

EN BANC

[A.M. No. P-12-3099, January 15, 2013]

**OFFICE OF THE COURT ADMINISTRATOR, COMPLAINANT, VS.
LARRIZA P. BACANI, CLERK OF COURT IV, MUNICIPAL TRIAL
COURT IN CITIES, MEYCAUAYAN, BULACAN, RESPONDENT.**

RESOLUTION

PER CURIAM:

This administrative case stemmed from a financial audit of the books of accounts of the Municipal Trial Court in Cities of Meycauayan, Bulacan (MTCC Meycauayan) conducted by the audit team from the Office of the Court Administrator (OCA) on 16 January 2012. The audit covered the accountabilities of: (1) Clerk of Court IV Larriza P. Bacani^[1] (Bacani) from September 1996 to August 2008, from April 2009 to October 2009, and from September 2010 to January 2012; and (2) Cashier I Veiner P. Villafuerte (Villafuerte) from September 2008 to March 2009 and from November 2009 to August 2010.

The audit sought to reconcile the books of accounts of Bacani, who was on frequent leave of absence due to travel abroad. During the audit, Villafuerte acted as Officer-in-Charge as Bacani was on leave from 13 to 16 January 2012 due to travel abroad.

Thereafter, the audit team submitted the following findings:^[2]

- (1) During the preliminary cash count, the total cash on hand was only P12,441.50 when it should have been P23,507.00. Thus, there was a cash shortage of P11,065.50. As the Officer-in-Charge at that time, Villafuerte was asked to explain in writing the cash shortage. On 16, 18 and 19 January 2012, Villafuerte made piece-meal restitutions totalling P23,507.00.
- (2) Upon inventory of used and unused official receipts, two unused booklets of official receipts, with series numbers 6242001-6242050 and 8839451-8839500, were unaccounted.
- (3) On the Fiduciary Fund (FF), the audit team found a shortage of P2,000.00 due to double withdrawal on 5 September 2001 and 21 November 2002 of the cash bond posted for Criminal Case No. 2000-775 under O.R. No. 9890088. Furthermore, a High Yield Savings Account (HYSA) existed containing FF collections, contrary to OCA Circular No. 23-2009.^[3] Upon instruction from the audit team, Bacani closed the HYSA with an amount of P2,959,576.09 and transferred the same to the existing FF account on 2 February 2012.
- (4) On the Sheriff's Trust Fund (STF), the audit team advised Bacani to withdraw the outstanding STF collections totalling P61,920.00 from the FF account and to open a new separate savings account for STF collections. On 8 February 2012, Bacani complied.
- (5) On the Judiciary Development Fund (JDF), Bacani incurred a

shortage of P425.00 upon audit for the periods: September to December 1996, October to November 2004, and February 2005.

- (6) On the General Fund (Old), Bacani erroneously deposited P8,947.00 to this account which amount pertains to the Special Allowances for the Judiciary Fund (SAJF). Upon accounting, a shortage of P6.00 was noted.
- (7) On SAJF, Bacani incurred a final accountability of P1,385.20 due to the net result of her over deposit of P714.80 in November 2004 and under remittance of P2,100.00 in January and February 2005.
- (8) On the Mediation Fund (MF), the audit team found a shortage of P5,000.00 due to lack of deposit slips as proofs of remittances for the months of November and December 2004. Because Bacani failed to produce the deposit slips, she opted to deposit the amount on 24 February 2012.
- (9) The audit team further reported that the collections for the General Fund, JDF and SAJF were not deposited on time, causing a total of P5,161.73 unearned interest, to wit:

For the General Fund (Old):

Month/ Year	Number of days delayed	Amount	Unearned Interest
June 2002	67	3,811	42.56
July 2002	63	8,215	86.26
August 2002	174	7,184	208.34
September 2002	173	6,610	190.59
October 2002	113	3,216	60.57
November 2002	86	2,452	35.15
December 2002	58	3,276	31.67
January 2003	41	5,570	38.06
February 2003	70	5,150	60.08
March 2003	50	5,144	42.87
April 2003	75	3,836	47.95
May 2003	87	4,574	66.32
June 2003	73	5,768	70.18
July 2003	117	3,932	76.67
August 2003	150	5,093	127.33
September 2003	120	7,724	154.48
October 2003	174	1,498	43.44
November 2003	144	545	13.08
TOTAL		83,598	1,395.58

For the JDF:

Month/ Year	Number of days delayed	Amount	Unearned Interest
June 2002	67	37,079	414.05

July 2002	63	41,581	436.60
August 2002	174	32,601	945.43
September 2002	144	36,815	883.56
October 2002	113	23,314	439.08
TOTAL		171,390	3,118.72

For SAJF:

Month/ Year	Number of days delayed	Amount	Unearned Interest
January 2004	115	5,701	109.27
February 2004	121	6,265	126.34
March 2004	118	3,386	66.59
April 2004	90	1,682	25.23
May 2004	93	4,137	64.12
June 2004	63	2,773	29.12
July 2004	40	2,984	19.89
January 2005	136	9,126.40	206.87
TOTAL		36,054.40	647.43

- (10) Finally, the audit team observed that (a) there was poor filing system; (b) the prescribed Legal Fees Form was not used; (c) only one Legal Fees Form was used for a number of cases; (d) there was no certification at the end of each month; and (e) the form "original signed" for court orders was being used when refunding cash bonds, when the order should be manually signed by the Judge.

In her letter dated 24 February 2012, Bacani explained that she did not notice the delays in deposits of collections due to her workload. She added that when she is on leave, she delegates her functions to Villafuerte who attends to voluminous transactions being the Officer-in-Charge and Cashier at the same time. On the shortages in collections, Bacani admitted her accountabilities. On 24 February 2012, she deposited the total amount of P8,816.20 for her shortages in the: (a) JDF of P425.00, (b) General Fund of P6.00, (c) SAJF of P1,385.20, (d) MF of P5,000.00, and (e) FF of P2,000.00.

On 27 February 2012, Villafuerte explained in his letter that during the preliminary cash count, the alleged P11,065.50 shortage was in a steel cabinet, although he could not find it upon demand by the audit team. Villafuerte claimed that thereafter on the same day, he found the money inserted and stapled in one of the folders inside the steel cabinet. He then deposited the total collections. He explained that his additional functions as Officer-in-Charge affected his functions as Cashier.

In a Memorandum dated 3 October 2012 addressed to the Office of the Chief Justice, the audit team made the following recommendations, which the OCA adopted:

(1) this report be **DOCKETED** as a regular administrative matter against **Ms. LARRIZA P. BACANI**, Clerk of Court IV, Municipal Trial Court in Cities, Meycauayan City, Bulacan, and she be **FINED** in the amount of **Five Thousand Pesos (P5,000.00)** for failure to deposit her collections on time thereby depriving the government of the supposed interest that should have been earned from such collections;

(2) **Ms. LARRIZA P. BACANI**, Clerk of Court IV, Municipal Trial Court in Cities, Meycauayan City, Bulacan, be **DIRECTED** to:

(2.a) **PAY** and **DEPOSIT** to the **Judiciary Development Fund (JDF)** the total amount of Five Thousand One Hundred Sixty One Pesos and 73/100 (**P5,161.73**), representing the interest earned, computed using the legal rate of six percent (6%) interest per annum, for not remitting the collections of the following funds on time, to wit:

FUND	Total Delayed Deposit	Total Unearned Interest at 6% per annum
JDF	171,390.00	3,118.72
GF	83,598.00	1,395.58
SAJF	36,054.40	647.43
TOTAL	291,042.40	5,161.73

(2.b) **ACCOUNT** for the missing official receipts issued by the Court to the Municipal Trial Court in Cities, Meycauayan City, Bulacan, with series nos.

- 6242001-6242050
- 8839451-8839500

(2.c) **STERNLY WARNED** that a repetition of any of the infractions committed [*i.e. (a) not remitting the court's collections on time that deprived the Court of the interest that should have been earned if the collections were deposited on time and (b) for not orderly safekeeping and safeguarding of (sic) the court's files and records which resulted to the lost (sic) of some deposit slips and official receipts*] shall be dealt with **more severely**;

(3) **Mr. VEINER [P.] VILLAFUERTE**, Cashier I, Municipal Trial Court in Cities, Meycauayan City, Bulacan, be **STERNLY WARNED** that a repetition of not depositing the court's collections on time, shall be dealt with more severely;

(4) **Hon. CECILIA SANTOYO-TALAPIAN**, Executive Judge, Municipal Trial Court in Cities, Meycauayan City, Bulacan, be **DIRECTED** to strictly **MONITOR** the financial transactions of the court and be **REMINDED**