



Republic of the Philippines  
**Supreme Court**  
 Manila

EN BANC

**THE OFFICE OF THE COURT  
 ADMINISTRATOR,**

Complainant,

**A.M. No. P-05-1938**

Present:

SERENO, C.J.,  
 CARPIO,  
 \*VELASCO, JR.,  
 \*\*LEONARDO-DE CASTRO,  
 PERALTA,  
 BERSAMIN,  
 \*\*\*DEL CASTILLO,  
 \*\*\*\*PERLAS-BERNABE,  
 LEONEN,  
 \*\*\*\*\*JARDELEZA,  
 CAGUIOA,  
 MARTIRES,  
 TIJAM,  
 REYES, JR., and  
 GESMUNDO, JJ.

- versus -

**MR. CRISPIN C. EGIPTO, JR.,  
 CLERK OF COURT IV,  
 MUNICIPAL TRIAL COURT IN  
 CITIES, PAGADIAN CITY,**

Respondent.

Promulgated:

November 17, 2017

X-----*Philippine*-----X

**DECISION**

**PER CURIAM:**

The custody and handling of funds and other assets by Judiciary officers and employees entrusted therewith are both a responsibility and an accountability that must be faithfully discharged. Any act or omission in relation thereto may be condignly sanctioned according to the attendant circumstances. Where the failure to deposit daily collections is committed by a clerk of court previously sanctioned for the same omission, the sanction is

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\* On official time.  
 \*\* On official business.  
 \*\*\* On official time.  
 \*\*\*\* On official business.  
 \*\*\*\*\* On leave.

dismissal from the service and forfeiture of all retirement benefits (except earned leave credits), with prejudice to re-employment in the Government, including government-owned and government-controlled corporations.

### The Case

This administrative case stemmed from the Cash Examination Report dated June 27, 2005 submitted by Marry Rose D. Eleno, State Auditor IV of the Commission on Audit (COA), relative to the cash and accounts for the period from October 10, 2003 to February 21, 2005 of respondent Crispin C. Egipto, Jr. (Egipto), Clerk of Court IV, of the Municipal Trial Court in Cities (MTCC) of Pagadian City.<sup>1</sup>

The Cash Examination Report disclosed that:

- 1) There was a cash shortage of Ninety Eight Thousand Six Hundred Fifty-Two Pesos and Eighty-One Centavos (₱98,652.81) as of February 21, 2005;

<u>FUND</u>	<u>AMOUNT OF SHORTAGE</u>
GENERAL FUND	₱13,961.25
JUDIACIARY (sic) DEVELOPMENT FUND	13,070.23
LEGAL RESEARCH FUND	38.00
VICTIM'S COMPENSATION FUND	20.00
FIDUCIARY FUND	71,563.33
<b>TOTAL</b>	<b>₱98,652.81</b>

- 2) Collections were not deposited intact daily as required under Section 21 of the New Government Accounting System (NGAS) Manual;
- 3) There was a difference of **₱64,896.41** between the Bank balance and the Accountable Officer's (AOs) Statement of the Unwithdrawn Fiduciary Fund (FF);
- 4) Non-reconciliation of Cashbook and Subsidiary Ledger (SL) balances at least quarterly; and
- 5) Disbursement vouchers were not used/prepared and Original or Certified True Copy of Official Receipts (ORs) for the receipt of bail bonds were not submitted in support of Fiduciary Fund withdrawals.<sup>2</sup>

On December 12, 2005, the Court, upon the recommendation of the Office of the Court Administrator (OCA),<sup>3</sup> resolved to:

<sup>1</sup> *Rollo*, p. 60.

<sup>2</sup> *Id.* at 52-53.

<sup>3</sup> *Id.* at 53-54.

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- (a) **DIRECT** respondent Crispin C. Egipto, Jr. to **EXPLAIN** in writing within a period of ten (10) days from notice why no disciplinary action shall be taken against him: (1) for incurring the cash shortage in the amount of Ninety Eight Thousand Six Hundred Fifty-Two Pesos and Eighty-One Centavos (₱98,652.81) as noted by State Auditor IV Marry Rose D. Eleno, COA, Regional Office No. IX, Zamboanga City; and (2) for repeating the same offense as reported in the Financial Audit Report dated January 21, 2004 and as disclosed by COA State Auditor in the Cash Examination Report conducted on February 21, 2005;
- (b) **RELIEVE** respondent Crispin C. Egipto, Jr. as Accountable Officer/Collecting Officer (financial matters) of the same court, pending resolution of this administrative matter;
- (c) **DIRECT** respondent Antonina L. Yorpo, same court to **EXPLAIN** within ten (10) days from notice, whether or not she contributed to the act of malfeasance reported by the said COA State Auditor which resulted to the cash shortage of Ninety Eight Thousand Six Hundred Fifty-Two Pesos and 81/100 (₱98,652.81) covering the interim period October 10, 2003 to February 21, 2005; and
- (d) **DIRECT** Hon. Aniceto B. Galon, Jr., Executive Judge, Municipal Trial Court in Cities, Pagadian City, Zamboanga Del Sur to (1) **DESIGNATE IMMEDIATELY** a new Accountable Officer to the same court; and (2) **SUBMIT** to this Court an evaluation report based on the matter reported by State Auditor IV Marry Rose D. Eleno, COA Regional Office No. IX, Zamboanga City, in her Cash Examination Report conducted on February 21, 2005 on the cash and accounts of the herein respondent Crispin C. Egipto, Jr. within ten (10) days from notice hereof.<sup>4</sup>

