

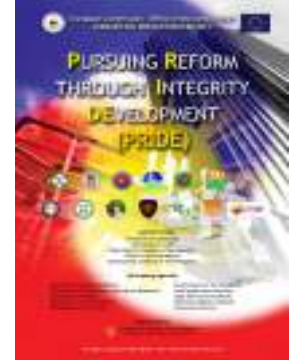


PURSuing REFORM THROUGH INTEGRITY DEVELOPMENT IN THE BUREAU OF CORRECTIONS

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 de-monopolizing 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 in collaboration with the Office of the Ombudsman, Commission on Audit, Department of Budget and Management and the Civil Service Commission. The Philippine National Police also extended its support by allowing one of its able officers to serve as an assessor to the Bureau of Corrections.

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, 16 public sector agencies are scheduled to undergo the IDR, five of which already underwent the process from October 2005 to July 2006. These are the Department of Public Works and Highways, Bureau of Internal Revenue, Bureau of Customs, Philippine National Police and the Land Transportation Office.



II. Overview of the Participating Agency: Bureau of Corrections

History

The establishment of prisons in the Philippines started during the Spanish occupation. The main penitentiary or the Old Bilibid Prison in Oroquieta, Manila formally opened pursuant to a Royal Decree in 1866 and continued to house prisoners until 1940.

The second prison established in 1870 was the San Ramon Prison and Penal Farm in Zamboanga, named after the patron saint of its founder Ramon Blanco. Its main purpose was to incarcerate Muslim rebels and political offenders. During the Spanish-American war, this prison was closed down because it sustained severe damage. However, it was later re-established by the Americans.



**Bureau of Corrections Central Office
New Bilibid Prison, Muntinlupa City**

From 1900 to 1945, more insular prisons¹ and penal farms were established. On 16 November 1904, by an Act of the Philippine Commission, the Iwahig² Penal Colony was established. Reorganization Act No. 1407 authorized the creation of the Bureau of Prisons on 1 November 1905 under the Department of Public Instruction, which was subsequently placed under the supervision of then Ministry of Justice.

The Correctional Institution for Women was established in 1931, authorized by Act No. 3579 passed on 27 November 1929. On 21 January 1932, the Davao Penal Colony was established. This is in accordance with Act No. 3732 and Proclamation No. 414, series of 1931. The Old Bilibid Prison was forthwith transferred to Muntinlupa, which was then part of Rizal Province on 15 November 1940 and renamed New Bilibid Prison on 22 January 1941. To decongest the New Bilibid Prison, the Sablayan Penal Colony in Sablayan, Occidental Mindoro was established on 26 September 1954. The Leyte Regional Prison was established in 16 January 1973, pursuant to Proclamation No. 1101, at Abuyog, Leyte bringing the number of existing prisons and penal farms to seven (7).

On 23 November 1989, by virtue of the Administrative Code of 1987 and Executive Order No. 292, the Bureau of Prisons was renamed Bureau of Corrections (BuCor) and was placed under the supervision of the Department of Justice.

The new name emphasizes the expanded duties of the BuCor. The bureau is not only charged with the effective safekeeping of all national prisoners³ but also with their rehabilitation under five (5) major programs, namely, education, religious, health, recreation and work programs.

¹ Other insular prisons established were the Corregidor Stockade, Fort Bonifacio Prison and the Bontoc Prison, which are no longer operational.

² Originally named Iuhit Penal Settlement.

³ Those who were sentenced to imprisonment of more than three (3) years.



The BuCor Logo⁴

The BuCor logo features a rehabilitated inmate (white man) while in prison custody (black bars) through education, therapeutic, productive approaches and restorative justice, looking forward to a bright future (rays of sun) and with high hope/confidence that with the help and assistance of his family and loved ones, as well as of the Society and the Church, he will be able to completely undergo transformation and reintegrate successfully in the mainstream of the Community.



The BuCor Logo

Mission/ Vision

The mission of the Bureau of Corrections is to provide effective safekeeping and rehabilitation of national prisoners; thus, it envisions to have improved national prisons conducive to the reformation and rehabilitation of inmates that will bring them back into the mainstream of society as useful citizens of the country⁵.

The Bureau is mandated to undertake the following functions:

- Confine persons convicted by the courts to serve a sentence in national prisons;
- Keep prisoners from committing crimes while in custody;
- Provide humane treatment by supplying the inmates' basic needs and implementing a variety of rehabilitation programs designed to change their pattern of criminal or anti-social behavior; and
- Engage in agro-industrial projects for the purpose of developing prison lands and resources into productive bases or profit centers, developing and employing inmate manpower skills and labor, providing prisoners with a source of income and augmenting the Bureau's yearly appropriations.

⁴ CY 2007 OPIF-Based Budget Bureau of Corrections (BuCor), Department of Justice (DOJ)

⁵ Department of Justice website: www.doj.gov.ph.



Organizational Structure⁶

The Bureau of Corrections' organizational structure remained the same despite major change in its functions and jurisdiction. It is headed by a Director, Atty. Vicente G. Vinarao⁷, and has an authorized strength of 2,363 employees, 61% of whom are custodial officers, 33% being administrative personnel and 6% being members of the medical staff. As of 31 December 2006, 2,120 positions were filled up according to the following personnel distribution:

Table 1. Distribution of BuCor Personnel per Division

Divisions	Authorized no. of Positions	Filled Positions	Unfilled Positions
Office of the Director and Assistant Directors	37	27	10
Administrative Division	10	9	1
General Services Division	74	50	24
Supply Division	20	14	6
Management Division	28	26	2
Budget and Finance Division	34	29	5
Accounting Division	93	85	8
Reception and Diagnostic Center	55	52	3
NBP Hospital	935	884	51
New Bilibid Prison (NBP)	75	72	3
Correctional Institution for Women (CIW)	49	47	2
Iwahig Prison and Penal Farm (IPPF)	110	91	19
Davao Prison and Penal Farm (DPPF)	257	224	33
San Ramon Prison and Penal Farm (SRPPF)	320	268	52
Sabluyan Prison and Penal Farm (SPPF)	132	124	8
Leyte Regional Prison (LRP)	134	118	16
Total	2,363	2,120	243

The agency has seven (7) operating units located nationwide, from the original three (3) offices integrated as one, namely:

- New Bilibid Prison in Muntinlupa City;
- Correctional Institution for Women in Mandaluyong City;
- Iwahig Prison and Penal Farm in Puerto Princesa City, Palawan;
- Sablayan Prison and Penal Farm in Occidental Mindoro;
- San Ramon Prison and Penal Farm in Zamboanga City;
- Leyte Regional Prison in Abuyog, Leyte; and
- Davao Prison and Penal Farm in Panabo, Davao del Norte

⁶ See Annex A for the Organizational Chart of the BuCor.

⁷ Director Vinarao was succeeded by Retired Police Director Ricardo B. Dapat on 4 July 2007. However, unless otherwise provided, all references to "Director" shall be made to Dir. Vinarao, being the incumbent during the data-gathering phase of the project.



Accomplishments for Calendar Year 2006

The Bureau’s accomplishments are based on two (2) major final outputs (MFOs): 1) Rehabilitation Services⁸; and 2) Custody and Maintenance of Prisoners⁹.

The highlights of accomplishments are as follows:

MFO 1: Rehabilitation Services

Prisoners Maintained

At the end of 2006, the BuCor housed 30,798 minimum to maximum security male and female inmates. About 61% of them are confined at NBP in Muntinlupa City while 5% are in CIW.

At present, most of the prison facilities are congested with the NBP being the most crowded among the prison and penal farms. The overall congestion rate at the end of 2006 was 53%.

The table below shows the rate of congestion per prison facility.

Table 2. Rate of Congestion per Prison Facility

Prison Facilities	Capacity	Population	% Share	Rate of Congestion
NBP	8,700	18,670	61%	115%
CIW	1,000	1,401	5%	40%
IPPF	3,500	2,968	10%	--
DPPF	3,100	4,091	13%	32%
SRPPF	1,300	1,071	3%	--
SPPF	1,500	1,563	5%	4%
LRP	1,000	1,034	3%	3%
Total	20,100	30,798	100%	53%

Admission and Classification

There were 5,024 inmates received by the Reception and Diagnostic Centers in 2006 – 4,758 being first-time offenders. For the same year, 2,046 inmates were classified under maximum security, 2,953 inmates under medium, and 25 inmates under minimum.

Rehabilitation Programs

■ ***Education and Skills Training***

The BuCor offers formal¹⁰ and non-formal/ adult literacy classes¹¹, as well as vocational courses/ programs for the inmates. In 2006, there were 6,525 enrollees bureau-wide – under the guidance of 43 teachers and 115 teaching aides. From that number, 11% successfully completed the program.

⁸ Undertake the rehabilitation of inmates to prepare them for their eventual reintegration into the mainstream of the Society, not only as law abiding citizens, but most importantly, as responsible and productive citizens

⁹ Undertake the custody and maintenance of National Prisoners to ensure that the judicial penalty meted by the court for offense committed is implemented and served.

¹⁰ The BuCor offers elementary and high school education (in all prison and penal farms) and B.S. in Commerce with major study in Entrepreneurship (in NBP Medium Security Prison only).

¹¹ Numeracy, reading and writing classes, as well as skills training, are offered.



- **Therapeutic Community Program (TC)**

This program focuses on reshaping an individual's behavior and attitudes by creating a helping community. Of the 3,619 inmates whose cases were linked to illegal drugs, only 10.28% participated in the program.

- **Muntinlupa Juvenile Training Center (MJTC)**

This is designed for juvenile and youth offenders, to train them on vocational skills as a follow-up program of the Therapeutic Community Center. This is a joint project of JICA and DOJ. In 2006, there were eight (8) new admissions, thus, increasing their beneficiaries to 24 clients.

- **Drug Testing and Detoxification**

Some 29 inmates were subjected to drug testing at the end of 2006. Six (6) tested positive for drug use and were subjected to detoxification.

- **Sports and Recreation**

The BuCor promotes various sports tournaments and athletic competitions inside all prisons and penal farms. The inmates are encouraged to participate in these activities. Participation and donation (e.g. athletic supplies, uniforms, etc.) of private groups and NGOs are welcome. Some of the sports activities are the following: basketball, volleyball, badminton, tennis, calisthenics, boxing and others. Participation rate for the total population is 43% as of end of 2006.



- **Religious Guidance**

Religious programs play a significant role in an inmate's rehabilitation. As part of the BuCor's vision, it gives inmates the opportunity to practice the basic tenets of their religion. Various religious organization and civic volunteers provide a wide range of religious services/ programs to inmates. Approximately 83% of the incarcerated population belongs to Christian denominations.

- **Agro-Industries Project Operations Services**

Work and Livelihood Programs. In 2006, 24% or some 7,518 inmates were employed in various work and livelihood programs. The Tagum Agricultural Development Company, Inc. (TADECO) hired most of these inmates as banana plantation workers receiving an average monthly income of PhP 4,686.00. Other inmates working in prison agro-industries receive a monthly income of PhP 300.00 as provided for in the General Appropriation Act. Inmates assigned to institutional jobs (such as utility and maintenance) get PhP100 to PhP200 a month.





Production Income. In the same year, the BuCor reported a net production income of PhP 57,027,413.81 from its agro-industries, registering a 9% increase from the income in CY 2005. As in the previous years, the largest contributor is TADECO, with the company's remittance amounting to PhP38,045,847.90. The amount is used to augment BuCor's insufficient budget for inmates' subsistence and improvement of prison facilities.

Table 3. Net Production Income per Penal Institution for 2005-2006

Penal Institutions	Net Production Income		
	2005	2006	Increase (Decrease)
New Bilibid Prison	2,267,376.44	*2,747,376.15	21%
Correctional Institution for Women	825,799.85	*1,237,054.32	49.8%
Iwahig Prison and Penal Farm	4,125,264.60	*5,858,775.66	42%
Davao Prison and Penal Farm	1,880,138.87	1,212,237.62	(35%)
San Ramon Prison and Penal Farm	1,195,207.75	*1,424,386.34	19%
Sablayan Prison and Penal Farm	6,149,425.14	*5,905,186.32	(4%)
Leyte Regional Prison	635,675.35	596,549.50	6%
TADECO	35,212,968.88	38,045,847.90	8%
TOTAL	52,291,856.88	57,027,413.81	9%

*Includes income from private ventures

*Inmate Discipline*¹². For the same period, 863 administrative cases were filed before the Board of Discipline for breach of prison rules and regulations and 93 inmates were charged for criminal offenses. As a disciplinary measure, suspension of Good Conduct Time Allowance (GCTA) and cancellation of inmates visiting privileges were imposed.

MFO 2: Custody and Maintenance of National Prisoners

Effective Safekeeping

■ **Security Programs**

The BuCor continues to implement security programs for peace and order to prevail in the prison community, intensifying its search operations. In addition, the management forged partnerships with the inmates' council of elders for their full cooperation. This resulted in the confiscation of all forms of contrabands (e.g. deadly weapons, cellular phones, intoxicating liquor, etc), including illegal drugs.

Encouraging inmates to participate in the various programs resulted to the reduction in incidents of escape by 6% compared to the previous year. Recidivism was also significantly reduced.

■ **Processing of Inmate *Carpetas* for Releases**

During the year, 3,683 inmates comprising 12% of the total inmate population were released. This is attributable to the enhancement or computerization of the processing of *carpetas*, resulting to more immediate forwarding of papers to the Board of Pardons and Parole.

¹² Accomplishment Report 2006



■ **Transfer of Inmates**

To address the congestion problem in NBP, BuCor continues to transfer inmates to the different prisons and penal farms. The transfer also complements inadequate manpower to support the operation of agro-industries in the penal farms.

Provision of Inmate Basic Needs

The per capita subsistence of inmates is PhP40/ day. Other basic needs provided are enumerated as follows:

Table 4. Annual Cost of Basic Needs Provided to Inmates (CY 2005)

Basic Needs	Aggregate Cost (for 30,798 Inmates)
Food ration at PhP40/day/inmate x 365 days	449,650,800.00
Medicine at PhP1.00/day/inmate x 365 days	11,241,270.00
Laundry Soap	5,669,295.84
2 T-Shirts (PhP98.00/pc)	5,982,094.67
Blanket	5,016,000.00
Mosquito Net	3,182,025.00
Gratuity PhP200 each released prisoners	736,600.00
Transportation PhP400 each released prisoners	1,473,200.00
Total	PhP 482,951,285.51

Inmate Health Care

Health care services, such as medical and dental, are provided to inmate-patients in prison hospitals and infirmaries. For necessary medical interventions unavailable in prison facilities, BuCor medical officers refer the inmates to hospitals outside the prison and penal farms. There is a need, however, to seek the authority of the Secretary of Justice before an inmate is taken out of prison, provided that the case is not a life-and-death situation.

Improvement of Prison Facilities

In 2006, BuCor purchased a 25-seater coaster and seven (7) units passenger vans to transport prisoners in attending court hearings and for other official businesses of BuCor officials and employees. Other main projects completed during the period were the interconnection of water distribution system (Gate IV, Clubhouse, Post Tower 8 Building, deep well Pumping Station), the overlaying of asphalt on the main thoroughfares of the prison reservation, repair/ repainting of the Medical Coordinator's Office, COA office and Radio Room, the installation of temporary office for Documents Section, and some repairs and waterproofing of the administration main building.



Budget and Actual Funds for Calendar Year 2005

The BuCor's budget for 2006 was PhP 822,716,000.00 from its re-enacted budget in 2005. Government appropriations support Personal Services (PhP343,519,000.00) and Maintenance and Other Operating Expenses (PhP479,197,000.00). However, there was no support given for the bureau's Capital Outlay.

The amount of PhP 40.00 per day per prisoner was appropriated for the meal allowance of national prisoners, including those who were temporarily confined in provincial, city or municipal jails – an increase of PhP 5.00 per day per prisoner from 2003.

The table below summarizes the appropriation per program and activity for CY 2005.

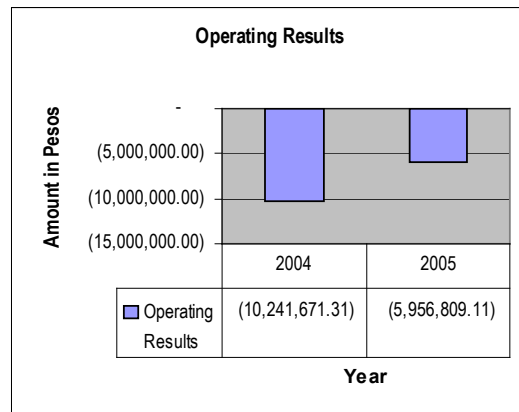
Table 5. Budget Appropriation per Program and Activity for CY 2005

Particulars	PS	MOOE	Total
I. General Administration and Support			
a. General Administration and Support Services	57,133,000	82,315,000	139,448,000
1. General Management and Supervision	571,33,000	82,315,000	139,448,000
Sub-total, General Administration and Support	57,133,000	82,315,000	139,448,000
II. Operations			
a. Custody, Maintenance and Rehabilitation of National Prisoners	258,872,000	376,209,000	635,081,000
1. Supervision, control and rehabilitation of national prisoners in the following:	258,872,000	376,209,000	635,081,000
New Bilibid Prison	1,128,974,000	214,457,000	1,343,431,000
Correctional Institute for Women	7,768,000	17,588,000	25,356,000
San Ramon Prison and Penal Farm	18,162,000	15,042,000	33,204,000
Iwahig Prison and Penal Farm	30,851,000	36,915,000	67,766,000
Davao Prison and Penal Farm	41,133,000	57,949,000	99,082,000
Leyte Regional Prison	15,344,000	17,412,000	32,756,000
Sablayan Prison and Penal Farm	16,640,000	16,846,000	33,486,000
b. Operation of Corrections Agro-Industries	27,514,000	20,673,000	48,187,000
1. Implementation of agro-industries in the following:	27,514,000	20,673,000	48,187,000
New Bilibid Prison	15,348,000	13,863,000	29,211,000
Iwahig Prison and Penal Farm	5,990,000	1,901,000	7,891,000
Davao Prison and Penal Farm	2,276,000	2,918,000	5,194,000
San Ramon Prison and Penal Farm	1,020,000	830,000	1,850,000
Sablayan Prison and Penal Farm	2,880,000	1,161,000	4,041,000
Sub-total, Operations	286,386,000	396,882,000	683,268,000
TOTAL PROGRAMS AND ACTIVITIES	343,519,00	479,197,000	822,716,000



For the year 2005¹³, the BuCor received subsidy from the national government in the total amount of PhP 923,083,744.09, net of unused NCA of PhP 4,267,883.23, and income from other sources amounting to PhP 43,167,109.88. It incurred total expenditures of PhP 972,207,663.08, thus resulting in a deficit of PhP 5,956,809.11.

As shown in Chart 1, there is a decrease in deficit from CY 2004 (PhP 4,284,862.20). Spending increased by PhP 131,095,917.55 or 15.6% between the 2004-2005 calendar years. Personal Services (42%) and Food Supplies Expenses (39.8%) represent 81.8% of total spending.



Also for the same calendar year, BuCor's assets amounted to PhP 136,117,404.28, while liabilities and equity amounted to PhP 57,326,924.03 and PhP 78,790,480.25, respectively. Its Fund Balance or Retained Operating Surplus (difference between assets and liabilities) amounted to PhP 78,790,478.25, which may be used for future budgets.

Anti-Corruption Programs

The BuCor partnered with the Philippine Anti-Graft Commission in its IDAP and it is now undergoing the EC-OMB's IDR project.

¹³ Audited Financial Statements for calendar year 2006 is not yet available as of 02-23-07.



III. Assessment Methodology

The IDR was implemented in four (4) prison and penal farms namely the NBP, DPPF, IPPF and CIW. The BuCor carried out the selection of the first three (3) sites and the assessment team suggested the fourth site. The selection was based on the following consideration:

1. **NBP.** It is the focal point of operations.
2. **DPPF.** It receives a sizeable sum of the BuCor's total budget and it has a joint venture with TADECO, producing the largest revenues for the Bureau.
3. **IPPF.** It has the most extensive agro-industrial activities considering the area. It is also subject to public scrutiny when it comes to environmental issues.
4. **CIW.** This is the only prison facility dedicated to female inmates.

Timetable of Activities

In implementing the IDR at the Bureau of Corrections, the assessment team followed the following timetable:

Activity (2007)	NBP	DPPF	IPF	CIW
CRR				
IDA	29 January	12 February	12 February	12 March
Survey of Employees	30-31 January	13 February	13-14 February	5 March
Indicators Research	1-2 February	14-16 February	15-16 February	14-15 March
CVA	21-25 May	28 May – 1 June	4-8 June	12-15 June

Corruption Resistance Review Methodology

The CRR is Phase 1 of the Integrity Development Review. It is conducted in stages with three (3) main components:

Stage 1: Integrity Development Assessment. This is also called the guided self-assessment undertaken in a focus group discussion (FGD) where participants are requested to rate the efforts of their agency to put in place measure that can prevent and/ or forestall corruption. This tool does not measure or determine incidences of corruption, but rather identifies the areas where the agency has placed systems to prevent corruption. There are 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 agency can 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.



Stage 2: Survey of Employees. This is a means to check the deployment of integrity building measures and solicit feedback from employees on:

- Their personal experiences with integrity building measures of the agency;
- Clarity of guidelines and procedures (particularly when they serve as safeguards);
- Effectiveness of corruption prevention measures; and
- Their suggestions for improvement

The survey uses the sealed envelope technique to encourage honest feedback and ensure the confidentiality of respondents and responses. It also comprised a mixture of open and closed questions. The respondents could select one response from a range of possible answers. Open questions allowed respondents to say as much information as necessary.

There were a total of 360 survey responses received and analyzed from BuCor, as illustrated below. Of these responses, 332 and 28 respondents occupy non-supervisory and supervisory positions, respectively; 355 have permanent positions; 155 have rendered more than 20 years of services; 132 are college graduates; and, 58.06% are from the central office.

	NBP	DPPF	IPPF	CIW	Total
Number of respondents	220	55	55	30	360

To interpret net ratings, the following guideline can be used:

- 1.00 - 1.79 = Highly positive net agreement
- 1.80 - 2.21 = Moderately positive net agreement
- 2.22 - 2.49 = Slightly positive net agreement & % undecided is substantial
- 2.50 = Split opinion
- 2.51 - 2.8 = Slightly negative net agreement & % undecided is substantial
- 2.81 - 3.20 = Moderately negative net agreement
- 3.21 - 4.00 = Extremely negative net agreement

A positive net agreement occurs if the net rating is less than or equal to 2.0 and a negative net agreement is reached if the net rating is greater than 2.0. The lower the net rating, the higher is the net agreement to the statement. Conversely, the higher the net rating, the lower is the net agreement or the higher is the net disagreement to the statement.

Stage 3: Research Indicators. This is where pertinent documents are collected and analyzed to support the ratings made during the IDA process.

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.



IV. Corruption Resistance Review

Highlights of the BuCor Integrity Development Assessment (IDA) Process

The Integrity Development Assessment (IDA) was conducted in the form of Focused Group Discussions (FGDs) in four field units (called penal farms or penal colonies) of the Bureau of Corrections namely: National Bilibid Prisons in Muntinlupa City, Correctional Institution for Women in Mandaluyong City, Iwahig Prison and Penal Farm in Puerto Princesa City, and Davao Prison and Penal Farm in Panabo, Davao del Norte.

The IDA in the National Bilibid Prisons was held on January 29, 2007. Seventeen (17) officials and representatives of various units or offices participated in the FGD. Those in Iwahig and Davao Prison and Penal Farms were simultaneously held on February 12, 2007 with twelve (12) and nine (9) participants, respectively. That in Correctional Institution for Women was held on March 5, 2007 with ten (10) participants.¹⁴

During the conduct of the IDA, the FGD participants identified the corruption resistance mechanisms in place in their field unit and evaluated the level of achievement of their organization in each of the ten (10) dimensions under review, using a guided self-assessment template. Members of the assessment team served as facilitators during the exercise.

Following the IDA scales, the participants initially rated each dimension individually. After tallying the individual ratings, they were given time to discuss among themselves the justification for each rating until they arrived at a consensus rating for each dimension.

Having established their office's level of achievement in each of the ten dimensions, the participants then estimated the deployment score, or the extent to which the indicators under the attained levels of achievement are deployed among the personnel in their unit.

The IDA ratings and deployment score given by the participants were validated by the assessment team, primarily against the documentary evidences collected in the indicators research, and secondarily, against the information yielded by the survey of employees and interviews with several inmates and prison staff. Based on this validation, the team provided its own rating for each dimension, per site and for the agency as a whole. The assessment team also gave its own estimate of the deployment score for each dimension, but only for the agency as a single entity.

¹⁴ See Annex B for the list of IDA participants in each filed site.



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.

The agency was rated in this dimension based on the following levels of achievement:

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

1.1 The BuCor's Leadership

The Bureau of Corrections is headed by a Director assisted by two (2) Assistant Directors, one for Administration and Rehabilitation and one for Prisons and Security. The Director and Assistant Directors of the BuCor are appointed by the President of the Philippines upon recommendation of the Department of Justice (DOJ) Secretary.

The Director acts as adviser of the DOJ Secretary on matters relating to the formulation and execution of penal policies, plans, programs and projects. He administers and executes the law relating to prisons and its inmates and enforces the rules and regulations governing the operations and management of prisons; exercises administrative supervision of prisons; recommends to the Board of Pardons and Parole inmates who are qualified for the grant of parole, pardon and other forms of executive clemency; exercises supervision and control over the constituents units and personnel of the Bureau; and, issues directives and instructions in accordance with laws, rules and regulations that will effectively and efficiently govern the activities of the Bureau and its personnel.



Each prison and penal farm is headed by a Superintendent answerable/ accountable to the Director of the BuCor. He/ she is charged with the supervision (operational and administrative) of the entire prison. The organizational chart in Annex A shows the prisons and administrative divisions of the BuCor.

