



Fund Management through Zakah Institutions: An Education Financing Solution

Abdullah Afandi¹, Purwanto², Baidi³

ARTICLE INFO

Article History:

Received: 13 April 2022

Received in revised form: 15 June 2022

Accepted: 11 October 2022

DOI: 10.14689/ejer.2022.100.009

Keywords

zakat, infaq, sadaqah, Muhammadiyah, education.

ABSTRACT

Purpose: This study aims to comprehend the management planning, financial management, and evaluation management for using funds for financing education in the Muhammadiyah Regional Leadership (PDM) of the Sragen Regency. **Design/methodology/approach:** The quantitative data used in this study was gathered using a cross-sectional methodology. In this study, a questionnaire with a five-point Likert scale is used. The respondents in this study were those who work directly for Muhammadiyah Regional Leadership (PDM) Sragen Regency.

Findings: The study's conclusions point to Trensains High School's implementation of a (zakat, infaq, and sadaqah) ZIS money management system as one strategy for resolving the neighbourhood's challenges. Additionally, this study showed that Zakat resources should be used fairly to enhance students' comprehension and learning. **Research limitations/implications:** This study has improved the theory by presenting a new framework for understanding how management planning, financial management, and evaluation management relate to finance for higher education. The practical ramifications of this research are equally important because it introduces a new method of financing higher education based on the Zakat. **Originality/value:** This study, which is unique work, developed and clarified a novel paradigm for financing higher education. Additionally, the results of this study add to the body of literature.

© 2022 Ani Publishing Ltd. All rights reserved.

1 Islamic State University Raden Mas Said Surakarta, Indonesia. Email: sfandibangle@gmail.com

2 Islamic State University Raden Mas Said Surakarta, Indonesia. Email: purwanto.dr@staaf.uinsaid.ac.id

3 Islamic State University Raden Mas Said Surakarta, Indonesia. Email: baidi.iain-surakarta.ac.id

Introduction

LAZIS, or institutions dealing in amil, zakat, infaq, and shadaq, have the potential to be a substitute source of finance for educational activities. [Sugianto et al. \(2022\)](#). The funding of educational projects with LAZIS is not against sharia law. According to [Cahyono and Hidayat \(2022\)](#), LAZIS can disperse zakat to help resolve social issues since it is a zakat management organization with a modern management structure, according to [Nurjannah and Abdullah \(2020\)](#). There is still a lot of LAZIS that have not fully fulfilled their potential as an alternate source of income for educational institutions ([Sukmana, 2020](#)). Because of the numerous obligations under its jurisdiction, including those in the social, medical, and other domains of Ab Shatar, Hanaysha, and Tahir, LAZIS has not been able to perform to its full potential ([Ab Shatar, Hanaysha, & Tahir, 2021](#)). Kasdi, Karim, Farida, and Huda believe that LAZIS has the potential to be a successful alternate approach for financing education ([2022](#)).

Data show that LAZIS has assisted in funding schooling for kids without successful parents ([Firdaus, Pradhana, & Anhar, 2022](#)). A nation's future is invested in by spending money on education because it produces human resources with the correct ideals, perspectives, and skills. People need to be educated to develop as individuals and contribute to their local, national, and international societies. This requires a concerted effort. Effective education management, which includes appropriate planning, implementation, and evaluation of educational programs, leads to high-quality education. An integrated scientific and comprehensive strategy is needed to manage an Islamic educational institution. The first steps are planning, organizing, mobilizing, and monitoring. This process is built on Islamic principles at every stage. The approach thus offers both material and spiritual advantages ([Hariyanto et al., 2020](#)). One aspect of managing education is the management of finances. An important aspect of the overall educational process is the supply of financial resources for educational efforts.

The total educational system is greatly influenced by the amount of money spent on education ([Fajri, 2021](#)). The educational process is ineffective without sufficient financial backing. In educational planning, Amal Usaha Muhammadiyah requires operation and end-of-period evaluations since they are essential. It is crucial to have a thorough awareness of the structure and problems related to macro and micro levels of education finance. A better alternative that leads to the accomplishment of Muhammadiyah Sragen association aims in general and educational goals in particular, including both quantitative and qualitative goals, can be devised is the "LAZISMU" education financing strategy. The policy was developed on the foundation of this knowledge. The cost of providing education is one instrumental input that is essential to its effective delivery, according to [Qurrata et al. \(2019\)](#). A concerted effort is needed to accomplish both quantitative and qualitative educational goals ([Sugianto et al., 2022](#)).

Education management should consider the question of financing, especially for the private sector, which in cost planning is only backed by funds whose sources are yet unknown. First, this study aims to comprehend the management planning for using LAZISMU funds for education financing in the Muhammadiyah Regional Leadership (PDM) of the Sragen Regency. Second, it aims to comprehend the LAZISMU fund management for education financing in the Muhammadiyah Regional Leadership (PDM) of the Sragen Regency. Third, it aims to comprehend the evaluation management of using

LAZISMU funds for education financing in the Muhammadiyah Regional Leaders. The quantitative information that was gathered for this study's noteworthy discoveries and remarkable outcomes served as the foundation for the research. This research has expanded the body of knowledge and opened up a substantial new path, practically and theoretically.

