



## I. Overview of the Project



Integrity Development Review is a process of building and sustaining an agency's ability to prevent corruption from happening. It is about integrating corruption resistance strategies into the various organizational facets of an agency so that factors that contribute to corrupt behavior can be checked and those that discourage corrupt acts or malfeasance are reinforced. As the old adage goes, "an ounce of prevention is better than a pound of cure."

There are various approaches to prevent corruption. One tested formula is that of Klitgaard's minimizing corruption by demonopolizing power, circumscribing discretion and raising accountability. Another is a four-point approach, namely limiting opportunities for corrupt transactions, decreasing the gains, increasing the probability of being caught and raising the magnitude and severity of penalties. In any case, a thorough diagnosis is a logical first step in order to establish activities that are vulnerable to corruption, check availability of control

mechanisms that can detect and deter wrongdoings and evaluate the effectiveness of penalty and reward systems.

External parties can do diagnosis objectively. But self-assessment would be ideal especially for reform-oriented agencies. This is the idea behind the Integrity Development Review Project. This aims to support the leadership and management of the Office of the Ombudsman in improving governance in the public sector by providing tools for objective assessment of corruption vulnerability and resistance of agencies. The project is implemented by the Development Academy of the Philippines.

The integrity development framework builds on the Corruption Resistance Review (CRR) approach developed by the Independent Commission Against Corruption of New South Wales and the Corruption Vulnerability Assessment (CVA) tool adapted by DAP from the Office of Management and Budget. The CRR helps agencies assess their level of corruption resistance and progressively develop and implement corruption prevention measures to meet certain standards of organizational integrity. CVA determines the susceptibility of agency systems to corruption and examines the adequacy of safeguards to forestall wrongdoings.

The IDR process that evolved in this project consists of two stages: Stage 1 involves corruption resistance review via guided self-assessment, indicators research and a survey of employees. Stage 2 demands a detailed corruption vulnerability analysis. The IDR methodology was pilot-tested in three agencies, namely, the Office of the Ombudsman, Department of Education and Civil Service Commission. Under the EC-OMB Corruption Prevention Project, 1vi public sector agencies are scheduled to undergo the IDR, five of which will start on October 2005. These are the Department of Public Works and Highways (DPWH), Bureau of Internal Revenue (BIR), Bureau of Customs (BOC), Philippine National Police (PNP) and the Land Transportation Office (LTO).



## **II. Overview of the Participating Agency**

### **History**

The first fire department was established in Manila in 1900, during the American occupation. Subsequently in 1940, fire departments were established in neighboring cities and towns. In 1975, local fire departments were integrated with the city/municipal police forces under a national police organization called the Philippine Constabulary – Integrated National Police (PC-INP). In 1990, the Bureau of Fire Protection (BFP) was created as a line agency of the Department of the Interior and Local Government (DILG) under Republic Act No. 6975.

### **Mandate**

The BFP is mandated to prevent and suppress all destructive fires on buildings, houses, and other similar structures, forests, airports, land transportation vehicles and equipment, ships docked at wharves, petroleum industry installations, and other similar structures. It is also mandated to enforce the Fire Code of the Philippines and other related laws.

### **Vision**

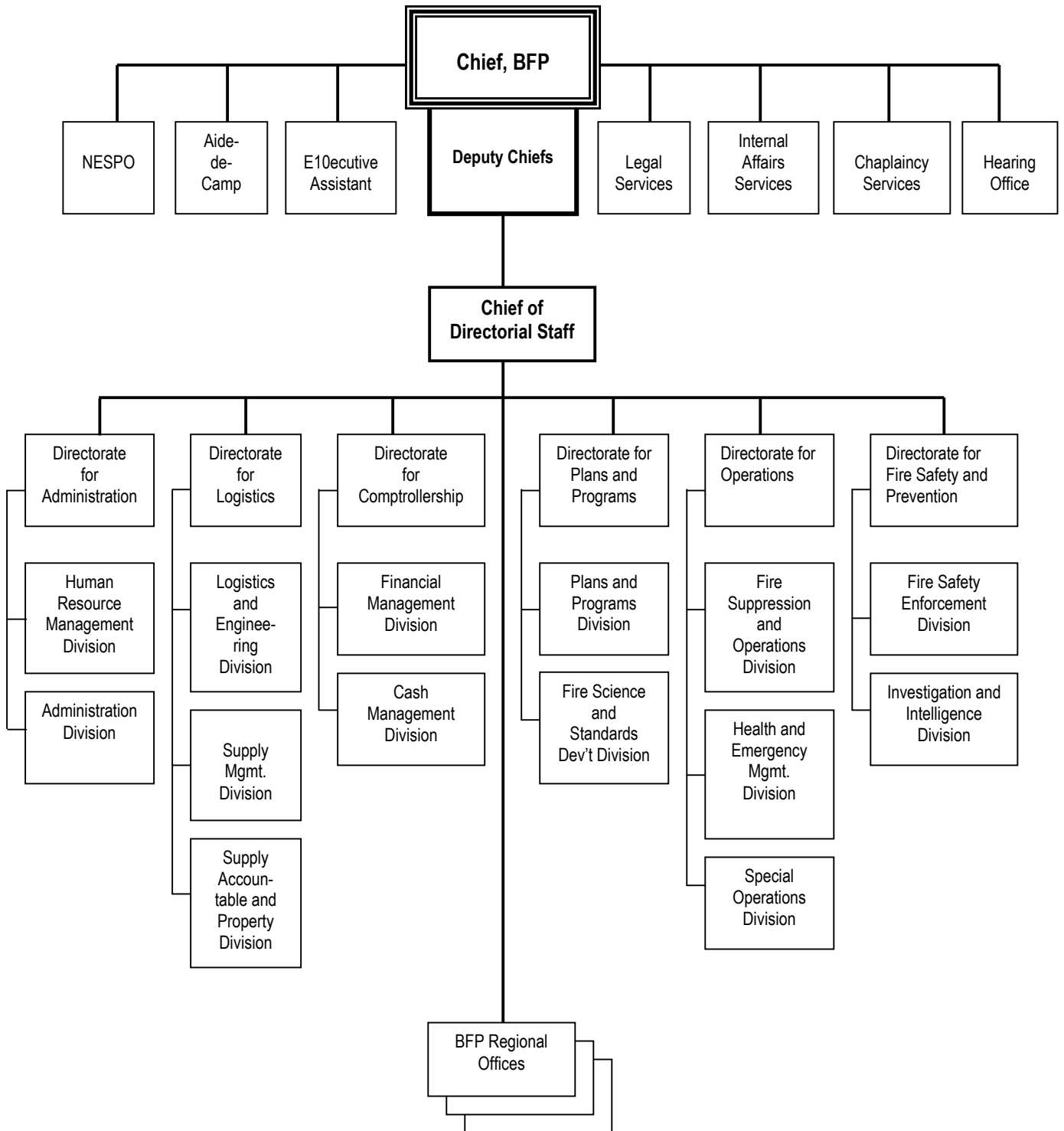
Its vision is to be a world-class fire protection agency working towards a public safety conscious society.

### **Mission**

BFP's mission is to prevent and suppress destructive fires; enforce fire-related laws; and provide emergency medical and rescue services.

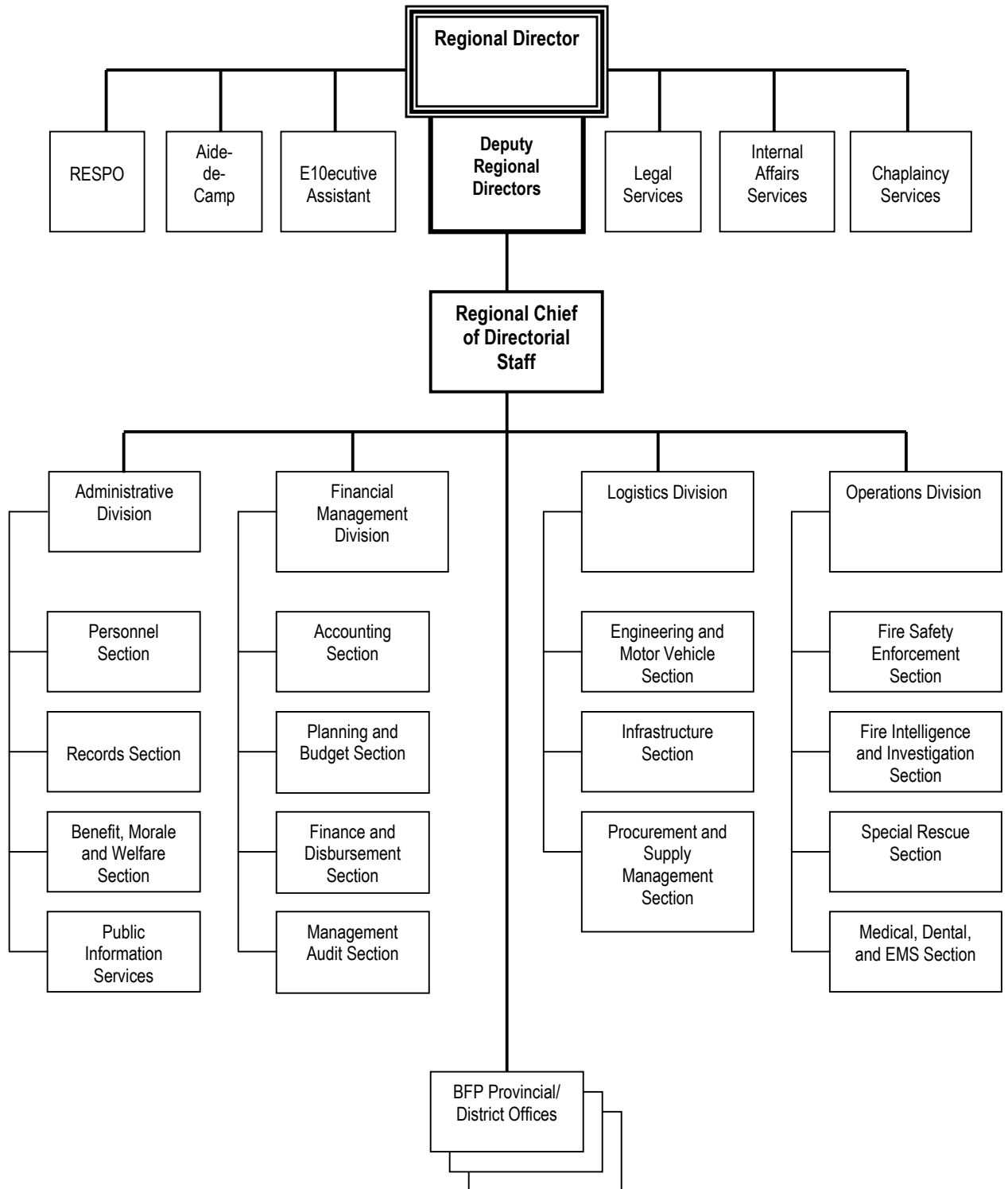


**BFP- NATIONAL HEADQUARTERS ORGANIZATIONAL STRUCTURE**



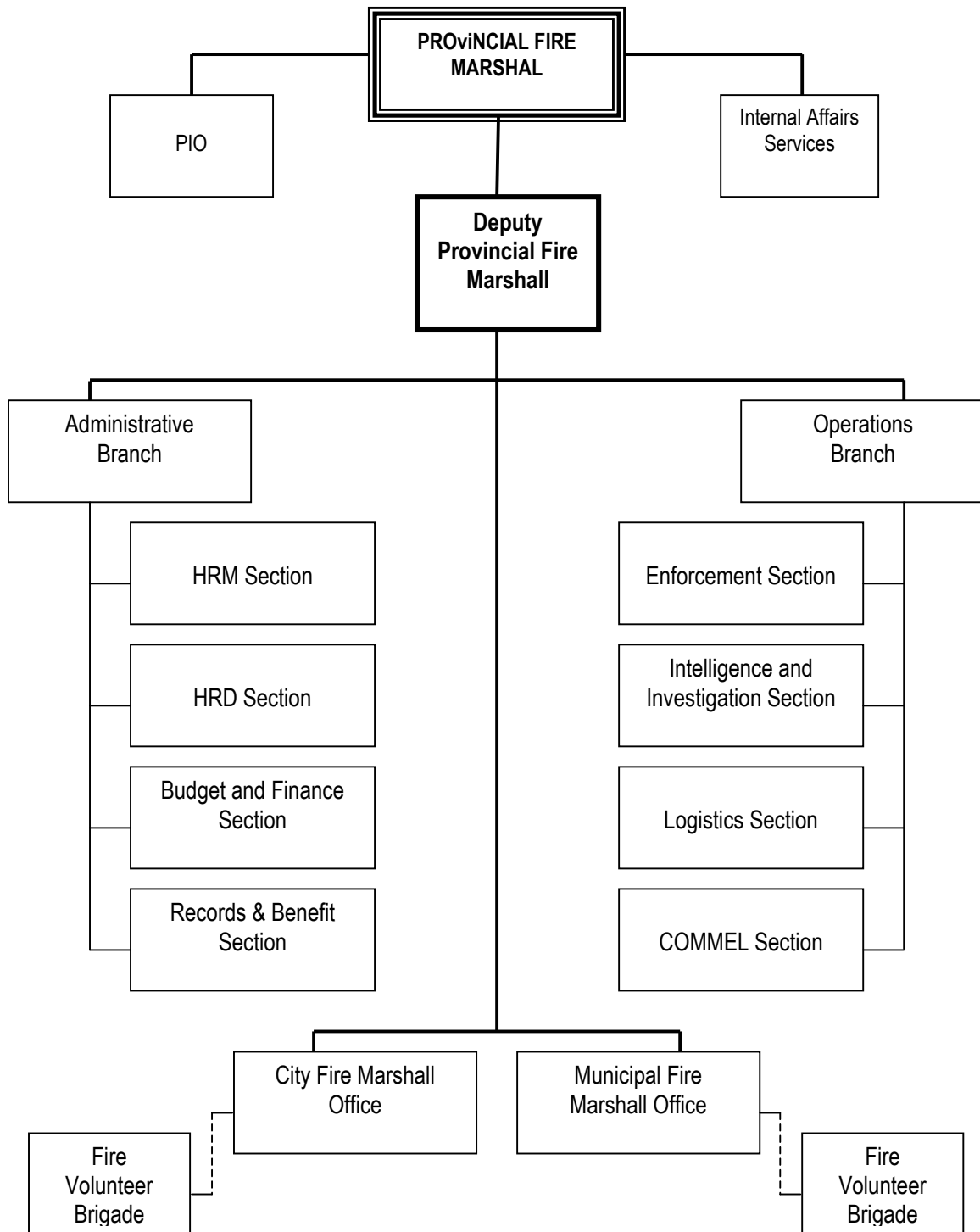


### BFP- REGIONAL OFFICE ORGANIZATIONAL STRUCTURE



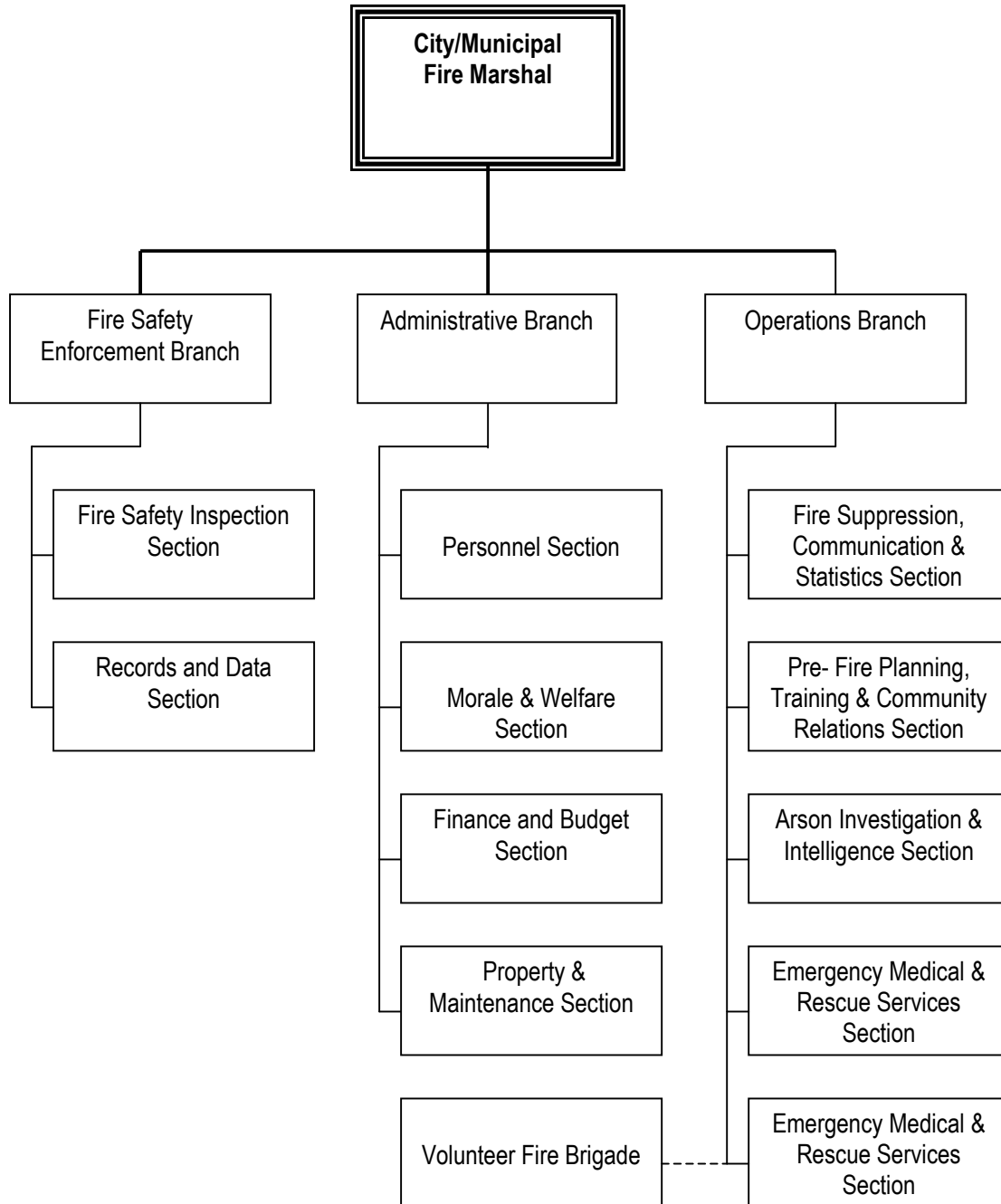


**BFP- PROVINCIAL OFFICE ORGANIZATIONAL STRUCTURE**





### BFP- CITY/ MUNICIPAL FIRE STATION ORGANIZATIONAL STRUCTURE





### Accomplishments for 2005

The major accomplishments of the Bureau of Fire Protection in 2005 are as follows:

- Introduction of the Junior Fire Marshal Program which aims to harness young students to help overcome public apathy on disastrous effect of fires and to develop the youth to become fire safety conscious adults
- Institutionalization of the Fire and Life Safety Assessment Report (FALAR) as prerequisite in the review of building plans
- Formulation of a standard checklist for safety inspection to ensure thorough review of the safety condition of structures
- Creation of the DILG-BFP Special Action Group, an investigation group intended to prosecute corrupt safety inspectors

### Budget and Actual Funds

	2005			2006 (Reenacted)		
	PS	MOOE	CO	PS	MOOE	CO
General Admin and Support	11,067,000	4,858,000		11,067,000	4,858,000	
Support to Operations	122,472,000	314,338,000		122,472,000	314,338,000	
Operations	3,102,742,000	86,902,000	9,200,000	3,102,742,000	86,902,000	9,200,000

### Anti-Corruption Programs

The Bureau of Fire Protection created the Integrity and Anti-Corruption Team (IACT) in 2006 to lead in the formulation of various integrity development and anti-corruption initiatives of the agency and to ensure their successful implementation. Specifically, the IACT's task is to monitor corruption-related cases filed against BFP personnel and to submit monthly reports on the status of all corruption-related complaints and cases.

The DILG-BFP Special Action Group (DILG-BFP SAG) was created in 2004 through Department Order 2004-314 to improve compliance of building owners/administrators/occupants with fire safety standard, to help eradicate or deter nefarious activities of BFP personnel, and to act on appeals related to enforcement of the Fire Code of the Philippines.



