

16 August 2005

Her Excellency
President GLORIA MACAPAGAL-ARROYO
Malacañang Palace, Manila

The Honorable
Vice-President NOLI L. DE CASTRO
PICC Complex, Roxas Boulevard, Manila

The Honorable
President of the Senate
Speaker of the House of Representatives
Members of Congress

Your Excellencies:

Pursuant to Section 34 of Republic Act No. 6770, we are honored to submit the Office of the Ombudsman's Annual Report for the Calendar Year 2004.

The Office of the Ombudsman expresses its deep appreciation for the support Your Excellencies have extended to the Office over the past year, which resulted in a substantial increase in its 2005 budget. There is no doubt that such support, even as the Office's resources continue to be grossly insufficient, has resulted in some progress in our fight against graft and corruption. Please note that even the much appreciated and needed increase in the Office's 2005 budget pales in comparison with the ₱4.9 Billion annual budget of Hong Kong's Independent Commission Against Corruption.

There is no doubt, too, that graft and corruption is the foremost concern of our nation. We have already seen that with collaborative and financial support, the nation stands a chance against this menace. All that is incumbent upon us now is to sustain and dramatically increase the resources and infrastructure devoted to anti-corruption campaign: both in terms of finances and law reform. It is for this reason that the Office appeals once more for your strong support to make the Office of the Ombudsman the kind of institution our People hopes it to be.

Very truly yours,

SIMEON V. MARCELO
Tanodbayan

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INVESTIGATION

The Office of the Ombudsman (OMB), since the start of 2003, has taken the proactive approach in making graft and corruption a high risk and low reward activity. Its main tools in its campaign to curb graft and corruption are: *(a) aggressive and effective criminal prosecution; (b) thorough and strategic investigation; and (c) swift and decisive administrative investigation and adjudication.*

The OMB utilizes its three functional offices in the aspect of investigation and prosecution, namely: the Field Investigation Office (FIO); the Preliminary Investigation, Administrative Adjudication and Monitoring Office (PAMO); and the Office of the Special Prosecutor (OSP).

EVALUATION AND INVESTIGATION

TOTAL WORKLOAD

Table 1 shows the overall workload and status of criminal and administrative cases for the calendar year 2004. The total workload of 17,303 cases include 8,448 new criminal and administrative cases docketed in 2004, the 8,728 cases carried over from the previous year and the 127 disposed cases which were reverted back to pending. Distribution of the newly received cases are as follows: OMB-Central Office – 1,207 or 14%; OMB-Luzon – 2,319 or 27%; OMB-Visayas – 1,339 or 16%; OMB-Mindanao – 884 or 10%; and OMB-MOLEO – 2,699 or 33%. *(see Table 1)*

The overall workload of 17,303 cases during the year in review reflected an increase of 1,273 cases or 8% from the 16,030 cases handled in 2003.

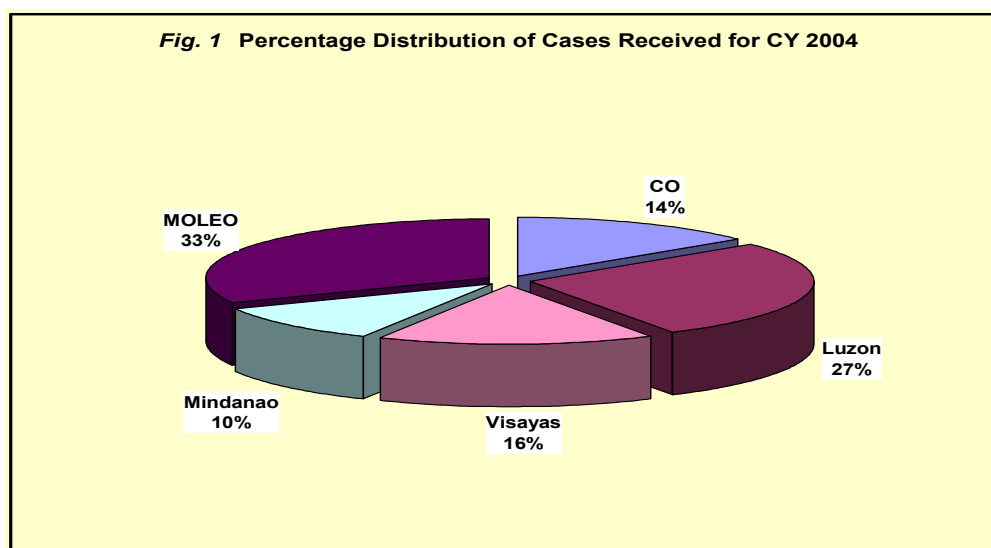
CASES RECEIVED

Figure 1 shows the percentage distribution of the number of cases received by the central and area/sectoral offices.

**TABLE 1. WORKLOAD AND STATUS OF CRIMINAL AND ADMINISTRATIVE CASES
(OMB DOCKETED AND OSP/TBP TRANSFERRED CASES)
As of December 31, 2004**

PARTICULARS	TOTAL	CO ¹	LUZ ²	VIS ³	MIN ⁴	MOLEO ⁵
Total Workload of Criminal and Administrative Cases	17,303	3,342	5,236	3,219	1,648	3,858
Cases received during the year	8,448	1,207	2,319	1,339	884	2,699
Disposed cases reverted back to pending	127	117	--	--	10	--
Cases referred by other OMB offices	13	1	--	--	5	7
Carry-over from 2003	8,728	2,020	2,921	1,880	751	1,156
Less: Cases referred to other OMB offices	13	3	4	--	2	4
Disposed	7,556	1,139	1,999	1,453	953	2,012
Prosecution	1,211	122	292	170	130	497
Penalty Imposed	468	110	102	156	77	23
Dismissed/Exonerated	5,058	764	1,569	929	735	1,061
Closed and Terminated	819	143	36	198	11	431
Pending	9,747	2,203	3,237	1,766	695	1,846

Source: Monitoring and EDP Division, FMS



¹ Central Office

² Office of the Deputy Ombudsman for Luzon

³ Office of the Deputy Ombudsman for Visayas

⁴ Office of the Deputy Ombudsman for Mindanao

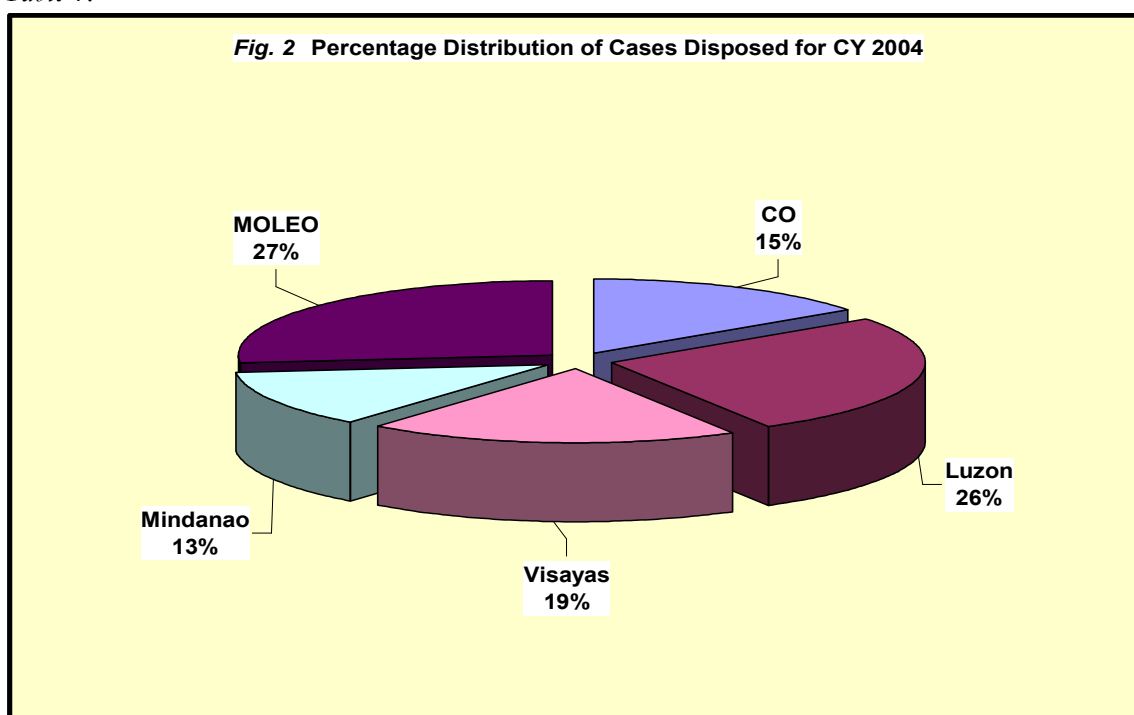
⁵ Office of the Deputy Ombudsman for the Military and Other Law Enforcement Offices

CASES DISPOSED

Reflected in Table 1 is the percentage distribution of 7,556 disposed cases for the calendar year 2004, which included the following: for prosecution - 1,211 or 16%; for imposition of penalty - 468 or 6%; dismissed/exonerated – 5,058 or 67%; and closed and terminated - 819 or 11%.

This year's overall number of cases disposed of increased by 254 cases, or by 4% compared with the 7,302 cases disposed in 2003.

Fig. 2 shows the percentage distribution of cases disposed of per area/sectoral office as reflected in Table 1.



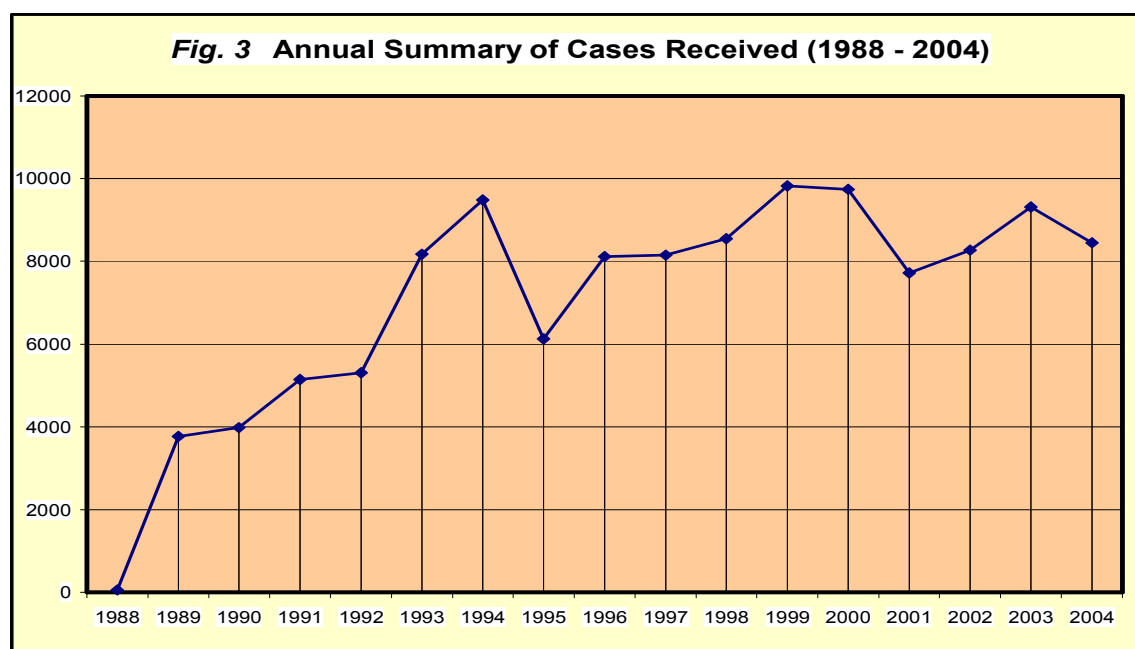
CASES RECEIVED BY AREA/SECTORAL OFFICE

With regard to the number of cases filed from 1988 to 2004 on a per area or sectoral basis, data showed that out of the 120,152 criminal and administrative cases filed, the bulk of 27,193 (or 23% thereof) was directly filed with the OMB-Central Office, followed by OMB-Luzon which accounted for 21% and OMB-Visayas with 20%. OMB-MOLEO also received about 20% of the cases filed and OMB-Mindanao registered the least number of cases filed with 16%. (see Table 2)

**TABLE 2. NUMBER OF CASES RECEIVED BY THE CENTRAL OFFICE
AND BY THE AREA/SECTORAL OFFICES (1988-2004)**

YEAR	CO	LUZON	VISAYAS	MIN	MOLEO	TOTAL
1988	57	---	---	---	---	57
1989	2,029	1,102	450	191	---	3,772
1990	1,462	980	696	775	64	3,977
1991	1,783	1,077	967	1,012	303	5,142
1992	2,368	296	977	1,341	321	5,303
1993	3,380	983	1,485	1,659	665	8,172
1994	2,473	1,884	2,102	1,971	1,051	9,481
1995	1,203	1,295	1,268	1,491	865	6,122
1996	1,342	1,525	2,026	1,140	2,084	8,117
1997	1,246	1,494	2,075	1,150	2,185	8,150
1998	1,372	1,399	2,077	1,308	2,395	8,551
1999	1,483	1,874	2,454	1,562	2,451	9,824
2000	1,586	2,083	2,231	1,360	2,479	9,739
2001	1,363	2,024	1,449	1,052	1,832	7,720
2002	1,519	2,066	1,466	1,033	2,183	8,267
2003	1,320	3,006	1,554	1,069	2,361	9,310
2004	1,207	2,319	1,339	884	2,699	8,448
TOTAL	27,193	25,407	24,616	18,998	23,938	120,152

Figure 3 shows the trend in the number of cases being filed from 1988 to 2004, with an accumulated total of 120,152 cases.

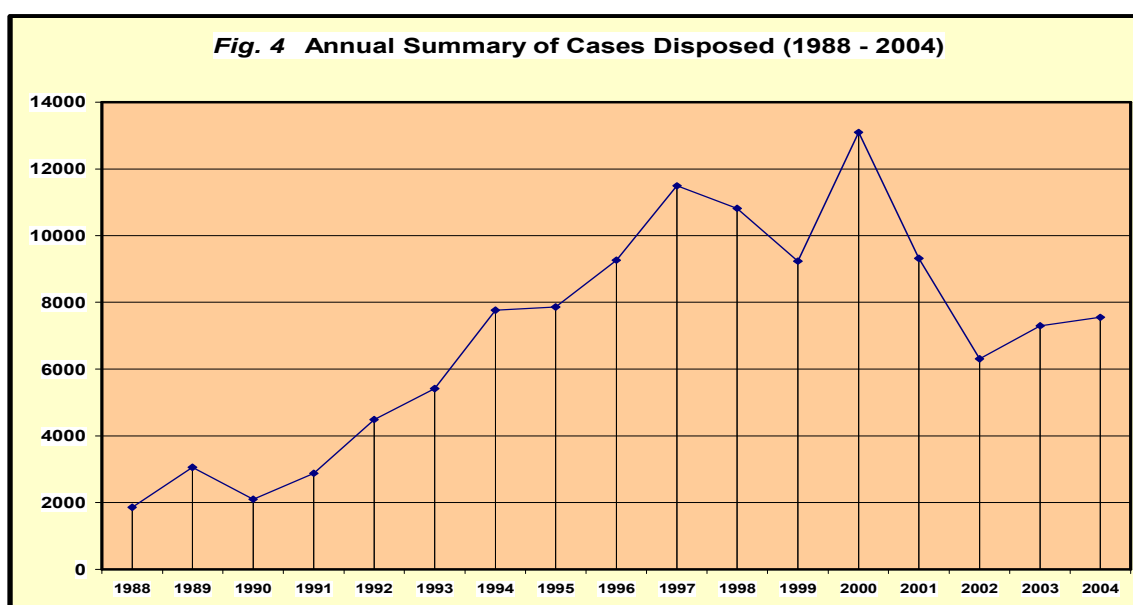


CASES DISPOSED BY AREA/SECTORAL OFFICES

The following table reflects the number of cases disposed from 1988 to 2004 by the central and area/sectoral offices with the overall total of 118,848. The OMB-Central Office registered the highest case disposal rate with 26%; OMB-MOLEO follows with 21%; OMB-Luzon with 19%; OMB-Visayas with 18%; and OMB-Mindanao with 16%.

**TABLE 3. NUMBER OF CASES DISPOSED BY THE CENTRAL OFFICE
AND BY THE AREA/SECTORAL OFFICES (1988-2004)**

YEAR	CO	LUZ	VIS	MIN	MOLEO	TOTAL
1988	1,862	---	---	---	---	1,862
1989	2,593	168	217	78	---	3,056
1990	821	384	536	362	5	2,108
1991	876	534	814	582	79	2,885
1992	1,395	1,125	1,215	394	365	4,494
1993	2,160	1,207	671	738	640	5,416
1994	2,514	1,470	1,266	1,521	1,001	7,772
1995	1,984	1,416	1,476	1,834	1,155	7,865
1996	2,974	1,135	1,752	1,281	2,121	9,263
1997	3,249	1,772	2,094	2,034	2,343	11,492
1998	1,769	2,365	1,989	1,956	2,737	10,816
1999	1,248	1,944	1,458	1,998	2,587	9,235
2000	2,579	2,267	2,064	2,107	3,079	12,096
2001	1,586	2,342	1,911	1,329	2,156	9,324
2002	920	1,266	1,215	822	2,083	6,306
2003	1,346	1,452	1,290	951	2,263	7,302
2004	1,139	1,999	1,453	953	2,012	7,556
TOTAL	31,015	22,846	21,421	18,940	24,626	118,848

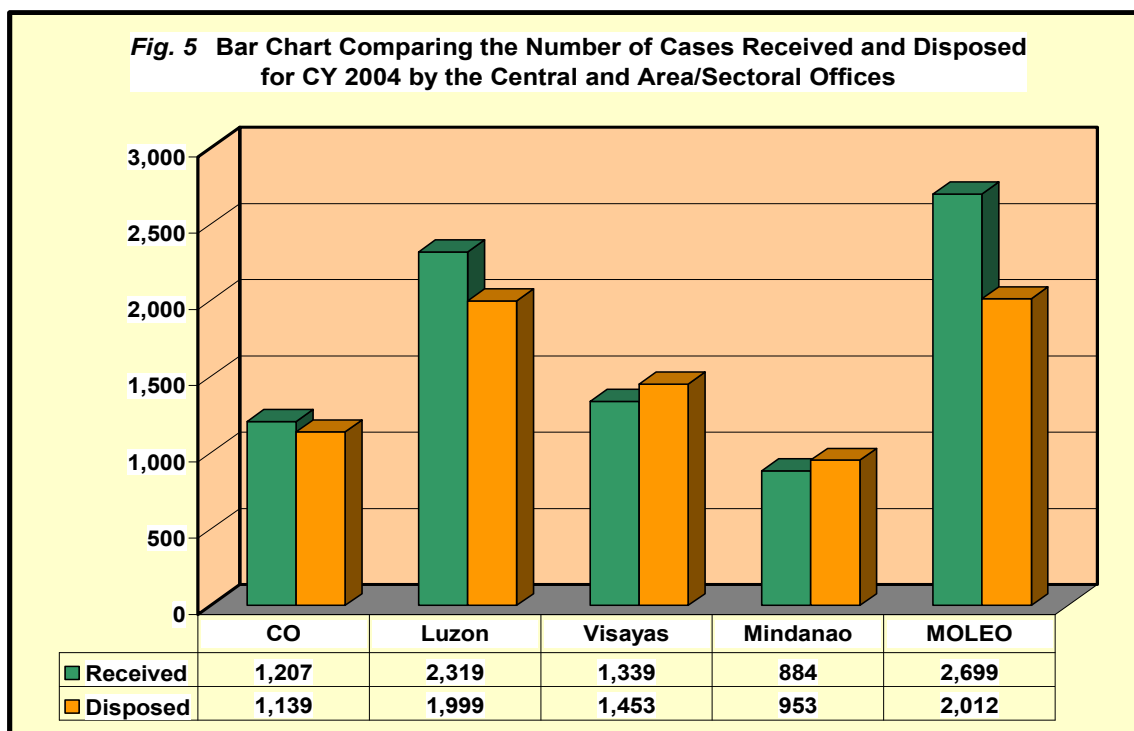


COMPARATIVE PERFORMANCE OF THE AREA/SECTORAL OFFICES

Comparatively, the performance of the five offices in terms of the number of cases disposed as against the total number of cases received for calendar year 2004 is shown in *Figure 5*. The highest performance was registered at 109% by OMB-Visayas, followed by the OMB-Mindanao at 108%, OMB-Central Office at 94%, OMB-Luzon at 86% and OMB-MOLEO at 75% case disposal rate.

In terms of the number of cases disposed of vis-à-vis their respective workload, the overall performance of the five offices are as follows: OMB-Mindanao ranked first with 58% disposal rate; second, OMB-MOLEO with 52%; followed by OMB-Visayas with 45%; OMB-Luzon with 38%; and OMB-Central Office with 34%. (*see Table 4*)

Collectively, the 7,556 cases disposed represented 89% of the 8,448 newly docketed cases and 44% of the workload for the calendar year 2004.



