

Mendez, State Auditor IV and Audit Team Leader at the City Auditor’s Office, Commission on Audit (COA) Region VII, Mandaue City from August 5, 2002 to August 14, 2005,⁸ testified that:

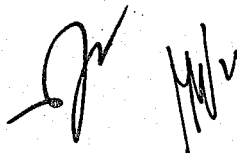
1. She found an unliquidated cash advance of the accused for the Mandaue City Employees’ 2001 Christmas party after examining Disbursement Voucher No. 101-2001-12-13508 dated December 19, 2001, Check No. 159623 dated December 20, 2001, Subsidiary Ledger (re: cash advance of Php500,000.00 of the



⁶ Certificate of Arraignment dated November 25, 2015, Records, vol. 1, p. 305; Order dated November 25, 2015, Records, vol. 1, pp. 307-308.

⁷ Records, vol. I, pp. 456-472.

⁸ TSN dated November 15, 2016, pp. 6-7.



- accused), report of the accountant for cash advances, and other supporting documents;⁹
2. When she examined the Subsidiary Ledger (re: cash advance of Php500,000.00 of the accused) during her incumbency as COA Audit Team Leader of Mandaue City, the amount of Php500,000.00 was entered as accused's unliquidated cash advance pertaining to the Christmas party;¹⁰
 3. She issued Demand Letter dated December 10, 2004 to the accused for the latter to settle his unliquidated cash advances amounting to One Million Two Hundred Ninety Thousand Seven Hundred Sixty Pesos and Seventy-Five Centavos (Php1,290,760.75). It is lower than the One Million Three Hundred Thirty-Seven Thousand Two Hundred Thirty Pesos and Seventy-Five Centavos (Php1,337,230.75) in the Schedule of Cash Advance as of June 30, 2004 because the accused submitted additional supporting documents on his cash advances for petty cash and travel expenses which reduced his unliquidated cash advances;¹¹
 4. The cash advance for the Christmas party should have been liquidated by the accountable officer to whom the cash advance was granted at the end of the year pursuant to Section 5.8 of COA Circular No. 97-002 dated February 10, 1997;¹² and
 5. A cash advance is liquidated when the accountable officer has submitted supporting documents to the accounting section and the accountant bookkeeper recorded it in the books of accounts. Even if supporting documents were submitted but were not recorded, the balance is still unliquidated.¹³

Regencia, City Accountant of Mandaue City from January 18, 2010 and remained as such during her testimony on November 16-17, 2016, testified that:

1. After examining and verifying the unliquidated cash advance of the accused amounting to Php189,600.00 in the Subsidiary Ledger (re: cash advance of Php500,000.00 of the accused), Journal Entry Voucher No. 100 (01) 2007-06-5230B dated June 30, 2007, General Journal for the Month of June 2007 (General Fund), Demand Letter dated May 24, 2007 of City Accountant Ledesma, and Demand Letter dated June 8, 2009 of OIC-City Accountant Atty. Maringuran, she prepared and issued Demand Letter dated August 18, 2009 directing the accused to settle his

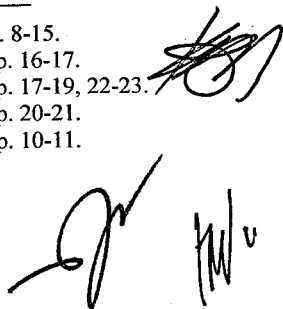
⁹ TSN dated November 15, 2016, pp. 8-15.

¹⁰ TSN dated November 15, 2016, pp. 16-17.

¹¹ TSN dated November 15, 2016, pp. 17-19, 22-23.

¹² TSN dated November 15, 2016, pp. 20-21.

¹³ TSN dated November 16, 2016, pp. 10-11.