Review of Literature

Collection of ZIS funds refers to obtaining them from contributors and handing them over to management officials so they can be dispersed to legally authorized individuals to receive them (Talib, Latiff, & Aman, 2020). Zakat management organizations collect various funds, including zakat money, infaq/sadaqah funds, waqf funds, and management funds, according to Aziz and Pandey (2020). However, starting this time, a productive distribution pattern of zakat monies started to form, leading to the establishment of zakat distribution in Hafandi and Handayati. Initially, the consumptive distribution of zakat funds was more common than now (2021). The distribution innovation forms are divided into four categories for empowering zakat funds. According to Asmara and Abubakar (2019), distribution can be traditional, traditional productive, traditional creative productive, or traditional. The Ministry of Religion's Directorate General of Islamic Guidance and Hajj Affairs released the zakat manual in 2002. Modern zakat institutions disperse zakat both consumptively and productively, according to Kamal et al. (2019). Islamic Fiqh defines zakat as assets that must be taken from the wealthy and donated to eligible individuals, per the syara'. Because it is thought that zakat will cleanse the soul of miserliness and sin, it is called "holy from sin" (Rofiqoh et al., 2021). According to Law No. 23 of 2011, zakat must be given to people who qualify under Islamic law by a Muslim or a business entity (Daud, 2019). 10 different categories can be used to categorize zakat in its modern form. The following categories comprise this zakat: corporate, securities, currency trading, traded livestock, honey and animal products, sharia insurance, and property investment. Ah, zakat of the contemporary household, (Fauzin et al., 2022). According to Article 1 Number 3 of Law Number 38 of 1999 Concerning the Management of Zakat, Muzakki is defined as individuals or organizations owned by Muslims who are obligated to pay zakat. The following categories of assets are subject to taxation, as stated in paragraph 2 of Article 11 of Law No. 38 of 1999 regarding the administration of zakat: gold and silver; trade and companies; agricultural, plantation, and fishery products; mining products; livestock products; income and services; and rikaz. According to Law 38 of 1999, Mustahiq is a zakat-eligible individual or business. Eight asnaf mustahiq are listed in Article 16 of Law Number 38 of 1999 regarding zakat management. These individuals may include those who are the most economically helpless, such as orphans, the elderly, people with disabilities, students attending Islamic boarding schools, abandoned children, and those in debt. According to Qur'an at-Taubah verse 60, poor, poor, Amil, Muallaf, Riqab, Gharim, Sabilillah, and Ibnussabil are entitled to zakat (Medias et al., 2021). Nafaqa, which means passed, finished, emptied, spent, or spent, is the root of the word "infaq." To issue assets in Allah SWT's interest is to engage in infaq. ZAKT-free. Assets not given according to zakat for the people are known as infaq. The property known as infaq is given to those who do not practice zakat (Bustami, Laksamana, & Rofiqoh, 2020). Sadaqah is derived from the Arabic term ash-shidqu, which signifies sincere people. The Arabic word for the Day of Judgment and the Sadaqah is the same. Sadaqah is performing a good deed in line with the Qur'an and Sunnah, whether material or immaterial (Iman, Santoso, & Kurniawan, 2021).

All expenses incurred to provide education are referred to as "education costs" (Asmara & Abubakar, 2019). Aziz and Pandey's (2020) expansive definition of "cost" include not just monetary expenditures but also in-kind and human resources used to provide public education (which can be priced in money). According to Government Regulation of the Republic of Indonesia Number 48 of 2008 concerning Education Funding, the unit costs of education, costs associated with administering and/or managing education, and personal expenses of students are all included in the overall cost of education. Academics and professionals agree that there are several different categories of educational expenses. There are direct and indirect costs first. Bustami and others (2020). Any expenditures directly tied to educating a particular demographic are referred to as "direct costs" According to Cahyono and Hidayat (2022), direct expenses are those incurred specifically to carry out instruction and educational activities for students. Budgeting, accounting, and testing are necessary for managing educational costs (Daud, 2019). According to Fauzin et al. (2022), a budget is an operational plan that directs an institution's actions over a specific period and is expressed quantitatively in monetary terms. The budget can be used as an estimate, a mechanism to approve expenditures, and a tool for efficiency, according to Firdaus et al. (2022). Allocating funds based on priority is a crucial component of budgeting, claim (Hafandi & Handayati, 2021). Everything that is supplied as resources to buy commodities or services to accomplish educational goals constitutes the cost of education (Iman et al., 2021). Costs are the total amount of money, goods, and labor used for education (Kamal et al., 2019). According to the World Bank, "83% in primary schools; 81% in junior high schools; 78% in high schools; and 79% in vocational schools" are provided by the government. Paying salaries accounts for between 95 and 99 percent of the budget allocated to education. Families contributed 3%, 12%, 17%, and 15% to their children's education. About 1%, 3%, 2%, and 2% of the total come from outside sources, correspondingly (Kasdi et al., 2022). The federal government, state and local governments, and the general public all share responsibilities for funding education, according to Article 46, Paragraph 1 of Law No. 20 of 2003 Regarding the National Education System. Figure 1 reports the research's organizational structure.

