



Islamic Philanthropic Fund Management: The Role Of Infaq And Sadaqah In Supporting Infrastructure Development At Annuqayah

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Abstract:

Islamic boarding schools (pesantren) in Indonesia face significant challenges in infrastructure development due to limited government funding, necessitating alternative financing methods. This study examines the management practices of infaq and sadaqah funds at Pondok Pesantren Annuqayah Daerah As-Syafiiyah and their role in supporting infrastructure development. The research employed a qualitative approach with a case study design, collecting data through in-depth interviews with 15 key informants, direct observation of development activities, and document analysis of financial and project records. The study reveals a systematic management approach incorporating four key functions—planning, organizing, implementing, and monitoring—adapted to accommodate religious values and local cultural contexts. Infaq and sadaqah funds contribute significantly to infrastructure development through educational facility funding, supporting infrastructure enhancement, maintenance programming, and financial independence promotion. This has enabled substantial physical expansion, including dormitory facilities that increased student capacity from 45 to 200 students between 2022-2024. The research concludes that effective management of Islamic philanthropic funds requires balancing religious authenticity with operational effectiveness through adaptive planning systems, transparent accountability mechanisms, and knowledge transfer procedures. These findings offer practical implications for similar institutions seeking sustainable financing alternatives and suggest that further research should explore comparative approaches across different pesantren contexts to develop generalizable principles for Islamic philanthropic fund management in educational settings.

Keywords: *Islamic philanthropy, infaq and sadaqah management, infrastructure development, pesantren, financial sustainability, educational facilities, voluntary charitable funds.*

INTRODUCTION

Islamic philanthropy has emerged as a significant financial instrument for supporting social and educational development in Muslim communities worldwide. The practice of *infaq* (voluntary charity) and *sadaqah* (voluntary giving) represents essential components of Islamic philanthropic instruments that contribute significantly to sustainable community development, particularly in educational institutions (Abdul et al., 2024). Within the Indonesian context, these traditional Islamic financial instruments have played a pivotal role in the establishment, maintenance, and development of Islamic boarding schools (*pesantren*) (Muktirrahman et al., 2018) that serve as centers for religious education and community development (Hardi et al., 2021).

Indonesia hosts the largest Muslim population globally, with approximately 231 million Muslims, representing 87% of its total population (Pew Research Center, 2022). This significant demographic has contributed to the establishment of over 39,551 Islamic boarding schools (*pondok pesantren*) nationwide, which collectively serve more than 4.9 million students (Maarif, 2024). These institutions face considerable challenges in their infrastructure development, particularly those in rural and economically disadvantaged regions. Limited government funding allocation necessitates alternative financing methods, with Islamic philanthropy emerging as a viable solution (Fatah et al., 2023).

The management of Islamic philanthropic funds presents unique challenges and opportunities. Recent studies have highlighted the importance of efficient fund management practices in maximizing the impact of donor contributions (Ma'arif, 2025). Effective management encompasses transparent collection mechanisms, accountable allocation processes, and systematic reporting procedures (Azwar, 2023). Despite the growing recognition of Islamic philanthropic instruments' potential, there exists a notable gap in empirical research regarding their management practices, particularly in the context of infrastructure development for educational institutions (Fawwaz et al., 2021).

Pondok Pesantren Annuqayah, established in 1887 in Guluk-Guluk Sumenep, East Java, represents one of Indonesia's historical Islamic educational institutions. The *pesantren* employs a federated management system, with several semi-autonomous regions operating under the *Annuqayah* umbrella, including *Daerah As-Syafiiyah* (Zafani, 2021). This particular region has demonstrated remarkable development in recent years, primarily funded through *infaq* and *sadaqah* contributions from various stakeholders. Unlike many similar institutions that rely substantially on government allocations or *waqf* (endowment) returns, *As-Syafiiyah* has developed a distinctive approach to managing voluntary charitable funds for infrastructure development (Tsabit, 2024).

The effective management of infaq and sadaqah funds requires strategic planning, structured organization, coordinated implementation, and rigorous control mechanisms (Fatah et al., 2023). However, traditional pesantren often face challenges in implementing formal management practices due to limited managerial expertise and organizational structures primarily designed for educational rather than financial functions (Wahyuni-TD et al., 2021). This situation creates a complex environment where religious values intersect with modern management principles, requiring careful navigation to maintain both financial efficiency and institutional integrity (Sawmar & Mohammed, 2021).

