

INTEGRATING WAQF FUND FOR FINANCIAL SUSTAINABILITY: CASE STUDY OF TWO HIGHER LEARNING INSTITUTIONS

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ABSTRACT

Purpose: As the government funding for higher learning institutions (HLI) is shrinking, there is a growing emphasis on developing HLIs capable of self-financing and finding alternative funding sources to sustain in the industry. This research aims to explore the sources of WAQF (endowment) funds implemented by two higher learning institutions in Malaysia and Bangladesh. It also attempts to compare the nature of WAQF (endowment) funds used to promote financial sustainability. **Methodology/Methodology/Approach:** This study adopts a qualitative approach, which conducts semi-structured interviews with the director, coordinator and administrative officers of the two higher learning institutions in Malaysia and Bangladesh. Qualitative thematic analysis was carried out to analyze the primary data. The data were collected from the managerial authorities and board of the governance of one of the Malaysia's prominent universities namely University Science Islam Malaysia, and Hamdard WAQF laboratories institute, which established a few higher learning institutions using various sources of WAQF in Bangladesh. **Findings:** The findings show that the sources of WAQF fund for Hamdard WAQF laboratories are specific individual donations. Hamdard WAQF laboratories produces two hundred medical products and runs 300 clinics and sales centers in Bangladesh. As a result, Hamdard WAQF laboratories made a huge return from their business. Therefore, Hamdard WAQF laboratories managed to establish a few sustainable higher learning institutions in Bangladesh. On the other hand, University Science Islam Malaysia established WAQF center with specific special donations from various sources and later initiated project-based raising fund namely 'Special Clinics', 'Mobile Clinics', 'Development of Residential College' 'International School', 'Convention Centre' and 'Medical College'. These sources directly engaged in financing higher learning institutions in both countries. This study recommends strategies to encourage societal contribution, directly and indirectly, contribute to the funding of higher learning institutions. At the end, this study added recommendations to sustain higher learning institutions during and after the Covid19 situations. **Significant Contribution:** This research creates new knowledge by examining the WAQF development in two higher learning institutions and simultaneously studying how the funds are being mobilized to finance the HLIs. It is expected that the investment by the WAQF-based instruments can provide as an alternative to fund different institutions and thus can help solve the financial problem.

Keywords: WAQF (Endowment) Fund, Malaysia, Bangladesh, Sustainable HLIs during and after Covid-19

INTRODUCTION

The main obstacle faced by Higher Learning Institution (HLI) is insufficient financial resources. The reason for this funding crisis is because of decreasing education funding budget (Schiller & Liefner, 2006). For instance, The Malaysian government has reduced its allocation for higher education. In 2015, the allocation was RM15.78 billion. In 2016, it was reduced by RM2.4 billion to RM13.37 billion. As a result, some HEIs had to take initiative to seek

alternative financing to help support their operational activities. Through this effort, they also tried to help the needy students. As a solution, they established WAQF funds, which are considered one of the sources to generate funds for HLIs (Asuhaimi et al., 2017). Therefore, the budget allocation has been reduced dramatically in the past few years. In this context, HLIs are advised to focus on self-generated income and to create various sources of income. Similar situation was reported in Bangladesh. Budget for public education 18.15% of the total national budget in 2007 was shrinking to only 11.4% in 2016. This budget is insufficient to cover the operation cost of HLI (Rahman et al., 2016). Meanwhile, in accumulating WAQF funds for higher educational institutions, some major obstacles found in both countries as well as the lack of marketability and unproductive state of WAQF assets. Some of the WAQF properties in rural areas and others located in the strategic town areas have not been developed due to prevent them from being easily developed and managed by the mutawalli (WAQF manager). Strong financial condition is also very important to develop the WAQF assets, particularly those involved with the property sector. Lack of funds will prevent execution of many planned development projects (Puad et al., 2014).

Recently, (IESALC, 2020) stated that Covid-19 situation loses billion revenues of fund for higher educational institutions specially in three major recipient countries namely Australia, USA and UK. Therefore, WAQF or endowment could be widely used in developing educational institutions in this pandemic situation. Higher education has been considered a way to develop human assets to help create a healthy society. That is why endowment has been widely used in this sector. Since human assets can ensure sustainable development, the use of WAQF or endowment in this sector can yield maximum benefit (Mohieldin, Iqbal, Rostom & Fu, 2011). In this context, HLIs are advised to focus on self-generated income and to create various sources of fund especially from WAQF funds. Evidence has proved that WAQF is a very successful income generation for HLI's sustainability.

In the early 17th century, it was the norm for many educational institutions to be financed *via* voluntary donations and contributions. For example, when Sicily (an island of the southern coast of the Italian Peninsula) was under Islamic governance, 300 elementary schools were established and strengthened as a result of social contributions. Additionally, many HLIs were established and sustain until today using WAQF fund such as Al-Qarawiyin in Fez, Al-Azhar University, Cairo & Al-Nizamiyah in Bagdad, as well as Al-Mustansiriya in Baghdad (Tanmiyah, 1994). Hence, this study will focus on the mobilizing WAQF fund for financing HLIs based origin and historical views including formation of HLIs in contemporary era. The first part of this study includes the origins of WAQF fund based on 'Qur'an and Sunnah. This study also will examine the application of the principles of WAQF and endowment fund on the mobilizing fund process, factors that lead to sustain and possible experience from Malaysia and Bangladesh. Finally, significant recommendations will be provided in order to sustain higher learning institutions during and after Covid-19 situations.

