



146550 and 146740 dated November 9, 2017, and its and Resolution<sup>3</sup> dated March 22, 2018, denying the motion for reconsideration thereof.

### **The Antecedent Facts**

Melvin C. Ang (Ang) was employed by IBM Solution Delivery, Inc. as an I.T. Specialist. Sometime during the course of his employment, he was assigned at the International Container Terminal Services, Inc. (ICTSI) to develop a Business Planning and Consolidation System (SAP BPC), for the latter.<sup>4</sup> The SAP BPC software is intended to be used by ICTSI “to monitor and review the financial performance of its multi-billion dollar investments in subsidiaries and terminals worldwide.”<sup>5</sup>

In November 2012, a month before the expiration of the contract between IBM and ICTSI, Ang received an informal job offer to join ICTSI as SAP BPC Administrator.<sup>6</sup>

On December 15, 2012, Ang resigned from IBM and joined ICTSI on January 7, 2013 as a part of the Financial Planning System Team.<sup>7</sup> Sometime in June 2013, Ang was designated as the over-all SAP BPC Administrator.<sup>8</sup> In September 2013, Ang was assigned to the ICTSI Consolidation Team, headed by Arlyn McDonald (McDonald).<sup>9</sup>

On February 22, 2014, Ang informed McDonald through a text message that he will be taking a leave of absence on February 28 and March 3, 2014. McDonald replied that they would talk about it the following day, and advised him to finish his work before going on a vacation.<sup>10</sup>

Ang took a vacation, as planned. When Ang reported to work on March 4, 2014,<sup>11</sup> he was served with an unsigned notice to explain dated March 3, 2014.<sup>12</sup> The notice placed Ang under preventive suspension for a period of 30 days, on account of these violations:

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<sup>3</sup> Id. at 111-112.

<sup>4</sup> Id. at 56.

<sup>5</sup> Id. at 14.

<sup>6</sup> Id.

<sup>7</sup> Id. at 57.

<sup>8</sup> Id. at 58-59.

<sup>9</sup> Id. at 60.

<sup>10</sup> Id. at 63.

<sup>11</sup> Id.

<sup>12</sup> Id. (G.R. Nos. 238568-69) at 158-159.

- You were absent without official leave from noontime of February 27, 2014 to date, especially since you are the only SAP BPC support during this critical stage of SAP BPC implementation/go live.
- You do not finish substantially all the assigned tasks by Arlyn McDonald and Caroline Causon to you within reasonable amount of time despite several warnings thereby resulting to the delay in the submissions of CFO reports by subsidiaries and completion of January 2014 consolidation.

x x x x

- You were requested to compare the balances submitted to Hyperion and SAP BPC of the subsidiaries for December 2013 and to this date, you cannot produce the comparison and the list of subsidiaries and the accounts with differences. We have requested the same tasks to be done by an OJT and the OJT was able to finish the said task in a matter of few days which proves your incompetence and insubordination.
- You do not give adequate support and instructions to SAP BOC users. You give vague answers to queries of users of SAP BPC which in turn resulted to several emails to clarify your instructions and wasting man-hours.
- Dishonesty in your representations, There were several times that we have asked you if the tasks were done and you have complied yes and when we checked, it wasn't really done.

x x x x

The totality of your actions constitutes serious misconduct, willful disobedience to the lawful orders of your superior in connection to your work (insubordination), and willful breach of trust reposed on you by the management x x x.<sup>13</sup>

On March 11, 2014, Ang submitted his response to the notice to explain.<sup>14</sup> In his response, Ang questioned the legitimacy of the notice as it was unsigned. Further, anent his absence, Ang justified that he sent a text message to his superior of his leave, but the latter did not reply, thus, he assumed that the same was approved. Besides, Ang claimed that he had completed his assigned tasks prior to taking a leave.<sup>15</sup> Ang argues that the errors encountered were attributable to the users' failure to use the proper template and not because of his negligence. Lastly, he confirms that there are a lot of remaining entities that are yet to be revised and uploaded to the system, but justifies these are not urgent matters and that he had committed to finish them after his vacation.<sup>16</sup>

<sup>13</sup> Id. at 158-159.

<sup>14</sup> Id. (G.R. No. 238347) at 65.

