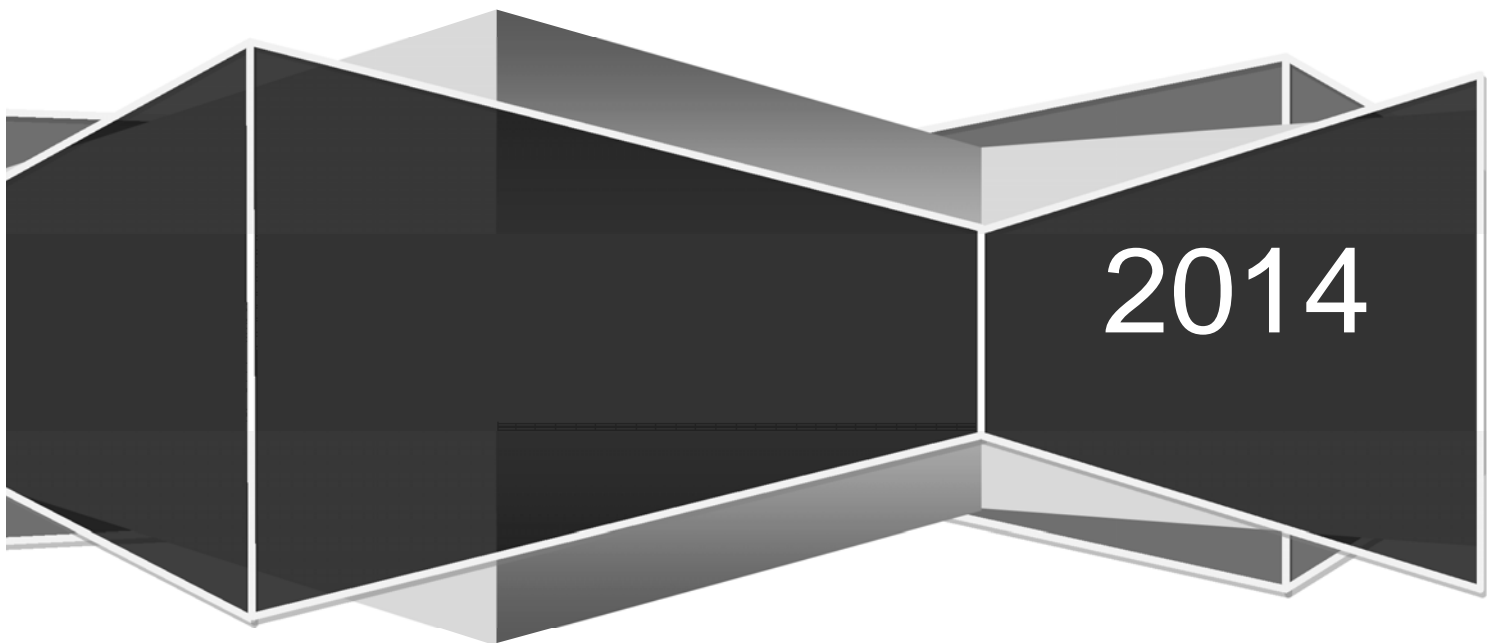




Institute of Business Administration (IBA) Transaction Authority Policy and Procedure

Version 3.2

Source: Internal Audit Department





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Institute of Business Administration (IBA)

Transaction Authority Policy and Procedure

Prepared By: Internal Audit Department

Approved By: _____

Revision Date: _____

Effective Date: _____

PURPOSE

This policy establishes the Transaction Authority Policy (TAP), Transaction Authority Matrix (TAM) and Limits for committing the Institution of Business Administration (IBA) to legal obligations, financial commitments and for conducting financial transactions.

POLICY

This policy documents the approval and authorization requirements necessary to commit IBA funds or assets.

All authority for corporate action is derived from those powers delegated by the Board of Governors.

The Board has delegated to Director IBA the authority to approve any transaction not specifically requiring Board action and all powers necessary to carry out the directives of the Board. In turn, the Director IBA delegates those powers deemed necessary, further delegation continues through the responsible support officers down to the required level of supervision.

In the Director IBA absence, Associate Dean as Acting Director exercises the powers and duties of the Director IBA.

The Transaction Authority Matrix defines the Director IBA delegation to certain individual authority for particular transactions in line with their functional responsibilities. Individuals who hold "Transaction Authority" are also referred to as "responsible individuals".

The Transaction Authority for Fund Manager or Budget Holder is individual responsible for all transactions on their fund(s) and is an authority to administer, approve, and execute transactions or agreements with external parties that commits the IBA. Although certain control and monitoring measures can be passed on or supported by administrative staff, permanent delegation of overall title and responsibilities of Transaction Authority is not permitted.

Approval Authority is permission to approve for execution the transaction that exceeds the maximum threshold and limits, set by IBA for the Transaction Authority and is an attestation for the appropriateness of the transaction within the IBA objective, plans and budgetary authorization.

Approval Authority can be an individual or group of individuals (committee) and is designated with the responsibility for the transaction in addition to the individual with Transaction Authority. Approval Authority does not constitute Transaction Authority and cannot enter into agreement that commits the IBA. Up to certain limits mentioned in the appendices B the Transaction Authority constitute an Approval Authority.

Payment Authority is individual responsible for processing a payment from an IBA account, and to certify that appropriate funds are available. Payment Approval does not constitute Transaction Authority.

Individuals with payment authority may only approve payments and must not enter into agreements that commit the IBA. Payment Authority authorization on agreements alongside Transaction Authority merely represents his/her accountability for payment

terms, budget availability, compliance with taxation, corporate laws and IBA practices, amount fairness and total value accuracy and validity. For brief list of IBA Transactions see attached transaction Authority Matrix (appendices A).

Transaction and Payment Authorities must develop their Delegation Plans by establishing approval structure within department and nominating Service Unit Heads or appropriate individuals to conduct transactions and approve payments. The Service Units are in compliance with IBA Strategic Direction. Authorities must ensure that segregation of duties is maintained at all levels.

Authority delegation levels are presented hereunder:





Authorities for Transaction and Payment approval should understand that the authority carries responsibility and that they are accountable for their actions. They are free to investigate as necessary to satisfy themselves that transaction and payment approval is correct and appropriate. It is also understood that if they cannot accept full responsibility, the items should be passed to a higher level for approval.

An Approval Authority carries responsibility for the transaction but Transaction Authority continues to retain accountability and responsibility for any actions, proposals, representations, agreements, commitments, etc. relating to transactions.

Certain payments that result from agreements, contract, lease, bank agreements and governmental obligations that are routinely authorized by Finance Department; who are responsible for calculating and verifying the accuracy of such payments. It is reasoned that approval to pay was given by Transaction Authority at the time of execution of the contractual obligation. The possibility of personal benefit is considered to be remote, therefore, Finance Department personnel are considered to be merely verifying the amount due.

Renewal of agreements, subject to satisfactory completion, is executable by the Transaction Authority without going through the fresh requisition and approval process; however, budget availability must be checked and wherever applicable, user satisfaction must be surveyed and documented. SPP Rules imposes limit for engaging in agreement by Direct Contracting, it is allowable for Repeat Orders not exceeding 15% (fifteen percent) of the original procurement; that means increase in quantity as well as increase in value should not exceeds 15% of the original procurement unless specified in the agreement.

Transaction Authority shall devise a mechanism for planning in detail for all proposed procurements with the object of realistically determining the requirements of the IBA, within its available resources, delivery time or completion date, etc. SPP Rules requires announcement of the proposed procurements for each financial year by placing the advertisement on the SPPRA and IBA websites.

To discourage the tendency of splitting the procurement orders to remain within their authorized limits the Transaction Authority will have to obtain the consent of the relevant Approval Authority in case the order for the same goods and services are being placed for the second time during the year.

For proper procurement planning and announcement the Transaction Authority should begin procurement planning at least six month before the close of the year, list the individual procurements and decide procurement methods for e.g. procurement by the Open Tender, Direct Contracting or Prequalification.

When an employee having delegated approval authorization is absent for a period not to exceed three working days, his/her authorization may be delegated by Transaction Authority to some other employee within the institute. In this instance, the delegate's supervisor must be advised in writing with information including the name of the person to whom the authorization is delegated, the time period covered and a specimen (if necessary). For absence in excess of three working days, all documents requiring approval will be referred to the delegated authority or to the next higher level for approval. Further, the Authority must ensure that a named delegate have the necessary skill and knowledge for the effective exercise of their authority.



Institute of Business Administration (IBA)

Transaction Authority Policy and Procedure

Notification of absence of employee having delegated approval authorization will be released by Head of Department to Head of HR, Head of ICT, Director Finance, and Internal Audit Department. In addition, copy to Director IBA for absence of Level 3 employees.

The acquisition of goods and services represent a significant portion of IBA expenditures and as such, the Transaction Authority must conduct it in a manner that ensures obtaining approval before ordering goods or services, value for money, a fair and open process, full accountability, and the IBA is meeting its statutory, legal and ethical obligations.

To ensure formal authorization and documentation is systematically obtained for review and auditing the Transaction Authority or their delegates must perform approval of requisitions and agreements with a value greater than the minimum threshold prescribed by the IBA. For approval of requisitions and agreements that exceeds the maximum threshold Approval Authorization is required.

In no event will payment be made prior to receiving proper authorization, approvals, etc.

