



REPUBLIC OF THE PHILIPPINES

*Sandiganbayan*

Quezon City

SIXTH DIVISION

PEOPLE OF THE PHILIPPINES, **SB-13-CRM-0739 to 0771**

Plaintiff,

For: Violation of Section 52(g)

In relation to Section 6(b)

of R.A. No. 8291

(GSIS Act of 1997)

*Present*

- versus -

**FERNANDEZ, SJ, J.,**

Chairperson

**MIRANDA, J. and**

**ROMEO V. BORJA, SR., ET AL.**

**VIVERO, J.**

Accused.

*Promulgated:*

*January 29, 2011*

X-----X

### DECISION

**FERNANDEZ, SJ, J.**

Accused Romeo V. Borja, Sr. (Mayor), Johnson G. Mangalili (Budget Officer), Rosita A. Yang (Accountant) and Jorja B. Palacio (Treasurer), all of the Municipality of Pantabangan, Nueva Ecija, are charged with thirty-three (33) counts of Violation of Sec. 52(g) of Republic Act No. 8291<sup>1</sup> (R.A. No. 8291) for allegedly failing to remit to the Government Service Insurance System (GSIS) the premium contributions of Gerardo O. Sator for the months of October to December 2007, January to March and May to December 2008, January to December 2009, and January to August 2010, within thirty (30) days from the time said premium contributions became due and demandable.

The accusatory portion of the Information in SB-13-CRM-0739 reads:

<sup>1</sup> The Government Service Insurance System Act of 1997

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 2 of 50

X -----X

That on **October 11, 2007**, or subsequent thereto, in the Municipality of Pantabangan, Nueva Ecija, Philippines, and within the jurisdiction of this Honorable Court, the above-named accused **Romeo V. Borja Sr.**, a high-ranking public officer and head of a government agency, being the Municipal Mayor of the Municipality of Pantabangan, Nueva Ecija, and having direct supervision in the collection and remittance of the Government Security and Insurance System (GSIS) premium contributions, and **Johnson G. Mangalili**, **Rosita A. Yang**, and **Jorja B. Palacio**, all low-ranking public officers, being the Municipal Budget Officer, Municipal Accountant and Municipal Treasurer, of the Municipality of Pantabangan, Nueva Ecija, and as such, are involved in the preparation, collection and remittance of the GSIS premiums and payments, committing the offense charged in relation to their office, and taking advantage of their official functions, conspiring and confederating with one another, did then and there willfully, unlawfully and criminally fail to remit with the GSIS, the monthly GSIS premium contribution collected/deducted from the salary of Gerardo O. Sator, an employee of the Municipal Government of Pantabangan, Nueva Ecija, for the month of **August 2007**, in the amount of **Eight Hundred Eighty Six Pesos and 45/100 (Php886.45)** within thirty (30) days from the time it became due and demandable on September 10, 2007, in accordance with Section 52(g) and Section 6(b) of R.A. No. 8291 or the GSIS Law, to the damage and prejudice of Gerardo O. Sator and of public interest.

**CONTRARY TO LAW.**

The Information in SB-13-CRM-00739 to 0771 are similarly worded, except for the date of the alleged commission of the offense, the month covered by the premium contribution, and the amount involved. For convenience, the details of the Information in SB-13-CRM-0739 to 0771 are summarized as follows:

SB-13-CRM-	Date of alleged commission of the crime	Month covered by premium	Amount
0739	October 11, 2007	August 2007	₱886.45
0740	November 10, 2007	September 2007	₱886.45
0741	December 11, 2007	October 2007	₱886.45
0742	January 10, 2008	November 2007	₱886.45
0743	February 10, 2008	December 2007	₱886.45
0744	March 12, 2008	January 2008	₱886.45
0745	May 11, 2008	March 2008	₱886.45
0746	June 10, 2008	April 2008	₱886.45
0747	August 10, 2008	June 2008	₱886.45
0748	September 10, 2008	July 2008	₱975.24
0749	October 11, 2008	August 2008	₱975.24
0750	November 10, 2008	September 2008	₱975.24

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 3 of 50

X -----X

SB-13-CRM-	Date of alleged commission of the crime	Month covered by premium	Amount
0751	December 11, 2008	October 2008	₱975.24
0752	January 10, 2009	November 2008	₱975.24
0753	February 10, 2009	December 2008	₱975.24
0754	March 13, 2009	January 2009	₱975.24
0755	April 10, 2009	February 2009	₱975.24
0756	May 11, 2009	March 2009	₱975.24
0757	June 10, 2009	April 2009	₱975.24
0758	July 11, 2009	May 2009	₱975.24
0759	August 10, 2009	June 2009	₱975.24
0760	September 10, 2009	July 2009	₱1,032.57
0761	October 11, 2009	August 2009	₱1,032.57
0762	November 10, 2009	September 2009	₱1,032.57
0763	December 11, 2009	October 2009	₱1,032.57
0764	January 10, 2010	November 2009	₱1,032.57
0765	February 10, 2010	December 2009	₱1,032.57
0766	March 13, 2010	January 2010	₱1,032.57
0767	April 10, 2010	February 2010	₱1,032.57
0768	May 11, 2010	March 2010	₱1,032.57
0769	June 10, 2010	April 2010	₱1,032.57
0770	July 11, 2010	May 2010	₱1,032.57
0771	August 10, 2010	June 2010	₱1,032.57

When arraigned, accused Borja, Yang and Palacio separately entered their pleas of "Not Guilty".<sup>2</sup>

During the Pre-trial,<sup>3</sup> the parties stipulated as follows:<sup>4</sup>

1. The identity of accused Romeo V. Borja, Sr., Rosita A. Yang and Jorja B. Palacio as the same persons charged in the Informations in these cases;
2. That accused Romeo V. Borja, Sr. was the Municipal Mayor of the Municipality of Pantabangan, Nueva Ecija at the time of the alleged commission of the offenses charged in these cases;
3. That accused Rosita A. Yang was the Municipal Accountant of the Municipality of Pantabangan, Nueva Ecija at the time of the alleged commission of the offenses charged in these cases;
4. That accused Jorja B. Palacio was the Municipal Treasurer of the Municipality of Pantabangan, Nueva Ecija at the time of the alleged commission of the offenses charged in these cases; and
5. That private complainant Gerardo O. Sator/Satur was the Private Secretary-I at the Office of the Municipal Vice Mayor of the Municipality of Pantabangan, Nueva Ecija from July 2, 2007 up to June 30, 2010.

<sup>2</sup> Record, Vol. 2, pp. 4-6 (accused Yang and Palacio); Record, Vol. 2, pp. 87-88 (accused Borja)

<sup>3</sup> Pre-Trial Order dated March 7, 2016; Record, Vol. 2, pp. 323-338

<sup>4</sup> Pre-Trial Order dated March 7, 2016, pp. 1-2; Record, Vol. 2, pp. 323-324

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 4 of 50

x -----x

The parties also agreed that the issue to be resolved is:<sup>5</sup>

Whether accused Romeo V. Borja, Sr., in conspiracy with Rosita A. Yang and Jorja B. Palacio, violated Section 52(g) in relation to Section 6(b) of Republic Act No. 8291 (GSIS Act of 1997) in these cases.

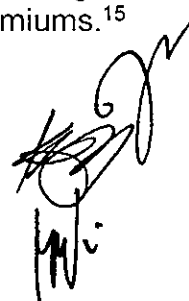
Accused Mangalili is still at large.

EVIDENCE FOR THE PROSECUTION

The prosecution presented as witnesses **Gerardo O. Sator**,<sup>6</sup> **Elvira R. De Vera**,<sup>7</sup> **Jennifer V. Barcelo**,<sup>8</sup> **Elvira V. Gonzales**,<sup>9</sup> **Jacqueline Parica**,<sup>10</sup> and **Emilio L. Juatco**.<sup>11</sup>

**Gerardo O. Sator** testified as follows:

1. He is currently a private secretary at the Office of the Vice Mayor of Pantabangan, Nueva Ecija.<sup>12</sup>
2. From July 2, 2007 to June 30, 2010, he held the position of Private Secretary I at the Office of the Vice Mayor of Pantabangan, Nueva Ecija.<sup>13</sup>
3. Sometime in 2009, after he heard rumors that GSIS premiums were not being remitted in the Municipality of Pantabangan, he went to the GSIS Office in Cabanatuan City and inquired if he was a member of the GSIS.<sup>14</sup>
4. There, he was informed that the Municipality of Pantabangan was suspended because it was not remitting GSIS premiums.<sup>15</sup>



<sup>5</sup> Pre-Trial Order dated March 7, 2016, p. 11; Record, Vol. 2, p. 333

<sup>6</sup> TSNs, March 14, 2017 and March 15, 2017

<sup>7</sup> TSN, August 9, 2017

<sup>8</sup> TSN, August 10, 2017

<sup>9</sup> TSNs, October 23, 2017 and October 24, 2017

<sup>10</sup> TSN, October 24, 2017

<sup>11</sup> TSN, January 10, 2018

<sup>12</sup> TSN, March 14, 2017, p. 19

<sup>13</sup> TSN, March 14, 2017, p. 20

<sup>14</sup> TSN, March 14, 2017, p. 21

<sup>15</sup> TSN, March 14, 2017, p. 22

## DECISION

*People vs. Borja, et al.*  
*SB-13-CRM-0739 to 0771*

*Page 5 of 50*

x - - - - -x

5. Thereafter, he approached Rosita Yang, then the Municipal Accountant, and Jorja Palacio, then the Municipal Treasurer, both of the Municipality of Pantabangan.<sup>16</sup>
6. Yang and Palacio confirmed that amounts were deducted from his salary, but they did not confirm if the same were remitted to the GSIS.<sup>17</sup>
7. He then wrote a letter (Exhibit C) to Palacio, asking if he was a member of the GSIS, and if his premiums were remitted thereto.<sup>18</sup>
8. In the letter dated August 17, 2009 (Exhibit M), Palacio referred him to the Accounting Office.<sup>19</sup> He then talked to Yang, who said that she would talk to Palacio.<sup>20</sup>
9. Sometime after talking to Yang, he received a letter (Exhibit D) from the GSIS, instructing him to coordinate with the agency, and instructing them to remit his GSIS contribution.<sup>21</sup>
10. He sent (Exhibit E) copies of said letter to the Offices of the Municipal Mayor, Treasurer and Accountant.<sup>22</sup>
11. The Municipal Mayor and Treasurer took no action on the letter from the GSIS, while the Municipal Accountant told him that she would inform Mayor Borja.<sup>23</sup>
12. Because no action was taken and GSIS premium contributions were still deducted from his salaries (Exhibit N and series) from August 2007 to June 30, 2010, he filed a Complaint (Exhibit A) with the Office of the Ombudsman.<sup>24</sup>
13. His surname is indicated in the payslips as "Satur." The correct spelling is "Sator."<sup>25</sup>
14. He does not know if there was also non-remittance of GSIS contributions by the previous administration.<sup>26</sup> After Mayor

---

<sup>16</sup> TSN, March 14, 2017, pp. 22-23

<sup>17</sup> TSN, March 14, 2017, pp. 23-24

<sup>18</sup> TSN, March 14, 2017, p. 24

<sup>19</sup> TSN, March 14, 2017, p. 27

<sup>20</sup> TSN, March 14, 2017, pp. 28-29

<sup>21</sup> TSN, March 14, 2017, p. 29

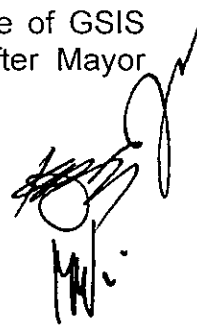
<sup>22</sup> TSN, March 14, 2017, p. 30

<sup>23</sup> TSN, March 14, 2017, pp. 34-35

<sup>24</sup> TSN, March 14, 2017, p. 35

<sup>25</sup> TSN, March 14, 2017, p. 39

<sup>26</sup> TSN, March 15, 2017, p. 8

A handwritten signature in black ink, appearing to be 'M. B.', is located in the lower right quadrant of the page. The signature is stylized and somewhat illegible.

