

**OFFICE OF THE COURT ADMINISTRATOR, COMPLAINANT, VS.
JULIET C. BANAG, CLERK OF COURT AND MS. EVELYN R. GALVEZ,
INTERPRETER AND FORMER OFFICER-IN-CHARGE CLERK OF
COURT, BOTH OF TH...**

A.M. No. P-09-2638 (Formerly A.M. No. 09-4-68-MTC). December 07, 2010

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/a-m-no-09-4-68/>

PER CURIAM:

This administrative case arose from the audit examination submitted by an Audit Team of the Office of the Court Administrator (OCA), containing the results of its financial audit of the Municipal Trial Court (MTC) of Plaridel, Bulacan, conducted on August 27, 2008 and sometime in July 2010. The financial audit covered the accountability period from May 2008 to August 2008 and from August 1, 2008 to August 31, 2009 of Evelyn R. Galvez (Galvez), Court Interpreter and former Officer-in-Charge (OIC)-Clerk of Court, and Juliet C. Banag (Banag), Clerk of Court, both of the MTC of Plaridel, Bulacan.

The OCA Audit Team made the following recommendations in its Report dated April 8, 2009:

This Office adopts the recommendation of the team and endorses the same for approval of the Honorable Court, to wit:

- This report be docketed as a regular administrative complaint against Juliet C. Banag, Clerk of Court and Ms. Evelyn R. Galvez, Court Interpreter and former OIC-Clerk of Court, MTC, Plaridel, Bulacan;

- Ms. Juliet C. Banag, Clerk of Court, be DIRECTED within fifteen (15) days from receipt of notice to:

2.1 EXPLAIN in writing why she should not be administratively dealt with for committing the same infractions (except item letter "b"):

- why she has cash on hand representing accumulated collections for the period May 2008 to August 2008 amounting to P38,628.00 for various funds and deposited only when uncovered and directed by the team on August 28, 2008;

Fund

Date of Collections

Amount

Date of Deposit

No. of Months/days

Delayed

Fiduciary Fund (FF)

June 2008

P 2000.00

August 6-7, 2008

1 mo. & 7 days

July 3-14, 2008

7000.00

24 days

Total

P 9000.00

Fund

Date of Collections

Amount

Date of Deposit

No. of Months/days Delayed

Special Allow for Judiciary Fund (SAJF)

May 2008

P 8,063.20

August 28, 2008

2 mos. & 28 days

June 2008

5,164.40

1 mo. & 28 days

July 2008

6,400.40

28 days

Total

P 19,628.00

Mediation Fund

May 2008

P 3,500.00

August 28, 2008

2 mos. & 28 days

June 2008

3,500.00

1 mo. & 28 days

July 2008

2,000.00

28 days

Total

P 9,000.00

Sheriff's Trust Fund (STF)

July 14, 2008

P 1,000.00

August 28, 2008

1 mo. & 14 days

Total

P 1,000.00

a-1. the shortages found on the following funds which must be restituted and the copy of the machine validated deposit slips as proof of settlement to be submitted to the Fiscal Monitoring Division, FMO, OCA;

JDF

P 4,762.35

SAJF

4.00

FF

0.05

Total

P 4,766.40

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- why the duplicate/triplicate copies of Official Receipt with Serial Nos. 8076025, 8076028, 8076030, 8076031, 8076032, 8076033, 8076034 and 8076036 are not dated while original copies attached to their respective case folders are dated, considering that the official receipts provided by the court no longer require a carbon paper and/or carbonless.

2.2 VERIFY thoroughly all entries indicated in the established Statement of Unwithdrawn Fiduciary Fund (SUFF) and Statement of Unwithdrawn Sheriff's Trust Fund (SUSTF) and to RETURN the same to the Fiscal Monitoring Division, Court Management Office, OCA duly signed by the concerned signatories;

- MS. EVELYN R. GALVEZ, former OIC-Clerk of Court, be DIRECTED within fifteen (15) days from receipt of notice to:

3.1 SETTLE the following shortages and SUBMIT to the Fiscal Monitoring Division, FMO, OCA the copy of the machine validated deposit slips as proof of compliance:

JDF

P 238,750.15

Schedule 1

SAJF

179,195.50

Schedule 2

STF

10,000.00

Schedule 3

FF

87,136.00

Schedule 4

Mediation

185,500.00

Schedule 5

COCGF

29,490.70

Schedule 6

Total

P 730,072.35

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3.2 EXPLAIN in writing why she should not be administratively dealt with for the above shortages and for tampering the machine validation of the deposit slips as provided below:

