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## Republic of the Philippines Supreme Court Manila

SUPREME COURT OF THE PHILIPPINES 

#### **THIRD DIVISION**

### NOTICE

Sirs/Mesdames:

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Please take notice that the Court, Third Division, issued a Resolution dated January 27, 2021, which reads as follows:

"A.M. No. P-21-4099 [Formerly OCA IPI NO. 17-4719-P] (Spouses Demmer and Marlyn Dumanat v. Julieta A. Acido, Court Stenographer II, Municipal Trial Court in Cities, Cabadbaran City, Agusan del Norte). -Before this Court is an administrative letter-complaint<sup>1</sup> against Julieta A. Acido (Julieta), Court Stenographer II, Municipal Trial Court in Cities of Cabadbaran City, Agusan del Norte.

On July 4, 2014, the Regional Trial Court, Branch 34 of Cabadbaran City (trial court)<sup>2</sup> rendered judgment in Civil Case No. 12-07, a case for collection of a sum of money filed by spouses and herein complainants Demmer and Marlyn Dumanat (spouses Dumanat) against Julieta and her husband Carmelo Acido. The trial court disposed of the case as follows:

WHEREFORE, judgment is hereby rendered ordering the defendants Spouses Carmelo Acido and Julieta Acido to pay the plaintiffs Spouses Demmer Dumanat and Marlyn Dumanat the following:

1.) The sum of P 38,880.00 as principal obligation with the legal interest of 12% per annum computed from May 11, 2012 and six percent (6%) per annum from July 1, 2013 until the obligation is paid in full;

2.) P 10,000.00 as attorney's fees;

3.) P 10,000.00 as litigation expenses; and

4.) The cost of suit.

SO ORDERED.<sup>3</sup>

The decision became final and executory. On January 16, 2015, the trial court granted the spouses Dumanat's Motion for Execution and issued the correlative writ of execution. Julieta partially paid the amount of P20,000.00 on November 3, 2015 and another P20,000.00 on February 29, 2016. No

<sup>&</sup>lt;sup>1</sup> Rollo, pp. 1-3.

Per Writ of Execution issued by the trial court on February 2, 2015, rollo. pp. 8-9.

<sup>&</sup>lt;sup>3</sup> Id. at 8.

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further payments, however, were made, leaving the amount of  $\mathbb{P}31,023.00$  outstanding and unpaid. Per the Provincial Sheriff's Report,<sup>4</sup> Julieta had always asked for additional time to pay instead of tendering any payment.

On July 12, 2017, the spouses Dumanat filed the instant administrative complaint against Julieta before the Office of the Court Administrator (OCA) for non-payment of just debts, grave misconduct, and abuse of authority. The spouses allege that, despite the trial court's orders and the Provincial Sheriff's constant reminder, Julieta failed to pay and continues to fail to pay the remaining balance of her judgment obligation. It is also claimed that Julieta's refusal to heed the orders of the trial court and fully discharge her civil liabilities constituted grave misconduct and abuse of authority as an officer of the court. Julieta is fully aware of her liabilities and receives a number of allowances by virtue of the office she holds but still unreasonably withholds the full satisfaction of the judgment against her.

Required to comment,<sup>5</sup> Julieta decries the undue intrusion of the debt dispute into her personal life. She alleges that she had been religiously paying back her debt plus the interest thereon but Marlyn Dumanat continues to gossip against her. Julieta also assails the manner by which the Provincial Sheriff enforced the writ of execution. She confirms that she made two payments to the Provincial Sheriff. She failed to pay once but, thereafter, the Sheriff neither followed up the remaining balance with her nor gave her any acknowledgment receipt for the P40,000.00 that she tendered.

Julieta further recalls that her indebtedness only amounted to  $\mathbb{P}90,000.00$ . Thus, it came as a surprise that it had ballooned to  $\mathbb{P}300,000.00$ ; worse, a collection suit was filed against her before the trial court. She notes, however, that her total indebtedness was pegged in the amount of  $\mathbb{P}38,000.00$  plus interests and costs. Julieta also denounces the spouses Dumanat's lack of the necessary government permits and licenses to operate their lending business and their supposed threats to have her government employment terminated.

