



Office of the President of the Philippines  
**COOPERATIVE DEVELOPMENT AUTHORITY**  
 Department of Finance



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DEPARTMENT OF JUSTICE  
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**Central Office**  
 827 Aurora Blvd., Service Road, Brgy. Immaculate Conception, 1111 Cubao, Quezon City, Philippines

**MEMORANDUM CIRCULAR NO. 2015-03**  
 Series of 2015

**SUBJECT : GUIDELINES FOR THE CREATION, ORGANIZATION, SUPERVISION AND MONITORING OF LABORATORY COOPERATIVES**

**DATE : AUGUST 18, 2015**

Pursuant to Section 6, Article XII, of the 1987 Constitution, Section 3 (m), (o) of RA 6939, Article 26 (3) of RA 9520 and Rule 6 of the Revised Rules and Regulations Implementing Certain and Special Provisions of RA 9520, the Authority hereby prescribes the following Guidelines governing laboratory cooperatives.

**Section 1. Title.**

This Memorandum shall be known as the *“Guidelines for the Creation, Organization, Supervision and Monitoring of Laboratory Cooperatives”*.

**Section 2. Statement of Policy and Objectives.**

The Cooperative Development Authority (CDA) is statutorily mandated to promote the viability and growth of cooperatives as instrument of social justice and economic development in pursuance of the provision of Section 15, Article XII, of the 1987 Philippine Constitution.

In line with the foregoing policy, the Authority recognizes the valuable contributions of Guardian Cooperatives in the socio-economic development of minors through the organization of Laboratory Cooperatives, hence these Guidelines.

**Section 3. Scope and Coverage**

These Guidelines shall apply to all Laboratory Cooperatives recognized by the Authority under the provisions of RA 9520 and its Revised Implementing Rules and Regulations.

**Section 4. Definition of Terms**

As used in these Guidelines, the following terms shall mean:

- a) **Affiliation** – refers to the act of being formally connected or joined by a Laboratory Cooperative to a Guardian Cooperative;
- b) **Area of Operation** – refers to the area where the Guardian Cooperative operates and where the members come from as provided for in its Articles of Cooperation and By Laws;
- c) **Articles of Cooperation** – refers to the Articles of Cooperation of the Guardian Cooperative registered under RA 9520 and which includes a registered amendment thereof;
- d) **Authority** - refers to the Cooperative Development Authority;

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- e) **By Laws** –refers to the By-Laws of the Guardian Cooperative registered under RA 9520 and which includes any registered amendment thereof;
- f) **Certificate of Recognition** –refers to the certificate duly issued by the Authority to the Laboratory Cooperative upon compliance with all the requirements set forth in these guidelines. It serves as a conclusive evidence that the Laboratory Cooperative is duly recognized by the Authority as an affiliate of the Guardian Cooperative;
- g) **Guardian Cooperative** – refers to a duly registered cooperative to which a Laboratory Cooperative is affiliated with;
- h) **Minor** - refers to an individual below eighteen (18) years of age;
- i) **Laboratory Cooperative** – refers to a cooperative duly recognized by the Authority formed and managed primarily by minors, and is affiliated with another registered cooperative which is called the Guardian Cooperative;

### Section 5. Jurisdiction

All applications for the recognition of laboratory cooperatives shall be directly filed with Extension Office which has jurisdiction over the Guardian Cooperative.

### Section 6. Organization of Laboratory Cooperative

A cooperative may assist in the organization of a laboratory cooperative of fifteen (15) or more individuals who are minors, who may be students or out school minors, Filipino Citizens and are actually studying or residing within the nearest area of operation of the intended guardian cooperative.

### Section 7. Purposes of Laboratory Cooperatives

A laboratory cooperative shall be organized for any or all of the following purposes:

1. To serve as a training ground for its members to prepare them for membership in regular cooperatives.
2. To teach the values of thrift and saving mobilization among its members.
3. To instill cooperative values, principles, financial discipline, business skills and leadership skills among its members.
4. To promote and advocate Filipino social and cultural values, financial education, ecological awareness and sustainable development.

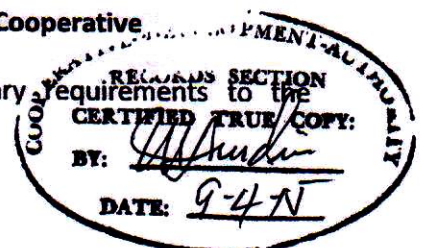
### Section 8. Affiliation

A Laboratory Cooperative shall be affiliated with a duly registered cooperative, to be known as the Guardian Cooperative.

A Laboratory Cooperative primarily composed of students from a particular school may affiliate with the school's cooperative, if any, or select a cooperative of its choice within its area of operation. If the laboratory cooperative is composed primarily of out-of- school youth minors, it shall be affiliated with a cooperative of its own choice within or nearest its area of operation.

### Section 9. Documentary Requirements for the Recognition of Laboratory Cooperative

The Guardian Cooperative shall submit the following documentary Authority for the issuance of a Certificate of Recognition:





1. Articles of Cooperation and By-laws of the Guardian Cooperative stating the acceptance of its responsibilities as Guardian Cooperative; and
2. Resolution of the Board of Directors of the Guardian Cooperative accepting its responsibility and liability as Guardian of the Laboratory Cooperative.

Existing cooperatives intending to have an affiliate laboratory cooperative shall be required to amend its Articles of Cooperation and By-Laws to comply with foregoing requirements.

