



**POLICY GUIDELINES AND PROCEDURES ON THE  
OPERATIONS AND MANAGEMENT OF BUCOR'S  
INMATE POST EXCHANGE (IPX) THROUGH  
CASHLESS TRANSACTIONS**

U.P. LAW CENTER  
OFFICE of the NATIONAL ADMINISTRATIVE REGISTER  
Administrative Rules and Regulations

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# Bureau of Corrections


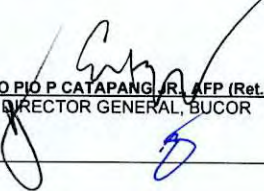
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### APPROVAL

Prepared By:	Recommended By:	Approved By:
 <u>CT/SUPT ELSA A. LABADO</u> ACTING DIRECTOR, DIRECTORATE FOR ADMINISTRATION	 <u>ASEC. AL FERRERAS</u> DDG/CHAIRPERSON, DPMB	 <u>GEN. GREGORIO PIO P. CATAPANG, JR., AFP (Ret.), CESE, CCLH</u> DIRECTOR GENERAL, BUCOR







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- 3.2. To set forth the establishment of an appropriate privately financed and operated virtual platform and facilities to effect money remittance to PDL, the conversion thereof into PDL credits through a centralized PDL Trust Fund collection/storage/point of sale system without involving corrections officials or imposing on them any burden beyond their official functions; and
- 3.3. To help the PDL know the importance of budgeting their money in preparation to their re-integration back to the community.

#### 4. SCOPE

This Memorandum Circular shall apply to all Operating Prisons and Penal Farms of the BuCor.

#### 5. DEFINITION OF TERMS

- 5.1. **AUTHORIZED SERVICES** – refers to recognized allied services performed by PDL inside the prison and penal farm of BuCor such as but not limited to masonry, carpentry, plumbing, haircut, laundry, housekeeping, errand works, commissioning for portrait and the like that require payment for the labor rendered by the PDL.
- 5.2. **CREDIT** – the measure/money conversion equivalent of PDL's fund that he/she can use in his/her purchases at the IPX stores or transactions as may be allowed under BuCor rules.
- 5.3. **E-WALLET** – serves as the virtual storage of the PDL fund/credits.
- 5.4. **INMATE POST EXCHANGE (IPX)** – a store within the prison and penal farms of BuCor where goods or commodities are being sold for the daily needs of the PDL and other persons as may be authorized by BuCor through a MOU in accordance with its prison's rules and regulations.
- 5.5. **IPX ACCOUNT** – an individual PDL's account detailing his/her purchases and used credits in his purchases at the IPX and his/her current available balance.
- 5.6. **IPX FOCAL PERSON** – refers to the two (2) designated representatives, one (1) from the BuCor and one (1) from the Accredited Service Provider who both coordinate and monitor the IPX daily transactions and operations.
- 5.7. **SUSPENSE ACCOUNT** – an account used to temporarily store transactions for which there is uncertainty about where they should be recorded.







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### 1. REFERENCES

- 1.1. Executive Order 292 (Administrative Code of 1987);
- 1.2. Republic Act 10575 (The Bureau of Corrections Act of 2013);
- 1.3. Revised Implementing Rules and Regulations of RA 10575 series of 2016;
- 1.4. UN Standard Minimum Rules for Treatment of Prisoners (UNSMRTP);
- 1.5. Government Accounting and Auditing Manual, as amended;
- 1.6. Bureau of Corrections Manual series of 2024; and
- 1.7. General Order Number 2024-048 (Creating the BuCor's Inmate Post Exchange)

### 2. RATIONALE

Section 43 of the United Nations Standard Minimum Rules on the Treatment of Prisoners provides that: *(1) All money, valuables, clothing and other effects belonging to a prisoner which under the regulations of the institution he is not allowed to retain shall on his admission to the institution be placed in safe custody. An inventory thereof shall be signed by the prisoner. Steps shall be taken to keep them in good condition. (2) On release of the prisoners, all such articles and money shall be returned to him except in so far as he has been authorized to spend money or send any such property out of the institution x-x-x The prisoner shall sign a receipt for the articles and money returned to him. x-x-x"*

While there are prisons in other countries which allow possession of cash by the Persons Deprive of Liberty (PDL), most prisons and other correctional facilities treat such money as the source of corruption and other illegal activities and therefore considered contraband for the following reasons: PDL can use the money to bribe Corrections Officers; PDL may use the money during an escape attempt. Thus, the urgency of enforcing prison rules against possession of cash inside prisons will prevent the proliferation of illegal business transactions, reduces cases of cash theft/extortion among PDL and other illegal activities through the use of cash/money inside prison camps.