The administration of approval paths is under the responsibility of the Finance Department. Related inquiries should be directed to the Director Finance.

When changes in organization, reporting relationships, incumbents, or responsibilities occurs, Head of HR should forward written advice to the Director Finance and Head of ICT so that appropriate changes in the delegate Approval Authorization may be made.

SCOPE

This policy affects all units, departments, programs and campuses of Institute of Business Administration, where ever located, nationwide, effective immediately.

Anyone who conducts business on behalf of the IBA must read this policy.

Website site address of this policy is www.iba.edu.pk.



PROCEDURES

All authorities and employees must adhere to Transaction Approval Matrix and Authority Thresholds and Limits attached with this policy and delegation plan, which will be prepared by Transaction and Payment Authorities.

1. Responsibility and Accountability

Payment Authority

Individual with Payment Authority determines whether:

- ✓ He or she has the authority to approve the payment,
- ✓ Where required, the transaction has been approved by others,
- ✓ The transaction conforms to IBA policies, regulations and laws, (including income, sale, federal exercise tax, SPPRA / PPRA and corporate laws, etc.) as well as terms and conditions of contracts and sponsor, donor, or other restrictions,
- ✓ The payment has not been made previously, or is not being held intentionally,
- ✓ Initiator of transaction or Transaction Authority and Approval Authority has required authority,
- ✓ Goods or services have been received,
- ✓ Resources are available to make the payments,
- ✓ Where required in case of payments for advance and deposits bank guarantees are obtained. This applies to transaction that exceeds Rs 100,000.
- ✓ The type of payment is appropriate for the source of funds being used

Transaction Authority (Responsible Individual)

Individuals with transaction authority, i.e., “responsible individual,” must

- ✓ Understands and administers all aspects of this policy, approvals and general practices in relation to transactions under his/her jurisdiction.
- ✓ Develops, implements, and maintains policies and procedures to secure the IBA financial, legal, contractual, and other interests in relation to those transactions for which he/she is responsible.
- ✓ If appropriate, further delegate Transaction Authority and periodically submits a written “delegation plan” for approval by the Director IBA. A copy of approved delegation plan must be forwarded to the Head of HR and Finance.
- ✓ Before executing agreements, transactions, or contracts, determines whether:
 - ✓ He or she has authority to enter into a transaction on behalf of IBA and ensure budget availability,
 - ✓ If transaction exceeds the threshold and limits the Approval Authorization is obtained,
 - ✓ The transaction complies with all applicable laws of Pakistan and applicable standards and IBA policies and understanding, as well as sponsor, donor, or other restrictions,
 - ✓ Procurements are in accordance with government legislation, PPRA / SPPRA ordinance, rules and regulations and IBA Procurement Policy and Procedures,



- ✓ An assessment has been made of the likely impact of the transaction on other elements of the IBA.

2. Related Party Transactions

All related party transactions should be handled in accordance with the IBA policy. A related party transaction includes the purchase of goods or services from an employee of the IBA or Members of Board of Governors, an immediate family member(s) of the employee or Members of Board of Governors, or a company, partnership, or other entity controlled by employee or Members of Board of Governors or their immediate family member(s). Related-party transactions cannot be presumed to be carried out at arms-length. Thus, the disclosure should be declared during procurement process for all such related-party transactions. If there is any financial interest of the person as stated above then Dean & Director IBA would recommend for Board approval to rule out any possible conflict of interest.

3. Budget Monitoring

Budget is an instrument by which the organization expresses its priorities and allocates resources to implement its policies and it is also a tool by which planned expenditures are controlled, at all levels of organization.

Transaction Authority is responsible to prepare their own annual budget in coordination with Finance Department.

Budget Availability

Finance department control and monitor budget utilizations by providing authorization for budget availability. All approved transactions; except for those mentioned as transaction that does not require budget availability check, must be submitted by Transaction Authority to Director Finance for budget availability approval. This measure is simply added protection for Transaction Authority, to reduce the number of inadvertent over-expenditures and the effort required by all parties to rectify these situations.

The Director Finance compares approved transaction value with budget and funds availability and provides written feedback for budget and funds availability to the Transaction Authority.

There are some transactions that do NOT require budget availability checking. Director Finance will send advisories and warnings to Transaction Authority and Head of Departments when monthly budget availability checking is performed. The exempt transactions include:

- ✓ Monthly establishment Payroll,
- ✓ Payments including payment to creditors, suppliers, etc, for approved transactions, if budget availability check is already been done by Transaction Authority at the time of its approval,
- ✓ Expense Reimbursements, Advances, Petty Cash Replenishments, Deposits, etc,
- ✓ Hospitalization expenses,
- ✓ Energy, fuel and utility purchases,



- ✓ Insurance expenses for IBA properties, building components, equipments, accidental coverage for staff, vehicles, third party, etc.
- ✓ Bank charges and bank fees, stamp and bond papers, markup payments, etc,
- ✓ Communication expenses,
- ✓ Payment to government/authority for taxes, fine, penalty, levy, duties and stamp duties, registration, warehousing, etc.

Budget Re-appropriation

Changes in program priorities and operating environment results in variation between the approved budget and actual expenditures, the framework for dealing with variations and over-expenditures is given as under, related budget threshold and approval limits are detailed in Appendices B, this framework does not apply to Government and HEC grants and funding, aid, sponsorships and donor restricted funds, etc:

✓ 'Subhead' Re-appropriation:

Subheads are the components of Line-items of Major Expenditure Head of the IBA Budget, for e.g. Generator Repair and Maintenance is the Subhead of line-item 'Repair and Maintenance Machinery and Equipments'.

Re-appropriation due to budget variations and overspending in Subheads to the extent that it is within the approved budget of Line-item is acceptable if it is approved by the authority as per instructions in the Transaction and Payment Authority Threshold and Limits, see appendices B.

✓ 'Line-item' Re-appropriation:

Line-items are the components of the Major Expenditure Head of the IBA Budget, for e.g. 'Repair and Maintenance of Machinery and Equipments' is a line-item of 'Repair and Maintenance Expense', which is the Major Expenditure Head of IBA budget. Similarly, 'Business Review printing cost' is a line-item of 'Printing and Stationery expenditure', which is the Major Expenditure Head of IBA budget.

Re-appropriation due to budget variations and overspending in line-items to the extent that it is within the approved budget of Major Expenditure Head is acceptable if it is approved by the authority and or Audit and Finance Committee as per instructions in the Transaction and Payment Authority Threshold and Limits, see appendices B.

✓ 'Major Expenditure Head' Re-appropriation:

Re-appropriation between Major Expenditure Head of Operating or Major Expenditure Head of Capital to the extent that it is within the total budgeted limit of Expenditure is acceptable if approved by the authority and or Audit and Finance Committee as per instructions in the Transaction and Payment Authority Threshold and Limits, see appendices B.

These options apply separately to operating and capital expenditures and projects and should be read accordingly.

Resource of Budget Re-appropriation must be used sparingly and should reflect genuine changed circumstances and not simply whim or poor planning; budget re-



appropriation is not substitute of financial discipline. Future annual budget submission will include review of the application of this option during the previous year.

Re-appropriation is calculated on the available budget at that time of approving re-appropriation.

4. Explanation and Definitions

These explanations apply to terms as used in this policy procedure:

Agreements for the purpose of this policy, transactions involving purchase orders, tenders, contracts, to provide goods, services and works, etc. For a short list, see Appendices C.

Capital Assets are assets of significant value which have a useful life of several years, also referred to as fixed assets.

Capital expenditure: Payment of money to acquire capital assets, such as a building or equipment.

Capital Budgets are major capital improvements, which are beyond the routine operation and are budgeted under separate capital funds. This includes items such as building expansion and reconstruction, computers and software, books, etc. In total, these are referred to as the Capital Budget.

Capital Projects are capital expenditure, which purchase or construct capital assets that cost over Rs 5 million. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility, Enterprise Resource Planning including: new construction, and certain major repair or replacement of multiple building components, software application licensing, development and its implementations, hardware, etc.

Major Maintenance are expenditures made beyond the regular, normal upkeep of physical properties (i.e. Land, Buildings, and Equipment) for the repair or replacement of failed or failing building components as necessary to return a facility to its currently intended use, to prevent further damage, or to make it compliant with changes in regulations; codes or standards and include major overhauling of Plant / equipment / machinery. "Routine Maintenance Definitions" shall not be eligible for major maintenance funds. Example of repair or replacement of components include: roofs, heating and ventilating, windows, generators, utility distribution systems, etc.

Emergency Repair / Breakdown are unexpected situation or sudden occurrence of a serious and urgent nature that demands immediate action either to prevent closure of a facility or a program activity within the facility; or to prevent further damage to a facility structure, building component or site system; or to prevent injury.

Responsible Individual is person with Transaction Authority, that is, with responsibility for contracting with external parties on behalf of the IBA.

Routine Maintenance is planned maintenance of facility and components, plant, equipment, etc., which are necessary for its serviceable conditions.

Transaction is an act that commits the IBA to spend or receive resources

Resource is something of value, whether in the form of money, property, reputation, right to use, etc.

Transaction Authority is authority to administer, approve, and execute transactions or agreements with external parties that commits the IBA.



Additional Reviewer an authority designated the power to perform review that is beyond the usual scope of the delegations.