**Section 10. Manual of Operation**

The Guardian Cooperative shall, in addition to the requirements prescribed in the immediately preceding section, submit a manual of operation for the Laboratory Cooperative, which shall include but not limited to the following:

- (a) The name of the Laboratory Cooperative
- (b) The purpose/s and business activities for which it is organized;
- (c) The qualifications, rights, duties and responsibilities of members and the procedure to be followed in the termination of membership;
- (d) The area of operation and the postal addresses of Laboratory Cooperative;
- (e) The common bond of membership;
- (f) The organizational structure of the Laboratory Cooperative which shall likewise indicate the officer/s of Guardian cooperative tasked to supervise/oversee/monitor the laboratory cooperative;
- (g) Duties and responsibilities of officers of the Laboratory Cooperative;
- (h) The rules and procedures on the agenda, time, place and manner of calling, convening, conducting meetings, quorum requirements, voting systems, and other matters relative to the business affairs of the officers and general assembly;
- (i) The rate of interest on savings and deposit, if applicable;
- (j) Duties and Responsibilities of the Guardian Cooperative
- (k) Other matters incident to the purposes and activities of the cooperative.

**Section 11. Name of Laboratory Cooperative**

The Laboratory Cooperative shall include in its name the word "Laboratory Cooperative of (Name of Guardian Cooperative)".

**Section 12. Issuance of Certificate of Recognition**

A Certificate of Recognition shall be issued by the Authority upon compliance with all the requirements set forth in these Guidelines. It serves as a conclusive evidence that the Laboratory Cooperative is duly recognized by the Authority as affiliate of the Guardian Cooperative and which shall remain valid unless such recognition has been earlier revoked or cancelled.

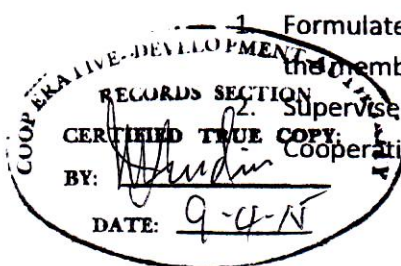
The issuance of the Certificate of Recognition does not bestow upon a laboratory cooperative a juridical personality.

**Section 13. Duties and Responsibilities of the Guardian Cooperative**

The following shall be the duties and responsibilities of the Guardian Cooperative over the Laboratory Cooperative:

1. Formulate the programs, plans, and activities appropriate for the education and training of the members of the Laboratory Cooperative;

2. Supervise the conduct of Officers and General Assembly meetings of the Laboratory Cooperative;



3. Represent the laboratory cooperative in its dealings and transactions with third parties;
4. Formulate, adopt and implement of internal control policies and procedures of laboratory cooperative which shall be embodied in manual of operation for the Laboratory Cooperative;
5. Prepare, keep and maintain the list of members
6. Submit an annual report on the activities and economic operations of the Laboratory Cooperative;
7. Maintain separate subsidiary ledgers, passbooks of members, and other accountable forms.
8. Adopt and implement a systematic procedure in the collection of savings deposits;

**Section 14. Liability of the Guardian Cooperative**

The Guardian Cooperative shall be liable for any violations committed in the operation of the Laboratory Cooperative.

**Section 15. Election of Officers of the Laboratory Cooperative**

The set of officers of the laboratory cooperative shall be in accordance with the organizational structure of the Laboratory Cooperative as prescribed by the Guardian Cooperative. The Guardian Cooperative shall prescribe the election guidelines governing the election of officers.

**Section 16. Termination of Membership**

The following shall be the causes for termination of membership in a laboratory cooperative:

1. Upon reaching the age of majority (18 years of age); and
2. Such other causes as may be provided for in the By-Laws of the Guardian Cooperative and in the Manual of Operations for the Laboratory Cooperative

**Section 17. Option of Member who reaches the Age of Majority**

Any member who reaches the age of majority has the option to join the Guardian Cooperative by signifying his/her intention to become a member upon compliance with all the requirements for membership.

**Section 18. Supervision by a Guardian Cooperative**

A Guardian Cooperative may supervise more than one (1) laboratory cooperative.

**Section 19. Effect of Dissolution of Guardian Cooperative.**

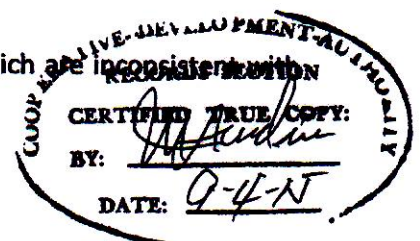
The dissolution of the Guardian Cooperative shall result in the revocation of the Certificate of Recognition of the Laboratory Cooperative.

**Section 20. Separability Clause**

If any provisions of these guidelines be declared null and void or unconstitutional, the other provisions not affected thereby shall continue to be in force and effect.

**Section 21. Repeal**

All previous circulars and/or guidelines issued by the Authority which are inconsistent with these guidelines are repealed or modified accordingly.





**Section 22. Effectivity.**

These guidelines shall take effect upon the approval of the Board of Administrators and fifteen (15) days after submission with the Office of National Administrative Registry (ONAR).

Approved by the CDA Board of Administrators pursuant to Resolution No. 216, s-2015 dated AUGUST 18, 2015.

For the Board of Administrators

By:

  
**ORLANDO B. RAVANERA**  
Chairman  
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