

# Republic of the Philippines Supreme Court Manila

# FIRST DIVISION

MINA C. NACILLA and the late ROBERTO<sup>•</sup> C. JACOBE, represented herein by his heir and widow, NORMITA JACOBE, Petitioners, G.R. No. 223449

Present:

PERALTA, C.J., Chairperson, CAGUIOA, CARANDANG, ZALAMEDA, and GAERLAN, JJ.

- versus -

MOVIE AND TELEVISION REVIEW AND CLASSIFICATION BOARD, Promulgated:

NOV 10 2020

Respondent.

ondent.

### DECISION

# CAGUIOA, J.:

Before the Court is a petition for review on *certiorari*<sup>1</sup> (Petition) under Rule 45 of the Rules of Court assailing the Decision<sup>2</sup> dated November 3, 2015 and Resolution<sup>3</sup> dated March 8, 2016 of the Court of Appeals (CA) in CA-G.R. SP No. 135862, which agreed with the Civil Service Commission (CSC) that petitioners failed to timely appeal the Decision<sup>4</sup> dated April 8, 2008 of respondent Movie and Television Review and Classification Board's (MTRCB) Adjudication Committee directing their dismissal from service.

#### Facts

Petitioners Mina C. Nacilla (Nacilla) and Roberto C. Jacobe (Jacobe) were former employees of the MTRCB.<sup>5</sup> Nacilla held the position of

<sup>•</sup> Also appears as "Robert" in some parts of the *rollo*.

*Rollo*, pp. 35-58, excluding the Annexes.

<sup>&</sup>lt;sup>2</sup> Id. at 59-81. Penned by Associate Justice Ramon Paul L. Hernando (now a Member of the Court) and concurred in by Associate Justices Jose C. Reyes, Jr. (a retired Member of the Court) and Stephen C. Cruz.

<sup>&</sup>lt;sup>3</sup> Id. at 82-83.

<sup>&</sup>lt;sup>4</sup> Id. at 215-233.

<sup>&</sup>lt;sup>5</sup> Id. at 60.

### Decision

Administrative Officer V with Salary Grade (SG) 18 while Jacobe, who passed away on May 21, 2011, was formerly employed as Secretary I or Administrative Assistant I with SG 7.<sup>6</sup>

The controversy arose from a Collective Negotiation Agreement (CNA) which the MTRCB and the MTRCB Employees Association (MTRCBEA) executed on October 29, 2004 (2004 CNA), which covered the period from October 29, 2004 until October 29, 2007.<sup>7</sup> It appears that Jacobe was assigned to register the 2004 CNA with the CSC and for which he brought copies to the CSC Personnel Relations Office (CSC-PRO).<sup>8</sup> He was, however, informed that the 2004 CNA could not be registered because it was not properly ratified by the MTRCBEA and was not submitted for registration within 30 days from its execution. CSC-PRO advised Jacobe to cause the signing of the 2004 CNA anew, post a copy in conspicuous places for at least seven days and ratify it again before re-submitting it to the CSC-PRO for registration.<sup>9</sup>

Following the CSC-PRO, Jacobe printed four copies of the 2004 CNA and asked the then MTRCB Chairperson Ma. Consoliza P. Laguardia (Laguardia) to sign on the reprinted copies on December 1, 2005. Jacobe explained to Laguardia that she needed to re-sign the 2004 CNA so it could be registered with the CSC.<sup>10</sup> Jacobe then wrote "December 1, 2005" on the documents, the date Laguardia actually re-signed the re-printed 2004 CNA (2005 CNA).<sup>11</sup> Except for the date indicating it was re-signed, all other provisions of the 2005 CNA were the same as the 2004 CNA.<sup>12</sup>

Jacobe then executed an Affidavit dated January 3, 2006 which affirmed that a copy of the 2005 CNA was posted in two conspicuous places at the MTRCB's premises, and thereafter it was ratified by the MTRCBEA anew on December 8, 2005 after the MTRCBEA was informed by petitioners of the circumstances surrounding the registration of the 2004 CNA. Eventually, the CSC issued a Certificate of Registration of the 2005 CNA and provided therein that it would be effective from December 1, 2005 to December 1, 2008.<sup>13</sup>

