



RELATIONSHIP BETWEEN KPS AND BMT AT THE MODERN ISLAMIC BOARDING SCHOOL AL-RIFA'IE 2 MALANG

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ABSTRACT

This study is a comparative analysis between KSP and BMT to response common opinion that cooperatives and BMT are different entities. BMT is a microfinance institution that deals with middle- and lower-class entrepreneurs to help start up their business activities. BMT is intended to help the middle- and lower-class economies so that they can set up businesses without being caught up in loan sharks. Today, people often regard conventional cooperatives and BMT as financial institutions that are closely related to banks and interest. They experience a deep dilemma when the need for business capital is not directly proportional to their mindset, they are in a dilemma if they have to pay interest and deal with moneylenders. This study is a field study (field research) with a qualitative approach conducted at Modern Islamic Boardng School al-Rifa'ie 2 Gondanglegi Malang Regency. Al-Rifa'ie has syari'ah cooperatives and BMTs that have won the trust of some people as financial service institutions that comply with Islamic law. The findings in the discussion resulted that cooperative and BMT in this case at Modern Islamic Boarding School al-Rifa'ie 2 have relations and differences. The relationship between the two lies in the legality of the institution, where BMT is under the auspices of the cooperative under its legal protection. The differences between the two are described in the comparative analysis table contained in the discussion chapter. This finding is expected to be able to provide a theoretical contribution to answer the community's doubts between conventional cooperatives and BMT.

Keywords: Baitul Maal wat Tamwil (BMT), Koperasi Simpan Pinjam (KSP), al-Rifa'ie 2 Gondanglegi.

1. INTRODUCTION

Baitul Maal wat Tamwil (BMT) is an integrated independent business center whose content is related to the development of productive businesses and investment in improving the quality of economic activities of small entrepreneurs by encouraging savings and supporting their economic activities. In addition, *Baitul Maal wat Tamwil* can also receive zakat, donations and alms, and distribute it according to the rules and mandate.¹

BMT is also a microfinance institution (LKM) that operates based on sharia principles, seen from its financing procedures and service coverage. BMT is an alternative financial institution that is very effective in serving the short-term working capital financing needs that are needed by small entrepreneurs.² In running it, both BMT and cooperatives use cooperative principles whose service orientation is always simple, cheap, and fast.

Cooperative comes from the English word "cooperation", which means "cooperation". Meanwhile, according to Law no. 25 of 1992 a cooperative is a business entity whose members are members or a group of several members, which base its activities on the principle of cooperatives as well as as a people's economic movement based on the principle of kinship.³ In contrast to cooperatives in general, a new term appears, namely Islamic cooperatives. A sharia cooperative is an association formed by participant members whose function is to meet the needs of its members and aims to advance the level of living together with strict guidance on Islamic principles.⁴ Broadly speaking, Islamic cooperatives have the same rules as general cooperatives, but what distinguishes them is that the products in Islamic cooperatives have a system based on the provisions of Islamic teachings.

Cooperatives and BMT are two microfinance institutions that have almost the same function, therefore many people think that cooperatives and BMTs are the

¹ Lindiawati, "Peran Koperasi Syari'ah BMT Bumi dalam Meningkatkan Kualitas Usaha Mikro". *Ekonomi Syari'ah Dan Filantropi Islam*, 2 (1), 5, tahun 2018

² Imaniyanti, *Aspek Hukum BMT (Baitul Mal Wat Tamwil)*, (Bandung: Citra Aditya Bakti.2010)

³ Kusnadi, *Ekonomi Koperasi Edisi Kedua*. (Jakarta: Fakultas Ekonomi Universitas Indonesia, 2005)

⁴ Sudarsono, *Bank dan Lembaga Keuangan Syari'ah*. (Yogyakarta: Ekonisia, 2003)

same.⁵ Actually, both have differences. One of the differences can be seen from the institutional system. In cooperatives, there is only one institution, namely cooperatives with both conventional and sharia systems. Meanwhile, in BMT there are two institutions that are named, Baitul Maal means zakat institution and at-Tamwil means financial institution. This means that if the institution is run with two institutions, it is called BMT, whereas if it is only run as a savings and fund distribution institution, without zakat, infaq and shodaqah institutions, it is called a sharia cooperative.⁶

In Indonesia, cooperatives and BMTs have spread widely in all regions including Malang Regency. One of the cooperatives in Malang Regency is the Al Rifa'ie cooperative. This cooperative is under the auspices of the Modern Islamic Boarding School Al Rifa'ie Ketawang. This institution not only functions to back up school finances, but also serves as a forum for jam'iyah istighotsah who wants to make transactions. Along with the development of the cooperative, BMT was established under the auspices of the cooperative. This institution has the same goals as cooperatives, but differs in several ways, such as products, transactions, and guidelines. In conclusion, cooperatives and BMT in Modern Islamic Boarding School Al-Rifa'ie are two different entities.

