

# The Role of Wakf in Financing Higher Education – An Analysis of The Implementation of Educational Wakf in Johor

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## Abstract

**Purpose:** The increase in socioeconomic and current development has impacted the increasing cost of education year by year. In the long run, the rising cost of education will hurt the generation of a knowledge-rich society. Wakf has proven to be an important tool for improving Muslims' quality of life, including education. Thus, the UTM Education Wakf Fund and UTHM Education Cash Wakf Fund have been established, and both universities have been appointed as the special Nazir (Special Trustee) by the Johor State Islamic Religious Council. This Wakf was established by the Minister of Higher Education's recommendation that higher education institutions create their education wakf. This paper aims to analyze wakf management fund practices at UTM and UTHM.

**Methodology:** The primary aim of this research is to conduct a qualitative analysis, employing content analysis methodologies, to comprehensively examine the intricacies of the management responsible for administering Wakf funds within the context of higher education institutions.

**Findings:** The research findings show that a systematic and effective approach and adopting proactive fundraising methods characterize the administration of the Wakf for education funds.

**Research limitations:** By concentrating on UTM and UTHM, the research aims to provide an in-depth analysis intricately tied to the practices of Wakf management in the higher education sector in Johor. However, it is crucial to acknowledge that the findings and insights derived from this study may only partially be generalizable to other universities or regions due to the specific contextual factors at play.

**Practical implications:** The findings will provide valuable insights for policymakers, educational institutions, and Wakf administrators, offering practical implications for enhancing the effectiveness of Wakf in financing higher education.

**Value:** This study informs policy decisions, improves Wakf governance, and fosters sustainable financing solutions for higher education in Johor and beyond.

**Keywords:** Wakf, Fund Development, Wakf Institutions, Educational Wakf, Financing Higher Education

## Introduction

Islam was revealed with the purpose of guiding for humanity to achieve the pleasure of Allah SWT. Islam connects human beings with the Creator, human relationships with each other, and human relationships with the environment. In regulating these relationships, Allah SWT, who is the Almighty over all things, has revealed various rules of life that are suitable for every place, time, and all human beings. Wealth plays a crucial role in the management of human

life. People are willing to go to great lengths for the acquisition of wealth. Consequently, humans have become closely associated with wealth, prompting Allah SWT to caution that it serves as a test in this world. To counteract the negative traits of greed and excessive attachment to wealth, Allah SWT has ordained various laws, including zakat, charity, wakf, and more.

In Malaysia, issues related to wakf are increasingly being discussed and debated to find the best solutions for managing wakf assets to provide greater benefits. The wakf institution was established in 1952, even though the practice of wakf had been implemented earlier. The responsibility for managing wakf affairs was entrusted to the State Islamic Religious Councils (Muhammad Iqmal Hisham Kamaruddin et al., 2022). The management of wakf assets is placed under the State Islamic Religious Council. It has its own offices and units to manage wakf assets according to the intention of the *waqif*. Nowadays, the practice of wakf is better managed by institutions than by individuals who become *mutawalli*. Under Section 8(a) of the Selangor State Islamic Administration Enactment, when an individual intends to perform wakf, he or she must surrender the assets to the wakf manager. Wakf assets managed by a professional team with expertise in managing wakf assets can provide greater benefits compared to being managed by individuals appointed as *mutawalli*. Moreover, the practice of wakf today can be seen as evolving and not limited to traditional types of wakf, such as building mosques, graveyards, and others. Wakf has brought new paradigms to Islamic financial institutions, the higher education sector, the health sector, the commercial industry, and new productive wakf investment projects.

### Literature Review

The government is actively promoting the agenda of wakf for higher education in the country. It is in line with the increasing operating costs of universities in the current unfavorable economic situation (Mohd Zaidi Daus et al., 2022). To address this issue, all higher education institutions have been urged not to rely solely on government funding and to seek their sources of funding. The government has also granted autonomy to public universities to obtain their management funds to cover operating costs. One of the initiatives suggested to diversify university financial resources is through the establishment of endowment and wakf funds. The government has provided incentives for the establishment of Endowment and Wakf funds under the Malaysia Education Development Plan 2015-2025 (Higher Education). The government also encourages corporate donations to higher education through the provision of matching funds. To strengthen this effort, the government has issued the University Transformation Programme Green Book (UniTP Green Book) and Enhancing University Income Generation, Endowment, and Wakf Playbook (UniTP Purple Book) as guidelines for developing and managing education funds. In the University Transformation Programme Green Book (UniTP Green Book), wakf has been mentioned as one of the instruments in efforts to increase higher education institutions income generation as follows:

"University boards will be expected to activate more revenue-generating activities to support growing costs. A high-performing board will tap into their networks and relationships in order to drive income generation via levers such as gift-giving, corporate support, endowment development, and wakf funds."