Several recent studies have examined various aspects of Islamic philanthropy in educational contexts. Dewi (2023) investigated the role of waqf, infaq, and sadaqah in the development of Pondok Pesantren Darul Quran, finding that these instruments significantly contribute to physical infrastructure development but often lack systematic management procedures. Shofiyuddin dan Zamroni (2023) explored economic development strategies in Falah Islamic Boarding School, Pacet, Mojokerto, identifying two primary approaches: protective economic systems and diversified business activities. Ithriyah et al. (2022) examined economic development strategies at Pondok Pesantren Annuqayah, highlighting the importance of strategic analysis in optimizing resource utilization. Despite these contributions, there remains a significant gap in understanding the specific management mechanisms employed in utilizing infaq and sadaqah for infrastructure development within pesantren contexts.

The present study addresses this research gap by examining the management practices of infaq and sadaqah funds at Pondok Pesantren Annuqayah Daerah As-Syafiiyah, particularly focusing on their application to infrastructure development. This research contributes to the existing literature by providing empirical evidence regarding the implementation of management functions in Islamic philanthropic fund administration and identifying effective strategies for optimizing voluntary charitable contributions for educational infrastructure development. The findings have significant implications for similar institutions seeking sustainable financing approaches for physical development projects.

This research aims to: (1) analyze the management practices of infaq and sadaqah funds in supporting infrastructure development at Pondok Pesantren Annuqayah Daerah As-Syafiiyah, and (2) examine the specific roles and contributions of these Islamic philanthropic instruments in facilitating the pesantren's physical development. Through a qualitative approach employing in-depth interviews, observation, and document analysis, this study provides comprehensive insights into the management mechanisms employed and their effectiveness in translating charitable contributions into tangible educational facilities.

LITERATURE REVIEW

Conceptual Framework of Islamic Philanthropy

Islamic philanthropy represents a comprehensive system of charitable giving rooted in religious principles that guide Muslims' altruistic activities. The Islamic philanthropic framework encompasses various instruments, including obligatory giving (zakat), voluntary charitable donations (infaq and sadaqah), and endowments (waqf), each with distinct characteristics and applications (Hefner, 2015). Unlike conventional philanthropy, Islamic philanthropic activities are motivated by both spiritual rewards and socioeconomic considerations, creating a unique paradigm that integrates religious values with social welfare objectives (Ismail et al., 2022).

Recent scholarly investigations have expanded our understanding of Islamic philanthropy's theoretical foundations. Ma'arif (2025) conceptualizes Islamic philanthropy as a multi-dimensional framework comprising spiritual, economic, and social elements that collectively contribute to sustainable development. This perspective is further developed by Dewi dan Zaenurrosyid (2023), who propose a three-dimensional model of Islamic philanthropy encompassing vertical relationships (human-God), horizontal relationships (human-human), and environmental stewardship (human-nature). Their empirical study across four Southeast Asian countries demonstrates that this integrated approach significantly enhances the effectiveness of philanthropic initiatives in addressing complex social challenges.

In the Indonesian context, Islamic philanthropy has evolved significantly in recent decades. Historically characterized by informal and personal charitable activities, contemporary Islamic philanthropy in Indonesia has increasingly adopted institutionalized approaches with professional management practices (Fauzia, 2017). This growth reflects increasing public trust in institutional management of charitable funds, particularly for educational development projects.

Infaq and Sadaqah: Conceptual and Management Perspectives

While zakat has received substantial scholarly attention, infaq and sadaqah—representing voluntary charitable giving in Islamic tradition—have been comparatively underexplored in contemporary academic literature. Infaq refers to spending for beneficial purposes without specific stipulations regarding recipients, while sadaqah encompasses broader forms of giving, including non-material contributions (Bakar, 2024). Unlike zakat, which has prescribed calculation methods and eligible recipients, infaq and sadaqah offer greater flexibility in collection and distribution, creating both opportunities and challenges for institutional management (Sani et al., 2025).