Repeat Orders means procurement of additional quantities from same source where, after the items originally envisages for the project or scheme have been procured through open competitive bidding, and such additional quantities of same items of goods or works are needed to meet the requirement of project or scheme and the cost of additional quantities of items shall not exceed 15% of the original contract amount. In case of goods, repeat order shall be permissible only within the same financial year and in case of works, during the currency of the project or scheme.

5. Approval Process and Authority Matrix

The overall business decision process for approval is presented as under:

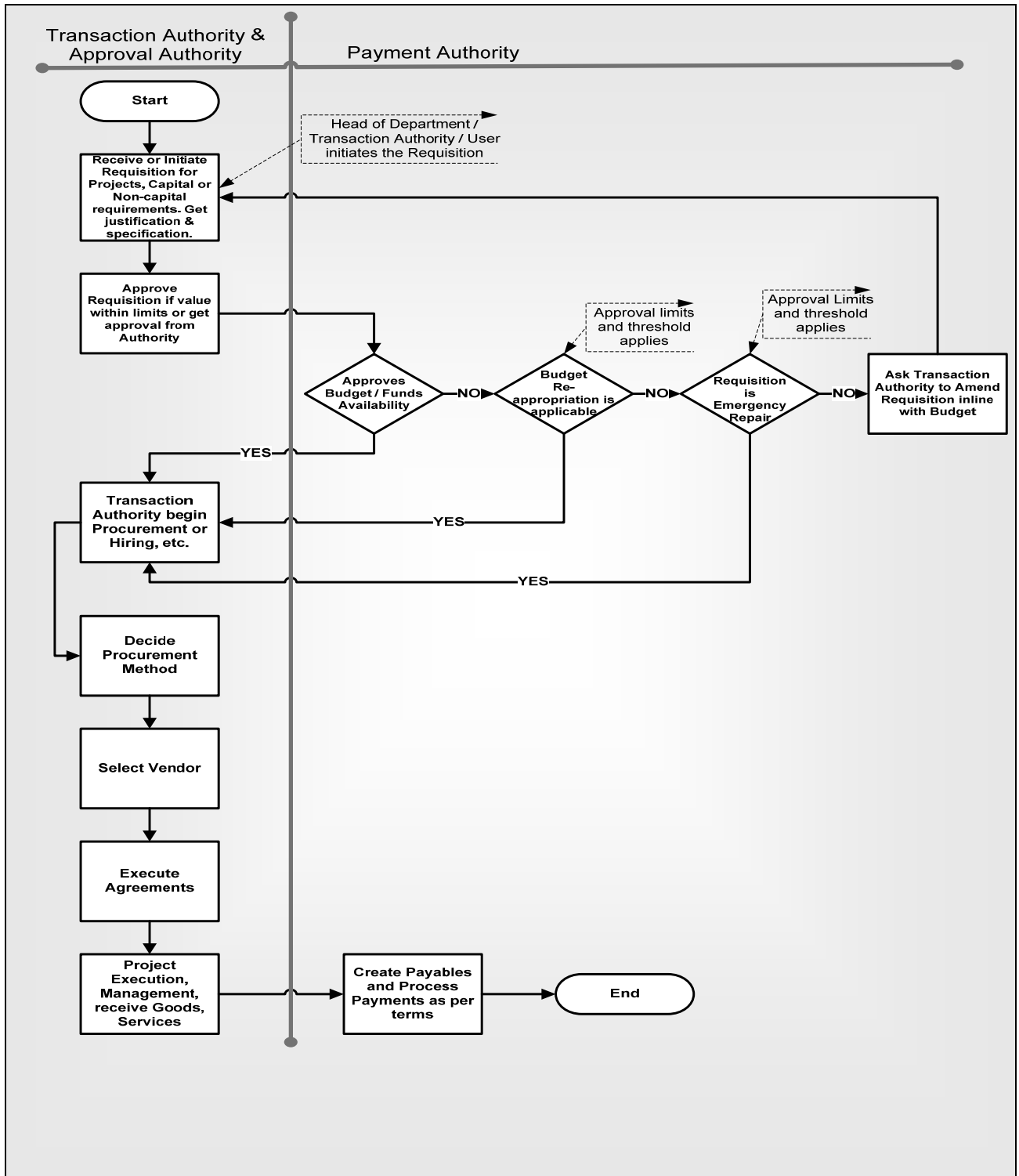


Figure 2

To protect the interests of the IBA and manage risk, the Director IBA, has established the formal Transaction Authority Matrix (see appendices A) and Authority Thresholds and Limits (see appendices B), which is attached with this policy.

6. Assumptions and stipulations

- ✓ Several transaction type and transaction definitions are presented in appendices A. For any clarity, opinion, recommendations and modification refer to Strategic Direction for IBA or consult the Head of Internal Audit Department.
- ✓ All major approvals must be minuted and copy must be forwarded to Finance Department, Internal Audit Department and Director IBA secretariat.
- ✓ All transactions requiring the approval of the Director IBA or Approval Authority must first be approved by the Responsible Authority / Individual.
- ✓ Amount variation in Capital projects to extend of 20% of the project cost will be approved by the Director IBA, provided the Budget Re-appropriation option is applicable and approved to extent of the amount of variation. Reason for variation must be recorded.
- ✓ Maximum limit for RFQ i.e. three quotations for standard specification purchases is Rs. 100,000 for beyond this threshold procurements competitive bidding procedures method must be complied.
- ✓ A limit for petty purchase is to extent of Rs 25,000 per transaction. Request for quotations are required for any transaction exceeding Rs. 25,000.
- ✓ For emergency repairs to extend of Rs 100,000 direct requisition approval can be done by Director IBA and reason to be recorded; provided the Budget Re-appropriation option is applicable and approved to extent of the cost of such repair.
- ✓ Director IBA can approve Direct Contracting with suppliers or contractors in accordance with the procedures laid down in IBA procurement manual for normal and emergency situations. Provided the reason and justification for opting Direct Contracting for amount exceeding Rs. 100,000 are also presented to Procurement committee of IBA.
- ✓ Direct contracting with vendors can also be done in the following cases; if it is accepted by the IBA Procurement committee, after due diligence:
 - Where only one supplier exists or,
 - Where change of product can cause technical operational difficulties or,
 - Procurement is of spare parts or services to be compatible with the existing equipment from original supplier or manufacturer,
 - Repeat order does not exceed 15% of original procurement,
 - Rates of goods or services are fixed by the government or authority or agency duly authorized by the government, or,
 - For purchase of locally manufactured motor vehicle from local manufacturer or authorized agent at manufacturer price.
- ✓ The SPP Rules issued from time to time override any explanations about procurement terms, methods and procedures given in this policy.



7. Requisition

All commitments require appropriate documentation and approval in advance of the contemplated transaction. The requisition documentation should include the requester's name, the business unit being charged for the goods/services, a description of the goods/service being requested, and the estimated cost of the request and the signature of the individual approving the requisition.

The Transacting Authority or budget holder will perform on the requisition as per his/her responsibilities and IBA business plans.

8. Restrictions

It is strictly prohibited to request supplier to split the purchase amount or transaction on more than one invoices to meet the approval limits of this policy.

Employee expense reports or documents must be approved by an individual senior to the employee initiating the document.

No employee shall approve his/her own expenditures.

9. Indemnification

Subject to legal defense and indemnification adopted by the Board, the IBA will protect faculty and staff against legal claims based upon an act, omission, or transaction that arises within the scope of IBA employment and in the performance of authorized duties, except those attributable to intentional wrongdoing, gross negligence, or recklessness. This protection does not extend to personal, unofficial, or unauthorized acts, omissions, and transactions.



Appendices



Institute of
Business Administration
Karachi

Appendices 'A'

Transaction Authority Matrix



Transaction Authority Matrix

Types of Transactions	Transaction Definition	Responsible Individual
Affiliation Agreements	Formal program affiliation agreements with other institutions	Director IBA
Alumni Affairs	Alumni relations, Directory, promotion, functions and interactions, dinner, etc.	Program Director Alumni
Communication & Public affairs	Brochures & Flyers drafting / designing, Backdrops, standees, banners and other promotional materials, Documentaries for diverse audience, Newsletters / periodic Reports, and Public Relations / Event management (Promotional materials, PR events and activities) for image building, promotion, functions, presentations, & etc	Program Director Public Affairs
	ERP -- Application for Campus Management	Program Director Public Affairs
Budget Availability and Re-appropriation Decisions	Determine and approve Budget availability and Budget Re-appropriation queries	Director Finance & Director IBA
Centre for Executive Education (CEE)	Program for Govt. Officers, executive and summer programs, include cost such as, teaching remuneration for CEE, course design, advertisement, furniture and fixtures, etc.	Director CEE
Skill Development Program (SDP)	Program to promote communication, interpersonal skills etc. including costs, remunerations, advertisement / promotions, and others expenditures / revenues.	Director CEE
Centre for Entrepreneurship Development (CED)	Program to promote entrepreneurship, including costs, rents, remunerations, advertisement / promotions, and others expenditures / revenues.	Program Director CED
Centre for Business & Economics Research (CBER)	Program to Business & Economics Research, including programs costs, remunerations, advertisement / promotions, and others expenditures / revenues.	Director CBER
Career Development Centre (CDC)	Students counseling, Mentoring and coaching activities, Student Development Program, Students Placement for Job and Internships, , Corporate Relationships and facilitation services, Publishing Graduate Directories and distributing graduate profiles, Managing Social Internships (RCI)	Program Director CDC
Employee Hiring and Benefit - Matters	New employee Hiring , terms of hiring and deciding employee benefits, allowances, etc.	Director IBA
Energy and Utility Purchasing	Electricity, natural gas, oil, telephone, etc including contracts and renewals, etc.	Registrar
Establishing Bank Accounts	Payroll, general, investment-related, student society, securities custody; all bank accounts and their signatories. Obtain Board approval and Board Resolution for new bank accounts opening, list of operating and authorized signatories.	Director Finance
Student Societies	Budget approval, Patron selection,	Director IBA
	Event organization, supervision, sponsor arrangement, expenditure approval,	Patron Student Societies