<sup>15</sup> Id. at 70.

<sup>16</sup> Id. (G.R. Nos. 238568-69) at 367.

On March 18, 2014, Ang received a call from the HR department of ICTSI inviting him to a hearing to discuss his alleged infractions. On March 20, 2014, the parties met as scheduled. On even date, Ang was served with a second letter of suspension, which is basically identical to the previous notice except that the new one is signed. Ang refused to receive the second letter.<sup>17</sup>

On April 4, 2014, when Ang reported back to work, he was informed by the guard to proceed to the Human Resources office. Ang was then instructed to attend an administrative hearing. In the hearing, the ICTSI HR Manager and other officials were in attendance. The parties discussed Ang's response to the notice to explain. Thereafter, Ang inquired whether he could proceed to his workstation but was told that he was still under the 30-day period of preventive suspension imposed by the second notice.<sup>18</sup>

On April 21, 2014, Ang reported to work, but was told by Atty. Alcaraz that his suspension had been extended. On June 26, 2014, Ang received a Notice dated June 19, 2014, informing him of his dismissal.<sup>19</sup>

On September 23, 2014, Ang filed a Complaint<sup>20</sup> for illegal dismissal; non-payment of wages, service incentive leave, 13<sup>th</sup> month pay separation pay; moral and exemplary damages; and attorney's fees, before the National Labor Relations Commission (NLRC). The complaint was filed against ICTSI and its officers – Jose Joel Sebastian, VP Controller; McDonald, Financial Reporting Director; and Caroline Causon, Financial Planning Director of the Corporate Controllership Group.<sup>21</sup>

Ang argues that he was immediately given regular status when he was hired by ICSTI in January 2013. He submits that he had performed all his assigned duties. With respect to his leave of absence, Ang avers that he had informed his superior, but the latter did not reply which he took as an approval of his leave. Finally, he argues that the second notice is similar to the first one and was issued merely to rectify the absence of the signature of an officer of ICTSI.<sup>22</sup>

ICTSI claims that its dismissal of Ang is valid as it complied with substantial and procedural due process. ICTSI submits that on various occasions, it called Ang's attention on account of his failure to perform the tasks assigned to him or of the discrepancies in his output. According to ICTSI,

<sup>17</sup> Id. (G.R. No. 238347) at 65.

<sup>18</sup> Id. at 64-65.

<sup>19</sup> Id. at 66; id. (G.R. Nos. 238568-69) at 171-175, 248-252.

<sup>20</sup> Id. (G.R. Nos. 238568-69) at 99-100.

<sup>21</sup> Id. (G.R. No. 238347) at 12.

<sup>22</sup> Id. at 63-65.

Ang failed to rectify these mistakes; instead, he merely tried to justify them through various excuses. As a result, the ICTSI's Financial Reporting Department, which Ang is part of, experienced a lot of difficulties and problems.<sup>23</sup> In addition, Ang took an unauthorized leave of absence during a crucial period; ICTSI stated Ang's attempt to complete his duties through emails while on leave created problems for his department as he was the only assigned SAP BPC support at that time.<sup>24</sup>

ICTSI further submitted that contrary to Ang's submission, the second letter included new charges which were discovered after the first notice was sent. In view of Ang's failure to submit his answer to the second notice, and after the hearing conducted on April 4, 2014, ICTSI's HR department recommended Ang's dismissal on June 9, 2014, on account of the following: a) disregard of company policy on leave of absence, b) neglect of duties as SAP BPC administrator, and c) breach of trust as Assistant Manager in the Financial Reporting Department.<sup>25</sup>

On August 27, 2015, the Labor Arbiter (LA) rendered his Decision,<sup>26</sup> the dispositive portion of which reads:

WHEREFORE, premises considered, the instant complaint is hereby dismissed for utter lack of merit.

Other monetary claims are likewise dismissed for lack of basis in fact and in law.

