



Republic of the Philippines
Department of Education
Region X
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DIVISION MEMORANDUM

No. 176, s. 2019

TO: Assistant Schools Division Superintendent
Division Chief
Curriculum and Implementation Division
Schools Governance and Operations Division
Public Elementary and Secondary Schools
This Division

FROM: **JESNAR DEMS S. TORRES, Ph.D., CESE**
Assistant Schools Division Superintendent
OIC, Office of the Schools Division Superintendent

SUBJECT: Reiteration of DO No. 8, s. 2007 Re: Revised Implementing Guidelines on the Operation and Management of School Canteens in Public Elementary and Secondary Schools

DATE: July 30, 2019

1. To ensure proper and effective operation and management of school canteens, this Office hereby reiterates the provisions stated in DO No. 8, s. 2007 Re: Revised Implementing Guidelines on the Operation and Management of School Canteens in Public Elementary and Secondary Schools. Please see attached copy of DO No. 8, s. 2007 for reference.
2. Further, School Heads are hereby reminded to adhere to the above-mentioned DepEd Order for the operation and management of school canteens.
3. For information and widest dissemination.



REPUBLIKA NG PILIPINAS
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DepED ORDER
No. 8 s. 2007

**REVISED IMPLEMENTING GUIDELINES ON THE OPERATION
AND MANAGEMENT OF SCHOOL CANTEENS IN PUBLIC
ELEMENTARY AND SECONDARY SCHOOLS**

To: Undersecretaries
Assistant Secretaries
Bureau Directors
Regional Directors
Directors of Services/Centers and Heads of Units
Schools Division/City Superintendents
Heads, Public Elementary and Secondary Schools

1.0 PURPOSE

These guidelines are hereby issued in order to rationalize the operation and management of school canteens in the public school system and to ensure that:

- 1.1 The school canteen shall help eliminate malnutrition among pupils/students.
- 1.2 The school canteen shall serve as a venue for the development of desirable eating habits of pupils/students.
- 1.3 The school canteen shall serve as a laboratory for Home Economics, retail trade and in the incidental teaching of health and nutrition. It shall provide hands-on training for students on planning, purchasing, handling and storage, preparation, serving and sale of safe and nutritious meals.
- 1.4 The school canteen guidelines shall serve as a mechanism to support the Department's response to the mandate of Article 2 of Republic Act No. 6938 to create an atmosphere that is conducive to the growth and development of cooperatives.

- 1.5 Service should be the main consideration for operating a school canteen. Profit shall only be secondary since the clientele are pupils/students who are dependent only on their meager allowance from their parents.
- 1.6 Reporting and accounting of the proceeds from the operation of a school canteen shall be made by the parties concerned to emphasize transparency and accountability.

2.0 COVERAGE

These guidelines shall apply to school canteens, as hereinafter defined, operating in public elementary and secondary schools of the Department of Education.

3.0 DEFINITION OF TERMS

As herein used, the following terms shall be understood to mean:

- 3.1 **School Canteen** – refers to one of the ancillary services in the school system that sells food items to the pupils/students and serves as a support mechanism in the effort to eliminate malnutrition concerns of the school. It can be used as a laboratory canteen on food planning, preparation, serving, storage and selling. A school canteen can either be school-managed or teachers' cooperative-managed.
- 3.2 **School-Managed Canteen** – refers to a school canteen that is operated and managed by the school under the general supervision of the school head/principal.
- 3.3 **Teachers' Cooperative Managed Canteen** – refers to a school canteen that is operated and managed by a duly registered teachers' cooperative.
- 3.4 **Laboratory Canteen** – refers to the canteen operated and managed by secondary students as part of their H.E. classes. It can make use of the facilities of the school-managed canteen or the teachers' cooperative-managed canteen in the absence of a separate room that they can use.
- 3.5 **Canteen Teacher** – refers to an H.E. teacher who has been designated to operate, manage and supervise the school-managed canteen. He/She also supervises the students doing practicum activities in the canteen.
- 3.6 **Administrative Expenses** – refers to general expenses of business operation such as salaries, supplies, water and electric bills, insurance, etc.

