

DIVERSIFYING INCOME GENERATION THROUGH WAQF IN PUBLIC UNIVERSITIES IN MALAYSIA: EFFORTS AND CHALLENGES

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Abstract

In contemporary times, Ministry of Higher Education (MoHE) in Malaysia has announced that public universities are expected to find another alternative for income generation due to government budgetary constraints. They have to draw on diverse sources of revenue to ensure long-term financial sustainability of their education system. The inherent features and good track of waqf in the prominent universities in the world is seen as a possible solution to fund public universities in Malaysia. Hence, Ministry of Higher Education has highlighted waqf as one of the ten shifts in Malaysian Education Blueprint 2015-2025 (Higher Education). Additionally, MoHE has launched the "University Transformation Programme" (UniTP) Purple Book specifically focusing on enhancing university revenue generation through waqf. The extreme pressure has caused public universities to set up waqf entity towards realizing the government's aim. The UniTP Purple Book becomes the reference for public universities to set up waqf entity in their institutions. Therefore, this paper seeks to look briefly into Malaysian Education Blueprint 2015-2025 (Higher Education) which outlines various areas for university transformation as well as a brief enlightenment about UniTP Purple Book which serves as a guideline to public universities to initiate waqf entity. Besides, this article further investigates the efforts towards realizing waqf fund in public universities as well as the challenges that arise. This study has incorporated qualitative and exploratory approaches. Data collected will be analyzed based on content analysis approach. In conclusion, the researchers offer some recommendations to the challenges that occur for future waqf in Malaysia's higher education. In addition, the landscape of waqf implementation in other Islamic countries such as Turkey could be the best reference for Malaysia to learn and adapt. More importantly, it is hoped that this paper would contribute to the betterment of waqf implementation in Malaysian public universities.

Keywords: Blueprint, Education, Purple Book, University, and Waqf

1. INTRODUCTION

As the global trend of higher education funding in several countries has changed at the end of 20th century, the total reliance on government support is no longer feasible, and the concept of cost sharing is to be more realistic. Universities require a lot of financing for the basic purposes such as funding of researchers, students as well as funding the cost of universities' managements and staffs. Therefore, they require another alternative of sources for long-term financial sustainability. As a result, universities have to be creative to find self-financial resources apart from solely relying on the government funding. Based on a research revealed by UNESCO, 2012 as cited by Siti Mashitoh Mahamood & Asmak Ab Rahman (2015), Malaysia's public

universities implemented various approaches to generate their own income, such as endowment and philanthropic, income-generation from university hospitals, profit-making activities through university enterprises, entrepreneurship programmes, consultancy offshore programmes, continuing studies programmes, short-term professional development programmes, cost-recovery and profit-making and increasing the post-graduate programmes.

The unique features and good track of waqf in the prominent universities in the world give awareness for public universities in Malaysia to adopt waqf. Mohamad Abdul Hamid (2015) highlights that waqf has been executed to benefit in many aspects not only limited to religious purposes but also education, healthcare, national security, commercial and business activities, transportation facilities, shelter and food for the needy and poor. A study conducted by Dzuljastri Abdul Razak, Nor Azizan Che Embi, Marhanum Che Mohd Salleh, & Faaza Fakhrunnas (2016) apparently shows that waqf fund has successfully upgraded the education system and provides opportunity to the poor and needy in countries like Malaysia, Turkey, and Indonesia and presents an opportunity to the poor and needy. Furthermore, Mohamed Aslam Haneef (2016) points out that waqf is one of the potential apparatuses to assist universities apart from private and public sectors.

This paper consists of several sections starting with the introduction. The second section discusses briefly the research method employed in this study. The third section provides an overview of waqf. Subsequently, the fourth section aims to look into a brief discussion on Malaysia Education Blueprint 2015-2025 (Higher Education). The fifth section focuses on a little enlightenment of UniTP Purple Book which serves as a guideline to public universities to initiate waqf fund in their institutions. The sixth section discusses the effort and challenges towards realizing waqf fund in public universities. The final section concludes and explicates the recommendations of the paper.