On October 1, 2007, since the 2004 CNA was about to expire, a CNA Committee was formed to convene with the officials and representatives of the MTRCBEA in order to frame a new CNA.<sup>14</sup> During the meeting, Nacilla, as President of the MTRCBEA, informed the CNA Committee that it was

- 6 Id.
- <sup>7</sup> Id.
- <sup>8</sup> Id. at 61.
   <sup>9</sup> Id.
- <sup>7</sup> Id. <sup>10</sup> Id.
- <sup>11</sup> Id.
- <sup>12</sup> Id.
- <sup>13</sup> Id.
- <sup>14</sup> Id. at 62.

not yet necessary to negotiate a new CNA since the 2005 CNA registered with the CSC was effective until December 1, 2008.<sup>15</sup>

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As a result of this information, Laguardia called for an investigation of the matter. As the MTRCB Chairperson, she created an Investigating Committee to look into the alleged falsification of official documents and to recommend the appropriate action.<sup>16</sup> The Investigating Committee released its Report and Recommendation dated December 4, 2007 where petitioners were found to be responsible for the falsification of the 2005 CNA or at least making it appear as a new CNA covering a different period in order to secure benefits from the MTRCB.<sup>17</sup>

Laguardia then formally charged petitioners for violating civil service rules on dishonesty, grave misconduct and falsification of official documents under Section 52(A) 1, 3 and 6 of the Uniform Rules on Administrative Cases in the Civil Service through a Formal Charge dated December 4, 2007, which was amended on December 14, 2007.<sup>18</sup> Laguardia also designated three members of the MTRCB to comprise the Adjudication Committee that would hear the administrative case.<sup>19</sup> She also submitted an Affidavit dated January 8, 2008 to support the Formal Charge.<sup>20</sup>

Petitioners both executed their respective Affidavits dated March 13, 2008 which served as their direct examination before the Adjudication Committee. They were likewise given written cross-examination questions, and they responded with Verified Replies.<sup>21</sup>

While the administrative proceedings were pending, the Adjudication Committee issued an Order dated January 8, 2008 directing the preventive suspension of petitioners.<sup>22</sup> Eventually, the Adjudication Committee rendered a Decision dated April 8, 2008, finding petitioners guilty of dishonesty and falsification of public document and imposed the penalty of dismissal from service.<sup>23</sup>

The Adjudication Committee found that petitioners falsified the CNA by altering the dates and that they collaborated with a single objective to register the 2005 CNA with the CSC. They even used the altered dates to justify the deferment of the renewal or renegotiation of the 2004 CNA. The committee also found that petitioners admitted to the authorship of the 2005 CNA and that they participated in the making, preparing, and intervening in the simulation and registration of the 2005 CNA. They did not even deny re-

- <sup>15</sup> Id.
- <sup>16</sup> Id.
- <sup>17</sup> Id. <sup>18</sup> Id
- <sup>18</sup> Id. at 62-63.
  <sup>19</sup> Id. at 63-64.
- $^{20}$  Id. at 63-Id. at 64.
- <sup>21</sup> Id. at 65.
- <sup>22</sup> Id. at 66.

<sup>23</sup> Id. at 67.

printing the CNA, securing the signatures, and adding the date "01 December 2005" on the document.<sup>24</sup>

Petitioners moved for reconsideration and questioned the power and authority of the Adjudication Committee to impose the penalty of dismissal, but the committee denied this. It ruled that it acted and decided pursuant to the authority of the MTRCB and that requiring the entire Board to decide the case lacked statutory basis.<sup>25</sup> The committee also ruled that its decision was based on evidence on record, including petitioners' own evidence, which show that they violated civil service rules.<sup>26</sup> The committee likewise denied the motion to lift their preventive suspension to preclude the possibility of imposing undue influence on the witnesses.<sup>27</sup>

