Controls to prevent fraud and money laundering in mosque donations in Indonesia

Khozin Arief[1], Basuki[2*]

[1,2]*Faculty of Economics and Business, Airlangga University, Indonesia.*

Corresponding author: Basuki (*Email: basuki@feb.unair.ac.id*)

Abstract

This paper aims to investigate the potential for Fraud and Money Laundering (FML) and its causes in mosque donations in Indonesia, as well as to develop controls to prevent such FML. The paper produced findings on five PFML (Potential Fraud Money Laundering) schemes, several causes, and 13 controls to prevent them using a case study method. These findings are significant given the large number of mosque donations in Indonesia and their vulnerability to fraud and money laundering. Mosque donations are Islamic religious donations that are highly beneficial for reducing poverty and fostering good moral values through religious activities at mosques. The findings of this study have practical implications for Indonesia and the world as input for the government, anti-corruption and money laundering agencies, zakat institutions, and mosque management organizations in formulating policies and regulations related to the prevention of FML in mosque donations. Another practical implication of this research is that it can serve as input for mosque donors to avoid becoming victims of FML related to their donations. Another implication is that the research findings, including 13 controls, can be applied in mosques in Indonesia and around the world as measures to prevent fraud in mosque donations.

Keywords: Controls, Fraud and money laundering, Mosque donations.

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1. Introduction

The way people donate, especially donations channeled to mosques, continues to change following technological developments. The rise of conventional donations such as charity boxes and E-Donation methods like QR codes, donation applications, bank transfers, and internet banking are used and have the potential for FML (Fraud and Money Laundering) acts and can become international terrorist financing crimes.

At that time, FML (Fraud and Money Laundering) cases involving mosque donations reported in newspapers were increasing, eroding mosque donations amounting to hundreds of billions of rupiah and involving: (1) terrorists, such as the case of 400 charity boxes used for terrorist activities in Indonesia [1] (2) state administrators with a loss of 130 billion

rupiahs [2] and (3) mosque employees with a loss of 1.7 billion rupiahs [3]. Theft of mosque assets in the form of a gold dome worth 2.6 kg [4]. Case of theft of mosque charity box [5].

No organization is immune to fraud [6]. No single country has the power to eliminate money laundering activities without the help of other countries because this is an international problem [7]. FML can target any organization, including respectable organizations such as mosques and other reputable institutions.

People regard religious organizations like mosques as sacred places, and the employees involved have high moral values [8]. More than a third of all detected organizational fraud cases are never reported to the authorities due to fear of negative publicity. Some organizations believe that internal disciplinary mechanisms and confidential settlements are sufficient [9]. The institution of the mosque remains unchanged. Many mosques do not report FML cases to the legal authorities for fear of defaming the mosque. This contributes to the increase of FML cases within religious institutions, including mosque donations.

Indonesia has the largest number of mosques in the world, namely 741,991 mosques [10]. Each mosque accepts and distributes donations. The Charitable Assistance Foundation released its World Giving Index in 2024, with Indonesia ranked first in the world for donations [11]. The results showed that religious belief, belief in mosques, ease of donation, influence of others, and positive experiences in donating influenced donations to mosques [12]. It is unique in Indonesia. Most Muslims in Indonesia donate not to the official institution of the National Amil Zakat Agency (BAZNAS), but directly to mosques, which then distribute the funds to those entitled to receive them. This practice results in a potentially large volume of mosque donations and presents a temptation for FML actors.

Mosque donations consist of zakat, *infaq*, and waqf. Zakat and waqf are sources of social finance for Muslims and function as effective tools for alleviating poverty and achieving sustainable finance [13]. The President Director of the National Amil Zakat Agency (BAZNAS) stated that the potential for zakat in Indonesia annually reaches IDR 330 trillion [14]. The Indonesian Waqf Agency (BWI) estimates that the potential valuation of cash waqf and land waqf is IDR 180 trillion and IDR 2,000 trillion per year, respectively [15]. Five percent of the organization's annual revenue is lost to fraudulent behavior [16]. If the potential for zakat in Indonesia is IDR 330 trillion, 5% or around IDR 16.5 trillion is lost annually due to fraud. For waqf, approximately Rp 9 trillion (Rp 180 trillion times 5%) is estimated to be lost due to fraud within one year.