Fund

Date of Deposit

Amount

Remarks

Judiciary

Development Fund

January 14, 2005

P 8,475.00

Tampered as to date

Judiciary

Development Fund

January 14, 2005

10,586.10

Tampered as to date

Judiciary

Development Fund

January 14, 2005

13,432.30

Tampered as to date

Judiciary

Development Fund

January 13, 2005

2,832.00

Tampered as to date

Special

Allow. for the Judiciary

Sept. 14, 2005

2,029.80

Tampered as to amount

- MS. JULIET C. BANAG and EVELYN R. GALVEZ be placed under preventive suspension considering that the acts committed involve gross dishonesty and grave misconduct (for their violation/disregard of the circulars of the Court on the proper management of judiciary funds); and

- Presiding Judge SHEILA MARIE S. GERONIMO-ORQUILLAS be DIRECTED to:

5.1. STRICTLY MONITOR the financial transactions of MTC, Plaridel, Bulacan in strict adherence to the issuances of the Court to avoid the recurrence of violations committed by Ms. Juliet C. Banag and Ms. Evelyn R. Galvez and to institute reforms that will strengthen the internal control system in the management of judiciary funds;

5.2 DESIGNATE new OIC, Clerk of Court vice Ms. Banag who will perform effectively his/her duties and responsibilities as Clerk of Court of MTC, Plaridel, Bulacan;

5.3 PROVIDE the Fiscal Monitoring Division, Court Management Office, OCA with certified photocopies of the following Original Official Receipts:

Fiduciary Fund

OR Number

Case No.

8076025

07-0709

8076028

08-0811

8076030

08-0813

8076031

08-0814

8076032

08-0790

8076033

08-0830

8076034

08-0830

8076036

08-0830[1]

On April 8, 2009, then Court Administrator, now Supreme Court Associate Justice Jose P. Perez, issued a Memorandum adopting and endorsing for approval by this Court the foregoing recommendations of the OCA Audit Team.

The Court, in a Resolution[2] dated June 1, 2009, approved and adopted the recommendations of the Court Administrator.

Pursuant to said Resolution, Presiding Judge Sheila Marie S. Geronimo-Orquillas (Judge Geronimo-Orquillas) informed the Court that she had taken the following actions: 1) she designated as OIC Ms. Belinda E. Salazar

(Salazar), Court Stenographer, to assume the duties and responsibilities of the Clerk of Court in view of Banag's preventive suspension; 2) she photocopied certain original official receipts; and 3) she devised means to further enhance the management of judiciary funds in close coordination with the designated Clerk of Court to prevent further violations.

Galvez filed on June 30, 2009 a Motion for Extension of Time in which she prayed that she be given an extension of at least 15 days from June 30, 2009 or until July 15, 2009 within which to file her answer, as she had to locate other documents for the preparation of the same. The extension was granted by the Court in a Resolution^[3] dated July 27, 2009.

On July 21, 2009, Judge Geronimo-Orquillas requested for a detailed and complete listing of properties under the account of the MTC so she may determine and clarify the properties under Banag's accountability and avoid any question that might arise from the outcome of the administrative case. She also informed the Court that she, together with OIC-Clerk of Court Salazar, would conduct an inventory of the properties of the MTC, and thus requested for a representative from the Commission on Audit (COA) to witness the inventory. Also on July 21, 2009, Judge Geronimo-Orquillas asked that a special financial audit and examination of the MTC be conducted by the OCA to determine if there are any additional shortages in Judiciary funds from September 2008 (when the first financial audit was concluded) to June 17, 2009 (when Judge Geronimo-Orquillas received the Resolution dated June 1, 2009 of this Court).

In compliance with the directive of the Court, Banag submitted her Manifestation and Answer on July 27, 2009. She alleged that on August 27, 2008, prior to the arrival of the OCA Audit Team that same day, she had requested Court Aide Fidelito Viquiera (Viquiera) to deposit the MTC collections amounting to P38,628.00 at the Land Bank of the Philippines, Malolos Branch, Bulacan, which is seven kilometers away from the court. The OCA Audit Team was already at the MTC at around 3:30 to 4:00 p.m. when Viquiera returned to inform Banag that he was not able to deposit the MTC collections. Viquiera encountered heavy flow of traffic on his way to Land Bank and the bank was already closed by the time he got there. Banag denied that she deposited the amount of P38,628.00 on August 28, 2009 only after she was directed to do so by the OCA Audit Team. Banag averred that she failed to deposit the accumulated collections of the MTC for the period of May to August 2008 in the bank due to work overload, time constraint, and multi-tasking she had to contend with everyday. In the meantime, the accumulated collections were kept in the vault.

