

The Concept of Al-Mutawalli in Waqf Management at Malaysian Public Universities

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ABSTRACT

Waqf is increasingly recognised as an Islamic social finance instrument with the potential to strengthen financial sustainability, student welfare, research, and institutional development in higher education. However, the expansion of waqf initiatives within Malaysian public universities raises fundamental questions concerning the status, authority, fiduciary responsibilities, and accountability of universities acting as al-mutawalli, given that State Islamic Religious Councils (SIRCs) are legally designated as the sole trustees of waqf assets within their respective jurisdictions. This conceptual article aims to elucidate the concept of al-mutawalli from the Shariah perspective, analyse its position within Malaysia's legal and institutional waqf framework, and propose an appropriate al-mutawalli governance framework for public universities. The study adopts a qualitative approach based on document analysis of classical Islamic sources and waqf jurisprudence, selected statutory provisions, government guidelines, institutional documents, and relevant academic literature. The thematic-doctrinal analysis identifies seven domains that constitute the Al-Mutawalli Governance Framework for Public Universities: legitimacy and mandate; Shariah-based fiduciary responsibility; competence and professionalism; organisational structure and segregation of duties; asset, investment, and risk management; accountability and transparency; and the measurement of benefits and impact. This article argues that public universities do not supersede SIRCs as the sole trustees of waqf assets. Rather, they function as institutional mutawallis under clearly defined, circumscribed, and auditable mandates. The proposed framework clarifies the trust-based principal-agent relationship between SIRCs and public universities and provides a foundation for standardising instruments of appointment, matrices of authority, reporting mechanisms, Shariah audits, and performance evaluation. This study contributes to the literature by shifting the focus from fundraising activities to the architecture of authority, governance, and accountability governing university waqf administrators.

Keywords: Al-Mutawalli; Higher Education Waqf; Public Universities; Waqf Governance; State Islamic Religious Councils

INTRODUCTION

The institution of waqf has a long history of financing education, including the provision of infrastructure, scholarships, libraries, teaching and learning activities, and the welfare of scholars. In the contemporary context, fiscal pressures, rising operational costs, and demands for wider access to higher education have renewed interest in waqf as a complementary source of funding. In Malaysia, various public universities have established waqf funds, centres, or dedicated units to collect cash waqf, develop assets, and channel benefits to students and academic activities. Although these developments are consistent with efforts to diversify university income, they cannot be separated from Malaysia's constitutional and legal framework,

under which waqf falls within the jurisdiction of the states (Çizakça, 2000; Jabatan Wakaf, Zakat dan Haji [JAWHAR], 2018; Usman & Ab Rahman, 2023; Yaakob et al., 2017, 2026).

Previous studies have extensively examined the potential of waqf to finance higher education, fundraising mechanisms, fund sustainability, reporting practices, and operational challenges. By contrast, the position of a university as al-mutawalli is often addressed descriptively without being adequately conceptualised as an institutional trusteeship characterised by a defined source of authority, limits on managerial discretion, competency standards, potential conflicts of interest, and distinct accountability mechanisms. This ambiguity may give rise to two opposing tendencies: universities may become excessively dependent on operational approvals, thereby delaying the management process; or they may interpret their appointment as mutawalli as conferring absolute autonomy, thus obscuring the position of the State Islamic Religious Council (SIRC) as the sole trustee of waqf assets (Kamaruddin et al., 2024; Sukmana, 2020; Usman & Ab Rahman, 2023).

This article argues that a balanced approach requires an analytical distinction between legal trusteeship, regulatory authority, and professional administration. SIRC retains their legally prescribed position, while public universities exercise delegated managerial authority based on the principle of *niyābah*, or authorised representation, as specified in the relevant instrument of appointment. Within this relationship, the status of al-mutawalli is not merely an honorary designation; rather, it constitutes a structured regime of obligations that binds the university to the lawful conditions stipulated by the *wāqif*, Shariah requirements, applicable laws, public accountability, and measurable social outcomes (Abdullah, 2015; JAWHAR, 2018).