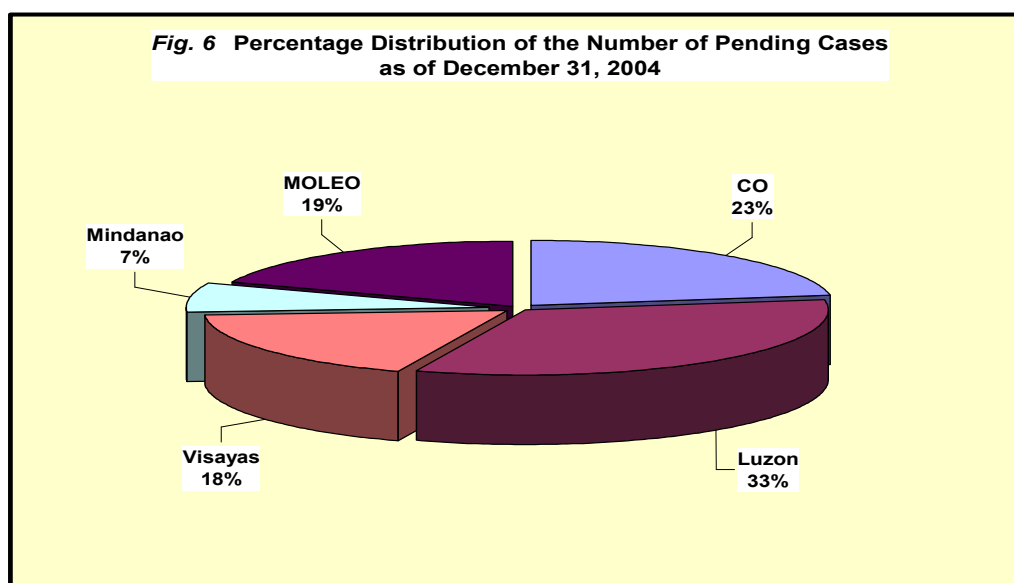
**TABLE 4. COMPARATIVE PERFORMANCE AS TO
TOTAL NUMBER OF CASES DISPOSED AS AGAINST THE TOTAL WORKLOAD
FOR THE CALENDAR YEAR 2004**

Particulars	Total Workload of Cases	Disposed Cases	% of Disposed over Workload
OMB-Central Office	3,342	1,139	34%
OMB-Luzon	5,236	1,999	38%
OMB-Visayas	3,219	1,453	45%
OMB-Mindanao	1,648	953	58%
OMB-MOLEO	3,858	2,012	52%
TOTAL	17,303	7,556	44%

CASES PENDING

As of December 31, 2004, a total of 9,747 criminal and administrative cases were considered active and awaiting final action. About 52% of the 9,747 pending cases were criminal while the remaining 48% were administrative cases.

Figure 6 shows the percentage distribution of the pending cases by the end of CY 2004, as follows: OMB-Central Office - 2,203 or 23%; OMB-Luzon – 3,237 or 33%; OMB-Visayas – 1,766 or 18%; OMB-Mindanao – 695 or 7%; and OMB-MOLEO – 1,846 or 19%.



Tables 5 & 6 and Figure 7 show the breakdown of Criminal and Administrative Cases.

**TABLE 5. WORKLOAD AND STATUS OF CRIMINAL CASES
(OMB DOCKETED AND OSP/TBP TRANSFERRED CASES)
AS OF DECEMBER 31, 2004**

PARTICULARS	TOTAL	CO	LUZ	VIS	MIN	MOLEO
Total Workload of Criminal Cases	9,434	1,682	2,950	1,628	969	2,205
Cases received during the year	4,645	608	1,365	667	558	1,447
Disposed cases reverted back to pending	18	13	--	--	5	--
Cases referred by other OMB offices	6	1	--	--	1	4
Carry-over from 2003	4,771	1,062	1,587	961	406	755
Less: Cases referred to other OMB offices	6	2	2	--	1	1
Disposed	4,393	540	1,257	724	575	1,297
Prosecution	1,211	122	292	170	130	497
With Regular Courts	1,160	100	277	167	125	491
With Sandiganbayan	51	22	15	3	5	6
Dismissed	3,050	362	965	478	445	800
Closed and Terminated	132	56		76		
Pending	5,041	1,142	1,693	904	394	908

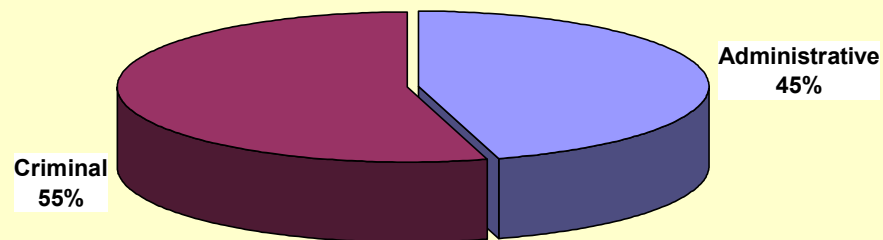
Source: Monitoring and EDP Division, FMS

**TABLE 6. WORKLOAD AND STATUS OF ADMINISTRATIVE CASES
AS OF DECEMBER 31, 2004**

PARTICULARS	TOTAL	CO	LUZ	VIS	MIN	MOLEO
Total Workload of Administrative Cases	7,869	1,660	2,286	1,591	679	1,653
Cases received during the Year	3,803	599	954	672	326	1,252
Disposed cases reverted back to pending	109	104	---	---	5	---
Cases referred by the other OMB offices	7	---	---	---	4	3
Carry-over from CY 2003	3,957	958	1,334	919	345	401
Less: Cases referred to other OMB offices	7	1	2	---	1	3
Disposed	3,163	599	742	729	378	715
Penalty Imposed	468	110	102	156	77	23
Dismissed/Exonerated	2,008	402	604	451	290	261
Closed and Terminated	687	87	36	122	11	431
Active/Awaiting Final Disposition	4,706	1,061	1,544	862	301	938

(Source: Monitoring and EDP Division, FMS)

**Fig. 7 Workload of Criminal and Administrative Cases
for the Calendar Year 2004**



PROFILE OF SIGNIFICANT CRIMINAL CASES RESOLVED IN 2004

1. **Case No.:** OMB-P-C-04-1132-I

Rank/Position of the Accused: Major General, Comptroller, Armed Forces of the Philippines

Summary: A Major General from the AFP was accused of having acquired during his service in the Armed Forces of the Philippines such amount of properties which is grossly out of proportion to his salary as such public officer and to his other lawful income and the income from his legitimately acquired properties.

Consequently, he was charged with violations of RA 1379 (Law on Forfeiture of Unlawfully Acquired Property), Art. 183 of the Revised Penal Code on Perjury, and Sec. 8, in relation to Sec. 11, RA 6713 (Code of Conduct and Ethical Standards for Public Officials and Employees).

Investigation conducted by the Field Investigation Office, Office of the Ombudsman, disclosed that respondent has acquired valuable personal and real properties and substantial cash holdings which were not declared in his SALN in the total amount of P143,052,015.29.

In a partial Resolution dated 26 October 2004, this Office approved the filing of a petition for the forfeiture of respondent's unlawfully acquired properties, pursuant to Sec. 2 of RA 1379. The Office further approved the filing of Informations for four (4) counts of Perjury with the Sandiganbayan.

Respondent was subsequently charged with Plunder at the Sandiganbayan.

2. **Case No.:** OMB-C-C-03-0383-G
OMB-C-C-03-0213

Rank/Position of the Accused: Undersecretary, Assistant Regional Director, Legal Officer III, Accountant IV, all of Department of Public Works and Highways (DPWH); Rizal Provincial Assessor, Rizal Provincial Engineer, Rizal Provincial Treasurer, all members of Rizal Provincial Appraisal Committee

Summary: This case involves a violation of Section 3 (e) of R.A. 3019. Respondents conspired with each other to execute a Deed of Sale over a parcel of land, causing the government to pay P14,503,272.94 to the private respondent despite the fact that the amount was illegally based on the alleged current fair market value and not on the value at the time of the taking. The crime resulted in the payment of an overprice to the damage of the government in the amount of P13,774,227.15.

This Office ordered the filing of an Information against respondents Undersecretary and members of the Rizal Provincial Appraisal Committee for violation of Section 3 (e) of R.A. 3019, as amended.

3. **Case No.:** OMB-MIL-CRIM-99-0624 to 0771

Rank/Position of the Accused: President; Head, Legal Department; Lawyer, Legal Department; Project Officer, all of the AFP Retirement Separation and Benefit System (RSBS)

Summary: An in-depth investigation was conducted in connection with AFP-RSBS' acquisition of lands in Tanauan, Batangas, Calamba, Laguna and Iloilo City and its other alleged anomalous transactions and investment.

Finding that the officers of the AFP-RSBS, together with certain private individuals, deliberately and maliciously defrauded the System and the Government, particularly the AFP, by conniving with each other in pursuing the grand scam, this Office approved the indictment of respondents for 148 counts of estafa thru falsification of public documents as penalized under Article 315, paragraph 1 (b), in relation to Articles 171 and 48 of the Revised Penal Code, and one count of violation of Section 3 (e) of R.A. 3019, as amended. It was also ordered that a preliminary investigation be conducted on other AFP-RSBS officials and employees who appear to have conspired with herein respondents.

It was further directed that officials who are still in the government service be subjected to administrative adjudication for violation of Sec. 52A, paragraphs (1) Dishonesty, (3) Grave Misconduct, (6) Falsification of Official Documents and (20) Conduct Prejudicial to the Best Interest of the Service, Rule IV, Civil Service Law.

4. **Case No.:** OMB-0-01-0748
OMB-0-01-0749
OMB-0-01-0750

Rank/Position of the Accused: Former Solicitor General; Former Administrator, OIC-Hydrographic Geodetic Surveys Department, Assistant Director and Senior Remote Sensing Technologist, National Mapping and Resource Information Administration (NAMRIA)

Summary: Accused public officers, while in the performance of their official functions and in conspiracy with private respondent Florencia Garcia-Diaz, withdrew the Republic's opposition to the registration in the name of accused Florencia Garcia-Diaz of a portion of BL Plan II-6752, with an area of 4,689 hectares, despite the fact that the parcel of land subject of the compromise agreement is not alienable as it falls within the Fort Magsaysay Military Reservation.

5. **Case No.:** OMB-C-C-02-0507-H

Rank/Position of the Accused: Chief, Motorpool Section, Bureau of Equipment and other officials, Department of Public Works and Highways

Summary: This case involves a violation of the law on plunder. Respondent, in conspiracy with other DPWH public officers and private individuals, is accused of having falsified vouchers, checks and other supporting documents purportedly in payment of repairs and/or purchase of spare parts despite knowledge that neither such repairs nor purchase of spare parts were ever made. The accused falsely stated therein that payments were due thereon and thus, accused was able to unlawfully cause the undue release of public funds and obtain undue payments on 4,400 transactions amounting to P82,321,855.38.

This Office ordered the filing of an Information for Plunder against the respondents.

6. **Case No.:** OMB-P-C-04-1250-J
OMB-P-C-04-1226-J

Rank/Position of the Accused: Lieutenant Colonel, Armed Forces of the Philippines

Summary: Respondent Lieutenant Colonel, together with his wife and his father-in-law, is charged with violation of RA 3019 and of Perjury under Art. 183 of the Revised Penal Code, in relation to Sec. 11 of RA 6713 (Statement of Assets, Liabilities and Net Worth, and Disclosure of Financial and Business Interests) for allegedly having amassed wealth disproportionate to his legitimate income as reflected in his SALN and previously declared bank records.

The Office, after finding the complaints sufficient in form and substance, issued an Order dated October 29, 2004, informing the respondents of the charges and directing them to file their counter-affidavits and controverting evidence. The same Order also placed the respondent Colonel under preventive suspension on the basis of the strong evidence of his guilt on the administrative charges.

After finding evidence to support the allegation that respondent has acquired during his incumbency as a military officer amounts of money and property manifestly out of proportion to his salary as such public officer and to his other lawful income and that he allegedly violated Art. 183 (Perjury) of the RPC for his failure to state under oath his true assets and properties in his SALN, this Office approved the filing of forfeiture proceedings with the trial court against respondent for his unlawfully acquired properties pursuant to Sec. 2 of RA 6713 and for the filing of Information for Perjury, three (3) counts, under Art. 183 of the Revised Penal Code, in relation to Sec. 11 of R.A. 6713. As to the Lieutenant Colonel's other income, the same was referred to the FIO-OMB for further fact-finding to validate the authenticity and correctness of the said income. Likewise, the charge of violation of RA 3019 was referred to the OMB-MOLEO Fact-Finding Bureau for further investigation.

7. **Case No.:** OMB-0-93-1374
 OMB-0-95-2522

Summary: Criminal charges were filed with the Sandiganbayan against the respondent for promising and giving gifts to the late Ferdinand E. Marcos, in the nature of shares of stocks and subcontracts, in exchange for the award of the construction of the Philippine Nuclear Power Plant Project to Burns and Roe and Westinghouse. Accused is also charged for requesting and receiving US \$1M from Burns and Roe and US \$17M from Westinghouse in exchange for accused's securing and obtaining the contract for the Philippine Nuclear Power Plant Project for the two companies.

8. **Cases No.:** OMB-C-C-02-0664-J
OMB-P-C-02-1093-J

Rank/Position of the Accused: Bureau Chief and Chief, Finance Service Unit, Bureau of Fire Protection

Summary: The two complaints were separately filed by the Chief of Logistics Division, Chief of Supply Accountable Office and the Chief of Procurement Office, all of the Bureau of Fire Protection (BFP), against the Acting Chief and the Chief of Finance Service, also of the said office, for violation of Sec. 3 (e) of R.A. 3019, in connection with the alleged “ghost transactions” in the procurement of office supplies, repair of office service vehicles and improvement of offices amounting to P11,258,511.00.

In both cases, the complainants alleged that they were direct participants to the “scam” in the Bureau of Fire Protection regarding the procurement of office supplies, repair of office service vehicles and improvement of offices during the period between September 22, 2000 and February 28, 2002.

According to the Chief Inspector complainant, during the said period respondents ordered him to secure cash advances from “friendly” suppliers even without plans and programs. Thereafter, the said respondent ordered the Chief of Logistics Division, being then the Chief of the Supply Division, to prepare a “tailored procurement of supplies” exactly fitting the available supplies of the friendly suppliers to cover up the cash advances taken by the Chief Inspector.

This Office filed the corresponding Informations (4 counts) for violation of Section 3(e), Republic Act No. 3019, as amended and estafa thru falsification (4 counts) against BFP Chief, FSU Chief, John Does and Jane Does before the Sandiganbayan.

9. **Case No.:** OMB-M-C-03-0487-J

Rank/Position of the Accused: Provincial Governor, Vice-Governor, Board Members, Provincial Agriculturist, Provincial Accountant, Management Audit Analyst, Accountant IV, Accountant III, Provincial Treasurer, Asst. Provincial Treasurer, LTO Officer III, former Legal Officer and other employees/officials of the Provincial Government of Sarangani Province (total of 58 respondents).

Summary: Charges for Malversation of Funds through Falsification of Public Documents and violation of Section 3(e) of RA 3019 were approved for filing with the Sandiganbayan as against respondents for allegedly conspiring with one another in committing graft and corruption through the scheme of sourcing out funds from the CDF of Representative Chiongbian and giving out the same as grants and/or donations to cooperatives and people's organizations, which were eventually found to be ghost beneficiaries. When the respondents were asked to liquidate the advances made, the supposed beneficiaries of the financial assistance denied receipt of the amount.

10. **Case No.:** OMB-0-92-0263

Rank/Position of the Accused: Provincial Governor of Leyte

Summary: Respondent is accused of failing to file his annual Statement of Assets, Liabilities and Net Worth for the years 1967, 1972, 1977 and 1982. An Information was filed with the Sandiganbayan against the respondent.

11. **Case No.:** OMB-MIN-00-0623

Rank/Position of the Accused: Mayor, Vice-Mayor, General Services Officer, City Engineer and City Accountant, all of Zamboanga City

Summary: Accused gave unwarranted benefit to CMI by awarding the contract on the purchase of 6 units of heavy equipment in the total amount of P20M without public bidding and without complying with the mandatory requirements of direct purchases under the Local Government Code, GAMM, and COA Circular No. 92-386.

The Office ordered the filing of an Information for violation of Section 3 (e) of R.A.3019 against all the accused.

12. **Case No.:** OMB-0-01-0115/OMB-0-01-0642 to 0658

Rank/Position of the Accused: City Mayor and other officials of Parañaque City

Summary: These cases involve violations of Section 3 (g) of R.A. 3019. Respondent Mayor, *et al.* are accused of having entered into grossly disadvantageous transactions by purchasing overpriced "walis ting-ting" through personal canvass and not through public bidding. The total gross amount involved in the purchase of "walis ting-ting" from 1996 to 1998 was

P2,947,760.00. Criminal charges for violation of Section 3 (g), R.A. 3019 were later filed with the Sandiganbayan against all the accused.

13. **Case No.:** OMB-VIS-CRIM-02-0464-H
OMB-VIS-CRIM-02-0686-K
OMB-VIS-CRIM-02-0687-K
OMB-VIS-CRIM-02-0688-K
OMB-VIS-CRIM-02-0689-K

Rank/Position of the Accused: Regional Director, Secretary, and Clerk, all of the Land Transportation Office, Regional Office No. 7, Cebu City

Summary: Respondents were charged with violation of Section 3 (e) of Republic Act No. 3019, as amended, for selling Certificate of Confirmation Forms at P2,500.00 per pad without issuing any Official Receipt.

The Office of the Ombudsman found that there was sufficient evidence to establish the existence of probable cause to hold the respondents for trial for the offense charged.

The evidence showed that the subject Certificate of Confirmation Forms were required to be attached to every application for registration of vehicles. There was neither a directive nor a notice issued by LTO that these Certificates are for sale; however, respondents distributed the same for the price of P2,500.00 per pad.

14. **Case No.:** OMB-C-C-03-0222-D

Rank/Position of the Accused: Respondents are both members of the Board of Optometry, Professional Regulation Commission.

Summary: This complaint stemmed from respondents' separate acts of taking the special examinations in ocular pharmacology for optometrist, administered by the Professional Regulation Commission through the Board of Optometry, while both of them were sitting members, wherein they successfully passed the tests. The Office of the Ombudsman ordered the filing of Information against the accused for violation of Section 3 (i), RA 3019. The letters of inhibition presented by the respondents were given scant consideration by this Office since no clear proof of approval of said letters was submitted.

PROFILE OF SIGNIFICANT CASES (CRIMINAL with ADMINISTRATIVE) RESOLVED IN 2004

1. **Case No.:** OMB-C-C-03-0513-I
OMB-C-A-03-0347-I (LSC)

Rank/Position of Accused: Undersecretary of the Department of Public Works and Highways (DPWH), wife and children.

Summary: Investigation disclosed that DPWH Undersecretary has been employed with the DPWH for the past 37 years. His SALNs for 2001 and 2002 disclosed that his net worth was P4,584,552.80 and P5,956,219.75, respectively. Further investigation disclosed that said official has indeed accumulated properties which were grossly disproportionate to his lawful income, most of which were in the names of his wife and their children, the total amount of which is P16,686,673.20.

It is estimated that the sum total of expenses incurred by respondent official for the unofficial travels abroad made by him, his wife and children at P100,000.00 per travel amounted to P3,700,000.00.

This Office filed an Information with the Sandiganbayan against respondent for violation of RA 3019, R.A. 6713 and Art. 171 of the Revised Penal Code. A petition for forfeiture of unlawfully acquired properties was also filed pursuant to RA 1379. In the counterpart administrative case, the public respondent was meted the penalty of dismissal from the service with forfeiture of benefits.

2. **Case No.:** OMB-C-C-03-0547-J
OMB-C-C-02-0568
OMB-C-A-03-0379-J

Rank/Position of the Accused: Deputy Commissioner, Bureau of Customs.

Summary: Investigation revealed that on January 30, 2002, while in the performance of his official functions, the Deputy Commissioner compromised the case against a defendant in a case filed by the Bureau of Customs without proper authority from his superiors in violation of E.O. No. 38. Said alleged acts deprived the government of the chance to collect legal interest, surcharges, litigation expenses and damages in the sum of P14,762,467.70, thereby granting unwarranted benefit to the defendant.

Further investigation disclosed that respondent, while being a Customs official, caused his brother-in-law to be employed at Cactus Cargoes System, a brokerage firm which has pending official business transactions with accused and his office.

Respondent Deputy Commissioner was found to have violated RA 6713 and RA 3019. Accordingly, an Information was filed with the Sandiganbayan against the accused for said violation. In the administrative case, respondent was meted the penalty of dismissal from the service.

3. **Case No.:** OMB-C-C-03-0512-I
 OMB-C-A-03-0346-I

Rank/Position of the Accused: Regional Director, DPWH; wife, daughter and sisters of the DPWH Regional Director

Summary: This is a petition for forfeiture of unlawfully acquired properties pursuant to Section 2, Republic Act No. 1379. After conducting an inquiry similar to a preliminary investigation in criminal cases, it was determined that a prima facie case exists against respondent and the other respondents herein who hold such properties for, or on behalf of, respondent Regional Director.

Respondent was a Regional Director of the Department of Public Works and Highways, from March 22, 2000 to September 15, 2003. Based on his service record, the total amount of the government salary earned by respondent public official from the period beginning January 1, 1986 and ending December 31, 2000, was only two million five hundred sixteen thousand eight hundred eighteen and 90/100 pesos (P2,516,818.90). In an attempt to show that respondents had other sources of income, copies of alleged income tax returns and financial statements of his sister for the years 1996 and 1997 were submitted. These alone, however, cannot support the allegation that they were, indeed, operating a legitimate business and had other legitimate sources of income.

Criminal cases were later filed with the Sandiganbayan against public respondent for violation of RA 3019, RA 6713, and Perjury. A petition for forfeiture of ill-gotten wealth was also filed. Respondent was dismissed from the service with respect to the administrative case filed with the Office.

4. **Case No.:** OMB-C-C-03-0447-H
OMB-C-A-03-0275-H

Rank/Position of the Accused: Chief, Customs Operation Officer,
Bureau of Customs

Summary: This is a complaint for violation of Republic Act 1379, otherwise known as the Ill-Gotten Wealth Act, in relation to Section 8 of Republic Act 3019 or the Anti-Graft and Corrupt Practices Act, filed against the Chief, Customs Operation Office of the Bureau of Customs, on account of his alleged unexplained wealth and lavish lifestyle and failure to file a detailed sworn Statement of Assets, Liabilities and Net Worth.

The Office of the Ombudsman found sufficient evidence to commence a Petition for Forfeiture of Unlawfully Acquired Properties against the respondent. Records disclosed that respondent was able to acquire numerous properties the values of which are manifestly out of proportion to his salary as a public official. Respondent was likewise found to have engaged in lavish spending, using his credit card which is beyond the modest means his salary as a government official could have offered. In this case, the Field Investigation Office was also directed to initiate a petition for indirect contempt against the bank and its officials who refused to comply with the order of this Office.

As regards the administrative aspect of the case, respondent was found guilty of Dishonesty. This Office held that there was substantial evidence to support the complaint that respondent committed the offense charged, insofar as his lavish spending habits and the unlawful acquisition of the 5 parcels of lot were concerned. Hence, the penalty of Dismissal from Service with all the accessory penalties was imposed upon respondent.

