



A *Waqf* Concept Applied in Higher Education: An Exploratory Study on the Practice of the IIUM Endowment Fund

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Abstract

The IIUM Endowment Fund (IEF) plays a vital role in assisting IIUM students financially. The IEF has served the needy in IIUM more than a decade through the application of *waqf*, as well as other methods, such as zakat, investment and collection campaigns. In particular, IIUM students face financial difficulty regarding the payment of tuition fees and living expenses, whilst studying at the university. The IEF is very much focused on increasing its collections each year. Based on the *waqf* concept applied by IEF, this paper will explore how this concept contributes in facilitating the IEF in its fund collections.

Keywords: *Waqf*, Higher Education, IIUM Endowment Fund

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1. Introduction

IIUM was established in 7th May 1983 by the Malaysian government, as a result of discussions between the Organization of Islamic Cooperation (OIC) members. Subsequently, Malaysia took the responsibility to realize the establishment of IIUM, for the purpose of Muslim development in terms of knowledge. Moreover, the introduction of the first Islamic bank in Malaysia, Bank Islam Malaysia Berhad, was also established the same year. These developments were in line to the government policies, which involved the application of Islamic values (*dasar penerapan nilai-nilai Islam*) at that time as stated by Husna Mohd Shafie, Noor and Mohd Rosdi, Mohd Syakir (2016).

Currently, IIUM has several campuses around Peninsular Malaysia, with the main campus located at Gombak, Selangor. Another campus located in Kuantan, Pahang, which caters for science students undertaking medical and marine courses. In addition, there are new campuses that are being developed at Gambang, Pahang and Pagoh, Johor. These campuses combined, enable the registration of more than 3,000 new students every year from Malaysia as well as international students from around the world, and most are Muslim.

The history of the IIUM Endowment Fund (IEF) can be traced back to its establishment in 1999 and was founded by Prof. Datuk Dr. Abdul Hamid Abu Sulaiman, who was the second rector of the university. At that time, he observed that there were many students who came to study at IIUM who faced a serious financial problem and most of these needy students were foreign. The main purpose of IEF is thus to assist the needy students whilst they are studying in IIUM, especially those who are good in their studies, both Malaysians and foreigners. Currently, more local students, or Malaysians, are the recipients rather than international students.

2. The Needy in IIUM

Major problems faced by the needy are usually the tuition fees, accommodation and even as a worse case, including the cost of food. Currently, while facing a budget constrain, the problems of IIUM students are extended into several kinds. For instance, the budget of the Final Year Project for engineering students seems affected, such that the students have to find the funds themselves, or to use, or reuse, available resources in the laboratory. Another case involves the community services department, where students, or volunteers, conducting social responsibility (SR) activities, can no longer support the activities, which has resulted in a decline in SR projects each year. This may affect students from the perspective of volunteerism and soft skills other than academic skills. However, the main focus of the IEF still emphasizes on assisting individual student's tuition fees that are overdue and the daily cost of living expenses (Table 1).

Table 1: Categories of IIUM Students Requiring Assistance

Type of Students' Need	Explanation
Overdue fee of graduated students	Students who finished their study, but not yet received the scroll/degree due to overdue fee.
Overdue fee of active students	Students who are not finished their study yet and they have overdue fees
Poor students who need help for living expenses	Students who are not finished their study yet and facing financing problems for necessity need.

Source: Persatuan Pengimport dan Perniaga Kenderaan Melayu, Malaysia

Furthermore, through its *zakat* unit, the IEF contributes yearly *zakat* and in 2016 it totaled RM 280,000 and reported as aid (bantuan Hari Raya) in the IEF annual report. The recipients of *zakat* are typically the IIUM staff, such as cleaners and those recipients (*asnafs*) that may receive it in accordance with Islam. Accordingly, the amount given to each individual range from RM 200 up to RM 500. The source of the *zakat* is from IIUM Holdings and its subsidiaries.