Transaction Authority Matrix

Types of Transactions	Transaction Definition	Responsible Individual
	Approval for RFQs, prequalification and selection of vendors	Sr. Finance Executive / Director Finance
	Payment disbursement, budget monitoring/re-appropriation for joint/combine events.	Sr. Finance Executive / Director Finance



Transaction Authority Matrix

Types of Transactions	Transaction Definition	Responsible Individual
Financial Matters	Financial, budgeting, and finance related contractual matters and sponsored programs and contracts renewals. Finance Department Policies and procedures and Delegation plan	Director Finance
	External Audit and other related services including Audit of Income/sales tax withheld (FBR, SRB)	Director Finance
	Compliance with Income and tax laws, Company Ordinance, SPPRA, PPRA and other laws applicable to IBA	Director Finance
	Insurance: fixed Assets; property, equipments, furnitures & fixtures, etc	Director Finance
	Investments, including the purchase and sale of securities and real estate	Director Finance
	Provision for doubtful debts, write-offs of student accounts and other account receivables	Director Finance
	Staff Residency tariff and utilities and other cost applications	Director Finance
	Student tuition, transport, hostel fees, other fees / fines etc.	Director Finance
	Research, compile, prepare & submit the annual budget and actual and expected periodical information	Director Finance
	Generate, Reconcile, verify & disburse Payroll {for Regular BPS, IBA payscale, contract, part-time staff and faculty members}	Director Finance
	Payment approval and disbursement for procurement of goods /works / services, insurance, CEE workshops / seminars payments, testing remunerations, travelling and accommodation, withholding sales & income tax, projects undertaking by faculty as per agreement, online registration, services, library books and accesses, membership payments, etc and cash management.	Director Finance
	Advances for running expenditures and bridge financing (as approved by Director IBA), petty cash for departments, programs and projects etc,	Director Finance
	Advances external against bank guarantee	Director Finance
	Pre-audit of payments in accordance with the IBA and applicable rules to IBA	Director Finance
	Appoint consultant for financial and taxation matters {Contract, scope definition, etc.}	Director Finance
	Maintain and retain books and records for Audit, Review and investigation purposes {Refer Appendices D for brief list of books and records}	Director Finance



Transaction Authority Matrix

Types of Transactions	Transaction Definition	Responsible Individual
	Financial Aid: Compiling applications, compliance with donor or bank requirements, reporting to Donor, bank and Financial Aid Committee and working with Student councils	Director Finance
	Honorarium for lectures / Speeches etc	Director Finance
	ERP -- application for Financial applications, Purchasing and Inventory management and Campus financials	Director Finance
	Resource Mobilization, Donor's Contracts, etc.	Director Finance
	Fixed Assets identification, coding, update subsidiary records and calculate depreciation	Director Finance
Gift Acknowledgments	Proposals, policies, acceptances and acknowledgments	Director IBA



Transaction Authority Matrix

Types of Transactions	Transaction Definition	Responsible Individual
Human Resources Matters	HR and Compensation Policies and Procedures. Negotiations, Agreements, HR related contracts, contract renewals, performance appraisals, etc.	Head of Human Resources (HR)
	Appointments, Removals, Final settlements and pension issues	Head of HR
	Monthly Payroll Review	Head of HR
	Personal Records and HR information security	Head of HR
	Compliance with contractual agreements and Budgets	Head of HR
	Compensation Management and its financial implications	Head of HR
	Travelling of staff / faculty for training & meetings and expense statement reporting	Head of HR
	Accommodations of staff / faculty for training & meetings as per entitlements	Head of HR
	Training and Development for Faculty and Staff	Head of HR
	Compliance with government laws for Social Security, EOBI, Salaries & Allowances	Head of HR
	Staff Medical approvals and Hospitalization Contracts	Head of HR
	ERP - Application for HR, Compensation System	Head of HR
	Employees Group Insurance; contract, rates, claim management, inclusions and exclusions	Head of HR



Transaction Authority Matrix

Types of Transactions	Transaction Definition	Responsible Individual
Information & Communication Technology Matters	Developing Department policies and procedures, execute purchase orders, agreements, equipment leases, software contracts, and all other in-house and outsourcing contracts related to the procurement of goods, services or works, Licensing, new development, etc.	Head of ICT
	Computer Hardware, multimedia equipment and its maintenance, contracts for services, repair and updating, Backups and UPS	Head of ICT
	Network administration, maintenance and networking equipments, etc. Providing contentious Internet Services, web portals, Network connections, etc	Head of ICT
	Maintenance, upkeep and management of laboratories	Head of ICT
	Repair, maintenance and upgrading of Server and server room including Servers racks, switches, routers, power backup and stabilizers, etc.	Head of ICT
	Telephone exchange, upkeep, maintenance and infrastructures	Head of ICT
	User support and complain management	Head of ICT
	ERP Training, Implementation and System Administration and analysis	Head of ICT
	Data Administration, data Backup, Security and Disaster Management	Head of ICT
	Computer Supplies; including toners, papers, cards, pre-printing, etc	Head of ICT
	Providing Video Conference facilities & multimedia facilities in class room, auditorium etc.	Head of ICT
	In-house and Outsourced Application developments	Head of ICT
	Hardware, software for Computerization of Attendance system	Head of ICT
	Telecommunication, Radio Links maintenance, contracts, licence fees, safety, etc.	Head of ICT
	Inventory Management of Hardware, Software & ERP equipment etc.	Head of ICT
International	Transactions with foreign entities or individuals	Director IBA
Open House related matters	HEC Marketing for IBA and meet the faculty program	Director IBA
Legal & other professional Services	For outside or inside legal & other Professional consultancies	Registrar
Finance / Tax / Audit related Professional Services	For outside or inside Finance, Tax and Audit related professional services	Director Finance
Library	Purchase of books, periodicals, Subscriptions, newspapers, online subscriptions, etc.	Head Librarian



Transaction Authority Matrix

Types of Transactions	Transaction Definition	Responsible Individual
	Inventory Management of books, periodical and subscriptions, etc	Head Librarian
Meetings and Convocations Matters	Arrange meetings, convocations, etc.	Registrar
ISO Certification	Working with consultant for documentation, scope definition, process evaluation, etc.	Registrar
Printing and Publication Matters	Printing and publishing of prospectus, business reviews, transcripts & degrees, etc.	Registrar
	Photocopying in-house and outsource contracting, rate tariff, charging, etc	Registrar
Petty Purchasing	Petty Purchasing for IBA include stationery, papers, office supplies, minor works / equipments, etc. up to the limits discussed in the TAP & IBA PP&P	Registrar
	Inventory Management of petty purchased items, etc.	Registrar
Procurement Advertisement	Procurement Advertisement as per the procurement requirement at SPPRA and PPRA web site, Newspapers, IBA website, etc, with complete information and availability until expiry date	Manager Communications and Web administrator under Head of ICT Department
Postage and Courier	Contract with parcel services, box numbers, postage prepayment, etc	Registrar
Sponsorship and scholarships	Proposals, selection criteria, agreements, and renewals, assessment and interview of applications	Registrar
Sports, Gym, other related Goods & Equipments	Sports, Gym, other related Goods and Equipments procurement and Maintenance	Registrar
Security Services	Providing inside and outside security to IBA campuses	Registrar
Transportation Services	Providing in-house and outsourced transportation to students and maintaining fleet for office and employee usage	Registrar
	Vehicles and Buses repair and maintenance	Registrar
	Vehicle fuel contracts and maintaining of fuel usage and limits	Registrar
	Conveyance Reimbursement	Registrar
	Inventory Management of vehicle Stores, Spare, vehicles, Fuel, etc	Registrar



