

SECOND DIVISION

[G.R. No. 209052, June 23, 2021]

**REPUBLIC PHILIPPINES OF THE (DEPARTMENT OF EDUCATION),
PETITIONER, VS. EULALIA T. MANEJA, RESPONDENT.**

DECISION

LOPEZ, M., J.:

Dismissal from the service imposed by the Civil Service Commission Regional Office (CSCRO) cannot be executed pending appeal with the Civil Service Commission Proper (CSC). Premature execution of the decision ordering the employee's dismissal from the service entitles the employee to the payment of backwages even though the employee is not fully exonerated on appeal.

ANTECEDENTS

On October 29, 2001, Lyn Galarrita Cutamora (Cutamora) authorized in writing Eulalia T. Maneja (Maneja), a Secondary School Teacher at the Macabalan National High School in Macabalan, Cagayan de Oro City, to process Cutamora's salary loan application with the Manila Teachers Mutual Aid System (MTMAS), amounting to P68,000.00. Maneja processed Cutamora's loan and a check amounting to P13,021.00, the net proceeds of the loan, was issued. Maneja did not deliver the check to Cutamora. Instead, she deposited it to her own account with the Oro Credit Cooperative without Cutamora's endorsement, and afterwards appropriated the amount without her consent.^[1]

Thereafter, on June 26, 2002, Cutamora filed a complaint against Maneja before the CSCRO No. 10, Carmen, Cagayan de Oro City (CSCRO No. X), for Violation of Article 315, paragraph 1 (b), Fixing of Teacher's Loan in any Lending Institutions like MTMAS, GSIS, etc., and Engaging in Check Rediscounting. Later, the CSCRO No. X filed a formal charge for dishonesty against Maneja.^[2]

On June 25, 2003, CSCRO No. X promulgated its Decision^[3] finding Maneja guilty of dishonesty and imposing the penalty of dismissal, to wit:

WHEREFORE, premises considered, Maneja is hereby found **GUILTY** as charged. Accordingly, she is meted out the penalty of **dismissal** from the service with all its accessory penalties of forfeiture of retirement benefits, cancellation of eligibility and bar from future entrance in the government service.

Let copies of this decision be furnished the Department of Education, Regional Office No. [X], the Resident Auditor therein, the Principal of the Macabalan National High School, the Civil Service Field Office for Misamis

Oriental.

SO ORDERED.^[4] (Emphases in the original.)

Maneja's motion for reconsideration was denied on October 21, 2003^[5] prompting her to file an appeal with the CSC. Meanwhile, the CSCRO No. X's decision was implemented thereby dismissing Maneja from the service effective December 2003.^[6]

Pending Maneja's appeal, on April 4, 2006. the CSC adopted Resolution No. 06-0538^[7] which classified the offense of dishonesty into serious, less serious, and simple dishonesty and provided corresponding penalties.

On June 12, 2007, the CSC issued Resolution No. 071120^[8] modifying the CSCRO No. X's decision by finding Maneja liable for the lower offense of Simple Dishonesty and imposing the penalty of three (3) months suspension, thus:

WHEREFORE, the appeal of Eulalia T. Maneja is hereby **PARTLY GRANTED**. Accordingly, the Civil Service Commission Regional Office No. X Decision dated June 25, 2003 finding her guilty of Dishonesty and meting on her the penalty of dismissal from the service with all its accessory penalties is **MODIFIED** to the extent that Maneja is liable for the lower offense of Simple Dishonesty for which she is hereby meted the penalty of three (3) months suspension.^[9] (Emphases in the original.)

Subsequently, Maneja filed a motion for the payment of back salaries and other emoluments due her office from the time she was dismissed from the service with the CSCRO No. X which forwarded it to the CSC.^[10] Initially, the CSC denied Maneja's motion through Resolution No. 07-1908 dated October 2, 2007. However, upon reconsideration, the CSC issued Resolution No. 08-1518 dated July 24, 2008 granting Maneja's claim for backwages. The CSC ruled that Maneja had the right to continue rendering work at the Department of Education (DepEd) and she should not have been deprived of her salary during the pendency of her appeal from the CSCRO No. X Decision, thus:

WHEREFORE, the motion for reconsideration of Eulalia T. Maneja is hereby **GRANTED**. Accordingly, she is entitled to receive her salaries and other emoluments of her position as Secondary School Teacher from December 2003 until her reinstatement in the service deducting therefrom the penalty of three (3) months suspension from the service.^[11] (Emphases in the original.)