### III. Assessment Methodology

The IDR was conducted in four sites, namely the BFP National Headquarters (i.e. its central office), and three regional sites, namely the National Capital Region (NCR), Region 6 and Region 10. These sites were selected by the Bureau and subsequently approved by the IDR Advisory Group.

**National Headquarters.** The BFP National Headquarters (NHQ) serves as the policy formulating, planning, programming and administrative body of the agency. The NHQ oversees all operations of the Bureau nationwide.

As of December 2006, BFP-NHQ has a total manpower complement of 437, of which 370 (85%) are uniformed personnel while 67 (15%) are non-uniformed personnel.

**NCR<sup>1</sup>.** The BFP-NCR is tasked to implement the agency's policies, plans and programs in the National Capital Region. It has overall supervision and control of the region's 124 fire stations distributed over 4 districts, 20 cities, and 3 municipalities.

BFP-NCR is headed by the Regional Director with a rank of Senior Superintendent or higher. He is assisted by Deputy Regional Directors, Regional Chief of Directorial Staff. District fire stations are headed by District Fire Marshals, city fire stations by City Fire Marshals, and municipal fire stations by Municipal Fire Marshals.

BFP-NCR, through the City and Municipal Fire Marshals, coordinates with the local government units in the region on fire-related support services and facilities.

As of June 2006, BFP-NCR has a manpower complement of 2726, of which 2,554 (94%) are uniformed personnel while 172 (6%) are non-uniformed personnel.

**Region 6<sup>2</sup>.** BFP-Region 6 is the regional office of the Bureau tasked to implement its policies, plans and programs in Region 6. It has overall supervision and command of the region's fire stations distributed in six provinces<sup>3</sup> with 117 municipalities and 16 cities. It operates 73 fire stations and 11 substations.

BFP-Region 6 is headed by the Regional Director with a rank of Senior Superintendent or higher. The Regional Director is assisted by Deputy Regional Directors, Regional Chief of Directorial Staff and Provincial Fire Marshals. Provincial offices are headed by Provincial Fire Marshals who has overall supervision and command of the city and municipal fire stations within the province.

BFP-Region 6, through the City and Municipal Fire Marshals, coordinates with the local government units in the region on fire-related support services and facilities.

It has a total manpower complement of 965, of which 939 (97%) are uniformed personnel while 26 (3%) are non-uniformed personnel.

**Region 10<sup>4</sup>.** BFP-Region 10 is tasked to implement the Bureau's policies, plans and programs in region 10. It has overall supervision and command of the region's 50 fire stations and 16 substations distributed in 5 provinces<sup>5</sup> with 8 cities and 85 municipalities.

---

<sup>1</sup> Retrieved from the 2006 BFP NCR Accomplishment Report.

<sup>2</sup> Obtained in 2006 BFP Region 6 Accomplishment Report.

<sup>3</sup> This includes Aklan, Antique, Capiz, Guimaras, Iloilo and Negros Occidental.

<sup>4</sup> Lifted from the 2006 BFP Region 10 Accomplishment Report.

<sup>5</sup> This includes Aklan, Antique, Capiz, Guimaras, Iloilo and Negros Occidental.





BFP-Region 10 is headed by the Regional Director with a rank of Senior Superintendent or higher. He is assisted by Deputy Regional Directors, Regional Chief of Directorial Staff and Provincial Fire Marshals. Provincial offices are headed by Provincial Fire Marshals who have overall supervision and command of the city and municipal fire stations within the province.

BFP-Region 10, through the City and Municipal Fire Marshals, coordinates with the local government units in the region on fire-related support services and facilities.

BFP Region 10 has a total manpower complement of 657, of which 645 (98%) are uniformed personnel while 12 (2%) are non-uniformed personnel.

#### Timetable of Activities

Activity	NHQ	NCR	Region 6	Region 10
<b>CRR</b>				
1. IDA	23 January 2007	26 January 2007	05 February 2007	05 February 2007
2. Survey of Employees	25 January 2007	29 January-02 February 2007	06-07 February 2007	06-07 February 2007
3. Indicators Research	24 January 2007	19-22 February 2007	07-09 February 2007	07-09 February 2007
<b>CVA</b>				
1. Procurement	14 -31 May 2007	28 April – 18 May 2007	21 -25 May 2007	21-25 May 2007
2. Recruitment and Promotion				
3. Issuance of FSIC				

#### Corruption Resistance Review Methodology

The CRR is Phase 1 of the Integrity Development Review. It has three (3) stages, namely:

##### Stage 1: Integrity Development Assessment.

The Integrity Development Assessment (IDA) is a guided self-assessment that provides set standards or levels that each agency can assess itself as regards its efforts to develop integrity in the workplace. It helps the agency identify the necessary steps in achieving a certain level of systems integrity. It provides a basis for the examination of agency operations against measures that prevent any opportunity for corruption. These agency operations are categorized as the 10 dimensions for review:

1. Leadership
2. Code of Conduct
3. Gifts and Benefits Policy
4. Human Resource Management: Recruitment, Selection and Movement of Personnel
5. Performance Management
6. Procurement Management
7. Financial Management: Budgeting, Accounting, Cash Handling
8. Whistleblowing, Internal Reporting and Investigation
9. Corruption Risk Management
10. Interface with External Environment



For each dimension, the agencies assess their levels of achievement vis-à-vis a five-point scale. The assessment yields possible steps that the agency can undertake to advance to the Next level. Improvement in the levels of an agency's institutional integrity redounds to limiting opportunities for corrupt transactions, reducing gains from corruption, increasing the probability of detection and paying penalties, and increasing the magnitude of penalties for corrupt behavior (based on the World Bank four-point framework to reduce corruption vulnerabilities).

## **IDA in the Bureau of Fire Protection**

### National Headquarters

Seventeen (17) senior officers led by the Fire Chief and one rank-and-file personnel participated in the IDA workshop held on January 23, 2007. Refer to Annex A for the list of participants.

A 1-hour orientation on the IDR project was conducted for NHQ's senior leaders a day before the IDA proper. At the end of the orientation, advance copies of the IDA templates were distributed to the participants. The participants were instructed to review the template and to be ready with their respective ratings the Next day. They were likewise reminded to bring copies of relevant documents to substantiate their ratings.

During the IDA proper, the Team leader conducted a brief review of the IDA process. The participants were then asked to submit their respective ratings to the Assessment Team who transferred the individual ratings for each dimension into a tally sheet. The respective dimension owners facilitated the discussion of each dimension until the participants arrived at a consensus rating and corresponding deployment score for the particular dimension.

### National Capital Region

Thirty-one (31) senior officers led by the Regional Director and four (4) rank-and-file personnel participated in the IDA workshop held at the NHQ's Conference Room on January 26, 2007. Refer to Annex B for the list of participants.

A brief orientation about the IDR project and the IDA process was conducted prior to the conduct of the IDA workshop. To help the participants come up with their respective rating of the IDA dimensions, the team leader explained the requirements of the each dimension and gave the participants a few minutes to rate the particular dimension. After all dimensions have been explained and rated, the Assessment Team gathered all the scores and transferred them into a tally sheet. The respective dimension owners facilitated the discussion of each dimension until the participants arrived at a consensus rating and corresponding deployment score for the particular dimension.

### Region 6

Ninety-three senior officers (93) one (1) rank-and-file personnel participated in the IDA workshop at the Philippine Ports Authority (PPA Iloilo) office on February 5, 2007. Refer to Annex C for the list of participants.

The IDA methodology used was the same as that in BFP-NCR. Due to the lack of a proper venue within the regional office's premises, the IDA workshop was held in PPA.

### Region 10

Seventy-nine (79) senior officers and one (1) rank-and-file personnel participated in the IDA workshop held at BFP-Region 6 premises on February 5, 2007. Refer to Annex D for the list of participants.



The IDA methodology used was the same as that in BFP-NCR.

#### Difficulties Encountered

1. Lack of a proper venue was a concern in the regional offices mainly due to the large number of participants. This was true in Regions 6 and 10.
2. Lack of computers was also a major concern not only in the regional offices but also in the national headquarters.

#### **Stage 2: Survey of Employees**

The second stage of Corruption Resistance Review is the conduct of Survey of Employees. The survey is a means to acquire an objective assessment and systematic approach to monitor and benchmark agency efforts in corruption prevention as perceived by the employees. The objectives of the survey are as follow:

- To detect the operationalization and deployment of integrity building measures in the agency;
- To generate feedback from employees on experiences with integrity building measures, clarity of guidelines and procedures, particularly regarding safeguards to corruption, and effectiveness of corruption prevention measures, and their suggestions for improvement.

#### **Survey of Employees in the Bureau of Fire Protection**

Stratified random sampling<sup>6</sup> was used to determine the sample size for each site. Population was based on the data on manpower complement<sup>7</sup> provided by the agency. At 95% confidence level, the sample size for NHQ, NCR, Region 6 and Region 10 was 37, 204, 80, and 55, respectively.

Survey methodology adopted was the sealed envelope technique. The survey took one day in NHQ, five days in NCR, and two days each for Regions 6 and 10.

#### Difficulties Encountered

1. The list of personnel initially submitted was not updated. This led to the delay in determining the sample size and respondents.
2. Communication was a major concern. According to some respondents in the regional offices, they were informed about the Bureau Order only on the day of the survey. The Assessment Team spent many hours waiting for respondents from BFP-NCR.
3. Despite assurances of the survey's confidentiality, some participants were still reluctant to participate. A few declined and had to be replaced.
4. Many respondents in BFP-Region 6, especially those from the other island-provinces, were not able to come and had to be replaced.

---

<sup>6</sup> Sample size is set at 95 percent confidence level.

<sup>7</sup> The Team requested BFP counterparts in the Central Office to submit an updated list of its employees since the first set given did not account for changes in the manpower composition of the agency.



### **Stage 3: Indicators Research**

The third stage of Corruption Resistance Review is the Indicators Research. Indicators Research is a means to validate the claims made by the participants in the IDA stage. Relevant documents are collected and analyzed. Interviews with process owners and concerned personnel are likewise conducted.

#### **Indicators Research in BFP**

The dimension owners gathered the necessary documents from the concerned divisions and interviewed the process owners. Random interviews were also conducted with officers and staff to check deployment of systems/processes.

#### Difficulties Encountered

1. The Assessment Team had difficulty gathering the necessary documents from BFP-NCR especially on finance and procurement. It was learned that the regional office was not fully informed about the MOU and of the letter from OMB, particularly the conduct of indicators research. Some of the required documents were submitted only after the Team wrote the Regional Director a letter about the requested documents.
2. The Assessment Team assigned in BFP-Region 6 had limited opportunity to validate some finance-related documents since the concerned officer had to attend an official mission in Boracay on the first day of indicators research.

#### **Corruption Vulnerability Assessment Process**

A key step in addressing corruption is to understand the nature of the problem and then define its extent. This is where vulnerability analysis becomes useful. CVA entails detailed examination of the general control environment of the agency, the inherent risk of corruption in agency operations, and the adequacy of existing safeguards. A risk is defined as anything that could jeopardize the achievement of the agency's objectives. In the context of vulnerability assessment, a risk is taken to mean an element or factor that can induce deceit, malfeasance, or abuse of power or position for private gain.

Vulnerability means the probability that corruption occurs or will occur and not be prevented or detected in a timely manner by the internal controls in place. Vulnerability is estimated by considering both the threat's inherent risk and the condition of the internal control. Corruption vulnerability differs from extent or level of corruption in an agency. A "clean" agency may have high vulnerability to corrupt acts due to weak control systems. CVA does not measure the extent of corruption in an agency. As an analytical tool, CVA will principally help decision-makers to detect susceptibility of systems, policies and procedures to corruption. The fact-based information that can be gathered from systematic assessment can be used by agencies to institute appropriate corrective and preventive measures.

The purpose of the CVA is to examine the high-risk activities and/or functions and assess the probability that corruption occurs or will occur and not be prevented or detected in a timely manner by the internal controls in place. Based on the vulnerabilities identified by the agency or surfaced from CRR, a detailed investigation and risk assessment of selected activities, functions, processes, procedures, and/or controls is carried out. The assessment involves process mapping, identification and classification of risks, checking of existing controls, and evaluation of adequacy of safeguards. Data and information may be culled from document review, key informant interviews, and process observation to the extent possible.



## Selection of BFP CVA Areas

Based on the IDA Findings, the Team of Assessors listed the vulnerable areas of the agency. From the list, the team selected the 3 highly vulnerable areas by adopting 4 criteria, namely: 1) significance of operation to the fulfillment of the agency mandate, 2) extent of operation, 3) materiality of cost involved, and 4) perceived impact of the activity.

The 3 highly vulnerable areas selected are as follows:

### 1. Procurement and Distribution of Firefighting Gears (required vs delivered)

Scope: Identification up to distribution of firefighting gears required by which station, quantity required, specifications

Problems raised during indicators research:

- Lack of consultation with concerned units regarding required supplies/equipment
- Inadequate firefighting gears resulting to perceived delay in or slow delivery of service
- Loose monitoring of procured items after delivery (to NHQ and/or regional offices)

### 2. Recruitment and Promotion (highly vulnerable to both internal and external interference)

Scope:

- Recruitment process
- Performance Evaluation
- Promotion process

Problems raised during indicators research:

- Alleged irregularities in recruitment and promotion
- Political interference (internal and external) in recruitment and promotion
- Loose implementation of individual performance evaluation system

### 3. Issuance of Fire Safety Inspection Certificate

Scope:

Application to Issuance of FSIC

Problems raised during indicators research:

- Alleged irregularities (conflict of interest, extortion, bribery) in issuance of FSIC
- Inadequate controls in issuance of FSIC

## CVA SITES

Assessment of the 3 identified risk areas was conducted in NHQ and 3 regional sites (NCR, Region 6, Regionx). Aside from the regional offices, the team visited 5 district/city and sub-stations in NCR, 11 provincial and municipal fire stations in Iloilo and Kalibo, and 4 provincial and municipal fire stations in Cagayan de Oro and Iligan.



Difficulties Encountered

Although most officers were willing to be interviewed, some were reluctant to provide the documents requested by the Team citing confidentiality of information.

**CORRUPTION RESISTANCE REVIEW**

**1. Leadership**

The role that leadership plays in promoting integrity in the organization cannot be over emphasized. In a society where institutions need to be strengthened, leadership in most cases determines the way an organization deals with the issue of integrity building. This dimension considers the equal importance of what a leader does and with what he or she professes.

Senior leaders and officials are key in setting values and directions, promoting, practicing, and rewarding good governance, using performance management in proactively addressing ethical and accountability requirements. Many times resoluteness of the leadership determines the success of corruption prevention initiatives. Given the wide scope given to them, opportunities for abuse of authority should be carefully monitored. The agency should set clear organizational policies and structure in decision-making and accountability for senior leaders and officials.

Rating	Levels of Achievement
1	<ul style="list-style-type: none"> <li>▪ Senior leaders set organizational values, short and long-term directions and performance expectations.</li> <li>▪ Senior leaders articulate the importance for everyone in the organization to be ethical in their behavior and in dealing with all stakeholders.</li> <li>▪ Senior leaders have clearly defined authorities and accountabilities.</li> </ul>
2	<ul style="list-style-type: none"> <li>▪ Senior leaders deploy organizational values, short and longer-term directions and performance expectations.</li> <li>▪ Senior leaders take proactive steps to discourage staff from engaging in corrupt practices.</li> </ul>
3	<ul style="list-style-type: none"> <li>▪ Senior leaders have specific responsibilities for prevention and detection of corruption.</li> <li>▪ Senior leaders are trained on corruption prevention and detection.</li> </ul>
4	<ul style="list-style-type: none"> <li>▪ Practices and performance of senior leaders in preventing and detecting corruption are regularly reviewed/evaluated.</li> <li>▪ Decisions/actions of senior leaders are randomly checked for possible abuse of authority/discretion, conflict of interest.</li> <li>▪ Integrity enhancement/ corruption prevention are integrated in management functions.</li> </ul>
5	<ul style="list-style-type: none"> <li>▪ The agency reviews the effectiveness of its leadership organization in enhancing the integrity in the organization.</li> <li>▪ Results of the review are used to strengthen the agency's leadership organization and system.</li> </ul>

**1.1 BFPs Leadership Structure**

The BFP is headed by the Fire Chief who has overall command supervision and control. At the National Headquarters, senior leaders are composed of the Fire Chief, Deputy Fire Chiefs, Chief of Directorial Staff, and Directorates for Administration, Logistics, Comptrollership, Plans and Programs, Operations, and Fire Safety and Prevention.



Regional Directors with the rank of Senior head the regional offices. His direct reports include the Deputy Regional Directors, Regional Chief of Directorial Staff, Division Chiefs for Administration, Financial Management, Logistics, and Operations, and the Provincial/District/City/Municipal Fire Marshals.

The Bureau of Fire Protection, though civilian in character, follows military protocol and traditions such as discipline, word of honor, esprit de corps, loyalty, camaraderie, among others. Leadership style, including decision-making process, communication flow, and access to information are greatly influenced by these military traditions. While there are non-uniformed officers, these compose a very small fraction among the senior leaders.

## 1.2 Assessment

LEADERSHIP	NHQ	NCR	Region 6	Region 10	Team Rating
Agency Rating	2	3	1	2	
Deployment Score	90- 100%	50- 60%	50- 60%	50-60%	30-40%
Validated Rating	2	1	1	2	2

**National Headquarters.** *Consensus rating (2) / Deployment (90-100%).*

Based on the self-assessment by senior leaders at the National Headquarters, the agency has short and long term plans, vision and mission statements, core values regularly articulated through training, Memorandum Circulars and other forms of communication. Likewise, authorities and accountabilities of senior leaders are defined in their job description and responsibilities. Senior leaders discourage staff from engaging in corrupt practices through the creation of the Integrity and Anti-corruption Program (IACT), issuance of Memo Circulars and conduct of spiritual and moral enhancement programs.

**National Capital Region.** *Consensus rating (3) / Deployment (50-60%)*

The above consensus rating reached by BFP-NCR's senior leaders is based on the following:

- a) The BFP-NCR Regional Director participates in the Strategic Planning Workshop and Annual Operations Plan and Budget Command Conference whereby long term and short term plans are formulated.
- b) The Regional Director and other senior officers communicate to all staff the importance of ethical behavior in dealing with all stakeholders Memorandum Circulars.
- c) BFP-NCR's senior leaders have defined authorities and accountabilities based on DILG's Memo Circular on Comprehensive Delegation of Authority.
- d) BFP-NCR deploys organizational values, targets and accomplishments during flag-raising ceremony, Troop Information and Education and through the BFP-FIRES
- e) Proactive steps to discourage corrupt practices among its staff include:
  - Presence of Chaplain who officiates regular ecumenical Masses
  - Seminar on Moral Enhancement Program
- f) Its senior leaders' membership in DILG-BFP's Special Action Group (SAG) whose function is to investigate complaints regarding fire safety inspection certificates





- g) Senior leaders receive orientation on corruption prevention during the Seminar on Moral Enhancement Program

**Region 6.** *Consensus rating (1) / Deployment (50-60%)*

Senior leaders of BFP-Region 6 agree that the regional office's leadership system has the following mechanisms:

- a) The BFP-Region 6 Regional Director participates in the Strategic Planning Workshop and Annual Operations Plan and Budget Command Conference whereby long term and short term plans are formulated.
- b) BFP-Region 6 deploys organizational values, targets and accomplishments during flag-raising ceremony, Troop Information and Education.
- c) BFP-Region 6's senior leaders have defined authorities and accountabilities based on DILG's Memo Circular on Comprehensive Delegation of Authority.

**Region 10.** *Consensus rating (2) / Deployment (50-60%)*

Based on the self-assessment of the senior leaders at BFP-Region 10, the agency has short and long term plans, vision and mission statements, core values regularly articulated through training conducted, Memorandum Circulars and other forms of communication. Likewise, authorities and accountabilities of senior leaders are defined in their job description and responsibilities. Senior leaders discourage staff from engaging in corrupt practices through formulation of various corruption prevention-related policies, and issuance of related Memo Circulars.

