

EN BANC

[OCA IPI No. 10-3423-P, August 22, 2017]

JUDGE RAMON V. EFONDO, MUNICIPAL TRIAL COURT OF GOA, CAMARINES SUR, COMPLAINANT, VS. EDEN D. FAVORITO, CLERK OF COURT II, MUNICIPAL TRIAL COURT, GOA, CAMARINES SUR, RESPONDENT.

[A.M. No. P-11-2889 [FORMERLY OCA IPI No. 10-10-117-MTC FINANCIAL AUDIT CONDUCTED IN THE MTC OF GOA, CAMARINES SUR]

OFFICE OF THE COURT ADMINISTRATOR, COMPLAINANT, VS. EDEN D. FAVORITO, CLERK OF COURT II, MUNICIPAL TRIAL COURT, GOA, CAMARINES SUR, RESPONDENT.

DECISION

PER CURIAM:

These consolidated administrative matters stemmed from a Complaint^[1] dated June 15, 2010 filed by Judge Ramon Efondo (Judge Efondo) against respondent Eden D. Favorito, Clerk of Court II, Municipal Trial Court (MTC) of Goa, Camarines Sur and from the Report^[2] dated October 6, 2010 on the initial financial audit conducted at the MTC in Goa, Camarines Sur on the financial records of the said MTC, specifically, on the books of accounts of respondent.

Factual Antecedents

In a Letter^[3] dated November 23, 2009, addressed to respondent, copy furnished Judge Efondo, the Office of the Court Administrator (OCA), through Deputy Court Administrator (DCA) Jesus Edwin Villasor, called out respondent on her failure to submit the Monthly Reports of Collections, Deposits and Withdrawals as required under OCA Circular No. 113-2004 and failure to regularly remit the court's monthly collections, in violation of SC Circular No. 59-94. In the said letter, the OCA required respondent to show cause why the latter's salary should not be withheld for failure to comply with office rules and regulations on the submission of reports and remittance of collections.

In response to the OCA's letter, respondent admitted not only the said infractions but also that she misappropriated the court collections as she was in financial distress due to the death of her husband. Respondent apologized and promised to remit the said funds at the soonest possible time.^[4]

Judge Efondo learned about this, which prompted him to request for an immediate audit of the court's financial records.^[5] Thus, sometime in April 2010, the audit

team from the Fiscal Monitoring Division of the OCA conducted an initial audit of the financial records of the said court, covering the period from March 1, 2004 to April 6, 2010, and found a shortage of Php 210,109.30 from the court's funds, itemized in its report dated October 6, 2010. Aside from a detailed account of the shortages, the report also established that respondent falsified several official receipts (OR) and cashbooks by indicating a lesser amount in the triplicate copies of the ORs and cashbooks while indicating the actual amount paid in the original copies thereof.^[6] This report was considered as an administrative complaint against respondent docketed as A.M. No. P-11-2889 entitled *OCA v. Eden D. Favorito, Clerk of Court II, MTC, Goa, Camarines Sur* [Formerly OCA IPI No. 10-10-117-MTC].^[7]

The OCA, in its Memorandum^[8] dated October 6, 2010, adopted the findings and recommendations of the audit team.

Acting thereupon, this Court issued a Resolution^[9] dated January 10, 2011, adopting the recommendations of the audit team, as approved by the COA, thus:

Acting on the audit report of the team which conducted a financial audit on the books of accounts of Mrs. Eden D. Favorito, Clerk of Court of the Municipal Trial Court of Goa, Camarines Sur, the Court resolves to:

- (1) **DOCKET** this report as a regular administrative complaint against Mrs. Eden D. Favorito for gross dishonesty and gross misconduct;
- (2) **PLACE** Mrs. Eden D. Favorito, Clerk of Court II of MTC, Goa, Camarines Sur, **UNDER PREVENTIVE SUSPENSION**, effective immediately, pending resolution of this administrative matter;
- (3) **DIRECT** Mrs. Favorito to:
 - (a) **RESTITUTE**, within ten (10) days from notice, her incurred shortages on the following funds and deposit the same to the corresponding fund bank accounts, and **FURNISH**, also within (10) days from notice, the Fiscal Monitoring Division, Court Management Office of the Office of the Court Administrator, with copy of the machine validated deposit slips as proof of compliance;

