



# ANNUAL REPORT

# 2001

Prepared and submitted by the  
**OFFICE OF THE OMBUDSMAN**  
Agham Road, Diliman, Quezon City



Republic of the Philippines  
**OFFICE OF THE OMBUDSMAN**  
*Agham Road, Government Center, North Triangle  
Diliman, Quezon City*

Her Excellency  
**President GLORIA MACAPAGAL-ARROYO**  
Malacanang Palace

The Honorable  
**Vice-President TEOFISTO T. GUINGONA, JR.**  
PICC Complex, Roxas Boulevard, Manila

The Honorables  
**President of the Senate**  
**Speaker of the House of Representatives**  
**Members of the Senate and the House of Representatives**

Your **Excellencies**:

We are honored to submit the Office of the Ombudsman's Annual Report for Calendar Year 2001.

The Office of the Ombudsman has grown to be the premier institution in the fight against graft and corruption in the country. Through the painstaking and dedicated labour of its dedicated workforce, the Office has steadfastly discharged its constitutional mandate to act and serve as protector of the people, and to reduce to a bare minimum graft and corruption in the Philippines.

With your continued support, the Office of the Ombudsman will continue to fix its sight and devote all its resources to the achievement of the commonly shared goal of a graft-free Philippines.

Very truly yours,

**ANIANO A. DESIERTO**  
*Ombudsman*

For all these, I wish to challenge the officials and employees of the Office of the Ombudsman to step up our various thrust in the fight against corruption. As I begin the countdown from my incumbency, let me reaffirm my support to all your undertakings. But that alone will not suffice to make our public servants more responsible and honest.

So as I invite the Filipino people to share in the glory of a number of victories, I likewise call on them to share in the hardwork of fighting for more triumphs against this menace of society.

**ANIANO A. DESIERTO**  
*Ombudsman*

---

## FOREWORD

This is the last year of my full term of seven years as the second Philippine Ombudsman under Republic Act No. 6770.

With its fourteen years of existence, the Office of the Ombudsman has maintained its independence and its hallmark as **Protector of the People**. It has spelled clear its mission and vision to realize a graft-free society through an active and vigilant citizenry.

Now publicly acknowledged as the government's premier agency in the fight against graft and corruption, the Office of the Ombudsman stands firm and unwavering with its no-nonsense campaign to restore the people's trust in the government.

Thus, we have conducted the investigation so expeditiously that instead of ranting for delays, many critics now complain that we are too fast in filing criminal cases and too quick in ordering the preventive suspension of those facing serious administrative charges. But we are only accelerating our efforts to bring offenders to justice.

On this note, we acted on 9,324 complaints and 10,192 requests for assistance. One thousand, three hundred seventy-four (1,374) criminal cases against public officials and employees were filed in the Sandiganbayan and the regular courts all over the country. Our prosecutors are bound by the policy to impress upon the potential grafters that we give no quarters to the dishonest and abusive functionaries of government.

At the same time, we have fully utilized the administrative authority of the Ombudsman for quick results in providing popular redress for venalities against our people. We have imposed the penalties of suspension or dismissal from the service on more than 390 erring officials. During the pendency of the administrative investigation, we have ordered preventive suspension of those charged with serious administrative offenses.

It must be stressed that the objective here is corruption prevention, not merely prosecution of offenders. This means that we give equal emphasis on preempting the commission of anomalies and the prosecution of the perpetrators.

To this end, we intensified our watch over the graft-prone government agencies thru our graftwatch vehicles, namely: the Resident Ombudsmen, the Corruption Prevention Units (CPUs) composed of NGOs, and the Junior Graftwatch Units (JGUs) among idealistic students and youth.

At the same time, we have made studies in reviving and developing the instinct for goodness and the wholesome Filipino values. The fountain of more than 400 CPUs and almost 1,500 JGUs all over the archipelago, is seen to have strengthened the moral fiber of our people.

---

## INVESTIGATION

In its campaign for integrity and efficiency, the Office of the Ombudsman implements the **confrontational approach or the reactive method** of combating corruption. It consists of the criminal and administrative investigation, including intelligence and case build-up, and prosecution of wrongdoers in the government.

The Office of the Ombudsman utilized the three functional offices in its investigative and prosecutory function-- the Fact-Finding Investigation and Research Office (FIRO); the Preliminary Investigation, Administrative Adjudication Monitoring Office (PAMO); and, its prosecutorial arm which is the Office of the Special Prosecutor (OSP).

### Evaluation and Investigation

#### Total Workload

For calendar year 2001, a total of 13,585 criminal and administrative cases were handled by the Office of the Ombudsman. Out of this figure, 2,598 cases or 19% were handled by the OMB-Central Office; 2,887 (21%) by OMB-Luzon; 3,277 (24%) by OMB-Visayas; 1,734 (13%) by OMB-Mindanao; and, 3,089 (23%) by OMB-Military. A reduction of 4,344 cases or 24% from the 17,929 cases handled last year was noted due to the fact that the number of new cases received this year is lower by 2,019 cases or 21% compared from the 9,739 cases received last year. The 5,833 cases carried over from CY 2000 had also decreased by 1,734 cases or 23% than what was recorded in 1999, which is 7,567. (*see Table 1*)

**Table 1. Workload and Status of Criminal and Administrative Cases  
(OMB Docketed and OSP/TBP Transferred Cases)  
As of December 31, 2001**

<b>PARTICULARS</b>	<b>TOTAL</b>	<b>CO</b>	<b>LUZ</b>	<b>VIS</b>	<b>MIN</b>	<b>MIL</b>
<b>Total Workload of Criminal and Administrative Cases</b>	<b>13,585</b>	<b>2,598</b>	<b>2,887</b>	<b>3,277</b>	<b>1,734</b>	<b>3,089</b>
Cases received during the year	7,720	1,363	2,024	1,449	1,052	1,832
Referred by the other OMB offices	221	---	---	---	---	221
Disposed cases reverted back to pending	32	---	3	---	29	---
Carry-over from CY 2000	5,833	1,235	875	2,031	656	1,036
Less: Cases Recalled to CO/ Transferred to other OMB offices	221	---	15	203	3	221
<b>Disposed</b>	<b>9,324</b>	<b>1,586</b>	<b>2,342</b>	<b>1,911</b>	<b>1,329</b>	<b>2,156</b>
Prosecution	1,374	230	313	231	173	427
Penalty Imposed	390	119	77	111	62	21
Dismissed/Exonerated	6,270	1,237	1,857	1,143	1,094	939
Closed and Terminated	1,290	---	95	426	---	769
<b>Pending</b>	<b>4,261</b>	<b>1,012</b>	<b>545</b>	<b>1,366</b>	<b>405</b>	<b>933</b>

*Source: Monitoring and EDP Division, FMS*

### Cases Received

A total of 7,720 new cases were received by the Office of the Ombudsman for calendar year 2001. This represents a reduction of 2,019 cases or 21% compared to 9,739 cases received last year. These newly docketed cases originated from the Office's five area/sectoral offices: OMB-Central Office - 1,363 (18%); OMB-Luzon - 2,024 (25%); OMB-Visayas - 1,449 (19%); OMB-Mindanao - 1,052 (14%); and, OMB-Military - 1,832 (24%). (see Figure 1)

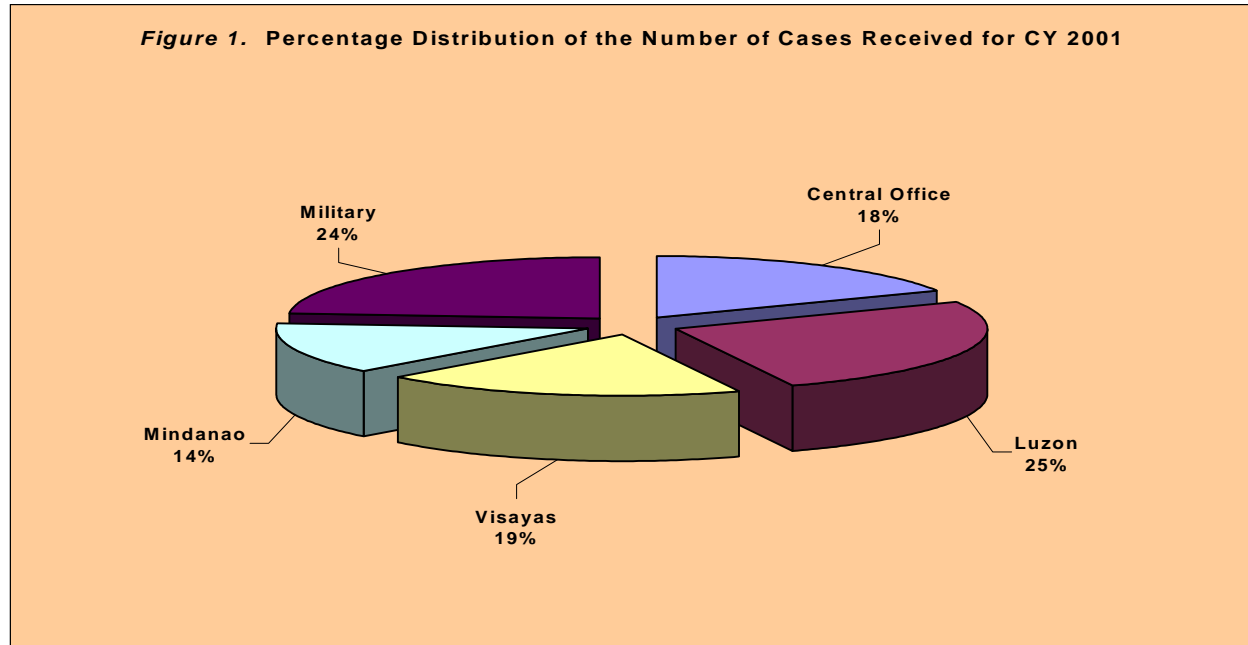
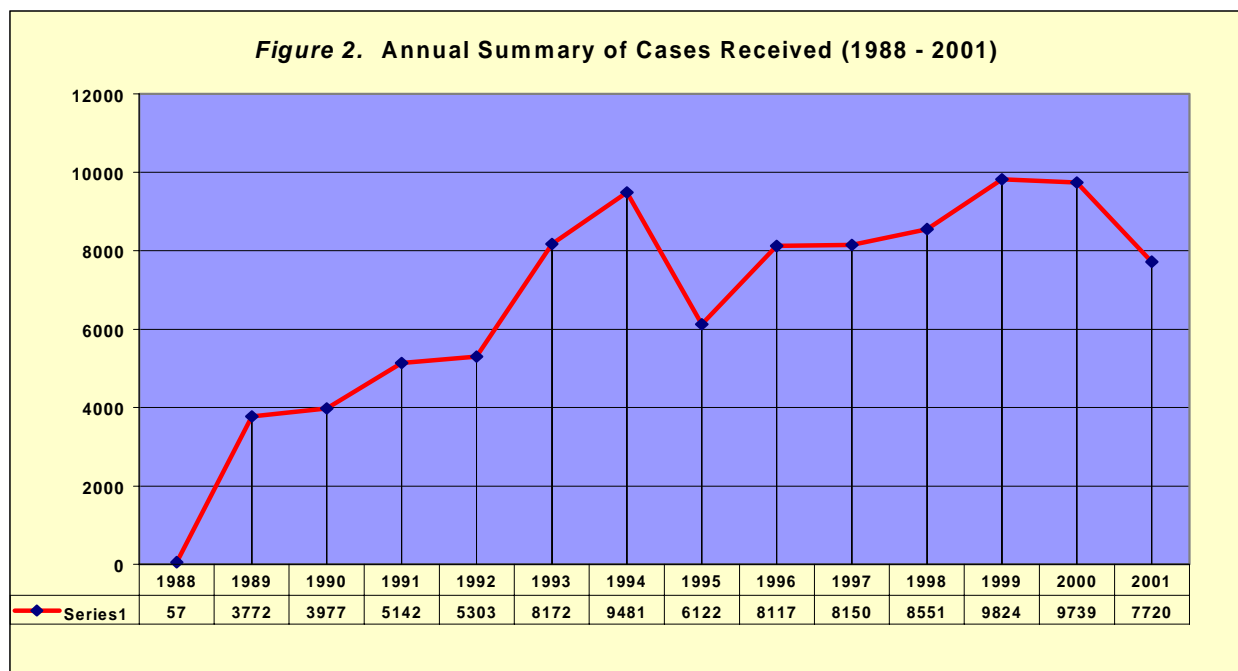


Figure 2 shows the trend of the number of cases filed from 1988 to 2001 with a total of 94,127 cases.



## Cases Received by Area/Sectoral Offices

Statistics reveal that about 25% of the 94,127 cases were filed directly with the OMB-Central Office. Regionwise, the Office of the Deputy Ombudsman for the Visayas accounted the next largest number of newly received cases. The OMB-Luzon came next, followed by the sectoral office for the Military. The Office of the Deputy Ombudsman for Mindanao had the least number of cases coming from the region. (see Table 2)

**Table 2. Number of Cases Received by Area/Sectoral Offices (1988-2001)**

YEAR	CO	LUZON	VISAYAS	MINDANAO	MILITARY	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
<b>TOTAL</b>	<b>23,147</b>	<b>18,016</b>	<b>20,257</b>	<b>16,012</b>	<b>16,695</b>	<b>94,127</b>

## Cases Disposed

The Office of the Ombudsman was able to dispose a total of 9,324 cases during the year in review. Of these, 5,678 (61%) were criminal cases and 3,646 (39%) were administrative cases. Formal investigation of these cases resulted to the following: prosecution - 1,374 (15%); penalty imposed - 390 (4%); dismissed/exonerated - 6,270 (67%); and, closed and terminated 1,290 (14%). (see Table 1)

This year's disposal represented 69% of the total workload. *Figure 3* shows the percentage distribution of cases disposed with OMB-Luzon having recorded the highest disposal of 2,342 cases or 26%; followed by OMB-Military with 2,156 (23%); OMB-Visayas with 1,911 (20%); OMB-Central Office with 1,586 (17%); and, OMB-Mindanao with 1,329 (14%).

