



## COOPERATIVE DEVELOPMENT AUTHORITY Manila Extension Office

Lower Ground Floor, EDSA Grand Residences, 75 Corregidor St. corner EDSA, Brgy. Ramon Magsaysay, Bago Bantay 1105 Quezon City  
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### COOP'S BEST PRACTICES

Each and every cooperative in the different parts of the country has its own unique way in adopting best practices that enables them to grow and continually served their members guided by the principles, laws and regulations promulgated by the cooperative.

In Pasig City, one of the cooperatives who are religiously adopting best practices that paved the way to the success of its operation is the **Ugong Credit Cooperative**, located at #56 C. Santol St., Ugong, Pasig City.

Herein is the write-up made and submitted to me by the coop's General Manager, Fernando Jose Santos:

#### UGONG CREDIT COOPERATIVE BEST PRACTICES

*Itinatag noong 1965 ng 26 na founders. Nagsimula sa P690.00 na puhunang sapi. Ngayon ay mayroon ng 5,000 regular at associate na kasapi at P240,000,000.00 na kabuuang ari-arian. Hindi naging madali sa UGONGKoop na paunlarin ang samahan lalo pa at ang karaniwang pananaw ng mga tao ay baka magsara din kaagad ang samahan dahil wala pang organisasyong nagtagumpay kung may perang pinag-uusapan. Ito ang nagsilbing hamon sa mga naunang namuno at pinatunayan nilang ang UGONGKoop ay hindi mapaparis sa ibang samahang sinasabi ng iba. Puspusing pagkilos at malasakit ang ibinigay nila. Naglingkod sila ng tapat sa hangarin na ring mapangalagaan ang pangalan ng kanilang pamilya. Nagtrabaho sila ng libre upang paigtingin ang prinsipyong "service above profit." Dumating din sila sa panahong nakakaramdam din sila ng pagod pero di nila sinukuan ang samahan at pinanindigan nilang ito ay pagtagumpayan.*

*Sa loob ng halos 20 taon ay tiwala ng pamayanan ang sinikap nilang makuha. Di nga sila nabigo, sa tulong na rin ng mga kapamilya na lubusan nilang napagpaliwanagan sa ganda ng layunin ng samahan. Patuloy din silang nagsaliksik upang hasain ang kakayanang mangasiwa at mamuno. Mapalad din ang samahan na di pinagkaitan ng ilang professional sa pamayanan na ibahagi ang kanilang kaalaman.*

*Sa ngayon, ang **malasakit at pagtutulungan** ang patuloy na ipinamumulat ng mga nagtatag nito sa mga bagong henerasyon. Hindi ang literal na yaman ang sa tingin nilang dahilan ng tagumpay ng samahan kundi ang kung papaano ito pinag-ingatan, sininop upang lumago at makapagbigay ng higit na paglilingkod na tunay na pakikinabangan hanggang sa mga darating pang panahon.*

*Bilang pagtugon sa pagbabago ng panahon, binuksan ng Pamunuan ang kanilang isipan sa prinsipyo ng **patuloy na pag-aaral at pagsasanay**. Kailangang patuloy na hasain ang kakayanan at linangin ang isipan sa wasto at mahusay na pamumuno at pamamahala. Kasabay na rin dito ang **paghubog ng mga bagong lider bilang "successors."***

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*Patuloy ding binibigyang halaga ang demokrasya na kung saan ang mga kasapi ay binibigyang daan hindi lamang sa general assembly kundi sa pagsasagawa din ng forum upang madinig ang kanilang opinion na makapagbibigay ambag para mas mapabuti ang mga paraan kung papaano mas makatutugon ang samahan sa pangangailan ng kasapian.*

*Pinagyayaman din ng samahan ang prinsipyong “**concern for community**” sa pamamagitan ng patuloy na pagbabahagi ng tulong sa pamayanan tulad ng brigada eskwela, kalingang Ugongkoop, blood letting, womens health care program, binyagang bayan at educational assistance. Naniniwala ang samahan na sa gawaing ito ay maimumulat ang pamayanan sa tunay na diwa ng pagmamalasakit.*

*Sa adhikaing makamit ang hangaring maging “mayamang kooperatiba sa isip, salita, puso, gawa at libreta” pinagsisikapan ng pamunuan na maisabuhay ang pitong prinsipyo ng kooperatiba.*





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



on City

## Central Office

827 Aurora Blvd., Service Road, Brgy. Immaculate Conception, 1111 Cubao, Quezon City, Philippines

December 5, 2018

USONG CREDIT COOPERATIVE

Prngy City  
MEMORANDUM

BY:   
DATE: DEC. 12, 2018

TO : ALL EXTENSION OFFICE DIRECTORS

SUBJECT : IDENTIFICATION OF THE NUMBER OF COOPERATIVES  
IMPLEMENTING BEST PRACTICES

In view of the required deliverables of the CDA on the above outcome, please submit to this level the number of cooperatives in your respective regions implementing best practices taking into consideration the attached proposed parameters.