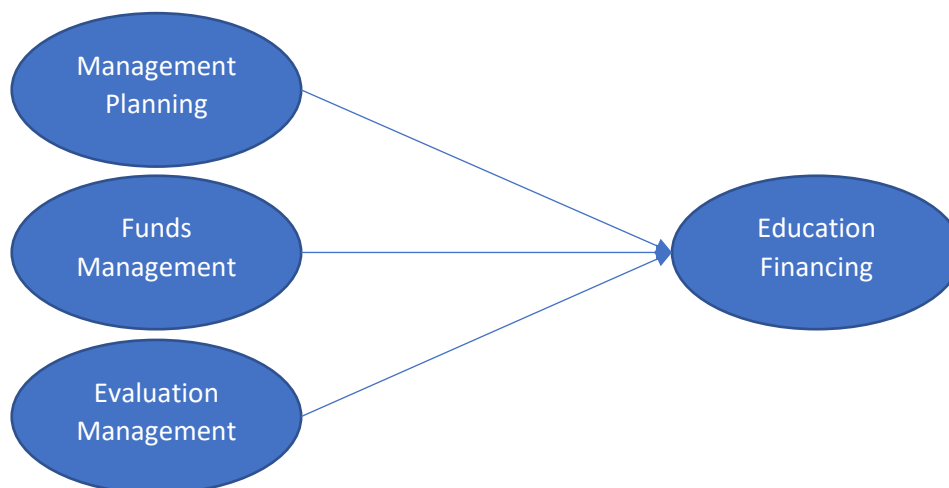


Figure 1. Research Framework

Hypothesis 1: Management planning has an impact on education financing.

Hypothesis 2: Fund management has an impact on education financing.

Hypothesis 3: Evaluation management has an impact on education financing.

Methodology

Data were gathered for this study using a "five-point Likert scale" questionnaire. The evolution and contribution of past studies in the literature were used to create the measurement items for this study. By calculating the value of "Cronbach's alpha," which is reported as " $\alpha > 0.82$," the study employed the measurement from [Kerkmann et al. \(2000\)](#) to estimate the impact of management planning on education financing. Additionally, the study used a measurement from [Amisi \(2012\)](#) to ascertain the value of "Cronbach's alpha," which is stated as " $\alpha > 0.87$," to estimate the impact of financial management on school financing. By calculating the value of "Cronbach's alpha," which is stated as " $\alpha > 0.92$," the study also incorporated the measurement from [Tauringana and Afrifa \(2013\)](#) to estimate the impact of evaluation management on education spending. Finally, by calculating the value of "Cronbach's alpha," which is reported as " $\alpha > 0.80$," this study modified the measurement from [Rai, Dua, and Yadav \(2019\)](#) for education funding to identify the impact of management planning, money management, and evaluation management on it. Table 1 lists the study's "measurement scale" information.

Additionally, the sample for this research was gathered using the "cross-sectional" data-gathering approach. The personnel closely connected to Muhammadiyah Regional Leadership (PDM) Sragen Regency made up the "population" of this study. This study uses a "survey-based" methodology and 219 questionnaires to collect its data.

Table 1.

Measurement Scale

Variables	Description
Education Financing	Education financing is fully managed to support deserving students. Education financing is possible with transparency. Education financing is helpful for needy students. The money of Zakah can be used for students' education. Education financing is necessary for students' productivity. Education financing helps students to learn better and improve their skills. Education financing is helpful for poor students.
Evaluation Management	The education financing is evaluated for transparency.
Funds Management	Education financing is necessary for different stages. The management is increasing the evaluation of education financing. The education sector improvements are necessary for financing. Fund management is a critical task in the financing of education. Fund management is an improvement with fair practices. The funds are managed for needy students' education. The funds are managed for students' better future. The Islamic amount can use for the students. Fund management practices are fair to the government.
Management Planning	The management is improving funds providing the facility. The funds are managed with transparency to improve the education of students. Fund management is based on transparent practices. Management planning for funds is for the long term. The planning of funds distribution is critical and fair. Fund management is an easy task.

Findings

The "measurement model" and "structural model" findings for data analysis have been examined in this work. For validity and reliability, the study relied on "Cronbach's alpha ()", "composite reliability (CR)", and "average variance extracted (AVE)". Field states, "Factor loading shows how well an item represents the underlying construct, and it must be over 0.70." (2013). A measure of internal consistency, or how closely connected a group of items are to one another, is called Cronbach's alpha ($\alpha > 0.70$). According to Raykov, it is regarded as a gauge of scale dependability (1997). According to Tavakol and Dennick, "Composite reliability (CR > 0.70) is a measure of internal consistency in scale items, much like Cronbach's alpha" (2011). According to dos Santos and Cirillo, "Average variance extracted (AVE > 0.50) is a measure of the amount of variance that is captured by a construct about the amount of variance due to measurement error" (2021). Figure 2 presents the outcomes of the "measurement model," while Table 2 describes the research's findings as having "reliability."