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 6 of 50

x -----x

Borja's term in 2013, remittances were regularly made because he filed his Complaint.<sup>27</sup>

15. He is a member of the employees union of Pantabangan. He does not know about the petition filed in April 2014 by the employees of Pantabangan regarding the same issue of non-remittance of GSIS contributions.<sup>28</sup>
16. He did not enroll for the issuance of the e-Card mentioned in the GSIS letter<sup>29</sup> because when he inquired from the GSIS, he was told that the Municipality of Pantabangan was suspended due to non-remittance of GSIS premiums, and he assumed that he was not a member of the GSIS.<sup>30</sup>
17. He was not able to secure a loan and receive dividends because of the non-remittance of GSIS premiums by the local government.<sup>31</sup>

**Elvira R. De Vera**, Staff Officer I at the Billing, Collection and Reconciliation Division of the Cabanatuan Branch of the GSIS, identified the Certification dated March 1, 2016 (Exhibit Y), and testified as follows:

1. She started working at the GSIS in November 2000.<sup>32</sup>
2. The System Application Program (SAP) was implemented sometime in October 2007.<sup>33</sup> During the transition from a manual to a computerized system, there was continuous processing of transactions, albeit slower than usual.<sup>34</sup>
3. After June 2010, Gerardo Satur's premium contributions had already been fully paid.<sup>35</sup>
4. She does not have personal knowledge as to the actual remittance of GSIS contributions because she did not personally accept the remittances.<sup>36</sup>
5. She does not know if other local government units also failed to remit on time. She handles only individual accounts. She only

---

<sup>27</sup> TSN, March 15, 2017, p. 10

<sup>28</sup> TSN, March 15, 2017, p. 11

<sup>29</sup> TSN, March 15, 2017, p. 19

<sup>30</sup> TSN, March 15, 2017, p. 25

<sup>31</sup> TSN, March 15, 2017, pp. 28-29

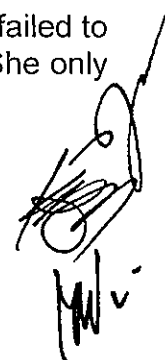
<sup>32</sup> TSN, August 9, 2017, p. 19

<sup>33</sup> TSN, August 9, 2017, p. 21

<sup>34</sup> TSN, August 9, 2017, pp. 20-21

<sup>35</sup> TSN, August 9, 2017, p. 23

<sup>36</sup> TSN, August 9, 2017, p. 26



DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 7 of 50

X -----X

sees the information on remittances if a member makes a request.<sup>37</sup>

**Jennifer V. Barcelo**, OIC Municipal Accountant of Pantabangan,<sup>38</sup> identified Exhibits Z and Z-2, and testified as follows:

1. She has held the position of Internal Auditor III since February 2009. She was designated as OIC Municipal Accountant in 2015.<sup>39</sup>
2. Prior to being appointed as Internal Auditor III, she held the position of Bookkeeper I at the Accounting Office from July 2007 to January 31, 2009.<sup>40</sup>
3. Before she had a plantilla position in July 2007, she was a Job Order employee.<sup>41</sup>
4. She explained some items in the *FLOW CHART On Preparation and Payment of Remittances for Sangguniang Bayan Office* (Exhibit Z-2) as follows:
  - a. In Process Number 1, "index" refers to the piece of paper where all deductions for each employee are written.<sup>42</sup>
  - b. In Process Number 2, the schedule refers to the Schedule of Remittances. In the preparation of the disbursement voucher, the schedule is used as basis for the amounts to be remitted.<sup>43</sup>
  - c. In Process Number 4, all remittances of the employees are approved by the Municipal Mayor.<sup>44</sup>
5. Rosita A. Yang was appointed as Municipal Accountant on September 9, 2007, while Jorja B. Palacio was appointed as Municipal Treasurer on March 28, 2001.<sup>45</sup>
6. She had to provide additional information in the *FLOW CHART* she prepared because when she prepared it, she assumed that it would be understood by the person to whom it was given.<sup>46</sup>

<sup>37</sup> TSN, August 9, 2017, p. 27

<sup>38</sup> TSN, August 10, 2017, p. 7

<sup>39</sup> TSN, August 10, 2017, pp. 7-8

<sup>40</sup> TSN, August 10, 2017, p. 8

<sup>41</sup> TSN, August 10, 2017, p. 24

<sup>42</sup> TSN, August 10, 2017, p. 18

<sup>43</sup> *Ibid.*

<sup>44</sup> *Ibid.*

<sup>45</sup> TSN, August 10, 2017, pp. 18-19

<sup>46</sup> TSN, August 10, 2017, pp. 20-21



DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 8 of 50

x -----x

7. She did not cite any law or circular because the *FLOW CHART* represents the procedure that is actually followed in the municipality at the time.<sup>47</sup>
8. The procedure presently being followed is the same, but they now use a logbook to show when outgoing documents are released from the Accounting Office.<sup>48</sup>
9. She did not seek advice from the COA when she prepared the *FLOW CHART*.<sup>49</sup>
10. In 2007, all documents, up to checks, were prepared by the Municipal Treasurer and Municipal Accountant. The only thing missing is the Municipal Mayor's signature.<sup>50</sup>
11. If the Mayor does not sign, the documents will remain in the Office of the Mayor.<sup>51</sup>

**Elvira V. Gonzales**, retired Assistant Treasurer, identified Exhibits O to O-2, O-4, O-5, O-7 to O-21, AA-5 and AA-6, and testified as follows:

1. She was the Assistant Treasurer at the Treasurer's Office of the Municipality of Pantabangan, Nueva Ecija.<sup>52</sup>
2. The originals of the payslips and payrolls were submitted to the COA.<sup>53</sup>
3. The Mayor's signature is the last requirement for remitting the contributions to the GSIS.<sup>54</sup>
4. When she was the Officer-in-Charge (OIC) of the Municipal Treasurer's Office, the documents were prepared and endorsed to the Office of the Mayor for his signature.<sup>55</sup>
5. They (also referring to accused Palacio) prepared the checks, but the Mayor refused to sign them. She does not know why the Mayor refused to do so.<sup>56</sup>

---

<sup>47</sup> TSN, August 10, 2017, p. 21

<sup>48</sup> TSN, August 10, 2017, p. 22

<sup>49</sup> TSN, August 10, 2017, p. 24

<sup>50</sup> TSN, August 10, 2017, pp. 25-26

<sup>51</sup> TSN, August 10, 2017, p. 28

<sup>52</sup> TSN, October 23, 2017, p. 8

<sup>53</sup> TSN, October 23, 2017, pp. 19-20

<sup>54</sup> TSN, October 24, 2017, p. 19

<sup>55</sup> TSN, October 24, 2017, p. 20

<sup>56</sup> TSN, October 24, 2017, pp. 22-23

Handwritten signature and initials in black ink, located at the bottom right of the page. The signature appears to be 'Elvira V. Gonzales' and the initials are 'E.V.G.'.



DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 9 of 50

x -----x

6. Because the Mayor did not sign, the checks did not reach the GSIS.<sup>57</sup>
7. The problem with regard to the remittances to the GSIS existed even prior to the administration of Mayor Borja.<sup>58</sup>
8. She and Mrs. Palacio prepared checks for GSIS remittances monthly, before the 10<sup>th</sup> of the month.<sup>59</sup>
9. She does not recall if the checks were actually issued.<sup>60</sup>
10. They were no longer able to make remittances to the GSIS even before Romeo Borja, Sr. became the Mayor.<sup>61</sup>
11. She does not know why the municipality failed to make remittances to the GSIS. At the time, she was not yet the Assistant Treasurer.<sup>62</sup>
12. The problem started during the administration of Mayor Lucio Uera, and persisted during the time of Mayor Romeo Borja.<sup>63</sup>

The parties stipulated as follows.<sup>64</sup>

- 1) That the witness is the Assistant Treasurer of the Municipality of Pantabangan, Nueva Ecija from 2009 to 2017 and served as the Officer-In-Charge of the Municipal Treasurer's Office from February 2009 to August 2009;
- 2) That she can identify Exhibits AA to AA-4;
- 3) That she can identify the documents provisionally marked as Exhibits AA-5 to AA-11 as the documents that she submitted to the Office of the Ombudsman; and
- 4) That she submitted the documents marked as Exhibits O to O-2, O-4 to O-5 and O-7 to O-21 to the Office of the Ombudsman in compliance with the subpoena issued by said office.

**Jacqueline Parica**, Municipal Social Welfare Officer II, identified Exhibit L. The parties stipulated:<sup>65</sup>

---

<sup>57</sup> TSN, October 24, 2017, p. 34

<sup>58</sup> TSN, October 24, 2017, p. 28

<sup>59</sup> TSN, October 24, 2017, pp. 31-32

<sup>60</sup> TSN, October 24, 2017, p. 32

<sup>61</sup> TSN, October 24, 2017, p. 37

<sup>62</sup> TSN, October 24, 2017, pp. 37-38

<sup>63</sup> TSN, October 24, 2017, pp. 38-39

<sup>64</sup> Order dated October 23, 2017; Record, Vol. 3, p. 53

<sup>65</sup> TSN, October 24, 2017, pp. 44-46



DECISION

*People vs. Borja, et al.*  
*SB-13-CRM-0739 to 0771*

Page 10 of 50

x -----x

1. She is the Social Welfare Officer II of the Municipality of Pantabangan, Nueva Ecija.
2. She has been employed with said Municipal Government since 2006.
3. She served as Acting Personnel Officer of the Human Resource Management Office from July 2013 to June 2016.
4. As Acting Personnel Officer, one of her duties and responsibilities was to safekeep personal records, such as the 201 file of the municipality's personnel, Position Description Form, etc.
5. In compliance with the subpoena issued by the Office of the Ombudsman, she submitted a copy of the Position Description Form of Rosita A. Yang (Exhibit L).

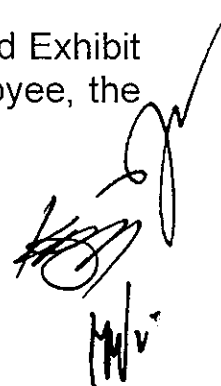
The testimony of **Amipola O. Manal**, was dispensed with after the parties stipulated:<sup>66</sup>

- 1) Amipola O. Manal is the State Auditor III of the Local Government Sector, Team 23; and [she] has jurisdiction over the Nueva Ecija B and Aurora Group of the Commission on Audit;
- 2) She assumed her position as team leader on February 23, 2017;
- 3) Her duties include auditing the transactions of the LGUs of Llanera, Rizal and Pantabangan, Nueva Ecija;
- 4) She can identify the payrolls of the Municipality of Pantabangan for the first fifteen (15) days of October and December of 2007; January, April, June, July, September, October and November of 2008; and January of 2010, marked as Exhibits CC and series for the prosecution.
- 5) Exhibits CC and series are faithful reproductions of the originals brought by Ms. Manal to the Court today; and
- 6) The knowledge and information of the said witness is only based on her duty as custodian of the documents and she has no personal knowledge as to the preparation of, and the submission dates as listed in, the documents, having assumed her position only on February 23, 2017.

**Emilio L. Juatco**, Acting Municipal Treasurer, identified Exhibit AA-12, and testified that when salaries are paid to an employee, the

---

<sup>66</sup> Order dated November 21, 2017; Record, Vol. 3, pp. 71-72

Handwritten signature and initials in black ink, located in the bottom right corner of the page.

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 11 of 50

x -----x

payslip is given to the cashier, and the duplicate is given to the employee.<sup>67</sup> The parties stipulated as follows:<sup>68</sup>

- a) He is presently the Acting Municipal Treasurer of Pantabangan, Nueva Ecija;
- b) He assumed as Acting Municipal Treasurer of Pantabangan, Nueva Ecija in November 2017;
- c) His plantilla position is Revenue Collection Officer II under the Provincial Treasurer's Office;
- d) He has held said position since September 2014;
- e) His duties and responsibilities as Acting Municipal Treasurer include the payment of the Municipality's obligations, including the salaries of employees;
- f) Relative to the payment of salaries, duplicate copies of pay slips are kept by the Cashier's Office which is under the Municipal Treasurer's Office;
- g) Despite diligent search, he could no longer locate the duplicate copies of the pay slips of the private complainant Gerardo O. Satur/Sator for the following months, viz:

CY 2007	CY 2008	CY 2009	CY 2010
August	January	January	January
September	March	February	February
October	April	March	March
November	June	April	April
December	July	May	May
	August	June	June
	September	July	
	October	August	
	November	September	
	December	October	
		November	
		December	

- h) That, in view thereof, he issued a Certification dated January 10, 2018, certifying that, despite his effort and that of his personnel to search for the duplicate copies of the private complainant's pay slips for the aforesaid months, they could not anymore be located.

The testimony of **Florentina D. Pangandian**, Provincial Auditor of Nueva Ecija, was dispensed with after the parties stipulated as follows:<sup>69</sup>

- a. She is presently the Provincial Auditor of Nueva Ecija;

<sup>67</sup> TSN, January 10, 2018, p. 10

<sup>68</sup> Order dated January 10, 2018, pp. 1-2; Record, Vol. 3, pp. 133-A and 133-B

<sup>69</sup> Order dated January 10, 2018, p. 2; Record, Vol. 3, p. 133-B

Handwritten signatures of Florentina D. Pangandian and another official.

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 12 of 50

x -----x

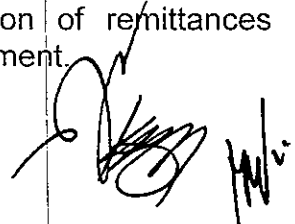
- b. In May 2016, she was the Audit Team Leader, Audit Group D – Audit Team No. 23, Province of Nueva Ecija;
- c. In compliance with a subpoena from the Office of the Special Prosecutor-Office of the Ombudsman relative to these cases, she produced two (2) original payrolls of the Municipal Government of Pantabangan, Nueva Ecija for the period **March 1-15, 2010 and April 1-15, 2010**, respectively, which were in her possession as their official custodian. These two (2) original payrolls indicate the following deductions from the salaries of the private complainant Gerardo O. Satur/Sator for his personal share in GSIS premium contributions, viz:

PERIOD	AMOUNT OF DEDUCTION RE: PERSONAL SHARE (GSIS) FROM GERARDO O. SATOR'S SALARY
March 1-15, 2010	P 1,032.57
April 1-15, 2010	P 1,032.57

- d. That, with the exception of the original payrolls for March 1-15, 2010 and April 1-15, 2010, Provincial Auditor Florentina D. Pangandian could no longer locate from the records in her official custody, despite diligent effort and search, all the other original payrolls that were transmitted to the Commission on Audit.

During the hearing on January 10, 2018, the parties further stipulated:<sup>70</sup>

- a. As enumerated in Box No. 13 on the front portion of Exhibit L, (Position Description form of accused Rosita A. Yang), the duties and responsibilities of accused Rosita A. Yang as Municipal Accountant include the following:
  - 1. Checking of completeness of documents attached to the vouchers;
  - 2. Maintain bank balance statement report;
  - 3. Obligate all cash advances granted;
  - 4. Giving advice to all checks issued;
  - 5. Certification of financial report; and,
  - 6. Monitoring of submission of remittances report and voucher to MTO for payment.