The theological foundations of infaq and sadaqah establish these practices as perpetual acts of worship rather than seasonal obligations. Yusof et al. (Hasan, 2015) identifying five core principles that guide authentic infaq and sadaqah: sincerity (ikhlas), excellence (ihsan), sustainability (istidamah), transparency (shafafiyah), and inclusivity

(shumuliyyah). These principles constitute essential criteria for evaluating the effectiveness of institutional management practices in contemporary contexts.

The management of infaq and sadaqah presents distinctive challenges compared to other philanthropic instruments. Ismail et al., (2022) identify three primary management dimensions specific to voluntary charitable funds: donor relationship management, fund allocation flexibility, and sustainability mechanisms. Their comparative analysis of traditional and modern management approaches demonstrates that effective infaq and sadaqah administration requires balancing religious authenticity with professional management practices. Propose a comprehensive management framework for voluntary charitable funds incorporating modern financial management techniques while maintaining alignment with Islamic ethical principles (Akkas & Al Samman, 2022; Ma'arif, 2025).

Infrastructure Development in Islamic Educational Institutions

Infrastructure development constitutes a critical component of educational quality improvement in Islamic educational institutions. Contemporary research has established strong correlations between physical infrastructure quality and educational outcomes across various contexts. In the Indonesian pesantren context, infrastructure development faces multiple challenges. Akkas (Akkas & Al Samman, 2022) propose an integrated financing model incorporating Islamic philanthropic instruments, community participation, and income-generating assets to create sustainable infrastructure development programs for Islamic educational institutions.

The relationship between infrastructure quality and educational effectiveness in pesantren settings has received increasing scholarly attention. Their analysis reveals that basic infrastructure (water, sanitation, and electricity) fundamentally impacts learning processes, while specialized facilities (libraries, laboratories, and technology centers) significantly enhance educational outcomes in specific subject areas.

Management Functions in Islamic Philanthropic Organizations

Management principles and functions provide essential frameworks for optimizing charitable resource utilization. Classical management theory identifies four primary functions: planning, organizing, actuating (leading), and controlling (POAC), which collectively enable organizational effectiveness (Ma'arif, 2025). When applied to Islamic philanthropic contexts, these functions require adaptation to accommodate religious values and ethical considerations that may not feature prominently in conventional management frameworks.

Planning functions in Islamic philanthropic organizations involve distinctive considerations beyond conventional strategic planning. The organizing function within Islamic philanthropic institutions reflects unique structural considerations. Bakar (Bakar, 2024) identify four organizational models in Indonesian Islamic charitable

institutions: centralized hierarchical structures, federated systems, network organizations, and hybrid arrangements. Their analysis indicates that institutional effectiveness correlates not with specific organizational structures but rather with alignment between structural arrangements and operational contexts. This finding contradicts conventional management assumptions regarding optimal organizational designs, suggesting context-specific approaches to organizing philanthropic activities.

Leadership practices (actuating) in Islamic philanthropic organizations demonstrate distinctive characteristics reflecting religious values. Irmayanti (Irmayanti, 2024) conducted an ethnographic study of leadership behaviors in Indonesian zakat institutions, identifying a servant leadership orientation grounded in religious principles. Their analysis reveals that effective leaders in Islamic philanthropic contexts demonstrate seven key behaviors: exemplary religious practice, community embeddedness, donor relationship cultivation, recipient dignity preservation, staff empowerment, strategic vision articulation, and continuous learning orientation. This leadership model differs substantively from conventional philanthropic leadership frameworks by emphasizing religious authenticity alongside professional competence.

Empirical Studies on Islamic Philanthropic Fund Management in Educational Contexts

The application of Islamic philanthropic instruments to educational development has generated substantial empirical research in recent years. Several recent case studies provide valuable insights into effective management practices for Islamic philanthropic funds in educational contexts (Kailani & Slama, 2020).

Despite these advances, significant research gaps remain regarding the management of infaq and sadaqah specifically for infrastructure development in pesantren contexts. Existing studies have predominantly focused on zakat management or general philanthropic practices without adequate attention to the distinctive characteristics of voluntary charitable fund management for physical development projects. Additionally, most empirical research has examined larger, more established institutions without sufficient exploration of management practices in emerging or smaller educational entities. The present study addresses these gaps by providing an in-depth analysis of infaq and sadaqah management practices at Pondok Pesantren Annuqayah Daerah As-Syafiiyah, focusing specifically on their application to infrastructure development projects.