**Validation**

**National Headquarters.** *Validated rating (2)*

The following findings are based on the documents reviewed and interviews with some senior and middle ranking officers as well as rank-and-file employees:

- a) The agency's senior leaders headed by then Fire Chief Asignado participated in the Strategic Planning Workshop in May 2006. Key outputs of this workshop include the 2006-2010 Strategic Plan, new vision and Mission statements, Core Values, and Key Result Areas/Action Plans.
- b) Performance targets of different work units are set during the Annual Command Conference participated in by the senior leaders from the National Headquarters and the Regional Directors.
- c) Senior leaders serve as resource speakers on Code of Conduct, Anti- Graft and Corrupt Practices, and Moral and spiritual Enhancement in regular courses conducted for supervisors and new recruits. These courses include:
  - 2-month Fire Protection Supervisory Course (4-hr Code of Conduct and Ethical Standard RA 6713; 8-hr Anti-Graft and Corrupt Practices Act; 8-hr Moral and Spiritual Enrichment) – 57 /82 Pax 2005/2006
  - Fire Basic Recruit Course (4-hr Code of Ethics and Professional Standards; 16-hr Moral and Spiritual Enrichment) – 213/111/295 pax 2005/2006





- d) Bureau Circular No. 2004-001 (Delegation of Authority for Senior Staff Officers Assigned in the BFP National Headquarters) defines authorities and accountabilities of the agency's senior leaders.
- e) Memorandum Circular 2006-003 (Guidelines for Implementing the BFP CY2006-CY2010 Strategic Plan) issued by the Fire Chief to facilitate implementation of the 2006-2010 Strategic Plan in all regional offices. It has been observed though that despite this Memo Circular, the key components of the Strategic Plan have not been well disseminated or deployed. For instance,
  - a) Some Division Chiefs hold informal meetings with their Section Chiefs regarding Plan but there are no Minutes of Meeting or documented action planning workshops.
  - b) The agency's Core Values are likewise not well deployed. Very few can cite the agency's core values and those who can, are unable to explain what the core value means to him/her as an employee of BFP.
  - c) Although the new vision/mission statements are read during flag-raising ceremonies, these are not displayed in strategic areas to serve as constant reminder to everyone.
- f) Creation of the Integrity and Anti-Corruption Team (IACT). IACT was established to lead in the formulation of the various integrity and anti-corruption initiatives in the agency and ensure their successful implementation. However, IACT 's main function is to monitor cases that have been filed with OMB. Performance audit function has been transferred to Internal Audit Services of the DILG.

**National Capital Region. Validated rating (1)**

It must be noted that the following findings are based on the limited data or information provided at the BFP-NCR. Most, if not all data are sourced from the NHQ.

- a) BFP-NCR's short and long term plans, core values, and performance expectations are set by its senior leaders together with other senior leaders of the agency during the Strategic Planning Exercise.
- b) Performance targets of different work units are set during the Annual Command Conference participated in by the senior leaders from the National Headquarters and the Regional Directors.
- c) Although there is no Memorandum that communicates to all staff the importance of ethical behavior in dealing with all stakeholders, the former Regional Director has a column entitled From the Desk of the RD in BFP Review-NCR Quarterly Magazine. Aside from citing the regional office's past accomplishments, the Regional Director takes this opportunity to remind the staff about the importance of ethical behavior particularly as it affects the image of the Bureau.
- d) Bureau Circular No. 2004-001 (Delegation of Authority for Senior Staff Officers Assigned in the BFP National Headquarters) defines authorities and accountabilities of the agency's senior leaders.

**Region 6. Validated rating (1)**

The mechanisms claimed by the senior leaders during their consensus have been validated and confirmed by the team of assessors.

- a) The BFP-Region 6 Regional Director participates in the Strategic Planning Workshop and Annual Operations Plan and Budget Command Conference whereby long term and short term plans are formulated.
- b) BFP-Region 6 deploys organizational values, targets and accomplishments during flag-raising ceremony, Troop Information and Education.



- c) BFP-Region 6's senior leaders have defined authorities and accountabilities based on DILG's Memo Circular on Comprehensive Delegation of Authority.

**Region 10. Validated rating (2)**

The above rating confirms the existence of various types of documents that substantiate the claims made by the participants during the IDA Workshop.

- a) BFP-Region 10 Regional Director participated in Strategic Planning exercise held in May 2006. The 5-year Strategic Plan incorporates plans and programs Bureau-wide. Upon its own initiative, BFP-Region 10 conducted its own Strategic Planning Exercise a month after the Bureau-level Strategic Planning Exercise. This is a good practice that can be emulated by the other regional offices. The different regional sites have varying needs and requirements and the best way to know these is through the inputs of the different units in the regional office. Senior leaders likewise participate in the Annual Operations Plan and Budget Conference. It adopts the PES set by the agency.
- b) The senior leaders at BFP-Region 10 articulate the importance of ethical behavior through the following mechanisms:
- Internal Disciplinary Measures
  - Regular Wearing of Prescribed Uniform
  - Basic Office/Station Rules & Regulations
  - Command Responsibility of Unit Commanders
  - RD's Policy
- c) BFP-Region 10's senior leaders have defined authorities and accountabilities based on DILG's Memo Circular on Comprehensive Delegation of Authority.
- d) Core values and performance expectations are deployed through the Memo on Station Rules & Regulations and the BFP-FIRES
- e) There are various policies formulated and memos disseminated by senior leaders to discourage corrupt practices, namely:
- Memo on vigilance and Alertness
  - Leaving of Station
  - Command Responsibility
  - Policy Guidelines on Transfer Requests
  - Policy on Accountability

**Overall Rating (2) / Deployment (30-40%)**

Due to the fact that the agency adopts a centralized approach in managing its systems and procedures, the team confirms that the requisite policies and implementing procedures for Level 2 are deemed in place Bureau-wide.

BFP's senior leaders set and to some extent, deploy organizational values, short and long term directions and performance expectations. They also employ some mechanisms to articulate the importance of ethical behavior in dealing with the public. The agency's senior leaders have also initiated anti-corruption programs to discourage the staff from engaging in corrupt practices.



Extent of deployment, however, is at 30-40% as evidenced by the different consensus ratings by the 4 sites and the varying information provided during the team's document review and interviews conducted among the officers and staff in all sites.

### 1.3. Survey Results

Survey results validate to a certain extent, senior leaders' efforts in deploying organizational values. The respondents slightly agree that BFP managers don't abuse their authority and moderately agree that senior leaders inspire BFP personnel to behave in a professional manner towards the public. It is must be noted though that respondents in NHQ slightly disagree that senior leaders do not abuse their authority. Refer to Section B of the Corruption Resistance Review for the full survey report.

Reponses regarding leaders' use of authority were varied with slightly negative net ratings observed from the National Headquarters, slightly positive from NCR and moderately positive from Region 6 and 10. Moderately positive net agreements pertaining to leaders inspiring employees to be "professional" were observed except for Region 6 who cited high positive net ratings.

Significant differences in responses were observed among the respondents of Region 6 for Statement 2 only. Although net positive ratings are attributed to those with college degrees, negative ratings were obtained also from this group.

Table 2.1 Net Ratings for Leadership by Site

STATEMENTS	NHQ	NCR	Region 6	Region 10	AGENCY RATING
Managers in our agency do not abuse their authority.	2.53	2.47	2.08	2.16	2.35
Managers in our agency inspire employees to be "professional".	1.97	2.17	1.75	1.94	2.03

Leadership by example, political will, adherence to rules and regulations, and transparency tops the suggestions provided by the employees to improve the leadership's contribution to prevent corruption in the Bureau. The complete list of suggestions is hereunder presented.

Table 2.2 Suggestions to improve the leadership's contribution in preventing corruption in BFP include:

Suggestions	Frequency	Percent of Responses (%)
Leadership by example, good and strong leadership, political will	44	11.28%
Adhere to rules and regulations of the agency, discipline, concern and conscience, proper treatment to co-employees, dedication to work, proper service to clients, honesty	41	10.51%
Transparency, form a transparency committee	40	10.26%
Strict implementation of rules and regulations /punishment to corrupt employees, committee on promotions and conduct of employees	38	9.74%
no comment, no answer, no suggestion, no problem	37	9.49%
Seminars and trainings (job-related, improvement of skills, corruption prevention, values formation and spiritual seminars)	25	6.41%
Open communication between officers and employees, especially on their needs and problems in the agency, proper information dissemination to all employees, unity/cooperation/coordination among employees	25	6.41%



Suggestions	Frequency	Percent of Responses (%)
Improve promotion/recruitment process - right people at the right job (qualified employees), reshuffling and revamp, localization of employees	25	6.41%
Stop corruption, do not accept bribes	24	6.15%
Increase salary/benefits, release salary and benefits on time, give incentives/rewards for good performance	19	4.87%
Monitoring and evaluation - thorough supervision from the Bureau, performance monitoring/evaluation, monitor/evaluate stations, end of day report from each personnel, perform regular and strict audit (internal/COA)/financial assessment/review	17	4.3vi%
Lifestyle check, investigation, committee on investigating graft and corruption, witness protection program	12	3.08%
Fairness to all, elimination of palakasan system	9	2.31%
Fear of God	7	1.79%
Report corruption	6	1.54%
Contentment, simple living, avoid/eliminate vices	4	1.03%

Slight to moderate positive agreements were recorded for the statement, which pertains to employees being consulted on policies that concern them. Slightly positive agreements in NCR and Region 10, moderately positive agreement in Region 6, and slightly negative agreement in NHQ is recorded with regards to the involvement of employees in the decision-making process of the agency. Moderate positive net agreements were recorded for open lines of communication in the agency across all four sites. No significant differences in responses were obtained.

Table 2.3 Net Ratings for Organizational Culture

STATEMENTS	NHQ	NCR	Region 6	Region 10	Agency Rating
Employees are consulted on policies that concern them.	2.22	2.23	2.05	2.00	2.15
Employees are involved in making decisions.	2.53	2.44	2.08	2.26	2.34
Lines of communication are open.	2.11	2.20	1.83	2.04	2.09

#### 1.4 Next Steps

- a) In order for the agency to reach Level 3, it needs to include corruption prevention and detection as part of the senior leaders' job descriptions. Considering the role of senior leaders in inculcating integrity in an organization, it is very important that their performance shall likewise be measured in terms of accomplishments and behavior that exemplify this particular core value of BFP. In view of the fact that the agency is in the process of developing the job description of its uniformed personnel and officers, this is an appropriate time to revisit its efforts and define senior leaders' roles and responsibilities in corruption prevention and detection.

In addition, the agency needs to match item description with job responsibilities. For example, there are cases where an SF01 is assigned as Fire Marshal in municipalities that lack qualified personnel.



- b) While the agency has satisfied all the indicators for Levels 1 and 2, BFP needs to further strengthen its existing deployment mechanisms.
- For integrity to be established firmly in place in the agency, it is important that its set core values be clearly understood and internalized by all officers and staff. For example, what does each core value mean to the individual employees? How can one exemplify each core value in the performance of his/her duty? Core values help shape the culture of an organization and determines the way the agency and its employees deal with their stakeholders. Orientation on the code of conduct and the organization's core values given to new recruits might not be enough. There are non-uniformed personnel who do not receive similar orientation and yet it is a fact that they are part of the organization and help contribute to the achievement of the agency's mission.
  - The values enhancement programs initiated by IACT e.g. SMEP is a good approach to remind the officers and staff on the code of conduct and ethical behavior and values. However, it would be better if a module on clarifying and strengthening understanding of the agency's core values be included in these programs.
  - Post the agency's new visional and Mission statement as well as its Core Values in strategic areas – places where these can be seen regularly by all BFP personnel and its stakeholders. This will help remind everyone that everything that they do must contribute to the attainment of the Bureau's vision and Mission.
  - There are other venues available for senior leaders to deploy organizational values, targets and accomplishments such as the Troop Information and Education, and Maltese, NHQ's Quarterly Magazine. However, these are not fully utilized. There is a need to establish specific guidelines or procedures to identify the relevant topics, who is responsible, and how often these are to be taken up in the TI & E and magazines. Moreover, if the agency aims to utilize the Maltese as a way to communicate to all its personnel, the Bureau may consider increasing its number of copies and circulation.
  - There are concerns raised that not all communication from the NHQ reach all concerned personnel in a timely manner. The agency must look into its current communication system to ensure proper and timely dissemination of BOs/MOs/MCs to all concerned uniformed/non-uniformed personnel especially at the provincial/district/city/municipal levels.



## 2. Code of Conduct

A code of conduct sets out the standards of behavior expected of staff. It defines desirable behavior for all types of work in the agency. The existence of a code of conduct should not be seen as an end in itself. For the code of conduct to become an effective integrity enhancement measure, its form and content must be appropriate and relevant for the agency. The end goal of a Code of Conduct is to define the behavior of officers and employees and should therefore be communicated, promoted and taught to all personnel of the agency and integrated in the various aspects of its operation.

Rating	Levels of Achievement
1	<ul style="list-style-type: none"> <li>▪ The agency has a general code of conduct (RA 6713).</li> <li>▪ The agency monitors annual submission of Statement of Assets and Liabilities and Net Worth (SALN) and disclosures of business interests and financial connection.</li> </ul>
2	<ul style="list-style-type: none"> <li>▪ The agency has a customized Code of Conduct, which has concrete examples of ethically acceptable/non-acceptable practices and situations of conflicts of interest that are relevant to the different types of work carried out by the agency.</li> <li>▪ There is a program for promotion (e.g. orientation) of the agency Code of Conduct.</li> </ul>
3	<ul style="list-style-type: none"> <li>▪ The agency Code of Conduct is consistently enforced, with managers having clear tasks of promoting and monitoring compliance.</li> <li>▪ Violations of the agency Code of Conduct are sanctioned. Rewards are given to employees who consistently exhibit behaviors that are consistent with the agency Code of Conduct.</li> </ul>
4	<ul style="list-style-type: none"> <li>▪ The agency Code of Conduct has been integrated in key systems and mission critical functions (e.g. applicable provisions of the Code of Conduct are included in contracts with external parties).</li> <li>▪ Employees' record of adherence to or violation of the Code of Conduct is used as basis for promotion.</li> <li>▪ Disclosures of employees from SALN are analyzed and appropriate actions are taken.</li> </ul>
5	<ul style="list-style-type: none"> <li>▪ The agency Code of Conduct is regularly reviewed for effectiveness in preventing corruption and in specifying and promoting the desired behavior of employees.</li> <li>▪ Results of the review are used to strengthen the agency's Code of Conduct.</li> </ul>

### The BFP Firefighters Institutional Regulations and Ethical Standards (BFP FIRES)

The BFP has a Customized Code of Conduct based on RA6713 issued in 2001 to guide its Officers and Men on the discharge and execution of their official duties. Officially known as the **Bureau of Fire Protection Firefighters Institutional Regulations and Ethical Standards (BFP FIRES)**, it is also known as the "Red Book" by BFP parlance. An Orientation on the Code is given to new recruits through a four-hour classroom lecture in the 6-month Fire Basic Recruit Course (FBRC).

In 2003, the 2-month Officers Orientation Course (OOC) conducted for the new officers of the Bureau was modified to include an 8-hour session to inculcate the importance of proper conduct and decorum in the service. At present, the four (4) hour regular classroom lecture on the Code remains part of the OOC.

BFP personnel's understanding of the Code (BFP FIRES) is reinforced through reminders and sharing of values during flag-raising ceremonies and workshops and through issuance of Memorandum Orders or Circulars directing the different unit officers to ensure that their respective subordinates are aware of the Code.

BFP, being a uniformed service, is bound by rules, customs and traditions that have the effect of an unwritten law. The BFP, over a long period of existence, has many customs and traditions that have developed with necessity. They have stood the test of time and still binding as before.





BFP-FIRES is even clear on this. In Article IV of BFP-FIRES, it says there that "...Firefighters shall adopt common and acceptable beliefs, practices, customs and traditions of the BFP as inspiration in achieving goals and objective of the organization", as its General Statement.

One such unwritten rule in the tradition says "Obey first before you complain". This rule emphasizes the importance of obeying orders or instructions, which are considered a responsibility of uniformed personnel. If responsibility without authority is a mockery, how can you be given authority later on if you are not responsible enough to carry orders?

Another custom says "What you see, What you hear, When you leave, Leave it here!" This rule simply means that whatever information is acquired in the Bureau, it is for the members of the Bureau only. If and when information that is restricted is divulged, such an act constitutes squealing. Being branded as a squealer in a uniformed service is a great dishonor and tarnish to the reputation of a uniformed personnel.

Such customs and traditions dictate how BFP officers and men are to conduct themselves, thereby influencing their Code of Conduct, albeit in practice and not on paper.

### Assessment

Code of Conduct	NHQ	NCR	Region 6	Region 10	Team Rating
Agency Rating	2	1	1	2	
Deployment Score	90- 100%	90- 100%	50- 60%	50- 60%	90-100%
Validated Rating	1	1	1	1	1

#### **National Headquarters.** *Consensus rating (2) / Deployment (90-100%)*

Based on the self-assessment of the senior leaders at the National Headquarters, the agency adopts the general code of conduct (RA 6713) and a customized code of conduct (BFP-FIRES) which is patterned after RA 6713. The agency also ensures that all of its employees submit their annual Statement of Assets and Liabilities and Networth (SALN) and Disclosure of Business Interests and Financial Connections. They further claim that new recruits have a special session on BFP-FIRES in the Fire Basic Recruit Course (FBRC) at DILG's Fire National Training Institute (FNTI). Uniformed Personnel, on the other hand, are given a refresher course on the code of conduct in the Fire Protection Supervisory Course (FPSC).

#### **National Capital Region.** *Consensus rating (1) / Deployment (90-100%)*

According to BFP-NCR's senior officers, they have a general code of conduct patterned after RA 6713 and they monitor the submission of their Statement of Assets and Liabilities and Networth (SALN). They, however, agree that the BFP-FIRES is not specific enough to be called a customized code of conduct.

#### **Region 6.** *Consensus rating (1) / Deployment (50-60%)*

Like in the National Capital Region, the senior leaders in BFP-Region 6 recognize that the BFP-FIRES is not customized enough to be classified as such.

#### **Region 10.** *Consensus rating (2) / Deployment (50-60%)*

The participants believe that they have fully satisfied all the required bullets for the rating. According to them, they have a general code of conduct patterned after RA 6713 and they monitor the submission of their Statement of Assets and Liabilities and Networth (SALN).



## **Validation**

### **National Headquarters.** *Validated rating (1)*

The following findings are based on the document review and interviews with some senior and middle ranking officers as well as rank-and-file employees at the National Headquarters:

- The agency has a customized code of conduct (BFP-FIRES) patterned after RA 6713. However, it does not contain concrete or specific examples of ethically acceptable and unacceptable practices and situations of conflicts of interest relevant to the different types of work in the agency.
- Guidelines for the enforcement of the agency's code of conduct are contained in the Memo Circular on Uniform Rules on Administrative Cases
- Based on the Accomplishment Report of NHQ-IAS, violations to the agency's code of conduct are sanctioned
- Commendations are given to those who exhibit behavior consistent with the agency's code of conduct (MALTESE Vol. 3 Dec. 2006). These commendations are used as basis for promotion.

### **National Capital Region.** *Validated rating (1)*

The team confirms the consensus adopted by the senior leaders during the IDA Self-Assessment Workshop. They have a general code of conduct patterned after RA 6713 and they monitor the submission of their Statement of Assets and Liabilities and Networth (SALN).

### **Region 6.** *Validated rating (1)*

The team confirms the consensus adopted by the senior leaders during the IDA Self-Assessment Workshop. They have a general code of conduct patterned after RA 6713 and they monitor the submission of their Statement of Assets and Liabilities and Networth (SALN).

### **Region 10.** *Validated rating (1)*

The team confirms the consensus adopted by the senior leaders during the IDA Self-Assessment Workshop. They have a general code of conduct patterned after RA 6713 and they monitor the submission of their Statement of Assets and Liabilities and Networth (SALN).

## **OVERALL RATING (1) / EXTENT OF DEPLOYMENT (90-100%)**

BFP has satisfied the indicators for Level 1. They have the BFP-FIRES, which serves as the Bureau's Code of Conduct since 2001. Likewise, the HR division monitors submission of SALN by all personnel.

However, although BFP-FIRES is supposedly created for Bureau personnel, it lacks concrete examples of ethically acceptable and unacceptable practices relevant to the Bureau. Except for a few provisions such as when or how to salute, courtesy calls and traditional beliefs and practices, most of the provisions are direct adaptation of existing provisions of RA 6713.





