



Republic of the Philippines
Supreme Court
Manila

EN BANC

OFFICE OF THE COURT
ADMINISTRATOR,

Complainant,

A.M. No. P-14-3194

(Formerly A.M. No. 14-1-01-MTC)

Present:

SERENO,* C.J.,
CARPIO,**
VELASCO, JR.,
LEONARDO-DE CASTRO,
BRION,***
PERALTA,
BERSAMIN,
DEL CASTILLO,
VILLARAMA, JR.,
PEREZ,
MENDOZA,
REYES,
PERLAS-BERNABE, and
LEONEN, and
JARDELEZA, JJ.

- versus -

CONSTANTINO P. REDOÑA,
former Clerk of Court II, Municipal
Trial Court, Tanauan, Leyte,
Respondent.

Promulgated:

January 27, 2015

X

X

DECISION

PER CURIAM:

This administrative matter stemmed from the financial audit on the Books of Accounts of the Municipal Trial Court, Tanauan, Leyte, conducted by the Audit Team of the Court Management Office (*Team*) due to the application for separation benefits under Section 11, paragraph (b) of

* On leave.
.. Acting Chief Justice.
... On official leave.

Republic Act (R.A.) No. 8291 of Constantino P. Redoña.¹ The audit covered the accountability period of Constantino P. Redoña and Ranulfo R. Balano, former Clerk of Court II and Officer-in-Charge, respectively, of the same court, from October 1, 2004 to July 31, 2012 and August 1, 2012 to February 28, 2013.

As culled from the records, the audit report yielded the following results:

1. **The cash count on March 1, 2013 disclosed neither shortage nor overage for the undeposited collections, computed as follows;**²

Name of Fund	Date	OR No.	Amount
SAJJ	03/01/13	3886520	P9.60
JDF	03/01/13	1788954	P40.40
TOTAL			P50.00

2. **For the inventory of Used and Unused Official Receipts:**

There are seventy-three (73) booklets and two hundred-thirty three (233) pieces of official receipts which remain unused as of March 1, 2013, to wit:

Name of Accountable Form	Quantity	Inclusive Serial Numbers
SC ORs	19 booklets	3886001-6500
		3886551-7000
PHILJA ORs	7 booklets	643601-3650
		643701-4000
UP LRF ORs	8 booklets	0725601-6000
DOJ ORs	10 booklets	4574001-4500
	10 booklets	4574501-5000
	10 booklets	4575001-5500
	9 booklets	4575501-5950
JDF	30 pieces	3886521-6550
SAJF	46 pieces	1788955-9000
STF	23 pieces	7972928-2950
FF	43 pieces	2206908-6950
MF	29 pieces	643573-3600
LRF	29 pieces	725572-5600
VCF	33 pieces	4573968-4000
Total	73 booklets & 233 pieces	

¹ Approved by the Court on August 22, 2012

² *Id.* at 18.

3. For the Fiduciary Fund (FF):

The audit of the court's Fiduciary Fund (FF) account showed an outstanding balance of Four Hundred Seven Thousand Eight Hundred Seventy-Four Pesos (P407,874.00) and upon reconciliation of the said balance against the court's LBP Savings Account, it disclosed a shortage of Seventy-One thousand Nine Hundred Pesos (P71,900.00), which was restituted by Redoña on March 21, 2013. The detailed computation was presented below:

Unwithdrawn Fiduciary Fund per audit, beginning Balance as of Sept. 30, 2004:	P 258,384.00
Add: Collections (10/1/2004 to 2/28/2013)	<u>1,041,710.00</u>
Total	P1,300,094.00
Less: Withdrawals (same period)	<u>820,320.00</u>
Balance of Unwithdrawn FF as of 2/28/2013	P 479,774.00
Less: Bank Balance as of 2/28/2013 P423,045.53	
Add/(Less) Adjustments:	
Unwithdrawn Net Interest as of 2/28/2013	<u>(P15,171.53)</u>
	<u>407,874.00</u>
Balance of Accountability – shortage	<u>71,900.00</u>
Less: Restitution on March 21, 2013	<u>71,900.00</u>
Final Accountability as of February 28, 2013	<u>P 00.00</u>

