

EN BANC

[A.M. No. CTA-05-2, September 04, 2009]

**OFFICE OF THE COURT ADMINISTRATOR, COMPLAINANT, VS.
CONCEPCION G. ESPINEDA, CASHIER, COURT OF TAX APPEALS,
RESPONDENT.**

D E C I S I O N

PER CURIAM:

This case stemmed from the report of Court of Tax Appeals (CTA) Presiding Justice Ernesto D. Acosta on certain irregularities in the reporting and handling of legal fees in the possession of respondent cashier. An initial investigation was conducted and a discrepancy of more than P2 million was discovered. Thus, herein respondent was relieved of her collecting and disbursing functions and was temporarily assigned in the Administrative Division of the CTA.

Acting on the report of CTA Presiding Justice Acosta, a financial audit in the CTA was conducted on November 9-19, 2004, covering the period July 1993 to October 2004. The audit team evaluated the internal control on cash management to determine whether the policies and procedures adopted by the CTA provide adequate security over handling of government money and property. The audit team also verified whether collections were correctly and completely recorded in the books of the Accountable Officer and the Subsidiary Ledger maintained by the Accounting Division of the Supreme Court and whether they have been timely deposited with the Land Bank. The accuracy of the computations of the legal fees was likewise determined.

It appears that during the conduct of the financial audit, herein respondent submitted a handwritten letter dated November 12, 2004 stating thus:

Ako si CONCEPCION G. ESPINEDA may asawa at apat na anak nagtatrabaho bilang CASHIER III ng Court of Tax Appeals na ako lahat ang may hawak ng Official Receipts at tumatanggap lahat ng mga nagbabayad ng lahat ng legal fees para sa Court of Tax Appeals.

Na inaamin ko na ako and gumawa ng mga resibo na tampered na iba ang amount sa original kay sa duplicate. Ako rin po and gumagawa ng mga report of collection na pinapadala sa Supreme Court. Ako rin po and nagcertify sa sariling kong report at hindi ko pinacertify kahit kanino. Nagawa ko po itong pagkakasala dahil may nakilala akong kaibigan na ang pangalan po ay si MYRNA CASTRO at inalok ako ng NET WORKING daw na negosyo na hindi ko alam na isang PYRAMID pala. Na hypnotize po siguro ako kung kayat malaking halaga ang nakuha sa akin at it ay umabot siguro sa halagang Dalawang Milyon at kalahati.

Humihihi po ako ng pangalawang pagkakataon para maitama ko kung ano mang mali kong nagawa. Nakahanda po ako magbalik ng halagang nakuha ko sa pamamagitan ng paghulog buwan-buwan sa loob ng isang taon.

Umaasa po ako na diringgin nyo ang aking mga paki-usap sapagkat ako po ay nasa serbisyo ng Court of Tax Appeals sa loob ng dalawampung apat na taon. Ito po lang ang opisina na pinagtrabahuan mula po ako ng makatapos sa kolehiyo. Wala po akong masamang record kahit kanino man kayo magtanong sa aking pagkatao.

Ang mga pahayag na ito ay kusa kong ginawa para maipaliwanag ang mga pangyayari na kinasasangkutan ko sa opisina.

Maraming salamat po at binigyan nyo ako ng pagkakataon na makapagpaliwanag.

November 12, 2004
ESPINEDA

(Sgd).
CONCEPCION G.

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EXCISE ST. BIR HOUSING
WEST FAIRVIEW QC

On November 16, 18, 2004, and December 16, 2004, respondent restituted the amounts of P55,601.00, 25,000.00 and 20,000.00, respectively, or a total of P100,601.00.

On February 4, 2005, the audit team submitted its Partial Report which found that there were (a) unaccounted checks; (b) unaccounted official receipts; (c) unreported collections for the Judiciary Development Fund (JDF); and (d) undeposited collections for the JDF. The audit team likewise noted that the procedures and practices in the Cashier's Office did not provide adequate control over financial transactions.

The audit team's findings are herein reproduced as follows:

1. **Unaccounted checks on hand during cash count**

During the cash count on November 9, 2004, the Acting Cashier, Mr. Adrian P. Manaois presented to the Team the amount turned over by the former Cashier. Included in the cash are checks which cannot be traced to collections from the date of turn over to the date of cash count. Hence, we cannot immediately determine if there is a shortage or overage in the collection. We advised the immediate deposit of the cash and checks presented to us as follows:

FUND	OR NOS.	TOTAL ACCOUNTABILITY	CASH AND CHECKS PRESENTED	SHORTAGE (Overage)

		(Oct. 28 - Nov. 9, 2004)		
		A	B	A-B
JDF	18938618 to 18938636	52,823.00	46,753.25	6.069.75
SAJ	9726506 to 9726525	5,800.00	5,800.00	0
LRF	1466001 to 1466002	484.09	484.25	(0.16)
VCF	4046155 to 4046180	130.00	130.00	0
Sub-total		59,237.09	53,167.50	6,069.59
Unaccounted checks			1,398,310.40	(1,398,310.40)
TOTAL CASH AND CASH ITEMS PRESENTED			1,451,477.90	

2. **Unaccounted Official Receipts**

There are series of official receipts which were not presented to the Audit Team. Review of case folders reveals the following improper use of official receipts:

a) Triplicate copies of official receipts were blank but included in the Monthly Report of Collections and Deposits. Although the amount reported is the same as that of the amount indicated in the case folders, the following official receipts were not prepared in triplicate copies as prescribed, hence, the amount indicated is of doubtful validity.