LITERATURE REVIEW

University waqf management operates within a multi-authority environment. Public universities are established under federal legislation or their respective statutes, whereas waqf and matters of Islamic law fall within state jurisdiction. At the same time, public universities are subject to public-sector governance requirements, financial procedures, auditing standards, procurement regulations, investment management policies, and institutional reporting obligations. These overlapping normative frameworks are not necessarily contradictory; nevertheless, they require careful coordination and a clear delineation of authority (Syed Abdul Kader, 2016; Syed Abdul Kader et al., 2017).

First, the terms mutawalli, *nāzīr*, waqf manager, and waqf administrator are sometimes used interchangeably. Within Islamic jurisprudence, terminological differences among the various schools of law do not negate the core responsibilities of safeguarding, developing, investing, and distributing the benefits of waqf assets in accordance with the lawful conditions stipulated by the *wāqif*. In Malaysian institutional practice, however, the terminology employed must be interpreted in conjunction with the applicable state enactments, instruments of appointment, and governance structures of the relevant State Islamic Religious Council (SIRC). Without a clear operational definition, it becomes difficult to determine who is authorised to approve investments, execute contracts, control accounts, appoint asset managers, or assume liability for managerial decisions (Abdullah, 2015; Shiyuti et al., 2025).

Second, the appointment of a university as mutawalli is not necessarily accompanied by a standardised matrix of authority or uniform performance indicators. Third, measures of success are frequently concentrated on the amounts collected and distributed, although the preservation of the waqf corpus, risk-adjusted returns, compliance with the *wāqif*'s conditions, administrative costs, and the impact on beneficiaries are equally important. Fourth, reporting to SIRC, university governing boards, *wāqifs*, and the wider public may occur through separate channels, thereby creating information gaps and overlapping audit requirements. Consequently, a specialised framework is required to conceptualise the role of public universities as institutional mutawallis by integrating Shariah principles, legal requirements, governance mechanisms, and impact measurement (Kamaruddin et al., 2024; Mohaiyadin et al., 2022).

Research Objectives and Questions

This article has three objectives: (i) to elucidate the concept, qualifications, and responsibilities of al-mutawalli from the Shariah perspective; (ii) to analyse the position of public universities as institutional mutawallis within Malaysia's legal and institutional waqf framework; and (iii) to propose an Al-Mutawalli Governance Framework for Public Universities that may serve as a foundation for policy development, instruments of appointment, and governance evaluation.

In accordance with these objectives, the article addresses three research questions:

1. What are the conceptual foundations and obligations of al-mutawalli?
2. How should the authority relationship between State Islamic Religious Councils (SIRCs) and public universities be structured?
3. Which governance domains are required to ensure that university waqf management is legally valid, professionally administered, transparent, and impactful?

METHODOLOGY

This study adopts a qualitative conceptual design that integrates doctrinal analysis with thematic content analysis. Doctrinal analysis is employed to identify relevant legal principles and institutional positions by examining Islamic jurisprudential sources, the constitutional framework, selected waqf enactments and state Islamic administration enactments, as well as official guidelines. Thematic analysis is used to synthesise the literature on higher education waqf, accountability, reporting, risk management, and governance (Bowen, 2009).

Documents were purposively selected according to four criteria: the authority of the source; its direct relevance to al-mutawalli or educational waqf; its applicability to the Malaysian context; and its capacity to clarify institutional functions, authority, or accountability. Primary sources comprise the Qur'an, hadiths relating to waqf, legal documents, and JAWHAR's Guidelines for the Management of Waqf in Educational Institutions. Secondary sources consist of peer-reviewed articles and other scholarly works addressing university waqf, law, and governance.

The documents were examined through open coding, the categorisation of institutional functions, comparison between Shariah norms and institutional practices, and the synthesis of governance domains. Conceptual validity was strengthened through the triangulation of Shariah, legal, policy, and prior empirical sources. As the study did not involve the collection of data from human participants, its findings are presented as conceptual propositions rather than empirical generalisations (Bowen, 2009).