The adoption of a Cashless Prison System in the operations and management of Inmate Post Exchange (IPX) bureau wide through cashless transactions without any government expense is a major/crucial development not only for the PDL but also to the BuCor as an institution.

### 3. OBJECTIVES

- 3.1. To establish a uniform policy, guidelines and procedures on cashless transaction by PDL inside all prison and penal farms of BuCor;







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5.8. **TRUST FUND OFFICER** – a designated staff who keeps records of PDL credits/savings (E-WALLET) and performs other functions related to PDL credits/savings.

### 6. GUIDELINES

#### 6.1. Composition of Committee

##### 6.1.1. Board of Trustees

Chairperson	:	Deputy Director General for Administration
Vice-Chairperson	:	Deputy Director General for Reformation
Members	:	Director, Directorate for Security & Operations
		Director, Directorate for Administration
		Director, Directorate for Comptrollership
		Chief, BuCor Business Center
		Chief, Legal Service
		Superintendents, OPPF

The Board of Trustees may call a meeting and invite the IPX provider or its representative to assess, evaluate, improve, amend or revise, and formulate guidelines for the effective implementation of this Memorandum Circular.

##### 6.1.2. Oversight Committee

There shall be an Oversight Committee composed of the following:

Chairperson	:	Deputy Superintendent for Administration
Vice-Chairperson	:	Deputy Superintendent for Reformation
Members	:	Chief, Security & Operations
		Chief, Accounting
		Chief, BuCor Business Center/Section
		Chief, Legal Service
		Camp Commanders, Security Camps

The Oversight Committee shall conduct program monitoring and evaluation for the effective implementation of this Memorandum Circular.

There shall be a designated IPX Focal Person in each OPPF of the BuCor and a focal person from the Accredited Service Provider who shall be the coordinating personnel of the parties on IPX operations.







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### 6.2. General Guidelines

- 6.2.1. Persons Deprived of Liberty (PDL) who are incarcerated inside the prison and penal farms of the BuCor are not permitted to physically possess money. Upon admission at BuCor Reception and Diagnostic Center (RDC), any cash possession of the PDL shall be recorded by the designated BuCor officials who shall then be turned over to the BuCor accredited service (E-WALLET/IPX) provider/operator<sup>1</sup>.
- 6.2.2. Each prison and penal farm of BuCor shall be governed by the same Cashless Policy System implemented through the BuCor accredited service (E-WALLET/IPX) provider/operator.
- 6.2.3. Money intended for PDL coming from their relatives and other entities for legitimate purposes may be coursed/transmitted through money transfer such as Pera Padala, GCash, and other similar platforms only to the BuCor accredited service (E-WALLET/IPX) provider/operator.
- 6.2.4. Friends and family must ensure that their names and addresses are included with the transfer. Money transfers that are not properly identified will be put into a suspense account. It will be held in this account until BuCor is satisfied that the source is acceptable.
- 6.2.5. PDL may also earn money through doing work or authorized services and rehabilitation programs. PDL is not allowed to receive the money from his employer personally. Any salary or allowance of the PDL shall be coursed by the BuCor Trust Fund Officer to the BuCor accredited service (E-WALLET/IPX) provider/operator.
- 6.2.6. All cash/money found in possession of the PDL shall be considered as contraband and the same shall be confiscated and subject for investigation. If, after investigation, the money is found to be proceeds from illegal transaction or activity, the same shall be confiscated and deposited to the BuCor General Trust Fund to be used for the general welfare of all the PDL. Conversely, if the money is found to be from a legitimate source, the same shall be turned over to the BuCor accredited service (E-WALLET/IPX) provider/operator and the same shall be credited to the account of PDL.
- 6.2.7. There shall be no limit as to the total amount a PDL can have on his/her account. However, he/she cannot spend more than what is

<sup>1</sup> See Annex "A" for Chain of Custody for Seized/Surrendered Money Form







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authorized by the existing rules. Provided further, that the withdrawal from the individual account of the PDL for transmission to his/her family member/s for legitimate or allowable purposes can only be done by accredited service provider/operator with prior noticed from the BuCor.

