

Issues and Challenges in Zakat Management in Malaysian Public Higher Educational Institution

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Abstract

Zakat management in Malaysia has undergone a transformation process beginning from colonial rule until now. One of the reformations in zakat governance is allowing the higher educational institutions to manage zakat collection and distribution to its community by themselves. This initiative implementation which involves the relationship between higher educational institutions and the State Islamic Religious Council has sparked a positive impact in alleviating financial burdens and improving academic achievement and students' motivation. Therefore, this study aims to recognize the problems occurring in zakat governance implementation by zakat institutions at Universiti Sains Islam Malaysia, Universiti Teknikal Malaysia Melaka, Universiti Tun Hussein Onn Malaysia and Universiti Teknologi Malaysia. This study employed a qualitative approach and data were collected through interview and documentation methods. The interview was performed face-to-face and online involving the officers involved in the management of zakat institution. The study found that public higher educational institutions (IPTA) in the Southern Zone have performed zakat collection and distribution in respective institutions based on an agreement sealed with the State Islamic Religious Council. This study also recognized five challenges faced in zakat management implementation in IPTA which are human resources, distribution fund, information technology, attitude and information authenticity. Thus, this study is hoped to be a reference for university zakat institutions in upgrading existing zakat management and

simultaneously improving the community's confidence towards zakat's role in alleviating students' burden.

Keywords: Issues, Zakat, Management, Malaysian Public Higher Educational Institution.

Introduction

Zakat is one of the five pillars of Islam. The decree of zakat aims to bring goodness to individuals and also the community. The ritual of zakat will purify properties, cleanse the human heart of negative attributes, strengthen relative bonds and fortify love among humans (Mustaffa al-Khin et al., 1992). In an economic context, effective zakat management has a positive and significant influence on human development in the short and long term. Zakat can be beneficial as an instrument of fiscal policy to stimulate human development and economic growth in the long term (Suprayitno et al., 2017). Zakat distribution also can reduce the poverty rate (Ali et al., 2016), influence the life quality of the beneficiaries (Tajuddin et al., 2016) and succeed in changing their life status from a zakat beneficiary to a contributor (Othman et al., 2019).

Zakat administration and management are put under the ruler's authority based on the words of Allah SWT through surah at-Taubah, verse 103 meaning: Take zakat from their properties. In Islamic civilization history, zakat was managed by the ruler or amil who acted as the ruler's representative (Khafidz, 2021). In Malaysia, zakat and Baitulmal administration are put under the state government's authority based on Schedule 19 Federal Constitution and States Enactment. State Islamic Religious Council is a board responsible for managing zakat management affairs. While Department of Wakaf, Zakat and Hajj (JAWHAR) plays a role in planning, implementing, supervising and standardizing the development of wakaf, zakat, mal and hajj/umrah institutions at the national level to function more effectively in the community's socioeconomic development (JAWHAR, 2022).

The transformation of zakat management in Malaysia took place in the 1990s based on professional practice and corporatization. The impact of the transformation was the establishment of several state zakat centers, where among them are the Federal Territory Zakat Collection Centre, Selangor Zakat Centre, Pulau Pinang Zakat Management Centre, Pahang Zakat Collection Centre, Negeri Sembilan Zakat Centre and Melaka Zakat Centre (Makhtar et al., 2016). Currently, there are four forms of zakat management in Malaysia. First, direct administration by the State Islamic Religious Council. Second, dual-system administration in which zakat collection is performed by a subsidiary company of the State Islamic Religious Council while zakat distribution is handled by the State Islamic Religious Council. Third, indirect administration in which the collection and distribution process is handled by other organizations to represent the State Islamic Religious Council and fourth, administration as a permanent department led by the Sultan (Asmah Abdul Aziz et al., 2013; Muhsin Nor Paizin, 2016). Bhari et al (2023), explain that poverty must be viewed holistically, not just in terms of income, but also on a multidimensional scale. This is because an overview is required to more precisely identify disadvantaged homes. Overall, these three approaches work together to ensure that a household's fundamental needs are met to the greatest extent possible.

