

ONLINE REVENUE COLLECTION OF TEMPORARY EMPLOYMENT VISIT PASS BY APPOINTED SERVICE COMPANY

Immigration Department of Malaysia
Ministry of Home Affairs

Key Highlights

What was audited?

- The online revenue collection of Temporary Employment Visit Pass (PLKS) by the appointed service company 505639-K. The audit was conducted at the Foreign Workers Division and the Finance Division at the Immigration Department of Malaysia (IDM) Headquarters for the financial year 2020.

Why it is important to be audited?

- To determine whether the collection of PLKS revenue is in compliance with the laws, terms of agreement and enforceable financial regulations as well as properly accounted for in the Federal Government's accounts.

What are the audit findings?

- The audit findings are as follows:
 - late remittance penalty amounting to RM0.49 million is yet to be claimed;
 - penalty for printing errors of PLKS stickers amounting to RM7.31 million was not imposed;
 - penalty for late issuance of PLKS stickers to users amounting to RM73.89 million was not imposed; and
 - the contract was not legally finalised leads to the PLKS service charges amounting to RM25.94 million is yet to be paid as claimed by the service company 505639-K.

Audit Recommendations

- The audit recommendations are as follows:
 - ensure that the clauses of the agreement are complied with and enforceable in order to secure the Government's interest. Any exemptions must be approved in writing by the relevant authorities;
 - establish a periodic monitoring mechanism for the services provided by the service company 505639-K, particularly in relation to the defective, late delivery and unused PLKS stickers. It is essential to ensure that the PLKS stickers are delivered and issued to the users within the stipulated time and are not being misused; and
 - ensure the supplementary agreement is finalised by The Ministry of Home Affairs (MOHA) and IDM in order to safeguards the Government's interests and to avoid payment disputes to the Company.