**Figure 3. Percentage Distribution of Cases Disposed for CY 2001**

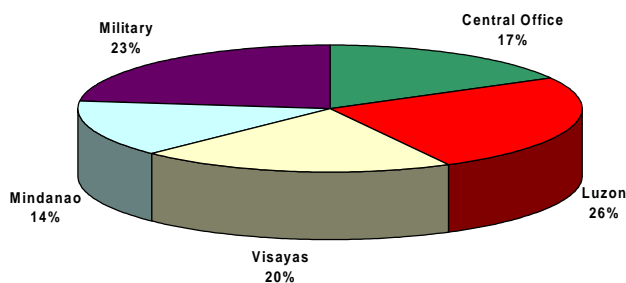
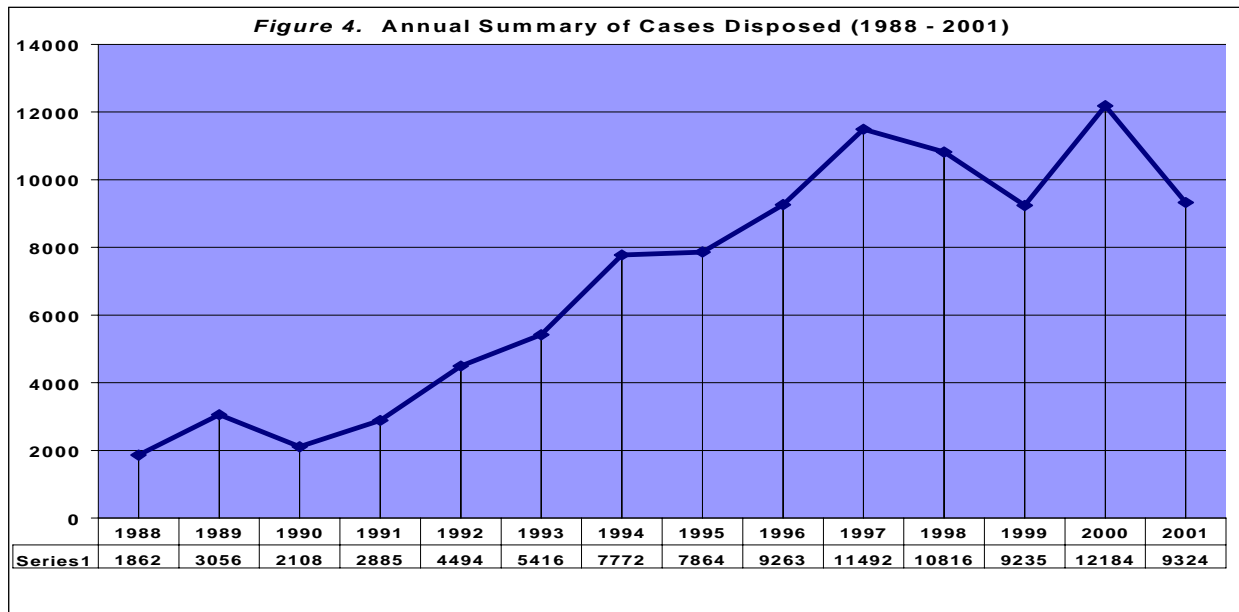


Figure 4 shows the yearly disposal of cases from 1988 to 2001 with a total of 97,771 cases. It can be noted that the rate of disposal dropped by 24% since 1998. This can be attributed to the fact that, as mandated by RA 6770, the Office of the Ombudsman concentrated on the plunder case against the former President Joseph E. Estrada. However, it must also be emphasized that the rate of cases received by the Office of the Ombudsman dropped since CY 2000. This may have been the positive result of the creation of the Duluganbayan or Public Action Centers, installation of Resident Ombudsmen, and the organization of Corruption Prevention Units and Junior Graftwatch Units, all of which serve as frontliners in the fight against corruption.



### Cases Disposed by Area/Sectoral Offices

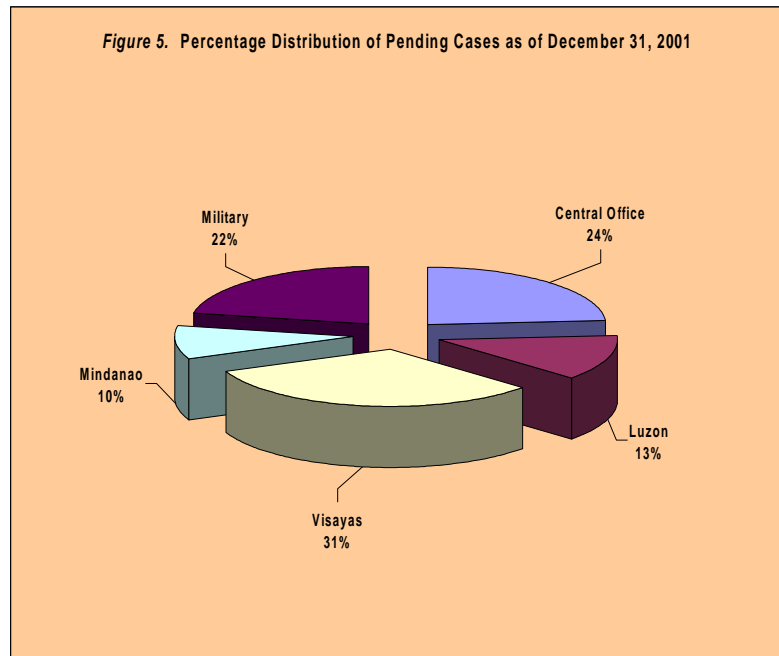
Reflected in the following table is the disposal of cases by the central and area/sectoral offices from 1988 to 2001. The Central Office registered the highest disposal, followed by the Military, Luzon, Visayas, and Mindanao.

**Table 3. Number of Cases Disposed by Area/Sectoral Offices (1988-2001)**

YEAR	CO	LUZON	VISAYAS	MINDANAO	MILITARY	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	1,475	1,834	1,155	7,864
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	2,355	2,064	2,107	3,079	12,184
2001	1,586	2,342	1,911	1,329	2,156	9,324
<b>TOTAL</b>	<b>27,610</b>	<b>18,217</b>	<b>17,462</b>	<b>16,214</b>	<b>18,268</b>	<b>97,771</b>

## Cases Pending

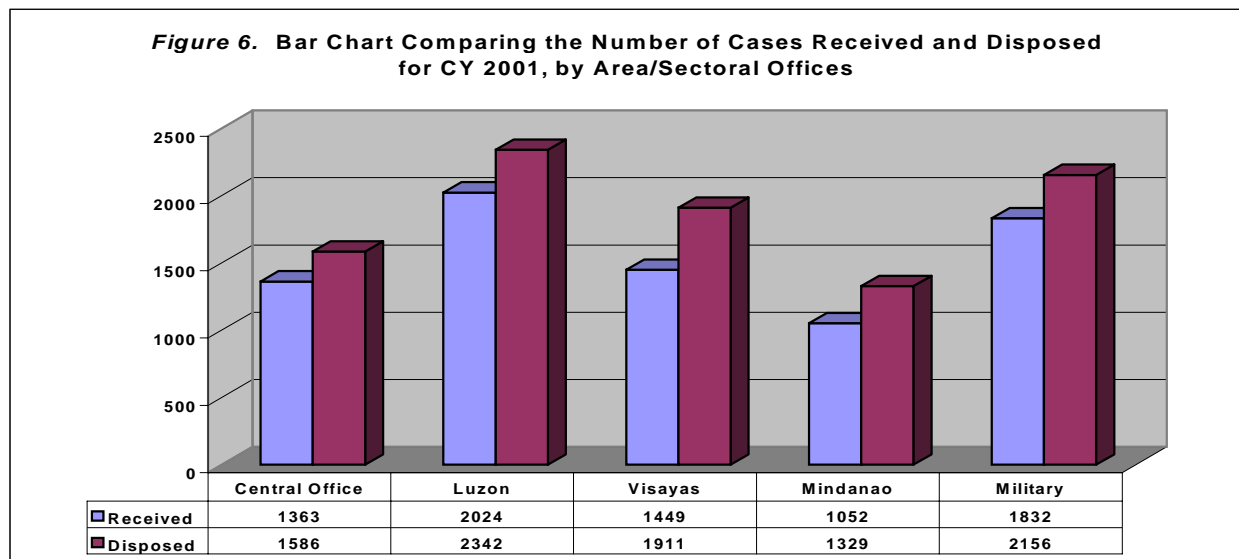
An overall total of 4,261 cases are considered active and awaiting action, representing 55.19% of new cases received during the year and roughly about 31% of the net workload of 13,585 at the end of 2001. The 4,261 pending cases were for appropriate action or under preliminary investigation/administrative adjudication/fact-finding investigation and some were either referred to other government agencies for appropriate action. Forty-five percent of these cases were criminal and the remaining 55% were administrative cases.



Pending cases accounted to the offices were as follows: OMB-Visayas with 1,366 representing 31% to the total number of pending cases; OMB-Central Office with 1,012 (24%); OMB-Military with 933 (22%); OMB-Luzon with 545 (13%); and, OMB-Mindanao with 405 (10%). (see *Figure 5*)

## Comparative Analysis of Cases Received and Cases Disposed

The following central and area/sectoral offices ranking was obtained when compared with the number of new cases received as against the number of cases disposed: OMB-Visayas registered the highest with 132%; followed by OMB-Mindanao with 126%; OMB-Military with 118%; OMB-Central Office and OMB-Luzon with 116%, respectively. (see *Figure 6*)



Overall, the disposal rate of 9,324 cases accounted for a total of 121% as against the 7,720 new cases received during the year.(see Figure 7)

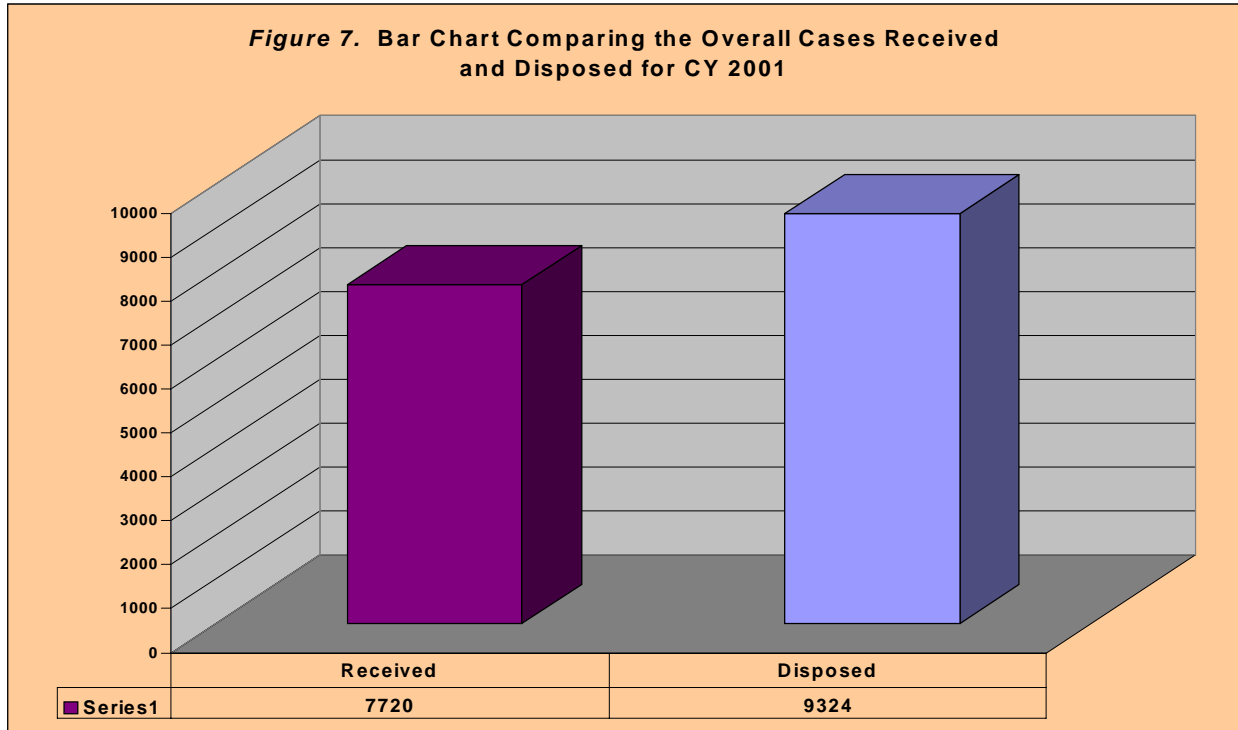
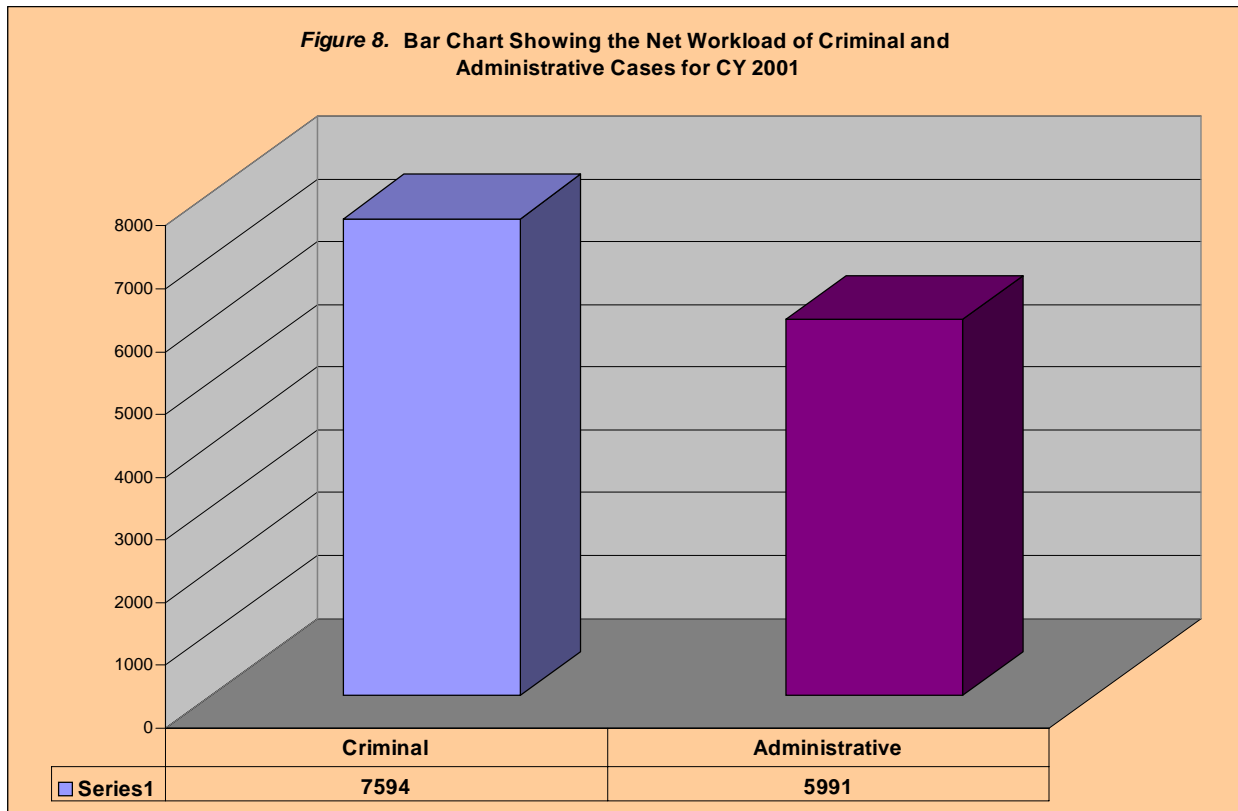


Figure 8 and Tables 4 & 5 show the breakdown of Criminal and Administrative Cases.



