



**GOVERNMENT OF ASSAM
FINANCE DEPARTMENT**

**ASSAM SOCIETY FOR
COMPREHENSIVE FINANCIAL MANAGEMENT SYSTEM
(AS-CFMS)**

MEMORANDUM OF ASSOCIATION

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Assam Society for Comprehensive Financial Management System (AS-CFMS)

MEMORANDUM OF ASSOCIATION

Preamble:

- The Finance Department has taken various initiatives in the recent past to improve the efficiency, effectiveness and transparency of Public Financial Management which include Aarthika-Finance Department Computerization, Nidhi Nirikshan-Audit (Local Fund) Computerization, Integrated Government Financial Management Information System (IGFMIS), File Processing at Directorates of Treasury & Statistics, Computerization of Economics and Statistics (Macro Fiscal Projection), Comprehensive Treasury Management Information System (CTMIS), Tax Information Management System (TIMS), Employee and Pensioner Database, Computerization of Registration under Revenue and Disaster Management Department, Training of DDOs on fiscal and financial matters, Public Financial Management system implementation and capacity building for all the stakeholders etc.
- The Government of Assam is working with the World Bank to prepare the Assam Public Financial Management Strengthening Project for an estimated amount of Rs. 274 crore and a Project Implementation Unit (PIU) will be needed for smooth implementation of the project.
- There are various on-going IT reform projects, both related to & managed by the Finance Department and those of the other departments, which are supported by Finance Department. Currently these individual projects, are managed in a distributed manner by various units within and outside of the Finance department, leading to inadequate synergies, lack of attention to project management, inability to cross share IT and human resources, lack of adequate oversight and periodic review mechanism. In addition there have been

- i. Challenges in the recent past in implementation of IT projects of finance department;
- ii. AMTRON is already stretched beyond its capacity to support project implementation;
- iii. Absence of structured & timely attention to IT maintenance contracts, both services and IT hardware maintenance etc and
- iv. Inadequate attention to human resource capacity building and change management, which are important elements of any reform.

Further reforms in Public Financial Management, including revenue mobilization, with significant investment in IT are being planned by the Government in order to be a reform driver for Government of Assam through periodic stock taking of Public Financial Management performance and planning for systems improvement, consolidate the efforts and implement projects in mission mode, it is considered appropriate to create a SPV which will bring synergy amongst various such projects. It is in this context the Government of Assam has considered it expedient to create a legal entity in the form of Society for managing all the CFMS-Projects under the Finance Department.

1. Title:

The name of the society shall be '**Assam Society for Comprehensive Financial Management System (AS-CFMS)**' i.e. hereinafter also referred as '**AS-CFMS**'.

2. Registered Office:

The registered office of the '**AS-CFMS**' shall be located in **Guwahati** and the society may establish one or more offices in the state of Assam.

3. Area of Operation

The area of operation of the society will extend throughout the state of Assam.

4. Purposes and Objectives:

- a. Manage various Public Financial Management reform initiatives & projects of the Government of Assam, including development, implementation, improvement and

- maintenance of a comprehensive Financial Management System (CFMS) for the state by bringing synergy amongst various IT initiatives, systems and stakeholders and in ensuring effective co-ordination with both internal stakeholders (Government of Assam, employees and pensioners, etc.) and external stakeholders (Accountant General, RBI, Agency banks, Ministry of Finance, GOI, vendors, business, citizens, amongst others).
- b. Strategize, co-ordinate and manage various human resource capacity building programs relating to Public Financial Management & nurture/ incubate partnerships with other knowledge partners.
 - c. Manage Long term maintenance of IT systems with an enabling provision for the transfer of IT assets (hardware, software) from the departments to the society.
 - d. Supporting the upgradation/computerization of the revenue departments including Commercial Tax Department and Excise.
 - e. Support roll out of GSTN at the state level and be the nodal agency.
 - f. Enter into Service Level Agreements for communication and IT services.

5. Functions:

The functions of AS-CFMS shall include:

- a. To take/undertake all actions/activities that may be necessary for implementation of CFMS-Projects for the CFMS or any other CFMS-Projects of any department as may be authorized by the Government of Assam, herein after also called as “CFMS-Projects”, for achievement of the objectives of the individual CFMS-Projects ;
- b. To act as PIU of World Bank aided Assam Public Financial Management Strengthening Project.
- c. To create duly empowered management mechanism, through participation of/collaboration with various Government departments and autonomous bodies/ educational institutions including NGO’s etc., as may be deemed necessary for achievement of the objectives of the CFMS-Projects ;

- d. To establish an appropriate coordination and monitoring mechanism amongst the implementing entities/agencies of CFMS-Projects and to delegate appropriate powers to such bodies as may be necessary for implementation of the CFMS-Projects ;
- e. To undertake innovative initiatives in areas related to CFMS-Projects, as stated in the relevant Project Reports or as recommended by the Project Funding Agencies or as may be directed by the Government of Assam;
- f. To create technical, administrative and other posts considered necessary for implementation of the individual CFMS-Projects in the society and to retain such posts and to make payments for the same, pursuant to the provisions in this regard in the Rules of Business of AS-CFMS. The creation of such posts, however, shall be as per stipulations of the Project Report of each individual Project, and such Project Reports shall be duly approved by the Government of Assam;
- g. To make Rules & Regulations and Bye laws, not inconsistent with the Memorandum of Association in conduct of activities of the AS-CFMS and its affiliates;
- h. To accept grants of money, securities of property and to undertake and accept management of any endowment consistent with the object of the individual CFMS-Projects;
- i. To prepare annual reports, monthly, quarterly and annual accounts of AS-CFMS;
- j. To purchase, hire, dispose through formal auction, take on lease, exchange or otherwise acquire property both movable and immovable, in pursuance of objectives of individual CFMS-Projects and that of AS-CFMS;
- k. To commit expenditure as received from Government or any other source in pursuance of the individual CFMS-Projects and that of AS-CFMS objectives; and
- l. To take all such actions, including those not mentioned above, as may be necessary for or incidental to the achievements of the objectives of CFMS-Projects and that of AS-CFMS.
- m. Commit funds and enter into contracts with various vendors,

- suppliers and consultants for design, implementation & maintenance of various PFM projects.
- n. To hire technical consultants and staff for various requirements in the PFM area across government.
 - o. The contribution may also be accepted from Private institutions and individuals with the approval of Governing Body.
 - p. To do all such acts and things as are incidental or conducive to the discharge of the functions and attainment of any of the objects of the Society.

