

## **Accountability and Transparency of Wakf in the Management of Social Funds and Empowerment of the People**

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### **Abstract**

As an instrument of Islamic philanthropy with a rich history, Waqf has great potential in improving the management of social funds and empowering the community. This research examines the crucial role of accountability and transparency in managing social funds and empowering the people through waqf institutions. The analysis focuses on how implementing these principles can strengthen the effectiveness of waqf fund management to achieve humanitarian goals and community empowerment.

The research methodology includes a literature review and case study. The research results show that the use of relevant accounting standards, transparency in financial reporting, and strong accountability in waqf management institutions positively influence the management of social funds. Hopefully, this conclusion will provide further insight into optimizing the management of social funds through the principles of accountability and transparency in the realm of waqf.

The author's suggestion for further research is to adopt a quantitative approach through interviews or questionnaires focusing on specific nazir entities. The research results will likely provide significant practical contributions to the Nazir entity by exploring in-depth case studies.

**Keyword:** *accountability, transparency, waqf, social funds, community empowerment*

### **Abstrak**

Wakaf, sebagai instrumen filantropi Islam yang kaya sejarah, memiliki potensi besar dalam meningkatkan pengelolaan dana sosial dan pemberdayaan umat. Penelitian ini mengkaji peran krusial akuntabilitas dan transparansi dalam pengelolaan dana sosial dan pemberdayaan umat melalui lembaga wakaf. Analisis difokuskan pada cara implementasi prinsip-prinsip ini dapat memperkuat efektivitas pengelolaan dana wakaf untuk mencapai tujuan kemanusiaan dan pemberdayaan masyarakat.

Metodologi penelitian mencakup tinjauan literatur dan studi kasus. Hasil penelitian menunjukkan bahwa penggunaan standar akuntansi yang relevan, transparansi dalam pelaporan keuangan, serta akuntabilitas yang kuat dalam lembaga pengelola wakaf memengaruhi positif pengelolaan dana sosial. Kesimpulan ini diharapkan dapat memberikan wawasan lebih lanjut tentang optimalisasi pengelolaan dana sosial melalui prinsip-prinsip akuntabilitas dan transparansi dalam ranah wakaf.

Saran penulis untuk penelitian selanjutnya adalah mengadopsi pendekatan kuantitatif melalui wawancara atau kuesioner dengan fokus pada entitas nazir yang spesifik. Dengan mengeksplorasi studi kasus yang mendalam, diharapkan hasil penelitian dapat memberikan kontribusi praktis yang signifikan bagi entitas nazir tersebut.

**Kata kunci:** *akuntabilitas, transparansi, wakaf, dana sosial, pemberdayaan umat*

## Introduction

Waqf is one of Islam's teachings with spiritual and material components. Waqf has many benefits, including helping people in need become better (their needs are met). The assets of religious and community organizations can become long-term investments in building public facilities that the community needs. One of the main elements of spiritual waqf is a branch of worship that brings waqf closer to Allah SWT. This point is important because waqf is understood as an effort to transform waqf assets into investment capital capable of producing benefits for the interests of the mauquf 'alaih..

One way to ensure the implementation of waqf activities is to implement an accounting system that complies with sharia. Sharia accounting is a commonly used Islamic monetary framework to support Islamic values. One of the benefits is that it becomes an integral part of human obedience to God. Sharia accounting should be viewed as a cultural and social evolution of Islam, emphasizing financial governance's importance. The Islamic financial and monetary system consists of sharia accounting, a tool of accountability following sharia principles (Siti et al.: 2023). For internal and external parties, Sharia accounting provides relevant financial data.

In addition, the Indonesian Accounting Association (IAI: 2021) created Sharia Financial Accounting Standards (SAK Syariah) to provide widely accepted regulations. In particular, PSAK 112 aims to ensure transparency and accountability of waqf fund managers. As the person responsible for administering religious and community organizations, the Nazir must know where the assets of the religious and community organizations are sourced or stored. This is very important in preparing waqf asset accounting reports. Where required, the method of allocating waqf assets in financial reports must not be hidden to avoid misunderstandings by other parties. Transparency or disclosure (not confidentiality) of financial information has significant implications for organizations/institutions, where transparency is related to full disclosure of waqf cash flows following clear regulations regarding the receipt and distribution of waqf according to its purpose, both internally and externally.

