



UNIVERSITY GRANTS COMMISSION

Pension Circular Letter No. 1

30th June, 1999.

Vice-Chancellors of Universities,
Directors of Institutes.
Rectors of Campuses.

ESTABLISHMENT OF THE PENSION SCHEME

Your attention is drawn to the Commission Circular No. 747 regarding the establishment of the Universities Pension Scheme.

In order to implement the Pension Scheme outlined in the Circular, you are requested to follow the guide lines indicated below:

For New Employees who join the Permanent Staff in the University System w.e.f. effect from 1st September, 1999.

1. It should be noted that all new employees who join the permanent staff of the University will become members of the Universities Provident Fund as well as of the Universities Pensions Scheme and the employer's contribution of 15% of the salary will be split into two parts, namely 8% to the Pension Fund and 7% to the Provident Fund. Therefore, all letters of appointment issued to employees who join the permanent staff of the University System w.e.f. 1st September, 1999 should carry the following statement:

"You will be a member of the Universities Provident Fund as well as of the University Pension Scheme. You will contribute 10 % of your monthly salary to the Universities Provident Fund and at the same time the employer will make a total contribution of 15% of your salary of which 8 % will be credited to the Universities Pension Fund and 7 % to the Universities Provident Fund."

Please note that there will be no change in the letters of appointment issued to those appointed on contract/temporary/casual basis. Please also note to include the employer's contribution to both Pension and Provident Fund in the advertisements for permanent posts.

For Existing Employees

1. The existing employees who wish to join the Pension Scheme are required to submit an application as specified in Circular No. 747. The Registrar and the Bursar of a University (or Snr.Asst. Registrar and Snr.Asst. Bursar of an Institute) should certify the details requested by the Commission and forward the applications submitted by the employees to the Accountant , University Grants Commission.
2. Bursars/Snr.Asst.Bursars/Asst. Bursars of the Institutions are requested not to grant any further loans (U.P.F or any other loans) to such employees until the application are processed to check the eligibility of the applications to join the Pension Scheme.
3. Once the eligibility is confirmed by the University Grants Commission and 40% of Provident Fund is transferred to the Pension Fund, you may recommence granting loans to employees and commence contributions towards to the Pension Fund, that is 8% of the salary towards the Pension Fund and 7% of the Salary to the Provident Fund both as employer's contribution. There will be no change in respect of the employees' contributions towards the Provident Fund.
4. Until eligibility is confirmed, you are requested to continue to contribute 15% of Salary as employer's contribution to the Provident Fund.

Pension Number

The Provident Fund number with an addition of "P" should be used as the ,/ Employees Pension Number.

Example - University Grants Commission

Provident Fund No. : U. 00015

Pension Number : PU 00015

Remittances

Contribution towards to Pension Fund should be forwarded to the University Grants Commission. The cheque should be written in favour of the Universities Pension Fund.

A list indicating the month, Pension Number and amount contributed by each member should be forward to the Accountant, University Grants Commission monthly. Along with this, a detail reconciliation statement should be submitted giving the details of cheque Numbers, amount and the total to tally with the contribution lists.

Clarifications

For any clarificaion, please contact Ms. G.M.P De Silva, Accountant of the University Grants Commission who will function as the Manager of the Universities Pensions Fund (Tel. 685021)



Prof. S. Tilakaratna,
Chairman,

- C.C. :
1. Chairman's Office /UGC
 2. Vice-Chairman/UGC
 3. Secretary/UGC
 4. Registrars of Universities
 5. Snr. Asst./Asst. Registrars of Institutes.
 6. Bursars of Universities.
 7. Snr. Asst./Asst. Bursars of Institutes.
 8. Snr.Asst./Asst. Internal Auditors of Universities.
 9. Auditor General
 - 10.Chief Internal Auditor
 - 11.Financial Controller
 - 12.Government Audit Superintendents of Universities