Most cases of cash misappropriation are caused by a lack of accounting practices and internal control [8]. Internal control review is one of the most common measures to combat fraud [17]. Therefore, it is very important to design good internal control. Fraud costs a lot and needs to be reduced [18]. Weak internal controls lead to fraud risk [19]. Therefore, so that the potential for money donation fraud does not continue in mosques, it is necessary to design good controls.

An organization that properly carries out a risk assessment will identify potential fraud risks, and the clearer the risk assessment, the stronger the fraud detection will be [20]. The ability to effectively evaluate the risk of corruption is necessary because it will create a preventive mechanism to eradicate corruption [21]. The strategy that the auditor may use to overcome this fraud problem is to assess the possibility of fraud occurring [22]. Most NPOs (non-profit organizations), including mosque donation organizations, have good relations with donors, partner organizations, and beneficiaries who give or work with organizations in good faith. However, practical risks exist, and NPOs (including mosque donation institutions) can be used for money laundering and terrorist financing. This is why NPOs need to understand the risks and take appropriate action to reduce them [23]. Therefore, researchers conduct a risk assessment before designing controls by analyzing in-depth FML identification on mosque donations.

The previous research described above primarily focused on the importance of FML identification and internal control. However, until now, no research has identified FML and designed its control to prevent FML, specifically for mosque donations prone to FML actions. In fact, the latest developments have been announced by the Committee of Sponsoring Organizations of the Treadway Commission [24] in 17 principles as detailed guidelines for the five components. Principles 8 and 10 state that organizations should assess potential fraud and develop control activities. Then, the Financial Action Task Force on Money Laundering [23] states that countries take action, including authorities or mechanisms to identify, assess, and understand financial risks, coordinate risk assessment actions, and use resources to reduce these risks effectively [25, 26].

This research was conducted to fill this gap. Our research focuses directly on the application, specifically on identifying FML and developing controls to prevent FML at the mosque. This constitutes the uniqueness and novelty of our research. The following are the specific research questions (RQ) for this study:

RQ1. Why is it prone to FML in mosque donations?
RQ2. What is the potential of FML in mosque donations?
RQ3. What are some control designs that can prevent FML in mosque donations?
RQ4. How can the control design prevent FML in mosque donations?

This research resulted in the identification and design of FML controls on mosque donations. The research contribution is as follows:

(1) Government, banking, international terrorist money laundering prevention organization, FATF (Financial Action Task Force), and anti-corruption organization. The results of this study can be used as input for their reference in making laws and regulations, policies, as well as combating FML's actions in mosque donations, especially for the prevention of international terrorist money laundering.

(2) Mosque congregation and mosque administrators by knowing the identification of potential FML, they are more careful in donating and managing donation money so they are not trapped in FML and can implement the controls that have been designed in this study to prevent FML.

(3) Scientists, academics, auditors, and the wider community the results of this study can enrich knowledge about the potential of FML and controls to prevent it in religious donation institutions.

2. Literature Review

2.1. Mosque Donation

The mosque's donations consist of Zakat, *Infaq*, and Waqf. Muslims who meet certain conditions must pay Zakat, and in principle, Zakat will be distributed to the poor so that Zakat contributes to them [27]. The definition of *infaq* is almsgiving in Islam, involving the giving of assets, both in the form of money and non-monetary assets [28]. Waqf is a legal act of someone who spends wealth for purposes in the way of Allah. Waqf can be in the form of a development that is beneficial to the people. An example of waqf is building a hospital for the poor for free treatment and free schools for the poor [29].

