

ATTY. JOSE RICUERDO P. FLORES, COMPLAINANT, FELIX M. FALCOTELO, SHERIFF IV, RTC, BRANCH 276, MUNTINLUPA CITY, RESPONDENT.

A.M. NO. P-05-2038. January 25, 2006

Ponente: AUSTRIA-MARTINEZ, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/2697651775e1/>

AUSTRIA-MARTINEZ, J.:

On October 29, 2004, Executive Judge Juanita T. Guerrero, Regional Trial Court (RTC), Muntinlupa City, indorsed to the Office of the Court Administrator (OCA) a letter from Atty. Jose Ricuerdo P. Flores, Clerk of Court of RTC Muntinlupa City, dated October 10, 2004, regarding the alleged attempt of Sheriff Felix M. Falcotelo of RTC Br. 276, Muntinlupa City to deposit in his personal savings account a manager's check worth P900,000.00, together with the Answer of Sheriff Falcotelo dated October 20, 2004. [1]

Atty. Flores narrates in his letter that: on October 5, 2004, he received a call from a certain Mrs. Alcaraz of the Accounting Division of this Court asking whether he authorized a sheriff to deposit in said sheriff's personal bank account a check issued in favor of the RTC-Muntinlupa City; after answering in the negative, he immediately went to Landbank-Muntinlupa and talked with the bank manager who confirmed that Felix Falcotelo, Sheriff IV of RTC Br. 276, tried to deposit a check in his (Falcotelo's) personal bank account; the bank manager did not allow Falcotelo to deposit said check and told the latter to coordinate with the Clerk of Court of RTC, Muntinlupa; Atty. Flores then went to Judge N.C. Perello, of RTC Br. 276 and informed her of the matter; Judge Perello said that she had no knowledge about the bank transaction and that she will issue a memorandum to Falcotelo regarding the matter; upon his return to his office, he found Falcotelo waiting for him who then showed him (a) the check in question, dated October 4, 2004 with the "Regional Trial Court, Branch 276 Muntinlupa City, thru: Felix M. Falcotelo, Sheriff IV" as payee, in the amount of P900,000.00, (b) a Landbank check deposit slip dated October 5, 2004 with account name "Felix Falcotelo" with the check description "Prudential Bank, Navotas Branch, Check No. 019460" in the amount of P900,000.00, and (c) Falcotelo's Landbank savings account passbook; after handing the said documents to him, Falcotelo admitted that he tried to deposit the subject check in his personal savings account but explained that he only did so at the insistence of Atty. Marcelo G. Rempillo, Jr., the counsel of the plaintiff in Civil Case No. 95-172 entitled Polilio Shipping Lines, Inc. vs. Mariano V. Buquia, pending before RTC-Branch 276 and that such action was resorted only to expedite proceedings and not for personal gain; it was the manager of Prudential Bank, Navotas Branch, the bank of the defendant in Civil Case No. 95-172, that issued the said check payable to the RTC, Br. 276 through Falcotelo. Atty. Flores thereafter requested that a formal investigation on the matter be conducted in order to determine the criminal/administrative liability of the concerned sheriff, if any. [2]

In his Answer to the letter of Atty. Flores, Falcotelo stated that he has no intention whatsoever to misappropriate the sum of P900,000.00 covered by the subject check since the issuance of the same was with the conformity of both the plaintiff and defendant in Civil Case No. 95-172. He then prayed that the matter be laid to rest. [3]

Attached to said Answer is the Memorandum of Judge Perello dated October 11, 2004 addressed to Falcotelo stating that she believes that there was no intention to misappropriate the money involved, although the issuance of the check may have been with the knowledge and consent of the sheriff in whose name the check was allegedly issued. [4]

Also attached to the Answer is the Incident Report prepared by Florian T. Galera, authorized representative of the law firm Lopez & Rempillo, and noted by Atty. Rempillo, Jr., counsel of the plaintiff in the civil case, narrating that:

- On October 4, 2004, (Sheriff Falcotelo) and the representative of our law firm, upon the invitation of defendant, held a conference at his office to discuss settlement of the case;
- On said date, our representative and defendant arrived at a settlement, and thereafter, they proceeded (to) Prudential Bank, Navotas Branch (defendant's bank) to secure a Manager's Check payable to DIVINA S. REMOLLINO, the President of the plaintiff corporation, in the amount of P900,000.00;
- Accordingly, by reason of this settlement, the scheduled Sheriff Auction Sale on October 5, 2004 was cancelled and reset to October 21, 2004;
- However, the Branch Manager of Prudential Bank, Navotas Branch, informed them that there was a prior Notice of Garnishment issued by the Court Branch Sheriff and that the amount of P900,000.00 corresponding to the amount of the Manager's Check cannot be withdrawn without lifting the Notice of Garnishment;
- This prompted the Court Branch Sheriff to serve the said bank a Notice To Deliver The Garnished Amount, in the presence and with conformity of the defendant/depositor;
- After having been served with a Notice To Deliver The Garnished Amount of P900,000.00, the Branch Manager referred the matter to their Legal Department for Clearance on the delivery of the garnished amount of P900,000.00;
- The Legal Department approved the delivery and release of the amount of P900,000.00;
- Before the Manager's Check of P900,000.00 could be issued, our representative, with the conformity of the Sheriff, requested that the Manager's Check of P900,000.00 be made payable to DIVINA S. REMOLLINO, the President of the plaintiff corporation;
- The Branch Manager sought the advice of their Legal Department and thereafter, informed our representative that it cannot grant the request since it was not stated on the Notice to Deliver the garnished amount that the amount should be payable directly to DIVINA S. REMOLLINO;
- Thus, the Branch Manager issued a Prudential Bank Manager's Check No. 0000019460 for P900,000.00 payable to the Order of REGIONAL TRIAL COURT, BRANCH 276, MUNTINLUPA CITY thru FELIX FALCOTELO SHERIFF IV;
- However, the Court Branch Sheriff countered that the check should not be made payable to him;
- Since the Manager's Check of P900,000.00 was already issued by the bank in the name of the Court thru the implementing Sheriff, our representative advised the Sheriff that the check be replaced with another check in the name of DIVINA S. REMOLLINO;
- On October 5, 2004, two (2) of our representatives, FLORIAN T. GALERA and SOFRONIO GONOWON, and the Court Branch Sheriff proceeded to the Land Bank of the Philippines, Muntinlupa Branch to deposit the said Manager's Check of P900,000.00 and to order/purchase a Manager's Check of P900,000.00 payable directly to the plaintiff DIVINA S. REMOLLINO. But, the bank refused since the said check is not directly payable to Sheriff FELIX FALCOTELO but to the RTC, Branch 276, Muntinlupa City;

- Instead, the bank advice (sic) us to coordinate with the Office of the Clerk of Court of Muntinlupa;
- The Court Branch Sheriff and our representatives proceeded to the Office of the Clerk of Court of Muntinlupa and advised our representative to make a report on the incident. [5]

On December 2, 2004, the OCA required Falcotelo to file a comment on the letter of Atty. Flores. [6]

In his Comment dated December 23, 2004, Falcotelo reiterated his defense that: he had no intention to misappropriate the sum of P900,000.00 covered by Prudential Bank manager's check as the issuance of the same was with the conformity of the plaintiff's counsel in Civil Case No. 95-172; it was respondent's intention that the garnished amount be issued in his name and in fact it was through the instruction of the legal department of Prudential Bank that the aforesaid amount be addressed and named "thru" the sheriff of RTC Br. 276 reasoning that since the favorable decision was rendered by Br. 276, the same should be properly addressed thereat; the incident report submitted by Atty. Rempillo, counsel of the plaintiff, shows that it was not respondent's intention that the manager's check be issued by Prudential Bank in the name of RTC Br. 276; since the check was issued in the name of RTC Br. 276 through Falcotelo, respondent was then accompanied by the representative of the counsel for the plaintiff and tried to deposit the said check in respondent's account to have it cleared for the purpose of withdrawing the amount covered by the check after clearing and the same to be given to the plaintiff; when the matter was brought to the attention of Judge Perello, she issued a memorandum with a finding that the respondent had no intention to misappropriate the subject amount. [7]