The block contains several handwritten signatures and initials. At the top right, there is a signature that appears to be 'Serafin G. Blanco'. Below it, there are two more signatures, one on the left and one on the right, which are less legible but appear to be initials or names.

unliquidated cash advance amounting to Php189,600.00. The said amount was just a portion of the Php500,000.00 cash advance drawn for the Christmas party because the accused already made a partial liquidation;¹⁴

2. When accused failed to liquidate the cash advance amounting to Php189,600.00, she reported it to the COA through the Schedule of Cash Advances to Officers & Employees as of September 2011, Cash Advances and Liquidations Quarter Ending September 30, 2014, Aging of Cash Advances-General Fund for the Month of September 2014, Report on Aging of Cash Advances to Officers and Employees as of October 2014, and Cash Advances and Liquidations as of October 2014;¹⁵
3. After Assistant Ombudsman Virginia Palanca-Santiago inquired on the status of the unliquidated cash advance of the accused thru the Letter dated December 29, 2011, she submitted her Letter dated January 19, 2012 attaching thereto the Schedule of Cash Advances to Officers and Employees as of September 2011, Demand Letter dated June 8, 2009, and Demand Letter dated August 18, 2009;¹⁶
4. A cash advance is liquidated when receipts and other documents are submitted and recorded in the books of accounts. They inform the accountable officer if the receipts and documents were not recorded in the subsidiary ledger or books of accounts. This happens when the receipts or sales invoices are neither official nor registered with the BIR;¹⁷
5. The cash advance for the Christmas party should be liquidated in its entire amount and not piecemeal at the end of the year;¹⁸ and
6. The accused submitted liquidation documents for his cash advance of Php500,000.00. There was, however, only a partial liquidation because they noted deficiencies on some of the supporting documents and they still needed to verify the documents whether they were legal, valid and acceptable. Documents that are not legal, valid and acceptable could not be used for liquidation and are not recorded in the books of accounts. City Accountant Ledesma informed the accused of his unliquidated cash advance thru Demand Letters dated January 16, 2007 and March 23, 2007.¹⁹

Peñalosa, State Auditor II of COA Region VII, testified that:



¹⁴ TSN dated November 16, 2016, pp. 19-61.

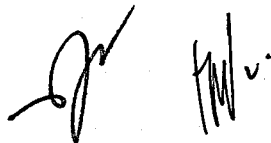
¹⁵ TSN dated November 16, 2016, pp. 63-91.

¹⁶ TSN dated November 16, 2016, pp. 93-97.

¹⁷ TSN dated November 16, 2016, pp. 91-93.

¹⁸ TSN dated November 17, 2016, pp. 9-10, 37-38.


¹⁹ TSN dated November 17, 2016, pp. 9-10, 16-17, 32-38.



1. After verifying the Schedule of Cash Advances to Officers & Employees as of December 31, 2012, she prepared and initialed the Demand Letter dated July 17, 2013 of State Auditor IV Mercedes for the accused to settle his unliquidated cash advance amounting to Php189,600.00 for the said Christmas party;²⁰
2. The demand letter was served by a member of her staff, Catherine Salcedo (Salcedo), at the house of the accused and was received by his wife;²¹
3. On August 20, 2013, the accused came to their office and asked the Audit Team Leader about the demand letter. The Audit Team Leader then asked Peñalosa to get the folder containing the Demand Letter dated July 17, 2013;²² and
4. COA does not accept partial liquidation of cash advances. Supporting documents for the entire amount must be complete. The liquidation of the cash advance is completed when the accountant receives the liquidation documents, verifies the liquidation report as to validity, legality and correctness, and records it in the books of accounts per Sections 5.2 and 5.3 of COA Circular No. 97-002 dated February 2, 1997.²³

Macapobre, State Auditor IV and Audit Team Leader at the City Auditor's Office, COA Region VII, Mandaue City from August 15, 2005 to November 2007,²⁴ testified that:

1. After she and fellow team member Jenny D. Dayola (Dayola) examined Disbursement Voucher No. 101-2001-12-13508 dated December 19, 2001, Landbank Check No. 159623 dated December 20, 2001, Demand Letter dated December 10, 2004 of State Auditor IV Mendez to the accused, they prepared and submitted the Statement of Cash Advance and Liquidations as of May 2005 and the undated Narrative Report on Unliquidated Cash Advances to Atty. Roy L. Ursal (Ursal), Director of the Legal and Adjudication of COA Region VII, per 1st Indorsement dated October 7, 2005;²⁵
2. She and Dayola executed their Joint Affidavit dated November 2, 2006 after being directed by Atty. Ursal per 3rd endorsement dated December 9, 2005. The Demand Letter dated December 10, 2004 and Schedule of Cash Advances as of June 2006 were attached to the Joint Affidavit;²⁶

²⁰ TSN dated February 1, 2017, pp. 33-40, 56. 