Conceptual Foundations of Al-Mutawalli

Definition and Shariah Foundations

Al-mutawalli refers to a person or institution entrusted with wilāyah, or the authority to administer a waqf. The term nāẓir is also used to describe the party responsible for supervising and managing waqf property. These terminological differences do not alter the essential responsibilities of the role, which include preserving the mawqūf, observing the lawful conditions stipulated by the wāqif, undertaking prudent development or investment activities, collecting income, paying authorised expenses, and delivering the resulting benefits to the mawqūf 'alayh (Abdullah, 2015; Shiyuti et al., 2025; Yaakob et al., 2022, 2026).

The normative foundation of al-mutawalli is rooted in the principles of amānah (trustworthiness), justice, and ihsān (excellence and benevolence). The command to render trusts to those entitled to them in Surah al-Nisā' (4:58) establishes a general ethical standard, while the prohibition against the wrongful appropriation of property requires integrity in waqf administration. The hadith concerning 'Umar's endowment of his land in Khaybar—in which the corpus was retained while its proceeds were distributed as charity—establishes the foundational principles of preserving the waqf corpus and continuously distributing its benefits. Accordingly, a waqf administrator does not own waqf property for personal benefit. Rather, the

administrator's authority is functional, purpose-bound, and subject to appropriate oversight (Qur'an, al-Nisā' 4:58; al-Bukhari, n.d., Hadith 2737; Suliaman & Yaakob, 2019, 2026; Yaakob et al., 2022).

The Qualifications of Al-Qawiyy and Al-Amīn

Two principal qualities commonly associated with the administration of entrusted property are al-qawiyy and al-amīn, denoting competence and trustworthiness, respectively. Within the university context, al-qawiyy encompasses expertise in Shariah, law, finance, investment, property development, data management, and impact assessment. Al-amīn, meanwhile, encompasses integrity, independence of judgement, transparency, effective management of conflicts of interest, and a willingness to be held accountable.

The appointment of an organisation as mutawalli does not remove the need to assess the competence and integrity of the individuals serving on its governing board, committees, and management team. Institutional competence ultimately depends upon the knowledge, skills, ethical conduct, and collective capabilities of the individuals responsible for exercising the delegated mandate (Shiyuti et al., 2025).

Fiduciary Character and the Limits of Managerial Discretion

Although the term “fiduciary” originates in the modern legal tradition, its underlying meaning closely corresponds to the concept of amānah in Islamic jurisprudence. It requires the mutawalli to act in the best interests of the waqf, refrain from abusing entrusted authority, avoid the commingling of assets, maintain proper transaction records, and exercise due care and prudence in decision-making.

The discretion granted to a mutawalli does not constitute unrestricted authority. It is limited by Shariah requirements, the lawful conditions stipulated by the wāqif, applicable state legislation, the mandate conferred by the relevant State Islamic Religious Council (SIRC), the approved investment policy, and the principle of safeguarding the best interests of the waqf. High-risk or exceptional decisions—such as istibdāl, the disposal or encumbrance of waqf assets, or changes to the designated purpose of their benefits—must therefore be referred to the competent authority specified under the applicable legal and governance framework (Abdullah, 2015; Ihsan et al., 2017).

The Legal and Institutional Landscape in Malaysia

The Ninth Schedule to the Federal Constitution places Islamic law, including waqf, within the State List insofar as Muslims are concerned. Consequently, Malaysia's waqf framework varies across states and is governed either by specific waqf enactments or by provisions contained in the respective state enactments on the administration of Islamic law. A common feature of these legislative frameworks is the designation of the State Islamic Religious Council (SIRC) as the sole trustee of both general and specific waqf within its respective jurisdiction. This legal arrangement is intended to preserve the continuity of waqf, prevent its appropriation as private property, and centralise regulatory oversight (Malaysia, 2020, Ninth Schedule, List II).

