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THE IMPORTANCE OF EDUCATION FINANCING MANAGEMENT IN ISLAMIC INSTITUTION

Rita Amelia[1*],Hamdi Abdul Karim[2*]
[12] Universitas Islam Negeri Sjech M. Djamil Djambek Bukittinggi, Indonesia
EmailCorrespondence: *Ameeelz@gmail.com*, *hamdiabdulkarim@uinbukittinggi.ac.id*

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ABSTRACT

Education financing plays a very important role in ensuring the continuity and quality of education delivery. As an integral part of education management, financing includes the process of allocating various resources, starting from the planning, funding, implementation and monitoring stages of the budget. Effective planning is not just about numbers, but also a form of responsibility and commitment in improving the quality of human resources. In the context of Islamic educational institutions, resource optimization is key to ensuring the continuity of the learning process, improving the quality of educational services, and ensuring that educational goals are achieved as expected. The success of education is highly dependent on the adequacy of available funds, so financing management should be one of the main focuses in the management of educational institutions. This research uses a qualitative approach to gain an in-depth understanding of education financing management in an Islamic education environment. The data used is collected from various literature sources, such as scientific articles, reference books, and related journals, in order to enrich the analysis and produce a comprehensive picture of financing practices in the world of Islamic education.

Keywords: Education Financing Management, Educational Institutions

INTRODUCTION

Islamic education has a strategic role in shaping the character, morals, and intellectuality of the people. As one of the main instruments in the process of civilization, Islamic education does not only aim to produce academically intelligent individuals, but furthermore to build complete human beings who have moral, spiritual and social integrity. Through education based on Islamic values, the younger generation is guided to cultivate strong faith, noble morals, and qualified intellectual abilities, so that they are able to become agents of change that bring goodness to themselves, society, nation, and mankind globally.

To achieve these lofty goals, Islamic educational institutions are faced with great challenges. It is not enough to focus on developing academic and religious aspects alone, Islamic educational institutions must also ensure their operational sustainability in a professional manner. One fundamental aspect that cannot be ignored is the management of education financing. Education financing plays a vital role in supporting all activities of educational institutions. Without adequate and effective fund management, various educational programs, infrastructure development, improving the quality of teaching staff, and curriculum innovation are difficult to realize optimally.

Islamic educational institutions are required to have a transparent, accountable, planned and sustainable financial management system. Through careful financial

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planning, institutions can determine program priorities, allocate resources efficiently, and anticipate various risks that may arise in the future. Effective and development-oriented financial management will make Islamic education institutions more adaptive to changing times. The existence of good financing is the main foundation in realizing quality education. In the context of Islamic educational institutions, adequate and professionally managed financing is the main support for the creation of quality and sustainable education services.

The basic concept of education financing management includes determining the work program for implementing the education budget, planning the determination of the education budget, and the source and allocation of financing. All these stages must be carried out professionally and transparently to achieve the goal of improving the quality and quantity of better education services (Sherly , 2020)Financing management does not only function as administrative support, but is a key factor that determines the survival of educational institutions and the quality of educational programs run. Education financing plays a strategic role that should not be ignored. It does not only serve to fulfill daily operational needs, but is an important component that directly affects the effectiveness and efficiency of institutional management. Without good financial planning and management, educational institutions will face difficulties in realizing their vision and mission to the fullest, and even risk experiencing obstacles in efforts to improve the quality of education.

RESEARCH METHOD

The approach used in this research is a qualitative method, which is designed to provide an in-depth understanding of the existing facts related to financing management in Islamic education. In order to obtain comprehensive data, this research incorporates various relevant sources of information, such as articles, books and scientific journals that discuss important aspects of financing management in Islamic educational institutions.

