

**Institute of Local Governance Studies**



**(INLOGOS)**

**Statute – 2005**

## **Statute of Institute of Local Governance Studies, 2062**

### **Preamble:**

Whereas, this Institute has been established as a Non Governmental Organization to protect human rights by disseminating democratic practices, values and norms at all levels of society and to make sure that the fruits of development reach all strata and levels of the community by promoting the basic elements of the local self governance system based on the principle that Nepal's overall development is possible only through a decentralized governance system. This statute has been prepared as per the Society Registration Act, 2034.

### **Chapter 1 Introduction**

#### **1. Short Title and Commencement:**

1. The name of this Institute shall be 'Swasasan Addyayan Pratisthan' in Nepali and 'Institute of Local Governance Studies' in English.
2. This Institute shall commence once this statute receives authorization from His Majesty's Government as established by the prevailing law.
3. The Institute shall be an autonomous, organized, non-profit oriented, non-political and non-governmental social organization with perpetual succession.

#### **2. Definitions and Explanations:**

Unless the subject or context otherwise requires, in this Statute:

- a. 'Institute' means Institute of Local Governance Studies.
- b. 'Statute' means the Statute of the Institute of Local Governance Studies, 2062.
- c. 'Local Officer' means the officer authorized by the law related to the government for the registration of Societies.
- d. 'Executive Committee' means Office bearers elected or nominated as per Article 13 of this Statute.
- e. 'General Assembly' means the general assembly that has been conducted as per the rules given by this Statute inclusive of the special general assembly.
- f. 'Fiscal year' means the same period of fiscal year of His Majesty's Government.
- g. 'Office bearers' means the Executive Chairperson, Vice-Chairperson and Treasurer of the Executive Committee.
- h. 'Members' means the members of the Executive Committee as well as the general members of the Institute.
- i. 'Local Governance System' means the principles and explanations stipulated in the existing laws and Acts of the country, policies and strategies laid down by the National Planning Commission, best practices established by the local bodies on the basis of general people's participation, policy directives regarding devolution of authority issued by the Ministries, decisions and directives issued by the Decentralization Monitoring and Implementation Committee and internationally accepted principles and policies of the local governance system.
- j. 'Central Body' means corporation, commission, ministry or institution of His Majesty's Government established in the center and that functions through branch offices.
- k. 'Local Body' means local institutions established under the prevailing law.
- l. 'Regulations' or 'By-Laws' means regulations and by-laws made under this Statute.
- m. 'Prescribed' or 'As Given' means the conditions laid out by the regulations and by-laws of this Statute or as per given by the Institute.

#### **3. Symbol and Seal of the Organization:**

1. The logo of the Institute shall be as mentioned in Annex 1.
2. There shall be a seal having the Institute's name and logo, which shall be used in all official documents. In case the Institute's name, seal and logo matches with a pre-registered organization, such shall be subject to amendment with due process.

#### **4. Office of the Institute:**

The central office of the Institute shall be in Kathmandu. The central office can be transferred or branch and contact offices may be established in other areas subject to the prevailing law.

### **Chapter 2 Objectives**

#### **5. Objectives of the Institute:**

1. The objectives of this Institute shall be as follows:
  - a. To conduct various programs in accordance with the principles, policies and practices of the local governance system.
  - b. To lobby for the local governance system and to carry out monitoring, research, studies and publication as well as to disseminate information.
  - c. To produce and disseminate to the general public different materials about the basic elements of the local governance system and the areas and tasks, which fall under local bodies', responsibility and authority both as literatures and audio-visuals.
  - d. To conduct programs in partnership with local bodies and their associations for the enhancement of their capacity in terms of organizing workshop, seminar and training, to carry out study tours to observe successful projects of local bodies, and to help them in output-oriented activities.
  - e. To help in strengthening coordination and cooperation between local and central bodies and to help the central bodies in fully devolving authority to the local bodies.
  - f. To work in partnership with other organizations to help them provide technical education and knowledge in specific areas of rural development, urban development or local & community development and to make this type of education easily accessible to the general public.
  - g. To assist central level policy making institutions in the preparation of policies/strategies, work plans/ directives related to local bodies and to help in building consensus to adopt new policies.
  - h. To help in promoting partnership between the private and public sector and to help in the formation of capital at the local level and to manage the capital market.
  - i. To assist local bodies to operate according to the model of a fully decentralized governance system.
  