PROFILE OF SIGNIFICANT ADMINISTRATIVE CASES RESOLVED IN 2004

1. **Case No.:** OMB-C-A-03-0531-K

Rank/Position of the Accused: Attorney V, Bureau of Internal Revenue

Summary: A complaint for violation of Section 8 of Republic Act No. 3019, in relation to Republic Act No. 1379 has been filed by the Fact-Finding and Intelligence Bureau, this Office, against an Attorney V, Bureau of Internal Revenue.

The complainant alleged that herein respondent who has been working with the BIR on a continuous and uninterrupted service and who now occupies the position of Attorney V has acquired, during his incumbency as a public officer, property and money which is manifestly out of proportion to his salary and other lawful income.

After the conduct of administrative adjudication, the Ombudsman ruled that respondent should be held guilty of the offense charge. Such fact as adequately established in the present case constitutes a ground for the dismissal of the respondent from the service, in accordance with Section 8 of Republic Act No. 3019, in relation to Republic Act 1379. Accordingly, respondent was meted the penalty of dismissal from the service, with cancellation of eligibility, forfeiture of retirement benefits, and perpetual disqualification from reemployment in the government service.

2. **Case No.:** OMB-C-A-03-244-G

Rank/Position of the Accused: Assistant Revenue District Officer, Regional District Office 108, Kidapawan City

Summary: An administrative complaint for Dishonesty was filed against respondent. Respondent committed perjury in his Petition for Correction of Entry filed before the Regional Trial Court (RTC), Branch 15, Cotabato City, wherein he sought to have his date of birth as reflected in his Certificate of Live Birth corrected from 15 February 1939 to 15 February 1942. In said petition, respondent stated under oath that “all the school records and employment of Petitioner carry February 15, 1942 as the dated (sic) birth of the petitioner” when, as alleged by the complainant, other personal documents, i.e.,

his personal data sheets before the BIR, his official transcript of records at the University of the East and records of graduation at the Notre Dame Colleges, show that his date of birth was 15 February 1939.

Respondent countered that the trial court has already granted his petition; that the RTC decision has attained finality; and that there were other documents attesting to his alleged true date of birth (15 February 1942).

The Office of the Ombudsman ruled that the RTC decision in the summary action (Correction of Entry) is not binding on this Office. The year of birth of respondent is not a trivial matter that could be altered by a mere summary procedure. It is not an error of a clerical or harmless nature. It necessarily affects the age of respondent which, as a consequence, would modify his year of retirement. As it is, by such unwarranted correction, the year of retirement of respondent was extended from 2004 to 2007.

Upon conduct of administrative adjudication, respondent was found guilty of the charge against him and meted the penalty of dismissal. Considering, however, that respondent has already reached retirement age on 15 February 2004, the accessory penalties of forfeiture of retirement benefits and perpetual disqualification from reemployment in government service was imposed upon him pursuant to Section 58, Rule IV of the Uniform Rules on Administrative Cases in the Civil Service.

3. **Case No.:** OMB-C-A-02-0549-K

Rank/Position of the Accused: Director, Law Division, Department of Foreign Affairs, Roxas Blvd., Manila

Summary: An administrative case of Grave Misconduct was filed by the complainant against the Director, Law Division, DFA.

Complainant alleged that respondent demanded from her the amount of P200,000.00 as processing fee for her visa application. Believing that respondent has the capability to negotiate for the issuance of the needed visa, she and her father handed to respondent the amount of P50,000.00 and P140,000.00 on two (2) separate occasions. Despite assurances from respondent and the receipt of the money, no visa was ever issued to the complainant. When complainant demanded the return of the money, respondent could no longer return the said amount despite several promises.

The Office of the Ombudsman found respondent guilty of the administrative offense of Grave Misconduct and for which the penalty of dismissal from the service with all its accessory penalties pursuant to Section 10, Rule III, Administrative Order No. 07, as amended by Administrative Order No. 17, in relation to Section 25, RA 6770, was imposed upon him.

4. **Case No.:** OMB-M-A-02-299-K

Rank/Position of the Accused: President, Administrative Officer and Accountant, Cotabato City State Polytechnic College

Summary: After fact-finding investigation, a complaint was filed against respondents for Dishonesty and Conduct Prejudicial to the Best Interest of the Service in relation to the construction of the Agricultural Building without the necessary building plans and the use of scrap materials despite funds appropriated therefore.

The Office of the Ombudsman found substantial evidence to hold the President of Cotabato City State Polytechnic College guilty of the charges; thus, the penalty of dismissal from the service was imposed.

5. **Case No.:** OMB-M-A-02-312-L
OMB-M-A-02-306-K

Rank/Position of the Accused: Provincial Treasurer of Tawi-tawi

Summary: A case of Dishonesty, Grave Misconduct and Neglect of Duty was filed against respondent in connection with his failure to remit to the GSIS the monthly contributions/premiums of complainants, resulting to the denial of complainants' loan applications with GSIS and the deduction of the amount corresponding to the unremitted premiums from complainants' retirement benefits.

Upon conduct of administrative adjudication, respondent was found guilty of the charges against him and was ordered dismissed from the service.

6. **Case No.:** OMB-M-A-02-208-H

Rank/Position of the Accused: Police Senior Superintendent & Chief of the Task Force Racer, Philippine National Police (PNP), Regional Office No. XIII, Butuan City; Customs Collector and OIC, Enforcement Security Service, Customs Police Division, both of the Bureau of Customs, Butuan City; Terminal Manager, Philippine Ports Authority (PPA), Butuan City; Police Superintendent & City Director, Police Senior Inspector & Precinct Commander of the Western Police District, Senior Police Officer 4, Police Officer 2, Police Officer 3, all of the PNP, Butuan City Police Office, Butuan City; Police Inspector, PNP Maritime Group, Butuan City; Senior Chief Petty Officer, Petty Officer 2, Petty Officer 1, all of the Philippine Coast Guard, Butuan City.

Summary: Respondents apprehended MV RODEO docked at Masao Port, Butuan City on 11 July 2002 for carrying about 17, 000 sacks of imported rice valued at P18,700,000.00, more or less, without the required shipping documents. Despite being guarded by respondents, the crew of said vessel managed to cut the ship's ropes and the vessel was able to escape.

Based on the facts and circumstances, respondents were found to be grossly negligent in securing the vessel and its cargo. Specifically, respondent PNP, PCG and PPA officials should have been more vigilant in guarding the subject vessel and its cargo. As required by law, rules and regulations, they should have boarded the vessel and restricted the movements of its crew and maintained adequate personnel to guard the same on a 24-hour basis. As observed by the Investigating Panel, the departure of MV Rodeo at Masao Port "is a great escape," because nobody noticed the cutting of the vessel's ropes and the running of its engine despite the presence of herein respondents in the area.

Respondents were all found to be guilty of grave misconduct and gross negligence.

7. **Case No.:** OMB-V-A-03-0240-E
OMB-V-C-03-0294-E

Rank/Positions of the Accused: OIC, Provincial Environment and Natural Resources Officer (PENRO) and employee, DENR

Summary: Respondents, on 17 February 2003, caused the release of shipments of 15,000 linear meters of rattan poles misdeclared in the Bill of Lading as corn grains and of 17,624.20 board feet of lumber misdeclared in the Bill of Lading as assorted flour on 6 January 2003. Respondents claimed that they allowed the release of the two shipments at the port of Cebu City since the shippers were able to present the required forestry documents.

The actuations of respondents constitute violations of Department of Environment and Natural Resources (DENR) Department Administrative Order No. 97-32 which mandates that the lumber and rattan shipments are deemed illegal forest products and therefore subject to seizure, confiscation and forfeiture. Instead of releasing said illegal forest products and misdeclared shipments, respondents should have proceeded to seize, confiscate and forfeit the same in favor of the government.

Respondents were found to have committed grave misconduct and accordingly meted the penalty of dismissal from the service, with forfeiture of retirement benefits and all other appurtenant accessories and administrative disabilities under the Civil Service laws and rules.

FACT-FINDING AND INTELLIGENCE

For the calendar year 2004, the Field Investigation Office (FIO) and the concerned units of the area/sectoral offices received a total of 2,521 complaints/cases for fact-finding and intelligence work. OMB-Central Office received 447 cases/complaints or 18%; OMB-Luzon, 574 or 23%; OMB-Mindanao, 1,085 or 43%; and, OMB-MOLEO, 415 or 16%. When the carried over pending cases for 2003 of 1,937 were added to these newly received complaints/cases, the total workload was 4,458. Deducted from the figure were 199 cases referred to other government agencies for appropriate action, so the workload for CY 2004 resulted to 4,259 cases with details as follows: OMB-Central Office with 1,721 or 40%; OMB-Luzon with 796 or 19%; OMB-Mindanao with 1,059 or 25%; and OMB-MOLEO with 683 or 16%. (*see Table 7*)

**TABLE 7. WORKLOAD AND STATUS OF CASES FOR FACT-FINDING
AND INTELLIGENCE WORK AS OF DECEMBER 31, 2004**

PARTICULARS	TOTAL	CO	LUZ	MIN	MOLEO
Total Workload of Complaints/Cases	4,259	1,721	796	1,059	683
Complaints/Cases Received	2,521	447	574	1,085	415
Add: Carry-over – CY 2003	1,937	1,276	222	171	268
Less: Cases Referred to other OMB Offices & Other Gov't. Agencies	199	2	---	197	---
Fact-Finding Investigation Completed/Terminated	2,197	554	460	815	368
For Dismissal	1,941	385	460	797	299
For P.I./Admin. Adjudication	256	169	---	18	69
Pending Complaints/Cases	2,062	1,167	336	244	315

(Source: Monitoring and EDP Division, FMS)

A total of 2,197 fact-finding and intelligence work was completed/terminated, of which 1,941 cases or 88% were recommended for dismissal while 256 cases or 12% were referred for preliminary investigation and/or administrative adjudication.

PROSECUTION

Pursuant to Republic Act No. 6770 and Republic Act No. 7975, as amended, the Office of the Special Prosecutor (OSP) is primarily tasked to prosecute cases cognizable by the Sandiganbayan and to represent the People of the Philippines in appealed cases from the regular courts to the Sandiganbayan and from the Sandiganbayan to the Supreme Court. The OSP is also tasked to conduct preliminary investigation and to review cases referred to it by the Office of the Ombudsman.

HIGHLIGHTS OF ACCOMPLISHMENTS

For CY 2004, the Office of the Special Prosecutor filed a total of **131 criminal cases** for prosecution with the Sandiganbayan. With 21 cases revived, less 1 case adjustment and 2,239 still pending prosecution as of the end of CY 2003, the **workload of cases totaled 2,390**. (*see Table 8*)

**TABLE 8. WORKLOAD AND STATUS OF CRIMINAL CASES
FILED WITH THE SANDIGANBAYAN
AS OF DECEMBER 31, 2004**

TOTAL WORKLOAD OF CRIMINAL CASES	2,390
Cases Filed	131
Pending Arrest	97
Pending Arraignment	14
Appealed Cases	18
Civil Cases	2
Cases Revived	21
Adjustment	-1
Carry-Over from CY 2003	2,239
Criminal Cases	2,223
Pending Arrest	53
Under Reinvestigation or Reconsideration by the Ombudsman	129
Pending Arraignment	733
Pending Pre-Trial	153
Cases Pending Trial	848
Suspended Proceedings	189
Submitted for Decision	118
Appealed Cases	15
Pending Submission of Briefs	8
Submitted for Decision	7
Civil Case Pending Trial	1

(Source: Monitoring and EDP Division, FMS)

The 131 criminal cases filed with the Sandiganbayan reflected a reduction of 5 criminal cases or 4% from the 136 criminal cases filed last year. Likewise, the 2,390 total workload was a reduction of 326 or 12% from the 2,716 total workload in 2003.

Reflected in *Table 9* is the breakdown of the 672 criminal cases disposed of by the Sandiganbayan for the calendar year 2004. This year's disposal represented an increase of 194 criminal cases or 41% compared to last year's 478 criminal cases disposed.

A total of 45 cases resulted in the conviction of the accused after trial on the merits and 2 criminal cases resulted to conviction on a plea of "guilty". The 47 criminal cases resulting in conviction represents 24% of the 197 (the 2 cases with plea of guilt were included) cases terminated after trial with the Sandiganbayan

**TABLE 9. DISPOSAL OF CASES FILED WITH THE SANDIGANBAYAN
BY THE OSP FOR THE CALENDAR YEAR 2004**

PARTICULARS	NO. OF CASES
Dismissed without Trial	137
Dismissed/Archived	3
Dismissed/Withdrawn with Trial	1
Withdrawn by OMB/OSP	19
Withdrawn/Archived	3
Archived without Prejudice	253
Transferred/Dismissed	46
Transferred to Other Courts	1
Pleaded Guilty	2
Appealed Cases	12
Terminated after Trial	195
All Accused Convicted	23
All Accused Acquitted	111
Convicted/Acquitted	4
Convicted/Archived	3
Convicted/Archived/Dismissed	1
Convicted/Dismissed	13
Convicted/Dismissed with Trial	1
Acquitted/Dismissed	10
Acquitted/Archived	7
Acquitted/Dismissed/Archived/Dismissed with Trial	2
Acquitted/Dismissed/Archived	3
Acquitted/Dismissed with Trial/Archived	1
Dismissed with Trial	11
Dismissed with Trial/Dismissed without Trial	4
Dismissed with Trial/Archived	1
TOTAL	672

There were 1,718 pending cases with the Sandiganbayan as of the end of the year that consisted of 1,707 criminal, 8 appealed cases and 3 civil cases. The breakdown of the criminal cases are as follows: pending arrest - 32 or 2%; cases under re-investigation or reconsideration by the Office of the Ombudsman – 67 or 4%; cases pending arraignment – 276 or 16%; cases pending pre-trial – 194 or 12%; cases pending trial – 875 or 51%; cases with suspended proceedings - 175 or 10%; cases submitted for decision - 88 or 5%. The appealed cases included 3 pending submission of Briefs and 5 cases were submitted for decision. The civil cases pending consisted of 1 for trial and 2 for pre-trial. (see Table 10)

TABLE 10. NUMBER OF CASES PENDING TRIAL WITH THE SANDIGANBAYAN AS OF DECEMBER 31, 2004

PARTICULARS	NO. OF CASES
Criminal Cases	1,707
Pending Arrest	32
Under Reinvestigation or Reconsideration by the Ombudsman	67
Pending Arraignment	276
Pending Pre-Trial	194
Pending Trial	875
With Suspended Proceedings	175
Submitted for Decision	88
Appealed	8
Pending Submission of Briefs	3
Submitted for Decision	5
Civil Cases	3
Pending Trial	1
Pending Pre-trial	2
Criminal Cases Pending Trial as of December 31, 2004	1,718

Compared with the 2,238 pending cases last year, a 23% reduction or 520 cases was noted with this year's 1,718 cases pending with the Sandiganbayan.

Table 11 summarizes the status of cases with the Sandiganbayan. With the 672 cases disposed deducted from the 2,387 total workload, cases considered pending trial as of December 31, 2004 was 1,718.

TABLE 11. STATUS OF CASES FILED WITH THE SANDIGANBAYAN AS OF DECEMBER 31, 2004

Total Workload of Criminal Cases	2,390
Less: Disposed Criminal Cases	672
Criminal Cases Pending Trial as of December 31, 2004	1,718

LEGAL AFFAIRS

The Office of the Ombudsman has its Office of Legal Affairs (OLA) which acts as the legal arm of the Office. Its major functions include the following: acts on appeals or petitions for review on decisions, resolutions or final orders issued by the area and sectoral offices of the OMB in administrative disciplinary and criminal cases; represents the Office in, or in coordination with, the Office of the Solicitor General in appeals and/or original petitions for certiorari, prohibition or mandamus filed before the Court of Appeals, Supreme Court or any other court involving the decisions, resolutions or orders of the Office in administrative disciplinary cases and in original special civil actions, except those falling within the jurisdiction of the OSP, relating to criminal cases resolved or disposed of by the OMB; and represents the Office in any other case before the courts and quasi-judicial bodies where the interests of the Office are involved.

The following are the highlights of accomplishment of the Office of the Legal Affairs for 2004: cases reviewed – 133; legal opinions rendered – 64; pleadings/substantive motions filed before the Supreme Court/Court of Appeals – 113; draft pleadings indorsed to the Office of Solicitor General – 61; press releases/articles prepared – 63; and communications/letters/indorsements prepared – 883.

GRAFT PREVENTION PROGRAMS

Another major function of the Office of the Ombudsman is intensive corruption prevention. Its objective is to nip in the bud distorted ideas or schemes to steal from the government coffers and pre-empt abuse of governmental power. Further, it seeks not only to enlist the support of the citizenry in graft detection but also to produce a new breed of Filipinos with strong moral character.

Graft prevention activities are being carried out mainly by the Public Assistance and Corruption Prevention Office (PACPO) through the Community Coordination Bureau (CCB) and the Public Assistance Bureau (PAB). The corresponding units in the area/sectoral offices support the programs and various projects of the Office with focus on the following areas of concern: community mobilization, conduct of seminars, dialogues and workshops, as well as undertaking of educational and motivational programs on graft and corruption prevention.

Community Coordination

EHEM! AHA! PROGRAM

This is one of the major graft prevention programs of the Office of the Ombudsman with respect to the proper understanding of graft and corruption, its incidences, causes and dimensions. *Ehem! Aha!* is in pursuance of the Memorandum of Agreement between the Philippine Province of the Society of Jesus (PPSJ) and the Office of the Ombudsman signed on October 13, 2003.

EHEM! is a guttural voice to make known our disenchantment in a subtle but deep manner. *Ehem!* will announce our presence/protest in one word that says many things. It is very distinct from other anti-corruption programs because it does not point an accusing finger to anybody nor is it intended to blame any person. *Ehem!* will allow us to look at ourselves and see how we become part of the problem and, more importantly, provide solution to the problem.

AHA! complements and supports *EHEM!* in the sense that *Aha!* culminates in the filing of a complaint against, and the prosecution of, an erring public official who remains undeterred and unaffected by the less emphatic yet

more culturally understandable reminders, or hints for the erring public official to already stop his corrupt practices.

For the calendar year 2004, there were 5 Ehem! Aha! seminars conducted for the Office of the Ombudsman participated in by 240 officials and employees from the Central Office, OSP, OMB-Luzon and OMB-MOLEO; a seminar was conducted at the National Irrigation Administration (NIA) in coordination with the Bureau of Resident Ombudsman wherein 25 officials attended; and 4 seminars conducted for the Corruption Prevention Units (CPUs) and Junior Graftwatch Units (JGUs) wherein 175 officers and members participated.

CORRUPTION PREVENTION UNITS

The Office, through the Community Coordination Bureau (CCB) and the corresponding unit in the area/sectoral offices, continued the accreditation of CPUs in accordance with the new guidelines of the 2003 CPU Manual Accreditation. A total of 26 CPUs were accredited this year, broken down as follows: NCR – 3; Luzon – 5; Visayas – 10; and Mindanao – 9. As of the end of 2003, 4 CPUs met the minimum requirements for accreditation: this brought the total CPUs as of December 31, 2004 to 31. These were distributed as follows: 5 from the NCR, 6 from Luzon, 10 from Visayas, and 10 from Mindanao. (*see Table 12*)

**TABLE 12. NUMBER OF ACCREDITED CORRUPTION PREVENTION UNITS
AS OF DECEMBER 31, 2004**

CPUs	Total Accredited as of December 31, 2003	Accredited for Calendar Year 2004	Total Accredited as of December 31, 2004
NCR	2	3	5
Luzon	1	5	6
Visayas	0	10	10
Mindanao	1	9	10
Total	4	27	31

The Corruption Prevention Units attended the following seminars and conferences: Seminars on Ehem! Aha!, with 40 CPU officers from 5 CPUs based in the NCR and Luzon attending on March 29-30, 2004, 50 officers and members of MOVE-MVP on August 17, 18 & 20, 2004, and 40 officers of LINGKOD on December 1-3, 2004; Lapitbayan Seminar held at Fort Sto. Domingo, Sta. Rosa, Laguna attended by 50 MRPTG-CPU pastors on September 10, 2004; and Seminar on the Duluganbayan and Lifestyle Check

Monitoring held on September 24, 2004 with 262 officers and members of SGBMI attending.

A total of 122 consultations, meetings and dialogues were conducted in 2004 through actual visits of the CPUs or through telephone or cellular phones.

JUNIOR GRAFTWATCH UNITS

As of December 31, 2004, a total of 86 JGUs were accredited nationwide. Of the 86 JGUs, 14 are based in the National Capital Region (NCR), 8 in Luzon, 32 in the Visayas and 32 in Mindanao. (*see Table 13*)

**TABLE 13. NUMBER OF ACCREDITED JUNIOR GRAFTWATCH UNITS (JGUs)
FOR THE CALENDAR YEAR 2004**

JGUs	Total Accredited As of December 31, 2004
NCR	14
Luzon	8
Visayas	32
Mindanao	32
Total	86

The following programs, projects and other activities were accomplished as regards the implementation of the JGU program:

1. Junior Graftwatch Officer-of-the-Week Summer Program. This is a month-long (May) activity for JGU volunteers. Seven (7) JGU officers from the NCR took part in this program. They were trained to perform office functions and develop their organizational skills and public service values.
2. The 8th JGU Anniversary and Twin Event Competitions were held on October 22, 2004 at the CCB Training Room. The celebration's theme was "*Sulong Kabataan . . . Kaagapay ng Tanodbayan . . . Laban sa Pandaraya at Kativialian*". Two competitions were held, namely: the poem writing and recital contest and the debate tournament. The competitions were participated in by 100 Junior Graftwatchers from various high schools and colleges in the NCR. During the anniversary, a week-long Ehem! Aha! photo exhibit was also held.

3. MAKIBATA 2004. This annual outreach project was held on December 10, 2004. One hundred eighty (180) children in conflict with the law from the Molave Youth Home at the Quezon City Hall Compound benefitted in this activity. The beneficiaries were given clothes, food and toiletries during the simple Christmas program organized for them. Seventeen (17) volunteers of the OMB and JGUs together with six (6) DSWD Social Workers, facilitated the Makibata project.