SO ORDERED.<sup>27</sup>

The LA held that ICTSI, pursuant to its managerial prerogative, has sufficient and valid reasons in terminating the services of Ang. Further, finding the ground relied upon by ICTSI to be valid, the LA dismissed Ang's imputation of bad faith and thus denied his claim for damages. Similarly, the LA found no basis to award Ang's monetary claims, holding that ICTSI established that it had already paid the same.<sup>28</sup>

Ang appealed to the NLRC. In its Decision<sup>29</sup> dated February 29, 2016, the NLRC partially reversed the Decision of the LA, viz.:

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<sup>23</sup> Id. at 67-68.

<sup>24</sup> Id. at 69.

<sup>25</sup> Id. at 71.

<sup>26</sup> Id. (G.R. Nos. 238568-69) at 292-310; rendered by Labor Arbiter Patricio P. Libo-on.

<sup>27</sup> Id. at 309-310.

<sup>28</sup> Id. at 308.

<sup>29</sup> Id. at 359-400; rendered by Bernardino B. Julve and concurred in by Presiding Commissioner Grace M. Venus.

WHEREFORE, the appeal is hereby PARTLY GRANTED. The assailed decision is hereby SET ASIDE and a new one is entered. Respondent International Container Terminal Services, Inc. (ICTSI) is hereby ordered to pay complainant the following amounts:

1. Full backwages from June 19, 2014 up to the finality of this decision;
2. Separation pay equivalent to one month pay for every year of service from January 2013 up to the finality of this decision;
3. Salaries from April 19, 2014 to June 18, 2014, corresponding to the period after the lapse of the preventive suspension;
4. Attorney's fees equivalent to 10% of the total awards.

The attached computation shall form part of the dispositive part of this Decision.

All other claims are dismissed for lack of merit.

SO ORDERED.<sup>30</sup>

The NLRC ruled that the evidence adduced by ICTSI are insufficient to establish that Ang was guilty of most of the acts imputed to him. The NLRC found the explanation offered by Ang in his emails satisfactory to dispel ICTSI's allegations. The NLRC held that while it agrees that Ang's unauthorized leave of absence is a misdemeanor, it however does not merit the penalty of dismissal.<sup>31</sup>

Moreover, the NLRC found that ICTSI failed to afford complainant of procedural due process. According to the NLRC, the records do not show that the complainant received the notice of hearing; that while Ang was physically present in the hearing, it was not shown that he had been advised of his right to counsel; and, lastly, that Ang was deprived of access to his office laptop which he intended to use to show compliance with the orders of his superiors.<sup>32</sup>

Thus, the NLRC held that Ang's dismissal is illegal and as such entitled to separation pay in lieu of reinstatement, backwages, and attorney's fees. However, the NLRC denied Ang's other monetary claims for lack of sufficient factual and legal basis.<sup>33</sup>

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<sup>30</sup> Id. at 399-400.

<sup>31</sup> Id. at 394-396.

<sup>32</sup> Id. at 398.

<sup>33</sup> Id. at 398-399.

Both parties moved for reconsideration of the NLRC's Decision. The NLRC resolved to deny both motions in its Resolution<sup>34</sup> dated May 23, 2016, but modified its earlier ruling in order to correct a typographical error, viz.:

WHEREFORE, the separate motions filed by the parties are hereby DENIED for lack of merit. The Decision of this Commission is hereby AFFIRMED WITH MODIFICATION, to correct a typographical error. The order to pay separation pay to complainant equivalent to one month for every year of service should be reckoned from January 2014 and up to the finality of the Decision.

SO RESOLVED.<sup>35</sup>

Both parties interposed their respective appeal via a special civil action for *certiorari* to the CA.

### The CA's Decision

On November 9, 2017, the CA rendered the herein assailed Decision,<sup>36</sup> the *fallo* of which reads:

ACCORDINGLY, the assailed Decision dated February 29, 2016 and Resolution dated May 23, 2016, are AFFIRMED with the following MODIFICATION:

- 1) The reckoning point for payment of Melvin Ang's separation pay equivalent to one month pay for every year of service shall be from January 7, 2013 up to the finality of this decision.
- 2) ICTSI is directed to pay Melvyn Carillo Ang his Service Incentive Leave pay equivalent to 5 days per year of service; and
- 3) The total monetary award is subject to interest of six (6%) percent per annum from finality of this judgment until fully paid.