1.2 Assessment

After a brief description of the IDR, each dimension was discussed in detail. Participants were given time for their individual ratings using the yellow scorecards, which the assessors collected and tabulated. The facilitator then moved toward consensus rating. The strengths, areas for improvements and how the BuCor can step up to the next level of achievement were also discussed. The consensus rating is as follows:

Table 6. IDA Rating on Leadership

	National Bilibid Prisons	Correctional Institution for Women	Iwahig Prison and Penal Farm	Davao Prison and Penal Farm	Assessors' Rating
Agency Rating	2	2	1	1	
Deployment Score	100%	100%	50-60%	100%	100%
Validated Score	1	1	1	1	1

National Bilibid Prison. The participants arrived at a consensus rating of “2” and gave a deployment score of 100%. The participants recognize the significance of having goals and organizational values for the BuCor and they claimed that they all underwent a strategic planning and came up with an operational and implementation plan. They also say that the annual plans, accomplishments and ethical behaviors are discussed during command conferences, monthly meetings and flag ceremonies.

It is worth mentioning, though, that the senior leaders’ authorities and accountabilities are defined in the Bureau of Corrections Operating Manual. Most of the Bureau’s senior leaders were able to attend training and receive orientation on corruption prevention and detection sponsored by the Office of the Ombudsman. The agency’s vision and mission, as well as the BuCor Hymn, are displayed in certain locations within the NBP.

Correctional Institution for Women. The consensus rating for this dimension is “2” with a deployment score of 100%. To support their rating, they explained that the agency mission is displayed near the control gate and that the superintendent communicates and discusses ethical behavior, especially to prison guards during staff meetings (e.g. “huwag ipagpalit ang trabaho sa barya”). Moreover, the Superintendent stated that the CIW management team participates in the command conference held semi-annually to report accomplishments and plans.

The indicators research, however, showed that the agency mission is not stated in the BuCor Operating Manual, but the responsibilities and duties of corrections officials are provided in the said book. With regard to the issuances of memorandum/orders, the BuCor stamps these issuances before these are routed to colonies. Upon receipt, the colony also stamps it putting the date and time. CIW uses a routing slip for dissemination to employees.

Iwahig Prison and Penal Farm. The focus group discussants arrived at a consensus rating of “1” and assessed its deployment at 50-60%. They explained that this rating could have been “2” if only funds were available for the conduct of seminars regarding value formation, RA 6713 and anti-corruption efforts.

Although the BuCor has its own vision and mission statement, these are not prominently displayed in offices and conspicuous places of the IPPF. The areas for improvement that the participants identified so as to reach the next higher level are in the field of setting organizational values where other managers are consulted by the



Prison Superintendent on matters of public concern and in taking proactive steps to discourage staff from engaging in corrupt practices and unethical behavior.

Davao Prison and Penal Farm. For the leadership dimension, the focus group discussants arrived at a consensus rating of “1” and pegged its deployment at 100%. The discussants claimed that the organizational values and the importance of individual in achieving the targets are regularly articulated during flag ceremonies and weekly meetings among department heads. There is a seeming lack of documentation, however, to validate this assertion.

They also claimed that “*seniors leaders have clearly defined authorities and accountabilities*” per the Terms of Reference, i.e. duties and functions of DPPF personnel. As regards deployment of “*organizational values, short and longer-term directions and performance expectations to employees*”, they agree that there are no written policies, issuances or memos to prove the deployment.

Noteworthy to mention is the training/orientation of senior leaders on corruption prevention and detection as evidenced by Special Orders to relevant personnel, but only with 10% deployment.

The DPPF vision and mission are prominently displayed in the Receiving Area (Listing Area / Checkpoint) but there are no slogans promoting values significant for the agency. On the claim that “*seniors leaders have clearly defined authorities and accountabilities,*” it appears said claim has been based on the old Qualification Standards (QS) set by the Civil Service Commission (CSC).

Assessor’s Rating¹⁵

To validate the agency consensus rating, the assessment team conducted an indicators research by collecting and analyzing documents. The team also resorted to key informant interviews to validate the scores given.

After validation, the assessment team gave a rating of “1” for this particular dimension. The BuCor has not fully satisfied 2.2 – “*Senior leaders take proactive steps to discourage staff from engaging in corrupt practices.*” It was observed that memoranda regarding corrupt practices (e.g. fighting cocks, energy savings, etc.) were issued only after the incidents occurred.

The agency deserves a score of 1 because the senior leaders underwent a strategic planning in 2003 where they formulated their new vision and came up with an operational and implementation plan for 2004-2008. It focuses on four areas namely, organizational development, rehabilitation programs, security and custody, and agro-industries. Also indicated in the plan are the strategies and milestones. For each milestone, the activities, expected output, people responsible, timeframe and resources needed were identified.

BuCor also complies with the OPIF of the Department of Budget and Management where their performance indicators are shown. Based on this, performance expectations depend on two major final outputs, namely rehabilitation services, and custody and maintenance of prisoners.

Semi-annually (every January and July), the organization holds a command conference attended by all senior leaders from all divisions and prison and penal farms, where the accomplishments for the previous year and plans for the next year are reported and deployed. However, there was no documentation of the discussions on ethical behaviors during meetings and flag ceremonies.

It is observed that officers and employees are familiar with the BuCor’s operating manual, which lists down the privileges of the prisoners and the duties and responsibilities of the custodial force. It appears, however, that some employees interviewed do not know the mission/ vision of the Bureau.

¹⁵ Assessors’ Rating is given to the agency as a whole.

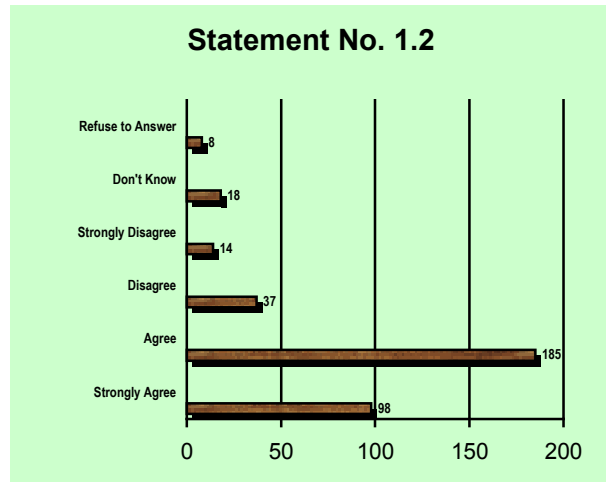
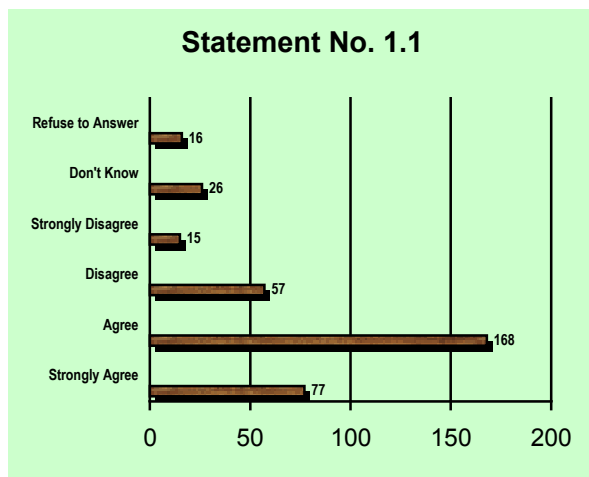


1.3 Survey¹⁶

Although the overall net agreement with regard to Statement No. 1.1: “Managers in our agency do not abuse their authority” is moderately positive, slightly positive net agreement was recorded for DPPF. Respondents who disagree are those with at least five years of service.

Generally, respondents moderately agreed that their leaders inspire them to be professionals (Statement No. 1.2). It is worth mentioning that in CIW, respondents highly agreed with this statement.

Statements	NBP	DPPF	IPPF	CIW	Agency Rating
1.1 Managers in our agency do not abuse their authority.	1.96	2.28	2.16	1.85	2.03
1.2 Managers in our agency inspire employees to be professional.	1.94	1.98	1.87	1.59	1.90



When it comes to consulting the employees with policies concerning them, all BuCor respondents are in moderate agreement (1.98). No significant differences were observed among respondents coming from the different colonies.

The respondents moderately agreed (2.16) that they are consulted in decision-making. Significant differences in responses were observed in NBP and DPPF wherein respondents are likely to disagree.

Respondents moderately agreed that there are open lines of communication in their agency. DPPF respondents, however, were most likely to disagree.

Statements	NBP	DPPF	IPPF	CIW	Agency Rating
1.3 Employees are consulted on policies that concern them.	2.01	2.02	1.91	1.80	1.98
1.4 Employees are consulted in making decisions.	2.20	2.29	1.94	2.10	2.16
1.5 Lines of communication are open.	1.96	2.29	1.92	1.82	1.99

¹⁶ Complete results of the Survey of Employees are presented in Annex C.



Employees who responded to the survey also gave their suggestions on how to improve the leadership's contribution in preventing corruption. Most of them believe that through honesty, good public service and dedication to work, the top management can further improve its contribution to the attainment of the agency's objectives. Transparency and fair treatment are also seen as important, while too much familiarization with inmates should be avoided.

Question 1.1: "What can you suggest to improve the leadership's contribution in preventing corruption in your agency?"¹⁷

Suggestions	Frequency	Percent of Responses (%)
Honesty, good public service, dedication to work, professionalism, simple living, discipline	70	17.90%
Transparency	39	9.97%
Fair treatment, no favoritism, avoid inmate familiarization	34	8.70%

1.4 Next Steps/ Recommendations

To step up to the next level of achievement, senior leaders of the BuCor committed to proactively discourage staff from engaging in corrupt practices and have specific responsibilities for corruption prevention and detection. They also agreed to have an orientation in this regard.

Senior leaders should come up with agency specific organizational values. The goals, plans, targets, performance indicators set by them should be aligned with the BuCor's mission, vision and organizational values.

The team recommends that the senior leaders should not only articulate by words or deeds ethical behavior but also through written communication that is not limited to reminders on attendance and punctuality. They should also communicate and discuss the BuCor's mission, vision and organizational values with the employees with regularity. Communication can be through issuances, memos, and routing slips to prove deployment of organizational values to employees including proactive steps to discourage staff from engaging in corrupt practices, such as those pertaining to the use of office supplies, personal phone calls, PC games, the use of housing/ quarter facilities and vehicles, and acquaintance with prisoners and their visitors.

¹⁷ For open-ended questions, only the top three most common responses are presented. For the complete results, see Annex C.



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.

In line with these, the agency was rated based on the following levels of achievement:

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

2.1 The BuCor's Code of Conduct

The BuCor is guided by R.A. 6713. Aside from this, the custodial force has a Code of Orders where their duties are detailed. The Code of Orders also includes the custodial procedures, escort procedures and other relevant procedures in handling the inmates.

2.2 Assessment

The consensus rating is as follows:

Table 7. IDA Rating on Code of Conduct

	National Bilibid Prisons	Correctional Institution for Women	Iwahig Prison and Penal Farm	Davao Prison and Penal Farm	Assessors' Rating
Agency Rating	1	0	0	0	
Deployment Score	100%				100%
Validated Score	1	1	1	1	1



National Bilibid Prison. The participants agreed to a consensus rating of “1” and a deployment score of 100%. They averred that they follow R.A. 6713, although not all divisions have a copy of the said law. There were no indicators that the employees have undergone orientations or seminars on R.A. 6713. One of the participants claimed that they have issuances regarding good conduct and that the years of service or experience is a good teacher. Others consider the Operating Manual as a code of conduct.

The participants also noted that they are reminded to submit their SALN through memorandum and that they regularly submit their SALN to the Human Resources Division, which monitors compliance.

Correctional Institution for Women. The FGD participants agreed to a self-rating of “0” because the agency does not have a copy of the general code of conduct (RA 6713). But the employees of CIW submit their Statement of Assets and Liabilities and Net Worth (SALN) to the Central Office.

Iwahig Prison and Penal Farm. The participants rated their institution “0”. Accordingly, there is a general code of conduct (RA 6713) and employees are directed to submit their annual SALN and their submission is monitored.

Davao Prison and Penal Farm. During the FGD, the participants agreed to a consensus rating of “0” for this dimension. Such rating was arrived at based on the assessor’s assertion that each unit/division must have a copy of RA 6713. The Medical and Education Sections even admitted that they have no copy of the law for reference.

Assessors’ Rating

The Assessment team rated the Bureau “1”, since they complied with the minimum requirements. However, they failed to reach the next level of achievement because they do not have a customized code of conduct that they can promote internally or externally.

Based on indicators research, not all offices have copies of R.A. 6713 though employees are aware of and guided by it. Most of the employees consider the BuCor Operating Manual, particularly the Code of Orders, as their customized code of conduct. The issuances, however, do not satisfy the requirements of a customized code of conduct, especially in the areas of punctuality and attendance.

It is noteworthy that majority of DPPF employees have undergone seminars on RA 6713 conducted by the CSC. Further, recommendations for sanctions to erring employees are sent to the Central Office for appropriate action.

The BuCor regularly gives rewards to employees who exhibit exemplary performance consistent with RA 6713, as evidenced by “commendations” that it gives to its custodial personnel, such as the prison guards who apprehended an escapee prisoner on 23 September 2005 at Upper Campo, Barangay Blagunan, Sto. Tomas, Davao del Norte.

Unique to DAPECOL is the recently created “Task Force Kuryente” that seeks to address the concerns on rampant pilferages of electricity in the institution. As a result, there was a reduction of about 50% over the electrical bill of DPPF within the first semester of 2006. The task force performs its duty of cutting off not only the illegal electrical connections but also those who have not in any manner shown proof that they were processing the needed requirements for their KWH meter installation with the Davao Light and Power Corporation.

The Assessment Team observed that the notices to submit their SALN are posted on bulletin boards that can easily be seen by employees.



2.3 Survey

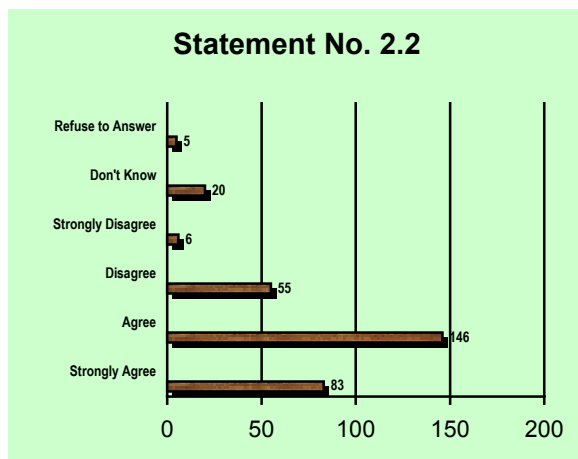
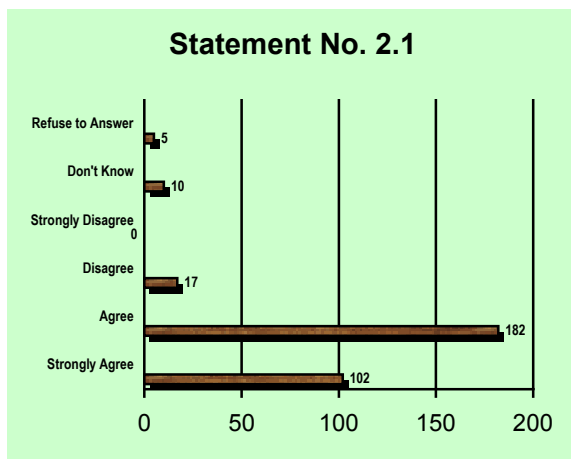
A good number of respondents in three sites cited that the BuCor has a written code of conduct. The question yielded a 100% response from CIW respondents.

Question No. 2.1: Does your agency have a written code of conduct?

Response	NBP	DPPF	IPPF	CIW
Yes	89.50%	83.64%	74.55%	100.00%
No	10.50%	16.36%	25.45%	0.00%

High positive net agreement ratings were observed in NBP and DPPF with regard to the compliance with the written code of conduct. Moderately positive net agreements were observed in IPPF and CIW. Meanwhile, moderately positive net agreement rating is observed in NBP, DPPF and CIW with regard to providing the respondents with adequate orientation about the code and other corruption prevention measures. Slightly positive net agreement rating to split opinion is observed in IPPF.

Statements	NBP	DPPF	IPPF	CIW	Agency Rating
2.1 A written code of ethical conduct is being followed in our agency.	1.68	1.70	1.81	1.83	1.72
2.2 Adequate orientation on the code of conduct and other corruption prevention measures are provided in our agency.	1.85	1.98	2.41	1.86	1.94
2.3 Those who violate the code of conduct are punished.	1.71	1.90	2.15	1.93	1.82





On Statement No. 2.3, the survey showed a high positive net agreement in NBP and a moderate positive agreement in other sites.

Another question associated with this dimension is the submission of the SALN. This yielded a response of 100% submission in CIW. However, 3.18% from NBP, 1.92% from DPPF and 1.82% from IPPF failed to submit their SALN for 2005.



2.4 Next Steps/ Recommendations

The participants, including representatives from prison and penal farms, all agreed that they would establish a customized code of conduct with concrete examples on ethically acceptable/ non-acceptable practices and situations of conflicts of interests relevant to the different types of work carried out by them. In addition, they need to come up with a program on how to promote the code of conduct internally and externally, giving special attention to the application of rewards and punishments to give all BuCor personnel and external stakeholders assurance of being treated fairly.

The assessment team recommended that each unit must have a copy of RA 6713, which the OMB can provide. An orientation seminar on proper filing of SALN and strict monitoring on compliance with submission are also recommended.



3. GIFTS 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.

The following levels of achievement served as basis in rating the agency:

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

3.1 The BuCor's Gifts Policy

The BuCor complies with the Commission on Audit (COA) guidelines for all institutional donations. Donations from almost every individual or sector, including the inmates, are accepted without distinction or limitation. Most donations redound to the benefit of the inmates themselves.



3.2 Assessment

The consensus rating is as follows:

Table 8. IDA Rating on Gifts Policy

	National Bilibid Prisons	Correctional Institution for Women	Iwahig Prison and Penal Farm	Davao Prison and Penal Farm	Assessors' Rating
Agency Rating	0	0	0	0	
Deployment Score					
Validated Score	0	0	0	0	0

National Bilibid Prison. The participants arrived at a consensus of “0” for this dimension. They were not able to reach the first level since they have no policies on solicitation and acceptance of gifts with relevant examples that are consistent with RA 6713 and RA 3019. Moreover, there were no written guidelines for donations and policy on offers of bribes.

Correctional Institution for Women. The participants of the FGD gave a self-rating of “0” for this dimension because the agency does not have a written policy on receiving gifts and benefits with relevant examples that are consistent with RA 6713.

Palawan Prison and Penal Farm. The focus group discussants gave a score of “0”. They are not aware of any gift and benefit policy of the Bureau.

Davao Prison and Penal Farm. For this dimension, the participants admitted that the Bureau has no written policy on solicitation and acceptance of gifts that is consistent with RA 6713. Thus, the consensus rating is 0. There is also no policy on accepting donation. However, for institutional donations, the DPPF adopts existing COA Rules and Regulations.

Assessors' Rating

The Assessors gave this dimension an over all rating of “0” primarily because the agency has no explicit written policy on receiving gifts and benefits with relevant examples as well as for donations and offer of bribes.

However, even without the policies and guidelines, the employees agree that they should not accept any gift.

The BuCor does not have any provision on Capital Outlay in the General Appropriations Act. For this reason, the organization accepts and solicits donations from different associations (government or NGOs) and even from high profile inmates.

The assessors learned that the farm tractor donated by TADECO, which was recently listed as among the assets of DPPF was not issued a Memorandum of Receipt (MR). There was also no Deed of Donation executed between TADECO and DPPF regarding the financial assistance given by TADECO for the procurement of air-conditioning units.

It is worth mentioning that more than ten thousand hectares of land were transferred from the jurisdiction of IPPF to the Local Government of Puerto Princesa City through a series of Presidential Proclamations.



3.3 Survey

With regard to the knowledge of the BuCor's written gifts policy, NBP and CIW showed a split response between Yes and No. In DPPF and IPPF, about two-thirds (2/3) of the respondents replied "No", meaning that they do not have a written policy on gifts.

Question No. 3.1: Does your agency have a written policy on solicitation and gifts?

Response	NBP	DPPF	IPPF	CIW
Yes	45.91%	30.19%	25.45%	46.67%
No	54.09%	69.81%	74.55%	53.33%

Overall net rating for gifts policy indicates a moderate positive agreement on the awareness of employees on the BuCor's policy on gifts. Responses noted in the IPPF and CIW have a highly positive net agreement and moderate positive net agreement ratings were recorded in NBP and DPPF.

Also, there is a moderate positive net agreement when it comes to the awareness of the transacting public on the BuCor's gift policy. In contrast, IPPF employees highly agreed with the statement.

Statements	NBP	DPPF	IPPF	CIW	Agency Rating
3.1 The employees in our agency are made aware of the policy on solicitation and receiving of gifts.	1.81	2.00	1.73	1.69	1.81
3.2 The transacting public and suppliers know the policy of our agency on solicitation and receiving of gifts.	1.93	1.90	1.78	1.82	1.90

When asked what is the acceptable personal gift that they may receive from the transacting public or suppliers, majority of the respondents answered that they should not be accepting gifts at all. However some answered that they can receive up to more than PhP 2,000.00.

Question 3.2: "How much do you think is an acceptable personal gift to you?"

Acceptable Amount of Personal Gift	Frequency	Percent of Total
No answer	98	27.22%
0	197	54.72%
< 100	14	3.89%
100	16	4.44%
150	1	0.28%
200	6	1.67%
250	1	0.28%
300	4	1.11%
500	11	3.06%
1000	6	1.67%
1500	1	0.28%
2000	2	0.56%
> 2000	3	0.83%
TOTAL	360	100.00%



3.4 Next Steps/ Recommendations

For the BuCor to achieve a minimum level, the IDA participants agreed to recommend to the Director the issuance of a written policy on gift, offer of bribe, institutional and personal donations that are tailored-fit to their nature of operations.

To further improve the rating in this dimension, the assessment team recommends that the policies should include guidelines on how to handle gifts and donations, especially those coming from the inmates and their associates; definition of nominal amount; the items to be accepted, and the persons who can make the donations.

Also, there is a need for a program to publicize these policies and guidelines to BuCor employees and the external stakeholders so that they will be guided accordingly.



4. HUMAN RESOURCE MANAGEMENT: RECRUITMENT, PLACEMENT AND PROMOTION OF PERSONNEL

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.

In view of the foregoing, the following criteria was used in rating the agency:

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

4.1 BuCor's Human Resource Management: Recruitment, Placement and Promotion of Personnel

The BuCor has specific policies and procedures for the recruitment, selection, and promotion of its personnel. Even if the organization has both custodial force and civilian personnel the policies and procedures applied are the same.

The recruitment, placement and promotion of personnel are centralized and follow the CSC guidelines.



The Bureau also has a Merit and Selection Plan (MSP) that includes the overall policies and procedures, the establishment and composition of the Personnel Selection Board and the functions and responsibilities of personnel involved in the process.

4.2 Assessment

The consensus rating for this dimension is shown in the table below.

Table 9. IDA Rating on Human Resources Management

	National Bilibid Prisons	Correctional Institution for Women	Iwahig Prison and Penal Farm	Davao Prison and Penal Farm	Assessors' Rating
Agency Rating	3	1	1	0	
Deployment Score	100%	100%	0%		40%
Validated Score	2	1	1	1	2

National Bilibid Prison. The FGD participants arrived at a consensus rating of “3” and estimated its deployment to be at 100%. They all agreed that they comply with the basic standards imposed by the CSC. They also claimed that the process flow for recruitment and promotion are posted in key areas and that members of the Selection Board undergo orientation on recruitment and promotion policies and processes.

They say that they consistently enforce the policies/guidelines on recruitment, placement and promotion, conduct background investigations, keep records of meetings and decisions of the Selection Board and frown upon political recommendations. The BuCor also has a post employment policy for retiring/resigning personnel.

Correctional Institution for Women. The participants made a consensus rating of “1” and a deployment score of 100%. They said that they have satisfied all the requirements of Level 1 as the agency uses CSC guidelines on recruitment and promotion. They cannot give the agency a rating of “2” considering that the recruitment is done in Central Office and most of the employees are not aware of the vacancies and the process flow for promotion.

Iwahig Prison and Penal Farm. For this dimension, the FGD participants gave their institution a score of “1” after satisfying all the requirements. Nevertheless, the discussants averred that recruitment, selection and promotion of personnel are never handled at their level (at the IPPF), because these are all done at the Central Office.

Davao Prison and Penal Farm. For this dimension, the FGD participants arrived at a consensus rating of “0”. Despite the existence of a written guideline for recruitment and promotion of personnel (following the CSC guidelines), DPPF’s Selection and Promotion Board is not currently functional. However, they highlighted their strength claiming that aside from the written guidelines for recruitment and promotion of personnel, they also have a complete set of job descriptions and qualification standards for all positions. On the other hand, the participants admitted that DPPF’s PSB only recommended employees for promotion. The final selection is being done at the Central Office with the NBP Director as the appointing authority.

There are two strengths identified by the participants under this dimension. First, the agency keeps records of meetings and decisions of the Boards. Second, integrity check is part of the BuCor’s recruitment and promotion process pursuant to a Memorandum dated 6 February 2007.



Assessors' Rating

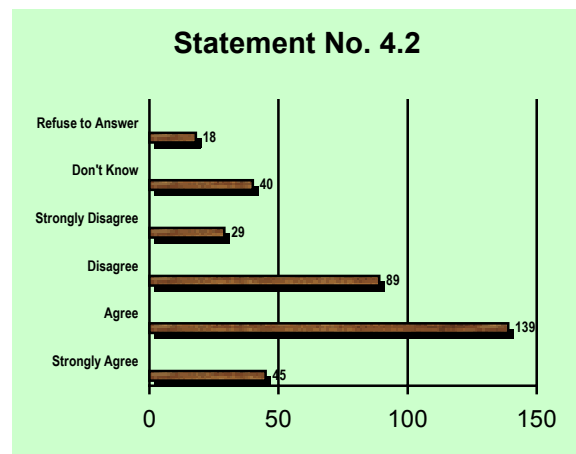
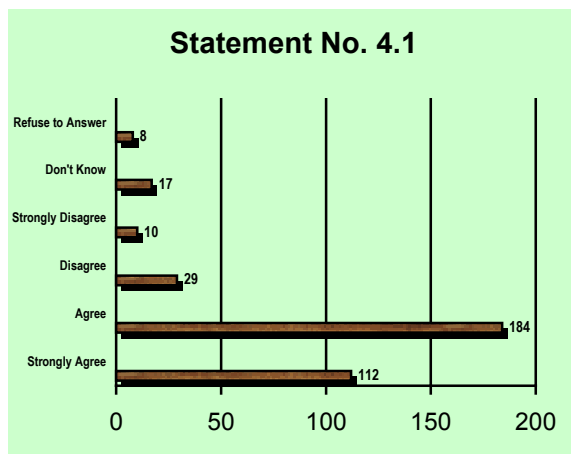
The Team of Assessors gave the BuCor a rating of "2" in this dimension, the organization having fully satisfied the requirements of Levels of Achievement 1 and 2. Deployment is estimated at 40% since bulk of the recruitment and promotion process is made at the Central Office. However, they were not able to complete the criteria for Level 3 particularly, 3.2. The memorandum on the conduct of background investigation was issued only in February 2007, after the conduct of the FGD and the Bureau is yet to conduct a background investigation of new recruits.