It is worth noting that the Bureau has satisfied some indicators of the higher levels.

- BFP's Uniform Rules on Administrative Cases provides for the consistent enforcement of the Code of Conduct
- BFP's Accomplishment Report for 2005 shows that violators of proper decorum are correspondingly sanctioned.
- Commendations are given to personnel who have exhibited exemplary performance and behavior. It has been noted though that behaviors that needed commendations are not well defined.

### 2.3 Survey Results

Majority of the respondents (91.63%) cited that the agency has a written code of conduct.

Table 2.5: Does your agency have a written code of conduct?

Response	NHQ	NCR	Region 6	Region 10
YES	36	185	73	48
NO	1	19	7	7

There is also moderately net positive agreement that a written code of conduct is followed in the agency. However, of the 91% who say that the agency has a written code of conduct, net positive agreement is lower with regards to adequacy of orientation provided on the code of conduct and other corruption prevention measures, and on punishment for those who violate the code.

Highly positive net agreement ratings were observed in NHQ and Region 6 with regards to the compliance while moderately positive net agreement ratings were observed in NCR and Region 10. Region 6 and Region 10 cited moderate positive net agreement ratings for adequacy of orientation of the written code of conduct, while only slightly positive net ratings were observed from NHQ and NCR. Moderately positive agreement was observed with respect to punishment of those who violate the code, except for NCR respondents who cited slight agreement net ratings.

Significant differences in responses were observed NCR and Region 6 as follows:

- Negative ratings for code of conduct were more likely obtained from non-supervisory personnel in Region 6 and from among those who have served for at least 10 years.
- NCR responses differed in terms of scope of work. Negative responses to a code of conduct and adequate orientation were observed from those involved in national, regional and/or city operations. In terms of punishment of violators, negative responses were observed from those involved in city and/or municipal operations.



Table 2.6 Net Ratings for Code of Conduct by Site

STATEMENTS	NHQ	NCR	Region 6	Region 10	AGENCY RATING
A written code of ethical conduct being followed in our agency.	1.73	1.95	1.78	1.93	1.89
Adequate orientation on the code of conduct and other corruption prevention measures are provided in our agency.	2.24	2.27	2.05	2.20	2.21
Those who violate the code of conduct are punished.	2.03	2.23	2.03	2.07	2.15

Majority of the respondents submitted their SALN for 2005. However, 8% from Central Office, 5% from NCR and 2% from Regions 6 and 10 failed to submit their SALN for 2005.

Table 2.7: Did your HRD collect your Statement of Assets and Liabilities and Net Worth (SALN) for 2005?

Response	NHQ	NCR	Region 6	Region 10
YES	34	193	78	54
NO	3	11	2	1

## 2.4 Next Steps

In order to raise the level of achievement for this dimension, the BFP-FIRES should be revisited to provide for clearer customization.

- BFP-FIRES must have concrete examples of ethically acceptable and non-acceptable practices relevant to the different types of work carried out by the Bureau.
- It has been noted that BFP does not seriously promote dissemination of the BFP-FIRES to its Non-Uniformed Personnel (NUP or civilians). NUPs are given the discretion to read and be familiar with the Bureau's code of conduct. NUP's are organic personnel of BFP. As such, how they conduct themselves reflects directly on the Bureau. BFP therefore needs to orient all personnel, whether uniformed or non-uniformed on BFP-FIRES.
- Issuance of specific codes of conduct for every function to solve the problem of internalization of the code. The customized Code must clearly specify conflict of interest situations, illustrate clear and culpable violations and offer positive incentives for ethical conduct.
- The BFP-FIRES must be clear on complaint handling relative to cases involving violations of the Code. The complaint handling process has to address concerns like where to file a complaint, to whom it should be filed, how to make a complaint, confidentiality and designation of disclosure officers.

It would also be helpful to be clear on penalties. It would be ideal to provide a provision stating that violations of the Code would ultimately result to either suspension or dismissal from the service.



### 3. Gifts and Benefits Policy

Gifts are offered innocently or solicited as bribes. Similarly, the recipient's work may place them in a situation where they could give or receive personal benefits, which might include preferential treatment, promotion or access to information. The acceptance of a gift or benefit can in some circumstances create a sense of obligation that may compromise the official/employee's honesty and impartiality. Agencies need to have policies and procedures in place to deal with gifts and benefits and also need to promote their policies and procedures to their staff/officials and clients.

Gifts refer to a thing and or a right disposed of gratuitously, or any act of liberality, in favor of another who accepts it, and shall include a simulated sale or an ostensibly onerous disposition thereof.

A step in ensuring that agencies deal effectively with offers of gifts is to establish a registry of gifts (as is practiced in other countries) and ensure that all staff (and where necessary the community and clients as well) is fully aware of it. The registry should record information on the date, name of the person and/or organization offering the gift, name and position of the intended recipient, type and value of gift, decision taken regarding what should happen to the gift. A gift registry can help enhance transparency and reduce tolerance to abuse.

Rating	Levels of Achievement
1	<ul style="list-style-type: none"> <li>▪ The agency has a written policy on solicitation and acceptance of gifts with relevant examples that is consistent with RA 6713 and RA 3019.</li> <li>▪ The agency has written guidelines for donations.</li> <li>▪ The agency has a written policy on offers of bribe.</li> </ul>
2	<ul style="list-style-type: none"> <li>▪ The agency has a program on the promotion of the policy on solicitation and acceptance of gifts, for both internal and external stakeholders.</li> <li>▪ The agency has a registry for gifts, donations and institutional tokens.</li> </ul>
3	<ul style="list-style-type: none"> <li>▪ The policy on solicitation and acceptance of gifts is consistently enforced, with managers having clear tasks of promotion and monitoring compliance.</li> <li>▪ The gifts and benefits received and documented are disposed of according to procedures defined in the agency policy.</li> <li>▪ Rewards are given to those who report offers of bribes.</li> <li>▪ Sanctions are applied to officials and staff who fail to comply with the policy.</li> </ul>
4	<ul style="list-style-type: none"> <li>▪ The registry of gifts is available for examination by internal and external stakeholders.</li> <li>▪ The gifts in register and reported bribes are regularly reviewed and examined vis-à-vis decisions and treatment of agency's stakeholders.</li> </ul>
5	<ul style="list-style-type: none"> <li>▪ The agency's policy on solicitation and acceptance of gifts is regularly reviewed for effectiveness.</li> <li>▪ Results of the review are used to tighten agency's policy on solicitation and acceptance of gifts and benefits.</li> </ul>

#### 3.3 Bureau's Policy on Gifts, Benefits and Donations

The agency receives many donations from local and international private individuals, government as well as non-government organizations. Many City/ Municipal Fire Marshals have been commended because of their efforts in obtaining donations from the local government. These donations make a lot of impact especially among the field personnel because of the agency's lack of sufficient and up-to-date firefighting apparatus, gears and other equipment needed to improve delivery of its services. However, these donations, whether offered innocently or solicited, may place the agency or its officers and staff in a situation where they would be forced to give or receive personal benefits such as preferential treatment, promotion or access to confidential information. The



acceptance of a gift or benefit can, in some instances, create a sense of obligation that may compromise the agency/officials/employee's honesty and impartiality.

Under the Local Government Code of 1991 (Sec. 17), the municipal and city governments are tasked to provide sites for fire stations and substations (Sec.17, 210ii) and support for fire services and facilities (Sec.17, 4 ii), respectively. Moreover, under the Code's Sec. 314, the LGUs' are entitled to allocate budget for the delivery of the basic services and facilities mentioned in Sec. 17. Budget allocation, however, depends on the discretion of the LGU officials.

Although it is defined in the FIRES Handbook that soliciting patronage from LGU leaders and other political leaders is prohibited, this is being practiced in the Bureau. This relationship between the LGU leaders and the fire marshals may affect the agency's decisions as regards placement or movement of personnel. There are reports that when a fire marshal, for whatever reason, is removed from office by the agency, the LGU leader withdraws his support to the local fire station including personnel allowances and gas allocations. There are concerns therefore as regards gas allocation, which are critical to the operations of fire stations, if the LGUs provide these primarily through the efforts of the city and municipal fire marshals.

Moreover, through these donations, the integrity of the Bureau's recruitment process could be affected as the donors, such as LGU officials and other stakeholders, may feel they have the right to recommend their own people in the Bureau.

BFP is faced with the dilemma of being operationally viable with the meager budget provided by the Bureau or compromising their independence from donor LGUs and stakeholders to have their steady support. They consider that withdrawal of these resources by the LGUs or other stakeholders would greatly hamper BFP's efforts in accomplishing its mission.

### 3.2 Assessment

Gifts and Benefits Policy	NHQ	NCR	Region 6	Region 10	Team Rating
Agency Rating	0	0	0	0	
Deployment Score	-	-	-	-	
Validated Rating	0	0	0	0	0

#### **National Headquarters / National Capital Region / Region 6 / Region 10. Consensus rating (0)**

The IDA participants all agree that the agency has no written policy on solicitation and acceptance of gifts, written guidelines for donations, and written policy on offers of bribe.

#### **Validation**

#### **National Headquarters / National Capital Region / Region 6 / Region 10. Validated rating (0)**

Upon verification in all sites including NHQ, no documentary evidence has been found that would satisfy any indicator for this dimension.

### **OVERALL RATING (0)**

At present, the agency has no existing policy on gifts, offers of bribes, and guidelines for donations.



### 3.3 Survey Results

42% of respondents say that there is a written policy on gifts and benefits. Since there is actually no written policy on solicitation and receiving gifts, survey results indicate there is no standard policy is being followed in NHQ and the regional offices. Refer to Section B of the Corruption Resistance Review for the full survey report.

With regards to the knowledge of the agency's written gifts and benefits policy, the regional offices showed a split response between Yes and No. Most of the respondents from NCR, Region 6 and Region 10 replied no, or that they do not have a written policy on gifts and benefits.

Table 2.8. Does your agency have a written gifts and benefits policy?

Response	NHQ	NCR	Region 6	Region 10
YES	23	88	29	16
NO	14	116	51	39

Net ratings for Gifts and Benefits indicate that a moderate positive agreement on the awareness of employees on the agency's policy on gifts and benefits. Moderate positive agreement from NCR and Region 6 were observed on the awareness of the transacting public on the agency's policy on gifts and benefits. Only slight agreement was observed from NHQ while Region 10 had split opinions about the matter.

Significant differences in responses were noted only in NCR wherein negative ratings regarding awareness of the transacting public to the agency gifts and benefits policy were likely from those involved in city operations.

Table 2.9 Net Ratings for Gifts and Benefits by Site

STATEMENTS	CO	NCR	Region 6	Region 10	AGENCY RATING
The employees in our agency are made aware of the policy on solicitation and receiving of gifts.	1.90	1.99	1.90	1.93	1.95
The transacting public and suppliers know the policy of our agency on gifts and benefits.	2.25	2.10	2.13	2.50	2.17

When asked how much they think is an acceptable personal gift, 81.12% gave no answer. Fifty-five respondents (out of 376) said that no cash gift is necessary for them to render their duties as a government servant. Other respondents replied in varied amounts ranging from a low value of P50-100, a mid-value of P200-P500 and a high value of P1000.



Table 2.10 Responses on Acceptable Gift Amount

Amount	Frequency
No Answer	305
0	55
50	1
100	5
200	3
300	1
400	1
500	3
1000	2
<b>TOTAL</b>	<b>376</b>

### 3.4 Next Step

Considering that the agency solicits and receives donations from its various stakeholders to supplement the limited budget it receives from the national government, it is recommended that a policy on gifts and benefits peculiar to the officials and staff of the Bureau, including its implementing rules and guidelines, be created.

The policy shall include, but not limited to the following provisions:

- a) The Policy shall apply to all officials and personnel of the Bureau of Fire Protection, in addition to other prohibitions on soliciting and receiving gifts and benefits imposed by law.
- b) The term **gift, benefit, donation, bribes and agent** should be defined as used in the policy.
- c) BFP officials and personnel shall not solicit, directly or indirectly, gifts and/or benefits, for themselves or for others.
- d) BFP officials and its personnel shall not, directly or indirectly, accept or receive any gift or benefit from any party which may influence their official actions or which might reasonably be perceived as influencing or improperly relating to past, present or future performance of their official functions.
- e) In the course of the performance of their official functions, BFP officials and its personnel shall not accept any fee or remuneration beyond what they are legally entitled to receive in their official capacity in accordance with law.
- f) BFP officials and personnel shall not accept or receive gifts and/or benefits, directly or indirectly from any of the following: suppliers, contractors, personnel with administrative cases, and other parties transacting business with the Bureau.
- g) The policy shall state that BFP officials and personnel may accept or receive gifts and/or benefits from their spouses, children and parents; may also include parents-in-law, brothers and sisters, other relatives within the 4<sup>th</sup> degree provided that the latter shall not act as representative for their behalf in any case before the Bureau of Fire Protection. BFP may set an allowable and reasonable nominal value. Gifts and/or benefits received shall be recorded in a **Registry Book**. The gifts and/ or benefits allowed shall not be given and/or accepted within the Office or its premises or such other places temporarily occupied by the Office or its officers and personnel in the conduct of office-related functions and activities.



- h) BFP officials and personnel may give and/or receive to/from their fellow officials and personnel emergency contribution/ assistance of reasonable value or amount in cases of death, illness and other similar situations.
- i) Officials and employees may receive plaques, awards, certificates, souvenirs or other tokens of appreciation or gratitude and/or benefits as appropriate to the occasion/ceremonies in which it is made provided that such might not reasonably be perceived as intended to influence the officials/personnel in the performance of their official functions.
- j) The policy shall specify what to do with the prohibited gifts left at the Agency or its premises and who shall dispose of the same. The **designated representative** shall report to the **designated office** any incident covered by this section.
- k) The agency shall have the discretion to dispose of or assign donations coming from other local offices, Local Government Units and other organizations. The agency shall likewise provide guidelines that will form part of the deed of donations that will state that the donations are given voluntarily and that this will not affect future performance of the Agency/Officials/Personnel of their duties and responsibilities or their official functions.
- l) BFP shall prepare an inventory of donations, which shall be consolidated with the agency's requirements of firefighting gears and equipment.
- m) The policy shall state situations/cases when these rules may not apply.
- n) The policy shall state that any violation of these rules shall be a ground for disciplinary action, without prejudice to the filing of appropriate criminal charges, if warranted, against the erring official and/or personnel.

The creation of this policy and the establishment of a Registry of Gifts will improve the image of the Bureau to its stakeholders both internal and external – that the Agency is doing something to prevent corruption and that the BFP deserves the public's trust.





#### 4. Human Resource Management

The recruitment process provides the agency an opportunity to screen incoming employees for likelihood of corrupt behavior and conflicts of interest. The agency should be wary of nepotism or favoritism and ensure merit-based procedures in recruitment and promotion of personnel. It is highly desirable that upon entry, relevant interventions for new recruits include orientation on the Code of Conduct and work standards and training on corruption prevention and risk management. The promotion system can provide opportunity for sanctioning corrupt behavior and rewarding people who comply with the agency's integrity measures.

Rating	Levels of Achievement
1	<ul style="list-style-type: none"> <li>▪ The agency has a written guideline for recruitment and promotion of personnel (e.g. Merit Selection/Promotion Plan) following CSC guidelines.</li> <li>▪ The agency has a Selection Board and Promotions Board with rank and file representative/s.</li> <li>▪ The agency has a complete set of job descriptions and qualification standards for all positions.</li> </ul>
2	<ul style="list-style-type: none"> <li>▪ The agency guidelines for recruitment and promotion are proactively disseminated.</li> <li>▪ Members of the Boards and relevant personnel undergo orientation on the agency's recruitment and promotion policies and processes.</li> </ul>
3	<ul style="list-style-type: none"> <li>▪ The policies/guidelines on recruitment and promotion are consistently enforced (e.g. Personnel appointments are issued based on the provisions of the agency Merit Selection and Promotions Plan; policy on outside employment; blacklisting of erring personnel).</li> <li>▪ The agency employs measures to prevent entry of corrupt employees (e.g. potential conflicts of interest are considered, background investigation conducted).</li> <li>▪ The agency keeps records of meetings and decisions of the Boards.</li> <li>▪ The agency has a mechanism to shield recruitment, placement and promotion of personnel from political intervention.</li> </ul>
4	<ul style="list-style-type: none"> <li>▪ Results of performance evaluations and complaints involving moral turpitude are considered in the placement and promotion of employees.</li> <li>▪ Bases of decisions on promotions and movements of personnel that deviate from the recommendations of the Boards are documented.</li> <li>▪ The agency has a post employment policy for resigning/retiring personnel.</li> <li>▪ The agency conducts random checks of the decisions of the Boards.</li> </ul>
5	<ul style="list-style-type: none"> <li>▪ The outcomes of personnel recruitment, selection and promotion are regularly reviewed.</li> <li>▪ The agency's Merit Selection/Promotion Plan is regularly reviewed for effectiveness in enhancing integrity and preventing corruption.</li> <li>▪ Results of the review are used to enhance the integrity of the personnel recruitment, selection and promotion processes.</li> </ul>

##### 4.1 Human Resource Division

At present, BFP's manpower complement is 15,028, of whom 96.57% are uniformed personnel and 3.43% are non-uniformed personnel. Recruitment and promotion basically follow the same process. Applicants for employment or promotion submit their credentials to the HR Division through the Personnel Section. If there are no opening or vacancies for the position applied for, the names of the respective applicants are included in a Matrix of Applicants for employment or promotion and a corresponding response is made by the HR Division as to the status of application. If there are vacancies, the items are published. The applicants' credentials are evaluated as to educational attainment, eligibility, height, and age. The Personnel Selection Board (PSB) then conducts screening and deliberation of qualified applicants. A Board





Resolution is passed containing the list of approved applications. The Personnel Section then prepares and submits the respective appointments to the Civil Service Commission (CSC) for approval.

#### 4.2 Assessment

HUMAN RESOURCE MANAGEMENT	NHQ	NCR	Region 6	Region 10	Team Rating
Agency Rating	0	2	1	0	
Deployment Score	-	50- 60%	70- 80%	-	
Validated Rating	0	0	0	0	0

##### **National Headquarters.** *Consensus rating (0)*

According to the IDA participants, the agency has written guidelines on recruitment and promotion based on CSC guidelines. However, the agency does not have a complete set of job description for all positions, especially for uniformed personnel. They also mentioned that the process flow on recruitment and promotion is posted in the HR Division office and that PSB members receive extensive orientation on recruitment and promotion policies and processes.

##### **National Capital Region.** *Consensus rating (2) / Deployment (50-60%)*

The IDA participants claim that the agency has satisfied all indicators for levels 1 and 2. It has written guidelines on recruitment and promotion based on CSC guidelines, its Regional Personnel Selection Board includes a rank-and-file representative, and has a complete set of job description for all positions. They also claim that policies and procedures on recruitment and promotion are disseminated and that members of their Regional PSB undergo training on recruitment and promotion policies and process.

They have likewise satisfied some indicators for level 3, namely, consistent enforcement of policies on recruitment and promotion, conducting background investigation to prevent entry of corrupt employees in the agency, and keeping records of minutes of meetings of the Regional PSB. They, however, agree that the agency does not have a mechanism to stop or prevent political influence in recruitment and promotion.

##### **Region 6.** *Consensus rating (1) / Deployment (70-80%)*

The IDA participants claim that the agency has written guidelines on recruitment and promotion based on CSC guidelines; that their Regional Personnel Selection Board includes a rank-and-file representative; and that it has a complete set of job description for all positions.

They, however, recognize that the agency does not proactively disseminate policies and procedures on recruitment and promotion.

##### **Region 10.** *Consensus rating (0)*

According to the IDA participants, the agency has written guidelines on recruitment and promotion based on CSC guidelines. However, it does not have a complete set of job description for all positions, especially for its uniformed personnel.



**Validation**

**National Headquarters / National Capital Region / Region 6 / Region 10. Validated rating (0)**

There are written guidelines for recruitment and promotion of personnel following CSC guidelines. It has a Personnel Selection Board with rank and file representative. While there are Qualification Standards for all positions, the agency does not have a complete set of job description for all positions.

