

RE: FINANCIAL REPORT ON THE AUDIT CONDUCTED IN THE MUNICIPAL CIRCUIT TRIAL COURT, APALIT-SAN SIMON, PAMPANGA

A.M. No. 08-1-30-MCTC. April 10, 2008

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PER CURIAM:

Before us is an administrative case which arose from the Memorandum[1] submitted to Deputy Court Administrator Jose P. Perez dated 29 November 2007 prepared by Irene R. Malonzo, team leader of the Office of the Court Administrator (OCA) Financial Audit Team, charging Maria Algabre Chico (respondent), Clerk of Court II, Municipal Circuit Trial Court (MCTC) of Apalit-San Simon, Pampanga of gross dishonesty.

On 9 to 13 December 2002, a Judicial Audit Team made an inventory of cases of Judge Valentino B. Nogoy, then Presiding Judge of MCTC Apalit-San Simon, Pampanga, who was due to retire from the service on 14 February 2003. In the course of the inventory of case exhibits, the Judicial Audit Team discovered that jueteng moneys seized for violation of Presidential Decree No. 1602 were deposited with the ASCOM Multi-Purpose Cooperative, Inc., San Juan, Apalit, Pampanga under Savings Account No. 6562 and in the name of the MCTC with Court Stenographer Ana Marie M. Male as the authorized signatory. In view of the discovery, the Judicial Audit Team recommended the conduct of a thorough financial audit of the books of accounts of respondent.[2]

On 23 to 27 June 2003, a financial audit team (the first team) headed by Soledad R. Ho was directed to conduct the recommended audit. The first team's spot cash count revealed that the amount of P132,400.00 comprising the undeposited collection of the Fiduciary Fund was found in respondent's possession. At the time the Land Bank of the Philippines-San Fernando, Pampanga Branch (the Land Bank), the nearest depository bank, was fifteen (15) kilometers away from the MCTC. After the cash count, Ho requested respondent and Judge Roy Gironella, the acting presiding judge, to open a savings account for the fund with the Land Bank. The failure to maintain an account with the Land Bank is violative of Circular No. 50-95 which prescribes the guidelines on proper handling of Fiduciary Fund accounts. [3]

Ho then prepared a draft report on the audit conducted but the same was not finalized and was submitted to the Court on account of respondent's failure to satisfy the requirements laid down by Ho.[4] The report remained unattended to until Presiding Judge Teodora R. Gonzales of MCTC of Apalit-San Simon, Pampanga informed the Court in her Letter-request dated 3 November 2004 of her observations after an inventory of the trial court's dockets, viz.: (a) the discrepancy in the amount of money which should have been deposited in the court's account; (b) at least four (4) cases, reportedly dismissed and withdrawn, were still being tried in court; (c) no withdrawals had been made but there was failure to deposit the bonds and supersedeas bonds within twenty-four (24) hours as required is noticeable; and (d) despite instructions to deposit the missing amount and to make an accurate report of the fiduciary account at a given time, respondent failed to do so.[5]

On 4 January 2007, Judge Gonzales issued a memorandum addressed to respondent directing her to explain her non-compliance with the court order for the transfer of the confiscated bonds from the Fiduciary Fund to Judiciary Development Fund (JDF) and to show proof, if any, that the orders given to her have been carried out. Judge Gonzales likewise stated that the following cash bonds were not deposited to the Fiduciary Fund:

Date of Order Case Number/Title Amount

08/11/04 03-13 to 03-14/PP vs. Josefina Alfonso P1,000.00

01/19/05 02-129/PP vs. Albert dela Cruz 3,000.00

09/21/05 9308, 9310 to 9312/PP vs. Josephine Oida 8,000.00

10/19/05 02-152 to 02-153/PP vs. Carmelita Bicomong 10,000.00

12/20/05 01-583/PP vs. Claudio Sumang 2,000.00

Total

24,000.00[6]

In respondent's undated explanation, she admitted her failure to deposit the cash bonds and offered the excuse that she had used the collection to defray her family expenses. Along with the explanation was a certification dated 10 January 2007 signed by respondent to the effect that the confiscated cash bonds had been deposited to the JDF account.[7]

On 11 January 2007, Judge Gonzales assigned Emalyn J. De Leon, Court Stenographer II, to monitor the fiduciary collections.[8] Respondent, however, remained accountable for the issuance of all receipts (for SAJF, JDF, Mediation Fund, LRF, STF & FF), collections, deposits, withdrawals, and disbursement of the Court's Fiduciary Fund.[9]