6. Assets:

The income and property of the AS-CFMS, howsoever derived, shall be applied towards promotion of the objectives of the individual CFMS-Projects, as set forth in the Memorandum of Association; subject nevertheless, in respect of the expenditure of any grants made by the Government of Assam, to such limitations as the Government of Assam may from time to time impose. No portion of the income and property of AS-CFMS shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise to the persons who at any time have been members of the AS-CFMS or to any of them or to any person claiming through them provided that nothing herein contained shall prevent payment made as remuneration to any member thereof or other persons in return for any services rendered to AS-CFMS.

7. Powers of the Government:

The Government of Assam may appoint one or more persons to review the work and progress of AS-CFMS, and to hold enquiries into the affairs thereof and to report thereon in such manner as the Government may stipulate. Upon receipt of such report, the Government may take such action and issue such directions, as it may consider necessary in respect of any of the matters dealt with in the report. The AS-CFMS shall be bound to carry out such directions. In addition, the Government of Assam, at any time, may issue directives on matters of policy or any other matter to the AS-CFMS and the latter shall be bound to comply with such directives.

8. Dissolution:

If on winding up or dissolution of AS-CFMS, there shall remain, after satisfaction of all the debts and liabilities, any asset or property, these shall be dealt with in such manner as the Government of Assam may determine in conformity with Societies Registration Act, 1860 (Act XXI of 1860).

9. Management of the AS-CFMS:

The management of the affairs of the AS-CFMS shall be vested in a two tier administrative system comprising of the **Governing Body** and the **Executive Committee** While the **Governing Body** shall be the apex policy-making body of the AS-CFMS, the **Executive Committee** shall be the executive authority of the Society, which shall function as per over-all direction, and guidance of the **Governing Body**.

The composition of the GB will be as under:

Sl. No.	Members	Designation
1	The Chief Minister, Assam	Chairperson
2	Chief Secretary to the Government of Assam	Ex Officio Vice Chairperson
3-16 Senior Most Secretary to the Govt. of Assam, in the Department of:-		
3	Administrative Reforms and Training	Ex Officio Members
4	Environment & Forest	
5	Excise	
6	Finance	
7	Information Technology	
8	Planning & Development	
9	Public Works	
10	Revenue and Disaster Management	
11	Hill Area Development	
12	Welfare of Plain Tribes and Backward Classes	
13	Transport	
14	Panchayat and Rural Development	
15	Urban Development	
16	Guwahati Development	
17	Commissioner and Secretary, Finance	Ex Officio Member Secretary

Sl. No.	Members	Designation
18	All officers in the rank of Secretary and above in Finance Department	Ex Officio Members
19	State Project Director, AS-CFMS	Ex Officio Member

The composition of Executive Committee will be as under:

Sl. No.	Officials	Members
1	Chief Secretary to the Government of Assam	Ex Officio President
2	Senior Most Secretary, Finance Department	Ex-Officio Vice President
3	All officers in the rank of Secretary and above, Finance Department	Ex-Officio Members
4	State Project Director, AS-CFMS	Ex-Officio Member-Secretary
5	Representatives of the Departments of the Governments of Assam, associated with the CFMS-Projects, not below the rank of Secretary	Ex-Officio Member
6	Representative of Planning & Development Department not below the rank of Secretary	Ex-Officio Member

10. Certified copy of the Rules and Regulations:

A certified copy of the Rules and Regulations of the AS-CFMS is filed along with the Memorandum of Association. The Governing Body is authorized to frame/amend the Rules and Regulations for conducting the business of the Society, subject to its Memorandum of Association.

11. Governing Body

We, the undersigned persons, being the member of the Governing Body of the Society to whom the management of the affairs of the society is entrusted as required under Section 2 of the Registration of Societies Act, 1860 (Act XXI of 1860), having associated ourselves for the purpose described in this Memorandum of Association do hereby subscribe our names to this Memorandum and set our respective hands here unto and form ourselves into a Society under Registration of Societies Act, 1860 this **day of**, **2015** at Guwahati.

Signatures:

	Members	Designation	Signature	
1	The Chief Minister, Assam	Chairperson		
2	Chief Secretary to the Government of Assam	Ex Officio Vice Chairperson		
	3-16: Senior Most Secretary to the Govt. of Assam, in the Department of:			
3	Administrative Reforms and Training Department	Ex Officio Members		
4	Environment & Forest Department			
5	Excise Department			
6	Finance Department			
7	Information Technology Department			
8	Planning & Development Department			
9	Public Works Department			
10	Revenue and Disaster Management Department			
11	Hill Area Development Department			
12	Welfare of Plain Tribes and Backward Classes Department			
13	Transport Department			
14	Panchayat and Rural Development Department			
15	Urban Development Department			
16	Guwahati Development Department			
17	Commissioner and Secretary, Finance Department		Ex Officio Member Secretary	
18	State Project Director, AS-CFMS		Ex Officio Member	



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