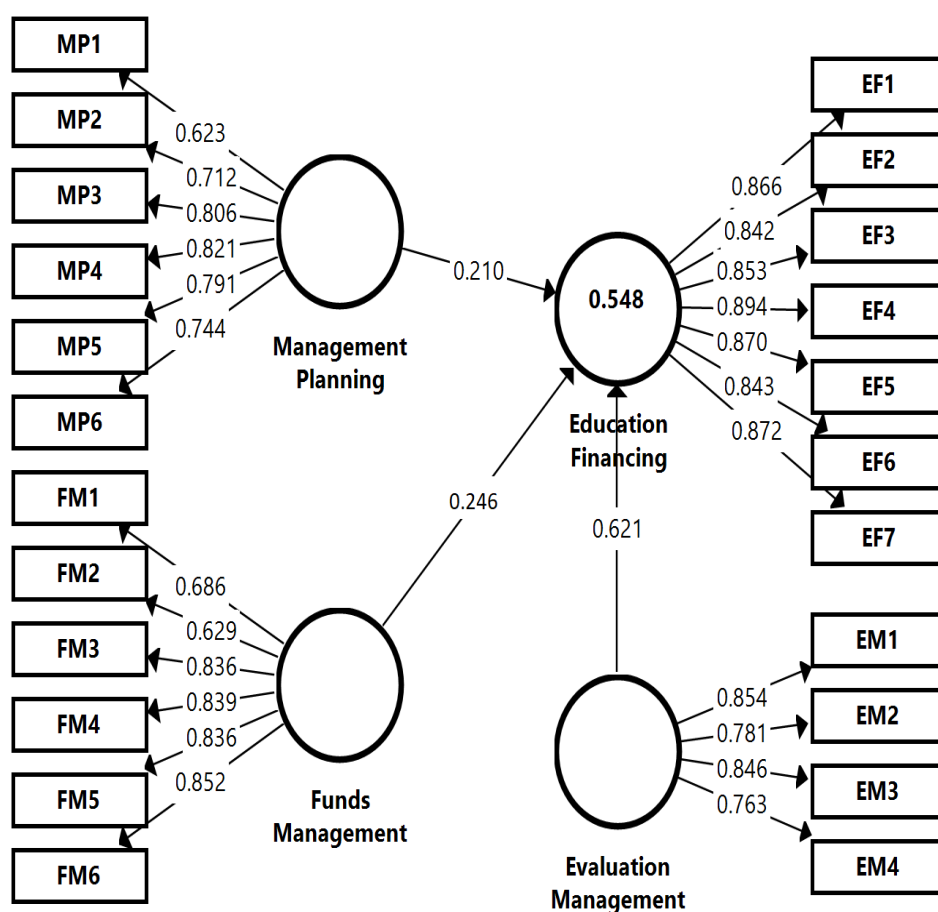


Figure 2. Measurement Model

Table 2.*Convergent Validity*

Variables	Items	Factor Loading	α	CR	AVE
Education Financing	EF1	0.866	0.943	0.953	0.745
	EF2	0.842			
	EF3	0.853			
	EF4	0.894			
	EF5	0.870			
	EF6	0.843			
	EF7	0.872			
Evaluation Management	EM1	0.854	0.831	0.885	0.659
	EM2	0.781			
	EM3	0.846			
	EM4	0.763			
Funds Management	FM1	0.686	0.875	0.905	0.616
	FM2	0.629			
	FM3	0.836			
	FM4	0.839			
	FM5	0.836			
	FM6	0.852			
Management Planning	MP1	0.623	0.846	0.886	0.566
	MP2	0.712			
	MP3	0.806			
	MP4	0.821			
	MP5	0.791			
	MP6	0.744			

According to Ab Hamid, Sami, and Sidek, "Discriminant validity tests whether concepts or measurements that are not supposed to be related are unrelated" (2017). Cross-loading, as established by Ab Hamid et al., "is to establish discriminant validity at the item level means there is a high correlation between items of the same construct and a very weak correlation between items of a different construct" (2017). According to Ab Hamid et al., "HTMT is a measure of similarity between latent variables" (2017). Gold, Malhotra, and Segars said, "The threshold of HTMT is debatable; most publications recommend value should be below 0.90." (2001). The results of "HTMT" are noteworthy and are presented in Table 3. Moreover, Table 4 shows the important results of "cross-loadings."

Table 3.*Discriminant Validity - HTMT*

	Education Financing	Evaluation Management	Funds Management	Management Planning
Education Financing				
Evaluation Management	0.788			
Funds Management	0.631	0.752		
Management Planning	0.657	0.802	0.805	

Table 4.

Cross Loadings

	Education Financing	Evaluation Management	Funds Management	Management Planning
EF1	0.866	0.629	0.490	0.462
EF2	0.842	0.659	0.544	0.504
EF3	0.853	0.618	0.488	0.484
EF4	0.894	0.618	0.544	0.535
EF5	0.870	0.603	0.544	0.543
EF6	0.843	0.621	0.531	0.538
EF7	0.872	0.633	0.536	0.540
EM1	0.545	0.854	0.754	0.572
EM2	0.434	0.781	0.730	0.503
EM3	0.574	0.846	0.721	0.604
EM4	0.722	0.763	0.493	0.511
FM1	0.572	0.549	0.686	0.681
FM2	0.217	0.408	0.629	0.403
FM3	0.412	0.661	0.836	0.492
FM4	0.451	0.657	0.839	0.508
FM5	0.475	0.704	0.836	0.482
FM6	0.573	0.757	0.852	0.608
MP1	0.298	0.442	0.522	0.623
MP2	0.406	0.452	0.445	0.712
MP3	0.473	0.584	0.584	0.806
MP4	0.492	0.595	0.638	0.821
MP5	0.534	0.515	0.539	0.791
MP6	0.445	0.456	0.501	0.744

The study found that management planning greatly affects how much money is spent on education, supporting the first premise. The second hypothesis is mostly supported by the study's findings that money management has a notable impact on education financing. Finally, the study found that assessment management strongly affects education financing, supporting the first premise. In this way, the study proved that all of the hypotheses' conclusions were accepted and reported in Figure 3 and Table 5.