On 2 February 2007, Ms. De Leon voluntarily retired from the service. Judge Gonzales then, for her security, instructed Ms. De Leon to prepare the monthly report for the fiduciary fund from the time Judge Gonzales had assigned her to do the recording and monitoring which respondent would review. If everything was in order, respondent would issue a certification to the effect that said reports were true and correct.[10]

On 6 July 2007, Judge Gonzales informed the Court Administrator that for a period of time a total of P63,861.20 had not been remitted to the proper accounts. As such, Judge Gonzales ordered respondent to explain her inaction.[11]

In her explanation dated 19 June 2007, respondent again admitted her infractions and explained that financial problems beset her and her family.[12]

In view of Judge Gonzales's requests, as well as her observations on the manner of collections by respondent, another team (the second team) was authorized to finalize the financial examination from 23 July 2007 to 3 August 2007.[13]

In the morning of 23 July 2007, the second team found an accountability balance or shortage of P10,960.40 for the period between 2 July and 19 July 2007, broken down as follows:

Denomination

Pieces Equivalent

P 500.00 1 P 500.00

200.00 1 200.00

100.00 8 800.00

Total Cash in Hand

P 1,500.00

The shortage is computed as follows:

Fund OR Issued Period Amount

JDF 6421736 to 642150, 64218011 July 2 to 29, 2007 P5,342.80

SAJF 6421769 to 6421785 July 2 to 19, 2007 6,977.20

LRF 0557025 to 0557030 July 2 to 19, 2007 120.00

Total Collected amount for the period July 2-19, 2007 P12,440.00

*Less: Total Cash on HAND on July 23, 2007 1,500.00

Balance of Accountability (SHORTAGE) upon demand Of the undeposited collections as of July 19, 2007 P 10,940.00

The second team then required respondent to produce the missing amount for the duration of the audit period but to no avail. The amount was only deposited on 21 and 22 August 2007 for SAJF and JDF, and on 10 October 2007 for the LRF collections.

Following are the other significant audit findings by the second team contained in its Report:[14]

Particulars JDF GF SAJF Mediation

Period Covered March, 1985 to June 2007 Nov. 1990 to Nov. 2003 Nov. 11, 2003 to June 30, 2007 August 2004 to June 30, 2007

Total Collection 826,984.52 209,137.60 287,847.60 136,000.00

Total Remittance 816,836.70 203,132.20 250,525.80 125,500.00

Balance 10,147.82 6,014.40 37,321.80 10,500.00

Less: GF coll. Erroneously remitted to JDF account 10,566.20 10,566.20[?]

Less: SAJF Collection erroneously deposited to GF account
(4,599.80) 4,599.80

Total 20,714.02

32,722.00

Less: Deposit made on July 23, 2007 for June 19 to 26, 2007 collection 2,631.20
5,268.80

Balance of Accountability (SHORTAGE) per Reconciliation 18,082.82
27,453.20

Add: Unreceipted Marriage Solemnization 11,026.00
74.00

Balance of Accountabilities/SHORTAGE 29,108.82 48.00 29,527.20 10,500.00

For the above funds which legal fees are remitted to the Supreme Court, the team observed the following

deviation to the prescribed guidelines under the Government Accounting & Auditing Manual (GAAM) and SC Circulars, to wit:

1) Delayed remittances, specifically for the period from April to June 2007, for JDF & SAJF collections:

JDF

Period	Amount Collected	Amount Remitted	Date Remitted	Balance (OVER)/UNDER
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April, 2007	9,256.00	1,683.60	04/23/07	7,572.40
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May, 2007	8,280.42	3,030.40	06/20/07	5,250.02
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June 2007	7,956.80	2,631.20	07/23/07	5,325.60
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SAJF

Period	Amount Collected	Amount Remitted	Date Remitted	Balance (OVER)/UNDER
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April, 2007	23,494.00	4,566.40	04/23/07	18,927.60
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May, 2007	4,258.00	4,258.00	06/08/07	
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June 2007	13,993.20	200.00	06/20/07	13,793.20
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Article 1, Section 111 of GAAM provides that all collections totaling to P500.00 and more should be remitted within 24 hours upon collection or when it is below P500.00 on a weekly basis.

2) The unreceipted Solemnization Fee which totaled P11,100.00 proves that no collections were received for the service rendered. It is the responsibility of the Clerk of Court/Accountable Officer to make sure that the prescribed legal fees are collected before solemnization of marriage would take place.

