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With the foregoing categorical pronouncement of the Court, it is clear that NPC can no longer invoke Republic Act No. 6395 (NPC Charter), as amended by Presidential Decree No. 938, as its basis for exemption from the payment of legal fees.

WHEREFORE, it is hereby *CLARIFIED* that the National Power Corporation is not exempt from the payment of legal fees.

SO ORDERED.

Puno, C.J., Carpio, Corona, Carpio Morales, Velasco, Jr., Nachura, Leonardo-de Castro, Brion, Peralta, Bersamin, Del Castillo, Abad, Villarama, Jr., and *Perez, JJ.,* concur.

THIRD DIVISION

[A.M. No. P-09-2686. March 10, 2010]
(Formerly OCA I.P.I. No. 06-2441-P)

PRISCILLA L. HERNANDO, *complainant, vs.* **JULIANA Y. BENGSON, Legal Researcher, RTC, Branch 104, Quezon City,** *respondent.*

SYLLABUS

1. POLITICAL LAW; ADMINISTRATIVE LAW; COURT PERSONNEL; SIMPLE MISCONDUCT; RESPONDENT'S COMPLICITY IN THE FAILED TITLING OF THE PROPERTY EYED BY COMPLAINANT IS MANIFEST; HER MISREPRESENTATION PRECIPITATED THE TRANSACTION THAT EVENTUALLY DEFRAUDED COMPLAINANT.— In *Janette P. Gabatin v. Marilou M. Quirino,* the Court held that while the private transaction between the complainant and the court employee concerned could be fully ascertained and resolved in an appropriate criminal or civil proceeding, it found the respondent guilty of Simple

Misconduct, because her "handling of the entire affair had not been exemplary." There, the Court noted how the respondent gave the complainant the run-around instead of being forthright with the latter on her failure to secure the promised franchises. In that case, the respondent was suspended from the service for two (2) months, without pay. In the present case, the OCA found, and we agree, that Bengson's complicity in the failed titling of the property eyed by Hernando was manifest. Based on the trial judge's investigation and that of the OCA, Bengson offered to help Hernando find a surveyor for a fee, and she was the very same one who directly received the money intended for the titling of the property. To Hernando's dismay, Villacorte did not turn out to be the "expert" that she was made to believe. To our mind, it was the very misrepresentation that precipitated the transaction that eventually defrauded Hernando. Complainant would not have parted with her hard-earned money were it not for Bengson's misrepresentation with respect to Villacorte's capacity to facilitate the titling of the property. Respondent cannot extricate herself by claiming that she had no direct participation in the negotiations. The yardstick laid down by the Court in *Gutierrez v. Quitalig* and reiterated in *Gabatin v. Quirino* is enlightening, thus: Employees of the judiciary… should be living examples of uprightness not only in the performance of official duties but also in their personal and private dealings with other people so as to preserve at all times the good name and standing of the courts in the community. The image of the court, as being a true temple of justice, is aptly mirrored in the conduct, official or otherwise, of the men and women who work thereat, from the judge to the least and lowliest of its personnel.

2. ID.; ID.; ID.; ID.; RESPONDENT'S ACT OF OFFERING HER SERVICES TO FACILITATE TITLING OF COMPLAINANT'S PROPERTY, WHETHER DIRECTLY OR THROUGH ANOTHER, FELL SHORT OF THE YARDSTICK OR STANDARD FOR COURT EMPLOYEES AND PERSONNEL; SHE HAD NO BUSINESS INDULGING, EVEN INDIRECTLY, IN THE PROCESSING OR TITLING OF THE PROPERTY.— Still in *Tiples, Jr. v. Montoyo,* we restated the rule that the conduct of an employee "must always be beyond reproach at all times and circumscribed with the heavy burden of