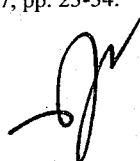
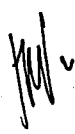
²¹ TSN dated February 1, 2017, pp. 40-41.

²² TSN dated February 1, 2017, pp. 41-49, 64-66.

²³ TSN dated February 1, 2017, pp. 52-61.

²⁴ TSN dated March 7, 2017, pp. 7-9.


²⁵ TSN dated March 7, 2017, pp. 9-23.

²⁶ TSN dated March 7, 2017, pp. 23-34.  

3. At the time of her testimony and based on her discussion with the current auditor, the accused had an unliquidated cash advance amounting to Php189,600.00;²⁷
4. The cash advance is considered liquidated if the liquidation report and supporting documents were verified as to validity, legality and correctness, and recorded in the books of accounts by the accountant per Section 5.3 of COA Circular No. 97-002 dated February 2, 1997. It is not recorded if there are deficiencies like alterations, erroneous supporting documents, and if there are doubts as to the validity and legality of the submitted documents;²⁸ and
5. From the moment the liquidation report and supporting documents are submitted until they are entered in the books of accounts, the status of the cash advance is still unliquidated. The accountable officer could not do anything until the City Accountant considers the submitted documents to be legal, valid and acceptable.²⁹

Mercedes, State Auditor IV and Audit Team Leader at the City Auditor's Office, COA Region VII, Mandaue City from January 2013 to June 2014,³⁰ testified that:

1. After reviewing the Schedule of Cash Advances to Officers and Employees as of December 2012, she issued Demand Letter dated July 17, 2013 for the accused to settle or refund his unliquidated cash advance amounting to Php189,600.00 as of December 31, 2012;³¹
2. She directed State Auditor II Peñalosa to ask Salcedo to deliver the Demand Letter dated July 17, 2013 to the residence of the accused. The letter was received by the wife of the accused;³²
3. On August 20, 2013, the accused went to the office of State Auditor IV Mercedes and inquired on Demand Letter dated July 17, 2013. State Auditor IV Mercedes then asked State Auditor II Peñalosa to get the said demand letter which she showed to the accused. She did not personally serve the said demand letter to the accused when he was at her office;³³
4. After the accused told her that it was Executive Secretary Cheryl Zoleta Ouano (Ouano) who disbursed the funds, she told the accused to coordinate with Executive Secretary Ouano for the


²⁷ TSN dated March 8, 2017, pp. 21-22.

²⁸ TSN dated March 7, 2017, pp. 47-48.



²⁹ TSN dated March 8, 2017, pp. 14-15.

³⁰ TSN dated March 8, 2017, p. 26.

³¹ TSN dated March 8, 2017, pp. 27-36.

³² TSN dated March 8, 2017, pp. 36, 47-48.

³³ TSN dated March 8, 2017, pp. 36-39, 41-43.


liquidation of the cash advance considering that it was the accused who made the cash advance and that the check was in his name. The cash advance was still unliquidated until her term as Audit Team Leader ended on June 30, 2014;³⁴

5. Accountable officers should liquidate cash advances within sixty (60) days;³⁵ and
6. As of the time of her testimony, the cash advance of the accused remained unliquidated. She found this out after inquiring from the Audit Team Leader of Mandaue City and receiving the subpoena from the Office of the Ombudsman.³⁶

Before Dacumos, Associate Graft Investigation Officer III (AGIOIII) at the Public Assistance and Corruption Prevention Office (PACPO) of the Office of the Ombudsman for Visayas, testified, the Prosecution and the Defense stipulated that: 1) she conducted an investigation into the unliquidated cash advance of the accused; 2) she personally prepared the Final Evaluation Report dated March 5, 2012, Supplemental Complaint Affidavit dated March 13, 2012, Letter dated May 11, 2007 of Assistant Ombudsman Palanca-Santiago to the accused, and Letter dated December 29, 2011 of Assistant Ombudsman Palanca-Santiago to City Accountant Regencia; and 3) she came across several exhibits during the course of her investigation.³⁷ She then testified that:

1. The accused liquidated some of his cash advances until only Php189,600.00 remained,³⁸ and
2. Demand Letter dated June 8, 2009 of OIC-City Accountant Atty. Maringuran, Demand Letter dated August 18, 2009 of City Accountant Regencia, and Demand Letter dated December 10, 2004 State Auditor IV Mendez, all addressed to the accused, did not show that the accused personally received them.³⁹

Before Palanca-Santiago, Retired Assistant Ombudsman for Visayas, testified, the Prosecution and the Defense stipulated on the positions she held at the Office of the Ombudsman, the letters she issued to the COA, the accused and City Accountant Regencia, the Letter-Reply of City Accountant Regencia, and the Final Evaluation Report dated March 5, 2012 which she signed.⁴⁰ She then testified that:


³⁴ TSN dated March 8, 2017, pp. 39-40.