2. METHODOLOGY

This study adopts qualitative and exploratory approach. Qualitative research is defined as an inquiry process of understanding a social or human problem based on building a complex, holistic picture, formed with words, reporting detailed views of informants, and conducted in a natural setting (W.Creswell, 2009). An exploratory approach, on the other hand, is importance in this study to know how waqf is implemented as an alternative instrument in funding the public universities. In collecting data, two main methods have been used, namely library research and interviews. The first method was applied to obtain data from primary and secondary sources. The references include statutes, articles from published journals, conference papers, books, and websites. As regard to the second method, interviews have been conducted which involve expert interviews. All the interviews are recorded and transcribed. Finally, all the data will be analyzed using the content analysis method.

3. AN OVERVIEW OF WAQF

3.1 Definition of Waqf

Before going into further details about the topic under discussion, it is important to understand the concept of waqf. The word waqf (plural awqaf) according to Murat Cizakca (2000) derived from the Arabic root verb *waqafa*, which means to cause a thing to stop and stand still. It also means detention, to prevent and restrain. Commonly, waqf refers to a religious foundation, which is defined in various ways in the Shari'ah by different schools of laws. The term waqf refers to things which are intact in themselves and yet produce an income or benefit, the owner of which foregoes his right of ownership on condition that the product serves a charitable purpose. An endowed property is appropriately called *mawquf*, *mahbus*, *muhabbas* or *habis* (Siti Mashitoh Mahamood & Asmak Ab Rahman, 2015). In addition, waqf also can be defined as private ownership or asset in any form that has been put under injunction from any kind of deal including sale, inheritance and heirloom, hibah (grant) and wasiyyah (will) at the same time as its physical source remains whole and unaffected (Abd Halim Mohd Noor, Nor Aishah Mohd Ali, Aryani Abdullah, & Henny Hazliza Mohd Tahir, 2014). In the Malaysian context, Melaka Wakaf Enactment 2005, refers waqf as:

“The dedication of any property from which its usufruct or benefit may be used for any charitable purpose whether as wakaf am or wakaf khas according to Hukum Syarak, but does not include a trust which is defined under Trustee Act 1949 [Act 208]”.

3.2 Waqf in Islamic Perspective

Though waqf has not been specifically mentioned in Al-Quran or hadith yet, many verses are interpreted as inculcating Muslims to use their prosperity in the way of Allah as there will be a great reward such as in Surah al-Baqarah (2: 261), al-Baqarah (2: 271), Ali Imran (3: 92), Ali Imran (3: 134), al-Lail (92: 18-21) and al-Hadid (57: 18).

As an example, Allah said in (Al-Baqarah: 261):

“The parable of those who spend their wealth in the way of Allah is that of a grain of corn: it grows seven ears, and each ear has a hundred grains. Allah gives manifold increase to whom He pleases; and Allah is ample Giving, all-Knowing”

From the Quranic verse above, the waqif (the endower) will continue to receive Allah’s rewards even after his/her death as long as the waqf property is used in a good manner. One way to be a donor is through waqf. Not only that, waqf is the best instrument to do charity because the property endowed will be managed by the authorized person/institution known as mutawalli to ensure the permanence of the awqaf assets. Besides, there is also a hadith mentioning about waqf as started by Prophet Muhammad Peace and Blessings be Upon Him (PBUH) when Umar who asked the Prophet (PBUH), what to do with a palm orchard he owned in the city of Khaibar and the Prophet (PBUH), said:

"Give it in charity (i.e. as an endowment) with its land and trees on the condition that the land and trees will neither be sold nor given as a present, nor bequeathed, but the fruits are to be spent in charity."
(Narrated by Bukhory)

3.3 Legality of Waqf in Malaysia

Malaysia is a federation country which consists of 13 states and three federal territories. They have their own local governments that possess certain administrative autonomy. Federal Constitution of Malaysia is the supreme law of Federation as explained under Article 4 which binds all of the 13 States and three federal territories. Additionally, under Article 3 of Federal Constitution, Islam is recognized as the official religion, but other religions may practice their religions in peace and harmony in any part of Federation. Based on Federal Constitution, Islamic matters (except Federal Territories) are positioned in the Ninth Schedule List II (State List) which a Ruler (King) is the head of the religion (Islam). Out of 13 states, there are 9 States which have monarchy leaders known as Sultans and amongst these Sultans; one is elected as the King of Malaysia (Duli Yang Maha Mulia Yang di-Pertuan Agong) for a tenure of 5 years. Constitutionally, the authority on Islamic religious affairs falls under the responsibility of the Sultans. Administrative powers acquired by Sultan could be delegated to the State Islamic Religious Councils (Majlis Agama Islam Negeri or MAINs). Conversely, in the case of a state without a Sultan like Sabah, Sarawak, Malacca and Penang, the head of Islam is the King of Malaysia (Duli Yang Maha Mulia Yang di-Pertuan Agong) and in the same manner, these administrative powers are delegated to the respective State Islamic Religious Council (SIRCs) or Majlis Agama Islam Negeri (MAINs) (Azri Ahmad, Syarqawi Muhammad, & Mohd Asyran Safwan Kamaruzaman, 2012)