The team recommended the "NO RECEIPT, NO SOLEMNIZATION" policy to Ms. Chico and Judge Gonzales, to prevent the same infraction. The team also stressed that the total unreceipted and unremitted amount of P11,100.00 will form part of Ms. Chico's accountabilities. These were already included with the final accountabilities computed above.

3) The official Cashbook was not certified by Ms. Chico as to the correctness of the entries of transactions indicated herein at the end of the month.

4) The term noticed the withdrawals of interest earned from Fiduciary Fund account amounting to P2,398.29 on May 10, 2007 for the period January to March, 2007 but NO remittance to JDF account was found until the duration of the audit on August 3, 2007. This amount was recognized as part of May 2007 transactions and included in the final accountability for JDF account as shown above.

Summarized below are the Accountabilities for amounts held in Trust by the Court:

Particulars Fiduciary Fund Sheriff Trust Fund

Period covered 1995 to June 30, 2007

August 2004 to June 30, 2007

Total collection including MTO deposit amounting to P823,200.00 P 2,342,100.00

P 118,100.00

Total Withdrawals for the same period 1,182,000.00

4,186.00

Unwithdrawn Balance as of June 30, 2007 1,160,100.00

113,814.00

Less: Adjusted Bank Balance as of June 30, 2007 1,071,100.00

103,814.00

Balance of Accountability/SHORTAGE 89,000.00

10,000.00

The two (2) trust funds are maintained by the Court in one Savings Account under LBP SA#3421-0053-10. The team advised Ms. Chico and Judge Gonzales to:

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Open an account for Sheriff Trust Fund (STF), both of them should be the signatories in an "AND" capacity;

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Have a separate cashbook for STF;

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Issue official receipts separate from fiduciary fund or use a different booklet(s) of official receipt(s) upon collection; and

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Regularly report on a monthly basis all transactions of STF to SC Revenue Section, Accounting Division, Financial Management Office, OCA.

SHERIFF TRUST FUND

1. It was also observed that release of transportation allowance to process server, Jimmy Gonzales was not authorized by Judge Teodora R. Gonzales. A mere acknowledgement receipt of Ms. Gonzales serves as proof of its disbursement. Administrative Circular No. 35-2004, Sec. 10, 13[th] par. states that:

x x x the Sheriff, process server or other court authorized person shall submit for its approval (by Presiding/Executive) a Statement of Estimated Travel Expense for service of summon and court processes. After service, a statement of LIQUIDATION shall be submitted to the court for approval, i.e., Presiding/Executive Judge.

The team warned Ms. Chico that she will be held accountable for the travel/transportation expenses incurred by Mr. Gonzales if the latter would not be able to submit the liquidation report. Thus, she was advised to demand from Mr. Gonzales to liquidate the cash advances made by him, otherwise she will pay for the unliquidated amounts.

The team also informed Judge Gonzales to effect the approval of the Statement of Estimated Travel Expenses (SETE) of Mr. Gonzales before a cash advance equivalent to the amount stated in SETE shall be released to him by the Clerk of Court.

2. Also, when Civil Case No. 06-06 was filed, the P1,000.00 due to STF account was not collected. The team advised Ms. Chico that the P1,000.00 to be paid from CC#06-06 is part of the shortage balance of P10,000.00.

3. Further, upon opening a separate savings account for STF the shortage balance of P10,000.00 should be restituted first, to complete the total Unwithdrawn Sheriff Trust Fund amounting to P113,814.00.

FIDUCIARY FUND

Aside from the computed shortage amounting to P89,000.00 the team was alarmed with the following observations, to wit:

I. Although actually refunded to the parties and remitted to the JDF account at the time of the audit, numerous WITHDRAWALS and CONFISCATED cash bonds were not reported to the Supreme Court enumerated below.

OR NO.

CASE NO.

