Republic of the Philippines
Department of Education
REGION I

DEPARTMENT OF EDUCATION
RECORDS SECTION, REGIONAL OFFICE NO. 1
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BY:
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REGIONAL MEMORANDUM
No. 1472 s. 2026

GUIDELINES ON THE UTILIZATION OF ALLOTMENT BALANCES UNDER THE FY 2026 BASIC EDUCATION FACILITIES FUND (BEFF) – LEARNING CONTINUITY SPACES (LCS)

To: **Schools Division Superintendents**
Division Engineers
All Others Concerned

1. Attached is the Memorandum DM-OUHRODI-2026-4011 from Wilfredo E. Cabral, Undersecretary for Human Resource and Organizational Development and Infrastructure, DepEd Complex, Meralco Avenue, Pasig City dated October 29, 2026.

2. In this regard, all concerned SDOs are hereby advised to observe the following guidelines:

   I. Utilization within the Same SDO
      1. Determine first whether the available allotment balance can be utilized for other eligible LCS projects within the SDOs jurisdiction.

   II. Submission of Requirements
      1. Requesting SDOs shall coordinate with the Education Facilities Division (EFD) and submit the following documents to the Central Office, as applicable:
         a. Request letter duly signed by the Schools Division Superintendent, including procurement status, and the amount and basis of the unutilized allotment balance;
         b. Justification for the proposed replacement project;
         c. Project identification and site validation documents;
         d. Detailed cost estimates and relevant technical documents conforming to standard LCS costing; and
         e. Other documentary requirements that may be required by the EFD and concerned Central Office Offices, particularly the Budget Division.

III. Conditions and Limitations

1. The utilization of allotment balances shall be strictly limited to the authorized purpose and scope of the FY 2026 BEFF – LCS Program and its corresponding SUB-ARO.
2. The authority granted shall not be construed as approval for the diversion of funds to unrelated programs, projects, or activities.
3. Any budget adjustment, realignment, or project modification shall be subject to the required approvals.

3. For inquiries or clarifications, concerned personnel may coordinate with the **EFD** through email efd@deped.gov.ph or landline (02) 8638-7110.

4. For appropriate action and compliance.

ESTELA P. LEON CARIÑO EdD, CESO III
Director IV/Regional Director

Encl.: None
Reference: None
To be indicated in the Perpetual Index
Under the following subjects:

PROJECTS SCHOOL BUILDING SCHOOLS

ESSD/CCM/ajc/RM_Utilization of Allotment Balances 2026 BEFF-LCS
November 3, 2026

DepEd RO1
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Republika ng Pilipinas

Department of Education

OFFICE OF THE UNDERSECRETARY

HUMAN RESOURCE AND ORGANIZATIONAL DEVELOPMENT AND INFRASTRUCTURE

MEMORANDUM
DM-OUHRODI-2026-4011

TO : **Concerned Schools Division Superintendents**
Concerned Regional and Division Engineers
Concerned School Heads
All Others Concerned

FROM : **WILFREDO E. CABRAL**
Undersecretary for Human Resource and Organizational Development and Infrastructure

SUBJECT : **AUTHORITY TO USE ALLOTMENT BALANCES UNDER THE FY 2026 BASIC EDUCATION FACILITIES FUND (BEFF) – LEARNING CONTINUITY SPACES**

DATE : OCT 2 9 2026

In line with efforts to optimize available program funds and ensure judicious utilization of the same, **all concerned Schools Division Offices (SDOs)** implementing the **FY 2026 Basic Education Facilities Fund (BEFF) – Learning Continuity Spaces (LCS) Program** are hereby **authorized to identify and use allotment balances for activities** consistent with the approved purpose and scope indicated in the applicable Sub-Allotment Release Order (Sub-ARO).

Allotment balances refer to the difference between the downloaded allocation and the actual amount required under the awarded contract (contract savings), or to the funds resulting from the non-implementation of an originally identified project which rendered the funds unobligated or unutilized.

With respect to the LCS Program, **the concerned SDOs may request to utilize the allotment balances, subject to strict adherence to the following conditions and instructions**:

I. Utilization within the Same SDO

1. The concerned SDO shall first determine whether the allotment balance can be utilized for other eligible LCS project/s within its jurisdiction.

2. The proposed replacement project must be supported by appropriate technical documentation, cost estimates, justification, and confirmation of site readiness and implementation feasibility within project timelines.

II. Submission of Requirements

1. All requesting SDOs shall coordinate with the EFD and submit to the Central Office the following documentary requirements accordingly, as applicable:

   a. Request letter duly signed by the Schools Division Superintendent, detailing the status of the original LCS project (including procurement status) and the amount and basis of the unutilized allotment balance;

   b. Justification for the proposed replacement project;

   c. Identification and site validation documents for the proposed project site;

   d. Detailed cost estimates and relevant technical documents conforming to standard LCS costing; and

   e. Other documentary requirements as may be required by the EFD and the appropriate offices under Central Office – Finance Service, particularly Budget Division.

2. The EFD shall consolidate and validate all submitted requests and documentary requirements as well as facilitate the necessary coordination to ensure that available balances are promptly utilized in accordance with the purpose of the LCS Program.

III. Conditions and Limitations

1. Utilization of the allotment balances shall remain strictly within the authorized purpose of the FY 2026 BEFF – LCS Program and the corresponding Sub-ARO.

2. The authority granted under this Memorandum shall not be construed as a blanket approval to divert LCS funds to unrelated programs, projects, or activities, or to undertake expenditures not covered by the approved purpose and scope of the program.

3. Any action constituting a formal budget adjustment, realignment, or project modification of the allotment or scope shall be undertaken only after the required approvals for allotment balance utilization have been secured.

Should you have questions/clarifications, your staff may contact the **EFD** through email **efd@deped.gov.ph** or landline (02) 8638-7110.

For your information and strict compliance

Copy furnished:
OFFICE OF THE SECRETARY
REGIONAL DIRECTORS