

SECOND DIVISION

[G.R. No. 220481, February 17, 2016]

**VICTOR S. LIMLINGAN AND EMMANUEL A. LEYCO, PETITIONERS,
VS. ASIAN INSTITUTE OF MANAGEMENT, INC., RESPONDENT.**

[G.R. No. 220503]

**ASIAN INSTITUTE OF MANAGEMENT, INC., PETITIONER, VS.
VICTOR S. LIMLINGAN AND EMMANUEL A. LEYCO,
RESPONDENTS.**

DECISION

LEONEN, J.:

For resolution are Petitions for Review on Certiorari^[1] assailing the Decision^[2] dated January 13, 2015 and Resolution^[3] dated September 1, 2015 of the Court of Appeals Manila in CA-G.R. SP No. 135116.^[4] The case stems from the enforcement of the Court of Appeals Decision dated May 4, 2010, which attained finality on July 25, 2011.^[5]

A Complaint for "illegal suspension, non-payment of salaries, deprivation of medical benefits, life insurance and other benefits, damages and attorney's fees"^[6] was filed by Victor S. Limlingan (Limlingan) and Emmanuel A. Leyco (Leyco) against Asian Institute of Management (AIM).^[7]

In the Decision^[8] dated February 26, 2008, Labor Arbiter Napoleon M. Menese declared that Limlingan and Leyco's suspension was illegal and ordered AIM to pay the salaries and benefits withheld during the suspension, as well as 10% of the amount for attorney's fees:

WHEREFORE, all foregoing premises considered, judgment is hereby rendered, declaring that the one (1) year suspension of complainants VICTOR S. LIMLINGAN and EMMANUEL A. LEYCO was illegal. Accordingly, respondent ASIAN INSTITUTE OF MANAGEMENT, INC. (AIM) is hereby ordered to pay aforementioned complainants their withheld salaries and other benefits resulting from the said illegal suspension, plus Ten percent (10%) thereof as and for Attorney's fees. Respondent AIM is also ordered to delete from complainants' employment record the aforesaid penalty of suspension.

. . . .

SO ORDERED.^[9]

In its July 4, 2008 Resolution,^[10] the National Labor Relations Commission modified the Labor Arbiter's Decision as follows:

WHEREFORE, premises considered, the instant appeal is hereby **PARTIALLY GRANTED**. The decision of the Labor Arbiter is hereby **MODIFIED** in finding complainants-appellees suspension is valid for six (6) months only. Consequently, respondent-appellant ASIAN INSTITUTE OF MANAGEMENT is hereby directed to pay the complainants-appellees their salaries half (1/2) year salary and the amount of P50,000.00 each as indemnity in form of nominal damages for their failure to observe complainants-appellees' right to due process.

SO ORDERED.^[11] (Emphasis in the original)

Limlingan and Leyco and AIM filed their respective motions for reconsideration,^[12] which were denied in the National Labor Relations Commission Resolution^[13] dated October 13, 2008:

ACCORDINGLY, let both Motions for Reconsideration be, as they are hereby, **DENIED** for lack of merit. The resolution dated 04 July 2008 **STANDS** undisturbed.

No further motion of similar nature shall be entertained.

SO ORDERED.^[14] (Emphasis in the original)

Both parties appealed the Commission's Resolution to the Court of Appeals through certiorari.^[15] On May 4, 2010, the Court of Appeals promulgated the Decision^[16] modifying the findings of the National Labor Relations Commission:

WHEREFORE, the Petition is partially granted. The Resolution, dated July 4, 2008, of the NLRC is modified in that the penalty of suspension is deleted and instead, the penalty of formal reprimand is imposed on petitioners. Respondent AIM is hereby directed to pay petitioners their one-year salaries corresponding to the period during which they were suspended and Php50,000.00 each as indemnity in the form of nominal damages for its failure to observe the procedure laid down in the Policy Manual for Faculty for disciplining faculty members for dysfunctional behavior.