NAME OF PARTY

Date Collected

Amount Collected

Date of Court Order

Amount Withdrawn

Date Refunded

Amount Confiscated

Date Confiscated

13115321

02-129

Albert dela Cruz

11/13/02

3,000.00

01/19/05

3,000.00

01/10/07

13115314

2002-89

Eliza Cariño

06/03/02

1,000.00

01/19/05

1,000.00

01/12/06

13115333

02-89

Eliza Cariño

11/05/03

2,000.00

01/19/05

2,000.00

01/12/06

13115343

02-41

Silvestre Quiambao

06/02/04

85,000.00

12/13/04

85,000.00

02/28/05

13115340

04-55

Reynoso Capulong

03/19/04

5,000.00

09/30/04

5,000.00

10/08/04

13115339

04-55

Flora Marcos

02/19/04

5,000.00

09/30/04

5,000.00

10/08/04

13115307

01-601

Jesus Espinosa

01/14/02

6,000.00

03/30/05

6,000.00

04/14/05

13115324

02-223

Roberto Lumiares

12/17/02

5,000.00

02/17/04

5,000.00

08/20/04

13115342

03-122

Normita Cunanan

05/19/04

1,000.00

05/19/04

1,000.00

02/17/04

9137964

9948

Rogelio Mutuc

08/09/99

3,000.00

09/10/03

3,000.00

09/11/03

13115337

03-13 to 14

Josefina Alfonso

02/04/04

1,000.00

08/11/04

1,000.00

11/24/07

Unreceipted

9308-9312

Josephine Oida

02/08/06

8,000.00

09/21/05

3,000.00

8,000.00

01/09/07

13115317

02-152 & 153

Carmelita Bicomong

07/16/02

10,000.00

03/01/04

10,000.00

03/04/04

13115335

01-583

Claudio Sumang

01/12/04

2,000.00

12/20/05

2,000.00

01/09/06

13115336

04-05

Elenita de Vera

01/14/04

6,000.00

01/19/05

6,000.00

01/16/06

13115308

01-683 & 684

Homer Caylao

01/16/02

4,000.00

09/23/04

4,000.00

01/10/05

TOTAL

147,000.00

114,000.00

33,000.00

As presented, a total of P147,000.00 was refunded and confiscated cash bonds were RESTITUTED by Ms. Chico. This also represents a portion of the cash collections she didn't deposit upon its receipt and admittedly used for her own family's benefit.

Ms. Chico admitted to the Team that these cash bonds were not deposited to the bank (LBP) when they were collected, the team found that [these] undeposited collections ballooned to a maximum amount of P368,400.00 for the period September 2000 to June 30, 2007(See schedule A for details). The amount of P368,400.00 was reduced to P89,000.00 because Ms. Chico returned the amount collected to the bondsmen/accused, if there is a court order to release the same or there is an order of confiscation, broken down as follows:

Total Undeposited Collections

P368,400.00

Less: Cash found on hand during

The First Audit

P132,400.00

Refunded Cash bonds as of

June 30, 2007

114,000.00

Confiscated Cash bonds transferred

To JDF 33,000.00

279,400.00

Shortage amount as of June 30, 2007 P 89,000.00

The shortage balance amounting to P89,000.00 was restituted on August 30, 2007. The total cash amounting to P132,000.00 was found on hand during the first surprise cash count by the first Audit Team which was deposited to the nearest LBP (San Fernando Branch) only on June 25, 2003. It was further revealed that the refunded cash bonds were taken from the available cash that Ms. Chico has in her possession, until the said Audit Team arrived at the subject court.

Ms. Chico failed to report the said withdrawals to the court because she did not know how to present the unlikely transactions in her Monthly Report of Collections/Deposit & Withdrawals because Judge Gonzales would scrutinize all the transactions in the report.

Since Judge Gonzales has directed Ms. Chico to present to her the Court's passbook to release the cash bonds to the accused/bondsman amounting to P114,000.00 and to deposit all confiscated cash bonds to the JDF account amounting to P33,000.00 with court orders, she has no recourse but to restitute the said amounts which she used for personal gain, thus, leaving a shortage balance of P89,000.00. This shortage balance was also restituted on August 30, 2007 after the duration of the Second Audit.

II. FORGED SIGNATURES:

a)

CASE NO. 02-152 to 02-153, payee, Carmelita Bicomong, under SC OR# 13115317 collected on July 16, 2002, amounting to P10,000.00 was reported to the Accounting Division, FMO-OCA to have been withdrawn and refunded on March 4, 2004 with Court Order apparently signed by Judge Roy Gironella, but was only ordered CONFISCATED by Judge Teodora Gonzales on October 19, 2005.

Attached to the Monthly Report submitted to Accounting Division, FMO-OCA when this case was allegedly withdrawn on March 4, 2004, were withdrawal slip, "duly signed" by Judge Roy Gironella,, copy of Judge Gironela's order marked only with "ORIGINAL SIGNED", and acknowledgement receipt allegedly signed by Carmelita Bicomong.

b)

CASE NO. 02-27 to 02-31, payee, Luisa Manarang, under OR# 13115310 collected on February 2, 2002, amounting to P10,000.00 reported to the Accounting Division, FMO-OCA to have been withdrawn and refunded on March 4, 2004 but the casewas actually DISMISSED only on September 23, 2004 by Judge Gonzales.