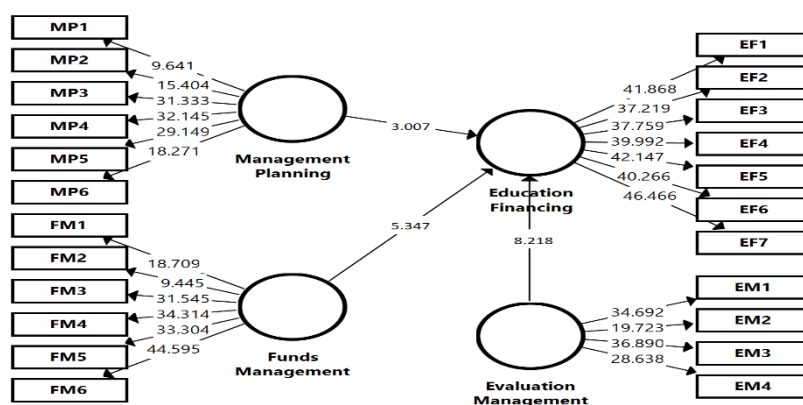


Figure 3. Structural Model

Table 5.*Hypotheses Results*

Relationship	Original Sample	Standard Deviation	T Statistics	P Values
Management Planning -> Education Financing	0.210	0.070	3.007	0.003
Funds Management -> Education Financing	0.246	0.046	5.347	0.000
Evaluation Management -> Education Financing	0.621	0.076	8.218	0.000

Discussion

All of the research's hypotheses have been accepted after finding substantial outcomes for its findings. It is now required that SMA Trensains Sragen identify and inventory planned activities or programs before beginning to prepare the Draft Revenue and Expenditure Budget (RAPB). Needs that are commonplace and unexpected are combined at this stage. Program-continuing activities are found and inventoried by Central Lazismu. The Chairperson of the Governing Body approves the RAPB, with coordination and management provided by Lazismu Sragen's General Administration and Finance Division. Next, identify the financing sources for your planned programs or activities. The funding source must be considered when creating the RAPB because it impacts the ZIS SMA 'Trensains' Sragen financing for programs and activities. Islamic financial instruments include zakat, infaq, and waqf (in this case, the LAZISMU recording is bound to infaq). Lazismu Sragen granted SMA Trensains Sragen the authority to manage ZIS funds. SMA Trensains Sragen has access to zakat, general infaq, and bound infaq funds but has relied on 98% bound infaq and 2% zakat funds thus far. Infaq and waqf have no maximum amount. However, zakat is computed between 2.5 and 10%. The requirement to give zakat is based on Islam's five pillars. In the interim, waqf and infaq are regarded as sunnah. The property's value remains at 97.5% to 90% even after a Muslim has paid the necessary zakat of 2.5% to 10%. This suggests that the potential for non-zakat assets has not been utilized. At this point, waqf starts to look quite promising and can offer a solution to the problems that people are now experiencing.

The RAPB is a document that the head and staff of the Trensains SMA Service Office utilize to carry out programs and activities. It was created by Lazismu Sragen's General Administration and Finance Division. The RAPB document is initially produced as a working paper and approved by the principal before being ratified. The SMA Trensains Sragen working paper format mandates thorough documentation of all revenue and spending sources in an annexed activity plan and budget. The working paper for ZIS SMA Trensains Sragen is written in a style that assumes anyone interested in knowing about the organization's earnings and expenses can easily grasp it. According to [Ab Shatar et al. \(2021\)](#), consent to amend the budget is only done under rare circumstances, making it challenging to put into practice even though it can happen. Not all events can be predicted or budgeted for. SMA 'Trensains' Sragen references previously published works. To achieve the desired outcome of the ZIS fund management plan of SMA Trensains Sragen, a mature RAPB plan involving the Chairman of the Governing Body, the manager of the Head of the General Administration and Finance Division of LAZISMU Sragen, the Head and Staff of the "Trensains" SMA Service Office, and others were decided through meetings and deliberation. Ronny Megas Sukarno, manager of LAZISMU Sragen, was afterwards interviewed. The SMA "Trensain" budget is created one month before the new year start.