Respondent submitted a Supplement to the Comment, dated January 10, 2005, portions of which read as follows:

- That before the sought after Manager's Check could be issued, the judgment creditor requested that the aforesaid check be named after or be directly made payable to DIVINA REMOLLINO, the President of Polilio Shipping Lines, Inc., the plaintiff in the case, but because of the complications that might arise in the process as it was not Mrs. Remollino who is the actual plaintiff in the said civil case, the legal department of the said bank instead advised that the Manager's Check No. 0000019460 in the amount of Nine Hundred Thousand (Php.900,000.00) Pesos be made payable to the order of Regional Trial Court Branch 276, Muntinlupa City thru Felix M. Falcotelo, Sheriff IV, which manner of issuance was well within the conformity of all parties concerned with herein respondent advancing his vehement opposition thereto, but to no avail;
- That on October 05, 2004, the judgment creditor, through its representatives, and accompanied by herein respondent proceeded to Landbank of the Philippines, Muntinlupa Branch, with the Prudential Bank Branch Manager advising herein respondent to just deposit the aforesaid check in his account, as he was the one named therein, for the mere purpose of having the check expeditedly cleared or withdrawn in favor of the former;
- That in the process, the Manager of Landbank advised the representatives of judgment creditor to coordinate the matter with the Office of the Clerk of Court of Muntinlupa City maybe to determine the propriety of the transaction but instead, the Clerk of Court, Atty. Jose Ricuerdo P. Flores took in his possession the manager's check and herein respondent's bankbook over the vehement opposition of the counsel for the judgment creditor; [8] (Emphasis supplied)

Attached to said Supplement is a copy of a letter of Atty. Rempillo to Atty. Flores, dated October 13, 2004, stating that the subject check was issued by the bank by virtue of a Notice of Garnishment served upon them by the implementing Sheriff of the RTC of Muntinlupa City, Branch 276 in connection with Civil Case No. 95-172 which was erroneously made payable to the latter court and that the manager's check should have been made payable to the plaintiff in said case for the purpose of satisfying the writ of execution against defendant. [9]

The OCA then submitted its report with the following evaluation and recommendation:

The version of the respondent Sheriff is that the manager's check in the amount of Nine Hundred Thousand Pesos (P900,000.00) issued by the Prudential Bank in favor of the "Regional Trial Court, Branch 276, Muntinlupa City, thru: Felix M. Falcotelo, Sheriff" was at the instance of the counsel for the plaintiff.

As culled from the records, it appears that the manager's check was issued by the bank pursuant to the Notice of Garnishment served by the implementing sheriff of RTC, Branch 276, Muntinlupa City in connection with Civil Case No. 95-172 entitled, "Polilio Shipping Lines, Inc. vs. Mariano V. Buquia." After the Notice of Garnishment was served upon the bank, the representative of the judgment obligee and the respondent sheriff requested the bank Branch Manager to make the manager's check payable to Divina S. Remollino, President of the plaintiff corporation. But since it is not stated in the Notice to Deliver Garnished Amount that the amount should be paid directly to Divina S. Remollino, the Branch Manager of the bank issued a Manager's Check payable to the order of RTC, Branch 276, Muntinlupa City, thru Felix Falcotelo, Sheriff IV. The representative of the plaintiff and the respondent sheriff proceeded to the Land Bank of the Philippines, Muntinlupa Branch to deposit the Manager's Check in order to purchase a Manager's Check in the same amount payable directly to Divina S. Remollino.