- 3.7 **Cost of Goods Sold** – is equal to the inventory at the beginning of the year, adding the cost of goods manufactured or purchased during the year, minus the inventory at the end of the year.
- 3.8 **Selling Expense** – refers to expenses of promoting, selling and distributing products which may include such items as advertising, commissions, delivery expenses, travel expenses and entertainment.
- 3.9 **Gross Margin** – refers to the difference between gross sales and cost of goods sold including cost of freight and production directly related to the preparation of food items.

4.0 POLICY STATEMENTS

- 4.1 School canteens shall be of two types: (1) School-Managed Canteen; (2) Teachers' Cooperative-Managed Canteen. Both shall adhere to professional management and sound business practices as well as to safety and security measures.
- 4.2 **Management of School Canteens in Elementary Schools**
- 4.2.1 Elementary Schools in the rural areas with 500 pupils or less and those in urban areas with 1,000 pupils or less shall have only one canteen to be operated and managed by the school under the general supervision of the school head/principal.
- 4.2.2 Where the enrolment size in rural elementary schools is more than five hundred (500) pupils and in urban elementary schools, more than one thousand (1,000) pupils, the existing duly registered teachers' cooperative that complies with the Criteria for Qualification herein set forth, shall manage and operate the school canteen. When there is no duly registered teachers' cooperative that is interested or qualified to operate and manage the canteen, the school shall operate and manage the same.
- 4.3 **Management of School Canteens In Secondary Schools**
- 4.3.1 Regardless of enrolment size, there shall be a laboratory canteen, as herein defined, in all secondary schools. When the student population is less than one thousand five hundred (1,500), the laboratory canteen shall also be the school managed canteen.
- 4.3.2 In addition to the laboratory canteen in secondary schools where the student population is more than one thousand five hundred (1,500), the existing duly registered and interested

teachers' cooperative in the school that complies with the Criteria for Qualification set forth shall be allowed to operate and manage another school canteen.

- 4.3.3 For special schools with an enrolment size of more than five hundred (500) students, the existing duly registered and interested teachers' cooperative in the school that complies with the Criteria for Qualification set forth shall be allowed to operate and manage another school canteen in addition to the laboratory canteen.
- 4.4 Only nutrient-rich foods such as root crops, noodles, rice and corn products in native preparation, fruits and vegetables in season, and fortified food products labeled rich in protein, energy, vitamins and minerals shall be sold in the school canteen. Beverages shall include milk, shakes and juices prepared from fruits and vegetables in season.
- 4.5 The sale of carbonated drinks, sugar-based synthetic or artificially flavored juices, junk foods and any food product that may be detrimental to the child's health and that do not bear the Sangkap Pinoy seal and/or did not pass BFAD approval is prohibited.
- 4.6 Iodized salt shall be used, in controlled quantity, in the preparation of cooked foods to ensure that the iodine requirement of the clientele shall be met and to eliminate iodine deficiency disorders. The use of monosodium glutamate (vetsin) shall be regulated.
- 4.7 A reasonable mark-up price for all merchandise in the canteen shall be allowed, provided that the selling retail price does not exceed the prevailing prices in the locality.
- 4.8 Sub-leasing the whole or part of the school canteen premises or sub-contracting the operation of the school canteen to concessionaires is prohibited.
- 4.9 Vendors shall not be allowed to bring in food items inside the school canteen/premises. Teachers and school personnel are likewise prohibited from selling food items within the school premises, except through the school canteen and unless authorized and covered by a written agreement with the school head/principal and/or the teachers' cooperative.

5.0 PROCEDURAL GUIDELINES

- 5.1 All school canteens are required to secure the following permits/clearances:

Category of Reports	Types of Reports	Date of Submission
	from the Canteen Laboratory (6) Statement of Receipts and Disbursements (7) Statement of Reports on Cooperatives' School Program Support (8) Schedule of Capitalization on the Operation of School Canteen	
Category B		
➤ To be submitted on an annual basis to or as required by the Cooperative Development Authority (CDA) (for teachers' cooperatives only), copy furnished the school head/principal	(1) Audited Financial Statements including notes and disclosures (2) Financial Performance Standards (3) Annual Report to CDA (4) List of Directors and Officers (5) Report on Crimes and Losses	➤ May 15 ➤ May 15 ➤ 60 days after end of fiscal year ➤ 30 days after the GA meeting; and 15 days following assumption of office ➤ To be submitted as crime/incident occurs, on the 5 th business day after knowledge of crime or incident

