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WHEREFORE, Atty. Mariano A. Dajoyag, Jr. is REPRIMANDED. He is admonished henceforth to exercise greater care and diligence in the performance of his duties towards his clients and the courts and warned that repetition of the same or similar offense will be more severely dealt with.

Complainant's prayer that the petition for *certiorari* filed by respondent be considered and given due course despite its denial for having been filed out of time is DENIED for lack of merit.

SO ORDERED.

Bellosillo (Chairman), Quisumbing, Buena, and *De Leon, Jr., JJ.,* concur.

SECOND DIVISION

[A.M. No. P-01-1460. February 28, 2002]

ESPERANZA L. DE GUZMAN, *complainant, vs.* **NORMA M. BURCE, Clerk of Court III, Metropolitan Trial Court, Branch 61, Makati City,** *respondent.*

SYNOPSIS

Mrs. Esperanza L. de Guzman charged respondent Mrs. Norma M. Burce, Clerk of Court of the Metropolitan Trial Court, Branch 61 of Makati City, with dishonesty for failure to pay just debt, conduct unbecoming a government employee and prejudicial to the best interests of the judiciary ,and falsification of provisional receipt of the partial payment of her indebtedness. On the other hand, respondent admitted that she borrowed money from complainant, but claimed that she partially paid it and had a remaining balance of ₱13,000.00 only, contrary to complainant's claim in the total amount of ₱39,395.00.

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The Court ruled that given the disagreement the actual amount of the debt and the fact that complainant's claim is still subject of litigation in court, it cannot be said that respondent is guilty of willful refusal to pay a just and valid debt. As this Court held in *Martinez v. Muñoz,* the Court is not a collection agency.

With regard to the charge that respondent falsified a private document by intercalating the word and figure "Bal.- ₱13,000.00," the Court did not find the same to have been sufficiently established. The record showed that the City Prosecutor's Office in Makati dismissed the criminal complaint for falsification filed against respondent, and the basis of the dismissal was precisely that it was Sal-Ad Credit Enterprises' former manager, Flordeliza Ochoco, who made all the entries in the receipt in question. Mrs. Ochoco herself confirmed this fact. This finding of the City Prosecutor was affirmed by the Department of Justice. Thus, the instant complaint was dismissed for lack of merit.

SYLLABUS

1. **POLITICAL LAW; ADMINISTRATIVE LAW; REVISED ADMINISTRATIVE CODE OF 1987; WILLFUL REFUSAL TO PAY A JUST AND VALID DEBT; NOT ESTABLISHED FOR COMPLAINANT'S CLAIM IS STILL SUBJECT OF LITIGATION IN COURT.** – On the basis of the record, there is insufficient evidence to find respondent guilty of willful refusal to pay a just and valid debt. Respondent's indebtedness, we understand, is at present subject of a collection case filed by complainant, docketed as Civil Case No. 22374, in the Metropolitan Trial Court, Branch 33, Quezon City, because while respondent admits her indebtedness to complainant, there is serious dispute as to the total amount of money she actually borrowed from the latter. In her complaint, dated May 10, 1999, complainant alleges that respondent's loans amounted to ₱32,500.00. But, in her demand letter, dated April 14, 1999, to respondent, complainant states that "[o]ur records show that you [respondent] were able to receive from us a total of ₱22,500.00." Respondent herself admits borrowing the total amount of ₱25,000.00, but alleges receipt of only ₱22,500.00, the amount of ₱2,500.00 having been deducted in advance as interest. The parties also differ with respect to the total amount,

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after interest, which respondent still owes complainant. Per complainant's demand letter, dated April 14, 1999, respondent had paid only ₱2,000.00 on April 17, 1998 and ₱400.00 on February 16, 1999, thus reducing the principal to ₱20,100.00. To this amount complainant added interest in the amount of ₱19,295.00 as of April 15, 1999, thus bringing the total amount of indebtedness to ₱39,395.00. On the other hand, respondent claims that the balance of her debt is ₱13,000.00, taking into account her payment of ₱10,500.00 on May 18, 1998 and ₱3,5000.00 on July 17, 1998. She also claims that she made a later payment of ₱1,000.00 on February 16, 1999. She denies liability for interest on the ground that this was unilaterally imposed by complainant. Given this disagreement as to the actual amount of the debt and the fact that complainant's claim is the subject of litigation in court, it cannot be said that respondent is guilty of willful refusal to pay a just and valid debt. As we held in *Martinez v. Muñoz,* the Court is not a collection agency.

