

# The Challenge in Managing The Education Waqf of People's Religious Schools (SAR): An Initial Survey

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## Abstract

Education Waqf is not a novelty among the society, but the practice had begun from the times of the early scholars who invested their wealth on hut institutions and religious schools. However, the practice has long deteriorated, and even no one has ever known about this "Education Waqf". Educational institutions in the west of Asia have long used the waqf assets for the purposes of management, spending and construction of universities. It is based on this fact that this study is conducted to enhance the implementation of "Education Waqf" practice in educational institutions in Malaysia especially educational institutions that are based on Islam like People's Religious Schools (SAR) to address issues related to students and administration, especially involving finance. It is undeniable that there are various challenges that need to be faced in managing and administering Education Waqf assets. Thus, this study aims to identify the challenges faced by SAR administrators in managing Education Waqf assets. This study is done using the content analysis method on the data gathered, through observation on secondary sources such as books, journals, magazines and so on. The study finds that there are multifarious challenges faced by SAR administrators including the understanding of the society and the staff, legislation, expertise and so on. This study is able to serve as guidance to SAR administrators in the aspect of managing Education Waqf assets.

**Keywords:** Waqf, Education Waqf, People's Religious Schools, Challenges.

## Introduction

Generally, the waqf administration in Malaysia stays under the jurisdiction of the State Islamic Council or MAIN. For the state of Pahang, the waqf administration is under the authority of Pahang Islamic and Malay Customs Council (MUIP) including matters related to the Education Waqf. Education Waqf is nothing new in the lives of the Muslims- it was even practised early on at the wake of Islam. Scholars and pious Muslims had long invested their properties and assets for education purposes. For example, they invested their lands and buildings to be huts or *madrassa* for people to study Islam. At the same time, Islam is able to be spread widely through the educational institutions that have been set up.

Education Waqf refers to a form of waqf practice where the asset invested is reserved only for education means. Education Waqf stems from the education funding that has been increasing, especially in higher learning institutions. This Education Waqf plays a part as a funding mechanism that can function as a financial resource for educational institutions, including People's Religious Schools (SAR).

SAR is a religious school established and managed by the society, in terms of its administration, finance, syllabus and others. Most of these schools do not get any funding from the government. Thus, SAR generates income privately and it also receives financial aids from the public, including in the form of Education Waqf. However, several challenges are inevitable in the efforts to expand the assets of the Education Waqf. Thus, this aims to identify the challenges that have to be faced by SAR administrators in managing and administering the assets under the Education Waqf.

## Study Methodology

This study is a qualitative study that leans on the method of data collection through the observation on secondary sources which is written documents like books, journals, articles, magazines and so on. The data analysis uses a thematic content analysis based on the themes that are suitable with the objectives.

## Literature Study

Waqf Institutions play a significant role in the human and national development. In the Islamic economic system, one of the macroeconomic objectives is to achieve a fair and balanced income distribution. Thus, by using waqf, it will be one of the ways of redistributing the income from people who have high income to those with low income. This redistribution of income not only applies to materials, like money, but it can also be in the form of education and health funding. Most of the studies about waqf deal with management and only few discuss the contribution of waqf on the education development. Thus, for the literature part, we are focusing on the management of waqf and this continues with Education Waqf.

In Malaysia, issues related to waqf are under the State Islamic Council or MAIN. Although the waqf management has been handed to MAIN, but it is not managed by institutions that solely deal with waqf. Thus, many are of the opinion that waqf management by MAIN is far from comprehensive. Despite the fact that the number of officers involved in waqf is abundant, the number of people who are really qualified to manage it is still limited (Al-Habsyi, 1991). The normal practice is that the waqf assets are rented out to the public, to ensure that they can help generate income. Nonetheless, the rent charge is too small and some of the lenders are non-Muslim. Khaf (2003) suggests that there should be a waqf management reformation by getting the cooperation from an external party to generate waqf income.