The team also noted that a good number of employees aired their sentiments when it comes to promotions. According to them, information on vacant positions is not properly disseminated in the penal farms. They lamented that they only learn of a certain vacancy when somebody was already appointed for the position. They also criticized the hiring of PNP retirees who usually get juicy positions in the Bureau.

4.3 Survey

Survey results indicate moderately positive net agreement with regard to the process of recruitment following a set of criteria. On the other hand, the results yielded slightly positive net agreement to the claim that the agency's process for promotions is free from external influences. Those most likely to disagree were those with more than five years of government service and those who answered, "Don't know," hold non-supervisory positions.

Statements	NBP	DPPF	IPPF	CIW	Agency Rating
4.1 The process for recruitment and promotions in our agency follows a set of criteria.	1.79	1.77	2.04	1.66	1.81
4.2 The process of recruitment and promotions in our agency is free from external influences.	2.30	2.51	2.43	2.21	2.34



To improve the process of recruitment and promotion in the agency, the respondents believe that BuCor should strictly implement CSC standards and ensure compliance with rules and regulations regarding the same. Favoritism and nepotism should also be stopped.



Question 4.1: "What can you suggest to improve the process of recruitment and promotion in your agency?"

Suggestions	Frequency	Percent of Responses (%)
Implement CSC standards, strictly adhere to procurement system, strict compliance to rules and regulations	78	21.67%
Stop favoritism/nepotism	61	16.94%
None, no idea, no comment	56	15.56%

4.4 Next Steps/ Recommendations

The rating could still go up if the criteria for Level 4 would be fully satisfied. These are the documentation of any deviation from the recommendations of the Personnel Selection Board for decisions on promotions and movements of personnel, the conduct of random checks of the process and decisions of the Selection Board, and having a post employment policy for resigning/ retiring personnel.

There should be a reorientation on the process of selection and promotion to all employees. The organization should ensure sharing to all colonies information regarding the number of actual vacancies and anticipated vacancies, as well as the selection criteria. The participants in IPPF suggested that lateral entrants in the first and second level position should only be accommodated to if there are no qualified BuCor personnel - so as not to hamper the promotion of insiders. The assessors recommend that lateral transfers should only be accommodated based on pure merit.



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, setting 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 of duty. A performance management system that sets incentives for honest behavior and disincentives for unethical behavior contributes to building resistance to corruption. Thus, the following levels of achievement served as basis in rating the agency:

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

5.1 BuCor's Performance Management

The BuCor has a performance management and evaluation system in place for individual personnel (Performance Evaluation System or PES) and the organization.

The PES is implemented for the improvement of individual efficiency, discipline and organizational effectiveness. It is a three-tiered evaluation system where the supervisor, chosen peer, and client's rate an individual.

For the performance management of the organization, the BuCor holds itself accountable for the accomplishments of its plans and programs. Its present operational and implementation plan is anchored on its mandate. The prison and penal colonies adopt the plan and add suitable programs to respond to the local conditions of the area. The plans and accomplishments are submitted regularly to the central office, Management Division and reported regularly during command conferences.

The two major final outputs (MFO) being pursued by the BuCor are: (1) Rehabilitation Services, which means undertaking the rehabilitation of inmates to prepare them for their eventual reintegration into the mainstream of the Society, not only as law abiding citizens, but most importantly, as responsible and productive citizens; (2) Custody and Maintenance of Prisoners, where they undertake the custody and maintenance of National Prisoners to ensure that the judicial penalty meted by the court for offense committed is implemented and served.



5.2 Assessment

The consensus rating is as follows:

Table 10. IDA Rating on Performance Management

	National Bilibid Prisons	Correctional Institution for Women	Iwahig Prison and Penal Farm	Davao Prison and Penal Farm	Assessors' Rating
Agency Rating	2	1	2	3	
Deployment Score	100%	0%	0%	0%	
Validated Score	0	0	0	0	0

National Bilibid Prison. The participants of the FGD gave this dimension a consensus rating of “2” and a deployment score of 100%. The BuCor sets annual targets based on the MFOs. The participants claimed that the performance targets and work plans at the unit and individual levels are based on these goals. They also stated that managers and supervisors are trained on performance evaluation and management. Agency annual reports are made available to the public to account for what the agency has accomplished vis-à-vis its targets, although deployment is rather limited at only 10%.

Correctional Institution for Women. The consensus rating for this dimension is 1. They clarified that the agency has set organization goals, annual targets and performance indicators. They also explained that the performance targets and work plans at the unit and individual levels are based on the agency goals.

The participants have identified the following as the strengths of the agency: a) the agency regularly prepares reports (e.g. annual report) to assess accomplishment of its goals and targets; b) individuals are made to report on their accomplishments vis-à-vis goals and targets, and their performance is regularly evaluated by the agency; and c) the agency consistently rewards good performance and sanctions poor performance and negligence of duty. Rewarding of good performance is usually made during the foundation day celebration of the institutions.

Iwahig Prison and Penal Farm. The Iwahig Prison and Penal Farm has organizational goals, annual targets, performance indicators, performance targets and work plans at the unit and individual levels based on defined goals. The discussants gave their institution a rating of 2 even though these goals pertain to agro-industries instead of prevention of escapes. The prison regularly prepares reports to assess the accomplishment of its goals and targets and its employees are required to report also on their accomplishments vis-à-vis the goals and targets of the penal farm. The participants claimed that if a big portion of the Iwahig reservation was not transferred to the City Government of Puerto Princesa, their performance in agro-industrial production would have been better.

Davao Prison and Penal Farm. The FGD participants gave this dimension a consensus rating of 3 and a deployment of 0%. They claimed that all the requirements under Levels of Achievement 1-3 are present at DPPF. They pointed out its policy regarding “negligence in the custody of prisoner” which was substantiated by an issuance addressed to all field escort guards stating the schedule of penalties for breaking of policy.

Moreover, the participants stressed that their agency recognizes employees’ exemplary performance by giving commendations and cash rewards, consistent with RA 6713. As a matter of fact, in the past, commendation and spot promotion was given to a Prison Guard who prevented the possible escape of five maximum-security inmates. Further, the penal farm submits to the Central Office a list of employees who submitted their Performance and Evaluation Report in compliance with CSC rules on the grant of performance incentive bonus.



Assessors' Rating

The assessors gave the agency a rating of 0 in this dimension, because individual performance targets are not anchored on organizational goals and targets. It has been observed that the employees set their own performance targets without referral to those of their sections/divisions and the Bureau as a whole. Their targets are actually reproduced semester by semester and there are no indications that these are regularly reviewed by their supervisors. The performance of the supervisors, on the other hand, does not seem to depend on the performance of their subordinates so that an unusual situation occurs when a supervisor gets a very satisfactory rating even if their subordinates do not.

There appears no complete set of criteria for assessing organizational performance. Except for a few indicators such as number of escapees, number of released inmates, etc., most of the indicators pertain to agro-industrial production especially at the colonies.

The Bureau adopts a three-tiered evaluation system for rating the performance of an individual, i.e., an individual is rated by his supervisor, peer, and clients based on the criteria set forth in the score sheet. It was observed, however, that the client rating for prison guards does not come from their primary clients, i.e., the inmates and their visitors. There is no clear attempt to capture the feedback from these clients for purposes of evaluating the prison guards.

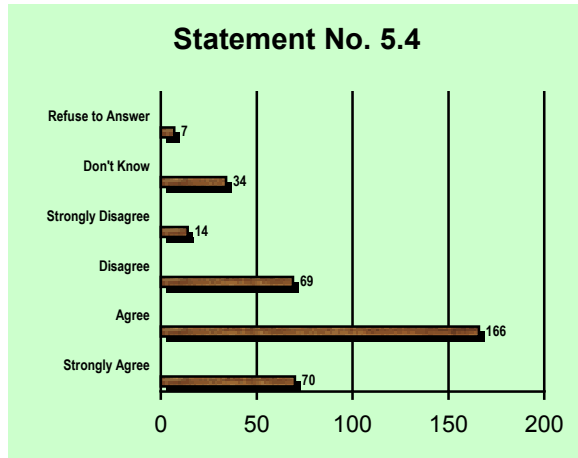
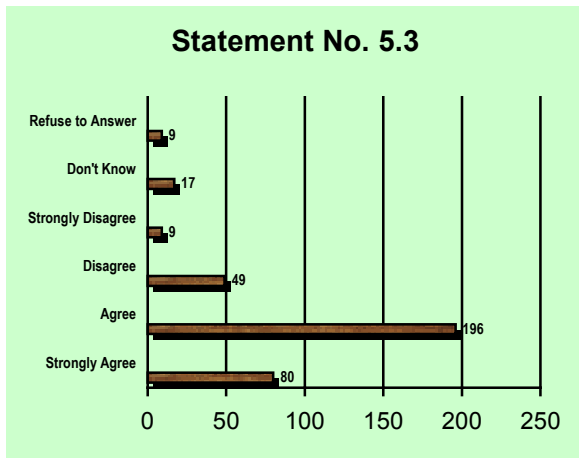
5.3 Survey

Positive net ratings were observed with regard to performance management concerns. High positive ratings were recorded with regards to clarity of individual performance targets and job satisfaction. There are quite a number of respondents from NBP with more than five years of service who tend to disagree with regard to job satisfaction.

Moderately positive ratings were noted for rewards and performance feedback, although the result in CIW is highly positive for Statement No. 5.3. Respondents who tend to disagree are those with more than 20 years of service.

The respondents gave a moderately positive net agreement rating of 2.08 when asked if employees are given the yearly performance bonus regardless of how they performed. Negative responses for Statement No. 5.4 came from respondents involved in central scope of operations.

Statements	NBP	DPPF	IPPF	CIW	Agency Rating
5.1 My performance targets are clear to me	1.53	1.64	1.69	1.50	1.57
5.2 Outstanding performance is rewarded in our agency.	1.92	1.98	1.92	1.89	1.93
5.3 The employees in our agency are regularly provided feedback regarding their performance.	1.94	2.10	2.04	1.72	1.96
5.4 The employees of our agency are given the yearly performance bonus regardless of how they performed.	2.12	2.12	2.06	1.86	2.08
5.5 I am satisfied with my job.	1.64	1.53	1.71	1.57	1.63



Setting of personal performance target is practiced in all selected sites as seen in the table below. About 65% to 90% of the respondents said that their superiors set their performance targets for 2006.

Question No. 5.1: "Do you have a personal performance target set by your superior for 2006?"

Response	NBP	DPPF	IPPF	CIW
Yes	71.36%	70.91%	65.45%	90.00%
No	28.64%	29.09%	34.55%	10.00%

5.4 Next Steps/ Recommendations

To achieve the 1st level of achievement it is recommended that a workshop on the institutional performance management system for crafting performance indicators of the agency be held. After which, all individual targets should be anchored on the identified performance indicators.

The management may also conduct a review of the present system to address gaps, and institute a more effective monitoring system to ensure that performance targets are being met.

The HR should also reorient all employees on the different dimensions of the PES.



6. PROCUREMENT MANAGEMENT

The government is the largest purchaser of goods and services; thus, the field of public procurement is understandably the most conventional battleground for corruption fighters. It is in public procurement that most of the "grand corruption" occurs with much of the damage visibly inflicted upon the development process in the financial aspect of poor countries.

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. Open, objective and transparent bidding, awarding of contracts, delivery and inspection procedures are essential elements in ensuring the integrity of agency's procurement.

In line with this, the agency was rated against the following levels of achievement:

Rating	Levels of Achievement
1	<ul style="list-style-type: none"> ▪ The agency has adopted the new procurement management system (RA 9184). ▪ The agency has an Annual Procurement Plan. ▪ Third party observers are invited to witness procurement process (e.g. bidding evaluation, delivery, and inspection of goods).
2	<ul style="list-style-type: none"> ▪ The agency has written procedures on different modes of procurement and checkpoints for receiving and inspection of goods and services procured. ▪ Members of the BAC and other relevant personnel are trained on the different modes and processes of procurement. ▪ BAC members are made to disclose potential conflict of interest in all transactions. ▪ The agency has a centralized database of prices and suppliers of frequently procured items.
3	<ul style="list-style-type: none"> ▪ BAC decisions and processes are well planned and documented. ▪ The agency strictly monitors performance of suppliers and contractors against obligations (e.g. adherence to budget, price, time factors and quality standards). ▪ Sanctions/penalties are applied for non-performing suppliers.
4	<ul style="list-style-type: none"> ▪ Blacklisting of suppliers/contractors is practiced and shared to other government agencies. ▪ 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. ▪ The Code of Conduct is incorporated in the bidding documents. ▪ BAC decisions and other procurement decisions and outcomes are audited.
5	<ul style="list-style-type: none"> ▪ The agency plans its procurement based on its pattern of purchasing and consumption. ▪ The agency regularly evaluates the effectiveness of its procurement management system in enhancing integrity and preventing corruption. ▪ Results are used to strengthen the agency's procurement management system.

6.1 BuCor's Procurement Management

The Bureau of Corrections adopts the guidelines enunciated under the Government Procurement Reform Act (Republic Act No. 9184). The process is usually concerned with the procurement of goods such as food, medicines, and other provisions for the inmates, office supplies and equipment, vehicles including spare parts, petroleum, oil, and lubricants (POL), construction materials for repairs, etc. Although the bureau does not have provisions under its annual appropriations for capital outlay, it may use its revenues from its agro-industrial activities for the purpose.



There is a central Bids and Awards Committee that conducts public bidding composed of five (5) members appointed by the Director. The BAC is being assisted by the Secretariat composed of five (5) members, a Technical Working Group for each of the following areas: civil works, information and technology, mechanical/electrical/auto-diesel, and air-conditioning and refrigeration, composed of members from the General Services Division and IT Office, and the Acceptance and Inspection Committee. The members of the Secretariat, TWG, and Acceptance and Inspection Committee are all appointed by the Director.

With the exception of the Correctional Institution for Women, all penal farms have their own local Bids and Awards Committee composed of five members for the procurement of goods through the different modes. The members of the local BAC are appointed by the Penal Superintendent in the area.

The Bids and Awards Committees observe the standard sequence for the procurement of goods as follows: pre-procurement conference, publication or posting of advertisement, pre-bid conference, submission of eligibility requirements and bid, opening of bids (opening of eligibility envelope and eligibility check, opening of technical envelope and preliminary examination, and opening of financial envelope), bid evaluation and ranking, post-qualification, and awarding of contract.

6.2 Assessment

The consensus ratings for procurement management per site appear below:

Table 11. IDA Rating on Procurement Management

	National Bilibid Prisons	Correctional Institution for Women	Iwahig Prison and Penal Farm	Davao Prison and Penal Farm	Assessors' Rating
Agency Rating	0	1	0	1	
Deployment Score		100%		100%	
Validated Score	0	0	0	0	0

National Bilibid Prisons. The participants arrived at a consensus rating of "0". Accordingly, the central Bids and Awards Committee observes the standard procedure under the law for the procurement of goods. Although there is no annual procurement plan within the purview of RA 9184, the BAC is guided by an approved consolidated list of items requested by concerned units/offices to be procured for a calendar year. Third party observers are also invited to witness the procurement process.

More specifically, the Bids and Awards Committee follows the guidelines under the law for the procurement of goods through alternative modes. It maintains a centralized database of prices and suppliers of frequently procured items as well as a list of blacklisted suppliers taken from the website of the Government Procurement Policy Board (GPPB). The members of the Committee received training on the new procurement law and are under obligation to disclose potential conflict of interest.

Correctional Institution for Women. The agency consensus rating is "1" for this dimension with a deployment score of 100%. It should be noted that the Central Office conducts the procurement for the CIW. The participants expressed that the Central Office has adopted the new procurement management system (RA 9184), it has an Annual Procurement Plan, and third party observers are invited to witness procurement process (e.g. bidding evaluation, delivery, and inspection of goods).

As regards the holding of cash advance, a trust fund officer is designated at the CIW to handle the allowed cash advance in the amount of PhP 10,000.00 allotted for emergency purchases like medicines, etc.



Iwahig Prison and Penal Farm. The Focus Group Discussants gave a “0” rating to their institution because RA 9184 cannot be totally adopted/ followed yet in the IPPF as long as there are many supplies centrally managed. Further, the Institution has no Annual Procurement Plan. However, the discussants said that they invite third-party observers in the bidding process. Local suppliers are not thoroughly screened nor is there sharing of information about them with other penal farms. For Procurement Management to be totally effective, responsive and transparent, the discussants deemed that the IPPF must be given more independence in the determination and procurement of their needs.

Davao Prison and Penal Farm. The FGD participants gave their office a rating of “1” in this dimension with 100% deployment. The assessors were able to secure Administrative Order No. 220 series of 2005 authorizing some members of the BAC and the technical working group (TWG) to attend COA seminar regarding RA 9184 proving the claim of participants as regards 2.2. However, as to the 100% deployment of 2.2, no document was gathered proving that all BAC members have undergone this training.

In order to elevate their rating to the next level, the participants committed to have written procedures on different modes of procurement and checkpoints for receiving and inspection of goods and services procured. They also committed to require the BAC members to disclose potential conflict of interest in all transactions. Lastly, they promised to have a centralized database of prices and suppliers of frequently procured items.

Assessors’ Rating

The assessment team gave the Bureau a rating of “0” for this dimension. The team noted the lack of an annual procurement plan for each site, which is a requirement under RA 9184. The team also observed that the members of the BAC do not have a fixed term of one year in their appointments (although admittedly, the same may be renewed). Although third party observers are invited to witness the opening of bids, there is no indication that they are also invited in other stages of the procurement process such as during the pre-bid conference.

Moreover, while the team appreciates the practice of inviting a representative from the Department of Justice to observe, there appears no such invitation extended to members of professional organizations to witness the proceedings as espoused by the law. Further, there is no concrete evidence of database of prices and suppliers other than file copies of price quotations of past bidders. Finally, although the BAC follows the rules on alternative modes of procurement under RA 9184, there appears no written procedure adopted by the committee in this regard.

6.3 Survey

More than 71.69% of the respondents are not aware of the Procurement Law or the RA 9184. Most of the respondents who do not know the Procurement Law are from DPPF.

Question No. 6.1: “Are you aware of the new Procurement Law or RA 9184?”

Response	NBP	DPPF	IPPF	CIW
Yes	71.36%	70.91%	65.45%	90.00%
No	28.64%	29.09%	34.55%	10.00%

For respondents who answered, “Yes”, they moderately agreed that the BuCor follows the procedures as stipulated in the law but in IPPF, respondents slightly agreed.



Regarding the impartiality of the BAC's decisions, respondents in NBP, DPPF and CIW moderately agreed while the respondents in IPPF slightly agreed. Respondents in NBP highly agreed that the BuCor blacklists non-performing suppliers, DPPF and CIW moderately agreed and IPPF slightly agreed.

In NBP, DPPF and CIW, respondents moderately agreed that relevant personnel are well trained on the entire procurement process. The respondents in IPPF slightly agreed. Negative response to training came from respondents involved in regional scope.

Statements	NBP	DPPF	IPPF	CIW	Agency Rating
6.1 Procurement in our agency follows the procedures as stipulated under the Procurement Law or RA 9184.	1.80	2.00	2.38	1.80	1.88
6.2 Bids and Awards Committee (BAC) decisions are impartial.	1.90	1.75	2.29	1.75	1.92
6.3 Non-performing suppliers are blacklisted.	1.60	2.00	2.22	2.00	1.74
6.4 Relevant personnel are well trained on the entire procurement process – from bidding to inspection/utilization.	1.85	2.00	2.38	2.17	1.94

The respondents believe that strict compliance with procurement rules and regulations, as well as transparency in transactions, should improve the procurement process of the agency.

Question No. 6.2: "What can you say to improve the procurement process?"

Suggestions	Frequency	Percent of Responses (%)
Strict compliance to (procurement) rules and regulations, adhere to standards	68	17.85%
Transparency	27	7.09%
Protection for those show report corruption, provide incentives for reporting corruption	25	6.56%

6.4 Next Steps/ Recommendations

In order for the Bureau to score at least "1" in Procurement Management, it behooves that it complies with RA 9184, particularly on the preparation of an annual procurement plan. Moreover, there is a need to invite third party observers from professional organizations in all stages of the procurement, not just during the opening of bids. Reorientations on RA 9184 may also be conducted to promote awareness of the law among BuCor personnel.

It is further recommended that the appointments of the members of the BAC be limited to one year, subject to renewal by the Director. Furthermore, there is a need for the BAC to maintain a database of prices of commonly procured goods, which should be regularly reviewed to reflect the current market prices. The database should also contain a list of accredited suppliers/ bidders as well as third party observers both from accredited NGOs and professional organizations. Finally, it is recommended that the BAC adopt a written procedure on alternative modes of procurement.



7. FINANCIAL MANAGEMENT

Any financial transaction is 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.

The objective of this dimension is to determine the existence and effectiveness of controls to prevent fraud and misuse of agency's finances. It also aims to enhance the agency's financial accountability.

The rating criteria used to measure the agency's performance under this dimension is shown below.

Rating	Levels of Achievement
1	<ul style="list-style-type: none"> ▪ The agency adopts the prescribed government budgeting and accounting guidelines such as the New Government Accounting System (NGAS), DBM budget guidelines. ▪ The agency has established control systems to ensure that its financial resources are protected. ▪ Financial accountabilities are defined.
2	<ul style="list-style-type: none"> ▪ Budgeting and accounting guidelines are disseminated to all concerned units. ▪ The agency takes proactive steps to make all employees aware of their obligations not to use agency's resources for private purposes. ▪ Management and relevant personnel are trained on budgeting, accounting, and financial management.
3	<ul style="list-style-type: none"> ▪ The agency strictly/ consistently enforces budgeting and accounting policies and guidelines (e.g. immediate liquidation of cash advances) ▪ 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 ▪ The agency provides full audit trail for major financial transactions. Random audits are carried out, with reports and recommendations for action provided to management. ▪ Reconciliation regularly conducted. Appropriate follow up action are taken on any findings as may be necessary.
4	<ul style="list-style-type: none"> ▪ Computer systems have been integrated and provided with security (access codes) to ensure that fraud and other financial risks are minimized. ▪ COA audit findings are immediately acted upon by management. ▪ The agency's financial reports are published/ made available for public inspection. ▪ COA findings are made available to the public.
5	<ul style="list-style-type: none"> ▪ Financial controls/ systems are regularly reviewed to ensure effectiveness in preventing fraud. ▪ Results of the review are used to strengthen the agency's financial management system.

7.1 BuCor's Financial Management

Managing the financial affairs of the Bureau of Corrections is principally lodged in the Budget and Finance Division and the Accounting Division. In the penal colonies, it is the function of the Budget/ Accounting Section directly under the Office of the Penal Superintendent.

As tools for effective operation, the Bureau integrated in its financial management system framework the necessary control systems for budgeting, accounting, and management of revenues, resources, and cash. In an ordinary government agency, the budgeting system is concerned with the planning, preparation, administration and accounting of the budget. In contrast, the accounting system deals with the process of analyzing, recording,



classifying, summarizing and communicating all transactions involving receipt and disposition of the overall funds and property of the organization, and interpreting the results thereof. The system for managing revenues and resources, meanwhile, deals with the efficient and effective resource planning and mobilization. The cash management system, on the other hand, deals with planning and controlling the use of cash and embodies the various policies and processes for the receipts and disbursements of cash.

The Budget and Finance Division is composed of four sections, namely, Reporting, Allotment Control, Budget Operations, and Cashier. On the other hand, the Accounting Division consists of three units, namely, Bookkeeping, Revenue and Property, and Disbursement. The delineation in the functions of both divisions serves as a mechanism for check-and-balance to ensure that the funds and revenues of the Bureau are properly used.

Budget

The Central Office prepares the budget for the entire Bureau. The budget requirement of each penal colony is determined at the Central Office based on the allocation for the penal colony in the previous year, also taking into consideration the current number of personnel and inmates. However, there is no consultation made with the colonies regarding this. The budget proposal for the Bureau is then reviewed by the Department of Justice for consolidation and submission to Congress.

The budget for personal services and MOOE is released by the DBM directly to the seven penal colonies in a monthly basis. There is no budget for capital outlay in the General Appropriations Act although the revenues from its agro-industrial activities may be used for this purpose. The reporting, however, is centralized with the central office preparing a consolidated report to the DBM on behalf of the entire Bureau.

Accounting System

The BuCor has adopted the New Government Accounting System in compliance with COA Circular No. 2001-004, effective January 1, 2002. The Accounting Section undertakes the system which involves the process of analyzing, recording, classifying, summarizing and communicating all transactions involving the receipt and disposition of government funds and property and interpreting the results thereof. It renders various accounting reports to monitor the financial performance of the region.

7.2 Assessment

Table 12. IDA Rating on Financial Management

	National Bilibid Prisons	Correctional Institution for Women	Iwahig Prison and Penal Farm	Davao Prison and Penal Farm	Assessors' Rating
Agency Rating	3	1	3	1	
Deployment Score	100%	100%	100%	100%	100%
Validated Score	1	1	1	1	1

National Bilibid Prisons. The consensus rating given by the participants for this dimension is “3” with a deployment score of 100%. The participants claimed that the Bureau has already adopted the New Government Accounting System (NGAS) and DBM budget guidelines and established control systems to ensure that its financial resources are protected. Moreover, they claimed that financial accountabilities are defined and the guidelines for budgeting and accounting are disseminated to all concerned units. The Bureau also takes proactive steps to make all employees aware of their obligations not to use agency’s resources for private purposes and strictly enforces the guidelines on liquidation of cash advances. Those involved in financial management, accordingly, received appropriate relevant training. Computer systems were also integrated and provided with security (access codes) to ensure that fraud and other financial risks are minimized.