**OVERALL RATING (0)**

The agency has HR mechanisms in place, namely:

- a) Existing guidelines and process for recruitment and promotion
- b) A Personnel Selection Board responsible for screening applicants for recruitment and promotion
- c) Background investigation including clearances from other government agencies such as local government units, NBI, police, local courts, to prevent entry of corrupt employees and those with cases involving moral turpitude

The agency, however, does not have a complete set of job descriptions for all positions, a requirement of Level 1.

**4.3 Survey Results**

Survey results validate the IDA and Indicators Research findings. Overall, there is moderate positive agreement that the process for recruitment follows a set of criteria. There is, however, only slightly negative net agreement as regards susceptibility of the recruitment process to external influences. Management needs to look closely into this since almost the same number of respondents says that the process is susceptible to external influences. Refer to Section B of the Corruption Resistance Review for the full survey report.

Results of the net ratings indicate moderately positive agreement with regards to the process of recruitment and promotions following set criteria. In contrast, respondents in NCR and Region 10 indicated slightly negative net ratings, and respondents from the NHQ indicated moderately negative net ratings with regards to process being free from external influences. Region 6 indicated slightly positive net ratings.

Significant differences in responses were observed only in Region 6 for the first statement. Negative responses were more likely to come from those with college education.

Table 2.11 Net Ratings for Human Resource Development

STATEMENTS	NHQ	NCR	Region 6	Region 10	AGENCY RATING
The process for recruitment and promotions in our agency follows a set of criteria.	1.88	1.99	1.97	1.92	1.97
The process of recruitment and promotions in our agency is free from external influences.	3.09	2.69	2.42	2.54	2.65

Following the qualification standards, strict implementation of promotion guidelines, the establishment of a selection board and doing away with palakasan and political intervention top the list of suggestions to improve the recruitment and promotion processes. The long list of suggestions



Table 2.12 Suggestions to improve the process of recruitment and promotion include the following:

Suggestions	Frequency	Percent of Responses (%)
Follow qualification standards/right criteria on promotion and recruitment, strict implementation of promotion guidelines/standard procedure, have a selection/screening board, recruit people where needed, instill discipline	131	32.51%
No palakasan system/political intervention, no bribery, fair and open to all, members of promotion board should not be influenced by external pressures	116	28.78%
no comment, no answer, no idea, no suggestion, refused to answer	39	9.68%
Transparency, proper information dissemination on vacancies/ qualified applicants and employees, survey on recruitment on each station, accept feedback on promotion process	39	9.68%
Seniority-based promotion	24	5.96%
Follow linear listing	14	3.47%
Performance-based promotion	10	2.48%
Decentralization/regionalization of the recruitment/promotion, localized employees (hiring), regional/provincial representatives in the recruitment and promotion board	10	2.48%

#### 4.4 Next Steps

To achieve Level 1 and above, the agency needs to:

- a) Establish a complete set of job description for all positions, both for uniformed and non-uniformed personnel. The job description shall contain the following information:
  - Description of the job item
  - Knowledge/skills/ attitude required for each job item
  - Educational level
- b) Appropriate flow charts must be posted in key areas to ensure that recruitment and promotion process is known and clearly understood by all applicants/personnel. The flow charts shall include information on the steps, documents required, personnel in-charge, and processing time.
- c) Create a Memorandum Circular reiterating the following:
  - Conduct of training on the recruitment and promotion process for new members of PSB
  - Observance of URAC and other recruitment related issuances
- d) Establish a Computerized Personnel Information System to facilitate monitoring of all personnel actions
- e) Establish a policy on political interference stating the following provisions:
  - Placement: maximum/non-extendible term of office (3 years)
  - Recruitment: waivers (height/age);
  - Promotion: strict implementation of Merit Selection Plan, Standard Procedure for Promotion of Uniformed Personnel
- f) Establish appropriate sanctions for BFP officials who violate SOPs on the recruitment, placement, and promotion process



- g) Strengthen Training & Career Development Section. Create training and development opportunities for all, particularly for firetruck/ambulance drivers

## 5. Performance Management

A key aspect governing the relationship of the managers and employees of an agency is the divergence of individual interests with that of the organization. An effective way to align individual and organizational interests is to clarify the agency's vision, mission and goals set individual targets based on the agency's goals.

Performance management ensures that agency goals are met since regular monitoring can increase the likelihood of spotting unproductive activities of employees. Efficient and effective units or agencies do not only save time and resources, but they are more resistant to corruption. Performance management can also address possible negligence at duty. A performance management system that sets incentives for honest behavior and disincentives for unethical behavior contributes to building resistance to corruption.

Rating	Levels of Achievement
1	<ul style="list-style-type: none"> <li>▪ The agency has set organizational goals, annual targets and performance indicators.</li> <li>▪ Performance targets and work plans at the unit and individual levels are based on the agency's goals.</li> </ul>
2	<ul style="list-style-type: none"> <li>▪ The agency has a performance evaluation and management system in place.</li> <li>▪ Managers and supervisors are trained on performance evaluation and management.</li> <li>▪ The basis of performance evaluation is made known to all employees.</li> </ul>
3	<ul style="list-style-type: none"> <li>▪ The agency regularly prepares reports (e.g. annual report) to assess accomplishment of its goals and targets.</li> <li>▪ The agency regularly evaluates individual performance. Individuals are made to report on their accomplishments vis-à-vis goals and targets.</li> <li>▪ The agency consistently rewards good performance and sanctions poor performance and negligence of duty.</li> <li>▪ Agency annual reports made available to the public to account for what the agency has accomplished vis-à-vis its targets.</li> </ul>
4	<ul style="list-style-type: none"> <li>▪ The agency links staff performance ratings with the attainment of unit's targets and level of performance.</li> <li>▪ Levels of agency and individual performances are analyzed in relation to corruption incidence in the agency.</li> </ul>
5	<ul style="list-style-type: none"> <li>▪ The agency regularly reviews the effectiveness of its performance management system in preventing corruption and enhancing integrity.</li> <li>▪ Results of the review are used to improve the agency's performance evaluation and management system.</li> </ul>

### 5.1 Performance Management

Performance Management is the primary responsibility of the Directorate for Plans and Standards Development (DPSD). The Directorate establishes the guidelines and standard operating procedures (SOPs) for the Bureau's annual plan and program development. Under this Directorate is the Plans and Programs Division (PPD), which formulates the general policies, guidelines, and SOPs on the proper and timely preparation of plans, project proposals, and periodic accomplishment reports. The PPD likewise prepares the agency's short, medium and long term plans in coordination with the DILG and other oversight agencies such as NEDA, DBM, DOF, and OP and monitors proper program implementation by the various BFP units. It also coordinates the preparation of



annual and semestral BFP Operations Plan and Budget (OPB) and consolidation of periodic accomplishment reports of such plans.

BFP conducts its Strategic Planning Exercise every 5 years. It is during the Strategic Planning Exercise that the Bureau revisits its vision, Mission, and Core Values, reviews its performance, and identifies the Key Result Areas of its various units.

Every year, BFP holds a Command Conference participated in by all Regional Directors and senior officers of BFP-NHQ to formulate its Annual Operational Plan and Budget (OPB). The Annual OPB is a consolidation of the agency's different work units.

At the start and middle of the year, all personnel are required to submit their planned work activities and targets. Consequently, everyone is required to submit his or her Performance Evaluation Forms every June and December of each year.

## 5.2 Assessment

PERFORMANCE MANAGEMENT	NHQ	NCR	Region 6	Region 10	Team Rating
Agency Rating	3	3	2	1	
Deployment Score	90-100%	90- 100%	50- 60%	30- 40%	90-100%
Validated Rating	1	1	1	1	1

### **National Headquarters.** *Consensus rating (3) / Extent of Deployment (90-100%)*

BFP-NHQ's senior leaders claim that the agency satisfies all indicators of level 3.

- It sets its short and long term goals and performance measures during their Strategic Planning Exercise and Annual Operations Plan and Budget Command Conference.
- Individual performance targets are set at the start of the year through the Performance Evaluation System and that these targets are based on the respective unit work plans.
- Performance evaluation is conducted every six months.
- It rewards good performance; commendations are given to personnel for exemplary performance.
- The Civil Service Commission (CSC) has trained managers and supervisors on performance evaluation.
- Regular accomplishment reports are submitted by the different work units and consolidated by the Plans and Programs Division.
- The BFP Accomplishment Report is prepared every year and submitted to the oversight agencies.

### **National Capital Region.** *Consensus rating (3) / Extent of Deployment (90-100%)*

Similarly, BFP-NCR's senior leaders claim that the regional office satisfies all indicators of level 3.

- It sets its short and long term goals and performance measures during their Strategic Planning Exercise and Annual Operations Plan and Budget Command Conference.
- Individual performance targets are set at the start of the year through the Performance Evaluation System.
- Individual performance evaluation is conducted every six months.
- Good performance is rewarded; commendations are given for exemplary performance.
- Some supervisors and managers have attended the training on performance evaluation conducted by CSC. The regional office submits regular accomplishment reports to the NHQ for consolidation.
- Accomplishment reports are also published in its quarterly magazine.



**Region 6.** *Consensus rating (2) / Extent of Deployment (50-30%)*

BFP-Region 6 adopts the same mechanisms as BFP-NCR. It, however, admits that while commendations are given to employees for good performance, sanctions for poor performance are not consistently enforced.

**Region 10.** *Consensus rating (1) / Extent of Deployment (30-40%)*

BFP-Region 10's senior leaders agree that the agency sets its long-term goals and targets are set during the Strategic Planning conducted every 5 years, and that annual goals and performance targets are based on these goals. They likewise claim that performance evaluation of personnel is accomplished and made known through the Personnel Evaluation System. However, they admit that BFP-Region 10's managers and supervisors are not trained on performance evaluation and management.

**Validation**

**National Headquarters.** *Validated rating (1)*

Key result areas and corresponding action plans are identified in the agency's 2006-2010 Strategic Plan. Annual work unit plans are consolidated in their Operations Plan and Budget. Major Final Outputs (MFOs) and Performance Indicators are identified in BFP's 2006 Agency Performance Measures.

Individual performance is evaluated using the Performance Evaluation System. Training on the PES was conducted once for its managers and supervisors. No further training, however, has been held since then.

**National Capital Region.** *Validated rating (1)*

BFP-NCR adopts the agency's 2006-2010 Strategic Plan. It's annual work plans and targets are set during the Command Conference for the Annual Operations Plan and Budget.

Individual performance is evaluated using the PES. However, no regular training is conducted for its managers and supervisors on performance evaluation and management.

**Region 6.** *Validated rating (1)*

Similarly to the BFP-NCR, BFP-Region 6 adopts the 5-year Strategic Plan and the Annual Operations Plan and Budget to set its work plans and targets.

Individual performance is evaluated through the PES. However, no regular training is conducted for its managers and supervisors on performance evaluation and management.

**Region 10.** *Validated rating (1)*

BFP-Region10 adopts the 5-year Strategic Plan formulated by the Bureau in 2006 and the Annual Operations Plan and Budget to identify its work plans and targets.

Performance of all personnel is evaluated using the PES. In addition, individual targets are identified through a Performance Commitment, prepared at the start of the period evaluation period i.e., January and July.

BFP-Region 10 informs the public regarding its annual accomplishments through the Gazette, its regional publication.



**OVERALL RATING (1) / DEPLOYMENT (90-100%)**

The agency has satisfied all indicators for Level 1 and these are deployed across all regional offices.

- The agency has set organizational goals, annual targets and performance indicators.
- Performance targets and work plans at the unit and individual levels are based on the agency's goals.

While there is a performance evaluation system in place, there is no regular training provided for the agency's managers and supervisors on performance evaluation and management. Performance evaluation is only one aspect of the performance management system. Performance management also involves developing the full potential of the employee. It includes identifying the employees' strengths and areas for improvement as well as their areas for development.

**5.3 Survey Results**

Survey results validate the findings from the Indicators Research that employees are given yearly performance bonus regardless of their performance. This needs looking into because there is also moderately positive net agreement as regards job satisfaction. It might indicate that there are many BFP personnel who do not aspire for more challenging jobs.

Positive net ratings were observed with regards to performance management concerns. Highly positive ratings were recorded with regards to clarity of individual performance targets and job satisfaction. Most of the respondents cited moderately positive ratings for rewards, performance feedback and yearly performance bonuses. However, only slight agreement net ratings were observed from NHQ regarding feedback of performance, and from NCR regarding yearly performance bonuses.

No significant differences were observed across all sites except for Region 6 regarding year performance bonuses. Negative ratings were observed from those with college degrees.

Table 2.13 Net Ratings for Performance Management

STATEMENTS	NHQ	NCR	Region 6	Region 10	AGENCY RATING
My performance targets are clear to me.	1.47	1.76	1.68	1.70	1.71
Outstanding performance is rewarded in our agency.	2.16	2.11	2.03	2.04	2.09
The employees in our agency are regularly provided feedback regarding their performance.	2.44	2.08	2.09	2.07	2.12
The employees of our agency are given the yearly performance bonus regardless of how they performed.	1.86	2.30	1.96	2.04	2.14
I am satisfied with my job.	1.58	1.66	1.47	1.57	1.60

Setting of personal performance targets is practiced in a majority of the respondents in the NHQ, NCR and Region 10. Half of respondents from Region 6 cited that their superiors did not set their performance targets for 2005.





Table 2.14: Do you have a personal performance target set by your superior for 2005?

Response	NHQ	NCR	Region 6	Region 10
YES	31	116	40	40
NO	6	88	40	15

#### 5.4 Next Step

The agency has in place systems and procedures that satisfy some of the indicators for level 2-3. However, these mechanisms need to be reviewed and improved to ensure a robust performance management system.

a) The agency has a Personnel Evaluation System to assess individual performance of both uniformed and non-uniformed personnel. Individual performance is evaluated every six months. Criteria for evaluation are identified in the PES.

- However, it has been noted that almost all personnel receive a rating of VS (Very Satisfactory) in the past two years. This indicates that either there is no objective evaluation of performance or the criteria used or individual targets set need to be reviewed. The PES must be used to provide an objective evaluation to effectively monitor performance and to distinguish good performers vs mediocre performers in order to avoid a culture of mediocrity in the agency. Those who are high performers and with high potential may not be motivated to perform better if the agency continues to reward even the poor or mediocre performers. Moreover, a culture of mediocrity leads to an environment where corruption is pervasive.
- Although PES Forms show that some individual performance measures are consistent with the unit work plans and overall performance indicators of the agency, most of the individual performance measures reviewed are not. It would be useful to include adherence to code of conduct, particularly on behavior related to corruption prevention in the criteria set for evaluating individual performance.
- While a 3-day Seminar on the Revised Performance Evaluation System was conducted in 2000 by the CSC for selected officers of the agency, this has not been replicated to all work units nor adequately shared to all managers and supervisors. According to some supervisors and staff randomly interviewed, they do not fully understand how to set their performance targets. Based on these, the agency needs to train its managers and supervisors in formulating performance measures and targets relevant to their respective work units.
- It has also been noted that while some units have not accomplished their targets, 100% of staff performance ratings are VS (Very Satisfactory). If the agency intends to achieve Level 4, it needs to factor in staff contribution to the achievement of his/her work unit's target when evaluating staff performance.

b) The agency prepares the following annual reports:

- Consolidated Accomplishment of FSED
- Comparative Fire Statistics Report Nationwide
- Accomplishment Report on Fire Prevention Activities
- Highlights of Accomplishment Report





However, these reports merely state the agency's accomplishments compared to the previous year's accomplishments. There is no evidence that the agency evaluates or analyzes causes for non-accomplishment of its goals and targets.

It is recommended that the agency review the efficiency and effectiveness of its current mechanisms and strategies to improve fire prevention, fire suppression, and emergency medical services, namely:

- Public awareness campaign – how well do the public understand the information being disseminated? Does the agency purposively find out comments and suggestions from the public and use these to improve its services?
- Capability building – how many personnel are given relevant training and how many regional offices are represented?
- Technology and equipment upgrading – are the agency's current approaches to upgrade technology used and equipment sufficient?
- Process improvement – how can the agency improve its response time and quality of service to the all its stakeholders?

In addition, there is a need to translate the agency's overall goals to the respective regional offices' objectives. Consider the different needs and requirements of the regional offices and its personnel, its environment including population and geography.



## 6. Procurement Management

The procurement system covers the process of purchasing goods and services. A poorly managed procurement system opens risks of corruption and wastage of resources due to poor quality of goods and overpricing. Risk factors include conflicts of interest, bribery, extortion by public officials, non-compliance with procedures, and lack of information on standard prices. For this reason, the Code requires procurements officers and members of the Bids and Awards Committee (BAC) to disclose conflicts of interest and prevents them from receiving gifts and benefits from suppliers.

Rating	Levels of Achievement
1	<ul style="list-style-type: none"> <li>▪ The agency has adopted the new procurement management system (RA 9184).</li> <li>▪ The agency has an Annual Procurement Plan (APP).</li> <li>▪ Third party observers are invited to witness procurement process (e.g. eligibility screening, pre-bid conference, opening of bids and bidding evaluation).</li> </ul>
2	<ul style="list-style-type: none"> <li>▪ The agency has written procedures on the different modes of procurement, specifying checkpoints for receiving and inspection of goods and services procured.</li> <li>▪ Members of BAC and other relevant personnel are trained on the new procurement law, and the different modes and processes of procurement.</li> <li>▪ BAC members are made to disclose potential conflict of interest in all transactions.</li> <li>▪ The agency has a centralized database of prices and suppliers of frequently procured items.</li> </ul>
3	<ul style="list-style-type: none"> <li>▪ The agency keeps records of BAC decisions and minutes of meetings.</li> <li>▪ The agency strictly monitors performance of suppliers and contractors against obligations (e.g. adherence to budget, price, time factors and quality standards).</li> <li>▪ The agency consistently applies sanctions and penalties to non-performing suppliers.</li> </ul>
4	<ul style="list-style-type: none"> <li>▪ Blacklisting of suppliers and contractors is practiced and shared to other government agencies</li> <li>▪ Agency estimates are reviewed to reflect current/best market prices from Government e-Procurement Service. Controls are instituted to ensure that specifications are not skewed or tailor-fitted to favor specific bidders.</li> <li>▪ The agency Code of Conduct is integrated in the bidding document.</li> <li>▪ BAC decisions and other procurement decisions are audited.</li> </ul>
5	<ul style="list-style-type: none"> <li>▪ The agency plans its procurement based on its pattern of purchasing and consumption.</li> <li>▪ The agency regularly evaluates the effectiveness of its procurement management system in preventing corruption and enhancing integrity.</li> <li>▪ Results are used to strengthen the agency's procurement management system.</li> </ul>

### 6.1 Directorate for Logistics

All work units in the National Head Quarters (NHQ) submit their annual logistical requirements to the Directorate for Logistics. Similarly, all work units in the regional offices submit their annual logistical requirements to the Regional Directorate for Logistics to come up with the Regional Annual Procurement Plan. These Regional Annual Procurement Plans are forwarded to the NHQ for consolidation to come up with the Bureau's Annual Procurement Plan (APP).

Procurement is done at the regional level if the amount of procurement involved is less than Five Hundred Thousand Pesos (P500,000.00).

The Directorate for Logistics (DL) endorses the APP to the Directorate for Comptrollership (DC) for the issuance of Certificate of Availability of Fund (CAF). Upon receipt of the CAF, the DL endorses the APP to the Bids and Awards Committee (BAC) for appropriate action.



Suppliers for the required logistics are selected through bidding or negotiated contract. The BAC utilizes negotiated contract only when there is a second failure of bidding. Once a supplier is selected either through bidding or negotiated contract, the BAC notifies the supplier and informs the DL for proper action.

The DL, through its Supply Management Division, sends the Purchase Order duly approved by the DC (for Fund Availability) and the Fire Chief to the winning supplier.

Upon delivery of items, the DL, through its Supply Accountable and Property Division (SAPD), checks completeness of items delivered and informs all concerned units, i.e. the Technical Inspection Committee (TIC) or the Inspection and Acceptance Committee (IAC), the Commission on Audit (COA), and the end-user regarding the delivery.

For procurement involving equipment, the SAPD turnovers the said item/s to the end-user or accountable officer through the Acknowledgment and Receipt of Equipment.

Once the delivery is accepted, the DL issues a Disbursement Voucher to the Finance Management Division for check preparation.