BMT and cooperatives are related in terms of legal protection. Cooperatives have their own legal protection, namely Law No. 25 of 1992 while BMT did not have legal protection so that BMT was still under the cooperative.⁷ Even so, BMT is recognized by the state. Cooperatives are legally incorporated in the Law and comply with the Law. Meanwhile, BMT apart from being a legal entity in the law also follows the legal form taken from the Al-Qur'an and Hadith. The purpose of BMT is not only as a forum for jam'iyah istighotsah, but also as a domain for the middle and lower class to develop their business. BMT requirements are also relatively easier than other financial institutions.

Even so, not so many people know BMT. Therefore, it is necessary for the BMT to go into the community and hold activities such as routine recitation and are de-

⁵ A. Sitio, *Koperasi Teori dan Praktik*. (Jakarta: Erlangga, 2001)

⁶ T. Tohir, "Eksistensi Baitul Maal Wat Tamwil (BMT) Sebagai Lembaga Keuangan Syari'ah di Indonesia", *Hukum Pro Justitia*, XXII, (1), 45. 2018

⁷ M. Abdulkadir, *Lembaga-Lembaga Keuangan Umat Kontemporer*. (Yogyakarta: UII Press, 2000)

terminated according to the activities of customers and BMT members. After recitation, it is usually continued with business discussions with BMT customers.

In the community phenomenon, of course, often equate cooperatives and BMT. The thing that is often equated by the community related to its mention is also the system applied in it. The community considers cooperatives as institutions based on conventional law while BMT is considered a cooperative under Islamic law. Such understanding of society often creates a negative mindset, that cooperatives are conventional institutions which contain usury and other prohibitions. Meanwhile, BMT, on the other hand, is a cooperative that runs a system in accordance with Islamic law.

Based on this phenomenon, through this paper the author tries to examine more deeply about cooperatives and BMT, the relationship between the two, and how the system is applied by both. This study is a field study or field research conducted at the Modern Islamic Boarding School Al-Rifa'ie 2 Gondanglegi Malang. This paper uses a qualitative analysis approach. This paper is expected to be a reference, especially in straightening the community's understanding of cooperatives and BMT.

2. LITERATURE REVIEW

2.1. BMT (*Baitul Maal wat Tamwil*)

BMT, including non-bank microfinance institutions that are informal, are called informal because the existence of BMT does not require formal legitimacy from the government / related institutions.⁸ The performance of BMT is almost the same as that of a cooperative in which there are also various products for both raising funds and distributing funds.⁹ The operation itself is almost the same as the operation of a sharia bank, namely the application of a profit-sharing system. BMT is a non-governmental organization, which is established and developed by the community. BMT is established using capital from the community which is in the same location

⁸ F. Ananda, *Analisis Perkembangan Usaha Mikro dan Kecil Setelah Memperoleh Pembiayaan Mudharabah dari BMT at-Taqwa Halmahera di Kota Semarang*, (Semarang: Universitas Diponegoro Semarang, 2011)

⁹ Ascarya, *Akad dan Produk Bank Syari'ah*. (Jakarta: Raja Grafindo Persada, 2006)

where the BMT is established. The establishment of the community residing in the location where the BMT was founded but received outside assistance.¹⁰

BMT is based on Pancasila principles and the 1945 Constitution and is based on cohesiveness, kinship / cooperation, togetherness, independence, and professionalism. By law, BMT is like a cooperative, so BMT must comply with Law Number 25 of 1992 concerning Cooperatives and Government Regulation Number 9 of 1995 concerning the implementation of savings and loan businesses by cooperatives and this is confirmed by the Ministerial Decree Number 91 of 2004 concerning Micro Financial Services Cooperatives. This law is the basis for the establishment of BMT (Micro Finance Institution). Although it is not very suitable because savings and loans in special cooperatives are only for cooperative members, whereas in BMT, savings and loans are given not only to members but also distributed to communities who need them or to members when the loan is completed.¹¹

The very fast development of BMT assets is determined by the mobilization of funds from third parties and the fast turnover of loan repayments from customers which are subsequently lent to other customers. This financial institution can generate substantial profits and is very profitable for its owners. In general, the BMT studied uses the Mudharabah and Bai Bitsaman Aji (BBA) financing patterns. The BBA financing pattern has the advantage of having a very high turnover rate, low risk and relatively large profit margins.¹² In general, the profile of BMT can be summarized in the following points:

- 1) The purpose of BMT is to improve the quality of economic enterprises for the welfare of members and society in general.
- 2) The nature of BMT is to have an independent business venture, to develop independently and to be professionally managed and oriented to the welfare of its members and the community.
- 3) The vision of BMT, which is to become an independent, healthy, and strong financial institution, whose members' worship quality increases in such a way that it can play a role as representatives of God's servants to prosper the lives of members and mankind in general.