Julieta fully intends to pay off her debts but requests for time as her circumstances constrain her to make the necessary payments. Along with her seafarer-husband, Julieta supports four children in college and her net salary is only ₱4,982.05. While she receives allowances and can avail of loans from the judiciary, she nonetheless uses them to pay off her monetary obligations and tuition fees.

The spouses Dumanat responded to Julieta's Comment.<sup>6</sup> They deny having threatened Julieta with unemployment or concocted false stories about her or had any hand in the Provincial Sheriff's manner of enforcing the writ of

<sup>&</sup>lt;sup>4</sup> Id. at 5-6.

<sup>&</sup>lt;sup>5</sup> Id. at 11-14.

<sup>&</sup>lt;sup>6</sup> Id. at 106-110.

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execution. They aver that they need not secure permits or licenses in lending money, since Julieta borrowed money from them in her personal capacity. The spouses maintain that the trial court had already adjudicated Julieta's indebtedness to them. Thus, all that remains to be done is for Julieta to comply with the directive of the court. According to the spouses Dumanat, emotions and personal opinion should not excuse Julieta from complying with her obligations. They also refuse any settlement or further compromise on the subject indebtedness of Julieta.

Upon evaluation, the OCA found sufficient evidence to hold Julieta administratively liable for willful failure to pay just debts and recommended that:

1. the instant administrative complaint against respondent Julieta A. Acido, Court Stenographer II, MTCC, Cabadbaran City, Agusan del Norte, be **RE-DOCKETED** as a regular administrative matter; and,

2. respondent be found **GUILTY** of [willful] failure to pay just debts and be imposed the penalty of a **REPRIMAND** with a **STERN WARNING** that a repetition of the same or any similar act shall be dealt with more severely.<sup>7</sup>

The Court agrees with the above recommendation. The OCA assessed the spouses Dumanat's complaint in the following manner:

Under the Civil Service Rules, the term "just debts" shall apply only to claims adjudicated by a court of law, or to claims the existence and justness of which are admitted by the debtor.

Respondent's loan obligations clearly fall under the category of just debts. There is no question as to the existence of a debt because respondent herself has acknowledged the same. She also confirmed that the same was already adjudicated by the RTC in complainants' favor. In fact, complainants resorted to the filing of the instant administrative case only after respondent failed to pay despite the issuance of a Writ of Execution dated 02 February 2015.

We find the case of *Teresita I. Hernaez vs. Geraldo B. Daulayan*<sup>[8]</sup> squarely applicable to the instant case. In said case, the Court approved the OCA recommendation in this wise:

Wilful failure to pay just debts is classified as a light offense which carries the penalty of reprimand for the first transgression. Just debts refer to claims adjudicated by a court of law or claims the existence of which are admitted by the debtor.

Since respondent's debt with the bank and his refusal to pay the same were already duly established by the MTC's decision dated June 10, 2005, respondent is clearly liable for the infraction.<sup>9</sup>

<sup>9</sup> Id.

<sup>/</sup> Id. at 113.

<sup>&</sup>lt;sup>8</sup> Id. at 112; cited by the OCA as A.M. No. P-08-2425, formerly OCA IPI No. 07-2500-P, 5 March 2008.

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The facts have been satisfactorily established by Julieta's own admissions. She borrowed money from the spouses Dumanat. Not having been paid of their money, the spouses Dumanat sought judicial intervention. The trial court adjudicated for Julieta to pay her dues, which judgment became final and executory. Despite the Provincial Sheriff's enforcement of the writ of execution thereon, the debt remained only partially settled up to this date.

Government employees are never proscribed from incurring a debt. They are, however, not allowed to renege on their reasonable obligation to pay them back, as loyalty to their word reflects brilliantly on the public office they hold. Here, the Court does not find any acceptable reason for Julieta to leave her debt unpaid for a long period of time. The falsity or truth of the parties' personal gripes against each other, and the circumstances surrounding the enforcement of the writ of execution hold no relevance in this administrative complaint against Julieta.

