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Proposed Conceptual Design of Waqf Management System

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Abstract

This paper introduces Waqf Management System design concept based on current available crowdfunding design system which focusing on the collection of waqf. The management of waqf is currently placed under authority of State Islamic Religious Council (Majlis Agama Islam Negeri) such Perbadanan Wakaf Selangor (PWS), Perbadanan Wakaf Negeri Sembilan (PWNS) and others. The proposed design concept is an alternative online waqf collector specifically under general and special waqf category (wakaf khas) by the authorities. The authorities have to ensure the project application for collecting waqf approve by them before granted to publish in the crowdfunding system portal. As the system design could not across the boundary of stakeholder roles within the waqf ecosystem which strictly handles by the State Islamic Religious Council, the proposed system excludes the main authority operation and process for the project approval due to different practice in the states and remain it for future development

Keywords: Waqf Management System, Wakaf, Crowdfunding, Endowment, Religious Council.

1. Introduction

Waqf is commonly known as one of the instruments that being used in the advancement of Islam by improving the welfare of the ummah. In the emergence of Islam, waqf concept being implemented through the development of mosque, land and other properties by the prophet, Rasulullah s.a.w and his companion. Until now, many Muslims understand waqf through their belief but not seek to advance their knowledge of waqf (Ibrahim & Ibrahim, 2013). Apart from that, there are also among Muslims which is still confused with the concept of waqf.

Waqf definition through language means hold. Whereas according to syarak, is holding something that remains substance, in order to provide benefits to the ummah or community and the advancement of Islam. In Malaysia context, waqf is currently placed under state government such the authority the of State Islamic Religious Council (Majlis Agama Islam Negeri) as it related to the religious practice (Ibrahim & Ibrahim, 2013; Mat Rani & Abdul Aziz, 2010; Mohd Puad, Jamlus Rafdi, & Shahar, 2014; Mohd Zakaria et al., 2012). For example, waqf is being handled by Perbadanan Wakaf Selangor (PWS) as trustee of waqf in Selangor state (Government of Selangor, 2015; Kerajaan Negeri Selangor, 1999). While in Negeri Sembilan state, waqf being handled by Perbadanan Wakaf Negeri Sembilan (PWNS) (Kerajaan Negeri Sembilan, 2005). Due to different of authority of the State Islamic Religious Council, there is unstandardized product, process and management of waqf in Malaysia.

There are two types of waqf notices by Selangor state. The first one is known as general waqf and the second one is known as special waqf (Government of Selangor, 2015; Mat Rani & Abdul Aziz, 2010). The general waqf is usually related to cash, gold and art collected as waqf. Meanwhile, the special waqf

is more specific towards the cash and deposit collected to perform development projects on the specific waqf land or other properties. Sometimes, the special waqf also related to the type of specific properties being given as waqf for further development and benefits to the ummah. The different between those two types of waqf is for special waqf, the donor or benefaction (pewakaf) know where their money being channel to the specific waqf projects meanwhile the general waqf is the opposite. Therefore, it is quite difficult to explain to the benefaction about the benefits of general waqf as a result of the cash waqf given by them.

Considering the difficulty above mentioned, it is important to develop a proper waqf management system using ICT. The waqf management system need to focus on the collection before it being extended to cater the internal waqf management process. There are two (2) types of waqf collectors authorized by the PWS, one is the called *Agent* and the other one is called *Mutawalli*. *Agent* is an authorized collector with all waqf will be given directly to the PWS. All the waqf management is handled by the PWS and not the organization. *Agent* will get commission base on the total value of collection. Meanwhile, *Mutawalli* is an authorized collector with all waqf affairs within the organization is handle by organization itself and not the PWS. The organization will manage and handle the waqf accordingly and need to submit report periodically as well as the collection commissions to the PWS. Between these two types of waqf collections, the *Mutawalli* is more difficult to manage compare to the *Agent*. The *Agent* involvement in waqf management is very minimal and not complicated. Therefore, it is more priority and important to develop the waqf management system based on the *Mutawalli* status.

This research is to propose the conceptual design of waqf management system in Malaysia higher educational sector. In order to propose conceptual design of waqf management system, the researchers will look into the perspective of different type of systems which are currently available in Malaysia higher education institutions and make a comparison of the systems. Furthermore, the researchers will focus on the identification of the stakeholders and the flow of the system that will cater the process and management of waqf which related to the collection of waqf through crowdfund development.

1.1 Objectives

The objectives of this research are to develop Waqf Management System using web application system focusing on the collection of waqf. As general, the system development process can be categories as below: -

1. To identify the stakeholders of the system.
2. To develop waqf web application system.
3. To ensure the waqf management system is based on the user as *Mutawalli*.