Transaction Authority Matrix

Types of Transactions	Transaction Definition	Responsible Individual
Real Estate	Capital projects, Contracting for Construction, Major renovation and Repairs of physical facilities and building components, building components, plant and equipments, etc.	Director Projects, Planning & Development (PP&D)
	Purchases, sales, and leases of non-investment real estate for all values.	Director PP&D & Registrar
	Selection of architects, contractors and project managers	Director PP&D
	Architectural, consultants, construction contracts	Director PP&D
	Project preparation, concept, design, Maps, CAD, etc.	Director PP&D
	Tendering notice, bidding documents, pre-qualification & EOI, Request for proposals and selection of Contractors,	Director PP&D
	Award of projects	Director PP&D
	Preparing and Approving Contract, Agreements and Bills of quantity	Director PP&D
	Construction Management, supervision and checking of BOQ	Director PP&D
	Project time-line and progress management	Director PP&D
	Project completion & hand over / take over	Director PP&D
	ERP -- Application for Project Management	Director PP&D
	Inventory Management of Construction Materials, Accessories, equipment, tools, etc.	Director PP&D
Facilities Management & Related Matters	Minor renovation, addition, modification and Repairs of physical facilities and building components, Emergency repairs, routine renovation, and Maintenance of building, building components, property and equipments, sports grounds, gyms etc.	Registrar
	Purchasing building component equipment, furniture and fixtures, power generator, back-up systems and ATS, etc	Registrar
	Facility planning and providing: electricity, water, Air-conditioning (HVAC), plumbing, etc.	Registrar
	Repair and Maintenance of Classrooms, grounds, office buildings, seminar rooms, library, auditorium, hostels, staff colony etc for electrical (Generators, A/cs / Chillers, etc and general)	Registrar
	Rent Agreements, rent or buy decisions and its agreement renewals	Registrar
Other staff related matters	Leave Records and Leave Approvals	Registrar
	ERP - Application for Attendance System	Registrar



Transaction Authority Matrix

Types of Transactions	Transaction Definition	Responsible Individual
Testing and Admission	Policies, Procedures, Admissions, Data Management and Security, selection criteria, ERP -- Campus Management	Head of Testing Services and Registrar
	Testing Remuneration (approval and rates revisions)	Head of Testing Services
Assessment, Examination, Transcriptions, Degrees	Policies, Procedures, Examination, related Fees, Data Management, data Security, ERP -- Application for Campus Management	Controller for exams
	Comprehensive Exams staff Remuneration {approval and rate revisions}	Controller for exams
Campus Administration	Program Offices, ERP -- Application for Campus Administration, Teaching Department, Student Affairs	Associate Deans



Institute of
Business Administration
Karachi

Appendices 'B'

Transaction & Payment Authority Threshold & Limits



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Cheques & Wire Transfers					
	Cheque Signing	upto Rs 1,500,000			Director Finance <1>
	Cheque Signing	No Limits			Director Finance <2>
<1> Registrar to perform as second signatory, <2> Dean & Director or Associate Deans to perform as second signatory					



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Budget Re-appropriation					
Subhead Re-appropriation	File Note to be signed by Budget Holder and Director Finance	Between Subhead re-appropriation to the extent of total available budget of Line-item for major expenditure head of either Operating or Capital Expenditures	Director Finance	Director Finance	
Line-item Re-appropriations	File Note to be signed by Budget Holder and Director Finance	Between Line-item re-appropriation of available budget for major expenditure head of either Operating or Capital Expenditures, up to maximum Rs 1,000,000.	Director Finance	Director Finance	
	File Note to be signed by Budget Holder, Director Finance and Director IBA	Between Line-item re-appropriation of available budget for major expenditure head of either Operating or Capital Expenditures up to Rs 2,000,000	Director IBA	Director Finance	
	Proposal for A & FC to be signed by Budget Holder, Director Finance and Director IBA	Between Line-item re-appropriation exceeding Rs. 2,000,000 of available budget for major expenditure head of either Operating or Capital Expenditures.	Audit and Finance Committee	Director Finance	



Transaction and Payment Authority Thresholds and Limits

Description		Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
	Major Expenditure Head Re-appropriation	File Note to be signed by Budget Holder, Director Finance and Director IBA	Between major expenditure head Re-appropriation of available budget for either Operating or Capital expenditures up to Rs. 2,000,000	Director IBA	Director Finance	
		Proposal for A&FC to be signed by Budget Holder, Director Finance and Director IBA	Between major expenditure head re-appropriation exceeding Rs. 2,000,000 of available budget for either operating or Capital expenditures	Audit and Finance Committee	Director Finance	
	Additional Budgets	Proposal for A&FC for BoG approval, recommendations to be signed by Budget Holder, Director Finance and Director IBA	Additional Budget as recommended by A&FC	BoG	Director IBA	



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Capital Projects					
Building and Construction - IBA Funded or Resource mobilization by IBA and included in Budget					
<i>Projects - Approval</i>	Requisition	Upto Rs 10 million	Director PP&D	Director PP&D	
Architect / Contractor / PM/ Consultant Selections	Tendering and Selection		Procurement Committee	Director PP&D	
Project Concept*	Proposal for concept description, scope of work, schedule and milestone to be signed by Director PP&D		Director PP&D	Director PP&D	
Project Design**	Proposal for design, layout, exterior and time line to be signed by Director PP&D		Director PP&D	Director PP&D	
Project Management	Agreements		Director PP&D	Director PP&D	
Project Execution	Bill of Quantity, handing over		Director PP&D	Director PP&D	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description		Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
	<i>Projects - Approval</i>	Proposal to be signed by Director PP&D and Director IBA.	Above Rs 10 million upto Rs 20 million	Director IBA	Director PP&D	
	Architect / Contractor / PM/ Consultant Selections	Tendering and Selection		Procurement Committee	Director PP&D	
	Project Concept*	Proposal for concept description, scope of work, schedule and milestone to be signed by Director PP&D and Director IBA		Director IBA	Director PP&D	
	Project Design**	Proposal for design, layout, exterior and time line to be signed by Director PP&D and Director IBA		Director IBA	Director PP&D	
	Project Management	Agreements		Director PP&D	Director PP&D	
	Project Execution	Bill of Quantity, handing over		Director PP&D	Director PP&D	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description		Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
	<i>Projects - Approval</i>	Proposal for AFC meeting to be signed by Director PP&D and Director IBA.	Above Rs 20 million upto Rs 50 million	Audit and Finance Committee	Director PP&D	
	Architect / Contractor / PM Selection	Tendering and Selection		Procurement Committee	Director PP&D	
	Project Concept*	Proposal for concept description, scope of work, schedule and milestone to be signed by Director PP&D and Director IBA		Executive Committee	Director IBA	
	Project Design**	Proposal for design, layout, exterior and time line to be signed by Director PP&D and Director IBA		Executive Committee	Director IBA	
	Project Management	Agreements		Director PP&D	Director PP&D	
	Project Execution	Bill of Quantity, handing over		Director PP&D	Director PP&D	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description		Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
	<i>Projects - Approval</i>	Proposal for A&FC meeting requesting approval of Board of Governors to be signed by Director PP&D and Director IBA.	Above Rs 50 million	Audit and Finance Committee	Director PP&D	
		A&FC Proposal seeking Board of Governors approval to be signed by Chairman A&FC		Board of Governors	Director PP&D	
	Architect / Contractor / PM Selection	Proposal for selection after tendering to be signed by Director IBA, Director PP&D and Chair Procurement Committee		Procurement Committee	Director PP&D	
	Project Concept*	Proposal for concept description scope of work, schedule and milestone to be signed by Director PP&D and Director IBA		Audit and Finance Committee	Director IBA	
	Project Design**	Proposal for design, layout, exterior and time line to be signed by Director PP&D and Director IBA		Audit and Finance Committee	Director IBA	
	Project Management	Agreements		Director PP&D	Director PP&D	
	Project Execution	Bill of Quantity, handing over		Director PP&D	Director PP&D	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Building and Construction - HEC or Government funded					
<i>Projects - Proposal for Government of Pakistan or HEC</i>	PC1 {Planning Commission} and proposal for A & FC to be signed by Director PP&D & Director IBA	Up to any limit	Audit and Finance Committee	Director PP&D	
<i>Project Approval</i>	Approval Letter from HEC	Any variation from the approved PC1	Audit and Finance Committee	Director PP&D	
Architect / Contractor / PM / Consultant Selections	Tendering and Selection		Procurement committee	Director PP&D	
Project Concept after approval*	PC1 {Planning Commission}		Executive Committee	Director PP&D	
Project Design after approval**	PC1 {Planning Commission}		Executive Committee	Director IBA	
Project Management	Agreements		Director PP&D	Director PP&D	
Project Execution	Bill of Quantity, handing over		Director PP&D	Director PP&D	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Power Generating					
<i>Project Approvals</i>	Requisition	Up to Rs. 1 million	Registrar	Registrar	
	File Note to be signed by Registrar and Director IBA	Above Rs. 1 million & up to Rs 10 million	Director IBA	Registrar	
	Proposal for A & FC Meeting to be signed by Registrar and Director IBA	Above Rs 10 million	Audit and Finance Committee	Registrar	
Vendor Selection	Tendering and Selection	Up to any budgeted limit	Procurement Committee	Registrar	
Purchasing	Agreements		Registrar	Registrar	
Project Implementation	Agreements		Registrar	Registrar	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Hardware, Software & ERP projects					
<i>Project and its Concept* Approvals</i>	Requisition	Up to Rs 6 million	Head of ICT	Head of ICT	Director Finance
	Proposal to be signed by Head of ICT and Director IBA	Above Rs 6 million and up to Rs 10 million	Director IBA	Head of ICT	
	Proposal for A & FC. Meeting to be signed by Head of ICT and Director IBA	Above Rs 10 million	Audit and Finance Committee	Head of ICT	
Vendor Selection	Tendering and Selection		Procurement Committee	Head of ICT	
Purchasing	Agreements		Head of ICT	Head of ICT	
Project Implementation	Agreements		Head of ICT	Head of ICT	
*May includes a description of the functional program to be satisfied, a general description of the scope of work citation of the key project schedule milestones, and the major components of a budget.					
** Design approval can include a review of the schematic or design development documents that illustrate the layout, massing, and exterior appearance of the facility within the context of its site. Also include delivery schedule.					