In Indonesia, institutions that manage donations include the National Amil Zakat Agency (BAZNAS). The mosque donation institution is under BAZNAS. Due to many mosques, the government lacks control over the mosques that must deposit their zakat funds to BAZNAS. The reluctance of the mosques to deposit donated funds to BAZNAS is due to the lack of public trust in BAZNAS [30].

2.2. Fraud and Money Laundering Control on Mosque Donations

The fraud triangle, consisting of opportunity, pressure, and rationalization, is the most common model explaining why people commit fraud [31]. According to the ACFE [32] fraudulent acts involve the misappropriation of assets, corruption, and manipulation of financial statements. Many corruption fraud cases in Indonesia are carried out in the public sector by state officials. In addition, corruption cases in Malaysia are also often carried out by public officials, the private sector, high-level government officials, families of government officials, and politicians [33].

Corruption is rampant in all areas of life [34] including mosque donation institutions as public institutions. Non-compliance with internal controls contributes to multi-million dollar public fraud [35]. Internal control can control the misuse of assets [36], including mosque donation assets. Economic globalization, technological advances, business complexity, and recent allegations of fraudulent financial reporting have heightened interest in internal control and internal audit [37]. To overcome fraud, prevention is needed by implementing good internal controls.

The three main stages of money laundering are placement, layering (also known as track removal), and integration. The first stage involves the acquisition of funds through criminal activity and their introduction into the financial system. The source of money is then obtained at the layering stage by spreading the money to several intermediaries, and finally, at the integration stage, the illegal transfer to the owner is completed [38]. This can happen to religious donations, including the acceptance of mosque donations. Donation money is obtained by committing fraud, such as asking for donations on behalf of the mosque, but the money received is not channeled properly; for example, it is channeled for terrorist activities.

Combating money laundering is the most effective way to combat other types of criminal activity that are inextricably linked to it Rusanov and Pudovochkin [39]. To avoid money laundering, anti-money laundering laws should include provisions to address challenges related to information technology, particularly cryptocurrencies [40].

Laws preventing money laundering and prosecuting perpetrators of money laundering remain inadequate in Islamic countries such as Malaysia and Indonesia. The difficulty faced by law enforcement agencies in prosecuting the perpetrators of money laundering is that the current laws are less than optimal. Perpetrators carry out money laundering, which comes from crimes such as fraud, with the goal of ensuring that the money remains undetected by law enforcement [41].

In 2023, Indonesia officially became the 40th member of the Financial Action Task Force (FATF). This global organization focuses on eradicating money laundering, terrorism, and the international financing of weapons of mass destruction. In addition to FATF, Indonesia also has an organization that is active in eradicating money laundering crimes, namely Bank Indonesia, which has an Anti-Money Laundering and Prevention of Terrorism Financing program, with one of its final achievements being that acts of terrorism can be mitigated through this program [42] and other organizations, namely the Financial Transaction Reports and Analysis Center (PPATK), which aims to prevent and eradicate the crime of Money Laundering [43]. However, these two organizations have not addressed the issue of eradicating money laundering in religious institutions because religion is a sensitive topic in Indonesia. This results in an increase in FML in religious donations, especially mosque donations.

3. Research Methodology

The researcher used a case study to answer the four research questions (RQ). According to Yin [44] the case study approach answers research questions such as why, how, and what. In this study, the research questions consist of why (RQ1), how (RQ4), and what (RQ2 and RQ3). Therefore, all research questions in this study can be answered with a case study.

According to Yin [44] there are three stages in case study research, consisting of (1) defining and designing the case, (2) data collection and analysis, and (3) analysis and conclusions. The stages of this research are explained below.