  - j. To provide expert services to the local bodies in the following areas:
    - i. To formulate local policies, regulations and directives focusing on gender equality and social inclusion and to assist in the social mobilization process,
    - ii. To prepare periodical and annual plans,
    - iii. To make the institutions' organisation and management more effective and to improve the financial management system,
    - iv. To develop the system of monitoring and evaluation (M&E) and to assist in carrying out M&E of the projects/ programs,
    - v. To help in solving problems related to development,
    - vi. To carry out programs and projects,

- vii. To prepare and produce teaching materials such as text books on local governance studies, to avail such education at the school level to higher studies, to train teachers and to help in the learning process,
  - viii. To carry out activities related to legal and fiscal decentralization,
  - ix. To carry out action research in different areas related to local governance.
- k. To arrange for recognizing and rewarding successful individuals or institutions which are able to make concrete contributions to the promotion of the local governance system or those which are able to generate enough public participation to produce tangible results successfully, or those which are able to develop their human resource to the extent of producing qualitative service delivery.
  - l. To develop networks in relation to local governance at the national and international levels as per the prevailing laws and also to exchange cooperation within such networks and to mobilize volunteers and experts.
2. In order to achieve the objectives outlined in clause 1, the Institute may work in partnership with local bodies, local bodies' associations, local bodies' staff associations/ unions, His Majesty's Government's central bodies, banks, corporations and cooperative organizations, authorized donor agencies, educational institutions, non-governmental organizations, community based organizations and civil societies.
  3. To carry out other activities that may arise in relation to the completion of the aforementioned objectives.

### **Chapter 3 Membership**

#### **6. Qualifications for Individual and Organizational Membership:**

1. To be an individual member the following qualifications need to be fulfilled:
  - a. Nepali national,
  - b. At least twenty one years of age completed,
  - c. A degree from any recognized university and some experience at the level of community development, or completed five years of tenure as an elected or nominated member of any local body, or some experience in the promotion of local governance through research or technical work in the same field.
2. Any non governmental organization registered under the prevailing law and having fundamentally similar objectives and goals as the Institute, shall be eligible to be a member of this Institute as per the conditions laid down by Institute.

#### **7. Types of Membership:**

1. There shall be the following types of members in the Institute:
  - a. **General or Life Members:** Any Nepali citizen who fulfills the requirements outlined in Clause 1 of Article 6 may be a member of this Institute by paying the prescribed membership fees.
  - b. **Founder Members:** The founder members of this Institute, involved in the executive committee during its inception, shall remain as founder members lifelong. The first meeting of the executive committee after the registration of the Institute may grant other persons as founder members who helped financially or technically in the process.
  - c. **Organizational Members:** Any organization which meets the requirement mentioned in clause 2 of Article 6 can be an organizational member of this Institute upon paying the prescribed membership fees. Every organization shall have the right to vote as good as an individual member.

- d. **Honorary Members:** Any renowned individual who has significantly contributed in achieving the objectives of the Institute may be requested to be an honorary member. Honorary members shall be invited to the meeting of the executive committee or to the General Assembly. But such members shall have no voting rights.
2. All types of membership mentioned in Clause 1 shall be given as per the decision of the executive committee.
3. All members shall follow the arrangements prescribed by the regulations and by laws of this statute.
4. Rs.1000/- for General Members, Rs.12,000/- at a time for Life Members, Rs.10,000/- at a time for Founder Members and Rs.15,000/- for three years for Organizational Members shall be paid for the membership fees respectively.

#### **8. Ineligibility for Membership:**

1. Under the following conditions an individual or an organization shall be considered ineligible for general, life, founder, honorary and organizational membership:
  - a. In case of an individual who hasn't completed 21 years of age,
  - b. In case of unsound mind or insanity,
  - c. In case of an organizational member if the organization so represented is dissolved legally or the individual is no longer associated with the organization,
  - d. In case of all members if s/he absents for three consecutive meetings of the General Assembly without prior notification.
  - e. In case of convicted by the court in the criminal case of moral turpitude,
  - f. In case of a member who is charged with acting against the principles of the Institute or who misappropriated the funds or misutilized resources and the executive committee decides by a two-thirds majority in favor of termination of membership of the accused.
  - g. In case of general or organizational members who don't renew their membership.
  - h. In case of having been proven guilty and convicted by the law for any type of crime such as burglary, fraudulence or other improper acts as per the prevailing law.
  - i. In case of a motion of no confidence passed as per Article 24,
  - j. In case of not following the regulations and by laws set by the Statute.
2. The membership of any member will automatically be redundant if found to be ineligible as per clause 1.

#### **9. Renewal of Membership:**

Any individual or organization interested to renew after its termination the membership of this institute shall pay the membership fee and late fee as decided by the executive committee and can get membership duly paying.