Zakat management in Malaysian public higher educational institution (IPTA) began in the year 1998 when Universiti Teknologi MARA (UiTM) was appointed as Assistant Amil by Selangor

Islamic Religious Council. Through this appointment, UiTM was granted permission to perform zakat collection and distribution among the university community (Baharuddin Sayin et al., 2008). This approach then was widened to several other higher educational institutions in Selangor state. Some State Islamic Religious Councils also applied this concept in managing zakat at the respective state level.

Research Methodology

This study employed a qualitative approach and data were collected through interview and documentation methods. The interview method was used to gain the main information on the implementation of zakat management in IPTA. Purposive sampling was exploited to recognize and select informants in collecting information based on the research scope. This study involved four IPTAs in the Southern Region of Malaysia which are Universiti Sains Islam Malaysia (USIM), Universiti Teknikal Malaysia Melaka (UTeM), Universiti Tun Hussein Onn Malaysia (UTHM) and Universiti Teknologi Malaysia (UTM). The research did not include Universiti Teknologi MARA Segamat Branch although it is located in the southern region of Malaysia as to choose IPTA has a main campus in the southern region of Malaysia.

The interview in this research involved six officers who were directly involved in zakat management. The interview session was performed face-to-face and online. A face-to-face interview was performed with informants representing UTM, UTHM, and UTeM in the respective offices. The online interview was organized with an informant representing USIM. The interview session was done based on the time setting agreed upon with the involved informants. Semi-structured type of interview was employed to gain information more accurately, clearly, detail and to save cost and time. During the interview process, an audio recorder was used to record data and then transcribed verbatim into Bahasa Melayu. Finished interview transcripts were returned to informants for approval.

Meanwhile, the documentation method was used to collect information regarding zakat management in IPT. Data sources for this method were books, journal articles, reports and official websites. Data and information gained through interview and documentation methods encompassing organization background, sources of distribution funds, schemes and processes. Analysis of collected data was performed through the thematic analysis method and then elaborated descriptively by explaining all research objectives and problems in detail (Yusof & Romli, 2019).

Literature Review

Zakat institution in IPTA plays an important role in alleviating financial the burden faced by students and easing staff to perform zakat obligations. There are many past studies discussing zakat management in IPTA involving various aspects. Those studies gained attention among the researchers when several IPTAs were permitted to perform zakat collection and distribution by the State Islamic Religious Council. Among the aspects that attracted the researchers was the localization of zakat management. Rosli et al (2015), studied the suggestion of assigning mosque institutions as a zakat governance center in IPT. According to them, the majority of respondents comprised of 94 students of five IPTAs in Selangor state agreed to accept the concept of in-mosque zakat management localisation as it provides convenience for them. The same happens to Ngadiman et al (2016), who also performed a

study on the level of acceptance and perception among the Politeknik Kota Kinabalu community towards the suggestion of implementing the zakat distribution localization concept in that institution. The study found that the majority of respondents in the Politeknik were delighted and agreed with the suggestion to implement the method where the authority of zakat distribution is transferred to the zakat administrator assigned by the treasurer in the Politeknik. A study regarding the same aspect was also performed by Muhammad Rizal Jalil et al (2017), among students who receive educational aid under the category of zakat asnaf destitute and poor in Universiti Teknologi Mara (UiTM) Shah Alam. According to them, the majority of respondents agreed and accepted this concept implemented in educational institutions. The study on suggestions for the localization of zakat governance in IPT received positive responses from various categories of respondents. This is because the implementation of this concept will bring a positive impact and ease the IPT community to deal with zakat without going out from campus.

