



Republic of the Philippines  
**Supreme Court**  
Manila

**FIRST DIVISION**

**RE: REPORT ON THE FINANCIAL  
AUDIT CONDUCTED AT THE  
MUNICIPAL TRIAL COURT,  
BALIUAG, BULACAN**

**A.M. No. P-15-3298**  
[Formerly A.M. No. 10-11-120-MTC]

Present:

SERENO, *CJ*, Chairperson,  
LEONARDO-DE CASTRO,  
BERSAMIN,  
\*VILLARAMA, JR., and  
PERLAS-BERNABE, *JJ*.

Promulgated:

**FEB 04 2015**

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**RESOLUTION**

***SERENO, CJ:***

This is an administrative matter stemming from a financial audit conducted at the Municipal Trial Court in Baliuag, Bulacan, on the books of accounts of Ms. Anita S. Cruz, former Clerk of Court; Ms. Adelina A. Ramirez and Ms. Emilia A. Miranda, Officers-in-Charge (OICs)/Clerks of Court of said court, covering the period 1 March 1985 to 31 July 2008.

On 11 March 2009, the Audit Team issued a Financial Audit Report<sup>1</sup>. It directed, among others, Ms. Cruz to explain in writing why she should not be held administratively liable for the late remittances of collections for the Fiduciary Fund account, which had accumulated to ₱1,230,780; and Ms. Miranda to reconstitute the shortage in the amount of ₱980,234 and to explain in writing why she should not be administratively dealt with for the shortages incurred for the different fund accounts.

On 11 and 13 March 2009, two separate Memoranda<sup>2</sup> was mailed to the abovementioned court personnel.

\* Designated additional member in lieu of Associate Justice Jose Portugal Perez per raffle dated 2 February 2015.

<sup>1</sup> *Rollo*, pp. 22-31.

<sup>2</sup> *Id.* at 39-40 and 44-45.

In her letter<sup>3</sup> dated 28 April 2009, Ms. Cruz explained that the delay in the remittances of Fiduciary Fund collections amounting to ₱1,230,780, as of September 2004, admittedly occurred when she lost track of her duties as accountable officer because of family problems and health conditions. She recounted that her mother died of cancer in December 2000. In June 2001, her uncle, who acted as her father, also died of lung cancer. The following year, in April, her brother died of acute leukemia. In May of same year, her father-in-law also succumbed to cancer of the pancreas. In April 2003, her husband died due to heart attack. In 2004, Ms. Cruz herself was diagnosed with colon cancer. Attached to her letter were the Death Certificates of her family members.

On 10 February 2008, Ms. Cruz retired from the service.<sup>4</sup>

With respect to Ms. Miranda, she failed to comply with the directives addressed to her through Memorandum dated 13 March 2009, which was reiterated in another Memorandum dated 24 September 2009.<sup>5</sup> In a letter<sup>6</sup> dated 11 March 2010, Ms. Miranda filed her resignation as Court Interpreter, effective immediately due to health reasons.

On 15 October 2010, the Office of the Court Administrator (OCA) issued a Memorandum<sup>7</sup> with the following recommendations:

- 1. This report be docketed as a regular administrative complaint against MS. EMILIA A. MIRANDA, former OIC-Clerk of Court, Municipal Trial Court, Baliuag, Bulacan, for dishonesty, gross neglect of duty, and grave misconduct; and against Ms. Anita Cruz for failure to deposit her collections on time depriving the court of the interest earned if the same were deposited on time;
- 2. The DIRECTIVE to Ms. EMILIA A. MIRANDA, former OIC-Clerk of Court, be REITERATED within ten (10) days from receipt of notice to:

2.1. RESTITUTE the shortages incurred on the following funds:

<u>Fund</u>	<u>Amount</u>	
Fiduciary Fund	₱565,000.00	Schedule 2
Special Allowance for the Judiciary Fund	83,036.40	Schedule 1
Mediation Fund	315,500.00	Schedule 3
Judiciary Development Fund	7,754.00	Schedule 4
Victim’s Compensation Fund	730.00	Schedule 5
Legal Research Fund	8,213.60	Schedule 6
<b>Total</b>	<b>₱980,234.00</b>	

2.2. SUBMIT to the Fiscal Monitoring Division, FMO-OCA, the copies of machine validated deposit slips, all within ten (10) days from receipt of notice as proof of compliance in items 2.1.

