

EN BANC

[A.M. No. 99-11-157-MTC, August 07, 2000]

REPORT ON THE FINANCIAL AUDIT CONDUCTED ON THE BOOKS OF ACCOUNTS OF OIC MELINDA DESEO, MTC, GENERAL TRIAS, CAVITE,

D E C I S I O N

MENDOZA, J.:

The Office of the Court Administrator examined the books of account of the Municipal Trial Court, General Trias, Cavite with regard to collections for the Fiduciary Fund for the period November 1997 to February 4, 1999 and for the General and Judiciary Development Funds for the period August 1998 to January 31, 1999. The financial audit was ordered in response to the letter, dated February 4, 1999, of Judge Lerio C. Castigador of that court, informing the Court that Court Interpreter Melinda Deseo, who was formerly the Officer-in-Charge (OIC) of said MTC, had used her cash collections to encash personal checks.

In her explanation, dated February 13, 1999, Court Interpreter Deseo admitted the allegations. She admitted that she deposited in the savings account of the MTC in lieu of her cash collections not only her personal checks received from the Government Service Insurance System for salary and salary loan but those of her friends and relatives as well. She claimed that she did so in good faith and that she had seen to it that the amounts she had taken from her collections were equal to the amounts of the checks she deposited in the savings account of the MTC. She explained said that she encashed the personal checks of her friends and relatives out of "necessity" and also her personal checks to defray the expenses of her sick mother, and otherwise avoid unscrupulous money changers who cashed checks at huge discounts. She admitted that she did the foregoing without the authority of judge Castigador and expressed regrets for what she had done.

The Office of the Court Administrator found the following:

1. The Rural Bank of General Trias, Cavite is being utilized as depository bank instead of Land Bank of the Philippines or Provincial Treasurer's Office/City Treasurer's Office/Municipal Treasurer's Office, the authorized depository agencies of the government.
2. The incumbent Officer-In-Charge, Ms. Corazon Perez, was directed to transfer the outstanding balance as of February 4, 1999 net of interest earned from Rural Bank of General Trias to the nearest Land Bank of the Philippines.
3. The interests earned from Fiduciary Fund are not remitted on a quarterly basis to the National Treasury under the General Fund as provided for in Circular No. 50-95.

4. There were encashments of personal checks from Fiduciary Fund collections.
5. The accountable officer was not complying with Circular No. 22-94 which requires that all receipts must be issued in strict numerical sequence and all copies of cancelled receipts must be intact for COA inspection.
6. Entries in the Cashbook do not reconcile with the monthly reports submitted to the Accounting Division, Office of the Court Administrator.

In the course of our examination we noted that there was an overage deposit of P1,500 deposits in the Rural Bank of General Trias which according to Ms. Deseo pertains to the deposits made by Mr. Perfecto Villanueva in Criminal Case No. 2476 under O.R. No. 6852716, dated February 19, 1998. This was already refunded to Mr. Villanueva by virtue of a Court Order dated February 23, 1998. According to Ms. Deseo she personally refunded the amount upon presentation of the SC official receipt from her collections and did not withdraw the said amount from the bank. There is also unwithdrawn interest of P180.12 making a total of P1,680.12 overage from bank balance as against cashbook and Statement of Unwithdrawn Fiduciary Fund.

On the basis of the foregoing findings, the OCA recommended on October 20, 1999 that (1) Melinda Deseo be given an admonition and warned that repetition of what she had done or a similar offense would be dealt with more severely; (2) the present OIC, Corazon Perez, be advised to comply strictly with Circular No. 50-95 and other circulars governing the collection of funds; and (3) Judge Lerio Castigador be admonished to closely monitor the handling of the cash collections.

In view of the recommendation that Court Interpreter Melinda Deseo be simply given an admonition with warning, the matter was returned to the OCA for revision of its recommendations. However, in its memorandum, dated February 9, 2000, the OCA reiterated its previous recommendation.

Hence, the necessity to impose a penalty on Ms. Deseo, consistent with the OCA's finding that she violated Circular No. 50-95.

The pertinent portions of this Circular are set forth below:

CIRCULAR NO. 50-95

TO: ALL JUDGES AND CLERKS OF COURT OF THE REGIONAL TRIAL COURTS, SHARI'A DISTRICT COURTS, METROPOLITAN TRIAL COURTS, MUNICIPAL TRIAL COURTS IN CITIES, MUNICIPAL TRIAL COURTS, MUNICIPAL CIRCUIT TRIAL COURTS AND SHARI'A CIRCUIT COURTS.

SUBJECT: COURT FIDUCIARY FUNDS

The following guidelines and procedures for purposes of uniformity in the manner of collections and deposits are hereby established:

A. Guidelines in Making Deposits:

(1) Deposits of fiduciary funds shall be made under a savings account. A current account may also be maintained provided that a savings account is also maintained with automatic fund transfer arrangement.

(2) Deposits shall be made in the name of the Court, with its Clerk of Court and the Executive judge as authorized signatories.

(3) The Clerk of Court shall be the custodian of the Passbook to be issued by the depository bank and shall report to the Executive Judge for TC, SDC, MetroTC, MTCC, and the Presiding Judge for MTC, MCTC and SCC, the bank's name, branch and savings/current account number. Xerox copy of the passbook shall be submitted to the Fiscal Audit Division.

B. Guidelines in Making Withdrawals

. . . .

(4) All collections from bailbonds, rental deposits, and other fiduciary collections shall be deposited within twenty four (24) hours by the Clerk of Court concerned, upon receipt thereof, with the Land Bank of the Philippines.

(5) Interest earned on these deposits and any forfeited amounts shall accrue to the general fund of the national government. Within two (2) weeks after the end of each quarter, the Clerk of Court shall withdraw such interest and forfeited amounts and shall remit the same to the National Treasury under a separate remittance advice, duplicate copy thereof to be furnished the Chief Accountant of the Supreme Court for record and control purposes.

(6) Only one depository bank shall be maintained and the bank must be formally informed by the Executive/Presiding judge as to who are the authorized signatories to the withdrawal slips and that every withdrawal slip must be accompanied by a court order authorizing the withdrawal of the amount indicated thereat.

(7) Except in instances specifically mentioned in the immediately succeeding paragraph, all fiduciary collections currently deposited with the local treasurers/ and other depositories shall be withdrawn therefrom and deposited with the savings/current accounts maintained by the court for these collections.

(8) In localities where there are no branches of the Land Bank of the Philippines, fiduciary collections shall be deposited by the Clerk of Court with the Provincial, City, or Municipal Treasurer.

(9) Within two (2) weeks after the end of each quarter, all Clerks of Court are hereby required to submit to the Chief Accountant of the Supreme Court, copy furnished the Office of the Court Administrator, a quarterly report indicating the outstanding balance maintained with the depository bank or local treasurer, and the date, nature, and amount of all deposits and withdrawals made within such period.

Circulars that are inconsistent herewith are considered revoked.