METHODOLOGY

Research Design

This study employed a qualitative research approach with a case study design to investigate the management practices of infaq and sadaqah funds at Pondok Pesantren Annuqayah Daerah As-Syafiiyah. The qualitative approach was selected for

its capacity to explore complex phenomena within their natural contexts, particularly appropriate for examining management processes that involve both technical and socio-religious dimensions (Creswell & Poth, 2016). The case study design facilitated an in-depth examination of a specific context, allowing for comprehensive analysis of management practices within their institutional and cultural environment.

Research Setting

The research was conducted at Pondok Pesantren Annuqayah Daerah As-Syafiiyah, located in Guluk-Guluk Village, Guluk-Guluk District, Sumenep Regency, East Java, Indonesia. This location was purposively selected based on several criteria: (1) its established history of utilizing infaq and sadaqah for infrastructure development, (2) its status as a semi-autonomous region within the federated Annuqayah pesantren system, and (3) its notable infrastructure development achievements in recent years despite limited government funding.

Data Sources and Participants

The study utilized both primary and secondary data sources. Primary data were collected from key stakeholders involved in the management of infaq and sadaqah funds, selected through purposive sampling to ensure comprehensive representation of management perspectives (Oktaviany et al., 2025). Participants included:

1. The principal caretaker (pengasuh) of the pesantren
2. Administrative board members responsible for financial management
3. Infrastructure development committee members
4. Selected donors representing different contribution categories
5. Community representatives involved in development projects

Secondary data sources included financial records, development planning documents, project reports, and historical records of infrastructure development activities.

Data Collection Methods

Multiple data collection techniques were employed to capture comprehensive information regarding management practices:

In-depth interviews: Semi-structured interviews were conducted with 15 key informants using interview protocols developed from the literature review and preliminary field observations. Each interview lasted 60-90 minutes, was audio-recorded with consent, and subsequently transcribed verbatim. The interview approach followed Rubin (Rubin & Rubin, 2011) recommendations for culturally sensitive qualitative interviewing in religious institutional contexts.

Direct observation: Field observations were conducted at infrastructure development sites and during planning meetings to document actual management processes, physical development progress, and interpersonal dynamics during decision-making procedures. Observations were guided by structured observation protocols and documented through field notes and photographic evidence.

Document analysis: Financial records, meeting minutes, development plans, and progress reports were systematically analyzed to establish historical patterns, verify implementation processes, and assess accountability mechanisms.

Data Analysis Procedures

The data analysis followed a systematic process that began with meticulous interview transcription, field note organization, and document cataloging as foundational preparatory steps. This foundation enabled a comprehensive thematic analysis employing both deductive and inductive coding approaches, which successfully identified significant management patterns, challenges, and innovative practices across the dataset. The research then advanced to cross-case analysis, methodically comparing management practices across various infrastructure projects to uncover common principles while acknowledging important contextual variations. The final phase involved interpretive analysis, where findings were examined through the dual lenses of established management theory and Islamic philanthropic principles, ultimately yielding integrated theoretical insights that bridged these perspectives in a cohesive framework.

Trustworthiness and Ethical Considerations

Research trustworthiness was established through several strategies:

1. **Triangulation:** Using multiple data sources, methods, and theoretical perspectives to verify findings (Creswell & Poth, 2016).
2. **Member checking:** Sharing preliminary interpretations with key informants to verify accuracy and representativeness
3. **Prolonged engagement:** Conducting fieldwork over a four-month period to develop contextual understanding and rapport with participants
4. **Reflexivity:** Maintaining a researcher reflective journal to document analytical decisions and potential biases

Ethical considerations included obtaining informed consent from all participants, protecting confidentiality through pseudonyms where requested, securing institutional approval from both the research ethics committee and pesantren leadership, and adhering to cultural protocols appropriate for religious educational settings (Rubin & Rubin, 2011).

RESULTS AND DISCUSSION

This section presents findings from the investigation of infaq and sadaqah fund management practices at Pondok Pesantren Annuqayah Daerah As-Syafiiyah and discusses their implications for infrastructure development.

Management Practices of Infaq and Sadaqah Funds

The analysis of management practices reveals a structured approach organized around four classical management functions adapted to the pesantren's religious and cultural context.