In his terse single-page explanation,<sup>5</sup> Egipto admitted having incurred the shortages as reported by COA State Auditor Eleno, but explained that he had not been able to remit his collections because of his financial difficulties and personal problems caused by the murder of his son and the hospitalization of his daughter; that he had been exerting effort to raise the funds with which to reconstitute his cash shortages; and that he would promptly inform the Court of the restitution once the funds were raised.

On her part,<sup>6</sup> Antonina L. Yorpo denied having contributed to the malfeasance found and reported by COA State Auditor Eleno. She insisted that she had refrained from having cash on hand as early as August 1, 2002; that she had only prepared deposit slips and withdrawal slips per the instruction of Egipto; and that, to the best of her knowledge, her cash reports had accurately and correctly represented the cash position of the Office of the Clerk of Court of the MTCC of Pagadian City.

<sup>4</sup> Id. at 214.

<sup>5</sup> Id. at 384.

<sup>6</sup> Id. at 381-382.



In its June 5, 2006 resolution,<sup>7</sup> the Court referred the comments and explanations of Egipto and Yorpo to the OCA for evaluation, report and recommendation.

In its report dated November 6, 2006,<sup>8</sup> the OCA observed that Egipto, being an accountable officer, deserved to be administratively sanctioned for his failure to remit his collections on time; that such failure to remit constituted gross neglect of duty, dishonesty and grave misconduct prejudicial to the best interest of the service; and that Yorpo's explanation was satisfactory and warranted her being relieved from administrative sanction. Accordingly, the OCA recommended therein as follows:

1. Respondent Crispin C. Egipto, Jr., Clerk of Court IV, MTCC, Pagadian City **BE DISMISSED** from service with forfeiture of all benefits except accrued leave credits, if any;
2. Respondent Crispin C. Egipto, Jr. **BE REQUIRED TO RESTITUTE** his cash shortages amounting to Ninety Eight Thousand Six Hundred Fifty-Two Pesos and Eighty-One Centavos (₱98,652.81);
3. The release of the money value of respondent's leave credits **BE HELD IN ABEYANCE** pending compliance with the directive to retribute the aforesaid cash shortages;
4. Respondent Antonina Yorpo **BE RELEASED** from any liability and that her name **BE DROPPED** as one of the respondents in this administrative case;
5. Hon. Alandrex M. Betoya, Executive Judge, MTCC, Pagadian City, Zamboanga del Sur, **BE DIRECTED** to:
  - a) **DESIGNATE** an honest and competent personnel as Officer-in-Charge in the OCC-MTCC, Pagadian City; and
  - b) **STRICTLY MONITOR** the financial transactions of Accountable Officers and ensure strict adherence with the circulars and issuances of the Court particularly in the handling of judiciary funds.<sup>9</sup>

It is notable that Egipto ultimately restituted his shortages totaling ₱98,652.81 on August 9, 2007<sup>10</sup> and November 24, 2014.<sup>11</sup>

### **Ruling of the Court**

The Court finds the recommendations of the OCA fully warranted.

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<sup>7</sup> Id. at 389.

<sup>8</sup> Id. at 391-394.

<sup>9</sup> Id. at 393-394.

<sup>10</sup> Id. at 435-436.

<sup>11</sup> Id. at 441.

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J. P. ...

