



**CITY ORDINANCE NO. 397**

**December 14, 2005**

**AN ORDINANCE PROMOTING COOPERATIVISM IN BACOLOD CITY BY GIVING ANNUAL DUE RECOGNITION TO EXEMPLARY COOPERATIVES AND COOPERATIVE LEADERS AND FOR SUCH OTHER PURPOSES.**

**WHEREAS**, it is the declared policy of the State as well as of the City of Bacolod to develop cooperativism as a practical vehicle for promoting self-reliance and harnessing people towards the attainment of economic development and social justice;

**WHEREAS**, the State recognizes the principle of subsidiarity under which the cooperative sector initiates and regulates its own ranks the promotion and organization, training and research, audit and support services relating to cooperatives with government assistance where necessary;

**WHEREAS**, the City of Bacolod shall encourage the private sector to undertake the actual formation and organization of cooperatives and shall create an atmosphere that is conducive to the growth and development of these cooperatives,

**WHEREAS**, the City of Bacolod is mandated to support its dynamic cooperativism, capital formation and savings mobilization among its populace;

**WHEREAS**, cooperatives are vehicles for micro-economy development, that will result to the upliftment of the macro-economy of Bacolod in general.

**WHEREFORE**, let it be ordained, as it is hereby ordained, by the Sangguniang Panlungsod in session assembled that:

**Article 1. SHORT TITLE.** This ordinance shall be known as "THE GAWAD KOOPERATIBA AWARDS ORDINANCE OF BACOLOD CITY".

**Article 2. DEFINITION OF TERMS.**

**Section 1.** The definition of terms found in Republic Act No. 6938 otherwise known as "Cooperative Code of the Philippines" are hereby adopted for purposes of this Ordinance.

**Section 2 - TERMS UNDER THIS ORDINANCE.** Terms used under this ordinance which are not defined under RA 6938, are hereby defined as follows:

1. **COOPERATIVE LEADERS** - leaders/officers of duly-organized cooperatives who have performed exemplary work in promoting cooperativism,
2. **GAWAD KOOPERATIBA** - the nomenclature of the awards given under this ordinance.

3. **NOMINEES** - cooperatives and cooperative leaders who are officially nominated for purposes of the awards under this ordinance.
4. **BACOLOD CITY COOPERATIVE DEVELOPMENT COUNCIL (BCCDC)** - the duly-organized and recognized federation of cooperatives by the City Government of Bacolod.

**Article 3. MINIMUM REQUIREMENTS.** In order to qualify as official nominees, the cooperative as well as the cooperative leaders must possess the minimum requirements, as follows:

**Section 1. COOPERATIVES.** For cooperatives who are nominated, they must be:

1. Duly registered or confirmed by the Cooperative Development Authority
2. Accredited by the city government
3. Should have been active and operational for at least five (5) consecutive years prior to the date of nomination
4. Must be an active member in good standing of the Bacolod City Cooperative Development Council (BCCDC)

**Section 2. COOPERATIVE LEADERS.** For cooperative leaders who are nominated, they must be:

1. Persons of good moral character with no derogatory record.
2. Be a member of a cooperative duly registered or confirmed by the Cooperative Development Authority and accredited by the city government.
3. An active member of such cooperative for at least five (5) consecutive years prior to the date of nomination.
4. The cooperative he leads must be an active member in good standing of the Bacolod City Cooperative Development Council (BCCDC).
5. Must actively participate in the activities of the BCCDC.

**Article 4. CRITERIA FOR EVALUATION** The Gawad Kooperatiba Awards shall be based on the following criteria:

**Section 1. ADMINISTRATIVE COMPLIANCE AND MANAGEMENT STRUCTURE.** The administrative compliance and management structure of the cooperative shall account for forty (40) percent of the criteria. This includes the following:

1. **MEMBERSHIP MOBILIZATION AND PARTICIPATION** - increase in membership, patronage of members who make use of the cooperative services, percentage of attendance in annual general assembly, capital build-up yearly increase, and conduct of regular pre-membership education.



2. **LEADERSHIP AND MANAGEMENT** - number of board meetings and committee meetings per year, presence of core management team (Manager, Treasurer, Bookkeeper), human resource development training attended or conducted, sound financial and non-financial policies and procedures, development plans.
3. **COMPLIANCE WITH LEGAL REQUIREMENTS** - submission of annual reports, allocation of net surplus, audited financial statements. Registration of amendments registration with BIR, business permits and license, SSS/Medicare/ECC and PAG-IBIG benefits.
4. **NETWORK and LINKAGING** - includes membership, affiliation, or linkage with the Coop Sector, GO's, NGO's and LGU's.
5. **COMMUNITY INVOLVEMENT** - which includes trainings and activities conducted and/or sponsored, social and community involvement, participation on Bacolod City Local Development Council, and participation in local planning bodies, employment generation to the community, awards and recognition received.
6. **BUSINESS OPERATIONS** - repayment performance, volume of business, efficiency ratio, Return on investment (ROI) net Surplus, Return on Assets (ROA), Liquidity/Solvency, Members Equity to Total Liabilities, Profitability Ratio, shared Benefits to Members, Rates of Patronage Refund, and rates of Interest on Share Capital.

