



139733 - It is not permissible for the trustee of a charity to borrow money for himself from the charity's funds

the question

I have been entrusted with the funds of some charitable organizations. Sometimes I need to take some of this money, then I put it back within a short time. That is because when I go out sometimes and I do not have my own cash with me, I take some of this money, then I put it back straightaway. But I do not take it because I don't have any money; rather I take it because of what I mentioned. What is the ruling on this action?.

Detailed answer

Praise be to Allah.

It is not permissible for the trustee of a charity to dispose of the charity's funds except within the limits that serves its interests, according to what has been approved by the administration and he has been appointed to do. That is because the trustee of the charitable organization has been entrusted with the money that is under his control, so he has to take care of it and look after it, and not dispose of it except in the ways permitted by the administration. He does not have the right to go against that, even if it is only a small amount, because a small amount may lead to a greater amount.

The scholars (may Allah have mercy on them) stated that one of the forms of transgressing against the trust that a trustee may fall into is borrowing some of the money that has been entrusted to him.

If he does that, he is transgressing and is responsible for the money, even if the money was lost after he returned it due to no transgression or carelessness on his part; he is still responsible and liable for that money because by transgressing against the trust the first time, he became like a robber, therefore he is responsible and liable for the money.



See: al-Insaaf, 5/396; Kashshaaf al-Qinaa', 3/484; Asna al-Mataalib, 2/122; al-Mawsoo'ah al-Fiqhiyyah, 12/236-237

Shaykh Ibn 'Uthaymeen (may Allah have mercy on him) said:

The one who is entrusted with something is a trustee, because the item he acquired by being entrusted with it was acquired with the permission of the owner. What kind of action is regarded as a breach of that trust? The trust is breached in the event of transgression or negligence or if he starts to handle it in a dishonest manner.

For example: I gave someone ten thousand riyals, and he put it into the box, and it stayed in the box and he did not dispose of it. Now he is entrusted with it, because the money is in his possession with the permission of the owner. Some day this man needs money and borrows this money, and buys something with it, then he returns it to the box the same day. Now the trust is breached, because his action means he is now dishonest, because he handled the money without the permission of its owner. This is a kind of transgression.

If someone were to say: But he took the ten thousand and put it back on the same day, in the same box, our response is to say: But he did not have the right to handle the money of someone else except with his permission, and he was not given permission.

If we assume that this box was burned and the money inside it was destroyed, including this ten thousand, and that was after he had borrowed it and put it back, then he is liable for it, because he became dishonest by borrowing it. But if he left it alone and did not handle it, then the box was burned, he is not liable for it, because he is still honest.

Pay attention to this principle, because it is very useful. End quote.

Al-Sharh al-Mumti', 9/103

He also said (may Allah have mercy on him): The trustee is entrusted, so it is not permissible for him to overstep the mark with regard to what has been entrusted to him. End quote.



Fataawa Noor 'ala al-Darb, 1/234

The scholars of the Standing Committee for Issuing Fatwas were asked:

Is it permissible for the employee to borrow money from the petty cash through the accountant because he needs it, and the accountant will deduct it from his salary at the end of the month in which he borrowed it?

They replied:

If the situation is as described in the question, then this action is not permissible, because the accountant does not have the right to dispose of the petty cash that is entrusted to him, because he is a trustee, and the trustee cannot dispose of what has been entrusted to him. He has to repent to Allah and not do such a thing again. End quote.

Fataawa al-Lajnah al-Daa'imah, 23/477-478.

Shaykh Saalih al-Fawzaan (may Allah preserve him) was asked:

I work in business, and a lot of ex-patriate brothers come to me and entrust their cash to me, then when they ask for it, I give it to them in full. But during the time it is left with me, I put it with my own money, and use it for myself. Is it permissible for me to do this if it is without their permission? Do they have a share of the profits that I make or what the money they left with me made, or not?

He replied:

It is not permissible for you to do this, because you have been entrusted with these sums of money that have been left with you, and you have to look after them. If you use them, you have overstepped the mark with regard to that trust, and if they are lost or destroyed, you are liable for replacing them for their owners, because you overstepped the mark and did not take care of them as you should have.

With regard to whatever profits were earned, the profits of their wealth belong to them, and you



are entitled to payment equal to that of your peers, unless they gave you permission to do that or some of it, because this is an invalid kind of mudaarabah, as it was not done with the consent of both parties. If mudaarabah is done in an invalid way, then any profits earned belong to the owner of the money, but the one who did the work is entitled to payment equal to that of his peers. End quote.

Al-Muntaqa min Fataawa al-Fawzaan, 1/76

Our advice to you is to refrain from this haraam action, ask Allaah for forgiveness, repent to Him, and resolve not to do such a thing again.

And Allah knows best.