The following seminars/symposia were conducted for the JGUs: (1) Ehem! Aha! JGU Officers and Advisers Trainer's Training wherein 46 participants completed the three-day anti-corruption seminar on February 26, 27 & March 1, 2004; (2) Ehem! Aha! JGU Seminar participated in by 35 JGU officers and advisers on June 8-10, 2004; (3) JGU Orientation Seminar at the University of Caloocan City, Camarin, Caloocan City, on October 8, 2004; (4) Symposium entitled "How to Curb Graft and Corruption in my Own Small Way" held at Las Piñas North National High School, Las Piñas City, on October 27, 2004; and (5) Ehem! Aha! CPU & JGU Seminar held at the CCB Training Room on December 1-3, 2004.

For the calendar year 2004, a total of 150 consultations, meetings and dialogues with JGUs and other Youth Organizations were done through actual visits or through telephones/cellular phones.

LEGAL ASSISTANCE

The Community Coordination Bureau likewise provided legal assistance to requesters referred by the CPUs/JGUs/Non-Organic Resident Ombudsmen (RO) and participants in the Seminars on Public Accountability. For the year 2004, 107 requesters were provided with legal advice and necessary information and 25 letters/indorsements and other communications related to request for assistance were prepared.

NON-ORGANIC RESIDENT OMBUDSMEN

CCB also implemented **Administrative Order No. 10, Series of 2001**, for the installation of Resident Ombudsmen (Non-Organic) in departments, offices and agencies of the government, including government-owned or controlled corporations. For the year, after a thorough evaluation and background investigation of 27 nominees, 10 Non-organic Resident

Ombudsmen were installed/designated to the following agencies: Public Attorneys Office, Board of Pardons and Parole, Bureau of Fire Protection, National Food Authority, Maritime Industry Authority, Sugar Regulatory Authority, Bureau of Food and Drugs, National Labor Relations Commission, Employees Compensation Commission and National Conciliation and Mediation Board. With the 4 non-organic ROs designated in 2003, the non-organic ROs for the NCR totaled 14 as of December 31, 2004.

GRAFT AND CORRUPTION PREVENTION EDUCATION (GCPE) TEACHING EXEMPLARS

These teaching exemplars are lesson guides designed for elementary and secondary levels which will serve as models in enhancing and restoring values among the youth and prepare them to become responsible citizens in the future, especially when they enter public service. Positive values of honesty, integrity, upholding the common good, professionalism, nationalism and simple living are among the graft prevention concepts in the exemplars. Likewise, integrated into the different subject areas in the curriculum are norms of conduct enumerated in Republic Act No. 6713, otherwise known as the *Code of Conduct and Ethical Standards for Public Officials and Employees*.

The following were the activities undertaken during the year: conducted the Reconciling Workshop of the GCPE modules based on the Basic Education Curriculum on April 19-23, 2004 held at Tagaytay Haven, Tagaytay City; conducted the Final Critiquing of the Revised GCPE modules on May 31-June 4, 2004 at Tagaytay City; facilitated the conduct of Field Demonstration for the elementary and secondary levels held at Quirino Elementary School and Quirino High School in June 2004; facilitated the production of 700 copies of the elementary and secondary GCPE Teaching Exemplars; and conducted the Launching and Orientation Workshops on the Use of the GCPE Teaching Exemplars in Angeles City on September 28-30, 2004, Cebu City on October 12-14, 2004, and Davao City on October 26-28, 2004.

RESEARCH/THESIS ASSISTANCE PROGRAM

One research/thesis assistance was granted for the year entitled ***“A Structural Functional Analysis of the Office of the Ombudsman (OMB) and Presidential Anti-Graft Commission (PAGC) in the Implementation of the Lifestyle Check as an Anti-Graft and Corruption Program under***

the Arroyo Administration in the Year 2003-2004". It was presented by Messrs. Tara Fonseca B. Bendencio, Irencé C. Camposano, Janelyn T. Dalupan, Josephine B. Mata, Lorence M. Perez, Jennifer P. Rañosa and Jennylyn L. Valencia, all students of Political Science from the University of Makati.

As a group, the grantee was provided with information and materials, free use of computers and financial assistance of five thousand pesos (P5,000.00).

PUBLICATIONS

As an added tool for an effective information dissemination campaign, the following publications were prepared: OMB Journal for the 16th Anniversary with the theme ***"Capacity Building: Key to Competence, Hard Work and Dedication"***. Copies were distributed to OMB officials and employees and to other government agencies and researchers. The Annual Report for CY 2003 was prepared and submitted to the President, Vice-President, the Senate and the House of Representatives.

The distribution of information materials continued, to wit: Annual Reports, OMB Primer, JGU Primer, Graft Prevention Education Modules, CPU Primer, CPU Manual and Primer on Research/Thesis Assistance Program. These information materials, including compilation of laws, were distributed to students and the general public as well. Other information materials were also provided to the OMB website developer for updating.

The PACPO Proper issued press releases and its officials appeared on radio and television on matters concerning the Office of the Ombudsman.

ORIENTATION BRIEFING

For the calendar year 2004, there were eight (8) Orientation Briefings facilitated by CCB, as follows: Political Science Students of Columban College, Olongapo City; Southeast Asian Committee for Advocacy (SEACA) and the Institute of Popular Democracy (IPD); Pakistani and Vietnamese Delegates to the ADB/OECD Anti-Corruption Conference; Pakistani Officials coordinated by the Local Government Academy; Ombudsman Officials of the Republic of Korea; Officials of the Legal Research & Training Institute, Republic of Korea; Officials from the Ministry of Law, Justice and Parliamentary Affairs, Kingdom of Nepal. OMB powers and functions, organizational structure,

strategies on corruption prevention and accomplishments were presented during the briefings.

PUBLIC ACCOUNTABILITY SEMINAR

In its effort to strengthen the public accountability of government servants and increase the service orientation of the work force in the bureaucracy, the Office of the Ombudsman conducted a total of 17 batches of seminars on Public Accountability in the following government agencies: Bureau of Customs, Port Area, Manila; Department of Education (DepEd)-Region IV, Sabang, Lipa City (2 batches); Land Registration Authority, Quezon City; Philippine National Police Special Action Force Unit, SAF Training School, Fort Sto. Domingo, Sta. Rosa, Laguna (2 batches); Philippine Atmospheric Geographical & Astronomical Services Administration, Quezon City; Philippine Deposit Insurance Corporation, Makati City; Municipal Government of Sta. Rosa, Laguna; Provincial Government of Bataan, Balanga City; Department of Trade and Industry, Makati City; DepEd-Region I, Lingayen, Pangasinan; Land Transportation Office-NCR, Pasig City; DepEd-NCR, Malabon City; City Government of Cavite, Cavite City; City Government of San Fernando, Pampanga; and DepEd-Region IV-A, Lucena City.

*(Note: Graft prevention activities undertaken by the different area offices were included in the **Regional and Sectoral Activities** of this Annual Report)*

Public Assistance

Another major function of the Office of the Ombudsman is to provide a **responsive and efficient public assistance center**. Under the Ombudsman Act of 1989 (RA 6770), the Ombudsman may extend public assistance to citizens by ensuring the delivery by the government of basic public services like health care, power supply, water services, personnel work benefits and clearances for retirement. Accordingly, the Office of the Ombudsman, through the Public Assistance Bureau (PAB) and the corresponding units in the OMB area/sectoral offices, takes charge of all the requests for assistance (RAs) and promptly acts on them to ensure that government agencies will act on citizens' needs.

For the calendar year 2004, requests for assistance received totaled 11,227, with the following breakdown: OMB-Central Office – 2,681 or 24%; OMB-Luzon – 354 or 3%; OMB-Visayas – 979 or 9%; OMB-Mindanao – 6,950 or 62%; and OMB-Military – 263 or 2%. The total RAs pending last year of 1,397 brought the total workload to 12,624, distributed as follows: OMB-Central Office – 3,476 or 28%; OMB-Luzon – 402 or 3%; OMB-Visayas – 1,423 or 11%; OMB-Mindanao – 7,005 or 55%; and OMB-MOLEO – 318 or 3%. (see Table 14)

**TABLE 14. WORKLOAD AND STATUS OF REQUESTS FOR ASSISTANCE (RAs)
AS OF DECEMBER 31, 2004**

PARTICULARS	TOTAL	CO	LUZ	VIS	MIN	M0LEO
Total Workload of Requests for Assistance (RAs)	12,624	3,476	402	1,423	7,005	318
RAs received during the year	11,227	2,681	354	979	6,950	263
Carry-over from CY 2003	1,397	795	48	444	55	55
DISPOSED	11,075	2,677	327	852	6,962	257
PENDING	1,549	799	75	571	43	61

(Source: Monitoring and EDP Division, FMS)

The number of requests for assistance received this year represented an increase of 1,097 RAs or 11% higher than the 10,130 RAs received in 2003. Compared with the 11,277 total workload last year, the 12,624 total workload in 2004 was likewise higher by 1,347 or 12%.

With regard to the disposal of requests for assistance, a total number of 11,075 RAs were disposed of in 2004. Of these, OMB-Central Office disposed 2,677 or 24%; OMB-Luzon, 327 or 3%; OMB-Visayas, 852 or 8%; OMB-Mindanao, 6,962 or 63%; and, OMB-MOLEO, 257 or 2%. (see Table 14)

This year's total of 11,075 RAs disposed shows an increase of 1,195 or 12% compared with the 9,880 RAs disposed last year. The 11,075 disposed RAs represented 99% of the 11,227 newly received requests for assistance and 88% of the 12,624 total workload for the year. When the 11,075 RAs disposed were deducted from the 12,624 workload, the difference of 1,549 were considered pending as of the end of the year.

The following graph represents the number of requests for assistance received from calendar year 1988 to 2004 with a total of 91,449 requests for assistance.

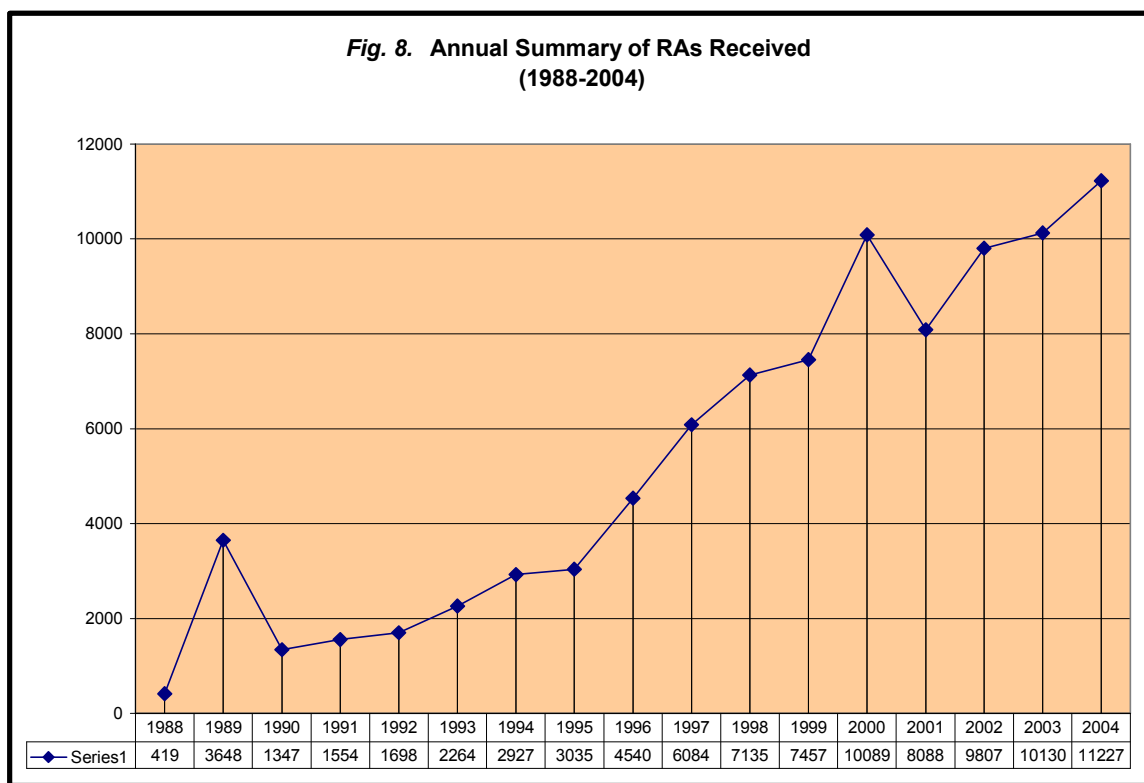
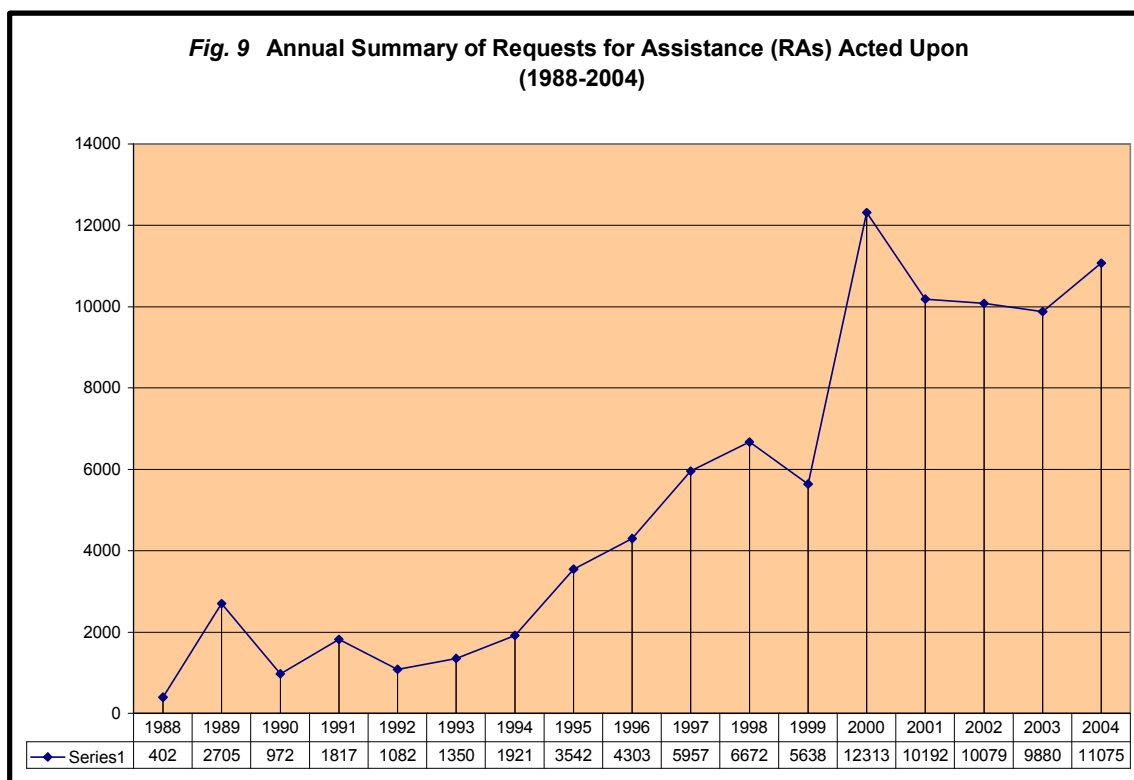


Figure 9 shows the trend in the number of RAs acted upon in the seventeen-year period of operation of the Office of the Ombudsman which totaled 89,900.



The Public Assistance Bureau has likewise received a total of 58,848 applications and issued a total of 56,604 clearances to retirees, promotees, and probable appointees; attended to 3,113 requests for verification of the status of OMB cases; and administered 998 oaths during the calendar year 2004.

PROFILES OF REQUESTS FOR ASSISTANCE

RAS-C-04-1217

Mr. Noel Gumata sought the assistance of the PACPO-Public Assistance Bureau regarding his problem with payments as a voluntary member of the Social Security System (SSS). He has paid on February 18, 2003 the underpayment for seven (7) months covering the period February 2003 to August 2003 under SBR No. 0761826 CK. Effective March 2003, the contributions have increased from a minimum of P84.00/month to P94.00/month with a difference of P10.00. It was in February 2003 that the same has been posted while for the remaining six (6) months, it was not posted. On December 17, 2003, the requester has paid the underpayment under SBR No. 786701 CW in the amount of P60.00 in connection with the remaining six

(6) months. He has requested through SSS Bacolod Office on December 22, 2003 the posting of the payment of his contribution; however, there was no progress. Thus, he made a request to our Office to facilitate the posting relating to the remaining six (6) months so that he can retire.

The PAB referred the matter to the Office of the President & CEO Corazon S. dela Paz of the Social Security System, Quezon City. The SSS, through Senior Executive Assistant Estela G. Dimaculangan, informed us that the matter has been referred to Mrs. Celia B. Tiongson, Assistant Vice President, Operations Accounting. On July 27, 2004, PAB was furnished with a copy of the letter dated July 7, 2004 addressed to Mr. Noel B. Gumata informing him that his voluntary contributions have been posted and the branch office in Bacolod City is already processing his application for monthly retirement pension.

RAS-C-04-1287

The letter-request of Mr. Wilfredo Gualin was indorsed to PACPO-Public Assistance Bureau by Hon. Orlando C. Casimiro, Deputy Ombudsman, OMB-MOLEO, regarding the former's housing loan with the Government Service Insurance System (GSIS) which was continuously being deducted from his salary by the IBM Manila from September 2000 to April 2004 amounting to P5,153.62/month. Prior to his IBM deductions, he has already paid four monthly installments or window payments directly to the GSIS, Iloilo Office. He is requesting for the transfer of his Housing Loan Account from the Housing Finance Administration Department, GSIS, Pasay City to GSIS, Iloilo City.

The PAB referred the matter to the Office of the President and General Manager Winston F. Garcia, GSIS, Pasay City, through Leocadia Fajardo, Manager, Housing Finance Administration Department, GSIS for appropriate action. On July 21, 2004, we received from Ms. Fajardo, HFA Dept., GSIS, a copy of the letter dated July 12, 2004, informing us that the housing loan record of Mr. Gualin has been transferred to Iloilo Field Office under DC Memo dated June 7, 2004.

RAS-L-04-164

Albert Go of Lucena City sought our assistance in connection with the uncollected amount of P35,000 from Mayor Sergio F. Emprese of San Andres,

Quezon. The mayor purchased one (1) unit Yamaha DT Motorcycle with a purchase price of P50,000 which was to be paid in weekly installments of P5,000. After having paid P15,000, the mayor defaulted in his weekly payments. Despite repeated demands of Mr. Go to collect payments, his efforts were futile.

By way of assistance, the Office wrote the mayor and asked his comments on the matter. After two weeks, we received a telephone call from Mr. Go, informing us that the account has been fully paid by Mr. Emprese. This statement was formalized by Mr. Go in a letter he sent to us expressing his profuse appreciation and gratitude for the assistance rendered by our Office.

RAS-L-04-145

Ms. Elma Reyes sought our assistance to expedite the processing of her claim for burial assistance and monthly pension as surviving spouse of Wilfredo Reyes. According to her, the claims could not be processed due to some discrepancies in the recording of the deceased's personal data. The investigator handling the case personally went to the Operation Accounting Section, Social Security System, Quezon City, to have the errors corrected. After several follow-ups, the errors were corrected. Subsequently, Mrs. Reyes informed this Office that the burial assistance has already been given to her and all other benefits due her were to follow.

RAS-V-04-0195

Mr. Primitivo C. Echavez, Sr., President of Tabunok Senior Citizens Association, filed the instant RA on March 2, 2004, regarding the alleged non-delivery of a check amounting to P20,000.00 from the CDF of Cebu Provincial Board Member Julian Dean intended for the construction of a Senior Citizen's Office in Tabunok Sports Complex, Tabunok, Talisay City. It was alleged that the subject funding has already been released through Barangay Tabunok but until the filing of this request, it has not yet been delivered to the beneficiary despite repeated demands.

The PACPO of OMB-Visayas, through GPCO III Philip C. Camiguing, set the matter for a conference on April 19, 2004. It was found out that the money has not yet been turned over to Barangay Tabunok. Punong Barangay Adonis L. Bacalso informed us that they have already allocated space for the Senior Citizen's Office as contained in the floor plan of their proposed

gymnasium. He said that the bleachers section of the gymnasium can be utilized as an office space. The money from the CDF of Board Member Dean can be re-aligned in order to buy furnitures and fixtures for the Senior Citizen's Office, Punong Barangay suggested. He also informed us that the group can use the Multi-purpose Hall of the newly constructed Tabunok Barangay Hall pending completion of the gymnasium.

The matter having been clarified, this RA was closed and terminated on May 12, 2004.

RAS-V-04-0952

Ms. Dolores M. Aliño, Executive Director of the Legal Alternatives for Women Center, Inc. (LAW, Inc.), filed the herein RA on December 15, 2004 regarding the alleged confusing and unclear policy of the Pre-Audit Division of the Cebu Provincial Government in connection with the release of certain funds. It appears that LAW, Inc. was a recipient of funding from the Abanse Pinay sometime in 2003 in the aggregate amount of P1,050,000.00 which was coursed through the Cebu Provincial Government. Funds were initially released to LAW, Inc. However, the remaining balance in the amount of P775,000.00 remains with the Cebu Provincial Government. Up to the filing of this RAs, LAW, Inc. has exhausted all efforts to obtain release of the balance but to no avail.

The PACPO of OMB-Visayas immediately set the matter for a conference on December 22, 2004. Personal service of notice was made to the parties upon receipt of this instant RA. During the conference presided by Director Virginia P. Santiago, Mr. Marieto Ypil, Cebu Provincial Accountant, informed us that the check in the amount of P775,000.00 was released to LAW, Inc., on December 15, 2004, immediately upon receipt of notice setting the matter for a conference.

Relief having been obtained, the instant RA was closed and terminated on December 28, 2004, with a caveat against the personnel of the Cebu Provincial Accounting Office to be always mindful of promptly acting on requests consistent with the Norms of Conduct and Ethical Standards of Public Officials and Employees.

RAS-M-04-2265

This is a phoned-in request for assistance on May 28, 2004, during the Ombudsman hour at the DXFE radio station, hosted by Rev. Arnel Tan with OMB Dir. Rodolfo Elman. The caller is a member of the Board of Election Inspector (BEI) requesting the OMB-Mindanao to assist her in following up her pay for services rendered during the election.

Acting thereon, the Office communicated with the Commission on Election, Regional Office to follow up payment for the BEIs services. On June 2, 2004, Atty. Marlon S. Casquejo, Election Officer IV, informed this Office that the payments were ready and may be claimed by the concerned BEIs from their respective district supervisors.

