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SENATE

P.S. Res. No. 934 *AW*

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INTRODUCED BY SENATOR ALAN PETER "Compañero" CAYETANO

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RESOLUTION

CALLING FOR THE SENATE OF THE PHILIPPINES TO LEAD BY EXAMPLE, BY AUTHORIZING THE CONDUCT OF A PEOPLE'S AUDIT OR A JOINT OR A PARALLEL AUDIT OF ITS BUDGET ACCOUNTS BY A PRIVATE AND INDEPENDENT AUDITING FIRM AND THE COMMISSION ON AUDIT WITH A MANDATE TO EXAMINE ALL ITS PERTINENT DOCUMENTS, FOR THE PURPOSE OF INCREASING THE LEVEL OF TRANSPARENCY AND ACCOUNTABILITY IN GOVERNANCE, THEREBY STRENGTHENING THE INTEGRITY OF THE INSTITUTION.

WHEREAS, Section 1, Article XI on Accountability of Public Officers, 1987 Constitution provides:

*"Section 1. Public office is a public trust. Public officers and employees must, at all times, be accountable to the people, serve them with utmost responsibility, integrity, loyalty, and efficiency; act with patriotism and justice, and lead modest lives";*

WHEREAS, Section 7, Article III on the Bill of Rights, 1987 Constitution states:

*"Section 7. The right of the people to information on matters of public concern shall be recognized. Access to official records, and to documents and papers pertaining to official acts, transactions, or decisions, as well as to government research data used as basis for policy development, shall be afforded the citizen, subject to such limitations as may be provided by law. "*

WHEREAS, under these principles enunciated by the Constitution and Republic Act No. 6713, otherwise known as the Code of Conduct and Ethical Standards for Public Officials and Employees, public officers and employees are mandated to:

*"Section 4. Norms of Conduct of Public Officials and Employees. - (A) Every public official and employee shall observe the following as standards of personal conduct in the discharge and execution of official duties:*

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*(a) Commitment to public interest. - Public officials and employees shall always uphold the public interest over and above personal interest. All government resources and powers of their respective offices must be employed and used efficiently, effectively, honestly and economically, particularly to avoid wastage in public funds and revenues.*

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(e) *Responsiveness to the public.* - Public officials and employees shall extend prompt, courteous, and adequate service to the public. Unless otherwise provided by law or when required by the public interest, **public officials and employees shall provide information of their policies and procedures in clear and understandable language, ensure openness of information**, public consultations and hearings whenever appropriate, encourage suggestions, simplify and systematize policy, rules and procedures, avoid red tape and develop an understanding and appreciation of the socio-economic conditions prevailing in the country, especially in the depressed rural and urban areas.

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(g) *Commitment to democracy.* - Public officials and employees shall commit themselves to the democratic way of life and values, **maintain the principle of public accountability**, and manifest by deeds the supremacy of civilian authority over the military. They shall at all times uphold the Constitution and put loyalty to country above loyalty to persons or party.

*Section 5. Duties of Public Officials and Employees.* - In the performance of their duties, all public officials and employees are under obligation to:

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(e) *Make documents accessible to the public.* - All public documents must be made accessible to, and readily available for inspection by, the public within reasonable working hours;" (emphasis supplied)

**WHEREAS**, it is the Philippine Government's obligation to develop and implement or maintain effective, coordinated anti-corruption policies that promote the participation of society and reflect the principles of the rule of law, proper management of public affairs and public property, integrity, transparency and accountability, as a State Party to the United Nations Convention Against Corruption (UNCAC)<sup>1</sup>;

**WHEREAS**, it is the duty of the head of the Government agency that the resources of the Government are expended and managed properly as provided in Executive No. 292, otherwise known as the *Administrative Code of 1987*, which states:

*"Subtitle B, Chapter 1, Section 1. Declaration of Policy.* - All resources of the government shall be managed, expended or utilized in accordance with law and regulations and safeguarded against loss or wastage through illegal or improper disposition to ensure efficiency, economy and effectiveness in the operations of government. The responsibility to take care that such policy is faithfully adhered to rests directly with the chief or head of the government agency concerned.

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*Chapter 9, Section 51. Primary and Secondary Responsibility.* -

(1) *The head of any agency of the Government is immediately and primarily responsible for all government funds and property pertaining to his agency;*  
(2) *Persons entrusted with the possession or custody of the funds or property under the agency head shall be immediately responsible to him, without prejudice to the liability of either party to the Government."*

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<sup>1</sup>United Nations Convention Against Corruption, December 14, 2005, 2349 U.N.T.S. 41.