Note: Standards of Financial Reporting System shall be adopted by the cooperative as prescribed by the CDA; and by the organization as prescribed by the profession on accountancy

5.3.2 The school-managed canteen shall prepare its financial statements using the pro-forma copies of the monthly statement of operations and financial statements which are hereto attached as Annexes "B" and "C", respectively. Teachers' cooperatives managing school canteens shall follow the Standard Chart of Accounts for Consumers' Cooperatives and Those with Canteen And/Or Catering Services prescribed by the Cooperative Development Authority, which is hereto attached as Annex "D".

5.3.3 The school head/principal shall also post on the school's bulletin board a statement of receipts and disbursements, indicating the share it received from the teachers' cooperative managed canteen.

5.4 Accounting of Funds

5.4.1 A book of accounts and statement of sales and disbursements shall be maintained for recording daily transactions related to the operations of the canteen. Receipts and other similar documents shall be kept to support sales, purchases and disbursements made. The books of accounts should be kept up-to-date and made available for examination and inspection at any appropriate time by the school level auditing committee or the COA representative based in the division office.

5.4.2 For purposes of transparency and accountability, the school head/principal shall organize a school level auditing committee to be headed by a Mathematics department head/teacher, and Home Economics department head/teacher and the president of the faculty club as members. The committee shall look into the books of accounts at least once a month. The audited statement shall be posted on the school's bulletin board.

5.4.3 Canteen funds shall be audited by the school level auditing committee on a quarterly basis and by the Division COA Resident Auditor or his/her authorized representative twice a year. Audit findings shall be submitted to the Schools Division Superintendent through the school head/principal. Audited financial statements shall be posted on bulletin boards for the information of everybody.

5.5 Incentives received in cash or in kind from private suppliers of food items and beverages shall form part of the gross income of the school canteen and shall be part of the financial statement.

5.6 Adherence to Food Safety

5.6.1 Food safety standards shall be strictly enforced and adhered to at all times by complying with the following:

- (a) Availability of potable drinking water and hand washing facilities;
- (b) Well-maintained, clean, well-ventilated and pest-free environment;
- (c) Availability of food covers and containers for safekeeping;
- (d) Hygienic practices on food preparation, cooking display, serving and storage.

5.7 All canteen personnel, including practicum students, shall undergo training on proper and safe handling of food before they are allowed to work in the canteen.

- 5.8 No portion of the net income derived from canteen operations shall be set aside and in any manner, in favor of the Regional, Division or District Offices.

6.0 SPECIFIC GUIDELINES FOR SCHOOL-MANAGED CANTEENS

- 6.1 The school head/principal shall issue a written designation to a Home Economics teacher who shall be the Canteen Teacher. He/She is tasked to supervise canteen operations for a period not exceeding three (3) hours per day which is equivalent to four (4) EPP teaching periods. The rest of the required number of hours in a day's load shall be spent in actual teaching. In no case shall he/she be totally stripped/deprived of academic teaching load.

The Canteen Teacher shall be assisted by all Home Economics Teachers on rotation basis, the schedule of which shall be prepared by the school head/principal or his/her authorized representative.

- 6.2 In addition to the Canteen Teacher and other HE teachers, the school head/principal shall contract the services of additional qualified full-time canteen personnel, subject to availability of funds.
- 6.3 Indigent pupils/students who wish to work in the canteen shall be duly and reasonably compensated. Their employment shall only be done upon written consent of their parents. They shall only be allowed to work in the canteen outside their regular class schedule.
- 6.4 The Canteen Teacher shall be responsible in the preparation and submission of reports, and the books of accounts and statement of sales and disbursements required and enumerated in Procedural Guidelines 5.3.1 and 5.4.1, respectively.
- 6.5 The net income derived from the operation of the canteen shall be utilized for, but not limited to the following:

Supplementary feeding program for undernourished pupils/students	35%
School clinic fund	5%
Faculty and student development fund	15%
H.E. instructional fund	10%
School operations fund	25%
Revolving capital	10%
TOTAL	100%

- 6.6 Earnings and cash received from canteen operations shall be deposited daily in the nearest government depository bank. In the absence of such government depository bank, deposits shall be made at any nearest

reputable commercial bank. In no case shall the deposits be made in the personal account of any school official. A school-managed canteen shall have a bank account "in trust for" the name of the school, whereby the school head/principal and the Canteen Teacher shall be the joint signatories.

