

MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER No. 168

EXONERATING MAYOR VICENTE Y. OSTIA
OF OZAMIZ CITY

This is an administrative case against Mayor Vicente Y. Ostia of Ozamiz City, who is charged with alleged abuse of authority, graft and corruption, and nepotism.

The evidence of record discloses that on September 30, 1948, the respondent secured a personal loan of ₱150 from Mr. Maximo Lago, Assistant Treasurer of the same city. The loan was willingly granted as they are "compadres." That same day, upon learning that Mr. Lago was leaving for Oroquieta, respondent drew a personal check for ₱150 and requested that the same be cashed in Oroquieta in full payment of the loan. Mr. Lago readily agreed, and directed that the check be made payable to the "City Treasurer." He however failed to proceed to Oroquieta. On November 3, 1948, he sent the check to the Cebu Branch of the Philippine National Bank as part of the deposit of Ozamiz City. On November 30, 1948, the check was returned by the bank with the advice that the respondent had no sufficient funds, as the balance of respondent's deposit with the Philippine National Bank Agency at Oroquieta, as of that date, was only ₱36.42. However, when the check was drawn on September 30, 1948, respondent had still a balance of ₱1,211.42 in his favor. The check, therefore, was not a "rubber check" at the time of its issuance as it was amply covered by sufficient funds.

With respect to the charge that respondent falsified City Supplemental Budget No. 26, series of 1948, it appears that the Secretary to the Municipal Board, through inadvertence and oversight, certified to the effect that the fund thereby provided was fully "appropriated" by the Municipal Board on December 6, 1948, in its Resolution No. 257. On the strength of such certification, the respondent approved and signed the same. The certification of the Sec-

retary turned out to be erroneous, because although the budget was actually submitted to the Municipal Board for consideration on that date (December 6, 1948), action thereon was deferred. Responsibility for the mistake therefore solely rests on the shoulders of the Secretary, and not on the respondent, who signed the budget in good faith.

As regards the charge that respondent "used to take merchandise from Chinese businessmen and others, besides the cash he borrowed from them without paying," the records show that respondent is actually indebted to the Legaspi Store in the amount of P2,000, representing the unpaid balance of a piano purchased from said store on installments. Mr. Luciano Legaspi, owner of the store, testified that he is surprised that this account of respondent was involved in this case, as he did not authorize anyone to complain in his behalf; that he has no complaint against the respondent; and that the latter being his compadre, he sold him the piano on credit, fully confident that the respondent will in due time honestly fulfill his obligation to pay.

The account of respondent with the Kem Bien Him Hardware, in the sum of P626.61, represents the value of automobile spare parts and gasoline taken by the respondent from said firm "for and on account of the City Government." The Municipal Board granted the respondent blanket authority to acquire these articles for the use of the respondent's private car, which is being used by the city officials and employees for official transportation; and the Municipal Board duly appropriated funds for the payment of this account, subject to the usual auditing requirements.

The charge against respondent for alleged misappropriation of the Red Cross fund in the amount of P171 has not been substantiated. It appears that the collections of the different barrio lieutenants of the municipality of Misamis (now Ozamiz City) for the year 1948, were, upon instruction of respondent turned over on July 12, 1948, together with the unused receipts, to Mr. Antonio J. Dalangpan, the Municipal Secretary. The latter issued corresponding receipts for the amount received, amounting to P171. Due to pressure of work, the money was not immediately turned over to the Municipal Treasurer or to the local Red Cross Chapter. He placed the money together with the unused receipts in one of the drawers of his office desk. On July 14, 1948, early in the morning, all the desks in the municipal building were taken down and piled in one corner of the premises, as said building was being cleaned by the firemen in preparation for the inauguration of the City of Ozamiz on the 16th. When he located his own desk, all papers in the drawers, including the cash

were gone. The money therefore was lost while under the care and custody of Mr. Antonio J. Dalangpan, for which he was given a complete clearance by the Red Cross authorities, after proper inquiry into the circumstances surrounding the loss of the same.

The charge against the respondent for alleged nepotism, in violation of Executive Order No. 111, series of 1937, has not been substantiated. The record discloses that of the six close relatives of the respondent he allegedly appointed into the service, three of them, namely, Melecio Ostia, his nephew, and Fortunato Ostia and Filemon Ostia, both his cousins, are actually employed in the City Engineering Department, under appointment extended by the Director of Public Works, and not by the respondent. Antonio J. Dalangpan, appointed by the respondent as his Secretary, is the husband of a niece of a second cousin. The relationship is beyond the third degree of affinity and therefore does not come within the prohibition of Executive Order No. 111. The appointment of Jose Procionos, son-in-law of the respondent, as member of the City Secret Service, comes within the exception, as the position of detective is specifically declared to be confidential in nature by Executive Order No. 264. The only appointment that appears to be nepotistical, is the one made by the respondent in favor of his daughter, Evangelina Ostia, as stenographer-filing clerk. It appears however that the respondent, believing the position to be confidential, acted in good faith in issuing the said appointment upon recommendation of the Municipal Board. Furthermore, her services had been terminated by the respondent himself. In this connection, it should be emphasized that this Administration does not look with favor upon the practice of appointing officials in extending appointments in favor of their relatives whether the relationship of the latter to the former is beyond the third degree of either consanguinity or affinity. Such practice creates the erroneous impression that a public office is a private property to be doled out by the appointing power at his pleasure, and it adversely affects the morale of other officials and employees in the service.

In view of all the foregoing, the respondent Mayor Vicente Y. Ostia, is hereby exonerated from all the charges filed against him.

Done at the City of Manila, this 30th day of October, in the year of Our Lord nineteen hundred and fifty-one, and of the Independence of the Philippines, the sixth.

ELPIDIO QUIRINO

President of the Philippines

By the President:

MARCIANO ROQUE

Acting Assistant Executive Secretary