3. Framework and Operation of Waqf Related Projects by IEF

According to the data extracted from IEF Annual Report (2016), it cannot be denied that there was a small part of *waqf* concept took place. From the IEF collection in 2016, there was only 5% collection via the *waqf* concept by IIUM *Waqf* Knowledge, which amounting RM 509,951.00 compared to the total RM 10,628,379.89. Furthermore, there is another *waqf* concept applied such as the IEF perpetual properties program, but the figure is not yet properly stated as *waqf*, which will be discussed later in section 6 below.

However, this IIUM *Waqf* knowledge alone was the third largest contribution in term of IEF self-initiation after Cash and Properties Investment Income as well as general contribution. The majority of collection by IEF were mostly came from external contributors/donors and again mostly from *zakat* such as LZS and corporate *zakat*. Table 2 details internal IEF self-initiated programs and also external contributions.

Table 2: IEF Collections from Internal Self-Initiated Programs and External Contributions

IEF Self-Initiation Program			External Contribution		
Category	Amount	Percentage	Category	Amount	Percentage
General Donation	RM 1,765,570.58	17%	Lembaga Zakat Selangor (LZS)	RM 4,924,999.18	46%

*Cash and Properties Investment Income	RM 2,104,967.21	20%	Corporate <i>Zakat</i>	RM 1,160,079.69	11%
IIUM <i>Waqf</i> Knowledge	RM 509,951.00	5%			
RM 1 Campaign	RM 97,376.00	1%			
<i>Kafalah</i>	RM 56,061.00	0%			
Business Activities and Other Income	RM 7,375.03	0%			
TOTAL	RM 4,541,300.82	43%	TOTAL	RM 6,085,078.87	57%

* From the interview conducted, about half the contribution from cash and properties investment income came from *waqf* concept applied in perpetual properties program

Source: IEF Annual Report (2016)

It can be clearly observed in Table 2, that the external contributions were higher than the collections initiated by the IEF in 2016. Additionally, the contribution related to *waqf* is relatively small at 5%. However, the amount of RM 509,951 is undoubtedly significant in absolute terms. Moreover, IIUM *Waqf* Knowledge was higher as compared to other kinds of IEF initiated programs, such as the RM 1 Campaign, *Kafalah*, and business activities and other income, where those four contributed about 6%. Significantly, the *waqf*-based projects cannot be identified directly. There is a *waqf* IIUM Perpetual Endowment Property Fund program, from which the IEF collects rental revenue from *waqf* assets. This revenue is classified under cash and properties investment income derived from *waqf*-based programs, and comprises 20%, or RM 2,104,967.21, of total contributions (RM 10,626,379.69).

Following discussions with the staff of IEF, the most important finding should be emphasized in this study is that, there are, in fact, a number of projects based on *waqf*, other than what is stated in the Annual Report (2016). However, the IEF intentionally do not put the word *waqf* (the reason for which is discussed in section 6) and this can clearly be observed from the three *waqf* buildings, which include the Azman Hashim Complex and two other hostel buildings, which fall under the IIUM Perpetual Endowment Property Fund program.

There were also a number of *waqf* programs conducted by IIUM, but not initiated by the IEF itself. For instance, the Office of Sultan Haji Ahmad Shah (SHAS) Mosque at IIUM conducted a *waqf* program namely “*Waqf* Books Project - Spreading Knowledge through *Waqf*”. The modus operandi of this program was to encourage people to buy a package of book and payment collections were channeled to a religious school (*madrasah*). Another example, in 2015, a *Waqf* Management class in the *Kulliyyah* of Economics and Management Sciences (KENMS) at IIUM, visited a home for the elderly at Kajang, Selangor, where six hospital bed were endowed as *waqf*. In this case, students and the lecturers were voluntarily collecting donations to buy the hospital beds, which each cost about RM 1,600.

As mentioned, the IEF is not only focusing on *waqf* operations, since *zakat* collection, campaigns, cash and property investments are also undertaken. Also, it is not an institution that is capable to manage large *waqf* properties, or raise significant funds for *waqf* development in the capital markets. However, the establishment of the IEF itself originated from the concept of Al-Azhar University as a *waqf* and also various endowment funds from several universities in the U.K. and the U.S. Furthermore, there are specific guidelines for the IEF (IIUM *Waqf* Rules, 1999) that govern the IEF framework and operations.