¹⁰ Imaniyanti, *Aspek Hukum BMT...*

¹¹ I.Ibnu Subiantoro, *Pengaruh Kredit Simpan Pinjam Terhadap Pendapatan BMT Amanah Ummah Pati Tahun 2010-2014*. (Semarang: UDINUS, 2014).

¹² Ana Ferawati, *Lembaga Keuangan Syari'ah Bank dan Non Bank*. (Suarabaya: Kopertais Wilayah IV, 2016)

- 4) The mission of the BMT, namely realizing the movement to liberate members and society from the shackles of moneylenders, the trap of poverty and the rib-awi economy, the empowerment movement to increase capacity in real and institutional economic activities towards a prosperous and advanced economic order, and the justice movement to build a just civil society structure with prosperity and progress, prosperous progress with justice based on sharia and the pleasure of Allah SWT.
- 5) The functions of BMT, namely (a) identify, mobilize, organize, encourage, and develop the economic potential and capacity of members, business groups of muamalat members (pokusma) and their work; (b) enhancing the quality of human resources for members and pokusma to be more professional and Islamic so that they are more complete and resilient in facing global challenges; and (c) mobilizing and organizing the potential of the community in order to improve the welfare of members.
- 6) The main principles of BMT, namely: (a) Faith and devotion to Allah Almighty by implementing the principles of sharia and muamalah Islam into real life; (b) Integrity (kaffah) where spiritual values function to direct and drive ethics and morals that are dynamic, proactive, progressive, fair, and have a noble character; (c) Kinship (cooperative); (d) Togetherness; (e) Independence; (f) Professionalism

2.2. Cooperative

Judging from the origin of the word, the term cooperative comes from the English language "cooperation" which means joint efforts. Cooperatives in this case are not all forms of work that are carried out together in a very general sense, but cooperatives here are a form of company established by certain people, to carry out certain activities, based on certain conditions and purposes.¹³

In general, cooperatives are understood as associations of people who voluntarily unite themselves to fight for the improvement of their economic welfare. Through the formation of a company that is managed democratically. Cooperatives were established as an alliance of the weak to defend their needs. Reaching the necessities of life at the lowest possible cost, that is what it is aiming for. In a cooperative, mu-

¹³ Mikhriani, "Koperasi dan BMT: Sebuah Fenomena Sumber Dana Untuk Kemaslahatan Umat", *Jurnal Dakwah*, XI (1), 35, 2011.

tual needs are prioritized, not profit.¹⁴ A cooperative is an association of people, usually those with limited economic capacity, who, through a form of corporate organization that is democratically supervised, each make an equal contribution to the capital needed, and are willing to take risks and receive compensation according to their efforts.

The legal basis for the existence of cooperatives in Indonesia is article 33 of the 1945 Constitution and Law no. 25 of 1992 concerning Cooperatives. In the explanation of article 33 of the 1945 Constitution, it is stated, among other things: "... the economy is structured as a cooperative business based on the principle of kinship. Build a company in accordance with that is a cooperative. " Meanwhile, according to article 1 of Law no. 25/1992, what is meant by cooperatives in Indonesia is, "... business entities whose members are people or cooperative legal entities by basing their activities on the principles of cooperatives as well as as people's economic movements based on kinship."¹⁵

Based on the excerpt from the explanation of article 33 of the 1945 Constitution and article 1 of Law No.25 / 1992, cooperatives in Indonesia are not merely seen as a form of company like a Limited Liability Company, Firm, or Limited Liability Company (CV). Apart from being seen as a form of company that has its own fundamental and principle, cooperatives in Indonesia are also seen as a tool to build an economic system. This is in line with the objectives of the cooperative as stated in article 3 of Law no. 25/1992 follows, "Cooperatives aim to advance the welfare of members in particular and society in general and participate in building the national economic order in order to create an advanced, just, and prosperous society based on Pancasila and the 1945 Constitution."

In addition to cooperatives in general, people are getting to know sharia cooperatives. The word "sharia" is a label juxtaposed with anything that is based on Islamic law.¹⁶ A sharia cooperative is an association formed by participant members whose function is to meet the needs of its members and aims to advance the level of living together by adhering to the principles of Islam. A sharia cooperative is a business entity with members or groups of several cooperatives which constitute an economic arrangement as a joint venture based on the

¹⁴ Edhi Susanto, *Perkoperasian Sejarah, Teori dan Praktik*. (Jakarta: Ghalia Indonesia 2002)

¹⁵ W Pacht, *Hukum Koperasi Indonesia, Pemahaman, Regulasi, Pendidikan dan Modal Usaha*. (Jakarta: Kencana Predana Media Grup, 2007).