The designation of a SIRC as the sole trustee does not necessarily require it to undertake every operational activity directly. State laws and institutional practices allow SIRC's to appoint agents, managers, or mutawallis, subject to specified terms and conditions. A frequently cited example is the recognition of Universiti Sains Islam Malaysia (USIM) as a mutawalli by the Negeri Sembilan Islamic Religious Council in 2013. This appointment authorised USIM to administer and develop its waqf fund and distribute the resulting benefits in accordance with the intentions of the wāqifs. This experience demonstrates that a university may function as an institutional waqf administrator without displacing the SIRC's legal position as the sole trustee (Syed Abdul Kader, 2016; Syed Abdul Kader et al., 2017; Universiti Sains Islam Malaysia [USIM], 2018).

JAWHAR's Guidelines for the Management of Waqf in Educational Institutions similarly recognise SIRC's as the sole trustees of waqf assets and provide guidance for universities, educational institutions, and other relevant agencies. The guidelines emphasise procedural coordination, sound governance systems,

institutional collaboration, Shariah compliance, reporting, and auditing. Nevertheless, effective implementation ultimately depends on translating these principles into clearly formulated instruments of appointment, operational agreements, and university-level policies and procedures (JAWHAR, 2018).

Table 1. Chain of Authority in Waqf Management at Malaysian Public Universities

Authority Level	Core Functions	Governance and Control Instruments
State Islamic Religious Council (SIRC)	Serves as the sole trustee of waqf assets, confers the management mandate, and exercises Shariah and legal oversight.	State enactments, resolutions, instruments of appointment, guidelines, and approval of reserved matters.
University Governing Board	Provides institutional oversight of strategy and risk and ensures that waqf management is integrated into the university's governance framework.	University policies, board committees, delegated authority limits, and performance reports.
Waqf Entity or Unit	Undertakes operational functions relating to fundraising, investment, asset development, record-keeping, and the distribution of waqf benefits.	Standard operating procedures, investment mandates, budgets, internal controls, and waqf registers.
Shariah Committee	Provides Shariah advice and reviews the compliance of waqf activities, products, investments, and distributions.	Shariah resolutions, product reviews, Shariah compliance assessments, and Shariah audits.
Auditors and Stakeholders	Provides independent assurance and strengthens the institutional and social legitimacy of university waqf management.	Financial audits, Shariah audits, impact reports, and public disclosures.

Source: Authors' proposed framework

Public Universities as Institutional Mutawallis

Public universities possess several advantages that enable them to serve as institutional mutawallis. These include separate legal personality and organisational continuity; access to multidisciplinary expertise; established financial and auditing infrastructure; extensive alumni and industry networks; and the capacity to align waqf funds with education, research, and social innovation. These institutional advantages, however, can be effectively utilised only when supported by a legally valid mandate and a governance structure that protects waqf assets from the operational and financial risks of the university (Usman & Ab Rahman, 2023).

The most appropriate arrangement is a model of controlled delegation. Under this model, the State Islamic Religious Council (SIRC) retains its legal position as the sole trustee and determines the boundaries of authority, while the university performs the functions specifically delegated to it. The instrument of appointment should clearly specify the subject matter of the waqf, the duration and territorial scope of the appointment, fundraising authority, authority to open and operate accounts, permitted investment categories, management fees, distribution mechanisms, reporting obligations, audit rights, procedures for addressing breaches, termination provisions, and arrangements for transferring records. Matters reserved exclusively for the SIRC, such as istibdāl, changes to the designated purpose of the waqf, specified related-party transactions, and investments beyond the approved mandate—should be expressly identified (JAWHAR, 2018; Syed Abdul Kader et al., 2017).

The mutawalli function must also be positioned at an appropriate level within the university's governance structure. A small administrative unit that operates solely as a fundraising centre would be insufficient to manage a portfolio comprising real estate, equity investments, commercial projects, or long-term contractual arrangements. A university may perform its mutawalli functions through an internal unit, a designated

responsibility centre, or a special-purpose subsidiary. The chosen structure should reflect the scale and complexity of the waqf portfolio, its risk exposure, administrative costs, and applicable legal requirements. Regardless of the institutional form adopted, the accounts, asset registers, investment decisions, and expenditure of the waqf must remain segregated from the university's general funds and operations (Yusoff et al., 2021).

