

الجامعة الإسلامية العالمية ماليزيا
INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA
يُؤْتِي سَلَامًا وَسَلَامًا وَأَنْبَارًا يُحْسِنُ مِلَّةَيْنَا

(Company No. 101067-P)

Our Ref: IIUM/205/G/4/1/1

Date: 15th April 2009

All Deans / Directors/Chief Librarian
Kulliyahs / Centres /Library
International Islamic University Malaysia

السلام عليكم ورحمة الله وبركاته

FINANCE DIVISION CIRCULAR NO : 5 YEAR 2009

**PROPOSAL TO ADOPT TREASURY CIRCULAR LETTER NO 5 YEAR 2009 ON
REVISION OF THE APPROVAL LIMIT
FOR PURCHASE AND PROCEDURE FOR CALLING QUOTATION**

1.0 OBJECTIVE

- 1.1 The objective of this circular is to inform all Deans / Directors and all staff of the International Islamic University Malaysia on the decision made by the Standing Finance Committee by Circular Resolution dated 26th March 2009 on adoption of Treasury Circular Letter No 5 Year 2009 pertaining to revision of approval limit for purchase and procedure for calling quotation.

2.0 BACKGROUND

- 2.1 Recently the Treasury Malaysia has recently issue a Circular Letter No 5 Year 2009 on the revision in Authority Limit and Procurement Management by quotation.
- 2.2 According to the circular, the authority limit for purchase through quotation has been increased from RM200,000 to RM500,000.
- 2.3 The Treasury Circular Letter also states the procedures for managing purchases through quotations.

3.0 PROPOSAL

- 3.1 It was proposed that the University adopt the above the Treasury Circular Letter on the increase in the approval limit to speed up the process of acquisition of goods and services for the University.
- 3.2 In view of the increase in the limit, the university proposed to adjust the previous approval authority to be as follows:

i. Procurement

Proposed Limit(RM)	Authority
Up to 20,000	Head of Department equivalent to Dean/Director.
20,001-200,000	Rector and Executive Director of Finance.
200,001-500,000	Chairman of SFC and Rector.
500,001-20 Million	Tender Board chaired by Rector
20 Million- 30 Million	Tender Board chaired by Chairman of SFC.
➤ 30 Million	Ministry of Finance

ii. Selective Tendering or Direct Negotiation

Proposed Limit(RM)	Authority
Up to 20,000	Head of Department equivalent to Dean/Director.
20,001-200,000	Rector and Executive Director of Finance.
200,001-500,000	Chairman of SFC and Rector.
➤ 500,000 -30 Million	Standing Finance Committee
➤ 30 Million	Ministry of Finance

- 3.3 Other terms and conditions of the Treasury Circular and amendments to it remain unchanged.
- 3.4 A copy of the Treasury Circular Letter pertaining to the Treasury circular Letter is enclosed for reference.

4.0 DECISION

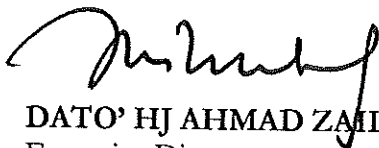
- 4.1 With the issuance of this circular, the policy number 6 of the Financial Policies and Procedures is revised accordingly with immediate effect.

5.0 IMPLEMENTATION

- 5.1 All Deans/Directors/Chief Librarian are kindly requested to take note on the circular and extend the information to relevant staff members at the Kulliyah/Centres/Divisions.

Your cooperation on the above matter is highly appreciated.

Thank you. *Wassalam.*



DATO' HJ AHMAD ZAILAN BIN SHAARI
Executive Director
Finance Division,
International Islamic University Malaysia.

- c.c. Prof. Dato' Sri Dr. Syed Arabi Idid
Rector, IIUM
- Prof. Dato' Dr. Md. Tahir Azhar
Deputy Rector (Academic Affairs and Research)
- Deputy Rector (Internationalisation and Innovation)
- Deputy Rector (Student Affairs and Alumni)