- 6.7 Based on the expected income of the school canteen, the school head/principal shall prepare an Annual Budget to be submitted to and approved by the Schools Division Superintendent or his/her representative at the start of every school year.
- 6.8 Disbursement of canteen funds shall be in accordance with the approved budget and existing accounting and auditing rules and regulations.
- 6.9 Teachers and canteen personnel shall be required to secure clearance from money and property accountabilities in relation to their involvement in the operation and management of the school canteen before they are allowed to retire and/or resign from government service, or transfer to other posts for purposes of re-assignment or promotion to a higher position.

7.0 SPECIFIC GUIDELINES FOR TEACHERS' COOPERATIVE-MANAGED CANTEENS

- 7.1 A teachers' cooperative shall be authorized to operate and manage a school canteen if it satisfies the following requirements:
 - (a) It is duly registered with the Cooperative Development Authority (CDA) with membership composing of incumbent teaching and non-teaching staff of the school at the time of its registration with the aforesaid agency.
 - (b) One of its primary purposes as reflected in its Articles of Cooperation and Constitution and By-Laws is the operation and management of a school canteen.
 - (c) It has been in existence for at least two (2) years at the time that it signified interest to manage the school canteen.
 - (d) It has the necessary equipment/utensils, facilities, furniture and other supplies such as forms and stationery that will be used in canteen operations.
 - (e) It will ensure the complete and continuous training for canteen personnel/staff on handling of food and food safety.

- (f) It is able to secure and present a certification from the CDA, or the federation where it is affiliated to, of its ability to hire qualified full-time manager and staff who are not holding civil service positions.
- (g) Its membership is composed of more than fifty percent (50%) of the teachers and non-teaching personnel of the school: Provided, that members who have retired, resigned or have been dismissed or otherwise removed from the service, shall not be included in the determination of compliance with the required membership.

Withdrawal of membership from the cooperative shall be made in accordance with the Cooperative Code of the Philippines, rules and regulations, guidelines and issuances of the cooperative.

The withdrawal of membership by members of the cooperative shall be made individually and in writing. Mass withdrawal of membership shall be presumed to have been made under duress or undue pressure.

The number of members who have withdrawn membership from the cooperative in violation of or not in accordance with existing laws, regulations and issuances of the CDA and those whose withdrawal of membership was made under duress or undue pressure shall not be considered in the determination of compliance

7.2 Documents required to be submitted

At least thirty (30) days prior to the start of canteen operations, the cooperative shall submit the following documents to the division office, through the school head/principal, for evaluation:

- (a) Copy of its registration with the CDA;
- (b) Copy of its Amended Articles of Cooperation and Constitution and By-Laws stating among others, its purpose in engaging in canteen and/or catering services;
- (c) Certificate of good standing issued by the CDA;
- (d) Resolution by the General Membership/Assembly signifying willingness, intention and readiness to operate and manage the school canteen, including the canteen development plan;
- (e) Copy of the approved memorandum of agreement between the cooperative and the school head/principal;
- (f) List of full-time management officers and their respective designations and salaries;
- (g) Bio-data sheets, statement of assets and liabilities, income tax returns, and statement of income and expenses of directors/officers;
- (h) Chart of organization (includes names of officers, functions and responsibilities, and the designations of positions);

- (i) Copy of the bonds of accountable officers/employees; and
- (j) Certification by the chairman of the board authorizing the canteen manager to coordinate with the H.E. canteen teacher on the schedule of practicum activities in the teachers' cooperative-managed canteen.

