

****Title:**** Nenita L. Leano v. Hon. Eufemio C. Domingo, et al.

****Facts:****

Nenita L. Leano was designated Acting Cashier I of the Bureau of Quarantine effective January 1, 1984, following the absence of the regular cashier, Mrs. Adelaida Sanchez, who was accused of malversation of public funds. On the night of December 17-18, 1984, the Cashier's Office was allegedly robbed of P12,500.00. The robbery was reported the following morning to the Western Police District, which found no signs of forced entry and suggested the use of the original key to open the steel cabinet where the cash was kept, instead of the safe. A subsequent cash count revealed a shortage of P12,500.00 and recommended relieving Leano for negligence due to not using the safe for cash storage.

Leano filed a request for relief from accountability for the loss, claiming the circumstances forced her to use the steel cabinet as she lacked access to the safe's combination. The Commission on Audit (COA) denied her request on September 7, 1987, citing negligence under Section 105 of P.D. 1445. Leano sought reconsideration, challenging the basis of the COA's findings and the practicalities of cashiering duties. Her request was again denied, leading her to file the present petition for review on certiorari.

****Issues:****

1. Did the COA act with grave abuse of discretion in denying Leano's request for relief from accountability for the P12,500.00 lost in the robbery?
2. Was Leano negligent in her duties as Acting Cashier I?

****Court's Decision:****

1. ****Grave Abuse of Discretion:**** The Supreme Court found no grave abuse of discretion by the COA. The COA followed proper procedures and based its decision on substantial evidence from multiple sources, including its internal findings and police reports. The factual findings of the COA, being supported by substantial evidence, were therefore respected by the Court.

2. ****Negligence:**** The Court held that Leano was indeed negligent. Reasonable diligence in her position would have prompted her to request an immediate change of the safe's combination, yet there was no evidence of such effort. Her decision to use the steel cabinet, which was easily accessible and inadequately secure, and to leave the key readily accessible, indicated a lack of reasonable care. Allowing other employees access to cash without proper safeguards compounded this negligence. The argument that such practices

were commonplace did not excuse the failure to meet expected standards of prudence and security.

****Doctrine:****

The case reiterates that persons accountable for government funds are liable for losses due to negligence in their safekeeping (Section 105 of P.D. 1445). Negligence involves the omission to act with the reasonable care expected of a prudent person under similar circumstances.

****Class Notes:****

- ****Negligence:**** Defined as the omission to do something which a reasonable person would do or doing something which a reasonable person would not do in a given situation.
- ****Accountability for Government Funds:**** Liability for losses is presumed in cases of negligence, unlawful, or improper use of government funds (Section 105, P.D. 1445).
- ****Standard of Care:**** The standard of care in determining negligence is based on what a prudent and reasonable person would do under similar circumstances.
- ****Substantial Evidence:**** Factual findings of administrative tribunals must be respected if supported by substantial evidence (Assistant Executive Secretary for Legal Affairs v. CA; Relucio III v. Macaraig, Jr.).

****Historical Background:****

This case occurred within the context of Philippine administrative law, emphasizing governmental accountability and the safeguarding of public funds. The decision underscores the rigid standards expected of public officers in handling government property and impact of negligence on administrative liability. The period also reflects heightened scrutiny over public funds amidst broader issues of corruption and mismanagement in the bureaucracy, making accountability measures critical to governance reforms.