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Capital Expenditure					
Building Renovation Minor, Addition, Modification, Power generation Minor, furniture and fixtures, HVAC and other Building Components					
<i>Expenditure Approval</i>	Requisition	Upto Rs 1 million	Registrar	Registrar	
	Requisition + File note to be signed by Registrar and Director IBA	Above Rs 1 million	Director IBA	Registrar	
Contractor or Vendor selection	Quotation or Bid Selection	Upto Rs 100,000	Registrar	Registrar	
	Open Tendering	Above Rs 100,000	Procurement Committee	Registrar	
Work Management	Agreements		Registrar	Registrar	
Work Execution	Bill of Quantity, taking over		Registrar	Registrar	Director Finance
Vehicles - New					
<i>Expenditure Approvals</i>	File note to be signed by Registrar and Director IBA	Upto any budgeted amount	Director IBA	Registrar	
Vendor Selection		At manufacturer price	Director IBA	Registrar	
Purchasing	Agreements			Registrar	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Hardware and Software {computer and peripherals}					
<i>Expenditure Approvals</i>	Requisition	Upto Rs 1 million	Head of ICT	Head of ICT	
	Requisition + File note to be signed by Head of ICT and Director IBA	Above Rs. 1 million and up to Rs. 10 million	Director IBA	Head of ICT	
	Proposal for A&FC Meeting to be signed by Head of ICT and Director IBA	Above Rs. 10 million	Audit and Finance Committee	Head of ICT	
Vendor Selection	Quotation or Bid Selection	Upto Rs 100,000	Head of ICT	Head of ICT	
		Above Rs 100,000	Procurement Committee	Head of ICT	
Purchasing	Agreements		Head of ICT	Head of ICT	Director Finance
Machinery and Equipments not including building Components					
<i>Expenditure Approvals</i>	Requisition	Upto Rs 250,000	Registrar	Registrar	
	Requisition + File note to be signed by Registrar and Director IBA	Above Rs 250,000	Director IBA	Registrar	
Vendor Selection	Tendering and Selection	Upto Rs 100,000	Registrar	Registrar	
		Above Rs 100,000	Procurement Committee	Registrar	
Purchasing	Agreements		Registrar	Registrar	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority	
Library Books, Research and Electronic database, ebooks, CD/DVD Roms Case Studies / Articles, etc.						
<i>Expenditure Approvals and Vendor Selection for Books, ebooks for Perpetual Access & etc</i>	Requisition	Upto Rs. 50,000	Head Librarian	Head Librarian		
	File note to be signed by Head Librarian and Associate Dean	Above Rs. 50,000 and up to Rs. 100,000	Associate Dean	Head Librarian		
	File note to be signed by Library Committee	Above Rs. 100,000	Library Committee and Associate Dean	Head Librarian		
Purchasing or contracting	Agreements		Head Librarian	Head Librarian	Director Finance	
Online subscription, Electronic / Research Database Acquisition, Case Studies / Electronic Articles						
		Upto Rs. 50,000	Head Librarian	Head Librarian		
	File note to be signed by Head Librarian and Associate Dean	Above Rs. 50,000 and up to Rs. 100,000	Associate Dean	Head Librarian		
	File note to be signed by Library Committee	Above Rs. 100,000	Library Committee and Associate Dean	Head Librarian		
Purchasing or contracting	Agreements		Head Librarian	Head Librarian	Director Finance	
Contract Renewal	Agreements		Associate Dean	Head Librarian		
Sports, Gym, other related Goods & Equipments						
Expenditure approvals / vendor Selection	Direct Purchasing	Upto Rs 25,000	Manager Sports	Manager Sports		
	RFQ	Above Rs 25,000 and up to Rs. 100,000	Registrar	Manager Sports		
	Tender, file note to be signed by Registrar		Above Rs 100,000 and up to Rs. 5 million	Director IBA		Registrar
			Above Rs. 100,000	Procurement Committee		Registrar
			Above Rs 5 million	Audit and Finance Committee		Director IBA
Purchasing, Goods, Services or Works	Agreements		Registrar	Registrar	Director Finance	



Transaction and Payment Authority Thresholds and Limits

Description		Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
NON-CAPITAL EXPENDITURE						
Alumni Affairs						
<i>Expenditure Approvals</i>	Requisition		Upto Rs 100,000	Program Director Alumni Affairs	Program Director Alumni Affairs	
	Requisition + File note to be signed by the Program Director Alumni + Director IBA		Above Rs 100,000	Director IBA	Program Director Alumni Affairs	
Vendor Selection for Purchasing of goods or services	Quotation or Bid Selection		Upto Rs 100,000	Program Director Alumni Affairs	Program Director Alumni Affairs	
			Above Rs 100,000	Procurement Committee	Program Director Alumni Affairs	
Purchasing	Agreements			Program Director Alumni Affairs	Program Director Alumni Affairs	Director Finance
Energy, Utility Purchasing from external sources						
Expenditure Approval	Requisition		Up to any budgeted amount	Registrar	Registrar	
Purchasing	Agreements				Registrar	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Employee Hiring and Benefits (full time)					
New Hiring -- approval	File Note to be signed by Director IBA	Upto any budgeted amount	Director IBA	Director IBA	
Selection	Interview, assessments & recommendation	Director IBA direct reportings	Selection Board / BoG	Head of HR & Director IBA	
		Others {16 - 19 or equivalents Job band}	Selection Board / BoG	Head of HR & Director IBA	
		Others {Upto 15 or equivalents Job band}	Director IBA	Head of HR & Director IBA	
Appointment	Contracts, Agreements		Director IBA	Head of HR	
Additional Benefits		Grade16 / Job band 2 and above	Audit and Finance Committee	Head of HR & Director IBA	
		Upto Grade 15 / Job band 1	Director IBA	Head of HR	
Promotions		Grade16 / Job band 2 and above	Selection Board / BoG	Head of HR & Director IBA	
		Upto Grade 15 / Job band 1	Director IBA	Head of HR	Director Finance
Part Time Faculty Hiring					
New Hiring -- approval	File Note to be signed by Director IBA	Upto any budgeted amount	Director IBA	Head of HR	
Selection	Interview, assessments & recommendation		Director IBA	Head of HR	
Appointment and Renewal	Contracts		Associate Dean	Head of HR	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Insurance - Assets & Employees' Group Life					
Expenditure Approval	Requisition - Assets insurance	Upto any budgeted amount for Fixed assets, cash, fidelity, etc.	Director IBA	Director Finance	
	Requisition - Employees insurance	Up to any budgeted amount for employee Group Insurance	Director IBA	Head of HR	
Vendor Selection	Quotation or Bid Selection for Govt. agencies and authorities	Upto any budgeted amount	Head of HR / Director Finance	Head of HR / Director Finance	
	Quotation or Bid Selection - other then Govt. agencies and authorities	Above Rs 100,000	Procurement Committee	Head of HR / Director Finance	
Purchasing of Policy- Assets	Agreements			Director Finance	
Renewal of policy - Assets	Agreements		Director IBA	Director Finance	
Purchasing of policy - Employees	Agreements			Head of HR	
Renewal of policy - Employees	Agreements		Director IBA	Head of HR	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Write off of Receivables					
Allowance for Doubtful debts			Director Finance	Director Finance	
Receivable Follow-up	Cover Letter		Director Finance	Director Finance	
Receivable First Notice	Cover Letter		Director Finance	Director Finance	
Receivable Final Notice	Cover Letter		Director Finance	Director Finance	
Write Off of Receivables		one regular semester fee	Registrar	Director Finance	
Monthly Payroll {Regular, IBA, contractual, part-time faculty}					
Expenditure Approval - full time employees	Notice for Employees Additions, deletions and Attendance	Upto any budgeted amount for hiring already approved as Per TAP	Director IBA	Head of HR	
Expenditure Approval - Part time faculty	Notice for Part time faculty sessions	Upto any budgeted amount for hiring already approved as Per Part Time Policy	Director Finance	Head of HR	
Making of payroll statement, Reconciliations with previous payments and authorization			Director Finance	Director Finance	
Bank Transfer Advice	Authorization to Banks		as per cheque & wire transfers, mentioned above	Director Finance	Director Finance
Petty Purchasing {stationery, papers, office supplies, minor works / equipments, etc.}					
Expenditure approvals	Direct Purchasing	Upto Rs 25,000	Registrar	Registrar	
Request for Quotations (RFQ)	Vendor selection / Quotations	Above Rs 25,000 and up to Rs. 100,000	Registrar	Registrar	
Purchasing, Goods, Services or Works	Agreements		Registrar	Registrar	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority	
Training & Development						
Expenditure Approval - within Pakistan	Requisition	Up to Rs.25,000	Head of HR	Head of HR		
	File note to be signed by Head of HR and Director IBA	Above Rs. 25,000	Director IBA	Head of HR		
Expenditure Approval - Abroad	File note to be signed by Head of HR and Director IBA	Up to any budgeted amount	Director IBA	Head of HR		
Employee Expenditure Statements and Reimbursements / settlement	Statements			Head of HR		Director Finance
Travelling for training / testing / meeting etc.						
Expenditure Approval - within Pakistan	Requisition	Up to Rs 50,000	Head of HR	Head of HR		
	File note to be signed by Head of HR and Director IBA	Above Rs 50,000	Director IBA	Head of HR		
Expenditure Approval - Abroad	File note to be signed by Head of HR and Director IBA	Up to any budgeted amount	Director IBA	Head of HR		
Travel & Accommodation Arrangements		As per Travel & Accommodation policy	Head of HR	Head of HR		
Travel Agency Approval	Pre-qualification	Up to any budgeted amount	Director IBA	Head of HR		
Vendor Selection			Procurement Committee	Head of HR		
Purchasing Contract			Head of HR	Head of HR		
Contract Renewal			Director IBA	Head of HR	Director Finance	