<sup>70</sup> Order dated January 10, 2018, pp. 3-4; Record, Vol. 3, pp. 133-C and 133-D

DECISION

People vs. Borja, et al.  
 SB-13-CRM-0739 to 0771

Page 13 of 50

x-----x

- b. Exhibit O-15 is a faithful reproduction of the original payroll of the Municipal Government of Pantabangan, Nueva Ecija for the period March 1-15, 2010; and,
- c. Exhibit O-16 [sic] is a faithful reproduction of the original payroll of the Municipal Government of Pantabangan, Nueva Ecija for the period April 1-15, 2010.
- d. Original payrolls pertaining to the following months were transmitted by the Municipal Government of Pantabangan, Nueva Ecija to the Commission on Audit in furtherance of its auditing functions, viz:

CY 2007	CY 2008	CY 2009	CY 2010
August	January	January	January
September	March	February	February
October	April	March	March
November	June	April	April
December	July	May	May
	August	June	June
	September	July	
	October	August	
	November	September	
	December	October	
		November	
		December	

- e. That of the aforesaid original payrolls of the Municipality of Pantabangan, Nueva Ecija that were transmitted to the Commission on Audit, only the original payrolls pertaining to the periods enumerated below and indicating on their faces the deductions from the salaries of private complainant Gerardo O. Satur/Sator for his personal share in GSIS premium contributions could be located by and was produced by State Auditor III Amipola O. Manal from the records that were in her official custody, viz:

CY 2007	CY 2008	CY 2009
October 1-15 (Note: Certified true copy marked as Exhibit CC)	January 1-15 (Note: Certified true copy sub-marked as Exhibit CC-2)	January 1-15 (Note: Certified true copy sub-marked as Exhibit CC-9)
December 1-15 (Note: Certified true copy sub-marked as Exhibit CC-1)	April 1-15 (Note: Certified true copy sub-marked as Exhibit CC-3)	
	June 1-15 (Note: Certified true copy sub-marked as Exhibit CC-4)	

DECISION

People vs. Borja, et al.  
 SB-13-CRM-0739 to 0771

Page 14 of 50

x -----x

	July 1-15 (Note: Certified true copy sub-marked as Exhibit CC-5)	
	September 1-15 (Note: Certified true copy sub-marked as Exhibit CC-6)	
	October 1-15 (Note: Certified true copy sub-marked as Exhibit CC-7)	
	November 1-15 (Note: Certified true copy sub-marked as Exhibit CC-8)	

- f. Despite diligent effort and search, State Auditor III Amipola O. Manal could no longer locate the original payrolls of the Municipal Government of Pantabangan, Nueva Ecija indicating the deductions from the salaries of private complainant Gerardo O. Satur/Sator for his personal share in GSIS premium contributions relative to the following months, viz:

CY 2007	CY 2008	CY 2009	CY 2010
August	March	January	February
September	August	February	March
November	December	March	April
		April	May
		May	June
		June	
		July	
		August	
		September	
		October	
		November	
		December	

The following exhibits offered by the prosecution were admitted in evidence:<sup>71</sup>

Exhibit	Document
A	Complaint dated August 17, 2011 of Gerardo O. Sator
C	Letter dated August 13, 2009 of Gerardo O. Satur, addressed to Mrs. Jorja B. Palacio
D	Letter dated October 13, 2009 of Robert M. Agustin, addressed to Mr. Gerardo O. Sator

<sup>71</sup> Resolution dated April 3, 2018; Record, Vol. 3, pp. 276-A and 276-B

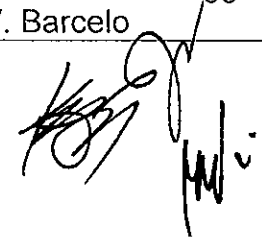
DECISION

People vs. Borja, et al.  
 SB-13-CRM-0739 to 0771

Page 15 of 50

x-----x

E	Letter dated November 5, 2009 of Gerardo O. Sator, addressed to Mrs. Jorja B. Palacio and Miss Rosita A. Yang
L	Position Description Form of Yang Rosita Austria
M	Letter dated August 17, 2009 of Jorja B. Palacio, addressed to Mr. Gerry Satur
N to N-34	Gerardo O. Sator's payslips from August 2007 to June 2010
O	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of August 1-15, 2007
O-1	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of September 1-15, 2007
O-2	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of December 1-15, 2007
O-4	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of March 1-15, 2008
O-5	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of April 1-15, 2008
O-7	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of July 1-15, 2008
O-8	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of October 1-15, 2008
O-9	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of January 1-15, 2009
O-10	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of February 1-15, 2009
O-11	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of August 1-15, 2009
O-12	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of September 1-15, 2009
O-13	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of January 1-15, 2010
O-14	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of February 1-15, 2010
O-15	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of March 1-15, 2010
O-16	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of April 1-15, 2010
O-17	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of May 1-15, 2010
O-18	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of June 1-15, 2010
O-19	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of November 1-15, 2008
O-20	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of November 1-15, 2009
O-21	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of December 1-15, 2009
Y	Certification issued on March 1, 2016
Z	FLOW CHART On Payroll Preparation of Sangguniang Bayan Office prepared by Jennifer V. Barcelo



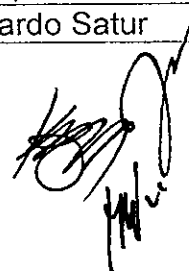
DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 16 of 50

x-----x

Z-2	<i>FLOW CHART On Preparation and Payment of Remittances for Sangguniang Bayan Office prepared by Jennifer V. Barcelo</i>
AA	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of October 1-15, 2007
AA-1	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of June 1-15, 2008
AA-2	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of August 1-15, 2008
AA-3	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of July 1-15, 2009
AA-4	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of October 1-15, 2009
AA-5	Photocopy of Gerardo Satur's payslip for 11/1-15/07
AA-6	Photocopy of Gerardo O. Satur's payslip for January 1-15, 2008
AA-7	Photocopy of Gerardo O. Satur's payslip for September 1-15, 2008
AA-8	Photocopy of Gerardo O. Satur's payslip for December 1-15, 2008
AA-9	Photocopy of Gerardo O. Satur's payslip for March 1-15, 2009
AA-10	Photocopy of Gerardo O. Satur's payslip for May 1-15, 2009
AA-11	Photocopy of Gerardo O. Satur's payslip for June 1-15, 2009
AA-12	Certification issued by Emilio Juatco
CC	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of October 1-15, 2007
CC-1	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of December 1-15, 2007
CC-2	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of January 1-15, 2008
CC-3	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of April 1-15, 2008
CC-4	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of June 1-15, 2008
CC-5	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of July 1-15, 2008
CC-6	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of September 1-15, 2008
CC-7	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of October 1-15, 2008
CC-8	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of November 1-15, 2008
CC-9	General Payroll, Municipality of Pantabangan, Nueva Ecija For the Period of January 1-15, 2010
DD	Certificate of Live Birth of Gerardo Satur





DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 17 of 50

x -----x

The Court denied accused Yang and Palacio's *Motion for Leave of Court to File Motion to Dismiss by Way of Demurrer to Evidence*<sup>72</sup> in the Resolution dated May 31, 2018.<sup>73</sup> Their *Motion for Reconsideration (To the RESOLUTION dated May 31, 2018 Denying the Motion for Leave to File Demurrer to Evidence)*<sup>74</sup> was denied in the Resolution dated July 11, 2018.<sup>75</sup>

Accused Yang and Palacio did not file a demurrer to evidence without leave of court, and instead, adduced evidence in their behalf.<sup>76</sup>

During the hearing on June 7, 2017, the Court ordered a medical/mental examination of accused Borja to determine whether or not he was competent to stand trial.<sup>77</sup> Thereafter, the Court ordered that accused Borja be brought to the Forensic Psychiatry Section of the National Center for Mental Health on May 4, 2018<sup>78</sup> and on July 6, 2018,<sup>79</sup> to complete the mental and psychiatric assessment and evaluation on accused Borja to determine whether or not he was capable of withstanding trial.

In the medical report dated July 18, 2018, Drs. April Lyn M. Peñaflorida, Joanna Lyn V. Relatorres-Borja, Meriel June C. Mortola, Grace P. Domingo-Andrada, Zarah C. Espinoza and Edison C. Galindez, found that accused Borja was suffering from dementia, and was incompetent to stand the rigors of court trial.<sup>80</sup>

During the hearing on August 7, 2018, after the parties and the Members of the Court examined Drs. Mortola and Peñaflorida, the matter of whether or not accused Borja is mentally fit to stand trial was submitted for resolution.<sup>81</sup>

<sup>72</sup> Dated April 27, 2018; Record, Vol. 3, pp. 284-289

<sup>73</sup> Record, Vol. 3, pp. 312-314

<sup>74</sup> Dated June 8, 2018; Record, Vol. 3, pp. 319-330

<sup>75</sup> Record, Vol. 3, pp. 348-351

<sup>76</sup> *Compliance with Urgent Motion* dated July 17, 2018; Record, Vol. 3, pp. 354-356

<sup>77</sup> Order dated June 7, 2017; Record, Vol. 2, p. 504

<sup>78</sup> Resolution dated April 10, 2018; Record, Vol. 3, pp. 277-278

<sup>79</sup> Resolution dated May 8, 2018; Record, Vol. 3, p. 302

<sup>80</sup> Record, Vol. 3, pp. 361-365

<sup>81</sup> Order dated August 27, 2018; Record, Vol. 3, p. 388

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 18 of 50

x -----x

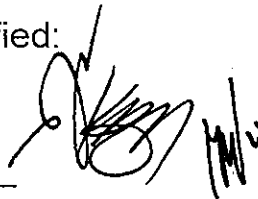
EVIDENCE FOR THE DEFENSE

The defense presented as witnesses accused **Rosita A. Yang**,<sup>82</sup> accused **Jorja B. Palacio**,<sup>83</sup> and **Teusept Ann U. Soriano**.<sup>84</sup>

In the Joint Counter-Affidavit dated December 16, 2011, accused **Rosita A. Yang**, together with accused Jorja B. Palacio, and Elvira V. Gonzales, declared:

1. Their problem with the GSIS started way back in 2007, when the administration of then Municipal Mayor Lucio B. Uera left unpaid GSIS premiums.
2. When Municipal Mayor Romeo V. Borja, Sr. assumed office in July 2007, the LGU of Pantabangan paid for five (5) months GSIS premiums. However, the same were applied to the previous account of the LGU.
3. The LGU of Pantabangan offered to pay ₱3 million in December 2008. The GSIS refused to accept said payment because there was a need to identify the employees for whom said payment was intended due to employees' turn-over as a result of resignations and hiring of new employees during the change of administration.
4. The problem was aggravated when the GSIS encountered problems with IBM, its service provider. There was a time when the LGU of Pantabangan did not deduct GSIS premium contributions from its employees and some employees had their premium contributions refunded.
5. The LGU of Pantabangan and the GSIS have worked together to reconcile records, and to come to an agreement on the exact amounts to be paid by the LGU of Pantabangan to the GSIS.
6. Once all records have been reconciled and all discrepancies have been corrected, the LGU of Pantabangan will pay all its overdue accounts.

She further testified:



<sup>82</sup> TSNs, October 29, 2018 and October 30, 2018; *Joint Counter-Affidavit* dated December 16, 2011 (Record, Vol. 3, pp. 396-397)

<sup>83</sup> TSNs, March 6, 2019, April 1, 2019, June 6, 2019 and July 24, 2019; *Joint Counter-Affidavit* dated December 16, 2011 (Record, Vol. 3, pp. 396-397)

<sup>84</sup> TSNs, August 22, 2019 and September 19, 2019

## DECISION

*People vs. Borja, et al.*  
*SB-13-CRM-0739 to 0771*

*Page 19 of 50*

x -----x

1. She became the Municipal Accountant of Pantabangan in 2007 until she retired on June 23, 2015.<sup>85</sup>
2. In addition to those enumerated in the Local Government Code, her duties and functions include the preparation of financial reports, liquidation, cash advances and maintaining a ledger and index card for employees' contribution of mandatory obligations, and certifying the completeness of documents for payments made by the LGU of Pantabangan.<sup>86</sup>
3. The Accounting Office is responsible for the preparation of the payroll and the mandatory obligations such as GSIS, BIR, PhilHealth and Pag-IBIG.<sup>87</sup>
4. The procedure followed by the Municipality of Pantabangan for the remittance of GSIS premiums, is as follows:
  - a. They prepare the payroll together with the mandatory obligations, and forward the same to the HRM Office, which, in 2007 to 2010, was headed by Helen Laysa, to verify if the names therein are genuine employees of the Municipality of Pantabangan. After said verification, the payroll is returned to the Accounting Office for preparation of vouchers.<sup>88</sup>
  - b. She signs Box A of the Disbursement Voucher prepared by the payroll clerk of the Accounting Office, and the same is forwarded to the Budget Office for verification of the budget allocation.<sup>89</sup>
  - c. The Budget Office then forwards the Disbursement Voucher to the Municipal Treasurer's Office for preparation of checks.<sup>90</sup>
  - d. The Disbursement Voucher and the corresponding check are forwarded to the Mayor's Office. The signatories to the check are the Municipal Mayor and the Municipal Treasurer.<sup>91</sup>
  - e. After the Mayor signs the check, it will be returned to the Accounting Office for Accountant's Advice. After she issues the same, the check goes back to the Treasurer.<sup>92</sup>

<sup>85</sup> TSN, October 29, 2018, p. 10

<sup>86</sup> TSN, October 29, 2018, p. 11

<sup>87</sup> TSN, October 29, 2018, p. 12

<sup>88</sup> TSN, October 29, 2018, pp. 12-13

<sup>89</sup> TSN, October 29, 2018, pp. 13-14

<sup>90</sup> TSN, October 29, 2018, p. 14

<sup>91</sup> TSN, October 29, 2018, p. 15

<sup>92</sup> *Ibid.*



## DECISION

*People vs. Borja, et al.*  
*SB-13-CRM-0739 to 0771*

Page 20 of 50

x -----x

- f. Sometimes the Treasurer signs the check before the Mayor, and sometimes, after the Mayor.<sup>93</sup>
- g. If the check is not signed by the Municipal Mayor, there will be no transaction because it will not be honored by the bank.<sup>94</sup>
5. The transmittal letter dated October 10, 2009 (Exhibit 5-D-Yang) would show that they were performing their duties and functions.<sup>95</sup>
6. The copy of the transmittal letter was provided by Jorja Palacio, then the Municipal Treasurer.<sup>96</sup>
7. To clarify, the Office of the Municipal Accountant forwarded the Disbursement Voucher directly to the Office of the Municipal Treasurer because the Budget Officer signed only the ALOBS, Allocation of Budget. The mandatory obligations were part of the Trust Fund, and the Budget Officer certified only the budget allocation of the payroll.<sup>97</sup>
8. The Disbursement Vouchers for the payroll and for the GSIS premiums were separate.<sup>98</sup>
9. When she arrived at the LGU of Pantabangan, there was already an existing past due account by the past administration. During the monthly meeting of department heads, she asked the Mayor about the checks, from July 1, 2007 to December 2007, that he refused to sign. He said that the GSIS wanted the previous account to be paid first.<sup>99</sup>
10. When she told him that they had to pay the GSIS premiums, he replied that somebody was already negotiating with the GSIS, and that they would pay for his term only, not including those for the past administration.<sup>100</sup>
11. When the Mayor mentioned that there were unpaid GSIS premiums during the administration of Ex-Mayor Lucio B. Uera, she checked the monthly report from the accounting records, and verified that the account remained to be unpaid.<sup>101</sup>