Planning Mechanisms

Planning emerged as a foundational element in the management of philanthropic funds at Pondok Pesantren Annuqayah Daerah As-Syafiiyah. As stated by Ustadz Ainul Fikri, the head of the development committee:

“The first planning determination is to establish building requirements and design. This includes determining necessary construction materials—cement, iron, stone—and other building tools.”

The planning process demonstrates a pragmatic approach focused on physical needs rather than abstract financial targets. Unlike conventional financial planning that typically begins with monetary allocations, the pesantren's planning starts with identifying infrastructure requirements, which subsequently drives resource mobilization efforts. This approach aligns with what Fatah et al. (2023) describe as “needs-driven planning” in traditional Islamic philanthropic management systems.

Document analysis revealed that planning activities include:

1. Infrastructure needs assessment based on student population growth
2. Prioritization of development projects according to urgency
3. Preliminary design development for proposed structures
4. Estimation of material requirements
5. Identification of potential funding sources

This methodology resembles the integrated impact planning model described by Ma'arif (2025), which combines religious objectives with measurable outcomes. However, the pesantren's approach places greater emphasis on physical deliverables rather than financial metrics, reflecting its primary focus on educational mission rather than fiscal performance.

Organizational Structure and Responsibility Distribution

The pesantren employs a well-defined organizational structure for managing infaq and sadaqah funds. The infrastructure development activities operate under a committee system with clearly delineated responsibilities. According to Ustadz Sholihul Hadi, the treasurer:

“We select officers based on individual expertise, trustworthiness, and responsibility in performing tasks. After appropriate placement, each person executes their specific duties—I, as chairman, supervise staff; the head builder coordinates materials and ensures continuous work progression; and the consumption staff provides refreshments and manages weekly payments to builders.”

This organizational approach demonstrates several distinctive characteristics of Islamic philanthropic management identified by Bakar (Bakar, 2024), particularly the integration of technical expertise with moral trustworthiness (*amanah*) as criteria for responsibility assignment. The structure reflects a hybrid model incorporating elements of both hierarchical organization (clear reporting lines) and communal participation (shared responsibility).

Staff selection criteria focus equally on technical competence and religious trustworthiness, demonstrating the dual nature of management requirements in Islamic philanthropic contexts. This balanced approach appears to enhance both operational effectiveness and community trust in fund management.

Implementation Processes

The implementation of infrastructure development projects follows systematic procedures that translate planning into action. Document analysis and field observations revealed a structured implementation process integrating both technical construction procedures and religious practices.

Financial data indicates that approximately 1,800,000 rupiah is allocated weekly for construction labor costs, with material costs managed separately through direct coordination with donors. The treasurer explained:

“Daily operations have funds allocated for specific needs. Monthly disclosures cover construction materials, while weekly expenses primarily address builder payments.”

Table 1. Construction Worker Payment Schedule (Sample Data)

Worker Name	Daily Rate (IDR)	Weekly Payment (IDR)	Payment Date
Zainal	110,000	660,000	Thursday
Misdi	110,000	660,000	Thursday
Hosdi	90,000	540,000	Thursday
Total	310,000	1,860,000	-

Source: Pondok Pesantren Financial Records (2024)

Implementation also involves significant community participation beyond monetary contributions. Field observations documented student involvement in construction activities, creating an integrated learning experience that combines educational objectives with development needs. This approach exemplifies the integration of educational and developmental functions described by Akkas and Al Samman (Akkas & Al Samman, 2022) as characteristic of effective Islamic educational institutions.

The implementation process demonstrates flexibility in resource utilization, with project schedules adjusted according to fund availability rather than predetermined timelines. This adaptive approach allows the institution to maintain development momentum despite irregular funding flows, a common challenge in philanthropic contexts as noted by Ismail et al. (Ismail et al., 2022).

Monitoring and Evaluation Systems

Oversight of fund management and infrastructure development is conducted through direct supervision by the pesantren leadership. According to Ustadz Ainul Fikri:

“In implementing infrastructure development, the pesantren receives direct supervision from the caretaker (pengasuh). Any aspects that don’t meet the caretaker’s approval are immediately addressed through replacements or modifications.”

This direct supervisory approach differs from conventional management control systems that typically rely on documented procedures and formalized reporting structures. Instead, the pesantren employs what Ma’arif (2025) describes as “values-based control,” where oversight is embedded in relational dynamics rather than procedural mechanisms.