Research on the topic of zakat collection in IPT also gained attention from the researchers. Among the issues studied in this topic is regarding the practice of zakat payment among IPT staff. The study performed by Elmi Baharuddin et al., (2020) among 42 individuals from 286 staff of Kolej Poly-Tech MARA Kuala Lumpur found that the staff of Kolej Universiti Poly-Tech MARA Kuala Lumpur paid zakat totally through various channels and were conscious of zakat practice which is an Islamic obligation. However, different findings were obtained by who analyzed the pattern of income zakat payment practice among the staff of Kolej Universiti Islam Perlis (KUIPs). Their study found that the total of income zakat payers was still low compared to the total KUIPs staff which comprised 14% of 160 staff in KUIPs. According to them, this low percentage was caused by many factors such as KUIPs staffs paying income zakat in other media besides salary cut, the channeling of information less related to a salary cut scheme to KUIPs staffs and staff's level of understanding which was still at a moderate level.

Besides that, studies on zakat calculation compliance and factors of zakat income payment were also performed. For example, Muhammad et al (2016), investigated the level of income zakat calculation compliance among academic staff at Universiti Pendidikan Sultan Idris. The findings of the study indicated that respondents had different knowledge levels in performing calculations for income zakat total. According to them, although the knowledge level on salary sources that need calculation for zakat was high for basic salary and monthly fixed allowance but knowledge level for other sources was moderate and low. These findings proved that the literacy of the professional groups regarding professional income zakat was still moderate and the compliance level in achieving the zakat objective to purify properties from other individuals' ownership had not been achieved completely. Besides knowledge, factors of faith, religious knowledge, education level, role of zakat institution and job status also influenced income zakat payment among IPTA staff (Nur Liana `Aqilah Derus & Mohd Ali Mohd Noor, 2017).

Besides the zakat collection aspect, research regarding zakat in IPT also touched on various issues related to zakat distribution. Among the issues attended by researchers was Haddul Kifayah which includes students' expenditure patterns, suggestions for Haddul Kifayah rate and the need to IPT Haddul Kifayah. Nurul Afifah Hasan et al., (n.d.) and Sarah Athirah Saruchi et al., (2015) in a study on expenditure patterns and students' Haddul Kifayah in Universiti

Kebangsaan Malaysia suggested the need for evaluation and provision of specific Haddul Kifayah for university students. It aims that zakat distribution could be executed justly. This suggestion was supported by Sayin et al., (2017) who found that existing Haddul Kifayah did not reflect current economic needs, especially in increasing cost of living conditions. Therefore, Ismail et al., (2022) performed research to determine current Haddul Kifayah for student asnaf candidates of Pra Siswazah USIM. The study which was done among 229 respondents suggested that the Kifayah limit was set based on the monthly expenditure average value which was RM 1282.78. This rate considered the current cost of living including food expenditures, tuition fees and expenditures, accommodation fees and communication expenditures.

Some studies discussed aspects of innovation and improvement in zakat distribution. Among them is the study on the innovation of zakat the distribution system in Universiti Pendidikan Sultan Idris Mahmud et al (2015) and also the cashless transaction application (E-Wallet Kiplepay) which was used in Universiti Utara Malaysia as an improvement in zakat distribution (Noor et al., 2020). This application succeeded in reducing 65% of the duration of the distribution process into students' accounts. To upgrade and assist in easing staff to process applications for zakat distribution, a website-based system was also used (Mohd Zamli, 2019).

There are also studies done to examine issues and challenges in managing zakat fund distribution to university students. The study done by Aziz et al., (2020), in Universiti Teknologi MARA Johor Branch revealed five challenges faced by zakat institutions in managing students' zakat aid. Those challenges were students, attitude, repetitive work, slow processes, inaccurate information and long distance. The findings were supported by Takril & Othman, (2020), in their study of asnaf fi sabilillah in five IPTs of Selangor state. The researchers found that difficulty in the application of zakat aid was caused by incomplete records or qualifications and communication gaps between zakat institutions. However, several suggestions and improvement actions have been imposed to handle these issues and challenges.

Even though many studies and writings are published on zakat management in Malaysian higher educational institutions, studies on issues and challenges in the implementation of zakat governance in IPTA are still few. Hence, this article aims to recognize issues and challenges faced by university zakat institutions in executing zakat governance in Southern Region IPTA.

