



IIUM/202/4/1

22<sup>nd</sup> April 2024

All Deans / Directors  
Kulliyahs / Divisions / Centres / Institutes / Offices / Mahallahs  
International Islamic University Malaysia

Dear YBhg. Dato'/Prof./Dr./Sir/Madam,

*Assalamualaikum Warahmatullahi Wabarakatuh*

**STAFF SERVICE CIRCULAR NO. 7/2024**

**REVISED POLICY ON DETERMINATION OF BASIC SALARY  
FOR RENEWAL OF CONTRACT FOR STAFF REAPPOINTED  
AFTER COMPULSORY RETIREMENT AND INTERNATIONAL CONTRACT  
STAFF REAPPOINTED AFTER 60 YEARS OLD**

**1. OBJECTIVE**

The objective of this circular is to notify all Deans/Directors of the Kulliyahs / Divisions / Centres / Institutes / Offices / Mahallahs pertaining to the revised policy on determination of basic salary for renewal of contract for staff reappointed after compulsory retirement and international contract staff reappointed after 60 years old.

**2. BACKGROUND**

2.1 In relation to the optimization of spending due to budget reduction, the Board of Governors (BOG) No. 43 held on 26<sup>th</sup> January 2016, approved measures related to human resources as proposed by the Budget Committee Meeting No. 3/2015 held on 29<sup>th</sup> December 2015.

The University also needed to consider other cost-cutting measures, particularly those related to contract staff (international, permanent resident, and local), to be implemented in 2017.

2.2 The Board of Governors Meeting No. 46 and 47 had endorsed the decision on the revised remuneration package of contract staff from 1<sup>st</sup> January 2017 as follows:



a) Criteria for appointment of contract academic staff:

- i) The appointment of local academic staff on contract basis after compulsory retirement (55, 56, 58 or 60 years old) will be based on the needs of the Kulliyah. The academic staff may be offered contract appointment based on their last post before compulsory retirement. However, the salary will be based on **the minimum salary and allowances** of the grade of the said post.
- ii) This policy will also be applicable for appointment of external candidates from government institutions or private sectors including renewal of international and permanent resident staff whose age is above 60 years old (the current compulsory retirement age of 60 years old is used as a basis for international and permanent resident staff. Details are as follows:

Before Compulsory Retirement	New Appointment		
Post & Grade	Post & Grade	Salary	Allowances
Professor (VK7/6/5/4)	Professor (VK7)	Min. VK7	VK7
Assoc. Professor (53/54/55/56)	Assoc. Professor (53)	Min. 53	53
Asst. Professor (51/52)	Asst. Professor (51)	Min. 51	51
Teacher/Lecturer (DG41/44/48/52)	Teacher/Lecturer (41)	Min. 41	41
Academic Fellow (AF1/2/3/4/5)	Academic Fellow (AF1)	Min. AF1	AF1

- iii) Notwithstanding the above policy, the Academic Staff Selection Committee shall have the prerogative to determine the remuneration to be offered for contract appointment based on among others, performance, and renowned standing of the staff.

For example, if the staff is a renowned Professor, the University may consider the appointment of academic staff on contract basis on their last post/grade before compulsory retirement or, before reaching the age of 60 years old in the case of international and permanent resident. The KPI of the staff shall include among others; to secure research grant of at least RM1 million or as determined by the University.





- iv) Academic staff whose age is above 70 years old will not be considered for extension of contract except for renowned scholar.
  - b) The implementation of the cost cutting measures took effect from 1<sup>st</sup> January 2017 for all new appointments and renewal of contracts.
- 2.3 Currently, the determination of basic salary of staff who are reappointed on contract basis after compulsory retirement and international contract staff reappointed after 60 years old are based on the minimum salary and allowances of the respective post and grade.
- 2.4 The revision is essential for IIUM to foster an inclusive and diverse work environment that values employees of all ages and appreciates the unique contributions each individual brings to the university. These factors contribute to the overall growth and reputation of IIUM as a leading international academic institution.
- 2.5 Justifications for the revised policy on determination of basic salary for renewal of contract for staff reappointed after compulsory retirement are as follows:-
- a) **Experience and Expertise**  
Staff after compulsory retirement age have valuable experience and expertise accumulated over their careers. Their skills and knowledge can be just as valuable, if not more, than younger employees. Paying them a minimum salary solely because of their age would not reflect their true worth to the organization.
  - b) **Morale and Motivation**  
Treating older staff unfairly can lead to decreased morale and motivation among the workforces. If staff feel undervalued and underpaid, it can negatively impact their productivity and dedication to the job.
  - c) **Contractual Commitments**  
It provides a basis for the contractual commitment and avoids negotiations or disputes over salary adjustments during each renewal.



### 3. DECISION

- 3.1 The Staff Service Committee (SSC) Meeting No. 1/2024 and No. 2/2024 held on 9<sup>th</sup> January 2024 and 12<sup>th</sup> March 2024 respectively approved as follows:-



- i) The determination of basic salary for the renewal of contract for staff reappointed after compulsory retirement and international contract staff reappointed after 60 years old will be based on the last drawn salary in the first contract including Annual Salary Increment as per sample shown below:

No.	Post	1 <sup>st</sup> Contract	Renewal		Subsequent Contract
		Minimum Basic Salary	2 <sup>nd</sup> Contract (last drawn salary)	3 <sup>rd</sup> Contract (last drawn salary)	
1.	Professor (VK7)	RM7,676	RM7,676 + 690.84* (9%) = RM8,366.84	RM8,366.84 + 753.01* (9%) = RM9,119.85	In accordance to the ASI rate of respective grades
2.	Associate Professor (DS53/54)	RM6,162	RM6,162 + 320* = RM6,482.00	RM6,482 + 320* = RM6,802.00	
3.	Assistant Professor (DS51/52)	RM5,855	RM5,855 + 290* = RM6,145.00	RM6,145 + 290* = RM6,435.00	

\* 1 ASI for those who are yet to receive ASI for the current year

- ii) The revised policy is applicable to academic staff whose contracts end on 31<sup>st</sup> July 2024 and who are eligible for renewal of contract.
- 3.2 The effective date of implementation is 9<sup>th</sup> January 2024 i.e. the date of the SSC Meeting No. 1/2024.
- 3.3 The SSC also agreed that the determination of salary based on the above decision is subject to close financial monitoring since the 'Emolumen Kakitangan Kontrak (EKK)' is limited.

All Deans/Directors are kindly required to disseminate this information to all relevant staff at the Kulliyahs/Centres/Divisions/Institutes/Offices/Mahallahs.

Thank you. *Wassalam.*

"LEADING THE WAY"



ZURAI DA HASSAN  
Executive Director  
Management Services Division  
International Islamic University Malaysia



- c.c. : Rector
- : Deputy Rector (Academic and Internationalisation)
- : Deputy Rector (Responsible Research and Innovation)
- : Deputy Rector (Student Development and Community Engagement)
- : Executive Director (Finance Division)
- : Executive Director (Development and Planning)
- : Campus Director, IIUM Kuantan Campus
- : Legal Adviser

ZH/WNN/AMA/nas2250