2. Literature Review

There are several states such Pulau Pinang, Selangor and Federal Territories already implemented waqf management system in order to manage the waqf information as well as the waqf administration (Hasan & Abdullah, 2008; Mohd Puad et al., 2014). However, the system is more towards managing their waqf land administration as the it is the earliest waqf product which related to property of waqf. Meanwhile, some of states used accounting system for recording the transaction and generating a reports (Zakaria, Hassan, & Abdul Latiff, 2014). Table 1 shows some of accounting system being used for managing waqf or endowment found through online search engine. It is hard to identify from the literature regards to the collecting system which is related to the crowdfund development. Therefore, the researcher will propose a design of waqf management system which focusing on the crowdfund concept.

Table 1: List of some Accounting System being used for Managing Waqf or Endowment.

Waqf System	Origin	Type	Link
AccuFund Endowment Accounting (AF-EA)	USA	On-premise/ cloud-based	https://www.accufund.com/accounting/endowment-accounting
Fundriver	USA	Web-based	http://fundriver.com/software/
Dynamo Software	USA	Cloud-based	https://www.dynamosoftware.com/dynamo-endowment-pension-edition/
Adavico Endowment Accounting	USA	Client-server	http://adavico.com/solutions/EndowmentAccounting.html

2.1 System Comparison

The researchers make a comparison of waqf management system in the higher education institutions. Most of the institutions have their own waqf management system which focus on the collection of waqf. The researchers outlined few higher education institutions which having their own waqf management system.

Table 2: Waqf Management System in Higher Education Institutions Comparison.

Item	UiTM	USIM	UKM	UPM
Trustee	Pusat Zakat, Sedekah dan Wakaf (PZWS) under ACIS	Pusat Pembangunan Pembiayaan Wakaf (PPPW)	Yayasan Canselor	Pusat Pengurusan Wakaf, Zakat Dan Endowmen (WAZAN)
Status	Mutawalli	Mutawalli	Mutawalli	Mutawalli/ Agent
Type of Waqf (Products)	General Waqf (Cash Waqf)	1. Cash Waqf 2. Site Waqf 3. Education Waqf 4. Health Waqf	Knowledge Waqf (Cash Waqf)	Knowledge Waqf (Cash Waqf)
Online Management System	Functional and works well	Manual (Payment Gateway)	Not functional very well	Manual (Payment Gateway)

Table 2 shows that the waqf management system widely used by other higher education institution. Most of them are focusing on collection of waqf. Meanwhile the internal management within the organizational operations still remain unknown. All of them have their own waqf product which is near to the general waqf. The status for all of them is *Mutawalli*, which means they can collect the waqf, manage the collection internally and only need to submit a report to the Perbadanan Wakaf Selangor (Mat Rani & Abdul Aziz, 2010) for all of their activities.

2.2 Stakeholders

It is important to identify the system stakeholders as they are the participants of the developed system. It is part of the system requirement engineering which engaged directly or indirectly to the system (Luyet, Schlaepfer, Parlange, & Buttler, 2012; Pouloudi & Whitley, 1997; Sharp, Finkelstein, & Galal, 1999). The stakeholders is important as it is a part of the element of information systems (Laudon & Laudon, 2012). The researcher outlined four (4) proposed system stakeholders such Pewakaf (Wakaf Donor/Benefaction), Project Owners, Bahagian Zakat, Wakaf dan Infaq (BZWI)/ Perbadanan Wakaf Selangor (PWS) and Agents/Payment Gateway. The stakeholders have been identified through discussion with BZWI officers as shows in Figure 1.