Petitioners appealed on June 18, 2008 to the Office of the President (OP), which issued an Order dated July 15, 2008 stating that without necessarily giving due course to the appeal, petitioners were directed to pay the appeal fee and submit pertinent documents.<sup>28</sup> After five years, the OP promulgated its Decision on October 23, 2013 dismissing the appeal for lack of jurisdiction over administrative cases of government officials and employees who are not presidential appointees. The OP ruled that the CSC had jurisdiction following Presidential Decree (P.D.) No. 1986<sup>29</sup> or the MTRCB Charter and that since appeal is a statutory privilege based on law, petitioners must show a statutory basis for their appeal to the OP. They failed to do this.<sup>30</sup>

Following this, petitioners appealed to the CSC on November 25, 2013.<sup>31</sup> The CSC, without delving into the merits, dismissed the appeal for being filed out of time.<sup>32</sup> Petitioners then filed an appeal before the CA.

In the assailed Decision, the CA affirmed the CSC. Similarly, without delving into the merits, the CA ruled that the appeal with the CSC was filed out of time. The dispositive portion of the CA Decision states:

WHEREFORE, in view of the foregoing premises, the petition filed in this case is hereby **DENIED**. The assailed *Decision* dated May 30, 2014 of the Civil Service Commission in Case No. 140420 is hereby **AFFIRMED**.

#### SO ORDERED.<sup>33</sup>

<sup>30</sup> *Rollo*, p. 68.

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<sup>&</sup>lt;sup>24</sup> Id.

<sup>&</sup>lt;sup>25</sup> Id.

<sup>&</sup>lt;sup>26</sup> See id. at 68.

<sup>&</sup>lt;sup>27</sup> ld.

<sup>&</sup>lt;sup>28</sup> Id.

<sup>&</sup>lt;sup>29</sup> CREATING THE MOVIE AND TELEVISION REVIEW AND CLASSIFICATION BOARD, October 5, 1985.

<sup>&</sup>lt;sup>31</sup> Id.

<sup>&</sup>lt;sup>32</sup> Id. at 68-69.

<sup>&</sup>lt;sup>33</sup> Id. at 80.

Petitioners filed a motion for reconsideration, but this was denied.

Hence, this Petition.

The MTRCB filed its Comment<sup>34</sup> and petitioners also filed their Reply.<sup>35</sup>

#### Issues

Petitioners raised the following issues:

THE COURT OF APPEALS ERRED IN RULING THAT THE ADJUDICATION COMMITTEE HAD THE POWER OR AUTHORITY TO ORDER THE DISMISSAL OF PETITIONERS.

THE COURT OF APPEALS ERRED IN FINDING THAT THE PETITIONERS LOST THEIR RIGHT TO APPEAL TO THE CSC WHEN THEY WRONGFULLY FILED IT WITH THE OFFICE OF THE PRESIDENT.<sup>36</sup>

# The Court's Ruling

The Petition lacks merit.

# The Adjudication Committee had the power to dismiss petitioners.

Petitioners argue that the Adjudication Committee that Laguardia created had no power or authority to order their dismissal.<sup>37</sup> For petitioners, it is only the entire Board that has the power to suspend or dismiss any employee for cause.<sup>38</sup> This is error.

Section 16 of the MTRCB Charter provides that the MTRCB "shall have the power to suspend or dismiss for cause any employee and/or approve or disapprove the appointment, transfer or detail of employees." Further, Section 3(j) of P.D. No. 1986 states that the Board can "prescribe the internal and operational procedures for the exercise of its powers and functions as well as the performance of its duties and responsibilities, including the creation and vesting of authority upon sub-committees of the BOARD for the work of review and other related matters." The MTRCB was likewise authorized to promulgate rules and regulations for the implementation of P.D. No. 1986 and its purposes and objectives.<sup>39</sup>

<sup>39</sup> P.D. No. 1986, Sec. 3(a).

<sup>&</sup>lt;sup>34</sup> Id. at 507-532.

<sup>&</sup>lt;sup>35</sup> Id. at 541-546.

 <sup>&</sup>lt;sup>36</sup> Id. at 42.
 <sup>37</sup> Id. at 43.