The Muslim waqf sector in Indonesia will experience extraordinary growth in 2022. According to the Ministry of Religion's Waqf Information System, waqf land in Indonesia covers 440,500 sites with a total area of 57.2 hectares. Furthermore, the Indonesian waqf sector, especially cash waqf, has the potential to reach IDR 180 trillion annually. As of March 2022, the cash waqf income collected by the Indonesian Waqf Board was IDR 1.4 trillion, an increase of IDR 855 billion from the cash waqf income collected between 2018 and 2021. For religious and community organizations

to remain relevant with their potential and reality, This enormous potential must be balanced with good management of religious and community organizations. Efforts to improve the management of religious and community organizations were successful, thanks to government support and Nazir's professionalism. The Ministry of Religion and the Ministry of ATR/BPN work in more than 400 districts/cities, and as of November 2022, 18,808 waqf land certificates have been issued. Land certification of religious and community organizations can strengthen the legal basis for religious and community organizations and enable the land of religious organizations and communities to be used for community worship and charitable purposes (Ministry of Religion, 2022). In addition to waqf land certification, authorities such as BWI are also working to improve the professional standards of Nazirs through training and certification of Nazirs at the central and regional levels.

To improve performance, waqf awareness must be increased, government support must be increased, waqf certification must be accelerated, nazir management must be improved, and waqf data must be digitized and integrated. Waqf performance measurements must be carried out to increase awareness of waqf management and monitor waqf progress (Siraj, 2012; Khalil et al., 2014; Siswantoro et al., 2017). BWI can develop long-term plans for waqf management in Indonesia by comparing the results of regional measures over time because the National Waqf Index (IWN), launched in 2020, serves as a benchmark for waqf performance at the national level. It can also be a tool for waqf authorities to assess and monitor the overall status of waqf activities in the country, improve the registration of waqf assets, and demonstrate transparency and accountability of waqf managers (Zain et al., 2019). Waqf is very strategic, considering Indonesian society's social and economic problems. Waqf is a teaching that emphasizes the importance of economic welfare (social aspect) and human happiness, and is one aspect of Islamic teachings with a spiritual dimension.

It is very important to pay attention to the management of waqf because waqf is a noble act of worship for Muslims, especially with regard to the social benefits that will be obtained. It is considered noble because the rewards from this practice are received while the wakif is still alive and continue to flow after the wakif dies. Waqf is a source of capital for Muslims that must be developed, used, and managed professionally to achieve optimal benefits to reduce poverty and improve community welfare. The more people use it, the more rewards will flow to the wakif.

According to the Indonesian Ulema Council, Dr. KH. Anwar Ibrahim and H. Amidhan, waqf as an Islamic institution can help welfare, especially in the fields of

education, health, da'wah, and economic empowerment of the people. Major countries must support and have the will to initiate, facilitate, finance, and coordinate cross-institutional initiatives in the investment sector to utilize Indonesia's enormous land and waqf resources to improve the Indonesian economy and general welfare.

Cash waqf, a new movement in the waqf, can be important in building programs that encourage community empowerment. As a result, the government is one of many parties responsible for promoting community empowerment. All sectors of society must carry out social empowerment. According to Law No. 41 of 2004 concerning Waqf, the Indonesian Waqf Board is given the authority to manage waqf assets domestically and abroad, thereby enabling community empowerment programs through the waqf system. According to the basic nature of waqf, waqf assets must be permanent, cannot be changed, managed, or distributed according to their intended purpose, and must be by social security programs. How the results of the management of waqf assets will be distributed is the decision of the wakif in the waqf (*mauquf alaih*). Two types of cash waqf are regulated by law: cash waqf for a certain period and cash waqf for eternity. Waqf money must be invested in financial institution instruments to make it safer and easier for the waqf party to receive the money-back at maturity. For cash waqf to last forever, the Nazir has full authority to manage and develop waqf funds to achieve the stated goals. If the investment is made with waqf pooled funds, the net profit from the investment or gross income after deducting operational costs will be distributed by the waqf law. Ninety percent of the profits will be given to the waqf (*mauquf alaih*), and another ten percent will be given to the nazir or administrator.