**Table 4. Workload and Status of Criminal Cases  
(OMB Docketed and OSP/TBP Transferred Cases)  
As of December 31, 2001**

<b>PARTICULARS</b>	<b>TOTAL</b>	<b>CO</b>	<b>LUZ</b>	<b>VIS</b>	<b>MIN</b>	<b>MIL</b>
<b>Total Workload of Criminal Cases</b>	<b>7,594</b>	<b>1,021</b>	<b>1,789</b>	<b>1,785</b>	<b>1,138</b>	<b>1,861</b>
Cases received during the year	4,686	809	1,268	833	698	1,078
Disposed cases reverted back to pending	22	---	---	---	22	---
Referred by the other OMB offices	127	---	---	---	---	127
Carry-over from CY 2000	2,886	212	526	1,072	420	656
Less: Cases recalled to CO/ Transferred to other OMB offices	127	---	5	120	2	---
<b>Disposed</b>	<b>5,678</b>	<b>963</b>	<b>1,532</b>	<b>1,066</b>	<b>889</b>	<b>1,228</b>
Prosecution	1,374	230	313	231	173	427
With Regular Courts	1,196	187	265	187	138	419
With Sandiganbayan	178	43	48	44	35	8
Dismissed	4,097	733	1,219	629	716	800
Closed and Terminated	207	---	---	206	---	1
<b>Pending</b>	<b>1,916</b>	<b>58</b>	<b>257</b>	<b>719</b>	<b>249</b>	<b>633</b>
Under evaluation/PI/FFI	1,913	58	257	719	246	633
Referred to other gov't. agencies	3	---	---	---	3	---

Source: Monitoring and EDP Division, FMS

**Table 5. Workload and Status of Administrative Cases  
As of December 31, 2001**

<b>PARTICULARS</b>	<b>TOTAL</b>	<b>CO</b>	<b>LUZ</b>	<b>VIS</b>	<b>MIN</b>	<b>MIL</b>
<b>Total Workload of Administrative Cases</b>	<b>5,991</b>	<b>1,577</b>	<b>1,098</b>	<b>1,492</b>	<b>596</b>	<b>1,228</b>
Cases received during the year	3,036	554	756	616	354	754
Disposed cases reverted back to pending	10	---	3	---	7	---
Referred by the other OMB offices	94	---	---	---	---	94
Carry-over from CY 2000	2,947	1,023	349	959	236	380
Less: Cases recalled to CO/ Transferred to OMB offices	94	---	10	83	1	---
<b>Disposed</b>	<b>3,646</b>	<b>623</b>	<b>810</b>	<b>845</b>	<b>440</b>	<b>928</b>
Penalty Imposed	390	119	77	111	62	21
Dismissed/Exonerated	2,173	504	638	514	378	139
Closed and Terminated	1,083	---	95	220	---	768
<b>Active/Awaiting Final Disposition</b>	<b>2,345</b>	<b>954</b>	<b>288</b>	<b>647</b>	<b>156</b>	<b>300</b>

Source: Monitoring and EDP Division, FMS

## Profiles of Approved Administrative Cases

### OMB-ADM-0-99-0917 to 0730

The Ombudsman FFIB filed complaints against respondent officials of the Department of Finance for irregularly approving the issuance of Tax Credit Certificates to several garment/textile companies and allowing their subsequent illegal transfer to Steel Asia Manufacturing Corporation.

Respondents were found guilty of **Gross Neglect of Duty** and imposing upon them the accessory penalties of forfeiture of all leave, retirement, other benefits and privileges and perpetual disqualification from reinstatement and/or re-employment in any branch or instrumentality of the government, including government-owned or controlled corporation.

### OMB-ADM-0-00-0671

A PCSO General Manager filed a complaint against a Department Manager of the same office for submitting a disbursement voucher for the liquidation of cash advance attaching falsified official receipts, sales invoices and order slips.

After careful investigation, the respondent was found guilty of **Dishonesty, Grave Misconduct and Conduct Prejudicial to the best interest of the service** and meted the penalty of **Dismissal from the Service** including the accessory penalty of forfeiture of leave credits, retirement benefits and disqualification for re-employment in the government service.

### OMB-ADM-0-98-0016

The Fact-finding and Intelligence Bureau (FFIB) of this Office filed a complaint against the Department Manager and Former Chairman of PBAC of the National Electrification Administration who personally delivered two NEA letters to the residence of a bidder.

After a careful investigation of the case, subject respondent was found guilty for violating the express mandate of the State to all its officials and employees as contained in Section 4 of RA 6713, otherwise known as the Code of Conduct and Ethical Standards for Public Officials and Employees. Accordingly, he was meted the penalty of **Six (6) Months Suspension without pay**.

### OMB-ADM-0-00-0620

The wife of a firefighter from the Bureau of Fire Protection filed a complaint against his husband for **Grave Misconduct and Immorality** for having an illicit affair with another woman. Proven to be guilty, the respondent firefighter meted the penalty of **Dismissal from the Service** with all its corresponding accessory penalties.

---

**OMB-MIL-ADM-01-0054(1)**

A Fire Inspector filed a complaint against an Associate Graft Investigation Officer (AGIO) and a Graft Investigation Officer (GIO), both from the Office of the Ombudsman for the Military, for attempting to take a bribe from the complainant in exchange for the dismissal of the latter's case in OMB-Military.

After a careful investigation, respondent AGIO was found **Guilty of Grave Misconduct** and meted the penalty of **Dismissal from the Service**.

**OMB-ADM-0-00-0567**

A complaint was filed against a Mechanic of the Office of the Provincial Government Engineer in Rizal and an employee of the University of the Philippines for falsification of Personal Data Sheet.

After a careful investigation of the case, the Mechanic was found guilty of **Dishonesty** and meted the penalty of **Dismissal from the Service**.

**OMB-ADM-0-99-0336**

A complaint was filed against the PRC Commissioner by the Chairman and two members of the Board of Stewards, Philippine Racing Commission for coercing the complainants under threat of license revocation as stewards, into suspending a certain Jockey without any valid justifiable reason.

After a thorough evaluation and investigation of the case, the respondent Commissioner was found guilty of **Simple Misconduct** and meted the penalty of **Six (6) Months Suspension**.

**OMB-ADM-0-01-0180**

A City of Manila Treasurer filed a complaint against a Security Officer of Manila for issuing fake Real Estate Tax Receipts in the name of a certain couple. An act constitutive of **Grave Misconduct** was meted with the penalty of **Dismissal from the Service** of the respondent.

---

## PROSECUTION

Pursuant to Republic Act 7975, as amended by RA 8249, the Office of the Special Prosecutor 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

#### Cases for Review and Study

**Table 6. Number of OMB Cases Referred by the Office of the Ombudsman to the Office of the Special Prosecutor for Calendar Year 2001**

PARTICULARS	NO. OF CASES/ INFORMATION
<b>Total No. of Cases/Information Referred to OSP</b>	<b>742</b>
I. For review and recommendation of resolution	225
II. For filing of Information with the Sandiganbayan	517

*Source: OSP Accomplishment Report for CY 2001*

**Table 7. Number of OMB Cases Acted Upon by the Office of the Special Prosecutor for Calendar Year 2001**

PARTICULARS	NO. OF CASES/ INFORMATION
<b>Total No. of Cases/Information Acted Upon by OSP</b>	<b>1,299</b>
I. For OMB's approval/disapproval of Motion for Reconsideration/Reinvestigation	1,177
II. For OMB's approval/disapproval of Reviewed OMB Cases	113
III. Number of Information prepared and filed with the Regular Courts	9

*Source: OSP Accomplishment Report for CY 2001*

**Table 8. Number of OSP/TBP Cases Acted Upon by the Office of the Special Prosecutor for Calendar Year 2001**

PARTICULARS	NO. OF CASES/ INFORMATION
<b>Total No. of Cases/Information Acted Upon by OSP</b>	<b>731</b>
I. Dismissed with Finality	616
II. For Filing with Regular Courts	4
III. For OMB's approval/disapproval of Resolution	111

*Source: OSP Accomplishment Report for CY 2001*

*Table 6* shows the number of cases referred by the Office of the Ombudsman to the Office of the Special Prosecutor (OSP) for calendar year 2001. A total of 742 cases were received by OSP, of which, 225 (30%) were for review and recommendation of resolution and 517 (70%) were for filing of information with the Sandiganbayan.

With regard to the action taken on cases received by OSP, a total of 1,299 cases were acted upon consisting of 1,177 (91%) for OMB's approval/disapproval of Motion for Reconsideration/Reinvestigation; 113 (9%) for OMB's approval/disapproval of reviewed OMB cases; and, 9 information were prepared and filed with regular courts. (*see Table 7*)

OSP/TBP cases acted upon by OSP totaled 731 as reflected in *Table 8*. Of these, 616 or 84% were dismissed with finality; 4 or 1% were for filing with regular courts; and 111 or 15% were for OMB's approval/disapproval of resolution.

**Table 9. Total Workload and Status of Criminal Cases Filed with the Sandiganbayan for the Calendar Year 2001**

<b>PARTICULARS</b>	<b>NO. OF CASES</b>
<b>Total Workload of Criminal Cases for Prosecution with the Sandiganbayan</b>	<b>3,963</b>
Number of criminal cases filed	517
Carry-over from CY 2000	3,356
Number of cases revived	90
<b>Disposed criminal cases</b>	<b>767</b>
<b>Criminal cases pending trial at the end of CY 2001</b>	<b>3,196</b>

*Source: OSP Accomplishment Report for CY 2001*

As reflected in *Table 9*, an aggregate of 3,963 criminal cases for prosecution were handled by the Office of the Special Prosecutor, broken down as follows: criminal cases filed - 517; carry-over from CY 2000 - 3,356; and, number of cases revived - 90. Out of the 3,963 total workload, 767 cases representing 19% were disposed which resulted to 3,196 criminal cases considered pending as of December 31, 2001.

Presented in *Table 10* is the disposal of criminal cases with the Sandiganbayan by the Office of the Special Prosecutor which totaled 738. The figure is broken down as follows: dismissed without trial 320 (43%); dismissed/withdrawn by OSP - 22 (3%); dismissed/archived - 44 (6%); pleaded guilty - 1; terminated after trial 264 (36%); withdrawn by OMB/OSP - 75 (10%); and, transferred to other courts 12 (2%). Cases which are terminated after trial resulted to the following: all accused convicted - 29; all accused acquitted - 150; convicted/acquitted - 4; convicted/archived - 7; convicted/acquitted/dismissed - 1; convicted/dismissed - 1; acquitted/dismissed - 11; acquitted/archived - 21; acquitted/dismissed/archived - 3; acquitted/dismissed with trial - 1; acquitted/withdrawn/archived - 1; dismissed with trial - 32; dismissed with trial/dismissed without trial - 1; and, dismissed with trial/archived - 2.

*Table 11* shows the number of appealed cases received and acted upon by OSP for CY 2001.

**Table 10. Disposal of Criminal Cases Filed with the Sandiganbayan by the Office of the Special Prosecutor for Calendar Year 2001**

<b>PARTICULARS</b>	<b>NO. OF CASES</b>
I. Dismissed without trial	320
II. Dismissed/withdrawn by OSP	22
III. Dismissed/Archived	44
IV. Pleaded Guilty	1
V. Terminated after trial	264
1. Convicted	29
2. Acquitted	150
3. Convicted/Acquitted	4
4. Convicted/Archived	7
5. Convicted/Acquitted/Dismissed	1
6. Convicted/Dismissed	1
7. Acquitted/Dismissed	11
8. Acquitted/Archived	21
9. Acquitted/Dismissed/Archived	3
10. Acquitted/Dismissed with trial	1
11. Acquitted/Withdrawn/Archived	1
12. Dismissed with trial	32
13. Dismissed with trial/Dismissed without trial	1
14. Dismissed with trial/Archived	2
VI. Withdrawn by OMB/OSP	75
VII. Transferred to Other Courts	12
<b>TOTAL</b>	<b>738</b>

**Table 11. Appealed Cases Received and Acted Upon by the Office of the Special Prosecutor for Calendar Year 2001**

<b>PARTICULARS</b>	<b>NO. OF CASES</b>
I. Number of Petition Received	60
a. Supreme Court	49
b. Sandiganbayan	9
c. Court of Appeals	2
II. Number of Cases Acted Upon	149
a. Supreme Court	128
b. Sandiganbayan	17
c. Court of Appeals	4
III. Number of Cases Decided	136
a. Supreme Court	128
b. Sandiganbayan	5
c. Court of Appeals	3

## GRAFT PREVENTION PROGRAMS

The second component of the national anti-corruption strategy of the Office of the Ombudsman is the intensive corruption prevention or the proactive approach as a means to prevent the continued hemorrhaging of government finances caused by graft and corruption. It is not merely to enlist the support of the citizenry in graft detection but to produce a new breed of Filipinos with strong moral character.

The Community Coordination Bureau (CCB), the Public Assistance Bureau (PAB) of the Public Assistance and Corruption Prevention Office (PACPO) and the corresponding units in the area/sectoral offices are the OMB's front-line and direct link with the citizens and the community at large. They serve as the main articulators focused on the following areas of concern: public assistance, community mobilization, conduct of seminars, dialogues and workshops in line with the Moral Recovery Program, and undertaking of educational and motivation programs on graft and corruption prevention.

