

THE EXISTENCE OF BANK SUMUT IN THE DEVELOPMENT OF CASH WAQF

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Abstract: Bank Sumut through the Sharia Business Unit division has met the requirements that have been stipulated in the laws and regulations. This gives Bank Sumut the authority to operate and develop Cash Waqf productively. After being appointed as a Money Waqf Collection Institution by the Ministry of Religious Affairs, but over time there was a stagnation in its existence, the Bank Sumut began to rise again, but the problem of Literacy was the biggest homework for Human Resources in the Bank Sumut to build good thinking from the internal and external sides. Researchers examine this research in more depth with an interview method with the Cash Waqf coordinator accompanied by documentation and will be processed with qualitative analysis techniques. There are discussions and results that several efforts have been made by Bank Sumut in increasing its existence and role as a Cash Waqf nazhir through the sharia division, from the internal side, namely changing the paradigm that Cash Waqf will provide benefits to Bank Sumut because there is no need for Cost of Funds on waqaf funds stored in wadiah accounts so that it is more profitable from Bank Sumut and also improves from the information technology side. Meanwhile, on the external side, namely by collaborating with several money waqf managers and education institutions, local governments and the private sector. namely changing the paradigm that Cash Waqf will provide benefits to Bank Sumut because there is no need for Cost of Funds on waqaf funds stored in wadiah accounts so that it is more profitable from Bank Sumut and also improves from the information technology side. Meanwhile, on the external side, namely by collaborating with several money waqf managers and education institutions, local governments and the private sector. namely changing the paradigm that Cash Waqf will provide benefits to Bank Sumut because there is no need for Cost of Funds on waqaf funds stored in wadiah accounts so that it is more profitable from Bank Sumut and also improves from the information technology side. Meanwhile, on the external side, namely by collaborating with several money waqf managers and education institutions, local governments and the private sector.

INTRODUCTION

The Ministry of Religious Affairs has re-established Islamic Financial Institutions receiving Cash Waqf (LKS PWU) which is contained in PP No.42/2006 unit 24, Indonesian Waqf Board (BWI). Furthermore, according to PP No.42/2006, unit 25 that LKS PWU duties namely: First, announcing to the public that tasa is in existence as LKS beneficiary of Cash Waqf. Second, providing a certificate of waqf of money. Third, receive in cash Cash Waqf from the wakif in the name of the Nazir.

Along with the issuance of the Indonesian Waqf Board regulation Number 01 year 2020 regarding the Guidelines for the Management and Development of Waqaf Property, at this time the waqaf community does not have to have a lot of property or be rich and have a lot of property . With a minimum money worth of money Rp. 1,000 (one thousand rupiah) for a fixed waqf, and money with a minimum of Rp. 1,000,000 (one million rupiah) for waqf that is temporary with a certain period of time. People can become wakifs (a waqaf practitioner).

Waqf funds will not decrease even if they are stored for a long period of time, the longer the funds will develop with guaranteed investments and managed responsibly, trustworthily, and transparently and professionally. The proceeds from the waqaf funds deposited will be used to improve social infrastructure, health infrastructure, education infrastructure and others. From the spiritual side, the wakif's reward will continue to flow even though he has died as a provision in the afterlife. Cash Waqf is still a contemporary thing today, of course, there are still obstacles in managing Cash Waqf in Indonesia, especially Bank Sumut Through its Sharia Business Unit division, which has been given the authority to manage and develop Cash Waqf productively. Therefore, it is quite interesting to be studied further comprehensively.

THEORETICAL STUDY

The growing number of Muslims around the world, followed by the economic growth of Muslims in the middle class stratum has become a considerable potential, especially the country that has the most Muslim population in the world according to reports of The Royal Islamic Strategic Studies Center (RISSC)) which amounts to 237.56 Million Souls, namely the number of Muslims has a ratio of 86.7 % The population is domestic, and globally the number is equivalent to 12.30% of the world's Muslim population which amounts to 1.93 billion souls. (DataIndonesia.id, 2022).