2. ID.; ID.; COURT PERSONNEL; FALSIFICATION OF PRIVATE DOCUMENTS; NOT ESTABLISHED IN CASE AT BAR. – With regard to the charge that respondent falsified a private document (Provisional Receipt No. 0179) by intercalating the word and figure "Bal.- ₱13,000.00," the Court does not find the same to have been sufficiently established. Respondent claims that the entries in the receipt were made by complainant's former manager, Mrs. Flordeliza "Flora" Ochoco. Indeed, complainant does not deny that it was Mrs. Ochoco, then employed by her, who issued the receipt to respondent. Moreover, the record shows that the City Prosecution Office in Makati dismissed the criminal complaint for falsification filed against respondent, and the basis of the dismissal was precisely that it was Sal-Ad Credit Enterprises' former manager, Flordeliza Ochoco, who made all the entries in the receipt in question. Mrs. Ochoco herself confirmed this fact. This finding of the City Prosecutor was affirmed by the Department of Justice in its resolution, dated August 15, 2000.

APPEARANCES OF COUNSEL

Salvador P. De Guzman, Jr. for complainant.

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DECISION

MENDOZA, *J.*:

This concerns a letter, dated May 10, 1999, of Mrs. Esperanza L. de Guzman, charging respondent Mrs. Norma M. Burce, Clerk of Court III of the Metropolitan Trial Court, Branch 61, Makati City with dishonesty for failure to pay just debt, conduct unbecoming a government employee and prejudicial to the best interests of the judiciary, and falsification of a provisional receipt for partial payment of her indebtedness.

Complainant is the wife of retired Judge Salvador P. de Guzman, Jr. of the Regional Trial Court, Branch 142, Makati City. It appears that after his retirement on December 6, 1997, Judge de Guzman, Jr. put up a business, servicing judicial employees of Makati who borrow against their salary checks. Judge de Guzman, Jr. later turned over the management of the business to his wife, herein complainant Esperanza de Guzman, who named the business "Sal-Ad (for salary advance) Credit Enterprises."[1]

In her letter, dated May 10, 1999, complainant alleges that respondent received the following amounts either in check or in cash, to wit:

₱ 5,000.00	April 2, 1998	Check No. 441364
5,000.00	April 6, 1998	In cash
5,000.00	April 8, 1998	Check No. 441399
10,000.00	May 20, 1998	Not stated whether received in check or in cash
5,000.00	May 20, 1998	Not stated whether received in check or in cash
1,000.00	August 4, 1998	Not stated whether received in check or in cash
1,500.00	August 6, 1998	Not stated whether received in cash or in cash

Total ₱32,500.00, excluding interest.

Complainant alleges that respondent refused to pay her obligation, insisting that, as shown in Provisional Receipt No.

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[1] Affidavit, dated May 4, 2001, of Judge Salvador P. De Guzman, Jr. attached as annex to complainant's rejoinder to respondent's answer/manifestation.

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0179, dated July 17, 1998, her balance was only ₱13,000.00, which she had already settled and for which she was given change for her ₱16,667.00 amelioration check. Complainant denies respondent's claim and says the copy of Provisional Receipt No. 0179 in her possession does not have any entry showing "Bal.-13,000.00." Complainant says that she sent respondent a second demand letter, dated April 14, 1999, giving her a final grace period of five days to settle her account, but respondent insisted that she had already submitted receipts showing full payment of her indebtedness. Complainant therefore seeks the dismissal of respondent from the service with prejudice to re-employment.