(MOHE, 2015)

As a guide for establishing and managing wakf and endowment funds, the Ministry of Higher Education has issued the Enhancing University Income Generation, Endowment, and Wakf Playbook (UniTP Purple Book). This book helps higher education institutions get ideas on how

to obtain funds through wakf and endowment and then manage them effectively. The government has taken steps to reduce annual subsidies to public universities, which has led to problems as operating costs continue to rise. The implementation of wakf higher education institutions is seen as a solution to help public universities deal with this issue. Higher education institutions need to be vigilant, and strategic planning is required to increase university management funds for the sustainability of national education. It is aimed at covering higher education institutions operating costs.

To ensure proactive administration of wakf education, the Wakf Fund Manager needs to understand the laws related to wakf education, such as the duties and roles of *mutawalli* and Nazir Wakf. According to Meri Indri Hapsari et al. (2021), the wakf fund needs to be supervised and managed by a group of professionals to generate income and achieve shariah compliance. The Johor State Islamic Council has appointed University Technology Malaysia (UTM) and University Tun Hussien Onn Malaysia (UTHM) as Nazir Wakf to manage university education wakf funds.

### ***Definition of Nazir Wakf***

Nazir wakf is a combination of the words nazir and wakf. According to the Oxford Dictionary, nazir means a person who visits, while wakf means something given for the use of the general public. Nazir wakf is a term used to refer to an individual who manages and administers a wakf property. It means that the Nazir has appointed the manager or trustee of the wakf to manage the wakf property that has been dedicated and entrusted to the Nazir wakf for management. There are various terms used for individuals managing and administering wakf properties, such as nazir and *qayyim* (Salehuddin Md. Dahlan & Nor Asiah Mohamad, 2022).

### ***Appointment and Dismissal of Nazir Wakf***

The fuqaha have established criteria for a wakf manager, namely, one who is sane, adult, just, capable, and a Muslim. The *waqif* has the exclusive right to appoint an individual or entity of their choice to manage the wakf property they wish to dedicate. The *waqif* is allowed to appoint themselves as the trustee or choose to entrust the management of the wakf property to a beneficiary or someone else. If the *waqif* places certain conditions on the management of the wakf property, then the wakf manager must comply with those conditions. The *Qadi* has the authority to dismiss the Nazir Wakf or *al-Mutawalli* and disqualify them from managing the wakf property if they are found to be incapable or incompetent in managing the wakf property. Likewise, if the Nazir Wakf is proven to be a traitor. A *waqif* is only allowed to dismiss themselves if allowed by a judge. The appointed wakf manager's authority ends in two situations: when Nazir Wakf dies or becomes insane (Shafinar Ismail et al., 2023).

### ***Responsibilities of Nazir Wakf***

The appointed wakf manager must be responsible for managing and administering the wakf property with a sense of trust, ensuring that the wakf property is safeguarded and managed properly, and ensuring that the benefits of the wakf are enjoyed by those who are truly deserving (Ahmad Azam et al., 2023). The primary duty of the wakf manager is to safeguard, preserve, develop, obtain benefits, and then distribute them to the rightful beneficiaries. Nazir Wakf or *al-mutawalli* also needs to safeguard the property as best as possible from loss and damage as dedicated by the *waqif*. The wakf manager needs to find ways to generate wakf funds as long as the actions taken do not violate the wakf conditions and State Islamic Religious Council in the *waqif* intentions. The wakf manager must have the Islamic accountability trait, which means being a khalifah who is responsible for the trust of managing the property and

then the wakf manager's accountability, which is to fulfill all the agreements made. The wakf manager's task is different from a corporate manager's (Wan Amir Azlan, 2023).

### ***Endowment Concept and Comparison with Wakf***

In the West, the term Endowment is widely used to translate the concept of wakf. In Malaysia, the terms Endowment and Wakf are often used together and appear to have the same meaning. Several institutions of higher learning have established Endowment funds that operate based on the concept of wakf, such as the UTM Endowment Fund, the Endowment Fund of University Malaysia Pahang, the Endowment section of University Malaysia Sabah, and the IIUM Endowment Fund at UIAM. It raises the question of whether Endowment is equivalent to the concept of wakf in Islam.