#### The Court so held in *Tordilla v. Amilano*:<sup>10</sup>

[T]he penalty imposed by law is not directed at respondent's private life, but rather at her actuation unbecoming of a public official. As explained in *In re: Complaint for Failure to Pay Just Debts Against Esther T. Andres*,[<sup>11</sup>] willful refusal to pay just debts, much like misconduct, equally contemplates the punishment of the errant official in view of the damage done to the image of the Judiciary:

The Court cannot overstress the need for circumspect and proper behavior on the part of court employees. "While it may be just for an individual to incur indebtedness unrestrained by the fact that he is a public officer or employee, caution should be taken to prevent the occurrence of dubious circumstances that might inevitably impair the image of the public office." Employees of the court should always keep in mind that the court is regarded by the public with respect. Consequently, the conduct of each court personnel should be circumscribed with the heavy burden of onus and must at all times be characterized by, among other things, uprightness, propriety and decorum. x x x.

Also, as instructively held in Tan v. Sermonia:  $\begin{bmatrix} 12 \\ 1 \end{bmatrix}$ 

Indeed, when [respondent] backtracked on her promise to pay her debt, such act already constituted a ground for administrative sanction, for any act that would be a bane to the public trust and confidence reposed in the judiciary shall not be countenanced. [Respondent's] unethical conduct has diminished the honor and integrity of her office, stained the image of the judiciary and caused unnecessary interference, directly or indirectly, in the efficient and effective performance of her functions. Certainly, to preserve decency within the judiciary, court personnel must comply with just contractual obligations, act fairly and adhere to high ethical

<sup>&</sup>lt;sup>10</sup> 753 Phil. 23 (2015).

<sup>&</sup>lt;sup>11</sup> Id. at 30; cited as 493 Phil. 1, 11 (2005); id. at 30.

<sup>&</sup>lt;sup>12</sup> Id. at 20; cited as 612 Phil. 314, 322 (2009).

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standards. Like all other court personnel, [respondent] is expected to be a paragon of uprightness, fairness and honesty not only in all her official conduct but also in her personal actuations, including business and commercial transactions, so as to avoid becoming her court's albatross of infamy.<sup>13</sup>

Section 46(F), Rule 10 of the Revised Rules on Administrative Cases in the Civil Service classifies willful failure to pay just debts (which refer to claims adjudicated by a court of law, or claims the existence and justness of which are admitted by the debtor),<sup>14</sup> as a light offense punishable as follows:

- (a) by reprimand for the first offense;
- (b) by suspension of one (1) to thirty (30) days for the second offense; and
- (c) dismissal from service for the third offense.<sup>15</sup>

Considering that this is Julieta's first offense, the penalty of reprimand shall accordingly be meted out to her. At the same time, she is sternly warned of a more severe consequence should she commit the same professional indiscretion in the future.

WHEREFORE, Julieta A. Acido, Court Stenographer II, Municipal Trial Court in Cities, Cabadbaran City, Agusan del Norte, is found GUILTY of willful failure to pay just debts. She is hereby **REPRIMANDED** and **STERNLY WARNED** that the commission of the same or similar infraction shall be dealt with more severely.

**SO ORDERED.**" (Leonen, J., on official business; Hernando, J., Acting Chairperson)

By authority of the Court:

# MISAEL DOMINGO C. BATTUNG III Division Clerk of Court

Sps. Demmer & Marlyn Dumanat Complainants Atega Street, Barangay 6 8605 Cabadbaran City, Agusan del Norte

Ms. Julieta A. Acido Respondent MUNICIPAL TRIAL COURT IN CITIES 8605 Cabadbaran City, Agusan del Norte

<sup>14</sup> Section 46 (F) (9), Rule 10, Revised Rules on Administrative Cases in the Civil Service.

<sup>15</sup> Id.

<sup>&</sup>lt;sup>13</sup> Tordilla v. Amilano, supra note 8 at 29.

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