<sup>3</sup> Id. at 42-43.  
<sup>4</sup> Id. at 17.  
<sup>5</sup> Id. at 46.  
<sup>6</sup> Id. at 47.  
<sup>7</sup> Id. at 1-3.

3. Ms. EMILIA A. MIRANDA be DISMISSED from the service for gross dishonesty, gross neglect of duty, and grave misconduct with forfeiture of all benefits except accrued leave credits and with prejudice to reemployment in any branch or instrumentality of the government, including government-owned and-controlled corporation[s] or in case of failure to restitute the shortages amounting to ₱980,234, including fine of ₱20,000, the money value of her accrued leave credits shall be applied to her accountabilities dispensing with the usual documentary requirements;
4. FINANCIAL MANAGEMENT OFFICE, OFFICE OF THE COURT ADMINISTRATOR be DIRECTED to:

4.1. PROCESS the terminal leave pay benefits of Ms. Emilia A. Miranda dispensing with the usual documentary requirements and to APPLY to the shortages found on her books of accounts in the order of priority as follows:

<u>Fund</u>	<u>Amount</u>	
Fiduciary Fund	P565,000.00	Schedule 2
Special Allowance for the Judiciary Fund	83,036.40	Schedule 1
Mediation Fund	315,500.00	Schedule 3
Judiciary Development Fund	7,754.00	Schedule 4
Victim’s Compensation Fund	730.00	Schedule 5
Legal Research Fund	8,213.60	Schedule 6
<b>Total</b>	<b><u>P980,234.00</u></b>	

4.2. RELEASE the amounts pertaining to Fiduciary Fund to incumbent Clerk of Court, Municipal Trial Court, Baliuag, Bulacan, for deposit to the Fiduciary Fund Account; and

4.3. INFORM the Fiscal Monitoring Division, Court Management Office, Office of the Court Administrator, on the action taken thereon so the said Office can finalize their audit on the books of accounts of the Municipal Trial Court, Baliuag, Bulacan and they can coordinate/communicate with the incumbent Clerk of Court.

5. The Employees Leave Division, Office of Administrative Services, Office of the Court Administrator (OCA) is DIRECTED to COMPUTE the balance of the earned leave credits of Ms. Emilia A. Miranda and FORWARD the same to the Finance Division, Financial Management Office, OCA, together with the official service record, certification of leave credits, and Notice of Salary Adjustment (NOSA) for the processing of terminal leave pay benefits of Ms. Miranda which would be applied to her shortages;
6. Ms. ADELINA A. RAMIREZ, former OIC-Clerk of Court, Municipal Trial Court, Baliuag, Bulacan be CLEARED of her financial accountability as of July 31, 2008 is concerned;
7. Ms. ANITA S. CRUZ, former Clerk of Court, be DIRECTED to PAY a FINE of Ten Thousand Pesos (₱10,000.00) within ten (10) days from receipt of notice for the delayed remittances of her collections which should have earned interest if the same were remitted on time;
8. Presiding Judge CORAZON A. DOMINGO-RAÑOLA be DIRECTED to STRICTLY MONITOR the financial transactions of Municipal Trial Court, Baliuag, Bulacan, in strict adherence to the issuances of the Court to avoid the incurrance of violations committed by Ms. Emilia A. Miranda and Ms. Anita

S. Cruz and institute reforms that will strengthen the internal control system in the management of judiciary funds otherwise she will be held equally liable for the infractions committed by the employees under the command/supervision.

We affirm the recommendations of the OCA, with modification.