<sup>&</sup>lt;sup>38</sup> Id. at 4

Further, Section 40 of the 1998 MTRCB Implementing Rules and Regulations<sup>40</sup> (IRR) allowed the creation of a Hearing and Adjudication Committee composed of three members of the Board to be designated by the Chairperson to hear and decide cases involving violations of the MTRCB Charter and its IRR.<sup>41</sup>

Thus, following Section 3(j) of the MTRCB Charter allowing the Board to create sub-committees for the work of review and other related matters, and Section 40 of the 1998 MTRCB IRR where the Chairperson may designate the three members of the Hearing and Adjudication Committee, the Board issued the MTRCB Rules of Procedure on May 11, 1999.<sup>42</sup> The Rules of Procedure was made applicable to any administrative complaint filed with the MTRCB for violation of the MTRCB Charter and its IRR.<sup>43</sup> The Rules of Procedure likewise defined "Board" as the MTRCB, or the Chairman of the Board, or the Hearing and Adjudication Committee, acting for and in behalf of the Board.<sup>44</sup>

Here, it is beyond dispute that the MTRCB Chairperson created the Adjudication Committee and designated three members of the Board as members of the committee.

Admittedly, the MTRCB Rules of Procedure was applicable to complaints for violations of the MTRCB Charter and its IRR, and there was no indication therein that it was applicable to disciplinary cases involving the MTRCB's employees. Nonetheless, to the mind of the Court, the steps followed by the MTRCB and its Chairperson, which mirrored steps followed for the adjudication of cases for violations of the MTRCB Charter and its IRR, were all in accord with the broad powers granted to the MTRCB and to its Chairperson.

The MTRCB, given the considerable number of movies and television shows, among others, that it has to review, and the cases it has to hear for violations of its charter, had divided the work amongst themselves by creating adjudication committees, with the designation of members being given to the Board's Chairperson. This procedure was followed in hearing an administrative case against its employees.

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<sup>&</sup>lt;sup>40</sup> Issued on July 20, 1998.

<sup>&</sup>lt;sup>41</sup> The same composition of the committee and the designation by the Chairperson was retained in Chapter XIII, Sections 1 and 2 of the 2004 MTRCB IRR; available at <<u>https://midas.mtrcb.gov.ph/site/assets/files/pd1986/b1e922365340a0edcf08f240adafa4e1.pdf</u>> accessed on October 22, 2020.

<sup>&</sup>lt;sup>42</sup> See MTRCB RULES OF PROCEDURE, available at <<u>https://midas.mtrcb.gov.ph/site/assets/files/pd1986/b1e922365340a0edcf08f240adafa4e1.pdf</u>> accessed on October 22, 2020.

<sup>&</sup>lt;sup>43</sup> Id., Rule II, Sec. 1.

<sup>&</sup>lt;sup>44</sup> Id., Rule IV, Sec. 1.1.

In *Realty Exchange Venture Corp. v. Sendino*,<sup>45</sup> a similar issue was raised as petitioner therein questioned whether the decision rendered by the Office of Appeals, Adjudication and Legal Affairs (OAALA) of the Housing and Land Use Regulatory Board (HLURB) was valid when it was not rendered by the HLURB *en banc*. The Court held:

Going to petitioners' contention that the decision of the OAALA should have been rendered by the Board of Commissioners sitting en banc, we find ample authority - both in the statutes and in jurisprudence justifying the Board's act of dividing itself into divisions of three. Under Section 5 of E.O. 648 which defines the powers and duties of the Commission, the Board is specifically mandated to "(a)dopt rules of procedure for the conduct of its business" and ["]perform such functions necessary for the effective accomplishment of (its) above mentioned functions." Since nothing in the provisions of either E.O. 90 or E.O. 648 denies or withholds the power or authority to delegate adjudicatory functions to a division, we cannot see how the Board, for the purpose of effectively carrying out its administrative responsibilities and quasi-judicial powers as a regulatory body should be denied the power, as a matter of practical administrative procedure, to constitute its adjudicatory boards into various divisions. After all, the power conferred upon an administrative agency to issue rules and regulations necessary to carry out its functions has been held "to be an adequate source of authority to delegate a particular function, unless by express provision of the Act or by implication it has been withheld." The practical necessity of establishing a procedure whereby cases are decided by three (3) Commissioners furthermore assumes greater significance when one notes that the HLURB, as constituted, only has four (4) full time commissioners and five (5) part time commissioners to deal with all the functions, administrative, adjudicatory, or otherwise, entrusted to it. As the Office of the President noted in its February 26, 1993 Resolution denying petitioners' Motion for Reconsideration, "it is impossible and very impractical to gather the four (4) full time and five (5) part time commissioners (together) just to decide a case." Considering that its part time commissioners act merely in an ex-officio capacity, requiring a majority of the Board to sit en banc on each and every case brought before it would result in an administrative nightmare.46