Financial transparency is maintained through regular reporting to donors, particularly regarding material utilization. The treasurer indicated that specific donations, such as cement or building materials, are tracked separately from general funds, ensuring donor confidence in resource utilization.

Documentation analysis revealed that while formal financial reporting exists, it serves primarily as an operational tool rather than an accountability mechanism. This approach reflects the pesantren’s reliance on relational trust rather than procedural verification—a characteristic that Bakar (2024) identifies as common in traditional Islamic charitable organizations.

Infaq and Sadaqah Contributions to Infrastructure Development

Analysis of infrastructure development records and interview data revealed several key contributions of infaq and sadaqah funds to the pesantren’s physical development.

Educational Facility Development Funding

Infaq and sadaqah funds have significantly contributed to educational infrastructure development at the pesantren. Document analysis confirmed the construction of multiple facilities, including:

1. A two-story female student dormitory consisting of:
 - Ground floor: 8 residential rooms, 1 administrative office, 1 kitchen, and 7 bathrooms
 - Second floor: Prayer hall (musholla) and drying area
2. A male student dormitory comprising:

- Ground floor: 2 residential rooms and 2 bathrooms
- Second floor: 1 large prayer hall

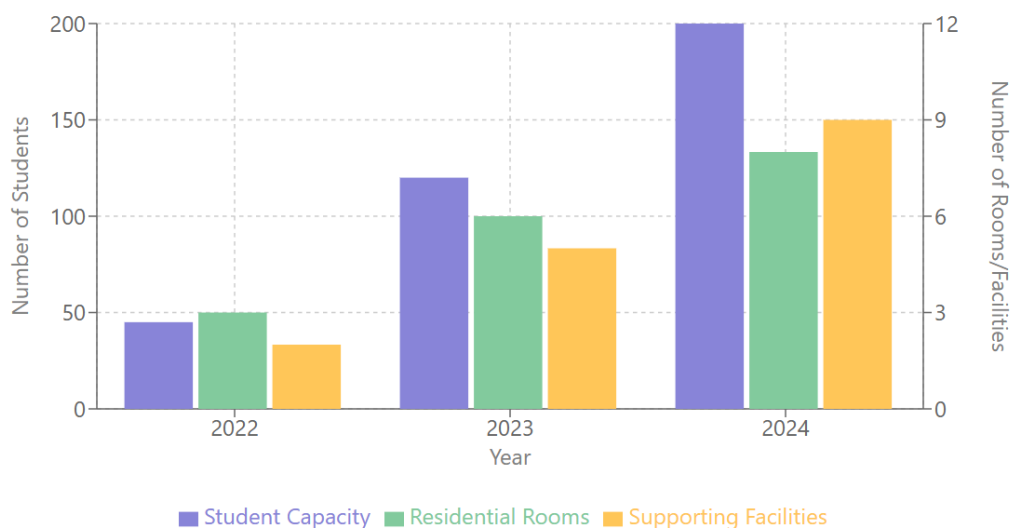
Interview data from Ustadz Sholihul Hadi emphasized the critical role of philanthropic funding:

“Infaq and sadaqah funding is vital for our infrastructure development. These funds have been used to build and renovate educational facilities, student dormitories, and worship spaces. Recently, we constructed a new dormitory building entirely funded through community contributions.”

This significant infrastructural expansion aligns with findings from Fawwaz et al. (2021), who identified residential accommodations as the highest infrastructure priority for Indonesian pesantren due to increasing student populations and limited government funding for non-academic facilities.

Figure 1 illustrates the development progression of female dormitory facilities from 2022 to 2024, demonstrating substantial capacity expansion. Infrastructure Development Notes: 2022: Initial dormitory with 3 rooms, 2 bathrooms, capacity for 45 students 2023: Ground floor expansion completed with additional 3 rooms, kitchen facilities, administrative office, and 3 more bathrooms 2024: Second floor completed with prayer hall (musholla), 2 additional residential rooms, and drying area; total capacity reached 200 students

Figure 1: Female Dormitory Capacity Development 2022-2024



Source: Pondok Pesantren Annuqayah Daerah As-Syafiiyah Development Records (2024)

Supporting Infrastructure Enhancement

Beyond primary educational facilities, infaq and sadaqah funds have enabled the development of essential supporting infrastructure. According to Ustadz Nailur Ridho:

“These funds are also used to improve supporting facilities such as visitor reception areas, repairing damaged furniture, and enhancing sanitation facilities throughout the campus.”

