

## EN BANC

**[ A.M. No. P-10-2790 [Formerly A.M. No. 10-3-55-RTC], July 30, 2019 ]**

**OFFICE OF THE COURT ADMINISTRATOR, COMPLAINANT, VS.  
PEARL JOY D. ZORILLA, CASH CLERK III, OFFICE OF THE CLERK OF  
COURT, REGIONAL TRIAL COURT, DIGOS CITY, DAVAO DEL SUR,  
RESPONDENT.**

### DECISION

#### PER CURIAM:

This is an administrative complaint against Pearl Joy D. Zorilla, Cash Clerk III, Office of the Clerk of Court, Regional Trial Court (OCC-RTC), Digos City, Davao del Sur, for gross dishonesty and falsification/tampering of official documents relative to the financial audit conducted by the Audit Team of the Court Management Office (*team*) on November 17-24, 2009.

The facts are as follows:

Prompted by the Indorsement<sup>[1]</sup> dated July 20, 2009 of Executive Judge Carmelita Sarno Davin, RTC, Digos City, Davao del Sur, a financial audit was conducted on the financial transactions of the OCC-RTC, Digos City, Davao del Sur. The audit covered the financial transactions of the court under Atty. Nelia Q. Tancio-Sedillo from October 1, 2008 to October 31, 2009.<sup>[2]</sup>

In the said Indorsement, Judge Davin requested for an immediate action on the "Comprehensive Report of Used Official Receipts from October 2008 to May 8, 2009 for Fiduciary Fund" which was prepared by Atty. Sedillo, Clerk of Court VI, OCC-RTC, Digos City, Davao del Sur, in connection with the alleged fraudulent acts committed by Zorilla.<sup>[3]</sup> Allegedly, Zorilla acted as cashier of the OCC-RTC when she was appointed Cash Clerk III of the OCC-RTC on February 21, 2006 until May 8, 2009 when Atty. Sedillo was ordered to assume as cashier-designate in addition to her regular duties and responsibilities as Clerk of Court VI per Memorandum dated May 8, 2009 of Judge Davin. Thus, the team scrutinized the court's transactions from October 1, 2008 to May 8, 2009 when Zorilla acted as cashier.

Based on the comprehensive report submitted by Atty. Sedillo pursuant to the Commission on Audit's Audit Query dated March 10, 2009, she accused Zorilla of allegedly tampering the dates appearing on the triplicate copies of the Fiduciary Fund official receipts to show that the amounts of cash bonds collected were duly deposited within the reglementary period as prescribed by the Court.

On the basis of the records presented for examination and actually audited by the team, the following are the team's findings and observation, to wit:

## II. Cash Examination

The cash examination conducted on November 12, 2009 resulted to neither shortage nor overage, details are as follows:

Total cash-on-hand presented	P	900.00
Total amount of SC-OR Issued/Unremitted		
Collections		<u>900.00</u>
Balance of Accountability	P	0.00
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Total Cash-on-Hand Presented for Examination:		

Denomination	No. of Pieces		Amount
P 500.00	1	P	500.00
100.00	4		400.00
TOTAL		P	900.00

Total Amount of SC-OR Issued / Unremitted Collections:

Fund	OR Issued		Amount
JDF	4357327 - 43[5]7330	P	718.00
SAJF	4356496 - 4356498		182.00
TOTAL		P	900.00

The P900.00 cash examined refers to the court's collections for October 12, 2008 and the same were deposited to their respective accounts on October 12, 2008, per attached deposit slips.

Also, the team learned that Atty. Tancio-Sedillo had concluded an Agreement with the LBP-Digos City Branch wherein the latter undertakes to pick-up, through a roving teller, every day all cash collections of the court for deposits. The team welcomed the said procedures and advised Atty. Tancio-Sedillo to examine thoroughly the machine validation of every deposit slips submitted by the roving teller of the LBP to confirm that the correct amount received by the latter is indeed credited with the court's judiciary fund accounts.

## III. Inventory of Accountable Forms

As of the audit cut-off date, October 31, 2009, the following accountable forms (official receipts) issued by the Property Division, OCA were found to be unused:

Official Receipts (OR) Series	No. of Pieces
4357331 - 4357350 (JDF)	20 pieces
4356498 - 4356500 (SAJF)	3 pieces
2645910 - 2645950 (GF)	41 pieces
4050543 - 4050550 (STF)	8 pieces

4357958 - 4358000 (FF)	43 pieces
2646897 - 2646900 (MF)	4 pieces
4050401 - 4050500	2 booklets
4050551 - 4050600	1 booklet
4356551 - 4357000	9 booklets
4357351 - 4357950	12 booklets
Total	24 booklets & 119 pieces

Likewise, the following Official Receipts issued by other government agencies remained unused as of the audit cut-off date, to wit:

UP Law Center	0654127 - 0654150 0654151 - 0654500	24 pieces 7 booklets
LRA	8314983 - 8315000 8315001 - 8315500	18 pieces 10 booklets
DOJ	1365912 - 1365950 1365951 - 1366900	39 pieces 19 booklets

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#### IV. For the Special Allowance for the Judiciary Fund (SAJF)

The examination of the above fund covering the period October 1, 2008 to October 31, 2009, disclosed neither shortage nor overage. Detailed breakdown is as follows:

Total Collections	P	1,469,983.33
Total Remittances		<u>1,469,983.33</u>
Balance of Accountability	P	0.00
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#### V. For the General Fund (GF)

Total Collections	P	140,708.99
Total Remittances		<u>140,708.99</u>
Balance of Accountability	P	0.00
		=====

Pursuant to OCA Circular No. 23-2009 in relation to OCA Circular No. 116-2008 and A.M. No. 05-3-35-SC, all interest earned from the Fiduciary Fund as well as forfeited/confiscated bonds beginning January 2009, shall be deposited to the account of the Bureau of Treasury at the end of each quarter.