The same can be said about the MTRCB, which is composed of 32 members, including its Chairperson and its Vice-Chairperson. As shown by the provisions quoted from the MTRCB's Charter, the MTRCB is empowered to create sub-committees to exercise the power granted to the Board. There is nothing in its charter that requires that decisions be made *en banc* when what is involved is a disciplinary proceeding involving its employees. Thus, the MTRCB was correct when it argued that the Adjudication Committee that directed petitioners' dismissal was no different from any of its other committees. It is a committee exercising the Board's disciplinary power in a manner allowed by its Charter, by acting through a sub-committee of the Board.<sup>47</sup>

<sup>47</sup> See *rollo*, p. 526.

<sup>&</sup>lt;sup>45</sup> 304 Phil. 65 (1994).

<sup>&</sup>lt;sup>46</sup> Id. at 75-76.

Further, to require that the MTRCB decide disciplinary proceedings *en banc* would indeed result in a logistical and administrative nightmare. As the Board itself argued in its Comment:

x x x If only the Board en banc can discharge the power to suspend and dismiss an MTRCB employee, as suggested by petitioners, then x x x all the thirty (30) members, the Chairperson, and the Vice Chairperson should convene in order to constitute an investigating body and then again convene to constitute an adjudicative body so that it could discipline its employees. To follow this proposition from the petitioners would result in an irrational and unreasonable requirement in the exercise of said power, in that, if all thirty-two (32) members of the MTRCB could not convene for one reason or another, it will result in the delay in the administration of justice, particularly, the suspension, removal or separation of erring government employees from the service, or exoneration, if found otherwise. This situation will prejudice the whole office, the movie and television industry and, ultimately, the Filipino people in general. If all members of the MTRCB are required to convene to constitute an investigating body or adjudicating body, no one will be left to perform the other more important duties and responsibilities that the MTRCB is likewise mandated to do. Quite certainly, the framers of the law did not intend such kind of absurdity or irrationality. It is a rule of statutory construction that the court may consider the spirt and reason of a statute where a literal meaning would lead to absurdity, contradiction, injustice or would defeat the clear purpose of the lawmakers.<sup>48</sup>

And even if the Court were to assume that the Adjudication Committee was improperly constituted, the actions of the Adjudication Committee were ratified. In *Vivo v. Philippine Amusement and Gaming Corporation*<sup>49</sup> where the petitioner questioned whether his dismissal from service by the respondent's Adjudication Committee was valid as he did not receive copies of any board resolution, the Court held that even if the Board had not approved his dismissal, his dismissal was not illegal, but only unauthorized; and such unauthorized action may be subject of ratification.<sup>50</sup>

As correctly cited by the MTRCB, applicable by analogy is the Court's ruling in *Mison v. Commission on Audit<sup>51</sup>* to show that the action of the Adjudication Committee was ratified:

x x x The phrase therefore, by which Chairman Domingo describes the capacity in which he acted, *i.e.*, "FOR THE COMMISSION," must be taken as entirely accurate, not only because of the familiar presumption of regularity of performance of official functions, but because the records do show Commissioner Fernandez' full concurrence with the decision in said indorsement. Besides, said 4<sup>th</sup> Indorsement was ratified and reaffirmed by "COA Decision No. 992" of May 19, 1989 signed by "the full complement of three (3) members of the Commission on Audit," to the effect *inter alia* that the 4<sup>th</sup> Indorsement dated June 22, 1987 x x x (of Chairman

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<sup>&</sup>lt;sup>48</sup> Id. at 524-525.