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responsibility as to let them be free from any suspicion that may taint the judiciary." Court personnel are expected to exhibit the highest sense of honesty and integrity not only in the performance of their official duties, but also in their personal and private dealings with other people in order to preserve the court's good name and standing. Bengson's act of dealing with Hernando, more particularly of offering her services to facilitate the titling of Hernando's property, whether directly or through another, certainly fell short of the above yardstick or standard for court employees and personnel. She definitely had no business indulging, even indirectly, in the processing or the titling of the property. Now, in *Dela Cruz v. Zapico*, this Court reiterated that misconduct generally means wrongful, unlawful conduct, motivated by a premeditated, obstinate or intentional purpose. Thus, any transgression or deviation from the established norm, whether it be work-related or not, amounts to misconduct. Undeniably, Bengson's solicitation and misrepresentation amounted to Simple Misconduct. Pursuant to Section 52(B)(2) of the Revised Uniform Rules on Administrative Cases in the Civil Service, the penalty for her misconduct is suspension for one (1) month and one (1) day to six (6) months.

3. ID.; ID.; ID.; ID.; COMPLAINANT'S CLAIM FOR THE RETURN OF MONEY SHE PAID TO RESPONDENT WHICH THE LATTER ADMITTED HAVING RECEIVED THE AMOUNT BUT INTERPOSED THE DEFENSE THAT IT WAS IMMEDIATELY TURNED OVER TO THE SURVEYOR SHOULD BE THRESHED OUT BEFORE A COURT OF LAW; THE JUSTNESS OF THE DEBT CLAIMED MUST STILL BE PROVED AND ESTABLISHED IN THE PROPER COURT PROCEEDINGS.— As to Hernando's claim for the return of the money she paid to Bengson, we agree with the position of the Investigating Judge and the OCA that the issue as to who is ultimately liable should be duly threshed out before a court of law. "Just debt" applies or refers to claims, the existence of which is admitted by the debtor. While Bengson had admitted having received said amount, she interposed the defense that it was immediately turned over to Villacorte. Thus, it cannot be said to be a settled "just debt," which we can simply order to be returned. The justness of the debt claimed must still be proved and established in the proper court proceedings.

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APPEARANCES OF COUNSEL

Pacifico C. Yadao for respondent.

R E S O L U T I O N

MENDOZA, *J.*:

This is an administrative case instituted by Priscilla L. Hernando (Hernando) against Juliana Y. Bengson (Bengson), a Legal Researcher of the Regional Trial Court, Branch 104, Quezon City, for Grave Misconduct, Willful Failure to Pay Just Debt and Conduct Unbecoming a Court Personnel.

From the Evaluation, Report and Recommendation of the Office of the Court Administrator (OCA), it appears that sometime in September 2002, Hernando was scouting for a surveyor who could assist her in the titling of a property that her family was planning to buy. According to Hernando, Bengson offered her services for Ten Thousand (₱10,000.00) Pesos, exclusive of the actual amount that would be spent for the titling. Bengson succeeded in obtaining the total amount of Seventy-Six Thousand (₱76,000.00) Pesos. Upon inquiry with the Bureau of Lands, however, Hernando found out that no such transfer of title was being processed. Thus, she made several demands on Bengson for the return of the aggregate amount of ₱76,000.00 but to no avail.[1]

In denying any indebtedness to Hernando, Bengson submits that she merely received the claimed amount on behalf of her half-sister, Maritess Villacorte, who was to serve as the surveyor. Further, she denies being privy to the negotiations between Hernando and Villacorte. Her only fault was accepting the money for her half-sister. In fact, she already filed charges of *Estafa* against Villacorte.[2]

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[1] OCA Memorandum, *rollo*, pp. 516-520.

[2] *Id.*

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In *Janette P. Gabatin v. Marilou M. Quirino*,[3] the Court held that while the private transaction between the complainant and the court employee concerned could be fully ascertained and resolved in an appropriate criminal or civil proceeding, it found the respondent guilty of Simple Misconduct, because her "handling of the entire affair had not been exemplary." There, the Court noted how the respondent gave the complainant the run-around instead of being forthright with the latter on her failure to secure the promised franchises. In that case, the respondent was suspended from the service for two (2) months, without pay.

In the present case, the OCA found, and we agree, that Bengson's complicity in the failed titling of the property eyed by Hernando was manifest. Based on the trial judge's investigation and that of the OCA, Bengson offered to help Hernando find a surveyor for a fee, and she was the very same one who directly received the money intended for the titling of the property. To Hernando's dismay, Villacorte did not turn out to be the "expert" that she was made to believe. To our mind, it was the very misrepresentation that precipitated the transaction that eventually defrauded Hernando. Complainant would not have parted with her hard-earned money were it not for Bengson's misrepresentation with respect to Villacorte's capacity to facilitate the titling of the property. Respondent cannot extricate herself by claiming that she had no direct participation in the negotiations.