Document analysis confirmed allocations for water supply systems, electrical infrastructure improvements, and pathway construction connecting various campus facilities. These components, while less visible than major buildings, provide essential services that enable effective educational operations.

The emphasis on supporting infrastructure demonstrates alignment with the holistic infrastructure framework proposed by Ithriyah et al. (2022), which emphasizes interconnected facility development rather than isolated construction projects. The pesantren's approach prioritizes comprehensive campus functionality over monumental structures, reflecting a pragmatic orientation toward educational effectiveness.

Maintenance and Renovation Activities

A distinctive feature of infaq and sadaqah fund utilization at the pesantren is the systematic allocation for maintenance and renovation of existing facilities. Ustadz Sholihul Hadi explained:

“We closely monitor infrastructure maintenance at the pesantren. When something deteriorates, we repair it immediately. We regularly conduct painting, both interior and exterior, typically during fasting month holidays when students are home. This approach allows us to complete maintenance efficiently and helps returning students feel comfortable with refreshed facilities.”

This proactive maintenance approach contrasts with the construction-focused infrastructure development common in many educational institutions. The emphasis on facility preservation reflects efficient resource utilization and demonstrates what Irmayanti (2024) identifies as sustainable infrastructure management practices.

Document analysis revealed that approximately 15-20% of annual philanthropic funds are allocated to maintenance activities, ensuring long-term functionality of existing facilities rather than exclusively pursuing new construction. This balanced approach exemplifies the principle of sustainability (*istidamah*) identified by Ma'arif (2025) as a core element of effective Islamic philanthropy.

Table 2: Female Dormitory Development Progression (2022-2024)

Development Component	2022	2023	2024	Growth (%)
Residential Rooms	3	6	8	166.7%
Bathroom Facilities	2	5	7	250.0%
Student Capacity	45	120	200	344.4%
Additional Facilities	0	2	4	N/A
Total Floor Area (m ²)	120	285	485	304.2%

Note: Additional facilities include administrative office, kitchen, prayer hall (musholla), and drying area.

Source: Pondok Pesantren Annuqayah Daerah As-Syafiiyah Development Records (2024)

Financial Independence Enhancement

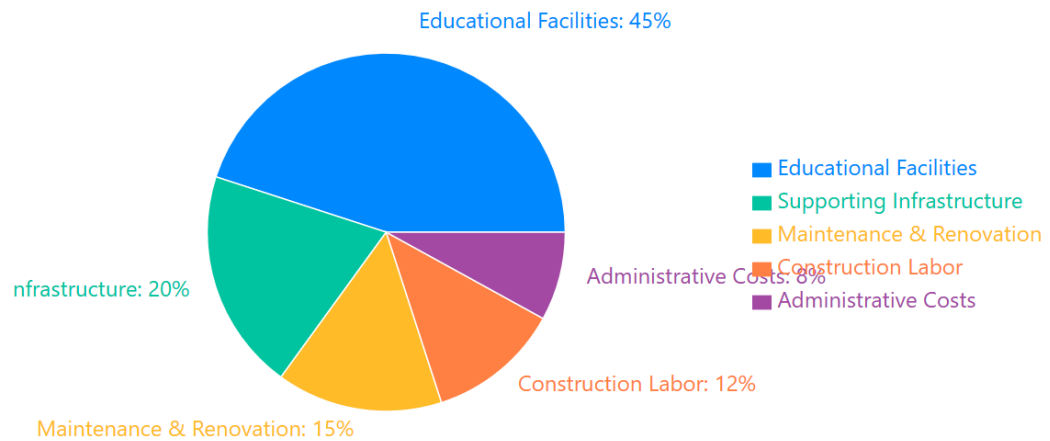
The management of infaq and sadaqah funds has contributed significantly to the pesantren's financial independence. By developing effective donor relationships and transparent fund management systems, the institution has established a reliable alternative to government funding and commercial financing.

This financial independence enables greater institutional autonomy in educational programming and infrastructure development. As noted by Ustadz Shodiqi:

“Through this strategy, we’ve successfully improved both the quality and quantity of our facilities. Our students now have access to better learning facilities, more comfortable dormitories, and an environment more conducive to learning. This positively impacts their academic and spiritual development.”