Consequently, on June 3, 2004, on the same radio program, with Rev. Tan and Atty. Zuleika Lopez as co-host, a concerned caller thanked this Office for the immediate action on the said request. The caller gave the information that the payment for her services as a member of the BEI has been received; accordingly, the same was used to enroll her children.

RAS-M-04-3407

The requester is an overseas contract worker (OCW) based in Hongkong. She has a pending MEDICARE claim submitted in March 2004 before the Overseas Workers Welfare Administration Office in Davao City, for her child, who eventually died. (The OWWA Office in Davao City serves both the Visayas and Mindanao regions.)

On July 29, 2004, she came to Davao City all the way from Brgy. Maasin, Hindang, Leyte, to personally follow up her claim with the OWWA Office. On her way out of the OWWA Office, she saw the sign of this Office across the street. Requester proceeded to this Office and sought its assistance/intervention for the speedy release of her claim as she needed to return to Hongkong immediately.

Acting thereon, this Office communicated with Ms. Socorro B. Castro, OIC of the OWWA Office in Davao City, pertaining to the status of the requester's claim. After a series of calls, Ms. Castro confirmed that the requester's claim was not processed due to incomplete supporting documents.

Hence, the requester was advised through cellular phone to send the original hospital receipts and other pertinent documents required by the OWWA.

The required documents were sent to this Office and were forwarded to the OWWA on August 9, 2004 for evaluation and processing of payment. Several persistent follow-ups were made by this Office on behalf of the requester. Sometime in September 2004, the requester called this Office through cellular phone from Hongkong to say “thank you” and expressed her profound gratitude for the medicare benefits and assistance she received.

RAS-P-04-233

Ms. Evelyn T. Ponlaon, through a letter, sought the Office’s intercession so that her child with MSgt. Prospero Liclic of the Armed Forces of the Philippines (AFP for brevity) shall be given a share in the latter’s retirement benefits. Ms. Ponlaon claimed that because of financial difficulties, she could not file a case for support.

In the light of the Memorandum of Agreement entered into between the AFP and the Office of the Ombudsman, the instant request was forwarded to the Office of the Commanding General, Philippine Army, for appropriate action.

RAS-P-04-0109

Ms. Facelo alleged that MSgt. Flores has been doing everything to prevent her from receiving the class “E” allotment in favor of her son sired by the latter. He even gave wrong information to the AFP Finance Center so that her checks would be sent to the wrong address.

Through coordination with the AFP Finance Center, it was discovered that the address of Ms. Facelo indicated in their records, per information provided by MSgt. Flores, was San Isidro, Zamboanga del Norte, instead of San Isidro, Zamboanga del Sur.

The Office, through a letter, informed Ms. Facelo that she could already claim her stale checks by submitting an Affidavit of Replacement of Stale Checks to the AFP Finance Center.

RAS-P-04-0613

In order that their daughter will have a good future, Lydia Magno and PO3 Bahian entered into an agreement wherein the latter agreed to give monthly support. However, she was made to obtain the same at Midsayap, Cotabato, which is quite distant from Limbungan, Cotabato, where she resides.

This Office forwarded her request to the Philippine National Police Finance Service with the end view that the monthly support for her daughter will be released in a form of check and regularly sent to Limbungan Municipal Police Office.

Resident Ombudsman

Organic Resident Ombudsmen (RO) were installed in various graft-prone government agencies with the main function of monitoring the official performance and transactions in order to prevent wheeling and dealing. They also address incidents of inefficiency where these happen and conduct systems and procedure studies. The Resident Ombudsmen concept is in the process of reformulating its mandate to give strategic focus on systems integrity-based corruption prevention. As of December 2004, there are twelve (12) ROs keeping watch over thirty-three (33) critical agencies.

For the calendar year 2004, the Bureau of Resident Ombudsman (BRO) conducted a total of four (5) seminars/workshops and training as follows:

1. Training/Seminar-Workshop on Risk Assessment/Management. This is a capacity building seminar-workshop specifically designed for ROs and support staff of the BRO in order to competently discharge the mandate of corruption prevention of the Office of the Ombudsman through system studies and system-based reforms/improvements.
2. Training Seminar on Government Procurement Reform Act (R.A. No. 9184). A training seminar for the ROs and interested GIPOs conducted on February 13, 2004 with the primary objective of familiarizing them with the procurement process and bidding procedures since Resident Ombudsmen have a crucial role in the implementation of R.A. 9184, i.e., to serve as the Bids and Awards Committee (BAC) observers report centers.

3. EHEM! AHA! Seminar conducted by ORO-DA/NIA at the National Irrigation Administration. The seminar was conducted in coordination with the Community Coordination Bureau on November 16-18, 2004. It was attended by NIA's top management and middle management officials. The seminar has inspired and motivated the participants into a serious reflection of the cultural value systems that reinforce and perpetuate corruption.
4. Integrity Development Review (IDR) Project. BRO sent one of its personnel to the USAID-EGTA funded Integrity Development Review (IDR) Assessor's Training in February 2004 conducted by the Development Academy of the Philippines. Thereafter, a four-month IDR was conducted at the Office of the Ombudsman and the Department of Education.
5. Awareness Building Sessions on the Government Procurement Act and Focus Group Discussions (FGD) with Resident Ombudsmen. On 31 August 2004, the Office of the Ombudsman and the Procurement Watch, Inc. were given a grant by the Asia Foundation for the development of a BAC observer feedback handling mechanism involving procurement monitoring reports for the Office of the Ombudsman. Nine (9) Resident Ombudsmen from Luzon, 7 from the Visayas, 9 from Mindanao and 4 from the area/sectoral offices of OMB were trained and participated in the FGD on November 18 and 19, 2004. The non-organic Resident Ombudsmen participants came from LGUs, NGAs, GFIs/GOCCs and SUCs.

List of Significant Cases/Matters Acted Upon by the Resident Ombudsmen (ROs)

Fact-Finding Investigation

Lifestyle Check

This is a Lifestyle probe against a Messenger and a Customs Operations Officer IV of the Bureau of Customs for allegedly amassing a great amount of wealth grossly disproportionate to what the records of their income could explain. RO-BOC validated the pieces of evidence strongly establishing the fact that despite the meager incomes of the subjects as low ranking employees of the BOC, the messenger acquired a Toyota Revo worth P599,000.00, the value of which he even falsely declared in his Statement of Assets and Liabilities and Networth (SALN) as amounting to P450,000.00 when the LTO record of its Deed of Absolute Sale reflects a higher value of P599,000.00; and a property in Laguna worth P600,000.00, barely over a year after he was employed as messenger at the BOC.

On the other hand, the Customs Operations Officer IV acquired several vehicles (passenger jeepneys, Kia Ceres, Hyundai Elantra and two utility vehicles) and a piece of real property in Laguna that could not be justified by her declared lawful source of income.

The investigation led to the issuance of preventive suspension against the subjects and triggered the revelations of irregular activities at the Valuation and Classification Division of the BOC.

Request for Assistance

1. RO-DepEd-RAS-2004-052

Requester: Ms. Shiela A. Angeles, Teacher, Division of Urdaneta, San Fernando City

Requester sought the assistance of ORO-DepEd for the release of her initial salary. The request was referred to Perla T. Coronel, Schools Division Superintendent, Urdaneta City, Pangasinan.

On March 2, 2004, Supt. Perla T. Coronel informed ORO-DepEd that Ms. Angeles had already received her check from the Regional Office of San Fernando City.

2. RO-RAS-NIA-2003-144

Requester: Luisito M. Gregorio, former NIA employee

Luisito M. Gregorio, a former Management Analyst, has been, for the last eight years, trying to collect from the NIA his backwages, separation and other benefits. Acting promptly on the request for assistance filed by Mr. Gregorio before the ORO-NIA and by reason of the intervention of the said office, Mr. Gregorio was able to collect from the NIA payment of his backwages on June 8, 2004, July 27, 2004 and October 26, 2004, respectively, in the total amount of P297,029.55.

3. RO-DOE-RAS-2004-994

Requester: Mr. Vicente Pomida through his legal counsel

This is a request regarding claims for damages to Mr. Pomida's property in Brgy. Cantanguic, San Jorge, Samar, arising from the construction of concrete transmission poles pursuant to the rural electrification program of the government.

The matter was referred to the PNOC-Energy Development Corporation for appropriate action. After a series of follow-up by the Office of the RO-DOE, the request for claim was finally settled. The requester was paid the amount of P52,517.80. A Quit Claim/Waiver was later executed by Mr. Pomida on June 3, 2004.

Media Interest Cases

CPL-C-03-0957 (RO-BOC/PPA-MIC-2001-13-1008)

Seized Bags of Rice Disappeared in Naga

This media interest matter which ripened into a fact-finding investigation case involved the disappearance of at least 17,000 bags of rice in the Port of Pasacao, a Sub-Port of San Jose, Pangasinan, Camarines Sur. An inquiry thereof was prompted by a newspaper report involving the alleged disappearance. It was also gathered that M/V Ronan, the ship carrying the rice shipment, also disappeared together with the 17,000 bags of rice.

Investigation conducted resulted in the filing of graft and administrative charges against several officials/employees of the Philippine Ports Authority, Bureau of Customs and Philippine Coast Guard.

System Study

One of the work targets of an RO is to conduct a review of the existing procedures/system in their host agencies to identify weaknesses or vulnerable areas of corruption and to recommend measures to improve the same.

Some of the significant systems study undertaken by the ROs are as follows:

1. Study on the Procedures in the Enforcement of Hold Departure Orders
2. Study on the P5.8 Billion Casecan Multi-Purpose Irrigation and Power Project, Part I
3. A System Study on Bird Flu and How the Department of Agriculture Contain the Spread of Bird Flu to Protect the Health of the Local Poultry Population
4. Systems Operations and Development Study on the Working Relationship between the MARINA and the Philippine Ports Authority

Special Projects

OPLAN “PAGMAMATYAG”

The Field Investigation Office (FIO), in cooperation with ORO-NAIA, conducted the OPLAN “PAGMAMATYAG” for the period 22-29 December 2004.

The purpose of this undertaking is to monitor the performance of all public officials/employees detailed at the NAIA Terminals 1 and 2 during the Christmas holiday and prevent incidents of corruption and other related anomalies such as bribery, extortion, abuse of authority, etc., during this peak season when there is an expected influx of OFWs and tourists arriving in the Philippines for Christmas vacation.

This activity has set in motion the proposed installation of a “Dulugan Bayan” desk at the NAIA Terminals 1 and 2, a joint project of the Community

Coordination Bureau, Field Investigation Office and the ORO-NAIA, which has been approved in principle but remains in the pipeline until some concerns have been threshed out.

Monitoring of SALN Compliance

To implement the BRO's oversight mandate, the ROs are tasked to monitor the compliance by the officials and employees of their respective agencies with the required filing of their SALN. The ROs are furnished with copies of the Networth Summary Reports of those officials who have submitted their SALN pursuant to OMB Memorandum Circular No. 95-13 dated June 15, 1995 and in compliance with Section II of RA 6713.

This project of the BRO complements the thrust of the Office on lifestyle check of officials/employees in the government with particular focus on the BIR, BOC and DPWH officials and employees.

Based on these documents, the RO may recommend the conduct of lifestyle probe if there is a substantial increase in the networth of the employee that is manifestly out of proportion to his salary vis-à-vis his position in the government and his other lawful income and income from legitimately acquired property.

Monitoring of Liquidation of Cash Advances

The RO is periodically furnished by the host agency a schedule of unliquidated cash advances.

Although the monitoring of liquidation of cash advances is one of the main functions of COA Resident Auditors, the RO coordinates with them and assists their respective host agencies to monitor compliance with COA rules/regulations in order to ensure that the public funds disbursed to government officials are properly and promptly accounted for. If a particular personnel fails to liquidate his cash advance within the prescribed time despite the demand made by the Resident Auditor and if this matter is brought to the knowledge of the RO, the latter may mobilize the Resident Auditor to take appropriate measures pursuant to COA rules and regulations.

NON-ORGANIC RESIDENT OMBUDSMEN

The Office of the Ombudsman, through **Administrative Order No. 10 Series of 2001**, also installed Resident Ombudsmen (Non-Organic) in national government agencies, local government units, state universities and colleges and government-owned and controlled corporations/government financial institutions nationwide.

Their duties and functions as provided for in AO No. 10, are as follows: (1) attend to requests for assistance filed directly with the Office, or assigned to him by its head or by the Office of the Ombudsman or by accredited CPUs and JGUs and expedite and facilitate action thereon; (2) report anomalies, irregular acts, unethical conduct or illegal activities committed by the officials and employees of the office; (3) aid the Office of the Ombudsman in gathering evidence in cases under investigation by the latter; (4) make a study of standing procedures and systems in the office with a view to suggest improvements therein, or recommend changes in the same as would prevent the incidence of graft and other irregularities perceived to have been facilitated by the existing systems and procedures; (5) perform such other functions as may be assigned to him by the Office of the Ombudsman; and (6) submit an accomplishment/progress report to the Office of the Ombudsman at least once a month, or oftener as circumstances may require. The report should not be coursed through the head or any other official of the office.

As of December 31, 2004, there were 585 Non-Organic Resident Ombudsmen designated in different government agencies nationwide, as follows: NCR – 14; Luzon – 124; Visayas – 164; and Mindanao – 283.

Research and Special Studies

The year 2004 marked a significant change in the role and function of the Research and Special Studies Bureau (RSSB) as the *legislative-action arm* of the Office of the Ombudsman pursuant to Section 15(7) of Republic Act 6770, otherwise known as the Ombudsman Act of 1989. Originally, the Bureau was mandated to “*determine the causes of inefficiency, red tape, mismanagement, fraud and corruption in the government.*” This main function, which is being carried out mostly through systems reviews and studies, was expanded and shifted into a more active and responsive task brought about by recent developments in the thrust and overall direction of the Office for the past two years. Recent events

saw the influx of support and assistance from foreign donor agencies which have good governance and at combating and preventing corruption in their agenda.

In response to such positive development, on May 25, 2004, the Honorable Tanodbayan Simeon V. Marcelo signed OMB Resolution No. 02, series of 2004, which provided, among others the abolition of the Fact-Finding Intelligence and Research Office (FIRO), but retaining the functions of the RSSB and maintaining its present staffing complement. However, on top of its regular and existing functions, the Resolution constituted the RSSB personnel as the core the technical and administrative staff of the Project Management Office.

The Project Management Office (PMO) was created pursuant to OMB Resolution No. 07, series of 2004, which took effect on August 26, 2004. The Resolution explained fully the need for the appropriate management strategies and mechanisms to be put in place for the proper synchronization of the various reform projects and activities and to establish an organizational set-up that will manage and coordinate these projects. The PMO is given the overall responsibility of managing and coordinating all donor-assisted projects and activities. The Resolution likewise provided for the creation of two (2) key groups, i.e., the Operations Group and the Finance and Administrative Group, the former is where RSSB is currently operating.

For the calendar year 2004, it has accomplished the following:

- **Research to Support Policy Making.** Primarily tasked to undertake studies and systems reviews to support policy making, the RSSB, on its own initiative, conducted evaluation of existing laws pertaining to good governance and public service. It has, as a result of its study, formulated some recommendations and amendments on certain laws. Proposals and recommendations were focused on the following: Whistle Blowing Legislation which was developed in coordination with the Bureau of Resident Ombudsman lawyers; submission of the Position Paper on the proposed Bill of Representative Rodriguez D. Dadivas allowing private lawyers to act as Deputized Ombudsman Prosecutors; and proposed establishment of an inter-governmental expert group to prepare a draft model of bilateral agreements on the disposal of confiscated proceeds of crime covered by the United Nations Convention Against Transnational Organized Crimes and the United Nations Convention Against Illicit Traffic in Narcotics Drugs and Psychotropic Substances of 1998.

- **OMB Library Work and Services.** The library is envisioned to be a multi-media center that supports the constitutional mandate of the Office of the Ombudsman in the fight against graft and corruption. Its resources are focused on the subject of law because of the nature and function of the Office. Nevertheless, other materials in areas of finance, management, public administration, etc. are available therein.

The library catalogued 5,485 books, including 105 books donated by the Thomas Jefferson Information Center, The Asian Foundation and the Komisyon sa Wikang Filipino, and interlibrary loan of 59 volumes of Philippine Reports from the Office of the Solicitor General Library. The quantity of books in the collection increased by 43.2% as compared with its collection in 2003, while serials increased by 4%.

The library also resorted to a data management system to ensure the availability of the latest laws and resolutions. To date, 46,000 news items regarding OMB, graft and corruption and other related cases were compiled.

The researchers were also provided with Lex Libris containing, among others, Supreme Court decisions, Philippine Laws and Department of Justice Opinions.

Some of the significant accomplishments of RSSB-PMO for the calendar year 2004, are as follows:

1. **Trial Advocacy Skills Development Program.** This undertaking was primarily geared towards enhancing the trial capacity of the Ombudsman prosecutors and arm them with the necessary tools and skills in the performance of their functions. The 2nd phase of this program was conducted on January 25-30, 2004 and March 1-5, 2004, while the 3rd phase was held on October 29-November 3, 2004, and November 15-19, 2004, respectively.

2. **Integrity Development Review.** This is intended to assist the Office of the Ombudsman, other agencies and oversight bodies in establishing a culture of professionalism and integrity in government, enhancing consciousness on corruption prevention and providing practical corruption prevention tools to improve organizational and systems integrity. Various activities include: focus group discussion for Integrity Development Self-Assessment Activity and survey for Government Employees in the Department

of Education Region VIII; conduct of Corruption Vulnerability Assessment (CVA) on April 5, 2004; and participation in the 5-day Assessor's Training conducted by the Development Academy of the Philippines at Tagaytay on February 3-6, 2004.

3. Team Building for Good Governance: A workshop for OMB middle managers in cooperation with the British Council (Phils.) was conducted. This was intended to develop organizational cohesiveness among the OMB middle managers, cultivate cooperation and strengthen teamwork among different units/bureaus of the office and clarify duties and responsibilities as middle managers with a view to building interdependence and mutual support. Twenty-five (25) middle managers attended the seminar at INNOTECH, Commonwealth Ave., Quezon City on March 10-12, 2004.

4. A Preliminary Workshop to Standardize OMB Records Management. The standardization of the OMB records management is one of the major concerns that is raised in the annual corporate planning of this Office since 1997.

This concern was resolved with finality during the 8th OMB Corporate Planning Conference when the Honorable Tanodbayan Simeon V. Marcelo gave the approval to test-run the recommended system of the committee composed of representatives from the OMB Central Records Division, OMB-Luzon, and OMB-MOLEO.

5. Youth Empowerment Symposium. This was intended to reach out to the youth sector, particularly, the new graduates to consider a career in government by joining the Office of the Ombudsman as legal researchers and field investigators. In May 24, 2004, the Office conducted a one-day symposium where more than a hundred fresh college graduates from prestigious universities actively participated the activity.

6. OMB-COA One-Day Dialogue-Cum-Workshop. This dialogue was conceptualized with the end view of strengthening the partnership between the OMB and COA, particularly with OMB's investigative and prosecutorial staff and COA auditors, in order to adequately prosecute COA-related cases. Participants in this activity included OMB officials and officers handling the investigation and preliminary investigation and prosecution of COA-related corruption cases and COA officials and officers from different departments.

7. **Lifestyle Check Coalition Workshop.** This was held on May 17-18, 2004 basically to synchronize the programs and activities of the member-agencies and align them with the present thrust of the government. Likewise, they converged to clearly define and delineate their functions as members of the Coalition with a view to build and foster cooperation, interdependence and mutual support. Twenty-one (21) participants from the Presidential Anti-Graft Commission (PAGC), Department of Finance (DOF), Office of the President (OP), Transparency International (TI) and the Office of the Ombudsman attended the workshop.

8. **Field Investigation Training.** The program was designed to enhance the technical capabilities of the field investigators in order to have an effective prosecution of corruption cases. Primarily, it aimed to increase and deepen the participants' knowledge and skills in the field of investigation; equip the participants with additional methods and techniques to serve as aids in the conduct of investigation; and provide the participants with the opportunity to build teamwork and foster cooperation that will help them in establishing linkages and coordination necessary for them to work effectively and efficiently.

The SOLANA Covenant

Another anti-corruption initiative was forged among the Constitutional Offices, namely: the OFFICE OF THE OMBUDSMAN, the CIVIL SERVICE COMMISSION and the COMMISSION ON AUDIT. On 16 March 2004, these Constitutional Offices entered into what is called the "SOLANA COVENANT" which embodied said offices' anti-corruption mandates, specific mission and strategic objectives, resources and accomplishments, as well as the concrete and doable initiatives which shall be undertaken jointly and by each institution as a united front against graft and corruption.

Among the SOLANA COVENANT anti-corruption initiatives are: (a) establishment of a Statement of Assets Liabilities and Net Worth database to be run by the CIVIL SERVICE COMMISSION; (b) establishment of an integrity vetting system; (c) the conduct of inter-agency audits; and (d) efficient sharing of information.

REGIONAL AND SECTORAL ACTIVITIES

The Office of the Ombudsman's regional and sectoral offices have conducted relevant programs and activities in support of the continuing efforts and unwavering commitment of the Office to establish a graft-free, effective and responsible government. For Calendar Year 2004, the OMB-Luzon, the OMB-Visayas, the OMB-Mindanao and the OMB-MOLEO have pursued and implemented various programs and activities that were supportive of, and consistent with, the graft prevention thrust of the Office of the Ombudsman.