The shortage totaling to P71,900.00 was due to unreported and unremitted collections, to wit:

Receipt Date	Bondsman/Litigant	Case No.	OR No.	Amount
06/26/08	Dominador Lim	6448	11922537	P 12,000.00
06/26/08	Dominador Lim	6448	11922538	P 12,000.00
06/26/08	Dominador Lim	6448	11922540	P 12,000.00
06/26/08	Dominador Lim	6448	11922541	P 12,000.00
11/09/09	Remy Tismo	6694	3503955	P 2,000.00
11/16/09	Bernard Mijares	6748	3503956	P 2,000.00
12/07/09	Chito Cesar	6911	3503957	P 12,000.00
12/07/09	Raymundo Abarca	6095	3503958	P 8,000.00
Total				P 72,000.00
Less: Adjustment for under-withdrawal of OR. No. 7183422				(P100.00)
Adjusted total shortage				<u>P 71,900.00</u>

Out of P60,000 cash bond posted by Dominador A. Lim in Criminal Case No. 6448 on June 26, 2008, only P12,000.00 was reported in the cashbook and monthly report. Redoña explained in his Letter dated March 13, 2013 that OR Nos. 11922537, 11922538, 11922540 and 11922541 totalling to P48,000.00 were cancelled because of errors in the initial entries, and no collections have been received for the cancelled official receipts. Redoña denied that he used the court funds, however, it appeared that he allowed the refund of cash bond for the same case on September 14, 2011 amounting to P60,000.00. Also as per Special Power of Attorney executed by Mr. Dominador A. Lim, Dennis V. Lim, Simeon

Lim, Luz Omega and Rogelio A. Yu, the accused in Criminal Case Number 6448, they requested to withdraw the cash bail bond in the total amount of P60,000.00, thus, resulting to an over-withdrawal by P48,000.00 for this case.

The audit team surmised that Redoña to cover up the missing collections, cancelled the original, duplicate and triplicate copies of OR Nos. 11922537, 11922538, 11922540 and 11922441, with a total amount of P48,000.00. However, the photocopies of the original official receipts appended in the case folder were not cancelled (Annexes "H-1", "H-2", "H-3" and "H-4")

For December 2009 monthly report, Redoña certified in the cashbook and monthly report that no collections were made (Annexes "I" & "J"). To conceal collections, Redoña cancelled official receipt nos. 3503957 and 3503958 amounting to P 12,000.00 and P8,000.00, respectively. (Annexes "K" & "L"). As to the amount of P12,000.00 covered by Official Receipt No. 3503957 dated December 7, 2009 from payor Chito Cesar, he explained that due to pure inadvertence and honest lapse on his part, he said the amount was not deposited and it was kept in a safe place in their office only known to him. For OR No. 3503958 dated December 7, 2009 in the amount of P8,000.00, Redoña allegedly posted cash bail bond for his friend, the accused Raymundo Abarca, out of pity.

After examination of the case folders, the following irregularities were also discovered, to wit:

1. Unreported collection of cash bond for Case No. 03-02-6868 dated March 15, 2011 amounting to P6,000.00. Thus, Redoña cancelled Official Receipt No. 3503967 to conceal the above missing collections. This was replaced with OR no. 3503973 on May 11, 2011 with the same amount (Annexes "M" and "N"). In the cash bond affidavit of undertaking, the accused Mr. Ariel Pirante posted a cash bond in Criminal Case No. 03-02-6868 amounting to P6,000.00 under OR No. 3503967 on March 15, 2011 as evidenced by Annex "O", but the said OR No. 3503967 was marked as cancelled in the original, duplicate and triplicate copies.

2. Received P4,000.00 from Florentino Mendoza in Case No. 10-04-6940 on October 29, 2010 under OR No. 3503963, but such amount was unreported/unrecorded and undeposited. To conceal the missing collections, Mr. Redoña cancelled the above OR (Annex "P" and "Q"). This was replaced by OR No. 3503970 on May 10, 2011 with the same amount. In the cash bond affidavit of undertaking, the accused Mr. Florentino Mendoza posted a cash bond in Criminal Case No. 10-04-6940 amounting to P4,000.00 under OR No. 3503963 on October 29, 2011 as evidenced by Annex "R", but the said OR No. 3503963 was marked as cancelled in the original, duplicate and triplicate copies.