In each state, SIRC is formed to advise the Rulers on all Islamic matters and each state has enacted its own Islamic legislation. Legislations governing waqf have been introduced based on Article 74, read together with the State List of the Ninth Schedule. Different states will have a different set of legislations (Hisham Yaacob, 2013). Article 74 (2) of Federal Constitutions has mentioned waqf as following:

“...Wakafs and the definition and regulation of charitable and religious trusts, the appointment of trustees and the incorporation of persons in respect of Islamic religious and charitable endowments, institutions, trusts, charities and charitable institutions operating wholly within the State.

At the moment, only four states have waqf legislations namely Wakaf (State of Selangor) Enactment 2015, Wakaf (Perak) Enactment 2015, Wakaf (State of Malacca) Enactment 2005 and Wakaf (Negeri Sembilan) Enactment 2005. These legislations demonstrate various legal stipulations governing waqf in different states in Malaysia. In the effort to provide a more concerted effort in the development and utilization of waqf assets in Malaysia, the Federal Government has set up Jabatan Waqf, Zakat dan Haji (JAWHAR) under the

Department of the Prime Minister. JAWHAR has thus far been able to provide a platform which helps to synchronize SIRC's of different states in Malaysia on matters relating to waqf.

4. MALAYSIA EDUCATION BLUEPRINT 2015-2025 (HIGHER EDUCATION)

In 2013, the Ministry thus began developing the Malaysia Education Blueprint 2015–2025 (Higher Education) or the MEB (HE) to stay abreast with the global trend. Then, in 2015, Malaysia has launched Malaysia Education Blueprint 2015-2025 (Higher Education) or the MEB (HE). The substance for the blueprint was the recognition of how much has changed since the last strategic plan, thus the need for updating. The adoption of the MEB (HE), will transform Malaysia's higher education system to meet the new challenges. (Mohamed Aslam Haneef, 2016) The blueprint sets out 5 system aspirations- access (100% pre-school to upper secondary enrolment by 2020), quality (Top 3rd of all countries in PISA and TIMSS in 15 years), equity (50% reduction in achievement gaps for rural-urban; socio-economic and gender by 2020), unity (shared values for nation building) and efficiency (maximises student outcomes) and 6 student aspirations- ethics and spirituality, leadership skills and national identity to build akhlaq; language proficiency, thinking skills and knowledge to develop the intellect/ilmu (*Malaysia Education Blueprint 2015-2025 (Higher Education)*, 2015). To achieve these aspirations, 10 'shifts' are required which provide a new outline. The first four shifts focus on outcomes for the major stakeholders in the higher education system, including students in academic and TVET pathways, the academic community, as well as all Malaysians participating in lifelong learning. The other six Shifts focus on enablers for the higher education ecosystem, covering critical components such as funding, governance, innovation, internationalization, online learning, and delivery. To ensure the 10 shifts are achieved there will be KPI's to be measured and assessed annually. By 2025 Malaysia aims to have 2.5 million enrolments and to reach 70% of all those in the age group in higher education (currently at 48%). The massive increase should be equivalent in term of its quantity and quality. The total government expenditure on higher education has been rising at a rate of 14% annually, and this sustainability issue has been greatly debated in Malaysia. To achieve all these goals requires nothing less than University transformation. Hence to guide and keep track of this transformation process, a clear agenda codifying best practices into "playbooks" on critical improvement areas are being developed for adoption by public universities (Mohamed Aslam Haneef, 2016).