Banag further claimed that there was no basis for the finding of the OCA Audit Team of fund shortage amounting to P4,766.40 for the periods of October to December 2001 and February to July 2008, as the same had been deposited in the bank as shown by the attached bank deposit slips.

As to the undated duplicate/triplicate copies of Official Receipts with serial numbers 8076025, 8076028, 8076030, 8076031, 8076032, 8076033, 8076034 and 8076036, Banag explained that the corresponding amounts were duly accounted for. Because of the heavy caseload of her office, she unintentionally failed to indicate the dates on the receipts.

Lastly, Banag pointed out that she could not verify the entries in the SUFF and SUSTF and return the said records to the Fiscal Monitoring Division, Court Management Office, OCA, duly signed by the concerned signatories, as these covered the collections for the period 2002 to January 2008 for which Galvez was responsible as OIC-Clerk of Court.

Professing honest inadvertence and human failure due to the heavy caseload of her office, and seeking humane consideration, Banag prays for the lifting of her preventive suspension.

In a Motion for Second Extension of Time to Submit Explanation, dated July 15, 2009 and received by the OCA on August 4, 2009, Galvez sought another extension of 30 days within which to comply with the June 1, 2009 Resolution of this Court, as she needed ample time to produce the subject amount corresponding to the alleged shortages and to submit the explanation required pertaining to the alleged tampered machine validation of deposit slips. Said motion was granted by the Court in a Resolution dated October 28, 2009, provided that this would be the last extension. However, up until the resolution of the instant administrative case against her, Galvez has not complied with any of the resolutions of the Court.

Acting on Judge Geronimo-Orquillas' letter dated July 21, 2009, an OCA Audit Team conducted another field audit in July 2010. As a result of this recent field audit, the OCA Audit Team submitted to Court Administrator Jose Midas P. Marquez the following report on the books of account of Galvez and Banag:

3. Period of Accountability (August 1, 2008 to August 31, 2009)

NAME PERIOD OF ACCOUNTABILITY POSITION REMARKS

1

Ms. Juliet C. Banag

August 1, 2008 to June 16, 2009

Clerk of Court II

Suspended per A.M. No. P-09-2638

2

Ms. Belinda E. Salazar

June 17, 2009 to August 31, 2009 (Cut-off date of Audit

Court Stenographer I

Appointed as OIC-COC

4. For the Judiciary Development Fund (JDF)

Total collections, August 31, 2008 to August 31, 2009

P170,405.15

Less: Remittances made for the same period

94,591.95

Balance of Accountabilities as of August 31, 2009 (Schedule 1)

P 75,813.20*

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*Ms. Juliet Banag

Balance from Prev. Audit

P 4,762.35

Erroneous Footing

(31.15)

Unremitted Collections

71,082.20

P75,813.40

Ms. Belinda Salazar

Erroneous Footing

(0.20)

Total

P75,813.20

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5. For the Clerk of Court General Fund (COCGF)

Total Collections, August 1, 2008 to August 31, 2009

P 72,000.00

Less: Remittances made for the same period

72,000.00

Balance of Accountabilities as of August 31, 2009

P 0.00

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6. For the Special Allowance for the Judiciary Fund (SAJF)

Total Collections, August 1, 2008 to August 31, 2009

P214,621.40

Less: Remittances made for the same period

119,822.60

Balance of Accountabilities as of August 31, 2009

(Schedule 2)

P 94,798.80*

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*Ms. Juliet C. Banag

Balance from Prev. Audit

P 4.00

Unremitted Collections

94,795.60

P94,799.60

Ms. Belinda Salazar

Erroneous Footing

(0.80)

Total

P94,798.80

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7. For the Sheriff's Trust Fund (STF)

Total Collections, August 1, 2008 to August 31, 2009

P 48,000.00

Less: Withdrawals made for the same period

1,000.00

Statement of Unwithdrawn Sheriff's Trust Fund

As of August 31, 2009 (Annex "D")