---

<sup>93</sup> *Ibid.*

<sup>94</sup> *Ibid.*

<sup>95</sup> TSN, October 29, 2018, p. 18

<sup>96</sup> TSN, October 29, 2018, p. 21

<sup>97</sup> TSN, October 29, 2018, pp. 22-23

<sup>98</sup> TSN, October 29, 2018, p. 23

<sup>99</sup> TSN, October 29, 2018, pp. 23-24

<sup>100</sup> TSN, October 29, 2018, p. 25

<sup>101</sup> *Ibid.*



DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 21 of 50

x - - - - -x

12. Every time she had the chance to speak to Ex-Mayor Borja, she asked him to sign the checks for the benefit of the employees, but he insisted that the GSIS wanted the previous amounts paid first. He further said that there was a negotiation so that he would only pay the GSIS premiums for the present term.<sup>102</sup>
13. She also asked Elvira Gonzales, then OIC Municipal Treasurer, to issue checks for the GSIS premiums, but the latter answered, "*Hindi pa nga binababa ni mayor yong mga tseke na ginawa natin, pagagawin na naman ako. Naii-stale lang.*"<sup>103</sup>
14. The Treasurer's Office prepared checks based on the paperwork done by the Accounting Office. The checks (Exhibits 30-A, 31-A, 32-A to 50-A for accused Palacio; 15-A to 35-A for accused Yang), which were attached to the Disbursement Vouchers,<sup>104</sup> would prove that she performed her duties.<sup>105</sup>
15. The amounts appearing in the checks were different for each month because the amounts were based on the salaries of the employees, some of which increased as a result of the step increment.<sup>106</sup>
16. The basis of the amounts indicated on the checks were the Disbursement Vouchers (Exhibits 30 to 50 for accused Palacio; 15 to 35 for accused Yang) prepared by the Accounting Office.<sup>107</sup>
17. When the Mayor signed the voucher, he was supposed to sign it together with the corresponding check. However, for some vouchers and checks that were returned to the Office of the Municipal Treasurer, the Mayor only signed the voucher without signing the corresponding check.<sup>108</sup>
18. She does not know why the Mayor signed some Disbursement Vouchers, but did not sign the corresponding checks.<sup>109</sup>
19. The transmittal letter from the Office of the Municipal Mayor (Exhibits 29/36-Yang) would show that checks were returned after they became stale.<sup>110</sup>

---

<sup>102</sup> TSN, October 30, 2018, p. 13

<sup>103</sup> TSN, October 30, 2018, pp. 13-14

<sup>104</sup> TSN, October 29, 2018, p. 28

<sup>105</sup> TSN, October 29, 2018, p. 27

<sup>106</sup> TSN, October 29, 2018, pp. 32-33

<sup>107</sup> TSN, October 29, 2018, pp. 33-34

<sup>108</sup> TSN, October 29, 2018, pp. 39-40

<sup>109</sup> TSN, October 30, 2018, p. 24

<sup>110</sup> TSN, October 29, 2018, p. 40



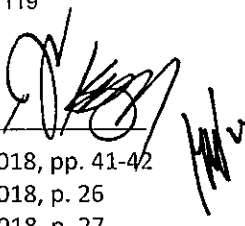
DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 22 of 50

X -----X

20. Said checks were kept by the Municipal Treasurer's Office. They were not returned to the Office of the Municipal Accountant because the transactions were not completed.<sup>111</sup>
21. The disbursement vouchers were recorded in a logbook.<sup>112</sup>
22. When she was appointed as Municipal Accountant, the practice followed was that the disbursement vouchers were unnumbered.<sup>113</sup>
23. She mentioned in their Joint Counter-Affidavit that the GSIS encountered problems with their service provider (Exhibit 37-Yang). They heard complaints that some names disappeared from the GSIS records so Mayor Borja reasoned out that if they will pay the GSIS premiums, the same might get lost.<sup>114</sup>
24. Because of what Mayor Borja said, they waited for a certain time and the Municipal Treasurer issued checks for the past due accounts during the term of Mayor Borja.<sup>115</sup>
25. They also waited for the result of the ongoing negotiations with the GSIS because there was a delay in the HRM's computation of the service record of the employees.<sup>116</sup>
26. Mayor Borja then lost in the 2013 election. Mayor Lucio B. Uera, who won in said election, promised to the employees that he will enter into a Memorandum of Understanding (MOU) with the GSIS to resolve the back accounts of the GSIS.<sup>117</sup>
27. The reconciliation of the records of the HRM with those of the GSIS did not materialize. Mayor Uera lost again in the 2016 election. In the meantime, the municipality still failed to remit the contributions of the employees.<sup>118</sup>
28. The MOU (Exhibit 52-C/38-Yang) did not materialize because when Mayor Uera was suspended, there was a political controversy between him and Vice Mayor Ruben P. Huerta. The MOU was not taken up until there was an election in 2016.<sup>119</sup>

  
<sup>111</sup> TSN, October 29, 2018, pp. 41-42

<sup>112</sup> TSN, October 30, 2018, p. 26

<sup>113</sup> TSN, October 30, 2018, p. 27

<sup>114</sup> TSN, October 29, 2018, p. 42

<sup>115</sup> TSN, October 29, 2018, p. 43

<sup>116</sup> TSN, October 29, 2018, p. 44

<sup>117</sup> *Ibid.*

<sup>118</sup> TSN, October 29, 2018, p. 45

<sup>119</sup> TSN, October 30, 2018, pp. 9-11

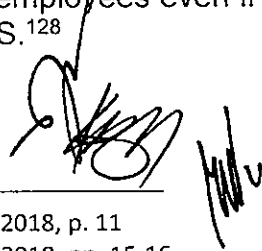
DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 23 of 50

x -----x

29. The unremitted GSIS premiums for 2007 to 2010 were not paid. What was paid were the premiums from 2011 until the present.<sup>120</sup>
30. She does not remember receiving a letter from Mr. Sator. She remembers that she talked to him in her office, and she told him that the responsibility of the Accounting Office ended after they prepared the paperwork. She instructed him to follow up the status of the checks with the Treasurer's Office, and if the Treasurer's Office tells him that the checks are already at the Mayor's Office, he should follow up with the Mayor's Office.<sup>121</sup>
31. The unpaid contributions from January to June 2007 was in the amount of around ₱2 million. According to Mayor Borja, there was only around ₱14,000.00 left to pay for the accountability.<sup>122</sup>
32. Nothing came out of the negotiation between the LGU and the GSIS because the service records still had to be corrected.<sup>123</sup>
33. There was a need to reconcile the balances of the LGU and that of the GSIS to determine the amount due for each employee. The records should reflect the employees who already retired, and those who were newly-hired.<sup>124</sup>
34. She became the Municipal Accountant in August, but was allowed to officially act only in September.<sup>125</sup>
35. In 2012, the LGU made payments to the GSIS, which applied the same to the amounts unpaid during Uera's term. The payment was intended for July to November 2007, but was instead applied to January to June 2007.<sup>126</sup>
36. Thereafter, the Mayor sometimes signed checks, and they immediately remitted the same.<sup>127</sup>
37. They still continued to deduct the premiums from the salaries of the employees even if remittances were not being made to the GSIS.<sup>128</sup>



<sup>120</sup> TSN, October 30, 2018, p. 11

<sup>121</sup> TSN, October 30, 2018, pp. 15-16

<sup>122</sup> TSN, October 30, 2018, p. 29

<sup>123</sup> TSN, October 30, 2018, p. 32

<sup>124</sup> TSN, October 30, 2018, p. 34

<sup>125</sup> TSN, October 30, 2018, pp. 35-37

<sup>126</sup> TSN, October 30, 2018, pp. 38-40

<sup>127</sup> TSN, October 30, 2018, p. 40

<sup>128</sup> *Ibid.*

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 24 of 50

x -----x

After the testimony of accused Yang was completed, the prosecution agreed to stipulate on the genuineness and due execution of the Transcript of Stenographic Notes dated September 16, 2009 (Exhibit 37-Yang).<sup>129</sup>

The Joint Counter-Affidavit dated December 16, 2011 of accused Rosita A. Yang, accused Jorja B. Palacio, and Elvira V. Gonzales was utilized as accused **Jorja B. Palacio's** Judicial Affidavit. She further testified:

1. She was the Municipal Treasurer of Pantabangan from March 28, 2001 until her retirement on March 27, 2015. She was on leave of absence from February 2 to April 30, 2009. However, when she returned, the Mayor did not allow her to immediately resume the performance of her duties. She started performing her duties as Municipal Treasurer again only on August 10, 2009.<sup>130</sup>
2. She does not know why Mayor Borja refused to allow her to resume the performance of her duties.<sup>131</sup> She did not file a case against Mayor Borja because she was tentatively assigned to another department.<sup>132</sup>
3. When the disbursement voucher signed by the Municipal Accountant reached her office, she prepared the check for the remittance to the GSIS.<sup>133</sup>
4. The signatories to such checks were the Municipal Mayor and herself, the Municipal Treasurer.<sup>134</sup> The bank will not receive the check if one of the signatories fail to sign the same.<sup>135</sup>
5. The Municipal Accountant prepared the disbursement voucher. The amount was based on the HRMO's listing of municipal employees, which was the basis of the preparation of the payroll.<sup>136</sup>
6. From 2007 to 2010, other mandatory legal obligations, such as remittances to the Bureau of Internal Revenue (BIR), PhilHealth and Pag-IBIG, were religiously paid.<sup>137</sup>

<sup>129</sup> Order dated October 30, 2018; Record, Vol. 4, p. 148

<sup>130</sup> TSN, March 6, 2019, pp. 9-10

<sup>131</sup> TSN, June 6, 2019, pp. 36-37

<sup>132</sup> TSN, July 24, 2019, p. 10

<sup>133</sup> TSN, March 6, 2019, p. 11

<sup>134</sup> TSN, March 6, 2019, p. 12

<sup>135</sup> *Ibid.*

<sup>136</sup> *Ibid.*

<sup>137</sup> TSN, March 6, 2019, p. 13



DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 25 of 50

x -----x

7. On January 20, 2009, she prepared a check in the amount of around ₱3 million covering the remittances for July to December 2008. She left the check with the OIC Municipal Treasurer because she filed a leave of absence on February 2, 2009.<sup>138</sup>
8. For July, August, September, October and December, they paid the obligations but they never saw it.<sup>139</sup> For January 2008 to August 2010, they prepared the checks every month (Exhibits 30 to 49), and forwarded (Exhibit 21) the same to the Office of the Mayor, but he did not sign the same, and he said “teka muna” or “wait.”<sup>140</sup>
9. They verbally tried to convince Mayor Borja to pay the GSIS premiums. There was no document showing that Mayor Borja refused to sign the check.<sup>141</sup>
10. To make Mayor Borja sign the remittance documents, they sometimes inserted said remittance documents into stacks of other documents. When several documents were presented to him for his signature, he did not notice that the remittance documents were included, and he signed them. Once he signs the documents, they make the remittance to the GSIS.<sup>142</sup>
11. They were able to make Mayor Borja sign some checks in 2007, but thereafter, he started noticing that the remittance documents were inserted, and he did not sign the same.<sup>143</sup>
12. The other previous Mayors—Ruben Huerta and Lucio Uera—also had six (6) months of unremitted GSIS premiums. When there was an election, the Mayors could not be located because they were campaigning,<sup>144</sup> and the checks and papers were left on their tables.<sup>145</sup>
13. The unremitted premiums left by Mayor Ruben Huerta were paid during the administration of Mayor Lucio Uera.<sup>146</sup>
14. Mayor Borja refused to pay the unpaid GSIS premiums incurred prior to his term.<sup>147</sup> According to him, he was communicating

---

<sup>138</sup> *Ibid.*

<sup>139</sup> TSN, March 6, 2019, p. 14

<sup>140</sup> *Ibid.*

<sup>141</sup> TSN, June 6, 2019, pp. 37-38

<sup>142</sup> TSN, July 24, 2019, pp. 7-9

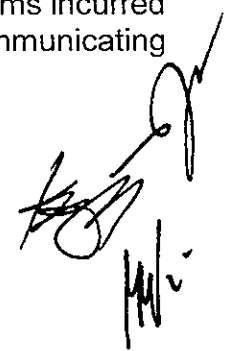
<sup>143</sup> TSN, July 24, 2019, p. 20

<sup>144</sup> TSN, July 24, 2019, p. 21

<sup>145</sup> TSN, March 6, 2019, pp. 16-17

<sup>146</sup> TSN, March 6, 2019, p. 19

<sup>147</sup> TSN, March 6, 2019, p. 18

Handwritten signature and initials in black ink, located in the bottom right corner of the page. The signature appears to be 'Borja' and the initials below it are 'MLU'.

