

BRENT HOSPITAL INC. AND MORLITO B. APUZEN, PETITIONERS, VS. NATIONAL LABOR RELATIONS COMMISSION AND TERESITA M. FERNANDEZ, RESPONDENTS.

G.R. No. 117593. July 10, 1998

Ponente: ROMERO, J.

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ROMERO, J.:

On June 6, 1968, respondent Teresita M. Fernandez was employed by petitioner Zamboanga Brent Hospital (Brent) as a staff nurse and thereafter discharged functions[1] in different capacities until she was promoted as acting clinic coordinator.

It appears that sometime in August 1990, the principal and a number of faculty members of Brent's School of Midwifery (BSM) resigned and sought lucrative jobs abroad, thus, crippling its operations. Consequently, respondent was offered the position of principal which proposal, however, she initially rejected. After continuous prodding and with the assurance that she could return, should she desire, to her former position as clinic coordinator after a year of serving as principal, she was finally prevailed upon to accept the offer.

The record shows that BSM handles the review of its midwifery graduates by sending them to Manila one (1) month prior to the board examinations. In pursuing this task, BSM enjoins each reviewee to pay the sum of P350.00 to defray the necessary coordinator's expenses that may be incurred in the performance of the latter's duties. When BSM's Board of Directors (Board) scrapped the coordinator's fee in May 1993, the reviewees requested respondent and Mrs. Norma Pada, an instructor at BSM, to accompany them to Manila, as previous reviewees have been accustomed to, and expressed their willingness to voluntarily shoulder the said fees. For lack of time, the collection of the same was neither communicated to the Board nor to the parents of the reviewees. The collection effected in Manila was allegedly discovered by petitioner through its Hospital Administrator Morlito Apuzen who declared that, while in Manila, a reviewee confided to him that respondent demanded, as coordinator's fee, the sum of P350.00 from each of them. Forthwith, Apuzen reported the matter to the Board who immediately convened the protesting parents, assuring the latter that respondent would be confronted with the same.

Upon her return from Manila, respondent, without being required to, presented to the Board a report of her expenses which were charged against the voluntary contributions of the reviewees. For allegedly violating the policy laid down by petitioner regarding the imposition and collection of coordinator's fee of P350.00, respondent and Mrs. Pada were terminated from their respective employments. While the latter sought reconsideration from the Board's decision, respondent filed a case for illegal dismissal and damages against Brent. Labor Arbiter Reynaldo S. Villena rendered a decision dated August 16, 1993, the decretal portion of which reads thus:

“WHEREFORE, on the basis of the foregoing, judgment is hereby rendered declaring the dismissal of complainant as illegal. Respondent is hereby ordered to pay complainant her separation pay in the amount of

P125,000.00 and backwages in the sum of P15,000.00; P100,000.00 for moral damages and P100,000.00 for exemplary damages.

Respondent is also ordered to pay ten (10%) percent of the total award to the complainant as attorney's fees.

All other claims are dismissed for lack of merit and insufficiency of evidence.

SO ORDERED.”[2]

On appeal, the above decision was affirmed by the National Labor Relations Commission (NLRC) in a resolution dated June 29, 1994. Brent's motion for reconsideration having been denied on September 29, 1994, petitioner filed the instant petition for certiorari. Respondent, on the other hand, partially appealed the same on the ground that the Labor Arbiter erred in limiting the award of backwages to P15,000.00, arguing that its computation should be reckoned from the time of dismissal up to the date the decision becomes final and executory. The claim, however, was rejected by the NLRC on the basis that the same was filed out of time.

Petitioner proffered the following grounds on appeal:

“I. THE AUGUST 16, 1993 DECISION OF THE LABOR ARBITER WHICH WAS AFFIRMED BY THE PUBLIC RESPONDENT NLRC IS CONTRARY TO THE EVIDENCE AND RECORDS OF THE CASE INsofar AS IT HELD THAT THE PRIVATE RESPONDENT WAS DISMISSED WITHOUT JUST OR AUTHORIZED CAUSE AND WAS DENIED DUE PROCESS;

II. THE AWARD OF DAMAGES MORAL AND EXEMPLARY TO PRIVATE RESPONDENTS (sic) IS WITHOUT LEGAL OR FACTUAL BASIS;

III. EVIDENCE AND RECORDS OF THE CASE SHOW NO CAUSE OF ACTION EXISTS AGAINST PETITIONER MORLITO B. APUZEN NOT BEING THE REAL PARTY IN INTEREST AND NOT THE ONE WHO TERMINATED OR EVEN RESPONSIBLE FOR PRIVATE RESPONDENT'S DISMISSAL. AS SUCH, HE SHOULD NOT BE MADE LIABLE TO THE PRIVATE RESPONDENT.”[3]

Petitioner Brent maintains that respondent was validly terminated for loss of trust and confidence when, without the authority and consent of the Board, she exacted the amount of P350.00 from each reviewee as coordinator's fee. It further argued that respondent, being a managerial employee, “the rules on termination of employment and penalties for infractions are not necessarily the same as those applicable to termination of employment of ordinary employees.”[4] We do not agree.

A cursory reading of the first issue reveals that it is factual in nature, involving as it does the appreciation of evidence adduced before the NLRC. This Court cites the settled principle that “factual findings of quasi-judicial agencies like the NLRC are generally accorded, not only respect but, at times, finality if such are supported by substantial evidence.”[5] The matter, being factual, is beyond the authority of this Court to review.[6]

At the outset, we are of the opinion that respondent did not infringe the policy of petitioner regarding the collection of coordinator's fee. This finding is buttressed by the fact that it was the reviewees themselves who sought respondent and Mrs. Pada to accompany them to Manila, as evidenced by their letter-request[7] dated February 23, 1993. Ninety-five (95) of the reviewees agreed to voluntarily shoulder the expenses that may be incurred thereat which amount was pegged at P350.00 per reviewee. Due to time constraints, respondent advised the reviewees to forthwith discuss with their parents the arrangements they made with her.