- 6.2.8. PDL cannot borrow from or transfer money to another PDL.
- 6.2.9. All money of the PDL held in trust by the accredited service provider/operator shall be released upon the PDL's release from prison, or in case of death of the PDL, the money shall be released by the service (E-Wallet/IPX) provider/operator to the immediate members of his/her family upon proper advice or notice of the BuCor and verified proof that he/she/they are the survival heirs of the PDL who are entitled to receive the money of the deceased PDL.

### 6.3. Specific Guidelines

- 6.3.1. The duly accredited service provider/operator shall be accountable to all monies which it received in trust from and for the PDL.
- 6.3.2. The duly accredited service provider/operator shall keep a full record of all transactions made by the individual PDL. A report shall be regularly submitted to the Oversight Committee.
- 6.3.3. Any PDL found in possession of cash money or using E-WALLET not registered under his/her name may be charged for disciplinary action and his/her privilege to purchase at the BuCor's IPX store may be withdrawn or suspended by the proper BuCor official where the PDL is confined or upon the recommendation of the service provider/operator.
- 6.3.4. All personnel of BuCor are likewise prohibited to possess, use or negotiate the E-WALLET of a PDL. Any violation committed by BuCor's personnel regarding the use of E-WALLET are subject to the imposition of administrative penalty when warranted after due investigation.





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### 7. MONITORING PROCEDURES/TOOLS

#### 7.1. Reportorial Requirements

7.1.1. Periodic reports on money/cash disposition and other accounting and auditing reports shall be prepared (weekly, monthly, semi-annually and annually) by the duly accredited service (E-Wallet/IPX) provider/operator of each prison and penal farm to the Director General BuCor through the Superintendent of OPPF, copy furnished, the Deputy Director General for Administration and Director, Directorate for Comptrollership.

### 8. SEPARABILITY CLAUSE

In the event that any provision of this Memorandum Circular is declared illegal or rendered invalid by any competent authority, the provisions not affected thereby shall remain valid and effective.

### 9. REPEALING CLAUSE

All Bureau of Corrections issuances/directives or parts thereof that are inconsistent with the provisions of this Memorandum Circular are hereby deemed repealed and modified accordingly.

### 10. EFFECTIVITY

This Memorandum Circular shall become effective fifteen (15) days from the date of filing at the University of the Philippines Law Center in consonance with Sections 3 and 4, Chapter 2, Book VII of Executive Order No. 292, otherwise known as "The Revised Administrative Code of 1987".







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### 11. ANNEXES

#### Annex "A" Chain of Custody for Seized/Surrendered Money



BUREAU OF CORRECTIONS  
NAME OF OPPF  
NAME OF SECURITY CAMP  
Address and Contact Details



#### CHAIN OF CUSTODY FOR SEIZED/SURRENDERED MONEY

DATE/TIME									
Received from PDL _____, the amount of PHP _____ for TURN-OVER and CREDITING to his/her E-WALLET and broken down into the following denomination:									
1,000	500	200	100	50	20	10	5	1	.25c

CONFORME:

\_\_\_\_\_  
Rank, Printed Name and Signature  
Seizing/Receiving Officer

\_\_\_\_\_  
PDL Name and Signature

#### ACKNOWLEDGMENT RECEIPT

This is to acknowledge receipt of CASH amount of PHP \_\_\_\_\_ from BuCor Officer \_\_\_\_\_ to be credited into the E-WALLET Account of PDL \_\_\_\_\_.

The PDL and BuCor Authorities shall be issued a certification or proof of account enrollment in the E-WALLET Services within five (5) calendar days upon receipt hereof.

\_\_\_\_\_  
Name & Signature  
E-WALLET/IPX Service Provider

\_\_\_\_\_  
Date & Time Received

**ATTENTION:** THIS FORM SHALL BE DULY ACCOMPLISHED BY THE PERSONS CONCERNED AND MUST BE REPRODUCED IN THREE (3) COPIES; ONE (1) EACH FOR THE PDL, E-WALLET/IPX PROVIDER, AND FILE OF THE OFFICE OF THE SEIZING/RECEIVING OFFICER. ANY UNAUTHORIZED ALTERATIONS HEREIN SHALL CAUSE THE INVALIDATION OF THE WHOLE FORM/DOCUMENT.