Clerks of court, being the custodians of court funds and revenues, records, properties, and premises, are liable for any loss, shortage, destruction or impairment of the funds or other assets entrusted to them. Their personal accountability is always enforceable. Specifically, any shortages in the amounts remitted and any delays incurred in the actual remittance of collections shall constitute gross neglect of duty for which the clerks of court concerned shall be held administratively liable.<sup>12</sup>

Egipto admitted his failure to remit his collections on time on account of his personal problems (that is, the killing of his son and the hospitalization of his daughter). Even if he did not categorically state having misappropriated or converted the funds for his personal benefit, he was still worthy of stern reprobation. Personal problems should never justify the incurring of shortages and the delay in remitting cash collections for the Judiciary. In this case, Egipto's administrative sin was aggravated by the fact that this charge was not his first offense. According to the personnel records of the Court, he had been previously reprimanded for his failure to observe SC Circular No. 50-95 by which he was bound to deposit fiduciary collections with the Land Bank of the Philippines within 24 hours from receipt thereof.<sup>13</sup>

We note that in relation to the previous offense, Egipto and Yorpo had been directed to deposit the amount of ₱15,290.95 representing the interest that the Court failed to earn because of the delay in depositing their collections. As such, even if he had meanwhile restituted the shortages of ₱98,652.81 subject of this charge, his belated remittance similarly deprived the Court of earnings in the form of interest that such amount would have earned if deposited in the bank as directed in SC Circular No. 50-95.<sup>14</sup>

Relevant portions of Administrative Circular No. 3-2000, dated June 15, 2000, are quoted as follows:

x x x x

## II. Procedural Guidelines

### A. Judiciary Development Fund

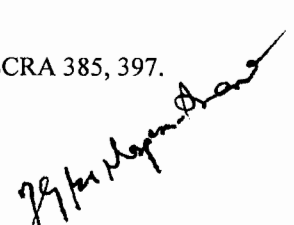
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### 3. Systems and Procedures.

<sup>12</sup> *Office of the Court Administrator v. Acampado*, A.M. Nos. P-13-3116 & P-13-3112, November 12, 2013, 709 SCRA 254, 270-271.

<sup>13</sup> *Rollo*, pp. 51-52.

<sup>14</sup> *Office of the Court Administrator v. Viesca*, A.M. No. P-12-3092, April 14, 2015, 755 SCRA 385, 397.



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c. In the RTC, MeTC, MTCC, MTC, MCTC, SDC and SCC. – **The daily collections for the Fund in these courts shall be deposited everyday with the nearest LBP branch for the account of the Judiciary Development Fund, Supreme Court, Manila – SAVINGS ACCOUNT NO. 0591-0116-34 or if depositing daily is not possible, deposits for the Fund shall be at the end of every month, provided, however, that whenever collections for the Fund reach ₱500.00, the same shall be deposited immediately even before the period above indicated.** (bold underscoring supplied for emphasis)

X X X X

Administrative Circular No. 3-2000 clearly directed Egipito to immediately deposit all fiduciary collections upon receipt thereof in an authorized government depository bank.<sup>15</sup> Egipito's failure to promptly remit his fiduciary collections was in flagrant violation of the directive.

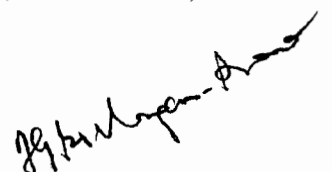
For the delay in the remittance of his cash collections, therefore, Egipito was guilty of dishonesty and grave misconduct, and is punished with dismissal pursuant to the *Revised Rules of Administrative Cases in the Civil Service*.

Misconduct is a transgression of some established and definite rule of action, more particularly, unlawful behavior or gross negligence by a public officer. The misconduct is grave if it involves any of the additional elements of corruption, willful intent to violate the law, or to disregard established rules, which must be established by substantial evidence. As distinguished from simple misconduct, the elements of corruption, clear intent to violate the law, or flagrant disregard of established rule, must be manifest in a charge of grave misconduct. Corruption, as an element of grave misconduct, consists in the act of an official or fiduciary person who unlawfully and wrongfully uses his station or character to procure some benefit for himself or for another person, contrary to duty and the rights of others. An act need not be tantamount to a crime for it to be considered as grave misconduct as in fact, crimes involving moral turpitude are treated as a separate ground for dismissal under the *Administrative Code*.<sup>16</sup>

Dishonesty is defined as intentionally making a false statement in any material fact, or practicing or attempting to practice any deception or fraud in securing his examination, registration, appointment or promotion. Dishonesty, like bad faith, is not simply bad judgment or negligence, but a question of intention. In ascertaining the intention of a person accused of

<sup>15</sup> *Commission on Audit v. Asetre*, A.M. No. P-11-2965 & A.M. No. P-10-2752, July 31, 2012, 678 SCRA 20, 34-35.