Attached to the Monthly Report submitted to Accounting Division, FMO-OCA when this case was allegedly withdrawn were withdrawal slip, "duly signed" by Judge Gironela, copy of Judge Gironella's order marked only "ORIGINAL signed", and acknowledgment receipt allegedly signed by Luisa Manarang.

c)

These two mentioned cash bonds (items a & b) were questioned by Judge Gonzales because they were already reported withdrawn but the cases were still being actively tried by the court at the time she assumed office. The bonds in both cases were eventually ordered confiscated and withdrawn on March 4, 2004.

The depository bank did not question the validity of the withdrawal slips because they were apparently signed by then Judge Gironella and the court order having stamped with "Original Signed."

Ms. Chico confided that she prepared the court orders and intentionally marked them as "original signed" making it appear that Judge Gironella signed the withdrawals slips, she forged his signature to complete the two (2) signatories required by the bank which Clerk of Court and the Presiding/Executive Judge of the Court

To make matters worse Ms. Chico also forged the signatures of claimants, Carmelita Bicomong and Luisa Manarang to show that the said cash bonds were already acknowledged by them.

When the team learned about this anomaly, they instructed Ms. Chico and Judge Gonzales to require the claimants to submit photocopy of valid ID's to substantiate the signatures of the claimants apart from the requirements as stated by the SC Circular 50-95. The team asked Ms. Chico to execute an Affidavit that everything she disclosed to the team are true and correct.

III. TAMPERED RECEIPT:

Supreme Court O.R.# 13115334 was TWICE used for cases nos. 03-93 and 9308-9311, amounting to P40,000.00 under payees' name, Tirso Lacanilao collected on January 12, 2004 and P8,000.00 Josephine Oida on February 18, 2004, respectively. Both collections were found to be undeposited and unreported.

The copy of O.R. No. 13115334 bearing Josephine Oida's name, amounting to P8,000.00 was only a facsimile copy of the supposed "Original" sheet of the receipt which was attached to the case folder. This was subsequently ordered confiscated in favor of JDF account by Judge Gonzales on September 25, 2005.

The O.R. that bears the name of Tirso Lacanilao, amounting to P40,000.00, Case No. 03-93 is still ACTIVE and the cash bond is still outstanding.

When team came across this, Ms. Chico voluntarily gave the information that this was actually an

UNRECEIPTED collection. The team considered this as a TAMPERED RECEIPT. According to Ms. Chico when Josephine Oida posted her bond amounting to P8,000.00 on February 18, 2004, Ms. Chico did not issue an official receipt, and to appear that a cash bond was collected she made a photocopy of the original sheet of issued O.R. #13115334, erased the contents of it, xeroxed the same again, ALTERING its content, after which attaching the same to the case folder of Ms. Oida.

The collected amount from Ms. Josephine Oida, amounting to P8,000.00 is not only an example of a tampered receipt but also an unreceipted collection, with the intention of concealing the transaction.

The standard requirements to make a refund of a legitimate cash bond are (1) Court Order duly signed by a Judge; (2) acknowledgement receipt signed by the claimant; (3) a withdrawal slip signed by both the Executive/Presiding Judge and Clerk of Court; and (4) surrendered original copy of O.R. issued.

The team was appalled by the above observations that lead (sic) them to be suspicious with the entries of all records and documents which Ms. Chico has presented them. Because of what has transpired on the said cases, the team decided to collate all refunded cash bonds without proper identification and required Ms. Chico to present any Identification that will substantiate the release of the same.

A list of refunded cash bonds was provided to Ms. Chico by the team totaling to P380,000.00 which the team considered as DISALLOWED withdrawals until Ms. Chico can provide a proper identification for each refunded cash bond. It was stressed and emphasized to Ms. Chico by the team that this amount of P380,000.00 will form part of her accountability if ever she fails to present the required documents.

Judge Teodora Gonzales, Ms. Maria Chico, Ms. Ana Marie Male and the Financial Audit Team were present during the exit conference on August 3, 2007. The team discussed their examinations and initial observations and gave suggestions and precautions deemed necessary to be observed by the subject court to avoid the same repetition of Ms. Chico's misgivings. At the same time we provided Ms. Chico a letter which outlined the requirements and documents to be submitted to finalize our reconciliation before we render our report to the Honorable Court.