According to the Oxford Dictionary (2002), wakf is a form of charitable endowment of property or assets designated for the benefit of the community and specifically for Muslims, such as for the construction of wells and land for the establishment of mosques, burial grounds, and others. Endowment, on the other hand, is defined as (1) the allocation of a fixed income to assist charitable organizations and (2) any property that becomes a permanent asset of a charitable organization. A more comprehensive definition of Endowment is "gift of money or income-producing property to a public organization (such as a hospital or university) for a specific purpose such as research or scholarships. Generally, the endowment asset is kept intact, and only the income generated by it is consumed" (Business Dictionary, 2023). From these definitions, it can be understood that Endowment is almost equivalent to the concept of wakf, although they have specific criteria. The purpose of donating property for Endowment and wakf is for the welfare of the community, whether for general or specific purposes. However, wakf has specific conditions that make it different from Endowment. The special condition is the requirement for permanent elements, and wakf property cannot be sold, given away, or inherited by descendants. It is different from Endowment, which is more flexible (Hanim Misbah et al, 2022).

In Malaysia, the State Islamic Religious Council is the sole trustee and has exclusive authority to control and manage all wakf development activities in Malaysia, which is different from Endowment. Endowment is an independent entity and not bound by the State Islamic Religious Council. Therefore, all activities and planning for wakf implementation by any institution are bound and must comply with state enactments. It includes the implementation of educational wakf by institutions of higher learning to obtain funding for university expenses and operations. Hanim Misbah et al, (2022) believe that the law that designates the State Islamic Religious Council as the sole trustee and has absolute authority results in a slow development of wakf in higher learning institutions, causing various terms other than wakf to be used to facilitate its implementation. The purpose of using the term Endowment in fundraising management by institutions of higher learning is to avoid external interference in wakf activities. Administrators of these institutions are more comfortable managing the collection and implementation of fundraising and the distribution of the benefits of wakf assets on their own. However, viewed positively, the use of the term Endowment can expand the potential of wakf and encourage non-Muslims to participate in the practice of wakf.

TABLE 1: Top 10 Universities by Fiscal Endowment in the Year 2021

| No | University                 | Fiscal Endowment Year 2021 |
|----|----------------------------|----------------------------|
| 1  | Harvard University         | \$41.9 billion             |
| 2  | University of Texas System | \$31.9 billion             |

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|    |   |                |
|----|---|----------------|
| 3  | Yale University                             | \$31.2 billion |
| 4  | Stanford University                         | \$30.2 billion |
| 5  | Princeton University                        | \$26.1 billion |
| 6  | Massachusetts Institute of Technology (MIT) | \$17.4 billion |
| 7  | University of Pennsylvania                  | \$14.9 billion |
| 8  | University of Michigan                      | \$12.5 billion |
| 9  | Northwestern University                     | \$11.1 billion |
| 10 | Columbia University                         | \$10.9 billion |

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Source: Official Website U.S News & World Report 2023

### Method

The design of a study is the structure of a particular study and involves specific planning in selecting the sources and types of data needed for an investigation (Maxwell, 2005). Since this study involves written sources and interviews, the methods used are qualitative methods, historical methods, content analysis, and comparative analysis. The qualitative research methodology approach was chosen, utilizing sources from libraries and Semi-Structured Interviews involving the management of the UTM Education Wakf Fund and UTHM Education Cash Wakf Fund. In this study, the researcher has examined the history of the development of educational wakf in Malaysia, starting from traditional systems to higher education today. The researcher can indirectly observe the progress of wakf educational institutions in Malaysia and identify the factors that contribute to this situation.

### Findings

To address the issue of reduced allocation to the government's higher education sector, it has been suggested that every higher education institution should seek its funding without relying solely on government funds. Therefore, the role of education wakf as an alternative to finance higher education is significant for the development and expansion of education in Malaysia (Nooraini, 2022). For education wakf, funds are collected from individual or organizational donations voluntarily to the wakf fund of the higher education institution to finance the management and development of the institution (Noor Hidayah Zainudin et al., 2020). The concept of managing the Education Wakf Fund for Higher Education Institutions involves the institutions acting as special trustees or *mutawalli*, and the State Islamic Religious Council makes this appointment. This appointment gives power to the higher education institution in the management and development of the wakf fund. The institution can also have a role in appointing and establishing a committee to manage the wakf fund and monitoring to ensure that the work is carried out in line with the intentions of the endower.