The yardstick laid down by the Court in *Gutierrez v. Quitalig*[4] and reiterated in *Gabatin v. Quirino*[5] is enlightening, thus:

> Employees of the judiciary… should be living examples of uprightness not only in the performance of official duties but also in their personal and private dealings with other people so as to preserve at all times the good name and standing of the courts in the community. The image of the court, as being a true temple of

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[3] A.M. No. CA-08-23-P, December 16, 2008, 574 SCRA 1, 8.

[4] *Gutierrez v. Quitalig*, 448 Phil. 469 (2003).

[5] A.M. No. CA-08-23-P, December 16, 2008.

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justice, is aptly mirrored in the conduct, official or otherwise, of the men and women who work thereat, from the judge to the least and lowliest of its personnel.

Still in *Tiples, Jr. v. Montoyo*,[6] we restated the rule that the conduct of an employee "must always be beyond reproach at all times and circumscribed with the heavy burden of responsibility as to let them be free from any suspicion that may taint the judiciary." Court personnel are expected to exhibit the highest sense of honesty and integrity not only in the performance of their official duties, but also in their personal and private dealings with other people in order to preserve the court's good name and standing.

Bengson's act of dealing with Hernando, more particularly of offering her services to facilitate the titling of Hernando's property, whether directly or through another, certainly fell short of the above yardstick or standard for court employees and personnel. She definitely had no business indulging, even indirectly, in the processing or the titling of the property.

Now, in *Dela Cruz v. Zapico*,[7] this Court reiterated that misconduct generally means wrongful, unlawful conduct, motivated by a premeditated, obstinate or intentional purpose. Thus, any transgression or deviation from the established norm, whether it be work-related or not, amounts to misconduct. Undeniably, Bengson's solicitation and misrepresentation amounted to Simple Misconduct.

Pursuant to Section 52(B)(2) of the Revised Uniform Rules on Administrative Cases in the Civil Service,[8] the penalty for her misconduct is suspension for one (1) month and one (1) day to six (6) months.

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[6] *Tiples, Jr. v. Montoyo*, A.M. No. P-05-2039, May 31, 2006, 490 SCRA 38, 4.

[7] A.M. No. 2007-25-SC, September 18, 2008, 565 SCRA 658, 666.

[8] CSC Memorandum, Circular No. 19, August 31, 1999.

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As to Hernando's claim for the return of the money she paid to Bengson, we agree with the position of the Investigating Judge and the OCA that the issue as to who is ultimately liable should be duly threshed out before a court of law. "Just debt" applies or refers to claims, the existence of which is admitted by the debtor.[9] While Bengson had admitted having received said amount, she interposed the defense that it was immediately turned over to Villacorte. Thus, it cannot be said to be a settled "just debt," which we can simply order to be returned. The justness of the debt claimed must still be proved and established in the proper court proceedings.

WHEREFORE, finding Juliana Y. Bengson, Legal Researcher, Regional Trial Court, Branch 104, Quezon City, *GUILTY* of Simple Misconduct, the Court hereby orders her *SUSPENDED* from the service, without pay for one (1) month and one (1) day, with a *WARNING* that a repetition of the same or similar acts in the future will be dealt with more severely.

SO ORDERED.

Corona (Chairperson), Velasco, Jr., Nachura, and *Peralta, JJ.,* concur.

FIRST DIVISION

[G.R. No. 149552. March 10, 2010]

GENERAL MILLING CORPORATION, *petitioner, vs.* **ERNESTO CASIO, ROLANDO IGOT, MARIO FAMADOR, NELSON LIM, FELICISIMO BOOC, PROCOPIO OBREGON, JR., and ANTONIO ANINIPOK,** *respondents,*

and

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[9] *Villasenor v. De Leon,* A.M. No.P-03-1685, March 20, 2003, 399 SCRA 342, 346.