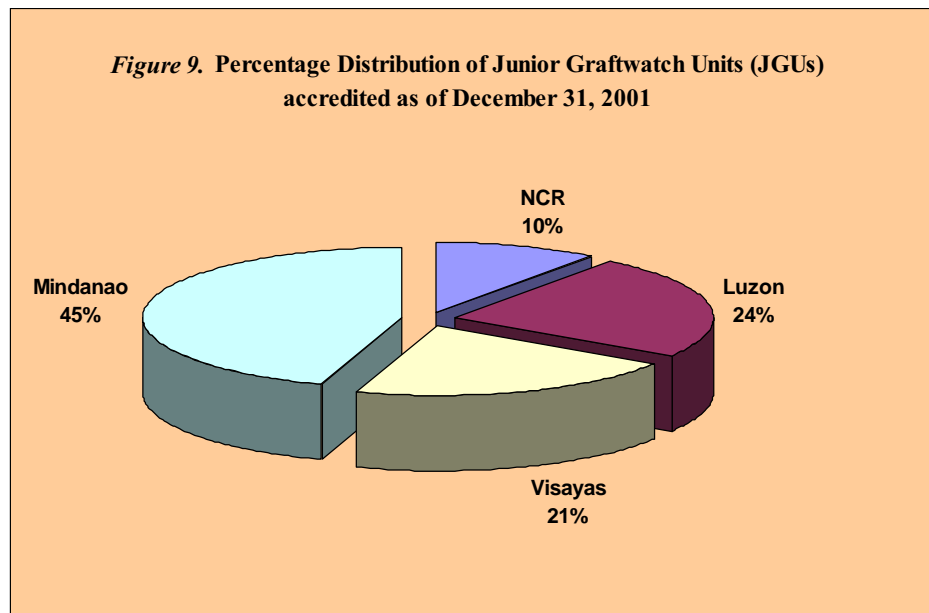
### Community Coordination Programs

#### People Empowerment

##### ■ Junior Graftwatch Unit (JGU) Program

The Junior Graftwatch Unit Program is part of the Office of the Ombudsman's multi-sectoral strategy to enjoin and empower the youth sector in graft prevention and control by encouraging them to establish Junior Graftwatch Units (JGUs) in schools and communities.

A total of one thousand four hundred and one (1,401) JGUs have been accredited with the Office of the Ombudsman as of December 31, 2001: 143 (10%) are based in the NCR; 337 (24%) in Luzon; 292 (21%) in the Visayas; and, 629 (45%) in Mindanao. The CCB-CORD is responsible for the accreditation of JGUs not only in the NCR but in the province of Luzon as well. (see Figure 9)



During the year, the Junior Graftwatchers had undertaken the following activities:

### **1) Junior Graftwatch Leadership Effectiveness Seminar**

This Seminar is comprised of lecture-discussion on Values Development, Leadership Effectiveness, Fact-Finding Principles and Survey of Anti-Graft Laws that would equip the JGU leaders with necessary knowledge, orientation and skills to carry out their tasks more efficiently and effectively. A total of fifty JGU leaders participated in this activity.

### **2) Junior Graftwatch Officer-of-the-Week Summer Program**

This is a month-long annual activity for JGU volunteers. Nine (9) JGU officers and members of the NCR Coordinating Council took part in this program. They were trained to perform office functions and develop their communication and organization skills through the Speakers' Bureau.

### **3) Outstanding Junior Graftwatch Unit Award**

Facilitated the awarding of outstanding JGUs and plaques of commendation to the outstanding Junior Graftwatch Units nationwide.

Four (4) Junior Graftwatch Units, namely: NCR-Manuel Roxas High School, Cordillera Career Development College, Visayas-University of San Carlos and Mindanao-Asuncion National High School, received the Outstanding Junior Graftwatch Unit Award. The Honorable Secretary Alberto Romulo, in behalf of President Gloria Macapagal-Arroyo, awarded the Plaques of Recognition to said awardees.

### **4) Election of the NCR JGU Coordinating Council and the 5th OMB Educational Multi-Event Competitions**

The celebration's theme was "Kabataang Kabalik ng Ombudsman Laban sa Katiwalian." Activities and competitions were held for the JGUs in the NCR and Luzon such as On-the-Spot Logo Making Contest, Quiz Bee, Extemporaneous Speech Contest, Trade Fair and Photo Exhibit. This was followed by the Elections of Officers of the Junior Graftwatch NCR Coordinating Council.

### **5) Makibata 2001 Annual Outreach Project**

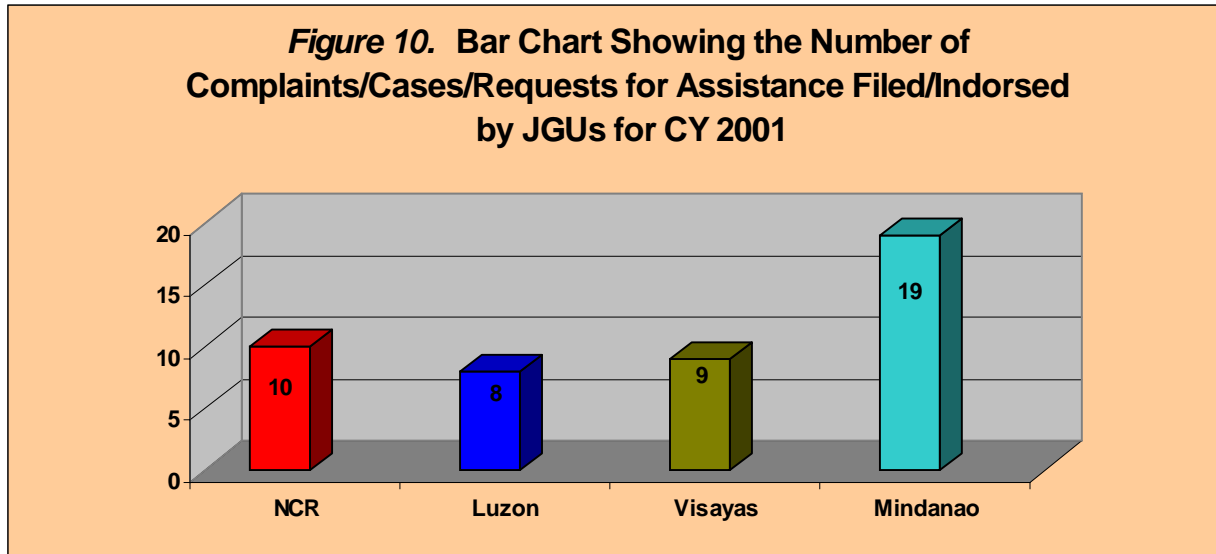
This is a joint undertaking of the OMB Catholic Prayer Community and the JGw NCR and Luzon Coordinating Councils. The beneficiaries are the 150 indigent children of Joaquin Compound, Brgy. Alabang, Muntinlupa City.

## **JGU Education, Coordination and Monitoring**

An intensified information dissemination and education campaign was carried out to the public, particularly the youth. Orientations, lectures and symposia were conducted. Consultations, meetings and dialogues with JGUs and other youth organizations were done on a daily basis.

---

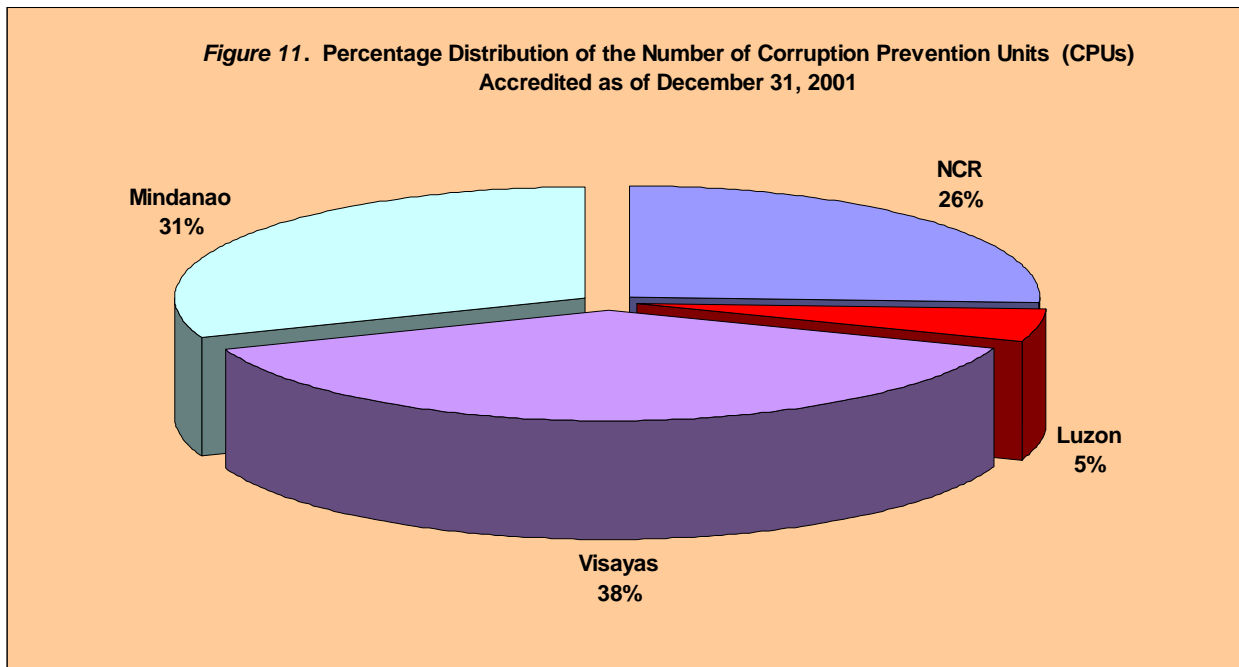
Figure 10 shows the number of RAs/Cases/Complaints indorsed by JGUs.



### ■ Corruption Prevention Unit (CPU) Program

A Corruption Prevention Unit is a non-governmental organization (NGO) or religious, civic, urban poor and people's organization (PO) accredited by the Office of the Ombudsman to promote its objectives in the fight against graft and corruption and to act as "eyes and ears" of this Office.

A total of four hundred seven (407) CPUs have been accredited with the Office of the Ombudsman as of December 2001: 105 (26%) are based in the NCR; 19 (5%) in Luzon; 158 (38%) in the Visayas; and, 125 (31%) in Mindanao. (see Figure 11)



## CPU Education, Coordination and Monitoring

There were 12 seminars, conferences and symposia held for the calendar year 2001. These include the First CPU Summit which was held on May 9, 2001 at the National Museum Social Hall. During this Summit, the National Association of Corruption Prevention Units' 5-Point concerns and problems were presented. Also, 4 batches (Batch 19-22) of the One-Day Training Seminar for CPU Action Officers were undertaken.

Also, during the year, the National Association of Corruption Prevention Units or NACPU, an association of accredited Corruption Prevention Units and are represented by the Action Officers spearheaded the unification of all CPUs nationwide with the continuing dialogue with the CPUs under their area of responsibility and the holding of seminars. NACPU was also launched in OMB-Mindanao.

## Consultations, Meetings and Dialogues

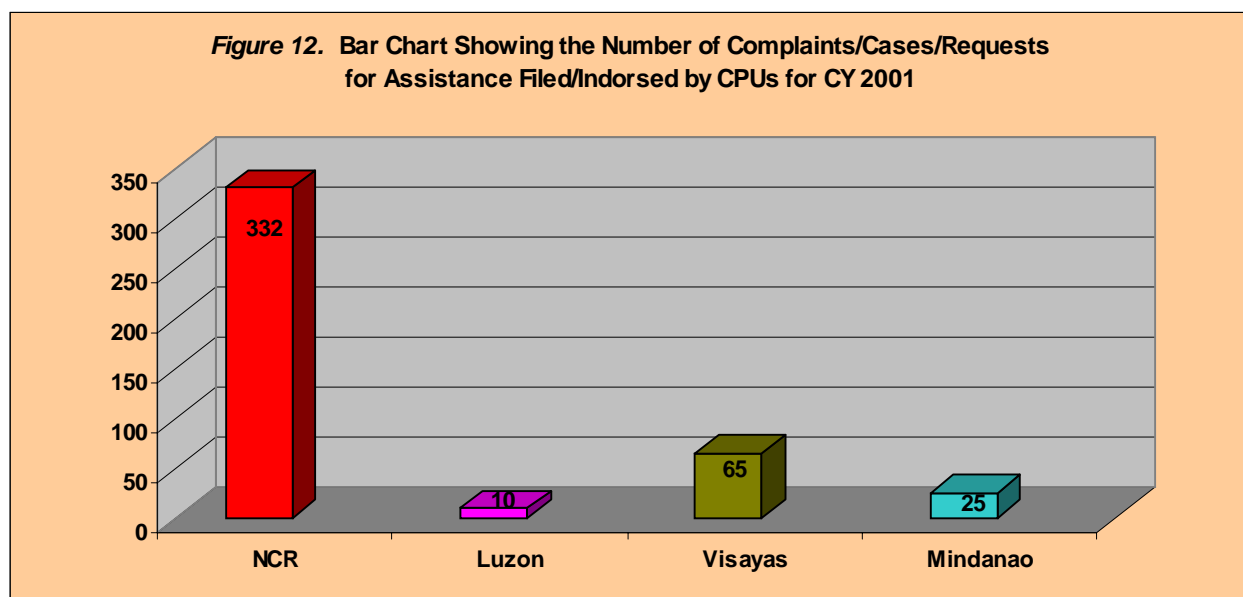
Consultations, meetings and dialogues with the CPUs and other NGOs were done on a daily basis through actual visits of the CPUs in the Community Coordination Bureau or through telephone conversations. Dialogues and meetings in the respective CPU headquarters were also undertaken. A total of six hundred thirty five (635) consultations, meetings and dialogues were conducted in 2001.

## Outstanding CPU Award

Five (5) CPUs were awarded the Plaques of Commendation as Outstanding Corruption Prevention Units: one (1) for nationwide; one (1) from the NCR; one (1) from Luzon; one (1) from the Visayas; and one (1) from Mindanao.