The pesantren's approach demonstrates what Dewi dan Zaenurrosyid (2023) describe as “sustainability through community embeddedness,” where financial independence emerges from strong social relationships rather than institutional assets or government subsidies.

Figure 2: Allocation of Infaq and Sadaqah Funds for Infrastructure Development (2022-2024)



Source: Financial Records of Pondok Pesantren Annuqayah Daerah As-Syafiiyah (2022-2024)

Fund Allocation Summary: Educational Facilities (45%): Construction of dormitories, classrooms, and worship spaces Supporting Infrastructure (20%): Water systems, electrical infrastructure, pathways Maintenance & Renovation (15%): Regular facility updates, repairs, and painting Construction Labor (12%): Weekly payments to builders and skilled workers Administrative Costs (8%): Management expenses and operational oversight.

Challenges and Innovations in Fund Management

Despite overall effectiveness, the management of infaq and sadaqah funds at the pesantren faces several challenges that have prompted innovative solutions.

Funding Regularity and Planning Alignment

A primary challenge identified through interview data is the irregular nature of voluntary charitable contributions. Unlike institutional funding with predetermined disbursement schedules, infaq and sadaqah flows vary considerably throughout the year. Ustadz Nailur Ridho acknowledged:

“One significant challenge is ensuring funds are well-managed and transparent. We must provide clear financial reports to donors to maintain confidence that their contributions are properly utilized.”

The pesantren addresses this challenge through adaptive planning systems that accommodate funding irregularities. Construction projects are designed with modular implementation phases that can be accelerated or paused depending on resource

availability. This approach exemplifies the “funding-adaptive planning” model that Wahyuni-TD et al. (2021) identify as characteristic of effective traditional institutions.

Transparency and Donor Relationships

Maintaining transparent operations while respecting traditional relational structures presents another management challenge. The pesantren has developed innovative approaches to transparency that balance formal accountability with personal relationships.

According to Ustadz Nailur Ridho:

“We strive to provide transparent and accurate financial reports. Each year, we hold general meetings with donors to report on fund utilization. We’re also developing management information systems to facilitate better tracking.”

This approach aligns with Sawmar and Mohammed’s (2021) findings that effective Islamic philanthropic organizations incorporate modern accountability mechanisms while maintaining traditional relational trust structures. The balance between formal reporting and personal relationships enhances both operational effectiveness and community support.

Knowledge Transfer and Management Continuity

Interview data revealed concerns regarding knowledge transfer and management continuity as a significant challenge in maintaining effective fund management. The pesantren addresses this through mentorship systems where experienced administrators work alongside newer staff to transfer both technical knowledge and institutional values.

This approach exemplifies what Dewi (2023) describes as “values-integrated succession planning,” where management continuity includes both procedural knowledge and ethical frameworks. The emphasis on integrated knowledge transfer enhances institutional resilience and reduces dependency on individual administrators.

CONCLUSION

This study examined the management practices of infaq and sadaqah funds at Pondok Pesantren Annuqayah Daerah As-Syafiyah and their role in supporting infrastructure development. The findings reveal a systematic management approach incorporating four key functions—planning, organizing, implementing, and monitoring—adapted to accommodate religious values and local cultural contexts. The management system demonstrates effective integration of traditional Islamic principles with pragmatic operational practices, creating a hybrid approach that enhances both resource utilization efficiency and community trust.

Infaq and sadaqah funds contribute significantly to infrastructure development through four primary mechanisms: educational facility funding, supporting infrastructure enhancement, maintenance programming, and financial independence promotion. This multifaceted contribution enables comprehensive campus development beyond what government funding alone could support, particularly for facilities not typically covered by educational subsidies.

Key innovations include adaptive planning systems that accommodate funding irregularities, balanced transparency approaches that integrate formal accountability with relational trust, and knowledge transfer mechanisms that ensure management continuity. These innovations address challenges inherent in voluntary charitable funding while preserving the religious and cultural authenticity of the institution.

For similar institutions, this study offers insights into effective management practices that balance religious authenticity with operational effectiveness. Future research should explore comparative approaches across different pesantren contexts to identify generalizable principles for Islamic philanthropic fund management in educational settings.

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