3.1. Define and Design Case

In this stage, the researcher defines and designs what will be studied in the form of research questions. In this case, the researcher defines four research questions (RQ1-RQ4) as stated in the introduction. Additionally, the researcher will look for a location or site for the case study. Yin [44] stated that in a case study, the place/location of the case chosen is a place/location of the case that can answer the research questions. In this case, the researcher is looking for a place/location

for cases of mosques in Indonesia because there are rampant cases of fraud and money laundering here so that it can answer the research questions.

3.2. Data Collection and Analysis
3.2.1. Data Collection
According to Yin [44] data collection methods in case studies consist of in-depth interviews, documents, archival recordings, observation/participant observation, and physical devices. In this study, the researcher only used four methods to collect data: observation, participant observation, in-depth interviews, and documentation.

3.2.2. Observation and Participant Observation
In this activity, we do Participant Observation. This type of observation is when the researcher is fully involved in what the data source is doing [44]. We can do this kind of observation because one of us is the head of one of the mosques in Indonesia (Masjid A). We also observed the largest mosque in Southeast Asia (Istiqlal Mosque, Jakarta, Indonesia) and nine other mosques. We also observe banks, donation websites, and social media. Uniquely in Indonesia, requests for mosque donations through charity boxes are found on the streets, stalls, public places, people's homes, around toilets, gas stations, mini markets, and small business places such as laundries. So that's where we also make observations. Observations are also conducted on the news of newspapers and electronic media.

3.2.3. Interviews
We use in-depth interviews with informants. A sampling of informants was used using snowball sampling. We chose this informant because he could answer the research questions. The demographic information of the informants is shown in Table 1.

Table 1.
Informant Demographics.

Informant Code	Occupation	Age (Year)	Gender
Informant1	Congregation of Mosque A	50	Male
Informant2	Secretary of Mosque A	55	Male
Informant3	Treasurer of Mosque B	40	Male
Informant5	An employee asking for donations to a mosque on the side of the road (Mosque B)	52	Male
Informant5	Head of coordination for requesting house-to-house donations (Mosque B)	40	Male
Informant6	a shop owner who was entrusted with a charity box (Village Y)	60	Female
Informant7	A former member of the city council of Z	45	Male
Informant8	Web Designers company R	50	Male
Informant9	Accounting Information System Experts	55	Male

3.2.4. Documentation
In this activity, researchers collected documents needed for the investigation to answer research questions (RQ1-RQ4). These documents consisted of transaction documents and financial reports of the mosque.

3.2.5. Data Analysis
Our data analysis was carried out during the data collection process and after data collection using the model Miles & Huberman [45]. After the researcher obtained the data through data collection, the researcher tested its validity. Testing the validity of data with triangulation of data sources is done by comparing data from one interview with another interview, the results of one observation with the results of another observation, and one documentation with another documentation. Then, in addition to triangulating data sources, researchers also conduct testing using method triangulation, namely comparing data results with interviews, observation, and documentation methods. After the data is tested for validity, the researcher reduces the data by summarizing it, focusing it, looking for patterns and themes related to the research question, and discarding unnecessary data so that it produces research output (RQ1-RQ2).

Then, in the second stage, we design controls based on the identification of potential fraud. We seek input from accounting information system experts, web designers, congregations, and mosque administrators to develop these controls. The result of the control design is Answer RQ3. Additionally, we explain how the controls can prevent fraud (answer RQ4).

3.3. Conclusion and Analysis
At this stage, the researcher concludes the research findings that answer the research questions (RQ1-RQ4). These findings consist of (1) the causes of fraud and money laundering in mosque donations (answer to RQ1), (2) the potential for fraud and money laundering in mosque donations (answer to RQ2), (3) what controls can be implemented to prevent fraud and money laundering in mosque donations (answer to RQ3), and (4) how the controls developed in this study prevent fraud and money laundering in mosque donations (answer to RQ4).

4. Result

In the following, we will describe the results of our research regarding the potential for FML (Fraud and Money Laundering) in mosque donations that could be exploited by terrorists, government officials, and ordinary individuals in Tabel 2. In column 3 of Tabel 2 we have matched each PFML (Potential Fraud and Money Laundering) with the controls code that can prevent it. We also explain what controls are appropriate to prevent each FML in Tabel 3 and Tabel 4.

