



R.S. BERNALDO & ASSOCIATES

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IN THIS ISSUE

On September 29, 2015, Cooperative Development Authority (CDA) issued Memorandum Circular No. 2015-08 about the guidelines governing the issuance of Certificate of Compliance (COC) to all types of cooperatives after compliance with the rules of the Authority.

In addition, CDA also issued MC2015-09 regarding the revised guidelines implementing the new training requirements of cooperative officers.

MC2015-08 Guidelines Governing the Issuance of Certificate of Compliance

All cooperative registered with the CDA are covered in this memorandum. And the purposes of the COC are the following:

1. To affirm the cooperative's compliance with the Cooperative Annual Progress Report and its attachments as prescribed by RA 9520, its Revised IRR, and other related issuances;
2. To avail of the incentives and privileges set forth by the CDA-BIR Joint Rules and Regulation Implementing Articles 60 and 61 of RA 9521 in relation to RA 8424;
3. To secure permits and licenses prescribed under the provisions of Local Government Code of 1991;
4. To comply with the documentary requirements prescribed by the financial institutions in availing financial assistance;
5. To comply with the documentary requirements for accreditation as CDA training provider;
6. For other legitimate purposes as may be needed by the cooperatives.

A request for issuance of COC should be made on or before April 30 of the current year upon payment of one hundred pesos (Php100) certification fee and submission of the required documents. The COC will be valid until April 30 of the succeeding year. The penalty for late filing of the application is three hundred pesos (Php300) and an additional Php300 for every year of failure to secure the COC.

The COC will be issued upon compliance with and submission of the following documents:

- a. Letter request duly signed by the Chairperson or any authorized representative (evidenced by the board resolution that he/she is duly authorized) of the requesting cooperative stating therein the reasons/purpose of such request;
- b. Proof of compliance that all required reports for the preceding fiscal year had been submitted, or complete copies of such reports (2 copies);
- c. Copy of the minutes of meeting of the General Assembly (GA);
 - i. If the GA is held within ninety (90) days after the close of the fiscal year, then the current year's GA minutes shall be submitted.
 - ii. If the date of the GA as fixed in the by-laws is beyond the 90-day period, then a copy of the latest or that of the immediately preceding year's minutes shall be submitted.

GA minutes shall be prepared in accordance with the order of business as defined in the By-laws of the cooperative which contains the following information:

- Result of election of the Board of Directors and Committee Members;
- Approval of the Development Plan and/or Annual Plan and Budget;
- Presentation and acceptance of Cooperative Annual Progress Report including the AFS, Performance Audit Report, Social Audit Report and List of Officers and Trainings Undertaken/Completed by the General Assembly;
- Appointment of the CDA Accredited External Auditor;

- Acceptance of the management and committee report by the General Assembly; and
- d. Payment of certification fee.

If the COC shall be used for any of the purposes mentioned in paragraphs 4 to 6 above, the cooperative shall secure a certified true copy of the valid COC and mandatory reports submitted to the Authority upon compliance with the following:

- e. Submission of the letter request duly signed by the Cooperative Chairperson or any authorized representative of the requesting cooperative stating the purpose for such request; and
- f. Payment of certified true copies of the requested documents.

This Memorandum Circular shall take effect after fifteen (15) days following its publication in the Office of the National Administrative Registry (ONAR) or Official Gazette.

MC2015-09 Revised Guidelines Implementing the New Training Requirements of Cooperative Officers

This Memorandum Circular shall apply to the officers of the cooperative regardless of type and size, such as:

1. Board of Directors;
2. Secretary;
3. Treasurer;
4. Election Committee,
5. Audit Committee;
6. Ethics Committee;
7. Mediation and Conciliation Committee;
8. Other Committees created by the General Assembly and BOD; and
9. General Manager or Chief Executive Officer.

Cooperative officers shall complete the required trainings **within the first half of their term**.

The cooperative shall submit an annual report which shall reflect the specific names and positions of all the incumbent officers of the cooperative and the required trainings these officers have undertaken or completed for the year being reported. The cooperative shall submit the report even if the cooperative officers have not complied or partially complied with the required trainings.

The following are the required trainings for the officers:

CARTEGORY OF COOP	TRAINING COURSE	NO. OF HOURS
Micro-cooperatives (Cooperatives with total assets of 3M and below).	Fundamentals of Cooperatives	8
	Governance and Management of Cooperatives	8
All other cooperatives with total assets of more than 3M.	Fundamentals of Cooperatives	16
	Governance and Management of Cooperatives	16
Additional trainings for officers of cooperatives engaged in savings and credit of with at least 5M worth of deposit liabilities based on their latest Audited FS.	Financial Management	8
	Risk Management	4
	Credit Management	4

- Failure of a **cooperative officer** to comply during his/her term shall be a ground for his/her disqualification as future officer of the cooperative in any position.
- Willful failure of the **concerned cooperative** to comply with the training requirements for its officers, despite notice, shall be a ground for the non-issuance of the COC to the cooperative to the next immediate year.

This Memorandum Circular shall take effect upon approval of the CDA Board of Administrators (September 29, 2015) and fifteen (15) days after filing with the Office of the National Administrative Registry (ONAR).

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Comments & suggestions are welcome.

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