RESULTS AND DISCUSSION

1. Education financing management

Financing management in the field of education is a series of processes that include planning, organizing, controlling, and supervising financial resources used to support various educational activities In this case, financial management and education financing have a crucial role in providing the resources needed to support various educational activities. Management of education financing requires a good management system, thus education that is organized must be closely related to education management (Haekal et al., 2022) The main activities in financing management include:

A. Planning

Planning is an important initial stage in identifying the needs of the institution, including setting goals, determining the location, time of implementation, and methods that will be used to achieve these goals. This

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process begins with a meeting involving the principal, teachers' council, school committee, teaching and education personnel, and foundation leaders. The decision from the meeting becomes the basis for the preparation of the RKAS, which is a cost budget plan that accommodates the needs of teaching and education personnel. The principal and the treasurer then prepare the budget based on the results of the meeting. However, in this preparation process, challenges are often faced in the form of increasing needs that are not proportional to the availability of funds. For this reason, the principal sets a priority scale so that the most important needs can be met first.

B. Implementation

Planning is an important initial stage in identifying the needs of the institution, including setting goals, determining the location, time of implementation, and methods that will be used to achieve these goals. This process begins with a meeting involving the principal, teachers' council, school committee, teaching and education personnel, and foundation leaders. The decision from the meeting becomes the basis for the preparation of the RKAS, which is a cost budget plan that accommodates the needs of teaching and education personnel. The principal and the treasurer then prepare the budget based on the results of the meeting. However, in this preparation process, challenges are often faced in the form of increasing needs that are not proportional to the availability of funds. For this reason, the principal sets a priority scale so that the most important needs can be met first.

C. Monitoring

Supervision is carried out to ensure that all financial use goes according to plan, as well as to detect deviations as early as possible so that corrective steps can be taken immediately. The principal has a central role in evaluating each program, providing an understanding of expenditure and supervising the implementation of activities. In addition, there is also an external supervisor from the education and culture office who is tasked with verifying the physical evidence of expenditure based on the end-of-year report. The financial accountability report is prepared by the principal and treasurer and submitted to the Ministry of National Education. If there are activities that have not been carried out, the report is revised.

Government Regulation No. 48/2008 on Education Budgeting states that education funding is a shared responsibility between the central government, local governments and the community. According to a quote (Siswanto, 2013), education costs are categorized as follows: 1. Direct costs, which are costs incurred by schools, students and students' families. 2. Indirect costs (indirect costs), which are costs outside the budget of the school. 3. Type of education. 4. Level of education and major. 5. The nature of expenditure, namely the cost of teaching programs per hour, which includes salaries for teachers and administrative staff, space costs, facilities and infrastructure costs, costs of learning materials and tools.

Education costs themselves are grouped into different categories, each with its role in supporting the delivery of education:

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a. Education Unit Costs

This covers all expenditures required to organize education at the education unit level, such as schools. In this category, there are operational costs required to run daily educational activities, investment costs associated with the construction of educational facilities, as well as tuition assistance and scholarships provided to support students to continue their education without financial constraints.

b. Costs of organizing education

This cost category relates to the broader management of education and includes costs incurred by the central government, local governments (whether provincial, district or city) and education providers established by the community. These implementation costs aim to ensure that the education system at the national and local levels can run well, by providing adequate resources for all educational institutions.

c. Learners' Personal Costs

These personal costs refer to the costs that must be borne directly by learners to follow the learning process regularly and continuously. These costs include expenses for students' personal needs, such as transportation costs, purchase of books, stationery, and other costs that support the continuity of their education.

Several factors affect the effectiveness of financial management, including the ability of management and employees in educational institutions, as well as the policies implemented in these institutions. (Sianturi & Purwatiningsih, 2024)Good policies and competent human resource management can improve the effectiveness of financial management and education financing. In addition, external factors such as economic, political and social conditions prevailing in the community also influence financial management in educational institutions.The factors that affect the cost and financing of school education include:

1. Rising prices, which result in increased operating costs and other expenses.
2. Changes in teacher salaries, which can affect the cost of educators in educational institutions.
3. Changes in population and the increasing percentage of children attending public schools, which could potentially increase the burden of education financing.
4. Rising education standards, which require education institutions to improve the quality of facilities and services, thus requiring greater funding.
5. he increasing age of children leaving school, which corresponds to the increasing age of learners and can affect the operational costs of education.