Further, the Bureau prepares monthly financial reports containing actual expenditures in relation to the budget. Finally, random audits are carried out by the Commission on Audit, with reports and recommendations for action provided to management. Appropriate and immediate actions are taken on any findings.

Correctional Institution for Women. The agency rating for this dimension is “1” with a deployment score of 100%. The participants said that the Central Office adopts the prescribed government budgeting and accounting guidelines such as the New Government Accounting System (NGAS) and other DBM budget guidelines. They also expressed that it has established control systems to ensure that its financial resources are protected and financial accountabilities are defined. Management and relevant personnel received training on budgeting, accounting and financial management.

During the conduct of the indicators research, the assessors observed that a collecting officer is monitoring the collection of the CIW (e.g. sales earned from the handicraft and agricultural products). However, when asked to provide the assessment team with a copy of his/her designation as collecting officer, nothing was produced.

Iwahig Prison and Penal Farm. The FGD participants rated their institution “0”. They further stated that the assessment team should make a thorough assessment of the Budget and Finance Division at the Central Office, and if possible, conduct investigation.

Management of the Iwahig Prison and Penal Farm’s financial affairs is principally handled by the Central Office through the Budget and Finance Division, which is usually late in transferring the funds due to the colony. Insufficiency of the Notice of Cash Allocation or the “Common Fund” aggravates the penal farm’s financial difficulty such that its Fund 284 is depleted. It also gives way to the monetization of fund, i.e. leave credits for cash/money.

With regard to the management of income derived from its revenue-generating activities, it should be noted that the “Balsahan”, a tourist attraction controlled by the penal farm, charges the amount of PhP 10.00 as entrance fee for both adult and child visitors. It also collects cottage fees ranging from PhP 70.00 to PhP 200.00, depending on the size. It was found out that during summer (March, April and May), Balsahan is a thriving business because even foreigners come to see and enjoy the place. Considering the minimal fee, hundreds of people visit the place everyday. However, there is no official receipt or any proof of payment issued to paying visitors. The officer-in-charge only records the number of guests and their payments in a logbook, and remits the collection to the Collecting Officer. The risk involved in this situation is high because no ticket or official receipt is being issued to the payor (although there had been studies before of introducing a “stub” system). The officer-in-charge has the sole discretion on how much to remit to the Collecting Officer, since nobody audits the collection per day. Therefore, there is great probability that corruption may occur.

Davao Prison and Penal Farm. The FGD participants arrived at a consensus rating of “1” with 100% deployment. They said that “*budgeting and accounting guidelines are disseminated to all concerned units*” (2.1) and “*the agency takes proactive steps to make all employees aware of their obligations not to use agency’s resources for private purposes*” (2.2) are not strictly enforced. Thus, they agreed to come up with the above-mentioned guidelines to ensure proper financial controls/systems and attain a rating of “2”. The group maintained that relevant personnel have undergone training on budgeting, accounting and financial management.

During the indicators research, the assessors have the following observations:

- DPPF has adopted prescribed government budgeting and accounting system such as the New Government Accounting System and DBM Budget Guidelines. Hence, they have established control systems and defined financial accountabilities as evidenced by a memorandum issued by OIC Joselito A. Fajardo dated March 11, 2005 addressing “Deficiencies in the Internal Control Structure (ICS)”;
- Record shows that there have been cash advances that remain unliquidated despite verbal reminder from the accounting office;



- Examination of disbursement vouchers reveals that some are undated. There are also purchase requests for medicine intended for January 2007 consumption but until the second week of February 2007, the vouchers are still in the accounting section; and
- There is no document gathered to prove the claim that relevant personnel have undergone training.

Assessors' Rating

The assessment team gave the Bureau a rating of "1" in this dimension with a deployment score of 100%. The team is not persuaded from a research of indicators that the Bureau takes proactive steps to make all employees aware of their obligations not to use its resources for private purposes. Although a memorandum was issued prescribing certain rules on the use of vehicles, and another memorandum was issued relative to RATA expenses for meals of visitors, there is no evidence of the existence of similar memoranda on the use of other government resources such as office supplies, computers, and other equipment. Moreover, there is indication that the issuance of the foregoing memoranda was reactive and remedial in nature, i.e., they were issued as a management reaction to a report on the improper use of these resources. In order to be more proactive, it might be necessary for the management to prevent similar situations from happening rather than respond to a situation after it has happened. The team, nevertheless, appreciates the actions made by the management on the recommendations of the COA in their audit observation memoranda.

As mentioned under the Gifts Policy dimension, there are some institutional donations that were not properly accounted such as the farm tractor donated by TADECO to DPPF that was not issued a Memorandum of Receipt despite being listed among the assets of the penal farm.

The team observed that some officials involved in disbursement of funds or collection of revenues are either not bonded or post insufficient fidelity bonds. In one case, for example, a collection officer's bond is only PhP 16,000.00 whereas his collection can reach the amount of PhP 100,000 or more, thus, exposing the government to risk.

7.3 Survey

Not more than 33.79% of the respondents are aware of their organization's financial management system. Across the four penal farms surveyed, awareness of the Bureau's financial management system hovered around only 30%.

Question No. 7.1: "Are you aware of the Financial Management Systems in your agency?"

Response	NBP	DPPF	IPPF	CIW
Yes	33.79%	29.63%	30.91%	30.00%
No	66.21%	70.37%	69.09%	70.00%

Respondents from NBP and CIW highly agreed that the management scrutinizes the agency spending. Those from DPPF and IPPF only moderately agree.

Moderately positive net agreement was observed with regard to accessibility of financial statements and audit reports. In NBP, IPPF and CIW, moderately positive responses were noted with regard to the knowledge of whom and where to report irregularities, whereas in DPPF, a highly positive response was observed.



Statements	NBP	DPPF	IPPF	CIW	Agency Rating
7.1 The management scrutinizes our agency spending.	1.73	1.87	1.88	1.63	1.77
7.2 Financial statements and audit reports of our agency are accessible.	1.94	2.14	2.25	2.00	2.02
7.3 Employees know who and where to report irregularities in financial transactions.	1.87	1.69	2.20	2.00	1.91

7.4 Next Steps/ Recommendations

In order for the Bureau to score at least “2” in Financial Management, there is a need for its leadership to take proactive steps to make all employees aware of their obligations not to use government resources for private purposes by prescribing certain rules on the use of specific resources. To be more proactive, there is a necessity to widely disseminate these rules and adopt a monitoring system to ensure compliance.

The Bureau should also adopt a stricter policy against unliquidated cash advances. At present, an official who fails to liquidate his cash advance within 30 days is only denied another cash advance. It is recommended that the official be proceeded against criminally and/or administratively before the Office of the Ombudsman.

With regard to the Balsahan, official receipts or tickets, at the least, should be issued to customers for both entrance and cottage fees. The duplicates of these receipts/tickets should be the basis for reporting and auditing the revenues generated from the activity.

The management should also take proactive steps in ensuring that officials and employees comply with financial and accounting processes such as in the recording of institutional gifts and revenues from the penal farms’ economic activities.

Finally, it is recommended that the fidelity bonds posted by all disbursement and collection officers be increased to align with the amount of funds or property for which they are accountable.



8. WHISTLEBLOWING, INTERNAL REPORTING AND INVESTIGATION

Whistleblowing should be encouraged in every agency, as it is one of the fastest ways of detecting corruption. However, it is most difficult for staff/ officials to do. Many times, reporting has led to harassment of the whistleblower, or worse, complete reversal of the case where the whistleblower is victimized. Incentives and protection are therefore necessary to encourage employees to report corrupt behavior or practices.

This dimension aims to determine the existence, within the agency, of a mechanism for whistleblowing, internal reporting and investigation of graft and corrupt practices and to foster a conducive environment for such mechanism. The table below shows the rating criteria for this dimension.

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

8.1 BuCor's Whistleblowing, Internal Reporting and Investigation

The Bureau of Corrections has a built-in mechanism for internal reporting. The Investigation Unit under the Office of the Penal Superintendent investigates all administrative cases against prison personnel filed by inmates, their visitors, other employees of the Bureau, or any other person. The Legal Office under the Office of the Director evaluates the investigation report submitted by the Investigation Unit for review. It may also investigate "celebrated" cases or other cases directly assigned to it for investigation by the Director. The recommendations of the Legal Office are submitted to the Director for final approval.

The evaluators or investigators of the Legal Office are mostly prison guards who have received formal training in law (either graduates or undergraduates of LI.B.). Most of the cases filed are for neglect of duty usually on account of an escaped inmate or for job-related misconduct such as harming inmates and discourteous behavior toward an inmate's visitor.

The National Bilibid Prison has two Special Hearing Committees that adjudicate administrative cases against erring personnel. These committees are composed of a chairman, vice-chairman, and four members, who are appointed by the Director and whose recommendations are subject to his approval. An assigned prosecutor



presents the case to the Committees for resolution. The Committees hear the cases in accordance with the procedure laid down under CSC Memorandum Circular No. 19. Ideally, a case is resolved within 60 days from filing. But the average period for disposing cases is usually between five to six months. Some cases, in fact, may take more than a year. In other penal farms, complaints against personnel are filed directly with the Office of the Superintendent, which refers the case to the investigation unit chaired by the assistant superintendent.

The Bureau of Corrections does not have a policy on whistleblowing and internal reporting. Anonymous complaints are, nevertheless, entertained. But complaints from anonymous persons are frowned upon if there are no sufficient leads to warrant further investigation.

8.2 Assessment

The scores of the four sites for this dimension, including the assessment made by the team, are listed below.

Table 13. IDA Rating on Whistleblowing, Internal Reporting and Investigation

	National Bilibid Prisons	Correctional Institution for Women	Iwahig Prison and Penal Farm	Davao Prison and Penal Farm	Assessors' Rating
Agency Rating	0	0	0	0	
Deployment Score					
Validated Score	0	0	0	0	0

National Bilibid Prisons. The consensus rating for this dimension is “0” in the absence of a written policy or guideline on internal reporting and investigation of reports of corruption or unethical behavior specifying what constitutes an actionable complaint, the procedure for reporting, and the responsibilities of the complainant. The participants, however, claimed that the Bureau also investigates reported corruption *motu proprio*.

Correctional Institution for Women. The agency rating is “0”. They claimed that they just follow orders given by NBP.

Iwahig Prison and Penal Farm. The discussants gave their institution a “0” rating in this dimension. They asked the assessment team leader who happens to be from the Ombudsman a written sample of Whistleblowing, Internal Reporting and Investigation Policy, to guide them on how to make one for the IPPF.

They further said that this is new to them and they are not familiar with the mechanism thereof although they encourage every rank-and-file personnel to report to their superior any untoward incident, grievance and/or any illegal activity within the IPPF.

Davao Prison and Penal Farm. The participants in the FGD rated the DPPF “0” in this dimension. According to them, they have no clear guidelines or policy on internal reporting and investigation of corrupt or unethical behavior. The participants believed, however, that DPPF must have a written policy or guideline to encourage its employees to report corrupt or unethical behavior within the agency and government in general.

Assessors' Rating

Following the unanimous rating of the IDA participants in all the sites, the team of assessors rated the Bureau of Corrections “0” for this dimension. The team noted the lack of a written policy or guideline on internal reporting and investigation of corruption and unethical behavior although admittedly, there is an established internal machinery that investigates complaints filed against erring personnel.



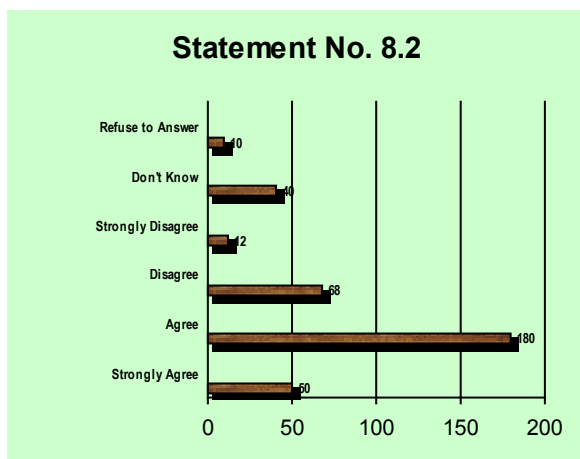
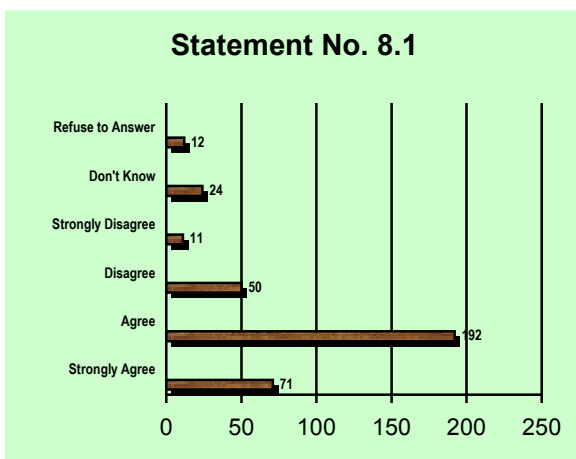
The Philippines does not have a whistleblower law that protects the rights of whistleblowers and gives incentives to them. Nevertheless, there is a Witness Protection Program under the auspices of the Department of Justice pursuant to RA 6981. It is doubtful, however, if potential whistleblowers from the BuCor may take advantage of the program. Under the law, members of the law enforcement are particularly excluded from the coverage of the protection. The Bureau neither has any written guidelines or policy protecting whistleblowers from retaliatory acts.

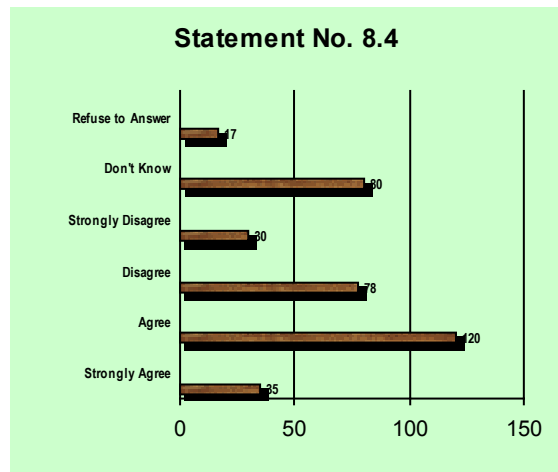
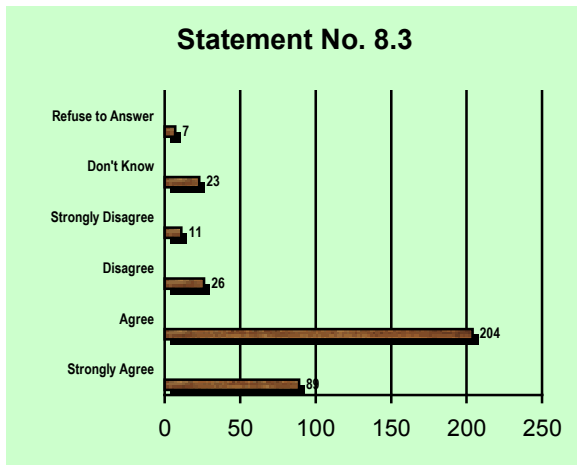
8.3 Survey

Moderately positive net ratings were observed with regard to encouraging employees in reporting corrupt and unethical behavior within BuCor. When it comes to clarity of the guidelines on reporting corruptions and unethical behavior, the responses were moderately positive except for DPPF, which is slightly positive.

Respondents in all sites moderately agreed that reports on corrupt behavior are investigated. However, varied responses were noted regarding employees who report corrupt behavior being protected. Slightly negative responses were observed from DPPF and IPPF while slightly positive responses were obtained in NBP and CIW. Respondents who tend to disagree are those with more than five years of service and from non-supervisory positions. Also, 80 respondents who answered, "Don't know," are those who have served the BuCor for more than 10 years.

Statements	NBP	DPPF	IPPF	CIW	Agency Rating
8.1 Employees are encouraged to report corrupt and unethical behavior within the agency.	1.92	2.17	2.10	2.15	2.00
8.2 Guidelines to employees for reporting corruption and unethical behavior are clear.	2.11	2.29	2.13	2.08	2.14
8.3 Reports of employees on corrupt behavior are investigated.	1.83	1.94	1.98	1.88	1.88
8.4 Employees who report corrupt behavior are protected.	2.31	2.62	2.51	2.35	2.39





Only a few of the respondents have experienced reporting a corrupt and unethical behavior. Percentage reporting rate is shown in the table below.

Question No. 8.1: "Have you experienced reporting a corrupt or unethical behavior that you have witnessed?"

Response	NBP	DPPF	IPPF	CIW
Yes	9.59%	16.36%	16.67%	13.33%
No	90.41%	83.64%	83.33%	86.67%

Respondents who have had the experience of reporting a corrupt or unethical behavior cited high satisfaction in CIW, moderate satisfaction in DPPF and IPPF and a slight dissatisfaction in NBP when it comes to the bureau's reporting mechanism. Highly positive net agreement ratings were noted in DPPF and CIW when it comes to the Bureau's investigating mechanism, but slightly positive net agreement ratings were observed in NBP and IPPF.

Statements	NBP	DPPF	IPPF	CIW	Agency Rating
8.5 How satisfied or dissatisfied are you with your agency's reporting mechanism?	2.59	1.89	2.00	1.67	2.21
8.6 How satisfied or dissatisfied are you with your agency's investigation mechanism?	2.26	1.63	2.25	1.33	2.05

It is worth noting that majority of the respondents indicated that they would report a corrupt and unethical behavior as shown in the table of responses by site below.

Question No. 8.2: "If you ever witness a corrupt and unethical behavior (again), will you report it?"

Response	NBP	DPPF	IPPF	CIW
Yes	87.96%	80.00%	83.64%	76.67%
No	12.04%	20.00%	16.36%	23.33%



Many respondents refused to comment when asked to suggest ways to improve the system on internal reporting of corrupt and unethical behavior in their agency. Those who gave their recommendations, however, believe that protection for those who report corruption would encourage whistleblowers. Strict monitoring by supervisors and the creation of an internal audit group are also seen to contribute well in improving the system.

Question No. 8.3: What can you suggest to improve the system on internal reporting of corrupt and unethical behavior in your agency?

Suggestions	Frequency	Percent of Responses (%)
Protection for those who report corruption	38	11.95%
Strict supervision/monitoring, vigilance, create an internal audit group	33	10.38%
Report corruption	27	8.49%
Act/Investigate on complaints	27	8.49%

8.4 Next Steps/ Recommendations

In order for the Bureau to achieve a higher rating, it is recommended that a written guideline or policy be issued by its leadership that specifies the subjects of a whistleblower report; protects the rights of whistleblowers, their relatives, and other persons giving them support from retaliatory acts; gives incentives and rewards to whistleblowers; outlines the procedure for reporting and investigation of the reports; protects the rights of suspected individuals from malicious reports; and clearly defines the roles and responsibilities of personnel involved in the investigation.

There is also a need for the Bureau to come up with a program to widely disseminate the guidelines to all concerned. It is also recommended that relevant personnel undergo appropriate training in investigating and detecting corruption.



9. CORRUPTION RISK MANAGEMENT

Corruption Risk Management is a systematic process of identifying, analyzing, evaluating, sourcing and prioritizing corruption risks, analyzing the existence of corresponding controls, its sufficiency and operation as well as looking into concrete steps on how residual risks should be managed. Risk is defined as the probability of an event occurring that could have an adverse effect on the achievement of objectives. Risk is measured in terms of consequences and likelihood. Risk assessment is an important management tool in detecting and preventing corruption.

In this view, the following criteria was set to measure the agency's performance under this dimension:

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

9.1 BuCor's Corruption Risk Management

Corruption risk management is a fairly new concept in the Bureau of Corrections. In the past, nevertheless, the leadership of the Bureau has issued various memoranda addressing the attendant risks in the custody and rehabilitation of the inmates. There has been no attempt, however, to assess the risks of corruption in the discharge of bureau mandate.

9.2 Assessment

Found below are the scores of the 4 sites in this dimension including the assessment made by the assessors.

Table 14. IDA Rating on Corruption Risk Management

	National Bilibid Prisons	Correctional Institution for Women	Iwahig Prison and Penal Farm	Davao Prison and Penal Farm	Assessors' Rating
Agency Rating	0	0	0	0	
Deployment Score					
Validated Score	0	0	0	0	0



National Bilibid Prisons. The consensus rating is “0” for this dimension because the Bureau has not identified its high corruption risk operations and functions. The Bureau, however, recognizes the role of internal audit in the prevention and detection of fraud and corruption. As a matter of fact, there used to be an internal audit unit in the past until it became non-operational because the law does not require setting up the unit in the bureau level. Despite this, there is a plan to revive the internal audit within the Bureau.

Correctional Institution for Women. The agency rating is “0”. The group explained that the agency recognizes the role of internal audit in the prevention and detection of fraud and corruption. As a matter of fact, the Central Office has issued a Memorandum dated 5 February 2007, creating the Internal Audit Group. However, the agency still cannot achieve a rating of 1 because said issuance was issued only recently.

Iwahig Prison and Penal Farm. The focus group discussants agreed to give a rating of “0” to their institution with regard to corruption risk management.

They agreed that they have not totally identified high corruption risk operations and functions in their institution, and that they would welcome the assignment of a COA Auditor in IPPF so that transactions and business dealing in the Prison and Penal Farm will be more transparent.

Davao Prison and Penal Farm. The consensus rating arrived at by the participants is “0”. The Assessors agree with the rating of “0” given by the participants because it has not identified the agency’s high-risk operations and functions. Likewise, there is no internal audit unit that ensures prevention and detection of fraud and corruption.

Record shows that as early as 6 September 2005, a memorandum regarding the “Creation of Corruption and Prevention Committee” has been issued by the Director to different penal colonies. However, the same has not been implemented.

Assessors’ Rating

The Assessors agree with the unanimous rating of “0” given by the participants in all four sites because the Bureau has not identified its high-risk operations and functions. While the team appreciates the plan to set up an internal audit unit within the Bureau, the role of the internal audit must be clarified. The general concept as revealed during the IDA is that the internal audit undertakes the pre-audit of financial transactions while the COA does the post-audit.

9.3 Survey

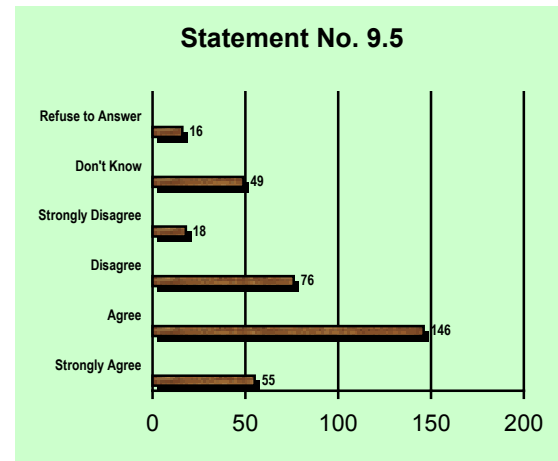
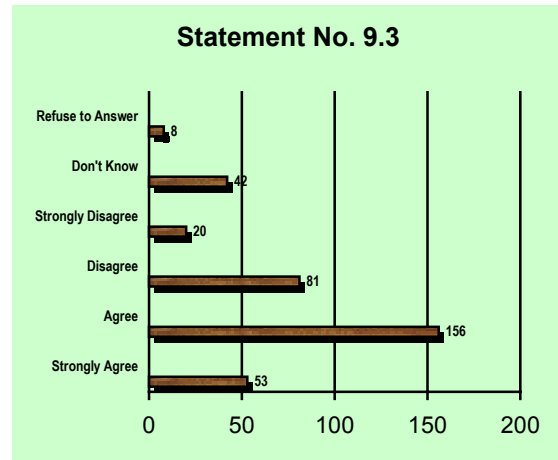
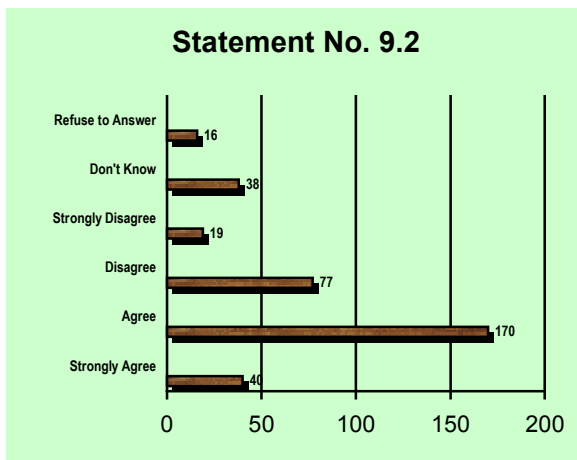
There is a moderate positive agreement with regard to having measures to identify potential fraud and corruption but a slightly positive agreement in DPPF is noticed. Respondents moderately agreed that it is hard to corrupt the current BuCor system of operations, although respondents from DPPF slightly agreed.

Respondents in NBP and CIW moderately agreed when it comes to corruption prevention training while DPPF and IPPF slightly agreed. All respondents slightly agreed regarding fraud detection training.

Moderately positive responses were gathered from NBP and CIW with regard to the success of the BuCor in fighting corruption, while there is a slight positive net agreement noted in DPPF and IPPF. Respondents who tend to disagree are those who have rendered more than 10 years of services and holding non-supervisory positions.



Statements	NBP	DPPF	IPPF	CIW	Agency Rating
9.1 Our agency implements measures to identify potential fraud and corruption.	2.05	2.36	2.15	2.00	2.11
9.2 It is difficult to corrupt our current system of operations.	2.18	2.45	2.37	2.14	2.25
9.3 Employees in our agency are trained to prevent fraud.	2.16	2.31	2.45	2.08	2.22
9.4 Employees in our agency are trained to detect fraud?	2.27	2.39	2.45	2.23	2.32
9.5 Our agency is successful in fighting corruption.	2.08	2.42	2.40	2.21	2.19



9.4 Next Steps/ Recommendations

To have a minimum rating for Corruption Risk Management, it behooves the Bureau to identify its high corruption risk operations and functions and make a profile by assessing the likelihood of occurrence and level of significance. Because this is a technical matter, it is recommended that the personnel who will be assigned to the proposed Internal Audit Unit be trained on corruption risk assessment in coordination with the Office of the Ombudsman, which provides similar trainings.