The fault of the respondent Sheriff was when he prepared the Notice to Deliver the Garnished Amount not in favor of the judgment obligee for which reason, the Manager of the Bank made a check payable to the Regional Trial Court of Muntinlupa, Branch 276, thru Felix Falcotelo, Sheriff IV.

Respondent can also be faulted for attempting to deposit the manager's check in his Lank Bank personal savings account. Only the presence of mind of the Manager of the Land Bank prevented the consummation of the transaction. What respondent Sheriff should have done was to deliver the Manager's Check to the Clerk of Court that issued the writ or deposit the amount to a fiduciary account in the nearest depository bank of the RTC in the locality. "The Clerk of Court shall thereafter arrange for the remittance of the deposit to the account of the court that issued the writ whose Clerk of Court shall deliver said payment to the judgment obligee in satisfaction of the judgment. xxx" (Section 9, Rule 39, 1997 Rules of Civil Procedure).

xxx Respectfully submitted for consideration of the Honorable Court is the recommendation that the instant IPI complaint be RE-DOCKETED as a regular administrative matter and respondent be SUSPENDED from office for six (6) months with a STERN WARNING that repetition of the same or similar offense shall be dealt with more severely. [10]

The parties manifested that they are willing to submit the case for resolution on the basis of the pleadings filed. [11]

We agree with the evaluation and findings of the OCA except as to the recommended penalty.

This Court has pointed out, time and again, the heavy burden and responsibility court personnel are saddled with in view of their exalted positions as keepers of the public faith. [12] Any impression of impropriety, misdeed or negligence in the performance of official functions must therefore be avoided. [13] Court personnel should be examples of responsibility, competence and efficiency and must discharge their duties with due care and utmost diligence.[14] Any conduct, act or omission on the part of those who would violate the norm of public accountability and diminish or even just tend to diminish the faith of the people in the judiciary shall not be countenanced.[15]

Sheriffs in particular play an important role in the administration of

justice [16] since they are called upon to serve court writs, execute all processes, and carry into effect the orders of the court with due care and utmost diligence. As officers of the court, sheriffs are duty-bound to use reasonable skill and diligence in the performance of their duties, and conduct themselves with propriety and decorum and act above suspicion. [17]

As we pronounced in *Tan vs. Paredes*: [18]

It must be stressed that high standards are expected of sheriffs, who, play an important role in the administration of justice. At the grassroots of our judicial machinery, sheriffs and deputy sheriffs are indispensably in close contact with the litigants, hence, their conduct should be geared towards maintaining the prestige and integrity of the court. The Court condemns and would never countenance any conduct, act or omission on the part of all those involved in the administration of justice, which would violate the norm of public accountability and diminish or even just tend to diminish the faith of the people in the judiciary. [19]

Under paragraph (c), Section 9, Rule 39 of the Rules of Court on garnishment of bank deposits, the executing sheriff is mandated to observe the same procedure under paragraph (a) of the same Rule with respect to delivery of payment to the judgment obligee, to wit:

Sec. 9. Execution of judgments for money, how enforced. ---

(a) Immediate payment on demand. --- The officer shall enforce an execution of a judgment for money by demanding from the judgment obligor the immediate payment of the full amount stated in the writ of execution and all lawful fees. The judgment obligor shall pay in cash, certified bank check payable to the judgment obligee, or any other form of payment acceptable to the latter, the amount of the judgment debt under proper receipt directly to the judgment obligee or his authorized representative if present at the time of payment. The lawful fees shall be handed under proper receipt to the executing sheriff who shall turn over the said amount within the same day to the clerk of court of the court that issued the writ.

If the judgment obligee or his authorized representative is not present to receive payment, the judgment obligor shall deliver the aforesaid payment to the executing sheriff. The latter shall turn over all the amounts coming into his possession within the same day to the clerk of the court of the court that issued the writ, or if the same is not practicable, deposit said amounts to a fiduciary account in the nearest government depository bank of the Regional Trial Court of the locality.

