

Public Administration circular: 26/2015

My No: EST/7/04/LON/0207

Ministry of Public Administration
and Management

Independence square

Colombo 07.

29.12.2015

Secretaries to Ministries

Chief Secretaries of Provinces

Heads of Departments

Special Advance to Public Officers - Year 2016

It has been decided that a special advance not exceeding Rs. 4000/- be paid in the year 2016 to the following Public Officers.

- (a) All permanent Public Officers.
- (b) Temporary or Casual Public Officers with a continuous period of employment of not less than three months immediately prior to the date of the payment of the advance and with definite prospects of being in continuous employment at least up to the end of December,2016.

02. If this advance is to be paid to Temporary or Casual employees a permanent employee in the Public Service should sign an agreement as a guarantor.

03. A Public Officer who has defaulted payments of installments on Special Bank Loans /Special Advance drawn by him, if any, for the calendar years from 1977 to 2015 will not be eligible for this special advance of 2016.

04. The payment of this advance should commence on 01.01.2016 and be completed on 29.02.2016. No payment should be made after 29.02.2016.

05. This advance should be debited to “Advance to Public Officers Account - B”.
06. This advance should be recover Ten equal monthly installments with 8% interest per annum. Accordingly, the average monthly interest on a monthly installment of Rs.400/- in respect of the advance Rs.4000/- will be Rs.14.68 . A proportionate monthly interest should be recovered in respect of advance less than Rs.4000/- . When it is not possible to duly recover an installment, the relevant installment should be recovered together with interest on the balance installment which was in arrears.
07. The recoveries made on account of this advance are exempted from the 40% or the 33¹/₃% limit, set out in F. R. 238 and Chapter XXIV section 3 of the Establishments Code.
08. The installments of the initial amount to be recovered should be credited to the “Advance to Public Officers Account - B” from which these advances are paid and the interest to be recovered should be credited to revenue account Code No. 20.02.02.99 (interest other). Recoveries should be completed by 31.12.2016.
09. These recoveries should not be mixed up with festival or other advance payable from “Advances to Public Officers Account”.
10. A separate Register on Form C. C. 10 should be maintained for recording the payment and recovery of installments of capital and the equated monthly interest.
11. The maximum limit of expenditure on the advance account will not be allowed to be revised on this ground. Where it becomes necessary to revised other limits action should be taken by Heads of Departments in terms of F. R. 503 and Public Enterprise Circular letter No. 43 dated 11.09.1987and the Circulars of the Department of National Budget.
12. The normal procedure should be followed in the recovery of advances paid out of the advance account to officers transferred out i.e. Debiting the unpaid balance of the “Advance to Public Officers Account - B” and settling to the Department to which the officer is transferred it through the monthly summery account by the Department from which the officer is transferred. Thereafter the remaining loan installments should continue to be recovered, paying attention to recover all the balance advance by the end of December 2016.

13. Where an officer who obtained an advance under this scheme ceases employment the Pay and Establishments Units of the respective institutions should ensure that the balance advance outstanding (including equated interest) from such employee is recovered from his pension/ provident fund/ security/ gratuity or other monies payable to him or from his last months pay if he is a temporary employee.

14. The advance is paid in addition to the advance/ loans paid under Chapter XXIV of the Establishment Code.

15. Application Form for this advance should be prepared by the granting authority by making necessary amendments to the Specimen Application Form annexed to the Public Administration Circular 268 dated 25.09.1984.

16. Please bring the contents of this Circular to the notice of all eligible officers in your Department/ Institutions.

17. This Circular is issued with the concurrence of the General Treasury.

Sgd/ J. Dadallage

Secretary

Ministry of Public Administration and Management