

**Title:** Filamer Christian Institute vs. Intermediate Appellate Court, et al.

**Facts:**

- Incident:** Potenciano Kapunan, Sr. was hit by a school jeep driven by working student Sulpicio Funtecha on 22 August 1978, causing his death.
- Working Relationship:** Funtecha was a scholar and part-time janitor at Filamer Christian Institute. He was assigned janitorial tasks for two hours each school day.
- Event Details:** Allan Masa, the school's driver, handed over the jeep to Funtecha while driving home. Funtecha held a student driver's license.
- Accident:** While avoiding a collision with an oncoming truck, the jeep swerved and struck Kapunan, who was walking on the correct lane.
- Initial Lawsuits:** The heirs of Kapunan filed a civil case for damages against the school and Funtecha. The trial court ordered Filamer Christian Institute to pay damages.
- Appeal:** Filamer Christian Institute appealed. The Intermediate Appellate Court affirmed the trial court's decision. Filamer further appealed to the Supreme Court.
- Supreme Court Decision 1990:** The Supreme Court initially ruled Filamer was not liable, citing that Funtecha was not an official driver but a working scholar, and working scholars are not considered employees as per Section 14, Rule X, Book III of the Labor Code.
- Reconsideration Petition:** The Kapunan heirs sought reconsideration, arguing applicability of Article 2180 of the Civil Code, which establishes employer liability for employees' actions within their duties.

**Issues:**

- Existence of Employer-Employee Relationship:** Does an employer-employee relationship exist between Filamer Christian Institute and Sulpicio Funtecha, qualifying under Article 2180, Civil Code?
- Scope of Employment:** Was Funtecha's act of driving the jeep within the scope of his employment or in furtherance of the employer's business interests?
- Application of Labor Code:** Should Section 14, Rule X, Book III of the Rules and Regulations Implementing the Labor Code shield Filamer from liability?
- Vicarious Liability:** Is Filamer Christian Institute vicariously liable for the negligent act of Funtecha under Article 2180 of the Civil Code?

**Court's Decision:**

- Existence of Employer-Employee Relationship:**
  - The Court determined an employer-employee relationship under Article 2180 based on

Funtecha's role as a part-time janitor and scholar. It ruled that his activities, including driving with the school's consent, were in line with furthering the school's business interests.

2. **Scope of Employment:**

- Funtecha's actions were deemed to be within the scope of employment. He was driving the school's jeep in a manner aligned with school tasks since the vehicle was used routinely to perform school functions.

3. **Application of Labor Code:**

- The Court clarified that Section 14, Rule X, Book III relates only to labor conditions and employment relations, not to civil liability issues. Hence, it cannot shield the school from liability under the substantive provisions of the Civil Code.

4. **Vicarious Liability:**

- Under Article 2180, the school is vicariously liable because Funtecha's driving activity was undertaken in the course of employment. Despite not being the official driver, Funtecha's actions were in furtherance of the school's interests, making the section of the Labor Code inapplicable in the civil liability context.

**Doctrine:**

- An employer can be held vicariously liable for tortious acts of employees under Article 2180 of the Civil Code if those acts are in furtherance of the employer's business, regardless of whether the employee's title officially includes the specific task being performed.

**Class Notes:**

1. **Employer-Employee Relationship:**

- An employer is responsible for acts done by employees within the scope of their tasks, even if the employee gains some benefit.

**Relevant Legal Provisions:**

- Article 2180, Civil Code: Establishes vicarious liability for employers.

**Application:**

- Employees acting in furtherance of their employer's interests make the employer liable for resultant negligent acts.

**Historical Background:**

- This case integrates traditional civil law principles of vicarious liability with modern labor regulations, highlighting the distinction between labor code interpretations and civil liability, thus reaffirming the application of the Civil Code in cases involving negligent acts leading to personal injury or death.