OMB-LUZON

The Office of the Deputy Ombudsman for Luzon has undertaken the following graft-prevention activities during the Calendar Year 2004:

1. Conducted four (4) training seminars/workshops indicated as follows:
 - a. A two-week Training Seminar on "Basic Computer Skills" held on 16-20 August 2004 at the NEDA Statistical Research Training Center. The eighteen (18) participants included Graft Investigation and Prosecution Officers (GIPOs), Associate Graft Investigation Officers (AGIOs), Graft Prevention and Control Officers (GPCOs), Executive Assistants (EAs) and Clerks.
 - b. Training/Seminar on "Understanding Government Disbursements and Participatory Audit" held on 20-24 September 2004 at the PAB Conference Room. There were twenty (20) participants composed of AGIOs, GPCOs and Clerks of OMB-Luzon.
 - c. Advance Training Course on Computer Software, on the use and application of Microsoft Excel, Access, Power Point and Publisher, conducted on 12, 17-19 and 22 November 2004 at the PAB Conference Room. Participants included fourteen (14) GIPOs, GPCOs, AGIOs and administrative/accounting staff.
 - d. The Ehem! Aha! Cultural Sensitivity Seminar, the main graft prevention program of the Office, was conducted in four (4) batches on different dates at the CCB Function Room. The batches are:

- d.1. Batch 1 was held on 19-21 April 2004, with ten (10) participants composed of one (1) Director, 5 AGIOs and GPCOs, 2 Admin Staff and 2 Stenographers;
- d.2. Batch 2 was held on 28-30 June 2004, with ten (10) participants from OMB-Luzon;
- d.3. Batch 3 was held on 11 to 13 October 2004, with ten (10) OMB-Luzon personnel attending; and
- d.4. Batch 4 was held on 18-20 October 2004, where ten (10) OMB-Luzon personnel were participants.

2. Accredited four (4) Corruption Prevention Units (CPUs)

The newly accredited CPUs for 2004 (with date of accreditation) are the following: Kaagapay Lingkod Bayan, Inc. (14 April 2004); Council for the Restoration of Filipino Values (04 June 2004); Bulakenyo Para sa Mabuting Gobyerno at Kaunlaran (09 July 2004); and the Philippine Army Reservists Anti-Corruption Unit (22 September 2004).

3. Accredited eight (8) Junior Graftwatch Units (JGUs) for the Year 2004

The accredited JGUs are from the following National High Schools (NHS): Badipa NHS, Lananpin NHS, Mariano Q. Umipig NHS, Palina East NHS; Urdaneta City NHS, Benigno V. Aldana NHS, Calumpit Institute, and Manaoag NHS.

4. Implemented/conducted various graft prevention activities/projects enumerated as follows:

- a. Five (5) Ehem! Aha! Cultural Sensitivity Seminars in the areas of Pangasinan, Camarines Sur, La Union, Occidental Mindoro, Ilocos Norte and Baguio City;
- b. Two (2) Information Dissemination Campaign/Program on Graft and Corruption in Baguio City and La Union;
- c. Seminar on the Barangay Justice System in San Fernando, La Union;
- d. Launching of "Duluganbayan" Public Assistance Center at San Fernando, La Union; and
- e. Launching/Orientation of Junior Graftwatch Unit (JGU) Program on 08 October 2004 at Urdaneta City.

OMB-VISAYAS

For the Calendar Year 2004, the Office of the Deputy Ombudsman for the Visayas has registered the following notable accomplishments, to wit:

1. Conducted a total of forty-four (44) seminars in various government agencies in the Visayas. These focused on the topics of: Public Accountability; Role of the Ombudsman in Good Governance; Powers, Functions and Authority of the Office of the Ombudsman; and R.A. 6713.
2. Designated/Accredited a total of 164 (non-organic) Resident Ombudsmen in the different government agencies of Regions VI, VII and VIII.
3. Accredited ten (10) Corruption Prevention Units (CPUs) and thirty-two (32) Junior Graftwatch Units (JGUs).
4. Implemented/conducted the following graft prevention projects:
 - a. Ehem! Aha! Seminar for the Ombudsman-Visayas employees in two (2) batches: the first, held on 18-20 February 2004 and, the second, held on 28-29 September 2004;
 - b. A three-day Visayas-wide Resident Ombudsmen Consultative Assembly, held on 25-27 May 2004, attended by all Resident Ombudsmen of the different government agencies in the Visayas, with their respective regional Directors/Heads of Agencies, on the first day of the Assembly;
 - c. JGU Summer Training Program held in May 2004 which was focused on the duties and functions of the Office of the Ombudsman and the role of the youth in the fight against corruption; values-related talks and their exposure on the radio, television, newspaper writing, barangay/radio hopping;
 - d. JGU Summit, participated in by different JGUs of Colleges/Universities/secondary schools in Cebu, held on 19 November 2004 at Family Park, Talamban, Cebu City;
 - e. Procurement Watch Training with Barug Filipino and People's Graftwatch of Iloilo, held on 8-10 October 2004, and 26 November 2004, respectively;
 - f. "Bahay-Bahayan ni Pepe at Pilar", a socio-educational training program for children on the inculcation of public service values which were integrated in the different activities conducted during the day, held on 22 December 2004;

- g. Partnership with the Barug Filipino, DepEd, and the People's Graftwatch-Iloilo, effected by a Memorandum of Agreement (MOA), to relentlessly continue the fight against corruption, through involvement in the Procurement Watch Program, Lifestyle Check and other related activities;
- h. Continuing extensive information dissemination, through lectures, symposia and fora all over Visayas;
- i. Participation in the critiquing and final revision of the GCPE modules as teaching exemplars, a joint project of the Department of Education and the Office of the Ombudsman.

For CY 2004, there were twelve (12) requests for assistance/complaints (RAS/CPL) forwarded by CPUs and five (5) RAS/CPL forwarded by the JGUs.

OMB-MINDANAO

The Office of the Deputy Ombudsman for Mindanao has undertaken various graft prevention activities/programs during the calendar year 2004. These activities/programs focus on the following areas of concern:

ADVOCACY AND TRAINING. During the period covered, a total of forty-four (44) information-dissemination activities were conducted, attended/participated in by a total of 2,974 participants. These were seminars/trainings/conferences held in different areas in Mindanao.

Other milestone undertakings for the year are the following:

1. Conduct of the "Mindanao-wide Conference for Resident Ombudsmen" in June 2004, held in Davao City;
2. Conduct of three (3) batches of the "Ehem! Aha! Anti-Corruption Sensitivity Training Seminar", attended by the OMB-MIN officials and staff, including participation in inter-agency Ehem! Activities, and an assessment and planning seminar for Ehem! Facilitators, resulting to a total of 15 Ehem! Aha! related seminars;
3. Participation in the critiquing and final revision of the Graft and Corruption Prevention Education (GCPE) modules as teaching exemplars, a joint project of the Department of Education and the Office of the Ombudsman;
4. Participation of eight (8) Mindanao-based non-organic Resident Ombudsmen in the "Procurement Watch Training for Resident

- Ombudsmen”, a joint undertaking of the OMB-Bureau of Resident Ombudsmen and Procurement Watch, Inc.; and
5. Conduct of the “Launching Seminar of the Court Watch Project” of the Office of the Ombudsman, in coordination with the Law School of the Ateneo de Davao University in Davao City.

CORRUPTION PREVENTION UNITS (CPUs). During the year 2004, nine (9) CPUs were accredited, namely: PHILCAM or Philippine Christian Alliance; Baybay Loquilo Fisherman and Landless Association, Inc. (FISLA); Slay Parish Council; Demokratikong Kilusang Magbubukid ng Pilipinas (DKMP); BAHANDI sa Kaumahan ng Kadagatan; Philippine Builders Construction Corp. Development and Research Technology Foundation Inc. (PBCC-DERETECH); Zamboanga Sampaguita Urban Poor Association (ZSAMUPA); Department of Agrarian Reform Employees Association (DAREA); and Fundamental Baptist Church.

Highlights of CPU activities for the year include the following: the CPU BAHANDI Briefing and Lifestyle Probes in Davao City held on 06 April 2004; the CPU Orientation Seminar, in coordination with the CPU-Movement Against Crime in Panabo, Davao del Norte, on 09 July 2004; and CPU-PHILCAM Orientation and Paralegal Training for Lifestyle Probe, held on 10 December 2004, at General Santos City.

JUNIOR GRAFTWATCH UNITS (JGUs). OMB-MIN has continued to accredit JGUs. For the past year, a total of thirty-two (32) school-based JGUs were accredited. Further, various JGU-information dissemination campaigns were conducted among students.

Highlights of the JGU activities for the year include the following: JGU Orientation and Ehem! Aha! Training Conference, held on 06 February 2004, at General Santos City and Ehem! Aha! Anti-Corruption Seminar, with JGU advisers, held on 19 July 2004, at Davao City.

RESIDENT OMBUDSMAN PROGRAM (ROs). During the Calendar Year 2004, seventeen (17) Resident Ombudsmen were designated. The newly-designated ROs are from the government agencies situated in Lanao del Norte, Davao City, Butuan City, Cagayan de Oro, Zamboanga City, Caraga, Sultan Kudarat, Bukidnon and Misamis Oriental.

OMB-MOLEO

The Office of the Deputy Ombudsman for the Military and other Law Enforcement Offices (OMB-MOLEO), in line with the pro-active function of the Fact-Finding Investigation Corruption Prevention and Public Assistance Bureau (FFICPPAB), conducted several trainings/seminars/lectures on Public Accountability from February up to December 2004.

For the year 2004, a total of twenty-four (24) seminars/lectures were conducted in the different offices under the OMB-MOLEO jurisdiction. These seminars/lectures were attended by about one thousand four hundred ninety-eight (1,498) participants. These agencies include: the Bureau of Jail Management and Penology, Bureau of Corrections, Metro Manila Development Authority, Finance Service - Philippine National Police, Naval Forces North, Bureau of Customs, Southern Command-Armed Forces of the Philippines, Philippine Air Force, Naval Forces Headquarters, Civil Defense, Naval Education & Training Command-OESPA-PN, Naval Supply Command-OESPA-PN, Western Police District, Philippine Military Academy, Police Regional Office 6, PNP Legal Service, Police Regional Office- ARMM, Police Regional Office 7, OESPA-PN- Taguig and OESPA-PN- Cavite.

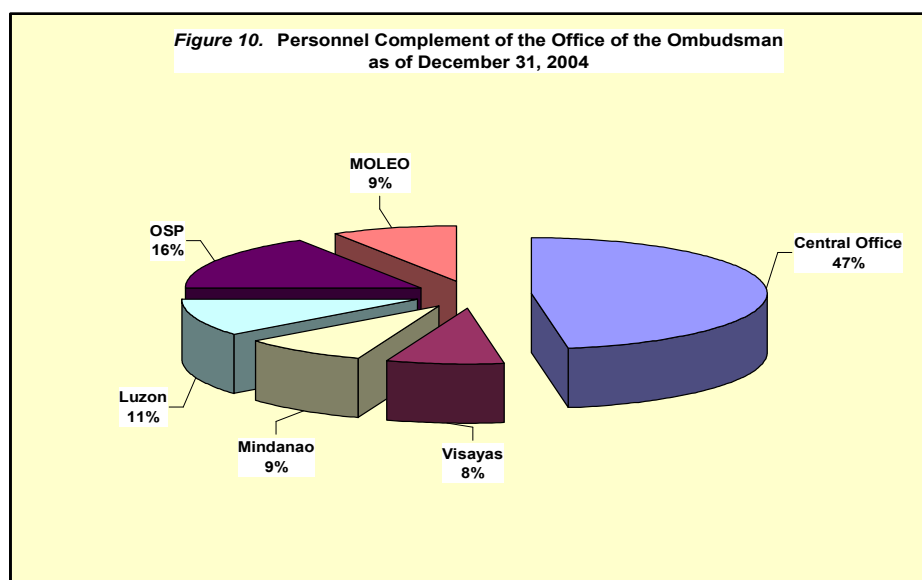
Relevant to the information dissemination campaign of the FFICPPAB, its Director, Rudiger G. Falcis II, was interviewed in the radio program "BATAS AT BALITA NGAYON" held last 09 August 2004 over DWDD 1134 KHZ AM.

On Requests for Assistance (RAS), there was a total of two hundred sixty-three (263) cases received during the year 2004. Of this number, two hundred seventeen (217) were disposed. These cases are in the nature of assistance for monetary claims, support and legal advices.

FINANCIAL AND ADMINISTRATIVE SUPPORT SERVICES

PERSONNEL COMPLEMENT

As of December 31, 2004, the Office of the Ombudsman was complemented by a total of 1,179 employees with the following breakdown: OMB-Central Office - 563 (47%); OSP - 195 (16%); OMB-Luzon - 129 (11%); OMB-Visayas - 95 (8%); OMB-Mindanao - 101 (9%); and, OMB-MOLEO - 96 (9%). (see Figure 10)



ADMINISTRATIVE SUPPORT SERVICES

With regard to personnel development, the Central Administrative Service through the **HUMAN RESOURCE MANAGEMENT DIVISION (HRMD)** has initiated and accomplished the following:

1. Five (5) batches with a total of 85 participants for an orientation program for new employees called WELCOME;
2. Five batches of an in-house Basic Computer Skills Training Seminar with a total of 95 participants;
3. Two batches with a total of 96 lawyer-participants in the Preliminary Investigation Skills Enhancement Training;
4. Short training course on Environmental Law wherein 78 participants attended, PAG-IBIG Fund Orientation Briefing on Provident Savings

- Benefits for 32 participants, Health and Drug Prevention Seminar for 33 participants, Seminar on Alternative Dispute Resolution covering two batches for a total of 185 lawyer-participants;
5. Applied for Mandatory Continuing Legal Education (MCLE) credit units for the following: Follow-Through Trial Advocacy Skills Development Program (29 units), Seminar on Environmental Laws (3 units), Preliminary Investigation Skills Enhancement Training (11 units), Seminar on Alternative Dispute Resolution (3 units) and Field Investigation Training (17.5 units);
 6. Evaluated 24 training offers of professional associations and other agencies and recommended the participation of 110 employees in training courses as follows: Records/Library Management (15 participants), Information Technology (4), Procurement/Budget Management (32), and Human Resource Concerns (59); and
 7. Processed foreign training course/conference invitations as follows: Asian Ombudsman Association Conference in South Korea (1), Regional Conference of World Jurist Association in Italy (1), Course on Crime Prevention and Criminal Justice in Korea (1), Asian Thematic Training Program on Human Rights and Humanitarian Law in Thailand (1), and Corruption Control in Criminal Justice II in Japan (1).

The Central Administrative Services' participation in the Organizational Development of the Office of the Ombudsman are as follows: finalized the resolution, annexes, plantilla for the collapsing and conversion of positions, abolition of the Fact-finding Intelligence and Research Office (FIRO), creation of the Field Investigation Office (FIO) and the five bureaus under it; proposed the interim organization and staffing of the FIO; proposed the resolution abolishing certain positions for the purpose of creating 15 GIPO III positions; proposed the resolution for the change of the position titles of Special Prosecution Officer (SPO) I, II and III to Assistant Special Prosecution (ASP) I, II, and III respectively; proposed the resolution for the realignment of one GIO I position from the Evaluation and Investigation Office to the PACPO of OMB-Mindanao; proposed the plantilla of position allocation involving the renaming of positions performing staff/non-technical functions as required by the DBM; and prepared comments, recommendations and resolution on the proposal to collapse certain positions, create certain positions and reorganize the OMB-MOLEO.

Highlights of HRMD's accomplishments with regard to personnel selection, personnel welfare and other personnel actions are as follows:

processed 181 appointments; published 128 vacant positions; evaluated 1,113 applications; conducted 616 written/psychological examinations; administered 84 typing/encoding tests; processed 235 notices of salary step increment for length of service; processed 126 loyalty incentive awards; processed 34 best employee awards; processed 7 perfect attendance award; processed the Productivity Incentive Bonus and proposed for non-monetary remuneration for overtime services rendered; scheduled 311 employees for free annual medical check-up; processed 43 requests for authority to teach; processed 12 requests for authority to obtain commission and act as notary public; issued 7,904 personnel-related certifications; forwarded 1,548 loan/benefit applications to GSIS/ECC/HDMF/PHIC and claimed 992 checks for concerned employees.

The **CENTRAL RECORDS DIVISION (CRD)** which serves as the frontline unit of the Office concerning records management received a total of 2,511 complaints, docketed 1,206 complaints (of which 607 were criminal and 599 were administrative cases), processed 2,200 disposed cases and prepared the Case Records Management System as proposed in an in-house seminar workshop.

With regard to records management of the Statement of Assets, Liabilities and Networth (SALNs), the CRD received 111, 329 SALNs, sorted 123, 624 SALNs and reconciled with transmittals 92,772 SALNs for a total of 216,396 SALNs, alphabetized 37,182 SALNs and encoded 72,297 SALNs.

The following are other records management services accomplished for the year: 20,062 various types of communications received through mail, courier and personal delivery; 23,111 various types of communications mailed or transmitted through courier; 15,200 sets of pleadings and other communications served by process servers to parties concerned; 863 communications requesting for assistance referred to the Public Assistance Bureau; 8,272 certifications issued as to pendency of cases as requested by external entities and by the OMB officials and employees; 1,341 requests for copies of documents made by officials and employees of the OMB acted upon; and 2,088 various requests, including requests for copies of documents coming from the public, were acted upon.

The functional units of the **GENERAL SERVICES DIVISION (GSD)** rendered services in relation to procurement/property management, cashiering, motorpool, printing, ground and building maintenance and provided

supervision of contracted janitorial services. As **secretariat to the Bids and Awards Committee**, the GSD processed 1,018 purchase requests; prepared 403 canvass letters; served 1,989 canvass letters; prepared 146 sets of bidding documents; posted 25 canvass letters in bulletin boards and in the internet; received and opened 1,016 tenders of bids; documented 258 bid evaluations for open and sealed canvasses; provided secretariat service to 24 meetings of BAC and technical working groups; prepared 1,552 replies to inquiries from bidders; prepared 112 letters and memoranda; updated 65 items in the monthly price monitoring index; and refunded 42 bidders' bonds.

On **property management services**, the GSD procured a total of P13,189,226.03 worth of equipment and P6,646,586.06 worth of supplies and materials; prepared 531 purchase orders and 78 job orders and 27 agency procurement requests; prepared 507 acknowledgment receipts for equipment; processed 561 disbursement vouchers; prepared 625 delivery/inspection reports; processed 161 reports of waste materials; prepared 39 petty cash disbursements; conducted physical inventory of property in OMB Central Office; and facilitated the emergency and temporary rental of eight copying machines in relation to the DPWH case.

The GSD performed its **cashiering services** by disbursing 182 payrolls; preparing 3,323 cheques; issuing 758 official receipts and remitting 149 cheques to various payees such as GSIS, Bureau of Treasury, banks, utility companies and other institutions. In the **administration of the OMB building**, the following were accomplished: renovated the roofdeck corridor for the office space requirements of the legal researchers of the FIO; worked for the provision of modular partitions in PAMO bureaus and OMB Proper; worked for the partitions of the GSD office premises; worked for the installation of the automated teller machine (ATM); assisted in the design of proposed modular partitions of OMB-MOLEO and other building renovation proposals; supervised the day-to-day building maintenance requirements, which include electrical, mechanical, carpentry, plumbing, telephone and sound system components; acted on 826 electrical/telephone repair requests, 500 carpentry fabrication and repair requests, 348 plumbing repairs and works; repaired 1,020 airconditioning units and maintained 268 airconditioning units.

With regard to providing **transportation**, the Motorpool Section acted on 3,595 requests for motor vehicle; completed the 62 major and 145 minor repairs of motor vehicles and 36 preventive maintenance works; conducted 100

motor vehicle check-ups; facilitated the registration of 38 motor vehicles and insurance of 35 vehicles; and processed 40 fuel, oil and service billings.

The GSD likewise provided **printing services**, for 388,000 sheets of various forms printed, bound various books and issuances and laminated identification cards and visitors' passes.

FINANCE AND MANAGEMENT SERVICES

The Financial Management Services (FMS) consists of three divisions: the Planning and Budget Divisions (PBD), the Accounting Division and the Monitoring and EDP Division (MED).

Fiscal Year 2004 set the tone for the organizational reforms in the Office of the Ombudsman. Offices and Bureaus in the Office of the Ombudsman (OMB) were restructured to maintain a functional organizational structure that will best address the doable strategies that will curb graft and corruption in the coming years.

With the ongoing restructuring and rightsizing of operations in the OMB, the **PLANNING AND BUDGET DIVISION'S** (PBD) supporting role cannot be overemphasized. Tasked to provide the major final outputs of budget preparation, budget authorization, budget execution and advocacy services, the PBD has satisfactorily performed the following relevant tasks: on **budget preparation**, prepared and submitted to the Office of the President through the Department of Budget and Management, the OMB Proposal of P895,703,000 to support the enhancement of the existing programs and projects and in the implementation and execution of the proposed strategies/initiatives for CY 2005, all contained in the Office's Medium Term Development Public Investment Plan; on **budget authorization**, prepared the required documents and coordinated with the counterparts from the Department of Budget and Management (DBM), the House of Representatives and the Senate of the Philippines by constant communications, as well as the supporting justifications, for the inclusion of the additional budget of P140,000,000.00 for the OMB for CY 2005; on **budget execution**, provided technical support services to top management, prepared the budgetary requirements and the necessary documents to support the establishment and the immediate operation of the Field Investigation Office (FIO), coordinated with the DBM the release of additional cash allocations for the newly hired personnel at the FIO and coordinated with the DBM the release of additional

cash allocations for the payment of the following: a) interest and principal due on the P400 million term loan with the Land Bank of the Philippines; b) terminal leave benefits of former OMB employees; and, c) other obligations which were not supported by corresponding cash allocations; and on **advocacy services**, continued grant of fringe benefits and incentives to all officials and employees of the OMB as authorized by law, and annual medical checkup for OMB officials and employees.

The **ACCOUNTING DIVISION**, in coordination with the different bureaus and offices, has undertaken the following for CY 2004: implementation of the ATM Payroll Facility pursuant to the Memorandum of Agreement for ATM Payroll and Installation executed by and between the Land Bank of the Philippines and the Office of the Ombudsman; implementation of the Electronic Remittance Program initiated by the GSIS which simplifies the preparation and submission of remittances both in hard and soft copies using the prescribed GSIS Electronic File Lay-Out; technical assistance to the Office of the Special Prosecutor due to decentralization on: a) setting up of books of account, b) bank accounts, and c) registration with BIR, GSIS, Pag-Ibig Fund and Philhealth; conduct of physical inventory of Plant, Property and Equipment (PPE) of the OMB-Visayas and OMB-Mindanao; and formulation of policies, rules and regulations relative to the operation of the OMB-EMWF and OMB Employees Multi-Purpose Cooperative, Inc.