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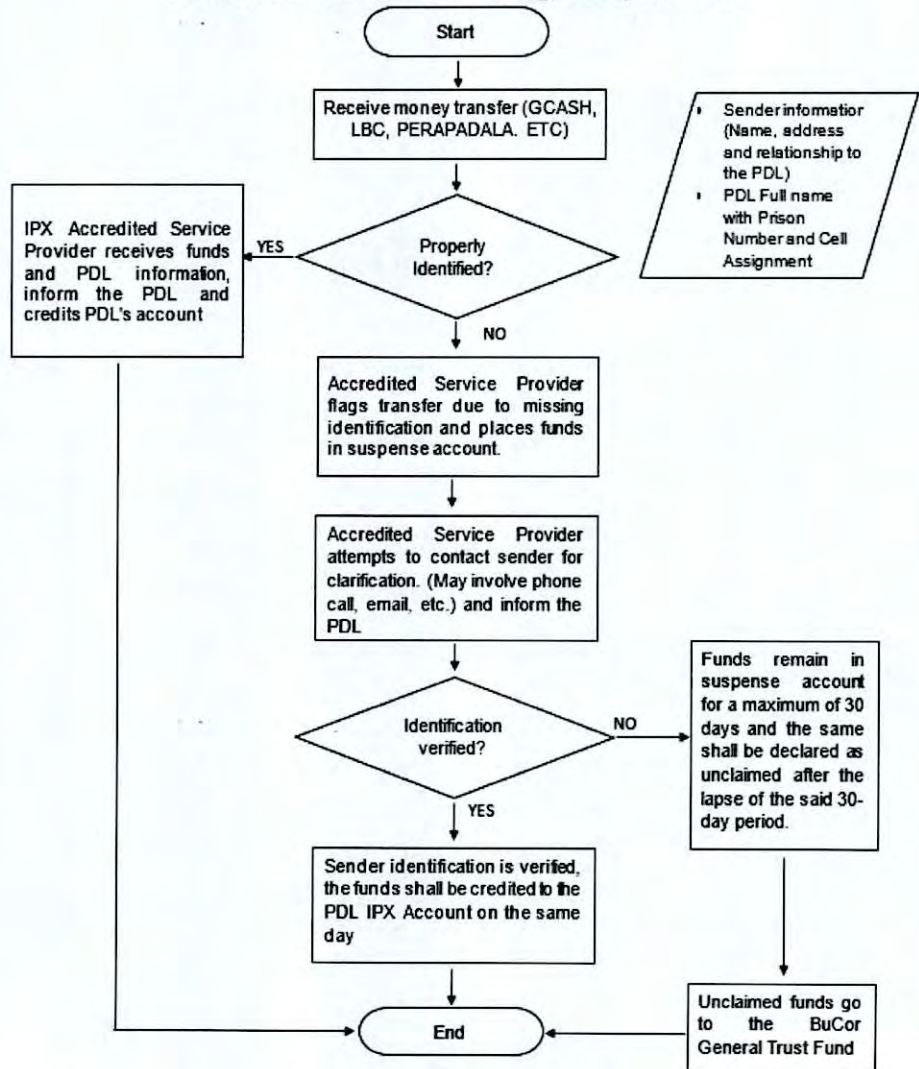
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### Annex "B"

### Process Flowchart for Receiving Money for PDLs



#### Notes:

- The Bureau with the Accredited Service Provider should have a defined procedure for handling suspense accounts and unclaimed funds. (e.g. How many days account will be in suspense; number of days funds can be declared as unclaimed)
- This flowchart represents a general process and may vary depending on the specific money transfer platform and regulations.