47,000.00

Less: Adjusted Bank Balance as of August 31, 2009

(Annex "E")

37,000.00*

Balance of Accountability

P 10,000.00**

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* Deposited to the Fiduciary Fund Account

** Unrestituted Shortage of Ms. Evelyn R. Galvez

8. For the Fiduciary Fund (FF)

Unwithdrawn Fiduciary Fund as of 7/31/08

P2,082,459.00

Add: Total Collections, August 1, 2008 to August 31, 2009

634,000.00

Sub-total

P2,716,459.00

Less: Withdrawals made for the same period

627,000.00

Unwithdrawn Fiduciary Fund as of May 31, 2009

(Annex "F")

P2,089,459.00

Less: Adjusted Bank Balance as of 8/31/09

(Refer to Annex "E")

1,974,462.92

Balance of Accountability (Schedule 3)

P 114,996.08*

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*Unaccounted Deposits

(P 1,639.97)

Shortages:

Ms. Belinda Salazar

P 700.00**

Ms. Juliet C. Banag

28,800.05

Ms. Evelyn R. Galvez

87,136.00***

116.636.05

Total

P 114,996.08

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** Cost of Checkbook, deposited back to FF Account on 10/1/09 (Annex

"G").

*** Restituted the amount of P70,000.00 on 3/18/2010.

7-a. Interests earned on Fiduciary deposits for the period August 1, 2008 to August 31, 2009 were remitted to the JDF and COCGF Accounts (Annex "H") amounting to P47,523.86.

9. For the Mediation Fund

Total Collections, August 1, 2008 to

August 31, 2009

P 77,000.00

Less: Remittances made for the same period

35,500.00

Balance of Accountabilities as of

August 31, 2009 (Schedule 4)

P 41,500.00*

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*Shortages of Ms. Juliet C. Banag

10. Summary of Shortages

Clerk of Court/OIC Fund Amount Remarks

Ms. Juliet Banag

Judiciary Development Fund

75,813.40

These includes unrestituted shortages from previous audits

Special Allow. for the Judiciary

94,799.60

Mediation Fund

41,500.00

Fiduciary Fund

28,800.05

Ms. Belinda Salazar

Fiduciary Fund

700.00

Restituted on 10/1/09 (Cost of Checkbook)

TOTAL

P 241,613.05

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X X X X

The person who should likewise be dealt with severely, for the loses/shortages incurred in the MTC, Plaridel, Bulacan, was former OIC-Clerk of Court Evelyn R. Galvez, who was designated as Officer-in-Charge, vice Ms. Juliet C. Banag for the period February 1, 2002 to January 31, 2008. During Ms. Galvez's accountability period, there were deposit slips which were found to be tampered as to amount and/or date of deposit and also incurred the following shortages:

JDF

P 238,750.15

Schedule 5

SAJF

179,195.50

Schedule 6

STF

10,000.00

Schedule 7

FF

87,136.00

Schedule 8

Mediation

185,500.00

Schedule 9

COCGF

29,490.70

Schedule 10

Total

P 730,072.35

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X X X X

The above extension of forty-five (45) days granted by the Court has already lapsed when Ms. Galvez partially complied with the directive of the Court. As per letter of Judge Sheila Marie S. Geronimo-Orquillas, Presiding Judge of Municipal Trial Court, Plaridel, Bulacan, dated April 14, 2010, respondent Galvez deposited the amount of Seventy Thousand Pesos (P70,000.00) on March 18, 2010 to the Fiduciary Fund Account of Municipal Trial Court, Plaridel, Bulacan, coursed through the present OIC-Clerk of Court, Ms. Belinda E. Salazar (Annex R). Thus, the total amount of unrestituted shortage of Ms. Galvez as of date is computed as follows:

JDF**P 238,750.15.****SAJF**

179,195.50

STF

10,000.00

FF

17,136.00

Mediation

185,500.00

COCGF

29,490.70

Total

P 660,072.35[4]

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The OCA Audit Team made the following recommendations in its Report dated July 27, 2010.