However, several problems have arisen in the management of wakf funds. According to Salehuddin & Nor Asiah, (2022), despite the potential for wakf assets to be developed, human resource issues and a shortage of experts are often challenging in wakf fund management in Malaysia. Ahmad Shukor & Ahmad Shaifful Anuar (2020) state that State Islamic Religious Council staff have been burdened with various non-core tasks. It has resulted in no specific workforce for the development of wakf institutions, especially for higher education wakf. The human resource management issue is a problem faced by the State Islamic Religious Council and higher education institutions. The wakf fund managers need more human resources in various areas of expertise to manage wakf institutions. The organization that manages the wakf fund usually consists of only three or four employees (Sharfizie Mohd Sharip et al., (2022).

In addition, according to Fathullah Asni et al., (2023) there are administrative constraints between universities and State Islamic Religious Council in the university's need to apply as a special trustee for the wakf assets, and this will result in less encouraging freedom and progress for the wakf. Wakf funds need to be managed and developed with all functions, including sufficient staff and staff expertise in management, the manager's understanding of the wakf, management facilities such as the use of current technology, storage of information about wakf and reporting on wakf assets development (Sakinatul Raadhiyah Abdullah, 2020).

Records are an important aspect and the State Islamic Religious Council reference for management. Good record management will facilitate future reference. The absence of systematic storage of records or information is also a problem faced by endowment fund managers (Norlaila et al., (2022)). The need for systematic information on wakf and transactions is critical. The lack of transparency and availability of reliable information leads to large investments in unproductive sectors and a lack of public support (Nur Farahah et al., (2022)).

The level of understanding and awareness of the community about education wakf is also still at a low level. The community only understands the concept of traditional wakf, such as burial and mosque wakfs. This is supported by a study conducted by Juliza Mohamed et al., (2022), regarding the level of understanding of wakf in the Selangor case study. They found that some people still need clarification about the definition of wakf and cannot distinguish between wakf and charity. Therefore, efforts to improve understanding must be made so that the community will engage in wakf, and its concept is not limited to just traditional wakf.

To ensure proactive administration of educational wakf, the administrators of the Wakf Fund need to deeply understand the laws and regulations related to educational wakf, including the duties and roles of *mutawalli* (trustees) and Special Nazir. According to Fadhilah Abdullah Asuhaimi et al. (2021), the Wakf Fund should be supervised and managed by a group of professionals to generate income, achieve sustainable returns, and comply with Malaysian laws. This group of professionals also ensures that the management of educational wakf is in line with Sharia principles. However, the need for more experts and professionals to manage wakf funds in higher education institutions poses a challenge for universities in realizing the goals and potential of educational wakf.

Furthermore, more funding for planned projects is needed for the administrators of wakf funds in higher education institutions. This issue needs to be addressed and discussed from the early stages of wakf collection to implement more effective methods and approaches. A strategy to overcome this problem is to ensure that efforts to develop educational wakf funds run smoothly. Higher education institutions should not solely rely on donations from the public and corporate members. Research by Van Diepen and Wiepking indicates that donor fatigue may occur if frequent solicitations for contributions are made to the same donors. It can have negative long-term effects on the wakf fund (Rohayati Hussin & Rusnadewi Rashid, 2022).

## **Discussion**

The State Islamic Religious Council is the sole trustee responsible for managing wakf affairs in each state. State Islamic Religious Council has the power to appoint any individual or organization to manage wakf assets on behalf of the State Islamic Religious Council. Several states have established and appointed other bodies to manage wakf assets. For example, the Johor Islamic Religious Council has decided to appoint WANCorp as a Special Trustee to manage assets and shares that have been designated as wakf on 4 December 2009. The Selangor

Islamic Religious Council, through the power of the Islamic Religious Administration Enactment (State of Selangor) 2003 amendment 2008, has appointed the Selangor Wakf Corporation as the entity to manage and administer wakf assets in Selangor State (PWS Website 2023).

There have been many discussions by researchers on the issue of wakf and its management. However, Ahmad Zaki Latif's (2008) study is seen as a pioneer in addressing the comprehensive management of educational wakf. Five aspects are discussed, namely:

- i. Financial management
- ii. Marketing management
- iii. Administrative management
- iv. Expert human resource management
- v. Wakf reporting and data management

It cannot be denied that the determinant of the success of a wakf educational institution is financial management. An educational institution can only operate optimally with sufficient and consistent funds. Financial problems are the cause of other problems, such as limited human resources and lack of facilities (Khairul Jannah, 2017). It happens due to the need for promotional activities from wakf managers, leading to a lack of understanding among the community about the methods and importance of educational wakf.