LITERATURE REVIEW

The Origins of WAQF

The history of WAQF funds can be traced back to the period before Islamization, and it is most likely that Islam may have been influenced by earlier civilizations, where endowments were practiced prior to Islamization in the ancient Mesopotamia, Greece, Rome and in the pre-Islamic Arabs. The endowment practice in these ancient civilizations has influenced the Islamic WAQF. In recent research, it was evident that Sassanid law was among the source of the endowment practice. As such, it is clear that Muslims were strongly urged to WAQF HLI assets for the service of humanity as a result of this tradition being handed down from the earlier civilizations (IRTI, 1984).

The Islamic principle is unique here, where it can borrow from other civilizations. This potential is originated in a tradition attributed to Prophet Muhammad sws, which was reported in the following hadith:

"بِهَا أَحَقُّ فَهُوَ وَجَدَهَا فَحَيْثُ الْمُؤْمِنِ ضَالَّةُ الْحِكْمَةِ الْكَلِمَةُ وَسَلَّمْ عَلَيْهِ اللَّهُ صَلَّى اللَّهُ رَسُولُ قَالَ قَالَ هُرَيْرَةَ أَبِي عَنْ"

"Abu Hurairah reported Allah's messenger as saying: A word of wisdom is the lost property of a believer, he can take it wherever he finds it, because he is more entitled to it" (Sunan al-Tirmidhi, Kitab al 'Ilm., Hadith no. 2687). Although WAQF is not specifically mentioned therein, the concept of wealth re-distribution is strongly emphasized in the Holy Qur'an likewise, there is a verse which emphasized about spending in the way of Allah "Never will you attain the good [reward] until you spend [in the way of Allah from that which you love. And whatever you spend - indeed, Allah is Knowing of it." (Al-Imran 4:92)

Moreover, there are multiple evidence that many great Muslim personalities had endowed HLI properties for charitable purposes. The foundation of this tradition in Islam could have been derived from another hadith narrated by Abu Hurairah as follows:

صَدَقَةٌ مِنْ إِلاَّ ثَلَاثَةٍ مِنْ إِلاَّ عَمَلُهُ عَنْهُ انْقَطَعَ الْإِنْسَانُ مَاتَ إِذَا " قَالَ وَ سَدِّمْ عَلَيْهِ اللَّهُ صَلَّى اللَّهُ رَسُولُ أَنَّ هُرَيْرَةَ، أَبِي عَنْ لَهُ يَدْعُو صَالِحٍ وَ لِدٍ أَوْ بِهِ يُنْتَفَعُ عِلْمٍ أَوْ جَارِيَةٍ"

In English,

"Abu Hurayrah that the Messenger of Allah, peace be upon him said, "If a man dies his work except three of the charity" ongoing or beneficial knowledge or a righteous son calls him"

"Abu Hurairah reported Allah's messenger as saying: When a man dies, all his acts come to an end, but three: recurring charity, or knowledge (by which people benefit), or a pious offspring, who prays for him" (Sahih Muslim, hadith no. 20).

Therefore, a foundation is required that would empower the Muslims to practice these three great deeds. The WAQF fulfils the criteria. It ensures progress, extending philanthropy even for hundreds of years after the passing of the writer. It can provide scholars whose enduring contribution will enlighten humanity for a much longer period. The scholars' great deeds and rewards would be equally shared by the WAQF originators who helped the HLIs sustain in a difficult time. At long last the administration of the WAQF can be endowed to the posterity of the organizer so that while, from one viewpoint, watchful and steadfast administration is guaranteed, then again, the posterity would appeal to God for the perished since, because of his WAQF, he or she isn't ruined (Al Asali & Jamil, 1983). Despite the fact that Muslims may have been urged to obtain thoughts from different civilizations with no dithering, as the hadith recommends, the genuine procedure of acquiring such thoughts was not fundamental. For instance, whatever thoughts or ideas obtained from other civilization must be formed and re-moulded to comply with the fundamental teachings of Islam. There are few differences among the early great jurists regarding the WAQF structure and its established framework. Imam Shafi'i has opposed some specific parts of the WAQF institution. Among the Hanafis, Imam Abu Yusuf holds different views than Imam Shafi'i. Despite their differences, it is frequently argued that Imam Shafi'i and Abu Yusuf wanted to develop the WAQF and encouraged its establishment. Others, however, prefer to limit this scope of the institution (Al Mausu'atul Fiqhiyyah, Jild no. 5).