Zakat Management in Malaysian Public Higher Educational Institution



Figure 1: Governance Forms of Zakat Distribution Organisation in Southern Region IPTA

Based on Figure 1, there are three governance forms of zakat institutions in Southern Zone IPTA. First, the function of zakat collection and distribution is performed by the university Zakat Centre. This form is practiced by the Wakaf and Zakat Centre (PWZ), Universiti Sains Islam Malaysia (USIM), where the function of PWZ is to manage zakat collection and distribution. An Assistant Registrar is assigned to execute this role. PWZ USIM collects and distributes zakat based on assignment as a Zakat Agent by the Negeri Sembilan Islamic Religious Council. The second form is that the function of zakat collection and distribution is performed by the Zakat Centre which is one of the units under university Islamic Centre. This second form is practiced at Universiti Teknologi Malaysia (UTM) and Universiti Tun Hussein Onn Malaysia (UTHM). Zakat management in UTM is under the Zakat and Welfare Unit, UTM Islamic Centre which is led by an Administrative Officer. Meanwhile, zakat management in UTHM is moved by Administration, Zakat Management, and the Publication & Multimedia Section, UTHM Islamic Centre which is led by the Senior Islamic Affairs Officer. Both of these institutions are assigned as Institution Amil by the Johor Islamic Religious Council to run zakat collection and distribution in their respective institutions. The third form is dual-department administration, where the function of zakat collection and distribution are managed by different units. This form is practiced by Universiti Teknikal Malaysia Melaka (UTeM), where the zakat collection function is performed by the Treasurer Office, while the zakat distribution function is carried out by the Students's Welfare Section, Community and Volunteer Centre, Student's Affairs and Alumni Section.

In implementing zakat governance, zakat institutions in Southern Region IPTAs are allowed by MAIN to collect zakat among the respective university communities. Zakat collection is performed in cash and salary cuts from the staff. The total collection gained will be submitted to MAIN, and then returned to IPTA based on the rate determined for distribution purposes. Other than zakat collection, zakat institutions of Southern Zone IPTAs are allowed to carry out zakat fund distribution to respective communities. Zakat distribution is channeled to five asnafs which are destitute, poor, fi sabilillah, gharim and amil based on lined procedures and conditions. The study found that the priority of zakat fund distribution is for students rather than staff. Various distribution schemes are established to lighten students' burden in continuing their studies. Among them are the Household Living Aid Scheme, Study Aid Scheme, Excellence Aid Scheme and Emergency Aid Scheme. In conclusion, zakat governance by the university zakat institutions has been managed well to provide convenience among the respective communities in getting services regarding zakat.

Analysis of Challenges in Zakat Management in Malaysian Higher Educational Institutions

Human resources become a main element in a particular organization. Systematic management of human resources can ensure organization has a sufficient, quality and productive workforce in achieving the objectives set. According to Razimi et al (2016), five main elements which are staff number, ICT usage, corporate governance, branch number and corporate are needed to improve zakat management efficiency. Governance of university zakat institution needs a sufficient number of human resources to implement tasks related to zakat collection and distribution affairs, management of zakat financial report, implementing asnaf development program and managing activities regarding the welfare of staff and students (*Info Korporat*, n.d.). In detail, the tasks of zakat collection implemented include management of the zakat counter, zakat assessment, fidyah payment and zakat promotion (*Bahagian Pentadbiran, Pengurusan Zakat, Pengurusan Jenazah, Multimedia Dan Helwa,*

n.d.). Meanwhile, the tasks regarding zakat distribution are recognizing and channeling aid to eligible university members. This indicates that the zakat institution plays an important role in human development in IPTA.

The study on zakat governance in Southern Region IPTA found that there were problems of staff deficiency and limited staff in the organization. This matter was stated by the informant as follows:

“It means that for example, we do our work we focus at our level like human resources are still limited ha. So, I’m not, like we in this Zakat Unit section, one or two only who manage while there are still many efforts that we can implement.”