5. UNIVERSITY TRANSFORMATION PROGRAMME (UNITP) PURPLE BOOK

The fifth shift underpins in MEB concentrating on financial sustainability to spur continued excellence in Malaysia's higher education. For that purpose, Minister of Higher Education (MOHE) has collaborated with universities in unveiling the University Transformation Programme (UniTP) to assist public universities in creating and implementing their own tailored transformation plans. It was reported in the Star 17 July 2016; MOHE unveiled three new guidebooks that are part of its University Transformation Programme (UniTP). One 'playbook' known as UniTP Purple Book has been released specifically focusing on enhancing university income generation through endowment and waqf. This Purple Book contains a set of guidelines for the top management in public universities on how to go forward for waqf fund establishment. In addition, Purple Book crystallizes all vital structures that are currently operating in public universities in Malaysia (Wan Mokhtar Wan Yusoff, 2016). Moreover, Purple Book provides practical approaches and framework to help universities address a significant challenge in diversifying and enhancing income (Ministry of Higher Education, 2016).

Additionally, there are three possible waqf governance models to be adopted in public universities as presented in Purple Book. However, this UniTP Purple Book only serve as a general guide for public universities and depending on their level of readiness and state religious council. The first model prescribes that a university that has been awarded a mutawwali status may set up a unit or department under the management of the university itself. University Waqf Committee is put under the University Board of Directors as one of the Board's committees. All decision on waqf programs and activities are conducted upon approval by the university management. All accounts and financial management of waqf are under the jurisdiction of the university management. Subsequently, based on the second model a university may set up a waqf office under the University Board of Trustees. The University Waqf Fund is put under the Board of Trustees as a project under the University Foundation (Yayasan) having a separate account and financial management. In Model 3, University Waqf Board (UWB) is established as a separate and independent entity from the University. Collaboration and coordination, as well as roles and responsibilities of the UWB are spelled out in a written agreement or Waqf Deeds. UWB members comprise of representatives from both the

University and SRIC. An ideal model is that of an independent Waqf Board structure as presented in Model 3 (Fahmi Sheikh Omar, 2016).

6. EFFORTS AND CHALLENGES OF WAQF IMPLEMENTATION IN PUBLIC UNIVERSITIES

6.1 Efforts Towards the Implementation of Waqf in Public Universities

In 2016's budget, the Ministry of Finance (MOF) announced the budget allocation cut for public universities between 5 to 20% prompting the MOHE to come up with innovative solutions on how public universities can generate income through other revenue streams such as waqf (Fahmi Sheikh Omar, 2016). Higher Education Minister Datuk Seri Idris Jusoh hopes that public universities will form its own waqf fund by the end of this year. A team from Purple Book will be ready to go to any public universities to become the facilitator to facilitate the universities to provide a clear understanding for establishing waqf fund.

Several universities already established waqf fund and various methods used to generate the waqf funds. Siti Mashitoh Mahamood & Asmak Ab Rahman (2015) demonstrate that any kind of property may be created as a waqf. This is called mawquf, and the terms *mahbus*, *muhabbas* or *habis* are also used in some locations. A mawquf may consist of movable or immovable property. A cash waqf may also constitute a valid mawquf. An irsād waqf is also accepted. Cash waqf is the popular way for most of the universities. It is easy and straightforward for people to contribute provided they have the motivation to do so. Muslims usually choose to donate due to religious motivation regardless of the levels of income (Dzuljastri Abdul Razak, 2016). The creative methods offered by universities open the door wider for people to participate in cash waqf. UKM for instance initiated waqf fund in 2007 and now had about MYR364,000 (Idris Jusoh, 2016). Siti Mashitoh Mahamood & Asmak Ab Rahman (2015) explain that waqf fund in UKM is known as Dana Waqaf UKM is commenced under the Chancellery Foundation. Various modern ICT services have been built such as website, banking, and electronic banking, as well as through direct debit. The facilities provided make the waqf easy and convenient to donate to the waqf fund. Road shows concerning waqf donations and their importance have also been introduced by UKM for faculty members of the university to create awareness regarding the purpose of contributions.