## CPU-Assisted Requests for Assistance (RAs), Cases, Complaints

Figure below shows the number of Requests for Assistance, Cases, Complaints Filed/Indorsed by CPUs for CY 2001:



## **RAS/Grievance Successfully Assisted by CPUs**

√ Several farmers from Laurel, Batangas needed anti-rabies vaccination/medicines for the animals they use in their farms. Referral was made to the municipal agricultural office which undertook iron injection and administration of anti-rabies vaccines.

√ A laborer from Maranlig, Torrijos, Marinduque had a difficult time getting his salary from the municipality. This was referred to the Office of the Municipal Treasurer who promptly extended assistance that enabled the laborer to get his salary.

√ A resident of Leido, Victoria, Oriental Mindoro who lost his left eyesight due to a foreign body that entered into his eye, sought financial assistance to pay for medical expenses.

The TALIMA Action Officers coordinated with the Municipal Social Welfare who attended to his needs for medicines.

√ Barangay officials at Bagutong, Flora, Apayao complained that DENR issued a private person title of a public school property which is the Bagutong Elementary School.

The TALIMA Action Officers initiated a dialogue with the Provincial Environment Office at San Isidro, Luna, Apayao together with the barangay officials and Teacher-in-Charge of the said school.

## **Education and Transformation of Psyche**

### **■ Orientation Seminar on Public Accountability for New Government Entrants**

This program aims to provide an avenue whereby public service values are internalized and to enhance a deeper understanding of the role of public servants and the accountability attached to the positions in the government.

A total of 48 seminars were conducted to the following agencies: DOF (2 batches); BIR (16 batches); Parole and Probation Administration; DOE; POEA (2 batches); DOT (3 batches); OMB; HGC (2 batches); CPA (2 batches); DILG (4 batches); LGU-Palawan; PNP (2 batches); Bureau of Post Harvest Research & Extension, DA at Nueva Ecija; Bureau of Customs (2 batches); Mamamayang Ayaw Sa Gawaing Salungat (MAGS); Torres High School - Manila; Sangguniang Kabataan National Federation; and DAR (2 batches).

### **■ Values Orientation Workshop (VOW)**

The Ombudsman and the Civil Service Commission have required the conduct of the Values Orientation Workshop among all government employees, especially third-level personnel, in order to restore wholesome Filipino traits of yore like “katapatan” or honesty, “kapayakan” or simple living, “pakikipagkapwa-tao” or love for fellowmen and “pananampalataya” or faith in the Divine Providence.

## ■ Instructional Materials Development Program (IMDP)

This is a joint undertaking of the Office of the Ombudsman and the Department of Education, Culture and Sports (DECS) in order to strengthen its campaign against the formidable problem on graft and corruption. During the year, the Impact Assessment Seminar on the Effectiveness of the Corruption Prevention Education Modules were held in Tuguegarao, Cagayan and Legaspi City.

## ■ Research/Thesis Assistance Program

We have encouraged a number of students to undertake researches and studies on graft prevention and control, thereby stirring their consciousness and imbuing in them a profound sense of responsibility as dynamic participants of the society. For the year, the following thesis proposals were approved and granted the P5,000.00 financial assistance:

1. Corruption in the Infrastructure Sector: "The Use of Principal Model and NASA Equilibrium in Minimizing Bribery Incidence: *by: Ruzette Plata Morales, BS Economics UP-Los Banos, College of Economics and Management*
2. Transparency of Financial Transactions within National Government Agencies *by: Rosalie S. Alapide, BA Public Administration, UP College of Public Administration*
3. Level of Awareness of Barangay and Municipal Officers and Employees of Batuan on RA 6713: Code of Implementation *by: Zinen J. Samputon and Jose Jonathan J. Cagol, BSE/Ed, Batuan Colleges, Batuan, Bohol*

As of December 2001, a total of 9 graduating students were granted research/thesis assistance.

## ■ Information Dissemination

This aims to inform the public of our graft prevention programs and educate them on the means to deter corruption. This leads to self-transformation into becoming morally reformed individuals. This year, CCB prepared and released news articles, speeches and messages of the Honorable Ombudsman and the Overall Deputy Ombudsman, advertisement materials and briefing papers/reference materials. It also prepared the 13th Anniversary issue of the Ombudsman's Journal "*The Ombudsman in the 21st Century: A Challenge to Build an Upright Society*". Copies were distributed to OMB officials and employees and to other government agencies and researchers.

Information materials produced and distributed for this year are as follows: OMB Primer; OMB Journal; Annual Report; Posters (Revised); Stickers; Revised Compilation of Anti-Graft Laws; Graft Prevention Education Modules; CPU Primer; JGU Primer; CPU Manual; Primer on Research/Thesis Assistance Program; and Briefing Papers/Speeches/Press Releases.

## ■ Orientation Briefings

CCB through the Special Information and Publications Division (SIPD), also facilitated the orientation briefings for the following foreign dignitaries and local visitors: (1) World Bank; (2) Development Academy of the Philippines (3) Japanese; (4) Indonesian Republic; (5) Department of Institutional Integrity Investigation Unit (INTIU) - World Bank. During the orientation briefings, the OMB powers and functions, organizational structure, eight-point national anti-corruption strategies, OMB accomplishments were presented.

## PUBLIC ASSISTANCE

Another major function of the Office of the Ombudsman and one of the 8-Point National Anti-Corruption Strategy is the **responsive and efficient public assistance**. Under the Ombudsman Act of 1989 (RA 6770), the Ombudsman may extend public service to citizens in getting from the government the basic public services like health care, power supply, water services, personnel work benefits and clearances for retirement. And so, the Office of the Ombudsman through the Public Assistance Bureau (PAB) and the corresponding units in the OMB regional offices, take charge of all the requests for assistance (RAs) and promptly acted on them to force government agencies to act on citizens' needs.

For calendar year 2001, an aggregate of 11,611 requests for assistance were handled by PAB and its corresponding units from the area offices. Of the 11,611 RAs, 8088 were newly received RAs and 3,523 were carried-over from the previous year. A total of 10,192 requests were acted upon while 1,419 were on the follow-up stage and still awaiting action from other government agencies. (see Table 12)

**Table 12. Workload and Status of Requests for Assistance (RAs)  
as of December 31, 2001**

PARTICULARS	TOTAL	CO	LUZ	VIS	MIN	MIL
<b>Net Workload of Requests for Assistance (RAs)</b>	<b>11,611</b>	<b>4,241</b>	<b>474</b>	<b>2,928</b>	<b>2,713</b>	<b>1,255</b>
RAs received during the year	8,064	3,263	425	811	2,566	999
RAs referred by OMB-CO	24	---		11	2	11
RAs received by other OMB offices	14	1			6	7
Carry-over from CY 2000	3,523	977	50	2,117	140	239
Less: Recalled/transferred by other OMB offices	14		1	11	1	1
<b>DISPOSED</b>	<b>10,192</b>	<b>3,385</b>	<b>425</b>	<b>2,521</b>	<b>2,630</b>	<b>1,231</b>
<b>PENDING</b>	<b>1,419</b>	<b>856</b>	<b>49</b>	<b>407</b>	<b>83</b>	<b>24</b>

Source: Monitoring and EDP Division, FMS

There was a reduction of 1,024 RAs or 11% from the 9,112 RAs received last year which may be attributed to the effective performance of our Public Assistance Action Center or Duluganbayan that immediately gave assistance to the requesting public. This is also due to the presence of the tripod weapon of ROs, CPUs and JGUs who acted on the requests at their own level.

Considering the actions taken on these requests, a total of 10,192 RAs were disposed by the Public Assistance Bureau and its corresponding units in the area/sectoral offices for CY 2001. Assessment on the performance of the five OMB offices with respect to the number of RAs disposed against the total workload resulted to the following: OMB-Military registered the highest performance with 98%; followed by OMB-Mindanao with 97%; OMB-Luzon with 90%; OMB-Visayas with 86%; and, OMB-Central Office with 80%. Overall, 88% of the total workload was disposed this year. Comparing the number of RAs disposed against the newly received RAs, the following rank was obtained: OMB-Visayas - 307%; OMB-Military - 122%; OMB-Central Office - 104%; OMB-Mindanao - 102%; and OMB-Luzon - 100%. The five OMB offices disposed of a total of 126% compared to the newly received RAs, thus reducing the number of pending RAs as of December 31, 2001.

During the year, PAB has likewise issued a total of 48,210 clearances to retirees, promotees and probable appointees.

The following graph represents the number of Requests for Assistance received from calendar year 1988 to 2001 with a total of **60,921**.

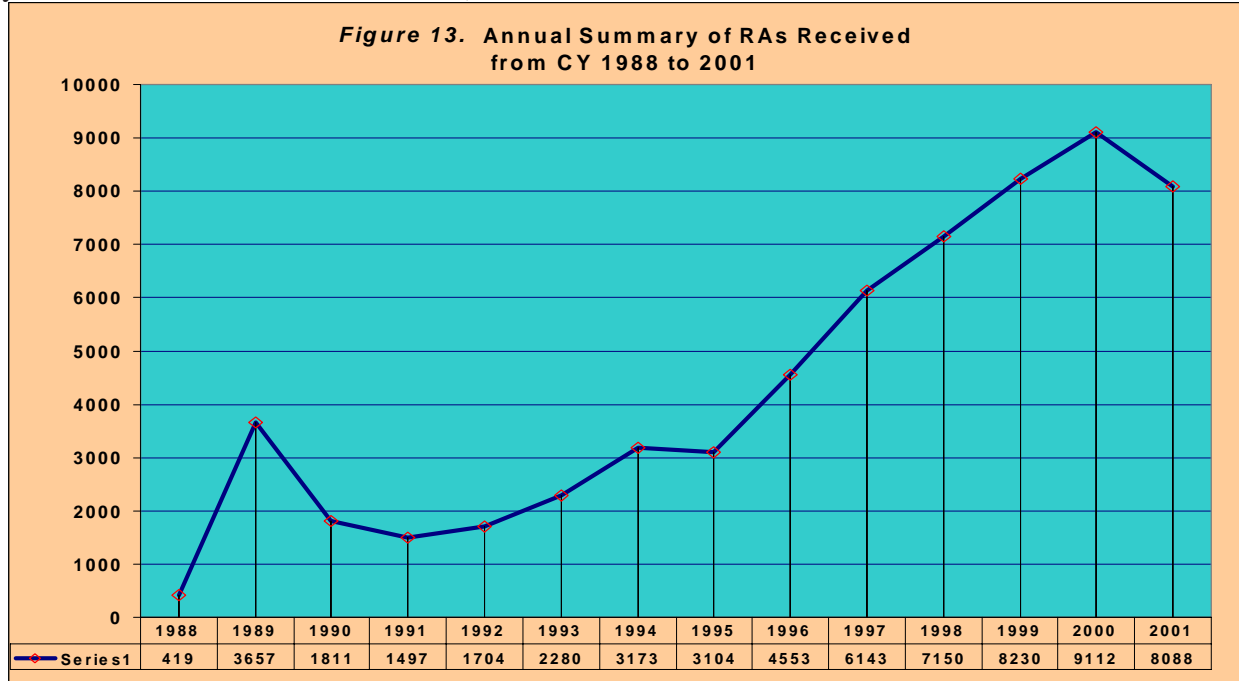
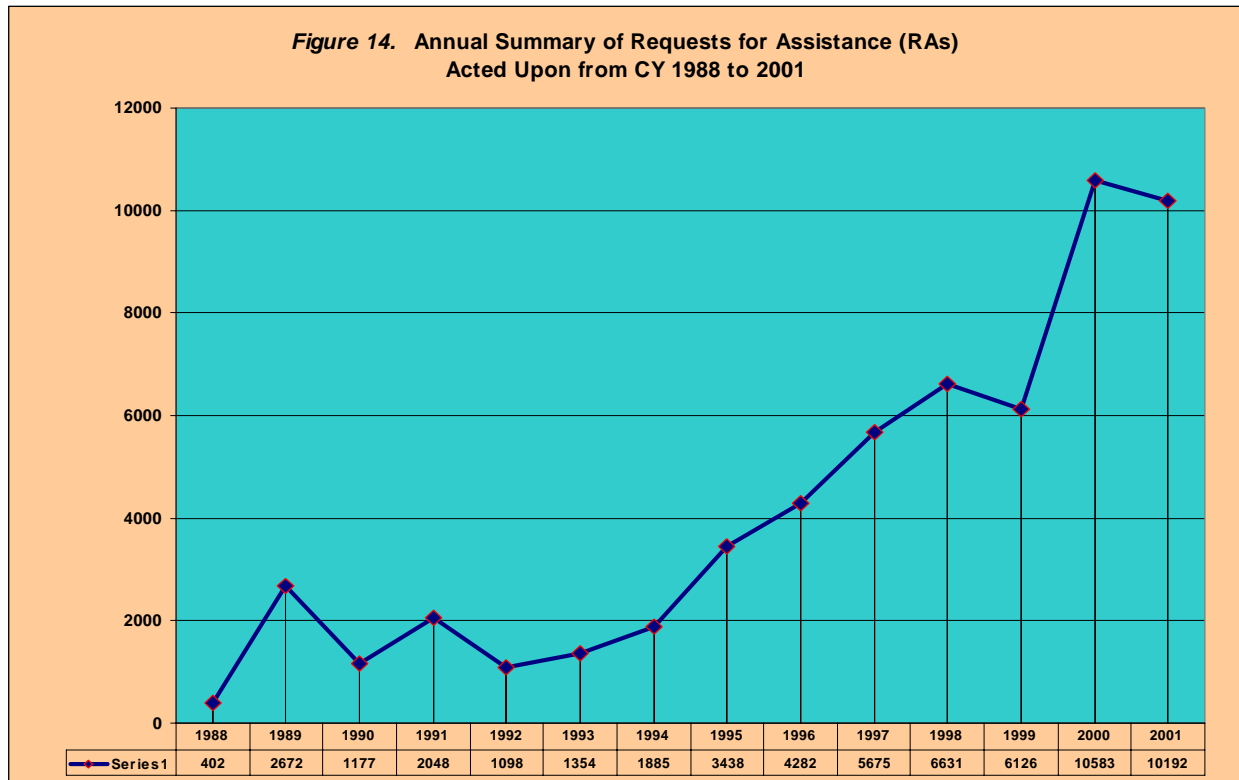


Figure 14 shows the trend in the number of RAs acted upon in the fourteen year period of operation of the Office of the Ombudsman.