7.3 Within thirty (30) days upon receipt of the required documents, the schools head/principal shall issue to the applicant teachers' cooperative the "Authority to Operate and Manage the School Canteen" if the documents submitted are complete. The teachers' cooperative shall display at its business office a sign with the following words: **AUTHORIZED BY DepED TO MANAGE AND OPERATE THE SCHOOL CANTEEN.** If the documents are found inadequate, the same shall be returned within seventy two (72) hours.

7.4 Memorandum of Agreement

7.4.1 As a rule, a memorandum of agreement shall be entered into by and between the school head/principal and the chairperson of the teachers' cooperative as a required document to be submitted to the Schools Division Superintendent. The MOA shall have a term of three (3) years and may be renewed every three (3) years thereafter.

7.4.2 Upon the termination of the MOA and when the teachers' cooperative ceases to operate the school canteen, the cooperative shall retain ownership of all properties it acquired for the operation thereof, except those properties or improvements which cannot be removed from the premises of the canteen without causing substantial damage thereto. Any arrangements pertaining to other facilities/equipment in the school canteen shall be subject to the individual MOA between the cooperative and the school head/principal.

7.5 Approval of Memorandum of Agreement (MOA)

7.5.1 The school head/principal and chairperson of the teachers' cooperative shall have thirty (30) days upon receipt thereof within which to sign and approve the Memorandum of Agreement.

7.5.2 In view of this, upon receipt of the proposed MOA by the school head/principal, he/she shall within ten (10) days make a written reply to the chairperson of the teachers' cooperative indicating therein his/her comment, objection, counter-proposal on the terms and conditions stipulated in the MOA. Thereafter, within the aforesaid period of thirty (30) days, the school head/principal

and the chairperson of the teachers' cooperative shall meet and mutually agree on the terms and conditions of the MOA.

7.5.3 Failure on the part of the school head/principal to notify the teachers' cooperative concerned of his/her comments, objections, and counter-proposal within the aforesaid period of ten (10) days, shall be construed to mean that he/she has fully agreed with the terms and conditions stipulated therein. Hence, there will be no reason for the school head/principal not to approve and sign the MOA.

7.5.4 After the lapse of the thirty (30) day period and no MOA has been executed by the parties concerned due to refusal of the school head/principal to sign it without valid reason, the party aggrieved by such refusal may bring the matter by way of an appeal to the Division/City Superintendent concerned, who in turn shall act on it within a period of fifteen (15) days from receipt thereof. The decision or resolution of the Division/City Superintendent shall be appealable to the Regional Director within fifteen (15) days from receipt thereof.

7.6 Renewal of Existing Memorandum of Agreement (MOA)

7.6.1 The school head/principal and chairperson of the teachers' cooperative shall have thirty (30) days upon receipt of the proposal to renew the existing MOA, execute a new Memorandum of Agreement covering the operation and management of the school canteen by the teachers' cooperative for another term.

7.6.2 In order not to interrupt the operation of the school canteen managed by the teachers' cooperative, a written notice to renew and to continue the operation and management of the school canteen shall be submitted to the school head/principal at least thirty (30) days before the expiration of the original and/or existing MOA together with the draft new MOA. Upon receipt thereof, the school head/principal, within ten (10) days, shall make a written reply to the chairperson of the teachers' cooperative indicating therein his/her comment, objections and/or counter-proposal on the terms and conditions stipulated in the draft new MOA. Thereafter, within the aforesaid period of thirty (30) days, the school head/principal and the chairperson of the teachers' cooperative shall meet and mutually agree on the terms and conditions of the new MOA and amendments, if there are any.

7.6.3 Failure on the part of the school head/principal to notify the teachers' cooperative concerned of his/her comment, objection

and/or counter-proposal within the aforesaid period of ten (10) days, shall be construed to mean that he/she has fully agreed with the terms and conditions stipulated therein.