USIM, in comparison, has established waqf center acknowledged as Al-Abrar Waqf Fund in March 2013 for the purpose of collecting waqf fund. This center was formed with the collaboration of State Islamic Religious Council Negeri Sembilan (MAINS) as a sole trustee of all awqaf in that state. In the same way, the establishment of the center was authorized by the University's Board of Directors in the meeting of in May 2013 (Muhammad Alias, Fuadah Johari & Asma Abdul Rahman, 2014). The thrust for the establishment, as envisaged by the University's Vice-chancellor, is to prepare against the future expectation of possible government's instruction to the institutions of learning to provide about 30% funding to itself through awqaf and the government provide 70% (Mahadi Ahmad & Yakubu Hassan, 2015). Besides, Fadhilah Abdullah Asuhaimi, Zurina Shafii, & Mohamad Alias (2015) explain that through Al-Abrar Waqf Fund, USIM has carried out a project to build the first Hemodialysis Center. The funding requires a capital amounting to MYR 1.3 million and monthly operating costs of MYR30.9 thousand. For this project, MAINS has allocated MYR 1.5 million to cover capital and operating expenditure. A patient will be charged RM 150 per visit/session. While for asnaf category, MAINS will pay the center RM 90 per visit/session for one person. The second project carried out by USIM is the Specialist Medical Center (Medical and Dentistry). The funding required is RM 2.3 million. For this project, RM 2 million allocated by MAINS as waqf grant and RM 1 million as qardhul hassan. USIM had also embarked on collecting cash waqf from USIM's staff since September 2013. The amount collected until end of March 2015 is about RM 150 thousand. The collection of cash waqf through monthly salary deductions has just begun from April 2015.

Whereas in UPM, Dana Wakaf Ilmu (DWI) was formed since 2011 when it was launched by the UPM's Chancellor, the Sultan (Ruler) of Selangor, Sultan Sharifuddin Idris Shah on 16 August 2011. This waqf fund providing waqf opportunities through several schemes: namely General waqf, Kitab Waqf, Facility Waqf, and Special Needs Waqf. Funds gathered through waqf counter, collection boxes placed at various offices in UPM, CIMB Clicks, monthly salary deduction; staff claims facility (e-claim) (Nuruliman Ibrahim, 2016). Subsequently, waqf fund generated from this program will be used for student development, providing educational services and so on (Rohayati Hussin, Rusnadewi Abdul Rashid, & Noor Inayah Yaakub, 2016). At the end of 2016, several other public universities have formed waqf fund such as Universiti Malaysia

Pahang (UMP) and Universiti Teknologi Malaysia (UTM) and Universiti Sultan Zainal Abidin (UniSZA). Hafizan Hek (2016) reports that UTM has set up waqf fund known as Education Waqf Fund (DWP). This waqf fund has been legally established upon the signing of a Memorandum of Agreement (MoA) between UTM and with the Johor Islamic Religious Council (MAIJ). UTM has targeted the donors not only from Muslims but individuals or organizations owned by non-Muslims also are more than welcome to contribute to this fund. Promotion via mass media such as advertisements, television, radio, newspapers and so on would open more doors for donors to participate.

6.2 Analysis on the Challenges Towards The Sustainability of Waqf Execution in Public Universities

6.2.1 The Awareness and Readiness of Universities' Top Management to Implement Waqf

As the budget of public universities has been slashed to almost 20% in 2017, the Minister of Higher Education has urged public universities to form its own waqf fund by the end of 2016 (Idris Jusoh, 2016). The reduction of the budget was considered in line with the efforts to reduce public universities' dependence on the government from 90% of their operating costs to 70% as enshrined in MEB 2015-2025. Even though waqf for higher education is still new in Malaysia, and many presume that waqf to be optional to higher education unlike school-level or religious education as demonstrated by Fahmi Sheikh Omar (2016) and many philanthropists have yet to buy-in into this alternative but, this should not be an excuse for universities from establishing waqf fund in their institutions. Hence, the top managements in public universities should be ready to move forward to set up waqf entity for the said purpose. Additionally, the pressure towards executing waqf in public universities require readiness and understanding of the top management as well as other stakeholders in the universities. The nature and tenets of waqf should be clearly comprehended as waqf bears some unique characteristics and, to some degree, some strict Syariah legal principles (Siti Mashitoh Mahamood & Asmak Ab Rahman, 2015). It becomes more challenging to several universities that freshly to initiate waqf entity in contrast to the universities that already executed waqf entity for several years such as UKM, USIM, and UPM. For that reason, a team from UniTP Purple Book has been formed to inform the people, especially Muslims, to enable them to understand the concept better. The culture of donating and having waqf should be encouraged in this country (Idris Jusoh, 2016). Thus, it requires the collaboration with SIRC in the state to come out with strong, effective line of action to implement waqf for public universities. The misinterpretation of waqf and endowment notions by the top management should be clear from the beginning to avoid any evil assumption by the public in future. In the same way, the top management has to realize that university's sources should not solely rely on waqf to survive. However, it may be backup with other external sources such as donations, gifts, and bequests (Siti Mashitoh Mahamood & Asmak Ab Rahman, 2014).