Even though the government, the corporate sector or individuals slowly have an awareness on the importance of waqf, the awareness about Education Waqf can relatively be seen as little especially in terms of the education sector. Hashim (1990) has conducted a study on the role of waqf institutions towards the economy and education. They find that the amount of money allocated for education especially on SMAR or People's Religious Secondary Schools is too meagre which is 0.35% and it is insufficient for any school infrastructure to be developed. Even so, from the study, it shows that the amount of waqf in Malaysia is high but most are land-oriented. Unfortunately, most of the waqf land have yet to be developed although it is located in the urban areas. He also recommends that the waqf land is managed accordingly aided by the support from a sufficient number of qualified workers or officers who can surely generate the income and further helps the SMAR develop in line with the current education.

Research pertinent to Education Waqf in SAR has been carried out and encompasses various aspects. There is still room for further studies from different perspectives. This study identifies the challenges of SAR administrators in administering and managing the Education Waqf. Based on the observation on past studies, there is a scarcity of studies in relation to the challenges in managing Education Waqf for SAR. Thus, this study has been carried out to probe further into the kinds of challenges faced by SAR administrators in managing Education Waqf and how the challenges are dealt with.

### **Study Analysis and Discussion**

#### **Background and Development of the Establishment of People's Religious Schools**

People's Religious Schools (SAR) have long emerged in Malaya, which began with the hut institutions. Most of the huts were established by religious teachers with the help of the locals. The regional scholars especially in Kelantan set up the hut institutions or religious schools that had reached their peak, in the early 20 AD (Faisal & Noorzahidah, 2013). Until today, these schools have continued to follow the mainstream education and are managed by the community or certain committees on behalf of the society or inherited by the founder's family. These schools are funded by the people, zakat and student fees. The institutions continue to soar, and the demands for this kind of schools are on the rise among Malaysians based on the increasing number of SARs built and the increasing number of students in every state. Such a rising demand is due to the people's trust and faith towards the institution, following the latter's tremendous contribution in terms of the academic but primarily in terms of the aspects of spirituality and morality. This great development has become an eye-opener to various parties to ensure that the school continues to develop at par with other education institutions (Rahman, 2018).

Al-Attas Religious School is one of the earliest religious schools established, and it is located in Ketapang, Pekan, Pahang in 1923. It was fully funded by Tuan Habib Hassan, a tycoon from Johor. The founder was Haji Omar bin Haji Abdullah who had realised the absence of schools or the lack of special places to teach Islam to the local children in a more systematic way. He had negotiated with Haji Hassan bin Senik a graduate of al-Attas Religious School, Johor to materialise this idea by promoting him to be a paid educator there. The early syllabus encompassed Arabic, prayer principles, fiqh and hadiths which were also taught in Arabic. The school was equipped with some teaching aids, a good learning schedule and the syllabus was adapted from Al-Attas Religious School, Johor. This school leaver had expanded the religious schools' network by setting up a People's Religious School. Husin bin Ibrahim,

for example, is a founder of People's Religious School, Padang Tengku, Kuala Lipis back in 1940.

SAR management is under the jurisdiction of every state and it is different for every state in Malaysia. Some states have placed the authority on JAIN, MAIN, State Foundation and also NGOs. Despite this, the federal government plays a greater role in safeguarding the wellbeing of People's Religious Schools in Malaysia. Table 1 displays the bodies responsible for SAR with their own roles in SAR management and administration according to the state in Malaysia.

Table 1

*Authoritative Bodies on SAR in Malaysia*

Federal Level	State Level				
	JAIN	MAIN	STATE GOVERNMENT FOUNDATION	NGO	JPN
1. JAKIM 2. KPM	Education Department in every JAIN for all states in Malaysia.	Education Department in MAIN for all states in Malaysia.	Only in Kelantan, which is Kelantan Islamic Foundation (YIK)	1. Kedah -HESA 2. Perak -PPSR	All JPNs in all the states in Malaysia

Table 1 the responsible bodies in the management and administration of SAR in Malaysia. The level of federal government involved is *Jabatan Kemajuan Islam* (JAKIM) and *Kementerian Pendidikan Islam* (KPM). Both these agencies have their own roles to play. This is similar to other state-level organisations like JAIN, MAIN, JPN, NGO and LPS/JPS with their respective roles. For instance, JAIN functions as a monitoring body and SAR's registrar. MAIN channels the financial resources to SARs that are registered with JAIN. NGOs such as HESA in Kedah and PPSR in Perak move directly and actively in the efforts to coordinate, empower, unite and protect SARs. Table 1 also illustrates the differences in SAR management and administration in every state in Malaysia.

