



UNIVERSITY GRANTS COMMISSION

No. 20, Ward Place
Colombo 07

7th February 2022

COMMISSION CIRCULAR NO. 03/2022

Vice-Chancellors of Universities
Rectors of Campuses
Directors of Institutes

Refund of Universities Provident Fund (UPF) and Universities Pension Fund Contributions (UPS)

Your attention is drawn to the Universities Provident Fund Ordinance No. 01 of 2015, the Commission Circular No. 155 dated 02.02.1982 and the Commission Circular No. 208 dated 24th January 1983 issued under the heading Refund of Provident Fund Contributions and Payment of Accumulated Interest on Provident Fund Balances under Section 95 of the Universities Act, No. 16 of 1978.

As per the Section 95 of the Universities Act, No. 16 of 1978, where full amount lying to the credit of a contributor in the Provident Fund is not paid to him within a period of three months from the date on which his account was closed, the amount lying to his credit shall accumulate compound interest at such rate as determined for the purpose of Section 92 (3) up to the last date of the month preceding that in which the full amount lying to the credit of his account is paid. No interest is payable only in a situation where the delay in the payment of the amount lying to the contributor's credit was due to any fault on the part of the contributor himself.

Although the amount lying to the credit of a contributor should be paid within a period of three months of his account being closed, there have been inordinate delays in making such payments.

Accordingly, Universities/Higher Educational Institutions are required to adhere to the following guidelines in the future with a view to minimize delays in the submission of Universities Provident Fund Claim Forms to the University Grants Commission:

1. Nomination forms submitted by the employees should be filed in the personal file of the employee concerned by the Head of the Establishment Division of the relevant University/Higher Education Institution ONLY after satisfying that the nomination form is duly filled and signed by the relevant parties. It is the responsibility of the Registrar of the University/HEIs to keep the Employee's UPF documents in a properly manage record room.

2. All retirements/resignations must be reported to the Council/Board of Management prior to the month on which the relevant retirement/resignation submitted with due notice is going to be effective.
3. Calling for dues must be made immediately after the submission of completed Refund Application Form by the employee and relevant departments/divisions must be advised to send the replies within ten working days.
4. If no reply is received within the specific period, the Establishment Division shall consider that as there are no dues to be recovered from the employee and if there are any dues that should be recovered from the persons who are responsible for non-submission of details within the stipulated period.
5. All possible actions must be taken to recover all dues from the last month salary and if anything is remaining that must be recovered from the employees' gratuity subject to the Provisions given in Section 13 of the Payment of Gratuity Act No. 12 of 1983.
6. Recoveries relating to violation of bonds and agreements shall be made under the provisions given in relevant Circulars issued by University Grants Commission.
7. In case where Section 13 of the Gratuity Act No. 12 of 1983 is not applicable recoveries may be made under Section 94(a) of the Universities Act No. 16 of 1978 subject to following the due procedure or with the written consent of the employee, before expiry of one month of the cessation of the employment of the employee concerned.
8. A report on current status of the UPF refunds and reasons for the delays if any must be reported to the Council/Board of Management every month until the submission of completed Refund Application Form to the University Grants Commission.
9. The Registrar is assigned with the responsibility to monitor the submission of refund papers on time to the University Grants Commission.
10. As per the Section 6 (7) of the Universities Pension Fund Ordinance No. 04 of 2020, the amount and interest lying to the credit of a member who retires, resigns or terminates prior to twenty years of service shall be refunded at the point of retirement, resignation or termination of service of the employee. Accordingly the Universities/HEIs are advised to follow the guidelines given in this Circular when processing refund applications of Universities Pension Fund.
11. The provisions of this circular must be strictly adhered to by all the Universities/Higher Educational Institutions.

The Commission Circular No. 155 of 2nd February 1982 and the Commission Circular No. 208 dated 24th January 1983 are hereby rescinded, and Provisions of this Circular are effective from 7th February 2022.



Senior Prof. Sampath Amaratunge

Chairman

- Cc: 01. Secretary/Ministry of Education
02. Chairman's Office/UGC
03. Vice-Chairman/UGC
04. Members of the UGC
05. Secretary/UGC
06. Registrars of Universities
07. Deans of Faculties
08. Accountant/UGC
09. Bursars of Universities
10. Librarians/SAL/AL of the HEIs/Institutes
11. Deputy Registrars/Senior Assistant Registrars/Assistant Registrars of HEIs/Campuses
12. Deputy Bursars/Senior Assistant Bursars/Assistant Bursars of HEIs/Campuses
13. Internal Auditor/UGC
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15. Senior Assistant Internal Auditors of HEIs
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