The management of cash waqf is both an opportunity and a challenge for Muslims. The flexible concept of fiqh provides a paradigm shift and fosters new tools in terms of developing waqf with production and economic benefits, such as money, stocks, bonds (sukuk). There has been a shift in the form of waqf assets/objects to become simpler, such as money, which has had a broad impact. This shift has been able to change old views and habits, where previously the opportunity to do waqaf could only be through fixed assets in the form of land or buildings. Another change is that the old view that waqaf must have had great value has disappeared.

The Ministry of Religion is a state institution that is authorized to manage cash waqaf, this has been stipulated in (UU No. 41 of 2004 concerning Waqaf, 2004) article 28 concerning cash waqaf namely: "Wakifs can endow movable objects in the form of money through Islamic financial institutions appointed by the minister" in this case, the Minister of Religion has authority with suggestions and considerations originating from the Indonesian Waqf Board.

The Terms of Islamic Financial Institutions Collecting Cash Waqf

Even though it looks flexible and easy in the implementation and operation of cash waqaf, there are still certain conditions aimed at Islamic Financial Institutions Collecting Cash Waqf (LKS-PWU) for the collection of Cash Waqf from the community, namely:

1. The Islamic Financial Institution for Collecting Cash Waqf submits a written request to the Minister.
2. Attach the articles of association and approval from the legal entity,

3. Having operational offices in the territory of the Republic of Indonesia,
4. Engaged in the field of Islamic Finance
5. Has a deposit function (wadiyah).

The Procedure for Depositing Cash Waqf

Cash Waqf Recipient Islamic Financial Institutions (LKS-PWU) have provided special and integrated services in depositing waqf funds, which can also be done without having to go to a banking office. There are several ways to pay Cash Waqf, including going directly to the office of the Sharia Financial Institution Recipient of Cash Waqf (LKS-PWU). The procedures for depositing cash waqf (Indonesian Waqf Agency, 2021a) are as follows :

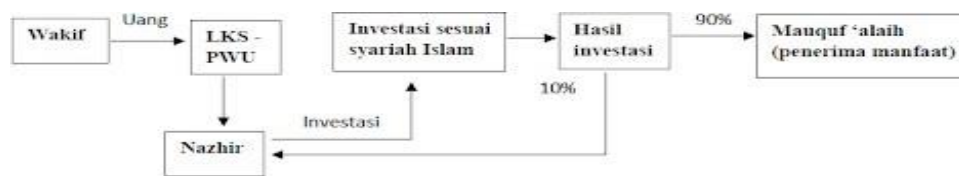
1. The method of cash waqf by coming to the office of the Islamic Financial Institution Recipient of Money Waqf (LKS-PWU) in this case is the Bank of North Sumatra with the Sharia Business Unit division
 - a. The waqif comes to the office of the Islamic Financial Institution Recipient of Money Waqf (LKS-PWU)
 - b. Waqif fills out the Waqaf Pledge Deed (AIW)
 - c. The waqif attaches a photocopy of a valid identity card
 - d. Waqif nominal deposit Cash Waqf
 - e. Waqf funds automatically enter the account of the Indonesian Waqf Agency (BWI)
 - f. Wakif says shighat Cash Waqf
 - g. Waqif signs Waqaf Pledge Deed (AIW)
 - h. Islamic Financial Institution Recipient Bank of Cash Waqf (LKS-PWU) prints Cash Waqf Certificate (SWU)
 - i. Islamic Financial Institution Bank Recipient of Cash Waqf (LKS-PWU) provides deed of waqf pledge and Cash Waqf Certificate (SWU)
2. Ways of Cash Waqf by Transferring Accounts to Banks of Islamic Financial Institutions Recipient of Money Waqf (LKS-PWU)
 - a. Cash waqf can be transferred via ATM to the account number provided by a number of Islamic Financial Institution Recipient Cash Waqf (LKS-PWU) banks.
 - b. After transferring the Cash Waqf, confirm with the Islamic Financial Institution Recipient Money Waqf (LKS-PWU) bank that owns the account or contact BWI Call Service.

Cash Waqf Management

It is mentioned (Ahmad Muslich, 2016) that in the History of Islam since the time of the Prophet Muhammad SAW until now it shows that waqaf management must be managed as well as possible, because the progress that has been achieved by Muslims in all corners of the world cannot be separated from persn and waqaf, therefore waqaf is an opportunity and also a challenge for Muslims.