Table 2.
Potential Fraud and Money Laundering (PFML).

Number PFML	Potential Fraud and Money Laundering (PFML)	CPFML code
PFML1	FML perpetrators who are international terrorist networks or non-terrorists use charity boxes to seek funds under the pretext of religious donations. The perpetrator acts in the name of a fictitious mosque, a fictitious zakat institution, or a mosque far from the fundraising area. Perpetrators put charity boxes in crowded places such as mini markets, gas stations, and toilets, in front of mosques, on the side of the road, in small shops, and on buses. Perpetrators ask for donations from house to house. Then, with the money earned, the perpetrators do money laundering for terrorist activities or pocket the money for personal use.	(C1) (C12) (C13)
PFML2	The perpetrators of FML are leaders of mosques affiliated with terrorist networks, or the perpetrators themselves are terrorist networks or are not affiliated with terrorists. Then, the perpetrator makes a bank account in the mosque's name or creates another bank account (unofficial). Then, they collect funds through E-Donations (such as direct transfers, Donation Applications, scanning QR Codes affixed to stalls and public places, QR codes affixed to charity boxes, and websites with electronic QR codes). In addition, the perpetrators also ask for funds to build mosques from the government, and even create fake financial reports on fake websites. Then, the money goes into the perpetrator's account. Subsequently, the perpetrators perform money laundering for terrorist activities or personal use. To further conceal FML, the perpetrators seek funds far from the mosque that is the object of the donation request, such as from different cities or different countries.	(C1) (C2) (C3) (C4) (C5) (C8) (C9) (C10) (C11) (C12)
PFML3	FML perpetrators who are public officials create mosque foundations, create bank accounts in the mosque's name and control the accounts, then accept mosque donations and collect funds from people who bribe the perpetrators into mosque bank accounts (bribes under the guise of mosque donations). This bribe is intended to "buy" certain positions and political interests. Then the perpetrator takes the money for personal use, or the perpetrator does money laundering.	(C1) (C2) (C13)
PFML4	The FML actor, a public official or member of parliament, establishes a mosque foundation, then creates a bank account in the mosque's name and takes control of the account. Then, in the draft budget in parliament, the perpetrators allocate assistance to the mosque owned by the perpetrator. After the money goes into the mosque account, perpetrators take it for personal use or do money laundering.	(C1) (C2) (C13)
PFML5	The FML actors, who are public officials, approached the mosque leadership, then promised to allocate the budget and make an agreement if the budget fell; then a few percent of the receipt of the donation money will be sent to the perpetrator.	(C1) (C2) (C13)

Note: CPFML: Control Prevent Fraud and Money Laundering
PFML: Potential Fraud and Money Laundering.

Table 3.
Description of Code Control Prevent Fraud and Money Laundering (C1).