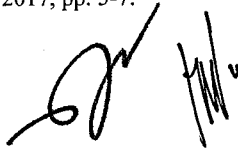
³⁵ TSN dated March 8, 2017, p. 49.

³⁶ TSN dated March 8, 2017, p. 50.

³⁷ TSN dated March 27, 2017, pp. 8-14.

³⁸ TSN dated March 27, 2017, p. 16.

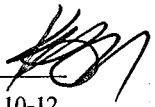
³⁹ TSN dated March 27, 2017, pp. 17-22.

⁴⁰ TSN dated April 18, 2017, pp. 5-7.


1. State Auditor IV Macapobre and the City Accountant informed her thru letters that the accused had an unliquidated cash advance amounting to Php189,600.00 because some of the supporting documents had deficiencies like changes in the dates and corrections on the receipts;⁴¹
2. Demand Letter dated August 18, 2009 of City Accountant Regencia to the accused did not mention the disallowance of Php189,600.00 or how the supporting documents were treated;⁴² and
3. Demand Letter dated June 8, 2009 of OIC-City Accountant Atty. Maringuran to the accused did not mention whether the supporting documents were disallowed.⁴³

On May 15, 2017, the Prosecution offered the following exhibits in evidence.⁴⁴

Exhibit	Description
"A"	Original copy of the Supplemental Complaint-Affidavit dated March 13, 2012 of AGIO III Dacumos
"B to B-1" and sub-markings	Original copy of the Joint Affidavit dated November 2, 2006 of State Auditor IV Macapobre and State Auditor I Dayola
"C" and sub-markings	Certified photocopy of the undated Narrative Report on Unliquidated Cash Advances of State Auditor IV Macapobre
"D" and sub-markings	Certified photocopy of the Statement of Cash Advance and Liquidations as of May 2005 of the accused prepared by State Auditor IV Macapobre
"E" and sub-markings	Certified photocopy of the Schedule of Cash Advance as of June 2006 of the accused certified correct by City Accountant Ledesma
"F to F-2" and sub-markings	Certified photocopy of Demand Letter dated December 10, 2004 of State Auditor IV Mendez to the accused
"F-3" and sub-markings	Certified photocopy of the attached Schedule of Cash Advance as of June 30, 2004 of the accused certified correct by City Accountant Ledesma


⁴¹ TSN dated April 18, 2017, pp. 10-12.

⁴² TSN dated April 18, 2017, pp. 13-15.

⁴³ *Id.*

⁴⁴ Formal Offer of Documentary Evidence with Motion to Remark Sub-marking of Exhibits dated May 10, 2017, Records, vol. II, pp. 14-219.

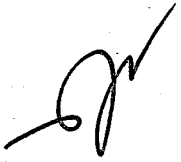

 