Al-Mutawalli Governance Framework For Public Universities

Based on a synthesis of Shariah principles, legal requirements and governance literature, this article proposes seven interrelated domains that constitute the Al-Mutawalli Governance Framework for Public Universities. This is employed as an analytical label for the proposed framework rather than as a legal model intended to replace existing state enactments or the mandates conferred by State Islamic Religious Councils (SIRCS).

Table 2. The Mutawalli Public Universities Governance Framework

Domain	Core Components	Minimum Requirements	Evidence
1. Legitimacy and mandate	Valid appointment; clearly defined scope of authority; reserved matters; duration and termination provisions.	Instrument of appointment or formal agreement; authority matrix; register of approvals.	
2. Shariah-based trusteeship	Compliance with the pillars and conditions of waqf; observance of the wāqif's intentions; preservation of the mawqūf; appropriate distribution of benefits.	Shariah policy; registers of wāqifs and mawqūf assets; Shariah resolutions and audit reports.	
3. Professional competence	Appropriate expertise among governing-board members and management; professional training; fitness, propriety, and integrity.	Competency matrix; declarations of integrity and conflicts of interest; professional development plan.	
4. Governance structure and segregation of duties	Clearly delineated responsibilities for oversight, administration, investment, distribution, compliance, and auditing.	Governance structure; terms of reference; documented segregation of duties and accounts.	
5. Asset, investment, and risk management	Preservation of the waqf corpus; sustainable returns; liquidity management; risk limits; operational continuity.	Investment policy; risk register; asset valuations; business continuity plan.	
6. Accountability and transparency	Multi-level reporting; internal controls; independent audits; disclosure of management fees and related-party transactions.	Audited financial statements; reports submitted to the SIRC; public transparency portal; conflict-of-interest policy.	
7. Benefit and impact measurement	Appropriate distribution; equitable selection of beneficiaries; educational and social outcomes; stakeholder feedback.	Theory of change; output, outcome, and impact indicators; beneficiary impact reports.	

Source: Authors' proposed framework.

Legitimacy and Mandate

Institutional legitimacy begins with a formal appointment by the State Islamic Religious Council (SIRC) possessing the relevant jurisdiction, rather than merely through a resolution of the university's governing board or the establishment of a fundraising campaign. The mandate should be sufficiently broad to facilitate efficient administration while remaining sufficiently specific to prevent the implicit expansion of authority. A RACI matrix or delegated-authority matrix may be used to distinguish the parties responsible for proposing, evaluating, approving, implementing, and auditing each category of decision (JAWHAR, 2018; Syed Abdul Kader, 2016).

Shariah-Based Trusteeship

Universities should establish a comprehensive audit trail that connects the intentions of the wāqif with the waqf instrument, investment activities, and delivery of benefits. Shariah compliance should not be limited to the initial approval of a waqf product. Rather, it should encompass the entire waqf lifecycle, including digital fundraising, asset acceptance, development, financing, investment, distribution, istibdāl, and project termination. The Shariah Committee must have adequate access to relevant information and a formal mechanism for escalating significant issues to the competent SIRC (JAWHAR, 2018).

Competence and Professionalism

Appointments based solely on an individual's official position may create significant competency gaps. A waqf governing board or committee requires a multidisciplinary combination of expertise in Shariah, law, accounting, investment, asset management, technology, and impact assessment. Fitness, propriety, and competency assessments should be conducted at the time of appointment and periodically thereafter. These assessments should be supported by declarations of conflicts of interest and continuing professional development programmes (Shiyuti et al., 2025; Yusoff et al., 2021).

