

Republic of the Philippines  
**Department of Education**  
REGION IV-A CALABARZON



FTAD-RM-2026-266

16 April 2026

**Regional Memorandum**  
No.266 s.2026

## **FINANCIAL GOVERNANCE AND TRANSPARENCY MEASURES FOR SCHOOL CANTEEN OPERATIONS**

To **Schools Division Superintendents**  
**Assistant Schools Division Superintendents**  
**Public Schools District Supervisors**  
**School Heads**  
**All Other Concerned**

1. In reference to DO 8, s. 2007<sup>1</sup>, the shared governance and accountability framework under Republic Act No. 9155 (2001)<sup>2</sup>; the auditing and accountability rules and COA jurisdiction over government funds and property and the fundamental principle that government transactions must be properly documented and follow applicable financial rules “IRR of Republic Act No. 12009 (2025)<sup>3</sup>, and DO 007, s. 2024<sup>4</sup>, this Office, through the Field Technical Assistance Division (FTAD) sets the minimum standards and control measures for all school canteen operations—whether school-managed or under duly authorized arrangements—to ensure they are ethical, transparent, accountable, and audit-ready, and consistent with DepEd governance policies.
2. This applies to all public elementary and secondary schools in DepEd Region IV-A (CALABARZON), including canteen facilities and all related collections, disbursements, purchases, contracts, permits, donations (cash or in-kind), and other arrangements connected with canteen operations whether school managed and cooperative managed canteen in ensuring that the school judiciously manages and mobilizes resources to support programs, projects, and activities that contribute to the improvement of learning outcomes<sup>5</sup>.
3. School canteens support learners and personnel, but must always operate:
  - a. Within authority and under the direct supervision of the School Head;
  - b. With complete documentation and auditable records;
  - c. With transparent reporting to stakeholders; and

<sup>1</sup> – Revised Implementing Guidelines on The Operation and Management of School Canteens in Public Elementary and Secondary Schools

<sup>2</sup> An Act Instituting a Framework of Governance for Basic Education, Establishing Authority and Accountability, Renaming the Department of Education, Culture and Sports as The Department of Education, And for Other Purposes

<sup>3</sup> The Implementing Rules and Regulations of Republic Act No. 12009 Or the New Government Procurement Act

<sup>4</sup> DepEd Order No. 007, s. 2024, Policy Guidelines for the Revised School-Based Management (SBM) System

<sup>5</sup> DepEd Order No. 007, s. 2024, Policy Guidelines for the Revised School-Based Management (SBM) System



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- d. With procurement compliance for any goods, services, repairs, or construction funded by or connected with canteen proceeds/donations.
4. No school personnel shall allow any private individual/entity to lease, occupy, or operate within school premises without proper written authority and complete documentation. Transactions that allow unauthorized persons to control, keep, or disburse funds without proper accounting are serious violations of public accountability standards.
5. All schools shall implement the following controls:
  - a. The School Head shall issue an Office Order designating the Canteen Coordinator/Manager and other accountable staff, with clear responsibility for custody of funds, inventory, and records consistent and complaint with DepEd Order No. 05, s. 2024<sup>6</sup>.
  - b. All collections must be supported by sequentially controlled receipts/sales records and complete supporting documents.
  - c. Schools must maintain, at minimum
  - d. Daily Sales/Collection Reports.
  - e. Cash Count Sheets.
  - f. Inventory/stock cards; and
  - g. Monthly reconciliation of cash, sales, purchases, and ending inventory.
6. Schools shall use a prudent cash-handling system (cash limits, periodic deposits, and dual control when feasible). Cash must not be kept off-site or entrusted to unauthorized persons. All disbursements must be supported by approved requests and complete documentation consistent with auditing rules (including the principle that claims/disbursements against government funds must be properly supported).
7. Each school shall post, on a visible bulletin board, at minimum a quarterly canteen financial report summarizing collections, costs, net proceeds, and utilization, consistent with transparency standards.
8. Any purchase of supplies, engagement of services, or repair/construction funded by or charged against canteen proceeds/donations coursed through the school shall follow government procurement rules and the principles of transparency and accountability. Non-compliance with procurement requirements in school canteen-related construction/equipment acquisition has been treated as a serious irregularity.
9. No MOA/contract involving school premises, canteen management, or revenue-sharing shall be executed without appropriate Division Office review/approval and consistency with delegated authority. All cash donations, advances, or contributions connected with canteen operations must be officially receipted, recorded, and fully liquidated, and used only for authorized public purposes, consistent with the fundamental principles governing government funds. Schools shall not spend donations/advances when the underlying transaction is under question or lacks proper authority. Disbursement must be held in abeyance until proper clearance/approval is obtained, consistent with the treatment of unauthorized school-premises arrangements.
10. The Schools Division Superintendent (SDS) shall ensure division monitoring, issue division implementing guidance, and organize spot-checks/compliance verification. School Heads shall exercise direct supervision and maintain a complete canteen file (permits/approvals, reports, inventory, procurement documents, and other audit-ready records). The CID/SGOD shall provide

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<sup>6</sup> Rationalization of Teachers' Workload in Public Schools and Payment of Teaching Overload

technical assistance on governance, reporting, and transparency. The Property Custodian shall ensure inventory control and proper recording of equipment acquired through canteen funds/donations as government property, consistent with accountability and documentation principles.

11. Within 30 days from issuance, all schools shall submit to the Division Office:
  - a. Current canteen operating arrangement (school-managed/other);
  - b. List of accountable persons;
  - c. Latest quarterly financial report;
  - d. Inventory summary; and
  - e. Any irregular arrangement shall be corrected within 60 days, with a written compliance report.
12. Non-compliance with authority, accounting, documentation, and procurement requirements may expose responsible officials and personnel to administrative liability, consistent with accountability standards applied to public school officials.
13. For inquiries, please contact Mr. Michael Girard R. Alba, Chief, Field Technical Assistance Division, at 0917-888-2731.
14. Immediate dissemination and compliance with this Memorandum are hereby directed.

  
**CARLITO D. ROCAFORT**  
Director IV

cc:04/ROF1