Principles of WAQF and Endowment Fund

The act of bestowing a portion of one's wealth by extending its usufructs for a legitimate charitable and righteous purpose brings one closer to Allah. Technically, WAQF refers to the

religious endowment or pious endowment, *i.e.*, a voluntary and irrevocable dedication of one's wealth or a portion of it and its disbursement for the various projects such as mosques, hospitals and educational institutions (Mustafa, 1947). For a comprehensive understanding of the meaning of "endowment", the word has to be analysed by looking at two related forms: "endow" and "endowment". According to the Oxford Advanced Learners Dictionary, "endow" is defined as to give money, property, etc. to provide a regular income for a school, college, etc. A more general meaning is, "to provide something with a good quality, ability, feature etc.". For example "endow with authority/responsibility; a city endowed with numerous small parks" (Hornby, 1974). Meanwhile, "endowment" has three distinct meanings (1) "the action of endowing: the endowment of many schools by rich former pupils"; (2) it also means "money, property, etc. given to provide an income: The Oxford and Cambridge colleges have numerous endowments"; (3) "a natural talent, quality and ability" (Olasupo, 2013).

Renowned Muslim jurists like al-Sharbinî (Al-Sharbinî, 1997; al-Zuhayli & Al-Zuhayli, 2004) have given different views on WAQF, but the meanings are similar. All the four Imam of fiqh agreed that WAQF means to make the corpus of the endowed property unalienable and use its profit for charity in order to help the poor and needy. Meanwhile, from western scholars' perspective, WAQF is defined as religious endowment, or pious endowment fund and unalienable property (Abdul Fatai Olasupo, n.d).

On the other hand, "endowment fund" is defined as money and/or property given in order to provide a regular income for a school, college or university (Al-Hilali & Khan, 2006). The practice of endowment in the West, in which a community-based endowment foundation that distributes grants through income earned from invested endowment funds, has been studied by various experts. "WAQF" and "endowment fund" involve similar, but not identical, principles. Despite the similarities, there are few differences between the principles of WAQF and endowment. Table below depicts the principles of WAQF and western endowment respectively.

WAQF Principles	Endowment Fund Principles
Perpetuity	Generating returns, permanence and spending
Irrevocability and inalienability	Time horizon and diversification
Appointment of mutawallî	Appointment of manager(s)
Payment for mutawalli	Payment for managers
Altruistic and charitable	Pay-out policy, assets allocation, risk management, costs, and responsibilities

From the table 1 above, it can be seen that even though "WAQF" and "endowment fund" differ slightly, these terms share many similarities. Both WAQF and endowment could generate returns that could be spent for the betterment of higher learning institutions. It is observed that in Malaysia some of the selected higher learning institutions are using the term endowment fund instead of WAQF fund. Hafizah Binti Che Mat has highlighted a few reasons (Interview with (Mat, 2018)). "Use of the word "WAQF" entails restrictions as WAQF falls under the purview of Majlis Agama Islam Negeri, the local religious council of every state in Malaysia. Usage of the term WAQF means that the WAQF must be registered with the Majlis Agama Islam Negeri of the respective state. For example, if a WAQF is bequeathed in the district of Gombak, it must be registered with Perbadanan WAQF Selangor. Another reason for using the term endowment fund instead of WAQF is to facilitate finding international donors".

WAQF Fund for Financing HLIs in Malaysia

In Malaysia, researchers have demonstrated HLIs strengthened interest in WAQF. However, there is a lack of substantial empirical studies which analyse the effectiveness of WAQF funds and institutions in Malaysia. For example, Sulaiman, Adnan & Nor Suad (2009) predominantly based the HLIs research on one specific private WAQF institution. It is important to note that the HLIs research focused on the effectiveness and efficiency of WAQF. The present study attempts to address charitable giving to build institutions by looking at both countries using WAQF instruments. The studies conducted by (Ireland, 1999; Abraham, 2003) focus on the sustainability of an organisation whilst it ensures it is operating effectively and thus fulfilling its role. It can be concluded that the financial development and eventual independence of an institution is dependent on its financial condition and exposures to risk. Keating, et al., (2005) discuss a framework that can be utilised to highlight the financial sustainability of any WAQF institution in Malaysia. Keating's study focuses on particular WAQF, zakat, and sadaqah projects. They discussed its operation between 1999-2008, as well as its accounting practices. Interestingly, the authors successfully measured the efficiency of IIUMWF, analyzing the years 2003, 2004, and 2005 by focusing on three ratios: the ratio of program expenses to total expenses; the ratio of investment income to average investment; and the ratio of total fundraising expenses to total funds raised.