<sup>16</sup> *Office of the Court Administrator v. Lopez*, A.M. No. P-10-2788, January 18, 2011, 639 SCRA 633, 639



dishonesty, consideration must be taken not only of the facts and circumstances giving rise to the act committed by the respondent, but also of his state of mind at the time the offense was committed, the time he might have had at his disposal for the purpose of meditating on the consequences of his act, and the degree of reasoning he could have had at that moment.<sup>17</sup>

Both gross misconduct and dishonesty are grave offenses that are punishable by dismissal even for the first offense.<sup>18</sup>

In addition, Egipito is subject to the following administrative disabilities, namely: (a) cancellation of any civil service eligibility; (b) forfeiture of retirement and other benefits, except accrued leave credits, if any; (c) perpetual disqualification from re-employment in any government agency or instrumentality, including any government-owned and government-controlled corporation or government financial institution; and (d) bar from taking the civil service examinations.<sup>19</sup>

**WHEREFORE**, the Court **FINDS** and **DECLARES** respondent **CRISPIN C. EGIPTO, JR.**, Clerk of Court IV, Municipal Trial Court in Cities of Pagadian City **GUILTY** of **DISHONESTY** and **GRAVE MISCONDUCT**; and, **ACCORDINGLY, DISMISSES** him from the service with forfeiture of all retirement benefits (excluding earned leave credits), with prejudice to his re-employment in the Government, including government-owned or government-controlled corporations.

The Court **DIRECTS** the Employees Leave Division, Office of Administrative Services, Office of the Court Administrator, to determine the balance of his earned leave credits; and to report thereon to the Finance Division, Fiscal Management Office, Office of the Court Administrator for purposes of computing the monetary value of his earned leave credits for release to him.

**SO ORDERED.**



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

<sup>17</sup> *Civil Service Commission v. Perocho, Jr.*, A.M. No. P-05-1985, July 26, 2007, 528 SCRA 171, 179; citing *Wooden v. Civil Service Commission*, G.R. No. 152884, September 30, 2005, 471 SCRA 512, 526.

<sup>18</sup> *In re Austria*, A.M. Nos. 2008-23-SC, 2014-025-Ret., September 30, 2014, 737 SCRA 176.

<sup>19</sup> *Commission on Audit v. Asetre*, supra note 14.



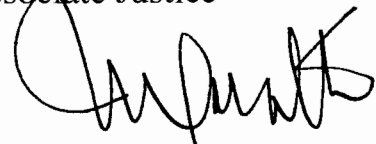
**ANTONIO T. CARPIO**  
Associate Justice

(On Official Time)

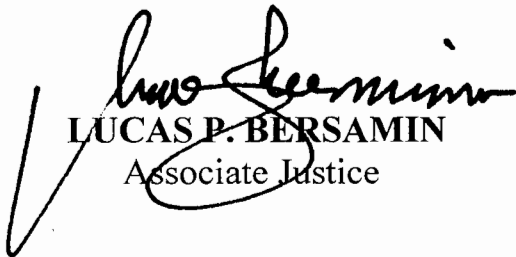
**PRESBITERO J. VELASCO, JR.**  
Associate Justice

(On Official Business)

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



**DIOSDADO M. PERALTA**  
Associate Justice



**LUCAS P. BERSAMIN**  
Associate Justice

(On Official Time)

**MARIANO C. DEL CASTILLO**  
Associate Justice

(On Official Business)

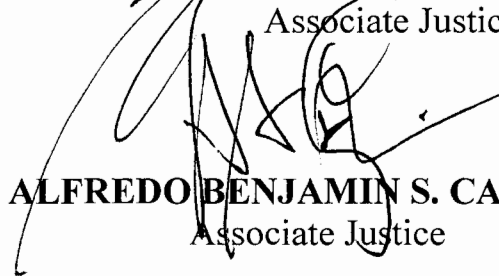
**ESTELA M. PERLAS-BERNABE**  
Associate Justice



**MARVIC M.V.F. LEONEN**  
Associate Justice

(On Leave)

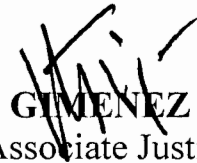
**FRANCIS H. JARDELEZA**  
Associate Justice



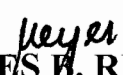
**ALFREDO BENJAMIN S. CAGUIOA**  
Associate Justice



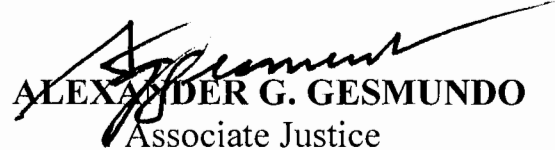
**SAMUEL R. MARTIRES**  
Associate Justice



**NOEL GIMENEZ TIJAM**  
Associate Justice

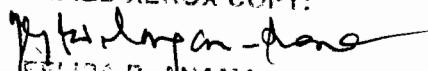


**ANDRES B. REYES, JR.**  
Associate Justice



**ALEXANDER G. GESMUNDO**  
Associate Justice

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FELIPA B. ANAMA  
CLERK OF COURT, EN BANC  
SUPREME COURT