

Public Administration Circular No.

353

Ministry of Public Administration,
Independence Square,
Colombo 7.

.....26th November, 1986.

To: All Secretaries to
Ministries and Heads of
Departments.

Refund of Credit Council Contributions
to Public Officers.

The Credit Councils (Repeal) Act No.31 of 1986 provides for the refund of Credit Council contributions to public officers. The following instructions are issued in connection with the refund of contributions of Public Officers.

1. Each Ministry/Department should nominate a senior officer (Senior Assistant Secretary/Deputy Head of a Department) to be in overall charge of co-ordinating the activities of the Credit Council attached to such Ministry/Department. He should be entrusted with the following :-

- 1.1 Settlement of bank balance of the Credit Council (Credit Councils Circular No.70 of 6th May 1986.)
- 1.2 Reconciliation of the Director of Credit Councils Current Account. (Credit Councils Circular No.70 of 6th May 1986).
- 1.3 Taking over loan balances to Advance Account "B" (Credit Councils Circular No.71 dated 16th June 1986 read with paragraphs 2 and 3 of Credit Councils Circular No.73 of 28th October 1986).
- 1.4 Rendering all outstanding Annual Accounts of the Local Fund of the Credit Council (Paragraph 8 of Credit Councils Circular No.69 of 8th November 1985)
- 1.5 Furnishing lists of loan balances of officers transferred out (Debtors Balances) and officers transferred in (Creditors Balances). (Credit Councils Circular No.73 of 28th October 1986)

1.6 Safety of Credit Council documents. (Paragraphs 9 to 11 of Credit Councils Circular No.69 of 8th November 1985).

1.7 Refund of contributions to members.

2.2. Refund of Contributions to officers who continue in the Public Service on and after 1st January 1986.

Refunds
to those
in
Public
Service

2.1 A list of officers who had been members of a Credit Council at any time during the period 1.7.75 to 30.4.85 and who are serving in your Ministry/Department on 1st January 1987 should be prepared in a separate Register on the format given below:

1 Name of Member	2 Membership No.	3 Designation	4 Amount Refunded			5 Date of Refund	6 Initials of authori. d officer
			Cont.	Dividend	Total		

2.2 Every Officer should apply individually for his refund of Credit Council contributions (on specimen form A1 annexed) to the head of the Ministry/Department to which he is attached on 1.1.87.

2.3 Where an officer is subsequently transferred to another Ministry/Department such officer could obtain his refund from the new department on furnishing a letter from the Ministry/Department where he worked previously to the effect that the contributions of such officer had not been refunded. The names of such officers should be deleted from the Register mentioned in Paragraph 2.1 above, and should be entered in the Register maintained in the Ministry/Department where he is presently working.

2.4 On receipt of an application the Ministry/Department should obtain details of contribution (one per centum) recovered from the member from all the Credit Councils listed in the application. Letters calling for such recovery particulars should indicate the name, membership number, designation and the period in respect of which recovery particulars are required.

2.5 All such recovery statements should be furnished on the specimen form A2 (annexed) and should be signed by an officer to whom authority is delegated under FR 135. By Public Administration Circular No.286 dated 23.4.85 the recovery of Credit Council Contributions was stopped from 1st May 1985 and any erroneous recovery made in May 1985 should have been refunded to such member in terms of paragraph 9 of the same Circular. As such, only recoveries made up to 30 April 1985 should be included in the recovery statement. Any amount included in the statement which is in excess of the usual one per centum recovery in a month (say belated increment or arrears of salary due to promotion) should be explained by a footnote and authenticated.

2.6 On receipt of the recovery particulars of a member the Ministry/Department should compute the quantum of refund (contribution and dividend) payable using the computation sheet (form A3 annexed). Care should be taken to exclude any recovery after 30th April 1985 and amounts in excess of the normal one per cent not explained by footnotes. The dividend should be calculated for each year from 1975 to 1985 on the percentages given in para 2.7 below on the year-end balance lying to the credit of the member. The method of computation is illustrated in the specimen form A3 for the years 1975 to 1978.

2.7 The rate of dividend payable each year from 1975 is as follows :

1975	-	7.5 per centum
1976 to 1982	-	7.2 per centum each year
1983 to 1984	-	6.0 - do -
1985	-	2.5 per centum (half of 5%

- 2.8 Details of the posting and calculation, including totals should be checked by an officer independent of the officer who prepared it. Both officers should sign in the appropriate places in proof thereof.
- 2.9 An officer authorised under FR 135 should certify the computation sheet embodying the certificate that "The refund was not drawn previously. Approved for payment".
- 2.10 A schedule incorporating a number of applicants, or/an* individual Voucher on Form General 35 in respect of each applicant, should thereafter be prepared enclosing Form A1, A2 and A3 of the members concerned. Details of payments such as contributions, dividend, total amount paid and date of payment should be recorded in columns 4 and 5 of the register mentioned at para 2.1, before submission for certification.
- 2.11 An entry should also be made in the loan card and personal File (History Sheet) of the officer indicating the amount of contribution and the date on which it was refunded. The fact that this was done should be recorded on the body of the schedule/Voucher and both entries authenticated by the same Staff Officer.