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 26 of 50

x -----x

(Exhibits 22 and 23) with the GSIS, and was trying to settle the premiums.<sup>148</sup>

15. Elvira Gonzales was designated (Exhibit 24) as the Acting Municipal Treasurer from February to April 2009.<sup>149</sup>
16. The amount indicated in the checks differed on a monthly basis because some employees retired, or there were new employees.<sup>150</sup>
17. The disbursement voucher is approved before the check is signed. Mayor Borja signed some disbursement vouchers, but did not sign any of the checks.<sup>151</sup>
18. The Mayor returned (Exhibits 29/36-Yang) the unsigned checks to the Municipal Treasurer's Office. The originals of the checks and disbursement vouchers are in the Office of the Municipal Treasurer. Mr. Juatco is currently the Municipal Treasurer.<sup>152</sup>
19. From July 2007 to June 2010, the municipality was able to make remittances to Pag-IBIG and PhilHealth.<sup>153</sup>
20. The GSIS mandatory premiums are taken from the trust fund.<sup>154</sup>
21. The Mayor ordered the re-computation of the reconciliation (Exhibit 23) between the GSIS premiums. Reconciliation of accounts stopped because there was a glitch (Exhibit 37-Yang) in the GSIS' system.<sup>155</sup>
22. After 2010, the municipality had a Memorandum of Understanding (Exhibits 52-C/38-Yang) with the GSIS.<sup>156</sup>
23. There were amounts that were not remitted because the Mayor did not sign the checks.<sup>157</sup>
24. The checks were received by the Mayor's Office. They followed up the checks with the Mayor's Office, but the secretary told them to wait. After further follow-ups, the checks were still not signed.<sup>158</sup>

  
<sup>148</sup> TSN, March 6, 2019, p. 20

<sup>149</sup> TSN, March 6, 2019, pp. 22-23

<sup>150</sup> TSN, April 1, 2019, p. 5

<sup>151</sup> TSN, April 1, 2019, pp. 5-6

<sup>152</sup> TSN, April 1, 2019, p. 6

<sup>153</sup> TSN, April 1, 2019, p. 8

<sup>154</sup> TSN, April 1, 2019, pp. 8-9

<sup>155</sup> TSN, April 1, 2019, p. 10

<sup>156</sup> TSN, April 1, 2019, p. 11

<sup>157</sup> TSN, June 6, 2019, p. 8

<sup>158</sup> TSN, June 6, 2019, p. 9

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 27 of 50

X -----X

25. Mayor Borja lost to Mayor Uera during the election in 2013. The Sangguniang Bayan then authorized (Exhibit 53) Mayor Lucio Uera to enter into the Memorandum of Undertaking with the GSIS.<sup>159</sup>
26. It was the GSIS that applied the payments to the previous months.<sup>160</sup>
27. In their Joint Counter-Affidavit, she mentioned that the GSIS refused to accept the LGU's payment in the amount of ₱3 million. The check for said payment was dated January 20, 2009.<sup>161</sup>
28. The GSIS returned the check because it was stale.<sup>162</sup>
29. Gerardo Sator's contributions for the months of January to December 2008 were paid, but only in 2014.<sup>163</sup>
30. The checks, all dated October 12, 2009, were forwarded to the Office of the Mayor. They were already stale when they were returned to the Office of the Municipal Treasurer.<sup>164</sup>
31. The checks are all dated October 12, 2009 because when she resumed the performance of her duties in August 2009, she learned that the GSIS did not accept the checks amounting to ₱3 million. She was informed that the GSIS was being strict.<sup>165</sup>
32. The failure to remit the GSIS contributions applied to all employees in the payroll, and was not limited to Gerardo Sator. There was only one voucher for the contributions of all employees.<sup>166</sup>
33. The Mayor did not direct them not to remit the amounts to the GSIS. She performed her duties by preparing the checks and forwarding the same to the Mayor so the amounts may be remitted, but he did not sign the checks.<sup>167</sup>
34. Even when there was no remittance of the GSIS premiums, the employees' share was being deducted from their salaries.<sup>168</sup>

---

<sup>159</sup> TSN, June 6, 2019, pp. 11-12

<sup>160</sup> TSN, June 6, 2019, p. 30

<sup>161</sup> TSN, June 6, 2019, pp. 32-33

<sup>162</sup> TSN, June 6, 2019, p. 33

<sup>163</sup> TSN, June 6, 2019, pp. 34-35

<sup>164</sup> TSN, June 6, 2019, p. 36

<sup>165</sup> TSN, June 6, 2019, pp. 40-41

<sup>166</sup> TSN, July 24, 2019, p. 18

<sup>167</sup> TSN, July 24, 2019, p. 19

<sup>168</sup> TSN, July 24, 2019, p. 23

A handwritten signature in black ink, appearing to be 'Mi.' with a flourish above it.

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 28 of 50

x-----x

**Teusept Ann U. Soriano**, Records Officer I at the LGU of Pantabangan, testified as follows:

1. She knows Jorja Palacio and Rosita Yang because they were her co-workers. From 2007 to 2011, Jorja Palacio was the Municipal Treasurer, while Rosita Yang was the Municipal Accountant.<sup>169</sup>
2. The premiums for July to November 2007 were remitted, but those for December 2007 to October 2009 were not because the check was not signed.<sup>170</sup>
3. Said checks were prepared by Ms. Jorja Palacio.<sup>171</sup> After the Municipal Treasurer prepared the checks and disbursement vouchers, they are transmitted to the Municipal Mayor's Office.<sup>172</sup>
4. At the time, she held the position of Reproduction Machine Operator, but she was assigned as the Secretary of the Mayor.<sup>173</sup>
5. As Secretary, she received the transmittal (Exhibit 5-D) of checks and disbursement vouchers.<sup>174</sup> After receiving the documents, they (the Mayor's staff) place the vouchers on the Mayor's table for his signature.<sup>175</sup>
6. In the transmittal, the name indicated is "Teusept Ann Urgente." Urgente is her maiden name.<sup>176</sup>
7. All the checks listed in the transmittal, except for two, were for the GSIS.<sup>177</sup>
8. The checks became stale because the Mayor did not sign them. She does not know why he did not sign the checks.<sup>178</sup>
9. After the checks became stale, they were transmitted to the Treasurer's Office.<sup>179</sup> She no longer saw the checks after they were transmitted to the Municipal Treasurer's Office.<sup>180</sup>

<sup>169</sup> TSN, August 22, 2019, pp. 13-14

<sup>170</sup> TSN, August 22, 2019, pp. 17-18

<sup>171</sup> TSN, August 22, 2019, p. 19

<sup>172</sup> TSN, August 22, 2019, pp. 20-21

<sup>173</sup> TSN, August 22, 2019, p. 21

<sup>174</sup> *Ibid.*

<sup>175</sup> TSN, August 22, 2019, p. 22

<sup>176</sup> TSN, August 22, 2019, pp. 24-25

<sup>177</sup> TSN, August 22, 2019, p. 25

<sup>178</sup> TSN, August 22, 2019, p. 32

<sup>179</sup> TSN, August 22, 2019, p. 33

<sup>180</sup> TSN, August 22, 2019, p. 34



DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 29 of 50

X -----X

10. She informed accused Palacio and Yang that the Mayor did not sign the checks. She does not know what they did after she informed them.<sup>181</sup>
11. Palacio and Yang followed up on the checks. When they met, they asked her if the Mayor had already signed said checks.<sup>182</sup>
12. She personally transmitted the unsigned checks to the Office of the Municipal Treasurer, upon the instruction of Mayor Borja.<sup>183</sup>
13. Aside from the checks included in the transmittal, she does not recall receiving others checks for GSIS remittances.<sup>184</sup>
14. Many checks were transmitted to the Office of the Mayor, but she remembers those included in the transmittal because there were many checks, all for the GSIS.<sup>185</sup>
15. None of the employees went to the Mayor to complain about the non-remittance of their GSIS contributions.<sup>186</sup>

Witness Soriano was the last witness for the defense. After she completed her testimony, but before accused Yang and Palacio filed their Formal Offer of Evidence, the proceedings were reopened, and she was recalled to identify certain documents.<sup>187</sup> However, her testimony was eventually dispensed with after the parties stipulated as follows:<sup>188</sup>

1. The documents marked as Exhibits 15-a to 34-a are faithful reproductions of the originals presented to the prosecution;
2. It was accused Palacio who turned over the originals of the checks to the Public Attorney's Office and not Ms. Teusept Ann Soriano;
3. Accused Palacio is not the incumbent Municipal Accountant of Pantabangan, Nueva Ecija and she has not been the Treasurer of Pantabangan since August 2014;

<sup>181</sup> TSN, September 19, 2019, p. 6

<sup>182</sup> TSN, September 19, 2019, p. 7

<sup>183</sup> TSN, September 19, 2019, p. 10

<sup>184</sup> TSN, September 19, 2019, pp. 10-11

<sup>185</sup> TSN, September 19, 2019, pp. 11-12

<sup>186</sup> TSN, September 19, 2019, p. 12

<sup>187</sup> Resolution dated November 14, 2019; Record, Vol. 4, p. 299

<sup>188</sup> Order dated November 28, 2019; Record, Vol. 4, pp. 310-311

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 30 of 50

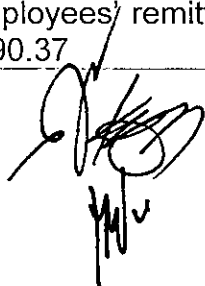
x-----x

- 4. Accused Palacio does not have a written authority from the incumbent Municipal Accountant of Pantabangan to possess and submit the subject checks; and,
- 5. The subject checks were the very checks received by Ms. Teusept Ann Soriano sometime in 2009 for the signature of Mayor Borja.

The following exhibits offered by accused Yang and Palacio were admitted in evidence:<sup>189</sup>

Exhibit	Document
15	<i>Steps in Deducting and Remitting GSIS Premiums</i>
17 and 17-A	Service Record of Palacio Jorja B.
19	Joint Counter-Affidavit dated December 16, 2011 of Jorja Barcelo Palacio, Rosita Austria Yang, and Elvira Vilar Gonzales
21/5-D-Yang	Transmittal of checks dated October 10, 2009
22	Letter dated July 28, 2011 of Hon. Romeo V. Borja, Sr., addressed to Atty. Jason C. Teng
23	Letter dated October 11, 2011 of Atty. Jason C. Teng, addressed to Hon. Romeo V. Borja, Sr.
24	Regional Special Personnel Order No. 05-2009 dated January 23, 2009
29/36-Yang	Transmittal of checks
30/15-Yang	Disbursement Voucher for employees' remittances for December 2007 in the amount of ₱504,598.41
30-A/15-A-Yang	Development Bank of the Philippines Check No. 24428091 dated October 12, 2009
31/16-Yang	Disbursement Voucher for employees' remittances for January 2008 in the amount of ₱494,513.10
31-A/16-A-Yang	Development Bank of the Philippines Check No. 24428084 dated October 12, 2009
32/17-Yang	Disbursement Voucher for employees' remittances for March 2008 in the amount of ₱502,130.56
32-A/17-A-Yang	Development Bank of the Philippines Check No. 24428085 dated October 12, 2009
33/18-Yang	Disbursement Voucher for employees' remittances for April 2008 in the amount of ₱481,402.09
33-A/18-A-Yang	Development Bank of the Philippines Check No. 24428086 dated October 12, 2009
34/19-Yang	Disbursement Voucher for employees' remittances for May 2008 in the amount of ₱474,990.37

<sup>189</sup> Resolution dated February 14, 2020; Record, Vol. 5, pp. 24-25



DECISION

People vs. Borja, et al.  
 SB-13-CRM-0739 to 0771

Page 31 of 50

x -----x

34-A/19-A-Yang	Development Bank of the Philippines Check No. 24428087 dated October 12, 2009
35/20-Yang	Disbursement Voucher for employees' remittances for June 2008 in the amount of ₱479,895.54
35-A/20-A-Yang	Development Bank of the Philippines Check No. 24428088 dated October 12, 2009
36/21-Yang	Disbursement Voucher for employees' remittances for July 2008 in the amount of ₱523,316.24
36-A/21-A-Yang	Development Bank of the Philippines Check No. 24428075 dated October 12, 2009
36-B	Summary of remittance of GSIS premiums
37/22-Yang	Disbursement Voucher for employees' remittances for August 2008 in the amount of ₱514,387.73
37-A/22-A - Yang	Development Bank of the Philippines Check No. 24428076 dated October 12, 2009
38/23-Yang	Disbursement Voucher for employees' remittances for September 2008 in the amount of ₱509,294.80
38-A/23-A-Yang	Development Bank of the Philippines Check No. 24428077 dated October 12, 2009
38-B	Summary of remittance of GSIS premiums
39/24-Yang	Disbursement Voucher for employees' remittances for October 2008 in the amount of ₱505,525.79
39-A/24-A-Yang	Development Bank of the Philippines Check No. 24428078 dated October 12, 2009
40/25-Yang	Disbursement Voucher for employees' remittances for November 2008 in the amount of ₱492,427.48
40-A/25-A-Yang	Development Bank of the Philippines Check No. 24428079 dated October 12, 2009
41/26-Yang	Disbursement Voucher for employees' remittances for December 2008 in the amount of ₱491,290.64
41-A/26-A-Yang	Development Bank of the Philippines Check No. 24428080 dated October 12, 2009
42/27-Yang	Disbursement Voucher for employees' remittances for January 2009 in the amount of ₱494,352.41
42-A/27-A-Yang	Development Bank of the Philippines Check No. 24428092 dated October 12, 2009
42-B	Summary of remittance of GSIS premiums
43/28-Yang	Disbursement Voucher for employees' remittances for February 2009 in the amount of ₱516,075.03
43-A/28-A-Yang	Development Bank of the Philippines Check No. 24428093 dated October 12, 2009
44/29-Yang	Disbursement Voucher for employees' remittances for March 2009 in the amount of ₱517,560.51
44-A/29-A-Yang	Development Bank of the Philippines Check No. 24428094 dated October 12, 2009
44-B	Summary of remittance of GSIS premiums
45/30-Yang	Disbursement Voucher for employees' remittances for April 2009 in the amount of ₱510,070.20