Exhibit	Description
"F-4" and sub-markings	Certified photocopy of the attached undated List of Vouchers with Unliquidated Cash Advance of the accused
"G" and sub-markings	Certified photocopy of Disbursement Voucher No. 101-2001-12-13508 dated December 19, 2001
"G-2" and sub-markings	Certified photocopy of the attached undated Request for Obligation of Allotment No. 101-1011-218-100
"G-3" and sub-markings	Certified photocopy of the undated Budget Proposal
"G-4 to G-6" and sub-markings	Certified photocopy of the attached Excerpt from the Journal of the 3 rd Special Session held by the Sangguniang Panlungsod on December 19, 2001
"G-7" and sub-markings	Certified photocopy of the attached Letter dated December 14, 2001 of City Budget Officer Lamberto N. Marababol (Marababol) to Mandaue City Mayor Thadeo Z. Ouano
"G-8" and sub-markings	Certified photocopy of the attached Certified Statement of Additional Realized Income CY 2001 (General Fund) certified correct by City Treasurer Lorna C. Atega (Atega)
"G-9" and sub-markings	Certified photocopy of the attached Certification dated December 14, 2001 of City Accountant Ledesma
"G-10" and sub-markings	Certified photocopy of the attached Supplemental Budget of Funds Actually Available No. 8 FY 2001 (General Fund) prepared by City Budget Officer Marababol
"G-11" and sub-markings	Certified photocopy of the attached Certified Statement of Additional Realized Income CY 2001 (Slaughterhouse) certified correct by City Treasurer Atega
"G-12" and sub-markings	Certified photocopy of the attached Supplemental Budget of Funds Actually Available No. 8 FY 2001 (Slaughterhouse) prepared by City Budget Officer Marababol
"G-13" and sub-markings	Certified photocopy of the attached Certified Statement of Additional Realized Income CY 2001 (Market) certified correct by City Treasurer Atega
"G-14" and sub-markings	Certified photocopy of the attached Supplemental Budget of Funds Actually Available No. 8 FY 2001 (Market) prepared by City Budget Officer Marababol
"H" and sub-markings	Certified photocopy of the Landbank Check No. 159623 dated December 20, 2001 amounting to Php500,000.00

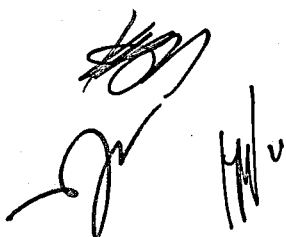


Exhibit	Description
"I"	Original copy of the Letter dated December 29, 2011 of Assistant Ombudsman Palanca-Santiago to City Accountant Regencia
"J" and sub-markings	Original copy of the Letter dated January 19, 2012 of City Accountant Regencia to Assistant Ombudsman Palanca-Santiago
"K" and sub-markings	Certified photocopy of the Demand Letter dated August 18, 2009 of City Accountant Regencia to the accused
"L" and sub-markings	Certified photocopy of the Demand Letter dated June 8, 2009 of OIC-City Accountant Atty. Maringuran to the accused
"M" and sub-markings	Certified photocopy of Journal Entry Voucher No. 100 (01) 2007-06-5230B dated June 30, 2007
"N" and sub-markings	Certified photocopy of the General Journal for the Month of June 2007 (General Fund) certified correct by City Accountant Ledesma
"O" and sub-markings	Original copy of the Subsidiary Ledger of the cash advance of the accused
"P to P-14" and sub-markings	Certified photocopy of the Schedule of Cash Advances to Officers & Employees as of September 2011 submitted by Administrative Aide VI Anecia A. Bustamante (Bustamante) and noted by City Accountant Regencia
"Q to Q-11" and sub-markings	Certified photocopy of the Cash Advances and Liquidations Quarter Ending September 30, 2014 submitted by Administrative Aide VI Bustamante and noted by City Accountant Regencia
"R to R-9" and sub-markings	Certified photocopy of the Aging of Cash Advances-General Fund for the Month of September 2014 submitted by Administrative Aide VI Bustamante and noted by City Accountant Regencia
"S" and sub-markings	Certified photocopy of the Cash Advances and Liquidations as of October 2014 submitted by Administrative Aide VI Bustamante and noted by City Accountant Regencia
"T" and sub-markings	Certified photocopy of the Report on Aging of Cash Advances to Officers and Employees as of October 2014 submitted by Administrative Aide VI Bustamante and noted by City Accountant Regencia