ShariaBanks carry out their banking activities, there are differences in other general banks if you pay attention to business principles and activities based on sharia, including the prohibition of usury, investment in illicit products and businesses based on the benefit of the community because many economic concepts and behaviors in the community are not in accordance with sharia principles caused by being tempted by money and very urgent economic needs.

Figure 1. Money Waqf Management Scheme



Waqf asset management can be illustrated as in the picture above where waqaf assets originate when a wakif transfers his assets that belong to him to a waqaf manager (nazhir) accompanied by specific guidelines for managing these assets. From a sharia point of view, the intention (niyyah) of the waqf contract should be declared for charitable purposes (tabarru'at) instead of commercial purposes (tijari). Any economic excess resulting from waqf assets is solely intended for the welfare of society.

Quoted based on research (Ismal & et.al, 2015) it can simply be explained that the mechanism of Cash Waqf is initially wakif (people with waqaf) handling over Cash Waqf to nazir (waqaf managers). Then the nazir gave some of the Cash Waqf to the mauquf'alayh (the person who was given the waqaf) to invest. The results of this investment can be divided into two sectors, namely to increase production capacity and increase consumption capacity.

The concept of Islamic banking must be able to protect the public from sinful acts that can destroy the community's economy itself in addition to seeking corporate profits. Therefore, strict requirements are needed for Islamic Financial Institutions collecting Money Waqf (LKS-PWU) to become professionals in the operation of money waqf. With the change in the form of waqaf assets becoming easier it has a broad impact. This has changed a long-standing habit that previously waqf opportunities only existed through fixed assets in the form of buildings and land. Another change, namely the old view that waqaf must be of great value has disappeared and can be done with a certain value.

Increased Professionalism

The need for increased professionalism that must be carried out by Islamic Financial Institutions Receiving Money Waqf (LKS -PWU) includes:

1. Planning, is a process that involves the efforts made to anticipate future trends and determine the right strategy and tactics to achieve waqf targets and goals. in terms of planning for the development of waqf assets it is useful as a guide to minimize non-compliance, minimize wastage of resources and as a standard setting in the quality of supervision.
2. Organizing, concerning matters regarding processes in strategies and tactics that are appropriate and tough, with a conducive environment and organizational system can ensure that nazhirs work effectively and efficiently in achieving waqf goals.
3. Implementation, starting with the program process so that it can be carried out by Nazhir and motivating so that all involved carry out their responsibilities with full awareness and productivity towards the targets to be achieved. In managing waqf funds, nazhir waqf needs to make regular financial reports that can be easily accessed by waqifs. Nazhir must be able to manage waqf funds by avoiding forms of business that can undermine his existence among Muslims, namely by planning business activities that are arranged according to Islamic law.

Research result (Muhammad & Nizar, n.d.) Indonesia has enormous waqf potential. It is assumed that 10% of Muslims pay waqf monthly in the amount of IDR 10,000. A cash

waqf fund of IDR 197,000,000,000 per month or IDR 2,360,000,000,000 per year will be collected. There are several potential areas for cash waqf, namely North Sumatra, South Sumatra, Riau, West Java, East Java, Central Java, Jakarta and South Sulawesi. The current problem is the waqf asset database in the management of individual or corporate Nazirs and the Nazir database with the important role of Islamic Financial Institutions.

According to research results (April Yani Simangunsong et al., 2022) that the increasingly competitive banking industry should have developed itself to be able to increase the number of customers and product sales offered. Bank Sumut Syariah has done several things, namely: (1) Improving quality and profit sharing (2) Conducting product offers and promotions (3) Continuously trying to raise awareness of brands and interest in Islamic banking products.

Islamic Financial Institutions Receiving Money Waqf (LKS-PWU) according to (Wara Hastuti Registrar of the Jakarta District Court, 2017) cash waqf plays an important role in optimizing cash waqf because it cannot be handed over directly to nazhir, therefore Islamic Financial Institutions Receiving Money Waqf (LKS-PWU) must have professional management in collecting it, accompanied by high accountability and integrity in terms of reporting.

