

EXPLANATORY STATEMENT

On the Special Resolution to be tabled at the 30th Annual General Meeting of The Institute of Internal Auditors Malaysia on 21st June 2025.

1. Preamble

- 1.1. Currently, all payments must be authorised on behalf of the Institute by any two (2) members of the Executive Committee.
- 1.2. The current practice is time consuming and hinders the efficient operation of the Institute. In order to overcome this inefficiency, the administration staff of the Institute had on multiple occasions advanced funds to cater for the expenses incurred by the Institute.
- 1.3. This Special Resolution aims to resolve the inefficiency of the current practice by empowering the Executive Director and Head of Departments to authorise payments based on the payment authorisation limits as annexed in Appendix A of this Explanatory Statement.

2. Resolution

- 2.1. The Resolution set out herein reflects the suggestions made by the Board of Governors, is tabled for approval by the members of the Institute:
 - 2.1.1. “IT IS HEREBY RESOLVED THAT Clauses 78 of the Constitution be amended as follow :

78. The Board shall as soon as may be after the business of the Institute shall have commenced open or cause to be opened in the name of the Institute an account (hereinafter called “the Institute Account”) with a bank carrying on business in Malaysia. The Current Account shall be operated based on the following payment authorisation limits:

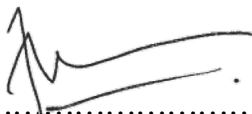
- (a) For transactions below RM5,000, all payments shall be authorised by the Executive Director, and any Head of Department holding the position of Senior Manager or above;
- (b) For transactions between RM5,001 and RM15,000 (inclusive), all payments shall be authorised by the Executive Director and the Head of Finance; and
- (c) For transactions above RM15,000, all payments shall be authorised by any two (2) members of the Executive Committee.

Thereafter the Board subject to the terms of the Constitution, may but shall be under no obligation to invest the moneys or any part thereof of the Institute in any lawful manner which the Board in their discretion may deem advisable and the Board may from time to time vary such

investments in such manner as the Board may deem advisable.”

3. Recommendation

- 3.1. On behalf of the Board of Governors, I recommend that the above Resolution be adopted by the members of the Institute at the Annual General Meeting of the Institute on 21st June 2025.



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Mohd Khaidzir Shahari
President
Date : 28th May 2025

Appendix A

	Payment Limits	Authorised Personnel	Example of Expenses (Non-exhaustive)
(a)	Below RM5,000	Executive Director and Head of Department holding the position of Senior Manager or above.	Operational expenses such as office maintenance, refunds, travel claims, reimbursements, IT maintenance, training materials, and secretarial fees.
(b)	Between RM5,001 to RM15,000	Executive Director and the Head of Finance	Speakers fees, training materials, and national conference expenses.
(c)	Above RM15,000	Any two (2) members of the Executive Committee	Fixed deposits, banking matters and to include salaries.