Marketing methods or steps to promote wakf have become the focus of discussion among scholars. Weak and ineffective promotion has an impact on the level of understanding among the community that cannot be improved. It happens because wakf managers need to gain knowledge about effective marketing methods, and there are wakf managers who do not utilize various contemporary marketing media. Among the marketing media that can be utilized are increasing advertisements on social media, electronic media, and print media. Active marketing activities lead to opportunities to increase the amount of wakf funds, further helping educational institutions stand on their own feet without relying on government funds.

Aspects that are also discussed include wakf administration, human resources experts in wakf administration, and reporting of wakf assets. Ineffective wakf management leads to negative perceptions of educational wakf (Muhammad Iqmal Hisham Kamaruddin, 2022). This administrative aspect includes the number of staff, staff expertise in office management, manager's knowledge about wakf, and facilitators of management such as the use of effective systems in wakf data storage. Wakf has great potential for improving the level of human capital education if wakf funds are administered by those who practice Islamic work culture and have a professional attitude.

Based on the literature review conducted, the discussion among scholars about educational wakf in Malaysia revolves around the study conducted by Ahmad Zaki Latiff (2018) on five aspects of educational wakf management challenges. However, according to the attention of researchers, legal aspects are also important and need to be given attention in the management of higher education wakf institutions. As we know, wakf is under the jurisdiction of the State Islamic Religious Council. All activities need approval from the State Islamic Religious Council as stipulated by law.

Furthermore, approval for implementing wakf management can be obtained when a memorandum of understanding and appointment as a special trustee is implemented. For

example, the Johor State Islamic Religious Council has appointed University Technology Malaysia (UTM) and University Tun Hussein Onn Malaysia (UTHM) as special trustees to manage, supervise, and implement their respective wakf institutions' activities. This legal aspect needs to be scrutinized to avoid jurisdictional issues and to State Islamic Religious Council and public trust in educational wakf institutions.

**Wakf Management Fund Practices at UTM and UTHM**

This comparison is done by considering the factors of differences in the background of establishment and experience of the two selected universities in managing wakf funds, as well as the comparison of approaches used. To facilitate comparison, the handling of funds by UTM and UTHM is categorized into three areas: the collection, growth, and distribution of funds. The basis for comparison relies on fund collection reports up until the year 2022, considering the disclosed information from the study location.

TABLE 2: Management DWP-UTM & DWTP-UTHM

| No | Management Comparison   | DWP-UTM   | DWTP-UTHM   |
|----|-------------------------|---|---|
| 1  | Fund Collection         | Direct & Indirect Fund Raising  | Direct & Indirect Fund Raising  |
| 2  | Fund Sources            | Individual, Corporate Companies & Campus Community  | Individual, Corporate Companies & Campus Community  |
| 3  | Total Fund              | RM4.8 million   | RM977,851.89  |
| 4  | Fund Category           | Cash Wakf<br>Perpetual Assets (Land & Building)   | Cash Wakf<br>Perpetual Assets (Land & Building)<br>Book Wakf  |
| 4  | Methods and Strategies  | Wakf Fund, General Donations, Salary Deduction, Awareness Talks, Wakf Fund, General Donations, Salary Deduction, Awareness Talks. | Wakf Fund, General Donations, Salary Deduction, Awareness Talks, Wakf Fund, General Donations, Salary Deduction, Awareness Talks. |
| 5  | Contribution Facilities | Salary deduction, manual forms, cash and internet banking deposits  | Salary deduction, manual forms, cash and internet banking deposits  |
| 6  | Fund Development        | Fixed Deposit   | Fixed Deposit   |
| 7  | Fund Distribution       | One-Off   | One-Off   |

The success of a wakf institution is closely related to fair and trustworthy management, where the responsibility lies with the wakf manager. The wakf manager must carry out their responsibilities effectively and excellently to ensure their relevance and continuous trust from the community. In fact, with fair and trustworthy management, wakf assets can be generated well and provide great returns to the ummah. The trust given to wakf managers at universities by the State Islamic Religious Council as the sole trustee of wakf must be utilized to achieve a level of achievement that can be proud of. For UTM and UTHM, the institutions managing wakf at these universities have different characters and achievements in carrying out their roles as wakf managers. The table below shows a summary of wakf administration information at both universities that have been studied.