Similarly, Sohaimi & Syarqawi (2008) discussed the guidelines, regulations, training and funding to the SIRC WAQF Institutions (SWIs). The Department of Awqaf, Zakat and Haj (JAWHAR) provides both financial and non-financial help. The department was created in October 2004 as a department under the Prime Minister's Cabinet with the aim of providing and enhancing the service quality that is delivered. Further, it is intended to emphasise WAQF, zakat and haj for the development of the society and the economy, as well as ensure good governance practices, coordination, and implementation. It is important to note that the government began to carry out WAQF commercial activities. Due to this limitation, JAWHAR created another foundation, the National Endowment Foundation (Yayasan Waqaf Malaysia—YWM), to focus exclusively on commercial WAQF. In the present day, YWM conducts operations as the common national endowment foundation and also assists in coordinating activities of the SWIs. Despite this, JAWHAR and its subsequent branch YWM do not possess enforcement powers over the SWIs. Laughlin (1996); Ihsan & Shahul (2011) mentioned some compelling reasons for accountability in the governance of WAQF institutions. Firstly, apart from the stipulations in the WAQF deed, the institutions tend to exist without formal checks (in most cases, the founder is deceased). This fiduciary relationship calls for detailed accountability in order to ensure the continuity and efficiency of the WAQF. Secondly, due to WAQF properties being intended for public use and benefit, it is ethical and moral that the public and subsequent stakeholders be kept informed regarding tHLIsr management. Thus, accountability should become the baseline for assessing and reporting performance levels in order to ensure the success of such projects. Lastly, WAQF projects are motivated by religiosity and the desire to attain reward in the afterlife. That said, WAQF institutions generally rely on the support and trust from the public, which are required to sustain WAQF projects and activities.

Currently, carrying out WAQF activities is regulated and managed by the Islamic Religious Council of each state in Malaysia. It is the responsibility of each state to ensure that charity is provided for students (fees, either paid in full or partially, accommodation, etc.). Interestingly, a few universities in Malaysia have established zakat centres that collect zakat from staff and distribute the funds amongst students. The International Islamic University Malaysia, who also have an Islamic Endowment Fund (IEF). The IIUM Endowment Fund has outlined goals which help to direct and maintain the standard of activities carried out. Furthermore, Johari (2013) states that the IEF was created in 1999 and was inspired by the WAQF fund and activities seen at Al-Azhar University, Egypt. Funds for the IEF have been collected from a variety of sources, including gatherings, associations, zakat, partnerships, businesses, and campaigns. The principle of target of IEF is to encourage poor and destitute students who are scholastically fit to fund the expenses of HLIs studies at IIUM.

Recently USIM developed the Centre for Awqaf Development and Financing or ‘Pusat Pembangunan Pembiayaan Wakaf’ (PPPW). PPPW has collaborated with MAINs *via* the Al-Abrar WAQF fund. Major objectives of the institution are to identify sources of funding of Islamic endowments and discover methods to keep them as a sustainable source of financing for the development of USIM (Interview with coordinator, 2018). The Al-Abrar WAQF fund has been researching sources of funding with the intention of developing such funds into WAQF projects, which would then go on to financially assist USIM. Several sources have been identified from which to collect funds as cash WAQF. These include staff, students, the general public, and companies.

WAQF Fund for Financing HLIs in Bangladesh

WAQF Bangladesh is a small organization that operates under the Government of Bangladesh. The Ministry of Religious Affairs established this institution in 1988 to administer the registered WAQF estates at the divisional and district level. The institution is currently active in all six divisions in Bangladesh and manages a total number of 13,827 WAQF estates, including 9,429 mosques and approximately 606,107.232 acres of land. These WAQF estates are divided into two categories: public and private WAQF. For a WAQF to be considered a public, more than 50% of the available net income required to be dedicated to religious and charitable purposes. Private WAQF includes estates whose benefit is directed to the beneficiaries of the wāqif. At present, the majority of WAQF estates administered by the institution are public (11,560 WAQF estates). When examining the history, there exists no substantial evidence which indicates the ‘first’ WAQF activity in Bangladesh. That said, there are evidences which hint at WAQF activities dating back to C.18th in Bangladesh. The most charitable WAQF was the fund creating by Haji Muhammad Mohsin, who offered his wealth as WAQF for assisting religious and educational developments in the area of Imambarah, Hugli, in Bangladesh. Noted from Basar’s (1984) article, Muslim preachers and rulers of Bangladesh encouraged people to give charity and they themselves practiced many charitable activities. This resulted in a trend developing, and thus WAQF formed within society. Customarily, the Muslim populaces of Bangladesh are naturally religious, and they are extraordinarily compliant to the Islamic establishments and culture. These attributes are more conspicuous in the eastern regions of the nation because of impact of Muslim saints who lived and worked in the area. Hence, a large number of WAQF projects exist in the Eastern districts. Additionally, WAQF does not exist in other districts due to the aboriginals being non-Muslims. In Bangladesh, the profits of the WAQF property are split for different causes. Generally, WAQF properties in Bangladesh consist of cultivable, hillocks, urban grounds, and other structures. Moreover, many urban homes in Dhaka and Chittagong have been converted into business regions, shopping malls, poultry ranches etc.