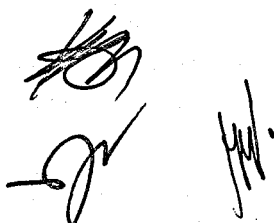


Exhibit	Description
"U" and sub-markings	Certified photocopy of the Demand Letter dated July 17, 2013 of State Auditor IV Mercedes to the accused
"V" and sub-markings	Certified photocopy of the Aging of Cash Advances (General Fund) to Officers and Employees as of December 2013 submitted by Administrative Aide VI Bustamante and noted by City Accountant Regencia
"W" and sub-markings	Certified photocopy of the Subsidiary Ledger (re: cash advance of Php500,000.00 of the accused)
"X" and sub-markings	Original copy of the Letter dated April 17, 2007 of State Auditor IV Macapobre to Assistant Ombudsman Palanca-Santiago, then PACPO Director
"Y"	Original copy of the Letter dated May 11, 2007 of Assistant Ombudsman Palanca-Santiago, then PACPO Director, to the accused
"Z" and sub-markings	Certified photocopy of the Service Record dated January 15, 2015 of the accused
"AA" and sub-markings	Certified photocopy of the Appointment Paper dated July 1, 2004 of the accused
"BB" and sub-markings	Certified photocopy of the undated Position Description Form of the accused
"CC" and sub-markings ("13" of the Defense)	COA Circular No. 97-002 dated February 10, 1997
"DD" and sub-markings	Certified photocopy of the Decision No. 15-0111 dated December 17, 2015 in ADM DC No. F07-006 entitled Blanco, Serafin G. (Re: Gross Neglect of Duty; Unliquidated Cash Advance)
"EE" and sub-markings	Certified photocopy of the Resolution No. 16-00145 dated June 1, 2016 in ADM DC No. F07-006 entitled Blanco, Serafin G. (Re: Gross Neglect of Duty; Unliquidated Cash Advance-Motion for Reconsideration)
"FF" and sub-markings ("4" of the Defense)	Certified photocopy of the Demand Letter dated May 24, 2007 of City Accountant Ledesma to the accused
"JJ" and sub-markings	Schedule of Cash Advances to Officers & Employees as of December 2012 submitted by Administrative Aide VI Bustamante and noted by City Accountant Regencia

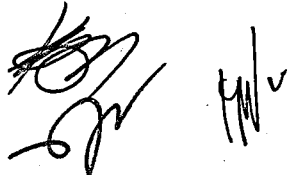


Exhibit	Description
“KK” and sub-markings	Certified photocopy of the Extract of the Logbook of COA Mandaue City for the year 2013
“LL” and sub-markings	Certified photocopy of the 1 st Indorsement dated October 7, 2005 of State Auditor IV Macapobre to the Regional Cluster Director, Legal and Adjudication, COA Region VII
“MM” and sub-markings	Certified photocopy of the 3 rd Indorsement dated December 9, 2005 of Atty. Ursal to State Auditor IV Macapobre
“OO”	Certified photocopy of the 1 st Indorsement dated March 12, 2007 of Helen S. Hilayo, Regional Cluster Director, to the Audit Team Leader of Mandaue City
“OO-1”	Certified photocopy of the attached Memorandum dated February 28, 2007 of Atty. Nilo C. Pala (Pala), OIC Regional Cluster Director, Legal and Adjudication Sector Region VII, to the Audit Team Leader of Mandaue City
“OO-2”	Certified photocopy of the attached Letter dated February 6, 2007 of Assistant Ombudsman Palanca-Santiago, then PACPO Director, to Atty. Pala
“PP” and sub-markings	Certified photocopy of the Letter dated March 21, 2007 of State Auditor IV Macapobre to City Accountant Ledesma
“QQ” and sub-markings (“1” of the Defense)	Certified photocopy of the Letter dated April 12, 2007 of City Accountant Ledesma to State Auditor IV Macapobre
“QQ-1” (“20” of the Defense)	Certified photocopy of the attached Demand Letter dated January 16, 2007 of City Accountant Ledesma to the accused
“QQ-2” and sub-markings	Certified photocopy of the attached Demand Letter dated March 23, 2007 of City Accountant Ledesma to the accused
“QQ-3”	Certified photocopy of the attached Official Receipt No. 2266511 dated January 11, 2007
“RR” and sub-markings (“7” of the Defense)	Certified photocopy of the Letter dated August 29, 2007 of City Accountant Ledesma to State Auditor IV Macapobre

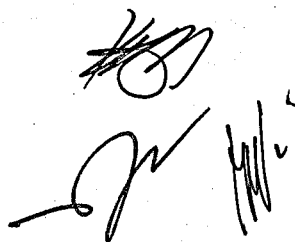

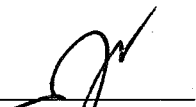



Exhibit	Description
“RR-1” (“5 and 27” of the Defense)	Certified photocopy of the attached Justification dated June 28, 2007 of the accused
“SS” and sub- markings (“30” of the Defense)	Certified photocopy of the Letter dated May 26, 2008 of State Auditor IV Nancy L. Aparri (Aparri) to City Accountant Ledesma
“TT”	Original copy of the Letter dated November 2, 2006 of Atty. Pala to OIC Deputy Ombudsman for Visayas Palanca-Santiago
“UU”	Original copy of the Letter dated February 6, 2007 of Assistant Ombudsman Palanca-Santiago, then PACPO Director, to Atty. Pala
“VV”	Photocopy of the Final Evaluation Report dated March 5, 2012 of AGIO III Dacumos to Ombudsman Conchita Carpio-Morales