Staff members attended the following seminars/workshops to upgrade their skills and expertise and to be more efficient and responsible in the discharge of their duties: Basic Computer Skills Training conducted by the Statistical Research and Training Center (SRTC), Quezon City; Awareness Forum on the Overview, Structure and Requirements of Electronic NGAS (E NGAS) conducted by the Professional Development Center, COA, Quezon City; Orientation Seminar on Pag-IBIG Fund Benefits conducted by Home Development Mutual Fund (HDMF); Finance and Management Team Building Seminar to improve its operation and fulfill its mandate as provider of support services of the office; and Briefing on Financial and Administrative Systems of World Bank and European Union conducted by World Bank representative.

The **MONITORING AND EDP DIVISION (MED)** continued to provide operational support to facilitate the flow of information to, and from, the various offices, bureaus and divisions. For its monitoring function, MED prepared seven (7) OMB integrated accomplishment reports for the third and fourth quarters, second semester and annual reports that were highly

dependent on the submission of the respective reports of the central and area/sectoral offices. Thirty-nine (39) statistical reports were prepared upon the request of the different OMB offices and other government agencies.

With regard to System Development and Office Automation, MED coordinated with the different offices for the development of the following systems: 1) Property Plant and Equipment Ledgers Maintenance for the Accounting Division; 2) NEW Case Records System (CARE) for the Central Records Division; 3) Field Investigation Monitoring System; 4) Service Monitoring System for MED; 5) NEW CARE for OMB-Luzon, OMB-MOLEO, PIAB A, B & C; 6) Allotment and Obligation Slip System of PBD; and 7) OMB Clearance Verification System of PAB.

The decentralization of administrative functions of the Office of the Special Prosecutor necessitated the installation of the existing Payroll System and Personnel Management Information System in order to start its operation as an independent office similar to the area/sectoral offices of OMB.

Modifications of the following developed systems were provided to the end-users for additional requirement and improvement/enhancement of the systems: Payroll System, Trial Balance System, Cash Advance Reporting System and Journal of Disbursing Officers System, NEW CARE System, NEW MEDSERVE, Case Profile System, RAS System, OMB Clearance Verification System, Payroll System, Personnel Management Information System, and Case Monitoring System.

MED likewise continued its file management and maintenance of the foregoing and following OMB developed and installed systems: Motor Vehicle Registry System, Office of Legal Affairs Case Monitoring System, Automatic Bibliographic Search (ABS), Case Records System for OMB-Luzon (CARELUZ), Case Profile System, PAMO Monitoring System, PIAB Case Monitoring Systems, and SEC Case Monitoring System.

To keep abreast of the developments on Information Technology, MED continued to coordinate product with IT firms and attended six (6) seminars and product launchings to evaluate applicability to OMB operations. A total of 56 news articles on IT products and trends were compiled and 17 digests were prepared for information and reference.

MED's tasks in the quarterly conduct of hardware and software maintenance, on-call technical assistance and user's orientation continued with 1,436 services having been provided to the various offices/bureaus/divisions. Coordination with the National Computer Center (NCC) was initiated for the required standards in the development of the Information Strategic Systems Plan (ISSP) which describes how the organization intends to strategically use Information and Communication Technology (ICT) for its data processing and decision-making processes. Likewise, further study in the proposed OMB Networking continued to establish linkage among OMB offices for accessibility and immediate dissemination of information and upgrade of ICT capability in terms of mass and physical facilities.

EMPLOYEES' WELFARE

The OMB Employees Medical and Welfare Fund (OEMWF), which was established in 1996, continued its thrust of providing benefits such as medical assistance and credit facilities in the form of loans, funeral and housing assistance.

Priority Fund Programs	Amount
1. Processing and granting of applications for General Purpose Loan	P13,369,999.00
2. Processing and granting of applications for Commodity Loan	1,995,008.00
3. Processing and granting of applications for Educational Loan	700,000.00
4. Processing and granting of claims for reimbursement of medical expenses of member-employees	1,584,464.36
5. Processing and granting of claims for reimbursement of medical expenses of member-dependents	359,271.18
6. Processing and disbursing of hospital bills for the Annual Medical Check-Up Program	3,447,091.34

OMB-EMWF continued its policy enunciations governing fund operation by passing Board Resolutions concerning the following: (1) authority to grant and distribute cash dividends for the year ended December 2003 to members of EMWF; (2) authority for voluntary one-time deposit for membership contribution in addition to the monthly membership contributions; (3) authority to grant educational loan assistance to qualified members of EMWF; (4) reconstitution of Committees on Elections for OMB Central and Sectoral Offices for the purpose of electing members of the 6th Board of Directors of EMWF; (5) allocation of financial assistance for the OMB Gym equipment; (6) conduct of financial audit of EMWF by the COA Resident Auditor; and (7) designation of the new Treasurer and the Legal

Counsel of EMWF.

FINANCIAL REVIEW

OFFICE OF THE OMBUDSMAN Consolidated Balance Sheet (Detailed)

December 31, 2004
(With Comparative Figures for CY 2003)
(In thousand Philippine Pesos)

	2004	2003
ASSETS		
Current Assets:		
<i>Cash (Note 6)</i>		
Cash Collecting Officers	22.00	49.00
Cash Disbursing Officers	817.00	1,474.00
Petty Cash Fund	218.00	168.00
Cash-National Treasury, MDS		
Cash in Bank- Local Currency, CA	18,271.00	17,018.00
Cash in Bank- Local Currency, SA	169.00	147.00
Cash in Bank- Foreign Currency, SA	247.00	-
<i>Total Cash</i>	<i>19,744.00</i>	<i>18,856.00</i>
<i>Receivables (Note 7)</i>		
Due from Officers & Employees	1,464.00	1,404.00
Due from NGAs	25.00	920.00
Due from GOCC	-	17.00
Due from Central Office	2,672.00	10,566.00
Due from Regional Offices	534.00	3,425.00
Due from Other Funds	2,536.00	107.00
Receivables-Disallowances/Charges	923.00	900.00
<i>Total Receivables</i>	<i>8,154.00</i>	<i>17,339.00</i>
<i>Inventories (Notes 3.3 and 8)</i>		
Office Supplies Inventory	4,102.00	3,081.00
Accountable Forms Inventory	2.00	-
Other Supplies Inventory	340.00	759.00
<i>Total Inventories</i>	<i>4,444.00</i>	<i>3,840.00</i>
<i>Prepaid Expenses (Note 9)</i>		
Prepaid Rent	21.00	21.00
Prepaid Insurance	1,290.00	1,162.00
Advances to Contractors	172.00	573.00
Other Prepaid Expenses	47.00	35.00
<i>Total Prepaid Expenses</i>	<i>1,530.00</i>	<i>1,791.00</i>
<i>Other Current Assets</i>		
Guaranty Deposits	113.00	130.00
Investments		
Investments in Stocks	258.00	258.00
Property, Plant and Equipment (Notes 3.5 and 10)		
Land	159,280.00	159,280.00
Office Buildings	667,940.00	178,819.00
Office Equipment	17,918.00	21,650.00
Furniture and Fixtures	20,850.00	16,344.00
IT Equipment and Software	41,383.00	36,647.00
Library Books	4,501.00	3,813.00
Communication Equipment	1,212.00	1,516.00
Medical, Dental and laboratory Equipment	-	-
Military and Police Equipment	5.00	-
Sports Equipment	2.00	-
Other Machineries and Equipment	491.00	1,686.00
Motor Vehicles	34,084.00	35,630.00
Other Property, Plant and Equipment	5,657.00	5,989.00
Construction in Progress-Agency Assets	896.00	441,712.00
<i>Total Property, Plant and Equipment</i>	<i>954,219.00</i>	<i>903,086.00</i>
Less: Accumulated Depreciation (Note)	103,543.00	57,875.00
<i>Property, Plant and Equipment - Net</i>	<i>850,676.00</i>	<i>845,211.00</i>
Other Assets (Note 11)		
Items in Transit	3,483.00	3,483.00
Other Assets	2,193.00	1,551.00
<i>Total Other Assets</i>	<i>5,676.00</i>	<i>5,034.00</i>

TOTAL ASSETS		890,595.00	892,459.00
LIABILITIES AND EQUITY		2004	2003
Liabilities			
<i>Current Liabilities (Note 12)</i>			
Accounts Payable	3,818.00	15,100.00	
Due to Officers and Employees	592.00	953.00	
Due to National Treasury	14.00	25.00	
Due to BIR	1,303.00	1,152.00	
Due to GSIS	3,207.00	912.00	
Due to PAG-IBIG	441.00	380.00	
Due to PHILHEALTH	89.00	134.00	
Due to Other National Government Agencies	4,726.00	3,128.00	
Due to Other GOCCs	32.00		
Due to Central Office	-	676.00	
Due to GOCC	-		
Due to Other Funds	18.00	-	
Performance/Bidders/Bail Bonds Payable	2,408.00	2,974.00	
Tax Refund Payable	21.00		
Other Payables	712.00	2,239.00	
<i>Total Liabilities</i>	17,381.00	27,673.00	
<i>Long-Term Liabilities (Note 13)</i>			
Loans Payable, Domestic	275,000.00	325,000.00	
<i>Deferred Credits</i>			
Other Deferred Credits	130.00	90.00	
Equity			
Government Equity, January 1, 2004	539,695.00	432,955.00	
Retained Operating Surplus			
Add: Current Operations	102,545.00	161,306.00	
Transfer of Assets to other Gov't Entities	3,456.00		
Transfer from Regular Account to CFAG	(1,000.00)	-	
	105,001.00	161,306.00	
Less: Prior Year's Adjustments	45,018.00	54,565.00	
Property, Plant and Equipment	1,594.00		
	46,612.00	54,565.00	
<i>Government Equity, December 31, 2004</i>	598,084.00	539,696.00	
TOTAL LIABILITIES AND EQUITY		890,595.00	892,459.00

OFFICE OF THE OMBUDSMAN
CONSOLIDATED STATEMENT OF GOVERNMENT EQUITY
As of December 31, 2004
(With Comparative Figures for CY 2003)

		2004	2003
Government Equity, January 1, 2004 & 2003		539,694,881.60	432,953,755.42
Add: Current Operations	102,545,404.61		161,306,327.39
Transfer of Assets to other Gov't Entities	3,455,725.90		
Transfer from regular Account to CFAG	(1,000,000.00)	105,001,130.51	
		644,696,012.11	594,260,082.81
Less: Prior Year's Adjustments	45,018,100.55		54,565,201.21
Property, Plant and Equipment	1,594,516.43	46,612,616.98	
Government Equity, December 31, 2004 & 2003		598,083,395.13	539,694,881.60

OFFICE OF THE OMBUDSMAN
Consolidated Statement of Cash Flows
As of December 31, 2004
(With Comparative Figures for CY 2003)
(Figures in thousand Philippine Pesos)

	2004	2003
Cash Flow from Operating Activities:		
Cash Inflows:		
Receipt of Notice of Cash Allocation	495,072.00	506,015.00
Receipt of Subsidy from Central Office	161,096.00	134,123.00
Collection of Misc. Service Income/Certification Fees	22.00	77.00
Grants of Petty Cash Fund	20.00	19.00
Refund of Cash Advance	299.00	532.00
Receipt of refunds of CA from DPWH re: Const. Of Bldg.	34.00	-
Receipt of payment of employees GSIS-SOS Loan	2.00	-
Receipt of refund of Excess Payments	161.00	42.00
Receipt of refund of tax payable of employees	9.00	-
Receipt of refund of overpayment in PVB Loan	2.00	-
Undeposited Collections	10.00	-
Collection of Receivables	-	14.00
Collection of Performance/Bidders/Bail Bonds	1,294.00	402.00
Prior Years' Adjustments	27.00	339.00
Receipt of transfer from other funds	-	8.00
Receipt of Non- Refundable Deposit	19.00	-
Interest earned for the Year	103.00	104.00
Grant from OECD	320.00	-
Grant from UNDP	-	1,702.00
Total Cash Inflows	658,490.00	643,377.00
Cash Outflows:		
Cash Payments of Operating Expenses	(253,227.00)	(233,004.00)
Cash Payments of Payables	(6,431.00)	(6,955.00)
Cash Purchases of Inventories	(8,185.00)	(8,116.00)
Cash Advances granted for Travel and Special Purpose	(2,140.00)	(2,215.00)
Granting of Cash Advance /Petty Cash Fund	(46,363.00)	(65,432.00)
Remittance to GSIS/HDMF/Philhealth/NHMFC	(43,124.00)	(60,006.00)
Release of Funds to Regional Offices	(162,412.00)	(139,411.00)
Payment of Bank Charges	(5.00)	-
Transfer to Other Funds	-	(1,278.00)
Payment of Previous Year's Expenses	(7,538.00)	(430.00)
Payment of Retirement Benefits	-	(245.00)

	2004	2003
Payment of Withholding Tax	(79.00)	(19.00)
Reversion of Unused Notice of Cash Allocation	(591.00)	(84.00)
Cash Deposit to National Treasury	(51.00)	(10.00)
Remittance of Loans & Contribution to EMWF etc.	(8,278.00)	-
Payments as Guaranty Deposit	(86.00)	(120.00)
Cash Payments of Other Payables	(1,026.00)	-
Refund of Bidder's Bond	(1,411.00)	(171.00)
Total Cash Outflows	(540,947.00)	(517,496.00)
Cash Provided by Operating Activities	117,543.00	125,881.00
Cash Flow from Investing Activities:		
Cash Inflows:		
Receipt of NCA for Building Construction	8,901.00	-
Receipt of NCA for Perimeter Fence and Guard House Construction	1,800.00	-
Total Cash InFlows	10,701.00	-
Cash Outflows:		
Buildings	(44,930.00)	(55,470.00)
Purchase of Books	(843.00)	(267.00)
Cash Payment to SB & T Construction	(807.00)	-
Purchase of Motor Vehicles	(3,051.00)	(9,094.00)
Cash Payment to PLDT Construction	(9,767.00)	-
Purchase of Equipment, Furnitures & Fixtures	(17,958.00)	(4,667.00)
Total Cash Out Flows	(77,356.00)	(69,498.00)
Cash Used in Investing Activities	(66,655.00)	(69,498.00)
Cash Flow from Financing Activities:	-	
Cash Outflows:		
Payment of Loan to the Land Bank of the Philippines	(50,000.00)	(50,000.00)
Cash Used in Financing Activities	(50,000.00)	(50,000.00)
Total Cash Provided by Operating Investing and Financing Activities	888.00	6,383.00
Add: Cash Balance, Beginning, January 1, 2004 & 2003	18,856.00	12,473.00
Cash Balance, Ending, December 31, 2004 & 2003	19,744.00	18,856.00

OFFICE OF THE OMBUDSMAN
Consolidated Statement of Income and Expenses (Detailed)
For the Year Ended December 31, 2004
(With Comparative Figures for CY 2003)
(Figures in thousand Philippine Pesos)

	2004	2003
Income		
Subsidy Income		
Subsidy Income from National Government	516,702.00	529,815.00
Less: Subsidy To Regional Offices	(162,412.00)	(139,411.00)
Reversion Of Unused Cash Allocation	<u>(591.00)</u>	<u>(84.00)</u>
Subsidy Income - Net	353,699.00	390,320.00
Subsidy from Central Office	162,765.00	141,660.00
Subsidy from Other National Gov't Agencies	<u>3,393.00</u>	<u>-</u>
Subsidy Income - Total	<u>519,857.00</u>	<u>531,980.00</u>
Other Income		
Income from Grants and Donations	240.00	9,000.00
Interest Income	149.00	75.00
Miscellaneous Operating and Service Income	2.00	1.00
Fines and Penalties-Gov't Serv & Bus Operations	<u>4.00</u>	<u>-</u>
Other Income - total	<u>395.00</u>	<u>9,076.00</u>
Total Income	<u>520,252.00</u>	<u>541,056.00</u>
Less Expenses:		
Personal Services		
Salaries and Wages-Regular Pay	188,652.00	182,568.00
Personnel Economic Relief Allowance	5,011.00	4,733.00
Additional Compensation	4,728.00	4,731.00
Representation Allowance	12,987.00	13,962.00
Transportation Allowance	12,156.00	13,503.00
Clothing/Uniform Allowance	3,289.00	5,570.00
Productivity Incentive Benefits	1,633.00	1,706.00
Other Bonuses and Allowances	4,617.00	3,419.00
Honoraria	206.00	1,135.00
Hazard Pay	1.00	2.00
Longevity Pay	70.00	-
Overtime and Night Pay	3,548.00	2,781.00
Cash Gift	4,670.00	7,324.00
Year End Bonus	13,216.00	13,068.00
Life and Retirement Insurance Contributions	18,755.00	19,116.00
PAG-IBIG Contributions	986.00	971.00
PHILHEALTH Contributions	1,191.00	1,126.00
ECC Contributions	629.00	616.00
Pensions Benefits-Civilians	4,077.00	3,390.00
Terminal Leave Benefits	3,751.00	3,518.00
Other Personnel Benefits	<u>9,386.00</u>	<u>9,043.00</u>
	<u>293,559.00</u>	<u>292,282.00</u>

	2004	2003
<i>Maintenance and Other Operating Expenses</i>		
Traveling Expenses – Local	5,209.00	4,560.00
Traveling Expenses – Foreign	2,214.00	1,448.00
Training and Seminar Expenses	4,915.00	4,322.00
Scholarship Expenses	-	5.00
Office Supplies Expenses	8,368.00	8,323.00
Accountable Form Expenses	28.00	55.00
Food Supplies Expenses	-	138.00
Gasoline, Oil and Lubricants Expense	2,787.00	1,772.00
Textbook and Instruction Materials Expenses	-	1.00
Other Supplies Expense	1,094.00	523.00
Water Expenses	951.00	1,068.00
Electricity Expenses	14,961.00	14,818.00
Postage and Deliveries	197.00	172.00
Telephone-Landline	4,884.00	3,573.00
Telephone-Mobile	288.00	308.00
Internet Expenses	52.00	52.00
Cable, Satellite, Telegraph & Radio Expenses	7.00	7.00
Awards and Indemnities	-	30.00
Membership Dues & Contributions to Organization	113.00	-
Advertising Expense	405.00	257.00
Printing and Binding Expense	311.00	473.00
Rent Expense	8,252.00	4,132.00
Representation Expenses	90.00	117.00
Transportation and Delivery Expenses	67.00	-
Subscription Expense	528.00	480.00
Auditing Services	77.00	22.00
Consultancy Services	341.00	345.00
General Services	862.00	1,111.00
Janitorial Services	13,185.00	11,872.00
Security Services	13,048.00	12,001.00
Other Professional Services	138.00	177.00
Repair & Maintenance-Office Buildings	169.00	313.00
Repair and Maintenance-Office Equipment	413.00	237.00
Repairs and Maintenance-Furniture and Fixtures	20.00	87.00
Repairs and Maintenance-IT Equipment and Software	83.00	56.00
Repairs and Maintenance-Communication Equipment	15.00	4.00
Repair and Maintenance-Other Machinery & Eqpt.	2.00	31.00
Repairs and Maintenance-Motor Vehicles	1,332.00	1,722.00
Repair and Maintenance-Other PPE	15.00	68.00
Donation	31.00	2.00
Confidential Expenses	627.00	326.00
Intelligence Expenses	627.00	326.00
Extraordinary Expenses	2,124.00	1,666.00
Miscellaneous Expenses	2,553.00	2,583.00
Taxes, Duties and Licenses	1.00	6.00
Fidelity Bond Premium	260.00	172.00
Insurance Expense	2,203.00	2,968.00
Depreciation - Office Building	19,975.00	-
Depreciation - Office Equipment	849.00	167.00
Depreciation - Furniture & Fixtures	901.00	219.00
Depreciation - IT Equipment	1,932.00	195.00
Depreciation - Library Books	244.00	26.00
Depreciation - Communication Equipment	50.00	19.00
Depreciation - Medical, Dental & Lab Equipment	-	-

	2004	2003
Depreciation – Military and police equipment	-	-
Depreciation - Sport Equipment	-	-
Depreciation - Other Machineries and Equipment	23.00	-
Depreciation - Motor Vehicles	2,121.00	678.00
Depreciation - Other PPE	405.00	64.00
Other Maintenance and Operating Expenses	3,794.00	3,365.00
Documentary Stamps Expenses	-	-
	<u>124,141.00</u>	<u>87,462.00</u>
<i>Financial Expenses</i>		
Bank Charges	7.00	
Documentary Stamps Expenses	-	6.00
	<u>7.00</u>	<u>6.00</u>
Total Expenses	<u>417,707.00</u>	<u>379,750.00</u>
Excess of Income over Expenses	102,545.00	161,306.00

NOTES TO FINANCIAL STATEMENTS

1. General/Agency Profile

1.1 The 1987 Constitution, in its declaration of Principles and State Policies, mandated that the State shall maintain honesty and integrity in the public service and take positive and effective measures against graft and corruption. It has likewise reiterated that public office is a public trust and that public officers and employees must, at all times, be accountable to the people, serve them with utmost responsibility, integrity, loyalty and efficiency, act with patriotism and justice, and lead modest lives. Along this line, the same Constitution gave birth to the Office of the Ombudsman which it has expressly described as an independent body and the protector of the people. It has vested the Office with broad and comprehensive powers in order to institute reforms in the bureaucracy and prosecute erring government officials and employees.

1.2 Its key authority is the power of inquiry and its various programs, projects and activities are:

a. General Investigation Service

- Evaluation of complaints and conduct of preliminary investigation
- Conduct of fact-finding investigation and intelligence activities
- Adjudication of administrative cases

b. Prosecution of complaints/cases

- Filing and prosecution of cases with the courts

c. Public Assistance and Corruption Prevention

- Promotion of efficient and fast delivery of service from the government to the general public thru public assistance programs
- Development and implementation of plans and programs aimed at promoting and enhancing community involvement in the campaign against irregularities in government and maintenance and operation of community-based corruption prevention groups.

2. Basis of Financial Statements Presentation

- 2.1 The statements have been prepared in accordance with generally accepted state accounting principles and standards.
- 2.2 In the consolidated financial statements, the financial reports of the area and sectoral offices, namely: the Office of the Deputy Ombudsman for Luzon, the Office of the Ombudsman for Visayas, the Office of the Deputy Ombudsman for Mindanao, the Office of the Deputy Ombudsman for Military and Other Law Enforcement Offices and the Office of the Special Prosecutor are included in said reports.