## PROFILES OF REQUESTS FOR ASSISTANCE

### **RAS-2001-0511**

Ms. Hideliza I. Alvarez sought the assistance for the follow up of Tax Refund for the period September 1998 to September 1999 in Taiwan, ROC.

Our Office immediately contacted Mrs. Zsa Zsa Ilagan of the POEA who is in-charge of Taiwan workers. Mrs. Ilagan immediately informed the PAB that a check was already deposited at Metrobank, Novaliches for her beneficiary, Josefina Alvarez.

### **RAS-2001-1152**

Acting on the request for assistance of Ms. Marites A. Anzalda, et. al., in securing graduation documents and records from Fatima College of Medicine (FCM) in order to take the Physician Licensure Examination, the PAB contacted CHED Commissioner Roger Perez and referred this request to him. He promised to call up Fatima College and advise the requester to see him. As a result, a meeting was set up between FCM and the requesters. After several meetings, FCM released the documents needed by the requesters to take the Board Exams. Ms. Anzalda and three others passed the Board and are now licensed physicians.

### **RAS-2001-1007**

Ms. Maritess Magaway wanted to expedite the release of her insurance with Zenith Insurance Corporation. This Office interceded through the Chief, Public Assistance and Information Division, Insurance Commission and asked for the immediate release of the claim. After three weeks, a check in the amount of P150,000.00 was released.

### **RAS-2001-1038**

Mr. Emeterio R. Torlao sought the assistance of this Office to follow up his request with the Municipal Assessor, San Isidro, Leyte to transfer in his name the property subject of Tax Declaration No. 851-R5. This Office sent a letter to the Municipal Assessor and the requester was immediately advised to bring copies of the documents which were lacking on their records. Subsequently, a new Tax Declaration in his name was issued.

### **RAS-2001-1735**

This Office acted on the request of Ms. Cristina Trajano to follow up the action of RTC Branch 4, Manila on the Manifestation of the Register of Deeds of Manila praying that the court orders co-petitioners Maria Cecilia Barreto to surrender to them the owner's copy of TCT 178540 to finally reconstitute the title. This Office diligently followed up through telephone with the Clerk of Court. The court acted on the Manifestation by ordering the co-petitioner and the title was reconstituted, The requester was so gratified and informed this Office that she already received her duplicate owner's copy of the title.

### **RAS-2001-0122**

The Ombudsman PAB rendered assistance to Ms. Ana Liza Milan regarding payments of benefits from PPSTA. On February 15, 2001, the PAB sent a letter to IBM, DECS to stop the deductions made from the salary of Ms. Milan in favor of R.T.K.B.C. Similar follow up letters were sent. On Jan. 8, 2002, the requester informed this Office that the deductions have already been stopped.

**RAS-VIS-2001-0064**

Mr. Arsenio Gabisay, a resident of Babag II, Cebu City, sought the assistance of OMB-Visayas to facilitate the processing of his request for reconstitution of title filed with the City Register of Deeds, Cebu City. The request was referred to Atty. Felixberto Alino, City Register of Deeds, Cebu City for appropriate action. On January 29, 2001, a personnel of the City Register of Deeds informed this Office that they had already released the title to Mr. Gabisay.

**RAS-VIS-2001-0649**

This refers to the letter-request of Mr. Simplicio C. Segundino, a war veteran and pensioner of the Philippine Veterans Affairs Office (PVAO), Camp Aguinaldo, Quezon City, requesting assistance from this Office regarding the failure of PVAO to release the education benefits of his son Edison B. Segundino. After referring the matter to PVAO, Atty. Mark Suluen furnished this Office a copy of his memorandum directing Mr. Ferdinand C. Palor, Chief, Education Benefits Division to facilitate the immediate preparation of vouchers for payment of the school bills of Edison.

**RAS-VIS-2001-0554**

Mr. Emilio S. Geonzon, Jr., a resident of Cebu City, sought assistance from OMB-Visayas to facilitate his request for a certified true copy of a deed of absolute sale notarized by Atty. Buenaventura Obando filed with the Notarial Division, Regional Trial Court, The Chief Justice Fernan Memorial Hall of Justice, Cebu City. On August 23, 2001, AGIO Rosemarie Tongco accompanied Mr. Geonzon, Jr. to the Notarial Division, RTC. The document requested was released the following day by the Notarial Division.

**OMB-MIN-RA-00-2112**

A requester sought this Office's assistance in connection with the alleged delay in the processing of the application for old age pension of Natividad Garfin, his mother, by the Philippine Veterans Affairs Office. He claims that the pertinent requirements were all submitted sometime in 1994.

This Office sent two follow-up letters to the PVAO, but the said agency failed to respond to both communications. An Order dated July 18, 2001 was issued directing the expedition of processing of Mrs. Garfin's application.

On August 16, 2001, this Office was furnished a copy of communication advising the requester of the approval of her claim under masterlist no. 01-01433.

**OMB-MIN-RA-01-1597**

The request is with regard to the alleged delay in the processing of requester's provident claim from the Home Development Mutual Fund (HDMF). According to Ms. Espiritu, she has been following-up her claim from HDMF Malate Branch since 1992.

Acting on the above request, this Office made initial inquiries to the HDMF-Davao Branch. It was learned that the delay was caused in part by a mix-up of identities, as it appears that requester has a namesake who is also an HDMF member. Requester, in fact pointed out, in one of her communications to HDMF-Malate, that it was impossible for a death claim to be settled under her name because she is still very much alive. She likewise denied that she obtained a housing loan from the PAG-IBIG.

This Office promptly faxed a communication to HDMF-Malate, calling its

attention to the matter, together with a request that all pertinent records of Ms. Espiritu be forwarded to HDMF-Davao. This request was complied with by the said agency as shown in its faxed memorandum to HDMF-Davao. The memo likewise recommended for the immediate processing of requester's claim.

Acting on the above-mentioned memorandum, HDMF-Davao advised this Office that requester's benefit claim will be released on or before October 16, 2001.

On October 18, 2001, requester came personally to thank the Office for facilitating the release of her claims.

#### **OMB-MIN-RA-00-2051**

Ms. Mary Aprilly C. Panes filed a request for assistance with this Office, in behalf of her sister, Joan Panes, with regard to the unclaimed SSS pension checks of the latter. According to requester, as early as November 12, 1999, they have submitted the required documents for the replacement of the pension checks of her sister from May 1998 to August 1999. SSS advised them to wait for six months for the release of the replacement check. In the absence of any action from the SSS, requester decided to bring the matter to the attention of the Ombudsman.

This Office traced the whereabouts of Ms. Panes' pension checks with the SSS Davao City Office and Diliman, Quezon City branch. OMB was informed that the claim of Ms. Panes is pending verification with that Office. On September 26, 2001, after several follow-up letters, SSS Davao City Branch faxed to this

Office a copy of the "Manually-prepared Checks Mailing List" which includes the name of Joan Panes in the amount of P18,337.60.

#### **OMB-MIL-RAS-01-0539**

Endorsed to OMB-Military by the Administrative Adjudication Bureau (AAB), was the case of a convicted felon and a fugitive from justice, who wanted to surrender and submit himself to prison authorities at the New Bilibid Prisons (NBP).

This Office made the necessary arrangements for his surrender at the NBP on July 12, 2001. At about 2 pm, OMB officials fetched and brought him to the Director of Bureau of Corrections. As a result, the director assured the surrenderee and the Ombudsman Officers present that no physical harm would be inflicted upon the convict, but he will be meted an additional prison term for his violation.

#### **OMB-MIL-RAS-01-0816**

SPO3 Valeriano Soriano complained about the withholding of his checks representing commutation of his leave credits by the Finance Service, National Capital Region Police Office, on account of the complaint of his wife, Nenita D. Soriano, for support. It was pointed out that in the absence of a court order, there is no legal basis to withhold benefits due a retiring officer, as the same are subject to any "attachment, garnishment, levy or execution and neither shall they be assigned, ceded, or conveyed to any person. (Sec. 28, Board Officers Resolution Establishing Retirement and Separation Benefit System for Uniformed Personnel of PNP). As a result, Soriano's long overdue benefit was released to him.

## Resident Ombudsman Program

One of the eight-point national anti-corruption strategy is the **intensive graftwatch over the bureaucracy** through the Resident Ombudsman Program. 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 they happen and conduct systems and procedure studies.

For CY 2001, the Securities and Exchange Commission (SEC) and the Department of Energy (DOE) were added to the list of graft-prone agencies where RO were installed. As of December 31, 2001, Resident Ombudsmen were installed in 26 graft-prone agencies. These comprised of 20 lawyers and 32 support staff.

### Comparison of the Number of Cases Filed with RO in CY 2000 and 2001

**Table 13. Comparative Statistics on the Number of Cases Filed in Graft-Prone Government Agencies (2000-2001)**

RANK	AGENCY	2000	2001	INCREASE (DECREASE)
1	BOI	2	0	(100%)
	PEZA	3	0	(100%)
	PCSO	6	0	(100%)
2	DFA	7	1	(86%)
3	DENR	68	33	(52%)
4	DOH	27	15	(44%)
5	PPA	15	10	(33%)
6	HUDCC	17	12	(29%)
7	DPWH	48	39	(19%)
	DILG <sup>1</sup>	2466	2002	(19%)
8	DECS	156	134	(14%)
	MIA/NAIA	21	18	(14%)
9	BOC	40	35	(13%)
10	HLURB	10	9	(10%)
11	BID	19	20	5%
12	DOTC	53	56	6%
13	DA	19	21	11%
	BIR	27	30	11%
14	DND <sup>2</sup>	36	43	19%
15	NPC	10	15	50%
16	SEC <sup>3</sup>	46	72	57%
17	COMELEC	12	24	100%
18	NHA	13	36	176%
19	NIA	4	13	225%
20	DOE	0	4	400%
21	DFP	0	5	500%
	<b>TOTAL</b>	<b>3,125</b>	<b>2,647</b>	<b>(15%)</b>

Source: Database from the Central Records Division

<sup>1</sup>The number includes cases filed against LGUs, BJMP & PNP

<sup>2</sup>Includes AFP cases

<sup>3</sup>RO was installed in January, 2001

The incidents of corruption in graft-prone government agencies have reduced by 15 percent in CY 2001. The most significant reduction was registered at 100% by the Board of Investment (BOI), Philippine Economic Zone Authority (PEZA) and the Philippine Charity Sweepstakes Office (PCSO); followed by the Department of Foreign Affairs (DFA) at 86%; Department of Environment and Natural Resources (DENR) at 52%; Department of Health (DOH) at 44%; and Philippine Ports Authority (PPA) at 33%. Other agencies which experienced similar reduction include: HUDCC - 29%; DPWH - 19%; DILG - 19%; DECS - 14%; MIA/NAIA - 14%; BOC - 13%; and HLURB - 10%. (see Table 13)

## Profiles of Significant Cases Acted Upon by Resident Ombudsmen

### Fact-Finding Investigation (FFI)

#### RO-SEC-FFI-2001-003

This has reference to the unverified affidavits of employees of G. Cosmos Philippines (GCP) against a SEC officer who allegedly received the bribe money amounting to P400,000.00 in consideration for the lifting of suspension of operation of G. Cosmos, Philippines by the Securities and Exchange Commission and that the Cease and Desist Order would not become permanent.

Upon careful evaluation of the said case, the RO-SEC recommended that the complaint be filed as a criminal case before the Evaluation and Preliminary Investigation Bureau (EPIB), OMB with recommendation to charge the SEC officer of Bribery. A complaint for administrative case was also filed before the Administrative and Adjudication Bureau against the respondent for Gross Misconduct and Dishonesty, with prayer for the issuance of an order placing him under preventive suspension.

*Status:* Subject SEC officer has been ordered under preventive suspension by Hon. Aniano A. Desierto.

### Media Interest Cases (MIC)

#### RO-DENR-MIC-00-0172

In a news item questioning the compromise agreement entered into between the DENR represented by then Solicitor General Ricardo P. Galvez, the RO-DENR conducted a probe to determine whether or not the alleged irregularities attendant thereto exist. After fact-finding, it was found that the Compromise Agreement was void because the 4,689 hectares of land located within the military reservation had been waived in favor of Flora L. Garcia, the applicant. The concerned officials of NAMRIA, the Solicitor General and the Assistant Executive Secretary who witnessed the signing of the compromise agreement were all recommended charged with violation of Sec. 3(e) of RA 3019, Articles 183 and 204 of RPC and administrative charge for Grave Misconduct.

### Request for Assistance

- Requests for assistance of almost all the janitors (46) of Department of Education who alleged underpayment and non-remittance of their SSS and PAG-IBIG contributions by their then employer, Ultimate Care, Inc. were attended to by RO-DECS by giving them legal advice on the matter and indorsed their complaint to the Department of Labor and Employment (DOLE). On November 17, 2001 the DOLE awarded a total of P4,254,239.10 in favor of the janitors.

- The RO-PCSO was able to facilitate the release of a guarantee letter to the hospital whereby a patient who was operated on and hospitalized wanted to be released from the hospital and spend Christmas with his family in his home. The requester was able to secure the guarantee letter within 20 minutes of waiting.

### Special Projects/Monitoring

- The RO for the Duty Free Philippines (DFP) monitored the attempt by a former DFP General Manager to flood the DFP with JVC electronic products hours before formally relinquishing his post. The timely intervention of the Office of the RO-DFP prevented the said agency from a bleeding burden of owing some US\$1,003,219.00 or an estimated Fifty Million Pesos to JVC Philippines, which is owned by the family of outgoing DFP Gen. Manager.

- The Resident Ombudsman and the Asst. Ombudsman for ORO-HUDCC, NHMFC, HDMF & HGC played very vital roles in the realization of the Housing Project of the Office of the Ombudsman. A Memorandum of Agreement (MOA) between the Office of the Ombudsman, HUDCC, the PAG-IBIG Fund and Globe Asiatique Realty Holding Corporation (developer) was signed last May 22, 2001 and October 5, 2001, respectively, at the Heroes Hall, Malacanang Palace. A series of orientations/briefings were then scheduled to accommodate queries from officials and employees of this Office. Then, the Groundbreaking ceremony of the Santa Barbara Villas II was held last December 7, 2001 at San Mateo, Rizal.

## **Linkages with Other Government Institutions and International Corruption Fighters**

The Office of the Ombudsman also enlists the active collaboration of other government agencies and international anticorruption associations. Together with the DECS, it has developed corruption prevention and control education modules for the elementary and secondary levels which was implemented in June 2000. These modules are designed to inculcate among the students positive values such as honesty, integrity, uphold of common good and simple living. Conduct of Impact Assessment Seminar on the Effectiveness of OMB-DECS Corruption Prevention Education Modules in Tuguegarao, Cagayan and Legaspi City were held.