~~2.12~~

2.12 Before certification of the schedule/Voucher the authorised officer should :

- (a) check the amounts recorded in column 4 of the register.
- (b) ensure that the payment has been recorded in the loan card and Personal File and a certificate signed to this effect.
- (c) reasonably satisfy himself that no refunds had been drawn earlier.
- (d) and that the officers who were responsible for the preparation and checking are persons to whom the work was assigned and that they had placed

Thereafter the Schedule/Voucher may be certified by the officer authorised under FR 135. He should also initial the register (Col 6).

2.13 All refund payments should be recorded in a separate votes ledger. No cheque should be written unless the Voucher/Schedule is passed through the votes ledger. The total in the votes ledger should agree with the amount debited to the "Refund Account"- Credit Council contribution" through the monthly Summary. The same votes ledger should be used continuously in the following year/years and when exhausted another similar ledger should be used numbering it as "Volume II".

2.14 All refund of Credit Council contributions (contributions and dividends) should be debited to:

"Refund Account - Credit Council contribution" through the monthly summary of the respective Ministries/Departments. A new account has been opened in the Treasury books.

2.15 Each Ministry/Department should furnish a monthly return in the following format in respect of the contributions refunded by them to the Director, Department of Credit Councils.

Total number of members	Number of members paid during the month	Amount Refunded			Month in which Accounted in Summary	Number of members yet to be paid
		Cont.	Dividend	Total		

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Total number of members	Number of members paid during the month	Amount Refunded			Month in which Accounted in Summary	Number of members yet to be paid
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3.6 No refund of Contributions should be made by Ministries/Departments in respect of members who ceased to be employed in the Public service on or before 31st December, 1985. Application in respect of such cases together with all annexures should be sent to the Director, Department of Credit Councils for necessary action.

Officers, 4.
who
* ceased to
be in
public
service
on or before
31.12.85

Officers who ceased to be employed in the Public Service on or before 31st December 1985. (Retirement, death etc.)

4.1 The refund of contributions to such officers will continue to be made by the Department of Credit Councils as hitherto.

4.2 Every Ministry/Department should ensure that refund applications (complete in all respects) of such officers are forwarded to reach the Director of Credit Councils not later than 31st March 1987.

4.3 All refund of contribution made by the Department of Credit Councils up to 31.12.86 should be charged to the "Central Fund" as hitherto. Refund made from 1st January 1987 ^{should} be debited to the "Refund Account-Credit Council Contributions" through the monthly summary of Accounts rendered to the Treasury.

5. Ready Reckoners:- Ready reckoner tables for the calculation of dividends from Rs.1/- to Rs.100/= appear at Appendix 1 to 4 as follows:-

7.5 per centum	-	appendix	1
7.2	"	"	2
6.0	"	"	3
2.5	"	"	4

6. Imprests required for the payment of refunds should be obtained from the Treasury in the usual manner.
7. Expenditure on staff and stationery should be met from the votes of your Ministry/Department.

Sgd. D.B.I.P.S. Siriwardhana.

Secretary

Ministry of Public Administration.

Copies: Auditor General,
Deputy Secretary to Treasury.

To be submitted to the Ministry/Department in which the officer served on 1st January, 1987

Application for refund of Credit Council Contribution

I Membership No..... holding the post ofhereby apply for the refund of my Contribution. I became a member of the Credit Council in(date) while working in the Department of(indicate whether Head Office or Regional Office). I have served in the following Departments up to date:-

- 1.7.75 to Credit Council No.....Min/Dept. of.....
- to Credit Council No.....Min/Dept. of.....
- to Credit Council No.....Min/Dept. of.....

I declare that I have not drawn my refund earlier and that this is the first application made by me.

Date:-

.....
Signature of Applicant

To be filled in by the Department in the case of officers who retired, died, vacated post etc. on and after 1.1.86.

1. Name of Officer:-
2. Designation:-
3. Date of retirement/death etc. :-
4. Total loan balance outstanding on date: of retirement/death etc. :-
5. Action already taken to recover same :-
6. Reference to file :-

(*) No loans are outstanding/Please recover a sum of Rs.

Head of Dept. or
Authorised Officer

Date::

(*) Delete what is not applicable.

Certificate of Credit Council Contribution recovered
 from Mr./Mrs./Miss
 Membership No. at Credit Council
 of the Min./Dept. of

Month	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	Total
January												
February												
March												
April												
May												
June												
July												
August												
September												
October												
November												
December												
Total												

I hereby Certify that the monthly Contributions recovered
 from this member from..... 19 ... to 19 is Rs.
 (Rupees.)

Head of Dept. or
 Officer Authorised to
 Certify,

Date:-

Refund of Credit Council Contribution
COMPUTATION SHEET

Name of Officer :-

Credit Council Membership No.:-

Designation :-

(1) Department	(2) Year	(3) Total at column 7 B/forward		(4) Contribution for the year		(5) Year-end total (3+4)		(6) Dividend for the year		(7) Total (5+6)	
	1975	NIL		100	00	100	00	7	50	107	50
	1976	107	50	125	00	232	50	16	70	249	20
	1977	249	20	250	80	500	00	30	00	530	00
	1978	530	00								
	1979										
	1980										
	1981										
	1982										
	1983										
	1984										
	1985										
Totals											

Prepared by:-

Checked by :-

I certify that no refund of Contribution had been drawn by this officer earlier, that, the payment is in order and the payment of Rs..... is approved.

Head, of Department or

Officer authorised under FR135

Date:-