<sup>&</sup>lt;sup>49</sup> 721 Phil. 34 (2013).

<sup>&</sup>lt;sup>50</sup> See id. at 41.

<sup>&</sup>lt;sup>51</sup> 265 Phil. 484 (1990).

Domingo and Commissioner Fernandez) should be "deemed for all legal intents and purposes as the *final* decision on the matter  $x \propto x$ ."<sup>52</sup>

Here, the Adjudication Committee's Resolution<sup>53</sup> dated June 2, 2008, which ruled on petitioners' motion for reconsideration, and affirmed the committee's Decision dated April 8, 2008, indicates "BY AUTHORITY OF THE BOARD".<sup>54</sup> Thus, even if the Adjudication Committee's Decision was initially unauthorized, it was ratified. Further, absent any proof otherwise, it is presumed that the Adjudication Committee, the MTRCB, and its Chairperson were performing their functions regularly and that the Adjudication Committee was authorized to rule on the complaint against petitioners, and eventually direct their dismissal from service.

# Petitioners' appeal was filed out of time.

On the second issue, petitioners argue that the OP already acquired jurisdiction over the appeal when it directed them to pay the appeal fee and the completion of the records.<sup>55</sup> The OP, therefore, should have ruled on the merits rather than dismissing the appeal for lack of jurisdiction.<sup>56</sup> They further argue that they were allowed to appeal first to the department head, which was the President, making the appeal to the OP proper. In turn, the appeal with the CSC, after the OP's dismissal of their appeal, was not filed out of time.<sup>57</sup> This lacks merit.

The CSC's jurisdiction over civil service disputes is settled. Sections 2(1) and 3 of Article IX-B of the 1987 Constitution states the following on the powers of the CSC.

SECTION 2. (1) The civil service embraces all branches, subdivisions, instrumentalities and agencies of the Government, including government-owned or controlled corporations with original charters.

 $\mathbf{x} \mathbf{x} \mathbf{x} \mathbf{x}$ 

SECTION 3. The Civil Service Commission, as the central personnel agency of the Government, shall establish a career service and adopt measures to promote morale, efficiency, integrity, responsiveness, progressiveness, and courtesy in the civil service. It shall strengthen the merit and rewards system, integrate all human resources development programs for all levels and ranks, and institutionalize a management climate conducive to public accountability. It shall submit to the President and the Congress an annual report on its personnel programs.

<sup>56</sup> See id.

<sup>&</sup>lt;sup>52</sup> Id. at 492.

<sup>&</sup>lt;sup>53</sup> *Rollo*, pp. 246-267.

<sup>&</sup>lt;sup>54</sup> Id. at 267.

<sup>&</sup>lt;sup>55</sup> Id. at 48.

<sup>&</sup>lt;sup>57</sup> See id. at 47-49.

In fact, in *Cabungcal v. Lorenzo*,<sup>58</sup> the Court has held that "the CSC, as the central personnel agency of the Government, has jurisdiction over disputes involving the removal and separation of all employees of government branches, subdivisions, instrumentalities and agencies, including government-owned or controlled corporations with original charters. Simply put, it is the sole arbiter of controversies relating to the civil service."<sup>59</sup>

In line with this power, the CSC issued the rules on administrative cases in the civil service, the evolution of which the CA correctly and clearly outlined as follows:<sup>60</sup>

The CSC adopted Memorandum Circular No. 19, series of 1999 (MC 19), or the Revised Uniform Rules on Administrative Cases in the Civil Service. MC 19 affirmed the CSC's disciplinary appellate jurisdiction over employees of government agencies. This is under the presumption that prior to filing an appeal before the CSC, the government agency concerned should have already rendered a decision on the administrative case of a government employee.

As regards appeals regarding administrative disciplinary cases, Rule III, Section 43 of MC 19 provides:

**Section 43.** *Filing of Appeals.* – Decisions of heads of departments, agencies, provinces, cities, municipalities and other instrumentalities imposing a penalty exceeding thirty (30) days suspension or fine in an amount exceeding thirty days salary, may be appealed to the Commission Proper within a period of fifteen (15) days from receipt thereof.

