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## Research Article

### MODEL DEVELOPMENT PRODUCTIVE REVOLVING LOAN FOR SMALL AND MEDIUM ENTERPRISES IN BAZNAS NORTH SUMATRA

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#### ABSTRACT

The purpose of this study was to develop a model of rolling productive lending to Small and Medium Enterprises (SMEs) In *Zakat, Infaq* and *Sadaqah* Agency (BAZNAS) North Sumatra. Program of BAZNAS to distribute *zakat, infaq* and *sadaqah* (ZIS), one of them through a productive revolving loan program. However, in practice the procedures that is not effective, so the purpose of the program to be able to receive a loan that has been rolling back is not fully achieved. From the results of the initial analysis in mind there are some procedures that need to be completed so that the program objectives can be achieved. This study uses research and development. From this study, it produce model of productive revolving loan, which refers to Law no. 38 1999 consisting of Conduct feasibility studies, stipulate the type of productive enterprise, guidance and counseling, conduct monitoring, control and surveillance, Conducting evaluation and reporting Making. The results of this study will be expected to be useful to the BAZNAS North Sumatra, as well as BAZNAS district/city and productive revolving loan recipients in the development of SMEs in North Sumatra in particular and Indonesia in general.

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#### INTRODUCTION

Productive Revolving Loan is a loan granted to be used on activities that can produce so that the loan can be returned and recycled to the next loan. In *Zakat, Infaq* and *Sadaqah* Agency (BAZNAS) North Sumatra which is *zakat* management institutions in North Sumatra is an institution whose activities raise funds from “muzakki” then channeled to “mustahiq”. *Zakat, Infaq* and *Sadaqah* (ZIS) fund distribution models, conducted BAZNAS North Sumatra basically good, for charity funds BAZNAS North Sumatra has been channeled to the beneficiary as to the Poor, *Sabilillah, gharim, Muallaf and Ibnu Sabil*. As for the distribution of funds *Zakat, Infaq* and *Sadaqah* (ZIS) done to aid to Musollah/Mosque, Consumer assistance, aid Productive and assistance for counseling / coaching and socialization.

In addition ZIS fund raising conducted by BAZNAS North Sumatra also vary with different packages and programs offered ZIS then those donors can choose the package or where the desired program. However they also felt it difficult to recruit the givers of ZIS and is so much improved from previous years.

In its activities ZIS funds to “mustahiq”, BAZNAS North Sumatra already perform a variety of creative and innovative ways through a variety of programs, one of which Bina Makmur Sumatra; a program created to assist in developing the business community by providing revolving capital for small businesses, Businesses cattle and Farmers. The program is known as Productive Revolving Loan Program. This is in accordance with the MUI Fatwa No. 15 of 2011, which explains the distribution of “*zakat*” to the poor “*mustahiq*” that in the opinion of Imam Zainuddin Bin Abdul Azis Al-maliybari in the book Fathul Muin (taanatu al-Thalibin 2/214) which describes the ability “*Mustahiq*” as follows "So both of them poor and needy are given “*zakat*” by the way: if he could trade, trade finance given that estimated that the benefit is enough to make ends meet; If he could work, given the tools work. "

Based on previous studies it is known that the development of ZIS fund distribution has been done BAZNAS North Sumatra for the last three years shows the distribution of funds from the Donation and “*sadaqah*” for productive assistance from 2012 to 2014 continues to increase. However Proceeds from revolving loan portfolio is experiencing declining productive. North Sumatra in the year 2014 not only transmits directly to

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the community but also provide productive support revolving loan this to a cattle breeder and BAZNAS district/city. But until the end of 2014 of nine (9) BAZNAS district/city that not all able to report the results of a revolving loan aid delivery productive BAZNAS North Sumatra.

Based on the above data it can be said that the productive revolving loan program conducted by BAZNAS North Sumatra has not been successful. Because the beneficiaries of this productive new revolving loan can only return the installments on the loan. So that the objective to increase the number of providers BAZNAS North Sumatra and cannot be fully achieved. The distribution of ZIS and through the Revolving Loan program conducted BAZNAS North Sumatra has not been able to develop small and medium enterprises that received such loans.