The Ombudsman has also entered into a joint undertaking with the Movie and Television Review and Classification Board that aims to protect the youth from imbibing distorted values and imitating corrupt behaviors from movie and television programs.

There is also an efficient coordination among the anti-corruption agencies through the formation of the Inter-Agency Coordinating Council among the Commission on Audit, the Civil Service Commission, the Department of Justice, the National Bureau of Investigation, the Presidential Commission Against Graft and Corruption and the Office of the Ombudsman.

In the pursuit of the cause of good government and the goal for a graft-free Philippines, the Integrated Bar of the Philippines, the National Press Club and the Office of the Ombudsman launched "NATIONWATCH" through the signing of a Memorandum of Agreement in May 2000. The NATIONWATCH was already launched in Manila, Palawan, Cebu, Davao and Baguio City.

Our Office is also actively participating in the affairs of the Asian Ombudsman's Association and the World Ombudsman Institute. In July 2000, the Philippines hosted the Fifth Conference of the Asian Ombudsman's Association. The sixth conference which was held in Japan this year was attended by the Overall Deputy Ombudsman Margarito P. Gervacio, Jr.

---

## Research and Special Studies

Research and special studies are being undertaken by the Research and Special Studies Bureau (RSSB) of the Fact-Finding, Intelligence and Research Office (FIRO). This is the *legislative-action* arm of the Office of the Ombudsman. *Legislative* because pursuant to Section 15 (6) of Republic Act 6770, RSSB is task to “determine the causes of inefficiency, red tape, mismanagement, fraud and corruption in the government”. *Action* because it “submits recommendations to specific agencies in the government as well as Congress for their elimination and the observance of high standards of ethics and efficiency.”

Consistent with the constitutional mandate of the OMB, the RSSB organized its activities in 2001 along four areas of concern, namely: graft prevention research, research to support policy making, management and technical research services, and the OMB library work and services.

For its **graft prevention research**, RSSB focused on either agency-based operations review and/or special studies or studies to support fact-finding investigations. The significant contribution of RSSB for FY 2001 is the collection of data and evidence and their analysis to support fact-finding investigation of the plunder and other cases filed against the former President Joseph E. Estrada. Some of the significant graft prevention researches undertaken are as follows: (1) Proposed executive order authorizing the Honorable Ombudsman to issue mission orders to allow OMB officials and investigators to possess and carry firearms outside of their residence; (2) Legal bases and rationale of banning motorcycles from the North Luzon Tollway (NLT), South Luzon Expressway (SLEX), and Manila-Cavite Coastal Road; (3) Formulation of new guidelines on the filing of statement of assets and liabilities before the OMB pursuant to RA 6713; (4) Legality of the issuance of OMB clearance to government retirees; (5) Study on the operations of the local government units with emphasis on the systems and procedures involving procurement, collection of fees, licensing, registrations, and appointment of personnel; (6) Strengthening anti-corruption bodies through change management: Focus on the Office of the Ombudsman.

The RSSB also conducted **policy researches** to provide the legislature with significant data in formulating and evaluating policies geared towards graft and corruption prevention. These include the following: (1) Bills amending RA 6770, the object of which is to strengthen the powers and functions of the Office of the Ombudsman; (2) Bills proposing to consider money laundering in the country as a criminal act; (3) Bills proposing to amend the salary standardization law; and (4) Deliberations on the constitutionality of the Plunder Law (RA 7080).

The RSSB extended **management and technical research services** and direct assistance to the Honorable Ombudsman and Overall Deputy Ombudsman as well as other officials and units in the OMB. The packages of services were provided in the form of specialized studies, projects, and activities done in the instance or requirement of the requesting party.

As the repository of relevant and up-to-date information on laws, statutes, rules and regulations on graft and corruption, the RSSB maintains the operations of the OMB Library. It also has in its possession the CD-based software programs such as the Lex Libris and Compton’s 1999 Encyclopedia De Luxe. The three volumes of Lex Libris, namely: Laws, Taxation, and Jurisprudence with updates for 2001 routinely supports the information requirements of OMB lawyers. Library materials, their maintenance which include storage and retrieval, are regularly conducted by the OMB Library.

## REGIONAL AND SECTORAL ACTIVITIES

The regional and sectoral offices of the Office of the Ombudsman have accomplished relevant programs and activities, in support to the continuing efforts and unwavering commitment of the Office to establish a graft-free, effective and responsible government. For calendar year 2001, the OMB-Luzon, the OMB-Visayas, the OMB-Mindanao and the OMB-Military have undertaken the various programs and activities that support the graft prevention thrust of the Ombudsman.

### OMB-LUZON

During the year 2001, the Office of the Deputy Ombudsman for Luzon implemented graft prevention activities, highlighted by the following:

1. Conducted three (3) Seminar/Workshops entitled REVIVAL and TALIMA during the months of February, July and August 2001, attended by a total of 1,841 participants composed of faculty, staff and students of state colleges and personnel of the various government agencies like the DPWH and DTI. TALIMA action officers also attended the seminar/workshop;

2. Conducted two (2) Lecture/Information Dissemination Seminar on Accountability of Public Officers in July and August, 2001, attended by a total of 450 participants composed of municipal officials and employees, barangay captains, public school officials, faculty and non-faculty of state colleges;

3. Accredited the following Corruption Prevention Units (CPUs):

- a. Cavite Farmers Foundation, Inc. Cavite City
- b. Ang Bagong Pamilihang Bayan ng Bayombong, TODA, Bayombong, Nueva Ecija
- c. Land Reform Beneficiaries Association, Inc. Kias, Baguio City

4. Designated forty-four (44) TALIMA Action Officers in provincial, city/municipal officers of the various local government units of the five regions in Luzon, to include the Cordillera Autonomous Region; and

5. Attended to 96 complaints, 48 requests for assistance to include the 5 assisted/settled by the TALIMA Action Officers.

### OMB-VISAYAS

For the year 2001, the Office of the Deputy Ombudsman for the Visayas accomplished the following:

1. On information dissemination, eighty (80) dialogue-conferences were held and attended by an estimated total number of 8,499 members/participants;

(2) Accepted/attended 155 invitations dialogue/conferences with local officials, academe, religious group and non-governmental organizations;

(3) Provided immediate assistance to 5,880 clients through phone calls or personal representation;

(4) Accredited one hundred fifty-nine (159) non-governmental organizations as Corruption Prevention Units (CPUs) and two hundred ninety-nine (299) Junior Graftwatch Units (JGUs);

(5) Acted on a total of 3,334 requests for assistance and grievances;

(6) Coordinated and supported activities sponsored by JGUs and CPUs by way of the conduct of orientation seminars and assistance to their initiated and filed complaints;

(7) Designated 136 Resident Ombudsmen in government offices of Regions 6, 7 and 8;

(8) Established linkages with other government agencies and non-government entities by way of Memorandum of Agreement and in coordination with the Association of Resident Ombudsmen;

(9) Organized and joined as members in civic spirited organizations, particularly the following: Solidarity for Justice Project Coalition Watch Group of Central Visayas and the Task Force on Violence Against Women and Children; and

(10) Jointly conducted with other government agencies community outreach activities, enumerated as follows: (a) distribution of goods, used clothings, groceries to depressed areas in the hinterlands of Tuburan, Cebu; (b) tree planting; and, (c) information caravan and free clinic in a depressed site of Sea Breeze, Barangay Pajo, Lapu-lapu City.

## **OMB-MINDANAO**

For calendar year 2001, the Office of the Deputy Ombudsman for Mindanao undertook various graft prevention programs relevant to sustaining the proactive corruption prevention policy thrust of the Honorable Ombudsman, geared towards enhancing public awareness and involvement of all sectors of society in the campaign against graft and corruption. The accomplished programs are as follows:

- On information dissemination and education activities, OMB-MIN conducted fifty-five (55) trainings and seminars, attended by a total of 2,901 participants, some are as follows:

1. Training for Barangay Officials, held in Surigao del Norte and DILG III including those officials from the islands of Surigao del Norte;

2. Launching of the OMB-IBP-NPC NATIONWATCH Program and the NATIONWATCH Paralegal Training for CPUs in Mindanao held in Davao City;

---

3. Launching conferences of the OMB-TUCP “People’s Efficiency and Transparency Campaign (PEAT)” in Mindanao, Cagayan de Oro City and Davao City; and

4. Continuing training linkages held through the integration of Ombudsman-related topics in the training curricula or designs of various government agencies.

- On JGUs, OMB-MIN accredited a total of 118 school-based groups/associations. For the year, the JGUs conducted various information dissemination activities with the students and local government officials, with one institution which observed a week-long activity during its “Junior Graftwatch Week”.

- On CPUs, this area office accredited forty-six (46) groups/associations in its locality as Corruption Prevention Units (CPUs). The accreditation included the ten community-based church organizations in Bukidnon.

- On Resident Ombudsmen (RO), for CY 2001, this Office designated a total of 433 ROs. Included are ten (10) non-organic ROs authorized based on the amended guidelines of Administrative Order No. 10.

- OMB-MIN attended to 876 complaints and 2,686 requests for assistance.

## **OMB-MILITARY**

For the year 2001, the Office of the Deputy Ombudsman for the Military has undertaken programs that were focused on information dissemination for officer level positions in the Armed Forces of the Philippines (AFP) and the Philippine National Police (PNP).

During the year in review, there were nine (9) command conferences (seminars) held during the months of April to November 2001 in different parts of the country. These conferences were attended by a total of 1,153 participants composed of senior officers of the PNP and officers and enlisted men of the AFP.

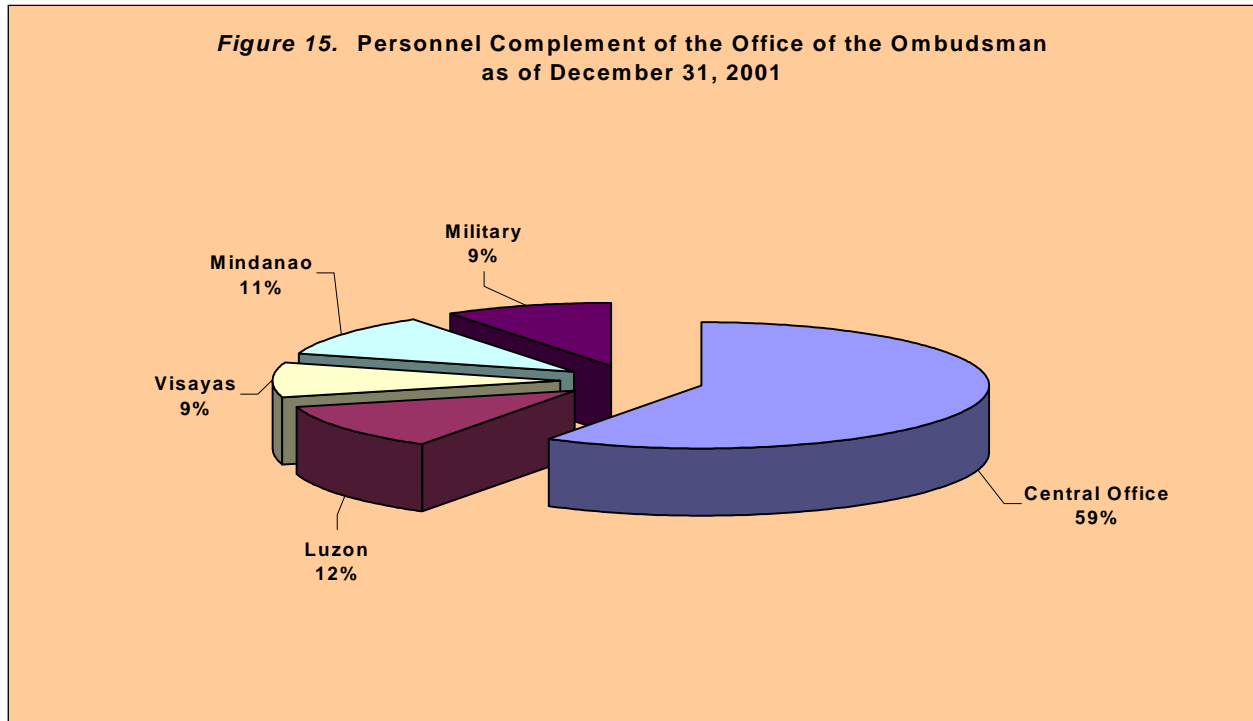
Also, a total of 1,016 requests for assistance were received in CY 2001 with 1,231 having been adequately acted upon and accordingly disposed. The number includes those received during the previous year.

---

## ADMINISTRATIVE AND SUPPORT SERVICES

### Personnel Complement

The Office of the Ombudsman was complemented by a total of 793 employees with breakdown as follows: OMB-Central Office - 468 (59%); OMB-Luzon - 94 (12%); OMB-Visayas - 70 (9%); OMB-Mindanao - 86 (11%); and OMB-Military - 75 (9%). (see Figure 15)



### Employees' Welfare

Concerning OMB 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, credit facilities in the form of loans, funeral and housing assistance.

For calendar year 2001, the following programs were implemented:

Priority Fund Programs	Amount
1. Processing and granting of applications for General Purpose Loan	P13,218,631.00
2. Processing and granting of claims for reimbursement of medical expenses of member-dependents	2,522,433.63
3. Processing and granting of claims for reimbursement of medical Expenses of member-dependents	495,126.37
4. Processing and disbursing of hospital bills for the Annual Medical Check-up Program	2,079,018.93

The following are the continuing policies governing EMWF fund operation: (1) issuing Omnibus Rule in the grant of General Purpose Loan; (2) absorbing financial obligations of deceased members by the Loan Guarantee Fund; (3) paying General Purpose Loans extended to co-terminus member-employees within the period of employment; (4) granting of cash dividends to separated member-employees whose contributions are not yet withdrawn; (5) stamping the original supporting documents for medical claims to avoid the possibility of using them for double claim; (6) granting the increase in interest rate for General Purpose Loan; and (7) establishing a Short-term Loan in the Benefits Program.