A wakif can choose how his waqf assets will be used, such as permitting the community and community empowerment in education, health, social, and economic sectors. For example, educational empowerment can take the form of establishing free schools with guaranteed quality or support for school costs and equipment by considering teacher welfare. At the same time, health empowerment can take the form of free health checks and treatment for those living in difficult circumstances. Pregnant women and mothers who cannot afford it can also receive assistance with medical and delivery costs. For street or unemployed children, further social empowerment can include entrepreneurship and vocational training. Apart from that, treatment and rehabilitation programs for teenagers who experience problems (such as drugs, violence, prostitution, etc.) can also be part of social empowerment. Economic empowerment could include increased financial support for small entrepreneurs

through the Qardhul Hasan program and additional support in training and business development, marketing support, and improving product quality. In waqf and sharia economic empowerment, retained assets must be managed so that they can be used to provide productive benefits, such as providing business capital to poor groups who can work (Muhammad et al., 2020).

## **Literature Review**

### **Accountability Concept**

According to Mardiasmo (2002), Accountability is the responsibility of a manager or someone with authority (representative) to report, report, and announce all events and activities. The obligations in question are obligations towards other parties (principals) who have the right to ask questions. They also need a work ethic to be accountable for their work fairly and transparently. A work ethic is necessary to achieve sustainable good performance (Yuliafitri and Rivaldi, 2017).

According to Islamic thinking, work is a human responsibility. As a Caliph sent by the Creator, Allah Subhanahu Wa Ta'ala, then man must be brave to take responsibility for what he does according to the Qur'anic verse "Indeed, Allah commands you to deliver the mandate to those who deserve it, and (commands you) when establishing a law between human beings that you may decide justly. Indeed, Allah is All-Hearing and All-Seeing" (Q.S An Nisa 4:58).

### **Transparency Concept**

According to Schnackenberg & Tomlinson (2016) transparency is a perception of the quality of information obtained and needed between several parties. Entities must provide relevant, adequate, timely, accurate and comparable information and easily accessible to stakeholders in accordance with their rights, where stakeholders will be able to see important information as a basis for decision-making (Yuliafitri & Rivaldi, 2017).

### **Definition of Waqf**

Waqf is a concept in Islam that refers to the act or deed of donating or handing over property or possessions for a sacred or charitable purpose, such as education, social activities, or other charities. The property or assets donated may not be sold, transferred ownership, or used for personal purposes but must be used in accordance with the purposes specified in the waqf agreement. Waqf is an important form of charity in the Islamic religion and aims for social and humanitarian benefits.

### **Legal Basis of Waqf**

According to most scholars, WAKaf is one of the obligatory forms of worship.

This is based on the general understanding of the verses of the Quran that explain charity, as well as hadiths that discuss waqf at the time of the Prophet (Wahbah al-Zuhaili, 1989: 8/157). Because waqf includes charity, scholars often use verses from the Quran to explain the concept of waqf. "O you who believe, save (in the way of God) a portion of the good results of your efforts and a portion of what We seized from the land for you," according to Verse 267 of Surat al-Baqarah. This is what is in the letter.

Verse 92 of the Qur'an in Surah Ali Imran, which reads, "You will never achieve (perfect) virtue until you spend some of the wealth you love," is also one of the verses that can be used as proof. "And do not assume that Allah cannot give as much as possible because Allah is vast in His bounty. Moreover, do not assume that He does not know who gives in His way sincerely, because He is All-Knowing entitled to receive the gift, and All-Knowing of all the intentions of His servants" (QS Al-Baqarah verse 261).

### **Management of Waqf Assets**

According to Article 42 of Decree Law Number 41 of 2004, Nazir is responsible for managing and developing waqf assets in accordance with their objectives, functions and designation. Investment, debt collection, production, agriculture, mining, industry, technology development, and construction of buildings, apartments, supermarkets, shops, offices, educational and health facilities, and other businesses must be examples of controls that comply with sharia.

### **Report**

Regarding reports from waqf management institutions, Nazir must provide a report to the Indonesian Waqf Board (BWI) every six (6) months, with a copy to the Director General of Teacher Islamic Guidance at the Ministry of Religion. This report must include how the management and development plan was implemented and how the results of management and development were used in the following year. Reports must be sent 3 (three) months before the term of office ends.