Based on several observations, Pahang SAR has been taken over by the government in 1965 to be fully funded and administered by the *Jabatan Agama dan Adat Istiadat Melayu Pahang* (MUIP). Students have the opportunity to get academic exposure, including learning Arabic and religion. SAR leavers can also have the opportunity to get job assurance, with the government in the future. The rules and regulations of the Pahang People's Religious Schools in 1962 dictated that every school followed the syllabus framework and its system in both secondary and primary schools. This act sits well with the 5/56 Islamic Administrative Law which is a prerequisite for financial assistance.

In Kedah, SAR remains under the jurisdiction of Religious School Affairs or HESA. HESA was founded in 2nd April 2008 as the Committee that serves as the welfare manager and the mediator between the religious school's administrators and it does not get any assistance from the Kedah State Government. HESA is officially registered on 2nd June 2010 as a Non-Governmental Organisation (NGO) through Ikatan Amanah. It was then approved by ROS on 20<sup>th</sup> December 2011. The establishment was to carry out the mission to unite and safeguard

the welfare of schools or religious institutions registered under HESA be it in terms of the Administrative Management, Finance, Human Resource and Human Development.

The SAR in Perak is under the jurisdiction of *Pertubuhan Pendukung Sekolah Agama Rakyat* (PPSR). PPSR combined 15 SARs in Perak and the members were the Perak's SARs' teachers. Set up in 1994, it was an active organisation in Islamic education and it defends SAR education system in Perak. The education system implied covers the people's primary religious schools (SRAR), the full-time religious primary schools the people's secondary religious schools (SMAR), the traditional hut learning and tahfiz learning.

Kelantan is the only state that places SAR management under the State Government Foundation which is *Yayasan Islam Kelantan* (YIK). According to Wan Roslan (2013), YIK was first established in 1 January 1974 as a Kelantan government agency responsible for implementing Islamic education activities and Arabic studies among the people in the state. YIK has undergone various phases in developing Islamic education in Kelantan. It used to be known as *Jabatan Sekolah-sekolah Agama* (JASA) in 1974 and later was under the *Yayasan Pelajaran Islam Negeri Kelantan* (YPINK) in 1978. Then, in 1 March 1983 YPINK was revised and named *Yayasan Islam Kelantan* (YIK). The discussion in this section clearly shows that SAR is still relevant among the society and it is able to compete with other mainstream institutions. Thus, SAR administrators need to be more proactive in empowering these schools.

### **The Challenges in Managing the Education Waqf of the People's Religious Schools In Malaysia**

SAR Education Waqf is a funding that has the potential to be developed as the financial resource in the effort to equip and improve the existing infrastructure. Most of the schools have their own education waqf such as the lands, buildings, books, scriptures, money and so on. If the fund is managed properly, it can lessen the burden of the administrators in managing the schools' finances. However, there are various challenges that arise in developing the Education Waqf. The issues are similar to those arising in other waqf asset management. Some of the challenges included in the management of assets are the lack of funds, understanding, expertise and legislation.

#### **The Lack of Fund**

The financial resource is fundamental in the development of an education institution. The insufficient fund for a project will stall and dampen any process of development that has been planned. SAR is a school that does not receive any financial aid from the federal government and also from the state similar to schools operating under the Ministry. Thus, SAR administrators have to be wise enough in planning and finding out new financial resources to develop and expand the schools (Surita, 2022). Most of the funds obtained are from the contribution of the society and SAR owners. It is the same case with the property or waqf assets especially those involving waqf land development. This is because developing the waqf land would incur great costs and funding. Most of the waqf land development projects are the high-impact projects that can benefit the people. However, the waqf institutions in Malaysia are facing the issue of the lack of funds in developing waqf property. Thus, with that they have, they cannot afford to pay for the development. The failure in providing enough funds for the development and construction of the waqf land will dampen the development of the land. (Mohamad, 2012; Azha, 2013). This has led to the lands being neglected and for some, the development has been left abandoned and incomplete. The

same goes with the SARs' Education Waqf where it is used without any development or improvement, for instance the form of abandoned buildings and others.