In case the decision rendered by a bureau or office head is appealable to the Commission, the same may be initially appealed to the department head and finally to the Commission Proper. Pending appeal, the same shall be executory except where the penalty is removal, in which case the same shall be executory only after confirmation by the Secretary concerned.

x x x x (Emphasis supplied)

Thereafter, on February 7, 2007, the CSC issued Resolution No. 07-0244, which amended the aforementioned provision, as follows:

Section 43. Filing of Appeals. — Decisions of heads of department, agencies, provinces, cities, municipalities and other instrumentalities imposing a penalty exceeding thirty (30) days suspension or fine in an amount exceeding thirty days salary, may be appealed to the Commission Proper within a period of fifteen (15) days from receipt thereof.

<sup>&</sup>lt;sup>58</sup> 623 Phil. 329 (2009).

<sup>&</sup>lt;sup>59</sup> Id. at 338-339.

<sup>&</sup>lt;sup>60</sup> *Rollo*, pp. 75-77.

In case the decision rendered by a bureau or office head is appealable to the Commission, the same may be initially appealed to the department head and finally to the Commission Proper. Pending appeal, the same shall be executory except where the penalty is removal, in which case the same shall be executory only after confirmation by the Secretary concerned.

Unless otherwise provided by law, the decision of the head of an attached agency imposing a penalty exceeding thirty (30) days suspension or fine in an amount exceeding thirty days' salary, demotion in rank or salary or transfer, removal or dismissal from office is appealable directly to the Commission Proper within a period of fifteen (15) days from receipt thereof. Pending appeal, the penalty imposed shall be executory, including the penalty of removal from the service without need for the confirmation by the department secretary to which the agency is attached.

x x x x (Emphasis supplied)

On November 8, 2011, the CSC revised its rules anew, terming it as Revised Rules on Administrative Cases in the Civil Service. The provision in consideration was rewritten as follows:

Section 61. Filing. – Subject to Section 45 of this Rules, decisions of heads of departments, agencies, provinces, cities, municipalities and other instrumentalities imposing a penalty exceeding thirty (30) days suspension or fine in an amount exceeding thirty (30) days salary, may be appealed to the Commission within a period of fifteen (15) days from receipt thereof. In cases the decision rendered by a bureau or office head is appealable to the Commission, the same may be initially appealed to the department head and then finally to the Commission.

All decisions of heads of agencies are immediately executory pending appeal before the Commission. The decision imposing the penalty of dismissal by disciplining authorities in departments is not immediately executory unless confirmed by the Secretary concerned. However, the Commission may take cognizance of the appeal pending confirmation of its execution by the Secretary. (Emphasis supplied)

Based on the foregoing, when the Adjudication Committee rendered a decision against petitioners on April 8, 2008, the applicable CSC rule was MC 19, as amended by Resolution No. 07-0244. Following Section 43 as amended, petitioners had two options: appeal to the department head before appealing to the CSC or directly file an appeal with the CSC.

And this is where petitioners made a grievous mistake when they appealed to the OP, which as they argue, is the department head. The Court, however, agrees with and affirms the correct disposition of the CA on this issue, as follows:

To Our mind, the phrase "department head" when applied to this case refers to the Chairperson of the MTRCB. The interpretation of said phrase should be specific enough to pertain to the MTRCB Chairperson,



or to Laguardia in particular, since logically she exercised supervision over the affairs of not only the whole Board but also the MTRCB employees. She technically does not report or answer to a department head, compared to other departments under the Office of the President such as the Department of Justice which has a department head in the person of the Secretary of Justice, who is also a presidential appointee. Treating Laguardia as the "department head" is a practical application of the phrase given that it would be illogical to require the Office of the President to rule upon the subject of Petitioners' dismissal from service when they were not even presidential appointees.

Besides, the Office of the President is technically not a department under the purview of Resolution No. 07-0244. Specifically, "department" under Resolution No. 07-0244 refers to "any of the executive departments or entities having the category of a department, including the judiciary and the other constitutional commission and offices." Similarly, the Administrative Code defined department as an executive department created by law. Surely the Office of the President is not merely a department as it is considered as the head office of the executive branch of the government.