This issue faced by IPTA Zakat institution has still not been unraveled even though there is financial allocation through asnaf amil. Therefore, human resources deficiency has posed negative impacts on zakat institution operation. Among them is not achieving the target set by the management group and implementation of planned tasks disturbed as the same staff that should assist are doing tasks in other units.

“Aaa we, it is because of the high target. University our target is 10 million, 10 million but we have not achieved it yet. I am not making any excuses but this is one of our obstacles. It is because besides, zakat affairs, we also should assist other units with other Islamic festivities programs. Hence, the obstacle is there, when we are in urgency and others, so delay.”

The limited number of human resources also contributes to delays in the processing of zakat distribution applications. This is because the number of zakat aid applications received is many and it needs sufficient and quality staff to check and manage this system. This issue causes the action process to take a long time.

“But what people say is he sends documents one by one, and we also check one by one to key in that system. Maybe it is also one of the challenges as the applicants are so many 1000 above we want to look. So sometimes the process to manage the application takes time for a month for us to key in in the system.”

The second challenge in implementing zakat governance in IPTA is fund insufficiency for distribution purposes. Zakat distribution is one of the main functions implemented by IPTA zakat institution. For period the 2020 until 2023, zakat institutions in four IPTAs studied had succeeded in distributing a total of RM 25,912,490.03 to eligible zakat asnaf.

Table 1

Zakat Distribution Year 2020 until 2023

	2020	2021	2022	2023	Total
UTM	1,719,649.30	1,838,282.58	2,627,517.11	3,334,587.04	9,520,036.03
UTHM	779,124.50	464,300.00	839,495.45	879,756.50	2,962,676.45
USIM	2,243,516.00	2,960,418.85	3,148,502.40	3,622,119.30	11,974,556.55
UTeM	1,035,00.00	244,333.00	824,000.00	386,888.00	1,455,221.00
	4,742,289.80	5,507,334.43	7,439,514.96	8,223,350.84	25,912,490.03

Source: Informants' information

Fund source was obtained from the return of collection total which had been successfully collected through staff salary cut or cash zakat payment. Besides that, zakat distribution fund was also received from zakat wakalah from banking institutions, corporate companies and individual zakat contributions. For years 2020 to 2023, a total of RM54,363,516.70 zakat was successfully collected.

Table 2

Total of Zakat Collection Year 2020 until 2023

	2020	2021	2022	2023	Total
UTM	8,168,287.63	7,217,721.97	7,600,992.94	8,142,076.27	31,129,078.81
UTHM	985,466.54	982,744.15	1,648,661.45	1,474,884.83	5,091,756.97
USIM	3,644,826.57	4,235,675.00	4,420,671.00	4,386,287.35	16,687,459.92
UTeM	1,035,00.00	244,333.00	824,000.00	386,888.00	1,455,221.00
Total	12,798,580.74	12,680,474.12	14,494,325.39	14,390,136.45	54,363,516.70

Although the total zakat collection successfully collected indicated a large number, it is still insufficient to accommodate the needed distribution fund. This is due to encouraging responses from the students to the aid offered by zakat institution. Besides that, the inconsistent total funds received from contributors also contributed to this issue. Hence, several initiatives were moved by the university zakat institutions to increase the amount of zakat aid funds. Among them was boosting promotional activities to increase knowledge and consciousness of performing zakat among university staff, addressing appreciation to zakat contributors through souvenir giving and organizing of special programs (ZAKAT UTHM, 2024) and strengthening relationship networks with corporate institutions.

Even though the fund aspect became a challenge to IPTA zakat institution, the distribution process still continued to help the student continue their studies. A few measures were taken to ensure students keep on receiving zakat aid such as reducing the rate of distribution amount to students, decreasing the number of beneficiaries by giving priority to those who were very needy and practicing austerity measures.

“That is what I said meaning there are certain numbers that we don't have don't have don't have sources that want to give, we have to every person might not get RM 800, it is we can capable to give everyone RM 500.”