- 7.6.4 After the lapse of the thirty (30) day period and no renewal of the MOA has been made by the parties concerned due to refusal of the school head/principal to sign it without valid reason, the party aggrieved by such refusal may bring the matter by way of an appeal to the Division/City Superintendent concerned, who in turn shall act on it within a period of fifteen (15) days from receipt thereof. The decision or resolution of the Division/City Superintendent shall be appealable to the Regional Director within fifteen (15) days from receipt thereof.
- 7.7 A copy of the pro-forma Memorandum of Agreement is hereto attached as Annex "A" for reference.
- 7.8 Use of Canteen Facilities
- 7.8.1 The teachers' cooperative may be allowed to use the existing canteen facilities rent-free for its operations. However, the cost of repair, maintenance and expansion of the said facilities shall be borne by the teachers' cooperative. Separate water and light meters shall be installed in the canteen and bills covering water and electricity consumed in the aforesaid school canteen shall be borne by them. The teachers' cooperative shall be given a grace period of three months from the start of its canteen operations to effect the installation of separate water and light meters.
- 7.8.2 The teachers' cooperative may allocate a small space within its school canteen premises, which shall not be more than one-eighth (1/8) of the floor area and must be enclosed, where consumer goods/items may be sold to its members or where the cooperative may undertake other business ventures. Such consumers' store and other business ventures of the teachers' cooperative within the canteen or school premises are not covered under these guidelines; instead, these shall be covered by a separate agreement between the school head/principal and the chairperson of the teachers' cooperative.
- 7.8.3 The school shall be free from damages and any liability that may arise from the teachers' cooperative's operation of the school canteen and use of its facilities.
- 7.9 The teachers' cooperative shall not allow any of its officers and members to use his/her/their official time in attending to and supervising the activities, operations and management of the school canteen.

7.10 Sharing of Proceeds

The sharing of the gross margin derived from the teachers' cooperative-managed canteen shall be as follows:

- (a) Eighty percent (80%) for the teachers' cooperative and twenty percent (20%) for the school. However, the school head/principal and teachers' cooperative may agree on other percentage of sharing depending on the peculiar situation of the school: Provided that the share of the school shall not be less than twenty percent (20%). Remittance of the school share shall be due every fifth day of the month.
- (b) The school head/principal or his/her duly authorized representative shall receive the school share from the teachers' cooperative and issue the corresponding acknowledgment receipt duly signed by the school head/principal or his/her duly authorized representative. Any authorized disbursement made chargeable against such share shall be recorded, accounted for and supported by receipts.
- (c) The share of the school shall be utilized as follows:

Supplementary feeding program for undernourished pupils/students	35%
School clinic fund	5%
Faculty and student development fund	15%
H.E. instructional fund	10%
School operations fund	35%
TOTAL	100%

7.11 All resolutions, decisions and actions taken by the Board of Directors of the teachers' cooperative relative to finances, privileges and benefits accruing to the membership of the Board shall be reported to the General Assembly during its annual meeting for confirmation.

7.12 Designation of Coordinator

- 7.12.1 The teachers' cooperative shall assign its canteen manager to coordinate with the H.E. Department on the schedule of practicum activities in the teachers' cooperative-managed canteen. Food items produced by the H.E. classes during their practicum may be sold in the canteen and any proceeds generated from it shall form part of the revolving fund created for this purpose.

8.0 SPECIFIC GUIDELINES FOR LABORATORY CANTEENS

- 8.1 Every secondary school, regardless of its enrollment size, shall have a laboratory canteen where students shall be trained on food planning, preparation, retail trade, selling and safety as part of their H.E. classes. It shall be supervised by the designated H.E. canteen teacher.
- 8.2 The designated H.E. canteen teacher shall prepare the schedule of service of the practicum students. Such schedule shall be approved by the H.E. Department Head or the school head/principal.
- 8.3 The designated H.E. canteen teacher shall ensure the full participation of the pupils/students in the planning, purchasing, handling, storage, preparation, serving and sale of safe and nutritious foods/meals.
- 8.4 The schedule of the practicum students shall be posted on a bulletin board within the school canteen premises. No pupil/student shall serve in the canteen beyond his/her practicum schedule.
- 8.5 Income derived from the laboratory canteen shall be utilized as follows:

Supplementary feeding program for undernourished pupils/students	40%
Student development fund (laboratory subsidy, skills training, contests)	30%
H.E. development fund	30%
TOTAL	100%