C1	1. The government should create an Integrated Donation Application (IDA) and require every mosque or religious donation institution to use this application. This application is based on ERP (Enterprise Resource Planning) for the public sector. It integrates: a) E-Donation (via QR Code, Donation Application, mosque website, bank account transfer, etc.) b) Bank data (cash flow of money in the mosque account) c) Data on receipt of conventional mosque donations (donors come directly to the mosque and make donations to mosque employees or receive donations from mosque charity boxes). d) Other income data such as goods storage, vehicle parking, canteen rental, mosque property rental (rental of buildings, equipment, etc.) e) Detailed data on expenditures such as mosque operations, construction, and distribution of mosque funds (zakat, *infaq*, and waqf), etc. The output of this application is a real-time report in the form of details of receipt of money from each donation / each donor (including receipt of charity boxes) and details of spending money that can be accessed by the general public, mosque congregations, and the government. In the IDA application, there is a choice of whether the name of the donor to be published or not. If the donor does not to publish his name as a donor to avoid *riya*, this application will still report the donation but close the initials with "Servant of Allah" while including the identity of the donation (donation time and donation amount) with correct details. 2. For each charity box distribution, the government should require: a) Donation institutions that wish to distribute charity boxes must register them through IDA (Integrated Donation Application). IDA automatically generates a unique charity box number, and each number identifies the name of the mosque or donation institution and the charity box number. b) The charity box is equipped with a barcode embedded with RFID (Radio Frequency Identification), following those registered with IDA. The general public can scan the barcode, and it will be integrated with the financial statements in IDA. c) The lock of the charity box must be strong d) Calculation of the charity box must use the procedure that the researcher has designed as follows: *The officer holding the charity box key opened the charity box with two witnesses. The witnesses came from the congregation of the mosque but were not the mosque administrators. Witnesses take turns at each charity box opening and are selected at random. When the charity box is opened, CCTV is confirmed to be on and monitoring the count. After being counted, the money is placed into an envelope, which is then labeled with data including the date, the amount of income, the register number of the charity box, and the signatures of two witnesses. The surface of this envelope serves as the Charity Box Opening Minutes Document (CBOMD). Subsequently, the envelope is handed over to the mosque treasurer. The treasurer holds the money and inputs the data from the CBOMD envelope into the IDA system. Then, the CBOMD document is scanned, and the CCTV footage is uploaded into the application.*

Table 4.
Description of Code Control Prevent Fraud and Money Laundering (C2-C13).

C2	Tighten bank procedures for creating mosque accounts, and banks must survey mosques as a condition for creating mosque accounts.
C3	Strict rules make the E-Donation QR Code by the bank.
C4	Strict website donation rules from the government. Cooperation between countries to conduct global E-Donation crime intelligence.
C5	Strict rules by the government to make electronic donations (E-Donations) through donation apps.
C6	Strict requirements are imposed by the government on mosques that are candidate recipients of mosque donations from the state budget.
C7	Direct surveys of mosques by the government to candidate recipients of mosque donations from the state budget.
C8	Write the official mosque bank account number on letterhead, in the mosque area, on mosque name boards, notice boards, and on mosque websites.
C9	Bring up the complaint hotline number on the mosque's website.
C10	Inspection of the mosque area from the QR Code patch, especially on each charity box surface.
C11	Strict rules from the government regarding the installation of QR Codes in public places.
C12	The government conducts raids on unlicensed/unregistered charity boxes (not affixed to barcodes).
C13	Strict sanctions from the government regarding illegal donation fraud and money laundering of donations.

5. Discussions

Based on the results of our research, apart from weak control, the causes of fraud in mosque donations are:

(1)   The congregation has a sincere nature. The congregation is indifferent to their donations. It doesn't matter what FML (Fraud and Money Laundering) actors will do with those donations. The important thing is that when the congregation donates, the congregation gets a reward from Allah. It doesn't matter whether the FML perpetrators will deceive them; that's the business of the FML perpetrators with Allah. With the nature of the donor, who is sincere and indifferent, this will increase FML.

(2)   The congregation avoids *riya* (showing off donations). In Islamic teachings, the reward of the donation will be lost if it is *riya*. Donors avoid *riya* by not mentioning names in the financial statements so that the financial statements become closed. With closed financial statements, it will increase the vulnerability of FML. In interviews with 49 worshipers through private social media networks, 18 worshipers refused to have their names published in the financial statements with the excuse of avoiding *riya*.

(3)   The congregation has the character of *khusnuzon* (good prejudice). Congregants always have good intentions towards mosques. Mosques are places of worship (holy places). They believe that fraud is impossible in mosques.

This will also increase the vulnerability of FML. FML perpetrators are becoming increasingly bold in committing fraud because no one will suspect their actions.