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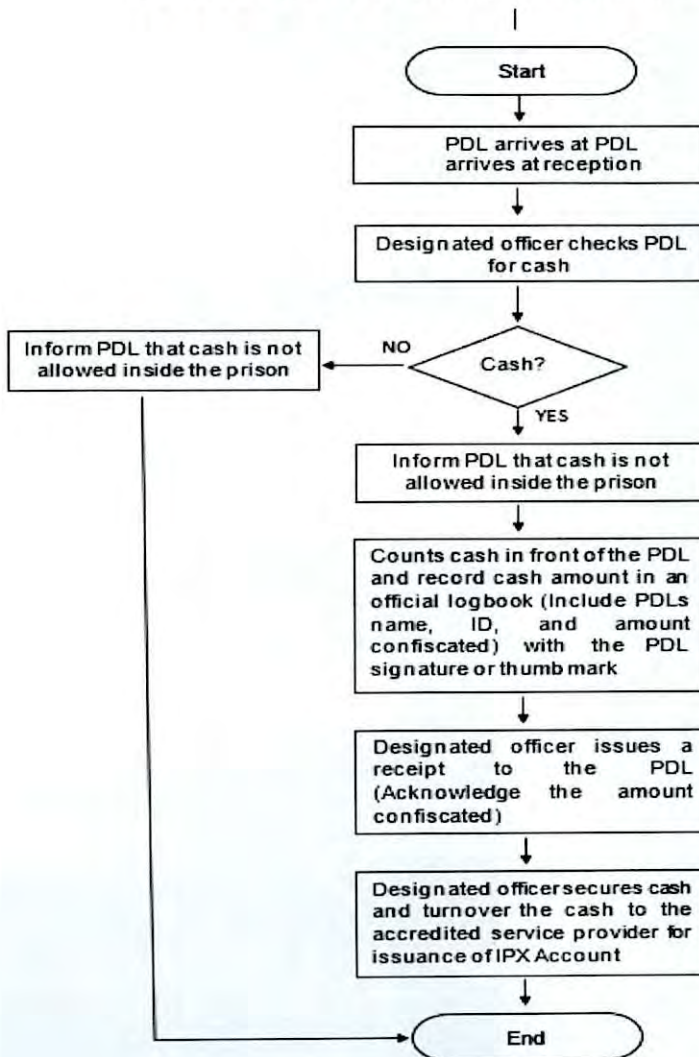
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### Annex "C"

### Process Flowchart for PDLs with Cash Upon Arrival



#### Notes:

- The logbook should be a bound record with numbered pages to prevent tampering.
- The receipt should be a carbon copy or have a copy retained by the prison for record-keeping purposes.
- The process for the Accredited Service Provider to handle the confiscated cash should be clearly defined (e.g., deposited into a trust account for the PDL, returned to family upon request with proper documentation).







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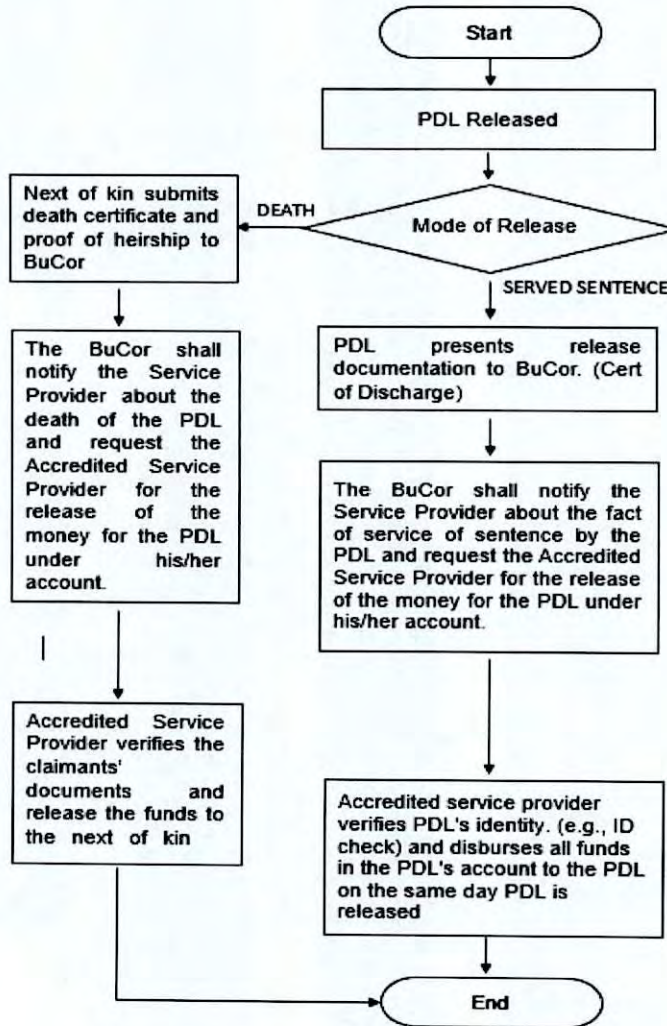
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### Annex "D"

#### Process for Releasing PDL Money Held by Accredited Service Provider





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### **ACKNOWLEDGEMENT**

The Memorandum Circular on Policy Guidelines and Procedures on the Operations and Management of BuCor's Inmate Post Exchange (IPX) through Cashless Transactions would not have been realized without the enthusiasm, patience, and expertise of the highly appreciated members of the **Doctrine and Policy Making Board (DPMB)**:

**GENERAL GREGORIO PIO P CATAPANG JR., AFP (Ret.), CESE, CCLH**  
Director General, BuCor

**ASEC AL I PERRERAS**  
DDGA/Chairperson, DPMB

**C/CSUPT CELSO S BRAVO**  
OIC-DDGR/Vice-Chairperson, DPMB

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**CT/CSUPT MA CECILIA V VILLANUEVA, MD, CPR**  
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**C/SSUPT GERARDO F PADILLA, Ph.D, CSMS**  
Director, Directorate for Reformation

**CT/SUPT ELSA A ALABADO**  
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**CT/SUPT CYNTHIA N ANDRADA**  
Acting Director, Directorate for Reception and Diagnostic

**CT/SUPT NOEL M MARQUEZ**  
Acting Director, Directorate for External Relations

**C/CINSP EDUARDO P GOGORZA**  
Director, Directorate for Security and Operations

**MARIA CIELO O. MONSALUD**  
Director, Directorate for Planning and Management

**ATTY CEASAR ANTHONY S SOLIS, CPA, MBA**  
Chief, Legal Service

**LIGAYA A. DADOR**  
Chief, Human Resource Division

**AL CIR JUAN RAÑOSA, REE, MPA**  
Chief, BuCor Business Center







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### SECRETARIAT:

#### **MS. MARITES C. MAGTALAS**

Head Secretariat/Acting Chief, DDD

CO3 Mira Flor L Bayogo  
Deputy Chief

CO1 Cheryl Mae R Verano

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CO1 Khmerlou Rumbaoa

CO1 Aileen M Piayas

CO1 Kathleen K Padsingan

CO1 Kirstin B Wallie

CO1 Kaula P Baston

CO1 Jocelyn B Onga





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Department of Justice  
**BUREAU OF CORRECTIONS**  
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**DOCTRINE AND POLICY MAKING BOARD (DPMB)**

=====

**DPMB RESOLUTION No. 2024-02**

*A Resolution Recommending the Approval of  
Memorandum Circular on "POLICY GUIDELINES AND  
PROCEDURES ON THE OPERATIONS AND MANAGEMENT OF  
BUCOR'S INMATE POST EXCHANGE (IPX) THROUGH CASHLESS  
TRANSACTIONS "*

**WHEREAS**, pursuant to Section 43 of the United Nations Standard Minimum Rules on the Treatment of Prisoners provides that "All money, valuables, clothing and other effects belonging to a prisoner which under the regulations of the institution he is not allowed to retain shall on his admission to the institution be placed in safe custody";

**WHEREAS**, it is widely known that money is the source of corruption and other illegal activities both inside and outside prison, therefore, it is considered contraband for reasons that PDL can use it to bribe Corrections Officers, use it to buy contraband, use it during an escape attempt and so forth;

**WHEREAS**, there is an urgency to formulate a memorandum circular to standardized prison rules and regulations against possession of cash inside prison camps.

**WHEREAS**, this circular can circumvent the rising percentage proliferation of illegal business transactions through the use of cash/money inside prison camps;

**WHEREAS**, during its 23<sup>rd</sup> DPMB Meeting on 02 June 2024, the Board deliberated and **ADOPTED** the proposed MC; and

**NOW WHEREFORE**, the DPMB hereby resolves as it is hereby being **RESOLVED, RECOMMEND** the approval of the Memorandum Circular of **"POLICY GUIDELINES AND PROCEDURES ON THE OPERATIONS AND MANAGEMENT OF BUCOR'S INMATE POST EXCHANGE (IPX) THROUGH CASHLESS TRANSACTIONS"**

**ADOPTED** this 2<sup>nd</sup> day of July 2024 at the Bureau of Corrections, Muntinlupa City, Philippines.





**DOCTRINE AND POLICY MAKING BOARD**

  
**ASEC ALI PERRERAS**

DDCA/Chairperson, DPMB

  
**C/CSUPT CELSO S BRAVO**

OIC-DDGR/Vice-Chairperson, DPMB

**Members:**

  
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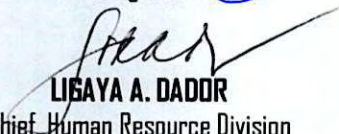
  
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