4. IIUM *Waqf* Knowledge

IIUM *Waqf* Knowledge is also known as *Waqf 'Ilm* in Arabic. This program is initiated by the IEF itself and according to it the program is strictly follows the rule of *waqf*. The project's long-term aim is to develop into a RM 1 billion trust fund. As mentioned in the IEF Annual Report (2016), 145 of IIUM staff joined this

project during its launch. From the total source of collections, which was around RM 10 million in 2016, 5% of the sources (RM 509,951) was generated from the *waqf* knowledge project. This is a new project that was launched in October 2016 by the IIUM current Rector, Prof. Dato' Sri Dr. Zaleha Bt. Kamarudin. Table 3 summarizes the details of the *waqf* knowledge project contributions:

Table 3: IIUM Staff Contributions for IIUM *Waqf* Knowledge

Category /Description	No. of Staff	Amount
Confirmed amount	97	RM 175,907
Contribution until further notice /retirement	48	RM 1,834 per month

Source: IIUM Endowment Fund, Annual Report (2016)

This project shares the similar aim, which involves the wider source of funds for IEF, which are to be contributed among the needy, especially in IIUM. The concept used in IIUM *Waqf* Knowledge is the same concept as cash-*waqf*. The annual report mentioned that the collections under this project are pooled and then invested in *Shari'ah*-compliant investments. Thus, it must be carefully managed and monitored to ensure the allocated investments return a profit to IEF. The yield is then used to assistance the needy. The operational mechanism for IIUM *Waqf* Knowledge is reflected in Figure 1.

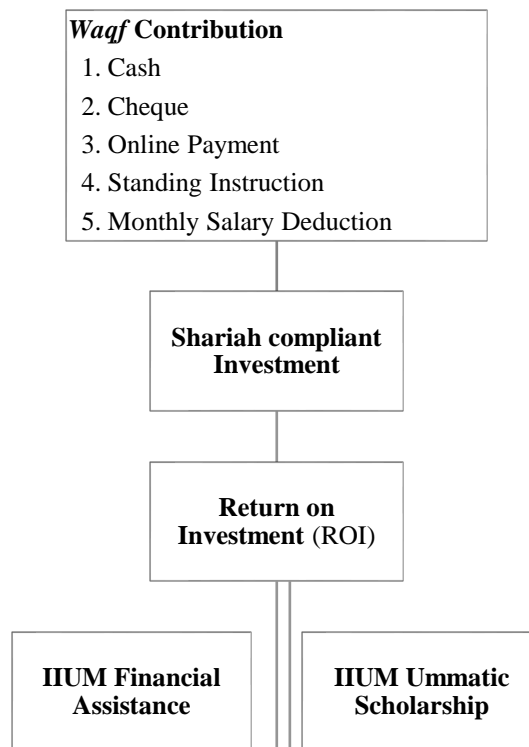


Figure 1: Modus Operandi of IIUM *Waqf* Knowledge
Source: IIUM Endowment Fund, Annual Report (2016)

There are several pillars of *waqf* including that the parties involved in the *waqf* transaction commonly are a donor and recipient. The donor, or the giver of *waqf* subject matter is named as *waqif* in Arabic. The *waqif* in the IIUM *Waqf* Knowledge project is the staff of IIUM itself. As reported in the annual report, about 97 IIUM staff already confirmed had donated through this project, which was amounting RM 175,907 in 2016. Whilst, there are 48 IIUM staff continuously contributing RM 1,834 per month to the project. This monthly donation/*waqf* continues until retirement, or when the IEF receives a termination notice from them.

The *waqif* has several methods on how to donate into IIUM *Waqf Knowledge*. The traditional way is to pay by cash or by cheque and the *waqif* must directly meet the officer at the IEF counter in IIUM Gombak campus. However, this method is not generating a significant amount of cash, or even attracting IIUM staff, students and wider members of the public to join.