¹⁶ Susanto, *Hukum Perbankan Syari'ah...*

principle of kinship whose business activities are engaged in financing, investment and savings in accordance with sharia principles.

Broadly speaking, Islamic cooperatives have the same rules as general cooperatives, but what distinguishes them is that the products in Islamic cooperatives have a system based on the provisions of Islamic teachings.¹⁷

Fund distribution, if the BMT allows the distribution of funds to outside parties who are not yet a member of the BMT, while in the operation of sharia cooperative fund distribution, it is only allowed to provide financing to its members. This is in accordance with the basic principles of cooperatives, from members, by members, and for members.

The organizational structure, generally Islamic cooperatives and conventional cooperatives have the same organizational instruments, namely, members, administrators, and supervisors. The difference lies in the cooperative supervisor, where the supervisor of sharia cooperatives in the form of DPS (Sharia Supervisory Board) oversees not only supervising activities and management, but also supervising the products of Islamic cooperatives so as not to deviate from religious rules.¹⁸

Deposit of capital, in conventional cooperative capital deposit is manifested in the form of a deposit at a (conventional) government bank which is deposited on behalf of the official / chairman of the cooperative concerned, whereas in Islamic cooperatives, the initial capital is deposited to a sharia bank on behalf of the head of the cooperative concerned.

For legal entity ratification, conventional cooperatives submit a request for ratification to the Minister of Cooperatives, Small and Medium Enterprises c.q. Head of the regional office of the Provincial Ministry of Cooperatives, Small and Medium Enterprises. Meanwhile, Islamic cooperatives submit a request for approval to the Minister of Cooperatives c.q. Deputy for Institutional Cooperatives and Small and Medium Enterprises or agencies in charge of provincial level

¹⁷ Ana Ferawati, *Analisis Perkembangan Usaha Mikro...*

¹⁸ Ascarya, *Akad dan Produk Bank Syari'ah...*

cooperatives after receiving a recommendation from an official at the level of domicile.¹⁹

The basic concept of operation, sharia cooperatives apply a profit-sharing system with various contracts for distribution and collection of funds such as: wadiah, mudharabah, ijarah, salam, and qardl. Whereas conventional cooperatives apply a system of interest using savings products, time deposits, and accounts payable.

Sharia cooperatives and BMT are sharia financial institutions that have almost the same function in collecting and distributing funds, the terms used are no different. The differences between the two are in the form of: the institution, in the Islamic cooperative there is only one institution, namely the cooperative which is run under the sharia system. Whereas in BMT there are two institutions which are taken from their names, baitul maal means zakat institution and At Tamwil means financial institution. This means that if the institution is run with two institutions, it is called BMT, whereas if it is only run as savings and fund distribution, without zakat, infaq and shadaqah saving institutions, it is called a sharia cooperative.

3. BMT (BAITUL MAAL WAT TAMWIL) AL-RIFA'IE 2 GONDANGLEGI MALANG

3.1. The Institution Profile

3.1.1. The Background of the Establishment of BMT Al-Rifa'ie

The cooperative of Al-Rifa'ie Modern Islamic Boarding School or Baitul Maal Wat Tamwil (BMT) has a goal to develop the economic of members and the community in the environment of Modern Islamic Borading School Al-Rifa'ie who crave an organized and harmonious sharia economic system and order to reach the blessings of Allah SWT in muamalah and can obtain blessed fortune.

3.1.2. Vision and Mission

BMT Al-Rifa'ie hopes to prosper members and the community in Al-Rifa'ie Modern Islamic Boardin School, has the following vision and mission of BMT Al-Rifa'ie:

¹⁹ S. Pratomo, *Ekonomi Skala Kecil, Menengah dan Koperasi*. (Jakarta: Ghalia Indonesia, 2004)

The vision of BMT Al-Rifa'ie is to realize BMT as a professional Islamic microfinance institution that is friendly in growing and developing the business productivity of members and empowering and driving the environmental economy of Al-Rifa'ie Modern Islamic Boardin School Gondanglegi Malang and society in general as well as can improve the quality of member worship in all aspects of life.

The mission of BMT Al-Rifa'ie is to build and develop an economic order and a civil society structure that is just and prosperous, empowers small entrepreneurs, and fosters aghina concern for the poor and is patterned and sustainable based on the principles of sharia and the blessing of Allah SWT. As well as making Al-Rifa'ie Modern Islamic Boardin School a center for education and development of a sharia-based economy in the surrounding environment.