Thereafter, Maneja moved for the issuance of a writ of execution with the CSC, which the CSC granted on March 3, 2009 through Resolution No. 090330.^[12] The DepEd, represented by Division Schools Superintendent-Cagayan de Oro City, Myrna S. Motoomull, filed a motion for reconsideration but was denied on April 20, 2010 in CSC Resolution No. 100788.^[13]

Aggrieved, the DepEd assailed the denial of its motion before the Court of Appeals-Cagayan de Oro City (CA) through a Petition for Review under Rule 43 of the Rules of Court docketed as CA-G.R. SP No. 03637-MIN.^[14] The DepEd faulted the CSC for downgrading the charge from Dishonesty to Simple Dishonesty and for awarding backwages to Maneja.^[15]

On August 29, 2013, the CA rendered its Decision^[16] dismissing The DepEd 's petition for lack of merit. The CA ruled that the CSC issued Resolution No. 06-0538 pursuant to its rule-making power provided in Presidential Decree No. 807^[17] and Executive Order No. 292 (EO No. 292);^[18] thus, it did not err when it downgraded the offense charged from Serious Dishonesty to Simple Dishonesty.^[19] On the grant of backwages, the CA held that it was proper because the June 25, 2003 Decision of CSCRO No. X ordering Maneja's dismissal was prematurely executed - it was still subject to review by the CSC.^[20]

Hence, this Petition.^[21] DepEd claims that CSC Resolution No. 06-0538 is invalid for expanding the singular offense of Dishonesty^[22] under EO No. 292. Too, the grant of backwages has no basis because Maneja was not exonerated, she voluntarily stopped working and never reported to her office, and she failed to file a money claim first with the Commission on Audit (COA) for payment of backwages.^[23]

RULING

The petition is unmeritorious.

Foremost, we find no error when the CA ruled that CSC Resolution No. 06-0538 was a valid exercise of the CSC's rule-making power. In *Trade and Investment Development Corporation of the Philippine. v. Civil Service Commission (TIDCO)*,^[24] we had the occasion to discuss the rule-making powers of the CSC, viz.:

The 1987 Constitution created the CSC as the central personnel agency of the government mandated to establish a career service and promote morale, efficiency, integrity, responsiveness, progressiveness, and courtesy in the civil service. **It is a constitutionally created administrative agency that possesses** executive, quasi-judicial and **quasi-legislative or rule-making powers.**

While not explicitly stated, the CSC's rule-making power is subsumed under its designation as the government's "central personnel agency" in Section 3, Article IX-B of the 1987 Constitution. The original draft of Section 3 empowered the CSC to "promulgate and enforce policies on personnel actions, classify positions. prescribe conditions of employment except as to compensation and other monetary benefits which shall be provided by law." This, however, was deleted during the constitutional commission's deliberations because it was redundant to the CSC's nature as an administrative agency[.]

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The 1987 Administrative Code then spelled out the CSC's rulemaking power in concrete terms in Section 12, Book V, Title 1-A. which **empowered the CSC to implement the civil service law and other pertinent laws, and to promulgate policies, standards and guidelines for the civil service.**

The CSC's rule-making power as a constitutional grant is an aspect of its independence as a constitutional commission. It places the grant of this power outside the reach of Congress, which cannot withdraw the power at any time. x x x.

x x x x

But while the grant of the CSC's rule-making power is untouchable by Congress, the **laws that the CSC interprets and enforces fall within the prerogative of Congress.** As an administrative agency, the CSC's quasi-legislative power is subject to the same limitations applicable to other administrative bodies. The rules that the CSC formulates must not override, but must be in harmony with, the law it seeks to apply and implement.^[25] (Emphases supplied and citations omitted.)