9.0 GROUNDS FOR TERMINATION OF OPERATION OF THE SCHOOL CANTEEN

- 9.1 Any deviation from the guidelines particularly the operational practices that prove detrimental and prejudicial to the welfare of the pupils/students, teachers and the school in general that may be committed by the school or the teachers' cooperative shall be a ground for termination of the operation of the school canteen. Any violation of the terms stipulated in the MOA shall be sufficient ground for the termination of the MOA and the suspension of the privilege of the teachers' cooperative to manage and operate the school canteen.
- 9.2 For purposes of these guidelines, the following acts are considered detrimental and prejudicial to the students and pupils
 - (a) Failure and/or neglect to submit financial report – The failure to submit the monthly financial report within thirty (30) days after the end of each regular monthly operation or failure to submit the

audited annual financial report within sixty (60) days after the end of each fiscal year.

- (b) Sub-leasing the whole or part of the school canteen premises – All entities operating school canteens shall not sub-lease to any third party the whole or part of the school canteen premises. Neither shall private concessionaires be allowed to be involved in the operations of the school canteen.
- (c) Selling of cigarettes and/or intoxicating beverages to students and/or condoning the use thereof within the school canteen premises.
- (d) Failure to secure the necessary permits including annual health and sanitation permits as above-mentioned and to have them posted in the mentioned places.
- (e) Failure to report and account for donations and incentives received from private suppliers of food items and beverages.
- (f) Use or disbursement of canteen funds contrary to the provisions of these rules and guidelines which includes devoting and re-aligning said funds to any other endeavor not included in these guidelines.
- (g) Compelling the pupils/students to buy or consume all food items from the canteen and prohibiting them to bring their own “baon” or food to school; in the same manner, compelling the teachers to dispose of all the food items in the canteen tray under the supervised recess (for elementary schools).
- (h) Compelling a pupil/student to perform canteen related tasks that are detrimental to his/her welfare
- (i) Failure to deposit the proceeds of the canteen in the account that is “in trust for” the school. Similarly, depositing the proceeds of the canteen in the name of a person not mentioned in these guidelines or into private or personal accounts, including those in the name of the school head/principal or teacher-in-charge.
- (j) Failure to present upon request of the proper authorities, such as the school head/principal, the school level auditing committee, and the Commission on Audit, the financial documents pertaining to the operations of the school canteen.
- (k) The use of the canteen premises for any other endeavor not included or sanctioned by these guidelines including, but not limited to, the use of the canteen as warehouse or stockroom of prohibited items and/or food and beverage expressly prohibited in these guidelines

including all other merchandise which are not for the use of the school canteen and which do not belong to the school.

- (l) All other violations of the terms and conditions of the Memorandum of Agreement or any of the provision of these guidelines which are analogous to the foregoing.

10.0 MONITORING AND ENFORCEMENT

10.1 Monitoring teams in the regional and division offices shall be created to ensure adherence to standards on quality, handling, and serving of food, and canteen equipment/facilities in the school canteens and that food safety standards and hygienic practices are strictly observed and implemented. It shall also monitor adherence to the guidelines on the operation of school canteens which shall be integrated in its monitoring of health and nutrition program and projects at the division level. The monitoring team shall be composed of the following:

➤ Regional Office

- Medical Officer V / Dentist III
- ES II (Science and Health / Nutrition / HE / THE)
- Nutritionist-Dietitian

➤ Division Office

- Medical Officer IV / Dentist II
- ES I (Science and Health / Nutrition / HE / THE)
- Nurse-In-Charge
- Nutrition Coordinators

10.2 Grievance Mechanism

- (a) Complaints from parents or concerned individuals of the community pertaining to canteen management and operations, i.e. pricing, quality of foods, etc., shall be filed and settled with the division grievance committee in the case of school-managed canteens; and with the school grievance committee in the case of complaints against a teachers' cooperative-managed canteen. The provisions of the grievance procedure under the DepED Rules of Procedures shall govern the conduct of the proceedings without prejudice to the application of other pertinent rules that may be applied suppletorily.
- (b) Any grievance arising from any form of dissatisfaction relative to the operations of the canteen which does not constitute an administrative disciplinary action shall be submitted to the

appropriate grievance committee and which shall be decided by the latter within five (5) days from the termination of the grievance proceedings. A copy of such decision and report of the findings of the grievance committee shall be furnished the parties and the school head/principal.