This Office adopts the recommendation of the team and endorses the same for approval of the Honorable Court, to wit:

- . MS. JULIET C. BANAG AND MS. EVELYN R. GALVEZ be DISMISSED from the service for gross dishonesty and grave misconduct with forfeiture of all benefits including the money value of accrued leave credits to answer for the shortages incurred dispensing with the usual documentary requirements and with prejudice to re-employment in any branch or instrumentality of the government including government owned or controlled corporation;

- The FINANCIAL MANAGEMENT OFFICE, OFFICE OF THE COURT ADMINISTRATOR be DIRECTED to:

- PROCESS the money value of computed Terminal Leave Benefits of Ms. Juliet C. Banag and Ms. Evelyn R. Galvez and to COMPUTE the withheld salaries and/or allowances of Ms. Evelyn R. Galvez and thereafter APPLY the value to the shortages found on their books of accounts in the order of priority as follows:

For Ms. Juliet C. Banag:

FF

P 28,800.05

Schedule 1

SAJF

94,799.60

Schedule 2

JDF

75,813.40

Schedule 3

Mediation

41,500.00

Schedule 4

Total

P 240,913.05

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For Ms. Evelyn R. Galvez:

JDF

P 238,750.15

Schedule 5

SAJF

179,195.50

Schedule 6

STF

10,000.00

Schedule 7

FF

17,136.00

Schedule 8

Mediation

185,500.00

Schedule 9

COCGF

29,490.70

Schedule 10

Total

P 660,072.35

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- to RELEASE the amounts pertaining to Fiduciary Fund and Sheriff's Trust Fund to Ms. Belinda E. Salazar, Officer-in-Charge, MTC, Plaridel, Bulacan for deposit to the Fiduciary Fund Account and inform her to submit to the Fiscal Monitoring Division, CMO, OCA the copy of the machine validated deposit slips as proof of deposit; and

- to INFORM the Fiscal Monitoring Division, Court Management Office, Office of the Court Administrator on the action taken thereon;

- MS. EVELYN R. GALVEZ and MS. JULIET C. BANAG, former Officer-in-Charge and Clerk of Court, respectively, be DIRECTED within fifteen (15) days from receipt of notice to:

- SETTLE the remaining shortages incurred on their books of accounts, if any, after deducting the money value of Terminal Leave Benefits and withheld salaries as provided in B.1 above; and

- SUBMIT to the Fiscal Monitoring Division, FMO-OCA the copies of the machine validated deposit slips.
- The NATIONAL BUREAU OF INVESTIGATION be DIRECTED to CAUSE the arrest of Ms. Evelyn R. Galvez and Ms. Juliet C. Banag and to detain them until they have complied with the directives in letter C hereof;
- ISSUE a HOLD DEPARTURE ORDER against MS. JULIET C. BANAG and MS. EVELYN R. GALVEZ to prevent them from leaving the country pending resolution of this administrative matter;
- MS. BELINDA E. SALAZAR, OIC-Clerk of Court, MTC-Plaridel, Bulacan, be CLEARED from her financial accountability for the period June 17, 2009 to August 31, 2009 is concerned;
- Presiding Judge SHEILA MARIE S. GERONIMO-ORQUILLAS be DIRECTED to STRICTLY MONITOR the financial transactions of Municipal Trial Court, Plaridel, Bulacan in strict adherence to the issuances of the Court otherwise she will be held equally liable for the infractions committed by the employees under her command/supervision and to avoid the occurrence of malversation of public funds committed by Ms. Banag and Ms. Galvez; and
- LEGAL OFFICE, OFFICE OF THE COURT ADMINISTRATOR be DIRECTED to file appropriate criminal charges against Ms. Juliet C. Banag and Ms. Evelyn R. Galvez.[5]

Through a Report of the same date, the OCA adopted and endorsed the recommendations of its Audit Team for the approval of this Court.

After a thorough review of the records of this case, the Court agrees in the recommendations of the OCA.

On November 15, 2010, the Court issued a Hold Departure Order against Galvez and Banag pending resolution of this administrative case.

Galvez and Banag are being held liable herein for their acts and omissions as OIC-Clerk of Court (from February 2002 to January 2008) and Clerk of Court (from August 2008 to June 2009), respectively.

The Clerk of Court is an important officer in our judicial system. His office is the nucleus of all court activities, adjudicative and administrative. His administrative functions are as vital to the prompt and proper administration of justice as his judicial duties.[6]

The Clerk of Court performs a very delicate function. He or she is the custodian of the court's funds and revenues, records, property and premises. Being the custodian thereof, the Clerk of Court is liable for any loss, shortage, destruction or impairment of said funds and property.[7] Hence, Clerks of Court have always been reminded of their duty to immediately deposit the various funds received by them to the authorized government depositories, for they are not supposed to keep the funds in their custody.[8] The same should be deposited immediately upon receipt thereof with the City, Municipal or Provincial Treasurer where the court is located.