Potential Fraud and Money Laundry (PFML1) (see Table 2) occurs due to a lack of government control. Observations in various places show that researchers find charity boxes everywhere, such as minimarkets, gas stations, toilets, in front of mosques, on the roadside, in small stalls, and on buses. In addition, perpetrators travel from house to house to request funds. The first model is that the actor goes to a famous figure and gets acquainted. After that, the perpetrators go around asking for donations, "selling" the figure's name. This is very effective in attracting funds because of the culture of the Indonesian people, who are obedient to charismatic figures. To overcome this, a C1 control is needed. With C1 (see Tables 3), donors can control their donations by opening the IDA (Integrated Donation Application), scanning the barcode of the charity box, and viewing the financial statements of the charity box so that they are not trapped in this PFML1. In addition, with this control, the government and the public can also monitor the details of the income of each charity box and where donations are channeled.

Electronic donations (E-Donations) have been widely used by donors to contribute to mosques. With E-Donation, religious charities can request donations worldwide. Developed countries consider developing countries to be in need of donations. Therefore, Muslims in developed countries may be vulnerable to this form of financial manipulation (FML).

Essentially, all the money will be transferred to an account in the mosque's name. The person who creates or controls the bank account in the name of this mosque has power over the money in the account. People will believe in donating with an account in the name of a mosque. This is evident from our participant observations, with an account in the mosque's name in 3 days raising Rp 46 million from around 40 donors. In participant observation (in this case, the researcher is the head of the mosque), the researcher finds it easy to create a bank account in the mosque's name (without a survey by the bank to the mosque). The head of the mosque can come personally to the bank to set up an account in the mosque's name by bringing an ID card and the organizational structure of the mosque, which shows that he is the head of the mosque. This convenience causes PFML2 to occur.

E-Donation QR codes have become widespread. Researchers observe that almost every stall, restaurant, and public place displays a QR code for scan-based donations. Fraudsters exploit this by using accounts in the mosque's name to carry out scams.

To overcome PFML2 (see Table 1), namely by C1. With control (C1), the mosque congregation and the government can control their donations. Detected if the congregation is stuck in PFML2 because the name/initials of the donating congregation do not appear in the report. And with C1 control, the government and donors can see where the donation money is going.

Government officials and parliamentarians potentially practice these PFML3 and PFML4 corruption models (see Table 2) by using the mosque as a shield to prevent corruption from being detected. Society and the government will not be suspicious because they consider the mosque to be sacred. However, in field research, researchers found potential local officials to carry out cases like this. Then, PFML5 (see Table 2) potentially, it is potentially carried out by members of parliament. Besides personal gain, parliamentarians can also have political advantages because parliament members get an increase in votes in the area where the mosque was built during the election season. This is a political transaction using the mosque as a shield. To overcome this, the government uses control C1, C2, and C13 (see Table 3-4). With this control, the government and the community can monitor the receipt and expenditure of mosque donations.

6. Conclusions and Suggestions

More and more ways people are donating to mosques with various advanced technologies. In this era, there are many opportunities for FML (Fraud and Money Laundering) perpetrators to engage in FML due to a lack of control. Therefore, the control design of the results of this study is very urgent to be applied. The results of this study also provide advice/input to government, religious donation institutions, audit institutions, banks, and mosque administrators to establish regulations, policies, and controls to prevent FML in mosque donations.

By examining the results of this study, we offer several recommendations for the government, namely (1) creating a dedicated application to integrate all financial data on mosque donations in Indonesia, (2) strengthening regulations and laws related to mosque donations, (3) establishing firm and clear sanctions for violations related to mosque donations, and (4) implementing strict licensing requirements for every mosque fundraising activity, including both conventional donations and E-Donations. Additionally, we advise mosque administrators to (1) maintain mosque assets and (2) keep accurate mosque bookkeeping. Finally, we recommend that mosque donors exercise caution when donating to the mosque,

whether directly or through e-donations, by verifying the legitimacy of the mosque's fundraising efforts.

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