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Staff Medical & Hospitalization					
Expense Approval		As per employee entitlement	Head of HR	Head of HR	
Procurement of Health Insurance / Services	File Note to be signed by the Head of HR and Director IBA	Up to any budgeted amount	Director IBA	Head of HR	
Vendor Selection	Quotation / Bid Selection		Procurement Committee	Head of HR	
Purchasing / Contract	Agreement		Head of HR	Head of HR	
Contract Renewal	Agreement		Director IBA	Head of HR	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Repair and Maintenance of Hardware, Software & ERP Projects, computers & peripherals, other hardware, multimedia, PABX, network equipment, UPS, etc					
Expense Approval	Requisition	Upto Rs 1 million	Head of ICT	Head of ICT	
	File Note to be signed by the Head of ICT and Director IBA	Above Rs 1 million and up to Rs. 10 million	Director IBA	Head of ICT	
	Proposal for A&FC Meeting to be signed by Head of ICT and Director IBA	Above Rs 10 million	Audit and Finance Committee	Head of ICT	
Vendor Selection	Quotation/ Bid Selection	Upto Rs 100,000	Head of ICT	Head of ICT	
		Above Rs 100,000	Procurement Committee	Head of ICT	
Purchasing Contract	Agreements		Head of ICT	Head of ICT	
Contract Renewal	Agreements		Director IBA	Head of ICT	Director Finance
Purchasing of Computer Supplies					
Expense Approval	Requisition	Upto Rs 100,000	Head of ICT	Head of ICT	
	Requisition +File Note to be signed by the Head of ICT and Director IBA	Above Rs 100,000	Director IBA	Head of ICT	
Vendor Selection	Quotation or Bid Selection	Upto Rs 100,000	Head of ICT	Head of ICT	
		Above Rs 100,000	Procurement Committee	Head of ICT	
Purchasing, Goods, Services or Works	Agreements		Head of ICT	Head of ICT	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Facilities Management (Minor Renovation, Addition, Modification, Repairs and Maintenance of Building and Electrical components, furniture, fixtures, classroom, library, offices, hostels, residence, grounds, auditorium, centres, Maintenance Supplies, HVAC /Chiller systems, Generators, ATS ,etc)					
Expenditure Approval	Requisitions	Up to Rs 500,000	Registrar	Registrar	
	Requisitions + File note to be signed by Registrar and Director IBA	Above Rs 500,000	Director IBA	Registrar	
Vendor Selection	Quotation or Bid Selection	Upto Rs 100,000	Registrar	Registrar	
		Above Rs 100,000	Procurement Committee	Registrar	
Purchasing, Goods, Services or Works	Agreements		Registrar	Registrar	
Contract Renewal	Agreements		Director IBA	Registrar	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description		Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Meeting, Seminar and convocation, dinners, expenses						
Expense Approval	Requisition		Up to Rs 100,000	Registrar	Registrar	
	Requisition + File note for approval to be signed by the Registrar and Director IBA		Above Rs 100,000	Director IBA	Registrar	
Vendor Selection	Quotations, contract, etc		Up to Rs 100,000	Registrar	Registrar	
			Above Rs 100,000	Procurement Committee	Registrar	
Purchasing, Goods, Services or Works	Agreements			Registrar	Registrar	Director Finance
Printing, Publication, Stationery & Office Supplies						
Expense Approval	Requisition		Upto Rs 200,000	Registrar	Registrar	
	Requisition + File note for approval to be signed by the Registrar and Director IBA		Above Rs 200,000	Director IBA	Registrar	
Vendor Selection	Quotation or Bid Selection		Upto Rs 100,000	Registrar	Registrar	
			Above Rs 100,000	Procurement Committee	Registrar	
Purchasing, Goods, Services or Works	Agreements			Registrar	Registrar	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Sponsorship and Scholarship (IBA, HEC, Endowment, Other)					
Scholarship Proposal	Applications	Upto any budgeted amount	Registrar	Director Finance	
Application Selection	Proposal for Scholarship committee approval		Scholarship committee	Registrar	
Awarding	Agreements		Registrar	Registrar	Director Finance
Security Services {inside and outside premises}					
Expenditure Approval	Requisition	Upto Rs 100,000	Registrar	Registrar	
	Requisition + File note to be approved by the Registrar and Director IBA	Above Rs 100,000	Director IBA	Registrar	
Vendor Selection	Quotation/ Bid Selection	Upto Rs 100,000	Registrar	Registrar	
		Above Rs 100,000	Procurement Committee	Registrar	
Purchasing Contract	Agreements		Registrar	Registrar	
Contract Renewal	Agreements		Director IBA	Registrar	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Transportation services {fleet services for student, employees, Repairs and Maintenance, contracts, conveyance. etc}					
Approval for Services and Repairs	Requisition	Upto Rs 50,000	Registrar	Registrar	
	Requisition + File Note to be signed for approval by Registrar and Director IBA	Above Rs 50,000	Director IBA	Registrar	
Fuel Expenditure for approved vehicles		Upto 300 litres per month or as per limits approved in the hiring contract	Registrar	Registrar	
	File Note to be signed by the Registrar and Director IBA	Above 300 litres per month or exceeding limits approved in hiring contract	Director IBA	Registrar	
Purchasing POL Contract	Agreements		Registrar	Registrar	
Contract Renewal	Agreements		Director IBA	Registrar	
Vehicle Hiring, Rent a Car	Requisition	Upto Rs.100,000	Registrar	Registrar	
	File Note to be signed by the Registrar and Director IBA	Above Rs. 100,000	Director IBA	Registrar	
Vendor Selection	Quotations, contract,etc	Upto Rs. 100,000	Registrar	Registrar	
		Above Rs. 100,000	Procurement Committee	Registrar	
Purchasing Contract	Agreements		Registrar	Registrar	
Contract Renewal	Agreements		Director IBA	Registrar	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority	
Newspapers, periodicals, magazines, journals & subscriptions						
Expenditure Approval - Newspapers	Requisitions	Upto any budgeted amount	Head Librarian	Head Librarian		
Expenditure Approval - Periodicals, magazines, journals & subscriptions	Requisitions	Upto Rs. 50,000	Head Librarian	Head Librarian		
	File note to be signed by Head Librarian and Associate Dean	Above Rs. 50,000	Associate Dean	Head Librarian		
Vendor Selection		Upto any budgeted amount	Head Librarian	Head Librarian		
Purchasing Goods, Services or Work	Agreements		Head Librarian	Head Librarian		
Contract Renewal	Agreements		Associate Dean	Head Librarian		Director Finance
Internet Services						
Expenditure Approval	Requisitions	Upto any budgeted amount	Head of ICT	Head of ICT		
Expenditure Approval for Internet devices	As per approved entitlement of employee	Upto any budgeted amount	Head of ICT	Head of ICT		
Vendor Selection	Quotations or Tender	Upto Rs 100,000	Head of ICT	Head of ICT		
		Above Rs 100,000	Procurement Committee	Head of ICT		
Purchasing Goods, Services or Works	Agreements		Head of ICT	Head of ICT		
Contract Renewal	Agreements		Director IBA	Head of ICT		Director Finance
Postage, Courier services						
Expenditure Approval	Requisitions	Upto any budgeted amount	Registrar	Registrar		
Vendor Selection	Quotations or Tender	Up to Rs. 100,000	Registrar	Registrar		
		Above Rs. 100,000	Procurement Committee	Registrar		
Purchasing Goods, Services or Works	Agreements		Registrar	Registrar		
Contract Renewal	Agreements		Director IBA	Registrar		Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Advertisements for procurement and others					
Expenditure Approval	Requisitions	Upto Rs 100,000	Manager communications	Manager communications	Director Finance
	File note to be signed by Manager communication & Program Director (PD) Public Affairs	Above Rs 100,000 and upto Rs. 1 million	Program Director Public Affairs	Manager communications	
	File note to be signed by PD Public Affairs and Director IBA	Above Rs. 1 million	Director IBA	Program Director Public Affairs	
Purchasing, Goods, Services or Works	Agreements & Renewal		Program Director communication	Manager communications	
Communications and Public Affairs (brochures, flyers, newsletters & other publications designing/drafting & documentories)					
Expenditure Approval / Vendor Selection for Purchasing of goods or services	Requisitions / Request for Quotations	Upto Rs 100,000	Manager communications	Manager communications	
	File note to be signed by Manager communication & PD Public Affairs	Above Rs 100,000 and upto Rs. 500,000	Program Director Public Affairs	Manager communications	
	File note to be signed by PD Public Affairs and Director IBA	Above Rs. 500,000	Director IBA	Program Director Public Affairs	
	Bid Selection / Tenders	Above Rs 100,000	Procurement Committee	Program Director Public Affairs	
Purchasing, Goods, Services or Works	Agreements & Renewal		Program Director Public Affairs	Manager communications	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Finance/Tax related Professional services					
Expenditure Approval	Requisitions	Upto any budgeted amount	Director IBA	Director Finance	
Selection & Appointments		Upto any budgeted amount	Director IBA	Director Finance	
Purchasing Services or Works	Agreements & Renewal		Director IBA	Director Finance	Director Finance
Legal and other Professional consultancy services					
Expenditure Approval	Requisitions	Upto any budgeted amount	Director IBA	Registrar	
Selection & Appointments		Upto any budgeted amount	Director IBA	Registrar	
		Above Rs. 100,000	Procurement Committee	Registrar	
Purchasing Services or Works	Agreements & Renewal		Director IBA	Registrar	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Centre for Executive Education (CEE)					
Expenditure Approval / Selection / Appointments of guest speaker in compliance with Employees hiring & benefit policy threshold, and Procurement of Consultancy Services or Works		Up to Rs. 25,000	Assistant Manager CEE	Assistant Manager CEE	
		From Rs. 25,000 up to Rs. 500,000	Director CEE	Assistant Manager CEE	
		Above Rs. 500,000	Director IBA	Director CEE	
	For procurement of consultancy services or works	Above Rs. 100,000	Procurement Committee	Director CEE	
Purchasing Services or Works Agreement			Director CEE	Director CEE	
Skill Development Program					
Expenditure Approval / Selection / Appointments in compliance with Employees hiring & benefit policy threshold, and Procurement of Consultancy Services or Works		Up to Rs. 50,000	Manager SDP	Manager SDP	
		From Rs. 50,000 up to Rs. 500,000	Director CEE	Manager SDP	
		Above Rs. 500,000	Director IBA	Director CEE	
	For procurement of consultancy services or works	Above Rs. 100,000	Procurement Committee	Director CEE	
Purchasing Services or Works Agreement			Director CEE	Director CEE	