**Section 2. FINANCIAL PERFORMANCE.** The financial performance of the cooperative shall account for forty (40) percent of the criteria. This includes the following:

1. **PORTFOLIO QUALITY** - includes the loan portfolio that constitutes the bulk of cooperatives assets, protection of risk of default, and adequacy of allowance provided for loan losses against the amount of delinquent loans or allowance for probable losses on loans.
2. **EFFICIENCY** - this includes asset yield, operational self-sufficiency, rate of return on members' share, loan portfolio profitability, col per peso loan, administrative efficiency
3. **STABILITY** - this includes solvency, liquidity and net institutional capital
4. **OPERATIONS** - this includes growth in membership and trend in external borrowings and zero borrowings or cost of external borrowings under profitability ratio
5. **STRUCTURE OF ASSETS** - this includes non-earning assets over total assets, total deposits over total assets, net loans receivables over total assets and total members' share capital over total assets

**Section 3. POSITIVE IMPACT TO THE COMMUNITY AND ITS MEMBERS.** The extent and positive impact of the existence and operations of the cooperative to its members, the community and the City of Bacolod in general shall account for twenty (20) percent of the criteria.

**Article 5. PROCEDURES FOR THE SELECTION OF OUTSTANDING COOPERATIVE AWARD.** The following general procedures shall be followed in the selection process:

**Section 1.** A Gawad Kooperatiba Committee (GKC) shall be created for the purpose of choosing one cooperative and one cooperative leader to receive the Gawad Kooperatiba Award.

**Section 2.** One cooperative will be receive the Gawad Kooperatiba Award every year for being an outstanding cooperative and one individual will receive the same award for being an outstanding cooperative leader, both chosen under the standards set in this Ordinance.

**Article 6. VENUE OF AWARDING.** The Gawad Kooperatiba Awards will be given during the Bacolod City Charter Day or any appropriate occasion or celebration during the year

**Article 7. SELECTION PROCESS.** Nominations for each category shall be submitted to the Gawad Kooperatiba Committee (GKC) to be convened by the City Mayor. The GKC shall then set its own policies and deadlines in receiving nominations.

**Article 8. SELECTION REQUIREMENTS.** Aside from the duly accomplished nomination form, the GKC may require the submission of documents but not limited to thereto for purpose of selection, such as annual report submitted to Cooperatives Development Authority, (CDA), audited financial statements, updated list of members, copies of the minutes of the board of directors, copies of minutes of general assembly meetings, attendance sheet of the general assembly, schedule of the computation of interest on share capital and patronage refund, minute of meetings of the different committees, list of management staff certified by the secretary, certificate of trainings attended b officers and members, proof of training conducted by coop, certification from lending institution for prompt payment accounts, aging of accounts/loans received, development plans, policies and procedures, and awards and recognition received.

**Article 9. COMPOSITION OF THE GAWAD KOOPERATIBA COMMITTEE.** The Gawad Kooperatiba Committee shall be composed of seven (7) members, two (2) of whom to be chosen by the City Mayor from among the respected members of the business and cooperatives community. The automatic members shall be one representative each from the Bacolod City Cooperative Development Council (BCCDC), City Mayor's Office, Cooperatives Development Authority (CDA), Land Bank of the Philippines, and the chair of the Committee on Cooperatives and Livelihood of the Sangguniang Panlungsod.

**Article 10. SECRETARIAT** For purposes of the selection, the Bacolod City Cooperatives and Livelihood Development Office shall act as secretariat.

**Article 11. INCENTIVES AND PRIZES.** All nominees shall be given certificates of participation. The awardees shall receive Gawad Kooperatiba Plaques and other incentives as may be given on a particular subject to availability of budget.

**Article 12. FUNDING.** The expenses under this Ordinance shall be One Hundred Thousand Pesos (P100,000.00) to be taken from the twenty (20) percent Annual Investment Plan (AIP) fund for the pertinent year.

**Article 13. SEPARABILITY CLAUSE.** Should any position of this ordinance be declared ultra vires or unconstitutional by competent authority, the remainder not so affected shall continue to be in full force and effect insofar as it is susceptible to enforcement and application.

**Article 14. EFFECTIVITY.** This ordinance takes effect immediately as soon as approved.

**CARRIED BY THE VOTE OF:**

Affirmative:

Councilors: Greg G. Gasataya, Ana Marie V. Palermo, Jocelle Batapa-Sigue, Homer Q. Bais, Dindo C. Ramos, Jude Thaddeus A. Sayson, Napoleon A. Cordova, Elmer T. Sy, Al Victor A. Espino, Reynold I. Iledan.

Negative : None

Absent : None

Official Leave : Councilors Catalino T. Alisbo and Marx Louie S. de la Rosa.

Author : Councilor Jocelle Batapa-Sigue.

Co-Author : Councilor Catalino T. Alisbo.

Passed : December 14, 2005 (77th Regular/Special Session).

Comments: P a s s e d

Councilors Lyndon P. Caña and Arturo V. Parreño were out of the session hall when this ordinance was passed.

**RENECITO S. NOVERO**

Vice Mayor  
Presiding Officer

ATTESTED:

**ATTY. NILO T. ALEJANDRINO**

Secretary to the Sanggunian

APPROVED: December 29, 2005.

**EVELIO R. LEONARDIA**

City Mayor