Along with technological advances in financial sector (fintech), online payment is widely accepted as a more efficient means of payment. The IEF also facilitates online payment at the IEF website (IIUM portal). The IEF account number is via two IIUM accounts provided Bank Muamalat Malaysia Berhad (BMMB). The first account is for student transactions between students and IIUM, such as for the payment of fees and receiving allowances from IIUM. The second account is the IIUM operating account. Therefore, payment of IEF transactions and IIUM *Waqf Knowledge* can be conducted via the IIUM operating account, either via online payment, by cheque, or by cash deposit.

Another form of payment by the *waqif*, can also be performed by a standing instruction from the *waqif*'s bank. The *waqif* typically gives the instruction to the bank to donate some amount of money to the IEF by mentioning the details of IIUM *Waqf Knowledge*. However, this might incur a cost to the *waqif*, in the form of a bank charge. Again, this method, as well as by cash, or by cheque, are not the most popular methods among staff, students and public.

Since IIUM staff form the majority of the *waqif*, the most popular way to donate is by monthly salary deduction, given that it is cost efficient and saves time. The *waqif* needs to subscribe the project by completing and submitting simple documentation, such that the IEF and IIUM finance department will then manage the rest of the process. This method usually requires the *waqif* to donate continuously per month as agreed following the terms and conditions provided. The termination by the *waqif* only can be made in two ways, either by the *waqif* before retirement, or automatically as a result of actual retirement.

5. IIUM Al-Qur'an *Waqf*

IIUM Al-Qur'an *Waqf* is not mentioning among the type of IEF collection in its annual report since it is still a new project. However, it does share similarity with IIUM *Waqf Knowledge*. It also has a slight difference from IIUM *Waqf Knowledge* especially on how to approach the *waqif* and the method used. The subject matter of *waqf* or *mawquf* of IIUM Al-Qur'an *Waqf* is the book of *Al-Qur'an* itself, but it is a method to collect the donation by using the book of *Al-Qur'an* as an exchange.

The *waqif* of this program is opened for IIUM students and all staff and even the public is welcome to participate. The *waqif* can donate through cash to the IEF staff. The IEF also opened a booth during the IIUM convocation in 2017 by order of the Rector to encourage the fresh graduates and their families to participate into this program. The IEF sent an advertisement to all new graduates together with the invitation letter to the convocation. The cover of the *Al-Qur'an* included IIUM's own design as a symbol of IIUM's initiative in this regard. The *waqif* donates RM130 for one book of *Al-Qur'an*. The cash will then be collected and the IEF will use this fund to assist the needy students of IIUM. From the interview conducted, the IEF staff mentioned that, RM 30 from each *Al-Qur'an* would be invested.

5. IIUM Perpetual Endowment Property Fund Program

As previously highlighted, the IEF does not mention the word "*waqf*" for the IIUM Perpetual Endowment Property Fund program. From the interview conducted, the IEF stipulated that this was an historical decision to avoid the State Religious Council of Selangor's (SRC) involvement based on its enactment on *waqf*. For example, the gain of *waqf* revenue would otherwise have to be divided into two between the IEF and the SRC in terms of *zakat* collection, where 50% of the collection would be channeled to SRC, but the percentage of *waqf* revenue to SRC would be lower according to SRC current practice. Recently, after the introduction of the purple book by the Malaysian government, all public universities must establish their own endowment/*waqf* departments. Thus, the IEF continues to adapt the *waqf* concept fully on all its *waqf* projects.

As mentioned, the development of *waqf* buildings can be observed with the Azman Hasim Complex that is located in the IIUM main campus (Gombak) and the development cost RM 8.4 million. However, according to IIUM website (2011), "The Azman Hashim Complex is a RM 7 million multipurpose hall set up to serve the needs of IIUM students, and to be a revenue source for the IIUM Endowment Fund". This building is meant for business rental (*ijarah*) and there are several business activities including a cafeteria, branches of

Bank Muamalat Malaysia Berhad, Am Bank, Bank Islam Malaysia Berhad, Koperasi UIAM Berhad, Daya Bersih Sdn Bhd and several others. Again, from the IIUM website emphasizes that the income generated from this building enough to fully support 15 students through scholarship including their tuition fees, accommodation (hostels) plus their monthly allowance for the whole period study in IIUM.