10. INTERFACE WITH THE 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.

The manner by which an agency interacts with its external environment – the general public, officials and employees of government, private sector and other stakeholders – is important in preventing and eliminating corruption. Managing the external environment involves providing them information on the basic processes and procedures of the office, setting up mechanisms to receive feedback, handle complaints and respond to client needs, ensuring transparency of transactions and procedures, and clarifying conditions of engagements as well as areas where transactions should occur. Effective management of the external environment would result not only in raising the accountability of personnel involved in transacting business with the public, but also in enhancing the public’s perception on the integrity and responsiveness of the agency.

In line with the objective of this dimension to establish effective parameters for external relations and to foster good client relations, the agency was rated based on the following levels of achievement:

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

10.1 BuCor’s Interface with External Environment

The Bureau of Corrections has a unique set of clients or stakeholders owing to its functions. Its primary clients are the inmates and their visitors. Other stakeholders include members of various NGOs and religious sects who are engaged in various activities for the welfare of the inmates, tourists both local and foreign who visit some of the sites, and other persons who transact business with the Bureau such as suppliers/ bidders, buyers of its agricultural products, and members of the media. Interface with these stakeholders requires different approaches.



The treatment of inmates is governed by the Operating Manual of the Bureau of Corrections. The manual lists down the rules on admission, classification, confinement, accommodations, transfer, outside movement, and release of inmates, defines their rights and privileges as well as the services they can avail of, imposes punishment and disciplinary measures, and, although no longer applicable, outlines the procedure for the execution of death penalty. On the other hand, the treatment of inmate visitors and members of NGOs and religious denominations is generally governed by various issuances and memoranda of the Director or the penal superintendent in the penal farms. As regards bidders/ suppliers and buyers, their interface with officials and personnel involved in procurement is governed by the customized code of conduct for such officials and personnel for the bureaus under the Department of Justice. The guidelines set by the Civil Service Commission on frontline service delivery apply with regard to other clients or stakeholders.

Complaints and grievances by the inmates against one another are acted upon by the Inmate Complaints and Assistance Center in each prison compound composed of “trustees” and ranking inmates. Those filed by inmates and their visitors against prison personnel are brought directly to the attention of the penal superintendents.

10.2 Assessment

Table 15. IDA Rating on Interface with External Environment

	National Bilibid Prisons	Correctional Institution for Women	Iwahig Prison and Penal Farm	Davao Prison and Penal Farm	Assessors' Rating
Agency Rating	3	2	0	2	
Deployment Score	100%	100%		0%	90-95%
Validated Score	1	1	1	1	1

National Bilibid Prisons. The participants rated the Bureau “3” for this dimension with a deployment score of 100%. They claimed that the Bureau has an established information system to inform the public/stakeholders of its services, policies, rules, and procedures. As regards its primary stakeholders, the inmates undergo a five-day quarantine period upon admission at the Reception and Diagnostic Center where they are oriented with prison rules. The newly admitted inmates remain in the center up to two months where they undergo various tests, the results of which become the basis for their individualized rehabilitation program.

The participants also stated that the NBP has a system to avoid long queues of inmate visitors during visiting days. ID cards are given to spouses, children, relatives, friends, and other regular visitors who are no longer subjected to the usual screening procedure for first-time visitors, thus, reducing the time for waiting.

It was also revealed during the IDA that some employees received training on how to interact with stakeholders in appropriate and ethical manner and on how to handle and resolve complaints. The participants also apprised the team on the feedback mechanism of the prison in the form of twice-a-month dialogues of the director and superintendent with the inmates.

Correctional Institution for Women. The consensus rating of the participants in this dimension is “2” with a deployment score of 100%. The CIW, accordingly, has an established information system to inform the public of its services, policies, rules and procedures and policy on disclosure of information to the public. It has a reception and diagnostic center where the agency proactively disseminates information on its services, policies, systems and procedures particularly to the new arriving inmates. The new inmates are given information on rehabilitation programs like the following:

- Commitment of Prisoner
- Quarantine Period
- Classification of Inmates
- Orientation
- Discipline
- Privileges



According to the survey results, there is an assigned caller/runner per dormitory for the visitor of an inmate. There is also a form (Inmate Request Slip) through which an inmate can make a request pertaining to her complaint or needs, subject to approval by the Superintendent. Likewise, the agency process in filing a complaint is clear to them as there is a keeper assigned in each dormitory who receives complaints. The keeper then submits the complaint for investigation pending hearing before the Board of Discipline.

For the CIW visitors/ NGOs, posters on prohibited items/ objects and the Flowchart of Work are properly posted at the Control Gate.

It is interesting to note that the CIW has more or less 20 NGOs that extend various assistances to its inmates in different areas such as livelihood, religion, and education, among others. There is a gallery located near the control gate where the listing of NGOs is displayed. In addition, to avoid long queues, there is a separate entrance gate for visitors conducting educational tours/ visits and for inmates' visitors.

Iwahig Prison and Penal Farm. The National Correctional Consciousness Week is observed at the IPPF. The Penal Superintendent and his staff are doing all they can so as to inform the public of their existence as an institution by way of printing handouts and display of inmate products around Puerto Princesa City, other tourist spots in Palawan, and in the penal colony itself. Despite this, the group still rated their institution "0".

Citing budgetary constraints, the focus group discussants admit that they are far behind in this dimension – they have no established information system to inform the public of its services, policies, rules and procedures. The institution has insufficient funds to inform the public, even in Palawan, what they are doing and what services they are offering; they cannot afford to pay for tri-media exposures. Admittedly, IPPF has no policy on disclosure of information to the public.

Davao Prison and Penal Farm. The participants gave a consensus rating of "2" for this dimension and a deployment level of 100%. They claimed that they have an established information system to inform the public of its services, policies, rules and procedures and that DPPF has a policy on disclosure of information to the public. Further, they asserted that all the conditions for rating "2" have been satisfactorily achieved. The participants identified as strength of the agency the existence of a mechanism to check that the published rules, procedures and standards are being met (e.g. client complaints/ feedback mechanisms) and that "*managers monitor compliance with service standards*". However, they believed that relevant personnel are not given training on how to handle and resolve complaints, identifying it as their next step.

It is worthy to note that DPPF has the following practices in handling clients:

- Informing the clients that a waiver form should be properly accomplished (specifically stating that DPPF is not answerable to any consequence that may arise during their visit inside the colony);
- Color-coded Identification Cards issued to visitors according to compound visited;
- Visitors are not allowed to wear clothes identical with the colors being used by the inmates;
- Requiring the inmates/ workers deployed at the TADECO Banana Plantation to wear protective footwear like rubber shoes as per memorandum issued by Superintendent Malinao on 2 September 2005;
- DPPF has organized the "Inmate Welfare Council"; and
- Suggestion boxes were also seen in conspicuous places

Assessors' Rating

The team believes, based on interviews, process observations and indicators research, that the rating for this dimension ought to be "1" with a deployment score of 90-95%. While it may be true that the Bureau has an established information system to inform the clients of its services, policies, rules, and procedures, the system is not part of a more comprehensive strategic communication plan but a mere continuation of accepted practices and traditions within the Bureau. Nevertheless, the team concedes that there is a clear attempt to proactively disseminate information through various modes and strategies.



Information affecting the visitors, for example, is posted on conspicuous areas in the prison compound for them to see. The visitors can also inquire about and seek clarification of policies and procedure from the gate officer, action officer and duty officer. In some “brigades”, the issuances of the Director are even posted on bulletin boards for the information of the inmates. Other inmates benefit from the regular dialogues of their “bosyo” with the prison superintendent by receiving information on new policies and guidelines affecting them. Despite this, however, many inmates are not aware of their individualized rehabilitation plan and the extent and limitation of services that can be provided to them by the Bureau. Our interview with some inmates revealed that they were able to receive most of the information affecting them from their fellow inmates.

The team also validated the efficacy of giving out ID cards to some visitors. It was observed that the waiting time for visitors in possession of the ID has been significantly reduced.

Inmate meal preparation has also been outsourced to private catering services in all of BuCor’s prison and penal farms. Although the move had been made only recently, positive feedbacks had been received from inmates in terms of the variety and taste of the food. Outsourcing has also cut on the number of transactions made in relation to meal preparation. Instead of purchasing provisions time and again, the penal farms now only have to award a contract once until the time of its termination. With less transaction, there is also less opportunity for corrupt practices to take place. This action could also prevent pilferage of foodstuffs and other supplies by personnel involved in meal preparations and storage. As a safeguard, each penal farm has also established a Food Committee tasked to evaluate the quality/acceptability of the meals being served.

The team, however, is not convinced that all the employees are given training on interaction with clients and resolution of their complaints. If at all, only a handful of those involved in frontline services received such training. The team estimates a deployment level of less than 10%. In particular, there is no indication in evidence that the prison guards in all the penal farms have appropriate training on these subjects.

Admittedly, the conduct of frequent dialogues with the representatives of the inmates is a form of client feedback mechanism because it allows the inmates to air their grievances against prison personnel or criticize certain policies and standards that are adverse to them. A more efficacious client feedback mechanism, however, captures the feedback from the client directly and not through an intervenor or one that dispenses with face-to-face contact and accords the client anonymity to avoid retaliatory acts. On-site inspections by the team members, in fact, revealed such mechanism in the form of suggestion boxes. However, it is uncertain if the mechanism is still operational.

10.3 Survey

Moderately positive net agreement ratings were reported across all sites in terms of factors affecting interface with the environment. Highly positive ratings were observed in NBP and CIW for Statement No. 1. No significant difference in responses was found with respect to the consistency of application of written policies and procedures. Moderately positive net agreement ratings were observed in NBP, IPPF and CIW with regard to the BuCor’s ability to act upon complaints and feedback of clients, while it is slightly positive in DPPF. Responses observed in relation to the ability of the Bureau to act on complaints and feedback made by employees were highly positive in CIW, moderately positive in NBP and IPPF, and slightly positive in DPPF.

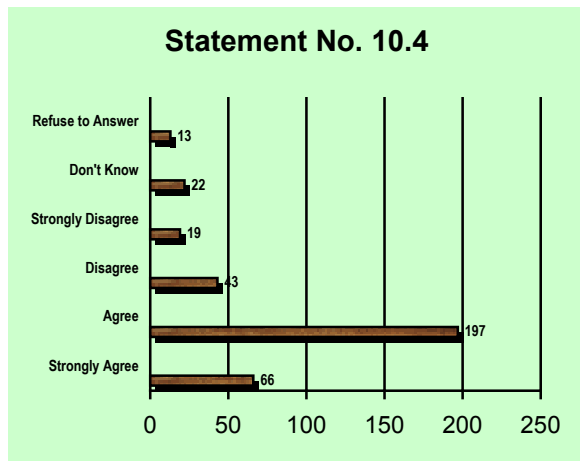
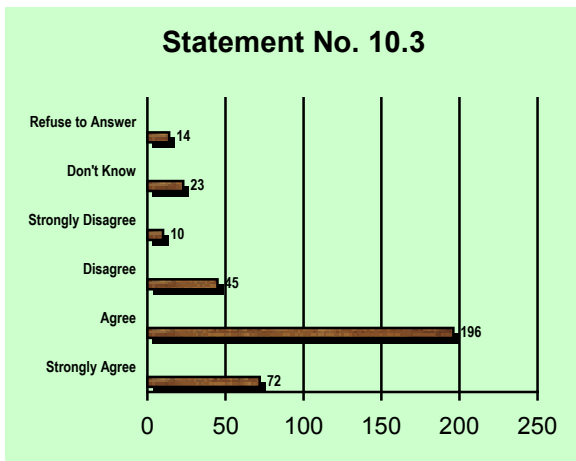
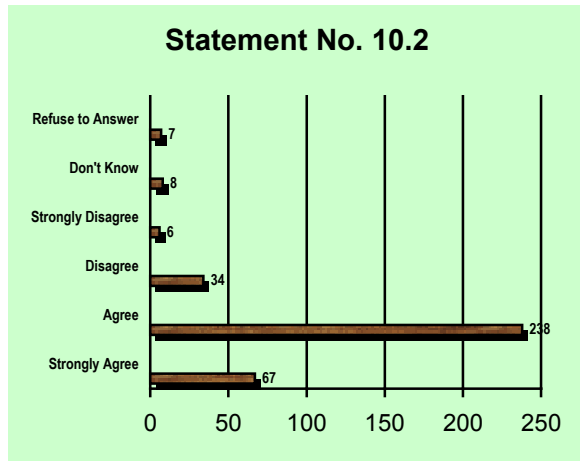
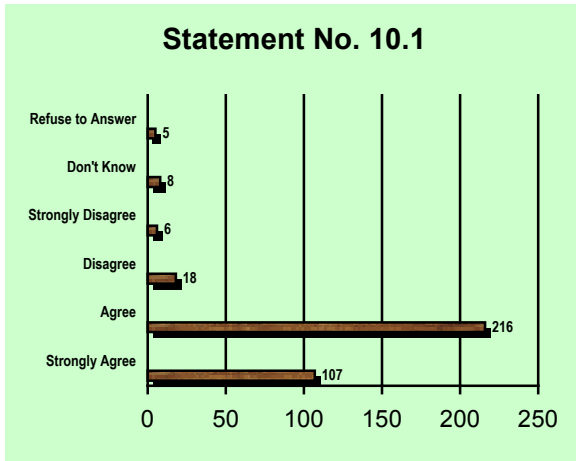
Those who might disagree that operations of the Bureau are clear and easily understood were more likely from non-supervisory rank. Negative responses with regard to consistency of the actual practices with written policies and procedures were more likely those involved in national scope of operations. Negative responses to the Bureau’s ability to act upon clients and employees’ complaints and feedback were more likely from those with at least 10 years of service.

According to the respondents, most of the complaints that they receive from clients are related to the visitation of inmates. However, a large number of employees refused to comment on the matter.



The respondents believe that higher/ additional employee benefits and incentives, as well as communication and good relationship, will help improve the provision of services to the agency's clients.

Statements	NBP	DPPF	IPPF	CIW	Agency Rating
10.1 Overall, operations in our agency are clear and easily understood.	1.73	1.94	1.83	1.69	1.78
10.2 Actual practices in our agency are consistent with written procedures and policies.	1.95	1.92	2.00	1.80	1.94
10.3 Complaints and feedback of <u>clients</u> are acted upon in our agency.	1.91	2.37	1.98	1.83	1.98
10.4 Complaints and feedback of <u>employees</u> are acted upon here in our agency.	2.04	2.30	1.98	1.76	2.05





To improve the services of their agency, employees surveyed believe that it is imperative for the BuCor to provide additional benefits and incentives to its personnel aside from increasing their salary. On the other hand, prison staff should observe humane treatment of prisoners, hard work, punctuality, honesty, discipline and professionalism. Communication, unity, cooperation and good relationship should also inspire both officials and staff in improving their agency's services.

Question No. 10.1: "What can you suggest to improve the services of your agency?"

Suggestions	Frequency	Percent of Responses (%)
Additional employee benefits/incentives/salary	64	16.89%
Improve service to prisoners, humane treatment of prisons, hard work, punctuality, honesty, discipline, adhere to oath of duty/professionalism	55	14.51%
Communication, unity and cooperation, good relationship	37	9.76%

10.4 Next Steps/ Recommendations

To achieve a higher rating of 2 on Interface with the External Environment, the management of the Bureau is urged to provide relevant trainings, particularly to all prison guards, on interaction with the inmates and their visitors and on resolving their complaints. It is also recommended that a client feedback system that dispenses with face-to-face contact be set up and integrated into the performance evaluation system, specifically for rating prison guards and other personnel doing custodial functions. The BuCor may also consider setting service standards, to which its employees should adhere in dealing with their clients.



V. Corruption Vulnerability Assessment

On the Selection of CVA Areas

Three functional areas are deemed as most critical to the achievement of BuCor's major final outputs – as well as to the realization of its mandate. Thus, the assessment team selected them for the CVA, they are:

1. Admission, confinement and treatment of inmates;
2. Human resources management; and
3. Management of agro-industries.

Admission, Confinement and Treatment of Inmates. The first CVA Area, Admission, Confinement and Treatment of Inmates, presents a good picture of what the BuCor primarily does. It is in this functional area where most of the interface between prison personnel and their main clients, the inmates and their visitors, happen. Thus, it is also here where most of the risks for corruption occur. The following processes were examined under this area:

- a. Admission of inmates;
- b. Quarantine of inmates;
- c. Classification and segregation of inmates;
- d. Transfer of inmates to other colonies;
- e. Movement of inmates to attend hearing;
- f. Movement of inmates upon request;
- g. Inmate visitation; and
- h. Inmate communication.

Human Resources Management. The BuCor's most important resource is its human resources. The achievement of its objectives, as well as the failure to do so, depends largely on the manner its officials and employees perform their individual tasks and responsibilities. With the everyday realities and possibilities that they have to deal with at work, BuCor personnel are expected to be always on guard, as a simple lapse may prove to have catastrophic results. Thus, a BuCor employee, especially a member of the custodial force, should always be mentally, emotionally, physically and morally sound. An honest-to-goodness recruitment and promotion system, as well as an effective human resources management is therefore critical to the agency.

The following are the HRM processes studied under this area:

- a. Recruitment and promotion;
- b. Selection of awardees; and
- c. Awarding of commendation/ spot promotion.

Management of Agro-industries. Agro-industrial production is one function that is more or less unique to BuCor among national government agencies, even though some state universities and colleges also have similar undertakings. Yet this area is deemed critical to the performance of the Bureau's mandate, especially since the inmates are providing manual labor to the various agro-industrial projects as part of their rehabilitation program. Substantial amount of financial resources, covering both production inputs and income generated, is also involved. Interface with the external environment is also demonstrated from top management (in entering into joint ventures), to Prison Superintendents and other penal farm officials (in the sale of agro-industrial produce), to the staff employee designated as Trust Fund Officer (in managing inmate earnings).

Three processes were reviewed under this area:

- a. Entering into joint ventures;
- b. Sale of agro-industrial produce; and
- c. Managing inmate earnings.



All three areas were studied in each of the BuCor's four field sites visited during the CVA, namely: a) the New Bilibid Prison; b) the Correctional Institution for Women; c) the Iwahig Prison and Penal Farm; and d) the Davao Prison and Penal Farm. Discussion of CVA results in the area "Management of Agro-industries", however, drew mainly from the information gathered in New Bilibid Prison for the process of entering into joint ventures, Iwahig PPF for the sale of agro-industrial produce and Davao PPF for the management of inmate earnings. These processes are deemed to have the most significant impact, aside from being best demonstrated, in the said sites.

CVA Results

1. ADMISSION, CONFINEMENT AND TREATMENT OF INMATES

a. Admission of Inmates¹⁸

The admission of first-time inmates to the prison facility after conviction by the trial court is governed by the Operating Manual of the Bureau of Corrections. The living bodies of the inmates are turned over to the Bureau by the responsible escorting officers from the BJMP in case of inmates coming from city and district jails, or by the concerned personnel duly designated by provincial wardens in case of inmates previously detained at various provincial jails. As a rule, only prisoners convicted by trial courts to a minimum sentence of three years and one day are transferred to the correctional facility. The conviction need not be final and the inmate may be transferred to the Bureau of Corrections when his case is still pending appeal.

The actual turnover of inmates requires supporting documents such as the *mittimus* or commitment order, criminal information and court decision, certification of previous detention, etc. These documents are necessary to determine if the inmate is classified as a national prisoner for confinement in the Bureau facilities and for other purposes such as categorization into maximum, medium, or minimum. Lack in supporting documents is fatal and the escort is required to return the inmate to the jail of origin.

Risks Identified

Incomplete admission documents. In few instances, an inmate may be turned over to the National Bilibid Prisons with incomplete documents. The prevailing practice is to require the escort to sign a promissory note to submit the lacking supporting papers. In some instances, the escort reneges on his promise to comply with documentary requirements and the receiving officer who allowed the arrangement finds himself in hot water as he is under obligation to return the inmate to the jail of origin.

Entry of contraband into prison facility. On receiving the inmates, the prison guard on-duty conducts a thorough search of the body and belongings of the inmate for the presence of contraband and other prohibited items such as weapons, narcotics, cell phones, etc. and for regulated items such as excess money, jewelry, and the like. Some prison guards may allow the entry of these items either through laxity or in connivance with the incoming inmate (or his accompanying relative) in exchange for a benefit. In Iwahig and Davao, fellow inmates who are squad leaders do the search instead, supposedly under the supervision of a prison guard. Accountability for entry of prohibited and regulated items remains with the prison guard on-duty and they may face administrative sanctions for omission of diligence. However, there is no reported account of administrative sanctions imposed upon a prison guard for this.

As a remedial measure, the body and belongings of an inmate are subjected again to search when they are turned over to quarantine. The presence of these items may be discovered during the second search. From time to time also, unannounced raids of the dormitories are conducted for this purpose.

The physical examination of the body of the inmate is also carried out for the purpose of identifying certain marks or tattoos signifying his/her gang affiliation (e.g. Batang City Jail, Bahala Na, Oxo, Sigue-Sigue, etc.). There is

¹⁸ See Annex D-1 for the process flow chart on the admission of inmates.



no policy on segregation of the prisoners according to gang affiliation as is practiced in the BJMP. But the prisoners are segregated according to the geographical region of origin. The marks or tattoos are “erased” by superimposing them with ink. The idea is that by obliterating their tattoos, the inmates are renouncing their association with gangs, which is the reason for jail riots in the past, and they are now embracing the principle of harmony and mutual peaceful coexistence with other inmates. Despite this, however, members of the same gang still prefer to be housed in the same dormitory to the exclusion of other gangs.

The incoming inmate also undergoes various other procedures such as fingerprinting, mug shots, regulation haircut (there is no regulation haircut for female inmates). It has been observed, however, that the taking of the fingerprints and pictures of the inmates is done days after initial confinement in the absence of a responsible officer tasked to do this.

Non-issuance and/or pilferage of inmate provisions. The accepted inmate is issued prison provisions such as a color-coded t-shirt, mosquito nets, blankets, mats, soap, etc. Under the Operating Manual, three (3) pieces of t-shirts are given as first issue. For apparent budgetary restrictions, only one (1) piece of t-shirt is given. The other provisions are only given subject to availability of supplies. To ensure that the government issue redounds to the benefit of the inmate, the Storekeeper is required to submit Memorandum of Receipt/ Issuance to the Supply Officer. An issuance card is signed by the inmates and they can air their grievances about non-issuance to the Prison Superintendents. The Resident Auditor also conducts regular audit of BuCor's storage system/ facility. To guarantee continuous supply, the issuance of provisions is based on monthly averages.

Recommendations

A system of incentives may be established by the BuCor to motivate prison guards to search inmates more thoroughly. The Bureau may also consider investing in searching equipment. The prison guards should strictly adhere to the Operating Manual with regard to the standard of diligence in the conduct of search. As much as possible, the penal superintendent or his duly designated representative should be present for tighter monitoring of the process. The practice of delegating this function to squad leaders, even under the direct supervision of the prison guard on-duty, should be discontinued in the colonies. Proactive budget and procurement programming of prison requirements/inmate provisions could also help the BuCor avoid shortages of these supplies within the year.

b. Quarantine of Inmates¹⁹

Once accepted, inmates undergo a five (5) day mandatory quarantine at the Reception and Diagnostic Center (RDC). There is a separate RDC for all the seven (7) prisons. The RDC compound is isolated from the other prison compounds by physical barriers or sheer distance to prevent interactions with old prisoners. The inmates and most bureau personnel agree that the living conditions in the RDC are better in terms of order, hygiene, and crowding and discipline of inmates that there are some who opt to stay longer in the facility beyond the reglementary period.



**The Reception and Diagnostic Center
New Bilibid Prison, Muntinlupa City**

During the quarantine period, the inmates are physically examined to determine any ailment or handicap that requires special medical intervention. They are also given orientation about prison rules. Moreover, sociological profiling and interviews by a counselor, social worker, or other program staff officer are conducted in private.

¹⁹ See Annex D-1 for the process flow chart on the Quarantine of Inmates.



More specifically, the inmates undergo medical procedures at the hospital. It was observed, however, that the NBP hospital lacks certain equipment and facilities for this purpose. Inmates feigning illness in expectation of special accommodations are discouraged by the state of the hospital or infirmary in the case of the colonies.

A battery of psychological examinations is also administered supposedly during the quarantine. Because of lack of trained personnel, the tests are sometimes administered outside the period. These tests include IQ, personality, and aptitude tests, both written and oral. By conducting the tests, RDC is able to determine whether or not an inmate suffers from psychiatric conditions and therefore, needs preferential treatment like confinement in mental institutions. The results of the tests are also factored in for recommending an inmate to complete his formal education in-prison.

Risks Identified

Delegating certain tasks of organic personnel to inmate-orderlies. It was observed that inmate-orderlies assigned at the RDC are delegated with the tasks of sociological profiling and interviews, actual administration of battery of tests, as well as orientation of prison rules, that ordinarily pertain to organic personnel of the prison. While the practice apparently dignifies these inmate-orderlies by raising their self-esteem and recognizing their abilities, they are also unduly put to a position of ascendancy over other inmates to their advantage. It also fosters a deeper level of acquaintance with the responsible organic personnel fomenting idleness on their part. The organic personnel are also unduly benefited when reporting the accomplishments of the orderlies as theirs in their semestral performance accomplishment report.

Recommendations

In the absence of psychologists, other bureau personnel may be trained or briefed to administer the psychological tests. The Bureau may also consider forging partnership with other government agencies such as NMHC, NBI, PNP, etc. for this purpose. The practice of delegating certain tasks to inmate-orderlies should either be discontinued or limited only to purely mechanical acts or routine functions with no assessment involved.

c. Classification and Segregation of Inmates²⁰

In every prison, inmates are classified into three categories according to security risk: maximum, medium, or minimum. A separate prison compound houses the inmates under each category in the NBP and Iwahig. In CIW, the inmates belonging to the three categories are mixed up and interacting with one another. In Davao, the inmates are housed in one enclosure. Although there are physical barriers such as barbed wires separating each category from one another, the inmates are not prevented from mingling with one another.

Under the Operating Manual, the classification is generally based on the length of the sentence. Those sentenced to be imprisoned for a minimum of 20 years are ordinarily classified as maximum; those with lower sentences are medium. Inmates who are eligible for commutation, parole, or pardon, or have severe handicap or advanced age, or have only 6 months more to serve before expiration of sentence, are classified as minimum. Other factors to consider are youth, pendency of other cases, recidivism, habitual delinquency, and record of previous escapes and administrative infractions. Inmates classified as minimum are either living-in or living-out. Live-outs are allowed to stay in shanties outside the prison compound and monitoring is not as strict. Only inmates belonging to minimum and medium security are allowed to work in agro-industries in penal farms. The medium inmates are under closer watch and guard.

