

LOLITA R. LACUESTA, PETITIONER, VS. ATENEO DE MANILA UNIVERSITY, DR. LEOVINO MA. GARCIA AND DR. MARIJO RUIZ, RESPONDENTS.

G.R. NO. 152777. December 09, 2005

Ponente: QUISUMBING, J.

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QUISUMBING, J.:

This petition for review on certiorari assails the Decision[1] dated October 12, 2001 of the Court of Appeals in CA-G.R. SP No. 61173 and its Resolution[2] dated February 21, 2002, denying the motion for reconsideration. The appellate court affirmed the Decision[3] dated February 24, 2000 of the National Labor Relations Commission (NLRC), which had reversed the Decision dated March 20, 1998 of the Labor Arbiter.

The facts are undisputed.

Respondent Ateneo de Manila University (Ateneo) hired, on a contractual basis, petitioner Lolita R. Lacuesta as a part-time lecturer in its English Department for the second semester of school year 1988-1989. She was re-hired, still on a contractual basis, for the first and second semesters of school year 1989-1990.

On July 13, 1990, the petitioner was first appointed as full-time instructor on probation, in the same department effective June 1, 1990 until March 31, 1991. Thereafter, her contract as faculty on probation was renewed effective April 1, 1991 until March 31, 1992. She was again hired for a third year effective April 1, 1992 until March 31, 1993. During these three years she was on probation status.

In a letter dated January 27, 1993, respondent Dr. Leovino Ma. Garcia, Dean of Ateneo's Graduate School and College of Arts and Sciences, notified petitioner that her contract would no longer be renewed because she did not integrate well with the English Department. Petitioner then appealed to the President of the Ateneo at the time, Fr. Joaquin Bernas, S.J.

In a letter dated February 11, 1993, Fr. Bernas explained to petitioner that she was not being terminated, but her contract would simply expire. He also stated that the university president makes a permanent appointment only upon recommendation of the Dean and confirmation of the Committee on Faculty Rank and Permanent Appointment. He added that any appointment he might extend would be tantamount to a midnight appointment.

In another letter dated March 11, 1993, Fr. Bernas offered petitioner the job as book editor in the University Press under terms comparable to that of a faculty member.

On March 26, 1993, petitioner applied for clearance to collect her final salary as instructor. Petitioner also signed a Quitclaim, Discharge and Release on April 16, 1993.[4]

Petitioner worked as editor in the University Press from April 1, 1993 to March 31, 1994 including an extension of two months after her contract expired. Upon expiry of her contract, petitioner applied for clearance to collect her final salary as editor. Later, she agreed to extend her contract from June 16, 1994 to October 31, 1994.

Petitioner decided not to have her contract renewed due to a severe back problem. She did not report back to work, but she submitted her clearance on February 20, 1995.

On December 23, 1996, petitioner filed a complaint for illegal dismissal with prayer for reinstatement, back wages, and moral and exemplary damages. Dr. Leovino Ma. Garcia and Dr. Marijo Ruiz were sued in their official capacities as the previous and present deans of the College of Arts and Sciences, respectively.

Labor Arbiter Manuel P. Asuncion held that petitioner may not be terminated by mere lapse of the probationary period but only for just cause or failure to meet the employer's standards. Moreover, said the Labor Arbiter, the quitclaim, discharge and release executed by petitioner was not a bar to filing a complaint for illegal dismissal.[5] Thus, he ordered reinstatement with payment of full back wages.

The NLRC upon appeal of respondents reversed the Labor Arbiter's decision and ruled that petitioner was not illegally dismissed, and that her quitclaim was valid. Petitioner sought reconsideration but it was denied. She then filed a petition for certiorari before the Court of Appeals assailing the NLRC decision. The appellate court dismissed the petition saying there was no grave abuse of discretion and affirmed the NLRC decision. It ruled:

WHEREFORE, the petition is hereby denied and accordingly DISMISSED.[6]

Hence, this instant petition where petitioner assigns the following as errors:

- The Court of Appeals erred in ruling that it is the Manual of Regulations For Private Schools, not the Labor Code, that determines the acquisition of regular or permanent status of faculty members in an educational institution;
- The Court of Appeals erred in upholding the Quitclaim that was signed by the Petitioner and in taking that against her claims for illegal dismissal and for moral and exemplary damages against the respondents.[7]

Simply put, the issue in this case is whether the petitioner was illegally dismissed.