Ms. Chico was given ten (10) working days to strictly comply with all the requirements, so the Team can submit the necessary report to the court on time.

On August 30, 2007 Ms. Chico submitted personally all proof of payment for all funds which were found to have shortage balances totaling to P155,036.02 broken down as follows:

- Judiciary Development Fund

P 18,082.82

- Special Allowances for the Judiciary

27,453.20

- Sheriff Trust Fund

10,000.00

- Mediation Fund

10,500.00

- Fiduciary Fund

89,000.00

Total Cast Accountability

P 155,036.02

Except from the shortage incurred for General Fund amounting to P48.00 which she tried to deposit to the LBP for the account of General fund, but was informed by the Bank that the account was no longer active. So, the team advised Ms. Chico to pay the amount directly to the Revenue Section, Accounting Div. OCA, Supreme Court.

Together with all the proof of remittances for all restituted amounts is a letter explanation dated August 29, 2007 on the matters the team have stated in their letter dated August 3, 2007. This is to give her the venue to expound herself on what the team found to be her irregularities. Ms. Chico manifested on the:

-Delayed remittances particularly on the period April, May, June 2007 for JDF, SAJF, Mediation Fund and Sheriff Trust fund - "humbly admitted to have been used by ME due to financial problems when her 73 year old husband got sick and has to be medically attended to, not to mention nursing her epileptic daughter who has been suffering from repeated ceasures (sic), who with her two (2) kids were abandoned by her husband and are now solely dependent on ME for support."

-Uncollected Solemnization Fees amounting to P11,160.00 - ". . . have started contacting the parties concerned and hopefully will be able to remit the said amount to its respective . . . NO RECEIPT, NO SOLEMNIZATION policy will be adhered to."

-Disbursing the Sheriff Trust Fund without proper authorization from the Presiding Judge Teodora Gonzales - ". . . I admit made a mistake in allowing or giving Jimmy Gonzales, our Junior Process Server cash allowances without having prepared the necessary papers for his travel expenses in serving summons." (par. 3, page 2).

-Money Exhibits of Jueteng Cases deposited with ASCOM Multi-Purpose Cooperative, Inc. - ". . . ALL of us, employees of this court deemed to WISE to deposit said exhibits with ASCOM,. . . during the period Nov. 9, 2001 to Dec. 10, 2002, we made some withdrawals in order to have cash place of our checks. This is with the knowledge of ALL of us." (par. 4, page2)

-On cash bonds that were refunded and confiscated - ". . . the undersigned humbly admits that she did NOT deposit said cash bounds and when the cases were dismissed, she refunded the cash bond of the accused from her personal money which the undersigned admit (sic) is a GROSS Violation of the rules and deeply regrets said acts." (par. 6, page 2).

-On Criminal Case Nos. 02-152 & 02-153 where the team found Ms. Chico forged Judge Gironela's and the two (2) claimants, Carmelita Bicomong & Luisa Manarang's signatures - ". . . the undersigned in all honesty, humbly admits that she was the one who caused the withdrawals of said cash bonds, and that said cases were not yet dismissed. She needed money for her family...." (par. 7, page 2)

-On the tampered official receipt (OR# 13115334) and unreceipted collection under Criminal Case No. 03-93, - ". . . undersigned ADMITS that she used the same receipt for Criminal Case No. 9308,9310 to 93120- PP vs. Josephine Oida in the amount of P8,000.00." (par. 8, page 2).

Summary of Cash Accountabilities of Ms. Maria Chico[15]

Particulars Money Value Requirements to be Submitted

Refunded Cash Bonds P 380,000.00

Identification for each claimants to authenticate their signatures

Marriage Solemnization 11,100.00

Proof of receipt upon solemnization

Total P 391,100.00

Based on the foregoing, the team recommended that:

1. The report of the team be DOCKETED as a regular administrative matter against MARIA ALGABRE CHICO, Clerk of Court II, MCTC Apalit-San Simon, Pampanga;

2. [sic]

3. Ms. MARIA ALGABRE CHICO, Clerk of Court II:

Be DISMISSED from the service for gross honesty with forfeiture of all her benefits and with prejudice to reemployment in any government agency, including government-owned or controlled corporations;

Be DIRECTED to:

- SUBMIT identifications of the claimants of all withdrawn cash bonds amounting to P380,000.00; otherwise RESTITUTE the said amount in the Fiduciary Fund Account;

- ACCOUNT for the Marriage Solemnization fees amounting to P11,100.00, otherwise deposit the same to their respective funds.