“For students, many are not enough. Because if students, we will use aaa asnaf of destitute and poor, also ghorim. These three we will use, so, many, usually are not enough. For example in a certain semester, applications are 1200 individuals, we can provide 1000 only. Even in 200 more there are those who are needy too but we could not because we need to cut.”

The next challenge in managing IPTA zakat institutions is the information technology aspect. According to Ahmad (2018), technology is an instrument that influences life nowadays, especially in the occupational sector. Technology usage in occupation will facilitate increasing worker's performance. Its effectiveness can be measured based on productivity increase and acceptance of utilizing this system to help elevate the production of quality work products. It also helps a lot in communication, improving worker performance, increasing productivity and information delivery.

The study found that zakat institutions on Southern Zone IPTAs had utilized information technology in the implementation of zakat management. In an aspect of managing zakat collection, IPTA zakat institutions have established a collection system to provide convenience for staff to perform zakat payment as cash or salary cut. That also applies to zakat distribution aspect, an online application system is developed to ease the process. For example, Centered Student Welfare Information System (SMART) by Zakat UTHM. However, the study found that there were IPTA zakat institutions that still use manual methods in processing zakat aid applications for students. The application process for zakat aid distribution still involves paper and needs to be printed. The usage of manual methods in managing zakat distribution had negative effects such as complicating the processed work, tasks not progressing rapidly and accurately on time, involving high costs and decreasing quality and productivity.

In another aspect, although many IPTA zakat institutions utilized information technology in performing tasks, several problems related to the used system were also faced. Among them was that the information updated in the system could not be accessed by students and damage happened to the system. It became more complicated when the system used was under the control of other departments. When a problem happens to the system, staff in zakat institution should make a report and remedial action would take time.

“Among the issues existing that we face is in technicality aspect. Example outdated system. Ha, what like that? Like we have endorsed zakat but students look and still not receiving many from IT operational system aspect.”

“Aaa and we have moved to paperless we begin developing the system, but even through this system, sometimes we also have problems such as system down and others, among the problems delaying the application.”

The fourth challenge faced by the IPTA zakat institution in executing zakat governance was regarding attitude and consciousness. This challenge happened in the implementation of two main functions of zakat governance which are collection and distribution. In an aspect of zakat collection, attitude and consciousness problems involve zakat payer or university staff. Among the recognized issues was a lack of awareness of the benefits received by the

university through zakat governance implementation, questioning of zakat fund expenditures, making contributions of zakat payment in another state, reducing zakat payment under determined rate, stopping zakat payment contributions before the period, making scheduled tax cut but did not make zakat cut contribution even eligible. This was stated by the informant as follows:

“There are so many, among them is our staffs want to contribute in another state. He questions our return, right, we don’t get 15 percent, origin and others. Those are the challenges. Aaa after that, they ask the money goes where, and others. Can I half for zakat, and another half for certain individuals and others? Those are among the issues that our staff raise.”

To overcome the issue, the IPTA zakat institution took action by organizing a briefing program and promotion to explain the issues posed and raise awareness on the importance of performing zakat. Besides that, souvenir giving was also provided to zakat payers to encourage them to perform zakat.

Other than the attitude and awareness challenge in the zakat collection aspect, it also happened in the implementation of zakat aid distribution. This issue involved zakat aid applicants comprising university students. Among the issues recognized was that the applicants did not attend the interview sessions after the zakat aid application. An interview session is a process that should be undergone by zakat aid applicants to approve the given information and recognize problems faced. This process is carried out by the university zakat institution after students have posted a complete application. According to the informant, the zakat aid application received an encouraging response from students when opened. However, the students took it for granted and did not attend the interview session after being requested to do it. Several excuses were given for not attending the interview session such as running out of time, packed classes, being busy with tasks and having a replacement class.

“If not my mistake in estimation I put a thousand and above. Only that attend they say always a few. So many applied but those who attended interviews always not achieved. Sometimes the situation when we Zakat Unit announces zakat aid, many filled Google forms, many filled. So excited when they filled. The submission was vigorous aa to our e-mail. But when we set okey such a date aa we will do an interview session. They were not alert. Aa not coming. Not coming or they said the lecture schedule is packed. We opened usually for a week this interview session.”