Section B(4) of Supreme Court Circular No. 50-95, on the collection and deposit of court fiduciary funds, mandates that:

(4) All collections from bail bonds, rental deposits, and other fiduciary collections shall be deposited within twenty-four (24) hours by the Clerk of Court concerned, upon receipt thereof, with the Land Bank of the Philippines.

Supreme Court Circular Nos. 13-92 and 5-93 provide the guidelines for the proper administration of court funds.

Supreme Court 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 government depository bank." Section 4 of

Supreme Court Circular No. 5-93 designates the Land Bank of the Philippines (LBP) as the depository bank for the Judiciary Development Fund.

Other provisions of Supreme Court Circular No. 5-93 give more explicit instructions on how Clerks of Court and OICs should handle court funds:

3. Duty of the Clerks of Court, Officers-in-Charge or accountable officers. - The Clerks of Court, Officers-in-Charge of the Office of the Clerk of Court, or their accountable duly authorized representatives designated by them in writing, who must be accountable officers, shall receive the Judiciary Development Fund collections, issue the proper receipt therefor, maintain a separate cash book properly marked x x x, deposit such collections in the manner herein prescribed, and render the proper Monthly Report of Collections for said Fund.

x x x x

5. Systems and Procedures:

x x x x

c. In the RTC, SDC, MeTC, MTCC, MTC, MCTC and SCC. - The daily collections for the Fund in these courts shall be deposited every day with the local or nearest LBP branch "For the account of the Judiciary Development Fund, Supreme Court, Manila - Savings Account No. 159-01163-1; or if depositing daily is not possible, deposits for the Fund shall be every second and third Fridays and at the end of every month, provided, however, that whenever collections for the Fund reach P500.00, the same shall be deposited immediately even before the days before indicated.

Where there is no LBP branch at the station of the judge concerned, the collections shall be sent by postal money order payable to the Chief Accountant of the Supreme Court, at the latest before 3:00 P.M. of that particular week.

x x x x

d. Rendition of Monthly Report. - Separate "Monthly Report of Collections" shall be regularly prepared for the Judiciary Development Fund, which shall be submitted to the Chief Accountant of the Supreme Court within ten (10) days after the end of every month, together with the duplicate of the official receipts issued during such month covered and validated copy of the Deposit Slips.

The aggregate total of the Deposit Slips for any particular month should always equal to, and tally with, the total collections for that month as reflected in the Monthly Report of Collections.

If no collection is made during any month, notice to that effect should be submitted to the Chief Accountant of the Supreme Court by way of a formal letter within ten (10) days after the end of every month.

Delayed remittance of cash collections by Clerks of Court and cash clerks constitutes gross neglect of duty.[9] The failure of a public officer to remit funds upon demand by an authorized officer shall be prima facie evidence that the public officer has put such missing funds or property to personal use.[10]

In *Office of the Court Administrator v. Fortaleza*,^[11] the Court stressed the responsibility and accountability of Clerks of Court for the collected legal fees in their custody, thus:

Clerks of court are the chief administrative officers of their respective courts; with regard to the collection of legal fees, they perform a delicate function as judicial officers entrusted with the correct and effective implementation of regulations thereon. Even the undue delay in the remittances of amounts collected by them at the very least constitutes misfeasance. On the other hand, a vital administrative function of a judge is the effective management of his court and this includes control of the conduct of the court's ministerial officers. It

should be brought home to both that the safekeeping of funds and collections is essential to the goal of an orderly administration of justice and no protestation of good faith can override the mandatory nature of the Circulars designed to promote full accountability for government funds."