3. Received P4,000.00 from Jayson Cabilia in Criminal Case No. 02-08-6961 on March 1, 2011 under OR no. 3503966, but such amount was unrecorded/unreported and undeposited. To cover up the missing collections, Redoña cancelled the above receipt (Annex "S"). This was replaced with OR No. 3503972 on May 11, 2011. In the cash bond affidavit of undertaking, the accused Mr. Jayson Cabilia Cabudsan, Doroteo Ocenar and six (6) unidentified persons posted a cash bond in Criminal Case no. 02-08-6961 amounting to P4,000.00 under OR No. 3503966 on March 1, 2011 as evidenced by Annex "T", but the said OR No. 3503963 was marked as cancelled in the original, duplicate and triplicate copies.

4. Received P2,000.00 from Bernard Mijares in Case No. 04-10-6748 on November 16, 2009 under OR No. 3503956, but such amount was unreported/unrecorded and undeposited. To cover up the missing collections, Redoña cancelled the above official receipt in the booklet (Annex "U"). In the case on file, the OR No. has not been marked as cancelled ("Annex "V"). In the cash bond affidavit of undertaking in the case record, the accused Mr. Bernard Mijares posted a cash bond in Criminal Case No. 04-10-6748 amounting to P2,000.00 under OR No. 3503956 on November 16, 2009 as evidenced by Annex "W."

IV. For the Sheriff's Trust fund (STF):

Unwithdrawn STF per audit, beginning balance as of September 30, 2004	P 0.00
Add: Collections (6/16/2010 to 2/28/2013)	<u>P 28,000.00</u>
Total	P 28,000.00
Less: Withdrawals (same period)	<u>P 11,722.00</u>
Balance of Unwithdrawn STF as of 2/28/2013	P 16,278.00
Less: Bank Balance as of 2/28/2013	P16,000.00
Add/(Less) Adjustments:	
Petty cash fund	<u>P 278.00</u>
Final Accountability as of Feb. 28, 2013	P 00.00

V. For the JUDICIARY DEVELOPMENT FUND (JDF)

There was an over-remittance of P1,150.40 of Redoña, which was due to Special Allowance for the Judiciary Fund (SAJF) collections totaling to P1,148.40 deposited to the account, as computed below:

Total Collections	
(Nov. 1, 2004 to February 28, 2013)	P 481,794.69
Less: Total Deposits (same period)	<u>482,945.09</u>
Over-remittance	P (1,150.40)
Less: SAJF collections deposited to this account	(1,148.40)
Balance of Accountability – over remittance	P (2.00)

VI. For the SPECIAL ALLOWANCE FOR THE JUDICIARY FUND (SAJF):

There was an over-remittance of P7.20, as computed below:

Total Collections	
(November 1, 2004 to February 28, 2013)	P 616,748.20
Less: Total Deposits (same period)	
	<u>615,607.00</u>
Balance of Accountability	P 1,141.20
Less: SAJF collections deposited	
to the JDF account	<u>1,148.40</u>
Balance of Accountability – over-remittance	<u>P 7.20</u>

VII. For the Mediation fund (MF):

Total Collections (Sept. 1, 2005 to February 28, 2013)	P 99,000.00
Less: Total Deposits (same period)	<u>99,000.00</u>
Balance of Accountability	<u>P 00.00</u>

In sum, the total accountabilities of Redoña, which was restituted on March 21, 2013, totalling to Seventy One Thousand Nine Hundred Pesos (P71,900.00), was computed below:

TOTAL ACCOUNTABILITIES & PAYMENTS

Nature of Funds	Accountabilities	Restitution	Balance
Clerk of Court Fiduciary Fund	P 71,900.00	P 71,900.00	P 0.00
Sheriff's Trust Fund	P 0.00	P 0.00	P 0.00
Judiciary Development Fund	P 0.00	P 0.00	P 0.00
Special Allowance for the Judiciary Fund	P 0.00	P 0.00	P 0.00
Mediation Fund	P 0.00	P 0.00	P 0.00
Total	P 71,900.00	P 71,900.00	P 0.00

