



Features for An Effective Administration and Organizational Structures

Contemporary Administration

- 1. Voluntary zakat administration- Kuwait, South Africa, Jordan, Egypt
- 2. Compulsory Collection of zakat by the State- Malaysia, Pakistan Saudi Arabia.

Types of Zakat Management

State/Country	Collection	Disbursement
Pakistan	Government	Govt
WP/N.9	Corporation	Govt
Selangor/Penang	Corporation	Corporation
Jordan/Kuwait/Egypt	NPO	NPO
South Africa	NPO	NPO

Model of Zakat Administration

- 1. Charitable Organisation- Eg. South Africa
- 2. Semi governmental organisation- Eg Egypt
- 3. Government bodies- EG. Malaysia.
- 4. Volunteers or mixed with any of the above. Eg. Pakistan.

Effective Administration

- 1. A clear social mission- objective of the organisation.
- 2. Legitimacy and support- Donors
- 3. Organizational capabilities-the ability to achieve the desired objectives through:-
 - a. using resources effectively
 - b. Cooperation amongst other institution

Governance Structure

- Effective and supportive board of trustees.
- Relevant system
- Clear structure
- Transparency
- Cost efficiency

Management Procedures

- Strategic Planning
- Human resources management
- Raising fund efficiently
- Transparency in operation-
maintaining financial integrity and
instituting internal control
mechanism

Legitimacy and Reputation

- To ensure reputation and goodwill of the institutions.
- Meet the objective of the institution
- Good relationship with the donors
- Financial statement be made available to the public

Clear Duties and Functions

- Separate duties to collectors, distributors and record keepers.

Raising Revenue/Fund

- Convenience way of payment
- Marketing and information
- Building trust to the public

Disbursement of fund

- Identify the beneficiaries
- Establishing a delivery system
- Access to volunteers
- Networking and coordination
- Achieve the objective

Corporation as an effective way of good governance

- A corporate structure
- Modern management
- Transparent system
- Better marketing

ZAKAH COLLECTION CORPORATION

- **RM25 million p.a. 1980s and 2001-
RM320 million RM50 million zakat fitr
and RM270 million zakat on property.**
- **The incorporation of zakat institution
in Malaysia leads to the tremendous
growth of zakat collection.**

Zakat Management in Malaysia

State	Collection	Disbursement
Kelantan, Sarawak, Perak, Perlis and other state	Govt	Govt
WP/N.9	Corp	Govt
Selangor/Penang	Corp	Corporation

New Scheme of Zakat

- There are good schemes to be adopted by the zakat institution.
- This scheme will directly help the recipients.

Support An Insurance for the Vulnerable

- Scheme of giving benevolent loan to the poor.
- To insure the asset of the poor eg natural disaster

Micro Finance Based in Zakat and Awqaf

- Waqf for financing the poor
- Zakat for consumption purposes.
- Or even zakat fund could be given to the poor for micro finance with subsidized rate.