This is because there are still many people who do not know about the productive revolving loan program conducted BAZNAS North Sumatra, yet effective coaching and mentoring from a productive revolving loan recipients BAZNAS North Sumatra, thereby earning the Revolving Loan recipients can not be the giver of "zakat". Revolving Loan for the implementation of activities can be run well and in accordance with the purpose of it is very necessary to the development on the model ZIS fund distribution for this productive revolving loan for the implementation of this program is right goals and objectives of this program can also be reached.

Under these conditions, the study aims to produce a ZIS Funds Distribution Model for productive loans to develop small and medium enterprises in BAZNAS North Sumatra. It is intended that ZIS that there can be utilized in the development of enterprises so as ZIS and can be channeled as it should be and the poor can be reduced by the distribution of funds for the development of small and medium businesses. The results of this study is expected to benefit both parties BAZNAS North Sumatra, as well as BAZNAS district/city and productive revolving loan recipients in facilitating the process of rolling productive lending that the disbursement of ZIS and for development.

## THEORETICAL FRAMEWORK

*Zakat* is one of the pillars of Islam and eighty-two verses of the Qur'an are mentioned together with prayer. *Zakat* is evidenced by the Qur'an about it and the caption sayings of the Prophet Muhammad as well as the presence of a religious obligation (Zainuddin, 1994). In the Islamic concept, *zakat* occupy a very important position (Hafidhuddin, 2004). *Zakat* is the name of a form of the activity of issuing a certain portion of the property has to *nishab* (maximum) and just one year (haul) to be distributed to particular groups who deserve it (*mustahik*). The word *zakat* means etymologically sacred (*at-Tahir*), growing (*an-nuwuw*) and developing (*az-ziyadah*) (Hafidhuddin, 2004). Selection of the word *zakat* is very in keeping with the meaning of which also describes the function and purpose of *zakat*. *Zakat* means to grow, evolve and grow subject to the treasure that has exceeded the maximum amount or has to *nishab* (surplus of wealth, *al'afw*) (Al-Quran, surah Al-Baqarah: 219). Treasure surplus (more) should be distributed to groups experiencing a shortage (deficit). Islam sees the need of a mechanism that ensures the flow actually go to a class that the

shortage. *Zakat* ensure the transfer of property to the group or groups that are less capable (the have not) so that the property is not circulated among their excess (the haves) (Al-Quran, Surah Al-Hashr: 7).

In Islam every command to perform the rituals of wisdom (significance) is very useful for the perpetrators of such worship. *Zakat*, which etymologically means clean, grow and better then this service will provide benefits for the perpetrators (Qadir, 2001). There are three forms of the significance of *zakat*, first significance *diniyah* (Religion), namely: (1) The tithe means it has been running one of the pillars of Islam which deliver a slave to the happiness and salvation of the world and the hereafter. (2) Is a means for slaves to *taqarrub* (closer) to his Lord, will add to the faith because of its presence which includes several kinds of obedience. (3) Paying *zakat* will get the reward doubled, as the word of Allah, which means: "God destroyed the usury and fertilize the charity" (Al-Quran Surah Al-Baqarah: 276). In a *hadith mutafaq 'alaih* Prophet also explained that the alms of good fortune will be developed by Allah SWT doubled. (4) *Zakat* is a means of purification, as it had been accepted in those sayings of the Prophet Muhammad. Second, the significance *khuluqiyah* (Virtue), namely: (1) embedding the glory of nature, a sense of tolerance and tolerance to personal taxpayers. (2) Paying *zakat* is usually identical to the nature of mercy (compassion) and gentle to his brother who did not have. (3) It is the reality that something useful to contribute either property or body for Muslims to vacate the chest and extend his life. For there will be people who loved and respected according to the level of sacrifice. (4) In charity there is the purification of the character. Third, the significance *ijtimaiyyah* (Social Community), namely (1) *Zakat* is a means to assist in fulfilling the lives of the poor who constitute the majority of most countries in the world. (2) To provide a power boost to the Muslims and raise their existence. This is reflected in the group receiving donations, one of which is for the *fi sabilillah*. (3) *Zakat* bias reduces social jealousy, revenge and envy is in poor chest. Because the bottom of society generally if they see high economic class they squander the treasure for something that is not useful will arise hatred and hostility them.