### **Waqf Endorsement**

In the era of Islamic glory, waqf was successful, even though its management was still very simple. Waqf is considered to be the heyday of the 8th-9th Hijriyyah centuries when it experienced extraordinary development. At that time, waqf included various things, such as schools, offices, mosques, prayer rooms, and buildings used for public purposes. This custom still exists in many countries at various levels of development. Because of its function to develop socioeconomic and cultural activities of society, waqf plays an important role in the development of Islam. Waqf provides many conveniences to the community and helps with research. For example, in the

public health sector, which includes the construction of hospitals, medical colleges, and pharmaceutical and chemical companies

In several countries such as Egypt, Jordan, Saudi Arabia, and Turkey, waqf is used for worship, education, and agriculture. Businesses, plantations, apartments, money, shares, real estate, and others are well managed. Therefore, the findings can be used for the public interest. Waqf institutions currently manage various types of assets, such as assets set aside by the government for the general budget; assets used to guarantee debts, grants, wills, and charities; documents, funds, or assets managed for spending; and other items that help increase and develop waqf assets. To ensure that waqf assets are managed well and benefit the wider community, the waqf board will determine a number of points. First, waqf assets can be stored in sharia banking to enable growth. Second, waqf institutions through wizaratu auqaf participate in forming sharia banks and collaborating with various businesses. Third, waqf institutions form economic institutions collaborating with various business actors to utilize empty management space. Fourth, buy bonds and shares of large companies.

Administrative order at the district, provincial and central levels is needed to facilitate supervision. The Ministry of Religion organization handles supervision and guidance in the land sector (Usman, 1979). The decree of the Minister of Religion regarding the organizational structure and work program regulations of the Department of Religion, which is regulated in Minister of Religion Regulation Number 1 of 1978, Article 14, is responsible for this supervision and guidance. Therefore, as a public organization, nazir must have:

a) Financial management and accounting system.

Nazir, a social organization responsible for managing waqf objects, especially effective ones, must have a management and accounting system. This system aims to enable effective and accurate monitoring of operations and finances.

b) Transparent audit system.

Nazir can be audited by the Ministry of Religion internally or by a public accountant or independent audit institution externally. Operational, financial, performance, regulatory, work procedures and Islamic principles are the objectives of the audit.

### **Basic Analysis of Waqf Transactions**

PSAK 112: concerning Waqf Accounting was published by DSAS IAI on November 7 2018 and approved on December 17 2018 with complete Sharia Notification from DSN-MUI. According to the IAI (Indonesian Accounting Association), PSAK 112

occurred on January 1 2021. This shows that, at least in 2021, waqf institutions must understand and apply waqf financial reports based on the provisions regulated in PSAK 112

Waqf institution financial reports, as regulated in PSAK 112, include the following:

a. Financial Position Report

One of the important report contents is a report on the financial position of an organization or agency. This report explains the waqf organization's current assets, long-term assets, liabilities, and net worth. This report also provides information about how much the organization's assets and assets are and how these assets generate income, both from debt and net assets.

b. Waqf assets detail report

Under PSAK 112, each waqf entity must have a detailed report on waqf assets and explain all waqf assets owned by the waqf institution and the condition and value of the waqf assets. This report must include all waqf assets collected, both cash and non-cash.

c. Activity Report

An activity report is an obligation that explains the activities of a waqf institution or institution during a certain period, such as income expenditure or other activities related to the waqf institution. This report covers the processes or activities that occur during the measurement or collection of each transaction or activity, both in waqf operations and others.

d. Cashflow statement

The Indonesian Accounting Association (2009: PSAK No.2) states that "A cash flow report is a report that provides historical information regarding changes in cash flows and their equivalents." Cash flow is based on operating, investing, and financing activities during the accounting period.

e. Financial Reports' Notes

Contains explanations and descriptions regarding waqf institutions and presents waqf financial data. This is intended to facilitate understanding for parties who use financial reports in narrative or explanatory form.

## **Research Methods**

PeA descriptive qualitative approach was used to carry out the analysis in this research. Descriptive qualitative research collects concrete data, which is then analyzed and presented in language that is easy to understand. Data was collected



through systematic analysis of manuscripts and literature nationally and internationally over the last five years to answer research questions by summarizing various research results. Observing and recording the phenomena being investigated systematically is an observation method in collecting data (Hadi, 2000: 63). Data collection is carried out by conducting library research or library research from various articles or books related to the research subject. This research's stages are the following: Formulate research questions, conduct literature research, select appropriate literature, analyze research results qualitatively, conduct quality checks, and prepare a final report.

## **Result and Discussion**

### **Case Study of Waqf Accountability and Transparency Analysis at BWI Representatives of Riau Province**

The implementation of waqf accounting at the Riau Province Representative BWI has yet to be implemented following PSAK. In financial reporting, many reports still have yet to be made. They have only reported the waqf assets obtained.

