

MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER No. 265

REMOVING COLONEL JUAN A. BENITEZ FROM
OFFICE AS CHAIRMAN OF THE PHILIPPINE
VETERANS BOARD

This is an administrative case against Colonel Juan A. Benitez, chairman of the Philippine Veterans Board (PVB), for alleged irregularities involving graft and maladministration. The charges were investigated by an administrative board appointed by the Secretary of National Defense which found respondent guilty of causing the delivery to his wife of treasury warrants issued by the Board in favor of pensioners residing in San Carlos and neighboring towns of Pangasinan; of tolerating her to make delivery thereof to these pensioners (charges Nos. 3 and 6), and of failing to exercise proper supervision of PVB affairs, thus resulting in the commission by his subordinates of widespread anomalies and irregularities in the preparation and disposition of pension checks (charge No. 5). Respondent was cleared of the other charges.

Under charges Nos. 3 and 6, the evidence shows that Mrs. Cipriana S. Benitez, respondent's wife, deducted certain amounts from the pension checks of some residents of San Carlos, Pangasinan, which she delivered to them and helped convert into cash. Denying the imputation, Mrs. Benitez claimed that the amounts in question were given to her by the pensioners involved in payment of their debts. She also claimed that they testified against her because their minds had been poisoned by the occupation chief of police of San Carlos that she was responsible for the stoppage of their pension.

Mrs. Benitez having, as she claimed, played the role of benefactor to these people—lending them money, giving them rice, and extending other forms of help—I do not think that they, being simple folks of the province, would testify falsely against their benefactor and impute to her no less than extortion, unless they were prompted by a civic consciousness to speak the truth. I am, therefore, inclined to believe the version of the Government.

The next inquiry is whether Mrs. Benitez got or received those checks from her husband. Respondent admitted bringing pension checks to San Carlos but denied handing over any to his wife for delivery to the pensioners concerned. If respondent could, as will presently be shown, trust a mere clerk of his to deliver checks to pensioners,

it is easy to believe that he allowed his own wife to do so. At any rate, there is nothing intrinsically wrong with her delivering the checks if done in the right spirit of service. What is objectionable is the making of "cuts" for doing so. It has not been established, however, that respondent knew what his wife was doing with those checks.

Under charge No. 5, it appears that in the PVB clerks, messengers, and other minor employees could get pension checks from the warrant delivery section for delivery to the payees provided they were known to the chief thereof, although the standing regulation provides for delivery by mail; that the messenger of the respondent was authorized by the latter to get checks from the delivery section and to deliver them to the pensioners calling daily at respondent's office; that, as admitted by the respondent, whenever he wanted checks to be delivered to some parties or to San Carlos pensioners, all he did was to verbally instruct his clerk or anyone to get them for him; that there was no record to show delivery of pension checks to the claimants nor of those returned to the delivery section, if undelivered; that as a result many checks got lost, were mislaid or were stolen and fraudulently cashed by some employees, to the prejudice of the Government and the pensioners affected, a case in point being that of one Marcial Arciaga who has so far been convicted of fifty fraudulent encashments of checks, not to mention others facing similar prosecution in court.

The question now is whether respondent may be held liable under the circumstances. The tolerated practice of allowing personal delivery of pension checks, which was a departure from the standing written order directing delivery of checks by mail, clearly called for a radical innovation in the accounting thereof to localize responsibility and place the movement of checks effectively under control—a matter which should not have escaped the notice of the respondent as highest authority of the office, especially considering that he himself was well aware of, and participated in, that practice. It should have occurred to him that a big number of checks placed in the hands of an employee was a delicate matter in view of the temptation thus presented. Owing in large measure to respondents's failure in this respect, some irresponsible messengers were able to get hold of checks which they were tempted to misappropriate. Although it does not appear that any loss of check happened between him and his messenger, the pattern he had set was looked upon by his subordinates as a safe one to follow.

The allegation that respondent merely followed the practice of his predecessors is untenable because it was his duty to improve the service and protect public funds. Neither may he find relief in the fact that loss of checks

and fraudulent encashments also occurred during the administration of his predecessors, it being his duty to prevent, or at least minimize, the recurrence thereof. His attempt to improve the system of check disposal about a year after his assumption of office and after the discovery of the irregularities was evidently a belated move and will not operate to absolve him from responsibility that had already attached.

It was also disclosed in the course of the investigation that the Board met without any agenda or any list of claimants whose papers were to be acted upon in the day's session and approved claims in batches, not individually. Hence, many claims are supposed to have been approved but there is no way of ascertaining the veracity thereof. Such procedure of the Board is palpably irregular and anomalous and respondent, as chairman thereof, is largely to blame.

From the foregoing, it is clear that respondent has been sadly remiss in the performance of his duties and that his continuance in office will not be in the public interest.

Wherefore, and in accordance with the recommendation of the Secretary of National Defense, Colonel Juan A. Benitez is hereby removed from office as chairman of the Philippine Veterans Board, effective as of the date of his suspension by reason of this case, with prejudice to reinstatement in any office having anything to do with veterans' affairs.

Done in the City of Manila, this 29th day of December, in the year of Our Lord, nineteen hundred and fifty-three, and of the Independence of the Philippines, the eighth.

ELPIDIO QUIRINO
President of the Philippines

By the President:

MARCIANO ROQUE
Acting Executive Secretary