6.2.2 The Readiness of State Islamic Religious Councils (SIRCs)

Anyhow, the successful implementation of waqf in public universities entail the readiness of SIRC mainly in collaborating with public universities about waqf administrator status so that they could manage and administer their waqf assets autonomously. Lawfully, any universities that intend to implement waqf require authorization from the State Religious Councils (SIRCs). Waqf implementation in the universities without the endorsement by SIRCs is considered opposing the Malaysian laws (Siti Fatahiyah Mahamood & Siti Mashitoh Mahamood, 2016). This is pursuant to Section 4(1), Wakaf (State of Selangor) Enactment 2015 (Enactment 15) which elaborates:

"The Majlis shall be the sole trustee for all wakaf situated in the State of Selangor..."

Section 45 of the same enactment explains the following:

" Any person who administers or manages wakaf am or wakaf khas without the written permission of Majlis or Corporation commits an offence and shall, on conviction, be liable to a fine not exceeding one thousand ringgit or to imprisonment for a term not exceeding six months or to both."

Thus, the authorization power hold by SIRC is imperative to ensure waqf to be realized in public universities. In the same way, public universities are allowed to create waqf entity as well as forming waqf committee based the suggested waqf governance models presented in the Purple. Hence, the status as waqf administrator should be appropriately granted to public universities by SIRC as the holder of sole trustee of

waqf assets. More importantly, it depends on the discretion of the SIRC to determine what status to be awarded. Siti Mashitoh Mahmood (2016) demonstrates three different terms for waqf manager currently practiced in respect of waqf universities viz.; An-Nazir, Al- Mutawalli, and Al-Qayyim. An-Nazir in the context of waqf university refers to SIRC as the sole trustee of all waqf assets. Al- Mutawwali on the other hand, manages waqf fund for university under the supervision of SIRC. With the mutawwali title, universities may have autonomy to manage their own institution even though SIRC is still controlling them. Then, al-qayyim is considered an agent to SIRC which has lesser power to manage waqf funds autonomously compared to al-mutawwali. Based on the exploratory study conducted, practically public universities acquired different status depending on which state the universities located. As far as this study is concerned, no specific requirements fixed by SIRC in granting a university a status. Apart from that, there is no particular section provided in any waqf enactment regarding this matter. In the mean times, several public universities have been awarded the title as mutawwali such as USIM and UNISZA. UKM, on the contrary, has been granted a status as al-qayyim (Wan Kamal, 2016). Difference title attained by the universities reflect the power owned by them in managing their own waqf fund. As far as this study is concerned, no specific requirements fixed by SIRC in granting a university a status as al-mutawwali or al-qayyim. As a result, it may create confusion specifically to stakeholders involved.

6.2.3 The Talent of Parties in Managing Waqf Assets

Another essential challenge which requires pertinent attention is related to the parties who manage waqf assets in the public universities. The parties who manages waqf assets must have passion as well as qualified and competent in ensuring that the tenets and pillars of waqf are strictly observed as waqf assets are the properties of Allah. The awareness and correct understanding of waqf should be possessed by human resources involve in managing waqf. Failure to do so exposes them to slander and apparently will tarnish the image of universities fund in future. Institutional reform of waqf must be preceded by having an in-depth knowledge of waqf in the historical dimension (Hidayatul Ihsan & Abdullah Ayedh, 2015). Therefore, those who manage waqf should continuously learn about waqf from various sources and different angle. The lack of qualified and competent human resources in managing waqf is one of the factors why people are reluctant to endow a university of their property which lead the management in universities facing a shortage of funds. Mohamed Aslam (2016) suggests that 'Joint Management Committee' will have to be made up of qualified and competent managers, who not only understand what waqf is but possess the technical and professional abilities to manage and invest waqf properties in order to achieve returns/proceeds. It is these returns and proceeds that will ultimately be used to fund the various public higher education costs that are targeted in the blueprint. This is where the examples from various endowment funds in western universities can play a very important role. Qualified and competent human resources are also required when accounting and reporting of awqaf institutions are concerned. Good management has to be complemented by the highest accounting standards and reporting benchmarks. Only good governance practices can instill confidence among the potential donors or waqif to entrust their gift with the mutawalli. In the past, our country has existed Waqf University that known as Albukhary University, but it had to be closed due cannot survive and problems in its management. The problems of managing an organization and its staff will exist if an organization's management system imperfect. Thus, waqf institution needs to strengthen its waqf fund management system effectively and efficiently to realize waqf in the universities. In Western, an endowment fund can grow successfully, so not possible waqf fund in Malaysia also can be built successfully. It is because Malaysia has a significant amount of the current waqf fund, but not developed efficiently.

