

## Ex-Pagcor chief charged with graft, malversation

Written by Administrator  
Saturday, 16 March 2013 15:25

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### **EFRAIM GENUINO**

MANILA — Former Philippine Amusement and Gaming Corp. (Pagcor) chairman Efraim Genuino was charged with multiple graft and malversation of public funds before the Sandiganbayan.

Ombudsman Conchita Carpio-Morales also ordered the filing of criminal cases against former Pagcor officials Rafael Francisco, Jose Benedicto, Rene Figueroa, Edward King, Ester Hernandez and Valente Custodio.

Genuino's son Erwin, an executive assistant at Pagcor, will be charged with violation of Republic Act 6713, the Code of Conduct and Ethical Standards for Public Officers and Employees.

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Morales said the anti-graft agency denied the respondents' request for another preliminary investigation since all of them were given opportunity to submit controverting evidence.

The Department of Justice had conducted the preliminary investigation.

Morales said Genuino, Francisco, Benedicto, Figueroa, King, Hernandez and Custodio will face graft charges for the promotion of the film "Baler," a movie production deal between Viva Communications and Batang Iwas Droga Foundation (BIDA).

The Office of the Ombudsman found that government funds had effectively shouldered business losses when Pagcor advanced the cost for 89,000 movie tickets at P300 each or a total of P26,700,000.

Pagcor was to merely offer "Baler" movie tickets to casino patrons through the Player Tracking System points.

Records showed casino patrons bought only 7,791 tickets, while 6,253 tickets were sold to the public.

Some 2,806 tickets were sold to Pagcor employees through salary deduction, leaving 72,150 unused tickets in the amount of P21,645,000, plus the transmitted sales commission of P474,510.

A total of P22,119,510 representing marketing expenses was charged to Pagcor's operating expense fund, on top of the advertising expense of P2,064,989.30.

Graft probes found conflict of interest on the part of Erwin Genuino, also the executive producer of "Baler," because the agency's facilities and resources were used in post-production

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and promotion of the movie.

Morales found probable cause to indict Genuino, King, Francisco, Figueroa, Hernandez and Custodio for 17 counts of malversation and 17 counts of graft for unlawful donations and payments.

The Office of the Ombudsman found irregular the indiscriminate grant of cash advances or disbursements totaling more than P44 million from Pagcor's intelligence funds.

Graft investigators traced the "favored-son treatment" in the transactions worth more than P50 million that BIDA used to procure goods and services like tarpaulins, shirts, caps, promotional items, stage production and sponsorship expenses from Pagcor funds.

Morales ruled that Pagcor funds are in the nature of public funds, and that the power of Pagcor's board of directors to prepare and approve the annual budget does not operate to exempt the agency from the constitutional requirement that public funds may only be disbursed in pursuance of an appropriation made by law.

An additional count of malversation and of graft will be filed against the six respondents for the tri-media advertising placements amounting to more than P63 million that BIDA used out of Pagcor largesse for various activities to become a party-list group.