

## **UNION OF LEGITIMATE SERVICE CONTRACTING COOPERATIVES MEMBERSHIP CRITERIA**

The Union of Legitimate Service Contracting Cooperatives membership criteria and evaluation of prospective members will be aligned to the objectives of the Union as follows:

### **ULSCC OBJECTIVES**

1. To save the industry against misconceptions of regulators, legislators, competitors, labor unions, and business sectors.
2. To promote legal compliance on different rules, regulations, policies, and laws of appropriate regulatory bodies.
3. To develop standard of practices for cooperative labor service.
4. To help professionalize the management, administration, and governance of labor service cooperatives.
5. To integrate various issues and solutions across different stakeholders of labor service business.

To uphold the objectives of the Union, the following membership criteria will be used to screen potential members. If the applicants are not yet up to standard at the time of applications, they will be provided with conditional membership subject to their willingness to correct their deficiencies. They will be assessed periodically within their probationary period and may be subject to expulsion if they could not comply.

## MEMBERSHIP CRITERIA

1. Legal compliance on laws and regulations affecting the practices of labor service cooperatives (CDA, DOLE, BIR etc.).
2. Compliance with Accounting Standards as mandated by Cooperative Code of the Philippines.
3. Good governance and observance of true spirit of cooperativism.
4. Sound financial control and proper distribution of surplus, patronage refunds, and dividends.
5. Ethical business practices in dealing with principals, principal's representatives, government regulators, cooperative union, and officers and members of the cooperatives.

## VALIDATION PROCESS

1. Cooperatives applying for membership must submit the following documents for assessment and validation by Union's Membership Committee:
  - a. CDA Registration
  - b. CDA Annual Certificate of Good Standing
  - c. DOLE Department Order No. 18-A Registration
  - d. DOLE Certificate of Labor Cases
  - e. BIR Certificate of Tax Exemption
  - f. BIR Open Cases
  - g. SSS Registration
  - h. PAGIBIG Registration
  - i. PHILHEALTH Registration
  - j. Business Permit

k. Audited and Latest Financial Statements

l. Membership Profile

m. List of Clients

n. Others items that may be required

2. Membership Committee of the Union will evaluate and provide list of items for compliance. The applicant cooperative will be given reasonable period of time of not more than 6 months to comply.
3. Pending the completion of compliance requirements, the applicant cooperative will be accepted as a probationary member of the Union.
4. Based on the compliance period, the application and compliance on outstanding items will be evaluated periodically.
5. Before the end of compliance period, final evaluation will be released. A recommendation will be made to the Board of Directors of the Union if the applicant should be accepted or not.
6. Union's Board of Directors will make the final decision on acceptance or denial of the cooperative's application for membership.