If the property is so abundant that used to alleviate poverty will certainly interwoven harmony and love between the rich (*aghniya*) and the poor (*wal fuqara Masakin*). (4) *Zakat* will encourage economic growth culprit and clear his blessing would be abundant. (5) Paying *zakat* means to expand the circulation of property or money, because when wealth is spent then spins will be expanded and more party who may benefit. Based on that description, it can be concluded that the charity as an economic activity religious in accordance with the principles of religious belief (*faith*), equity and social justice, productivity and maturity, reason, freedom, and the principles of ethics and fairness (Knopf, 2004)

Revolving funds are loaned funds to be managed and rolled out to the public for the purpose of improving the people's economy and other destinations gross working capital is current assets of the company's total, and net working capital is current assets minus current liabilities. The location is one of the determining factors that influence the character of the shop from the standpoint of the developer in addition to financial,

market, and physically. The product quality is the main focus in the company, quality is one of the important policies in enhancing the competitiveness of products which should give satisfaction to the consumer which exceed or at least equal to the quality of the products of competitors. Volume production is the amount of goods or services produced through the process enter the transformation of resources into the desired output.

Institutional interpreted as rules, norms, prohibitions, contracts, policies and regulations / laws regulating and controlling the behavior of individuals in the community or organization to reduce uncertainty in the control environment and prevent the emergence of opportunistic behavior and adverse to human behavior in maximizing individual well-being is more predictable (North 1990; Kasper and Streit 1998; Menard and Shirley 2008). The definition implies two important institutional components, the rules (rules of the game) and organization (players of the game). Both are difficult to separate because the organization can be run if the rules permit / allow, otherwise the rules drawn up, operated, and maintained by the organization.

Institutional development is defined as the effort to improve regulation, incentives and enforcement mechanisms, including organizing the implementation, monitoring, and evaluation (DFID 2003). There are five steps in the effort of institutional development is to analyze and diagnose the purpose and the reason for the change as well as the strengths and weaknesses of institutions that currently apply, analyze and diagnose the strengths and weaknesses of the organization's key from an institutional perspective, designing institutional changes, implement institutional changes, and monitor and evaluate implementation of change. To realize the institutional development of the Ostrom (2008) to mention a few things to keep in mind that includes the arena of action (action arena) in reference to the context of institutional analysis, including attributes of players (actors), the physical characteristics of resources and production techniques and management, community characteristics in addressing action arena that surrounded him, and policies and regulations.

Several studies have addressed the performance-revolving funds with different conclusions. Research conducted by Susiana (2010) aims to determine the extent to which the management of revolving funds program to self-help groups with variable intermediation is Community Self-Reliance Agency (BKM). This study compares the financial performance of the self-help groups before and after obtaining a revolving fund program through P2KP (Urban Poverty Program) managed by BKM. The results showed that the financial performance BKM generally be between the minimums and satisfying, so the management of the revolving fund at BKM quite effective.

Furthermore Panggabean (2005) conducted a study on the impact of a revolving fund for cooperatives and SMEs by comparing the suitability of the program with its implementation in the field of animal husbandry, fisheries and plantation. Results level of concordance between the program and the implementation of a revolving fund, including the categories that were not appropriate.

Burhanuddin (2006) evaluating the retrofitting of funds disbursed by the government through the Ministry of Cooperatives and SMEs that make store Cooperative Credit and Savings and Loans Cooperative Unit as intermediary institutions to address the capital needs of SMEs with three (3) different patterns. Three patterns are sourced from programs Cooperative Fuel Subsidy Reduction Compensation (PKPS-BBM), Cooperative pattern last agribusiness and Credit Unions / Savings and Loans Unit Islamic pattern. Results from these studies indicate that the revolving fund program output PKPS-relatively less fuel in 2003-2004 meet the expectations compared to the other two patterns.

Analysis of the level of collectability of loans fund Urban Poverty Program (P2KP) on public Tlogomas Lowokwaru District Malang conducted by Sukeni (2009) by using indicator Accounts Receivable Turn Over (receivable turnover) and Average Collection Period (average of collecting receivables). This study shows that BKM in the collection of receivables do not experience delays in paying off debts, and the average of the analysis does not exceed the average collection period of time that has been set BKM, which is 360 days.

The studies above most of the focus is on the KSM or BKM, which theoretically function is as an intermediary between the government as a source of revolving fund, with the poor being the main target of the program. While the discussion of whether the fund has impacted significantly on the development of micro and small enterprises of the poor have not been discussed specifically. Analysis of how the receiver performance of revolving fund which incidentally is the most important target (the ultimate objective) of poverty alleviation programs need to be done. The program is actually said to be successful if the performance of productive enterprises run by poor people can run well, able to generate income and repay their loans on time.