Being designated as acting Clerk of Court or OIC, Ms. Miranda had the duties and responsibilities of a Branch Clerk of Court. As such, it was her duty to collect and receive, by herself or through a duly appointed cashier, all monies in payment of all legal fees; as well as to receive deposits, fines, and dues. A Clerk of Court, or an acting Clerk of Court, has the duty to ensure full compliance with the circulars of this Court and the Court Administrator on deposits or collections of court funds.<sup>8</sup>

Clerks of Court perform a delicate function as designated custodians of the court's funds, revenues, records, properties, and premises. As such, they are generally regarded as treasurer, accountant, guard, and physical plant manager thereof.<sup>9</sup> It is the duty of the Clerks of Court to faithfully perform their duties and responsibilities. They are the chief administrative officers of their respective courts. It is also their duty to ensure that the proper procedures are followed in the collection of cash bonds. Clerks of Court are officers of the law who perform vital functions in the prompt and sound administration of justice. Thus, an unwarranted failure to fulfil these responsibilities deserves administrative sanctions and not even the full payment of the collection shortages will exempt the accountable officer from liability.<sup>10</sup>

Ms. Miranda's failure to deposit her collections constitutes gross neglect of duties and dishonesty as an accountable officer entrusted with the collection of money belonging to the court.<sup>11</sup> It is a wilful violation of SC Circular No. 3-91, as amended by Circular No. 3-2000, and SC Circular No. 50-95.

While this Court can no longer impose the penalty of dismissal from the service on Ms. Miranda because she has already resigned, such resignation does not render the Complaint against her moot. Resignation is not and should not be a convenient way or strategy to evade administrative liability when a court employee is facing administrative sanction.<sup>12</sup>

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<sup>8</sup> *Re: Report of Acting Presiding Judge Wilfredo F. Herico on Missing Cash Bonds in Criminal Case No. 750 and Criminal Case No. 812*, 490 Phil. 292 (2005).

<sup>9</sup> *Office of the Court Administrator v. Recio*, A.M. No. P-04-1813, 31 May 2011, 649 SCRA 552.

<sup>10</sup> *Id.*

<sup>11</sup> *Financial Audit on the Books of Accounts of Ms. Adelina R. Garrovillas*, A.M. No. P-04-1894, 9 August 2005.

<sup>12</sup> *Escalona v. Padillo*, A.M. No. P-10-2785, 21 September 2010, 631 SCRA 11, citing *Re: Administrative Case for Falsification of Official Documents and Dishonesty against Randy S. Villanueva*, A.M. No. 2005-24-SC, 10 August 2007, 529 SCRA 679.

With respect to Ms. Cruz, while she has admitted the delay in the deposit of her collections, she has also explained that the reason for her shortcomings was the series of unfortunate events that befell her and her family for several years. She has further substantiated her claims of the demise of her family members. While her explanation and supporting documents do not absolve her of liability, this Court deems her deserving of compassion and humanitarian consideration. Furthermore, she had already retired in 2008.

**WHEREFORE**, this Court finds Ms EMILIA A. MIRANDA, former OIC-Clerk of Court, Municipal Trial Court, Baliuag, Bulacan, guilty of dishonesty, gross neglect of duty, and grave misconduct. In lieu of the DISMISSAL that her offense carries, which can no longer be imposed by reason of her resignation, Ms. Miranda is hereby ordered to suffer the penalty of FORFEITURE of whatever benefits are still due her from the government, except accrued leave credits, if any, that she earned; and is likewise declared to be DISQUALIFIED from employment in any branch or instrumentality of the government, including government-owned or – controlled corporations.

Ms. EMILIA A. MIRANDA is directed, within ten (10) days from receipt of notice, to do as follows:

1. RESTITUTE the shortages incurred in the following funds:
- | <u>Fund</u>                              | <u>Amount</u>      |            |
|--|--------------------|------------|
| Fiduciary Fund                           | ₱565,000.00        | Schedule 2 |
| Special Allowance for the Judiciary Fund | 83,036.40          | Schedule 1 |
| Mediation Fund                           | 315,500.00         | Schedule 3 |
| Judiciary Development Fund               | 7,754.00           | Schedule 4 |
| Victim’s Compensation Fund               | 730.00             | Schedule 5 |
| Legal Research Fund                      | 8,213.60           | Schedule 6 |
| <b>Total</b>                             | <b>₱980,234.00</b> |            |

2. **SUBMIT** to the Fiscal Monitoring Division, FMO-OCA the copies of the machine-validated deposit slips, all within ten (10) days from receipt of notice as proof of compliance with item 1.