However, all unwithdrawn interest earned from the Fiduciary Fund Savings Account and High Yield Savings Account from June 2008 to December 31, 2008 of the OCC-RTC, Digos City were withdrawn and deposited with the Bureau of Treasury.

#### VI. For the Judiciary Development Fund (JDF)

The audit of the Judiciary Development Fund (JDF) showed neither shortage

nor overage, detailed breakdown is presented below:

Total Collections	P	1,261,179.39
Total Remittances		<u>1,261,359.39</u>
Balance of Accountability	P	(180.00)
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#### VII. For the Mediation Fund (MF)

Total Collections	P	165,500.00
Total Remittances		<u>165,500.00</u>
Balance of Accountability	P	0.00
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#### VIII. For the Trust Fund Deposits

##### A. For Sheriffs Trust Fund (STF)

The examination of court's Sheriffs Trust Fund covering the period October 1, 2008 to October 31, 2009 disclosed an overage of One Hundred Seventy Seven Pesos (177.00) and an outstanding balance of Seven Hundred Nineteen Thousand Three Hundred Twenty Pesos and 06/100 (P719,320.06) deposited under LBP S/A No. 0331-2811-82. Detailed breakdown is presented below:

Unwithdrawn Sheriffs Trust Fund as of October 31, 2009	P	719,320.06
Adjusted Bank Balance as of October 31, 2009		<u>719,497.06</u>
<b>Balance of Accountability - overage</b>	<b>P</b>	<b>(177.00)</b>
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Beginning Balance as of September 30, 2008	P	650,463.54
Total Collections (Oct. 1, 2008 - Oct. 31, 2009)		387,858.18
Total Withdrawals (same period)		<u>(319,001.66)</u>
Unwithdrawn Sheriffs Trust Fund as of October 31, 2009	P	<u>719,320.06</u>

Adjusted Bank Balance as of October 31, 2009		
LBP S/A No. 0331-2811-82		
Bank Balance as of October 31, 2009	P	719,497.06
Less: Unwithdrawn Interest		0.00
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Adjusted Bank Balance	P	<u>719,497.06</u>
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The balance of accountability (overage) of P177.00 refers to the excess amount of cash advances in Civil Case No. 712 returned by former Sheriff IV

Clifford Alterado per his liquidation dated October 20, 2008.

B. For the Fiduciary Fund (FF)

The audit of the Fiduciary Fund reveals an outstanding balance of Ten Million Two Hundred Fifty Nine Thousand Three Hundred Eighty Eight Pesos and 15/100 (P10,259,388.15) deposited with the LBP Savings Account No. 0331-0745-78 and resulted to a shortage of Fifty Nine Thousand Nine Hundred Ninety Seven Pesos and 99/100 (P59,997.99). A detailed breakdown is presented below:

Unwithdrawn Sheriffs Trust Fund as of October 31, 2009	P	10,259,388.15
Adjusted Bank Balance as of October 31, 2009		<u>10,199,390.16</u>
LBP S/A No. 0331-0745-78		
<b>Balance of Accountability - shortage</b>	<b>P</b>	<b>59,997.99</b>

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Beginning Balance as of September 30, 2008	P	8,761,984.65
Add: Total Collections (10/01/08 - 10/31/09)		3,694,141.24
Undeposited Collection - OR#7663450		60,000.00)
Less: Total Withdrawals (same period)	P	<u>(2,256,737.74)</u>
Unwithdrawn Sheriffs Trust Fund as of October 31, 2009	P	10,259,388.15

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Adjusted Bank Balance as of October 31, 2009		
LBP S/A No. 0331-0745-78		
Bank Balance as of October 31, 2009	P	10,199,390.16
Less: Unwithdrawn Interest		0.00

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Adjusted Bank Balance	P	<u>10,199,390.16</u>
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The computed shortage of P59,337.99 resulted from the following:

Accumulated Over-Deposits	P	(2.01)
Undeposited and Cancelled Collection - OR# 7663450		<u>60,000.00</u>
<b>TOTAL SHORTAGE</b>	<b>P</b>	<b>59,997.99</b>

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IX. ALLEGED ANOMALY IN THE HANDLING OF THE FIDUCIARY FUND

Atty. Tancio-Sedillo accuses Cash Clerk Ms. Zorilla for committing the following fraudulent acts appropriating court's funds for her personal use which would warrant Ms. Zorilla's dismissal from the service.