Some studies have also considered the impact of revolving funds to improving the socio-economic conditions. Research conducted by Park and Wang (2010) show that poverty alleviation programs based on community participation did not significantly increase the income of the poor, but the program is more impact on the availability of public facilities. Poverty alleviation programs can certainly be said to be successful if the indicator of poverty can be reduced or alleviated. Accordingly, this study will analyze the impact of a revolving fund program to the financial performance of micro and small enterprises as well as the improvement of the socio-economic conditions.

## RESEARCH METHODOLOGY

To achieve the objectives, this study used a model approach to the methods of research and development (R & D). Appropriate models of research and development approach, this study used the following stages:

1. Conducting a survey on the implementation of ZIS fund distribution models for productive loans were applied BAZNAS North Sumatra.
2. Analyze the weaknesses and advantages of the model are applied.
3. Develop a draft model development and distribution of ZIS for productive loans.

4. Conduct a test on ZIS Fund distribution models that have been developed.
5. Implementation and dissemination models.

The research was conducted in the city of Medan at BAZNAS North Sumatra. Source data using primary and secondary data sources that collect data based engineering documentation and interviews with productive loan officers BAZNAS of North Sumatra.

## FINDINGS AND DISCUSSION

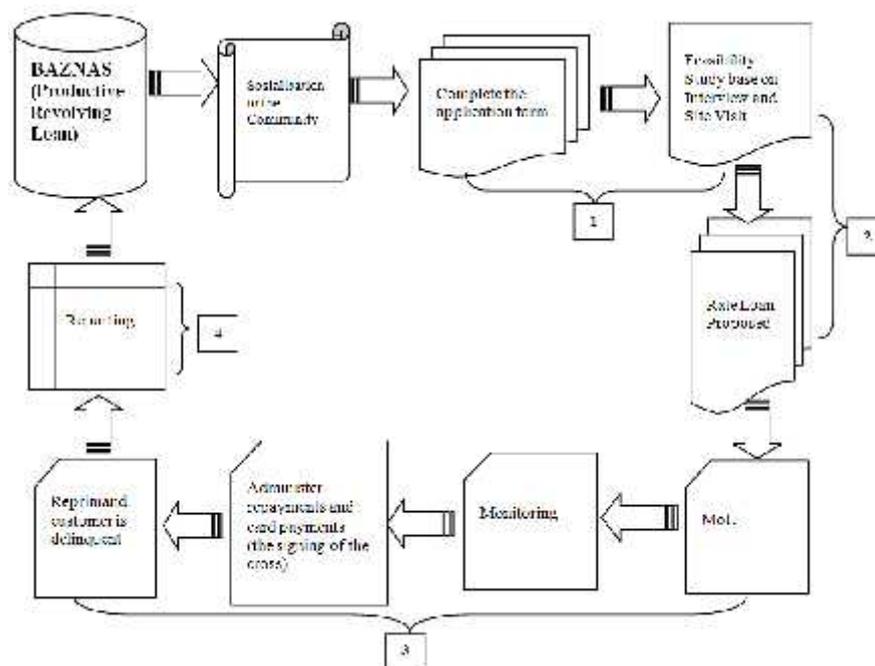
The distribution of zakat, infaq and sadaqah (ZIS) through providing revolving capital for small businesses is called the Productive help. The effort has received help like cattle business in the village mosque – Batang Kuis and Farmers of Makmur Village - Tanjung Morawa and other small businesses who are around BAZNAS North Sumatra. In the execution to give help existing productive separate model prepared by BAZNAS North Sumatra. The first year of the research note that the models applied so far by BAZNAS not effective due to the persistence of arrears of loans as well as loans that are not paid by the beneficiaries of the revolving capital loan. This condition occurs because there is still a lack of oversight of the loans and there are still people who perceived that the productive aid does not need to be repaid, so the purpose of channeling BAZNAS revolving capital to increase the prosperity of society has not been fully achieved. Though this is a revolving loan assistance given to communities with the hope that people can take turns using the capital to expand its business so that the prosperity of the people can be evenly distributed.

In channeling productive revolving loans to the public, Sumatra BAZNAS actually have model of clear procedures as outlined in the standard operating procedures. The model of productive revolving loan procedures were implemented BAZNAS Sumatra are as follows.