In addition, there is a hall inside the Azman Hasim Complex called Dewan Zabedah. This hall is used by the IEF to generate income through rental. As it is a part of Azman Hashim Complex, this hall is also under the supervision and managed by the IEF and *Waqf* rules (1999). Unlike other parts of this complex, the hall is being rented for any event such as a dinner, a talk and even for wedding ceremonies. Table 4 summarizes the features of Zabedah Hall:

Table 4: The Features of Zabedah Hall

Features	Comments
Capacity:	
1. Round table seating arrangement	150 pax
2. Theater seating arrangement	400 pax
Floor space	4220 sqft
Surface of the floor	Carpet
Wall	Glass with motorized curtain
Facilities	<ol style="list-style-type: none"> 1. PA system 2. Stage (20'X8') 3. LCD projector 4. White screen 5. VIP/Holding room 6. Parking 7. Washroom male/female

Source: Zabedah Hall Profile, IIUM Endowment Fund

The second and third buildings under the related project are both meant for hostel and again the revenues are generated from rental income. The first hostel namely *Mahallah* HH Sheikh Humaid bin Rashid Al-Nuaimi only accepts female IIUM students to reside there. This *mahallah* was developed at a cost of RM 4.5 million. Table 5 provides the accommodation details.

Table 5: Information on *Mahallah* HH Sheikh Humaid bin Rashid Al-Nuaimi

Items	Comments
Rental Rate	RM 510.00 per room
Number of Occupants	4 students per apartment
Type of Room	4 individuals room
Facilities	<ol style="list-style-type: none"> 1. 2 Shared bathrooms 2. 1 Shared living room 3. Shared kitchen <ol style="list-style-type: none"> 3.1 Shared sink 3.2 Cooking facilities 3.3 Shared refrigerator 3.4 Personal cabinet for foodstuff 4. Spacious balcony

Requirements	<ol style="list-style-type: none"> 1. Capable person 2. IIUM Student 3. Female only
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Source: IIUM Portal

The third building is also a hostel/*mahallah* called *Mahallah* LTAT, which was developed through the *waqf* concept. Again, it is also generated an income through rental paid by the students. The cost incurred to develop this building was amounting RM 5.5 million. The construction was funded by LTAT’s foundation (Yayasan Warisan Perajurit). The development was starting on January 2014 and it was finished by September in the same year and thus took about 9 months to complete.

Both of these hostels share the same process of development. First of all, IIUM and IEF finds a suitable project to be developed including pricing, location, marketing analysis and the contractor involved. Then, IEF itself will find the capable donors, or the *waqif*, where they would agree to fund the project. They would be told the *waqf* concept used so that there will be no misunderstanding, especially the modern *waqf* concept applied as well as the basic concept of the perpetual endowment property. Those buildings would be named in conjunction with the name of the main *waqif*. For instance, *Mahallah* HH Sheikh Humaid bin Rashid Al-Nuaimi is named based on its main *waqif*, HH Sheikh Humaid bin Rashid Al-Nuaimi. Similarly, with regard to the Azman Hashim Complex where it was named after the donor’s name, Tan Sri Dato' Azman bin Hashim, who is the one of the richest Malaysians. Each of the hostels is capable to generate an inflow about RM 300-350,000 per year.

After the development was completely finished as well as from the legal side, IIUM started to advertise and welcome the capable IIUM students (female) to occupy this hostel and collect the rental payment monthly. Ultimately, the collections are developed into a scholarship programme, which is also under the donors’ name. IIUM rector Zaleha Kamaruddin (2013) said in her speech during launching project of *Mahallah* LTAT “This is the true manifestation of *waqaf* - where we spend or disburse the proceeds arising from the donation, for the needy and those in financial difficulty, *insya Allah* in perpetuity”. The modus operandi of the IIUM Perpetual Property Fund is reflected in Figure 2.