In its implementation, there are a number of aspects of effectiveness that need to be considered, including self-management, application of the principles of human initiative, transparency, accountability, effectiveness, and efficiency.

1. Transparency

The principle of transparency in financial management and financing of

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education is related to the implementation of activities in educational institutions that are carried out openly. Transparency also plays a role in building trust between the government, the community, parents and school community through the provision of accurate and adequate information (Siswanto, 2013).

2. Accountability

Accountability in the financial management of educational institutions is supported by four main pillars: 1) transparency in the process of receiving and managing education funds, 2) the existence of performance standards that regulate the duties, functions and authority of financial managers, 3) participation to create an easy, economical and fast financial management system for educational institutions, and 4) regulations and governance that guide the implementation of public policies to provide optimal education services.

3. Effectiveness

The effectiveness of an educational institution reflects the organization's ability to achieve its goals. This is realized through the ability to adapt to the environment and create a work atmosphere that motivates staff to be creative and responsible in increasing efficiency towards achieving organizational goals.

4. Efficiency

(Fattah, 2002) states that efficiency in education financing refers to the utilization of limited educational resources to achieve maximum educational services. This efficiency is achieved through appropriate allocation of the education budget, by prioritizing input factors that can improve student achievement and expand access to education services for all parties.

The effectiveness of financial management and financing of education covers various aspects, such as collection and management of funds, efficient use of resources. The term efficiency is described as the relationship between income and expenditure. The more efficient the education system is, the less funds are required to achieve its goals and more is achieved with the available budget. Educational efficiency can also be defined as the utilization of limited educational resources to achieve maximum results. Educational efficiency efforts can be divided into two categories, namely:

a. Internal Efficiency
In the concept of internal efficiency implementation: Reducing operational costs, Determining budget priority costs for inputs directly related to the teaching and learning process, Increasing the capacity to use classrooms and other learning facilities, Increasing teacher motivation, Improving the quality of the Teaching and Learning Process.

b. External Efficiency
It is the ratio between the financial benefits as a result of education and all costs incurred for the education process. Fattah (2006:43) formulates directions in improving the efficiency of education financing as follows: 1) Equality of access

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to schools, 2) Equality of survival, 3) Equality of opportunity to achieve success in learning, 4) equality of opportunity to enjoy the benefits of education in community life.

With the increasing competition among educational institutions, managers of educational institutions are required to have good abilities in managing resources and funds in order to achieve predetermined educational goals. Good financial management is the key to ensuring the effective and efficient use of education funds. With planned and directed financial management, every source of funds can be optimized to support all aspects of education operations, from developing the quality of educators, procuring facilities and infrastructure, to strengthening learning programs.

Professional financial management not only helps improve the quality of education, but also plays an important role in ensuring the success of the teaching and learning process at every level. In addition, proper financing management allows educational institutions to expand access to education equally to all levels of society, reduce inequality, and provide equal opportunities for every learner to achieve quality education.

CONCLUSIONS AND SUGGESTIONS

Financial management and financing of education are vital elements in realizing the effectiveness and efficiency of educational institutions. An educational institution is not only responsible for organizing a quality learning process, but is also required to be able to manage financial resources well in order to meet various operational and development needs on an ongoing basis. Good financial management will enable educational institutions to spend funds responsibly, transparently and in accordance with established strategic plans.

In facing the challenges of the times and the dynamics of educational needs, educational institutions are required to be able to manage financial resources professionally. This management must be carried out by prioritizing the principles of transparency, accountability and effectiveness, so that any available funds are truly utilized to optimally support the learning process and institutional development. Transparency in financial management not only increases the trust of parents, communities and governments, but also strengthens the institution's position as a professional and accountable institution. Therefore, educational financial management is not just an administrative activity, but an integral part of achieving the goals of education itself.

With good financial management, educational institutions can not only improve the quality of learning and infrastructure, but also build public trust in their performance. This trust is very important to strengthen support from various stakeholders, both from the government, the community and the private sector.

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