DECISION

People vs. Borja, et al.  
 SB-13-CRM-0739 to 0771

Page 32 of 50

x -----x

45-A/30-A-Yang	Development Bank of the Philippines Check No. 24428095 dated October 12, 2009
45-B	Summary of remittance of GSIS premiums
46/31-Yang	Disbursement Voucher for employees' remittances for May 2009 in the amount of ₱509,223.15
46-A/31-A-Yang	Development Bank of the Philippines Check No. 24428097 dated October 12, 2009
46-B	Summary of remittance of GSIS premiums
47/32-Yang	Disbursement Voucher for employees' remittances for June 2009 in the amount of ₱505,449.79
47-A/32-A-Yang	Development Bank of the Philippines Check No. 24428098 dated October 12, 2009
47-B	Summary of remittance of GSIS premiums
48/33-Yang	Disbursement Voucher for employees' remittances for July 2009 in the amount of ₱552,226.90
48-A/33-A-Yang	Philippine National Bank Check No. 0000005662 dated August 17, 2009
48-B	Summary of remittance of GSIS premiums
49/34-Yang	Disbursement Voucher for employees' remittances for August 2009 in the amount of ₱528,365.78
49-A/34-A-Yang	Development Bank of the Philippines Check No. 24428106 dated October 12, 2009
49-B	Summary of remittance of GSIS premiums
50/35-Yang	Disbursement Voucher for Gerardo O. Sator's remittances to the GSIS for November and December 2007 to January to June 2010 in the amount of ₱73,797.34
50-A/35-A-Yang	PNB Check No. 59184 dated June 30, 2014
50-B	Official Receipt No. 000300022139 dated July 4, 2014
51, 51-A and 51-B	GOVERNMENT SERVICE INSURANCE SYSTEM eBilling and Collection System Summary of Totals Due Month – JUN, 2010
52	Memorandum dated May 23, 2014
52-A and 52-B	Memorandum dated May 2, 2014
52-C/38-Yang, 52-C-1/38-A-Yang and 52-C-2/38-B-Yang, 38-B-1-Yang, 38-C-Yang	Memorandum of Undertaking dated June 18, 2014 by and between the GSIS and the Municipal Government of Pantabangan, Nueva Ecija



DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 33 of 50

x -----x

53/38-D-Yang and 53-A/38-E-Yang	Office of the Sangguniang Bayan Resolution No. 10-2014 dated April 14, 2014
54/38-F-Yang	Letter dated April 21, 2014 of Hon. Lucio B. Uera
54-A/38-G-Yang	Statement of Account as of April 30, 2014
37-Yang	TSN of the Committee on Government Enterprises and Privatization's meeting on September 16, 2009

After accused Yang and Palacio presented their evidence, the Court ordered that accused Borja be brought to the National Center for Mental Health (NCMH) on February 7, 2020 for follow-up mental and psychiatric assessment and evaluation to make a final determination on whether he is already capable of withstanding trial.<sup>190</sup> However, accused Borja was not brought to the NCMH on said date because he was already bedridden and incomprehensible, per medical certificate dated November 18, 2019. The Court then ordered the Medical Director of the Philippine Rehabilitation Institute Medical Center, where accused Borja was then confined, to require all the attending physicians of accused Borja to submit to the Court their medical and psychiatric evaluation.<sup>191</sup>

During the hearing on March 9, 2020, Atty. Rens Gener Sese manifested that accused Yang informed him that accused Borja had passed away. The Court directed the prosecution to submit, within sixty (60) days, a Death Certificate issued by the Philippine Statistics Authority (PSA) to confirm accused Borja's death.<sup>192</sup> After the prosecution submitted the Certificate of Death<sup>193</sup> confirming accused Borja's death, the Court, in the Resolution dated December 14, 2020, dismissed these cases as to him.

THE FINDINGS OF FACT

Sometime in 2009, Gerardo O. Sator, then Private Secretary I at the Office of the Vice Mayor, heard rumors that the Municipality of Pantabangan was not remitting the premium contributions of the municipal employees to the Government Service Insurance System

<sup>190</sup> Resolution dated January 6, 2020; Record, Vol. 5, p. 4

<sup>191</sup> Resolution dated February 14, 2020; Record, Vol. 5, p. 22

<sup>192</sup> Order dated March 9, 2020; Record, Vol. 5, p. 43

<sup>193</sup> Annex A of the prosecution's *Compliance* dated December 2, 2020

DECISION

*People vs. Borja, et al.*  
*SB-13-CRM-0739 to 0771*

Page 34 of 50

x -----x

(GSIS), and went to the GSIS, Cabanatuan Branch to inquire if he was a member thereof. He was informed that the Municipality of Pantabangan was suspended because it was not remitting said premium contributions.<sup>194</sup>

He then wrote<sup>195</sup> to accused Jorja B. Palacio, then the Municipal Treasurer, to inquire on whether he was issued a GSIS insurance policy number, and on whether the GSIS monthly contributions were properly remitted to the GSIS. In her letter dated August 17, 2009,<sup>196</sup> accused Palacio informed Sator that she was not in a position to answer his query, and advised him to address such inquiry to the Accounting Office, then headed by accused Rosita A. Yang.

Sator received the letter<sup>197</sup> dated October 13, 2009 from the GSIS, informing him of his GSIS ID No., reminding him that premiums must be promptly remitted, and instructing him to coordinate with his agency for the remittance of said premium contributions. In his letter dated November 5, 2009,<sup>198</sup> Sator endorsed said letter to accused Palacio and Yang, and requested prompt action on the matter.

For August to December 2007, and January, March, April and June 2008, the amount of ₱886.45, representing Sator's personal share in the GSIS premium contribution, was deducted from his monthly salary;<sup>199</sup> for August to December 2008, and January to June 2009, the amount of ₱975.24 was deducted from his monthly salary;<sup>200</sup> and for July to December 2009, and January to June 2010, the amount of ₱1,032.57 was deducted from his monthly salary.<sup>201</sup>

On October 19, 2009,<sup>202</sup> vouchers<sup>203</sup> and the corresponding checks,<sup>204</sup> all dated October 12, 2009, for the remittances for the months of December 2007, January, March, April, June to December 2008, and January to August 2009 were transmitted to the Office of the Municipal Mayor. At the time, the Mayor, accused Romeo V. Borja, Sr.,

<sup>194</sup> TSN, March 14, 2017, pp. 21-22

<sup>195</sup> Exhibit C

<sup>196</sup> Exhibit M

<sup>197</sup> Exhibit D

<sup>198</sup> Exhibit E

<sup>199</sup> Exhibits N to N-5, N-7 to N-9, O to O-2, O-4, O-5, AA, AA-1, AA-5, AA-6, CC to CC-4

<sup>200</sup> Exhibits N to N-21, O-7 to O-10, O-19, AA-2, AA-7, AA-8 to AA-11, CC-5 to CC-8

<sup>201</sup> Exhibits N-22 to N-34, O-11 to O-18, O-20, O-21, AA-3, AA-4, CC-9

<sup>202</sup> Exhibits 21/5-D-Yang

<sup>203</sup> Exhibits 30 to 49/15 to 34-Yang

<sup>204</sup> Exhibits 30-A to 49-A/15-A to 34-A-Yang



DECISION

People vs. Borja, et al.  
 SB-13-CRM-0739 to 0771

Page 35 of 50

x -----x

was one of the signatories to the checks. The Office of the Mayor transmitted the checks, which were still unsigned, to the Treasurer's Office on July 26, 2010.<sup>205</sup>

On August 17, 2011, Gerardo A. Sator filed his Complaint with the Office of the Ombudsman for Luzon. His monthly contributions, except those for July to October 2007 and February 2008, were remitted to the GSIS only on July 4, 2014.<sup>206</sup> The Certification dated March 1, 2016,<sup>207</sup> issued by the GSIS Cabanatuan Branch Office, would show the schedule of payments for Sator's premium contributions. To wit:

SB-13-CRM-	Due Months	Date Due under the GSIS Act	Payment made on or before Due Date	Actual date of payment	O.R. Number	Amount	
						PS	GS
-	07/2007	08/10/2007	None	03/14/2008	135090	886.45	1,181.93
0739	08/2007	09/10/2007	None	-	-	None	None
0740	09/2007	10/10/2007	None	04/04/2008	135506	886.45	1,181.93
0741	10/2007	11/10/2007	None	04/04/2008	135507	886.45	1,181.93
0742	11/2007	12/10/2007	None	07/04/2014	300022139	886.45	1,181.93
0743	12/2007	01/10/2008	None	07/04/2014	300022139	886.45	1,181.93
0744	01/2008	02/10/2008	None	07/04/2014	300022139	886.45	1,181.93
-	02/2008	03/10/2008	None	04/16/2008	135661	886.45	1,181.93
0745	03/2008	04/10/2008	None	07/04/2014	300022139	886.45	1,181.93
0746	04/2008	05/10/2008	None	07/04/2014	300022139	886.45	1,181.93
-	05/2008	06/10/2008	None	07/04/2014	300022139	886.45	1,181.93
0747	06/2008	07/10/2008	None	07/04/2014	300022139	886.45	1,181.93
0748	07/2008	08/10/2008	None	07/04/2014	300022139	886.45	1,181.93
0749	08/2008	09/10/2008	None	07/04/2014	300022139	886.45	1,181.93
0750	09/2008	10/10/2008	None	07/04/2014	300022139	886.45	1,181.93
0751	10/2008	11/10/2008	None	07/04/2014	300022139	886.45	1,181.93
0752	11/2008	12/10/2008	None	07/04/2014	300022139	886.45	1,181.93
0753	12/2008	01/10/2009	None	07/04/2014	300022139	886.45	1,181.93
0754	01/2009	02/10/2009	None	07/04/2014	300022139	886.45	1,181.93
0755	02/2009	03/10/2009	None	07/04/2014	300022139	886.45	1,181.93
0756	03/2009	04/10/2009	None	07/04/2014	300022139	886.45	1,181.93
0757	04/2009	05/10/2009	None	07/04/2014	300022139	886.45	1,181.93
0758	05/2009	06/10/2009	None	07/04/2014	300022139	886.45	1,181.93
0759	06/2009	07/10/2009	None	07/04/2014	300022139	886.45	1,181.93
0760	07/2009	08/10/2009	None	07/04/2014	300022139	1032.57	1376.76
0761	08/2009	09/10/2009	None	07/04/2014	300022139	1032.57	1376.76

<sup>205</sup> Exhibit 29/36-Yang

<sup>206</sup> Exhibits 50/35-Yang, 50-A/35-A-Yang, and 50-B

<sup>207</sup> Exhibit Y

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 36 of 50

x -----x

SB-13-CRM-	Due Months	Date Due under the GSIS Act	Payment made on or before Due Date	Actual date of payment	O.R. Number	Amount	
						PS	GS
0762	09/2009	10/10/2009	None	07/04/2014	300022139	1032.57	1376.76
0763	10/2009	11/10/2009	None	07/04/2014	300022139	1032.57	1376.76
0764	11/2009	12/10/2009	None	07/04/2014	300022139	1032.57	1376.76
0765	12/2009	01/10/2010	None	07/04/2014	300022139	1032.57	1376.76
0766	01/2010	02/10/2010	None	07/04/2014	300022139	1032.57	1376.76
0767	02/2010	03/10/2010	None	07/04/2014	300022139	1032.57	1376.76
0768	03/2010	04/10/2010	None	07/04/2014	300022139	1032.57	1376.76
0769	04/2010	05/10/2010	None	07/04/2014	300022139	1032.57	1376.76
0770	05/2010	06/10/2010	None	07/04/2014	300022139	1032.57	1376.76
0771	06/2010	07/10/2010	None	07/04/2014	300022139	1032.57	1376.76

DISCUSSION

R.A. No. 8291 mandates employers to remit premium contributions to the GSIS within the prescribed period.<sup>208</sup> Sec. 52(g) of said law, which penalizes the failure, refusal or delay in the payment, turnover, remittance or delivery of premium contributions and loan amortizations to the GSIS, reads:

**Sec. 52. Penalty. – x x x**

(g) The heads of the offices of the national government, its political subdivisions, branches, agencies and instrumentalities, including government-owned or controlled corporations and government financial institutions, and the personnel of such offices who are involved in the collection of premium contributions, loan amortization and other accounts due the GSIS who shall fail, refuse or delay the payment, turnover, remittance or delivery of such accounts to the GSIS within thirty (30) days from the time that the same shall have been due and demandable shall, upon conviction by final judgment, suffer the penalties of imprisonment of not less than one (1) year nor more than five (5) years and a fine of not less than Ten thousand pesos (P10,000.00) nor more than Twenty thousand (P20,000.00), and in addition shall suffer absolute perpetual disqualification from

<sup>208</sup> Sec. 5. Contributions. – x x x (c) It shall be mandatory and compulsory for all employers to include the payment of contributions in their annual appropriations. Penal sanctions shall be imposed upon employers who fail to include the payment of contributions in their annual appropriations or otherwise fail to remit the accurate/exact amount of contributions on time, or delay the remittance of premium contributions to the GSIS. The heads of offices and agencies shall be administratively liable for non-remittance or delayed remittance of premium contributions to the GSIS. (underscoring supplied)

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 37 of 50

x -----x

holding public office and from practicing any profession or calling licensed by the government.

From the aforequoted provision, it can be gleaned that to be held liable for Violation of Sec. 52(g) of R.A. 8291, the following elements must be present:

1. The accused is:
  - a. a head of office of the national government, its political subdivisions, branches, agencies and instrumentalities, including government-owned or controlled corporations and government financial institutions, or
  - b. the personnel of such offices who are involved in the collection of premium contributions, loan amortization and other accounts due the GSIS; and,
2. The accused fails, refuses, or delays the payment, turnover, remittance or delivery of such accounts to the GSIS within thirty (30) days from the time that the same shall have been due and demandable.

