

EN BANC

[A.M. No. P-11-2950 (Formerly A.M. No. 11-6-62-MCTC), January 17, 2012]

**RE: REPORT ON FINANCIAL AUDIT CONDUCTED AT MCTC,
SANTIAGO-SAN ESTEBAN, ILOCOS SUR**

DECISION

LEONARDO-DE CASTRO, J.:

The administrative case at bar arose from the judicial audit of the Municipal Circuit Trial Court (MCTC) of Santiago-San Esteban, Ilocos Sur.

The Court Management Office (CMO) of the Office of the Court Administrator (OCA) conducted a judicial audit and physical inventory of cases in said MCTC, in view of (1) the compulsory retirement of Angeles J. Ancheta (Ancheta), MCTC Clerk of Court II, on August 2, 2006; (2) the request made on August 6, 2008 by Febella J. Guillermo, Officer-in-Charge, Accounting Division, Finance Management Office, OCA, for an immediate audit of Virginia D. Hufana (Hufana), MCTC Officer-in-Charge (OIC) Clerk of Court II, from August 1, 2006 to June 30, 2008, for her failure to submit monthly reports;^[1] and (3) the Memorandum dated July 9, 2009 of then MCTC Acting Presiding Judge Juvencio S. Gascon and letter dated July 16, 2009 of then Executive Judge Isidro T. Pobre of the Regional Trial Court (RTC), Narvacan, Ilocos Sur, requesting a comprehensive audit of the financial records of the MCTC considering the assumption to duty of Estella E. Imperial (Imperial) as MCTC Clerk of Court II on July 1, 2008.

On August 31, 2007, then Court Administrator Christopher O. Lock requested^[2] authority from the Court to withhold Hufana's salaries given her continuous failure to submit the required monthly report of collections, deposits, and withdrawals for the Special Allowance for the Judiciary (SAJ), Judiciary Development Fund (JDF), Fiduciary Fund, and Sheriff's Trust Fund of the MCTC from August 2006 up to the time the request was made. The request was approved on September 18, 2007.

After the examination of the books of accounts of the MCTC Clerks of Court II, namely, Ancheta (March 1985 to July 31, 2006), Hufana (August 1, 2006 to June 30, 2008) and Imperial (July 1, 2008 to May 31, 2010), the CMO-OCA Audit Team submitted its Memorandum^[3] on October 11, 2010, with the following recommendations:

A. Ms. Angeles J. Ancheta be DIRECTED, within FIFTEEN (15) DAYS from RECEIPT of NOTICE, to:

1. DEPOSIT:

- 1- P389,700.00 to the court's Fiduciary Fund Savings
 - a. Account No. 1281-0814-50 with the Landbank of the Philippines [LBP], Candon City, Ilocos Sur Branch on account of the following:
 - Undeposited collections of P 335,700.00
December 1995 -July 31, 2006
 - Withdrawals with lacking 24,000.00
supporting documents (against
decided cases)
 - Withdrawals with lacking 30,000.00
supporting documents (against
active cases)
 - 1- P348.00 to the Bureau of Treasury Account with the LBP
 - b. to settle the unremitted interest of P400.00 (withdrawn on 1 February 1999 from the court's Fiduciary Fund Savings Account No. 188 with the Rural Bank of Cabugao, Inc., San Esteban, Ilocos Sur Branch) less the General Fund overremittance (in the years 2000-2002) totaling P52.00;

2. SUBMIT to the Chief of the Fiscal Monitoring Division, Court Management Office, OCA the:

- 2- Original copies of machine-validated deposit slips in
 - a. connection with the directives set forth in Items A(1-a) and A(1-b);
 - 2- Original copy of the passbook issued by the Rural Bank of
 - b. Santiago, Inc., Santiago, Ilocos Sur Branch for the court's Fiduciary Fund Savings Account No. 2297;
 - 2- Supreme Court official receipt booklet consisting of fifty
 - c. (50) sheets numbered 8279151 to 8279200; and
 - 2- Missing supporting documents of certain withdrawals
 - d. totaling P24,000.00; and

3. EXPLAIN, IN WRITING, WHY NO ADMINISTRATIVE SANCTION SHALL BE IMPOSED UPON HER for the:

- 3- Undeposited and unrefunded Fiduciary collections totaling
 - a. P335,700.00;
 - 3- Unremitted cashbond collections of P293,000.00 which
 - b. were refunded to bondsmen (from cash on hand) upon rendition of judgment by the court on certain criminal cases;
 - 3- WITHDRAWAL of a total of P47,000.00 against the court's
 - c. Fiduciary Fund Savings Account (with the LBP) although the cashbonds of the six (6) decided cases involved were not deposited to the aforementioned Account;
 - 3- ISSUANCE (for Fiduciary collections totaling P150,000.00
 - d. that went unreported) of, at the very least, six (6) receipts belonging to an official receipt booklet (consisting

of fifty (50) sheets numbered 8279151 to 8279200) which she failed to present to the audit team and reported as "mutilated," "not used" and "not assigned to any fund";

- 3- ISSUANCE of ORIGINAL copies of official receipts for e. Fiduciary collections totaling P277,000.00 (that were not reported to the court) and ISSUANCE of the corresponding TRIPLICATE copies for JDF collections totaling P200.00 (that were reported); and
- 3- ISSUANCE of the ORIGINAL and TRIPLICATE copies of OR f. No. 8279432 for cashbond collections with different collection dates, payors, litigants and amounts (P20,000.00 and P1,000.00, respectively) of which only the latter amount was reported to the court;

B. Ms. Virginia T. Hufana be DIRECTED within FIFTEEN (15) DAYS from RECEIPT of NOTICE, to:

1. DEPOSIT:

- 1- P24,000.00 to LBP Fiduciary Fund Savings Account No. a. 1281-0814-50, Candon City, Ilocos Sur Branch to cover withdrawals which were reverted to unwithdrawn pending the submission of the required supporting documents; and
- 1- P9,603.80 to Special Allowance for the Judiciary Fund b. Account No. 0591-1744-28 to settle unremitted collections of August 2006 to July 2008; and

2. SUBMIT to the Chief of the Fiscal Monitoring Division, Court Management Office, OCA the:

- 2- Original copies of machine-validated deposit slips in a. connection with the directives set forth in Items B(1-a) and B(1-b); and
- 2- Missing supporting documents of certain withdrawals b. totaling P24,000.00.^[4] (Citations omitted.)