Bank Sumut is a Financial Institution owned by the North Sumatra regional government which was founded on November 4, 1961. After its legal entity was changed by the University of North Sumatra to become a Regional Owned Enterprise in 1965. And changed back to a Limited Liability Company on April 16, 1999. Since the issuance of the Law No.10 of 1998 by the Government of Indonesia which provides an opportunity for Conventional Banks to open Sharia Business Units. Therefore on November 4, 2004 Bank Sumut opened a Sharia Business Unit which is a work unit of Bank Sumut as the main office of an office that carries out business activities based on sharia principles. (Bank of North Sumatra, 2004)

RESEARCH METHODS

The research made finds out more in-depth about the problem of Cash Waqf that occurs in Financial Institutions which are collectors of Cash Waqf in the North Sumatra area, namely PT Bank Pembangunan Daerah Sumatra Utara which is known as Bank BPD SUMUT with a division of Sharia Business Units. This research is a field research with data collection techniques with in-depth interview methods and documentation. The interview conducted was at the coordinator of cash waqf at the central Bank SUMUT Syariah. All the data that researchers get is processed with qualitative analysis techniques.

DISCUSSION AND RESEARCH RESULTS

The Indonesian Waqf Board has for a long time collaborated with Islamic financial institutions to facilitate waqf deposits. Every Islamic bank has an opportunity in terms of managing cash waqf assets, namely by working with nazhir or also collecting cash waqf directly from the muwakif as long as it fulfills the requirements stipulated by law. Release results (Indonesian Waqf Board, 2021) The Islamic Financial Institutions Receiving Cash Waqf are as follows :

Table.1 Cash Waqf Recipient Islamic Financial Institutions (LKS - PWU)

No	Islamic Bank	SK year	No	Islamic Bank	SK year
1	Bank Muamalat Indonesia	2008	16	BPD Kaltim and Kaltara Syariah	2018
2	Mega Syariah Bank	2008	17	BPRS Treasure Insan Karimah	2019
3	Bank DKI Syariah	2008	18	BPD South Kalimantan	2019
4	Bank BTN Syariah	2010	19	Bank Danamon Indonesia	2020
5	Bukopin Sharia Bank	2010	20	Gem Bank	2020
6	BPD Jogja Syariah	2010	21	Indonesian Sharia Bank	2021
7	BPD Kalbar Syariah	2010	22	BPRS Bina Rahmah	2021
8	BPD Central Java Sharia	2010	23	BPRS Mitra Amal Mulia	2021
9	BPD Riau Syariah	2010	24	BPRS Al Salam Amal Salman	2021
10	BPD East Java Syariah	2011	25	BPD West Sumatra (Bank Nagari)	2021
11	<i>BPD Sumut Syariah</i>	2012	26	BPRS Build Citizen Degree	2021
12	Bank CIMB Niaga Syariah	2013	27	BPRS Lantabur Tebuireng	2021
13	Bank Panin Dubai Syariah	2014			
14	BPD Sumsel & Babel Syariah	2016			
15	BPD BJB Syariah	2018			

Government support by passing Law no. 41 of 2004 concerning Waqf which also accommodates cash waqf, has opened opportunities for people of all groups (not only the rich) to be able to participate in waqf. Therefore, through the Sharia Business Unit division, the bank of North Sumatra has become one of the Sharia Financial Institutions for Collecting Cash Waqf (LKS-PWU). since 2012 through a decree issued by the Ministry of Religion. In the form of money, waqf can be carried out with a certain small value of currency, which of course becomes more feasible for all groups.

The Coordinator of the Bank of North Sumatra's Cash Waqf (Jauhari, 2021) disclosed that the Bank of North Sumatra had submitted an application as nazhir money waqf manager since 2011, and permission from the Indonesian Ministry of Religion was issued on July 29 2012. In its journey since 2012 cash waqf has not gone as expected and stagnate until 2021 with no cash waqf funds deposited and managed. At that time, Bank Sumut had not made waqf products but had modified several savings products. For example, deposits with waqf prizes.

With the declaration of the National Movement for Cash Waqf (GNWU) by the central government in 2021 to rebuild the passion for Cash Waqf in various parties, Bank Sumut immediately revamped cash waqf by holding hearings at institutions responsible for cash waqf such as the Indonesian Waqf Board (Indonesian Waqf Board). BWI) and the Ministry of Religion through the Directorate of Empowerment of Zakat and Waqf (ZISWAF) to rebuild Benchmarks. Bank Sumut began to develop several methods for depositing cash waqf funds, namely the Direct Method and the Indirect Method.