SO ORDERED.<sup>37</sup>

Ang filed a Motion for Partial Reconsideration<sup>38</sup> praying that the CA order: full backwages reckoned from June 19, 2014, refund of the amount allegedly deducted for taxes purposes, and award attorney's fees of 10% of the monetary award.<sup>39</sup> ICTSI similarly filed a Motion for Reconsideration dated

<sup>34</sup> Id. at 444-448.

<sup>35</sup> Id. at 448.

<sup>36</sup> Id. (G.R. No. 238347) at 53-89.

<sup>37</sup> Id. (G.R. Nos. 238568-69) at 88-89.

<sup>38</sup> Id. at 509-516.

<sup>39</sup> Id. at 516.

December 5, 2017. The CA denied both motions in its Resolution<sup>40</sup> dated March 22, 2018.

Thus, ICTSI filed the instant petition for review on *certiorari*,<sup>41</sup> docketed as G.R. No. 238347, raising the following grounds in support thereof:

(A)

THE COURT OF APPEALS COMMITTED SERIOUS ERRORS OF FACT AND LAW IN AFFIRMING THAT THERE WAS NO BASIS FOR PETITIONER COMPANY TO DISMISS PRIVATE RESPONDENT;

(B)

THE COURT OF APPEALS COMMITTED SERIOUS ERRORS OF FACT AND LAW WHEN IT HELD THAT PRIVATE RESPONDENT WAS NOT AFFORDED PROCEDURAL DUE PROCESS;

(C)

THE COURT OF APPEALS COMMITTED SERIOUS ERRORS OF FACT AND LAW WHEN IT RULED THAT THE RECKONING POINT OF PRIVATE RESPONDENT'S EMPLOYMENT IS FROM JANUARY 7, 2013 AND NOT JANUARY 2014;

(D)

THE COURT OF APPEALS COMMITTED SERIOUS ERRORS OF FACT AND LAW IN AFFIRMING THE MONETARY AWARD OF BACKWAGES, SEPARATION PAY, ATTORNEY'S FEES AND ADDING SERVICE INCENTIVE LEAVE TO THE PRIVATE RESPONDENT WITHOUT BASIS IN FACT AND LAW.<sup>42</sup>

Ang similarly interposed an appeal *via* petition for review on *certiorari*<sup>43</sup> under Rule 45 before this Court, docketed as G.R. Nos. 238568-69 attributing upon the CA the following errors:

**FIRST.** THE COURT OF APPEALS GRAVELY ERRED IN FAILING TO AWARD PAYMENT OF BACKWAGES IN FAVOR OF PETITIONER MELVIN ANG DESPITE SUSTAINING THE FINDINGS OF THE NLRC THAT THE PETITIONER ANG WAS ILLEGALLY DISMISSED FROM HIS EMPLOYMENT;

**SECOND.** THE COURT OF APPEALS GRAVELY ERRED IN FAILING TO INCLUDE IN THE DISPOSITIVE PORTION OF THE CONSOLIDATED DECISION THE AWARD OF ATTORNEY'S FEES DESPITE THE PRONOUNCEMENT IT MADE IN THE BODY OF THE CONSOLIDATED DECISION THAT INDEED PETITIONER ANG IS

<sup>40</sup> Id. (G.R. No. 238347) at 111-112.

<sup>41</sup> Id. (G.R. Nos. 238568-69) at 9-47.

<sup>42</sup> Id. (G.R. No. 238347) at 22-23.

<sup>43</sup> Id. (G.R. Nos. 238568-69) at 49-70.



ENTITLED TO ATTORNEY'S FEES OF TEN PERCENT (10%) OF THE TOTAL MONETARY AWARD.<sup>44</sup>

The petitions were ordered consolidated by the Court in its Resolution<sup>45</sup> dated June 4, 2018.

ICTSI puts forth that contrary to the ruling of the NLRC and the CA, Ang's dismissal is warranted by the latter's unauthorized absences and gross and habitual neglect of duty that resulted in the loss of millions of pesos to the company; these as well gave grounds for the management to lose their trust and confidence upon Ang and justifies his dismissal from employment, particularly, as these grounds are supported by the evidence on record.<sup>46</sup>

On the other hand, Ang asserts that the emails presented by ICTSI as evidence are insufficient "to support with clear and substantial evidence their charges of incompetence, gross and habitual neglect of duties and willful disobedience"<sup>47</sup> With the CA's affirmation of the NLRC ruling that the dismissal is invalid, Ang interposed this appeal claiming that he is entitled to backwages and attorney's fees.