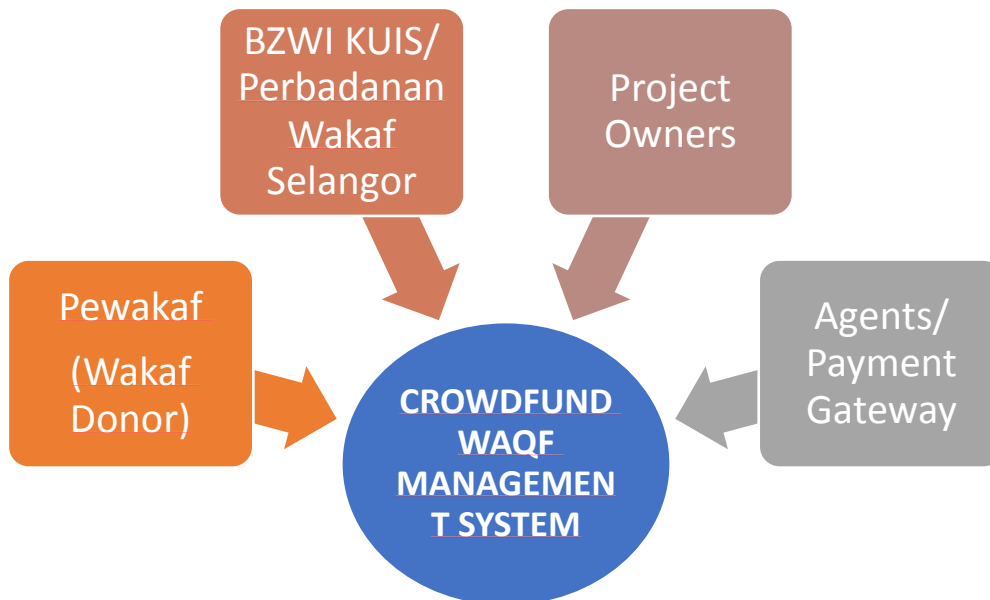


Figure 1: The proposed system stakeholders.

Pewakaf (Wakaf Donor/Benefaction) are open to the public where the main contribution of the crowdfund. They need to register into the system and may contribute to the crowdfund for general and special waqf. They are able to select any waqf project posted by any project approved by the waqf committee under special waqf.

Meanwhile, Project Owners are the open to the public who are interested to proposed waqf project. However, they need to get approval from the waqf committee after follow the standard of operation (SOP) outline in the higher education institution. After granted the approval, the project owner needs to submit their application in the system in order to post their projects in the web application system.

Bahagian Zakat, Wakaf dan Infaq (BZWI)/ Perbadanan Wakaf Selangor (PWS) are the waqf committee for the system. They are the authorise committees that will give permission to the project owners in order to published in the crowdfund portal for the fundraising process.

Lastly, Agents/Payment Gateway is the main collector of waqf that will interact between Pewakaf and Project Owners. They are probably the banks or any third party organisation which have license and authority to collect money through online system. They are also charge with minimal fees for all transaction made online by Pewakaf.

2.3 System Flow

The researchers proposing a simple system flow for the waqf management system. The system consists of the process flow before the waqf project submission into the system by the Project Owner for the fundraising activities in the crowdfund portal.