Likewise, Redoña failed to remit his collections on FF on time, as shown below:

SCHEDULE 1: For Fiduciary Fund

Date of Collections	Date Deposited	OR No.	Amount	Period of Delay
06/26/08	03/22/13	11922537	P12,000.00	4 yrs. & 9 mos.
06/26/08	03/22/13	11922538	P12,000.00	4 yrs. & 9 mos.
06/26/08	03/22/13	11922540	P12,000.00	4 yrs. & 9 mos.
06/26/08	03/22/13	11922541	P12,000.00	4 yrs. & 9 mos.
11/09/09	03/22/13	3503955	P 2,000.00	3 yrs. & 3 mos.
11/16/09	03/22/13	3503956	P 2,000.00	3 yrs. & 3 mos.
12/07/09	03/22/13	3503957	P12,000.00	3 yrs. & 2 mos.
12/07/09	03/22/13	3503958	P 8,000.00	3 yrs. & 2 mos.
01/13/05	04/19/05	11922976	P 6,000.00	3 mos.
01/21/05	04/19/05	11922977	P 5,000.00	3 mos.

01/21/05	04/19/05	11922978	P 8,000.00	3 mos.
04/13/05	07/28/05	11922984	P 2,000.00	3 mos.
04/20/05	08/22/05	11922985	P12,000.00	3 mos.
05/18/05	08/22/05	11922503	P10,000.00	3 mos.
12/01/05	03/07/06	11922996	P 3,720.00	3 mos.
12/01/05	03/16/06	11922997	P 2,000.00	3 mos.
06/26/08	08/05/08	11922539	P12,000.00	1 mo. & 9 days
Total			P132,720.00	

Considering the number of irregularities discovered by the audit team, the team recommended that their audit report be docketed as a regular administrative matter against Redoña for gross misconduct, gross neglect of duty, dishonesty and delay in the deposit of court collections, and that Redoña's retirement benefits, except accrued leave credits, be forfeited. On March 3, 2014, the Court resolved to re-docket the Report dated November 5, 2013 as a regular administrative matter against Redoña.

RULING

Time and time again, this Court has stressed that those charged with the dispensation of justice - from the presiding judge to the lowliest clerk - are circumscribed with a heavy burden of responsibility. Their conduct at all times must not only be characterized by propriety and decorum but, above all else, must be beyond suspicion. Every employee should be an example of integrity, uprightness and honesty.³

The guilt of Redoña is undisputed. The records speak for themselves, *to wit*: (1) The unreported and unremitted collections with a total amount of ₱71,900.00 resulting to a shortage of ₱71,900.00;⁴ (2) To cover up for the missing collections, Redoña cancelled several original receipts, including OR Nos. 11922537, 11922538, 11922540, 11922541, 3503967, 3503973, 3503963, 3503966 and 3503956 (Annexes "F", "M", "N", "O", "P", "Q", "S", "U"); (3) For the December 2009 monthly report, Redoña issued a certification of "no collection" of fiduciary fund (Annexes "I" and "J") and again cancelled official receipts nos. 3503957 and 3503958 (Annexes "K" and "L"), amounting to ₱12,000.00 and ₱8,000.00, respectively, to cover up for the missing collections; (4) For OR No. 3503958 dated December 7, 2009 in the amount of ₱8,000.00, Redoña allegedly posted cash bailbond

³ *In Re: Report of COA on the shortage of the Accountabilities of Clerk of Court Lilia S. Buena, MTCC, Naga City*, 348 Phil. 1 (1998); *In Re: Delayed Remittance of Collections of Oduha*, 445 Phil. 220, 224 (2003); *Office of the Court Administrator v. Galo*, 373 Phil. 483, 490 (1999); *Cosca v. Palaypayon*, September 30, 1994, 273 SCRA 249, 269.