In *Navallo v. Sandiganbayan*,^[12] the Court held that an accountable officer may be convicted of malversation even in the absence of direct proof of misappropriation as long as there is evidence of shortage in his accounts which he is unable to explain.^[13]

Those who work in the judiciary, such as Galvez and Banag, must adhere to high ethical standards to preserve the court's good name and standing. They should be examples of responsibility, competence and efficiency, and they must discharge their duties with due care and utmost diligence since they are officers of the court and agents of the law. Indeed, 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.^[14]

The conduct required of court personnel, from the presiding judge to the lowliest clerk, must always be beyond reproach and circumscribed with a heavy burden of responsibility. As forerunners in the administration of justice, they ought to live up to the strictest standards of honesty and integrity, considering that their positions primarily involve service to the public.^[15]

The Court has already given Galvez more than enough opportunity to be heard. On two occasions, on July 27, 2009 and October 28, 2009, the Court granted Galvez's motions for extension of time to comply with the Resolution dated June 1, 2009 of this Court ordering her to submit her explanation, accounting, and receipts. Still, Galvez failed to submit said explanation during the extended period. Galvez's refusal to face head-on the charges against her is contrary to the principle that the first impulse of an innocent person, when accused of wrongdoing, is to express his/her innocence at the first opportune time.^[16] Galvez's silence and non-participation in the present administrative proceedings, despite due notice and directives of this Court for her to submit documents in her defense strongly indicate her guilt. It was only after the second extended period expired that Galvez partially complied with the directives of this Court in its June 1, 2009 Resolution by depositing the amount of P70,000.00 on March 18, 2010 to the Fiduciary Fund Account of the MTC, coursed through OIC-Clerk of Court Salazar.

On the other hand, the Court finds Banag's explanation unsatisfactory. Heavy caseload and time constraints are not sufficient excuses. These are problems most Clerks of Court all over the country must contend with. It is up to Banag to devise an effective and efficient system for her office so that it can attend to all the administrative matters of the MTC, including the deposit in due time of court collections.

Given the results of the OCA audit and investigation, Galvez and Banag have evidently failed to live up to the high ethical standards expected of court employees. They violated the trust reposed in them as Clerks of Court and disbursement officers of the judiciary as shown by Galvez's failure to remit the amount of P660,072.35, representing shortages in the JDF, SAJF, STF, FF, Mediation Fund, and COCGF; and for Banag's non-remittance of P240,913.05, representing shortages in the JDF, SAJF, FF, and Mediation Fund.

In *Re: Report on the Judicial and Financial Audit of RTC-Br. 4, Panabo, Davao Del Norte*,^[17] we held that the failure of the Clerk of Court to remit the court funds collected by the Municipal Treasurer constitutes gross neglect of duty, dishonesty and grave misconduct prejudicial to the best interest of the service. Under Rule IV, Section 52-A of the Civil Service Uniform Rules on Administrative Cases in the Civil Service, these are grave offenses punishable by dismissal even when committed for the first time.

The Court, therefore, is left with no other recourse but to declare Galvez and Banag guilty of dishonesty and gross misconduct, which are grave offenses punishable by dismissal.^[18]

WHEREFORE, the Court finds respondent Evelyn R. Galvez and Juliet C. Banag, former OIC-Clerk of Court and Clerk of Court, respectively, of the Municipal Trial Court of Plaridel, Bulacan, GUILTY of gross dishonesty, grave misconduct, and continuous absence without leave; and imposes on them the penalty of DISMISSAL from the service with forfeiture of all their leave credits and retirement benefits, with prejudice to re-employment in any government agency, including government-owned and -controlled corporations. The Civil Service Commission is ordered to cancel their civil service eligibility, if any, in accordance with Section 9, Rule XIV of the Omnibus Rules Implementing Book V of Executive Order No. 292.

The Court further orders:

- The FINANCIAL MANAGEMENT OFFICE, OFFICE OF THE COURT ADMINISTRATOR to:
- PROCESS the money value of computed Terminal Leave Benefits of Ms. Juliet C. Banag and Ms. Evelyn R. Galvez and to COMPUTE the withheld salaries and/or allowances of Ms. Evelyn R. Galvez and Ms. Juliet C. Banag and thereafter APPLY the value to the shortages found on their books of accounts in the order of priority as follows:

For Ms. Evelyn R. Galvez:

JDF

P 238,750.15

Schedule 5

SAJF

179,195.50

Schedule 6

STF

10,000.00

Schedule 7

FF

17,136.00

Schedule 8

Mediation

185,500.00

Schedule 9

COCGF

29,490.70

Schedule 10

Total

P 660,072.35

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For Ms. Juliet C. Banag:

FF

P 28,800.25

Schedule 1

SAJF

94,799.60

Schedule 2

JDF

75,813.40

Schedule 3

Mediation

41,500.00

Schedule 4

Total

P 240,913.05

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- to RELEASE the amounts pertaining to Fiduciary Fund and Sheriff's Trust Fund to Ms. Belinda E. Salazar, Officer-in-Charge, MTC, Plaridel, Bulacan for deposit to the Fiduciary Fund Account and inform her to submit to the Fiscal Monitoring Division, CMO, OCA the copy of the machine validated deposit slips as proof of deposit; and

- to INFORM the Fiscal Monitoring Division, Court Management Office, Office of the Court Administrator on the action taken thereon;

- MS. EVELYN R. GALVEZ and MS. JULIET C. BANAG, former Officer-in-Charge-Clerk of Court and Clerk of Court, respectively, within fifteen (15) days from receipt of notice to:

- SETTLE the remaining shortages incurred on their books of accounts, if any, after deducting the money value of Terminal Leave Benefits and withheld salaries as provided in A.1 above; and

- SUBMIT to the Fiscal Monitoring Division, CMO-OCA the copies of the machine validated deposit slips.

- The NATIONAL BUREAU OF INVESTIGATION TO CAUSE the arrest of Ms. Evelyn R. Galvez and Ms. Juliet C. Banag and to detain them until they have complied with the directives in letter B hereof;

- CLEARED MS. BELINDA E. SALAZAR, OIC-Clerk of Court, MTC, Plaridel, Bulacan, from her financial accountability for the period June 17, 2009 to August 31, 2009 is concerned;
- Presiding Judge SHEILA MARIE S. GERONIMO-ORQUILLAS to STRICTLY MONITOR the financial transactions of the Municipal Trial Court, Plaridel, Bulacan in strict adherence to the issuances of the Court otherwise she will be held equally liable for the infractions committed by the employees under her command/supervision and to avoid the occurrence of malversation of public funds committed by Ms. Banag and Ms. Galvez; and
- The LEGAL OFFICE, OFFICE OF THE COURT ADMINISTRATOR to file appropriate criminal charges against Ms. Juliet C. Banag and Ms. Evelyn R. Galvez.

SO ORDERED.

Corona, C.J., Carpio, Carpio Morales, Nachura, Leonardo-De Castro, Brion, Peralta, Bersamin, Del Castillo, Abad, Villarama, Jr., Mendoza, and Sereno, JJ., concur.

Velasco, Jr., J., on official leave.

Perez, J., No part.

[1] Rollo, pp. 1-4.

[2] Id. at 14-18.

[3] Id. at 31-34.

[4] Id. at 144-150.

[5] Id. at 120-122.

[6] Re: Report on the Financial Audit Conducted in the RTC, Br. 34, Balaoan, La Union, 480 Phil. 484, 493 (2004), citing *Dizon v. Bawalan*, 453 Phil. 125, 133 (2003).

[7] *Office of the Court Administrator v. Fortaleza*, 434 Phil. 511, 522 (2002), citing *Office of the Court Administrator v. Bawalan*, A.M. No. P-93-945, 24 March 1994, 231 SCRA 408, 411.

[8] *Office of the Court Administrator v. Fortaleza*, id., citing *Office of the Court Administrator v. Galo*, 373 Phil. 483, 491 (1999).

[9] *Soria v. Oliveros*, A.M. No. P-00-1372, May 16, 2005, 458 SCRA 410, 423.

[10] *Office of the Court Administrator v. Besa*, 437 Phil. 372, 380 (2002).

[11] *Supra* note 7 at 522.

[12] G.R. No. 97214, July 18, 1994, 234 SCRA 175, 185; *People v. Hipol*, 454 Phil. 679, 690 (2003).

[13] *Judge Sollesta v. Mission*, 497 Phil. 55, 67 (2005).

[14] Re: Report on the Financial Audit Conducted in the MTCC-OCC, Angeles City, A.M. No. P-06-2140, June 26, 2006, 492 SCRA 469, 482.

[15] Report on the Financial Audit Conducted at the Municipal Trial Courts of Bani, Alaminos, and Lingayen, in Pangasinan, A.M. No. 01-2-18-MTC, December 5, 2003, 417 SCRA 106, 112-113.

[16] Re: Report on the Financial Audit Conducted in the Regional Trial Court, Branch 34, Balaoan, La Union,

supra note 6; Office of the Court Administrator v. Bernardino, 490 Phil. 500, 531 (2005).

[17] 351 Phil. 1 (1998).

[18] 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

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