Since the distribution of educational funds has such a significant impact on the calibre of educational services, planning and implementation must be realistic and consider management capacity (Asmara & Abubakar, 2019; Aziz & Pandey, 2020; Baryal, Mehraein, & Patang, 2022; Bustami et al., 2020; Cahyono & Hidayat, 2022). Consequently, a good planning policy is needed to set spending plans with specified goals in mind. A research-based spending policy, which requires that decisions on how to allocate cash be based on quantifiable, verifiable research findings, is one way to guarantee the program's effectiveness (Baryal et al., 2022). As part of the planning preparation phase, activities and programs for a specific fiscal year must be defined and inventoried, as well as financing sources. Working papers describing both must be gathered into an acceptable format (Daud, 2019). According to Fauzin et al. (2022), identifying activities is a step in budgeting. The inventory of educational programs and extracurricular activities for the following year is the first stage in budgeting, according to Firdaus et al. (2022). The most successful waqf model today is Al-Azhar in Egypt. Waqf still supports Al-Azhar after a millennium. At Al-Azhar, 500 000 international students receive free education. They come from 120 countries. There are 20,000 students in Sudan. 3.0 Indonesians. Waqf provides all funding. The Haramain waqf in Mecca and Medina can serve as a paradigm for modern waqf designs. Indonesia should revere Gontor's waqf model. Gontor was established by Trimurti in 1926 and given to the populace in 1958. Alumni lodges after that came. A waqf model is the eight-year-old Tazakka cottage in Batang. According to reports, Harvard and the Vatican replicated the European Islamic waqf structure (Hariyanto et al., 2020). The findings mentioned above are consistent with the definition of planning as "a rational and systematic process in determining the steps of activities to be carried out to achieve set goals," It is useful first to identify and then take stock of potential issues and solutions to save time and get ready for the future. To make identifying and inventorying easier, accurate and complete data are needed. According to Baryal et al. (2022), the budget planning process will increasingly focus on analyzing school development demands over a specific period. The length of a budget can range from one to twenty-five full fiscal years. The management group at the SMA Trensains Sragen Service Office is in charge of developing the ZIS fund management strategy in this instance. As a result, collaboration is essential for the successful planning, implementation, and assessment phases.

Budget planning "departs from the planned activity or program that has been prepared and then calculated how much it will cost to carry out these activities, not from the number of available funds," according to Firdaus et al. (2022). This arrangement, therefore, serves the budget's principal function as a tool for activity control. Although the process is less complex than budgeting in major corporations or government organizations, it must be founded on fundamental guidelines and standards. Cash flow and expenditure The budget term is the budget plan (RAPB). RAPB is a strategy for obtaining ZIS management funding from multiple sources of ZIS fund collection. It includes an annual routine work schedule, other tasks, and information on the financing scheme for a single fiscal year (Sugianto et al., 2022). According to Talib et al., RAPB is a collection of school activity plans that organize, coordinate, carry out, and manage upcoming teaching and learning activities (2020). All aspects of budget management, from planning to accountability, are included in the RAPB. RAPB is prepared with care.

Developing a plan for ZIS Management Community difficulties can be helped by Trensains SMA's ZIS fund management system planning based on. Along with the Chairperson of the Governing Body, the Head Manager of LAZISMU Sragen's General

Administration and Finance Division, and the Head and Staff of the Trensains SMA Service Office. Applying for ZIS funding by Trensains SMA Sragen involves several activities connected to fund collection, disbursement, and documentation. Controlling the use of allotted funds, regular meetings or closings with sub-district staff, AUM, and mosques to adjust the supply and distribution of ZIS funds based on records or proof of receipt and distribution, and my participation in these procedures all contribute to the assessment and accountability for education financing based on ZIS funds. Lessons learnt from managing the ZIS funds at SMA 'Trensains' Sragen can be applied to other AUMs with Lazismu Sragen's assistance. This is especially true if we believe that LAZISMU Sragen's management will remain as successful as it has thus far. LAZISMU Sragen has implemented planning, actuarial analysis, and assessment to manage ZIS funds at SMA "Trensains." Sragen can be used for other AUMs, especially if LAZISMU Sragen's administration keeps succeeding. Planning, actuarial analysis, and evaluation were all included by LAZISMU Sragen in the management of SMA "Trensains" ZIS funds. For ZIS funds, RAPBs are prepared by SMA 'Trensains' Sragen. One of ZIS's year-end fund management plans is this one. Since SMA 'Trensains' Sragen started operating in 2017, it has used Statement of Accounting Standards 109 (PSAK 109) concerning Accounting for Zakat and Infaq/ Alms to improve the quality of financing reporting promptly. As a result, the implementation of the education financing system is going well because it is already in the socialization stage. Infaq/alms are defined by PSAK 109 as property provided willingly by the owner, whether or not with restrictions. As a result, timely, honest financial reporting has improved in quality. Monthly discussions or closings with staff from the sub-district and mosque analyze progress. Based on pre-existing files or proof of receipt and distribution, ZIS funds are gathered and disbursed during these meetings.

Implications

This study has improved the theory by presenting a new framework for understanding how management planning, financial management, and evaluation management relate to finance for higher education. The study revealed in the literature that management planning has a good impact on zakat financing for education. This study created a novel relationship in the literature that earlier studies had not considered. Similarly, the study revealed in the literature that education management has a favorable impact on zakat finance for education. Additionally, the association discovered by this study is novel in the literature and was not taken into account by earlier research.

Additionally, the current study shows in the literature that assessment management favours zakat finance for education. This study created a novel relationship in the literature that earlier studies had not considered. This research's model to the corpus of knowledge is an important addition, and past studies have not covered any models. As a result, the current work is noteworthy in terms of its theoretical ramifications.

This study made it clear that financing education in the "Muhammadiyah Regional Leadership" needed to be addressed and carried out effectively. Applying a properly planned system will increase its efficacy and efficiency. The study showed that the government's priority is to enhance management planning because planning plays a crucial role in every step of this activity. In addition, this study claimed that planning is essential to financing students' higher education and that it should be carried out properly by anticipating every eventuality. This study also showed that planning is a key step in

developing education finance but that financing must be done fairly and following the fund's management. Proper money management techniques are helpful for efficiently applying funds related to improving the educational sector. The report also made clear that there should be no ambiguity in how student money is managed and that it should be handled appropriately. The materials should be used fairly to help the pupils better comprehend and learn about Zakat.