Bangladeshi history reveals that WAQF played a vital role in coexisting next to the Islamic state, in order to support the community. The WAQF segment in Bangladesh assumes a comparative role in developing social and community advancement. Further, WAQF as a foundation has the potential of cumulating network capital through qard hassan, which can then lead to the setting up of activities such as micro-finance on mudaraba or musharaka basis. Further, the potential exists to create self-confidence programs, independent ventures and bursary gifts, youth programs; general training and mindfulness programs e.g. drugs awareness, ladies’ foundations, dawwah programs etc. As aforementioned, there is a HLIs within Bangladesh which have established WAQF funds. An example of this can be seen at Hamdard University Bangladesh, established by Hamdard WAQF Laboratories, has set up a similar WAQF fund for the benefit of their educational establishments. Hamdard initiated its operation in Bangladesh in 1953 as a WAQF institution. Due to some economic and political difficulties, the initial development of the institution was rather slow. After the independence of Bangladesh in 1971, the institution went through massive changes under the supervision of Dr. Hakim Md.

Yusuf Harun Bhuiyan. Currently, Hamdard operates in all 64 districts of Bangladesh. The institute has recently expanded its operation in the education sector. It has now established schools, colleges, and a university along with producing conventional Unani, herbal, and Ayurvedic products (Interview with the Trustee members of HL & HUB, 2017).

METHODOLOGY

This study applies a qualitative approach by adopting (5) steps process; observation, interviewing, ethnographic fieldwork; discussion analysis and textual analysis. Max Travers (2001) to answer the research objectives. Two successful HLIs sustain using WAQF fund in Malaysian and Bangladesh were chosen as a case study. (Hancock & Algozzine, 2006) define “case study as a type of qualitative research which requires concentrated investigation and depiction of a single unit or organization restricted by place and period. Usually, the subjects investigated in case studies comprise persons, events, or communities. By means of case studies, researchers expect to achieve extensive understanding of the conditions and meanings of those involved.” Pamela Baxter and Susan Jack state that “qualitative case study confirms that the topic is not examined through one means, but it is investigated from different types of means, which leads to numerous features of the phenomenon to be discovered and comprehended” (Baxter, 2008). The idea of this examination is to achieve in-depth knowledge of the utilization of WAQF in financing HLIs in Malaysia and Bangladesh. Along these lines, case study ought to be the most appropriate method. One of the advantages of case study is that it permits the researcher to communicate with the respondents. Therefore, it provides opportunities to explore more details and ask for deeper explanations of the answers (Zhao, 2011). Joachim K. Blatter mentions, “It is widely acknowledged that case studies have become the key foundation of theoretical innovation” (Blatter, 2008). The study utilizes semi-structured interviews from administrative officers, coordinator and head of WAQF department. The data is collected through library research and semi-structured interviews and would be thematically analyzed afterward. In the thematic analysis, the collected data are scrutinized several times to determine the common stream of themes that summarize all the opinions. This method is quite common in qualitative research (Fereday, 2006; Brikci & Green, 2007).

FINDINGS AND DISCUSSION

Several interviews were conducted with coordinator, administrative officers from Malaysian HLIs (USIM) and Bangladeshi HLIs (HUB/HL) to seek their views regarding the issues surrounding the raising and development of WAQF funds for financing HLIs. The Sources of WAQF (Endowment) Funds for financial sustainability between two HLIs. The respondents provided various views on the necessity of developing WAQF funds through various sources of WAQF funds in order to create financial sustainability between two HLIs. They also provided various views on how to develop the WAQF funds for higher learning institutions. It is noted from the interview that WAQF funds have been utilised to develop HLIs. Some of the sources of funds are shown below.

Specific Individual Donations

WAQF funds have been developed in many ways, and there are different sources that help finance HLIs. These include donations by alumni, individual donors, the Sultan, the Chancellery fund, and staff contributions. The above-mentioned are useful resources to accumulate WAQF funds in order to finance HLIs. The example below provides evidence of some sources of WAQF funds in Malaysia:

Regarding USIM, the coordinator of the WAQF centre observed:

“We have been raising fund *via* Al-Abrar USIM WAQF fund, which is having multiple funding sources, in order to help the university. Several sources have been identified to collect fund as cash WAQF from staff, public and companies. MAINs being the sole of trustee has given 3.5 million to establish WAQF project by this centre. Besides, the government has also provided 650k to establish a haemodialysis clinic”. On the other hand, Hamdard University Bangladesh is one of the projects of Hamdard WAQF Laboratories Limited, which established it and finances it using several funds including WAQF funds. Hamdard WAQF Laboratories itself started with the donated fund of 60 thousand taka, which was given by the owner himself as WAQF donation. Thereafter, he started a business with this amount (Interview with the Trustee members of HL & HUB, 2017). “Hamdard WAQF Laboratories (HL) started with the capital of sixty thousand taka and about three hundred thousand taka as a debt. However, that money multiplied manifold over time due to his honesty, dedication, sincerity and hard work. All these contributed extensively for the sustenance and expansion of Hamdard. HL has already established three Unani medical colleges, one public college and a university. All of these colleges and university are funded by the Hamdard WAQF Laboratories” (Interview with the Trustee members of HL & HUB, 2017).