Thereafter, Court Administrator Jose Midas P. Marquez submitted to the Court a Report^[5] dated May 27, 2011 recommending that:

- A. This Report be DOCKETED as a regular administrative complaint against Mesdames ANGELES J. ANCHETA and VIRGINIA T. HUFANA for dishonesty and grave misconduct in the handling of judiciary funds;

B. Hold Departure Orders be ISSUED against Mesdames ANGELES J. ANCHETA and VIRGINIA T. HUFANA to prevent them from leaving the country;

C. The OFFICE OF ADMINISTRATIVE SERVICES, OCA be DIRECTED to:

- C- COMPUTE the balance of the earned leave credits of
- 1. Mesdames ANGELES J. ANCHETA and VIRGINIA T. HUFANA and FORWARD the same to the Finance Division, Financial Management Office (FMO), OCA; and
- C- FURNISH the Finance Division, FMO, OCA with certified
- 2. true copies of their computerized service records and Notices of Salary Adjustment (NOSA);

D. The FINANCIAL MANAGEMENT OFFICE, OCA be DIRECTED to:

- D- COMPUTE and PROCESS the money value of leave credits
- 1. and other retirement benefits (net of deductions) due to Mesdames ANGELES J. ANCHETA and VIRGINIA T. HUFANA, including the withheld salaries and allowances of Ms. Hufana, and APPLY the same to their accountabilities, to wit:

D- ANGELES J. ANCHETA:

1(a).

P389,700.00 Landbank of the Philippines (LBP)
- Fiduciary Fund Savings Account No.
1281-0814-50, Candon City, Ilocos Sur
Branch

P348.00 - Bureau of Treasury Account with the LBP

D- VIRGINIA T. HUFANA

1(b).

P24,000.00 LBP Fiduciary Fund Savings Account No.
- 1281-0814-50, Candon City, Ilocos Sur
Branch

P9,603.80 - Special Allowance for the Judiciary Fund
Account No. 0591-1744-28

- D- COORDINATE with the Fiscal Monitoring Division (FMD),
- 2. Court Management Office, OCA on the release to the incumbent Clerk of Court of the checks to be applied to the shortages in order for the FMD to PROPERLY MONITOR the respondents' settlement of their accountabilities;

E. Mesdames ANGELES J. ANCHETA and VIRGINIA T. HUFANA be DIRECTED to DEPOSIT, WITHIN a NON-EXTENDIBLE PERIOD of ONE (1) MONTH from RECEIPT of NOTICE, any remaining balance of the indicated shortages to the corresponding fund accounts, after the money value of their leave credits and the total withheld salaries and allowances (net of deductions) had been applied to their accountabilities; and FURNISH the Chief, Fiscal Monitoring Division, Court Management Office, OCA with copies of the corresponding

machine-validated deposit slips;

F. The retirement benefits (after applying the same to their accountabilities), except accrued leave credits, of Mesdames ANGELES J. ANCHETA and VIRGINIA T. HUFANA be FORFEITED for dishonesty and grave misconduct, with prejudice to reemployment in the government service, including government-owned and controlled corporations;

G. The LEGAL OFFICE, OCA be DIRECTED to IMMEDIATELY FILE criminal and civil proceedings against Mesdames ANGELES J. ANCHETA and VIRGINIA T. HUFANA upon receipt of a Report from the Fiscal Monitoring Division, Court Management Office that they failed to reconstitute the portion of their shortages not covered by the money value of their leave credits and the withheld salaries and allowances (net of deductions);

H. Ms. ESTELLA E. IMPERIAL, incumbent Clerk of Court, be DIRECTED to:

H- DEPOSIT to the respective fund accounts (as instructed
1. by the Fiscal Monitoring Division [FMD], Court Management Office [CMO], OCA the checks to be sent to her by the Financial Management Office, OCA, to partially/fully settle the accountabilities of Mesdames ANGELES J. ANCHETA and VIRGINIA T. HUFANA; and FURNISH the Respondents and the Chief, FMD, CMO with copies of the machine-validated deposit slips; and

H- HOLD IN ESCROW, upon settlement by Mesdames
2. ANGELES J. ANCHETA and VIRGINIA T. HUFANA of their respective Fiduciary Fund shortages of P389,700.00 and P24,000.00, respectively, the amounts of P54,000.00 (representing the total withdrawals of Ms. Ancheta with lacking supporting documents) and P24,000.00 (representing the total withdrawals of Ms. Hufana with lacking supporting documents), which shall be REFUNDED to them partially (on a per case basis) or in its entirety upon their presentation of some or all of the missing documents to the court's Clerk of Court and the Chief, Fiscal Monitoring Division, Court Management Office, OCA; and

I. Acting Presiding Judge HOMER JAY D. RAGONJAN be DIRECTED to:

I- CLOSELY MONITOR the financial transactions of the court,
1. otherwise, he shall be held equally liable for the infractions committed by the employees under his supervision; and

I- STUDY and IMPLEMENT procedures that shall strengthen
2. the internal control over financial transactions.^[6]