From the analysis of the lending picture rolling productive models are applied BAZNAS North Sumatra it can be known that the implementation is not yet productive revolving loan in accordance with the provisions as set in Article 29 of Law No. 38 of 1999, as follows: (1). Conduct a feasibility study, (2). Specifies the type of productive activities, (3). Providing guidance and counseling. (4). Monitoring, controlling and supervision, (5). Conducting evaluations, and (6). Creating reporting.

In implementation model of lending rolling productive on BAZNAS Sumatra only apply four (4) the provisions of article 29 of Law No. 38 of 1999: first conduct a feasibility study it is seen from the activities in which the first candidate of the Borrower Rolling Productive must fill out an application form to complete and attach requirements administration has been determined. BAZNAS officer then guide the way form filling mainly associated with the presence of business and installment plans. After that BAZNAS officers conducted interviews to prospective borrowers to determine the condition of the prospective borrower in accordance with the principle of "5 C" (Character, Capacity, Capital, Collateral and Conditions). Furthermore BAZNAS officers conduct field surveys to homes and businesses, get a photo shelter and feasibility of business activities including the equipment used to perform cross check the accuracy of information on request.

The second specifies the type of productive enterprise, this provision is shown by their activity BAZNAS Officers conduct field surveys to homes and businesses, get a photo shelter and feasibility of business activities including the equipment used to perform cross check the accuracy of information on request. After the officer BAZNAS preparing loan proposals form a committee to consider the loan consists of the clerk, treasurer and chairman to make a decision whether a loan should be permitted or not.



**Figure 1** Productive Revolving Loan Procedure BAZNAS in North Sumatra

If the application is approved, the prospective borrower contacted for contract signer and documented, it is better done collectively attended "muzakki" and community leaders as well as government. On that occasion reiterated that the use of funds according to the target and must be returned in order to be rolled out to other people the next. The signing of the contract is done the borrower as a couple illegitimate (for married).

The third activity is the monitoring, control and surveillance. This activity is carried out by North Sumatra BAZNAS indicated by; for monitoring, BAZNAS officers monitoring the use of funds, checking and proof of purchase physical goods purchased. Documenting when filling out a form of monitoring and monitoring. Monitoring is conducted periodically and remind the borrower pays an orderly manner. Furthermore, for the control and supervision officer administers BAZNAS installment repayment on the card are made in duplicate, one for file BAZNAS and one for file borrower. The second card is filled with the signing of the cross. In addition to the supervision officer BAZNAS make warning letter if borrowers become delinquent.

The fourth activity is to make a report, this activity is shown by the clerk BAZNAS Sumatra and district / municipality every end of the month must report the loan balance and should be sent to Sumatra BAZNAS at least every month and a maximum of 6 months. In addition BAZNAS districts / cities have to restore the entire productive revolving loan fund at the end of pejanjian cooperation (2 years).

Based on this analysis, there are two (2) activities that have not been applied BAZNAS Sumatra is doing guidance and counseling. And conduct evaluation of the implementation of productive revolving loan. Therefore in this research is developing models of the productive revolving loan portfolio by adding two elements that have not implemented by BAZNAS North Sumatra.

Based on the model contains the results of testing with experts and scholars as well as scholars of the obtained results that in drafting this model developed there needs to be an affirmation or a sharpening of (1) assistance is channeled productively; whether in form of assistance or loans. (2) Provision of productive people who receive assistance. (3) The flow chart to show how the procedures of channeling zakat infaq and sadaqah (ZIS) are implemented. It is intended to be carried out supervision over the implementation of the fund distribution.

Assistance channeled productively in North Sumatra BAZNAS is loans. Because such aid is granted working capital assistance to people who have a business but lack capital. Working capital aid is given to the provisions returned to be rolled out to other communities in need. In terms of giving alms to a productive business, the implementation must comply accordance regulated in article 29 of Law No. 38 of 1999, such as: Conducting feasibility studies, stipulate the type of productive enterprise, guidance and counseling, conduct monitoring, control and surveillance, Conducting evaluations, Make reporting The purpose of the feasibility study is an attempt to gain confidence that the business is financed from "zakat" funds can really flourish and can repay the loan. The results of this feasibility study should show the following matters "The data clearly about the prospective "mustahiq", lending a

definite requirement, Ability time returns with a clear time frame, revenue shares are able to be paid, a clear allocation of loans. Specifies the type of productive enterprises where this step may actually be two kinds. First, if "mustahiq" not have a business, then the task of encouraging and directing amyl so "mustahiq" can open a viable business. As far as possible avoid the impression of coercion especially patronizing, because it will have a positive impact. Second, if "mustahiq" already have a business but do not develop, then the task of amyl, analyze their business. The results of the analysis may indicate two possibilities. One possibility is that the business can be at the second attempt to develop and difficult to grow, so that alternatives can be found to replace it. In the second possibility, then the task of assuring that its business prospects amyl not good and try to find a replacement business.