3.1.3. Business Units

Business units that are already running in the Cooperative of Al-Rifa'ie Modern Islamic Boarding School include: Sharia Patterns Savings and Loans Unit, Shop Unit, Agricultural and Plantation Production Facility Unit (Saprotan), People's Sugar-cane Unit (Suppliers) and Tour Services Unit, Travel and Tourism Transportation.

3.2. Forms of Business Development

3.2.1. Sharia Pattern Savings and Loans Unit / *Baitul Maal Wattamwil* (BMT)

Since the inauguration of the Sharia Pattern Savings and Loans Unit/ *Baitul Maal Wat Tamwil* (BMT) of the Cooperative of Al-Rifa'ie Modern Islamic Boarding School on September 9, 2007, it immediately made an alliance with Bank Muamalat Indonesia Malang Branch. BMT Al-Rifa'ie has implemented two aspects of raising funds and distributing funds, including:

1) Baitul Maal

Baitul Maal is a financial institution that is engaged in social or social affairs, extracting funds from: zakata maal, infaq, shodaqoh, and waqf. Baitul Maal is a financial institution that is engaged in social or virtue, extracting funds from: zakat maal, infaq, shodaqah, and waqf. Baitul Maal Al-Rifa'ie began to be moved with the advice and support of Al-Rifa'ie Dr. KH. Ahmad Muflih Zamachsyari, SE. MM. starting from June 2016. The initial program was the foster santri

program, which was then continued with the collection and slaughtering program for Qurban animals on Eid al-Adha 1438 H, or around September 2016. Then it was continued with infaq fundraising activities for the construction of a boarding house for male of Al-Rifa'ie 2 Modern Islamic Boarding School.

Baitul Maal has a big mission as a non-profit financial institution that is professional, transparent, and trustworthy in carrying out its mission to help the benefit of the people through its social programs.

We can describe the programs as follows:

a) The Foster Students Program of Al-Rifa'ie Modern Islamic Boarding School

This program was initiated and formed to help alleviate the burden of the parents whose sons or daughters are studying at Al-Rifa'ie 2 Modern Islamic Boarding School who are struggling or experiencing economic limitations. The targets of this program are: Santri who are not or less well off financially, and Santri orphaned.

The indicators and selection of students who are deemed necessary are in accordance with the policies of the financial department of Al-Rifa'ie 2 Modern Islamic Boarding School. Baitul Maal here serves as a mediator and facilitator, to find foster parents who are willing to help with the payment of monthly Syahriah / SPP for students recommended by Al-Rifa'ie Modern Islamic Boarding School above.

During 2016, there were 8 students (3 female and 5 male santri) with the number of donors being 5 people from business circles as well as the congregation of Istighotsah Al-Rifa'ie 2 in Malang Raya.

b) The Program for the Collection and Slaughter of Qurban animals

It is a social program to raise funds from Muslims who want to perform qurban worship on Eid al-Adha every year. The program objectives are: Santri or guardian of students who want to perform qurban at Pondok Modern Al-Rifa'ie 2; Jama'ah Istighotsah Pondok Modern Al-Rifa'ie 2 who wants to perform qurban at Pondok Modern Al-Rifa'ie 2; as well as public.

Facilities and advantages:

- a) Baitul Tamwil Qurban Savings that can be used as a means for customers who want to save money to carry out qurban services later.
- b) Sacrificial animals can be delivered in cash according to the agreed price for goats, or by depositing qurban animals directly to Baitul Maal.
- c) The Qurban committee and its professional crew are tasked with carrying out the process of slaughtering qurban animals in a syar'ie manner and distributing them to the people transparently and evenly.
- c) Islamic Boarding School Development Fund Collection Program
It is a Baitul Maal Program intended for congregation Al-Rifa'ie 2 and the public who wish to pray to participate in the construction of Pondok Modern Al-Rifa'ie2 facilities.

During 2016 this program raised funds from congregations for the construction of paving dormitories for boys and girls, as well as the construction of other Pondok facilities.

Funds channeled by donors will be allocated in a transparent and accountable manner.

- d) Productive Cash Waqf Program
It is a management scheme for waqf donations from the people, namely by producing these donations so that they can generate a sustainable surplus. Waqf donations can be in the form of movable objects, such as money and precious metals, or immovable objects, such as land and buildings. This surplus of productive waqf is a source of endowment funds for financing the needs of the people, such as financing education and quality health services.