Name of Fund	Period Covered	Amount
Judiciary Development Fund	March 1, 2004 to April 6, 2010	P4,079.80
Special Allowance for the Judiciary Fund	March 1, 2004 to April 6, 2010	56,851.40
Mediation Fund	May 24, 2006 to April 6, 2010	90,000.00
Legal Research Fund	Nov. 9, 2004 to April 6, 2010	508.10
Land Registration Authority Fund	April 6, 2004 to April 6, 2010	270.00
Fiduciary Fund	March 1, 2004 to	58,400.00

	April 6, 2010	
Total		P210,109.30

(b) **EXPLAIN** in writing, within ten (10) days from notice, why:

(b.1) she failed to deposit her collections in their corresponding fund bank account which is a clear violation of the circulars and other issuances of the Court on the proper handling of Judiciary funds;

(b.2) she should not be administratively and criminally charged for altering/falsifying the amounts reflected in the legal fees forms and triplicate copies of Official Receipts of the filing fees received by her, such as:

Case No.	Payor/Litigants	OR Issued	Date of OR	Amount Indicated in the Original Copies of Official Receipts	Amount Indicated in the Legal Fees Form/Cash book/triplicate Official Receipts
Cv 1088	Rural Bank of Goa, Inc.	21591242	July 6, 2006	468.00	40.40
Cv 1088	Rural Bank of Goa, Inc.	21591195	July 6, 2006	202.00	9.60
Cv 1089	Rural Bank of Goa, Inc.	21591243	July 6, 2006	756.00	40.40
Cv 1089	Rural Bank of Goa, Inc.	21591196	July 6, 2006	314.00	9.60

(b.3) she failed to collect the One Thousand Pesos (P1,000.00) Sheriff's Fee from the plaintiff upon filing of the complaint to defray the actual travel expenses of the Sheriff, Process Server or other Court-Authorized Persons in the service of summons, subpoena and other court processes that would be issued relative to the trial of the case as mandated in the Amended Administrative Circular No. 35-2004, dated August 20, 2004, Guidelines in Allocation of Legal Fees, particularly Section 10, paragraphs 2 and 3, Rule 141 of the Rules of Court; and

(b.4) she failed to submit regularly her Monthly Reports of Collections for Judiciary Development Fund, Clerk of Court General Fund, Special Allowance for the Judiciary Fund and Mediation Fund, and Monthly Report of Collections/Deposits and Withdrawals for the Fiduciary Fund to the Revenue Section, Accounting Division, Financial Management Office of the Office of the Court Administrator and to the Finance Division, Financial Management Office of the Philippine Judicial Academy;

(4) **DIRECT** Ms. Maria Luz T. Buendia, designated Officer-in-Charge as Financial Custodian and Collecting Officer of MTC,

Goa, Camarines Sur to:

- (a) **COLLECT** the One Thousand Pesos (P1,000.00) Sheriffs Fee from the plaintiff upon filing of the complaint to defray the actual travel expenses of the Sheriff, Process Server or Court-Authorized Persons in the service of summons, subpoena and other court processes that would be issued relative to the trial of the case as mandated in the Amended Administrative Circular No. 35-2004, dated August 20, 2004 Re: Guidelines in Allocation of Legal Fees, particularly Section 10, paragraphs 2 and 3, Rule 141 of the Rules of Court; and
 - (b) **STRICTLY FOLLOW** the circulars and other issuances of the Court in the proper handling of judiciary funds to avoid the incurrence of infractions committed by Mrs. Favorito; and
- (5) **DIRECT** Hon. Ramon V. Efondo, Presiding Judge of MTC, Goa, Camarines Sur, to:
- (a) **INVESTIGATE** the extent of responsibilities of Mrs. Eden D. Favorito in the Falsification of Official Receipts by verifying case records to determine if there are other cases [aside from the cases (Schedule 7) which were randomly examined by the audit team] where Mrs. Favorito did not reflect the actual fees collected and **SUBMIT** his report and recommendation within thirty (30) days from receipt of notice; and
 - (b) **PROPERLY MONITOR** the financial transactions of Ms. Maria Luz T. Buendia, designated collecting officer, to ensure strict adherence to the circulars and other issuances of the Court regarding the proper handling of judiciary funds, otherwise, he will be held equally liable for the infractions committed by the employee/s under his command and supervision.