In SB-13-CRM-0739 to 0771, the first element is present as to accused Yang and Palacio. Both of them were the heads of the offices involved in the collection of GSIS premium contributions at the time material to these cases, accused Yang, being then the Municipal Accountant, and accused Palacio, the Municipal Treasurer, of Pantabangan, Nueva Ecija.<sup>209</sup>

Under Republic Act No. 7160 (R.A. No. 7160), among the duties and responsibilities of the Municipal Accountant and Treasurer is processing disbursements, including those for the payrolls, and for remittances to the GSIS. The pertinent provisions of said law read:

**Sec. 344. Certification on, and Approval of, Vouchers.** – No money shall be disbursed unless the local budget officer certifies to the existence of appropriation that has been legally made for the purpose, the local accountant has obligated said appropriation, and the local treasurer certifies to the availability of funds for the purpose. Vouchers and payrolls shall be certified to and approved by the head of the department or office who has administrative control of the fund

<sup>209</sup> Pre-Trial Order dated March 7, 2016, p. 2; Record, Vol. 2, p. 324



DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 38 of 50

x -----x

concerned, as to validity, propriety, and legality of the claim involved. Except in cases of disbursements involving regularly recurring administrative expenses such as payrolls for regular or permanent employees, expenses for light, water, telephone and telegraph services, remittances to government creditor agencies such as the GSIS, SSS, LBP, DBP, National Printing Office, Procurement Service of the DBM and others, approval of the disbursement voucher by the local chief executive himself shall be required whenever local funds are disbursed.

In cases of special or trust funds, disbursements shall be approved by the administrator of the fund. In case of temporary absence or incapacity of the department head or chief of office, the officer next-in-rank shall automatically perform his function and he shall be fully responsible therefor.

**Sec. 470. Appointment, Qualifications, Powers, and Duties.** – x x x

x x x

(d) The treasurer shall take charge of the treasury office, perform the duties provided for under Book II of this Code, and shall:

- (1) Advise the governor or mayor, as the case may be, the sanggunian, and other local government and national officials concerned regarding disposition of local government funds, and on such other matters relative to public finance;
- (2) Take custody of and exercise proper management of funds of the local government unit concerned;
- (3) Take charge of the disbursement of all local government funds and such other funds the custody of which may be entrusted to him by law or other competent authority;
- (4) Inspect private commercial and industrial establishments within the jurisdiction of the local government unit concerned in relation to the implementation of tax ordinances, pursuant to the provisions under Book II of this Code;
- (5) Maintain and update the tax information system of the local government unit;

x x x

**Sec. 474. Qualifications, Powers and Duties.** – x x x

x x x

A handwritten signature in black ink, appearing to be a stylized name, located at the bottom of the page.

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

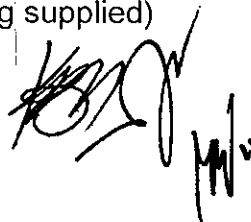
Page 39 of 50

x -----x

(b) The accountant shall take charge of both the accounting and internal audit services of the local government unit concerned and shall:

- (1) Install and maintain an internal audit system in the local government unit concerned;
- (2) Prepare and submit financial statements to the governor or mayor, as the case may be, and to the sanggunian concerned;
- (3) Apprise the sanggunian and other local government officials on the financial condition and operations of the local government unit concerned;
- (4) Certify to the availability of budgetary allotment to which expenditures and obligations may be properly charged;
- (5) Review supporting documents before preparation of vouchers to determine completeness of requirements;
- (6) Prepare statements of cash advances, liquidation, salaries, allowances, reimbursements and remittances pertaining to the local government unit;
- (7) Prepare statements of journal vouchers and liquidation of the same and other adjustments related thereto;
- (8) Post individual disbursements to the subsidiary ledger and index cards;
- (9) Maintain individual ledgers for officials and employees of the local government unit pertaining to payrolls and deductions;
- (10) Record and post in index cards details of purchased furniture, fixtures, and equipment, including disposal thereof, if any;
- (11) Account for all issued requests for obligations and maintain and keep all records and reports related thereto;
- (12) Prepare journals and analysis of obligations and maintain and keep all records and reports related thereto;
- (13) Exercise such other powers and perform such other duties and functions as may be provided by law or ordinance.

(underscoring supplied)

A handwritten signature in black ink, appearing to be a stylized name, possibly 'Borja', with a vertical line extending downwards from the right side.

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 40 of 50

x -----x

As shown by the *FLOW CHART On Payroll Preparation of Sangguniang Bayan Office*,<sup>210</sup> the *FLOW CHART On Preparation and Payment of Remittances for Sangguniang Bayan Office*,<sup>211</sup> and the *Steps in Deducting and Remitting GSIS Premiums*,<sup>212</sup> the Office of the Accountant prepares the payroll, wherein the mandatory deductions, including those for the GSIS, are indicated. The Office of the Accountant also prepares the disbursement vouchers for the payroll and for the remittances to the GSIS, which are eventually forwarded to the Municipal Treasurer's Office for the preparation of checks. The Municipal Treasurer then signs the checks, and forwards the same, together with the disbursement vouchers, to the Office of the Municipal Mayor for the Municipal Mayor's signature and approval. The approved vouchers and signed checks are then returned to the Accounting Office for the Accountant's Advice, and thereafter, to the Treasurer's Office for the release of checks.

As for the second element, liability attaches when the accused fails, refuses, delays the payment, turnover, remittance or delivery of the accounts due the GSIS within thirty (30) days from the time they shall have been due and demandable. Sec. 6(b) of R.A. No. 8291 provides for when the employer should remit the employees' and employers' contributions to the GSIS. To wit:

(b) Each employer shall remit directly to the GSIS the employees' and employers' contributions within the first ten (10) days of the calendar month following the month to which the contributions apply. The remittance by the employer of the contributions to the GSIS shall take priority over and above the payment of any and all obligations, except salaries and wages of its employees.

The pertinent dates with respect to the remittance of Sator's contributions to the GSIS are summarized as follows:

SB-13-CRM-	Due Month	Date Due under Sec. 6(b) of R.A. No. 8291	30 days from the date the contributions became due and demandable	Date of payment
0739	08/2007	09/10/2007	10/10/2007	-
0740	09/2007	10/10/2007	11/09/2007	04/04/2008
0741	10/2007	11/10/2007	12/10/2007	04/04/2008
0742	11/2007	12/10/2007	01/09/2008	07/04/2014

<sup>210</sup> Exhibit Z  
<sup>211</sup> Exhibit Z-2  
<sup>212</sup> Exhibit 15



DECISION

People vs. Borja, et al.  
 SB-13-CRM-0739 to 0771

Page 41 of 50

X - - - - -X

SB-13-CRM-	Due Month	Date Due under Sec. 6(b) of R.A. No. 8291	30 days from the date the contributions became due and demandable	Date of payment
0743	12/2007	01/10/2008	02/09/2008	07/04/2014
0744	01/2008	02/10/2008	03/11/2008	07/04/2014
0745	03/2008	04/10/2008	05/10/2008	07/04/2014
0746	04/2008	05/10/2008	06/09/2008	07/04/2014
0747	06/2008	07/10/2008	08/09/2008	07/04/2014
0748	07/2008	08/10/2008	09/09/2008	07/04/2014
0749	08/2008	09/10/2008	10/10/2008	07/04/2014
0750	09/2008	10/10/2008	11/09/2008	07/04/2014
0751	10/2008	11/10/2008	12/10/2008	07/04/2014
0752	11/2008	12/10/2008	01/09/2009	07/04/2014
0753	12/2008	01/10/2009	02/09/2009	07/04/2014
0754	01/2009	02/10/2009	03/12/2009	07/04/2014
0755	02/2009	03/10/2009	04/09/2009	07/04/2014
0756	03/2009	04/10/2009	05/10/2009	07/04/2014
0757	04/2009	05/10/2009	06/09/2009	07/04/2014
0758	05/2009	06/10/2009	07/10/2009	07/04/2014
0759	06/2009	07/10/2009	08/09/2009	07/04/2014
0760	07/2009	08/10/2009	09/09/2009	07/04/2014
0761	08/2009	09/10/2009	10/10/2009	07/04/2014
0762	09/2009	10/10/2009	11/09/2009	07/04/2014
0763	10/2009	11/10/2009	12/10/2009	07/04/2014
0764	11/2009	12/10/2009	01/09/2010	07/04/2014
0765	12/2009	01/10/2010	02/09/2010	07/04/2014
0766	01/2010	02/10/2010	03/12/2010	07/04/2014
0767	02/2010	03/10/2010	04/09/2010	07/04/2014
0768	03/2010	04/10/2010	05/10/2010	07/04/2014
0769	04/2010	05/10/2010	06/09/2010	07/04/2014
0770	05/2010	06/10/2010	07/10/2010	07/04/2014
0771	06/2010	07/10/2010	08/09/2010	07/04/2014

As seen from the foregoing, Sator's premium contributions were remitted to the GSIS way beyond thirty (30)-day period from the time the same became due and demandable. Hence, the prosecution proved that the elements of Violation of Sec. 52(g) of R.A. No. 8291 are present.

In *People v. Rodrigo*,<sup>213</sup> the Supreme Court explained that once the prosecution overcomes the presumption of innocence in favor of the accused by proving the elements of the crime and the identity of the accused as the perpetrator beyond reasonable doubt, the burden of evidence shifts to the defense. *Viz.*:

<sup>213</sup> G.R. No. 176159, September 11, 2008

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 42 of 50

x -----x

While an accused stands before the court burdened by a previous preliminary investigation finding that there is probable cause to believe that he committed the crime charged, the judicial determination of his guilt or innocence necessarily starts with the recognition of his constitutional right to be presumed innocent of the charge he faces. This principle, a right of the accused, is enshrined no less in our Constitution. It embodies as well a duty on the part of the court to ascertain that no person is made to answer for a crime unless his guilt is proven beyond reasonable doubt. Its primary consequence in our criminal justice system is the basic rule that the prosecution carries the burden of overcoming the presumption through proof of guilt of the accused beyond reasonable doubt. Thus, a criminal case rises or falls on the strength of the prosecution's case, not on the weakness of the defense. Once the prosecution overcomes the presumption of innocence by proving the elements of the crime and the identity of the accused as perpetrator beyond reasonable doubt, the burden of evidence then shifts to the defense which shall then test the strength of the prosecution's case either by showing that no crime was in fact committed or that the accused could not have committed or did not commit the imputed crime, or at the very least, by casting doubt on the guilt of the accused. x x x

According to accused Yang and Palacio, they did not contribute to such failure to remit Sator's GSIS premium contributions. They claim that they prepared the documents necessary for the remittance of said contributions every month, and that the same were not remitted within the prescribed period because accused Borja refused to sign the checks for said remittances. To prove their claim, they presented the disbursement vouchers and the corresponding checks which accused Borja refused to sign. The details of the disbursement vouchers and checks are summarized below:

Due month	Disbursement Voucher	Check
December 2007	(Exhibit 30/15-Yang) Amount: ₱504,598.41  Box A <sup>214</sup> signed by accused Yang; Box B <sup>215</sup> not signed by accused Palacio; Box C <sup>216</sup> signed by accused Borja  PNB Check No. 5472	(Exhibit 30-A/15-A-Yang) DBP Check No. 24428091 Date: October 12, 2009 Amount: ₱504,598.41  Signed by accused Palacio, not signed by accused Borja

<sup>214</sup> Certified: Allotment obligation for the purpose as indicated above, Supporting documents complete  
<sup>215</sup> Certified: Funds Available  
<sup>216</sup> Approved for Payment

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 43 of 50

X -----X

Due month	Disbursement Voucher	Check
January 2008	(Exhibit 31/16-Yang) Amount: ₱494,513.10  Box A signed by accused Yang; Box B not signed by accused Palacio; Box C signed by accused Borja	(Exhibit 31-A/16-A-Yang) DBP Check No. 24428084 Date: October 12, 2009 Amount: ₱494,513.10  Signed by accused Palacio, not signed by accused Borja
March 2008	(Exhibit 32/17-Yang) Amount: ₱502,130.56  Box A signed by accused Yang; Box B signed by accused Palacio; Box C signed by accused Borja	(Exhibit 32-A/17-A-Yang) DBP Check No. 24428085 Date: October 12, 2009 Amount: ₱502,130.56  Signed by accused Palacio, not signed by accused Borja
April 2008	(Exhibit 33/18-Yang) Amount: ₱481,402.09  Box A signed by accused Yang; Box B not signed by accused Palacio; Box C signed by accused Borja	(Exhibit 33-A/18-A-Yang) DBP Check No. 24428086 Date: October 12, 2009 Amount: ₱481,402.09  Signed by accused Palacio, not signed by accused Borja
May 2008	(Exhibit 34/19-Yang) Amount: ₱474,990.37  Box A signed by accused Yang; Box B not signed by accused Palacio; Box C signed by accused Borja	(Exhibit 34-A/19-A-Yang) DBP Check No. 24428087 Date: October 12, 2009 Amount: ₱474,990.37  Signed by accused Palacio, not signed by accused Borja
June 2008	(Exhibit 35/20-Yang) Amount: ₱479,895.54  Box A signed by accused Yang; Box B signed by accused Palacio; Box C signed by accused Borja	(Exhibit 35-A/20-A-Yang) DBP Check No. 24428088 Date: October 12, 2009 Amount: ₱479,895.54  Signed by accused Palacio, not signed by accused Borja
July 2008	(Exhibit 36/21-Yang) Amount: ₱523,316.24  Box A signed by accused Yang; Box B not signed by accused Palacio; Box C signed by accused Borja  LB Check No. 1094797 dated 1-20-09	(Exhibit 36-A/21-A-Yang) DBP Check No. 24428075 Date: October 12, 2009 Amount: ₱523,316.24  Signed by accused Palacio, not signed by accused Borja
August 2008	(Exhibit 37/22-Yang) Amount: ₱514,387.73  Box A signed by accused Yang; Box B signed by accused Palacio; Box C signed by accused Borja  LB Check No. 1094797 dated 1-20-09	(Exhibit 37-A/22-A-Yang) DBP Check No. 24428076 Date: October 12, 2009 Amount: ₱514,387.73  Signed by accused Palacio, not signed by accused Borja