Simplified, the Court must resolve whether Ang's termination is valid, that is, whether he has been terminated for a just cause and has been of procedural due process; and whether his entitlement to monetary benefits and attorney's fees, is valid.

### The Court's Ruling

The petitioner's dismissal is **valid**.

Foremost, while the issues raised are factual in nature and as such is beyond the province of a petition for review on *certiorari* under Rule 45, the Court is not proscribed from resolving these questions in the present case where the findings and conclusions of the labor arbiter are inconsistent with that of the NLRC and the CA, and where the CA's conclusion is contradicted by the evidence on record.<sup>48</sup>

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<sup>44</sup> Id. at 63-64.

<sup>45</sup> Id. (G.R. No. 238347) at 122-124.

<sup>46</sup> Id. at 32-33.

<sup>47</sup> Id. at 193.

<sup>48</sup> *Equitable PCIBank v. Caguioa*, 504 Phil. 242, 248-249 (2005).

Flowing from the right of every employee to security of tenure, Article 294 of the Labor Code of the Philippines provides that an employer shall not terminate the services of an employee except for just or authorized cause, as provided for under the Code. A dismissal not based on a just or authorized cause renders the termination illegal and entitles the employee to payment of full backwages, and depending upon the circumstances – reinstatement to his former position or separation pay in lieu thereof.

Pertinent to this controversy, ICTSI cites two grounds which served as basis for Ang's dismissal – gross and habitual neglect of duty and loss of trust and confidence. These grounds fall under Article 297 (b) and (c), under the category of just causes for termination by the employer.

A dismissal based on willful breach of trust or loss of trust and confidence places upon the employer the burden to establish two conditions. The first, is that the employee terminated must occupy a position of trust and confidence, that is, either a managerial employee or a fiduciary rank-and-file employee, who in the normal exercise of his or her functions, regularly handles significant amount of money or property. The second condition demands the existence of an act justifying the loss of trust and confidence.<sup>49</sup>

Both of these conditions are present in this case. Accordingly, the dismissal of Ang on the basis of loss of trust and confidence is valid.

Here, Ang works as ICTSI's SAP BAC Administrator and Financial Reporting Assistant Manager; by virtue of which, the LA, the NLRC, and the CA all agree that Ang is a managerial employee that holds a position of trust and confidence.<sup>50</sup> The Court sees no reason to depart from such finding.

With respect to the first condition, what determines an employee's classification is not the job title but the actual work performed by the employee.<sup>51</sup>

Ang's positions require him to possess highly technical skills. As the sole administrator of the SAP BAC System, he is tasked, among others, to roll out the new financial reporting system to other terminals all over the world. There is no doubt that Ang occupies a very sensitive position as he has access to the company's financial reporting system, and the power to authorize and limit access to the same. To be sure, in the normal exercise of his functions,

<sup>49</sup> *Wesleyan University-Philippines v. Reyes*, 740 Phil 297, 306-307 (2014); *Bravo v. Urios College, et al.*, 810 Phil. 603, 620-621 (2017).

<sup>50</sup> *Rollo* (G.R. No. 238347), p. 82, *id.* (G.R. Nos. 238568-69) at 306, 396.

<sup>51</sup> *Bluer Than Blue Joint Ventures Company, et al. v. Esteban*, 731 Phil. 502, 504 (2014).

Ang handles data which relates to ICTSI's finances, thus, greater fidelity is expected of him.<sup>52</sup>

Similarly, from Ang's duties, it can be deduced that he held a managerial position, not merely because of his designation as an Assistant Manager of Financial Reporting; but mainly as his work vests him with the power to execute management policies relative to company's migration to and implementation of the SAP BAC system.<sup>53</sup> This involves the performance of all acts necessary for the administration and development of the SAP BAC system and in providing support for all its end users.<sup>54</sup> As a managerial employee, Ang may therefore be validly dismissed on the ground of breach of trust.