### **Chapter 4 General Assembly and Executive Committee**

#### **10. Constitution of the General Assembly:**

There shall be a General Assembly comprising of all the members as mentioned in Article -7.

#### **11. Convention of the General Assembly:**

1. The convention of the General Assembly shall take place once a year within the second quarter of the fiscal year.
2. If more than 25% of the members of the Institute submit an application referring special reasons to summon a special General Assembly then the Executive Committee shall summon such a meeting within seven days.

3. If an executive member demands in written the Executive Committee to summon a special session of the General Assembly with sufficient reasons and the Executive Committee decides so, then a special session of the General Assembly shall be summoned. However, in such a case the members demanding a special session of the General Assembly and taking part in it must have renewed their membership.
4. If more than 60% of members are present in the General Assembly then the quorum for the General Assembly convention shall be taken as complete.
5. If the quorum is not met in any General Assembly convention then another convention shall be called within the next 15 days. In such a convention only one-third of the members of the Institute are required to fulfill the quorum.
6. If a special convention of the General Assembly is called then the reason mentioned in the application for which it is called shall be the only agenda of discussion. No other matters shall be discussed and decided in such a case.
7. The convention shall be chaired by the Executive Chairperson of the Executive Committee of the Institute. In the convention of the General Assembly the decisions shall be taken by a majority vote. The chairperson shall be able to cast only the deciding vote.
8. All general members shall be informed at least seven days prior to the fixed date for the convention with a session plan of the convention of the General Assembly. However, for a convention postponed due to the lack of quorum, a public notice or through an electronic notice can be issued.
9. From the time that the date of the convention of the General Assembly has been fixed to the time the convention of the General Assembly takes place, new membership shall not be provided.

## **12. Functions, Duties and Powers of the General Assembly:**

The functions, duties and powers of the General Assembly shall be as follows:

1. To make long-term plans and formulate long-term policies in order to achieve the objectives mentioned in Article 5 and to direct the executive committee to carry out activities for the same,
2. To approve annual program and budget of the Institute,
3. To decide upon the guiding principles of the Institute in relation to cooperation with other organizations for carrying out the programs of the Institute,
4. To review the implementation of the programs of the Institute and give new direction for the same to the Executive Committee,
5. To appoint the auditor for the Institute, decide upon his/her remuneration and to discuss and decide upon the report presented after auditing,
6. To mobilize resources for the Institute and to formulate policies regarding the utilization of such resources,
7. To elect the Executive Committee,
8. To amend the Statute,
9. To take the decisions of the subjects discussed in the General Assembly as deemed appropriate by the Executive Committee.

## **13. Constitution of the Executive Committee:**

1. The convention of the General Assembly shall elect and appoint the following positions of the Executive Committee through secret ballot:
  - a) Executive Chairperson 1
  - b) Vice – Chairperson 1
  - c) Treasurer 1
  - d) Members 4
2. a. The person appointed as the Director General / Director of the Institute as per the recommendation of the Executive Chairperson shall work as the Secretary of the Institute. The Secretary shall not have voting rights in the Executive Committee.

- b. The person to be appointed to the position of a Secretary must have completed a Masters Degree in any subject with a minimum three years of working experience in rural or urban community level in the field of policy making or project implementation or both.
- c. In the following conditions the post of Secretary will be vacant:
  - i. In case of submission of resignation,
  - ii. In case of death,
  - iii. In case of a conviction for the offences mentioned in Article 8, Clause 1, (a), (e), (f) and (h),
  - iv. In case the Executive Committee finds that his/her performance is not up to the standard,
  - v. In case of convicted for a character flaw.
3. If the Secretary has been appointed from any of the membership positions available in the Institute then until the tenure of the appointment of that person as the Secretary, his/her membership shall automatically be suspended for that period.
4. The tenure of the members holding Executive Committee positions shall be three years.
5. An opportunity for clarification shall be provided when the process of Clause 2, sub-clause c, (iii), (iv) or (v) is taking place.

#### **14. Meetings of the Executive Committee:**

1. The meetings of the Executive Committee shall take place at least once in two months.
2. The meeting shall be chaired by the Chairperson of the Executive Committee in the absence of the Chairperson the meeting shall be chaired by the Vice-Chairperson of the Executive Committee. In case of absence of both the Chairperson and Vice-Chairperson, the remaining members of the Executive Committee may appoint someone within themselves to chair the meeting.
3. The meeting of the Executive Committee shall take place only after more than 50% of the members are present.
4. All decisions of the Executive Committee shall be taken by the simple majority.