In June 2021 the cash waqf is implemented but still indirectly. That is where the community is expected to deposit cash waqf through the North Sumatra Bank office in each branch. Still in 2021 Bank Sumut is trying to build cooperation with several local

government agencies starting to raise cash waqf funds with the approval of local regional officials. Bank Sumut tries to build synergy among HR in Bank Sumut to get benefits to build that cash waqf is a low-cost fund where the bank no longer needs to pay back the cost of funds to depositors such as savings, either demand deposits or deposits. Waqf funds The money will go into the Wadiah (Entrusted) Account where the nominal value of the waqif fund deposits will not decrease.

Two types of money waqf will be created in the cash waqf fund, namely Permanent Cash Waqf and Temporary Cash Waqf. However, temporary cash waqf will still be studied more deeply by internal parties, because there is still a return that must be paid to the waqif. In this case, Bank Sumut hopes that the cash waqf funds will be used for development in North Sumatra and not go out to the North Sumatra region. In the case of collecting cash waqf that is temporary, the Bank of North Sumatra is also trying to build cooperation with Islamic boarding schools that have waqf funds and Islamic schools to manage cash waqf from the institution and the results are used for the development of the education provider.

Literacy is the biggest homework for the HR of the North Sumatra bank to build people's thinking, the North Sumatra bank is trying to compile a pocket book while indirectly improving the system. Trying to build an information system application with several jargons including the name "Wak Usman" which stands for "Cash Waqf Spread Benefits". Bank Sumut made the slogan "Let's Bring Treasure to Heaven". Currently, Bank Sumut has signed an MOU (Memorandum Of Understanding) with several institutions:

1. Daarut Tauhid Cares Representative for North Sumatra
2. Global Wakaf is supported by ACT (Action Quick Response) North Sumatra Branch

In collecting cash waqf, Bank Sumut has reached digital technology, namely with Bank Sumut's Waqf Services, including through

1. *E – North Sumatra Bank Channel* is an information technology-based banking transaction service carried out in the following manner:
 - a. Make a deposit to the Nazir account of the Provsu Indonesian Waqf Agency
 - b. Bring proof of transaction to the Sharia Work Unit
 - c. Fill out the Waqf Deed and Pledge
 - d. Receive a Waqf Certificate (For a Minimum Deposit of One Million Rupiah).
2. QRIS (Quick Response Code Indonesian Standard) is a payment standardization using the QR Code method from Bank Indonesia so that the process of public financial transactions is easier, faster and more secure in terms of security, with the following procedures:
 - a. Make a deposit to the account of Nazir BWI North Sumatra Cash Waqf with No. 614.01.04.000067-2
 - b. Bring proof of transaction to the Sharia Work Unit of Bank Sumut
 - c. Fill out the Waqf Deed and Pledge
 - d. Receive a Waqf Certificate (for a minimum deposit of One Million Rupiah).

CONCLUSION

Bank Sumut has stagnated in 2012 to 2021 In terms of operations Islamic Financial Institutions, especially Islamic Banking, it should have been able to manage Cash Waqf, based on an interview from the PIC (People Also Ask) of the waqaf of money from Bank Sumut that until now the implementation of Cash Waqf at Bank Sumut still has a lot to be addressed which is caused by several things. The problem of Literacy is the main thing that still has to be solved in depth, people still think with different understandings

and effectiveness about Cash Waqf accompanied by Cash Waqf among the community is not yet known and understood well and deeply by the community.

Bank Sumut also prepared several Human Resources in the field of Information Technology for In other respects, Bank Sumut is still exploring and studying several things regarding public transparency, of course, there are financial matters that still clash with regulations both sharia and rules from Bank Indonesia . So that in the future there will be no friction with the community regarding the waqf funds collected.

Several efforts have been made by Bank Sumut in increasing its existence and role as a money waqf nazhir through the sharia division, including from the internal side by changing the paradigm that Cash Waqf will provide benefits to the Bank Sumut because there is no need for Cost Of Funds on the Cash Waqf fund so that it is more profitable from Bank Sumut and improves in terms of information technology. Meanwhile, on the external side, namely by collaborating with several money waqf managers and education institutions, local governments and the private sector.

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