When she returned from Manila, the Board convened a meeting on May 10, 1993 with parents of the reviewees in attendance, whereby respondent and Mrs. Pada were made to explain their actions and why no disciplinary action should be taken against them. On the ground of loss of trust and confidence, the Board voted to terminate them

from their respective employments in a decision handed down immediately after the hearing.

To be a valid ground for dismissal, loss of trust and confidence must be based on a willful breach of trust and founded on clearly established facts sufficient to warrant the employee's separation from work.[8] The loss of confidence must rest on an actual breach of duty committed by the employee and not on the employer's caprices.[9] Such ground of dismissal has never been intended to afford an occasion for abuse because of its subjective nature.[10]

In the instant case, the allegations that respondent did not only violate the standing policy of petitioner but also took advantage of her position in corrupting the unsuspecting reviewees, have not been established by the petitioner. As aptly held by Solicitor General in his Comment, "the voluntariness of the payments given to private respondent negates any finding of impropriety, much less of a serious misconduct." [11]

Petitioner's argument that the rules on termination applicable to respondent, being a managerial employee, are different from that applied to rank and file workers must likewise fail. This issue was squarely addressed in *Midas Touch Food Corp. v. NLRC*, [12] wherein the Court ruled that:

"(t)he right of security of tenure cannot be eroded, let alone forfeited except upon a clear and convincing showing of a just and lawful cause. No less than the Constitution itself has guaranteed the state's protection to labor and its assurance to workers of security of tenure in their employment. The application of this rule encompasses both the rank and file as well as managerial employees." (Underscoring supplied)

On the issue as to the award of moral and exemplary damages, we find that the same must be deleted for want of factual basis.

Moral damages are recoverable only where the dismissal of the employee was attended by bad faith or fraud, or constituted an act oppressive to labor, or was done in a manner contrary to morals, good customs or public policy.[13] Exemplary damages, on the other hand, may be awarded if the dismissal constituted an act oppressive to labor, or was done in a manner contrary to morals, good customs or public policy.[14]

None of the circumstances, however, obtains in the instant case. It must be noted that on May 10, 1993, the Board of Directors of BSM conducted an inquiry wherein respondent was duly notified of the charges imputed against her. In the course of the investigation, respondent explained that upon the request of the reviewees, she agreed to accompany them to Manila as coordinator, with the latter assuring her of the funds essential for their continued stay thereat until the duration of the Board exams. She also presented before the Board an itemized account of the expenses incurred. The minutes of the meeting reveal that the sentiments of the parents in attendance were divided. Some of the parents suspected that respondent may have pocketed the money collected while the others were even grateful for what she had done. After hearing the two sides of the controversy, respondent was ordered relieved of her post as principal. In view of the factual milieu of this case, we find respondent to have been afforded her statutory rights to notice and hearing, the dismissal being premised on the honest belief that she violated the policy of petitioner Brent regarding the collection of coordinator's fees. Thus, her dismissal could not be characterized as having been effected in a wanton, oppressive or malevolent manner.

The third issue raised by petitioner is likewise meritorious. Co-petitioner Morlito Apuzen cannot be held liable for any judgment rendered against petitioner Brent. In *MAM Realty Development Corporation v. NLRC*, [15] the Court declared:

"A corporation, being a juridical entity, may act only through its directors, officers and employees and obligations incurred by them, acting as corporate agents, are not theirs but the direct accountabilities of the corporation they represent."

The award of attorney's fees must likewise fail. The reason for the award thereof "must be stated in the text of the court's decision and not in the dispositive portion only.[16]

WHEREFORE, in view of the foregoing, the petition is DISMISSED for lack of merit and the assailed resolution is AFFIRMED subject to the following MODIFICATIONS:

1. DECLARING the deletion of the award of moral and exemplary damages and attorney's fees for want of factual basis;
2. REVERSING the order of the National Labor Relations Commission finding Morlito Apuzen jointly and severally liable with Brent Hospital, Inc.

Costs against petitioner.

SO ORDERED.

Narvasa, C.J., (Chairman), Kapunan, and Purisima, JJ., concur.

[1] As charge nurse and head nurse.

[2] Rollo, p. 48.

[3] Petition, pp. 7-8.

[4] Rollo, p. 11.

[5] Sol Laguio, et al. v. NLRC, 262 SCRA 715 (1996); Trendline Employees Association-Southern Philippines Federation of Labor v. NLRC, 272 SCRA 172 (1997).

[6] Maglutac v. NLRC, 189 SCRA 767 (1990).

[7] Annex "6," p. 105.

[8] Marcelo v. NLRC, 240 SCRA 782 (1995); Philippine Commercial International Bank v. NLRC, 247 SCRA 617 (1995).

[9] Midas Touch Food Corp. v. NLRC, 259 SCRA 652 (1996).

[10] Ranises v. NLRC, 262 SCRA 371 (1996).

[11] Rollo, p. 169.

[12] Supra.

[13] Zamboanga City Electric Cooperative, Inc. v. Buat, 243 SCRA 47 (1995).

[14] Cosico, Jr. v. NLRC, 272 SCRA 583 (1997).

[15] 244 SCRA 797 (1995).

[16] Consolidated Bank and Trust Corp. v. CA, 246 SCRA 193 (1995); DBP v. CA, 262 SCRA 245 (1996).

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