#### **15. Functions, Duties and Powers of the Executive Committee:**

1. The functions, duties and powers of the Executive Committee shall be as follows:
  - a. To formulate the annual programs and budget of the Institute guided by the principles of the Institute as approved by the General Assembly,
  - b. To implement the policies, plans and programs approved by the General Assembly to fulfill the objectives as mentioned in Article 5,
  - c. To generate funds for the Institute and to utilize them as per the guidelines given by the policies approved by the General Assembly,
  - d. To formulate and implement required regulations for the financial administration of the Institute,
  - e. To fix the membership fee,
  - f. To generate, acquire, protect, transfer and manage the movable and immovable property of the Institute,
  - g. To fix remuneration, incentives and benefits of the office bearers of the Institute and to make regulation regarding the office employees' incentives, benefits and service conditions and to submit those to the General Assembly for approval,
  - h. To promote relations and conclude agreements with other organizations to promote cooperation as per the approved principles of the General Assembly,
  - i. To evaluate the performance of the Institute and to present annual report at the convention of the General Assembly,
  - j. To carry out all other ways and means in relation to the program implementation of the Institute,
  - k. To appoint experts or advisors for the Executive Committee as and when necessary,

2. The Executive Committee shall change membership fees, distribute membership and terminate membership accordingly,
3. The Executive committee may delegate any of its authority to any member of the Executive Committee.

## **Chapter 5**

### **Functions, Duties and Powers of the Office Bearers**

#### **16. Functions, Duties and Powers of the Office Bearers:**

##### **A. Executive Chairperson**

1. To chair the meetings of the Executive Committee and the convention of the General Assembly,
2. To direct the Secretary of the Institute to carry out the programs of the Institute and to oversee the implementation, monitoring and control of the programs,
3. To develop networks and build cooperation with other organizations in order to achieve the objectives of the Institute,
4. To delegate authority of the Chairperson to other Office Bearers and members as and when necessary,
5. To direct the Secretary to call the Executive Committee's meetings,
6. To invite advisors or experts to the Executive Committee's meetings as per necessity,
7. To recommend for the position of the Secretary of the Executive Committee,
8. To expand the working area of the Institute and to look for new opportunities,

##### **B. Vice – Chairperson**

1. To chair the meetings of the Executive Committee and the convention of the General Assembly in the absence of the Executive Chairperson of the Institute,
2. To act as the Executive Chairperson of the Institute in case the position of Executive Chairperson remains vacant until the General Assembly elects another Executive Chairperson,
3. To chair the convention of the General Assembly in case of the discussion of a vote on no confidence against the Executive Chairperson according to Article 23,
4. To carry out other activities as instructed by the Executive Chairperson.

##### **C. Secretary**

1. The Secretary of the Institute, shall have the authority under the direction of the Executive Chairperson, to exercise the following functions, powers and duties:
  - a. To call upon the Executive Committee meetings as per the direction of the Executive Chairperson,
  - b. To appoint the staff and carry out personnel administration activities as per the regulations laid out by the Executive Committee,
  - c. To handle finances within the limits of the approved budget,
  - d. To implement the approved annual programs or get implemented,
  - e. To conclude agreements with other organization and conduct joint programs as per the instruction of the Executive Committee,
  - f. To represent or get represented the Institute at other organizations and events,
  - g. To manage the office of the Institute and to take responsibility of managing and protecting its movable and immovable property,
  - h. To carry out or get carried out the activities as per the prevailing law related to the registration process of the Institute and submit it to the Executive Committee,
  - i. To prepare and present periodical progress reports of the various activities of the Institute to the Executive Committee,



- j. To prepare the annual report to present at the convention of the General Assembly on behalf of the Executive Committee,
- k. To conduct the Executive Committee's meeting and to document and certify the decisions of the meeting.

#### **D. Treasurer**

1. To maintain a working relationship with the Executive Chairperson of the Institute to increase, utilize and protect the financial resources of the Institute,
2. To maintain regular and periodical account of the institute update,
3. Inform the Executive Committee regularly about the financial transactions of the Institute,
4. To present the expected annual income and expenditure statement of the Institute at the convention of the General Assembly,
5. To prepare and present the proposed annual budget, balance sheet and the expenditure report to the convention of the General Assembly,
6. To get the Institute's finances audited and to implement the activities mentioned in the audit report through the Secretary,
7. To give directives to the Secretary regarding the increase, expansion and operation of the financial resources as and when necessary.

#### **E. Executive Member**

1. Execute promotional activities in accordance with the objectives of the Institute giving prior notice to the Executive Chairperson,
2. Represent the Institute officially to other organizations or meetings as decided by the Executive Chairperson,
3. Contribute actively to successfully run the programs of the Institute.