## Recognition of 2001 Outstanding Achievement Awardees

In recognition of the exemplary performance of OMB employees, plaques and cash incentives were given to deserving employees. For CY 2001, 34 employees were accorded the Recognition Award for Performance, an employee was given the Kapwa Award, 53 for Loyalty Cash Incentive Awards, 22 for Perfect Attendance Awards, 122 for salary step increment, and Productivity Incentive Bonus was granted to all employees.

## Support Services

The **Central Administrative Services (CAS)** is tasked with all administrative matters concerning the Office of the Ombudsman. It is composed of the Human Resource Management Division (HRMD), the Central Records Division (CRD) and the General Services Division (GSD).

CAS through the **Human Resource Management Division**, has proposed and prepared the following: First Edition of the Employee Handbook 2001; the Revised guidelines for leave to be spent abroad; preparation and review of Notice of Salary Adjustment to implement the legislated five percent increase in salaries; Evaluation Point System for candidates to first and second level positions at the Central Office, and conducted a battery of psychological tests for qualified candidates.

With regard to its concern on personnel development, a total of 44 staff development seminars and trainings were attended by a total of 447 participants. These include 3 in-house trainings/seminars and 41 seminars/training/courses which were sponsored by professional associations and other agencies. Moreover, 5 employees were recommended for financial support for their review in bar/board examinations.

HRMD has also undertaken the following personnel actions: issued a total of 7,675 certifications; prepared 46 appointments; published 141 vacant positions; issued 64 Memoranda on Tardiness; indorsed 470 loan/retirement/policy maturity to GSIS and PAG-IBIG; claimed 411 cheques from GSIS and PAG-IBIG; processed authority to teach for 13 employees; and scheduled 160 employees for medical check-up in coordination with EMWF and accredited hospitals.

The **Central Records Division** which served as the frontline unit of the Office concerning records management continued its task of receiving, classifying, verifying, recording, indexing and docketing of complaints and incoming communications. Highlights of CRD's accomplishments for CY 2001 are as follows: received 2,305 complaints and 24,838 various communications; docketed 1,674 complaints; served 11,800 pleadings, and issued 712 certifications as to pending cases.

The CRD has initiated the formulation of the Uniform Docketing System which was duly approved and becomes operational by the year 2002. This was done in coordination with the Records Officers of the different area/sectoral offices and Bureau Directors.

The **General Services Division** provided the Office of the Ombudsman with adequate services concerning property management, vehicle utilization, cash disposition, printing and carpentry services, building and ground maintenance, and office equipment maintenance. For the year 2001, GSD has processed a total of 5,119 documents pertaining to property management; purchased P7.8M worth of equipment and P4.3M worth of supplies; issued 3,401 checks and 1,002 official receipts; serviced 3,741 trips; performed 192 carpentry works; repaired 1,555 electrical/telephones and 788 airconditioners; and servicing of payroll were also undertaken.

It has also embarked on the physical inventory of all unserviceable properties of OMB-Central Office with the end view of disposing the same prior to the transfer to the new OMB Building. Relative thereto, it facilitated the conduct of a one-day seminar/conference attended by the respective Administrative Officers, Accountants, Budget Officers, Supply Officers and COA Auditors.

---

## FINANCIAL REVIEW

In order to support the programs and projects which ultimately resulted in the attainment of OMB goals and objectives, the Office of the Ombudsman received a total allotment in the amount of P729,373,441, representing an increase of P29,017,175 or 4.1% compared to P700,356,266 allotment for the Fiscal Year 2000.

Total expenditures/obligations incurred for FY 2001 stood at P436,679,310, an increase of 59,314,405 or 15.7% from the P377,364,905 amount recorded last year. The breakdown of these expenditures are as follows: Personal Services - P297,388,796 (68%); Maintenance and Other Operating Expenses - P96,710,636 (22%); and Capital Outlay - P42,579,878 (10%).

Deducting the P436,679,310 incurred total obligation for the year from the P729,373,441 total allotments resulted to an amount of P292,694,131 cumulative results of operations or savings at the end of the year which is a reduction of P30,297,230 (9.4%) from the previous year.

**CONSOLIDATED STATEMENT OF OPERATIONS**  
**For the Year Ended December 31, 2001**  
**(With Comparative Figures for FY 2000)**  
**General Fund**

PARTICULARS	2001	2000	INCREASE (DECREASE)
Cumulative Results of Operations (CRO) at the Beginning of the Year:			
Continuing Appropriations	P 322,991,361	P 250,053,395	P 72,937,966
Releases to Area/Sectoral Offices	6,008,551		6,008,551
Realignment per SARO#C-01-01158	6,738,551		6,738,519
Withdrawal per AO No. 5 dtd 2/28/01	50,000,000		50,000,000
<b>Total</b>	<b>P 260,244,291</b>	<b>P 250,053,395</b>	<b>P 10,190,896</b>
Add: Allotments Received During the Year			
R.A. No. 8760/8760	591,774,467	443,717,357	148,057,110
Less: Releases to Area/Sectoral Offices	122,645,317	(6,585,514)	129,230,831
Total	469,129,150	450,302,871	18,826,279
<b>Total Allotments Received During the Year</b>	<b>P 729,373,441</b>	<b>P 450,302,871</b>	<b>P 29,017,175</b>
Less: Obligations Incurred During the Year			
Personal Services	297,388,796	253,585,024	43,803,772
Maintenance & Other Operating Expenses	96,710,636	95,435,315	1,275,321
Capital Outlay			
300-34			
300-35	36,084,521	16,141,291	19,943,230
300-36	6,495,357	12,203,275	(5,707,918)
<b>Total Obligations Incurred During the Year</b>	<b>P 436,679,310</b>	<b>P 377,364,905</b>	<b>P 59,314,405</b>
Excess of Allotments Over Obligations Incurred	292,694,131	322,991,351	(30,297,230)
Add: Income During the Year			
Operating & Service Income-Miscellaneous	943,981	186,986	756,995
Miscellaneous Income – Miscellaneous			
Adjustments	17,886,207	10,146,179	7,740,028
<b>Total Income During the Year</b>	<b>P 18,830,188</b>	<b>P 10,333,165</b>	<b>P 8,497,023</b>
<b>Total CRO During the Year</b>	<b>P 311,524,319</b>	<b>P 333,324,526</b>	<b>P (21,800,207)</b>
Less: Reversion to CRO-Unappropriated:			
Income	943,981	186,986	756,995
Adjustments	17,886,207	10,146,179	7,740,028
Total Reversion to CRO – Unappropriated	18,830,188	10,333,165	8,497,023
<b>Cumulative Results of Operations, End of the Year</b>	<b>P 292,694,131</b>	<b>P 322,991,361</b>	<b>P (30,297,230)</b>

Source: Accounting Division, FMS

**BALANCE SHEET**  
**December 31, 2001**  
**(With Comparative Figures for FY 2000)**  
**General Fund (101)**

**ASSETS**

PARTICULARS	2000	1999	INCREASE (DECREASE)
Current Assets:			
Cash	P 16,511,313	P 27,138,555	P (10,627,242)
Receivables	1,579,843	30,524	1,549,319
Inventories	2,958,423	3,391,333	(432,910)
Miscellaneous Assets & Deferred Charges	1,246,547	919,275	327,272
<b>Total Current Assets</b>	<b>P 22,296,126</b>	<b>P 31,479,687</b>	<b>P (9,183,561)</b>
Contingent Assets	236,889	236,889	
Investments			
On Stocks and Bonds	258,190	258,190	
Fixed Assets			
Furniture, Equipment & Work Animals	704,611,938	399,180,354	305,431,584
<b>TOTAL ASSETS</b>	<b>P 727,403,143</b>	<b>P 431,155,120</b>	<b>P 296,248,023</b>

**LIABILITIES & RESIDUAL EQUITY**

Current Liabilities:			
Payables	P 37,685,901	P 59,106,101	P (21,420,200)
Trust Liabilities	5,316,576	4,957,952	358,624
Miscellaneous Liabilities & Deferred Charges	2,958,422	3,391,333	(432,911)
<b>Total Current Liabilities</b>	<b>P 45,960,899</b>	<b>P 67,455,386</b>	<b>P (21,494,487)</b>
Long-term Liabilities			
Public Debts	380,000,000	120,000,000	260,000,000
Total Long-term Liabilities	P 380,000,000	120,000,000	P 260,000,000
<b>TOTAL LIABILITIES</b>	<b>P 425,960,899</b>	<b>P 187,455,386</b>	<b>P 238,505,513</b>
Cumulative Results of Operations:			
Per Statement of Operations	P 292,694,131	P 322,991,361	P (30,297,230)
National Clearing Accounts	(316,690,713)	(358,908,870)	42,218,157)
Total Cumulative Results of Operations	P (23,996,582)	(35,917,509)	11,920,927
Invested Capital	325,201,937	279,380,354	45,821,583
Contingent Capital	236,889	236,889	
<b>TOTAL RESIDUAL EQUITY</b>	<b>P 301,442,244</b>	<b>243,699,734</b>	<b>57,742,510</b>
<b>TOTAL LIABILITIES AND RESIDUAL EQUITY</b>	<b>P 727,403,143</b>	<b>P 431,155,120</b>	<b>P 296,248,023</b>

Source: Accounting Division, FMS

## Highlights of FMS' Accomplishments

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).

The **Planning and Budget Division** for FY 2001 has accomplished its tasks in ensuring the availability and timely release of funds to support the programs/projects which ultimately resulted in the attainment of the OMB goals and objectives.

The PBD has accomplished the following for FY 2001: (a) instrumental in the increase of the overall budget of the Office; (b) represented the Office in the Constitutional Fiscal Autonomy Group Meetings which is instrumental in: (1) continued grant of Amelioration Assistance to all OMB employees despite issuance of Administrative Order No. 87, which prohibits the grant of Amelioration Assistance to all government personnel in FY 2001; (2) the grant of Amelioration Assistance to detailed employees of the CFAG member agencies; (3) the grant of Rice Subsidy Allowance for all OMB employees equivalent to 1 sack of rice or P1,000/employee for every two months; (4) implementation of Executive check-up in the amount not exceeding P6,000 for every employee; (c) facilitated local and foreign travels of OMB officials and employees; (d) prepared Resolutions to cover allotment deficiencies in Personal Services, Maintenance and Other Operating Expenses and Capital Outlays; and (e) processed a total of 2,965 Request for Obligational Authority (ROA) for FY 2001.

In the performance of its mandated function, the **Accounting Division** was able to cope with the agency's financial commitments and submitted various periodical reports to the Department of Budget and Management (DBM), Bureau of Internal Revenue (BIR), Commission on Audit (COA), Government Service Insurance System (GSIS) and other regulatory bodies, on time.

For the year, the Accounting personnel, had undertaken the following: (1) conducted workshop/seminar on the New Government Accounting System attended by area/sectoral offices' accountants, budget officers and supply officers; (2) coordinated with area/sectoral offices on DOF and DBM Joint Circular No. 1-2000A dated July 31, 2001 re: Amendments to Joint Circular No. 1-2000 dated January 3, 2001; and, participated in the formulation of policies, rules and regulations relative to the operation of the OMB-Employees Medical and Welfare Fund. The following seminar/workshops were attended to upgrade the skills and expertise of staff members and be more efficient and responsible in the discharge of their duties: (1) GACPA Seminar/Workshop and Conferences conducted by the Government Association of Certified Public Accountants; (2) PAGBA Seminar/Workshops conducted by the Philippine Association for Government Budget Administration, Inc.; and, AGAP Seminar/workshops conducted by the Association of Government Accountants in the Philippines.

The **Monitoring and EDP Division** (MED) continued with its concern in the provision of operational support requirements in facilitating the flow of information to and from the various offices, bureaus and divisions.

For its monitoring function, MED prepared seven (7) OMB integrated reports for the third and fourth quarters, second semester and annual reports for CY 2000 and the first and second quarters and first semester reports of CY 2001. At the end of CY 2000, the third quarter accomplishment reports of the central and area/sectoral offices were already validated and evaluated. Also, during the year, forty two (42) statistical reports were prepared upon the request of the different OMB offices and other government agencies.

Coordination with the Administrative Adjudication Bureau (AAB) resulted to the development of the AAB Case Monitoring System. Also, with the priority request of the Screening and Evaluation Committee (SEC), the development of the SEC Case Monitoring was undertaken resulting to the partial completion of the system enabling SEC to build up its database files and accommodate inquiries on complaints handled.

Modifications and continuing files management and maintenance were provided to the end-users of the following developed and installed systems: (1) OMB Clearance (OMBCLEAR) System of the Public Assistance Bureau (PAB); (2) Case Registry (CARE) System, Assets and Liabilities Monitoring System (ALMS) and Case Storage and Retrieval (CASTORE) System of the Central Records Division; (3) Payroll System, Trial Balance System, Cash Advance Reporting System and Journal of Disbursements by Disbursing Officers (JDDO) System of the Accounting Division; (4) Case Monitoring System (CASEMON) of the Preliminary Investigation, Administrative Adjudication and Monitoring Office (PAMO); (5) Request for Assistance (RAS) System of PAB; (6) OMB-Luzon Case Records System (CARELUZ); (7) Case Monitoring System of the Office of the Corporate Legal Counsel; (8) Monitoring System for Computers, Peripherals and Services (MEDSERV) System of the Monitoring and EDP Division; (9) Personnel Savings/Loan and Medicare (PSALM) System of the OMB Medical and Welfare Fund; (10) Documents Tracking System of the Office of the Overall Deputy Ombudsman; (11) Property Management Information System (ProMIS) of the General Services Division; (12) Fact-Finding and Investigation Bureau System; (13) Administrative Adjudication Bureau System; and (14) Screening and Evaluation Committee System.

To keep abreast of developments in Information Technology, MED continued coordination with IT firms and attended seminars and product launchings. The following researches were also completed: Using Digital Versatile Disk; Using Java Language; Anti-virus Software; Visual Programming for Software Management Application; Object Oriented Software; Software Piracy; Internetworking; Basic VPN Using Transparent LAN; LAN Server; Web Hosting; Use of Voice/Data Technologies; An Audio, Video and Document Conferencing Proposal; Adoption of Office Wide Virus Protection; An Information Portal Proposal; and Dedicated and Advance Telecommunication Line Connection and Quality Data Management.

MED's concern in the quarterly conduct of hardware and software maintenance and user's orientation likewise continued and further study on the proposed Local Area Network (LAN) in the new OMB Building and data accessibility to the different OMB area/sectoral offices and OSP were ongoing at the end of the year.

---