To identify the inmate, special color-coded shirts are required to be worn especially when they transact business with prison authorities. Inmates classified as maximum wear tangerine, medium blue, and minimum light brown. Students under the educational program are required to wear white or even blue. Office orderlies are made to wear blue regardless of their classification. In Iwahig, the penal farm workers wear any clothes in the absence of supply.

²⁰ See Annex D-1 for the process flow chart on the classification and segregation of inmates.



In the NBP, there is a separate prison facility for juveniles. Juveniles are offenders with ages ranging from 18 to 21 at the time of confinement. They can be seen wearing green uniform to identify them as such. No such segregation exists in the other prisons.

In the different compounds of the NBP and other prisons, the inmates congregate according to gang or regional affiliations. They stay within the same dormitory led by a *bosyo*. The *bosyo* is not necessarily the longest staying inmate. The *bosyos* for each dormitory constitute the council of elders. The inmates are consulted by prison authorities through the members of this council.

The duty to classify and segregate inmates belongs to the Classification Board. Under the Operating Manual, the Superintendent chairs the board with the Chief of RDC being the Vice-Chair. The members include the medical officer, Chief of Education Section, and Chief of Agro-Industries Section. In practice, however, the chaplain is also allowed to sit in the board. The Chief Overseer acts as the secretary.

Risks Identified

Incomplete data and/or inaccurate entries in the inmate summary of records. The board deliberates the case of an inmate on the basis of the inmate summary of records prepared by the case coordinator, a staff at the RDC. The practice, however, is delegating this function to the inmate-orderly at the RDC. Because these inmates are not accountable officers, preparation of incomplete records and/or inaccurate entries is risk to consider although there have been no documented accounts of these.

After the five-day quarantine, the inmate is allowed to stay at the RDC for 55 more days completing his 60-day stay. During this period, prison guards and other personnel of the RDC are supposed to observe the demeanor of the inmates and document their observation by reporting critical incidents involving the inmate. This is an input to the inmate summary of records, which may be appreciated by the Board during its deliberation. The assessment team, however, failed to validate this activity either through document reviews, interviews, or process observation.

Deviation from guidelines in classifying and segregating inmates. Despite certain criteria for classifying and segregating inmates, there were reports of deviation from these guidelines as a result of political accommodation. This is especially true at the RDC when certain politicians request that a particular inmate be allowed to stay longer inside the center. There is also a wide discretion on the part of the Chief RDC to allow overstaying inmates, taking into consideration their special skills and abilities. The decision of the board (or the Chief RDC) is nevertheless subject to approval by the Director.

Inmates are not informed of their individualized rehabilitation program. A separate Classification Board chaired by the Chief RDC exists at the center for the purpose of determining the individualized rehabilitation program appropriate for an inmate. However, random interviews with selected inmates at all sites failed to validate this program. This could either mean that there is no rehabilitation program identified for these inmates or there is no program disseminating this information to the inmates concerned.

Bribery or gift-giving by inmates to prison guards. After classification, the inmate is subsequently brought to the prison compound to which he belongs. Once transferred, the inmate now begins to adjust to new conditions obtaining in the place of confinement. Among the adjustments he makes is making acquaintances not only with fellow inmates but also with prison guards. The prison guard, by allowing himself, if not proactively seeking, to become an acquaintance of the inmate (or his relative) makes himself vulnerable to bribery or gift-giving in exchange for certain privileges or concessions for the inmate within the prison facility such as the choice of dormitory or relaxing certain restrictions.



Undue acquaintance between inmates and prison guards. It can be easily explained why the inmates can make acquaintances with prison guards and other personnel effortlessly. There appears no attempt on the part of prison officials and personnel to keep distance or bubble of space separating them from the inmates to assert their authority and maintain their ascendancy. The prison facilities visited by the assessors have a relaxed atmosphere and an air of intimacy as exemplified by prison officials seen walking side by side with inmates or prison guards engaged in personal conversations with prisoners. From time to time, the Director issues various memoranda reminding concerned prison personnel to comply with certain rules, thus, impressing that some guidelines can be relaxed. The shoddy appearance and sloppy demeanor of some prison guards also make themselves vulnerable as they create an impression that they too “belong” and, thus, can be approached.

Recommendations

Higher prison officials should look into delegation of various administrative functions of the RDC to inmate-orderlies. The RDC should also come up with a program to inform the inmates of their individualized rehabilitation program. The Chief RDC should also regularly report to the Director the names of inmates who have been staying at the RDC beyond the 60-day period, with justification for continued stay.

The Bureau should adopt a policy against acquaintances between the prison personnel and the inmate (or his relative). This policy should be integrated into the Code of Conduct, especially for members of the custodial force. A scheme for rotating the prison guards to prevent too much familiarity with the inmates should also be adopted. Prison guards should be re-oriented on proper demeanor and given trainings on personality development to be more assertive. The prohibition for prison guards to enter the prison compounds outside their shift and for administrative staff to go inside at any given time, without clearance from the Director or Superintendent should be strictly enforced.

d. Transfer of Inmates to other Penal Farms²¹

When a national prisoner is committed to any prison under the Bureau of Corrections to serve his sentence, he may be transferred by the Director upon recommendation of the Superintendent concerned to another facility to bring said inmate closer to his family or as part of his rehabilitation program.

The Operating Manual prescribes the guidelines for the transfer of inmates not only to another prison facility but also to a mental hospital in case of mentally ill inmates as well as to a stockade of the AFP under certain conditions.



***Iwahig Prison and Penal Farm
Puerto Princesa, Palawan***

When an inmate seeks to be transferred, he may write a letter-request to the Superintendent. (An inmate may also be transferred to another facility at the instance of the Director to decongest crowded jails.) The Chief Overseer receives the request for initial screening for subsequent indorsement to the Superintendent. The latter then recommends that the request be included in the agenda of the next meeting of the Classification Board. It is the Board that recommends definitive action on the request to the Director. The requesting inmate is notified of his inclusion in the agenda so that he may be forthcoming when summoned by the Board. The Board then deliberates on the request of inmates and submits its recommendation to the Director for approval.

²¹ See Annex D-2 for the process flow chart on the transfer of inmates to other penal farms.



Once approved, the Chief of Escort Unit is notified to assign prison guards who will escort the inmate to the new correctional facility. The same risks obtaining in escorting inmates to attend hearings apply. The risks are higher considering the distance between each prison.

Before the actual transfer, arrangements are made for the travel of the inmate and the escorting prison guards. In most instances, the problem that arises is lack of funds. The lack of sufficient funds to defray the expenses of travel of the inmates is one of the identified reasons for overcrowding in NBP. But the lack of funds does not prevent the affluent inmate from spending his personal money for this purpose.

Risks Identified

Transfer of inmates to preferred penal farms through political patronage or bribery. Perhaps due to the open prison system in Iwahig, there are a considerable number of inmates from NBP who desire to be relocated there. However, there are certain constraints that must be considered and only a few of these requests are granted. The high demand for transfer gives an opportunity to certain prison authorities to use their influence to favor or discriminate against an inmate. The low supply, on the other hand, opens the gate for political patronage or even bribery by inmates and their padrinos.

The victim or relatives of the victim ordinarily have a stake in the decision to transfer an inmate. When an inmate is relocated to a facility to become closer to his relatives and in so doing, also comes closer to the victim or the relatives of the victim, the latter may, of course, register their opposition. Unless the victim or his relatives are notified and oppose the transfer, there seems to be no existing mechanism to check out the use or abuse of discretion of prison authorities in causing the transfer of an inmate.

Recommendations

Receipt of the inmate request to transfer by the Chief Overseer is an additional bureaucratic layer in the process. Inasmuch as the request is addressed directly to the Superintendent, the same may be coursed directly to his office per existing set up and policy applicable to grievances. The Chief Overseer at any rate should not be given the discretion to screen the request; it should be ministerial on his part to indorse the request to the Superintendent in case the inmate courses his request through him. To ensure transparency and accountability of certain officials who exercise discretion to transfer an inmate, it is necessary for the victim or his relatives to be notified of the request and the decision to transfer.

e. Movement of Inmates to Attend Hearing²²

Not all prisoners detained at the NBP and the colonies are serving final sentence. Some are still on appeal while others still have pending criminal cases before different courts. The order of the trial court immediately committing to the Bureau of Corrections facility an accused found guilty of a felony even when there is still an appeal or there are other cases pending in other courts, contributes to the congestion of prisoners at the NBP and the penal colonies and unduly taxes on the resources of the Bureau.

In each facility, there is an Escort Unit composed of prison guards who are called upon to escort an inmate who is attending the hearing of a pending case. (These escorts may also be called upon for other types of inmate movements such as attending the wake of a deceased relative or hospitalization of an inmate.) In some cases, the venue is within Metro Manila and nearby provinces. It is not unusual if the venue is outside Metro Manila as far as the Visayas and Mindanao. The order of committal of judges creates a situation when an inmate from Mindanao needs to come back to Mindanao in order to attend the hearing of an unfinished case. Ordinarily, three guards are assigned per inmate regardless of the classification. If the inmate is a female, one of the escorts is also a female in deference to gender sensitivity.

²² See Annex D-3 for the process flow chart on the movement of inmates to attend hearing.



An inmate is required to attend the hearing of his case through a subpoena issued by the court. The subpoena is addressed to the penal superintendent. In some instances, the subpoena cannot be complied with due to lack of prison guards who will escort the inmate, unavailability of vehicle, or budgetary constraints on travel by sea or air. The penal superintendent, hence, risks being cited for contempt by the court that issued the subpoena. The greater risk, of course, is that the case against the inmate will drag longer and this ultimately prejudices the Bureau because of the attendant costs of escorting an inmate.

The Budget Division has not estimated the cost of escorting inmates. Nevertheless, the amount is significant. The Bureau actually spends for the cost of the manpower complement used in escorting, the cost of petroleum, oil, and lubricants (POL) and depreciation of its service vehicles, and that of reasonable per diems and travel allowances of escorts. For per diems alone, the Bureau spent 17 million pesos in 2006. The Bureau could save a considerable amount if inmates with pending cases would not be committed to the prison facility immediately.

Ideally, the situation can be remedied if these inmates are not yet committed to the prison facility by the judge. But most of the time, the judge who issued the order of committal is unaware of the pendency of other cases in other courts. There is also too much prodding on the part of the victims or their relatives to immediately execute the sentence. Moreover, in some occasions, the convicted felon himself moves the court to be transferred immediately to the BuCor facility because of perceived better living conditions there than in most city or provincial jails run by the BJMP. The leadership of the Bureau has not effectively addressed these problems.

When the prison superintendent receives the subpoena, he directs the preparation of a pass to vouch for the movement of inmate. He also notifies the inmate concerned as well the Escort Unit of the schedule and place of hearing. The head or chief of the Escort Unit then assigns the escorts who in turn make arrangements with the motor pool for their transportation or with the Finance Division for their travel per diems and expenses.

Assignment of escorts is the prerogative of the chief of the unit. He usually assigns any escort who volunteers for the assignment or is available on the particular day. He also takes into consideration the number of times the escort has had previous travel to provinces in an attempt to equalize the opportunity. In some cases, the escorts are selected by lot. Despite this scheme, some escorts complain of lack of chance to travel especially to provinces raising suspicion of favoritism or discrimination.

New prison guards are not usually assigned to the Escort Unit. Their lack of experience in handling inmates outside the prison is seen as vulnerability. Those who are assigned at the Escort Unit, on the other hand, are also not given mainstream custodial functions at the facility, except as a disciplinary measure. There is a general perception that the prison guards that should be assigned to the unit should be reliable and trustworthy in order to prevent the escape of inmate. No standard for these behavioral attributes has been set, however, in the performance evaluation system for escorts.

Risks Identified

Extension of privileges to inmate by escort guards. The turnover of prison guards assigned at the Escort Unit is slow; some prison guards have been detailed to that unit for as long as seven years. Although this may be seen as an opportunity for them to hone their craft in escorting an inmate, this is also considered vulnerability to commit acts of corruption unique to personnel involved in that function. There have been reports of escorts receiving gift or benefit from an inmate in exchange for some laxity during the escorting process. Among these concessions include allowing the inmate to visit a relative or go to a place other than the courts (e.g., mall or shopping center), converse with anyone, not wear handcuffs or official uniform, etc. These special privileges and accommodations extended to the inmate put the escorts at a risk of inmate escape. But there is no effective mechanism to check the acts or demeanor of the escorts once they are outside the prison facility. The inmate who is benefited is ordinarily not expected to report the escort to his supervisor.

The escorting prison guard is required to fill out an official pass form. The pass indicates the actual time of departure from, and arrival to, the prison. The time of arrival to and departure from the court is, however, not reflected. The proposed route is not indicated either in the pass. These give the escort an opportunity to divert from his itinerary.



Recommendations

Prison guards assigned to the Escort Unit will establish familiarity with the inmates in time. To address this vulnerability, the Bureau may consider fixing the tour of duty of an escort guard to a definite period (e.g., six months or less) and develop an effective rotation plan. However, prison officials expressed their concern that there may be too few prison guards to rotate, given the low ratio of guards to inmates. The following table shows the ratio of prison guards and total custodial staff to inmates per penal farm:

Table 16. Ratio of Prison Guards and Custodial Staff to Inmates per Penal Farm

Field Unit	Inmates	Prison Guards (PG)*	Custodial Staff (CS)**	PG:Inmate Ratio	CS:Inmate Ratio
NBP	19,545	695	717	1:28	1:27
CIW	1,428	20	27	1:71	1:53
Leyte RP	2,989	44	45	1:68	1:66
Iwahig PPF	4,537	119	124	1:38	1:37
Davao PPF	1,036	169	172	1:6	1:6
San Ramon PPF	1,540	75	78	1:21	1:20
Sablayan PPF	1,072	68	72	1:16	1:15
TOTAL	32,147	1,190	1,235	1:27	1:26
* Includes Prison Guards I, II and III					
** Composed of Prison Guards, Security Officers, Wardens and Penal Supervisors					

It can be seen in the table that, on the average, there is only one prison guard for every 27 inmates. In the CIW and the Leyte PPF, the ratio could go down to as low as 1:71 and 1:68, respectively. However, it can also be as high as 1:6 such as in the case of Davao PPF. It should be noted that in addition to this fact, not all prison guards are performing custodial functions, since a significant number of them are assigned to do administrative tasks given the lack of admin personnel. Present government initiatives such as the Rationalization Program could help in addressing this problem. (In the succeeding CVA areas, more suggestions are presented to address this concern.)

In addition to an effective rotation scheme, it is also recommended that the official pass form reflect also the estimated time of arrival to the prison facility, the actual time of arrival to and departure from the courts, as well as the proposed route. The itinerary for out-of-town escorting should also reflect every detail of time and place.

The Bureau may also consider transferring inmates to colonies closer to or conveniently accessible from the courts where cases are pending (e.g., an inmate at NBP may be transferred to Iwahig if there is a pending case in Puerto Princesa City and nearby municipalities).

f. Movement of Inmates upon Request²³

Inmates may be moved out of confinement in order to view a deceased relative or to be put in a hospital owing to a condition, which cannot be remedied in the NBP hospital or local prison infirmary. The Operating Manual prescribes certain conditions for movement of inmates under these circumstances.

Requests from inmates in order to view a deceased relative are ordinarily approved if the place where the wake is being held is within a 30-kilometer radius from the place of confinement. Viewing is limited to daytime only and the inmate is not allowed to attend the burial rites. In some instances in the past, inmates have been granted permission to attend the wake of a relative outside the 30-km radius on humanitarian grounds. In view of the attendant risk, inmates classified as maximum are denied this privilege.

²³ See Annex D-4 for the process flow chart on movement of inmates upon request.



The request to view a deceased relative requires the submission of an NSO certified copy of the birth certificate of the dead relative to apprise the prison authorities of the relationship of the dead relative to the inmate. A photocopy of the death certificate of the deceased kin is also required to prove the fact of death. The request may be coursed through the Overseer for endorsement to the Director for inmates at NBP or to the Penal Superintendent for the colonists. The Director then transmits the request with his recommendation to the Secretary of Justice for approval. The imprimatur of the Justice Secretary is not required for requests coming from the inmates of the penal farms. The nod of the penal superintendent is all that is necessary to allow the inmate to attend the wake.

To facilitate the approval of the request, the relatives of the inmates usually personally hand-carry the request to the Department of Justice. They are also the ones who transmit the approved request to the Bureau Director for the proper travel arrangements. The Bureau Director then notifies the Penal Superintendent who then mobilizes the Escort Unit for the actual movement of inmate.

When an inmate is afflicted with a serious disease requiring a more intensive or specialized treatment that cannot be extended by the NBP hospital or local infirmary, he/she may be transferred to an accredited government hospital for this purpose. A medical officer in the prison may request the movement on behalf of the inmate. No extensive documentary requirements are required to be presented. This privilege extends even to inmates classified as maximum and there is usually no restriction as to the time of actual movement to the hospital. The request needs to be approved only by the Director in case of life-threatening situations.

Risk Identified

Delayed action on request and bribery. In situations such as these, time is of the essence so a delay of one day can be intolerable. There is a risk that some prison authorities would delay, either intentionally or by procrastination, any action on the request. The relatives of inmates may also bribe certain officials to act favorably on the request even if there are conditions that are not satisfied, or to act on it with undue haste.

Recommendations

Since time is of the essence by the nature of these requests, there should be written policy that processing of these requests should be done in the most expedient manner (e.g. that it should take only one day). Proper coordination must be made with the Department of Justice to dispense with personal follow-ups done by the relatives of the inmate who may not have the means to go to the DOJ office and back.

If similar requests for movement by inmates in the colonies need to be approved by the penal superintendent only, the BuCor may consider revisiting the policy of requiring the imprimatur of the DOJ Secretary for requests made by inmates of NBP and CIW, in consultation, of course, with the Department of Justice.

g. Inmate Visitations²⁴

Inmates serving sentence at any of the prison facilities are given the privilege of being visited by their relatives or even friends as part of their rehabilitation. At the NBP, the inmates may be visited five times a week except Monday and Tuesday. Visitation time is from 7 a.m. to 3 p.m. In some exceptional cases, counsels, doctors, and ministers of faith may visit the inmate at any convenient time subject to fewer restrictions.

Visitors may see the inmate face-to-face with no barrier between them unlike the practice in some foreign prisons. They may even see the inmate inside his dormitory but this privilege is extended only to the immediate members of his family. Other visitors may see the inmate at a common visiting area. Children of inmates are allowed regardless of age. Conjugal visitation is allowed but this is offered only to the legitimate wife or common-law wife provided their names have been submitted to the prison at the time of initial confinement. The names of other regular visitors are also required to be disclosed by the inmate at the time of his initial confinement. Female inmates at the CIW are extended the same privileges except conjugal visits for obvious reasons.

²⁴ See Annex D-5 for the process flow chart on the visitation of inmates.



A visitor's card is issued to regular visitors, i.e., those whose names have been submitted beforehand. There are certain documentation requirements to prove filiation. Regular visitors are no longer interviewed as to the purpose of the visit. All visitors, nevertheless, are subjected to thorough search of their body and belongings for contrabands (e.g., narcotics, alcohol, cellular phones, deadly weapons, etc.). Female visitors are searched by female prison guards in deference to gender sensitivity. All visitors are subject to the regulations inside the prison.

Risks Identified

Entry of prostitutes in prison facilities. There are reports of prostitution inside the prison compound. There appears no effective mechanism to distinguish legitimate visitors from these prostitutes.

Entry of contrabands into prison facilities. In the colonies, trustee-inmates are tasked to do the search in the presence of the duty guard. These trustee-inmates are accountable only to the duty guard. They do not exercise discretion and their acts are limited to purely mechanical. In the sites that the assessment team visited, bulk items are allowed to pass. Although not necessarily contraband, these items find their way in the stores being operated inside the prison compound. Moreover, construction materials are allowed to pass. These are used to construct makeshift facilities inside the dormitories, which in few instances are rented out to affluent inmates desiring more comfortable lodging. There is nothing in the BuCor Operating Manual that prohibits these items. The entry of these items may, however, unduly compromise the defense plan of the prison because they obstruct the view of the dormitories.

Siphoning of government articles/inmate provisions from the prison. Visitors are also subjected to post-visit search. The purpose is to prevent the taking out of government articles and inmate issues such as t-shirts, mats, blankets, mosquito nets, etc. There is also a risk, however, that the prison guards may allow this due to acquaintance with the inmate/visitor or in exchange for some bribe/favor.

Undue acquaintance between visitors and prison guards. Frequent visitors pose a serious corruption risk by forging acquaintance with the guard on-duty. In the sites visited by the assessment team, some visitors displayed unusual familiarity with these prison guards. There are reports of prison guards accepting small tokens from frequent visitors as part of *pakikisama*. The prison guard can return the favor by not subjecting the visitor to a more thorough search, by allowing the entry of some items, or by accommodating the visitor to the prison ahead of others. The inmate being visited also benefits from the liaison between his visitor and the prison guard one way or another in the form of preferential treatment.

Overstaying visitors. At the NBP, the list of visitors is computerized for easy identification using bar-coded IDs. As an added control, the names of the visitors are recorded in the logbook of the guard on-duty upon entry and exit. Visitors who overstay inside the prison compound can be checked in this manner. Despite this, there are reports of some visitors being allowed to overstay, through consent or negligence, but not overnight.

Recommendations

The Bureau may consider computerizing the list of visitors in the colonies like what they have done in the NBP. It may also consider investing in non-manual or technology-interfaced searching equipment. The delegation to the trustee-inmates of the duty to conduct the search should also be discontinued particularly in the colonies. Moreover, the prison guards who man the control gates should be rotated every so often to prevent them from becoming too acquainted with frequent visitors. Finally, the Bureau should have a policy against gift-giving by inmates, their visitors, and other external stakeholders to prison officials and personnel in its Code of Conduct.



h. Inmate Communications²⁵

One of the privileges of the inmate is sending and receiving mail. But there are certain restrictions. Both incoming and outgoing mails are examined for contrabands that can be inserted inside the envelope. Incoming mails are also screened for sensitive contents. For example, a letter to an inmate informing him of the demise of a relative may be too difficult to be handled emotionally by the inmate. Hence, breaking the news to the inmate should be strategized by the responsible prison authority. Information about the conditions of the prison that may be used to breach security measures can be sanitized as well.

Risk Identified

Incoming or outgoing mail may not reach addressee. A responsible officer is tasked with receiving and sending all letters of the inmate. He usually keeps a logbook where he records all incoming and outgoing mails. There is no control mechanism, however, to check whether all the incoming and outgoing mails of the inmates are reflected in said logbook. There is a risk that some mails may not reach the inmate or the addressee in this regard.

Recommendations

As additional control, it is recommended that the mail officer photocopy for reference the delivery slip of the postman to account for all incoming mails. A list of all outgoing mails stamped received at the post office should also be prepared for reference. It is recommended that these lists be posted inside the prison compound for the information of the inmates. Moreover, screening of the mails should be done immediately upon receipt to prevent losses or theft of mail matter.

²⁵ See Annex D-6 for the process flow chart on the management of incoming and outgoing mail.



2. HUMAN RESOURCE MANAGEMENT

a. Recruitment and Promotion²⁶

Publication/ Posting of Vacant Positions

Vacant positions in the BuCor are published by its Personnel Division in a newspaper of general circulation and posted in the Central Office's bulletin board in accordance with CSC rules and regulations. In addition, job advertisements are posted in the CSC website or sent to colleges and universities offering BS Criminology and other related courses. Due to the current administration's policy of centralizing the bureau's recruitment process, all pronouncements regarding vacancies emanate from the Central Office and forwarded to the different colonies by way of memoranda. In the case of colonies such as Iwahig PPF, which has sub-colonies, the Prison Superintendent issues a memorandum informing the different penal supervisors of the openings.

Risks Identified

Withholding information on vacancies from the public. Within the colonies, information regarding vacancies is usually disseminated through word of mouth among prison personnel and their relations. Posting of notices does not appear to be standard practice. This arrangement may provide the opportunity for colony officials and personnel to intentionally withhold information regarding vacancies to the general public in favor of their friends and relatives.

Not all applications are forwarded to the Central Office. Applications submitted to the colonies are indorsed by the Superintendent to the Central Office, which takes charge of the process from that point onwards. However, there is no internal control put in place to ensure that the colony indorses all qualified applications received, and not only those coming from favored applicants.

Neuropsychological and Medical Examinations

Upon receipt of applications, the Personnel Division conducts a documents review to determine if the applicants meet the minimum requirements for the position. Qualified applicants are required to undergo neuropsychological and medical examinations. The Reception and Diagnostic Center conducts the neuropsychological assessment, while the NBP Hospital performs the medical exam. Both tests have corresponding fees to be paid by the applicant. Recommendations are sealed and forwarded to the Personnel Division. Those who fail the neuropsychological and medical examinations are no longer eligible for the next steps.

Risk Identified

Conflict of interest. A conflict of interest may occur, however, if the applicant is related/acquainted to the examining psychologist/medical officer. This could result to an otherwise unfit applicant getting a favorable recommendation. This is especially plausible since the results of the neuropsychological assessment are not validated for accuracy.

Agility Test

Applicants for the position of Prison Guard I who have passed the neuropsychological and medical exams are required to take the Agility Test supervised by the Office of the NBP Superintendent. The said test is a battery of drills that measure the applicant's capability to perform highly physical activities. However, applicants for promotion, as well as applicants for non-custodial/ administrative positions, need not take the Agility Test.

²⁶ See Annex D-7 for the process flow chart on recruitment and promotion.



Written Examination

All applicants, whether for recruitment or for promotion, take a written examination prepared by the Director himself. The examination seeks to measure the applicant's preparedness to assume the position he/she is applying for. When there are vacancies on different positions, all applicants are given the same set of questions regardless of the position/s applied for (an applicant may apply for more than one position), such that an applicant for Prison Guard II has to answer the same examination as an applicant for Penal Institution Supervisor. However, different sets of questions are provided to each batch of examinees.

Sufficient safeguards are taken by the Director to ensure that there would be no leakage of the test questions – he prepares the questionnaires and even personally delivers them to the examination venue at the appointed date and time. Although staff from the Personnel Division assist in administering the exam, the Director's personal secretary is the one who collects the questionnaires and answer sheets at the end of the exam. The Director is also the one who grades the answers. In due time, the results of the exam, which reflect the rating of each examinee, are posted on the bulletin board.