Operational basis :

- Fatwa of the Indonesian Ulema Council on May 1, 2002 regarding Cash Waqf
- Law of the Republic of Indonesia No. 41 of 2004
- Qs. Ali Imron: Verse 92

During 2016 the cash waqf program was intended for the purchase of the medium bus NQR-71 Isuzu which would later be used as an operational vehicle for Pondok Modern Al-Rifa'ie 2 but would also be rented out with a steady income.

2) Baitul Tamwil

Baitul Tamwil is a financial institution engaged in business. The programs of Baitul Tamwil are:

a) Gold Pawn of Pattern Shari'ah (Rahn)

It is an agreement to deliver goods/assets of a customer as collateral based on a pledge law in the form of gold/jewelry. Rahn's goal is to use it for business needs, education costs and other consumptive needs that are in accordance with shari'ah rules.

b) Savings Products

In general, the type of savings at BMT al-rifa'ie is in the form of mudharabah where the saver/customer gets a reciprocal value (profit sharing) that matches the funds deposited in BMT Al-rifa'ie. However, there are also savings products that use a wadi'ah (deposit) contract which is non-profit (no profit sharing).

Some of Al-Rifa'ie's BMT products are as follows:

- Mudharabah Hijrah Savings

A savings product in the form of Mudharabah which can be retrieved at any time. Transactions can be done on working days and hours at our counters without opening administration fees and no monthly administration fees.

The advantages of this savings are that there are no deposit or withdrawal limits (in accordance with applicable regulations), no opening or monthly administration fees, and of course there is a profit sharing that benefits each month.

- Savings of Fitrah

Is a type of savings product in the form of Mudharabah. Systematic deposits are similar to Hijrah Savings, but the withdrawal system can only be done before the Eid al-Fitr holiday.

This type of savings is perfect for customers who want convenience and the desire to set aside their funds for the purposes of Eid al-Fitr. Of course, by getting profit sharing, the customer will have a double advantage, prepare for Hari Raya and invest in a halal manner.

- Qurban Savings

Is a type of savings product in the form of Mudharabah. Systematic deposits are similar to Hijrah Savings, but withdrawals can only be made before the Eid al-Adha (Qurban).

- Time Deposit (1-12 months)

It is a type of savings with a period of 2, 3, 6, and 12 months with a profitable profit sharing. This type of deposit is a form of short-term investment in which customer funds that have been deposited during a specified period of time will be used in syari'ah to produce reciprocal services. From this reciprocal service is then distributed to the customer concerned so that they get more profit sharing benefits than ordinary types of savings. It is suitable for customers who want good financial management of their personal funds.

- The savings of Wadi'ah Santri

It is a special savings for students with the principle of wadi'ah (deposit) with a smaller and lighter withdrawal and deposit limit. This type of savings is a type of wadi'ah so that customers do not get profit sharing. However, its use is very flexible, very beneficial for students to learn independently, manage their own finances safely as well as their learning media to get used to interacting with financial institutions.

c) Murabahah Financing

Murabahah in Fiqh means a sale and purchase agreement where the seller states the purchase price of the goods to the buyer, then the seller requires a certain amount of profit / profit.

Murabahah Banking technical is a sale and purchase agreement stating the acquisition price / purchase price and profit (margin) agreed upon by the seller and the buyer.

In February 2008 BMT Al-Rifa'ie distributed Murabahah phase I financing from Bank Muamalat amounting to Rp. 500,000,000,- and has been disbursed in the form of financing for the purchase of secondary goods for civil servants and private permanent employees totaling 33 customers with varying amounts of financing. In July 2008 BMT Al-Rifa'ie also disbursed Phase II Mudharabah financing from Bank Muamalat with a total financing ceiling of Rp. 400,000,000, - and has been disbursed in the form of financing for the purchase of secondary goods to 26 customers. Meanwhile, since 2010 we have collaborated with Bank BTN Syari'ah in raising funds and payment services for the Santri Pondok modern Al-Rifa'ie tuition fee as well as financing a total of 160,000,000,- which has been distributed to 28 customers.

3.2.2. Agricultural and Plantation Production Facility Unit (Saprotan)

The Saprotan unit was formed in March 2008 with a capital of Rp. 60,000,000, -. This Saprotan Unit is a business unit engaged in the Agriculture and Plantation sector with the main business being an official fertilizer retailer. In order to expedite our business activities, we have collaborated with One King as the main distributor for the supply of fertilizers, drugs and pesticides. Currently the Saprotan Unit has been serving the sale of various kinds of agricultural equipment, fertilizers, pesticides, and also receiving agricultural consulting services which are directly provided by agricultural extension officers from the Malang Regency Agriculture and Plantation Service. Especially for fertilizer sales, Koppontren PM Al-Rifa'ie plans to upgrade the status of an official retailer of subsidized fertilizers to become a distributor of subsidized fertilizers for the Malang region.