Project Based Raising Funds for Financing HLIs

Many sources have been developed by Al-Abrar USIM WAQF fund. They started out raising funds in three ways: ‘wakaf tunai’ (or ‘dana wakaf Al-Abrar’), ‘wakaf tapak’, and education WAQF. The coordinator also explains that ‘wakaf tunai’ or ‘dana wakaf Al-Abrar’ is a platform to raise funds from individuals, particularly from staff and alumni of the university. The approach to collecting fund from staff is to request them to donate a portion of their claims from the conferences or meetings held outside of the university. Likewise, staff travelling for a conference/meeting outside of the university can claim an expense amount for transport/petrol. In this regard, staff can contribute their claim to a cash WAQF fund. The objective of this fundraising was to implement projects in order to develop funds for USIM to distribute and share the benefits among students and staff through scholarships, allowances, and other forms of financial assistance (Interview with coordinator, 2018).

Coordinator of Al abrar WAQF center identified several projects that center has initiated by raising funds and implementing these WAQF projects. The initiated projects are ‘Special Clinics’, ‘Mobile Clinics’, ‘Development of Residential College’ (5 residential colleges on campus), ‘International School’, ‘Convention Centre’ (attached to Menara Hotel, shopping center, and shop lots), and ‘Medical College’. Such projects would be developed based on the construction and development of a community complex. ‘Pusat Pembangunan Pembiayaan Wakaf’ (PPPW) began the projects by renting shop lots, and is planning to buy them in order to develop funds to implement other projects. The amount needed to buy such shops is RM 1.9 million, and PPPW is trying to collect this amount through cash WAQF. The collaboration with MAINS under the name of ‘wakaf tapak’ has initiated some other projects which are yet to be implemented. Likewise, MAINS has provided 2.0 million funds for developing a special clinic that consist of 1 million as WAQF fund and 1 million as qardul hasan with the condition to return without interest (Abdulrezzak, 2016).

In 2016, PPPW received amount from company for ‘tabung pendidikan’ (education fund). Another small contribution consists of PPPW saving all of the collected money in Bank Islam, which is receiving 4% as hibah every month from bank Islam. This amount is distributed to poor students as scholarships. It is noteworthy that PPPW aims to fundraise from various sources, and the main objective of this fundraising is to develop other projects in the future. The total revenue from all projects will be used for scholarships, salaries, helping staff, and conducting research projects. This will create a good scope of contributions for the university (Interview with coordinator, 2018).

On the other hand, Hamdard WAQF laboratories were not a large industry, but over time, it developed significantly and transformed into a substantial industry. It has contributed to the education sector at large as well as the health sector in Bangladesh (Abul Hasan M. Sadeq, 2002). The details of Hamdard WAQF Laboratories' contribution are provided in Table 2.

Sr. No.	Higher Educational Institution	Funding	Date of Establishment
1	Hamdard Unani Medical College and Hospital, Bogra	Hamdard Laboratories WAQF Bangladesh (HL)	1990
2	Hakim Said Eastern Medical College and Hospital, Dhaka	HL	2008
3	Rawshan Jahan Eastern Medical College and Hospital, Laxmipur	HL	2008
4	Hamdard Public College, Dhaka	HL	2010
5	Hamdard University Bangladesh	HL	2012

Sources: Interviews with the Trustee members of HL and HUB, 2017.

It can be concluded that WAQF-based initiatives are limited in the higher learning institutions of Bangladesh. Based on the above study, it is clear to see that raising and developing a substantial WAQF fund for financing HLIs requires taking significant measures to develop a comprehensive study of WAQF-based fundraising in Bangladesh. Among the measures are finding more sources of funding and strengthening the investment activities of WAQF funds. Also, more educational institutions should be opened to provide teaching and educating on WAQF funds for financing HLIs. An existing example is the Centre for Awqaf Development and Financing of Hamdard WAQF Laboratories. With regards to Bangladesh, it is still at the primary level of developing WAQF-based HLIs. However, the government and some private institutions have started to promote the use of WAQF funds to finance HLIs. It is evident from the interviews that HLIs have successfully designed a successful plan for the future development of WAQF funds to finance HLIs.

Comparison the Nature of WAQF (Endowment) Funds in HLIs

In terms of sources for raising WAQF funds, Malaysian HLIs have been raising funds from a larger number of sources than those in Bangladesh. For instance, Malaysian HLIs have raised WAQF funds by means of individual donations, staff contributions, special funds from local and international donors, legacy creation, establishment of hemodialysis clinics, hostels, and specialist medical clinics. On the other hand, Bangladeshi HLIs have been raising and developing WAQF funds in a few ways: Donation from local and international donors, cash WAQF, development of hostels and academic buildings, constructing corporate buildings for financing HLIs, and a few alumni funds. Generally, there is no difference in the usage of WAQF funds whereas there are some differences in approaches to raising WAQF funds between the HLIs of Malaysia and Bangladesh. For instance, one of the approaches found in many HLIs in Malaysia is collecting WAQF funds from staff, students and alumni, but that practice is almost non-existent in Bangladeshi HLIs. The table below provides a comparative overview on the practice of WAQF funds in selected Malaysian and Bangladeshi higher learning institutions (Table 3).