3. **PAY** a **FINE** of **TWENTY THOUSAND PESOS (₱20,000)** for her unremitted collections which should have earned interest if the same were remitted on time;

The FINANCIAL MANAGEMENT OFFICE, OFFICE OF THE COURT ADMINISTRATOR, is DIRECTED to do the following:

1. PROCESS the terminal leave pay benefits of Ms. Emilia A. Miranda, while dispensing with the usual documentary requirements, and APPLY to the shortages found in her books of accounts in the order of priority as follows:

<u>Fund</u>	<u>Amount</u>	
Fiduciary Fund	□565,000.00	Schedule 2
Special Allowance for the Judiciary Fund	83,036.40	Schedule 1
Mediation Fund	315,500.00	Schedule 3
Judiciary Development Fund	7,754.00	Schedule 4
Victim’s Compensation Fund	730.00	Schedule 5
Legal Research Fund	8,213.60	Schedule 6
<b>Total</b>	<b>□980,234.00</b>	

2. RELEASE the amounts pertaining to the Fiduciary Fund to the incumbent Clerk of Court, Municipal Trial Court, Baliuag, Bulacan, for deposit to the Fiduciary Fund Account; and

3. INFORM the Fiscal Monitoring Division, Court Management Office, Office of the Court Administrator, about the action taken thereon, so that the said Office can finalize their audit of the books of accounts of the Municipal Trial Court, Baliuag, Bulacan, and coordinate/communicate with the incumbent Clerk of Court.

The Employees Leave Division, Office of Administrative Services, Office of the Court Administrator (OCA) is DIRECTED to COMPUTE the balance of the earned leave credits of Ms. Emilia A. Miranda and FORWARD the computation to the Finance Division, Financial Management Office, OCA, together with the official Service Record, Certification of Leave Credits, and Notice of Salary Adjustment (NOSA) for the processing of Ms. Miranda’s terminal leave pay benefits which would be applied to her shortages.

The Legal Office of OCA is DIRECTED to file an appropriate criminal charge against Ms. Emilia A. Miranda.

Ms ADELINA A. RAMIREZ, former OIC-Clerk of Court, Municipal Trial Court, Baliuag, Bulacan, is CLEARED of her financial accountability as of 21 July 2008.

Ms. ANITA S. CRUZ, former Clerk of Court, is DIRECTED to PAY a FINE of TEN THOUSAND PESOS (□10,000) within ten (10) days from receipt of notice for the delayed remittances of her collections, which should have earned interest if they were remitted on time. The fine shall be deducted from her retirement benefits, if any.


Presiding Judge CORAZON A. DOMINGO-RAÑOLA is DIRECTED to STRICTLY MONITOR the financial transactions of the Municipal Trial Court, Baliuag, Bulacan, in strict adherence to the issuances of the Court to avoid the incurrence of violations committed by Ms. Emilia A. Miranda and Ms. Anita S. Cruz; otherwise, she would be held equally liable for the infractions committed by the employees under her command and supervision.

**SO ORDERED.**

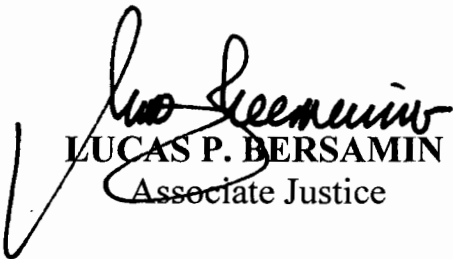


**MARIA LOURDES P. A. SERENO**  
Chief Justice, Chairperson

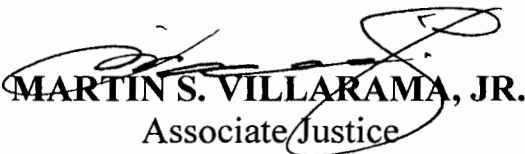
WE CONCUR:




**TERESITA J. LEONARDO-DE CASTRO**  
Associate Justice



**LUCAS P. BERSAMIN**  
Associate Justice



**MARTIN S. VILLARAMA, JR.**  
Associate Justice



**ESTELA M. PERLAS-BERNABE**  
Associate Justice