3.2.3. The People's Sugar Cane Unit (TRI)

The People's Sugar Cane Unit is a business unit under the auspices of Koppontren Al-Rifa'ie which is engaged in sugarcane farming. The TRI Unit collects and accommodates member sugarcane farmers, both individuals and sugarcane farmer groups, to then bridge and supply the member's sugarcane to PG. Kreet Baru and PG Kebon Agung. With the increasing interest of the community in running the sugarcane business, our hope in the future is to continue to increase the turnover of supply, farmer members and the objectives of the factory.

3.2.4. Tourism Transportation Services Unit

In the 2nd year, the Koppontren Al-Rifa'ie Business Unit held a new business unit in the field of Tourism Transportation Services. This effort emerged as an implementation of the need for Pondok Transportation to carry out many visits, study tours, pilgrimages, and other events.

For the initial stage, 7 units of the fleet (5 big bus units and 2 minibus units) are available with AC, RC, toilet, and smoking area facilities. We are ready to serve general requests for Tour and Travel transportation services, guardian pilgrimages, study tours, and other tours. We always prioritize customer comfort and satisfaction so that travel comfort and safety are created. Our hope is that in the future this unit can increase the number of fleets and professional services, to fulfill this we need moral and financial support, especially from the royal family, foundation management and the Al-Rifa'ie jama'ah.

3.3. The Profit of BMT AL-Rifa'ie

BMT cannot predict how much profit per month, how much profit per year. Because in BMT is real trade, such as trading in fertilizers, savings and loans, mudaraba, murabaha, etc. This causes the monthly profit is not the same, this is what BMT proceeds. The first thing to pay attention to in the profit and loss calculation is that the business activity earns profit or loss, then the contribution from the profit sharing and ratio.

For example, hijrah savings (BMT Al Rifa'ie product) with a ratio of 25% for customers and 75% for BMT. The percentage of income is divided by the results then divided again 25% for customers and 75% for BMT. If analyzed more deeply, sharia is more profitable. Because in a conventional bank when saving Rp. 1000,000, you will get an interest of Rp. 1000, while in sharia (calculated from the average balance), you will get 300-400 rupiah. This is more beneficial to sharia than conventional.

The disadvantage of sharia is that there is no ATM. However, the advantage of not having an ATM for sharia is that it does not cut administrative costs (taxes), as is the case with conventional.

To calculate the average balance, let's say that you save Rp. 1000,000, save another Rp. 2000,000, then Rp. 500,000. From all of that, the average is taken, then the monthly balance will be found. From the settled balance, it is used as a benchmark for the distribution of the ratio. Then diprosentasikan with a ratio of 25% and 75%. Then divided again by the income.

There is a different product at BMT Al Rifa'ie, namely qurbani savings services. This product is like mudaraba but is similar to a deposit, so before the D-day the cost of sacrifice can be taken. There are also deposits of fitrah, the transaction is the same as sacrifice, during the fasting month. There is also productive cash waqf, in this product the customer donates money which is then used by the BMT for needs that can be used continuously. So far, it is still focused on purchasing Pondok Modern Al Rifai'ie Buses. Every month depreciation is taken and operational, 20% of operating income is taken. All of the income from the bus is entered specifically for baitul maal and then allocated to underprivileged santri and orphans (fostered santri) as well as high-achieving students.

4. SHARIA COOPERATIVE IN AL RIFA'IE MODERN ISLAMIC BOARDING SCHOOL

As we have seen, a cooperative is a business entity with members or groups of several members, which base its activities on the cooperative principle as well as a people's economic movement based on the principle of kinship. Meanwhile, a sharia cooperative is an association formed by participant members whose function is to meet the needs of its members and aims to advance the level of living together guided by Islamic principles. Broadly speaking, Islamic cooperatives have the same rules as general cooperatives, but what distinguishes them is that the products in Islamic cooperatives have a system based on the provisions of Islamic teachings.

The sharia cooperative in pondok modern alrifa'ie was founded in 1999. This cooperative was established to back up the cottage economy. From this cooperative there are 3 units, namely: Saving and loan cooperative, Sapotan retail cooperative, as well mas Sugarcane cooperative unit.

From these 3 units, a sharia cooperative has developed as it is today. This sharia cooperative legal entity is the same as a conventional cooperative, it's just that what distinguishes it is the system owned by sharia cooperatives based on the provisions of Islamic teachings.

