

MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 112

REMOVING MR. FRANCISCO MARTINEZ FROM OFFICE AS PROVINCIAL TREASURER OF LEYTE

Mr. Francisco Martinez, Provincial Treasurer of Leyte, is charged with the following irregularities:

1. That respondent personally dealt with, and delivered to, Manila merchants requisitions for supplies, materials and equipment contrary to existing regulations;
2. That he made purchases of supplies, etc., from Manila merchants without public bidding or the intervention of the Procurement Office;
3. That he was extremely careless and negligent in passing payments for articles at exceedingly high prices;
4. That he purchased printed forms at exorbitant prices without previous authority;
5. That he purchased school supplies without the approval of the proper authorities;
6. That he purchased and accumulated a huge stock of supplies and materials worth the enormous sum of ₱2,727, 552.56; and
7. That in acquiring this big stock of supplies and materials, he used public and private trust funds.

After going over the record of this case, I find that charges Nos. 1, 4, and 7 have been satisfactorily explained.

With respect to charges Nos. 2 and 3, the respondent denies that the supplies and materials in question were purchased without public bidding or the intervention of the Procurement Office. He claims that the vouchers covering payments thereof were "supported by a letter or indorsement of that Office showing the Manila price of the articles or the reasonableness of the price as shown

in said letter or indorsement, except in the case of requisitions showing the prices opposite the corresponding articles on the face of such requisitions and which * * * already bore the approval of the Department of Finance when the same were submitted to the respondent for consideration." He also states that payment for the articles was made after the corresponding vouchers had been passed in audit by the auditor, and he had no reason to suspect that the latter would not allow strictly his duties in passing upon the vouchers submitted to him for preaudit; that most of the requisitions for supplies already bore, as stated above, the approval of the Department of Finance when they were presented to him for the first time, accompanied even in certain cases with personal letters or telegrams of highly placed officials in the General Auditing Office urging favorable action; and that despite pressure from above, he exerted efforts to protect the interest of the Government as shown by the fact that he had stricken out certain articles or reduced the quantities thereof.

I find respondent's explanation of these charges not entirely satisfactory. Considering the large quantities of the supplies and materials involved with value running into millions of pesos, even if pressure had been brought to bear upon him, he should have exercised extreme care in making the purchases for the province. The advance approval of most of the requisitions by the proper official in the Department of Finance should have warned him that there might be something irregular in it. Respondent did not go far enough in protecting the interest of the province.

Respondent admits charge No. 5 but explains that a requisition for these school supplies was originally made by the academic supervisor then in charge of the Division of Leyte; that subsequently the items called for therein were transcribed in another requisition, possibly by the dealer, for the signature of respondent; that as he was not then in Tacloban, the requisition was apparently brought to Manila; that the goods were shipped to Manila; that the goods were later shipped to Leyte, and the requisition accompanying the dealer's bill already carried the unqualified approval of the Department of Finance. He further explains that he signed the requisition and approved the vouchers covering payment of the articles after said vouchers had been initialed by the property clerk and the bookkeeper of his office; that these vouchers were duly preaudited; and that he should not be expected to go beyond the action of his superior and that of a coordinate official to inquire into the motives that inspired their actuation.

I consider respondent's explanation unsatisfactory. The action by the other officials and employees cited by

respondent cannot take the place of that which the regulations require should be done by the Director of Public Schools, the Secretary of Education and the Property Requisition Committee. Respondent simply overlooked these regulations, compliance with which would have saved him from this charge.

As regards charge No. 6 respondent explains that the advance approval by the Department of Finance of the corresponding requisitions prepared in Manila without his knowledge as requisitioning official led him to believe that there was need for a substantial stock of supplies to insure the continuous operation of the different governmental units of the province, demanded evidently by the prevailing conditions in the province and the strained relations between the United States and Russia, although he reduced the quantities of certain articles and struck out those not needed by the province. He further explains that he referred the vouchers covering payment of the articles to the property clerk for determination of the need therefor and had said vouchers submitted to the auditor for preaudit before effecting payment.

While the steps taken by respondent could be considered sufficient under ordinary circumstances, the unusual quantities of supplies and materials called for in the requisitions allegedly approved in advance by the corresponding official of the Department of Finance should have given him cause to doubt the motives that inspired such premature approval, and the supposed pressure exerted by high officials of the National Government that he expedite payment to the dealers should have been brought to the attention at least of the Secretary of Finance for his information and appropriate action.

The foregoing shows that respondent was grossly negligent in the performance of his official duties as a result of which the Province of Leyte suffered losses estimated at more than two million pesos arising from his improvident purchase of supplies and materials in quantities far beyond the need of the province and at prices very much higher than those prevailing or considered reasonable.

Wherefore, Mr. Francisco Martinez is hereby removed from office as Provincial Treasurer of Leyte.

Done in the City of Baguio, this 29th day of March, in the year of Our Lord, nineteen hundred and fifty, and of the Independence of the Philippines, the fourth.

ELPIDIO QUIRINO

President of the Philippines

By the President:

TEODORO EVANGELISTA

Executive Secretary