In this respect, it is of no moment that Laguardia was the one who initiated the complaint against the Petitioners because she was merely performing her duty as the Chief Executive Officer of the MTRCB to ascertain and investigate the alleged falsification of the 2004 CNA. In any case, the Petitioners should not assume that just because Laguardia initiated the complaint against them, then she would automatically rule against them if they appealed the Adjudication Committee's decision to her.<sup>61</sup>

Petitioners therefore had the option of filing an appeal with Laguardia or directly with the CSC. It was a mistake for them to appeal the decision of the Adjudication Committee with the OP as the MTRCB had its own charter and considered a department under MC 19, as amended by Resolution No. 07-0244, making Laguardia the department head. The CA was therefore correct in affirming the CSC's dismissal of the appeal for being filed out of time.

By the time petitioners filed the appeal with the CSC, the decision of the Adjudication Committee had already become final and executory and could no longer be disturbed. Following Rule II, Section 37<sup>62</sup> of MC 19, as amended by Resolution No. 07-0244, a judgment attains finality by the lapse of the period for taking an appeal without such appeal or motion for reconsideration having been filed.

Allowing an appeal, even if belatedly filed, should never be taken lightly.<sup>63</sup> In fact, it is a basic rule that when a party to an original action fails

<sup>&</sup>lt;sup>61</sup> *Rollo*, pp. 78-79.

<sup>&</sup>lt;sup>62</sup> Section 37. Finality of Decisions. — A decision rendered by heads of agencies whereby a penalty of suspension for not more than thirty (30) days or a fine in an amount not exceeding thirty (30) days' salary is imposed, shall be final and executory. However, if the penalty imposed is suspension exceeding thirty (30) days, or fine in an amount exceeding thirty (30) days salary, the same shall be final and executory after the lapse of the reglementary period for filing a motion for reconsideration or an appeal and no such pleading has been filed.

<sup>63</sup> Building Care Corp. v. Macaraeg, 700 Phil. 749, 757 (2012).

#### Decision

to question an adverse judgment or decision by not filing the proper remedy within the period prescribed by law, that party loses the right to do so, and the judgment or decision, as to that party, becomes final and binding.<sup>64</sup>

As the Court ruled in Zamboanga Forest Managers Corp. v. New Pacific Timber and Supply Co.:<sup>65</sup> "Although appeal is an essential part of our judicial process, it has been held, time and again, that the right thereto is not a natural right or a part of due process but is merely a statutory privilege. Thus, the perfection of an appeal in the manner and within the period prescribed by law is not only mandatory but also jurisdictional and failure of a party to conform to the rules regarding appeal will render the judgment final and executory."<sup>66</sup> As the Court continued:

Once a decision attains finality, it becomes the law of the case irrespective of whether the decision is erroneous or not and no court — not even the Supreme Court — has the power to revise, review, change or alter the same. The basic rule of finality of judgment is grounded on the fundamental principle of public policy and sound practice that, at the risk of occasional error, the judgment of courts and the award of quasi-judicial agencies must become final at some definite date fixed by law.<sup>67</sup>

In light of the foregoing, the Court agrees with the CA and the CSC that petitioners could no longer question the Adjudication Committee's decision as they have failed to appeal the same in the manner prescribed by law. The decision has become final and executory as to them and no court, not even this Court, has the power to revise, review, change or alter it.

WHEREFORE, premises considered, the Petition is **DENIED**. The Decision dated November 3, 2015 and Resolution dated March 8, 2016 of the Court of Appeals in CA-G.R. SP No. 135862 are **AFFIRMED**.

# SO ORDERED.

NJAMIN S. CAGUIOA FREI ssociate Justice

64 Id. at 758.

- 65 647 Phil. 403 (2010).
- <sup>66</sup> Id. at 415.
- <sup>67</sup> Id.

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WE CONCUR:

DIOSDADO M. PERALTA Chief Justice Chairperson

CARANDAL Associate Justice

EDA RODII ciate Justice

10.00 SAMUEL H. GAERLAN Associate Justice

# CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

DIOSDĂDO M. PERALTA Chief Justice