#### **17. Resigning from Position:**

The Executive Chairperson may submit his/ her resignation to the Executive Committee through the Vice-Chairperson and the Vice-Chairperson or other office bearers may submit their resignation to the Executive Chairperson to resign from their respective positions.

### **Chapter 6 Financial Management**

#### **18. Financial Resources:**

The Institute's financial resources shall be as follows:

- a. Membership and renewal fee received from the members of the Institute
- b. Resources available from the sale of assets,
- c. Donations received from His Majesty's Government, local bodies or national institutions or from foreign sources with permission from His Majesty's Government,
- d. Resources available from other sources.

#### **19. Details of Movable and Immovable Property:**

A list of the movable and immovable property of the Institute shall be prepared on a yearly basis and recorded after being certified by the Secretary and Treasurer of the Institute.

#### **20. Funds and Accounts:**

1. The Institute shall have a fund where all the amounts received from the various resources mentioned in Article 18 shall be deposited,
2. The total amount of the fund shall be deposited in a Savings or Fixed Account of any commercial bank,
3. The Account shall be jointly operated by the Executive Chairperson or an official appointed by him/her or the Secretary and the Treasurer and shall require two signatures,

4. In case any individual or organization establishes a 'Trust Fund' such fund shall be operated under a separate set of regulations.

#### **21. Audit:**

1. The annual auditing of the Institute shall be done within three months of the completion of the fiscal year through any registered auditor.
2. The auditor's report shall be presented through the Executive Committee in the General Assembly, District Administration Office, Social Welfare Council and other related organizations annually.

### **Chapter 7 Election**

#### **22. Provisions Relating to Election:**

1. The elections for the first Executive Committee shall take place within six months of the registration of the Institute and it shall be informed to the Local Officer.
2. Any activities carried out before election shall be valid as carried out by the elected office bearers.
3. The process of election shall be as determined by the Executive Committee.
4. In case any of the position of the Executive Committee goes vacant, the remaining members of the Executive Committee may appoint any General Member for that vacant position for the remaining tenure.
5. Before the completion of the tenure of the Executive Committee, the convention of the General Assembly shall be called and a new Executive Committee shall be elected. In any case if the elections couldn't be held in that convention of General Assembly the Local Officer shall be informed to that effect. The election shall be held within the next three months.

#### **23. Qualifications for Candidature:**

1. In order to be a candidate for election to the Executive Committee, the person needs to be a member of the Adhoc Committee formed during the registration of the Institute or a General Member or Life Member or a Founder Member,
2. In case there are ten or more organizational members, a representative chosen by these organizational members may be a member of the Executive Committee.
3. Except for founder members other members cannot nominate themselves as a candidate for the positions of Executive Chairperson, Vice-Chairperson and Treasurer until and unless they have served one term of the Executive Committee.

### **Chapter 8 Miscellaneous**

#### **24. No Confidence Motion:**

1. In case any office bearer of the Executive Committee acts against the Statute and objectives of the Institute and tries to harm the Institute, one-third members of the Institute can file a no confidence motion against such a person backed by sufficient evidence and this shall be presented in the convention of the General Assembly.
2. The person against whom the no confidence motion has been filed shall have an opportunity to present his/her cause.
3. In case such a no confidence motion is approved by the majority of the members of the General Assembly such office bearer shall ipso facto be removed from the office.

#### **25. Amendment of the Statute:**

Amendment of the Statute shall come into force after it has been passed by a two-thirds majority at the convention of the General Assembly and the approval of the Local Officer in charge.

**26. Framing Regulations:**

The Executive Committee shall frame and implement regulations which shall not contradict the prevailing laws and the Statute. Such regulations shall be presented and approved by the Convention of the General Assembly. The regulations already implemented by the Executive Committee shall prevail over any activity unless the General Assembly decides otherwise.

**27. Dissolution of the Institute:**

In case the Institute cannot run or has to be dissolved due to any reasons, the treatment of all the movable and immovable property shall be as per the guidelines set by the prevailing law.

**28. Void ab initio:**

Any provisions of this statute contradicting with the prevailing laws shall be null and void ab initio.

**29. Saving:**

The provisions given in this Statute shall be governed by this Statute and other facts shall be carried out as per the decisions and directions of the Executive Committee and as per the prevailing law.

**30. Adhoc Committee:**

1. The adhoc committee set up to register the Institute shall conduct the convention of the General Assembly within 6 months and get the Executive Committee elected and inform the Local Officer to that effect.
2. The actions carried out by the adhoc Committee until the elections shall be held shall be considered as per the provisions of this Statute.