On July 31, 2017, the Court admitted Exhibits “A”, “B to B-1-b”, “C to C-3”, “D to D-1”, “E to E-2”, “F to F-6”, “G to G-14-a”, “H to H-1”, “I”, “J to J-1”, “K to K-2”, “K-4”, “L to L-4”, “M to M-5”, “N to N-4”, “O to O-3”, “P to P-14”, “Q to Q-11-a”, “R to R-9-b”, “S to S-11”, “T to T-3”, “U to U-4”, “V to V-3”, “W to W-6”, “X to X-1”, “Y”, “Z to Z-1”, “AA to AA-1”, “BB to BB-1”, “CC to CC-4-a”, “DD to DD-8-a”, “EE to EE-6-a”, “FF to FF-4”, “JJ to JJ-1-a”, “KK to KK-2”, “LL to LL-1”, “MM”, “OO to OO-2”, “PP to PP-1”, “QQ to QQ-3”, “RR to RR-3”, “SS to SS-1”, “TT”, “UU”, and “VV” of the Prosecution.⁴⁵

On August 9, 2017, the Court received the Motion for Leave of Court to File Demurrer to Evidence (with attached Demurrer to Evidence) dated August 7, 2017 of the accused.⁴⁶

On August 18, 2017, the Court received the Comment/Opposition to the Motion for Leave of Court to File Demurrer to Evidence (with attached Demurrer to Evidence) of even date of the Prosecution.⁴⁷

⁴⁵ Minutes of the Proceedings held on July 31, 2017, Records, vol. II, pp. 220-221.

⁴⁶ Records, vol. II, pp. 226-247.

⁴⁷ Records, vol. II, pp. 254-262.

On October 11, 2017, the Court received the Reply to the Prosecution's Comment/Opposition to the Demurrer to Evidence dated October 5, 2017.⁴⁸

On February 12, 2018, the Court denied the motion for leave of court to file demurrer to evidence of the accused.⁴⁹

EVIDENCE FOR THE DEFENSE

In support of his defense for violation of Section 3(e) of R.A. No. 3019 and Malversation of Public Funds, the accused presented three (3) witnesses, namely: 1) himself; 2) Ouano; and 3) Glenn J. Mayol (Mayol).

The accused testified that:

1. Sometime in December 2001, he drew a cash advance amounting to Php500,000.00 for the Christmas party instead of Executive Secretary Ouano, the event organizer and fund handler, because the latter still had an unliquidated cash advance. He could not remember the breakdown because it was Executive Secretary Ouano who prepared the projected expenses;⁵⁰
2. After the Christmas party, Executive Secretary Ouano showed the supporting documents she prepared to the accused who submitted them to the Office of the City Accountant in February 2002. The City Accountant issued a memorandum addressed to him noting the discrepancies on the supporting documents;⁵¹
3. Executive Secretary Ouano corrected the deficiencies, such as the dates on the receipts. She submitted the Memorandum dated January 9, 2007 and Letter dated January 9, 2007 to City Accountant Ledesma together with the corrected supporting documents;⁵²
4. The accused wrote the Memorandum dated January 11, 2007 to State Auditor IV Macapobre stating that the corrected supporting documents were already submitted to City Accountant Ledesma;⁵³
5. City Accountant Ledesma issued the Demand Letter dated January 16, 2007 to the accused noting some discrepancies on the liquidation documents, such as erasures and lack of dates on the official receipts. The accused took Official Receipt No. 05636

⁴⁸ Records, vol. II, pp. 282A-282F.

⁴⁹ Resolution dated February 12, 2018, Records, vol. II, pp. 310-311.

⁵⁰ TSN dated April 11, 2018, pp. 9-11.

⁵¹ TSN dated April 11, 2018, pp. 12-15.

⁵² TSN dated April 11, 2018, pp. 16-18.

⁵³ TSN dated April 11, 2018, pp. 19-22.

