

MALACAÑANG
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 80

CONSIDERING HADJI URANG NAGA, PROVINCIAL TREASURER OF LANAOS DEL SUR PROVINCE, RETIRED FROM THE SERVICE.

This is an administrative case against Provincial Treasurer Hadji Urang Naga of Lanaos del Sur for (a) gross negligence, (b) incurring unauthorized overdrafts and (c) misuse of trust funds, filed motu proprio by the Department of Finance.

Respondent submitted his answer to the charges and waived a formal investigation. The Undersecretary of Finance, as then Acting Secretary, in his report, found the explanation of respondent contained in his answer unsatisfactory and the charges established and proven. However, considering that respondent, who is the first Muslim to be appointed Provincial Assessor, has more than 42 years of government service, the Acting Secretary recommended that respondent be required to retire from the government service.

After going over the records of the case, I concur in the findings of the Acting Secretary of Finance that respondent is guilty of the following:

A. Gross negligence in failing to collect cash advances and accounts receivable and to remit national collections, and life and retirement insurance premiums.

Respondent avers that as a result of the division of the province of Lanaos into two, the accounts of the municipalities had to be liquidated and thereafter closed; and that to be able to pay the obligations of the mother province of Lanaos and to remit all national and provincial collections, cash advances had to be given to the municipal treasurers of those municipalities whose finances at the time the division took effect were poor, subject to liquidation thereafter.

This explanation appears to be plausible, but considering the balances of the accounts receivable from the national bureaus and offices of ₱247,003.01, from provinces and chartered cities of ₱435,133.94, and from municipalities of ₱635,956.33, or a total of ₱1,294,957.68, and the balances of its accounts payable to the national bureaus and offices of ₱304,517.41, to provinces and chartered cities

of ₱95,362.37, and to municipalities of ₱258,126.01, or a total of ₱1,012,913.98, as of June 30, 1966, respondent appears negligent in not having been able to liquidate said accounts at the close of fiscal year 1965.

The records further show that respondent failed to remit collections for the Government Service Insurance System in the amount of ₱73,094.43, and national collections of ₱244,446.56, in violation of existing regulations.

B. Incurring overdrafts in the general and health funds of ₱1,033,073.39 and ₱29,500.91, respectively, as of June 30, 1965.

Respondent does not deny the charge, but by way of defense, he alleges that the overdrafts were authorized by the Secretary of Finance in accordance with Section 2122 of the Revised Administrative Code. The records of the Department of Finance, however, fail to show that respondent was duly authorized to incur overdrafts in 1965. Considering, however, that typhoons and floods visited the province in the years previous to 1965, respondent may be considered indeed to have been properly authorized to incur an overdraft, but certainly not to the extent of using trust funds for the purpose.


C. Misuse of trust funds in that as a result of the above overdrafts, respondent illegally used public trust funds of ₱12,196.30 (B-2-2(11) to B-2-2(17)), municipal deposits of ₱712,054.43, and court deposits of ₱12,034. Such misuse of trust funds is prohibited under the law.

The charges against respondent are amply supported by the evidence on record. In fact, respondent admits having incurred overdrafts in the general and health funds and the use of trust funds in incurring said overdrafts. Considering, however, that this is his first case in more than 42 years of service in the government where he has spent the best years of his life, his case may be viewed with some measure of leniency.

Wherefore, Hadji Urang Naga is hereby considered retired on August 4, 1967, when he reaches his 63rd birthday.

Done in the City of Manila, this 14th day of August ,
in the year of Our Lord, nineteen hundred and sixty-seven.

By the President:



RAFAEL M. SALAS
Executive Secretary