

Circular No. 1995/17

My No. 4/Finance/06/95/54  
Ministry of Education & Higher Education  
"Isurupaya", Sri Jayawrdanapura Kotte,  
Battharamulla.

31th june 1995

To All Principals of Schools.

**Guru Seta Special Account Scheme -Payment of the Monthly  
Salaries of Teachers and Other Staff by Cheque**

According to a proposal put forward by the Hon 'ble Minister of Education & Higher Education, the People's Bank has, in collaboration with the Ministry of Education & Higher Education and the Provincial Ministries of Education, taken action to inaugurate a Special Account Scheme known as the "Guru Seta". This scheme will be implemented through the "Guru Seta" which is being organized as a volunteer organization at School level, Divisional level and at Provincial Level.

02 The special Guru Seta scheme has been inaugurated with the objectives of enhancing the savings of teachers, granting loans at concessionary rates of interest for motor vehicles, lands, house and property, children's higher education, self-employment, consumption needs, weddings and distresses and of popularising the banking system among the students through the teachers.

03 Since a large number of teachers is likely to join this scheme in the future, please note that the following course of action should be taken when paying the salaries of the teachers.

03 (i) In terms of my Circular No: 4/F/06/213 of 21st October, 1985, the cheque made out by the Department of Education in respect of each school is credited direct to the Teacher's salary of the Principal and on receipt of the information about this credit along with the pay sheet, the Principal pays the salary by issuing individual cheques for the net amount payable to each teacher. This procedure should be continued.

03 (ii) In instances where the Bank account of several schools paid by the same " Zonal Education Office are maintained at the same Bank Branch, it would help to reduce the work load of Education offices if a single cheque is drawn in favour of the Bank for the balance salary of all those schools and forwarded with a covering letter indicating the amount due to each school. For example, the cheque should be written in favour of "People's Bank, Battaramulla 4 Branch" (as per list).

03. (iii) The cheque issued by the Principal in accordance with paragraph 03. (i) above, for the payment of the salary of a Teacher who has joined the Guru Seta scheme and has obtained loans through it, should bear the name of the Bank, the name of the Teacher and his/her account number, in order to be credited to his/her personal account, i.e. "People's Bank, Battaramulla Branch, M.L. Silva, A/c No. 101 ". However, a letter of authority should be obtained beforehand from the teacher concerned to credit his salary by cheque to his Guru Seta savings A/c at the relevant branch of the People's Bank and be filed for record.

03. (iv) It appears that certain Principals, following the old system continue to pay the salaries of the teachers of their staff in cash. In such instances, the salaries of the Teachers in the Guru seta scheme could be credited to the relevant bank in accordance with paragraph 03. (iii), and then, a cheque could be drawn for the amount equivalent to the salary of the other teachers, in the name of the principal and encashed for making the payment in cash. But it should be noted that in case of theft, when payments are made in cash contrary to the provisions of the circular issued by the Ministry the Ministry is not bound to reimburse the stolen amounts: The loss will have to be borne by the Teachers concerned.

04. The relevant particulars about the Guru Seta Special Account Scheme will be supplied by the People's Bank. Please note that this letter has been issued with the concurrence of the People's Bank. Instructions pertaining to the organizational structure of "Guru Seta" are given in appendix No. 1.

**M.D.D Pieris.**  
Secretary to the Ministry of Education & Higher Education.

**Copy to:**

01. The Auditor General -f.i
02. The Chief Accountant, Ministry of Education & Higher Education - f.i.
03. The Secretaries to the Provincial Ministries of Education -f.i.
04. All Provincial Directors of Education - f.i.
05. -All Chief Accountants of the Provincial Departments of Education - f.i.
06. Directors of Education in charge of Zones - f.i.
07. All Accountants of the Zonal Education Officers -f.i.
08. The General Manager. People's Bank - f.i.

## **Appendix No. I - The Organization Structure of Guru Seta**

### **I Guru Seta at School Level**

The Principal of the school concerned shall be the ex-officio president of this organization

II The Zonal D. E/ the D. D. E. In charge of the Division shall amalgamate these school organization and from the educational Zonal/Divisional Level Guru seta Central Organization. The zonal D. E. or the D. D. E. in charge of the Division shall be the ex-officio president of this Guru seta Central Organization.

III The School guru seta Organization should function in co-ordination with the Manager of the people's Bank of the area to which the School is situated while the zonal/Divisional guru seta organization should function in co-ordination with the Regional Manager of the people's Bank of the area to which the zonal/Divisional guru seta Organization belongs.

IV The Head office of the people's bank has informed this Ministry that in case the school Guru seta is faced with a problem. in the implementation of this deposit and loan scheme. it should be brought to the notice of the Regional Manager of the people's Bank immediately through the zonal/Divisional Guru Seta Organization with all details, in order to find a suitable solution for it.

V After having set up the zonal/Divisional guru seta organization the Secretary to the Ministry of Education & Higher Education should be informed about it with full details and the necessary approval for maintaining it as an approved body under the Ministry should be obtained.

VI The Cash book in which entries about the Bank transaction related to the payment of Teachers salary and made Should be kept carefully in the school itself. payment made to other banks on account of teacher's salary should be properly entered. cheques should not be drawn in favour of any private institution for whatever portion of the salary due Teachers.