- (c) In the case of dispute involving a teachers' cooperative-managed canteen, any party dissatisfied with the findings of the decision of the School Grievance Committee may elevate the same to the Division Grievance Committee, whose decision shall be appealable to the Regional Grievance Committee within fifteen (15) days from notice thereof.

10.3 Sanctions

- (a) Any violation of the foregoing guidelines in the case of the teachers' cooperative-managed canteen shall warrant the termination of the operations of the canteen after due notice to the parties concerned which shall proceed after a summary hearing on the matter and after due process.
- (b) For other violations not mentioned in the preceding section, which are considered simple violations, a warning shall be issued by the school head/principal for the first infraction and a repeat of such violations shall warrant an investigation and shall thereafter, in the interest of the students and the pupils and the welfare of the school, be a ground to terminate the Memorandum of Agreement entered into between the parties pertaining to the operations of the school canteen.
- (c) In the case of school-managed canteens, any violation of these guidelines shall warrant appropriate administrative sanctions against the school head/principal and other canteen teachers who are directly or indirectly involved in the operations of the school canteen and who are classified as canteen designated teachers as defined under these guidelines.
- (d) In the same manner, such violations of the school head/principal including the canteen-designated teachers shall be dealt with administratively after due notice and hearing.
- (e) In all the foregoing, such persons accountable for violations of these guidelines shall, aside from the administrative sanctions, also be liable both criminally and civilly, when such violations warrant.

11.0 EXCLUSIVITY OF JURISDICTION

- 11.1 The School Grievance Committee or the Division Grievance Committee, as the case may be, shall have exclusive original jurisdiction over all complaints and/or grievances arising from or relative to the operations of the school canteens. Any complaint and/or grievance brought directly to the office of the Schools Division/City Superintendent, the office of the Regional Director, or the Office of the Secretary shall be dismissed and referred to the appropriate School or Division Grievance Committee.

12.0 VENUE OF ACTION

- 12.1 In cases of actions arising from conflicts relative to the operations of the school canteen brought before and cognizable by judicial bodies in case of civil actions, the contracting parties to the Memorandum of Agreement shall be encouraged to agree to the venue of the action to be placed in the appropriate courts of the city or municipality where the school sits.

13.0 REPEALING CLAUSE

- 13.1 All existing guidelines, memoranda, orders and other issuances of similar nature which are inconsistent with this Order are hereby deemed repealed and superseded.

14.0 TRANSITORY PROVISIONS

- 14.1 The Department maintains the policy that there is no valid contract of lease of a school canteen to a private concessionaire as declared in DepED Order No. 95, s. 1998 which took effect on November 10, 1998. Pursuant to said policy, all contracts of lease of school canteens to private concessionaires executed or renewed after November 10, 1998 are hereby deemed terminated for being contrary to law and public policy. Violations of this policy shall be dealt with administratively.
- 14.2 Except those entered into in violation of DepED Orders, circulars and other issuances, pre-existing Memorandum of Agreement on the operation of school canteens with teachers' cooperatives that may be disqualified under the current guidelines shall remain effective subject to the compliance by the cooperative with the Criteria for Qualification herein set forth within six (6) months from the effectivity of this Order. Otherwise, the same shall be deemed terminated.

- 14.3 A teachers' cooperative with a valid pre-existing Memorandum of Agreement shall not be removed or otherwise displaced from the space where it is currently operating the school canteen.
- 14.4 Pre-existing MOAs which provide for a term exceeding three (3) years are hereby amended accordingly subject to renewal by the contracting parties to another term of not more than three (3) years.
- 15.0 These guidelines shall take effect immediately. Wide dissemination of this Department Order to all concerned is desired.



JESLI A. LAPUS
Secretary

Encls.:

As stated

Reference:

DepED Orders: Nos. 95, s. 1998 and 72, s. 1999

Allotment: 1—(D.O. 50-97)

To be indicated in the Perpetual Index
under the following subjects:

CHANGE
COOPERATIVES
POLICY
RULES AND REGULATIONS
SCHOOLS