The clerk of said court shall thereafter arrange for the remittance of the deposit to the account of the court that issued the writ whose clerk of court shall then deliver said payment to the judgment obligee in satisfaction of the judgment. The excess, if any, shall be delivered to the judgment obligor while the lawful fees shall be retained by the clerk of court for disposition as provided by law. In no case shall the executing sheriff demand that any payment by check be made payable to him.

Respondent failed to comply faithfully with said Rule.

Respondent explains that the prevailing party in the civil case initially sought to have the check made payable to Divina Remollino, president of plaintiff Polilio Shipping Lines. However, since the notice of garnishment did not specify to whom it shall be issued, the bank did not directly issue a check in the name of said prevailing party and instead issued a check to the order of "RTC Br. 276 Muntinlupa thru Felix Falcotelo, Sheriff IV."

While such explanation may dispel any ill motive on the part of the sheriff, still, his act cannot be allowed to go unpunished for he failed to strictly observe the rules in implementing money judgments.

Respondent allowed a check to be made payable through him despite the clear intent of the rules proscribing sheriffs from having checks made payable to them. He likewise attempted to deposit the check in his personal account despite the clear mandate of the rules directing sheriffs to deliver sums of money intended for judgment creditors to the clerks of court or deposit the same to a fiduciary account.

The procedure in receiving money intended for judgment creditors are clearly specified by the rules. Thus in *Balanag, Jr. vs. Osita*, [20] the Court explained that:

In case where the judgment obligor voluntarily pays in cash or certified check the judgment debt and the judgment obligee is not present, Section 9 of Rule 39 requires the sheriff to receive the payment. However, the sheriff must turn over the amount within the same day to the clerk of court. If it is not practicable to deliver the amount to the clerk of court within the same day, the sheriff shall deposit the amount in a fiduciary account with the nearest government depository bank. The clerk of court then delivers the amount to the judgment obligee in satisfaction of the judgment. [21]

Indeed, issuing checks in the name of sheriffs is fraught with danger. In *Philippine Airlines, Inc. vs. Court of Appeals*, [22] where the judgment debtor issued a check in the name of the sheriff who later absconded with the money, the Court explained why checks should not be made payable through sheriffs:

It is, indeed, out of the ordinary that checks intended for a particular payee are made out in the name of another. Making the checks payable to the judgment creditor would have prevented the encashment or the taking of undue advantage by the sheriff, or any person into whose hands the checks may have fallen, whether wrongfully or in behalf of the creditor. The issuance of the checks in the name of the sheriff clearly made possible the misappropriation of the funds that were withdrawn. [23]

xxxx

The attention of this Court has been called to the bad practice of a number of executing officers, of requiring checks in satisfaction of judgment debts to be made out in their own names. If a sheriff directs a judgment debtor to issue the checks in the sheriff's name, claiming he must get his commission or fees, the debtor must report the sheriff immediately to the court which ordered the execution or to the Supreme Court for appropriate disciplinary action. Fees, commissions, and salaries are paid through regular channels. This improper procedure also allows such officers, who have sixty (60) days within which to make a return, to treat the moneys as their personal funds and to deposit the same in their private accounts to earn sixty (60) days interest, before said funds are turned over to the court or judgment creditor xxx. Quite as easily, such officers could put up the defense that said checks had been issued to them in their private or personal capacity. Without a receipt evidencing payment of the judgment debt, the misappropriation of funds by such officers becomes clean and complete. The practice is ingenious but evil as it unjustly enriches court personnel at the expense of litigants and the proper administration of justice. The temptation could be far greater, as proved to be in this case of the absconding sheriff. The correct and prudent thing for the petitioner was to have issued the checks in the intended payee's name.

The pernicious effects of issuing checks in the name of a person other than the intended payee, without the latter's agreement or consent, are as many as the ways that an artful mind could concoct to get around the safeguards provided by the law on negotiable instruments. An angry litigant who loses a case, as a rule, would not want the winning party to get what he won in the judgment. He would think of ways to delay the winning party's getting what has been adjudged in his favor. We cannot condone that practice especially in cases where the courts and their officers are involve xxx. [24]

Respondent argues that he never had any intention to misappropriate the amount of P900,000.00 covered by the subject check since the issuance of the same was with the conformity of both the plaintiff and the defendant in Civil Case No. 95-172.