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Centre for Entrepreneurship Development (CED)					
Expenditure and Revenue Approval / Procurement of Consultancy Services or Works		Up to Rs. 50,000	Manager CED	Manager CED	
		From Rs. 50,000 up to Rs. 500,000	Program Director CED	Manager CED	
		Above Rs. 500,000	Director IBA	Program Director CED	
	For procurement of consultancy services or works	Above Rs. 100,000	Procurement Committee	Program Director CED	
Purchasing / Services / Works	Agreements	up to any budgeted amount	Program Director CED	Program Director CED	Director Finance
Centre for Business and Economics Research (CBER)					
Expenditure and Revenue Approval / Procurement of Consultancy Services or Works		Up to any budgeted Amount	Director CBER	Director CBER	
	For procurement of consultancy services or works	Above Rs. 100,000	Procurement Committee	Director CBER	
	Purchasing / Services / Works	Agreements	up to any budgeted amount	Director CBER	
Career Development Centre (CDC)					
Expenditure Approval / Procurement of Consultancy Services or Works		Up to Rs. 50,000	Manager CDC	Manager CDC	
		From Rs. 50,000 up to Rs. 500,000	Program Director CDC	Manager CDC	
		Above Rs. 500,000	Director IBA	Program Director CDC	
	For procurement of consultancy services or works	Above Rs. 100,000	Procurement Committee	Program Director CDC	
Purchasing Services or Works	Agreements	up to any budgeted amount	Program Director CDC	Program Director CDC	Director Finance



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Inventory Management					
ICT related Purchases {include third party proprietary and licence material}					
Security and custodianship			Head of ICT	Head of ICT	
Maintaining			Head of ICT	Head of ICT	
Receiving			Head of ICT	Head of ICT	
Internal issuing			Head of ICT	Head of ICT	
Returning to vendors			Head of ICT	Head of ICT	
Re-ordering			Head of ICT	Head of ICT	
Project related Purchases {including third party materials}					
Security and custodianship			Director PP&D	Director PP&D	
Maintaining			Director PP&D	Director PP&D	
Receiving			Director PP&D	Director PP&D	
Internal issuing			Director PP&D	Director PP&D	
Returning to vendors			Director PP&D	Director PP&D	
Re-ordering			Director PP&D	Director PP&D	
Printing, Stationery, Publications, etc.					
Security and custodianship			Registrar	Registrar	
Maintaining			Registrar	Registrar	
Receiving			Registrar	Registrar	
Internal issuing			Registrar	Registrar	
Returning to vendors			Registrar	Registrar	
Re-ordering			Registrar	Registrar	



Transaction and Payment Authority Thresholds and Limits

Description	Agreements, Documents, if any	Thresholds, Value or Other Restrictions	Approval Authority	Transaction Authority	Payment Authority
Office Supplies, Sport, Gym and other goods / equipment etc					
Security and custodianship			Registrar	Registrar	
Maintaining			Registrar	Registrar	
Receiving			Registrar	Registrar	
Internal issuing			Registrar	Registrar	
Returning to vendors			Registrar	Registrar	
Re-ordering			Registrar	Registrar	
Transportation related items and Vehicles					
Security and custodianship			Registrar	Registrar	
Maintaining			Registrar	Registrar	
Receiving			Registrar	Registrar	
Internal issuing			Registrar	Registrar	
Returning to vendors			Registrar	Registrar	
Re-ordering			Registrar	Registrar	
Library related items					
Security and custodianship			Head Librarian	Head Librarian	
Maintaining			Head Librarian	Head Librarian	
Receiving			Head Librarian	Head Librarian	
Internal issuing			Head Librarian	Head Librarian	
Returning to vendors			Head Librarian	Head Librarian	
Re-ordering			Associate Dean	Head Librarian	



Institute of
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Karachi

Appendices 'C'

List of General Purpose Agreements



List of General Purpose Agreements

Appendices -- C

	Description
1	Accounting and Auditing Services
2	Advertising Agencies
3	Architectural Service Contracts
4	Banking Service Agreements
5	Construction Management and Execution Contracts
6	Consultancy Services
7	Contract for supply of goods and services
8	Donor Funding Agreement
9	Electricity, gas, water, sewerage charges
10	Employment Contracts
11	Engineering Service Contracts
12	EPC Contracts
13	Equipment Servicing contracts (including major and minor overhauling Contracts)
14	Financial Services
15	Financial Support Services
16	Fuel Refilling Contract
17	Government Grant Agreement
18	Hospitalization Contracts
19	HR and head hunting services
20	I.T. Support Services
21	Implementation contracts for ERP
22	Installation and patching Agreements
23	Insurance contracts
24	Lease Agreements
25	Legal Services
26	Licence Agreements
27	Loan and Advances Agreements



List of General Purpose Agreements

Appendices -- C

	Description
28	Maintenance Contracts
29	Outsourcing Agreements
30	Part-time faculty Contract
31	Petty Cash Maintenance & Utilization Agreements
32	Professional Services
33	Project Handing over Agreements
34	Project Management Agreements
35	Purchase Order
36	Rental Agreements
37	Repair of equipment, transport, machinery
38	Request for Proposal
39	Retainer ship Agreements
40	Scholarship Agreement
41	Service Contracts
42	Site inspection and Testing Agreement
43	Software maintenance Contract
44	Software Usage Contract
45	Supply and Installation of Plant and Equipment Contracts
46	Telephone & Telecom Services
47	Tendering and vendor selection Agreement
48	Training Agreements
49	Transport Service Contracts
50	TurnKey Contracts
51	Vehicle Usage and Agreements
52	Work Orders



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Appendices 'D'

Brief List of Books and Records to be Maintained by Finance Department



Institute of Business Administration

**Brief List of Books and Records to be maintained by Finance Department
Appendices -- D**

	Description	Transaction Authority
1	Payment vouchers	Director Finance
2	Receipt vouchers	Director Finance
3	Journal and Accrual vouchers and edit list	Director Finance
4	Trial Balance	Director Finance
5	Accounting Statements	Director Finance
6	Bank Reconciliation Statements	Director Finance
7	Financial/banking Contracts	Director Finance
8	Imprest Statement	Director Finance
9	Journal Register	Director Finance
10	General Ledgers	Director Finance
11	Subsidiary Records of Receivable and Payables	Director Finance
12	Fixed Assets Register and Subsidiary Records	Director Finance
13	Projects and Capital work in progress Records	Director Finance
14	Salary and Withholding Tax statements	Director Finance
15	Withholding income and sales Tax	Director Finance
16	Monthly Sales Tax Returns (if any)	Director Finance
17	Receivable Ageing	Director Finance
18	Payables Daily, Monthly, yearly Outstanding and Payment report	Director Finance
19	Daily, Monthly, Quarterly & Yearly Fund and Program Cost report	Director Finance
20	Budget Monthly, Quarterly & Yearly analysis	Director Finance
21	Daily, Monthly, Quarterly & Yearly Fund statement and fund status	Director Finance
22	Daily, Monthly, Quarterly & Yearly Sales Analysis report	Director Finance
23	Generate Invoices if Sale Order, credit application, credit memo/report/list is approved by transacting authority	Director Finance
24	Create Payables {Matching Invoice with Purchase Order and Receiving}	Director Finance
25	Credit Applications	Director Finance