Future Directions

This study, which is unique work, developed and clarified a novel paradigm for financing higher education. Additionally, the results of this study add to the body of literature. However, the study found that management planning, budget management, and assessment management greatly affect how much money is spent on education. However, this study does not add any moderating or mediating relationships. Therefore, it is advised that researchers look into how financial control affects the relationship between planning management and financing for higher education in future studies. Researchers are advised to look into how financial control affects how money is managed and how much money is spent on education in future studies. Researchers should also look into how financial control affects how evaluation management and education funding interact. It is also advised that researchers look into how information communication technology mediates the relationship between planning, management, and finance of higher education in future studies. It is also advised that researchers look into the mediating function of transparency between planning management and education financing in future studies. By working in these important directions, scholars can thus add more literature and contribute more to the literature.

References

- Ab Hamid, M., Sami, W., & Sidek, M. M. (2017). Discriminant validity assessment: Use of Fornell & Larcker criterion versus HTMT criterion. *Journal of Physics: Conference Series*, 890(1), 012163. <https://doi.org/10.1088/1742-6596/890/1/012163>
- Ab Shatar, W. N., Hanaysha, J. R., & Tahir, P. R. (2021). Determinants of cash waqf fund collection in Malaysian Islamic banking institutions: empirical insights from employees' perspectives. *ISRA International Journal of Islamic Finance*, 13(2), 177-193. <https://doi.org/10.1108/IJIF-06-2020-0126>
- Amisi, S. (2012). *The effect of financial literacy on investment decision making by pension fund managers in Kenya*. (Doctoral dissertation). School of Business. <http://erepository.uonbi.ac.ke:8080/xmlui/handle/123456789/12563>
- Asmara, T. T. P., & Abubakar, L. (2019). Juridical study on the optimization of cash waqf management by Islamic banking in Indonesia. *PADJADJARAN Jurnal Ilmu Hukum (Journal of Law)*, 6(3), 427-445. <https://doi.org/10.22304/pjih.v6n3.a1>
- Aziz, A., & Pandey, B. D. (2020). Integrating Waqf with Islamic Microfinance Institutions: Growth Expansion and Sustainable Development in India-Short Communication. *Ansari Journal of Ultra Scientist of Engineering and Management (AJUSEM)*, 4(1), 9-11. <http://www.enggandmgtjournal.org/19/download-research-paper>
- Baryal, B., Mehraein, M., & Patang, G. (2022). The Role of Cash Waqf Model in Education Development-Evidence from Afghanistan. *Integrated Journal for Research in Arts and Humanities*, 2(6), 158-163. <https://doi.org/10.55544/ijrah.2.6.21>

- Bustami, B., Laksamana, R., & Rofiqoh, Z. (2020). Waqf fundraising through money in the industrial revolution 4.0 era: A case study on Baitulmaal Munzalan Indonesia. *Ijtihad: Jurnal Wacana Hukum Islam Dan Kemanusiaan*, 20(1), 23-40. <https://ijtihad.iainsalatiga.ac.id/index.php/ijtihad/article/view/3921>
- Cahyono, E. F., & Hidayat, S. E. (2022). Cash Waqf and The Development: A Case Study of Cash Waqf Linked Sukuk in Indonesia. *El Barka: Journal of Islamic Economics and Business*, 5(1), 150-182. <https://doi.org/10.21154/elbarka.v5i1.3713>
- Daud, D. (2019). The role of Islamic governance in the reinforcement waqf reporting: SIRC Malaysia case. *Journal of Islamic Accounting and Business Research*, 10(3), 392-406. <https://doi.org/10.1108/JIABR-01-2017-0008>
- dos Santos, P. M., & Cirillo, M. A. (2021). Construction of the average variance extracted index for construct validation in structural equation models with adaptive regressions. *Communications in Statistics-Simulation and Computation*, 1-13. <https://doi.org/10.1080/03610918.2021.1888122>
- Fajri, D. (2021). Harmonization of Waqf Money (Cash Waqf) at the University of Bung Hatta. *Budapest International Research and Critics Institute (BIRCI-Journal): Humanities and Social Sciences*, 4(3), 5927-5935. <https://doi.org/10.33258/birci.v4i3.2391>
- Fauzin, A., Sholihin, R., Hidayat, A. R., & Hidayah, K. L. (2022). Strategy For Intensifying Cash Waqf In Islamic Banking To Support Green Finance Programs In Indonesia. *Jurnal Ekonomi*, 11(02), 1247-1254. <http://ejournal.seaninstitute.or.id/index.php/Ekonomi/article/view/542>
- Field, A. (2013). *Discovering Statistics using IBM SPSS Statistics*. Sage Publications Ltd. <https://dl.acm.org/doi/abs/10.5555/2502692>
- Firdaus, M. I., Pradhana, T. A., & Anhar, Z. Y. (2022). Distribution of Cash Waqf With Debt and Receivable Mechanisms Perspective of Islamic Law and Positive Law. *Al-Insyiroh: Jurnal Studi Keislaman*, 8(2), 37-56. <https://doi.org/10.35309/alinsyiroh.v8i2.5682>
- Gold, A. H., Malhotra, A., & Segars, A. H. (2001). Knowledge management: An organizational capabilities perspective. *Journal of management information systems*, 18(1), 185-214. <https://doi.org/10.1080/07421222.2001.11045669>
- Hafandi, A., & Handayati, P. (2021). Is Cash Waqf Linked Sukuk (CWLS) Less Than Ideal According to Islamic Laws? *Studies of Applied Economics*, 39(12), 1-16. <https://doi.org/10.25115/eea.v39i12.6207>
- Hariyanto, E., Taufiq, M., Abidin, Z., Ulum, M., & Maimun, M. (2020). Effectiveness of the economic system to zakat and waqf for empowerment of the Ummah in Indonesia. *International Journal of Advanced Science and Technology*, 29(06), 1910-1916. <http://sersc.org/journals/index.php/IJAST/article/view/12895>
- Iman, N., Santoso, A., & Kurniawan, E. (2021). Wakif's Behavior in Money Waqf: an Approach to Theory of Planned Behavior. *Ekulibrium: Jurnal Ilmiah Bidang Ilmu Ekonomi*, 16(1), 12-23. <https://doi.org/10.24269/ekulibrium.v16i1.3184>
- Kamal, M., Hanafiyah, H., Nainunis, N., Safrizal, S., Munawir, M., & Bahri, S. (2019). Method of Instinbâth Law of Money Waqf Abu Hanifah Immediate Perspective. *Budapest International Research and Critics Institute-Journal (BIRCI-Journal)*, 2(1), 304-313. <https://doi.org/10.33258/birci.v2i1.198>
- Kasdi, A., Karim, A., Farida, U., & Huda, M. (2022). The Development of Waqf in the Middle East and its Role in Pioneering Contemporary Islamic Civilization: A Historical Approach. *Journal of Islamic Thought and Civilization*, 12(1), 186-198. <https://doi.org/10.32350/jitc.121.10>