#### 1. Recognition

Recognition in the context of financial reporting means the stage of establishing a position in financial reporting that follows certain standards and sections. This can be recognized if it has an estimated economic value of a transaction leading to or from an agency or institution. Then a transaction also has a nominal value that can be assessed. According to the explanation from the interview results, waqf assets are recognized if the waqf has been realized; for example, when someone has completed the data and then made a waqf pledge, then the waqf assets will be recorded and given a letter of proof of waqf, or waqf certificate. Meanwhile, if it is still in the form of a will, it is still not recorded as an asset. This explains that the transaction used is cash basis and is conceptually per the recognition explained in PSAK 112, namely having legal and physical control and not acquiring, for example, an institution or agency only obtains a will and promise.

#### 2. Measure

Measurement in terms of financial reports is an assessment of the total money spent to acquire and input all parts of a financial report. The measurement consists of historical cost and fair value. According to the results of interviews conducted, there was a measurement of waqf assets in the form of money from 2019 to 2021 according to the amount of money given by the wakif and waqf assets in the form of buildings or land according to the selling value at the current market price. So it can

be interpreted that the Indonesian Waqf Board Provincial Representative. Riau is in line with the standard measurement categorization of PSAK 112, which applies nominal amounts to cash assets and applies real value to non-cash assets..

### 3. Report

#### a. Balance Sheet or Financial Position Report

The Balance Sheet or Financial Position Report at the Indonesian Waqf Board Representative of Riau Province has not implemented PSAK 112; they are more focused on reporting the waqf assets obtained to be reported to the government.

#### b. Waqf Asset Details Report

Waqf Asset Detail Report in 2021 at BWI Provincial Representative. Riau only explains the source of the waqf funds obtained. It collects data on all assets owned by the Indonesian waqf board and has not fully implemented the provisions of PSAK 112, so the reporting carried out is also not by the provisions of PSAK 112.

#### c. Activity Report

The Activity Report in PSAK 112 explains how income is earned, management and development as well as costs, which contains information on the institution's expenses for operations and distribution of the use of waqf assets. However, in BWI Prov. Riau has not reported activities per period following PSAK; this is contrary to the provisions of PSAK 112.

#### d. Cash flow statement

The Cash Flow Report based on PSAK 112 includes all discussions of cash flows in investment operating activities and funding over a certain period. At BWI Riau in 2021, the cash flow report is still in simple form, it cannot even be categorized into a cash flow report. Because the format does not follow PSAK 112 and only explains cash income, it does not explain its movement and management.

### 4. Disclosure

Notes to financial statements are clearly detailed descriptions of the financial report's accounts. At BWI Provincial Representative. Riau has not made or made disclosures per PSAK 112, because there are no records of the financial reports from the waqf institution.

### 5. Compliance with PSAK 112

From all the data obtained from the BWI Provincial Representative waqf institution. Riau and information through interviews, BWI in recognition and measurement has complied with PSAK 112; however, regarding report presentation, it still needs much improvement and implementation of PSAK 112. This means that BWI Riau is still classified as not fully complying with PSAK 112 concerning waqf

accounting.

### **The Roles of Accountability and Transparency**

#### 1. Accountability

Responsibility for finances, management, and implementation of aid programs, and the quality of logistics and materials, labor, and other activities rests with the people and organizations that manage public resources. In situations of humanitarian crisis, these responsibilities are designed to save lives, reduce suffering, and maintain human dignity and worth.

Accountability indicators, according to Wahida (2015), are as follows:

- a. Good ethical obligations and responsibilities (possibility and legality).
- b. Accountability of the process itself
- c. Application accountability
- d. Political responsibility.

#### 2. Transparency

Transparency is defined when an organization provides clear, accurate, responsible information about managing humanitarian aid. Annual reports, organizational communications, organizational websites, program guidelines, and information dissemination reports are some measurement tools that help increase transparency.

One indicator of transparency is:

- a. Management stakeholders, employees and the public have the right to obtain relevant financial information regularly.
- b. By maintaining organizational confidentiality, the entire organization and its employees carry out the process of collecting and reporting company operational information openly and objectively.
- c. Report responsibilities promptly.

### **Waqf in Community Economic Development**

The process of organizing society to enhance and enhance the quality of human life both as a society and as individuals is known as development. Maintaining human dignity and worth in the world and happiness in the afterlife is the ultimate goal of Islamic development. Islam regulates the teachings of waqf with an integrated and proactive approach to managing the people's economy. Through waqf worship, religion teaches its people that every capable person has a social responsibility to build the happiness of the people. Every Muslim is responsible for maintaining society's welfare as a whole because achieving prosperity will produce a stable economic environment, which in turn can produce sustainable economic development (Nik Mustapha, 1999: -4).