Name of the WAQF Fund	Raising by Malaysian HLISs	Raising by Bangladeshi HLISs
Alumni Fund	UITM, IIUM, USIM, UNITEN	
Donation Fund	UITM, IIUM, USIM, UNITEN	IIUC
Cash WAQF Fund	UITM, IIUM, USIM, UNITEN	IIUC
Chancellery Fund	IIUM	
Staff contribution	UITM, IIUM, UPM, USIM, UNITEN	
Campaign for raising fund	UITM, IIUM, USIM,	HL
Cultural show Exhibition	IIUM	
Mail Solicitation Fund	IIUM	
Legacy creation	IIUM, USIM	IIUC

Source: Interviews with administrative officers in Malaysia and Bangladesh.

Based on the above tables, selected Malaysian and Bangladeshi higher learning institutions are raising WAQF funds by following two approaches. One of them is raising funds from various sources. Another approach is to raise funds by undertaking various projects in order to gain profits which can be used to assist needy students and give scholarships to meritorious students. The sections below compare approaches to raising WAQF funds in Malaysian and Bangladeshi higher learning institutions (Table 4).

Name of the WAQF Fund	Raising by Malaysian HLISs	Raising by Bangladeshi HLISs
Established Hemodialysis Clinic and Medical College	USIM	HL
Established Students Hostel	IIUM, USIM	IIUC
Special Fund	USIM, IIUM	IIUC

Source: Interviews with administrative officers in Malaysia and Bangladesh.

With regard to the issues of developing WAQF funds and finding various sources of funding for HLIs, most of the respondents agreed and encouraged the development of WAQF fund-based HLIs centers and taking initiatives to find various funding sources. Most of the respondents suggested overcoming challenges by educating people on the importance and significance of WAQF funds for HLIs development. Some of the respondents have vowed to gain experience from earlier eras, particularly the Abbasid era, where almost all educational institutions were financed by WAQF given by the public and by special donations (Yalman suzan, 2001). The projects in Malaysia are not similar to those in Bangladesh although the mechanism of collecting funds for them is similar. USIM's PPPW is developing a complex project in order to gain funds also. The complex project comprises of five subprojects: a mobile clinic, development of residential college, an international school, a convention centre and a medical college. The funds allocated to establish this complex project are collected in a cash WAQF fund from staff, alumni, students and individual donors. MAINS have also provided 2.00

million in WAQF funds to develop a special clinic and 1 million as qard ḥasan to develop a homioidical medical college (Johari & Alias, 2015). In the case of Bangladesh, there are a few higher learning institutions that also implement commercial projects in order to gain funds for financing HL operations. One commercial project was built by Hamdard WAQF Laboratory (HL) in Bangladesh. It is important to state that HL is the only complete WAQF-based business in Bangladesh. Hamdard WAQF Laboratory has about two hundred products in the Bangladesh market, which are: unani products, ayurvedic products and herbal products. The products are sold to people at a minimum cost. Hamdard WAQF Laboratory also has about three hundred clinics and sales centers in Bangladesh. In all the clinics and sales centers, HL provides its own physicians who have been trained by it. HL makes substantial profits from all of these WAQF-based businesses.

Based on the above discussion, the WAQF practice of implementing commercial projects is quite similar between Malaysia and Bangladesh. The only difference that has been found between both countries is the mechanism of implementing those projects. Higher learning institutions in Malaysia have implemented projects within HLIs campuses, which are open for students and outsiders to access. On the other hand, Bangladeshi higher learning institutions have implemented the commercial projects outside of the campuses in commercial areas of cities, and the profits are credited to the university's development fund as charity fund. Another difference noted is that Hamdard WAQF Laboratory is contributing hugely in the educational sector, especially in financing higher learning institutions, and it is recognised by the government of Bangladesh for its contribution in this regard. Malaysia not yet developed any institution like Hamdard WAQF Bangladesh, which has founded and funded various medical colleges, public colleges, and a university from the profits of its operations.

Recommendation for Sustainable HLIs During and after COVID-19

Authority of every country should adopt a coordinated fiscal policy, which should serve as a safety net and help the poor people in the context of pandemic Covid-19 situation. All the instruments of Islamic social finance – zakat, sadaqah, takaful taawuni, and specially WAQF should be included in this coordinated policy. Authorities may consider issuing other financial tool that is linked with temporary cash WAQF to develop benevolent funds at low market rates to finance various safety measures. When the authority begins to loosen its grip on the corporate assets in the recovery phase, cash and corporate WAQF funds may play a useful role there. Some specific recommendations based on Covid-19 situation are mentioned in below:

1. Considering the long-term sustainability of WAQF fund for financing higher learning institutions, this study suggests that a few elements should be embedded in the operation and management of WAQF fund. Referring to (Dangayach, 2011), this study suggests the following components for the sustainability of WAQF funds during and after Covid-19:

- a) **Morality:** the issue of morals identifies with the subject of social equity which WAQF specifically; sustainability of WAQF will be imperiled without morals concerning the administration on the one hand and the recipient on the other hand. The researchers consider responsibility and transparency as an integral part of moral reflections for the sustainability of WAQF. It is experienced from the past that huge number of WAQF properties disappeared due to the lack of morals among the WAQF property managers. During and after Covid-19 pandemic, this is high time to establish morality to maintain huge number of WAQF asset for the development of wellbeing in the society.
- b) **Development of administrative strategies:** As discussed above, more sensible administrative policies considering the productivity, cost viability and technical efficiency of the WAQF fund management should be developed.
- c) **Enhancing self-reliance:** WAQF fund managers should make their utmost effort to enhance the self-reliance of the fund through improving the returns from the investment so that the main asset of the WAQF may sustain for longer period especially during and after this pandemic COVID-19 situation.