- Kerkmann, B. C., Lee, T. R., Lown, J. M., & Allgood, S. M. (2000). Financial Management, Financial Problems And Marital Satisfaction Among Recently Married University Students. *Journal of Financial Counseling and Planning*, 11(2), 55-65. <https://www.proquest.com/openview/042e8ea8f8e3986ea49633d169bf5834>
- Medias, F., Ab Rahman, A., Susanto, A. A., & Pambuko, Z. B. (2021). A systematic literature review on the socio-economic roles of waqf: evidence from organization of the Islamic cooperation (OIC) countries. *Journal of Islamic Accounting and Business Research*, 13(1), 177-193. <https://doi.org/10.1108/JIABR-01-2021-0028>
- Nurjannah, N., & Abdullah, M. W. (2020). Cash Waqf: Economic Solution during the Covid-19 Pandemic. *FITRAH: Jurnal Kajian Ilmu-ilmu Keislaman*, 6(2), 223-242. <https://doi.org/10.24952/fitrah.v6i2.3058>
- Qurrata, V. A., Narmaditya, B. S., Saprillina, L., & Hussain, N. E. B. (2019). The implementation and development of productive waqf in Indonesia: Case at malang islamic hospital. *Humanities & Social Sciences Reviews*, 7(4), 533-537. <https://doi.org/10.18510/hssr.2019.7471>
- Rai, K., Dua, S., & Yadav, M. (2019). Association of financial attitude, financial behaviour and financial knowledge towards financial literacy: A structural equation modeling approach. *FIIB Business Review*, 8(1), 51-60. <https://doi.org/10.1177/2319714519826651>
- Raykov, T. (1997). Estimation of composite reliability for congeneric measures. *Applied Psychological Measurement*, 21(2), 173-184. <https://doi.org/10.1177/01466216970212006>
- Rofiqoh, S. N. I., Ratnasari, R. T., Sukmana, R., & Ala'uddin, M. (2021). Model Of Islamic Corporate Governance Cash Waqf Based On Entrepreneurship: A Multi Case Study In Indonesia And Malaysia. *Multicultural Education*, 7(2), 145-155. <https://doi.org/10.5281/zenodo.4515941>
- Sugianto, S., Soemitra, A., Yafiz, M., Dalimunthe, A. A., & Ichsan, R. N. (2022). The implementation of waqf planning and development through Islamic financial institutions in Indonesia. *JPPPI (Jurnal Penelitian Pendidikan Indonesia)*, 8(2), 275-288. <https://doi.org/10.29210/020221430>
- Sukmana, R. (2020). Critical assessment of Islamic endowment funds (Waqf) literature: lesson for government and future directions. *Heliyon*, 6(10), e05074. <https://doi.org/10.1016/j.heliyon.2020.e05074>
- Talib, N. Y. A., Latiff, R. A., & Aman, A. (2020). An institutional perspective for research in waqf accounting and reporting: A case study of Terengganu state Islamic Religious Council in Malaysia. *Journal of Islamic Accounting and Business Research*, 11(2), 400-427. <https://doi.org/10.1108/JIABR-11-2016-0132>
- Tauringana, V., & Afrifa, G. A. (2013). The relative importance of working capital management and its components to SMEs' profitability. *Journal of Small Business and Enterprise Development*, 20(3), 453-469. <https://doi.org/10.1108/JSBED-12-2011-0029>
- Tavakol, M., & Dennick, R. (2011). Making sense of Cronbach's alpha. *International Journal of Medical Education*, 2, 53-55. <https://doi.org/10.5116/ijme.4dfb.8dfd>