5. RELATIONSHIP BETWEEN BMT AND SHARIA COOPERATIONS IN AL RIFA'IE 2 MODERN ISLAMIC BOARDING SCHOOL GONDANGLEGI MALANG

As previously explained, BMT and the cooperative are under one shelter, namely Pondok Modern Al Rifa'ie. Regarding cooperatives and BMT, the differences are clear, although people often think they are the same. The relationship between BMT and the cooperative lies in its legal umbrella, namely BMT which has legal protection for the cooperative. This is because BMTs do not have their own legal entity but must be under a cooperative even though they have the same position. This is what makes savings and loan cooperatives and BMTs seem no different. The application for the BMT Al Rifa'ie permit was made in 2008, even before the application was operational. While the legal entity that oversees him is Koppotren AL Rifa'ie East Java, Legal Entity No: 43 / BH / KWK.13 / X / 1999.

The construction of BMT was carried out because the Al Rifa'ie sharia cooperative only had 3 units as described above, besides that the establishment of BMT was also a forum to accommodate jam'iyah istighotsah who wanted to make transactions. Knowing that BMT is broader in transactions because it has 2 business entities at once.

The researcher conducted an analysis on savings and loan cooperatives and sharia financial service cooperatives or BMT at Pondok Modern Al-Rifa'ie 2 Gondanglegi, following the explanation:

Table 1: of Analysis of Cooperatives and BMT in Al-Rifa'ie 2 Modern Islamic Boarding School

| Analysis Aspects | Cooperative | Baitul Maal wat Tamwil (BMT) |
|--|---|---|
| Submission of Legal Entity Status | Submitted to the Minister of Cooperatives, Head of Regional Office of the Ministry of Cooperatives, local small and medium entrepreneurs. | Submitted to the Minister of Cooperatives, Deputy for Institutional Cooperatives and Small and Medium Enterprises, Agencies in charge of local cooperatives after receiving recommendations from local officials in accordance with the domicile of the region concerned. |
| Organ Structure | Supervisor | Sharia Supervisory Board |
| Capital | The initial capital is deposited to a conventional bank | The initial capital was paid to Bank Syari'ah |
| Notary Signature | After the formation meeting, go straight to the notary for the authenticity of the cooperative establishment deed | Coordination with PINBUK as the developer of the BMT before facing the notary |
| Fund Raising | Savings and time deposits | a) <i>Wadi'ah</i> (deposit) b) <i>Mudharabah</i> (Time deposit) |
| Social Functions | - | As a distributor of infaq, zakat and shadaqah funds as well as savings assets (<i>maal</i>) |
| Fund Distribution | Debts and receivables | a) <i>Qardh</i> (loan) b) <i>Musharaka</i> (cooperation) c) <i>Mudaraba</i> (cooperation) |

| | | |
|----------------------------|---|--|
| | | d) <i>Murabahah</i> (cooperation) e) <i>Salam</i> (buying and selling) f) <i>Istisna</i> (selling bell) g) <i>Ijarah</i> (Rent) |
| Guarantee Agreement | It is permissible, because the guarantee is an additional agreement from the principal agreement, namely debt and credit. | Allowed, but in practice by separating the contract in the agreement. The contract used uses Rahn (pawn). |

Source: Primary Documents of Al-Rifa'ie Modern Islamic Boarding School

6. CONCLUSION

From the explanation above, it can be concluded that Baitul Maal Wat Tamwil (BMT) is included in the category of informal non-bank microfinance institutions, called informal because the existence of BMT does not require formal legitimacy from the government / related institutions. The performance of Baitul Maal wat Tamwil is almost the same as that of a cooperative in which there are also various products both for fund raising and fund distribution. For the operation itself, it is almost the same as the operation of a sharia bank, namely the application of a profit sharing system. BMT is a non-governmental organization, which is established and developed by the community.

Baitul Maal Wat Tamwil (BMT) in Pondok Modern Al-Rifa'ie has a goal to develop the economy of the members and the community in the Al-Rifa'ie Modern Al-Rifa'ie neighborhood who yearn for an orderly and harmonious sharia economic system and order so that they can reach favor Allah SWT in bermuamalah and can get blessed rizki.

Meanwhile, the cooperative in Al-Rifa'ie was established to back up the cottage economy. Of these cooperatives, there are 3 units, namely: (1) savings and loan cooperatives, (2) sapotan retail cooperatives and (3) sugar cane unit cooperatives. From these 3 units, a sharia cooperative has developed as it is today. This sharia cooperative legal entity is the same as a conventional cooperative, it's just that what distinguishes it is the system owned by sharia cooperatives based on the provisions of Islamic teachings.

The relationship between BMT and cooperatives in Pondok Modern Al-Rifa'ie lies in its legal umbrella, namely BMT which has legal protection in the cooperative. This is because BMTs do not have their own legal entity but must be under a cooperative even though they have the same position. The application for the BMT Al Rifa'ie permit was made in 2008, even before the application was operated. []

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