Waqf land is often used to build public buildings such as places of worship (mosques and prayer rooms), educational institutions, health centers, and other facilities needed by the community. This is done to protect the public. This facility was built to improve the quality of Islamic resources in society. Indeed, improving the quality of Islamic resources is considered the key to humanity's economic growth.

First, waqf and state aid. In Islam, humans function as agents of development. Happiness in this world and the hereafter, or achieving Allah's pleasure, is the goal of Islamic development. As a result, Islamic development first focuses on forming individuals with moral values and the ability to achieve development goals. To achieve this, the state is primarily responsible for providing the public facilities needed by the community, such as education, health, and other facilities.

Second, Waqf and the increasing demand for it. Economic theory says that economic activity and production will increase when there is real demand for goods and services. Conversely, when demand decreases, income will fall and the economy will slow, causing unemployment to increase. Islam teaches the concept of increasing supply by encouraging almsgiving, including waqf. One of the concepts of Muslims is almsgiving, which means distributing wealth to achieve social justice (Mohd. Daud Bakar, 1999: 5). Zakat and alms given to beneficiaries will cause an increase in demand for goods and services. According to Salih Abdullah Kamil (1993: 42), people who receive zakat and alms meet their needs with the goods they receive.

Third, waqf and job opportunities. Waqf assets can be used to establish courses and training to improve the quality of human resources and create a workforce that is acceptable to the market. In Nigeria and Sri Lanka, the Iqra Foundation has done this by establishing classes and training places that can provide opportunities for unemployed people in these countries to become talented employees (Salih Abdullah Kamil, 1993: 44). Apart from that, waqf assets can be used as investments that can create jobs. In addition, several countries strictly enforce cash waqf and waqf shares. This can lead to the emergence of companies that need skilled labor so that waqf institutions can reduce unemployment.

## **Conclusion**

In managing social funds and empowering people through waqf, the conclusion is that a high level of accountability ensures that each waqf fund is used appropriately and following the desired goals. Waqf fund reporting uses the guidelines applicable in Indonesia. Meanwhile, transparency is the key to building trust between the public and the waqif, providing clear and open information regarding the use of

waqf funds. The waqf fund financial reports are published on certain websites or pages belonging to Nazir entities.

Accountability and transparency of waqf for the Indonesian Waqf Board (BWI) is essential in carrying out its social mission. A high level of accountability ensures that BWI effectively manages and allocates waqf funds in accordance to empower the people. Transparency is key in maintaining public and waqif trust in BWI, providing clear information about the use of waqf funds and the resulting impacts.

In the context of the role of the nazir (waqf manager) in waqf accountability and transparency, these two aspects are key in maintaining the integrity and trust of the community. Nazir is responsible for ensuring that waqf funds are managed well under the waqf provisions and its social objectives. A high level of accountability allows the nazir to be responsible for using these funds. At the same time, transparency provides a clear understanding to relevant parties regarding the allocation of waqf funds and the impact that has been achieved.

By combining accountability and transparency, an environment that supports effectiveness, sustainability, and positive impacts in social efforts and community empowerment through waqf can be created.

Nazir should implement the recording and reporting guidelines through PSAK 112 and BWI Regulations optimally. There needs to be a strong synergy between the Sharia Accounting Standards Board of the Indonesian Accountants Association (DSAS IAI), the Indonesian Waqf Board, and waqf fund managers to realize the following things:

1. **Sharia Consistency and Conformity:** Collaboration between DSAS IAI, the Indonesian Waqf Board, and waqf fund managers ensures that the accounting practices used follow Sharia principles. This consistency is important to build trust and convince stakeholders that waqf funds are managed under Sharia principles.
2. **Development of Relevant Sharia Accounting Standards:** This collaboration allows the development and adjustment of Sharia accounting standards that are more relevant to the context and developments in the waqf sector. This can increase the effectiveness of waqf fund management and adapt to economic developments and sharia law.
3. **Increased Transparency and Accountability:** Synergy between the three parties can increase transparency in financial reporting and management of waqf funds. It strengthens public trust and facilitates performance monitoring and evaluation, which is essential for improving accountability.

With this synergy, a more stable and structured ecosystem can be created for waqf fund management that meets sharia accounting standards, accommodates community needs, and supports the optimization of waqf fund management, leading to efforts to empower people in Indonesia.

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