Governance Structure and Segregation of Duties

The fundraising function should not exercise unchecked control over investment and distribution decisions. Effective segregation between the parties responsible for initiating transactions, granting approvals, safeguarding assets, maintaining records, and independently verifying transactions reduces the risk of misappropriation and error. Bank accounts, accounting ledgers, and waqf asset registers must remain separate from the university's operational funds and records and should be subject to periodic reconciliation (Abdullah, 2015; Ihsan et al., 2017).

Asset, Investment, and Risk Management

The principal objective of waqf investment is not to maximise short-term returns but to preserve the waqf corpus while generating stable and sustainable benefits within an acceptable level of risk. The investment policy should specify investment objectives, permitted asset classes, performance benchmarks, concentration limits, liquidity requirements, performance-evaluation procedures, Shariah screening criteria, and protocols for addressing investment losses. Operational, reputational, cybersecurity, legal, liquidity, counterparty, and Shariah non-compliance risks should be systematically identified, recorded, monitored, and mitigated (Sukmana, 2020; Yaakob et al., 2016, 2017, 2026).

Accountability and Transparency

A mutawalli is subject to vertical accountability to the relevant SIRC and the university's governing board, professional accountability to auditors and Shariah advisers, and social accountability to wāqifs and beneficiaries. At a minimum, public reporting should disclose the funds received, value of the waqf corpus, income generated, administrative costs, management fees, distributions according to their designated purposes, investment performance, related-party transactions, compliance issues, and corrective measures.

Digital technologies, including distributed or digital ledger systems, may enhance the traceability of waqf transactions and distributions. Nevertheless, technological systems cannot replace properly designed internal

controls, clearly assigned institutional responsibilities, and effective human oversight (Ihsan et al., 2017; Kamaruddin et al., 2024; Mohaiyadin et al., 2022).

Measurement of Benefits and Impact

The distribution of waqf benefits should not be treated as the ultimate measure of institutional success. Universities should distinguish between outputs—such as the number of scholarships awarded—and outcomes, including student retention, academic achievement, graduate employability, and research performance. Impact measurement should remain proportionate to its costs, avoid imposing unnecessary burdens on beneficiaries, and respect their privacy and dignity.

Impact data should subsequently inform improvements in the design and delivery of waqf benefits and strengthen the confidence of wāqifs. However, universities must ensure that beneficiaries' experiences are not exploited merely for promotional or fundraising purposes (JAWHAR, 2018).

Conceptual Propositions

- **P1:** Greater clarity in the legal mandate is positively associated with more efficient decision-making and a lower risk of non-compliance among university mutawallis.
- **P2:** Multidisciplinary competence and effective segregation of duties strengthen the preservation of the waqf corpus and improve the quality of investment and distribution decisions.
- **P3:** Integrated reporting to the State Islamic Religious Council (SIRC), the university's governing board, and the wider public enhances institutional legitimacy and strengthens wāqif confidence.
- **P4:** The measurement of outcomes and impacts, rather than an exclusive emphasis on funds collected, strengthens the alignment of waqf management with the maqāṣid of educational waqf.

These propositions provide an agenda for subsequent empirical investigation through multiple-case studies involving public universities, interviews with representatives of SIRC and university waqf administrators, analyses of instruments of appointment, and the development and validation of a mutawalli governance index.

DISCUSSION

The proposed framework reorients the evaluation of university waqf management. First, it shifts the starting point of evaluation from fundraising mechanisms to institutional legitimacy. The primary question is no longer merely "How much funding has been collected?" but rather "Under whose authority are the funds administered, for what purposes, and within which limits of authority?" Second, the framework integrates Shariah principles with corporate governance mechanisms without treating waqf as equivalent to an ordinary trust fund. Compliance with the lawful intentions of the wāqif and preservation of the mawqūf remain distinctive characteristics that differentiate waqf from other institutional funds (Abdullah, 2015; Kamaruddin et al., 2024).