Providing guidance and counseling is a task to keep her business going and growing and securing the "zakat" funds. Without this function, it is feared "zakat" funds will be misused for the benefit of which is not in accordance with the proposal. This function should starring for the consultant. To streamline this function, "mustahiq" can create groups, so it is easier in the direction and counseling.

Monitoring, controlling and supervision becomes difficult when "mustahiq", not yet aware of the importance of control. Although amyl responsible for monitoring and supervision, but the important thing really creates awareness "mustahiq" supervision by itself. That means educating "mustahiq" to be responsible for all business decisions and social behavior.

Conduct an evaluation; evaluation was done to obtain data that can develop business run according to plan, as well as funds channeled absolutely on target. This program can be done together with "mustahiq". Expected amyl only facilitate, so "mustahiq" will evaluate themselves.

In BAZNAS North Sumatra, productive loans are preferred for the poor who already have a business or wanting to do and people who already have a business but lack the capital making it difficult to develop. This productive assistance given by following some of the provisions that have been defined by BAZNAS. In addition BAZNAS North Sumatra is also distributing aid is productive to society through BAZNAS district/city.

Until now, the distribution pattern developed productive "zakat" still take gradual scheme. That is one form of a loan, which sets no specific rate of return of principal. But if it is the borrower's funds are not able to repay the principal, then the "zakat" law identifies that the borrower cannot be prosecuted for the inability, because basically these funds is their right.

Based on the above explanation it is developing a model of productive revolving loan portfolio by adding point do the activities, guidance and counseling, and Conducting evaluations. By adding the two points were expected distribution of productive revolving loan can be better and be accepted by society.

As for the system to be designed is to enhance Operating Standard and procedures that are already in BAZNAS North Sumatra is adding about standards to conduct guidance and counseling, and Conducting an evaluation of the lending rolling

productive either supplied directly by BAZNAS North Sumatra and distribution synergy with BAZNAS District/city. The revolving loan portfolio models developed productive is;

well as government. On that occasion reiterated that the use of funds according to the target and must be returned in order to be rolled out to other people the next.