⁴ Redoña restituted the shortage of ₱71,900.00 on March 21, 2013.

for his friend, the accused Raymundo Abarca, out of pity; and (5) in several instances, Redoña incurred delay for a period of four (4) years and nine (9) months in the remittances of his collections on fiduciary fund.

For his failure to remit the collections on time, Redoña committed a gross violation of SC Circular No. 13-92 which commands that all fiduciary collections "*shall be deposited immediately by the Clerk of Court concerned, upon receipt thereof, with an authorized depository bank.*" Settled is the role of clerks of courts as judicial officers entrusted with the delicate function with regard to collection of legal fees, and are expected to correctly and effectively implement regulations.⁵ Shortages in the amounts to be remitted and the years of delay in the actual remittances constitute gross neglect of duty for which Redoña should be administratively liable.

Safekeeping of public and trust funds is essential to an orderly administration of justice. No protestation of good faith can override the mandatory nature of the circulars designed to promote full accountability of government funds.⁶ Thus, Redoña's claim of good faith, his forgetfulness and lack of secured storage area for the collections are lame excuses to evade punishment for his neglect of duty.

Clerks of court are not supposed to keep funds for a period of time. They have the duty to immediately deposit their collections with authorized government depositories because they are not authorized to keep those funds in their custody and failure in this regard constitutes gross neglect of duty. The unwarranted failure to fulfill these responsibilities deserves administrative sanction and not even the full payment of the collection shortages will exempt the accountable officer from liability. Moreover, failure to comply with pertinent Court circulars designed to promote full accountability for public funds constitutes grave misconduct.

Equally appalling is the tampering of the court records, such as the unwarranted cancellation of official receipts which were committed with conscious and deliberate efforts to conceal the missing collections thus evincing a malicious and immoral propensity.

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

⁵ *Gutierrez v. Quitlig*, 448 Phil. 469, 481 (2003), cited in *Dela Peña v. Sia*, 526 Phil. 8, 18 (2006).

⁶ *Re: Financial Audit on the Accountabilities of Mr. Restituto A. Tabucon, Jr., Former Clerk of Court II of the MCTC, Ilog, Candoni, Negros Occidental*, 504 Phil. 512, 515 (2005).

manager thereof.⁷ It is the clerks of courts' duty to faithfully perform their duties and responsibilities to the end that there was full compliance with function, that of being the custodian of the court's funds and revenues, records, properties and premises.⁸ 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. Their office is the hub of adjudicative and administrative orders, processes and concerns. They are liable for any loss, shortage, destruction or impairment of such funds and property.

By failing to properly remit the cash collections constituting public funds, Redoña violated the trust reposed in him as disbursement officer of the judiciary. His failure to explain satisfactorily the fund shortage, and fully comply with the Court's directives leave us no choice but to hold her liable for gross neglect of duty and gross dishonesty. In *Lirios v. Oliveros*⁹ and *Re: Report on the Financial Audit conducted in the Books of Accounts of Atty. Raquel G. Kho, Clerk of Court IV, RTC, Oras, Eastern Samar*,¹⁰ the Court held that the unreasonable delay in the remittance of fiduciary funds constitutes serious misconduct.¹¹ Even the restitution of the whole amount cannot erase his administrative liability. Clearly, his failure to deposit the said amount upon collection was prejudicial to the court, which did not earn interest income on the said amount or was not able to otherwise use the said funds.¹²

The inculpatory acts committed by respondent are so grave as to call for the most severe administrative penalty. Dishonesty and grave misconduct, both being in the nature of a grave offense, carry the extreme penalty of dismissal from service with forfeiture of retirement benefits, except accrued leave credits, and perpetual disqualification for re-employment in the government service. This penalty is in accordance with Sections 52 and 58 of the Revised Uniform Rules on Administrative Cases in the Civil Service.¹³

⁷ *Re: Misappropriation of the Judiciary Fund Collections by Juliet C. Banag, Clerk of Court, MTC, Plaridel, Bulacan*, 465 Phil. 24, 34 (2004).

⁸ *Office of the Court Administrator v. Fortaleza*, 385 SCRA 293, 303 (2002), citing *Office of the Court Administrator v. Bawalan*, A.M. No. P-93-945, March 24, 1994, 231 SCRA 408 and *Office of the Court Administrator v. Galo*, 373 Phil. 483 (1999).