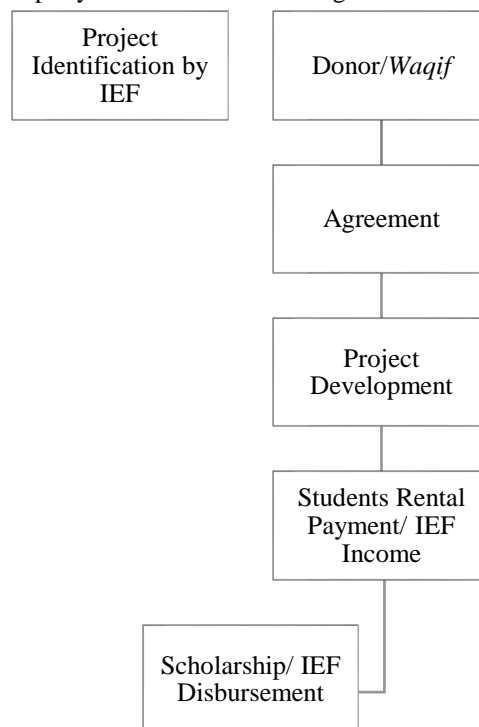


Figure 2: Modus Operandi of IIUM Perpetual Endowment Property Fund Program
 Source: IIUM Endowment Fund (IEF)

7. Achievement and Contributions by IEF: IEF Collection and Disbursement of Funds

IEF source of funds (Figure 3), or rather collections, can be divided into seven categories. One of the segments is related to *waqf* and it is called IIUM *Waqf* Knowledge and a part of perpetual properties program and some others.

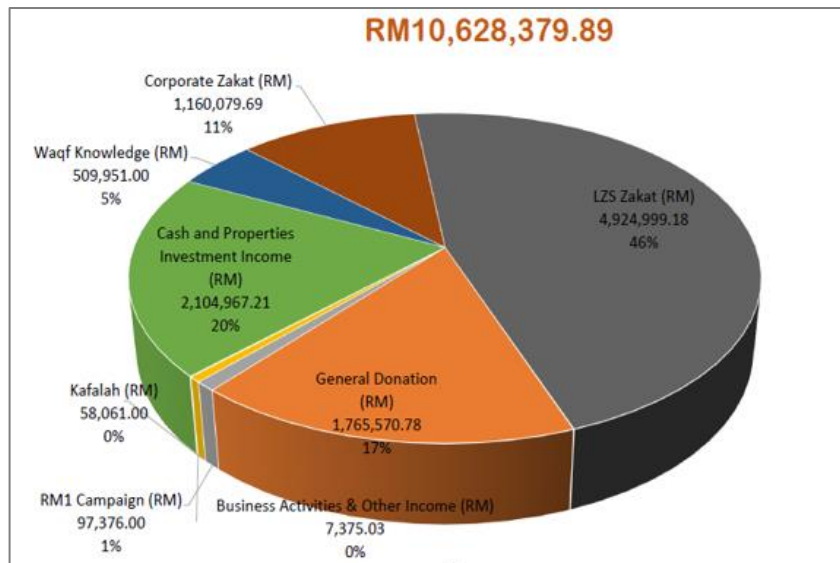


Figure 3: The Sources of Fund by IEF (2016)
Source: Annual Report 2016 IIUM Endowment Fund

According to Figure 3, the highest source of funds was given by *Lembaga Zakat* Selangor (LZS), which was RM 4,924,999.18 (46%) of the total. LZS is an institution under state control (Selangor) that manages the mandatory donation/collection from capable Muslim to be given to eight types of recipients (*asnafs*), where the poor, traveler and the student on the path of *Allah* (s.w.t.) are among them. Moreover, every state in Malaysia has its own *zakat* institution since all religious matters are put under individual state rule. In addition, in 2005 the IEF has been appointed as an LZS sub-*Amil* (sub-collector/manager) and since then the IEF is legally able to collect the *zakat* payments from the IIUM community and especially from the staff. According to the IEF annual report (2016), there are two types of *zakat* collections, which are from salary deduction and manually by opening *zakat* collection counters. All of these are classified by the IEF as a *Barakah* Scheme.