The requirement of passing a written examination was only recently introduced in an attempt to follow meritocracy in the selection of candidates. There is no indication that this practice has already been institutionalized in the Bureau.

Risk Identified

Abuse of discretion in grading the exams. Lack of transparency, however, may expose the process to abuse of discretion. Unlike the panel interview where other officials are involved, the written exam is under the Director's complete control. Grading could also be subjective as the exams are of essay type and the name of the examinee is written on the answer sheet.

Panel Interview

Applicants who passed the written examination qualify for the panel interview. The Personnel Division provides the Panel of Interviewers, composed of the top officials of the Bureau – including the Director, with an abstract of applicants qualified for recruitment/ promotion summarizing all the important information regarding each applicant. It is supposed to provide the panel with a bird's eye view of the applicants' qualifications and guide them in conducting the interview.

Risks Identified

Window-dressing the abstract to favor preferred applicants. The abstract can be seen as an instrument promoting transparency, as it provides a quick comparison of the applicants' credentials. For records purposes, all names of qualified applicants are retained in the abstract, whether they were able to pass the examinations or not. Despite this, the abstract can also be vulnerable to "window-dressing", such that preferred applicants are made to appear more qualified than others even if it is not the case. Some applicants may also be discriminated against by understating their credentials to favor others.

Threats to integrity of the panel interview. The panel interview itself undoubtedly serves as a good measure of the applicant's intellectual capacity and personality. However, the Director's inclusion in the panel – no matter how pure the intention is, may affect the democracy of the process and the independence of the other panelists' decision-making. This matter is especially important since majority of the panelists are members of the Selection Board, which makes final recommendations to the Director with regard to appointments.²⁷ Lack of proper

²⁷ The panel of interviewers is composed of the Director, the Assistant Directors for Administration and Security, the Chief Administrative Officer, the Chief Superintendent of NBP, the Chief of Personnel Division, the Chief of NBP-RDC, and the representative of rank and file employees' association (BuCorEA). On the other hand, the Selection Board is made up of the Assistant Director for Administration, the Development Academy of the Philippines



documentation and an objective scoring system exposes the process to patronage, preferential treatment and political accommodation.

Deliberation of the Selection Board

From among the applicants who have undergone the panel interview, the members of the Selection Board deliberate to come up with a shortlist of the most qualified candidates. The Director then names the successful applicant from the said shortlist. This process is supposed to reduce discretion in the selection of the successful applicant.

Risk Identified

Threats to the integrity of the Selection Board's decision-making. Lack of written guidelines or even objective scoring criteria/rubric may expose the process to external influences and undermine the independence of the Selection Board's decision-making.

Recommendations

It is recommended that the colonies post notices of job vacancy on their bulletin boards. Should the vacancy occur in a colony, BuCor may also publish the notice in a local newspaper circulating in the colony's host province/ city/ municipality. To ensure wider dissemination of information, notices may also be posted in conspicuous places around the host city/ municipality such as the city/ municipal hall, universities and colleges. The municipal job placement agency may also be informed of the vacancy for referrals and inclusion in job fairs.

In order to assure regional applicants that the Central Office received their applications, Personnel Division may issue a notice declaring the same, which should be posted on the concerned colony's bulletin board.

The abstract of applicants qualified for recruitment/ promotion may also be posted on the bulletin board to inform qualified applicants that they are being considered for the position. Unqualified applicants should be informed formally as soon as possible.

The BuCor may consider referring neuropsychological and medical exams to accredited third party laboratories to prevent the occurrence of conflict of interest. This will also reduce the burden of BuCor's psychologists and medical officers, allowing them to concentrate on providing inmate services. Further, the arrangement will dispense with the validation of the results obtained by the medical officers and psychologists of the Bureau.

To improve the objectivity of the panel interview, a set of grading criteria/ scoring rubric should be established. A scoresheet reflecting the said criteria should be provided to the panelists to ensure proper documentation of the process.

The Director may consider abstaining from the panel interview to shun any notion that the independence of the process is being undermined. However, the Director may conduct his own interview after the Selection Board has submitted a shortlist of applicants.

With regard to the conduct of written exam, the BuCor may consider standardizing the set of questionnaires such that it may contain both multiple choice and essay questions to reduce subjectivity of grading. A coding system between the questionnaire and the answer sheet may also be implemented, such that the name of the examinee would not appear on the answer sheet. This may help eliminate/ minimize personal bias/ prejudice on the part of the evaluator.



In other government institutions, the written exam is commonly given at the earlier stages of the recruitment/promotion process, followed by a succession of panel interviews. BuCor's Personnel Division may want to revisit the underlying principle behind the sequence of steps in the recruitment and promotion processes.

At present, the requirement for candidates to pass a written examination is an interim practice introduced by the Director. This requirement should also be institutionalized as an indispensable stage in the recruitment and promotion process.

Deliberation of the Selection Board should be governed by an established set of guidelines promoting an objective grading system. There must be assurance that Board membership is free from any conflict of interest.

b. Selection of Awardees for Dangal ng Bayan, Lingkod Bayan, Pag-asa Award (CSC) and Most Outstanding Public Employee (DOJ and BuCor)²⁸

In compliance with the CSC Memorandum Circular No. 01 s. 2001 enjoining all concerned government agencies to participate in the Annual Selection of Awardees for the Dangal ng Bayan, Lingkod Bayan, Pag-asa Award and Most Outstanding Public Employee for the agency, the Bureau of Corrections (BuCor) established the agency's Committee on Program on Awards and Incentives for Service Excellence (PRAISE). It is composed of the Assistant Director for Administration and Rehabilitation, Chief Administrative Officer, Chief of Personnel Division, Chief of Budget Office, and a representative from the rank and file employees' association (BuCorEA).

To disseminate the information on the availability of awards, the PRAISE Committee issues a Memorandum for Search of Awardees to all the Superintendents and Division Chiefs of the Bureau, furnishing a copy to the Head of the Agency. The memorandum specifically states the criteria for selection and the deadline for submission of nominees.

Risks Identified

Failure to disseminate notice to the penal farms may result to exclusion of otherwise deserving personnel from the selection process. It was noted during the assessment that the search for sterling performance is Bureau-wide and not just limited to Central Office personnel. However, if the notice is not disseminated promptly to the colonies, the prospective nominees thereat may not have enough time to secure the required supporting documents, thus, posing the risk of unjustly excluding them from the selection process.

Subjectivity of the nomination process. As a common practice, the Prison Superintendent/ Division Chief submits the name of his/her nominee to the PRAISE Committee with the appropriate justification for the nomination. Some, but not all, Superintendents/ Division Chiefs initiate the creation of local/ division-level committees for the selection of nominees. This makes the selection process subjective and vulnerable to personal bias, grudge, and prejudice among others, since the immediate supervisor would have the sole discretion on whom to nominate. Given the circumstance, deserving employees may be left out in the selection process. At the same time, some unit heads may develop the tendency to simply rotate the nominations among the members of his/her unit to accommodate all and avoid internal friction. It is noted, however, that the PRAISE Committee allows any other personnel to submit nominations aside from the Superintendents and Division Chiefs. In addition, the PRAISE Committee evaluates the nominations using the criteria set by the external award-giving bodies (i.e. CSC and DOJ) as basis for assessment.

Window-dressing of abstract to favor preferred nominees. Upon receipt of the nominations, the PRAISE Secretary collates the data into an abstract to provide the PRAISE Committee with concise and relevant information on each nominee. This is a crucial stage in the nomination process given the propensity to engage in "window-dressing" in order to favor preferred applicants and/or in "dressing-down" discriminated applicants. Nonetheless, the Committee reviews the prepared abstract, complete with supporting documents.

²⁸ See Annex D-8 for the process flow chart on the selection of awardees.



Some nominees may benefit from patronage of the PRAISE Committee. The PRAISE Committee convenes and, based on the available data, deliberates on nominees deemed as most deserving of the award. A shortlist of three candidates is then forwarded to the Director for his appropriate action. It is observed that this process does not insulate the committee members from becoming biased in their choices because some applicants may benefit from patronage and acquaintance with the members of the Committee. To address this critical partiality, the Committee is provided with a selection criteria provided by CSC. Aside from that, BuCorEA is represented in the PRAISE Committee. The deliberations are properly documented.

Some nominees may benefit from patronage of the Director. For local/ bureau-level awards, the Director has the final authority on who would be given the award, although he must select from the shortlist of candidates provided by the PRAISE Committee. Again, there is the possibility that objectivity is undermined, as some applicants may benefit from patronage and acquaintance with the Director. This observation is given since there are no control standards in place for this particular process, not even a post-audit from oversight government agencies like the CSC.

With regard to the Dangal ng Bayan, Lingkod Bayan, Pag-asa Awards and the Most Outstanding Employee for DOJ, the Director simply endorses his recommendation to the CSC or the DOJ. The CSC/ DOJ validates all recommendations and decides on the most deserving nominee.

Delay in announcing/notifying the awardee reduces the time for aggrieved parties to lodge their protests. All notices pertaining to the award from the CSC and the DOJ are forwarded to the Chief Administrative Officer. The PRAISE Secretary then notifies the awardee of the decision of BuCor/ CSC/ DOJ. Any delay in notifying the awardee is not remote; such activity may be resorted to in order to reduce the time for protests by the aggrieved parties.

Recommendations

All employees should be given the opportunity to be selected for the awards. The Memorandum for Search of Awardees issued by the PRAISE Committee should not only be addressed to the Prison Superintendents and Division Chiefs, but to all concerned.

The fact that these awards are given at regular intervals, prospective awardees should be encouraged to prepare the document requirements even before the issuance of memorandum.

Also, a mechanism that allows employees to apply for the award, even without the nomination of his unit head, may be adopted as long as it is based on the specific criteria for nominations used by the External Award-Giving Bodies. Peer and subordinate nominations should also be encouraged to improve the morale of the rank and file employees.

To ensure transparency in the process, the list of nominees for the awards should be posted in the bulletin board. Also, the members of the PRAISE Committee should declare the level or depth of their acquaintance with the nominees. Committee members nominated for the award, or those who are highly acquainted with one or more of the nominees, should be excluded from the Committee.

Finally, the Director should justify in writing any endorsement departing from the recommendation of the PRAISE Committee.



c. Awarding of Commendation and Spot Promotion²⁹

Like other government agencies, the BuCor gives commendations to its employees who show exemplary performance in the conduct of their duties. In the National Bilibid Prison (NBP), one Prison Guard was given a commendation for preventing the escape of an inmate. In Iwahig Prison and Penal Farm (IPPF), a Prison Guard was also recognized for the same accomplishment. Traditionally, only custodial personnel are given commendations.

Whenever a custodial personnel shows exemplary performance deemed to merit a commendation, his/her Superintendent prepares an incident report recommending that due recognition be given to him/her. The incident report is submitted to the Director for evaluation, and acted upon based on the justifications provided therein and sometimes, through validations given by eyewitnesses.

Commended employees are awarded a Plaque of Recognition during flag ceremony. In addition to this, they may also receive a monetary reward depending on the availability of funds for the purpose. It was reported during the assessment that sometimes the reward comes from the Director's own pocket.

In rare instances when an employee accomplishes a rather exceptional feat, the Director may also decide to award him/her with spot promotion. Just recently, a Prison Guard I of the NBP was able to prevent a visitor from bringing a significant amount of illegal substance inside the maximum-security compound. For this accomplishment, she was spot promoted by the Director to Prison Guard II.

Unlike the AFP and PNP's concepts of spot promotion, however, BuCor's version does not guarantee an instantaneous assumption to a higher position. Instead, the matter is referred to the Personnel Division who determines if there is an available item in the plantilla that the awardee could assume. In addition, the awardee's credentials are reviewed by the Selection Board to determine if he/she meets CSC's minimum qualifications for the position he/she is supposed to take on. If there is no available position, the awardee is instead regarded as top priority applicant whenever a vacancy occurs in the future. There is no clear guideline, however, on the course of action to take should the awardee is found to be ineligible for the higher position, although the current policy of the Selection Board is to nullify his promotion.

Lack of specific guidelines in determining what sorts of accomplishment deserve commendation and/or spot promotion makes the process highly subjective, and therefore, not uniformly applied. This could cause demoralization among the ranks of BuCor personnel and defeat the original purpose of the awards, which is to motivate the employees to do well in the performance of their duties.

Recommendations

The Personnel Division, in consultation with the Office of the Director, may establish a set of guidelines governing the grant of commendations and spot promotions to its personnel for standardization of the process. The BuCor may also consider establishing a system of monetary incentives for all employees exuding exemplary performance, which may be incorporated with the guidelines.

²⁹ See Annex D-9 for the process flow chart on awarding commendation and spot promotion.



3. MANAGEMENT OF AGRO-INDUSTRIES

a. Entering into Joint Ventures³⁰

The BuCor may enter into joint enterprises with other government organizations, NGOs and private entities in the implementation of its agro-industrial projects. The Joint Venture scheme is a special project in prison industry falling under the direct control and supervision of the Bureau Director.

One such partnership is that with the Tagum Agricultural Development Company Inc. (TADECO), which falls under the “contract system” where a private contractor engages the Bureau for a guaranteed income for the labor of inmates, with the contractor providing the required investment, operating expenses and management.



Probably its longest-standing partnership with a private company, the BuCor first entered into contract with TADECO on December 26, 1969, wherein both parties embarked on a joint venture involving the growing, planting and marketing of bananas. Under the contract, the BuCor shall contribute the use of its land, aggregating approximately 3,000 or more hectares and TADECO shall provide the required investment, operating expenses and management for the most profitable utilization of the land. Additional hectareage were covered by separate contracts. In September 1979, an amendment of the Term of Agreement was introduced extending the term to another 25 years; the original term of 15 years counted from the time the areas subject of each agreement was fully planted and renewable under the same terms and conditions for another 25 years at the option of TADECO. As of 1988, a total of 5,142 hectares have been leased to the company. Among the pertinent provisions of the contracts are the employment of prisoners in the project, land rentals amounting to P250.00/hectare annually, royalties and profit shares. In 1988, the contract was amended to provide escalated rates in land rentals, royalties and profit shares, which would guarantee the BuCor an annual income of at least P10 million beginning 1989. In 2004, the annual production share of BuCor was renegotiated to PhP 29,196,029.00 subject to a ten percent (10%) increase every five years.

The Bureau also has a Joint Venture Agreement with Okuman Corporation (formerly Samsung), which is engaged in the manufacture and exportation of bamboo handicrafts, wood sculptures, printing decors, colored printing decors, string paper decors, and carnival and artificial flowers. The inmates at the medium security compound of the NBP are engaged in the production of these items, for which they are paid by the piece.

There are other agreements entered into by the Bureau of Corrections. One such agreement is that with SMART Communications for the establishment of a cell site within the NBP compound. The Bureau leases part of the NBP reservation (about 300 square meters) to SMART Communications for PhP 31,331.74 monthly.

Any proposed agreement from a prospective party is submitted to the Office of the Director. The Director indorses the proposed agreement to the Legal Office for review. The Legal Office then submits its review and recommendations back to the Office of the Director. As a means of control, former Director Dionisio R. Santiago issued a memorandum dated 3 October 2003 reminding the different Prison Superintendents to adhere to the provisions of DOJ Department Circular No. 34 s. 2001. The said circular specifies that the Director has signing authority over all lease/revenue-generating contracts amounting to PhP 500,000.00 or less. If the contract amount exceeds PhP 500,000.00 but is not more than PhP 2 million, an Undersecretary of the DOJ has the authority. Contracts amounting over PhP 2 million should be submitted to the DOJ Secretary for final approval.

³⁰ See Annex D-10 for the process flow chart on entering into joint ventures.



Risk Identified

No independent expert assessment on the social, economic and security aspects of the proposed joint venture. The Legal Office reviews the legality of any proposed agreement. However, there is no independent expert assessment of the economic terms of the agreement or an impact assessment on the security and defense plans of the prisons. No social impact audit is also conducted to determine whether the agreement will be beneficial to the inmates. Thus, the BuCor may be placed at a disadvantage in any joint agreement due to lack of parameters to assess its benefits to the Bureau. Inmates may also be placed in a disadvantageous position for similar reasons. The agreement may also impact on the primary mandate of the BuCor, that is, to confine and rehabilitate the inmates.

For example, no study has been conducted on the effects of aerial sprays on the health of the inmates engaged in the banana plantation. There is also no risk profile and assessment made on the possibility of escape by inmates. It appears that these have not been factored in the determination of the contract price.

Recommendation

The BuCor should require the proponents of agreements to submit a third-party expert assessment of the economic and security aspects of the contract, and conduct a social impact audit on the inmates engaged in production. The cost of the assessments shall be borne by the proponents to be provided for in the contract. The Bureau may also seek the assistance of the National Economic Development Authority (NEDA) for these purposes. It is also recommended that the Bureau come up with a land use plan to determine the economic viability of its real properties to properly guide it in entering into joint venture agreements.

b. Sale of Agro-industrial Products³¹

BuCor's Agro-Industries

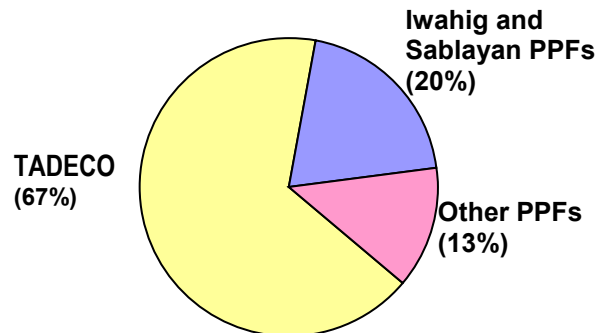
Aside from its joint enterprises with private entities and other government agencies, the BuCor manages its own agro-industries, as part of the rehabilitation program for inmates to preoccupy them with productive work. With sizable tracts of lands under its jurisdiction, the Bureau has, through the years, ventured in the growing of various crops such as rice, corn, coconut and vegetables, as well as in the raising of industrial and consumable animals like carabao, cattle, goat, horse, swine, poultry and fish.

All seven (7) penal farms/ colonies of the Bureau engage in agro-industries. However, two of these are most important in terms of production volume, namely Sablayan PPF and Iwahig PPF. In 2006, the two penal farms generated a combined profit of PhP 11.76 million, which constitutes around twenty percent (20%) of the entire Bureau's net production income, compared to the rest of the colonies, which collectively shelled out PhP 7.22 million for thirteen percent (13%). Bulk of the BuCor's income, however, is made up of its profit shares from TADECO, with which it has a joint venture agreement. Last year, the company remitted PhP 38.05 million or 67% of the Bureau's total income.

³¹ See Annex D-11 for the process flow chart on the sale of agro-industrial products.



Figure 1. Distribution of BuCor's Production Income by Source



During the administration of Director Meliton D. Goyena (1986 - 1991), a rather extensive document entitled Prison Agro-industries Manual was developed and published to provide comprehensive guidelines in the administration of BuCor's prison agro-industries. However, the said manual has never been updated nor reprinted ever since, and only a few copies were left to the possession of key production officials at present. In fact, most of the colony agro-industry officials interviewed during the assessment were not aware of the existence of this handbook. Nonetheless, most of the provisions in the manual are still in effect and considered as standard operating practice in the Bureau.

The penal farms have considerable autonomy in managing their agro-industries, but production targets are set at the Central Office by the Office of the Director. Target setting, which is usually done during the Command Conference, is based on historical trends and the monthly accomplishment reports submitted by the Prison Superintendents.

While the Prison Superintendent sets the overall production thrusts and policies of the colony, management of agro-industry projects is delegated to prison officials and personnel designated as Projects In-Charge (PICs). Production Coordinators and Penal Supervisors are assigned to oversee the implementation of these projects. The inmates provide manual labor as part of their rehabilitation program and are given due compensation based on their rank and skills.

In Correctional Institution for Women, inmates are engaged in handicraft, swine, poultry, and vegetable production in small scale. It was observed that inmate-trustees actually manage these agro-industrial activities and are hands-on in every aspect of the production.

Before, all foodstuffs produced in agro-industrial projects are purchased by the BuCor internally through its regular MOOE allotment at seventy percent (70%) of the products' market price. These foodstuffs are then issued for the consumption of inmates. Only when there is excess of what can be consumed by the inmates that the products are sold externally. Penal farm products not issued to inmates such as copra are sold to the general public through public bidding or negotiated sale; whichever is more advantageous to the government, in accordance with the Agro-Industries Manual.





Recently, however, the BuCor started outsourcing the preparation of inmate meals to private catering services in all of its colonies. These contractors, however, are not necessarily required to purchase the agricultural produce and livestock of the colonies. As a result, colonies producing these products in large volumes like Iwahig PPF have to rely more on sales to the general public.

Small handicraft items sold on cash basis through authorized outlets (e.g. Inmates Post-Exchange, Prison Inmate Labor Contract Office) are exempted from this procedure. Most of the products of the CIW fall under this classification.

All incomes generated from the sale of agro-industry products, including those made from internal purchases, are credited to the Bureau's Fund 284, a trust account created under the General Appropriations Act (GAA). The said account is maintained in an authorized government depository bank as a trust liability account.

Each penal farm maintains its own Fund 284, which the Superintendent may utilize provided that he secures the approval of the BuCor Director. As specified in the GAA, Fund 284 may only be made available for the allowance of inmates working in the Bureau's agro-industries, augmentation of inmate subsistence, additional supplies and materials, farm tools and equipment for the repair, construction, operation and maintenance of agro-industrial projects and prison facilities.

Reporting Production Volume

Every time the colony produces a certain good or commodity, the responsible Project In-Charge prepares a Production Invoice to transfer the product to its appropriate repository unit. Newly harvested palay, for example, is transferred from the Agronomy Section to the Granary and Milling Unit; butchered cattle, on the other hand, are transferred from the Animal Husbandry Section to the Commissary.

The said invoice reflects the quantity, description, unit price and total value of the product being transferred. As a matter of control, the PICs are required to present additional data depending on the product they are transferring. In the case of palay, the invoice should also contain the dates when it was planted and harvested, as well as a report on the area harvested, the average yield per hectare, and the wastage incurred during harvest. For cattle, the Brand Number, Ear Number and the sex of the animal should be provided. Aside from the Receiving Officer (e.g. Commissary Officer, OIC of Granary and Milling Unit, etc.), the Property Custodian and the members of the Committee on Inspection and Acceptance signs the Production Invoice. The Penal Supervisor of the sub-colony where the good was produced has final approval of the transfer.

In addition to these controls, the Superintendent of Iwahig PPF regularly issues memoranda containing guidelines on running the colony's agro-industries. The most extensive of these, dated 20 June 2006, provided for the creation of a committee that shall conduct palay pre-harvest study to find out the average production of an area scheduled for harvest.³² The Colony Production Coordinator was tasked to head the said committee. Local (or Sub-colony) Production Coordinators were also directed to observe/ witness the transfer of harvested palay to the local granaries/ bodegas.

With regard to the inventory of farm outputs, OICs of local granaries are required to submit a monthly inventory report to the Colony Production Coordinator for forwarding to the Superintendent. They are also directed not to mill palay grains without instruction/ approval from the Superintendent. The Crop Evaluation Committee is also ordered to conduct monthly inventory in all granaries to ensure that the stored crops are properly utilized. Very recently, an Animal and Livestock Inventory Committee was also created to monitor the animals being raised in the penal farm, but they are yet to submit their report.

A Crop Analyst is also assigned to determine the profitability of agronomy projects based on data provided by the Projects In-charge regarding the inputs used, area planted, and the seed variety. Projects In-charge who are able to exceed the target set for their area are commended during IPPF's institutional day, sometimes they are also

³² The assessment team failed to find any pre-harvest study made in accordance to this memorandum.



given pecuniary benefits such as a small portion of their harvest. Those who fail to meet their targets are made to explain through a damage report, if applicable, but there is no system for disincentive being followed.

The memorandum also states that personnel who fail to comply with the guidelines shall be dealt with administrative sanctions, although it has not specified what penalties shall be imposed.

The Central Office sets certain production targets for each penal farm to achieve. In effect, these targets can check possible underreporting and pilferage of farm produce by putting a floor on production volume. It was observed, however, that there is no systematic procedure for setting targets; targets for current year is based on previous target increased by a certain percentage. Moreover, the target is always expressed in monetary units such that a reported increase in production over and above the target may presumably be the consequence of increase in market price and not efficiency in production.

Risks Identified

Risk of pilferage. Despite several controls put in place to ensure integrity in reporting production volume, the possibility of pilferage remains due to the following reasons:

1. Most of the time, there is no responsible official who checks/ confirms whether the actual volume produced is what is really being reported. This is supposed to be the role of Local Production Coordinators as provided in the guidelines. However, due to the multiple tasks performed by these personnel, or for any other reason, they could not always attend to this duty; and
2. Periodic inventory is made by OICs of the storage facilities themselves. Although committees were created to conduct independent inventories, the team failed to see their outputs during the assessment. A key informant commented that inventory is being made randomly and not monthly as specified in the guidelines. Implementation is also subject to the proclivity of the current Superintendent to enforce this policy.

Determining the Fair Market Value

The Prison Superintendent, upon the recommendation of the Property Custodian, may decide to sell the colony's agro-industry products to the general public. Sale could be done through public bidding or negotiated sale in accordance with government auditing rules. As a matter of practice, sales amounting to PhP 50,000.00 and below are undertaken by the Sales Unit through canvass of quotations, while those higher than PhP 50,000.00 are carried out by the BAC through a public bidding.

The Sales Unit is composed of the Production Coordinator as its Officer-in-Charge, and the Food Service Supervisor, Records Officer and Photographer as canvassers.

The BAC, on the other hand, consists of the Penal Institution Supervisor of the Central Sub-colony as Chairman, the Nutritionist as Vice Chairman, and an Administrative Assistant, Accounting Clerk and Supply Clerk as members. A BAC Secretariat was also formed to assist the BAC in the performance of its functions. A Prison Guard II was named as its head, while an Administrative Assistant and a Supply Clerk are its members.





Before any sale could be made, the Sales Unit (even if the concerned amount is higher than PhP 50,000.00) should determine the fair market value of the product to ensure that the government would not be disadvantaged. In this task, the Sales Unit is guided by a Price List containing a schedule of prices for all colony products.