Petitioner contends that Articles 280 and 281 of the Labor Code,[8] not the Manual of Regulations for Private Schools, is the applicable law to determine whether or not an employee in an educational institution has acquired regular or permanent status. She argues that (1) under Article 281, probationary employment shall not exceed six (6) months from date of employment unless a longer period had been stipulated by an apprenticeship agreement; (2) under Article 280, if the apprenticeship agreement stipulates a period longer than one year and the employee rendered at least one year of service, whether continuous or broken, the employee shall be considered as regular employee with respect to the activity in which he is employed while such activity exists; and (3) it is with more reason that petitioner be made regular since she had rendered services as part-time and full-time English teacher for four and a half years, services which are necessary and desirable to the usual business of Ateneo.[9]

Furthermore, the petitioner contends that her clearance was granted and completed only after she signed the quitclaim on April 16, 1993. She contends also that the respondents failed to show that her quitclaim was voluntary.

Respondents, for their part, contend that the Manual of Regulations for Private Schools is controlling. In the Manual, full-time teachers who have rendered three consecutive years of satisfactory service shall be considered permanent. Respondents also claim that the petitioner was not terminated but her employment contract expired at the end of the probationary period. Further, institutions of higher learning, such as respondent Ateneo, enjoy the freedom to choose who may teach according to its standards. Respondents also argue that the quitclaim, discharge and release by petitioner is binding and should bar her complaint for illegal dismissal.

After considering the contentions of the parties in the light of the circumstances in this case, we find for

respondents.

The Manual of Regulations for Private Schools, and not the Labor Code, determines whether or not a faculty member in an educational institution has attained regular or permanent status.[10] In *University of Santo Tomas v. National Labor Relations Commission* the Court en banc said that under Policy Instructions No. 11 issued by the Department of Labor and Employment, "the probationary employment of professors, instructors and teachers shall be subject to the standards established by the Department of Education and Culture." Said standards are embodied in paragraph 75[11] (now Section 93) of the Manual of Regulations for Private Schools.[12]

Section 93[13] of the 1992 Manual of Regulations for Private Schools provides that full-time teachers who have satisfactorily completed their probationary period shall be considered regular or permanent.[14] Moreover, for those teaching in the tertiary level, the probationary period shall not be more than six consecutive regular semesters of satisfactory service.[15] The requisites to acquire permanent employment, or security of tenure, are (1) the teacher is a full-time teacher; (2) the teacher must have rendered three consecutive years of service; and (3) such service must have been satisfactory.[16]

As previously held, a part-time teacher cannot acquire permanent status.[17] Only when one has served as a full-time teacher can he acquire permanent or regular status. The petitioner was a part-time lecturer before she was appointed as a full-time instructor on probation. As a part-time lecturer, her employment as such had ended when her contract expired. Thus, the three semesters she served as part-time lecturer could not be credited to her in computing the number of years she has served to qualify her for permanent status.

Petitioner posits that after completing the three-year probation with an above-average performance, she already acquired permanent status. On this point, we are unable to agree with petitioner.

Completing the probation period does not automatically qualify her to become a permanent employee of the university. Petitioner could only qualify to become a permanent employee upon fulfilling the reasonable standards for permanent employment as faculty member.[18] Consistent with academic freedom and constitutional autonomy, an institution of higher learning has the prerogative to provide standards for its teachers and determine whether these standards have been met.[19] At the end of the probation period, the decision to re-hire an employee on probation, belongs to the university as the employer alone.

We reiterate, however, that probationary employees enjoy security of tenure, but only within the period of probation. Likewise, an employee on probation can only be dismissed for just cause or when he fails to qualify as a regular employee in accordance with the reasonable standards made known by the employer at the time of his hiring. Upon expiration of their contract of employment, academic personnel on probation cannot automatically claim security of tenure and compel their employers to renew their employment contracts.[20] In the instant case, petitioner, did not attain permanent status and was not illegally dismissed. As found by the NLRC, her contract merely expired.