## 6.2 Assessment

PROCUREMENT MANAGEMENT	NHQ	NCR	Region 6	Region 10	Team Rating
Agency Rating	1	1	1	1	
Deployment Score	90-100%	90- 100%	90- 100%	30- 40%	90-100%
Validated Rating	1	0	1	1	1

### **National Headquarters.** *Consensus rating (1) / Deployment (90-100%)*

BFP-NHQ adopts the new procurement management system of the government or RA 9184. They have an Annual Procurement Plan that serves as basis for procurement. The Bids and Awards Committee (BAC) is responsible for selecting the appropriate supplier for items to be procured. Third party observers such as COA representatives and other non-BFP personnel are invited during the bidding.

### **National Capital Region.** *Consensus rating (1) / Deployment (90-100%)*

Personnel from the NCR have attended a seminar on Government Electronic Procurement System (G-EPS) and Implementing Rules and Regulations of R.A. 9184. Procurement is based on their Annual Procurement Plan. BFP-NCR has its own list of supplies and suppliers aside from what is provided by the DBM-PS.

### **Regional Office 6.** *Consensus rating (1) / Deployment (90-100%)*

BFP-Region 6 adopts the new procurement management system or the R.A. 9184. Procurement is based on their Annual Procurement Plan. It provides a manual of instruction to all the bidders informing them of the bidding process as well as the qualification requirements for bidders.

### **Regional Office 10.** *Consensus rating (1) / Deployment (30-40%)*

BFP-Region 10 adopts the new procurement management system (R.A.9184). Procurement is based on their Annual Procurement Plan. A procurement process flowchart, including delivery inspection procedures is followed.



## **Validation**

### **National Headquarters. Validated rating (1)**

The following findings are based on the documents review and interviews done by the Assessors at the National Headquarters.

- BFP-NHQ personnel have attended a seminar on the New Procurement Management conducted by the Department of Budget and Management – Procurement Service.
- Minutes of meeting show that provisions in RA 9184 are adopted.
- BFP-NHQ has an Annual Procurement Plan for the year 2006 that states the description of the items, supplies and equipments. The APP also specifies the procurement dates for each quarter of the year.
- Third party observers are invited to witness the bidding. The Letters of Invitation are properly acknowledged.
  - Mr. Arnel G. Urbi of Office of the Undersecretary for Public Safety dated 07 December 2006
  - Mr. Karlo P. Almonidovar, Resident Auditor of BFP
  - Mr. Francisco F. Javier of Safety Organization of the Philippines, Inc. dated 07 December 2006

Although disclosure of bidders as to existence of relatives within BFP is followed, disclosure of conflict of interest among BAC members in all transactions is not observed.

- BFP-NHQ refers to the GEPS of DBM-PS on the list of products and prices. It also refers to the List of Philippine National Standard (PNS) under Mandatory Products Certificate from the Bureau of Product Standards of the Department of Trade and Industry.
- Penalty on late delivery is imposed as reflected in the Disbursement Voucher for the procurement of items under the BAC resolution No. 2006-921-91.
- BFP-NHQ has no blacklisted supplier although the Directorate for Logistics has formally recommended to blacklist one company from the agency's list of suppliers/bidders. It also refers to the list of blacklisted contractors as of 30 September 2006 from the Construction Industry Authority of the Philippines.

### **National Capital Region. Validated rating (0)**

The following findings are based on the document review and interviews done by the Assessors at the BFP-NCR.

- The Seminar on R.A. 9184 and its Implementing Rules and Regulations and Government Electronic Procurement System was attended by Engr. Jan Garry D. Lunas on October 15-16, 2003 at NIA-DCIEC Convention Hall, Q.C. and The Taipan Place, Emerald Avenue, Ortigas Center, Pasig City respectively.
- List of Supplies and Equipment to be procured is presented in their Annual Procurement Plan (2<sup>nd</sup> Semester of 2005), signed by Chief of Logistics – NCR, Chief Inspector Mel Jose P. Lagan.
- A Regional Order No. CF1-2k405-014 was issued last 24 May 2004 naming the members of Bids And Awards Committee of BFP-NCR and 3 observers outside BFP.
- BFP-NCR has a list of supplies and suppliers aside from the list of DBM-PS.
- Other documents required by the Assessor were not available. Accordingly, these documents were non-existent during the incumbency of the former Supplies Accountable Officer.



**Regional Office 6. Validated rating (1)**

The following findings are based on the documents review and interviews done by the Assessors at the BFP-RO6.

- Letter Order No. 2006-02-05 dated 28 Feb 2006 was issued for the Seminar on the New Procurement Management.
- BFP-Region6 has an Annual Procurement Plan for the year 2006.
- A Notice of Meeting is sent to third party observers. Bidding process is documented.
- Although there is no list of blacklisted suppliers presented, BFP-Region6 has a pending resolution to blacklist a supplier.

**Regional Office 10. Validated rating (1)**

The following findings are based on the documents review and interviews done by the Assessors at the BFP-Region 10.

- Personnel from BFP-Region 10 have attended the seminar on new procurement management system and other Standard Bidding Documents.
- BFP-Region 10 uses the Annual Procurement Plan as basis for procurement.
- Based on the Minutes of Meeting on Pre-Bid Conference and Opening of sealed bids, third party observers are invited.
- Although BFP-Region 10 adopts the systems and procedures provided for in R.A.9184, it has no written customized procedures on the different modes of procurement.
- A flowchart is posted at the Office of Logistics showing the system of procurement up to inspection of goods.
- Supplies and equipment price list is provided by DBM Procurement Service.

**OVERALL RATING (1) / DEPLOYMENT (90-100%)**

All indicators of Level 1 are satisfied with 90-100% deployment. The Bureau of Fire Protection as a whole adopts the new procurement law (R.A.9184). Procurement is based on the APP. Third party observers are invited to witness the bidding process. Although some indicators in Level 2 are satisfied, the agency has no written guidelines and procedures on the different modes of procurement as well as on the inspection of goods upon delivery and distribution to other units and fire stations.

**6.3 Survey Results**

Most of the respondents (72.91%) from all four BFP sites were not aware of the new procurement law.

Table 2.15: Are you aware of the new Procurement Law or RA 9184?

Response	NHQ	NCR	Region 6	Region 10
YES	16	32	14	17
NO	21	172	66	38

For those who do, there is moderate net agreement that the agency's procurement system follows the procedures under the new procurement law and BAC decisions are impartial, that non-performing suppliers are blacklisted, and that relevant personnel are well trained on the procurement process.



Respondents across sites generally agreed with concerns on Procurement Management. Moderately positive net ratings for all factors were recorded across all four sites of BFP except for NCR, which gave only slight agreement to the impartiality of BAC decisions, and the slight agreement ratings observed from Region 10 regarding blacklisting of non-performing suppliers and procurement process training.

Significant differences in responses were observed among respondents in the following factors:

- In Region 6, highly positive ratings for impartiality of BAC decisions and blacklisting of suppliers were observed from those involved in regional operations. In contrast, negative ratings were likely obtained from those involved in city operations.
- In Region 10, negative ratings regarding blacklisting of suppliers were likely obtained from non-supervisory personnel.

Table 2.16 Net Ratings for Procurement Management

STATEMENTS	NHQ	NCR	Region 6	Region 10	Agency Rating
Procurement in our agency follows the procedures as stipulated under the Procurement Law (RA 9184).	1.86	2.07	1.92	2.07	2.00
BAC decisions are impartial.	2.21	2.23	2.09	2.07	2.17
Non-performing suppliers are blacklisted.	2.20	1.96	1.73	2.29	2.05
Relevant personnel are well trained on the entire procurement process – from bidding to inspection/utilization.	2.21	2.14	2.00	2.27	2.16

When asked on how to improve the procurement process in the Bureau, respondents listed transparency in the process, audit and inventory of procured items and formulation of clear policies as top priorities.

Table 2.17 Suggestions to improve the procurement process include:

Suggestions	Frequency	Percent of Responses (%)
Transparency of procurement process, reporting of expenditures (regular), investigation on procurement committee/audit on procured items, many people/private party involved in the procurement process, yearly inventory of supplies and equipment, legislation of papers	78	18.75%
Set clear cut policies and procedures on procurement, trainings/seminars on procurement process, prompt and proper information dissemination - procurement process, policies/procedures, there should be levels of approval (province--> region--> head office), good management system/policies	53	12.74%
Procure only what is needed by the station, do inspection before approving procurement, consult with lower level on the needed supplies, list of supplies from the station	33	7.93%
Should undergo bidding process/open bidding, more bidders, more suppliers	32	7.69%
Strict implementation/adherence to procurement law/act, implement punishment on illegal transactions, legislation of papers	25	6.01%
High quality supplies/items	20	4.81%
Timely issuance of supplies, adequate/right quantity of supplies, faster (on time) payment from the government, pay for the procured supplies, reimburse afterwards	16	3.85%



Suggestions	Frequency	Percent of Responses (%)
Do not accept bribes, stop corruption, no overpricing	15	3.61%
Honesty, dedication and concern for the agency, fear of God, unity/cooperation/good relationship among employees	15	3.61%
DBM should be in charge of procurement, coordination between BFP (identify requirements) and DBM (in charge of procurement)	4	0.96%
Testing of materials at the head office, centralized procurement	4	0.96%
Decentralization of technical working groups	3	0.72%

#### 6.4 Next Steps

- a) In order for the BFP to attain level 2 and above, the agency needs to come up with written guidelines and procedures on the different modes of procurement and checkpoints for receiving and inspection of goods and services procured. It is evident from the responses during the interviews that the agency lacks strict compliance of inventory of supplies and equipment.
- b) BAC members must make a disclosure on potential conflict of interest in all transactions (R.A. 6713 sec.3.1) along with the disclosure provided by the bidders.
- c) Increase awareness on the new Procurement Law to all units and levels. Knowledge of the law must not be limited to SAO or DL in order to minimize corruption risk in the procurement process.
- d) The agency also has to create its own database of prices and suppliers of frequently procured supplies aside from the list found on the website of DBM Procurement Service.
- e) Specific guidelines must be followed to ensure that specifications of items to be procured are not skewed or tailor-fitted to favor specific bidders. In addition, these specifications must be reviewed and approved by proper officials.
- f) The agency must impose regular evaluation of effectiveness of its procurement management system in preventing corruption and enhancing integrity. The result of the evaluation must be used to strengthen the agency's procurement management system.





## 7. Financial Management

Any financial transaction is generally vulnerable to corruption. Issuing and receiving payments represent a significant temptation for opportunistic and potentially corrupt individuals especially if the transaction is in cash. While cash taking might represent only low value in terms of individual transactions and be only a small proportion of an organization's budget, they can represent quite considerable amounts of money annually. Even under a situation when funding is inadequate, profligate use of finances can happen due to loose controls, arbitrary setting of budgets and misallocation.

Rating	Levels of Achievement
1	<ul style="list-style-type: none"> <li>▪ The agency adopts the prescribed government budgeting and accounting guidelines such as the New Government Accounting System (NGAS), DBM Budget Guidelines.</li> <li>▪ The agency has established control systems to ensure that its financial resources are protected.</li> <li>▪ Financial accountabilities of officials and employees are defined.</li> </ul>
2	<ul style="list-style-type: none"> <li>▪ Budgeting and accounting guidelines and processes are defined, approved and disseminated to all concerned units.</li> <li>▪ The agency takes proactive steps to make all officials and employees aware of their obligations not to use agency's financial resources (e.g. cash advances, collection) for private purposes.</li> <li>▪ Management and relevant personnel are trained on budgeting, accounting and financial management.</li> </ul>
3	<ul style="list-style-type: none"> <li>▪ The agency strictly enforces budgeting and accounting policies and guidelines (e.g. regular conduct of reconciliation, immediate liquidation of cash advances, immediate remittance of collections).</li> <li>▪ The agency regularly prepares financial reports containing actual expenditures vs. budget and explanation for variance, statement of income vs. target collection and explanation for variance, etc.</li> <li>▪ The agency provides full audit trail for major financial transactions. Random audits are carried out, with reports and recommendations for action provided to management. Appropriate follow-up actions are taken on any findings.</li> </ul>
4	<ul style="list-style-type: none"> <li>▪ The agency's computerized systems have been integrated and provided with security (e.g. access codes) to ensure that fraud and financial risks are minimized if not totally eliminated.</li> <li>▪ The agency's financial performance is analysed vis-à-vis accomplishment of its physical targets to assess the organization's cost-effectiveness.</li> <li>▪ COA audit findings are immediately acted upon and resolved by management.</li> <li>▪ The agency's financial reports (including COA Annual Audit Reports) are published/made available for public inspection.</li> </ul>
5	<ul style="list-style-type: none"> <li>▪ The agency's financial controls/systems are regularly reviewed to ensure effectiveness in preventing corruption and enhancing integrity.</li> <li>▪ Results of the review are used to strengthen the agency's financial management system.</li> </ul>

### 7.1 Directorate for Comptrollership

The Directorate for Comptrollership is charged with the effective and efficient formulation and evaluation of plans and programs of the Bureau of Fire Protection (BFP) to include its sound budgetary and fiscal management policies. Under its monitoring and supervision is the Fiscal Management Division (National Office and Regional Office), composed of four sections, namely: Accounting Section, Budget Section, Fiscal Section and Management Section.

*Accounting System.* The BFP adopts the New Government Accounting System in recording the Bureau's financial transactions. It decentralizes its accounting through sub-allotment. The National Office releases an



Advice of Sub-allotment to the Regional Office, covering only the maintenance and operating expenses of the region, and transfers cash to the LBP account maintained at the Region, through a Notice of Cash Allocation (NCA). The Regional Office prepares a Monthly Regional Breakdown of Expenses, which is consolidated in the National Office. Payment of salaries and expenses for capital outlay is centralized in the National Office.

The BFP does not discharge collecting functions. The collection of fire code fees are handled by the Local Government and directly remitted to the Bureau of Treasury, through the Land Bank of the Philippines, for the account of BFP. The fire stations assess the fees and issue an Order of Payment Slip to the applicant for payment to the Local Treasurer. The applicant returns to the fire station and presents the official receipt for the issuance of certificate applied for. The fire station records the payment in a logbook, including details. In some stations, the total collections are posted based on the figures recorded in the logbook.

BFP has no access to the fire code fees collected by the LGUs. The Local Treasury prepares a Report of Fire Fees Collected and submits the report to the fire station (NCR) where it is compiled. The fire station prepares a Monthly Accomplishment Report and, upon request, furnishes a copy of said report, which reflects the total collections made by the LGU.

Upon request of the National Office, the Office of the City Treasurer issues a certification on the fire code fees collected, prepared by the LGU staff and signed by the City Treasurer. The certification is supported by the collections and remittances of fire fees.

Yearly, the Chief of Fire Safety prepares a Summary Statement of Remittance on the Fire Code Fees, noted by the City Fire Marshall.

As regards disbursing functions, BFP follows its 2001 Finance Handbook, which shows the actions of the persons involved in the system of various types of disbursements.

## 7.2 Assessment

FINANCIAL MANAGEMENT	NHQ	NCR	Region 6	Region 10	Team Rating
Agency Rating	1	2	3	1	
Deployment Score	90-100%	70- 80%	50- 60%	30- 40%	90-100%
Validated Rating	1	1	1	1	1

### **National Headquarters.** *Consensus rating (1) / Deployment (90-100%)*

During the assessment proceeding, BFP-NHQ came out with a consensus rating of 1 and 90-100% deployment score. According to the participants, BFP has COA and DBM circulars on accounting and budgeting guidelines and these are circulated through department orders.

The National Headquarters has a procedural flow of their transaction cycle.

### **National Capital Region.** *Consensus rating (1) / Deployment (70-80%)*

The site has DBM circulars, fiscal directives, flowcharts on MOOE and circulars pertaining to cash advances. As a proactive step to create awareness on preserving financial resources, the NCR holds monthly meeting with district finance officers and submits Accomplishment Report on Cash Advances.

Personnel are trained on accounting and budgeting. Seminar orders, Regional orders are issued authorizing their attendance in seminars and participants are issued certificates of attendance.



**Regional Office 6.** *Consensus rating (1) / Deployment (50-60%)*

They have fulfilled the requirements of Level 1.

**Regional Office 10.** *Consensus rating (1) / Deployment (30-40%)*

The participants agreed on a rating of 1 and a deployment score of 30-40% because the new set of officers were not trained on budgeting, accounting and financial management. They also said that some of them are not knowledgeable of the written policies on accounting and budget guidelines.

**Validation**

**National Headquarters.** *Validated rating (1)*

Although the National Office has on its file DBM Circulars, COA issuances and fiscal directives issued by the BFP, these issuances are not disseminated to the concerned units/employees. The accounts and account codes used in the financial statements accord with the chart of accounts in the NGAS.

The procedures presented in the flowchart of disbursement cannot be traced from the sample paid vouchers. This indicates that the flowcharts are no longer updated. According to the Accountant, these flowcharts will be revised. It was noticed however, that the flowcharts do not show the flow of documents.

There were issuances regarding the signatories and counter-signatories of checks, comprehensive delegation of authority.

**National Capital Region.** *Validated rating (1)*

The NCR site has a file of DBM (budgeting) and COA (accounting guidelines). Samples of paid vouchers show that funds are available for a particular expense. The accounts in the financial statement show its conformity to the chart of accounts prescribed under the NGAS.

Flowcharts (Death Claim, Retirement Claim and Medical Reimbursement) are posted beside the entrance door of the Finance Service Unit, which is a reproduction of the disbursement process contained in the Finance Handbook. It was noted, however, that the procedures in the Finance Handbook (MOOE – payment of MWC bill) could not be walked through the sample paid voucher. Also, the flowchart does not show the flow of documents to define the control points of the transaction cycle.

Accountable officers are bonded as a safeguard to the financial resources of BFP-NCR. Likewise, the duties and responsibilities of personnel in the Budget and Fiscal Section are described in their job description. (No data from the Accounting Unit).

There is no document to establish that finance personnel are trained on budgeting and accounting. Based on the submission of the list of training attended by its personnel, only one attended a training on finance, budget and fiscal, which was conducted by the Philippine National Police in 1999.

**Regional Office 6.** *Validated rating (1)*

Documents pertaining to this dimension were not submitted. However, the team gave a rating of 1, because since written policies were on file at the NHQ and other regional sites, the team presumed that Region 6 was also provided with these written policies and guidelines. Because BFP-Region 6 was preparing for a



presentation, encouraging the resort owners in Boracay to purchase a firefighting boat, they were not able to submit the complete documentary requirements as requested by the Team.

**Regional Office 10. Validated rating (1)**

The accounts and account codes presented in the financial statements are aligned with the NGAS chart of accounts, so with the formatting of their financial statements. Disbursement vouchers pass through the budget for fund allocation, which indicate that the process is also guided by budgeting rules.

The agency has flowcharts for the disbursement of funds; however, these do not reflect the flow of documents. There are guidelines on the administrative and maintenance of petty cash fund and preventive maintenance of service vehicles and local travels.

The Disbursing Officer and Regional Director are bonded.

**OVERALL RATING (1) / DEPLOYMENT (90-100%)**

Considering that all sites follow the same guidelines provided by the NHQ, overall rating for this dimension is 1 and deployment 90-100%.

**7.3 Survey Results**

Only 31% of respondents are aware of the agency's Financial Management System. There is, however, moderately positive net agreement as regards to whom and where to report irregularities in financial transactions. Refer to Section B of the Corruption Resistance Review for the full survey report.

More than half of the respondents of BFP (61.87%) were not aware of the Financial Management Systems in the agency.

Table 2.18: Are you aware of the Financial Management Systems in your agency?

Response	NHQ	NCR	Region 6	Region 10
YES	24	54	19	20
NO	13	150	61	35

Moderately positive net agreement was observed with regards to scrutiny of expenses. NHQ, NCR and Region 10 cited slight agreements to the accessibility of financial statements and audit reports while Region 6 had moderate net agreement. Slight positive net ratings were observed from NHQ and NCR regarding reporting of irregularities in financial transactions. Region 6 and Region 10 cited moderate positive ratings on this matter.

Significant differences in responses were observed in some sites with regards to the following concerns:

- With regards to accessibility of financial statements and audit reports, significant differences were noted in NCR and in Region 6. Respondents likely to disagree were non-supervisory personnel in NCR and/or those with college degrees in Region 6.
- Negative ratings in Region 6 regarding knowledge of who and where to report were likely from those involved in regional scope of work while highly positive ratings were obtained from those involved in municipal activities.