SO ORDERED.^[17] (Emphasis in the original)

The separate motions for reconsideration of Limlingan and Leyco and of AIM were denied by the Court of Appeals.^[18]

The parties filed their respective Petitions for Review before this court.^[19] In the Resolution^[20] dated November 17, 2010, the Petitions were consolidated, and AIM's Petition docketed as G.R. No. 193598 was denied.^[21] Thus:

The Court, after a review of the records, further resolves to **DENY** the petition for review on certiorari in **G.R. No. 193598** for failure to show that a reversible error was committed by the CA in its Decision dated 4

May 2010 and Resolution dated 27 August 2010 in CA-G.R. SP No. 106714 when it held that respondents' acts of issuing and disseminating the 27 February 2007 letter cannot be considered as dysfunctional behaviour under the Institute's Policy Manual for Faculty and serious misconduct and willful breach of trust and confidence under Article 282 of the Labor Code, thus warranting the reduction of the penalty of suspension to formal reprimand.^[22] (Emphasis in the original)

On January 31, 2011, this court issued the Resolution^[23] likewise denying Limlingan and Leyco's Petition:

The Court, after a review of the records, resolves to **DENY** the petition for review on certiorari in **G.R. No. 193586** for failure to show that a reversible error was committed by the Court of Appeals in its Decision dated 4 May 2010 and Resolution dated 27 August 2010 in CA-G.R. SP No. 106714 considering that petitioners failed to convince the Court that no valid and compelling reasons existed which excused the belated filing of respondents' appeal before the National Labor Relations Commission; and that their act of releasing the subject demand letter and the manner by which copies of the same were distributed merited the imposition upon them of the penalty of a formal reprimand.^[24] (Emphasis in the original)

On March 28, 2011 and June 8, 2011, this court denied with finality the separate motions for reconsideration of both parties.^[25] The Court of Appeals' May 4, 2010 Decision in CA-G.R. SP No. 106714 then became final and executory on July 25, 2011.^[26]

Limlingan and Leyco filed a Motion for Issuance of Writ of Execution and a Motion for Re-computation of Monetary Award before the National Labor Relations Commission.^[27] AIM filed a Manifestation stating that it had already computed Limlingan and Leyco's monetary award and tendered payment based on that computation.^[28] A pre-execution conference was held on November 6, 2013; however, "the parties failed to reach an agreement."^[29]

On November 29, 2013, the Labor Arbiter issued an Order,^[30] which reads:

WHEREFORE, premises considered, this Labor Arbiter hereby declares that the additional computation submitted by complainants as stated above is allowed, accepted, and to be added to the computation submitted by the CEU thereby respondent ASIAN INSTITUTE OF MANAGEMENT, INC. (AIM) is ordered to pay complainants, VICTOR S. LIMLINGAN and EMMANUEL A. LEYCO the amount of P3,034,586.45 and P1,984,765.19, respectively, immediately, representing their unpaid salaries and benefits, court order indemnification, and legal interests as computed plus the ten (10%) percent attorney's fees.

SO ORDERED.^[31] (Emphasis in the original)

The parties elevated the case to the National Labor Relations Commission. The Commission allowed in Limlingan and Leyco's computation their (a) salaries during

the period of suspension; and (b) book/medical allowance.^[32] However, the Commission reduced the amounts awarded by the Labor Arbiter.^[33] It also allowed payment for health insurance premiums, but only for those amounts supported by documentary evidence.^[34] The Commission likewise found that there was basis to impose legal interest at the rate of 12% per annum on the monetary award counted from the date of finality of the Court of Appeals Decision.^[35] It ruled that the award of attorney's fees had attained finality as AIM did not appeal the issue before.^[36]

The dispositive portion of the National Labor Relations Commission Resolution^[37] provides:

WHEREFORE, premises considered, the instant petition is **PARTIALLY GRANTED**. The 29 November 2013 Order of Labor Arbiter Quintin B. Cueto III is hereby **MODIFIED** as follows:

1. The award of 13th month pay is hereby reduced to P94,502.40 (Limlingan) and P50,199.77 (Leyco), respectively;
2. The award of P80,000.00 as health insurance premium in favor of private respondent Limlingan is reduced to P19,520.80;
3. The Variable Compensation Faculty Share in Executive Program Revenues is reduced to P54,411.27 each.
4. The award of interest at the rate of 6% per annum counted from the date of their illegal suspension until the finality of the Court of Appeals' Decision is deleted.