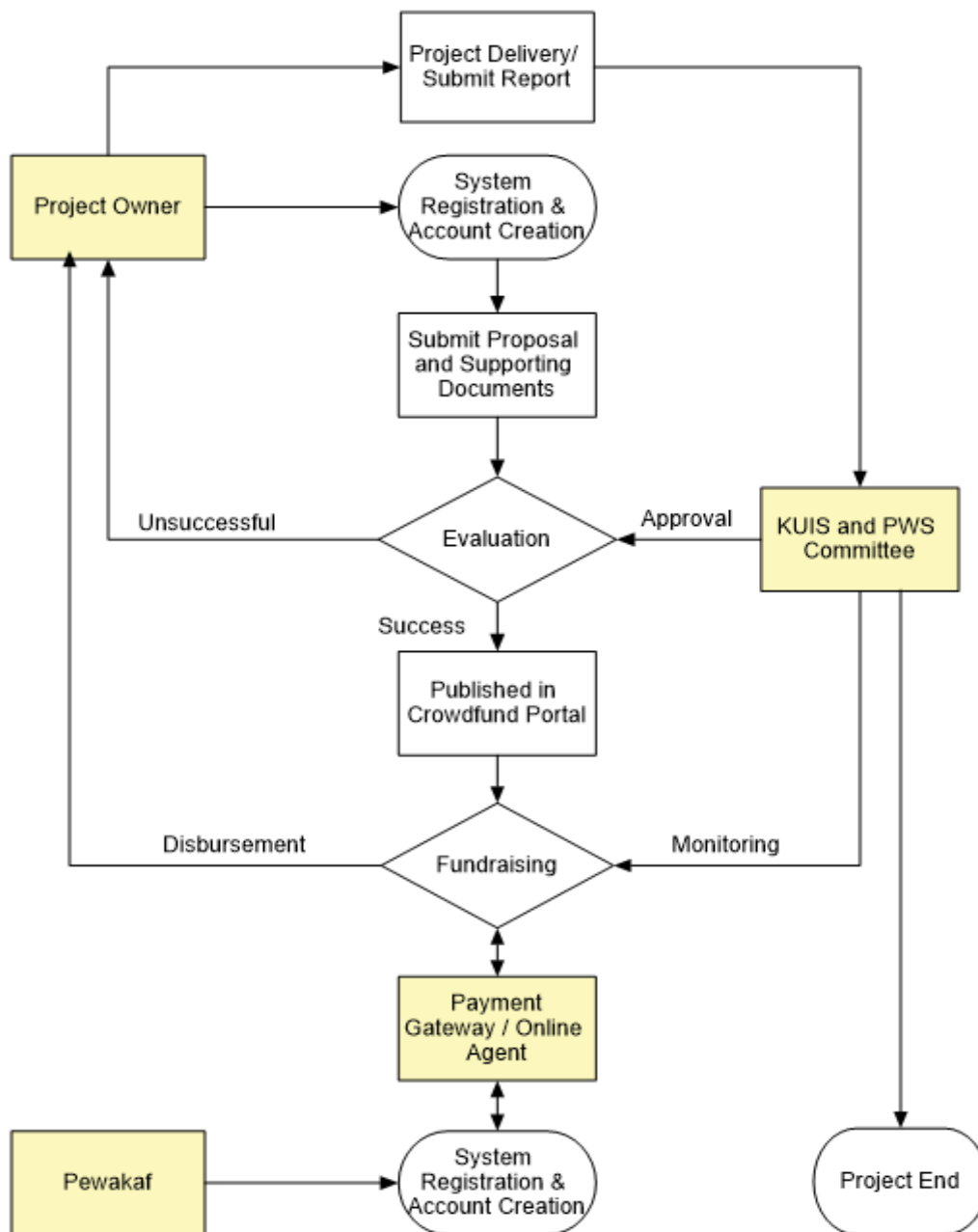


Figure 2: The proposed system flow.

The waqf management system will be used the rapid application development methodology introduced by James Martin in 1991 (Martin, 1991). The system will used simple process flow determination using data-driven concept in order to accelerate the system development process as shows in Figure 2.

2.4 System Modules

Table 3: Waqf Management System modules.

Management	Collection	Disbursement
<ul style="list-style-type: none"> • Waqf donor profile • Waqf project • Fund raising 	<ul style="list-style-type: none"> • Payment gateway • Bank 	<ul style="list-style-type: none"> • Monitoring

Table 3 shows the proposed waqf management system which consist three (3) modules such the management, collection and disbursement. The management sub-modules are waqf donor profile, waqf project and the fund raising (crowdfund). Meanwhile, the collection sub-modules are the payment gateway or the bank. Last module is disbursement with the sub-module of monitoring the transaction to the respective waqf project owner.

3. Methodology

The waqf management system will be used the rapid application development methodology introduced by James Martin in 1991 (Martin, 1991). Rapid application development (RAD) is a software development methodology which extremely rapid prototyping, highly iterative delivery while closely work with the stakeholders as shows in Figure 3.

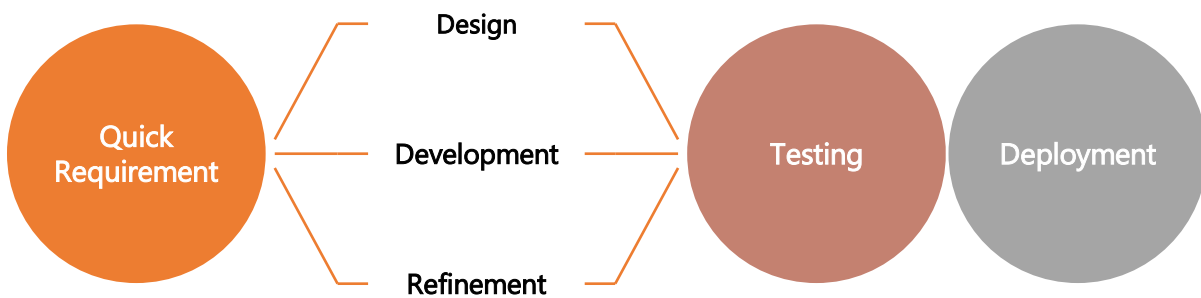


Figure 3: The System Development Cycle using Rapid Application Development Methodology.

4. Conclusion and Future Recommendation

This paper attempts to propose conceptual design of waqf management system using crowdfund for the *Mutawalli*. The system is focusing more on the collection of waqf from the Pewakaf (Wakaf Donor/Benefaction) and monitor by the waqf committee. Hopefully, the system will accessible throughout the website hosted by the university. Furthermore, the system should be extended to accommodate the internal management process between inter-departments within organisation in the future. However, the software requirement engineering and information system development need to adopt other method such soft system methodology in order to get better research result during prototype development.

Instead of the prototype system developed, this research should extend to the user acceptance of the system developed and usability evaluation of the system after the final deployment. This research has shown the possibility of the crowdfund waqf management system development. It has been essential guide for the prototype development before extending it to more comprehensive system that able to cater the whole process and management of waqf as *Mutawalli*.

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