Table 2.19 Net Ratings for Financial Management

STATEMENTS	CO	NCR	Region 6	Region 10	Agency Rating
The management scrutinizes our agency spending.	2.00	2.19	1.84	1.94	2.05
Financial statements and audit reports of our agency are accessible.	2.24	2.41	2.00	2.24	2.28
Employees know who and where to report irregularities in financial transactions.	2.30	2.35	1.95	1.76	2.17

#### 7.4 Next Step

- a) Revision of the flowcharts incorporated in the 2001 Finance Handbook, further showing the flow of documents.
  - The incompatibility of the flowcharts with the verified steps involved in the processing of claims was apparent during the walk through of the diagram with paid Disbursement Vouchers. Probably, BFP could have simplified its procedures without necessarily impairing the control system.
  - The revision of the flowcharts should include also the flow of documents, which will provide a full audit trail of the transaction and identify with clarity the control points of the activity. The flowcharts should be posted in a conspicuous place within the BFP premises to familiarize, apprise, or guide the officials and employees to the processes involved in a particular disbursement transaction, especially when they have monetary claims from the BFP.
  
- b) Formulation of customized budgeting and accounting guidelines that are consistent with existing rules and regulations (COA and DBM)
  - The formulation should be posted in a bulletin board for a number of days or months as notification to the BFP officials and employees of the existence of such guidelines. It should also provide for appropriate sanctions in case of non-compliance. (Note: The lack of awareness on accounting and budgeting guidelines surfaced during the survey).
  - Further, appropriate sanctions to apprise the BFP personnel the respondents claimed that they are not aware of attach appropriate sanctions for non-compliance, e.g. non-liquidation of cash advances and to create awareness among the BFP officials and employees of their accountabilities and liabilities.
  - The BFP accounting and budgeting guidelines, COA, DBM and other pertinent guidelines should be disseminated to the different units through covering memorandums from the National Office, directing their implementation. This is to ensure bureau-wide dissemination and preclude any claim for lack of information in case sanctions are imposed for non-compliance.
  
- c) Update seminars for management and relevant personnel on accounting, budgeting and financial management
  - BFP should regularly provide its management and relevant personnel in the Comptrollership Department with seminars on accounting, budgeting and financial management according to their



training needs. These seminars would keep them up breast of the latest COA, DBM and other rulings, regulations and budget and accounting policies which, eventually would contribute to improve/enhance the existing system and compliance with rules and regulations

- d) Creation of an internal audit division that will conduct a regular review and evaluation of BFP's financial controls and systems.
- A good system of internal control provides checkpoints against corruption and enhances the integrity of the agency's financial management. Through the Internal Audit Division, the efficiency of these check points could always be reviewed and evaluated to preserve the integrity of the controls.
- e) Computerization of accounting systems provided with access codes.
- This is to facilitate the various accounting systems, reporting and monitoring
  - Preparation of monitoring reports such as but not limited to Report on Supplies Consumption (office supplies, firefighting supplies, gasoline, etc.), Targeted Collections vs. Actual Collections, Actual Expenditures vs. budget, and explanation for variance. The fleet card system can be used to monitor the amount of fuel, oil and lubricants consumed by each authorized agency vehicle.
  - As regards the collections done by the LGUs, respective fire stations should prepare a regular report of the collections based on its records, which should be reconciled with the report submitted by the LGUs to the Bureau of Treasury.



## 8. Whistleblowing, Internal Reporting and Investigation

Whistleblowing should be encouraged in every agency, as it is one of the fastest ways of detecting corruption though admittedly it is one of the most difficult things officials and staff can do. Many times reporting has led to harassment of the whistleblower, or worse, complete reversal of the case where the whistleblower becomes the offender. Incentives and protection are therefore necessary to encourage employees to report corrupt behavior or practices. Protected disclosures and easy procedures for internal reporting and a good witness protection scheme should be established within the agencies.

Rating	Levels of Achievement
1	<ul style="list-style-type: none"> <li>▪ The agency has a written policy/guideline on internal reporting and investigation of information and reports of corruption or unethical behavior. The policy/guideline has provisions on protection of those who report corruption.</li> <li>▪ The policy/guideline specifies what constitutes corrupt and unethical behaviors, the procedures and responsibilities for reporting.</li> <li>▪ Roles and responsibilities of staff involved in investigation are clearly defined.</li> </ul>
2	<ul style="list-style-type: none"> <li>▪ The agency proactively disseminates the policy on internal reporting and investigation to <u>all</u> employees.</li> <li>▪ Employees are trained on how to report corruption.</li> <li>▪ Relevant personnel receive training in the handling and investigation of reports of corruption.</li> </ul>
3	<ul style="list-style-type: none"> <li>▪ The agency initiates investigations of reported corruption and tracks complaints/cases until final action is taken.</li> <li>▪ The agency keeps full and complete records of all reports.</li> <li>▪ The agency protects employees who report corrupt behavior/suspicious of corruption.</li> <li>▪ The agency protects the rights of suspected individuals when investigating reports of corruption.</li> </ul>
4	<ul style="list-style-type: none"> <li>▪ The agency regularly monitors progress and outcomes of every investigation.</li> <li>▪ The agency imposes appropriate sanctions to erring employees and officials (including those who submit malicious reports).</li> <li>▪ The agency reviews and analyzes reports and statistics on incidence of corruption to identify patterns, which could indicate weaknesses of the agency's systems.</li> </ul>
5	<ul style="list-style-type: none"> <li>▪ The agency regularly assesses the effectiveness of internal reporting and investigation system in preventing corruption and enhancing integrity.</li> <li>▪ Results of the review are used to strengthen the system of internal reporting and investigation.</li> </ul>

### 8.1 Description of the Agency System/Processes relevant to the Dimension

BFP does not have an internal policy on Whistleblowing, Internal Reporting and Investigation.

### 8.2 Assessment

WHISTEBLOWING, INTERNAL REPORTING AND INVESTIGATION	NHQ	NCR	Region 6	Region 10	Team Rating
Agency Rating	0	0	0	0	0
Deployment Score	-	-	-	-	-
Validated Rating	0	0	0	0	0





**National Headquarters / National Capital Region / Region 6 / Region 10. Consensus rating (0)**

There was no disagreement among the participants in coming up with their consensus rating and deployment score. This is apparently due to the fact that the agency does not have a policy on whistleblowing, internal, reporting and investigation. They rated their agency zero (0) in both aspects.

**Validation**

Although the Assessors confirm the rating of zero (0) in all the sites, the agency is not without strengths.

**National Headquarters. Validated rating (0)**

Certain indicators for Levels 3 and 4 have been satisfied as evident in the following documents:

- Year-End Accomplishment Report (January to December CY 2006) of the Internal Affairs Services (IAS)
- Uniform Rules on Administrative Cases in the BFP
- Memorandum dated 21 February 2007 enumerating the list of resolved cases including the penalty imposed
- Creation of the Internal Affairs Service

In the 2006 Accomplishment Report, it can be gleaned that the BFP initiates investigations of reported corruption and monitors progress until its finality. Anonymous letters/complaints are being acted upon by the BFP. In some cases, it even acts as the complainant itself. Corroborating this observation was the initiative of the agency to act and investigate a news clipping dated August 5-7, 2006 of the Remate tabloid entitled "*Raket sa Fire Extinguisher Ratsada sa Bataan.*" In the course of the investigation by the Internal Affairs Service (IAS), documents were collected, collated and kept by the agency.

Noticeably, sanctions are likewise imposed by the agency and respondents are sometimes placed under preventive suspension pending formal proceedings.

**National Capital Region. Validated rating (0)**

BFP-NCR, likewise, has satisfied certain indicators for Level 1. Evidences on hand are as follows:

- Statistics of Cases filed with the National Capital Region as of CY 2006 and Nature of Cases.
- Uniform Rules on Administrative Cases in the BFP.
- Creation of the Regional Internal Affairs Service.

Like in other sites, the NCR conducts investigation thru its Regional Internal Affairs Service of cases filed before it, whether anonymous or not. Based on statistics, cases filed vary and it includes those related to the performance of duty and commission of graft and corruption.

**Region 6. Validated rating (0)**

BFP- Region 6 has satisfied an indicator on Level 3. This is shown by the creation of the Regional Internal Affairs Service. This body is tasked primarily to conduct investigation of obligations based on complaints or it may act *moto proprio* or at its own instance. Results of its investigations are then forwarded to the Internal Affairs Service of the Central Office for review and determination of appropriate action.



### **Region 10. Validated rating (0)**

As far as BFP-Region 10 is concerned, it has complied with the first indicator of Level 3. Evidences gathered from the site are as follows:

- BFP Region 10 Office Order No. 2006-075 dated 04 September 2006 creating the Regional Grievance Committee (REGCOM)
- BFP Region 10 Office Order No. 2006-076 dated 04 September 2006 creating the Regional Committee on Decorum and Investigation (RCODI-10)
- Uniform Rules on Administrative Cases in the BFP
- Creation of the Regional Internal Affairs Service

The Office Orders issued clearly indicate that the BFP-Region 10 initiates investigation. The REGCOM is primarily responsible for the expeditious, fair and equitable resolution of employee complaints or grievances. RCODI-10 deals with investigation of complaints related to sexual harassment. Its Regional Internal Affairs Service likewise conducts investigations. On the other hand, the Uniform Rules on Administrative Cases allows investigations even of anonymous letters/complaints and details the formal administrative proceedings before the BFP. All these satisfy the first indicator of Rating 3.

BFP-Region 10 has also complied with an indicator on Level 4. Documentary evidences gathered are as follows:

- Report of Oplan Pagbabago; Monthly Report or Oplan Pagbabago as of 24 March 2006
- BFP Personnel involved in Illegal Activities
- RIAS Clearance dated 06 February 2007

The documents on hand manifest the agency's regular monitoring of the progress and outcome of every investigation. The agency has a list of BFP personnel who does not have any pending case/s and those with cases filed against them, nature of the case/s and its status.

### **OVERALL RATING (0)**

Inasmuch as the agency does not have a policy or regulation on Whistleblowing, Internal Reporting and Investigation, the team's overall rating for the agency in this dimension is zero (0).

### **8.3 Survey Results**

Moderately positive net ratings were observed with regards to whistle blowing and investigation of corrupt behavior while slightly positive net ratings were observed with internal reporting. Slight agreement from Region 6 and Region 10 were observed regarding the protection of employees who report corrupt behavior, while slight disagreements were observed from NHQ and NCR. Slightly positive net rating was obtained with no significant differences recorded across all sites in this regard.

Significant differences in responses were observed in some sites with regards to the following concerns:

- Negative responses regarding encouragement of employees to report corrupt and unethical behavior were more likely from those involved in city operations in NCR and from those with college education in Region 6.
- Negative responses from Region 10 respondents were observed to be more likely from supervisory personnel.



Table 2.20 Net Ratings for Whistle blowing, Internal Reporting and Investigation

STATEMENTS	NHQ	NCR	Region 6	Region 10	Agency Rating
Employees are encouraged to report corrupt and unethical behavior.	2.06	2.21	2.05	2.13	2.15
Guidelines for reporting corruption and unethical behavior are clear.	2.27	2.24	2.26	2.28	2.25
Reports of corrupt behavior are investigated.	1.97	2.08	2.00	2.15	2.06
Employees who report corrupt behavior are protected.	2.54	2.61	2.41	2.46	2.54

When respondents were asked to suggest improvements, the provision of legal assistance, protection and incentives to whistleblowers top the list. This is indicative that provided that the necessary processes are established, the respondents are inclined to report corrupt behavior, which is the 2nd top response.

Table 2.21 Suggestions to improve the system on internal reporting of corrupt and unethical behavior were:

Suggestions	Frequency	Percent of Responses (%)
Protection and reward system for those who report corrupt/unethical acts, people reporting corrupt practices should have their lawyers	83	20.75%
Report corruption, report to proper authorities	42	10.50%
Establish section/independent body on corruption prevention/investigation (with integrity), system/procedure on reporting of corruption/unethical behavior, liaison from the ombudsman, be vigilant, strengthen internal audit, regular survey on corruption and unethical practices	40	10.00%
Immediate action/immediate investigation on the reported case, call attention of reported official, punishment/proper action on reported corrupt employees	34	8.50%
Suggestion box/corruption box, hotline/report thru texting	26	6.50%
Follow correct guidelines/due process, cases should reach upper levels (i.e. ombudsman), fair and proper investigation, implement code of ethics, department head should be the one to investigate, knowledgeable persons should handle cases/reports	25	6.25%
Listen to lower level people who report cases, improve flow of communication, regular visits to stations, meetings and evaluation/open forum to tackle corrupt/unethical practices	20	5.00%
There must be supporting docs and evidences/legal basis, report should be recorded, written report on corruption	14	3.50%
Promote anti-corruption programs, seminars and trainings, moral recovery programs	14	3.50%
No palakasan/bata-bata system/bias	11	2.75%
Honesty; truthful reports, be faithful to your job	11	2.75%
Transparency, coordinate/communicate with the public	10	2.50%
Allowance/budget for investigation, support from higher level/government on correcting corrupt/unethical behavior	5	1.25%
Improve relationship between senior and junior officers, unity/cooperation/coordination among employees	5	1.25%



Only a few have of the respondents have experienced reporting a corrupt and unethical behavior. Frequencies are shown in Table 2.30. The no. of cases reported per site and the year it was reported are outlined in Table 2.31.

Table 2.29 Have you experienced reporting a corrupt or unethical behavior that you have witnessed?

Response	NHQ	NCR	Region 6	Region 10
YES	3	32	4	3
NO	34	172	76	52

Question 71. How long did it take before it was resolved?

Resolution time of these reported cases varied depending on the nature of the complaint. Some complaints were resolved immediately within 3 days. A few cases took between 1 to 3 months and even up to 3 years. It is important to note, however, that half of the reported cases remain unresolved.

Table 2.31 Resolution Time of Reported Cases

Resolution Time	No. of cases
< 3 days	6
1 week	1
1 - 3 months	3
6 months	1
3 years	3
Matagal	1
Unknown status	9
Unresolved	18
<b>TOTAL</b>	<b>42</b>

Varied ratings were observed across the sites for the agency's reporting mechanisms with high satisfaction from NHQ, moderate satisfaction from NCR and moderate and slight dissatisfaction from Region 6 and Region 10, respectively. The respondents from the central office and Region 10 also cited moderate and slight dissatisfaction respectively, for the agency's investigation mechanism. NCR cited moderate satisfaction while Region 6 had split opinions. No significant differences in responses were noted.

Table 2.32 Net Ratings for Corruption Reporting by Site

STATEMENTS	NHQ	NCR	Region 6	Region 10	Agency Rating
How satisfied or dissatisfied were you with your agency's reporting mechanism?	1.33	1.92	3.00	2.67	2.06
How satisfied or dissatisfied were you with your agency's investigation mechanism?	3.00	1.78	2.50	2.67	2.00



Table 2.33 Reasons cited by the respondents were:

Reasons	Frequency	Percent of Responses (%)
<b>VERY SATISFIED/ SOMEWHAT DISSATISFIED</b>		
Happy, cases are immediately resolved, justice was served, satisfied with investigation results, police was observed and implemented, good independent investigating body	23	54.76%
Ayoko lang ng gulo	1	2.38%
<b>VERY DISSATISFIED/SOMEWHAT DISSATISFIED</b>		
Slow response by the agency to filed cases, no action to filed cases , no resolution to cases, hindi lahat naaaksyunan	12	28.57%
No transparency in results of investigations, no monitoring activities and feedback on cases, cover-up activities, dissatisfied with investigation process, investigation results and penalty awarded, dissatisfied with recruitment and promotion process, "lagayan" system, de-moralizing promotion process, "sabwatan" system, may favoritism	12	28.57%
Recommendation on cases are not carried out	1	2.38%

A majority of the respondents indicated that they would report a corrupt and unethical behavior as shown in the table of responses by site below. Nonetheless, it is quite important to address the issues raised by the few (8.97%) who have indicated that they would rather not report corrupt or unethical behavior.

Table 2.34 If you ever witness a corrupt and unethical behavior (again), will you report it?

Response	CO	NCR	Region VI	Region X
YES	33	167	67	39
NO	4	37	13	16



Table 2.35 Reasons why respondents replied YES to the preceding question are listed as follows:

Reasons why response is YES	Frequency	Percent of YES responses
To stop/prevent/lessen corruption, to discipline/punish corrupt/unethical acts, to be revealed/taken action, to serve as a lesson/warning	219	55.73%
To improve the system (agency, bureau, government)/for good image, for good service	66	16.79%
Must ensure protection/secrecy	18	4.58%
It is the right thing to do	18	4.58%
Duty to report/moral obligation	16	4.07%
Will report it to higher command/report it immediately	13	3.31%
If there is concrete proof/evidence	12	3.05%
To promote economic stability	2	0.51%
Corrupted money can be used for other purposes	2	0.51%
I have the right to report it	1	0.25%
Because it starts with the officers/officials	1	0.25%
Because I'm affected	1	0.25%

Table 2.36 Reasons why respondents replied NO to the preceding question are listed as follows:

Reasons why response is NO	Frequency	Percent of NO responses
Afraid (no protection), don't want to be involved	34	39.08%
Reports are not acted upon (immediately)	11	12.64%
Nakita naman na hindi tama, it is right and proper to report unethical behavior	6	6.90%
Will not report corruption	4	4.60%
Protected by higher level officials	3	3.45%
Will only report if done many times	2	2.30%
Service is affected	2	2.30%
We're just humans, we're not perfect	2	2.30%
To avoid indifference	2	2.30%
I've learned it only from another agency	1	1.15%
Through letter	1	1.15%
No legal basis	1	1.15%



#### 8.4 Next Step

- a) In order to achieve Level 1, it is imperative that BFP draft and formulate a policy on internal reporting. Such policy should include provisions best suited for the agency including but not limited to the following:
- Acts or omissions that may be covered by the rule on whistleblowing
  - Protection of the whistleblower against retaliatory action and protection of witnesses
  - Confidentiality and condition for protected disclosures
  - Incentives for the whistleblower
  - Definition of the roles and responsibilities of the staff involved in the investigation
- b) Moreover, it is highly recommended that the agency have a separate body to deal directly with cases involving internal reporting.
- c) Include in BFP-IACT's role dissemination of the policy on internal reporting and overseeing training of personnel on reporting procedure as well as training of investigating staff on case handling and investigation.





## 9. Corruption Risk Management

Although not widely practiced, corruption risk management is the first step required for a systematic response to corruption vulnerabilities. Risk assessment is an important management tool in detection and prevention of corruption. Risk assessment provides a systematic scrutiny of an organization's operations, systems, and performance that can lead to identification of risks and opportunities for corruption. There is a tendency for an agency to be reactive in its assessment. Assessments are not enough, the agency should be proactive and device a plan for managing risks. Fraud and other forms of corruption may be avoided if the agency regularly undertakes an implementable corruption risk management plan. In this plan, the agency can identify its high-risk functions, source the risks identified, and outline steps in controlling them.

Rating	Levels of Achievement
1	<ul style="list-style-type: none"> <li>▪ The agency recognizes the role of internal audit in the prevention and detection of fraud and corruption.</li> <li>▪ The agency has identified its high-risk operations and functions.</li> </ul>
2	<ul style="list-style-type: none"> <li>▪ The agency proactively undertakes assessment of corruption risk areas.</li> <li>▪ Relevant agency personnel are trained on corruption risk assessment and corruption prevention planning.</li> <li>▪ Results of corruption risk assessment are reported to management. Corruption and fraud risks identified are made known to employees.</li> </ul>
3	<ul style="list-style-type: none"> <li>▪ The agency develops and implements a corruption risk management/corruption prevention plan to address identified risks.</li> <li>▪ Time and resources are allocated, and managers are given clear tasks of implementing and monitoring the corruption risk management plan.</li> <li>▪ Employees are encouraged and rewarded for identifying responses to corruption risks.</li> </ul>
4	<ul style="list-style-type: none"> <li>▪ The agency's corruption prevention plan is supported/integrated in the corporate plan and other management plans.</li> <li>▪ Corruption prevention focus is incorporated in management functions, policies, systems and procedures of the agency.</li> </ul>
5	<ul style="list-style-type: none"> <li>▪ The agency's approach on corruption risk management is regularly reviewed for effectiveness in detecting and preventing corruption.</li> <li>▪ Results of evaluation are used to enhance integrity measures and corruption prevention strategies.</li> </ul>

### 9.1 DILG Internal Audit Service

This area recognizes the fact that corruption risks thrive not only on financial operations but also in other operations that can create opportunities for corruption. Thus the dimension primarily looks into whether management has already identified high-risk areas in its operation. This is supposedly lodged in the function of an Internal Audit Unit.