- Judge TEODORA R. GONZALES, Presiding Judge, MCTC Apalit-San Simon, Pampanga be DIRECTED to;

EXPLAIN why she didn't relieve Ms. Maria Chico from her duties and responsibilities when she first discovered her alleged irregularities and the succeeding examinations of her collections;

DESIGNATE a competent and honest personnel of the Court to replace Ms. Chico as collecting officer;

CAUSE the transfer and deposit of the exhibit moneys deposited with ASCOM Multi-purpose, Inc. amounting to P5,297.75 to SAJF account; and the net interest amounting to P1,053.57 to JDF account.

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The Legal Office, OCA be DIRECTED to file a criminal case against Ms. MARIA A. CHICO, Clerk of Court II, MCTC Apalit-San Simon, Pampanga.[16]

In its Memorandum[17] dated 26 November 2007, the OCA adopted the recommendation of the second team and recommended the approval thereof by the Court.

The recommendation is well-taken.

Respondent, in her explanation,[18] admitted that she was remiss in her duties as collecting officer. She owned up, among other things, to having used some of the collections to pay for her personal expenses. She also confessed her failure to duly collect solemnization fees and to properly and immediately deposit the cash bonds. She also declared her mistake in giving the junior process server cash allowances without preparing the necessary papers for travel expenses in the service of summons.

Supreme Court Circulars Nos. 13-92 and 5-93 provide the guidelines for the proper administration of court funds. SC Circular No. 13-92 commands that all fiduciary collections "shall be deposited immediately by the Clerk of Court concerned, upon receipt thereof, with an authorized depository bank." In SC Circular No. 5-93, the Land Bank was designated as the authorized government depository.

Court personnel tasked with collections of court funds, such as clerks of courts and cash clerks, should deposit

immediately with authorized government depositories the various funds they have collected because they are not authorized to keep funds in their custody. Delayed remittance of cash collections constitutes gross neglect of duty. Failure of a public officer to remit funds upon demand by an authorized officer constitutes prima facie evidence that the public officer has put such missing funds or property to personal use.[19]

Respondent's restitution of the shortages will not free her from the consequences of her wrongdoing[20] and will not erase her administrative culpability. By her reprehensible act of gross dishonesty, respondent has undermined the public's faith in courts and, ultimately, in the administration of justice.[21]

Moreover, the record shows that respondent did not issue an official receipt for Criminal Case Nos. 9308-9312 amounting to P8,000.00, a clear violation of Sections 61 and 113,[22] Article VI of the Government Auditing and Accounting Manual. In addition, respondent failed to detail in her monthly report of collections and deposits all true and correct cash transactions in violation of Circular 32-93.[23] She also falsely reported that certain withdrawals have been duly acknowledged by their respective claimants by means of signatures which respondent herself had forged.

It bears emphasis that the safeguarding of funds and collections, the submission to the Court of a monthly report of collections for all funds and the proper issuance of official receipts for collections are essential to an orderly administration of justice. Hence, respondent's failure to comply with the pertinent Court Circulars and other relevant rules designed to promote full accountability for public funds constitutes gross neglect of duty and grave misconduct.[24] Dishonesty, gross neglect of duty and grave misconduct are grave offenses punishable by dismissal.[25] Hence, for failure to live up to the high ethical standards expected of court employees, respondent should be dismissed.

WHEREFORE, the Court finds Maria Alagbre Chico, Clerk of Court II, MCTC, Apalit-San Simon, Pampanga, guilty of gross dishonesty and malversation of public funds and imposes on her the penalty of DISMISSAL from the service. Except for leave credits already earned, her retirement benefits are FORFEITED, with prejudice to reemployment in any government agency, including government-owned and controlled corporations. The Civil Service Commission is ordered to cancel her civil service eligibility, if any, in accordance with Section 9, Rule XIV of the Omnibus Rules Implementing Book V of Executive Order No. 292.[26]

The Court DIRECTS the Office of the Court Administrator to file criminal charges against respondent Maria Alagbre Chico before the appropriate court.

Further, the Court DIRECTS Judge Teodora R. Gonzales, Presiding Judge, MCTC, Apalit-San Simon, Pampanga to:

1. Explain why respondent was not relieved of her duties and responsibilities upon the discovery of the irregularities and after the succeeding examinations of respondent's collections;
2. Designate a competent and honest personnel of the court to replace respondent as collecting officer;
3. Cause the transfer and deposit of the exhibit moneys deposited with ASCOM Multi-Purpose, Inc. amounting to P5,297.75 to the SAJF account, and of the net interest amounting to P1,053.67 to the JDF account.

