

FIRST DIVISION

[A.M. No. P-11-3006 [Formerly A.M. No. 11-9-105-MTCC], October 23, 2013]

**THE OFFICE OF THE COURT OF ADMINISTRATOR, COMPLAINANT,
VS. MA. THERESA G. ZERRUDO, CLERK OF COURT, MUNICIPAL
TRIAL COURT IN CITIES, ILOILO CITY, RESPONDENT.**

R E S O L U T I O N

SERENO, J.:

This is an administrative case filed by the Office of the Court Administrator (OCA) against Ma. Theresa G. Zerrudo (hereinafter Respondent Zerrudo), Clerk of Court for the Municipal Trial Courts In Cities (MTCC), Iloilo City.

The Audit Findings

On 4 May 2009, the OCA initiated a financial audit in view of an anonymous letter it received from concerned Office of the Clerk of Court (OCC) employees of MTCC-Iloilo City, alleging that respondent Zerrudo misappropriated court funds. The scope of the audit covered financial transactions from 12 September 2007 to 30 April 2009. The report contains the following findings:

- 1) Shortage amounting to P54,531.20;
- 2) Failure to present to the Financial Audit Team during the cash count the amount of P436,450.00 representing the undeposited Fiduciary Fund collections as of 30 April 2009;
- 3) Failure to deposit on time the Fiduciary Fund collections covering the period 3 March 2009 to 29 April 2009, amounting to P436,450.00; and
- 4) Failure to submit liquidation documents of the Sheriff's Trust Fund cash advance amounting to P35,000.00.

On 15 September 2009, then Court Administrator Jose P. Perez directed respondent to settle the shortage amounting to P54,531.20. The latter complied with the directive on 27 November 2009. Respondent also admitted her shortcomings to the OCA.

On account of another letter from a concerned employee dated 1 April 2010, the OCA ordered the conduct of another financial audit on allegations that respondent had misappropriated judiciary fund collection for her personal benefit. The scope of the second audit covered the period May 2009 to April 2010. The following

shortages were noted by the audit team:

Fund	Collections	Deposits	Shortage
Fiduciary Fund	P 3,083,014.00	P 2,571,832.00	P511,182.00
Sheriff's Trust Fund	P417,000.00	P 395,000.00	P 22,000.00
Judiciary Development Fund	P1,994,161.55	P1,855,712.45	P138,449.10

Based on the above findings, the OCA issued a Memorandum directing respondent to reconstitute the shortages found by the audit team and to furnish the Fiscal Monitoring Division, Court Management Office, OCA, copies of proofs of the settlements.

Respondent, in her Answer dated 31 May 2011, admitted her infractions and explained that the delay in her compliance was due to the death of her mother-in-law and the serious illness suffered by her son. She alleged that the shortages incurred as of 30 April 2010 were already settled. In response, the audit team noted that there were still discrepancies in the computations of respondent and emphasized that even after the audit, she continued to fail to deposit her collections promptly.^[1]

On 5 September 2012, another audit was conducted by the OCA covering the financial transactions from May 2010 to August 2012. The audit team reported the following findings:

Fund	Beginning Balance	Collections	Deposits	Shortage
Fiduciary Fund	P511,182.00	P7,175,089.80	P7,668,271.88	P17,999.92
Sheriff's Trust Fund	P20,000.00	P1,394,800.00	P1,396,300.00	P18,500.00
Judiciary Development Fund	P138,449.10	P3,828,978.70	P3,852,961.45	P114,466.35

The team noted again that respondent had still incurred delay in the remittance of collections to the Fiduciary Fund, Special Allowance for the Judiciary Fund and Judiciary Development Fund (JDF) accounts.

OUR RULING

After a thorough and judicious examination of the case records, we adopt the findings of the OCA.

The 2002 Revised Manual for Clerks of Court, Circular No. 50-95 dated 11 October 1995 requires all Clerks of Court to submit to the Chief Accountant of this Court a quarterly report on the Court Fiduciary Fund. A copy of the report must be furnished to the OCA, indicating the outstanding balance maintained with the depository bank or local treasurer. The report should also indicate the date, nature and amount of all deposits and withdrawals within that period.