⁹ 323 Phil. 318 (1996).

¹⁰ A.M. No. P-06-2177, January 27, 2006, 493 SCRA 44.

¹¹ *OCA v. Caballero*, A.M. No. P-05-2064 (Formerly A.M. OCA I.P.I. No. 05-7-449-RTC, March 2, 2010, 614 SCRA 21, 38.

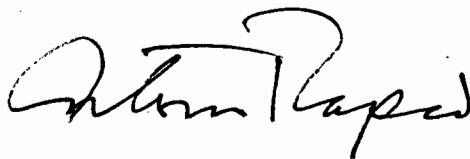
¹² *Id.* at 39.

¹³ See *Atty. Alcantara-Aquino v. Dela Cruz*, A.M. No. P-13-3141 (Formerly OCA I.P.I. No. 08-2875-P), January 21, 2014, 714 SCRA 377, 345.

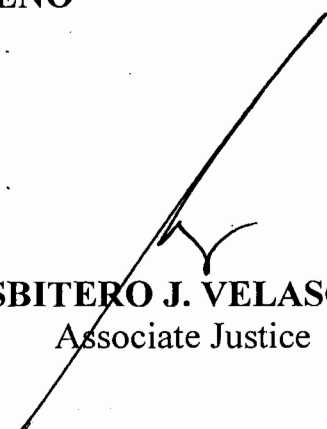
WHEREFORE, the Court finds respondent **CONSTANTINO P. REDOÑA**, former Clerk of Court II of the Municipal Trial Court, Tanauan, Leyte, **GUILTY** of **GROSS MISCONDUCT**, **GROSS NEGLIGENCE** OF **DUTY** and **DISHONESTY**. Since he had already retired from the service, the penalty of forfeiture of retirement benefits and privileges, except accrued leave credits, if any, and with prejudice to re-employment in any branch or instrumentality of the government, including government-owned or controlled corporations, is instead imposed upon him.

SO ORDERED.

On leave
MARIA LOURDES P. A. SERENO
Chief Justice



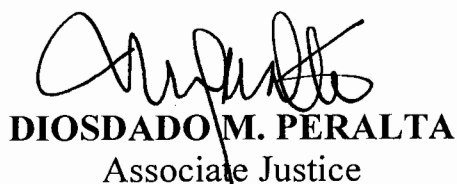
ANTONIO T. CARPIO
Associate Justice
Acting Chief Justice



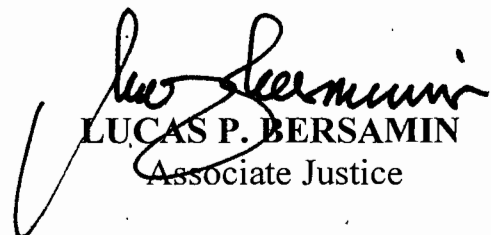
PRESBITERO J. VELASCO, JR.
Associate Justice

Teresita Leonardo de Castro
TERESITA J. LEONARDO-DE CASTRO
Associate Justice

On official leave
ARTURO D. BRION
Associate Justice



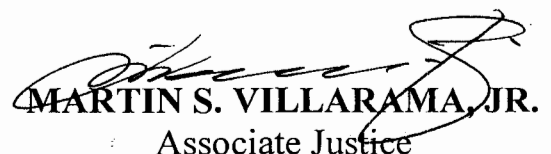
DIOSDADO M. PERALTA
Associate Justice



LUCAS P. BERSAMIN
Associate Justice



MARIANO C. DEL CASTILLO
Associate Justice




MARTIN S. VILLARAMA, JR.
Associate Justice





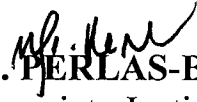
JOSE PORTUGAL PEREZ
Associate Justice



JOSE CATRAL MENDOZA
Associate Justice



BIENVENIDO L. REYES
Associate Justice



ESTELA M. PERLAS-BERNABE
Associate Justice



MARVIC M.V.F. LEONEN
Associate Justice



FRANCIS HJARDELEZA
Associate Justice