Lastly, we find that petitioner had already signed a valid quitclaim, discharge and release which bars the present action. This Court has held that not all quitclaims are per se invalid or against public policy, except (1) where there is clear proof that the waiver was wangled from an unsuspecting or gullible person, or (2) where the terms of settlement are unconscionable on their face.[21] In this case, there is no showing that petitioner was coerced into signing the quitclaim. In her sworn quitclaim, she freely declared that she received to her full satisfaction all that is due her by reason of her employment and that she was voluntarily releasing respondent Ateneo from all claims in relation to her employment.[22] Nothing on the face of her quitclaim has been shown as unconscionable.

WHEREFORE, the petition is DENIED for lack of merit. The Decision dated October 12, 2001 of the Court of

Appeals in CA-G.R. SP No. 61173 and its Resolution dated February 21, 2002 are AFFIRMED.

SO ORDERED.

Davide, Jr., C.J., (Chairman), Ynares-Santiago, Carpio, and Azcuna, JJ., concur.

[1] Rollo, pp. 160-168. Penned by Associate Justice Delilah Vidallon-Magtolis, with Associate Justices Teodoro P. Regino, and Josefina Guevarra-Salonga concurring.

[2] Id. at 178.

[3] Id. at 100-105.

[4] Id. at 91-92.

[5] Id. at 103.

[6] Id. at 168.

[7] Id. at 15.

[8] ART. 280. Regular and Casual Employment. — The provisions of written agreement to the contrary notwithstanding and regardless of the oral agreement of the parties, an employment shall be deemed to be regular where the employee has been engaged to perform activities which are usually necessary or desirable in the usual business or trade of the employer, except where the employment has been fixed for a specific project or undertaking the completion or termination of which has been determined at the time of the engagement of the employee or where the work or services to be performed is seasonal in nature and the employment is for the duration of the season.

An employment shall be deemed to be casual if it is not covered by the preceding paragraph: Provided, That, any employee who has rendered at least one year of service, whether such service is continuous or broken, shall be considered a regular employee with respect to the activity in which he is employed and his employment shall continue while such activity exists.

ART. 281. Probationary Employment. — Probationary employment shall not exceed six (6) months from the date the employee started working, unless it is covered by an apprenticeship agreement stipulating a longer period. The services of an employee who has been engaged on a probationary basis may be terminated for a just cause or when he fails to qualify as a regular employee in accordance with reasonable standards made known by the employer to the employee at the time of his engagement. An employee who is allowed to work after a probationary period shall be considered a regular employee.

[9] Rollo, pp. 249-251.

[10] University of Sto. Tomas v. NLRC, G.R. No. 85519, 15 February 1990, 182 SCRA 371, 376.

[11] 75. Full time teachers who have rendered three consecutive years of satisfactory service shall be considered permanent.

[12] Supra, note 10 at 376-377, cited in La Salette of Santiago, Inc. v. NLRC, G.R. No. 82918, 11 March 1991, 195 SCRA 80, 81-82.

[13] Section 93. Regular or Permanent Status. Those who have served the probationary period shall be made regular or permanent. Full-time teachers who have satisfactorily completed their probationary period shall be considered regular or permanent.

[14] Saint Mary's University v. Court of Appeals, G.R. No. 157788, 8 March 2005, 453 SCRA 61, 65.

[15] Section 92. Probationary Period. Subject in all instances to compliance with Department and school requirements, the probationary period for academic personnel shall not be more than three (3) consecutive years of satisfactory service for those in the elementary and secondary levels, six (6) consecutive regular semesters of satisfactory service for those in the tertiary level, and nine (9) consecutive trimesters of satisfactory service for those in the tertiary level where collegiate courses are offered on the trimester basis.

[16] Supra, note 10 at 377, cited in Saint Mary's University v. Court of Appeals, G.R. No. 157788, 8 March 2005, 453 SCRA 61, 66.

[17] Ibid.

[18] Escorpizo v. University of Baguio, G.R. No. 121962, 30 April 1999, 306 SCRA 497, 507.

[19] Cagayan Capitol College v. NLRC, G.R. Nos. 90010-11, 14 September 1990, 189 SCRA 658, 665.

[20] Supra, note 18.

[21] Bogo-Medellin Sugarcane Planters Association, Inc. v. NLRC, G.R. No. 97846, 25 September 1998, 296 SCRA 108, 125.

[22] Rollo, p. 92.

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