

**\*\*Title:\*\*** Carmen Labatagos vs. Hon. Sandiganbayan and People of the Philippines

**\*\*Facts:\*\***

Carmen Labatagos served as a cashier and collecting officer at the Mindanao State University (MSU), General Santos City, from January 1978 to December 1980. Upon taking a leave of absence from March to May 1978, an audit by Francisco T. Rivera under Commission on Audit (COA) was conducted on October 1, 1980, revealing that Labatagos failed to remit a total of P105,711.94 out of P441,187.58 collected from January 1978 to June 1980. Despite being issued demand letters post-audit, Labatagos offered no explanation for the shortages. Consequently, she was charged with malversation of public funds under Article 217, par. 4 of the Revised Penal Code by the Tanodbayan with the Sandiganbayan. Labatagos contested the charges, attributing discrepancies to absences due to maternity leave and non-crediting of certain disbursements. Despite her defenses, the Sandiganbayan found her guilty, leading to her petition for review on certiorari to the Supreme Court on the basis of alleged misapprehension of evidence.

**\*\*Issues:\*\***

1. Whether Labatagos' guilt was proven beyond reasonable doubt.
2. The credibility and validity of the audit findings and Labatagos' defense thereof.

**\*\*Court's Decision:\*\***

The Court denied the petition for review, affirming the Sandiganbayan's decision. It held that the audit reports Labatagos signed were accurate reflections of her shortages, and her claims regarding the misunderstanding of her shortage amount and the non-accountability during her maternity leave were unfounded. The Court also rejected her attempts to discredit the audit findings based on unverified expenses and amounts purportedly taken by her superiors, emphasizing that malversation includes both direct misappropriation and failure to prevent misappropriation by others.

**\*\*Doctrine:\*\***

The Supreme Court reiterated that malversation of public funds under Article 217 of the Revised Penal Code encompasses not only the actual misappropriation or conversion of public funds to personal use but also allowing others to utilize or misappropriate those funds.

**\*\*Class Notes:\*\***

- **\*\*Malversation of Public Funds:\*\*** Defined under Article 217 of the Revised Penal Code,

involves appropriating, taking, misappropriating, or consenting or through abandonment or negligence, permitting any other person to take public funds where the accountable officer is entrusted with custody or control.

- **Proof Beyond Reasonable Doubt:** The standard required in criminal cases to convict an accused; emphasizes the necessity of providing a high level of certainty concerning the accused's guilt based on evidential assessment.

- In criminal law, the responsibility of the accused to safeguard public funds includes preventing the misappropriation by others, underlining a broad scope of accountability.

- **Significance of Official Audit Reports:** Affirms the weight of findings from officially sanctioned audits in establishing discrepancies and potential misappropriation in the handling of public funds.

**Historical Background:**

The case underscores the judicial process in addressing corruption and malfeasance within public institutions in the Philippines, highlighting the role of the Sandiganbayan in adjudicating cases involving public officials and the intricate considerations involving audit findings, accountability, and proving criminal liability under the country's penal framework.