3. Significant Accounting Policies

- 3.1 The Office of the Ombudsman uses the accrual basis of accounting. All expenses are recognized when incurred and reported in the financial statements in the period to which they relate. Income is on accrual basis except for transactions where accrual basis is impractical or when law requires other methods.
- 3.2 Notice of Cash Allocation is recorded in the books, as well as, those income or receipts which the agency is authorized to use.
- 3.3 The cost of ending inventory of office supplies and materials and other inventory items is based on the Perpetual Inventory System.
- 3.4 Petty Cash Fund (PCF) account is maintained under the Imprest System. All replenishment is directly charged to the expense account and the petty cash fund is not used to purchase regular inventory items for stock.
- 3.5 Property, Plant and Equipment are carried at cost less accumulated depreciation. The straight line method of depreciation is used in depreciating the Property, Plant and Equipment with estimated useful lives ranging from five (5) to thirty (30) years. A residual value computed at ten (10) percent of the cost of assets is set and depreciation starts in the following month after purchase.

- 3.6 Accounts were classified to conform to the new Chart of Accounts prescribed under the New Government Accounting System (NGAS) per COA Circular No. 2004-008 dated September 20, 2004.
- 3.7 Payable accounts are recognized and recorded in the books of accounts only upon acceptance of the goods/inventory/other assets and rendition of services to the agency.
- 3.8 Financial Expenses such as bank charges are separately classified from MOE.

4. Correction of Fundamental Errors

- 4.1 Fundamental errors of prior years are corrected by using the Prior Years' Adjustments account. Errors affecting current year's operations are charged to current year's accounts.

5. Subsequent Events

- 5.1 The Office of the Ombudsman was granted a Long-term Loan of Pesos: Four Hundred Million only (Php400,000,000.00), Philippine currency, by the Land Bank of the Philippines for the construction of the Ombudsman Building at Agham Road, Diliman, Quezon City with the terms and conditions:

Purpose: To finance the construction of the Ombudsman Building

Interest: At Lender's prime lending rates plus three and a half percent (3.5%) spread at the time of availment. Fixed for the term of loan.

Term: Ten (10) years, inclusive of two (2) year grace on principal. All releases are co-terminus with the first drawdown.

Repayment: Principal – Payable quarterly in thirty-two (32) equal quarterly amortization, effective July 04, 2002 to April 04, 2010.

Amortization: The amortization date was changed from fourth (4th) day of the first month of every quarter to last day of the first (1st) month of every quarter based on the First Amendment to Loan Agreement.

- 5.2 There is an ongoing construction of Ombudsman Visayas Perimeter Fence and Guard House located at M. Velez Street, Guadalupe, Cebu City, with a contract amount of ₱1,785,101.50, which was fifty (50) percent completed as of December 10, 2004.

- 5.3 The Office of the Special Prosecutor located at the Sandiganbayan Centennial Building, Commonwealth Avenue corner Batasan Road, Quezon City, started operation as a decentralized office in February 2004.

6. Cash and Other Cash Account

This account consists of the following:

Central Office

	2004	2003
Petty Cash Fund	₱ 178,347.90	₱ 139,750.00
Cash-Collecting Officer	12,337.92	46,033.92
Cash-Disbursing Officers	802,568.80	1,395,350.96
Cash in Bank-Local Currency, CA	4,818,822.13	4,848,337.89
Cash in Bank-Foreign Currency, CA	247,486.50	-
Total	₱ 6,059,563.25	₱ 6,429,472.77

The PCF represents petty cash fund granted to Special Disbursing Officer for the repair of motor vehicles/equipments/computers and travel expenses of process servers.

Cash-Collecting Officers represents undeposited collections as of December 31, 2004.

Cash-Disbursing Officers represents unliquidated cash advances of OMB Cashier and Area/Sectoral disbursing officers for payroll and special projects.

Cash in Bank-Local Currency, CA-represents deposits maintained with Authorized Government Depository Bank (AGDB).

Cash in Bank – Foreign Currency, SA – represents deposit maintained with the Philippine National Bank, Agham Road, Diliman, Quezon City.

b) Ombudsman-Luzon

	2004	2003
Cash-Collecting Officer	₱ 9,734.80	₱ 212.00
Cash in Bank-Local Currency, CA	1,704,272.76	3,373,630.44
Total	₱ 1,714,007.56	₱ 3,373,842.44

c) Ombudsman-Visayas

	2004	2003
Cash-Collecting Officer	₱ -	₱ 2,322.00
Cash-Disbursing Officers	-	78,807.89
Cash in Bank-Local Currency, CA	2,804,199.85	4,357,863.79
Total	₱ 2,804,199.85	₱ 4,438,993.68

d) Ombudsman-Mindanao

	2004	2003
Petty Cash Fund	P -	P 18,665.00
Cash in Bank-Local Currency, CA	4,298,259.22	2,850,641.38
Cash in Bank-Local Currency, SA	168,617.70	147,300.70
Total	P 4,466,876.92	P 3,016,607.08

Cash in Bank-Local Currency, SA represents collections from certification fees and cost of reproduction of documents.

e) Ombudsman-MOLEO

	2004	2004
Petty Cash Fund	P 10,000.00	P 10,000.00
Cash in Bank-Local Currency, CA	1,522,246.61	1,587,294.51
Total	P 1,532,246.61	P 1,597,294.51

f) Ombudsman-OSP

	2004	2003
Cash-Disbursing Officers	P 14,588.30	P -
Petty Cash Fund	29,262.50	-
Cash in Bank-Local Currency, CA	3,225,225.52	-
Total	P 3,269,076.32	P -

7. Accounts Receivable

This account consists of the following:

Central Office

	2004	2003
Due from Officers and Employees	P 562,176.70	P 664,556.91
Due from NGAs	14,613.28	14,613.28
Due from Regional Offices	533,603.32	3,424,716.28
Disallowances/Charges	236,889.15	236,889.15
Total	P 1,347,282.45	P 4,340,775.62

The account Due from Officers and Employees consist mainly of the amount granted for cash advances for traveling, intelligence fund and special purposes which are subject to liquidation.

Due from NGAS represents receivable from Procurement Service.

Due from Regional Offices represents unliquidated internal operating budget (I.O.B.) granted to Area/Sectoral Offices before decentralization, as follows:

	2004	2003
OMB-Luzon	<u>₱ 394,069.31</u>	<u>₱ 394,069.31</u>
OMB-Military	0.15	2,891,113.11
OMB- Visayas	15,543.95	15,543.95
OMB-Mindanao	123,989.91	123,989.91
Total	<u>₱ 533,603.32</u>	<u>₱ 3,424,716.28</u>

Disallowances/Charges represents amount due from suppliers and employees resulting from audit disallowances which have become final and executory.

Ombudsman-Luzon

	2004	2003
Due from Officers and Employees	<u>₱ 23,658.47</u>	<u>₱ 3,875.00</u>
Due from NGAs	1,985.60	129.50
Due from Other Funds	1,712,895.00	98,271.00
Due from Central Office	554,128.28	599,861.35
Due from GOCC's	-	17,235.00
Total	<u>₱ 2,292,667.35</u>	<u>₱ 719,371.85</u>

The account Due from Officers and Employees consist of unused cash advance granted for traveling, liquidated and refunded in 2005.

The account Due from National Government Agency, represents overpayment to Procurement Service for undelivered items and overpayment of training fees to Commission on Audit.

The account Due from Other Funds consists of funding checks inadvertently deposited to other account and disbursement drawn against regular funds but should be charged to other account.

The account Due from Central Office consists of unreleased funding checks for the year 2004.

Ombudsman-Visayas

This account consists of:

	2004	2003
Due from Officers and Employees	P 696,859.34	P 708,517.12
Due from NGAs	-	905,649.58
Due from Central Office	581,575.86	9,286,986.12
Disallowances/Charges	33,318.59	10,975.73
Total	<u>P 1,311,753.79</u>	<u>P 10,912,128.55</u>

d) Ombudsman-Mindanao

	2004	2003
Due from Officers and Employees	P 4,017.00	P 2,775.00
Due from Other Funds	27,788.99	9,000.00
Due from Central Office	406,758.66	-
Disallowances/Charges	652,355.89	652,355.89
Total	<u>P 1,090,920.54</u>	<u>P 664,130.89</u>

Ombudsman-MOLEO

	2004	2003
Due from Officers and Employees	P 41,840.00	P 24,223.00
Due from NGAs	5,314.30	-
Due from Central Office	1,129,157.15	678,761.28
Total	<u>P 1,176,311.45</u>	<u>P 702,984.28</u>

The account Due from Officers and Employees represents unliquidated cash advance for traveling.

Ombudsman-OSP

	2004	2003
Due from Officers and Employees	P 135,790.55	P -
Due from NGAs	2,998.65	-
Due from Other Funds	817,874.00	-
Total	<u>P 956,663.20</u>	<u>P -</u>

Inventories

OMB Offices	Office Supplies Inventory	Other Inventory Items	Total
Central Office	₱ 3,002,759.56	₱ 118,896.35	₱ 3,121,655.91
OMB-Luzon	80,878.12	-	80,878.12
OMB-Visayas	118,219.78	201,342.85	319,562.63
OMB-Mindanao	167,084.63	-	167,084.63
OMB-MOLEO	431,918.12	-	431,918.12
OMB-OSP	300,765.48	22,202.42 *	322,967.90
Total	₱ 4,101,625.69	₱ 342,441.62	₱ 4,444,067.31

* Includes Accountable Forms Inventory amounting to **₱2,059.53**.

Prepaid Expenses

OMB Offices	Prepaid Insurance	Prepaid Rent	Advances to Contractor	Other Prepaid Expense	Total
Central Office	₱ 1,185,652.25	₱ 21,049.80	₱ 172,348.00	₱ 32,118.47	₱ 1,411,168.52
OMB-Visayas	63,441.25	-	-	-	63,441.25
OMB-Mindanao	34,196.07	-	-	-	34,196.07
OMB-MOLEO	7,145.84	-	-	15,000.00	22,145.84
Total	₱ 1,290,435.41	₱ 21,049.80	₱ 172,348.00	₱ 47,118.47	₱ 1,530,951.68

10. Property, Plant and Equipment

The Accumulated Depreciation of the Property Plant and Equipment are the following:

	Office	
a) Central	2004	2003
Building	₱ 38,549,252.52	₱
Office Equipment	7,897,893.70	12,178,631.59
IT Equipment and Software	20,986,682.67	12,531,441.24
Motor Vehicles	17,924,391.14	13,308,712.55
Furniture and Fixtures	4,942,769.75	3,267,843.96
Library Books	1,784,000.90	1,081,218.65
Other Property, Plant & Equipment	1,689,623.95	997,870.01
Communication Equipment	685,836.38	692,277.32
Total Accumulated Depreciation	₱ 94,460,451.01	₱ 44,057,995.32

Land represents the value of the lot at Agham Road, Diliman, Quezon City where the main office is located with a total area of 10,000 square meters. This was purchased in November 1998 for ₱150,280,005.00 including registration and other incidental charges, as evidenced by Tax Declaration No. D-085-03191.

Ombudsman-Luzon

	2004	2003
IT Equipmment and Software	₱ 1,167,193.69	₱ -
Motor Vehicles	1,290,514.28	722,100.00
Office Equipment	880,946.27	-
Other Property, Plant & Equipment	143,748.45	-
Furniture and Fixtures	1,014,339.89	-
Library Books	204,129.86	-
Total Accumulated Depreciation	<u>₱ 4,700,872.44</u>	<u>₱ 722,100.00</u>

Ombudsman-Visayas

	2004	2003
Office Building	₱ 699,935.50	₱ -
IT Equipmentand Software	1,380,856.31	1,327,757.05
Communication equipment	69,463.80	137,810.31
Motor Vehicles	1,299,384.48	1,203,973.71
Office Equipment	597,250.36	667,822.36
Furniture and Fixtures	674,342.67	774,688.34
Library Books	291,906.42	277,210.78
Other Property, Plant & Equipment	730,474.44	492,239.76
Total Accumulated Depreciation	<u>₱ 5,743,613.98</u>	<u>₱ 4,881,502.31</u>

Ombudsman-Mindanao

	2004	2003
Office Equipment	₱ 985,286.37	₱ 672,022.67
Furniture and Fixtures	1,082,344.71	896,194.91
IT Equipment and Software	2,161,944.54	1,994,962.34
Library Books	234,225.28	102,749.41
Other Property, Plant & Equipment	49,050.00	29,981.38
Communication Equipment	101,388.15	72,965.79
Motor Vehicles	947,686.27	878,203.36
Total Accumulated Depreciation	<u>₱ 5,561,925.32</u>	<u>₱ 4,647,079.86</u>

e) Ombudsman-MOLEO

	2004	2003
IT Equipment and Software	P 1,116,097.47	P 462,940.65
Motor Vehicles	1,044,459.22	870,435.76
Office Equipment	1,861,866.04	1,345,008.75
Other Equipment	212,584.00	240,654.57
Communication Equipment	32,806.85	44,846.51
Furniture and Fixtures	520,864.18	603,427.82
Library Books	48,067.41	-
Medical, Dental, Laboratory Eqpt.	591.60	-
Military and Police Equipment	1,415.25	-
Sports Equipment	457.88	-
Total Accumulated Depreciation	P 4,839,209.90	P 3,567,314.06

f) Ombudsman - OSP

	2004	2003
IT Equipment and Software	P 2,958.08	P -
Other Property, Plant & Equipment	42.00	-
Total Accumulated Depreciation	P 3,000.08	P -

11. Other Assets

O M B - O ffices	2004	2003
Cetral Office	P 32,425.00	P 32,425.00
O M B -Luzon	1,982,208.85	933,144.58
O M B -V isayas	178,353.95	206,640.41
O M B -M indanao	-	379,236.00
Total	P 2,192,987.80	P 1,551,445.99

12. Current Liabilities

a) Central Office

	2004	2003
Accounts Payable	P 1,796,443.60	P 5,082,845.53
Due to BIR	313,686.01	428,243.96
Due to GSIS	1,488,838.87	41,669.70
Due to Pag-ibig	284,711.71	284,648.72
Due to Philhealth	14,065.29	111,965.79
Performance/Bidders/Bail Bonds Payable	2,407,660.50	2,936,795.52
Due to Officers and Employees	55,497.47	352,256.07
Due to Other NGAs	4,722,620.25	2,776,462.35
Due to National Treasury	4,367.27	10,008.88
Other Payables	37,068.61	1,318,167.63
TOTAL	P 11,124,959.58	P 13,343,064.15

b) Ombudsman-Luzon

This account consists of:

	2004	2003
Accounts Payable	₱ 88,113.49	₱ 45,236.96
Due to BIR	226,953.34	196,161.37
Due to GSIS	77.76	2,831.83
Due to PAG-IBIG	-	1,165.11
Due to PHILHEALTH	-	287.50
Performance/Bidders/Bail Bonds Payable	-	37,500.00
Due to Officers and Employees	55,849.50	122,741.48
Due to Other Funds	-	50.00
Other Payables	37,800.00	37,800.00
Total	<u>₱ 408,794.09</u>	<u>₱ 443,774.25</u>

c) Ombudsman-Visayas

This account consists of:

	2004	2003
Accounts Payable	₱ 1,101,617.95	₱ 9,545,575.74
Due to BIR	(7,206.44)	128.73
Due to GSIS	285,771.18	226,239.11
Due to PAG-IBIG	33,512.19	32,821.23
Due to PHILHEALTH	12,787.50	9,037.50
Due to Officers and Employees	28,182.40	41,266.32
Due to Other Funds	14,947.00	-
Due to NGAs	-	348,189.61
Other Payables	130,837.85	149,019.86
Other Deferred Credits	19,000.00	-
Total	<u>₱ 1,619,449.63</u>	<u>₱ 10,352,278.10</u>

c) Ombudsman-Mindanao

This account consist of:

	2004	2003
Accounts Payable	₱ 443,393.80	₱ 402,433.50
Due to BIR	393,059.68	371,361.68
Due to GSIS	485,622.67	649,587.70
Due to PAG-IBIG	57,722.06	61,512.82
Due to PHILHEALTH	16,437.50	12,512.50
Due to Other NGAs	3,424.21	3,424.21
Due to Officers and Employees	350,223.04	368,439.75
Due to Other GOCCs	23,100.60	-
Due to Central Office	-	344,719.78
Due to National Treasury	9,540.58	14,935.95
Due to Other Funds	3,323.00	-
Other Payables	175,354.21	734,122.57
Other Deferred Credits	111,420.00	-
Total	<u>₱ 2,072,621.35</u>	<u>₱ 2,963,050.46</u>

- d) Ombudsman-MOLEO
This account consists of:

	2004	2003
Accounts Payable	P 98,461.42	P 24,298.95
Due to BIR	151,711.02	156,375.79
Due to PHILHEALTH	12,218.75	-
Due to GSIS	253,264.27	(7,859.72)
Due to PAG-IBIG	23,473.60	-
Due to Officers and Employees	29,883.96	68,746.20
Due to Central Office	-	330,859.30
Total	<u>P 569,013.02</u>	<u>P 572,420.52</u>

- e) Ombudsman-OSP
This account consists of:

	2004	2003
Accounts Payable	P 290,380.75	P -
Due to Officers and Employees	72,398.48	-
Due to BIR	224,597.13	-
Due to GSIS	693,093.06	-
Due to PAG-IBIG	41,891.06	-
Due to PHILHEALTH	33,187.50	-
Due to Other GOCCs	9,139.28	-
Tax Refund Payable	21,213.26	-
Other Payables	203,173.82	-
Total	<u>P 1,589,074.34</u>	<u>P -</u>

13. Loans Payable-Domestic

This account consists of the following:

- a) Central Office

Loan Account No.	Amount	Balance
PN-P-2721 (10)	P 40,000,000.00	P 27,500,000.00
PN-P-2721 (20)	80,000,000.00	55,000,000.00
PN-P-2721 (30)	100,000,000.00	68,750,000.00
PN-P-2721 (40)	100,000,000.00	68,750,000.00
PN-P-2721 (50)	60,000,000.00	41,250,000.00
PN-P-2721 (60)	20,000,000.00	13,750,000.00
	<u>P 400,000,000.00</u>	<u>P 275,000,000.00</u>

14. Subsidy Income from National Government

NCA received from DBM for operational requirements	₱ 495,072,471.00
Add: Tax Remittance issued to BIR	<u>12,198,529.61</u>
Sub-total	507,271,000.61
Less: reversions of NCA	<u>591,037.55</u>
Total	<u><u>₱ 506,679,963.06</u></u>

15. Receipt of Notice of Cash Allocation (NCA)

Notice of Cash Allocation received from Department of Budget and Management amounting to ~~₱~~495,072,471.00 including amortizations due on the ₱400 Million term loan with the Land Bank of the Philippines.

OFFICE OF THE OMBUDSMAN
CONSOLIDATED TRIAL BALANCE (POST-CLOSING)

As of December 31, 2004

(In Philippine Peso)

A C C O U N T T I T L E	Account Code	D E B I T	C R E D I T
Cash Collecting Officers	102	22,072.72	-
Cash Disbursing Officers	103	817,157.10	-
Petty Cash Fund	104	217,610.40	-
Cash in Bank- Local Currency, CA	111	18,271,002.90	-
Cash in Bank- Local Currency, SA	112	168,617.70	-
Cash in Bank- Foreign Currency, SA	116	247,486.50	-
Due from Officers & Employees	123	1,464,342.06	-
Due from NGAs	136	24,911.83	-
Due from Central office	141	2,671,619.95	-
Due from Regional Offices	142	533,603.32	-
Due from Other Funds	144	2,536,168.64	-
Receivables-Disallowances/Charges	146	922,563.63	-
Office Supplies Inventory	155	4,101,625.69	-
Accountable Forms Inventory	156	2,059.53	-
Other Supplies Inventory	165	340,382.09	-
Prepaid Rent	177	21,049.80	-
Prepaid Insurance	178	1,290,435.41	-
Advances to Contractors	181	172,348.00	-
Other Prepaid Expenses	185	47,118.47	-
Guaranty Deposit	186	113,000.00	-
Investment in Stocks	192	258,190.00	-
Land	201	159,280,005.00	-
Office Buildings	211	667,939,742.12	-
Office Equipment	221	17,917,875.65	-
Furnitures and Fixtures	222	20,849,754.24	-
IT Equipment and Software	223	41,383,481.61	-
Library Books	224	4,501,089.23	-
Communication Equipments	229	1,212,204.08	-
Medical, Dental and Laboratory Equipment	233	680.00	-
Military and Police Equipment	234	5,100.00	-
Sports Equipment	235	1,650.00	-
Other Machineries and Equipment	240	490,907.05	-
Motor Vehicles	241	.034,083,699.76	-

A C C O U N T T I T L E	Account Code	D E B I T	C R E D I T
Construction in Progress-Agency Assets	264	896,030.75	-
Item in Transit	284	3,483,326.60	
Other Assets	290	2,192,987.80	-
Accum Depn-Office Building	311	-	39,249,188.02
Accum Depn-Office Equipment	321	-	11,738,195.11
Accum Depn-Furniture and Fixtures	322	-	6,827,794.89
Accum Depn-IT Equipment	323	-	21,362,712.60
Accum Depn-Library Books	324	-	2,116,061.93
Accum Depn-Communication Equipment	329	-	842,528.71
Accum Depn-med, dental, & lab eqpt	333	-	591.60
Accum Depn-mil and police eqpt	334	-	1,415.25
Accum Depn-Sports Equipment	335	-	457.88
Accum Depn-Other Machineries & Equipment	340	-	356,332.45
Accum Depn-Motor Vehicles	341	-	19,123,951.15
Accum Depn-Property, Plant & Equipment	350	-	1,924,522.11
Accounts Payable	401	-	3,818,411.01
Due to Officers and Employees	403	-	592,034.85
Due to National Treasury	411	-	13,907.85
Due to BIR	412	7,206.44	1,310,007.18
Due to GSIS	413	-	3,206,667.81
Due to PAG-IBIG	414	-	441,310.62
Due to PHILHEALTH	415	-	88,696.54
Due to Other National Government Agencies	416	-	4,726,044.46
Due to Other GOCC's	417	-	32,239.88
Due to Other Funds	424	-	18,270.00
Performance/Bidders/Bail Bonds Payable	427	-	2,407,660.50
Tax Refund Payable	429	-	21,213.26
Other Payables	439	-	711,995.62
Loans Payable, Domestic	444	-	275,000,000.00
Other Deferred Credits	455	-	130,420.00
Government Equity	501	-	598,083,395.13
TOTAL		994,146,026.41	994,146,026.41