The second highest was the source from cash and properties investment income, RM 2,104,967.21 (20%), or less than half of the highest source. First of all, there were three properties investments located and managed by IIUM itself. This project was called the IIUM Perpetual Endowment Property Fund program. The first building constructed is Azman Hashim Complex and located in the IIUM main campus (Gombak). Other properties based on *waqf* rule are the two hostels also located in the IIUM main campus.

Thirdly, the source that was collected from general donation. Total contribution from this segment was valued at RM 1,765,570.78 (17%) in 2016.

Fourthly, other than the inflow from LZS, IEF also received *zakat* payment from corporate sector. This type of source amounted RM 1,160,079.69 (11%) from the total sources in 2016. Usually, corporate sector those are owned by majority Muslims need to pay the *zakat* amount then it will be stated in their annual financial report through Statement of Comprehensive Income. For instance, among the corporate entities those contribute to IIUM were eTIQA Takaful Berhad, Pru BSN Berhad, Bank Islam Malaysia Berhad (BIMB), Asian Finance Bank and other companies. In 2016, eTIQA Takaful Berhad had contributed RM 560,000, which comprised of 152 recipients where 97 were IIUM Gombak students whereas another 55 students were from IIUM Kuantan campus. The structure of contribution was through food allowance amounting to RM 300 per month per student starting from September 2016 until April 2017. Meanwhile,

PruBSN Berhad had contributed its corporate *zakat* amounted RM 98,820 in 2016. This contribution was made for covering selected students' tuition fees for 2 semesters in the 2016/2017 session. BIMB in the same year contributed RM 50,000 for corporate *zakat* to IIUM. Asian Finance Bank also contributed its corporate *zakat*, with the total amount of RM 145,998.43 in 2016. Table 6 presents the details of the contributors/donors towards IIUM in 2016:

Table 6: Corporate Zakat Contributors to IIUM in 2016

Company	Amount of Corporate Zakat	Date (dd/mm/yy)	Company Representative	Number of Recipient
<i>eTIQA Takaful Berhad</i>	RM560,000.00	18/10/16 (Gombak Campus); 20/10/16 (Kuantan Campus)	Ust. Mohamed Hadi Abdul Hamid	152 comprises of 97 (Gombak) 55 (Kuantan)
<i>PruBSN</i>	RM96,820.00	02/12/16	Cik Noor Farihah Awang	87
<i>Asian Finance Bank</i>	RM145,998.43	13/07/16 09/12/16	Mr. Azidy Daud	95 (local students)
<i>Bank Islam Malaysia Berhad</i>	RM50,000.00	13/07/16	Y. Bhg. Dato' Wan Ismail Wan Jusoh	-

Source: IEF Annual Report (2016)

Also, 5% of sources was generated by the *waqf* knowledge project, valued at RM 509,951. This is a new project that was launched in October 2016 by the current Rector, Prof. Dato' Sri Dr. Zaleha Bt. Kamarudin before the latest one, IIUM *Waqf Al-Qur'an*.

Another kind of IEF collection is that, RM 1 campaign that contributes only RM 97,376 (1%) out of the total of RM 10,628,379.89 collections. However, this amount of RM 97,376, it can be assumed high considering the amount per donation can be as low as RM1.00. The payment method used for this campaign is by monthly salary deduction. By this way and the amount donated, the donators might feel less burden as well as willingly to participate by paying more than minimum amount of RM1.00. This campaign might be more effective if it is widely opened to students and public by using other than salary deduction method. Again, this program was meant solely for needy IIUM students.

Besides that, there is a project called *Kafalah*, or Foster Parents, that is still considered significant although the contribution under this program is valued at below 1%, in terms of the amount generated of RM 58,061 out of the total of about RM10 million collection. Through this program, the IEF attracts donors to provide financial support to the needy IIUM students to reduce their cost of living and it is not meant to cover the tuition fee. The IEF encourages the donors to donate a fixed amount of RM 400 per student on monthly basis during their study period at IIUM. Usually, this amount will be used by the students towards the cost of food, assignment expenses, phone top-up and other routine expenses.