Even if true, such excuse will not completely exculpate him. Good faith on the part of the sheriff, in proceeding to execute his mandate would be of no moment for he is chargeable with the knowledge that being the officer of the court tasked therefor, it behooves him to make due compliances. [25] As an implementing officer of the court, respondent should set the example by faithfully observing the Rules of Court, and not brazenly disregard the Rules. [26] Indeed, despite the hazards that come with the implementation of the judgment, sheriffs must perform their duties by the book. [27]

For his failure to properly observe Sec. 9, Rule 39 of the Rules of Court, respondent is guilty of simple neglect of duty.

In *Balanag vs. Osita*, [28] the respondent Sheriff therein was found guilty of simple neglect of duty for failing to follow the procedure laid down by the Rules of Court in failing to secure the approval of the court on the expenses of execution and in turning over the proceeds to one of the four plaintiffs without authority from the others to receive their shares and without first turning over the proceeds to the clerk of court under Section 9, Rule 39; and fined P5,000.00 with a stern warning that a repetition of the same or similar act shall be dealt with more severely by the Court.

Under Sec. 23, Rule XIV of the Omnibus Civil Service Rules and Regulations, simple neglect of duty is punishable by suspension for one (1) month and one (1) day to six (6) months for the first offense. Considering however the fact that this is respondent's first administrative offense, and that there is no evidence that shows bad faith or malice on the part of respondent in view of the fact that the counsel of the plaintiff corroborated the defense of respondent that the representative of plaintiff agreed to have the check deposited in the personal account of respondent, for the "purpose of having the check expeditely cleared or withdrawn in favor of the former," we find that the penalty of fine of P5,000.00 is just and reasonable.

WHEREFORE, respondent FELIX FALCOTELO, Sheriff IV of RTC Branch 276, Muntinlupa City, is found GUILTY of simple neglect of duty and FINED the amount of Five Thousand Pesos (P5,000.00) with a WARNING that a repetition of the same or similar acts in the future shall be dealt with more severely.

SO ORDERED.

Panganiban, C.J., (Chairperson), Ynares-Santiago, Callejo, Sr., and Chico-Nazario, JJ., concur.

[1] Rollo, p. 1.

[2] Rollo, pp. 5-6.

[3] Id., p. 3.

[4] Id., p. 4.

[5] Id., pp. 8-10.

[6] Id., p. 21.

[7] Id., p. 22.

[8] Id., pp. 30-31.

[9] Id., p. 32.

[10] Id., pp. 43-44.

[11] Id., pp. 47 and 51.

[12] *Apuyan, Jr. vs. Sta. Isabel*, A.M. No. P-01-1497, May 28, 2004, 430 SCRA 1, 15.

[13] Id.

[14] Id.

[15] Id.

[16] Zarate vs. Untalan, A.M. No. MTJ-05-1584, March 31, 2005, 454 SCRA 206; Raymundo vs. Calaguas, A.M. No. P-01-1496, January 28, 2005, 449 SCRA 437.

[17] Alabastro vs. Moncada, Sr., A.M. No. P-04-1887, December 16, 2004, 447 SCRA 42; Caja vs. Nanquil, A.M. No. P-04-1885, September 13, 2004, 438 SCRA 174.

[18] A.M. No. P-04-1789, July 22, 2005.

[19] Id.

[20] 437 Phil. 452 (2002).

[21] Id., p. 459.

[22] G.R. No. 49188, January 30, 1990, 181 SCRA 557.

[23] Id., p. 569.

[24] Id., pp. 570-571.

[25] Anonymous Complaint Against Pershing T. Yared, A.M. No. P-05-2015, June 28, 2005.

[26] Supra.

[27] Caja vs. Nanquil, supra note 17.

[28] Supra.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.