Commenting on the complaint against her, respondent alleges that she borrowed from Sal-Ad Credit Enterprises four times, and in each instance, she was issued a check at a discounted rate, to wit: ₱5,000.00 on April 2 and 8, 1998, for which she was issued a Solid Bank check for ₱4,500.00; ₱10,000.00 on May 20, 1998, for which she was issued a Solid Bank check for ₱9,000.00; and ₱5,000.00 on May 28, 1998, for which she was issued a Solid Bank check for ₱4,500.00. According to respondent, the difference between the amounts of the loans and those of the checks represented advance interest. Respondent further alleges that she already paid her April 2 and 8, 1998 loans with her amelioration check in the amount of ₱16,667.09, for which she was issued a provisional receipt, dated May 18, 1998, for full payment of her loans in the total amount of ₱10,500.00, and another receipt for her change in the amount of ₱6,167.00.[2]

With respect to her loans on May 20 and 28, 1998 in the total amount of ₱15,000.00, respondent admits that she was not able to immediately pay the same because certain benefits, which she and other employees of the MeTC expected, did not arrive on time. Nonetheless, when her Judiciary Development Fund (JDF) check in the amount of ₱5,500.00 arrived, respondent claims she immediately tendered the same on July 17, 1998,

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[2] Annex 1 of respondent's answer.

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with the request that she be allowed to make only partial payment of her loans. Mrs. Flora (Flordeliza) Ochoco, complainant's former employee, allegedly granted respondent's request and issued to her Provisional Receipt No. 0179 for ₱2,000.00, representing partial payment, and ₱1,500.00, representing advance interest.[3] After receiving her change in cash in the amount of ₱2,000.00, respondent claims she asked Mrs. Ochoco "to indicate in my receipt my true and correct balance as of July 17, 1998 in the amount of ₱13,000.00."

According to respondent, she was called by complainant in 1998 to the latter's office and was confronted with several papers containing erasures and superimpositions. She was asked whether she had received cash advances from Mrs. Ochoco. She allegedly replied that the loans she received were in Solid Bank and UCPB checks. In another instance, at complainant's office, respondent says she was presented with a statement of account indicating that she had not paid her first two loans and that she had received all her loans in cash. She objected to this as well as the imposition of daily interest. She was asked for copies of the receipts issued to her, which she gave. Respondent says that in turn she asked for copies of the papers shown to her regarding her account, but she was never given the copies. Nonetheless, respondent claims that, to show her good faith, on February 16, 1999, she again paid with a check the amount of ₱1,000.00, ₱400.00 of which was applied to the principal and ₱600.00 to the interest as shown in Provisional Receipt No. 0951 of even date.[4] However, respondent alleges, complainant refused her tender of payment.

Respondent says that she pleaded with complainant not to charge "very high interest, but complainant said she uses the same for the salaries of her employees and to pay rent." Respondent states that complainant filed a criminal case for falsification of a private document against her in connection with the addition of "Bal.-

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[3] *Id.*, Annex 2.

[4] *Id.*, Annex 4.

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13,000.00" in the original case of Provisional Receipt No. 0179, but said complaint was dismissed.

Thereafter, the parties were required to file manifestations whether they were willing to submit this case for resolution on the basis of the pleadings.

In her answer/manifestation, respondent signified her willingness to submit the case for resolution on the basis of the pleadings. She informed the Court that the dismissal of the criminal case for falsification filed against her by complainant had been affirmed by the Department of Justice. She accused complainant of falsifying Provisional Receipt No. 0179 by postdating it July 23, 1998, when it was actually issued on July 17, 1998 as indicated in the original thereof.

Complainant filed a rejoinder, to which respondent filed a reply, manifesting her willingness to consider the case submitted for decision. Hence this decision.

The charges against respondent involve the following offenses: (1) willful failure to pay just debts and (2) falsification by intercalating in Provisional Receipt No. 0179 the entry of "Bal.–13,000.00."