Relatively, Section 46 (b) {1 }, Book V, Title I-A, Chapter 7 of EO No. 292 lists Dishonesty as a ground for disciplinary action. No corresponding penalty was prescribed for this offense in the law. Hence, the CSC, as the central personnel agency of the government, in the exercise of its rule-making powers, is obliged to put into effect this provision by providing for its proper penalty. Accordingly, it issued Resolution No. 99-1936 or the "Uniform Rules on Administrative Cases in the Civil Service" (URACCS), penalizing the offense of Dishonesty with dismissal from the service in the first offense.^[26]

Thereafter, realizing that not all acts of dishonesty warrant the ultimate punishment of dismissal from the service, and in light of the Court decisions reducing the penalty of dismissal from the service to suspension,^[27] the CSC issued Resolution No. 06-0538, classifying the offense of Dishonesty with the corresponding penalties, thus:

SEC. 2. Classification of Dishonesty - The classification of the offense of Dishonesty and their corresponding penalties are as follows:

- a. **Serious Dishonesty** punishable by dismissal from the service.
- b. **Less Serious Dishonesty** punishable by suspension from six (6) months and one (1) day to one (1) year for the first offense and dismissal from the service for the second offense.
- c. **Simple Dishonesty** punishable by suspension of one (1) month and one (1) day to six (6) months for the first offense; six (6)

months and one (1) day to one (1) year suspension for the second offense; and dismissal from the service for the third offense.

Evidently, CSC Resolution No. 06-0538 is in consonance with our pronouncement in *TIDCO*.^[28] It did not override) but is in harmony with Section 46 (b) (1), Book V, Title I-A, Chapter 7 of EO No. 292 - the law which the CSC seeks to enforce. Therefore, contrary to DepEd's assertion, CSC Resolution No. 06-0538 is a valid exercise of the CSC's rule-making powers.

Moving on to Maneja's entitlement to backwages, we sustain its grant by the CSC as affirmed by the CA.

In *Civil Service Commission v. Cruz (Cruz)*,^[29] we explained the conditions for backwages to be awarded when dismissal from the service was **immediately executed** but the employee was later ordered reinstated by the CSC. The government employee must not only be found innocent of the charges; his suspension must likewise, be shown to be unjustified. Cruz relied on the pronouncements in *Bangalisan v. Han. CA (Bangalisan)*,^[30] *Jacinto v. CA (Jacinto)*,^[31] and *De la Cruz v. Court of Appeals (Dela Cruz)*^[32] where the Court declared that payment of salaries corresponding to the period when an employee is not allowed to work may be decreed if: (1) he is found innocent of the charges which caused the suspension, **and** (2) when the suspension is unjustified.

Nevertheless, we hold that the conditions laid down in *Cruz* do not apply in this case. In *Cruz*, the penalty of dismissal from the service was decreed by the General Manager of the City of Malolos Water District, with the approval of its Board. In *Bangalisan*, the dismissal from the service of petitioners was ordered by then Secretary of the Department of Education, Culture and Sports. The subsequent cases of *Jacinto* and *Dela Cruz* involved similar factual circumstances as *Bangalisan*. **In these cases, the immediately executed dismissal from the service were decisions of heads of office.** Under EO No. 292, decisions of Secretaries and heads of instrumentalities imposing dismissal from the service are executory when confirmed by the Secretary concerned.^[33] This is enforced by the URACCS, the governing rules when Maneja committed her offense, where the CSC adopted the wordings of EO No. 292.^[34]

In this case, the dismissal from the service of Maneja was decided by the CSCRO No. X. There is a difference in the authority who imposed the dismissal from the service. **This distinction is material because it determines the legality of the immediate execution.**

The CSC is composed of chairman and two Commissioners.^[35] Under the CSC's jurisdiction are the CSCROs.^[36] Section 12 (11), Chapter 3, Title I A, Book V of EO No. 292^[37] provides that the CSC has the power to review decisions and actions of its offices and agencies attached to it. The same provision states that the CSC's decisions, orders, or rulings shall be final and **executory**. Hence, it is the CSC's decision that becomes executory, not the CSCROs'. This does not mean that the CSCRO's decisions do not become executory in all instances. The URACCS declare that the CSCROs' decisions are immediately executory after 15 days from receipt of