6.2.4 The Lack of Waqf Provision in Higher Education Laws

Though waqf is under the state jurisdiction as listed in Federal Constitution under List II (the Ninth Schedule), nonetheless, the implementation of waqf in public universities need to comply with Federal laws as education is listed under Federal List in the Ninth Schedule. Universities and University Colleges Act 1971 (UUCA 1971) is the primary law for reference apart from the constitution of the university. University as a corporate body pursuant to Section 6 (1) (a) of UUCA 1971 is allowed to provide, promote, and develop higher education in all such branches of learning as specified by the order. In addition, according to First Schedule, Section 8 Part 1, Section 3 (c) of UUCA 1971, a university has power to take, accept and hold any such property which may become vested in it by virtue of any such purchase, or by any exchange, grant, donation, lease testamentary disposition or otherwise. Hence, based on the provisions mentioned, a university has authority to engage in any properties transaction including acquiring, sale and purchase movable or immovable, lease, donation and others. It is apparent that university has the power to establish Trust Fund for that purpose. Waqf unit also may be formed legitimately based on the same provision as

explained by Siti Umairah Ali Hamdan (2016). Equally important, the law permits a university to receive funds from individual, government agencies national or international and charitable organizations for the development of education. The fund received by a university could be made in various forms such as donation, gift, and bequest. Even though waqf term does not specifically mention in the above provisions, however, waqf could be categorized as perpetuity donation. However, the researchers in the opinion that the waqf term should be inserted into higher education laws to show a particular attention on waqf. In the same way, special regulations or rules are vital in governing the overall system of universities based on waqf. This is due to waqf has some exclusive features, and some strict Shari'ah principles need to be followed (Siti Mashitoh Mahamood & Asmak Ab Rahman, 2015).

6.2.5 Investment of Waqf

The funds cannot be used directly to serve the waqf purpose as this may disturb the permanent character of the mawquf (the funds). The direct application of the funds will retain nothing as to the substance or the principal of the property. Thus, the funds might be invested to gain dividends, or else they might be used to buy immovable property, and the income would be used to serve the purpose of a waqf. They might also serve as a qard al-hasan loan to the poor (Siti Mashitoh Mahamood & Asmak Ab Rahman, 2015). It is vital for a university to engage in prudent investment so as to secure against any economic contingencies, for example, in times of economic and stock market uncertainty. It is vital to note here that the very important aspect in the context of waqf is that the waqf manager in a university has to engage with ethically Syariah-based investment. Activities involving illegal elements and transactions such as riba (usury), maisir (gambling), gharar (ambiguity) and other prohibited activities like tobacco, alcohol and the like are thus prohibited (Fadhilah Abdullah Asuhaimi et al., 2015; Siti Mashitoh Mahamood & Asmak Ab Rahman, 2015). Investment in properties should preferably be prioritized firstly towards an expansion of the university's core business, then in high-potential commercial and residential areas, or in plantation projects with a reasonable turnover. All these steps are necessary to maximize benefits without compromising values. The role of Chief Financial Officers or Bursars in universities becomes more challenging due to the need to invest, divest and re-invest waqf fund effectively.

7. CONCLUSION

Based on the discussions in this article, it is clear that many benefits can be derived from the establishment of a waqf in the university. Indeed, not only students and staff but also the whole university and society can be the beneficiaries of waqf. The sustainability of waqf in higher education in future depending on what has been done and prepared in the present time. Collaboration among all the stakeholders is imperative to find a feasible and preferable outcome towards the successful development of waqf implementation in Malaysia's universities. The challenges, however, are there nonetheless, the path through is also getting clearer by the day. There should be an optimistic mind that the aim of MOHE to execute waqf as the financial instruments as enshrined in Education Blueprint 2015–2025 could be accomplished with dedication and commitment from all the parties involved. Equally important, the experience of waqf implementation in another Islamic country like Turkey is a good model to be adapted in Malaysia. As has been observed by Shaya'a Othman (2015) waqf education institutions in Turkey are well managed and could be the best model to be embraced by Malaysia. Difference culture practiced by Malaysian should not be an obstacle to learn from Turkish's experiences in implementing waqf in their universities.

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