The last portion other IEF collection in 2016 was business activities and other income. This amounted to RM 7,375.03 and the smallest amount. Similar to several types of collections, these activities were done directly by IEF just like RM 1 campaign, *Kafalah*, IIUM *Waqf* Knowledge as well as cash and properties investment income. However, the annual report did not specify its purpose considering the small amount, suitable to help a few students with their monthly cost of living, by pooling this fund together with other collections.

The disbursement of funds collected by the IEF mainly can be categorized into four parts. These are Zakat from LZS, *Ummatic* Scholarship, Financial Assistance and Corporate Zakat. These four categories represent the total disbursement of the IEF in 2016 amounting RM 10,547,455.92 as compared to the total collection in the same year amounting RM 10,628,379.89. The difference between those two figures is RM 80,923.97. Figure 4 illustrates the four types of disbursements:

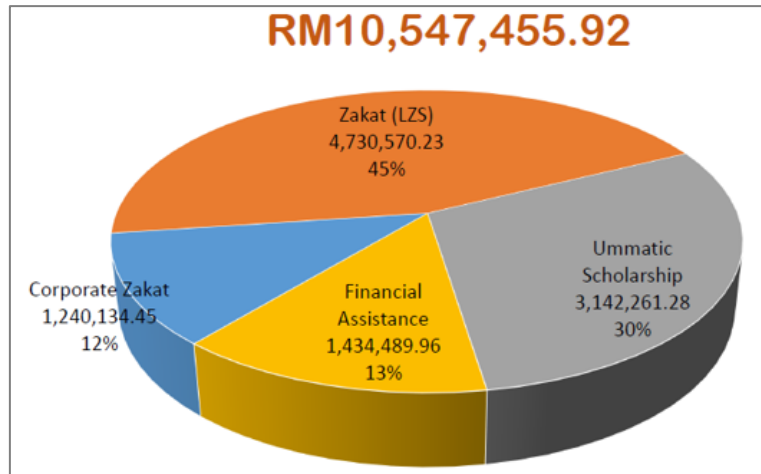


Figure 4: The Disbursement of Fund by IEF in 2016
Source: Annual Report 2016 IIUM Endowment Fund

According to Figure 4, the largest portion of fund disbursement came from LZS with total of RM 4,730,570.23 out of RM 10,547,455.92, which represents about 45%. This was followed by *Ummatic* Scholarship (30%), Financial Assistance (13%) and *Corporate Zakat* (12%), and the details of these contributions have been discussed earlier.

Additionally, the fund disbursement for *Ummatic* Scholarship amounting RM3,142,261.28 can be divided to several categories. This scholarship includes tuition and hostel fees, as well as other allowances, such as food. The *Ummatic* Scholarship alone is enough to provide scholarship for 442 IIUM students in 2016. Table 7 summarizes the types of *Ummatic* Scholarship and the number of IIUM students who received it.

Table 7: Categories of IIUM *Ummatic* Scholarship

Category of <i>Ummatic</i> Scholarship	No. of Students
IIUM <i>Ummatic</i> Scholarship	212
IIUM Post Graduate-IIUM <i>Ummatic</i> Scholarship	55
ISF-IIUM <i>Ummatic</i> Scholarship	86
<i>Iqraa</i> Human Relation - IIUM <i>Ummatic</i> Scholarship	46
Azman Hashim - IIUM <i>Ummatic</i> Scholarship	30
Yayasan LTAT - IIUM <i>Ummatic</i> Scholarship	8
HH Sheikh Humaid bin Rashid Al-Nuaimi - IIUM <i>Ummatic</i> Scholarship	5

Source: IIUM Endowment Fund, Annual Report (2016)

8. Conclusion

Despite having *waqf* tools to increase total collections, the IEF actually has several mechanisms including *zakat*, investment and other tools. This study primarily focused on *waqf* tools, such that it seems the IEF did well in proving that the *waqf* concept is very useful to serve and support higher education in various ways, especially with regard to financial and welfare aspects. Again, all of this serves to demonstrate that the IEF is

actually implementing *waqf* tools to serve the IIUM needy students as well as generally contributions to the *ummah* through improving the higher education sector.

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