Risks Identified

No periodic review on fair market values of penal farm products. It was found out that there is no periodic review being done on the Price List. On some occasions, colony officials will find out that the prices contained therein are well above or below the current fair market value of the products. Only when this discrepancy is discovered will a review of the price list be initiated, but not after causing confusion in the sale and spoilage of the product concerned.

In one instance, for example, the colony harvested *okra*, and since this would not be bought by the caterer, they had to sell it outside. According to the Price List, *okra* should be sold at PhP 15.00 per kilo; however, the market would only buy it for PhP 3.00. In order to abide by the list, the responsible officials deferred the sale of the product for some time, hoping that someone could be found to buy it in the suggested price. But because no buyer could be found and the product is perishable, the officials were later forced to sell it to a certain buyer in the latter's own terms. This only shows that there is a danger of the control being undermined during certain situations.

The foregoing incident reveals that the reverse could also happen, wherein the list indicates a price significantly lower than the product's fair market value. In that situation, there could be a temptation to underreport the price in which the sale took place.

Canvassing/ Bidding and Awarding of Contract to Purchase

Once the fair market value is determined, canvassers of the Sales Unit set out to distribute formal requests for quotation of prices to at least three prospective buyers. There is a template being used for this activity, which should serve as an internal control. It was noticed, however, that the canvassers do not necessarily request the quotations to be signed by the prospective buyer (although there is a space for his/her signature). Therefore, the effectiveness of the control is suspect.

After the required minimum number of quotations has been gathered, the canvasser prepares an Abstract of Quotation wherein all the quoted prices are reflected for comparison. The highest quotation is marked/encircled, and the OIC of the Sales Unit signs the abstract recommending approval. The quotation forms are also attached to the abstract for reference. Although this could serve as a good control mechanism, the purpose is defeated if the integrity of the quotations could not be ensured.

If he is satisfied with the results of the canvass, the Colony Superintendent affixes his signature to approve the sale. Otherwise, he may call for another round of canvassing.

In case the value of the product to be sold is estimated to be higher than PhP 50,000.00, the sale is undertaken through public bidding/ auction conducted by the BAC. The BAC, who also handles the procurement of prison supplies and materials, has adopted the bidding procedures contained in R.A. 9184, or the "Government Procurement Reform Act of 2002", in conducting auctions of colony products. Under the said law, the standard bidding sequence is as follows: publication or posting of advertisement/ invitation to bid, pre-bid conference, submission of eligibility requirements and bid, opening of bids (opening of eligibility envelope and eligibility check, opening of technical envelope and preliminary examination, and opening of financial envelope), bid evaluation and ranking, post-qualification, and awarding of contract.



Risks Identified

Familiarization and acquaintance between prospective buyers and BAC members. Prospective buyers participating in auctions/biddings usually come from within the locality and adjacent municipalities, since the colony is located in an island province. Advertisement/publication of bidding notice is rather limited. The usual practice is to send invitations to five prospective buyers and to post copies of the notice in conspicuous places within the colony such as in the Supply Office and the Cashier's Office. Publication in newspapers of general circulation is deemed uneconomical given the amount and nature of products to be sold. However, local publication is also used sparingly, even though this could be of some help. This leaves the bidding process more vulnerable to familiarization and acquaintance between the buyers and the BAC.

Non-presence of observers during BAC activities. The BAC usually requests the Commission on Audit and the Palawan Chamber of Commerce to send representatives who may act as observers in the pre-bid conference and in the opening of bids. However, more often than not, the two organizations are unable to send their representatives.

Monopoly power of IPPF over private producers/competitors. In addition to the vulnerabilities mentioned above, it is interesting to note that Iwahig PPF, like BuCor's other penal farms, has the capacity to impose monopoly power over its private competitors. The reason for this is that Iwahig enjoys relatively cheaper inmate labor, economy of scale and freedom from taxes. With lower production costs, Iwahig could sell at a price much lower than most private farms can offer. If this is the case, we can expect the buyers to do everything they can (even illegally) in order to win the right to purchase Iwahig's products – an advantage that, although beneficial to the Bureau, could also bring about temptation and motivation for engaging in corrupt practices or activities such as collusion, bribe-taking and preferential treatment.

Receipt of Payment and Issuance of Goods Sold

After the contract to purchase has been awarded, the winning bidder is notified by the Sales Unit/ BAC. As a form of control, all payments made to Iwahig PPF are received by a designated Collecting Officer who issues standard government Official Receipt (OR). The Collecting Officer then assists the buyer in preparing a Requisition and Issue Slip (RIS) using the template provided by the IPPF. In the said document, the Collecting Officer certifies that payment had been received for the goods, citing the amount paid and the number and date of the OR. The OIC/ head of the Sales Unit/ BAC signs the document, recommending approval of the Prison Superintendent. Approved RIS is then presented to the Property Custodian who is responsible for the release/ issuance of the goods to the buyer. Finally, the buyer signs the RIS to indicate that the sale has been consummated. A copy of the RIS is kept by the Property Custodian for recording purposes.

Recommendations

It is recommended that BuCor's production targets be expressed in production yield units and not in terms of their monetary equivalent. For example, the target for palay production may very well be set at a certain number of cavans, instead of its price if sold to the market.

To lessen the probability of pilferage in reporting production volume, the BuCor may consider institutionalizing a system of incentives/ commission for Production Coordinators and Projects In-charge who are able to meet certain production targets/ quotas. Production Coordinators of different sub-colonies may also be rotated to minimize acquaintance and familiarity with Projects In-charge.

BuCor may consider abolishing the system of maintaining a Price List for colony products in the advent of private catering services. Frequent changes in the market price of certain commodities may render such Price List inefficient/obsolete, especially now that the colonies have to rely more on external sales in disposing their products. A Product-Price Appraisal Committee who shall determine the fair market value of the good scheduled for sale may instead be created by each colony. The production cost of the product should be factored in during the appraisal.



Posting of Invitations to Bid in conspicuous places outside the colony such as the city/municipal hall, public market, etc., as well as publication in local newspapers and announcement in local radio stations, may also increase the number of bidders. The colonies may also coordinate with their local chambers of commerce to disseminate information regarding their products. In the future, BuCor may also advertise its products on its website and/or that of the DOJ to reach a wider market base, increase the number of bidders, and as a result, ensure competitiveness of biddings.

With regard to the canvassing of quotations for sales involving smaller amounts, the canvassers should ensure that all accomplished quotation forms are signed by the prospective buyers. Otherwise, the OIC of the Sales Unit should not recommend the approval of any sale. It would also be advantageous if canvassing were rotated to different personnel to avoid acquaintance and familiarity with prospective buyers. The colonies may also want to check for any conflict of interest in the membership of their respective Sales Units and BACs.

Increasing the number of civil society organizations (CSOs) invited to serve as observers in the bidding process may also increase the likelihood that there would be some who would be able to attend. The IRR of RA 9184 specifies what types of CSOs would qualify as observers. Maintaining good relations with these organizations (but within the proper limits) by participating in their social consciousness campaigns and inviting them in colony events (such as the Institutional Day) will motivate them to attend the auctions regularly.

The BuCor may also prioritize selling its agro-industry products to other government agencies or government-owned and controlled corporations (GOCCs) engaged in the processing, trade and/or commerce of the same, such as the National Food Authority (NFA) in the case of palay. This is seen to promote integrity in the sale, as these agencies have standard prices set for these commodities.

c. Managing Inmate Earnings³³

One of BuCor's major final outputs is to provide rehabilitation services to national prisoners so that they may become responsible and productive citizens upon their release from prison. To achieve this, the Bureau employs inmates in its various agro-industrial projects, where they are engaged in the production of rice, corn, copra, fruits and vegetables and in the raising of cattle, swine, fish and poultry. Other inmates are involved in the production of handicrafts and souvenir items. Meanwhile, some inmates serve as "orderlies" in the various offices of the Bureau and perform institutional functions such as utility and maintenance. As payment for their services rendered, inmate-workers are given monthly compensation in accordance with the provisions of the BuCor Operating Manual, the Prison Agro-industries Manual and the GAA.

Before an inmate can work in the farm, he/she should first be given a clean bill of health by the Medical Officer of the penal colony concerned, declaring him/her fit to work according to field conditions. Usually, the ranking inmates (or *encargados*) from medium and minimum-security are the ones who decide who will be deployed in the field. Maximum-security inmates are not utilized in the farms unless there is an extreme need for their services.

At the NBP, inmates employed by Okuman Corporation, a foreign company engaged in the manufacture of handicrafts, are compensated per piece. The usual take-home pay per day is PhP 50.00 on the average. At the CIW, on the other hand, female inmates get PhP 100.00 as compensation for various works in its agro-industrial projects. Other inmates involved in making religious articles and handicrafts are paid per piece by CIW's private contracting partner.



³³ See Annexes D-12 to D-13 for the process flow charts on payment of inmate compensation and withdrawal of forced savings.



In Iwahig PPF, a payment scale showing the monthly compensation rates of inmates according to work assignment, rank and skill serves as reference in processing their payments. Inmates assigned in production units, such as farm workers, receive a maximum compensation of PhP 300.00 per month. This is sourced from the colony's Fund 284. Inmate orderlies, on the other hand, receive as much as PhP 100.00 a month sourced from BuCor's general funds.

Every end of the month, the Project In-charge or Section Chief concerned prepares the inmates' work accomplishment report to serve as basis in computing their compensation. Corresponding deductions are made for absences. Based on this document, the Special Disbursing Officer prepares the Inmate Compensation Voucher and, after processing, releases the payment to the inmates in full amount. However, as a matter of practice, the inmates are first asked to sign the voucher, signifying receipt of the payment, before the money is actually released. This is because only a signed voucher is accepted by the Finance Unit to process the documents. There are also instances when there are no available funds for the payment of inmates, thus their compensation are deferred until such time when funds become available.

In Davao PPF, most of the inmate-workers are engaged in TADECO's banana plantation. As part of the agreement with TADECO, the inmates are entitled to the minimum wage for agricultural plantation laborers. At present, the current rate is PhP 214.00 per day. Payments to prisoners under this scheme are broken down as follows:

- 1/4 of the earnings is allocated to the Inmate Post-Exchange (IPX) in exchange for gift certificates which the inmates may use to buy various items from the IPX for his personal needs;
- 1/4 of the earnings to be allocated to the trust fund account to be given to the prisoner after his release;
- 1/2 is given to the prisoner in cash.

This is different from the practice in IPPF, where the inmates receive their compensation in full. However, this scheme actually follows the provision in the Operating Manual save that 25% of the inmates' earnings are coursed through the IPX. According to the manual, 50% of the inmates' earnings should be released on cash-basis while the other 50% should be saved in the trust account. It should also be noted that the payment received by DPPF's inmates from TADECO (PhP 214.00/day) is considerably larger than what those in Iwahig get (PhP 300.00/month at the most).

There is a general perception that the items being sold at the IPX are more expensive by about 10% compared to the price in ordinary stores. Since part of the earnings is automatically deducted and allocated to the IPX, it becomes mandatory on the part of the inmates to buy anything from the IPX, even at a higher price, because the gift certificates are not redeemable in cash. The only come-on in this set up is the ability of the inmates to purchase from the IPX in advance (*vale* system).

A fourth of the earnings of inmates working at TADECO is deposited in a trust fund account as forced savings. Ideally, the inmates may only get their savings upon their release from prison. However, they can withdraw from the trust fund account from time to time depending on circumstances. Inmates, for example, may withdraw a requested amount for the tuition fees of his children, for the medical expenses of a member of the family, etc. They may withdraw up to half of the accumulated balance.

Previously, individual accounts are maintained for every inmate. The arrangement was discontinued because some accounts lay dormant when an inmate dies or escapes. At present, only one account is being maintained. The account is interest-bearing. It is being managed by a Trust Fund Officer designated by the Superintendent.



Risks Identified

The team of assessors noted the following vulnerabilities of the Trust Fund Account:

1. The designated Trust Fund Officer and the Bookkeeper are not bonded. The Trust Fund Officer may hold P150,000.00 for example. Without sufficient bond, the integrity of the trust fund may be compromised;
2. The bank statements are being kept by a staff of the IPX. The Trust Fund Officer and the Bookkeeper both do not know the balance in the trust fund account;
3. There are no accounting books kept for the trust fund account. Thus, auditing of the trust fund may prove difficult if not impossible;
4. The trust fund account is not subjected to audit by the COA. There is a general perception that the money is private because it comes from the inmates. There is a designated auditor, however, who audits the account but he is not independent being an organic personnel of the Bureau;
5. The forced savings of the inmates and their transactions are recorded in index cards kept by an IPX employee (who is not an organic staff of DPPF) with no back-up file. Each inmate has an index card reflecting all the transactions made. The physical security of the cards against tampering of entries or fire is not guaranteed under the present set up;
6. There is no regular bank reconciliation conducted;
7. No reconciliation of the accumulated balance in the index cards and the balance in the bank statement. The reason is that the Trust Fund Officer does not keep any bank statement;
8. There is no written policy or guidelines on what may be disbursed out of the Trust Fund. Generally, procurement of items for the welfare of the inmates may be sourced from the account such as articles used in sports fest or additional food during festivities. There is no control, however, on the amount to be disbursed. Ordinarily, nevertheless, all disbursements are approved by the Deputy Superintendent;
9. Inmates generally do not know their individual balance in the trust fund account;

No policy on the earnings of deceased or escaped prisoners. There is no policy on the disposition of the earnings of deceased or escaped prisoners. In Davao PPF, a memorandum was issued by the Superintendent forfeiting the balance of these inmates in the trust fund without going through formal escheat proceedings. There is no indication that the relatives of the deceased or escaped prisoner is notified of the action taken.

When an inmate desires to withdraw a certain amount from the trust fund, he makes a written request for approval of the Superintendent. As is practiced in Davao PPF, the Trust Fund Officer is issued a check in his name in the aggregate amount of all approved requests. He then encashes the check and makes a payroll for the inmates. Live-out inmates personally get the amount requested at the administration office. Those of the inmates at the maximum and medium are distributed to them by the Trust Fund Officer inside the prison compound for security reasons. Processing of the request and distribution of the requested amount usually take one week because the Trust Fund Officer goes to the depository bank only once a week for security reasons. Thus, if the reason for requesting the amount is emergency in nature, the inmate may be forced to pay facilitation fees to ensure that the money gets to him in time.



Recommendations

In the management of the Trust Fund Account, it is recommended that:

1. The designated Trust Fund Officer and the Bookkeeper should be sufficiently bonded;
2. The bank statements of the trust fund should be kept by the Trust Fund Officer copy furnished the Superintendent;
3. Separate accounting books should be kept for the trust fund account;
4. The trust fund account should be audited by the COA;
5. There must be a back-up file or a computerized record of the transactions recorded in the index cards;
6. Monthly bank reconciliation should be conducted;
7. The accumulated balance in the index cards should be regularly reconciled with the balance in the bank statement;
8. A written policy or guidelines must be established on what may be disbursed out of the Trust Fund;
9. Relatives of deceased or escaped inmates must be notified of any action taken on the balance in the trust fund of these inmates;
10. Inmates should be regularly furnished individual statements of account for their information;

If possible, the inmates should sign the compensation voucher after they have received their payment. Misunderstanding may occur if the voucher is signed in advance because the Trust Fund Officer may claim that the inmates already received the money, when in fact, they did not. Occurrence of this situation may be prevented if the recommendation is granted.

The BuCor may also review the system/ concept of IPX to ensure that this still redounds to the benefit of the inmates, as originally intended.

(Note to the Reader: The results of the CVA, as well as the recommendations of the assessment team meant to enhance control mechanisms/ safeguards under each CVA area, are summarized in the CVA Risk Assessment Guide which can be found in Annex E.)



VI. Summary of Recommendations from the CRR and the CVA

A. Recommendations from the Corruption Resistance Review

1. Leadership

Senior leaders of the BuCor committed to proactively discourage staff from engaging in corrupt practices and assume specific responsibilities for corruption prevention and detection. However, they should also come up with agency-specific organizational values. The goal, plans, targets, and performance indicators of the Agency should be aligned with its mission, vision and organizational values.

2. Code of Conduct

The Bureau agreed to establish a customized code of conduct with concrete examples of ethically acceptable/non-acceptable practices and situations of conflicts of interests relevant to the different types of work carried out by its personnel. In addition, it will come up with a program that will promote the code of conduct internally and externally, giving special attention to the application of rewards and punishments to give all the staff and their clients the assurance of being treated fairly.

3. Gifts Policy

A written policy on gift, offer of bribe, institutional and personal donations that are tailored-fit to the Bureau's nature of operations should be issued. Each unit must also have a copy of RA 6713. An orientation seminar on proper filing of SALN and strict monitoring on compliance with submission are also recommended.

4. Human Resources Management

There should be a reorientation on the process of selection and promotion to all employees. The organization should ensure sharing to all colonies information regarding the number of actual vacancies and anticipated vacancies, as well as the selection criteria. Lateral transfers should only be accommodated based on pure merit.

5. Performance Management

A workshop on the institutional performance management system for crafting performance indicators of the agency should be held. After which, all individual targets should be anchored on the identified performance indicators. The management may also conduct a review of the present system to address gaps, and institute a more effective monitoring system to ensure that performance targets are being met. The HR should also reorient all employees on the different dimensions of the PES.

6. Procurement Management

BuCor should comply with all – not just some – provisions of R.A. 9184, particularly on the preparation of an annual procurement plan. Reorientations on RA 9184 may also be conducted to promote awareness of the law among BuCor personnel. The appointments of the members of the Bids and Awards Committee (BAC) should be limited to one year, subject to renewal by the Director. A written procedure on alternative modes of procurement should also be adopted by the BAC.



7. Financial Management

There is a need for BuCor leadership to take proactive steps to make all employees aware of their obligations not to use government resources for private purposes by prescribing certain rules on the use of specific resources. To be more proactive, there is a necessity to widely disseminate these rules and adopt a monitoring system to ensure compliance. Fidelity bonds posted by all disbursement and collection officers should be increased to align with the amount of funds or property for which they are accountable. The management should also take proactive steps in ensuring that officials and employees comply with financial and accounting processes.

8. Whistleblowing, Internal Reporting and Investigation

The BuCor leadership should issue a written guideline or policy that specifies the subjects of a whistleblower report; protects the rights of whistleblowers, their relatives, and other persons giving them support from retaliatory acts; gives incentives and rewards to whistleblowers; outlines the procedure for reporting and investigation of the reports; protects the rights of suspected individuals from malicious reports; and clearly defines the roles and responsibilities of personnel involved in the investigation. It is also recommended that relevant personnel undergo appropriate training in investigating and detecting corruption.

9. Corruption Risk Management

The Bureau should identify its high corruption risk operations and functions and make a profile by assessing the likelihood of occurrence and level of significance. Because this is a technical matter, it is recommended that the personnel who will be assigned to the proposed Internal Audit Unit be trained on corruption risk assessment in coordination with the Office of the Ombudsman, which provides similar trainings.

10. Interface with the External Environment

The management is urged to provide relevant trainings, particularly to all prison guards, on interaction with the inmates and their visitors and on resolving their complaints. It is also recommended that a client feedback system that dispenses with face-to-face contact be set up and integrated into the performance evaluation system, specifically for rating prison guards and other personnel doing custodial functions. The BuCor may also consider setting service standards, to which its employees should adhere in dealing with their clients.



B. Recommendations from the Corruption Vulnerability Assessment

1. Admission, Confinement and Treatment of Inmates

As much as possible, the Prison Superintendent or his duly designated representative should be present during the admission of incoming inmates. Searching and other sensitive functions should not be delegated to inmate orderlies. BuCor should also adopt a policy against acquaintances between prison personnel and inmates, which should be integrated in its customized Code of Conduct. There should also be an effective rotation scheme for the PGs so as to prevent too much familiarity with the inmates. The victim or his relatives must be notified of the request and decision to transfer inmate from one prison facility to another. Also, the BuCor should establish a written policy that processing of requests for movement should be done in the most expedient manner.

2. Human Resources Management

The Bureau should ensure that notices of job vacancy are posted on the bulletin boards and other conspicuous places within and outside all prison facilities/colonies. BuCor may also consider referring neuropsychological and medical exams to accredited third-party laboratories to prevent conflict of interest. To ensure objectivity of the panel interview, a set of grading criteria/scoring rubric should be adopted. Deliberation of Personnel Selection Board should be governed by an established set of guidelines promoting an objective grading system. A set of guidelines should also be established to govern the grant of commendations and spot promotions for standardization purposes.

3. Management of Agro-industries

The BuCor may consider requiring joint venture proponents to submit third-party expert assessment of economic, security and social impacts of proposed enterprise at their cost. The Bureau may also come up with a Land Use Plan to determine the economic viability of its real properties. Targets for production must be expressed in production yield units and not in monetary terms. A system of incentives/commission for Production Coordinators and Projects In-charge who are able to meet certain production targets/quotas may also be established. The penal farms may also consider exploring new ways of advertising their products to attract more bidders. With regard to their earnings, inmates should be updated of their accounts and withdrawals periodically.



VII. General Recommendations

In consideration of the results of the Integrity Development Review made on the Bureau of Corrections, the assessment team forwards a thirteen-point general recommendation, as follows:

1. Review and update the BuCor Operating Manual to address the areas for improvement identified in the CRR and the CVA, and conduct periodic refresher courses on the same. Pertinent laws and treaties on the custody of national prisoners may also be appended to the Manual. The updated Manual should be widely disseminated; at the least, each penal farm should maintain a copy. All incoming personnel should be properly oriented on the Manual;
2. Review and update the Prison Agro-industries Manual and conduct periodic refresher courses on the same. The revised Manual should contain clear guidelines and procedures on entering into joint ventures, sale of agro-industrial products, as well as in the management of inmate earnings. Incoming personnel should be properly oriented on the manual. BuCor may also consider merging the Agro-industries Manual with the Operating Manual, as agro-industries is a vital component of BuCor's operations anyway;
3. Establish a customized Code of Conduct for custodial personnel and adopt a program for the promotion and wide dissemination of the same both to employees and other stakeholders (inmates, visitors and general public). The Code of Conduct should contain policy on acquaintance and gift-giving among custodial staff, inmates, and their relatives/visitors;
4. Establish an effective rotation scheme for Prison Guards with regard to their job assignments (escorting, searching, etc.) and time and place (e.g. from maximum to minimum security compound) of duty such that too much familiarization/acquaintance with inmates and their visitors/relatives would be avoided, and that corrupt practices and/or collusion between and among them would be prevented;
5. Inmate orderlies should not be delegated with sensitive functions (such as searching or interviewing newly-admitted inmates, among others). Institutional work assigned to inmates should be limited to utility, maintenance or other purely mechanical/routine functions with no assessment involved;
6. Incoming personnel should declare any conflict of interest arising from his/her employment in the Bureau;
7. Invest in I.T. A strong electronic management and information system could improve the Bureau's transparency, while making its systems and record keeping more efficient. In the case of BuCor, this could be applied to the safekeeping and updating of inmates' *carpeta*, monitoring inmate transfers among the seven prison and penal farms, monitoring scheduled releases and served-out minimum sentences (for purposes of commutation of sentence), financial management system, management of inmate earnings, among others;
8. Encourage entry into partnership with private companies specializing in agro-industrial undertakings not only in Davao PPF (with TADECO), but in other penal farms as well, such as the Iwahig and Sablayan PPFs for example. The BuCor may also consider leasing its lands to private enterprises instead of engaging in direct cultivation, especially when there is lack of sufficient manpower for this. These alternative income generation approaches could prevent the emergence of conflicts of interest that self-implementation of agro-industrial projects may bring about to the Bureau;
9. The Bureau may also consider tying up with other government agencies such as the Department of Agriculture (DA), Department of Trade and Industry (DTI), Philippine Coconut Authority (PCA), etc., through a Memorandum of Agreement (MOA), in the development and implementation of their agro-industrial projects and/or the marketing of their products;



10. Under General Recommendations No. 8 and 9, the training aspect of inmates' rehabilitation should be lodged to the joint venture partner's agriculturists and technicians. Bureau personnel such as prison guards presently designated as Projects In-charge/ Production Coordinators may then be relieved of these duties and be allowed to concentrate on their custodial functions.

In the future, with their functions decreased, BuCor may convert bulk of its agriculturist/veterinarian positions to prison guards and security officers, where there is a perceived inadequacy at present. Only a few production coordinator positions may be left for the planning and monitoring of the Bureau's agro-industrial programs;

11. Come up with a Land Use Plan for all of the territories under the Bureau's jurisdiction. This will not only aid them in crafting their short, medium and long-term development plans, but would also help them in evaluating joint venture/lease proposals by providing them with sufficient information as to the value of their properties.

In as much of the land under BuCor's jurisdiction is not yet registered in its name, the management may consider moving towards the titling of these properties to guard against misappropriation;

12. The Bureau's financial and accounting processes should be reviewed and enhanced so as to incorporate the comments and recommendations forwarded in the CRR and the CVA, such as in the recording of institutional donations and revenues, and rationalizing the fidelity bonds of relevant officials, among others. The management should also take proactive steps to ensure compliance to these processes among officials and personnel; and finally,

13. BuCor leadership may want to lobby for a new law modernizing the Bureau of Corrections, professionalizing the prison custodial force, protecting the human rights of inmates and promoting their rehabilitation, since the current law governing the national prison system was made way back during the American occupation, namely Reorganization Act No. 1407 enacted on November 1, 1905 and may no longer be responsive to the present situation.

The foregoing suggestions cut across the different functions and operations of the Bureau and are deemed to contribute in addressing each of the areas for improvement identified both in the Corruption Resistance Review and the Corruption Vulnerability Assessment. The management, then, is advised not to look at the recommendations separately, but as parts of a whole interdependent and interacting with each other. Additional consultations with all levels within the Bureau, the mother agency (i.e. DOJ), oversight agencies (such as OMB, CSC, DBM, COA, etc.), the stakeholders (inmates, visitors, etc.), members of the civil society and the general public may be necessary for further improving and operationalizing the recommendations being forwarded in this study. Depending on its capability and resources, the Bureau may decide on the timetable to adopt in implementing the said recommendations. However, the assessment team is urging the management to execute these at the soonest possible time.

(Note to the Reader: In support of the corruption prevention efforts of the BuCor, the IDR Assessment Team has made a web survey of foreign prison practices that might be relevant to the operations and functions of the Bureau. However, the results of this survey were intentionally not made part of the main report to allow the management to consider their cultural and resource implications to the organization and its stakeholders. They are instead found in Annex F.)