

EN BANC

[G.R. NO. 165417, April 03, 2007]

SOCIAL SECURITY SYSTEM, PETITIONER, VS. MA. FE F. ISIP, RESPONDENT.

D E C I S I O N

CORONA, J.:

The Social Security System (SSS) assails the June 21, 2004 decision^[1] and September 22, 2004 resolution^[2] of the Court of Appeals in CA-G.R. SP No. 81255 in this petition for review on certiorari.^[3]

In October 1995, SSS Assistant Administrator for Luzon Atty. Julian R. Cortes created a task force to investigate individuals suspected of granting fraudulent claims processed and paid in the Bacoar, Cavite Branch of the SSS. After reviewing the claim folders, the task force discovered that 247 claims were erroneously processed. It also found that the personnel most likely involved in the processing and payment of wrongful or fraudulent claims were respondent Ma. Fe F. Isip, chief of the Benefits Section of the SSS branch office in Bacoar, Cavite, and Dr. Victor Nicodemus, medical officer in the same branch office.

Respondent was formally charged with grave misconduct, conduct prejudicial to the best interest of the service and violation of office rules and regulations. She was also placed under preventive suspension while her case was under investigation.

Respondent vehemently denied having a hand in the processing and settlement of any fraudulent claims and maintained her innocence of the charges against her. She asserted that the claims passed through regular procedure and proper channels. The claims were duly verified before they were submitted to her for approval. In approving claims, she relied on the report and recommendation of those who conducted the preliminary evaluation.

In a decision dated December 2, 1999, the SSS held respondent guilty of seven counts of gross misconduct as well as five counts of violation of office rules and regulations and ordered her dismissal from the service. Respondent moved for reconsideration but it was denied.

Respondent appealed to the Civil Service Commission (CSC) but the CSC dismissed her appeal and affirmed the SSS decision. The CSC also denied respondent's motion for reconsideration.

Undeterred, respondent elevated the case to the Court of Appeals. On June 21, 2004, the Court of Appeals rendered the assailed decision. While it held that respondent could not totally avoid responsibility for her acts, the appellate court ruled that she was not directly liable for the violations or irregularities committed in

relation to the approval of erroneous or fraudulent claims. She relied on the preliminary evaluation and report of her subordinates on the presumption that they performed their duties in the regular course. Moreover, there was no evidence of corruption, clear intent to violate the law or flagrant disregard of established rules on the part of respondent. In fact, there was no allegation that she benefited from any of the approved questionable claims. Accordingly, the Court of Appeals granted respondent's petition in part, found her guilty of simple misconduct and ordered her suspension from office for six months without pay. The dispositive portion of the decision read:

WHEREFORE, the petition is PARTLY GRANTED. The court finds petitioner, Ma. Fe Isip, Chief of the Benefits Section, Social Security System, Bacoar Branch, Cavite, guilty of simple misconduct and suspends her from office for six (6) months without pay effective immediately upon receipt hereof. Her attention is also called to be more prudent and circumspect in executing her duties, otherwise, a repetition of the same or similar acts in the future will be dealt with more severely.

SO ORDERED.^[4]

The SSS received a copy of the Court of Appeals' decision on June 30, 2004 but it filed a motion for reconsideration only on August 13, 2004. The Court of Appeals denied SSS' motion for reconsideration:

The last day to file motion for reconsideration in this case is July 15, 2004. This period is non-extendible pursuant to the ruling of the Supreme Court in *Habaluyas Enterprises, Inc. vs. Japson*, 142 SCRA 208; *Secretary of Agrarian Reform vs. Tropical Homes, Inc.*, 362 SCRA 115. **The motion for reconsideration** questioning our decision dated June 21, 2004 **was filed on August 13, 2004 beyond the fifteen (15) days period to file the said motion.**

WHEREFORE, foregoing considered, the motion for reconsideration filed by [the SSS] for lack of merit is DENIED.

SO ORDERED.^[5] (emphasis supplied)

Hence, this petition.

The SSS claims that the Court of Appeals should have overlooked the delay in the filing of its motion for reconsideration as it was a mere technicality and should have resolved the motion on the merits. Respondent, on the other hand, contends that not only should the petition be denied but also that she be awarded back wages considering that the SSS has not reinstated her despite her having served her suspension.

We deny the petition.

THE COURT OF APPEALS DECISION IS ALREADY FINAL AND EXECUTORY

The belated filing of the motion for reconsideration rendered the decision of the Court of Appeals final and executory. A judgment becomes "final and executory" by