Jurisprudence distinguishes between the proof required to substantiate dismissal on the ground of loss of trust and confidence for managerial employees on the one hand and rank-and-file personnel on the other. In the case of a managerial employee, "mere existence of a basis for believing that he has breached the trust of his employer"<sup>55</sup> is enough. There need only be some basis for the loss of confidence as when the employer has a reasonable ground to believe that the employee concerned is responsible for the purported misconduct and the nature of his participation therein. Whereas, with respect to rank-and-file employees, there must be proof of involvement in the alleged events; mere uncorroborated assertion and accusation by the employer will not be sufficient.<sup>56</sup>

The second requirement has been clearly and convincingly established by ICTSI. Considering that Ang was a managerial employee, his termination on the ground of loss of trust and confidence does not demand proof beyond reasonable doubt; it is sufficient that there exists some basis for the employer to believe that he is responsible for the purported misconduct and the nature of his participation renders him unworthy of the trust and confidence demanded by his position.<sup>57</sup>

Tested against these parameters, the Court finds that Ang's dismissal on the basis of loss of trust and confidence is valid. The transgressions committed by Ang are work-related and are no trivial matters. Ang is not an ordinary employee. He is the Assistant Manager of Financial Reporting and the only Administrator of the SAP BAC System. Owing to the sensitivity of Ang's work

<sup>52</sup> *Rollo* (G.R. No. 238568-69), pp. 171, 187, 306, 395.

<sup>53</sup> Article 219(m) of the Labor Code defines a managerial employee as "one who is vested with the powers or prerogatives to lay down and execute management policies and/or to hire, transfer, suspend, lay-off, recall, discharge, assign or discipline employees. Supervisory employees are those who, in the interest of the employer, effectively recommend such managerial actions if the exercise of such authority is not merely routine or clerical in nature but requires the use of independent judgment. All employees not falling within any of the above definitions are considered rank-and-file employees for purposes of this Book."

<sup>54</sup> *Rollo* (G.R. No. 238347) p. 13.

<sup>55</sup> *PJ Lhuillier, Inc. v. Camacho*, 806 Phil. 413, 428 (2017).

<sup>56</sup> *Id.*

<sup>57</sup> *Wesleyan University Philippines v. Reyes*, supra note 49 at 307.

in ICTSI's business operations, greater fidelity is expected of him. In this case, Ang admits to have taken an unauthorized leave of absence, justifying that he has mistakenly taken the failure of his superior to respond as an approval of his absence. Several issues were raised repeatedly by ICTSI regarding his performance, such as errors and discrepancies in his output and failure to promptly respond and offer solutions to the problems in the system.

The Court disagrees that Ang sufficiently countered all the accusations against him. On the contrary, the Court finds that there was an actual breach of duty committed by Ang which served as basis for ICTSI to lose their trust and confidence in him.

Considering the nature of Ang's work, and the fact that he is the *only* administrator of the SAP BAC system, it is only reasonable for ICTSI to demand that they be properly informed and for their authority to be first obtained by Ang before taking a leave of absence. Ang impliedly admitted that he violated company policy when he took a leave of absence after merely texting his superior. Ang cannot feign ignorance of this rule, as this policy of ICTSI is by no means extraordinary but rather a common practice in working environments, although its importance is all the more highlighted in this case by the nature of Ang's work. Further, it is clear from Ang's own submission that no permission was given to him but was instead told through text message that "they will discuss it the following day."<sup>58</sup>

Next, the errors and irregularities in the system are the responsibility of Ang as the SAC BPC Administrator. ICTSI narrated in detail its various emails containing issues which were left unanswered or unresolved by Ang. To counter such allegations, Ang claims that the emails are misleading arguing that they pertain to duties beyond his responsibility; or that his answer to one of the emails does not connote willful defiance but rather that he will do the task after validating the data first.<sup>59</sup> Evidently, the arguments of Ang fail to impress; his justifications notwithstanding, his response implies an admission that he failed to perform some of the tasks as ICTSI alleged. Neither did Ang present controverting evidence to show the efforts he had exerted to address ICTSI's demands or that he had fulfilled the subject tasks as he claims; he can only interpose the defense of denial. Even if there is truth in Ang's contention that he is not the person in charge of the some of the specific tasks referred to in the email, the same would not absolve him from liability as they refer to tasks within the realm of his over-all responsibility as the SAC BPC Administrator. Ultimately, Ang is a managerial employee, as such proof beyond reasonable doubt of his involvement in the events in question is not necessary. It is sufficient that ICTSI established by substantial evidence Ang's responsibility over the

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<sup>58</sup> *Rollo* (G.R. No. 238347), p. 63.