With regard to the charge that respondent willfully failed to pay just debts, Book V, Title I, Chapter 7, Subtitle A (Civil Service Commission), §46 of the Revised Administrative Code of 1987 (E.O. No. 292) provides:

(b) The following shall be grounds for disciplinary action.

(22) Willful failure to pay just debts or willful failure to pay taxes to the government;

Rule XIV, §23 of the Implementing Rules of the Civil Service defines "just debts" as follows:

The term "just debts" shall apply only to:

1. claims adjudicated by a court of law;

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2. claims the existence and justness of which are admitted by the debtor.

On the basis of the record, there is insufficient evidence to find respondent guilty of willful refusal to pay a just and valid debt. Respondent's indebtedness, we understand, is at present subject of a collection case filed by complainant, docketed as Civil Case No. 22374, in the Metropolitan Trial Court, Branch 33, Quezon City, because while respondent admits her indebtedness to complainant, there is serious dispute as to the total amount of money she actually borrowed from the latter. In her complaint, dated May 10, 1999, complainant alleges that respondent's loans amounted to ₱32,500.00. But, in her demand letter,[5] dated April 14, 1999, to respondent, complainant states that "[o]ur records show that you [respondent] were able to receive from us a total of ₱22,500.00." Respondent herself admits borrowing the total amount of ₱25,000.00, but alleges receipt of only ₱22,500.00, the amount of ₱2,500.00 having been deducted in advance as interest.

The parties also differ with respect to the total amount, after interest, which respondent still owes complainant. Per complainant's demand letter, dated April 14, 1999, respondent had paid only ₱2,000.00 on April 17, 1998 and ₱400.00 on February 16, 1999, thus reducing the principal to ₱20,100.00. To this amount complainant added interest in the amount of ₱19,295.00 as of April 15, 1999, thus bringing the total amount of indebtedness to ₱39,395.00. On the other hand, respondent claims that the balance of her debt is ₱13,000.00, taking into account her payment of ₱10,500.00 on May 18, 1998 and ₱3,5000.00 on July 17, 1998. She also claims that she made a later payment of ₱1,000.00 on February 16, 1999. She denies liability for interest on the ground that this was unilaterally imposed by complainant.

Given this disagreement as to the actual amount of the debt and the fact that complainant's claim is the subject of litigation in court, it cannot be said that respondent is guilty of willful refusal

[5] Annex to the complaint.

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to pay a just and valid debt. As we held in *Martinez v. Muñoz*,[6] the Court is not a collection agency.

With regard to the charge that respondent falsified a private document (Provisional Receipt No. 0179) by intercalating the word and figure "Bal.- ₱13,000.00," the Court does not find the same to have been sufficiently established. Respondent claims that the entries in the receipt were made by complainant's former manager, Mrs. Flordeliza "Flora" Ochoco. Indeed, complainant does not deny that it was Mrs. Ochoco, then employed by her, who issued the receipt to respondent. Moreover, the record shows that the City Prosecution Office in Makati dismissed the criminal complaint for falsification filed against respondent, and the basis of the dismissal was precisely that it was Sal-Ad Credit Enterprises' former manager, Flordeliza Ochoco, who made all the entries in the receipt in question. Mrs. Ochoco herself confirmed this fact.[7] This finding of the City Prosecutor was affirmed by the Department of Justice in its resolution, dated August 15, 2000.[8]

WHEREFORE, the complaint against respondent Norma M. Burce, Clerk of Court III, Metropolitan Trial Court, Branch 61, Makati City is DISMISSED for lack of merit.

SO ORDERED.

Bellosillo (Chairman), Quisumbing, Buena, and *De Leon, Jr., JJ.,* concur.

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[6] 249 SCRA 14 (1995).

[7] Resolution, dated June 25, 1999, of the City Prosecution Office in I.S. No. 99-F-155550; Annex 14 of respondent's answer.

[8] Annex 3 of respondent's answer/manifestation.