Third, the relationship between the State Islamic Religious Council (SIRC) and the university is more appropriately understood as a multilayered delegation of fiduciary responsibilities than as a merely passive regulatory relationship. SIRC should establish governance standards, receive institutional reports, and undertake risk-based interventions. Universities, in turn, require sufficient operational discretion to apply their professional expertise effectively. Excessive supervision of individual transactions may undermine administrative efficiency, whereas delegation without adequate data, reporting, and auditing may weaken the protection of waqf assets. A proportionate, risk-based supervisory approach would allow broader authority to be conferred upon institutional mutawallis that demonstrate the requisite competence, integrity, and satisfactory compliance records (JAWHAR, 2018; Syed Abdul Kader et al., 2017).

Fourth, variations among state waqf enactments suggest that substantive standardisation is more practicable than the complete legal harmonisation of waqf administration across Malaysia. JAWHAR and the Ministry of Higher Education could facilitate the development of minimum standard templates for instruments of appointment, matrices of authority, institutional reporting, and auditing. Their adoption and enforcement must, however, continue to respect the constitutional and statutory jurisdiction of the respective SIRC. Such shared standards could also reduce the compliance costs borne by universities that operate across state boundaries or receive waqf assets situated in different jurisdictions (Syed Abdul Kader, 2016).

Policy And Managerial Implications

Implications for State Islamic Religious Councils

State Islamic Religious Councils (SIRCs) are encouraged to develop a risk-based framework for licensing or appointing institutional mutawallis. Such a framework should establish appropriate fit-and-proper criteria, incorporate standardised instruments of appointment, clearly specify reserved matters, and introduce a monitoring dashboard. Annual evaluations should be conducted to determine whether a mandate should be maintained, expanded, subjected to corrective measures, or terminated (JAWHAR, 2018; Shiyuti et al., 2025).

Implications for Public Universities

Public universities should incorporate waqf administration into their governing-board oversight structures, maintain the segregation of waqf accounts and assets, establish investment and conflict-of-interest policies, and ensure that both financial and Shariah audits are conducted. The performance of university waqf management should be included in institutional reporting. However, waqf funds must not be used to absorb ordinary university operating expenses when such expenditure falls outside the purposes stipulated by the wāqif (JAWHAR, 2018; Kamaruddin et al., 2024).

Implications for the Ministry of Higher Education and JAWHAR

The Ministry of Higher Education and JAWHAR could jointly establish a national coordination platform, facilitate professional capacity development, maintain a repository of good practices, and formulate a minimum common dataset for university waqf management. Their role should remain facilitative and focused on standard-setting rather than superseding the constitutional and statutory jurisdiction of SIRCs. Coordination could also encompass standardised terminology, impact-reporting formats, and competency-based training for educational waqf administrators (JAWHAR, 2018).

Implications for Wāqifs and Beneficiaries

Waqf instruments should use clear and accessible language when specifying their purposes, duration, investment methods, reporting arrangements, and the authority to make amendments when the original objectives can no longer be implemented. Beneficiaries should also have access to safe, accessible, and transparent grievance and feedback mechanisms. The meaningful participation of wāqifs and beneficiaries can strengthen institutional legitimacy and reduce the gap between the designated purposes of waqf funds and beneficiaries' actual needs (Abdullah, 2015; Ihsan et al., 2017).

CONCLUSION

Al-mutawalli constitutes the operational core of a waqf institution. In the context of Malaysian public universities, its role should be understood as an institutional trusteeship exercised under a mandate conferred by the relevant State Islamic Religious Council (SIRC), rather than as a transfer of the SIRC's legal status as the sole trustee of waqf assets. Effective waqf management therefore depends on maintaining an appropriate balance between legal legitimacy, Shariah compliance, professional autonomy, and public accountability.

The proposed Mutawalli Public Universities Framework, comprising seven interrelated governance domains, provides a common conceptual and operational foundation for SIRCs, public universities,

government agencies, wāqifs, and auditors in structuring institutional appointments, governance controls, and performance measurement. With a clearly defined mandate, appropriate professional competence, effective asset segregation, robust risk management, and transparent impact reporting, university waqf can progress from a supplementary fundraising initiative into a sustainable, accountable, and credible Islamic social finance institution.

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