As pointed out by management, an Internal Audit Service has been in existence with the BFP, but subsequent Administrative Orders have transferred the said unit to the Department level, in BFP's case, the Department of Interior and Local Government (DILG).

It is worthy to note that the management, through its Planning Division, has already identified high-risk areas in its operation. Said high-risk operations were identified and discussed thoroughly in their strategic planning held May 2006.



Corruption is often deeply embedded in an agency's systems and procedures, making it difficult to define the dynamics contributing to corruption. A scanning therefore of all the possible sources of corruption risks is necessary. This includes the agency environment in which BFP operates. An assessment of the risks coming from the environment will include the following:

- Organization structure, including branches or other operating units
- Authorities and responsibilities granted at specific levels
- Accountability relationships, including accountability of the agency to oversight bodies (DILG, DBM, COA, OMB, etc.)
- Political environment including laws, regulations and policies or changes in leadership which affect the BFP
- Social expectations from the agency
- Technological changes and advances in information, equipment and personnel technology which affects BFP

These are just some of the inherent risks that the agency is facing in trying to achieve its goals.

An overall risk assessment will involve an in depth analysis of the following elements:

- Strategy, Goals and Objectives of the BFP
- Mandate, Mission and vision of BFP
- Critical Business Processes
- Management strategies included in the agency's strategic plan
- Management's Performance Monitoring Process

## 9.2 Assessment

CORRUPTION RISK MANAGEMENT	NHQ	NCR	Region 6	Region 10	Team Rating
Agency Rating	0	0	0	0	
Deployment Score	-	-	-	-	-
Validated Rating	0	0	0	0	0

### **National Headquarters.** *Consensus rating (0)*

The self-rating given by the participants for this dimension is zero. Although it used to have an Internal Audit Service in compliance with issuances with respect to the creation of an Internal Audit Unit in every government agencies, it was later decommissioned, with its functions placed under the Department level (DILG). The BFP has however identified its high-risk areas and functions as may be gleaned from the output of the Strategic Planning of the Bureau held last May 2006 which details the identified high-risk operations, the planned control to be put in place, person responsible for implementation of the said control and a target date/time to put in place the said control.

### **National Capital Region.** *Consensus rating (0)*

The self-rating given by the participants for this dimension, like the National Headquarters, is zero. The participants agreed that they have not satisfied the first bullet of rating one, although they claim to have identified their high-risk operations.



**Region 6. Consensus rating (0)**

Like the National Capital Region, BFP-Region 6 participants rated their region zero for this dimension.

**Region 10. Consensus rating (0)**

Like all the other sites assessed, BFP-Region10 participants similarly rated themselves zero in this dimension.

**Validation**

**National Headquarters / National Capital Region / Region 6 / Region 10. Validated rating (0)**

The agency does not have an Internal Audit Unit.

**OVERALL RATING (0)**

The assessors' team rated the BFP zero (0) for this dimension because it doesn't have an Internal Audit Unit, one of the indicators for Level 1. If the Internal Audit Service of the BFP were not placed under the Department level (DILG), they would have received a rating of one (1) with 30%-40% deployment.

Existing Corruption Risk Management mechanisms would be constantly under threat of political intervention, the BFP being an agency susceptible to politics. Constant change in BFP's leadership likewise poses a challenge to any Corruption Risk Management mechanism that is put in place.

Although the IDA participants are not very familiar with the concept of corruption risk management, with all sites associating Internal Audit with financial auditing, it is recognized that the BFP has already undertaken measures similar to identification of corruption risks. The BFP has adopted measures, however minimal, to reduce corruption risks.

Under this dimension, among the strong points to be considered for BFP is the existence of its Integrity and Anti-Corruption Team (BFP-IACT), which is currently chaired by F/CSupt Enrique Linsangan. Since the BFP-IACT has just been established, it is admitted that management has not proactively undertaken assessment of corruption risk areas.

In general, the BFP recognizes that corruption risks should be managed at the different levels of occurrences as evidenced by the controls set in place in critical areas of operations.

In their strategic planning held in May 2006, BFP management has already identified some of its high-risk operations and the responsible officials to deal with the identified risks. A suggestive timetable was also formulated to address the risks identified.

Under Objective 3 of Key Result Area 5 (Administration/Governance), the BFP seeks to put in place disciplinary machinery at the organizational level.

Also, in the same Strategic Planning Conference, Objective number 9 seeks for the institutionalization of a Moral Recovery Program within the BFP by 2010. The said objective calls for an implementation of various integrity and anti-corruption campaign.



### 9.3 Survey Results

While respondents slightly agree that employees are trained to prevent fraud, they slightly disagree that employees are trained to detect fraud and that the agency is successful in fighting corruption. Refer to Section B of the Corruption Resistance Review for the full survey report.

Net ratings for types of corruption were obtained using a 3-point weighted scale. Weights of 1, 2, and 3 correspond to responses Low, Medium and High, respectively. The computation for net rating is the same as the 4-pt scale used to obtain agreement to statements in the survey. Interpretation of the net ratings however are directly proportional to the scale. A weighted rating above 2.3 means a High rating and a rating below 1.7 means a Low rating. Ratings between 1.7 to 2.3 indicate medium likelihood. In this section, it is more desirable to have a low rating since it will denote less likelihood of occurrence of the type of corruption in the agency.

From among the different types of corruption, Nepotism/Favoritism, Overpricing of bids, Collusion with suppliers, illegal use of public funds or property, and abuse of power were ranked the highest in terms of likelihood ratings. Ranking of types of corruption in terms of their perceived likelihood of occurrence in the agency resulted in the following:

Table 2.26 Types of Corruption

Type of Corruption	Net Rating	Likelihood
Nepotism/Favoritism	2.77	High
Overpricing of bids	2.62	High
Collusion with suppliers	2.62	High
Illegal use of public funds or property	2.36	High
Abuse of discretion/power	2.33	High
Negligence of duty	2.29	Medium
Accepting bribes	2.28	Medium
Disclosure of confidential informations	2.20	Medium
Collusion with Bids and Awards Committee (BAC) members	2.19	Medium
Corruption of Filipino values e.g. pakikisama, hiya, etc.	2.08	Medium
Tolerance of fixers	2.03	Medium
Falsification of documents	2.02	Medium
Theft of public resources	2.00	Medium
Forgery or fraud	1.92	Medium
Unauthorized collection of funds	1.91	Medium



Table 2.27 Net Ratings for Types of Corruption

Type of Corruption	NHQ	NCR	Region 6	Region 10	Agency Rating
Negligence of duty	2.24	2.34	2.25	2.18	2.29
Falsification of documents	2.21	2.20	1.69	1.69	2.02
Illegal use of public funds or property	2.28	2.58	2.03	2.13	2.36
Unauthorized collection of funds	1.55	2.22	1.52	1.64	1.91
Nepotism/Favoritism	3.06	2.99	2.38	2.34	2.77
Disclosure of confidential information	2.03	2.31	2.05	2.16	2.20
Collusion with BAC members	2.09	2.44	1.90	1.86	2.19
Overpricing of bids	2.54	2.93	2.14	2.29	2.62
Collusion with supplier	2.54	2.96	2.09	2.28	2.62
Forgery or fraud	1.70	2.20	1.57	1.69	1.92
Theft of public resources	1.96	2.21	1.68	1.76	2.00
Accepting bribes	2.39	2.60	1.79	1.87	2.28
Abuse of discretion/power	2.45	2.61	1.86	2.04	2.33
Corruption of Filipino values e.g. pakikisama, hiya, etc.	2.21	2.19	1.84	1.98	2.08
Tolerance of fixers	1.71	2.21	1.83	1.91	2.03

Table .2.28 Suggestions to prevent corruption include:

Suggestions	Frequency	Percent of Responses (%)
Be responsible, honesty, follow set rules and regulations, policies and laws, accountability, dedication to work, discipline, be vigilant	55	13.89%
Strict implementation of policies/rules, penalties/dismissal for people proven for committing corruption, institutionalized preventive measure, rewards and punishment system, immediate action/ investigation on reported cases, speedy trial	45	11.36%
No bribery/do not offer/do not accept bribes, there should be no fixers, no overpricing, do not deal with illegal activities	38	9.60%
Increase salary/benefits, well-compensated, rewards/incentives to good performance, give benefits/salary on time	37	9.34%
Awareness, orientation, seminars, trainings and education (moral and values formation, anti-corruption, spiritual activities), regular motivation/encouragement to employees	35	8.84%
Perform audit (COA/internal), strict supervision/monitoring on performance and transactions, proper documentation of expenditures, lifestyle check	31	7.83%
Transparency, a non-officer should witness the bidding process	31	7.83%
Change current leadership, start change with leadership, leaders should be knowledgeable, well-trained, with integrity, not influenced by others	25	6.31%
Report cases of corruption to proper authorities	14	3.54%
Regular reshuffling of employees, proper screening on promotion process	9	2.27%
Body/office to handle corruption in the agency, formulate code/set of rules and	9	2.27%



Suggestions	Frequency	Percent of Responses (%)
regulations, independent investigating body on corruption, government should be the one to solve corruption		
Simple living, avoid vices, contentment	7	1.77%
Good relationship with co-employees, unity	6	1.52%
No palakasan/bata-bata system, fairness to all	4	1.01%
Reengineering of the bureau/change the system, coordination for inspection (central to substation)	3	0.76%
Resources should be given directly to stations	2	0.51%
Allocate excess funds of an office to other BFP offices, proper allocation of fund/budget	2	0.51%
All procurement must undergo bidding	1	0.25%
Reward and protection for whistleblowers	1	0.25%

#### 9.4 Next Step

- a) The agency's anti-corruption efforts could be enhanced by establishing an integrated corruption risk management plan that will be implemented, monitored and reviewed by BFP-IACT or an Internal Audit Service. It would also be beneficial to strengthen BFP-IACT by mandating it to assume the powers and authority inherent to an internal audit unit, the authority to look into current systems and procedures of the BFP, identify loose controls for the prevention of malfeasance and recommend corresponding actions in relation to the identified risk.
- b) While the BFP has a list of identified high-risk operations, there is a need to look into any action taken to mitigate the identified risks. A monitoring mechanism should be in place, preferably under the BFP-IACT.
- c) Although corruption is only one of the hazards that a sound internal control can address, it cannot be detached from the non-attainment of other objectives of internal control such as operational efficiency, safeguarding of assets, records, reliability of accounting data, adherence to laws, rules and regulations.
- d) Training for BFP-IACT or relevant personnel specifically on corruption risk management would likewise prove productive. It was gathered that training relative to anti-corruption are limited to seminars, not training that would give them the capacity to conduct corruption risk management.
- e) The BFP Operations Manual that is currently being drafted by the management of the Bureau should prove to be a good start and an ideal forum to incorporate sound Corruption Risk Management mechanisms.
- f) Although the Strategic Planning calls for a BFP Operations Manual being put in place by December 2006, the proposed Manual is still pending however with the Office of the Fire Chief undergoing further refinement.
- g) Conduct of self-assessments such as the IDR and internal audits are steps in the right direction. While recognizing the existence of various controls, it might be useful to review if these controls are operating and sufficient. In addition, it is important to raise awareness and increase knowledge of all BFP personnel on corruption risk management.



## 10. Managing Interface with External Environment

Corruption incidences within an agency normally involve an external party. Agencies should effectively manage their external environment to contain corruption. Management of external environment includes promoting the agency-established process of doing business, clarifying condition of engagements, and responding to the needs of the clients.

Rating	Levels of Achievement
1	<ul style="list-style-type: none"> <li>▪ The agency has established an information system to inform the public of its services, policies, rules and procedures.</li> <li>▪ The agency has a policy on disclosure of information to the public.</li> </ul>
2	<ul style="list-style-type: none"> <li>▪ The agency proactively disseminates information on its services, policies, systems and procedures to the transacting public. Procedures for frontline transactions (that includes standard processing time, fees, persons responsible, specification of the transacting area, etc) are posted in public areas.</li> <li>▪ The agency employs systems to avoid long queues and prevent “facilitators” of transactions.</li> </ul>
3	<ul style="list-style-type: none"> <li>▪ The agency has a mechanism to check that the published rules, procedures, and standards are being met (e.g. client complaints/feedback mechanisms, service charter)</li> <li>▪ Relevant personnel are given training on how to handle and resolve complaints.</li> <li>▪ Managers monitor compliance with service standards and ensure transactions are isolated from undue interference (i.e. patronage and bribery).</li> </ul>
4	<ul style="list-style-type: none"> <li>▪ The agency has a full and complete record of complaints and feedback from clients. Complaints and feedback from clients are analyzed to identify possible incidence of corruption.</li> <li>▪ Records of releases of information are examined. Results of analysis are correlated with incidence of corruption.</li> <li>▪ The agency has a mechanism to provide redress for failure to comply with its service guarantees.</li> </ul>
5	<ul style="list-style-type: none"> <li>▪ The agency regularly reviews its system of managing interface with external environment for effectiveness in preventing corruption and enhancing integrity.</li> <li>▪ Results of the review are used to strengthen the policies/systems on disclosure of information; service delivery and in dealing with external parties.</li> </ul>

### 10.1 BFPs Public Information Service

BFP, through its Public Information Services (PIS), provides fire prevention-related information as well basic information about the agency and its services. PIS documents and addresses public inquiries regarding BFP and fire safety related issues. BFP-NHQ and the agency’s regional offices regularly publish magazines, brochures, leaflets, and comics and are made available to the public. To enhance public awareness, fire prevention measures and procedures, Text Fire hotline (i.e. Patrol 117), to name a few, are posted in conspicuous places within the agency premises.

Aside from PIS, the Fire Safety Education Division (FSED) assists in disseminating pertinent information about the agency’s functions (e.g. issuance of fire safety inspection certificates and collection of fire code fees), and its fire safety operations. Guidelines and flowcharts for the application of FSIC permits are available and posted in the offices.

BFP closely coordinates with the Department of Education and the local government units to further increase fire prevention awareness among the youth (through its Junior Kiddie Fire Marshal Program) and the community (through its Ugnayang Barangay Program), respectively.





**10.2 Assessment**

<b>MANAGING INTERFACE WITH EXTERNAL ENVIRONMENT</b>	<b>NHQ</b>	<b>NCR</b>	<b>Region 6</b>	<b>Region 10</b>	<b>Team Rating</b>
Agency Rating	0	0	0	0	
Deployment Score	-	-	-	-	-
Validated Rating	0	0	0	0	0

**National Headquarters. Consensus rating (0)**

The IDA participants maintained that BFP has an information system in place. They cited the existence of the agency website, handouts, comics, and flowcharts used to inform the public on their activities and services (i.e. application for Fire Safety Inspection Certificate). However, the agency has no written policy on disclosure of information to the public.

The IDA participants also identified the agency’s proactive efforts in disseminating its services, policies, systems and procedures to the transacting public through notices and posters placed in public areas such as schools, markets and malls. To avoid long queues and prevent “facilitators”, some IDA participants mentioned that One Stop Shop is being implemented in collaboration with local government units to expedite the processing of FSICs.

**National Capital Region / BFP-Region 6. Consensus rating (0)**

The senior leaders in both regional offices agreed that they have a system to disseminate information to the public and that through their active participation in the One Stop Shop, long queues and fixers are prevented. However, they no written policy on disclosure of information to the public.

**Region 10. Consensus rating (0)**

Consistent with the other sites, the IDA participants contend that they have system to inform the public of the agency’s services and policies. There was, however, a divergence of opinion with regard to the effectiveness of the One Stop Shop. While some IDA participants mentioned that the One Stop Shop fast tracks the release of FSICs, others maintained that issuance of certificates even before inspection is done is inconsistent with the function of BFP i.e to ensure compliance of building owners with the Fire Code before any FSIC certificate is issued.

**Validation**

**National Headquarters. Validated rating (0)**

Based on documents gathered and studied, the agency has a system to inform the public of its services, policies, rules and procedures. It has various mechanisms to advocate fire prevention among its stakeholders, such as use of print media (through posters, quarterly magazines, leaflets, brochures, manuals, and comics) and conduct of fire drills and fire prevention lectures in schools, business establishments, and the community. It does not have, however, a written policy on disclosure of information.



### **National Capital Region / Region 6. Consensus rating (0)**

Similar to Central Office, NCR and Region 6 employ the same means of disseminating information to the public where print media serves as the primary means of getting across basic facts about the agency. Information for public consumption is evident through posters as well as the regional office's magazine published quarterly for NCR and semi-annually for Region 6. Bulk of information shared relates to fire prevention. For Region 6, process flow on the application of FSICs is posted on the entrance of offices. NCR and Region 6 also do not have a written policy on disclosure of information.

### **Region 10. Consensus rating (0)**

A public information system is evident in this site. Information materials (i.e. brochures, posters, etc.) are available to the public. Posters are not limited to fire prevention but also include what to do's in case of earthquakes and typhoons, translated into English, Filipino, and Cebuano. Flow charts on closure of establishment for non-compliance are posted in the regional office. Monthly regional activities are also posted in the fire stations. Establishments inspected and fire code fees collected are posted as well. However, flowcharts in obtaining FSICs are not posted and are only explained by fire personnel in stations upon inquiry. BFP-Region 10 likewise does not have a written policy on disclosure of information.

### **OVERALL TEAM RATING (0)**

Based on document validation and interviews, the team arrived at an overall rating of zero. All sites have an information system to communicate to the public its services, policies, rules and procedures. Most of the information, however, relates to public awareness on fire prevention. Comparatively little information is disseminated about the agency's other services such as fire suppression and emergency medical services. Although the agency provides guidelines and tips to prevent fires, BFP activities on fire control and suppression as well as proactive dissemination of procedures on FSIC acquisition are not sufficiently transmitted. To some extent, it informs the transacting public of its procedures in obtaining an FSIC.

While the agency recognizes the importance of information in establishing a healthy relationship with the public and its clientele, it lacks written policies on the type of data that should and should not be shared to the public. The agency therefore fails to achieve level 1.

### **10.3 Survey Results**

Overall, survey respondents moderately agree that actual practices relating to dealing with the agency's stakeholders are consistent with written procedures and policies. They also moderately agree that complaints and feedback from clients are acted upon. Top two common complaints from clients cited include: delayed/slow response to fire incidents (30%); lack of equipment, facilities not in good condition, lack of water (23%).

### **10.4 Next Steps**

- a) In order to achieve Level 1, the agency has to create a policy that clearly defines information that may and may not be disclosed to the public. This shall include a list of pre-identified set of information that will guide all personnel in determining which can and cannot be disclosed to the public.
  - Adopt a systematic information gate keeping to ensure that sensitive and highly classified information are secured. It is vital that all personnel are informed about these types of information, who can have access to the information, approving authority, proper procedures and sanctions on the release of such information. A logbook of all data released by the agency is useful for monitoring purposes.



- This policy must be posted in conspicuous areas within BFP premises to guide the public accordingly.
- b) The agency should likewise review and improve its existing mechanisms in dealing with its external stakeholders.
- The BFP website (<http://bfpcentral2006.100free.com>) can be a good source of information about the agency. However, at present, the information found in the website is not updated. Likewise, the website should be placed in the domain of gov.ph to make it an official website.
  - Identify information requirements of different external stakeholders such as business owners, suppliers, and the general public.
  - Process flowcharts, including documents required, expected duration, and person responsible must be conspicuously posted in frontline service areas.
  - Educate the public about fire suppression protocol to correct public perception on fire operations. The BFP website can serve as a good venue to create wider awareness and educate the public about fire suppression as well as the agency's other services. The agency may also tap the services of other government agencies such as the Public Information Agency to help propagate awareness on fire prevention and fire suppression protocol.
  - As a service provider, it is important that the agency establish a systematic approach in handling complaints from its various stakeholders.