**WHEREAS**, the Senate Budget Office informed the Senate President that an additional Senate Maintenance and Other Operating Expenses (MOOE) of P2.218 million was available for release per senator as savings from the 2012 Budget. Subsequently, the Senate President approved the release of additional MOOE of P2.218M to all Senators except 4 Senators, namely, Senators Antonio Trillanes IV, Pia and Alan Peter Cayetano and Miriam Defensor-Santiago, who only received the P600,000 in November and the P250,000 in December.<sup>2</sup> The P250,000 “pamasko” released to the Senators were not from the additional MOOE savings, but sourced out of the savings of the Senate President’s Office.<sup>3</sup>

**WHEREAS**, Senate President Enrile explained that the additional MOOE approved by him is not an entitlement, and stands by the exercise of his sole discretion not to authorize any further releases of additional MOOE last December 2012 to the 4 Senators. Senate President Enrile reasoned out that he considers Senators Antonio Trillanes IV, Pia and Alan Peter Cayetano as “supposedly” being in the Minority, Senator Miriam Defensor-Santiago masquerading as a member of the Majority, and that all 4 senators already have substantial budgets in the millions as chairpersons of various regular and oversight committees, and for Senator Alan Peter Cayetano as being the Minority Leader of the Senate with its corresponding budget;<sup>4</sup>

**WHEREAS**, the Senate is among the most credible government institutions, on whose members as public officers, are reposed the mandate not only to deliberate on and pass appropriate laws, conduct investigations in aid of legislation, act as impartial judges in impeachment proceedings of corrupt public officials, and live by example as being *trustworthy and accountable to the people, serving them with utmost responsibility, integrity, loyalty, and efficiency*;<sup>5</sup>

**WHEREAS**, these incidents have aroused public interest and generated a lot of reactions and issues on the utilization of public funds thereby casting doubt upon the integrity and credibility of the Senate as institution. Among the issues sought to be answered are: (1) How was the P250,000 released to all the Senators reported or liquidated by the Senate President, and (2) From the P2 billion Senate budget for 2012, how much was liquidated by certification alone;

**WHEREAS**, the Senate could not now claim to credibly investigate other offices and individuals when it is perceived to be less transparent and accountable within its ranks with regard to how it allocates, disburses and liquidates the MOOE and other funds;

**WHEREAS**, the public has the right to know<sup>6</sup> how their taxes are being utilized, and the Senate’s response should not be limited to its passage on third reading of Senate Bill 3208 on the Freedom of Information, but through concrete action that exemplifies the efforts in building and navigating the *daang matuwid* thrust of transparency, accountability and governance reform;

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<sup>2</sup>Press Statement of the Senate President Hon. Juan Ponce Enrile, January 9, 2013 available at [http://www.senate.gov.ph/press\\_release/2013/0109\\_prib1.asp](http://www.senate.gov.ph/press_release/2013/0109_prib1.asp).

<sup>3</sup>*Ibid.*

<sup>4</sup>*Ibid.*

<sup>5</sup>PHIL. CONST. art.XI, § 1.

<sup>6</sup>PHIL. CONST. art.III, § 7.

**WHEREAS**, a people's audit or a joint or parallel audit that is open to the public involving a private and independent firm and the COA addresses the growing uncertainty as regards the credibility and integrity of the Senate as an institution;

**WHEREAS**, the Constitution provides that the Commission on Audit has the power to audit government units under the 1987 Philippine Constitution which state:

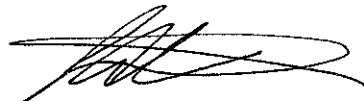
*Section 2. (1) The Commission on Audit shall have the power, authority, and duty to examine, audit, and settle all accounts pertaining to the revenue and receipts of, and expenditures or uses of funds and property, owned and held in trust by, or pertaining to, the Government, or any of its subdivisions, agencies, or instrumentalities, including government-owned or controlled corporations with original charters, x xx.*

*“(2) The Commission shall have the exclusive authority, subject to the limitations in this Article, to define the scope of its audit and examination, establish the techniques and methods required therefore, and promulgate accounting and auditing rules and regulations, including those for the prevention and disallowance of irregular, unnecessary, excessive, extravagant, or unconscionable expenditures, or uses of government funds and properties. (emphasis supplied)*

**WHEREAS**, there is no legal impediment in allowing the joint or parallel audit by the people and / or a private auditing firm with the COA;

**RESOLVED**, as it is hereby resolved, FOR THE SENATE OF THE PHILIPPINES TO LEAD BY EXAMPLE, BY AUTHORIZING THE CONDUCT OF A PEOPLE'S AUDIT OR A JOINT OR A PARALLEL AUDIT OF ITS BUDGET ACCOUNTS BY A PRIVATE AND INDEPENDENT AUDITING FIRM AND THE COMMISSION ON AUDIT WITH A MANDATE TO EXAMINE ALL ITS PERTINENT DOCUMENTS, FOR THE PURPOSE OF INCREASING THE LEVEL OF TRANSPARENCY AND ACCOUNTABILITY IN GOVERNANCE, THEREBY STRENGTHENING THE INTEGRITY OF THE INSTITUTION.

ADOPTED,



ALAN PETER "COMPAÑERO" CAYETANO  
Senator