TABLE 3: Wakf Administration Information until 2022

| No | Item                                       | UTM   | UTHM   |
|----|--|---|--|
| 1  | Year of Establishment                      | 2016  | 2017   |
| 2  | Appointment of Special Trustee             | 26 July 2016  | 26 January 2018  |
| 3  | Unit                                       | UTM Wakf Education Fund as a unit under the Deputy Vice-Chancellor of Development | UTHM Cash Wakf Education Fund as a unit under the Deputy Vice-Chancellor of Financial Sustainability |
| 4  | Number of Staff                            | Four staff members  | Four staff members   |
| 5  | Orientation of Managing wakf Establishment | Managing wakf only  | Managing wakf and endowment  |
| 6  | Total Fund                                 | RM4.8 million   | RM977,851.89   |

### ***State Islamic Religious Council***

Approval Both institutions are similar in that they have obtained direct approval with the status of Nazir Khas from the Johor Islamic Religious Council to manage educational wakf in their respective universities.

### ***Establishment objective***

UTM and UTHM share a common objective of assisting students in need. They have established a special unit or department to manage educational endowment affairs. UTM has established the UTM Education Wakf Fund, which the Deputy Vice-Chancellor for Development monitors. In contrast, UTHM has established the UTHM Cash Wakf Fund, which is placed under the Assistant Vice-Chancellor for Financial Sustainability.

### ***Administration scope***

The UTHM Cash Education Wakf Fund is not limited to wakf fund generation alone but also manages other sources of funds, such as endowments. The UTM Education Wakf Fund is more focused because the management unit's orientation is solely focused on wakf affairs.

### ***Staff***

In 2022, the UTM Education Wakf Fund had been in operation for five years and had four employees, while the UTHM Cash Endowment Fund had been in operation for four years and had four employees.

### ***Amount of funds received***

In terms of the comparison of wakf funds and the annual benefits obtained from wakf funds, the study found that both institutions are still in the stage of strengthening their funds. Until 2022, the amount of funds collected by the UTM Education Wakf Fund was RM4.8 million, while the UTHM Cash Wakf Fund collected RM977,851.89. According to Respondent 4, this is because UTM has an advantage in terms of the number of contributions received from corporate sources, which exceeds the number received by UTHM. Moreover, the amount received by UTM also exceeds the amount collected by the Johor State Religious Council for the year 2019.

These findings are the result of interviews conducted by the researcher with respondents regarding the improvements that can be made by the administrators of wakf in higher education institutions. Based on the current situation, universities worldwide are facing challenges in increasing operating costs, which in turn affects the rise in tuition fees. This burden falls on various parties, such as the government, universities, parents, and students. Implementing the concept of wakf and endowment in higher education institutions seems to have advantages in terms of funding sources, as wakf and endowments can provide continuous and stable funding, as seen in institutions like Al-Azhar University in Egypt, King Abdulaziz University in the UAE, Vakif Universities in Turkey, and several universities in the West, such as Harvard, Yale, and Princeton.

In Malaysia, the concept of financing universities through wakf and endowment is gaining attention and being discussed by legal experts and economists. By implementing wakf in the education sector, the sustainability of knowledge can be enhanced as there is a stable fund to ensure continuous operations. Higher education institutions can also generate their finances and reduce dependence on the government, becoming independent institutions. When an institution is not overly reliant on the government, it has the freedom to develop knowledge and intellectuality according to its vision.

Furthermore, with the existence of educational wakf funds, higher education institutions can develop their expertise beyond academia while contributing to society. For example, through the Al-Abrar Wakf Fund, University Sains Islam Malaysia, in collaboration with the State Islamic Religious Council of Negeri Sembilan, has developed two projects, namely the USIM Specialist Health Clinic and the USIM Haemodialysis Center. Therefore, focus and effort should be given to mobilizing wakf funds and assets to develop economic value and contribute to the financing of higher education institutions.

### **Conclusion**

The concept of education wakf in Malaysia has developed to the extent of higher education institutions. This new concept of financing through wakf can be enhanced through effective marketing, productive fund management, strong legislation, professional administration, and identifying suitable wakf management models to be applied. Efficient implementation of education wakf can develop academic activities, create and upgrade facilities, and benefit students and the community. Wakf higher education institutions also have the potential to further develop economic enhancement activities through various projects such as building improvement and construction, promoting investment instruments, and conducting businesses. Wakf-based education is not an alternative but a complement to the assistance programs provided by the government to higher education institutions. In conclusion, wakfs can unify diverse communities and religions through understanding the concept of wakf.

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