The Memorandum dated 06 October 2010 of the Office of the Court Administrator is **NOTED**.

Meanwhile, on June 15, 2010, Judge Efondo filed an administrative complaint against respondent docketed as OCA IPI No. 10-3423-P for insubordination and dishonesty in relation to her infractions above-cited.^[10]

In her Comment^[11] dated August 19, 2010, respondent denied the accusation of insubordination and explained that her actions were due to her husband's death in 2004, which put her in financial distress as she has three children dependent on her. Respondent also asked for consideration for her to redeem herself and expressed her intention of settling the shortages as soon as possible.

Judge Efondo filed a Supplemental Complaint^[12] dated October 18, 2010 against respondent for Malversation thru Falsification of Public/Commercial Documents and

prayed for the dismissal of the respondent from service.

In compliance with the January 10, 2011 Resolution of this Court above-cited, Judge Efondo submitted his Investigation Report^[13] dated April 14, 2011, citing discovery of additional irregularities in the issuance of ORs by respondent.

In her Comment^[14] to the Supplemental Complaint dated February 9, 2011, respondent asked that she be given six months to reconstitute the shortages and expressed her apologies to the Court for her infractions. She also prayed that she be allowed to resign after she reconstituted the shortages as found by the audit team so as not to burden the Court with the conduct of further proceedings in the administrative case against her.

On August 24, 2011, this Court issued a Resolution^[15] consolidating the two administrative cases against respondent.

Upon receipt of Judge Efondo's Investigation Report, this Court issued a Resolution^[16] dated April 18, 2012, directing the OCA to constitute a financial audit team to: (a) conduct an audit covering respondent's remaining unaudited period of cash and account from April 7, 2010 to May 3, 2010; and (b) evaluate reported dubious transactions made by respondent involving issuance of ORs.

In compliance with the said resolution, a financial audit was conducted on the books of accounts of the subject MTC on July 10 to 13, 2012, covering the period of April 7, 2010 to June 30, 2012. The audit included the accountability period of Ms. Maria Luz Buendia (Buendia) from May 4, 2010 to June 30, 2012, Court Interpreter 1, who was designated as the collecting officer, vice respondent, effective May 4, 2010. The audit team found that Buendia incurred no shortage on all funds and regularly submitted to the Accounting Division, OCA, the required monthly reports on the court's financial records during her accountability period. On the other hand, it was found that the total shortages, of which respondent is accountable, amounted to Php 246,118, itemized in detail in the said report as follows:

FUND/ACCOUNT NAME	SHORTAGES
Fiduciary Fund	P58,400.00
Judiciary Development Fund	21,656.30
Special Allowance for the Judiciary Fund	73,783.60
Mediation Fund	91,500.00
Legal Research Fund	508.10
Land Registration Authority	270.00
TOTAL SHORTAGES	P246,118.00

It was also established that several ORs issued by respondent were tampered with. These findings, according to the report, were in full accord with Judge Efondo's findings in his Investigative Report. Notably, respondent failed to reconstitute the shortages found in the initial audit within the period given to her by this Court.^[17]

The audit team, thus, recommended that respondent be found guilty of dishonesty and falsification of public documents and as such, be dismissed from service with forfeiture of all benefits, except her accrued leave credits, and with prejudice to re-