SO ORDERED.

Puno, C.J., Quisumbing, Ynares-Santiago, Carpio, Austria-Martinez, Corona, Carpio-Morales, Tinga, Chico-Nazario, Velasco, Jr., Nachura, Reyes, Leonardo-De Castro, and Brion, JJ., concur.
Azcuna, J., On official leave.

[1] Rollo, pp. 3-17.

[2] Id. at 3.

[3] Id. at 4.

[4] Id.

[5] Id. at 4-5.

[6] Id.

[7] Id.

[8] Id.

[9] Id. at 6.

[10] Id.

[11] Id.

[12] Id.

[13] Id.

[14] Id. at 3-17; Dated 29 November 2007.

[15] Id. at 7-15.

[16] Id. at 16-17.

[17] Id. at 1-2.

[18] Id. at 67-69; Dated 29 August 2007.

[19] Re: Report on the Financial Audit Conducted in the MTCC-OCC, Angeles City, 26 June 2006, 492 SCRA 469, 481.

[20] Re: Report on the Financial Audit Conducted at the Municipal Trial Courts of Bani, Alaminos and Lingayen, in Pangasinan, 462 Phil. 535-543 (2003), 417 SCRA 107, 111.

[21] Sollesta v. Mission, A.M. No. P-03-1755, 29 April 2005, 457 SCRA 519, 536.

[22] ARTICLE VI - Accountable Forms

`Sec. 61. Kinds of Accountable forms -

(a) Official Receipts - For proper accounting and control of collections, collecting officers shall promptly issue official receipts for all monies received by them. These receipts may be in the form of stamps or officially numbered receipts x x x.

Sec. 113. Issuance of official receipt -For proper accounting and control of revenues, no payment of any nature shall be received by a collecting officer without immediately issuing an official receipt in acknowledgment thereof. This receipt may be in the form of stamps x x x or officially numbered receipts, subject to proper custody and accountability.

[23] 1.Submission of monthly report of collections for all funds should be sent to this Court not later than the 10th day of each succeeding month and should include the following:

a) Original copy of the Report of the Clerk of Court's Account indicating the current debit and credit (Judicial Form No. 20); duplicate official receipts issued; and the corresponding remittance advice slips duly validated by the Bank where collection was deposited (amount of collections per report should equal amount per remittance)

b) Duplicate copy of Sheriff's report of Collections and Account (Judicial Form No. 38-A); validated duplicate copy of official receipts and the corresponding remittance advice slips (amount of collections per report should equal amount per remittance).

(For General Fund for Ex-Officio Sheriff of RTC and SDC)

c) Original copy of report for deposits and withdrawals and validated duplicate copy of official receipts and deposit slips; and in cases of withdrawals, a copy of the order of the Court duly authenticated with the Court's seal and copy of acknowledgement receipt. (For Fiduciary Fund of RTC and SDC).

d) Original copy of report for deposits and withdrawals; duplicates official receipts issued and in cases of withdrawals, copy of Sheriff cash payment receipts.

(For Sheriff Trust Fund of RTC and SDC)

e) Original copy of Report of Collections and Deposits; duplicate official receipts issued and a copy of the validated deposit slip or the postal money order stub if remittance is by PMO.

(For Judiciary Development Fund of RTC, SDC, Metro TC, MTCC, MTC, MCTC and SCC)

[24] Office of the Court Administrator v. Dureza-Aldevera, A.M. No. P-01-1499, 26 September 2006, 503 SCRA 18, 49.

[25] Rule IV of the Uniform Rules on Administrative Cases in the Civil Service (Resolution No. 9-1936, which took effect on September 27, 1999) provides:

Section 52. Classification of Offenses. - Administrative offenses with corresponding penalties are classified into grave, less grave or light, depending on their gravity or depravity and effects on the government service.

A. The following are grave offenses with their corresponding penalties:

- Dishonesty - 1st Offense - Dismissal
- Gross Neglect of Duty - 1st Offense - Dismissal
- Grave Misconduct - 1st Offense - Dismissal

[26]Section 9, Rule XIV of the Civil Service Rules provides that "(t)he penalty of dismissal shall carry with it cancellation of eligibility, forfeiture of leave credits and retirement benefits, and the disqualification for re-employment in the government service. Further, it may be imposed without prejudice to criminal or civil liability."

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