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 44 of 50

x-----x

Due month	Disbursement Voucher	Check
September 2008	(Exhibit 38/23-Yang) Amount: ₱509,294.80  Box A signed by accused Yang; Box B not signed by accused Palacio; Box C signed by accused Borja  LB Check No. 1094797 dated 1-20-09	(Exhibit 38-A/23-A-Yang) DBP Check No. 24428077 Date: October 12, 2009 Amount: ₱509,294.80  Signed by accused Palacio, not signed by accused Borja
October 2008	(Exhibit 39/24-Yang) Amount: ₱505,525.79  Box A not signed by accused Yang; Box B not signed by accused Palacio; Box C signed by accused Borja  LB Check No. 1094797 dated 1-20-09	(Exhibit 39-A/24-A-Yang) DBP Check No. 24428078 Date: October 12, 2009 Amount: ₱505,525.79  Signed by accused Palacio, not signed by accused Borja
November 2008	(Exhibit 40/25-Yang) Amount: ₱492,427.48  Box A signed by accused Yang; Box B not signed by accused Palacio; Box C signed by accused Borja  LB Check No. 1094797 dated 1-20-09	(Exhibit 40-A/25-A-Yang) DBP Check No. 24428079 Date: October 12, 2009 Amount: ₱492,427.48  Signed by accused Palacio, not signed by accused Borja
December 2008	(Exhibit 41/26-Yang) Amount: ₱491,290.64  Box A not signed by accused Yang; Box B not signed by accused Palacio; Box C signed by accused Borja  LB Check No. 1094797 dated 1-20-09	(Exhibit 41-A/26-A-Yang) DBP Check No. 24428080 Date: October 12, 2009 Amount: ₱491,290.64  Signed by accused Palacio, not signed by accused Borja
January 2009	(Exhibit 42/27-Yang) Amount: ₱494,352.41  Box A signed by accused Yang (2.11.09); Box B signed by Elvira V. Gonzales; Box C not signed by accused Borja	(Exhibit 42-A/27-A-Yang) DBP Check No. 24428092 Date: October 12, 2009 Amount: ₱494,352.41  Signed by accused Palacio, not signed by accused Borja
February 2009	(Exhibit 43/28-Yang) Amount: ₱516,075.03  Box A signed by accused Yang (4-13-09); Box B not signed by Elvira V. Gonzales; Box C not signed by accused Borja	(Exhibit 43-A/28-A-Yang) DBP Check No. 24428093 Date: October 12, 2009 Amount: ₱516,075.03  Signed by accused Palacio, not signed by accused Borja

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 45 of 50

X-----X

Due month	Disbursement Voucher	Check
March 2009	(Exhibit 44/29-Yang) Amount: ₱517,560.51  Box A signed by accused Yang (4-13-09); Box B not signed by Elvira V. Gonzales; Box C not signed by accused Borja	(Exhibit 44-A/29-A-Yang) DBP Check No. 24428094 Date: October 12, 2009 Amount: ₱517,560.51  Signed by accused Palacio, not signed by accused Borja
April 2009	(Exhibit 45/30-Yang) Amount: ₱510,070.20  Box A signed by accused Yang (05-07-09); Box B not signed by Elvira V. Gonzales; Box C not signed by accused Borja	(Exhibit 45-A/30-A-Yang) DBP Check No. 24428095 Date: October 12, 2009 Amount: ₱510,070.20  Signed by accused Palacio, not signed by accused Borja
May 2009	(Exhibit 46/31-Yang) Amount: ₱509,223.15  Box A signed by accused Yang (06-07-09); Box B not signed by Elvira V. Gonzales; Box C not signed by accused Borja	(Exhibit 46-A/31-A-Yang) DBP Check No. 24428097 Date: October 12, 2009 Amount: ₱509,223.15  Signed by accused Palacio, not signed by accused Borja
June 2009	(Exhibit 47/32-Yang) Amount: ₱505,449.79  Box A signed by accused Yang (07-07-09); Box B not signed by Elvira V. Gonzales; Box C not signed by accused Borja	(Exhibit 47-A/32-A-Yang) DBP Check No. 24428098 Date: October 12, 2009 Amount: ₱505,449.79  Signed by accused Palacio, not signed by accused Borja
July 2009	(Exhibit 48/33-Yang) Amount: ₱522,226.90  Box A signed by accused Yang (8-10-09); Box B not signed by accused Palacio; Box C not signed by accused Borja	(Exhibit 48-A/33-A-Yang) PNB Check No. 0000005662 Date: August 17, 2009 Amount: ₱522,226.90  Signed by accused Palacio, not signed by accused Borja
August 2009	(Exhibit 49/34-Yang) Amount: ₱528,365.78  Box A signed by accused Yang (08-10-09); Box B not signed by accused Palacio; Box C not signed by accused Borja	(Exhibit 49-A/34-A-Yang) DBP Check No. 24428106 Date: October 12, 2009 Amount: ₱528,365.78  Signed by accused Palacio, not signed by accused Borja

Indeed, the aforementioned disbursement vouchers and checks would show that they prepared disbursement vouchers and the corresponding checks, and that accused Borja signed some of the disbursement vouchers, but none of the checks. However, said documents still do not show that accused Yang and Palacio—whose

DECISION

*People vs. Borja, et al.*  
*SB-13-CRM-0739 to 0771*

*Page 46 of 50*

x-----x

respective offices were responsible for collecting and remitting the premium contributions of Sator, as well as those of the other employees of the Municipality of Pantabangan—had no part in the delay or failure to remit said contributions within the prescribed period, especially after Sator informed them of the problem regarding the remittances to the GSIS sometime in 2009.

The checks included in the transmittal dated October 10, 2009,<sup>217</sup> for the remittance of the accounts due the GSIS for December 2007, January, March, April, June to December 2008, and January to August 2009, are all dated October 12, 2009, while the vouchers are all undated. The only dates indicated in the vouchers are the dates accused Yang certified the allotment of the obligation and the completeness of the supporting documents for the remittances for January to August 2009, and the date of LB Check No. 1094797 for the remittances for July to December 2008, which appears to have been replaced by checks dated October 10, 2009. There is nothing that would indicate the dates the vouchers and the checks were prepared and/or transmitted to the other concerned offices.

The aforementioned disbursement vouchers and checks, together with the transmittal, prove that accused Yang and Palacio prepared them; that said vouchers and checks were received by the office of accused Borja on October 19, 2009; and that accused Borja did not sign the checks. However, said disbursement vouchers and checks did not prove that accused Yang and Palacio prepared them on time. According to accused Yang, they record the prepared disbursement vouchers in a logbook,<sup>218</sup> but said logbook was not presented or offered as evidence. Likewise, there is nothing in the evidence on record that would show that said vouchers and checks were transmitted to the concerned offices on time, to ensure that the amounts were remitted to the GSIS within the prescribed period.

Accused Palacio explained that said checks were all dated October 12, 2009 because when she resumed performing her functions as Municipal Treasurer in August 2009, she was informed that the GSIS refused to accept the checks in the amount of ₱3 million.<sup>219</sup> However, she did not present anything to support her claim

---

<sup>217</sup> Exhibit 21

<sup>218</sup> TSN, October 30, 2018, p. 26

<sup>219</sup> TSN, June 6, 2019, pp. 40-41

Handwritten signature and initials in black ink, located in the bottom right corner of the page.

DECISION

*People vs. Borja, et al.*  
*SB-13-CRM-0739 to 0771*

Page 47 of 50

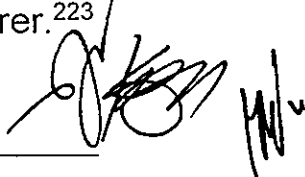
x -----x

that checks were previously issued, and that the GSIS refused to accept the municipality's payment.

It must be pointed out that the aforementioned vouchers and checks pertain to the remittances for December 2007, January, March to December 2008, and January to August 2009, or twenty (20) months. Accused Yang and Palacio failed to substantiate their claim that payments were made for July to November 2007, but the GSIS applied the same to January to June 2007.<sup>220</sup> Furthermore, they did not present any evidence as to the remittances for September 2009 to June 2010. There is nothing that would support their claim that the failure to remit the accounts due the GSIS within the prescribed period was caused solely by accused Borja's refusal to sign the checks.

Similarly unconvincing is accused Yang and Palacio's claim that the failure to remit Sator's contributions within the prescribed period was due to the GSIS' purported problem with its service provider. They could have shown that there was a tender of payment on the part of the municipality, and that the GSIS refused to accept such payment, but they did not do so. At any rate, if accused Borja indeed refused to sign the checks, then no payments could have been made in the first place.

Accused Yang and Palacio failed to prove that the failure to remit Sator's premium contributions to the GSIS was due to causes beyond their control, or that they did not contribute to such failure. Accused Palacio, however, cannot be held liable for the failure to remit Sator's premium contributions for the months of December 2008, and January to June 2009 (SB-13-CRM-0753 to 0759) within the prescribed period. Although accused Palacio remained to be the Municipal Treasurer during the time criminal liability therefor would have been incurred, she did not perform her functions as such because she went on leave on February 2, 2009<sup>221</sup> and resumed the performance of her functions as Municipal Treasurer only on August 10, 2009.<sup>222</sup> It was Elvira V. Gonzales, then Assistant Municipal Treasurer, who was performing accused Palacio's functions, having been designated as ICO-Municipal Treasurer.<sup>223</sup>



<sup>220</sup> TSN, October 30, 2018, pp. 38-40; TSN, June 6, 2019, p. 30; Exhibit 19, p. 1, par. 3

<sup>221</sup> Exhibit 24

<sup>222</sup> TSN, March 6, 2019, pp. 9-10

<sup>223</sup> Exhibit 24; Order dated October 23, 2017; Record, Vol. 3, p. 53

DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 48 of 50

x-----x

CONCLUSION

The prosecution proved accused Yang's guilt beyond reasonable doubt in all cases, and accused Palacio's guilt beyond reasonable doubt in SB-13-CRM-0739 to 0752, and 0760 to 0771. Accused Palacio must be acquitted in SB-13-CRM-0753 to 0759 because it was convincingly shown that she had no participation therein.

**WHEREFORE**, judgment is hereby rendered as follows:

1. In SB-13-CRM-0739 to 0771, accused ROSITA A. YANG is hereby found **GUILTY** beyond reasonable doubt of Violation of Sec. 52(g) of R.A. No. 8291, and is accordingly sentenced, for each count, to suffer the indeterminate penalty of imprisonment of one (1) year, as minimum, to two (2) years, as maximum, and to pay a fine in the amount of Ten Thousand Pesos (₱10,000.00), or a total of Three Hundred Thirty Thousand Pesos (₱330,000.00) for the thirty-three (33) counts. She shall further suffer absolute perpetual disqualification from holding public office and from practicing any profession or calling licensed by the government.
2. In SB-13-CRM-0739 to 0752, and 0760 to 0771, accused JORJA B. PALACIO is hereby found **GUILTY** beyond reasonable doubt of Violation of Sec. 52(g) of R.A. No. 8291, and is accordingly sentenced, for each count, to suffer the indeterminate penalty of imprisonment of one (1) year, as minimum, to two (2) years, as maximum, and to pay a fine in the amount of Ten Thousand Pesos (₱10,000.00), or a total of Two Hundred Sixty Thousand Pesos (₱260,000.00) for the twenty-six (26) counts. She shall further suffer absolute perpetual disqualification from holding public office and from practicing any profession or calling licensed by the government.
3. In SB-13-CRM-0753 to 0759, accused JORJA B. PALACIO is hereby **ACQUITTED** for failure of the prosecution to prove her guilt beyond reasonable doubt.





DECISION

People vs. Borja, et al.  
SB-13-CRM-0739 to 0771

Page 49 of 50

x-----x

Let the hold departure order against accused Palacio by reason of SB-13-CRM-0753 to 0759 be lifted and set aside, and her bond released, subject to the usual accounting and auditing procedure.

No civil liability is imposed on accused Yang and Palacio, inasmuch as there is no proof that they took the unremitted amounts, or that the same are no longer with the Municipality of Pantabangan.

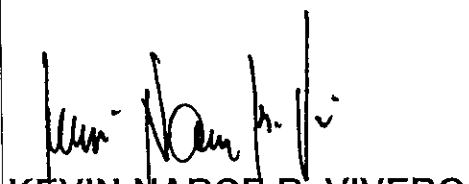
Let the cases against accused Mangalili be archived pending his arrest.

SO ORDERED.

  
SARAH JANE T. FERNANDEZ  
Associate Justice  
Chairperson

**We Concur:**

  
KARL B. MIRANDA  
Associate Justice

  
KEVIN NARCE B. VIVERO  
Associate Justice

DECISION

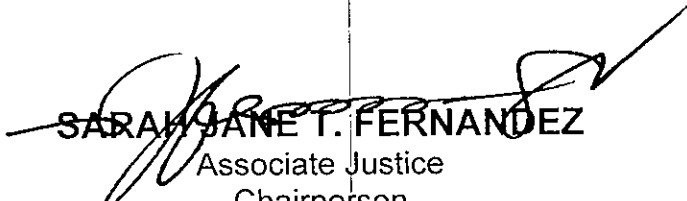
*People vs. Borja, et al.*  
SB-13-CRM-0739 to 0771

Page 50 of 50

x-----x

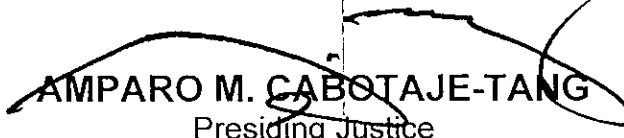
**ATTESTATION**

I attest that the conclusions in the above decision were reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

  
**SARAH JANE T. FERNANDEZ**  
Associate Justice  
Chairperson

**CERTIFICATION**

Pursuant to Article VIII, Section 13, of the Constitution, and the Division Chairperson's Attestation, it is hereby certified that the conclusions in the above decision were reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

  
**AMPARO M. CABOTAJE-TANG**  
Presiding Justice