Please consider the following reporting format:

PROVINCES	NO. OF COOPERATIVES		BEST PRACTICES IMPLEMENTED
	TARGET	ACTUAL ACCOMPLISHMENT	
NCR	1	1	* Institutionalized cooperative policies; * Institutionalized programs for HR Development; * Continuous education training for coop officers, etc.; * Compliance w/ CDA, other regulatory agencies & LGU; * Optimized participation of members in the cooperative affairs; and * Institutionalized Community Development Programs

In the column "Best Practices Implemented", please specify the specific best practices and the number of accomplishments per best practices captured. To illustrate:

Province : Rizal  
Target : 20  
Accomplishment : 40  
Best Practices Implemented : 7 - Proper Conduct of Meeting; 8 - Awards and Recognition to employees; 8 - Policies on Planning and Budgeting; 12 - Provision of Members Benefits to members; 5 - Institutionalized social development programs

For your information and immediate action.

RAY R. ELEVAZO, CSEE, MNSA  
Executive Director

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## Parameter for Determining Cooperatives Implementing BEST PRACTICES

### Definition:

A **best practice** is a method or technique that has been generally accepted in the cooperative as minimum acceptable procedures or alternatives because it produces results that are way above those achieved by others;

Best practices could become a standard way of doing things.

### Cooperative Norms:

It is understood that the cooperative adheres to the standard norms and requirements as cooperatives which include among others:

- Cooperative principles;
- Cooperative philosophy;
- Cooperative values;
- Legal and ethical standards;
- Business principles (balancing social and economic aspects of an organization)
- Provisions of Articles of Cooperation and By-laws and cooperative laws

### Best Practices:

The following are the minimum characteristics for best practices of cooperatives:

#### 1. Governance and Management

COOPERATIVE BEST PRACTICES	PARAMETERS/DESCRIPTION	YES	NO	REMARKS
Institutionalized cooperative policies	Periodic review and revisiting of existing policies;  Cluster policies into specific concerns (organizational; operational; administrative) <ul style="list-style-type: none"><li>- Organizational - membership; structure; human resource</li><li>- Operational - business undertaking</li><li>- Administrative - systems and procedures</li></ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Formulated and Implemented comprehensive plans for cooperative	Development Plan (annual and medium term) <ul style="list-style-type: none"><li>- Education and training plan</li><li>- Social and Community Development Plan</li><li>- Gender and Development Plan</li><li>- Business Development Plan</li><li>- Business Continuity Plan</li></ul>	<input type="checkbox"/>	<input type="checkbox"/>	





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Formulated and Implemented comprehensive plans for members	Development Plan (annual and medium term) - Members Development Plan (human and enterprise development)			
Institutionalized programs for human resource development	<p>Programs and policies are established, covering the cooperative officers, members and staff;</p> <p>Duties and responsibilities, and job description are well-defined and applied;</p> <ul style="list-style-type: none"><li>• Officers</li><li>• Members</li><li>• Management and Staff</li></ul> <p>Members' development program is established:</p> <ul style="list-style-type: none"><li>• Adopt member evaluation system;</li><li>• Periodic updating of members on cooperative operation;</li><li>• Members' benefits program</li><li>• conduct of financial counselling and other related activities that will provide venue for interaction with members</li></ul> <p>Cooperative Officers Development Program:</p> <ul style="list-style-type: none"><li>• Performance review and evaluation</li><li>• Development and implementation of succession plan;</li><li>• Observance of Code of Governance and Ethical Standards;</li></ul> <p>Management Staff Development Program:</p> <ul style="list-style-type: none"><li>• Performance review and evaluation;</li><li>• Compliance with labor standards</li><li>• Development and implementation of succession plan</li><li>• Incentives and awards system</li></ul>	✓	✓	✓
Has continuous education and training for cooperative officers, members and staff	<ul style="list-style-type: none"><li>• Presence and implementation of education and training plans and programs;</li><li>• Periodic evaluation of the education and training results</li></ul>	✓	✓	
Observed strict Compliance with the cooperative	Submission of reportorial and other legal requirements on time to: • Cooperative Development Authority (CDA)	✓		