10655001	P17,183.00
10655002	50,000.00
10655003	70.00
10655005	29,769.00
10655008	18.00

b) The following series of official receipts were reported as cancelled or missing but when traced to case folders, they were validly issued, resulting to unreported and undeposited collections.

10655637	P34,099.74	10655880	P 96.00
10655009	195.00	10655884	52,801.83
10655800	53,083.62	10655930	4,800.00
10655803	50,300.00	10655961	5,626.19
10655840	33,739.51	10655964	19,022.34
10655855	37,491.93	10655976	5,299.63

c) Triplicate copies of the following official receipts were missing from the booklet and not included in the Monthly Report of Collections but when traced to case folders, they were validly issued, resulting to unreported and undeposited collections.

10655659	P 78.00
10655758	113,600.44
18937582	18,461.97

d) Official Receipt was used twice. Both issuances were not reported.

10655762	P60.00 Per triplicate OR issued to ACCRA Law Office	52,300 Per case folder issued to El Greco Ship Manning
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e) Official receipts were part of the series issued for JDF collections but not included in the Monthly Report of Collections. The undetermined amounts collected were not also deposited. (See Annex A for the serial numbers of official receipts)

PERIOD	NO. OF OR's
2002	42
2003	81
TOTAL	123

f) The following series of official receipts contains the same petitioner, with the same case number and amount of legal fees. The first series of official receipts (column A) were presented to the Audit Team and included in the report submitted to the SC Accounting Division. The same were not traced to the case folders. The triplicate copies of the second series of official receipts (column B) were not presented to the audit team and not included in the monthly report prepared by the Cashier. However, we were able to trace them in the case folders. The amounts (column C) were based on the amounts indicated on the case folders. Hence, we cannot determine the actual collections using these sets of official receipts.

	PETITIONER	CASE NO.	DATE	OFFICAL RECEIPTS Reported in Acctg. but did not appear in case folders	OFFICAL RECEIPTS Not reported in Accounting but indicated in case folders as	AMOUNT

					payment for the particular case	
				(A)	(B)	(C)
1.	Tropitek Int'l.	6499	6-28-02	10655251	10655207	13,383.00
2.	Sumisitshu	6500	6-28-02	10655252	10655208	28,005.00
3.	Dunlop Slazenger	6501	6-24-02	10655253	10655209	7,705.00
4.	Ironcorn Builders	6502	6-28-02	10655254	10655210	49,800.00
5.	Tekenaka Corp. Phil.	6503	7-01-02	10655255	10655212	6,983.00
6.	Metropolitan Bank	6504	7-02-02	10655262	10655218	49,800.00
7.	Allied Banking	6505	7-03-02	10655263	10655219	49,800.00
8.	Pilipinas Shell Petroleum	6506	7-08-02	10655265	10655221	49,800.00
9.	Hyatt of Hongkong	6507	7-17-12	10655272	10655228	39,975.00
10.	Bristo Myers	6508	7-18-02	10655274	10655230	49,800.00
11.	ECW Joint Ventures	6509	7-18-02	10655275 P890	10655231	49,800.00
12.	Antam Pawnshop	6510	7-18-02	10655276 P1,002.00	10655232	2,425.00
13.	PNB	6511	7-18-02	10655277	10655233	41,060.00
14.	UCPB	6512	7-22-02	10655284	10655240	49,800.00
15.	Applied Food Ingredients	6513	7-23-02	10655285	10655241	49,800.00
16.	Marubeni Phil. Inc.	6514	7-24-02	10655289	10655245	48,415.00
17.	Mirant Phil. Energy	6515	7-24-02	10655290	10655246	49,800.00
18.	Metroplitan Bank	6516	7-12-02	10655291	10655247	4,939.00
19.	Unilever Phils.	6517	7-25-02	10655293	10655249	49,800.00
20.	Gov't. of Singapore	6745	8-11-03	18937401	18937253	31,368.33
21.	St. Lukes Medical	6746	8-11-03	18937404	18937254	118,363.12
22.	Estate of Fidel Reyes	6747	8-12-03	18937407	18937257	51,114.18
23.	Agencia Exquisite	6748	8-14-03	18937413	18937265	1,425.00
24.	Public Estate	6750	8-15-	18937415	18937268	161,466.62