The rest of the Order stands.

The Computation and Examination Unit is directed to compute private respondents' monetary awards in accordance with this judgment.

SO ORDERED.^[38] (Emphasis in the original)

AIM filed before the Court of Appeals a Petition for Certiorari assailing the National Labor Relations Commission Resolutions dated December 27, 2013 and February 19, 2014.^[39]

In the Decision dated January 13, 2015, the Court of Appeals partly granted the Petition.^[40] The Court of Appeals modified the rate of interest applicable to the award.^[41] The dispositive portion of the Court of Appeals Decision reads:

WHEREFORE, the present Petition is **PARTLY GRANTED**. The assailed National Labor Relations Commission Third Division's Resolutions dated December 27, 2013 and February 19, 2014, respectively, in LER Case No. 12-361-13 (NLRC NCR Case No. 09-10148-07) are **AFFIRMED** with the only **MODIFICATION** that the private respondents are only entitled to the legal interests at the rate of 6% per annum from the time the Decision of the Court of Appeals (in CA-G.R. No. 106714, promulgated on May 4, 2010) became final until full satisfaction thereof. We, however,

affirm in all other aspects.

SO ORDERED.^[42] (Emphasis in the original)

The Court of Appeals denied the parties separate motions for reconsideration.^[43]

For the second time, the parties come before this court, asking that we resolve the remaining issues in this case. They assail the Court of Appeals Decision dated January 13, 2015 and Resolution dated September 1, 2015 in CA-G.R. SP No. 135116.

In **G.R. No. 220481**, Limlingan and Leyco raise the lone issue of whether they are entitled to interest at the rate of 12% per annum computed from the finality of the Court of Appeals' May 4, 2010 Decision (or on July 25, 2011) up to June 30, 2013, and 6% per annum from July 1, 2013 until full satisfaction of the award.^[44]

According to Limlingan and Leyco:

[A] careful reading of the case of *Nacar v. Gallery Frames, et al.* would show that the Honorable Supreme Court computed the amount of legal interests by applying the interest rate of 12% per annum for the period beginning from the finality of the Decision until 30 June 2013 and the legal interest rate of 6% from 1 July 2013 until full settlement of the monetary award.^[45]

Limlingan and Leyco argue that the Court of Appeals erred when it ruled that they were only entitled to interest at the rate of 6% per annum from the finality of the May 4, 2010 Decision of the Court of Appeals until full satisfaction of the award.^[46]

In **G.R. No. 220503**, AIM argues the following:

First, Leyco is not entitled to the award of health insurance premium in the amount of P44,725.32.^[47] He is not entitled to the additional amount of P5,550.00 allegedly incurred on September 2, 2007 for emergency medical services.^[48] The suspension of Leyco's health insurance coverage was justified as he was then suspended for the infraction he committed against AIM.^[49]

AIM argues that Limlingan and Leyco are only entitled to the amounts of premium that were supposed to be withheld by AIM and remitted to the health maintenance organization Philamcare.^[50] Instead, they are only entitled to the premium of P9,760.40 multiplied by the number of the beneficiary and his or her dependents.^[51] Leyco has three (3) dependents—a wife and two children—and therefore, his premiums should be computed as: $P9,760.40 \times 4 = P39,041.60$.^[52]

However, while suspended, Leyco requested that his Philamcare subscription be reinstated and that the cost of the premium be charged to his account.^[53] Leyco paid only P39,225.32, as evidenced by Official Receipt No. 0156174-A.^[54]

Second, Limlingan and Leyco are not entitled to legal interest from the time the Court of Appeals' May 4, 2010 Decision became final until its full satisfaction since