Besides that, issues of awareness and attitude also happened when students refused to apply for zakat aid even though having financial problems and needed aid. University zakat institution provides many aid schemes to help students during the study period. Several approaches were used to deliver information on the offered aid. Among them were publishing informative notices in faculties and departments, informing student societies and advertising through social media. However, according to the informant, some students who faced financial problems and needed aid did not benefit from the offer. They did not want to apply

for zakat aid and rather stayed in difficult situations considering that there were students who needed more. In fact, reluctance to apply for zakat aid was also due to shyness.

“Students they did not appear, some certain students did not want to appear, we only get aa information from aa Academic Advisor, okay aa we also seek help from MPP to trace any needy students until cut into four, aa the bread is cut into two, for breakfast, for dinner. We get when we call why you did not come, aa I am not he tried to be humble. He felt that his difficulty with others is more difficult, aa after that then embarrassed.”

The last challenge recognized in zakat governance in IPTA was the authenticity of information. Zakat aid application needs to be attached with several documents to approve information given by the applicant. Occupation type and total income of the applicant's parents are the main information that needs to be approved for their authenticity. Therefore, the main document needed proof of income from the applicant's parents either through a payslip or approval letter on income endorsed by an authorized party. This is because the determination of qualification in getting zakat aid is based on parents' income. The issue was the doubt in the information given by student on their parents' occupation type. That also goes to parents' income information for students who did not have payslips.

“Sometimes we like is it true his dad not having a payslip or others? That is also considered a challenge as this matter cannot be generated by the system. We need to call, and check right? Haa, if he is diligent if Council all until the need to go to the person's house right? Only at our level, we are not capable as we need to check the students one by one. So maybe there is a challenge to the authenticity of information itself. Reliability of information that students gave. So based on the information that the students gave, we have to do an examination based on the information that students gave.”

According to the informant, to face this challenge several actions were taken. Among them were getting approval from applicants during the interview sessions, ensuring approval of income only by authorized personnel, checking applicants' residential locations using online applications and checking the information in the university database. Authentic information is important in the determination process of the eligibility of getting zakat aid. It can also ensure that zakat aid is received by the needy students.

Conclusion and Suggestion

In summary, the initiative of implementing zakat governance in IPT is one of the transformations in zakat management in Malaysia. This effort succeeded in imposing positive impacts when four IPTAs in the Southern Zone established respective zakat institutions. The main governance functions implemented are zakat collection and distribution among university members. However, the forms of implementation are different from each other because religious authority falls under state power. A few challenges faced in executing the task include human resources, distribution funds, information technology, attitude and

awareness and authenticity of information. Thus, IPTA zakat institution should take proactive action in encountering the challenges.

Several suggestions to upgrade zakat management in IPTA:

1. Increasing the number of human resources to ensure zakat governance is implemented more efficiently and effectively. The funds received through asnaf amil can be benefited for this purpose. This action will help smooth zakat collection and distribution operation, improve confidence in zakat institution and bring a positive image to the Muslim community.
2. Establishing a network with corporate institutions and alumni to increase distribution funds. Through a tight cooperative network, it will gain the trust and confidence of related parties to channel the zakat funds to the IPTA zakat institution.
3. Organising best practice sharing among IPTA zakat institutions. Through this approach, the university zakat institution can share knowledge, expertise, skills and technology. Indirectly this practice can strengthen cooperative relationships and help improve zakat management.
4. Providing a variety of activities to deliver information on zakat among the university community. Planning of activities is suggested to be of a holistic form and involve all levels of position and disseminative media.
- 5.

Finally, it is hoped that this study on zakat management in IPT can be widened in various aspects to fortify zakat governance. Among the aspects that should be given attention are the profile of zakat aid beneficiaries and the method of determining asnaf among students. Effective zakat management will bring positive impacts to the Muslim community in general and students in specific.

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