- d) Independent supervision: Mutawalli is the overseer of WAQF resources (property and cash), and his activities should be checked occasionally to maintain a strategic distance for avoiding abuses. Therefore, another independent body should be set up to audit the practices of the mutawalli.
- e) Motivation: inspiration for administration, staff and recipient of WAQF can be accentuated as a factor for sustainability. The motivation can be done through providing competitive compensation and honorarium for the staff and administration, respectively. In respect to the recipients, high motivation can be in the utilizing of profit from the investment of WAQF to care for the poor people’s needs. On the other hand, training of the staff and network individuals may also be considered as motivation.

2. The concept of ‘Ta’awun’ or cooperation should be applied between each other by the way of developing institutions. As everyone knows Covid-19 pandemic became a reason of global financial crisis, so It would like caring and sharing for betterment of the society. Concept of Ta’awun is an important action that could make a great role in during and after Covid-19 as well as it will help to build a good nation by implementing Ta’awun concept in the society.

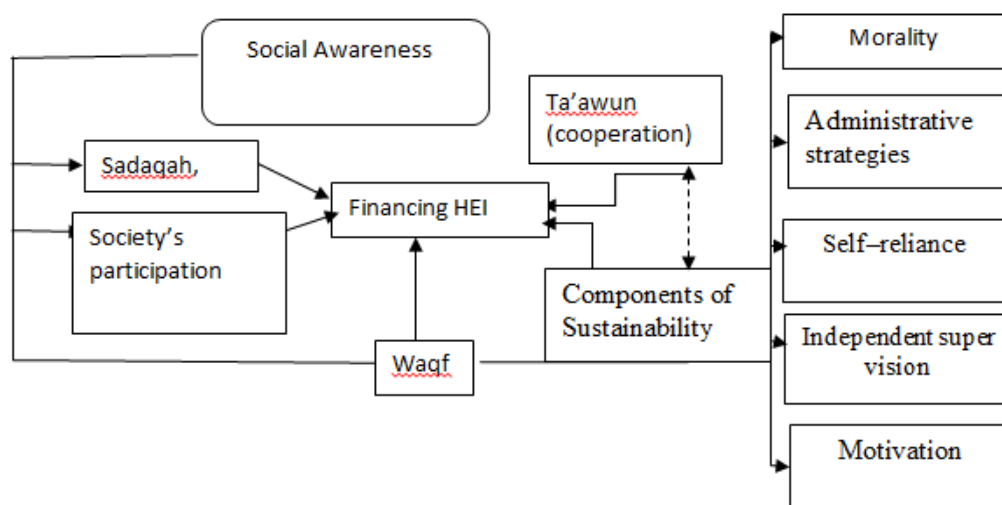


FIGURE 1
THESE RECOMMENDATIONS COULD BE FIGURED OUT IN FOLLOWING MANNER

The figure 1 shows that how WAQF is fit for income generation for financing HLIs. It also shows the significance of other types of charities *i.e.*, Sadaqah and the society’s participation and cooperation in facilitating HLI’s financing. WAQF is exploring integration with multidimensional institutionalism for financing HLIs. WAQF also is creating the spirit of giving manner by gifts and sadaqah and making cooperation for caring by sharing for betterment of society. WAQF also access other resources and making income by elite people of society as a form of giving charity. The figure also demonstrates that for a WAQF fund to be sustainable, there is requirement for moral responsibility, commitment, transparency and accountability concerning the institutions. The donor or endower would be happy to give progressively when they observe that the institutions are transparent, demonstrates a considerable measure of duty and rendering the record of their supervising capacity and high motivation to partners all the time.

CONCLUSIONS

In terms of the practice of WAQF funds, there is a significant difference between Malaysia and Bangladesh. Malaysia has a wide range of higher learning institutions, and the government itself encourages most of the higher learning institutions to build WAQF fund

centers in order to gain funds and become sustainable without much assistance from the government. Moreover, government has undertaken of fundraising projects with the collaboration of some higher learning institutions in order to support them. Bangladesh, on the other hand, has developed very limited WAQF funds while there are lot of WAQF funds/assets which are unrecognized and undeveloped yet. Meanwhile, there is no encouragement yet to develop any WAQF fund projects in order to raise funds for financing higher learning institutions. Still, there are some private higher learning institutions that have started to build WAQF fund centers and raise funds for HLIs own survival. Therefore, in this regard, the Bangladeshi HLIs can learn some techniques and encourage surviving without much government assistance.

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