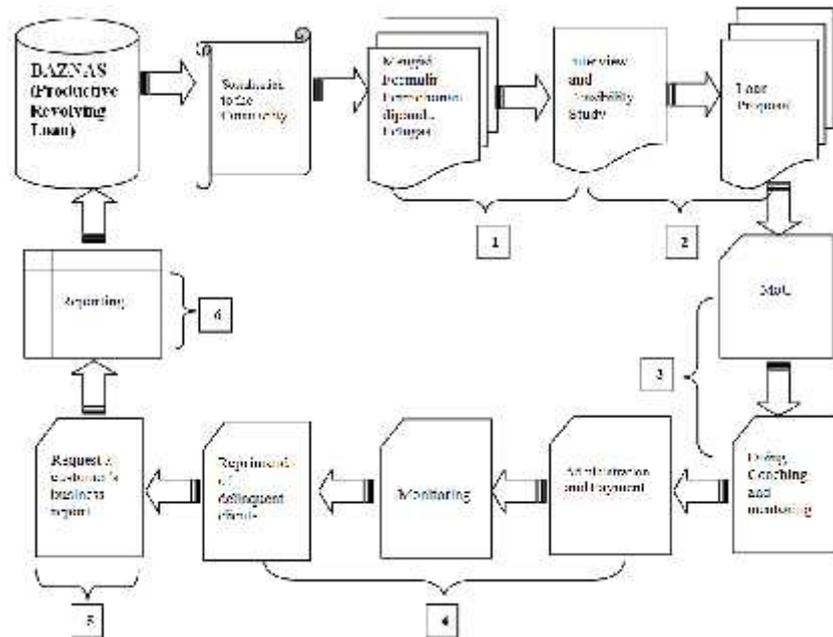


Figure 2 Revolving Loan Procedure Productive developed

Overview of the development of productive revolving loan models over arranged for BAZNAS North Sumatra to meet the provisions of article 29 of Law No. 38 of 1999, (1). Conduct a feasibility study, (2). Specifies the type of productive activities, (3). Providing guidance and counseling. (4). Monitoring, controlling and supervision, (5). Conducting evaluations, and (6). Make reporting. First conduct a feasibility study it is seen from the activities in which the first candidate Revolving Productive Borrower shall complete the application form to complete and enclose the administrative requirements have been determined. BAZNAS officer then guide the way form filling mainly associated with the presence of business and installment plans. After that BAZNAS officers conducted interviews to prospective borrowers to determine the condition of the prospective borrower in accordance with the principle of "5 C" (Character, Capacity, Capital, Collateral and Conditions). Furthermore BAZNAS officers conduct field surveys to homes and businesses, get a photo shelter and feasibility of business activities including the equipment used to perform cross check the accuracy of information on request.

The second specifies the type of productive enterprise, this provision is shown in addition to their activities BAZNAS Officers conduct field surveys to homes and businesses, get a photo shelter and feasibility of business activities including the equipment used to perform cross check the accuracy of information on request. Officers also perform constituent BAZNAS loan proposal form to be considered a loan committee consisting of officers, treasurer and chairman to make a decision whether a loan should be permitted or not.

Third guidance and counseling provision is evidenced by the activity if the request is approved, the prospective borrower contacted for contract signer and documented, collectively attended implementation "muzakki" and community leaders as

The signing of the contract is done the borrower as a couple illegitimate (for married). Furthermore, the revolving loan disbursement productive. Besides regularly officer provides assistance and guidance to the borrower a revolving loan fund productive both in terms of business management and in terms of financial management The fourth is to perform monitoring, control and surveillance. This activity is carried out by North Sumatra BAZNAS indicated by; for monitoring, BAZNAS officers monitoring the use of funds, checking and proof of purchase physical goods purchased. Documenting when filling out a form of monitoring and monitoring. Monitoring is conducted periodically and reminds the borrower pays an orderly manner. Furthermore, for the control and supervision officer administers BAZNAS installment repayment on the card are made in duplicate, one for file BAZNAS and one for file borrower. The second card is filled with the signing of the cross. In addition to the supervision officer BAZNAS make warning letter if borrowers become delinquent. Once the warning letter was delivered, if the borrower was not able to pay again the mortgage, then the officer should ask for a waiver of the borrower's inability to pay the mortgage is accompanied with reasons and supporting documents.

Fifth Conducting evaluations, this provision is shown by the revolving loan Receiver productive activities on a regular basis (at least 4 months) should provide a business activity report and financial report them to BAZNAS. This is done so that the parties' can BAZNAS determines and evaluates the productive loan funds provided to borrowers, whether it is used according to regulations. Sixth create reports, this activity is shown by the clerk BAZNAS Sumatra and district / municipality every end of the month must report the loan balance and should be sent to Sumatra BAZNAS at least every month and a maximum of 6 months. In addition BAZNAS districts / cities have to restore

the entire productive revolving loan fund at the end of cooperation agreement (2 years).

Thus the development of the productive model of the revolving loan portfolio compiled in this study. The next step is to disseminate good to the people who got help productive nor the parties BAZNAS Sumatra and district / city so that the distribution of zakat infaq and sadaqah (ZIS) especially those on the distribution of this productive revolving loan can actually walk accordance with the provisions set forth in article 29 of Law No. 38 1999. By applying this model is expected BAZNAS goal to develop small and medium enterprises with the aids of productive revolving loan can be achieved and more are also people who can feel this productive revolving loan program.

## CONLUSSION AND RECOMMENDATION

Model distribution of assistance derived from financing productive zakat, infaq and sadaqah (ZIS) is allowed in Islam. In the distribution of revolving loans productively, the development model of Standard Operating Procedures were drafted already refer to Article 29 of Law No. 38 of 1999 regulating the Conduct feasibility studies stipulate the type of productive enterprise, guidance and counseling, conduct monitoring, control and surveillance, conducting evaluations and creating reporting. Future still required analysis of the design model of the distribution of zakat, infaq and sadaqah (ZIS) arranged especially for the revolving loan productive. Need the support of the BAZNAS North Sumatra and the government for the implementation of operational procedures Standard model development revolving loan productive and need to socialize on the development of models Standard operating procedures of the productive revolving loan.

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