Thus, more proactive efforts have to be exerted. According to Mohd Nasir (2020), the existing waqf assets like the land or building must be expanded in a productive way so that the benefit is ongoing and so that better income can be generated- this can help ease the SAR operations at the same time reduce the dependence on the traditional funds such as cash waqf or the contribution of the locals.

### **The Society's Understanding**

The low level of awareness among the people can also affect the management of the Education Waqf. This is due to the fact that the society does not really grasp the characteristics of waqf including this Education Waqf (Mohamad, 2012). Some come with the assumption that waqf only functions as a mark of religiosity and education. This depicts the fact that the concept of waqf has yet to achieve a clear level of understanding. Some of the misunderstanding that occurs is that the waqf land use has a single function, while in actual fact, the land is able to be expanded in a better way. One of the concerns among the people is that the waqf land might be used for sinful activities, like gambling center. This has affected the development of the waqf land and at the same time, it restricts the management of the land. Thus, there should be a stringent monitoring on the activities done on the waqf land. Also, the society also assumes that waqf only applies to Muslims (Puad, 2014). This perspective appears to be a misunderstanding that happens in the society as they lack the understanding of what waqf truly is. Waqf is also allowed for non-Muslims. The society needs to realise that the great role of waqf is that it can enhance the economy and that it is not solely to bridge the gap between the rich and the poor. According to Kahf (2003), the contribution of waqf is comprehensive, covering social welfare, although there are some politicians and economists who classify the task as the responsibility of the government- these include education, healthcare and security.

### **The Lack of Expertise**

According to Puad (2014), some of the obstacles faced by the *Majlis Agama Islam Selangor* (MAIS) is the lack of experts in the technical and professional aspects. These experts encompass the shari'a, the legislation, investment and land development. The waqf management will experience the challenges if there is a lack of skilled staff in the areas of and planning and development. According to Azha (2013) some of the constraints in managing Education Waqf stem from the weakness in the waqf land planning and development. Other than that, the lack of experts in waqf education institutions comes in the form of the management and understanding of waqf. This is because the institution has obstacles that it gives an impact to the development of the waqf institutions themselves. Additionally, it will also adversely impact the State Islamic Council as they only waste their money, energy and time if the problem is not curbed immediately.

### **The Lack of Uniformity in The Legislation**

The waqf legislation in Malaysia is placed under *Majlis Agama Islam Negeri* (MAIN) and administered based on the state administrative enactment. However, there are several states namely Selangor, Melaka, Perak and Negeri Sembilan, who have their own specific waqf. For other states, they are still adopting their own respective state administrative enactments. The waqf center faces the issue of this lack of uniformity of administration throughout the states.



Such common legislation in the waqf institution needs to be considered properly in creating an effective management.

### Conclusion

The waqf in Malaysia develops from time to time, and this is proven by the increasing amount of waqf assets. The assets have a great value and role in our country's development should it be managed in a proper way. That said, at the same time, the waqf institution also faces various problems and challenges in sustaining the waqf activities in Malaysia. Thus, the cooperation from every party be it from the government or private agencies is highly required, so that they can be unified in facing the challenges that come their way. SAR, or People's Religious School is a religious institution that demands deserving attention from a lot of parties, especially from the government. This is because, if SAR is managed well, it can contribute to the development of the education sector through the emergence of religious and credible intellects. The implementation of the waqf instrument can help contribute funds, in the form of financial aid and fixed assets. However, the management has to be more forward so that the assets of the waqf can create income continuously and expand, for instance through the commercial development.

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