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reportorial and other legal requirements	<ul style="list-style-type: none"><li>Other regulatory agencies (BIR, DOLE, etc.)</li><li>Local government units</li></ul>	✓	✓	
	Issued Certificate of Compliance, Certificate of Tax Exemption, business permit and other similar certifications			
Institutionalized feedback mechanisms	<ul style="list-style-type: none"><li>Suitable feedback mechanisms are established;</li><li>Feedbacks are processed, evaluated and addressed;</li></ul>			
With established linkages and partnership with other cooperatives and various partners for business and non-business collaboration	<ul style="list-style-type: none"><li>Affiliation with cooperative federations and/or unions;</li><li>Participation in the existing Cooperative Development Councils;</li><li>Accreditation with the NGAs, LGUs and other organizations;</li><li>Forging of collaborative agreements with partners on specific concerns with Board approval, whether local, national or international (business or non-business).</li></ul>			
Institutionalized internal control system	<ul style="list-style-type: none"><li>Presence of Codified Approving and Signing Authority (CASA);</li><li>Observe internal control practices/procedures;</li><li>Presence of accounting and internal control policy;</li></ul>			
Institutionalized annual audit	Annual audit of books of accounts by an external auditor or as the case maybe, by an audit committee			
Implemented Continuous capital-build up scheme	Implemented policies and programs on capital build-up/ generation, particularly those provided in the bylaws			
Institutionalized awards and recognition program for cooperative officers, members and staff	Implement programs and activities on providing awards and recognition to performing cooperative <ul style="list-style-type: none"><li>officers</li><li>members</li><li>staff</li></ul>			





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Optimized participation of members in the cooperative affairs	<p>Institutionalized participation of members:</p> <ul style="list-style-type: none"><li>• In the decision making process</li><li>• In the cooperative programs and activities</li></ul> <p>Cooperative members have already embraced their duties and responsibilities which can be seen in the following:</p> <ul style="list-style-type: none"><li>• At least 75% of the regular members Fulfilled the obligations (financial and social)</li><li>• At least 50% of the members are determined with voting rights</li><li>• At least 50% of the members entitled to vote has attended the GA</li><li>• At least 50% of the Associate members are attending the GA</li></ul>	✓		
Implemented Transparency in dealings/transacting with members and other stakeholders	<ul style="list-style-type: none"><li>• Posting of AFS and Monthly Financial Statement</li><li>• Posting/Accessibility to policies, minutes of meetings</li><li>• Availability to inspect records and all other documents pertaining to the business transactions of the cooperative</li></ul>			
Implemented efficient management of resources (human and financial)	<ul style="list-style-type: none"><li>• Achieved expected outcome at a minimal cost, time and other resources</li></ul>			

## 2. Business Management

COOPERATIVE BEST PRACTICES	PARAMETERS/DESCRIPTION	YES	NO	REMARKS
Established an applicable and working Accounting system	<ul style="list-style-type: none"><li>• Updated recording of business transactions duly supported with appropriate documents;</li><li>• Generated financial statements;</li><li>• Updated posting of subsidiary ledgers;</li><li>• For multipurpose cooperative, segregated books of accounts per line of business</li></ul>			







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Undertaken business activities responsive to members' needs and aspirations	<ul style="list-style-type: none"> <li>At least 80% of members Patronized the products/services/business activities of the cooperative;</li> <li>Business activities of the cooperative complement the business requirement of the members;</li> </ul>			
Has Business Continuity Plan	Developed and implemented business continuity plan;			
Assessed regularly the business operation vis-a-vis cooperative standards	<ul style="list-style-type: none"> <li>Employed/utilized cooperatives and business standards to assess the business operation of the cooperative and apply applicable/ appropriate action</li> <li>Results of financial standard are utilized for decision making</li> </ul>			
Provided Assistance in improving the life of members	<ul style="list-style-type: none"> <li>Improved members' products through transfer of skills and knowledge on packaging, marketing and promotion;</li> <li>Complemented the members' business and products through credit facilities, marketing of products, joint venture agreements (JVA), linking and others;</li> <li>Registered parallel growth of the cooperatives and its members</li> <li>Adopted measures to stimulate internally-generated capital</li> </ul>			

## 3. Social Responsibility

COOPERATIVE BEST PRACTICES	PARAMETERS/DESCRIPTION	YES	NO	REMARKS
Institutionalized community development programs	<ul style="list-style-type: none"> <li>Implemented programs and activities for the community, based on the approved social plan of the cooperative which may cover the following; <ul style="list-style-type: none"> <li>Social protection</li> <li>Health and sanitation</li> <li>Peace, order and security</li> </ul> </li> <li>Full Utilization of Community Development Fund (CDF) to where it is intended for with proper documentation;</li> <li>Provided Assistance in the development of micro and small</li> </ul>	✓ ✓ ✓		







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	cooperatives (for medium and large cooperatives)			
Participated in the Local Planning bodies	<ul style="list-style-type: none"><li>Contributed to environmental protection and disaster preparedness of the community as evidenced by proper documentation</li><li>Accredited by the LGU</li><li>Actively participated in the consultation related to local planning initiated by the LGUs;</li></ul>			



Audited Financial Statements  
For the Year Ended December 31, 2016