<sup>59</sup> *Id.* at 194-197.

purported misconduct and equally demonstrated how the same rendered him unworthy of the trust and confidence demanded of his position.<sup>60</sup> Employers are allowed a wide latitude of discretion in the termination of managerial employees who, by the nature of their functions, require full trust and confidence.<sup>61</sup>

Termination based on a just cause, in order to be valid, must also comply with the requirements of procedural due process, which means: a) the employer must furnish the employee of a written notice containing the specific grounds or causes for dismissal; b) the notice must direct the employee to submit his or her written explanation within a reasonable period from the receipt of notice; c) the employer must give the employee an ample opportunity to be heard which may be in the form of a hearing when so requested by the employee or otherwise required by the company rules; and d) the employer must serve a notice informing the employee of his or her dismissal.<sup>62</sup>

The Court finds that ICTSI complied with all the requirements of procedural due process in dismissing Ang from employment finding that he has been notified of the charges against him and given the opportunity to answer the same. Culled from Ang's allegations in his position paper, he was served with a notice to explain on March 4, 2014; he submitted his answer on March 11, 2014; he was invited to and attended a hearing conducted on March 20, 2014; a notice of suspension was served on him on March 20, 2014; on April 4, 2014, Ang attended another administrative hearing.<sup>63</sup> On June 26, 2014, Ang received his Notice of Dismissal from employment, which contains in detail the basis for the termination.<sup>64</sup>

As Ang's dismissal was based on just cause, there is no basis for the award of separation pay, backwages, and attorney's fees.<sup>65</sup> Similarly, Ang, as an employee dismissed from work based on willful breach of trust, is not entitled to separation pay.<sup>66</sup>

**WHEREFORE**, in consideration of the foregoing disquisitions, the Consolidated Decision of the Court of Appeals in CA-G.R. SP Nos. 146550 and 146740 dated November 9, 2017, and its and Resolution dated March 22, 2018, are **REVERSED and SET ASIDE**. The Decision dated August 27, 2015 of the Labor Arbiter in NLRC NCR 00-09-11789-14 is hereby **REINSTATED**.

<sup>60</sup> *Bravo v. Urios College, et al.*, supra note 49 at 606; *Equitable PCIBank v. Caguioa*, supra note 48 at 254-255.

<sup>61</sup> *Equitable PCIBank v. Caguioa*, id.

<sup>62</sup> *Bravo v. Urios College, et al.*, supra note 49 at 617-618.

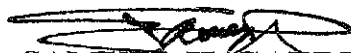
<sup>63</sup> *Rollo* (G.R. No. 238347), pp. 63-66.

<sup>64</sup> Id. at 72.


<sup>65</sup> *Bravo v. Urios College, et al.*, supra note 49 at 626.

<sup>66</sup> *Security Bank Savings Corp., et al. v. Singson*, 780 Phil. 860, 869 (2016); *Immaculate Conception Academy and/or Dr. Campos v. Camilon.*, 738 Phil. 220, 231 (2014).

**SO ORDERED.**

  
**SAMUEL H. GAERLAN**  
Associate Justice

WE CONCUR:

  
**DIOSDADO M. PERALTA**  
Chief Justice

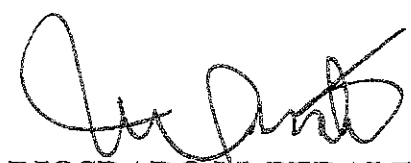
  
**ALFREDO BENJAMIN S. CAGUIOA**  
Associate Justice

  
**ROSMARID D. CARANDANG**  
Associate Justice

  
**RODIL N. ZALAMEDA**  
Associate Justice

**CERTIFICATION**

Pursuant to Section 13, Article VIII of the Constitution, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

  
**DIOSDADO M. PERALTA**  
Chief Justice